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FOREIGN
RELATIONS
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STATES

1958--1960

VOLUME I

VIETNAM



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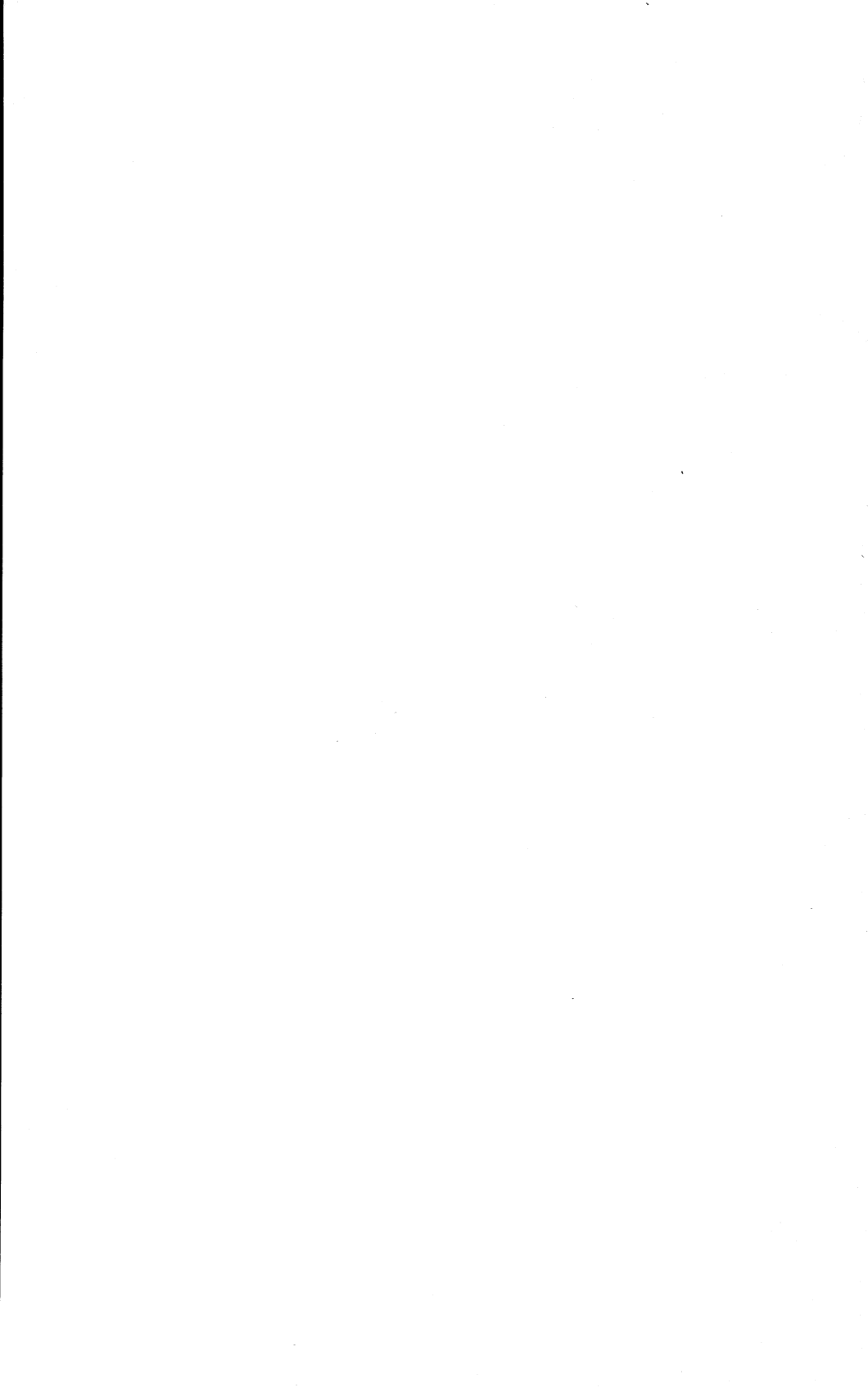
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Foreign Relations of the United States, 1958–1960

Volume I

Vietnam

Editor in Chief John P. Glennon

Editors Edward C. Keefer
David W. Mabon

DEPARTMENT OF STATE PUBLICATION 9449

OFFICE OF THE HISTORIAN

BUREAU OF PUBLIC AFFAIRS

Preface

The publication *Foreign Relations of the United States* constitutes the official record of the foreign policy of the United States. The volumes in the series include, subject to necessary security considerations, all documents needed to give a comprehensive record of the major foreign policy decisions of the United States together with appropriate materials concerning the facts which contributed to the formulation of policies. Documents in the files of the Department of State are supplemented by papers from other government agencies involved in the formulation of foreign policy.

The basic documentary diplomatic record printed in the volumes of the series *Foreign Relations of the United States* is edited by the Office of The Historian, Bureau of Public Affairs, Department of State. The editing is guided by the principles of historical objectivity and in accordance with the following official guidance first promulgated by Secretary of State Frank B. Kellogg on March 26, 1925.

There may be no alteration of the text, no deletions without indicating where in the text the deletion is made, and no omission of facts which were of major importance in reaching a decision. Nothing may be omitted for the purpose of concealing or glossing over what might be regarded by some as a defect of policy. However, certain omissions of documents are permissible for the following reasons:

- a. To avoid publication of matters which would tend to impede current diplomatic negotiations or other business.
- b. To condense the record and avoid repetition of needless details.
- c. To preserve the confidence reposed in the Department by individuals and by foreign governments.
- d. To avoid giving needless offense to other nationalities or individuals.
- e. To eliminate personal opinions presented in despatches and not acted upon by the Department. To this consideration there is one qualification—in connection with major decisions it is desirable, where possible, to show the alternative presented to the Department before the decision was made.

Documents selected for publication in the *Foreign Relations* volumes are referred to the Department of State Classification/Declassification Center for declassification clearance. The Center reviews the documents, makes declassification decisions, and obtains the clearance of geographic and functional bureaus of the Department of State, as well as of other appropriate agencies of the government.

The Center, in coordination with the geographic bureaus of the Department of State, conducts communications with foreign governments regarding documents or information of those governments proposed for inclusion in *Foreign Relations* volumes.

Edward C. Keefer and David W. Mabon of the Office of The Historian compiled and edited this volume under the supervision of John P. Glennon. Mr. Mabon provided assistance in planning and direction. Rosa Pace prepared the lists of sources, names, and abbreviations.

The Documentary Editing Section under the supervision of Rita M. Baker performed technical editing in the Publishing Services Division (Paul M. Washington, Chief). Max Franke prepared the index.

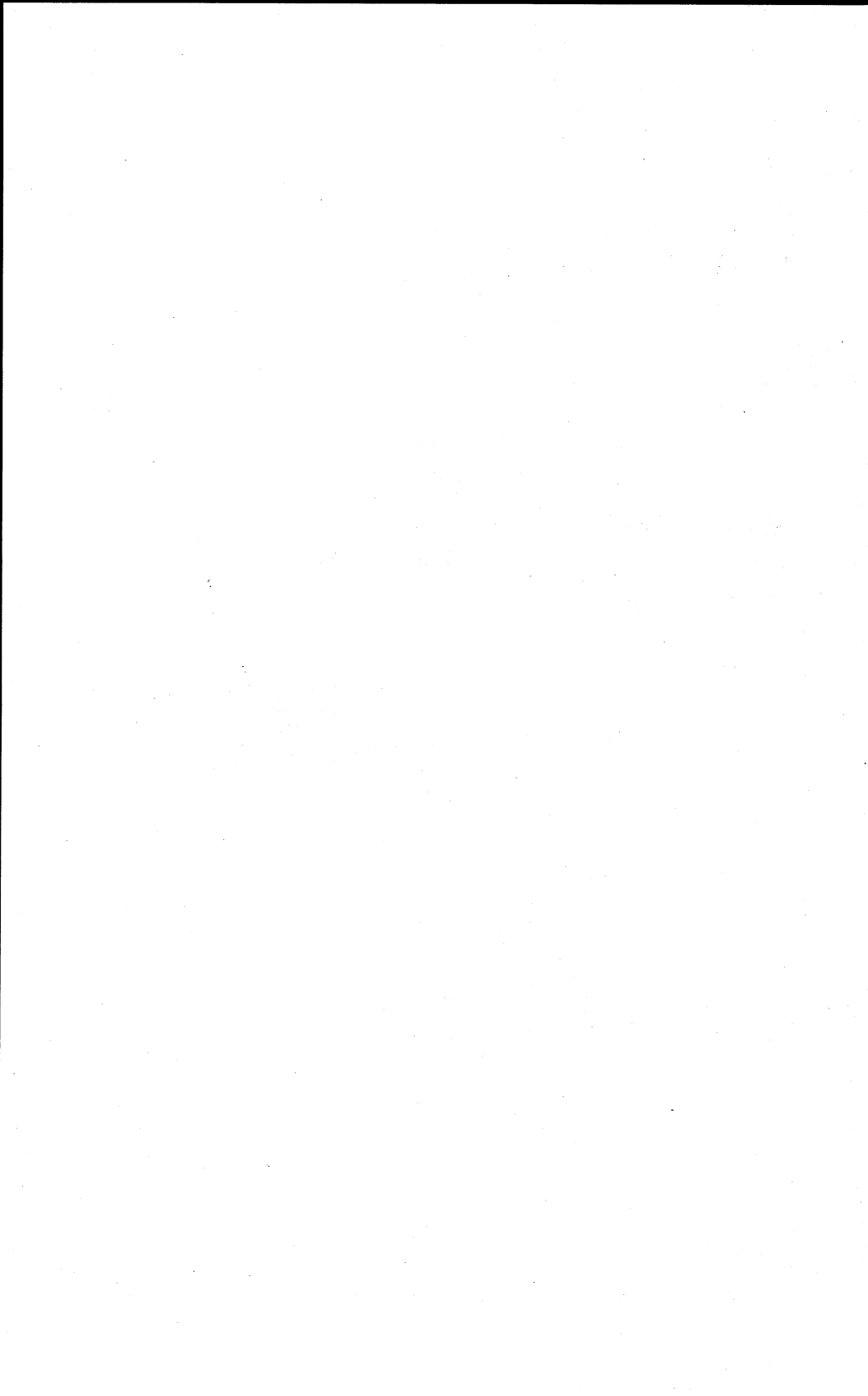
William Z. Slany

The Historian

Bureau of Public Affairs

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PART A. UNPUBLISHED SOURCES

Department of State

1. **Indexed Central Files.** Papers in the indexed central files of the Department for the years 1958–1960 are indicated by a decimal file number in the first footnote. Among the most useful of these files are 751G.00, 751G.5, 751G.5–MAP, 751G.5–MSP, and 851G.00.

2. **Lot Files.** Documents from the central files have been supplemented by lot files of the Department, which are decentralized files created by operating areas. A list of the lot files used in or consulted for this volume follows:

Conference Files, Lot 63 D 123

Collection of documentation on official visits by heads of government and foreign ministers to the United States and on major international conferences attended by the Secretary of State for the period 1955–1958, as maintained by the Executive Secretariat of the Department of State.

Durbrow Files, Lot 68 D 404

Miscellaneous files of Ambassador Elbridge Durbrow covering the years 1934–1965, as retired by the Foreign Service Institute.

FE Files, Lot 60 D 90

Files maintained by the Bureau of Far Eastern Affairs for the year 1958, including country files, letters, and memoranda of conversation.

FE Files, Lot 61 D 6

Files maintained by the Bureau of Far Eastern Affairs for the year 1959, including country files, letters, memoranda of conversation, and conferences and visits.

FE Files, Lot 62 D 26

Files maintained by the Bureau of Far Eastern Affairs for the year 1960, including country files, letters, memoranda of conversation, and conferences and visits.

FE–VN Files, Lot 66 D 193

Subject files of the Vietnam Working Group dealing with political, military, economic, aid, and administrative affairs for the years 1955–1962.

VIII List of Sources

G/PM Files, Lot 64 D 359

Miscellaneous subject files maintained by the Combined Policy Staff of the Office of Politico-Military Affairs for the years 1953-1962.

INR-NIE Files

Files retained by the Bureau of Intelligence and Research containing copies of National Intelligence Estimates and Special National Intelligence Estimates, including NIE's and SNIE's for the 1958-1960 period.

OCB Files, Lot 62 D 430

Master files of the Operations Coordinating Board for the years 1953-1960, as maintained by the Executive Secretariat.

Phnom Penh Embassy Files, Lot 62 F 30 and

Saigon Embassy Files, Lot 62 F 52; Lot 65 F 98; Lot 65 115.

See entries under Washington National Records Center.

Secretary's Memoranda of Conversation, Lot 64 D 199

Chronological collections of the Secretary of State's memoranda of conversation and the Under Secretary of State's memoranda of conversation for the years 1953-1960, as maintained by the Executive Secretariat.

Secretary's Staff Meetings, Lot 63 D 75

Chronological collection of the minutes of the Secretary of State's staff meetings during the years 1952-1960, as maintained by the Executive Secretariat.

S/P-NSC Files, Lot 62 D 1

Serial and subject master file of National Security Council documents and correspondence for the years 1948-1961, as maintained by the Policy Planning Staff.

S/S-NSC (Miscellaneous) Files, Lot 66 D 95

Administrative and miscellaneous National Security Council documentation, including NSC Records of Action, as maintained by the Executive Secretariat for the years 1947-1963.

State-JCS Meetings, Lot 70 D 328

Top secret records of meetings between representatives of the Department of State and members of the Joint Chiefs of Staff for the period 1959-1963, as maintained by the Executive Secretariat.

3. Memoranda of Interviews. Conducted by the Staff of the Office of the Historian.

William Colby. Conducted January 6, 1984.

Elbridge Durbrow. Conducted April 2, 1984.

Eric Kocher. Conducted March 29, 1984.

Edward G. Lansdale. Conducted September 6, 1984.

Lionel McGarr. Conducted February 14, 1984.

Joseph Mendenhall. Conducted December 27, 1983.

J. Graham Parsons. Conducted March 30, 1984.

International Cooperation Administration

See entries under Washington National Records Center.

Department of Defense

See also under Washington National Records Center.

Center of Military History, Department of the Army, Washington, D.C.

Williams Papers

Papers of Lieutenant General Samuel T. Williams, United States Army, pertaining to his tour as Chief of the Military Assistance Advisory Group in Vietnam, November 1955–August 1960.

The Joint Chiefs of Staff

JCS Files

Documents obtained upon request from the Secretariat of the Joint Chiefs of Staff.

Naval Historical Center

CINCPACFLT Message Files (microfilm)

Microfilm reels of messages to and from CINCPAC and CINCPACFLT to July 1, 1959.

National Defense University

Taylor Papers

Papers of General Maxwell D. Taylor, Chief of Staff, United States Army, 1955–1959.

Dwight D. Eisenhower Library, Abilene, Kansas

Dulles Papers

Records of John Foster Dulles, 1952–1959.

National Security Council Staff Records

Includes the following elements: OCB Central Files, PSB Central File, NSC registry, OCB Secretarial Series, Executive Secretary's Subject File, Planning Coordination Group, Special Staff File, Executive Secretary's Chronological File, Miscellaneous Staff Files, and Disaster File.

Special Assistant for National Security Affairs Records

Records of the Office of the Special Assistant, 1952–1961, including records of Robert Cutler, Dillon Anderson, and Gordon Gray.

Staff Secretary Records

Records of the Office of the White House Staff Secretary, 1952–1961, including records of Paul T. Carroll, Andrew J. Goodpaster, L. Arthur Minnich, Jr., and Christopher H. Russell.

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White House Office Files

Several White House office collections, including files of the Office of the Staff Secretary, and Project "Clean Up."

Whitman File

Papers of Dwight D. Eisenhower as President of the United States, 1953–1961, maintained by his personal secretary, Ann C. Whitman. The Whitman File includes the following elements: the Name Series, the Dulles–Herter Series, Eisenhower Diaries, Ann Whitman (ACW) Diaries, National Security Council Records, Miscellaneous Records, Cabinet Papers, Legislative Meetings, International Meetings, the Administration Series, and the International File.

Hoover Institution, Palo Alto, California

Lansdale Papers

Papers of Major General Edward G. Lansdale, United States Air Force, pertaining to his entire career.

Williams Papers

Papers of Lieutenant General Samuel T. Williams, United States Army, pertaining to his entire career.

Michigan State University Archives and Historical Collections, East Lansing, Michigan

Fishel Papers

Papers of Wesley J. Fishel, adviser to President Ngo Dinh Diem and Chief Adviser of the Michigan State Vietnam Advisory Group, 1956–1958.

Hannah Papers

Papers of John A. Hannah, President of Michigan State College, later University, 1948–1969. Contains correspondence concerning the Michigan State Vietnam Advisory Group and a number of the group's reports.

Vietnam Project Archive

General Records of the Michigan State Vietnam Advisory Group, including summary reports and reports of components in public administration, economics, and police administration.

National Archives, Washington, D.C.

JCS Records

National Archives Record Group 218, Records of the United States Joint Chiefs of Staff and the Chairman of the Joint Chiefs of Staff.

National Security Council Records

National Archives Record Group 273, Records of the National Security Council. As of spring 1985, holdings included materials from the Truman and Eisenhower administrations. Principal units of this collection are the National Security Policy Paper Files, Operations Coordinating Board Central Files, National Security Council Meeting Minutes, and Planning Board Records of Meetings.

Princeton University Library, Princeton, New Jersey**Dulles Papers, Dulles Daily Appointment Book**

Daily log of the meetings and appointments of Secretary of State John Foster Dulles for the years 1953-1959.

Washington National Records Center, Suitland, Maryland**ICA Message Files, FRC 60 A 482, W-130**

Incoming cables of the International Cooperation Administration for the period July 1, 1958-June 30, 1959.

Lansdale Papers, FRC 63 A 1803

Subject and country files maintained by General Lansdale as Deputy Assistant and later Assistant to the Secretary of Defense (Special Operations) for the period 1957-1961.

OSD/ISA Files, FRC 62 A 1698 and FRC 62 B 1698

Country and general files of the Office of the Assistant Secretary of Defense (International Security Affairs) for the year 1958.

OSD/ISA Files, FRC 63 A 1672 and FRC 62 B 1672

Country and general files of the Office of the Assistant Secretary of Defense (International Security Affairs) for the year 1959.

OSD/ISA Files, FRC 64 A 2170 and FRC 62 B 2170

Country and general files of the Office of the Assistant Secretary of Defense (International Security Affairs) for the year 1960.

Phnom Penh Embassy Files, FRC 63 A 172

Lot 62 F 30: Classified and unclassified files of the Embassy in Cambodia for the years 1956-1958.

Saigon Embassy Files, FRC 63 A 172

Lot 62 F 52: Classified and unclassified files of the Embassy in South Vietnam for the years 1956-1958.

Saigon Embassy Files, FRC 66 A 878

Lot 65 F 98: Classified and unclassified files of the Embassy in South Vietnam for the years 1956-1961.

Lot 65 F 115: Classified files of the Embassy in South Vietnam for the years 1959-1961.

XII List of Sources

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The following publications, including secondary accounts, were particularly useful in the preparation of this volume. No responsibility is taken by the Department of State for the truth or accuracy of these sources:

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- King C. Chen, "Hanoi's Three Decisions and the Escalation of the Vietnam War," *Political Science Quarterly*, 90 (summer 1975) 239-259.
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- , "Will South Vietnam Be Next?," *The Nation*, May 31, 1958.
- , *The Two Vietnams* (New York: Praeger, 1963).
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- , "Vietnam: The First Five Years," *The Reporter*, vol. 21, no. 11, December 1959.
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- Robert Scigliano, *South Vietnam: Nation Under Stress* (Boston: Houghton Mifflin, 1964).
- Robert Scigliano and Guy Fox, *Technical Assistance in Vietnam: The Michigan State University Experience* (New York: Praeger, 1965).
- Robert Shaplen, *The Lost Revolution* (New York: Harper and Row, 1965).
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- Denis Warner, *The Last Confucian: Vietnam, Southeast Asia, and the West*, rev. ed. (Sydney: Angus & Robertson, 1964).
- Robert H. Whitlow, *U.S. Marines in Vietnam: The Advisory and Combat Assistance Era, 1954-1964* (Washington: Government Printing Office, 1977).

List of Abbreviations and Symbols

- AB**, Airbase
ABN Bns, Airborne Battalions
ACSI, Assistant Chief of Staff for Intelligence
ACSI/DA, Assistant Chief of Staff of Intelligence, Department of the Army
AC&W, Aircraft Control and Warning
ADs, propeller-driven aircraft
AF, Air Force
AFCIN, Air Force Chief of Intelligence
AFL, Armed Forces of Laos
AIRA, Air Attaché
ALUSNA, United States Naval Attaché
Am, American
Amb, Ambassador
AN/GRC, radio teletypewriter
AN/PRC, receiver/transmitter radio
ANL, *Armée Nationale du Lao* (Lao National Army)
AP, Associated Press
ARMA, Army Attaché
ArmAtt, Army Attaché
ARVN, Army of the Republic of Vietnam
ASAP, as soon as possible
ASD/ISA, Assistant Secretary of Defense, International Security Affairs
BAR, Browning automatic rifle
BBC, British Broadcasting Corporation
BNA, Office of British Commonwealth and Northern European Affairs, Department of State
Bn(s), Battalion(s)
Br., British
CACG, Collateral Activities Coordinating Group
cal, caliber
CAMG, Civil Affairs and Military Government
CAP, Combined Action Platoon/Capital
CCS, Combined Chiefs of Staff
CENTO, Central Treaty Organization
CG, Civil Guard
ChiComs, Chinese Communists
ChiNats, Chinese Nationalists
CHMAAG, Chief, Military Assistance Advisory Group
CHPEO, Chief, Programs Evaluation Office (Laos)
CIA, Central Intelligence Agency
CID, Committee for Industrial Development
CINCPAC, Commander in Chief, Pacific
CINCPACAF, Commander in Chief, Pacific Air Force
CINCPACFLT, Commander in Chief, Pacific Fleet
CINCPAC PolAd, Commander in Chief, Pacific's Political Adviser
CINCPACREPHIL, Commander in Chief, Pacific's Representative in the Philippines
CINCUSARPAC, Commander in Chief, U.S. Army Pacific
CIP, Commercial Import Program/Counter Insurgency Plan
circ, circular
civ, civilians
Cmdr MATS, Commander, Military Air Transport Service
Cmdr PACAF, Commander, Pacific Air Force
Cmdr SAC, Commander, Strategic Air Command
Cmdt, Commandant
CNO, Chief of Naval Operations
CO, Commissioned Officer/Commanding Officer

XIV List of Abbreviations and Symbols

- CO ABN**, Commander Airborne Battalion
CONUS, Continental United States
CP, Command Post
CPB, Combined Planning Board
CPR, Chinese People's Republic
CR, Citizens Rally
C/S, CS, Chief of Staff
CSAM, Chief of Staff Army Memorandum
C.T., Country Team
CVN, Central Vietnam
CVTC, Vietnamese Confederation of Christian Workers
CY, Calendar Year
D/A, DA, Department of the Army
DCI, Director of Central Intelligence
Def, Defense
Depcirtel, Department of State circular telegram
Deptel, Department of State telegram
Div, Division
DLF, Development Loan Fund Corporation
DOD, Department of Defense
DOD/ISA, International Security Affairs, Department of Defense
DRV, Democratic Republic of Vietnam
DS, Defense Support
DTG, Date Time Group
ECAFE, Economic Commission for Asia and the Far East
Emb, Embassy
EmbOff, Embassy Officer
Embtel, Embassy telegram
Embdes, Embassy despatch
ETD, estimated time of departure
EUR/BNA, Office of British Commonwealth and Northern European Affairs, Bureau of European Affairs, Department of State
FAL, *Forces d'Armée de Laos* (Royal Armed Forces of Laos)
FA's, Farmers' Associations
FARK, *Forces des Armées Royales Khmer* (Royal Cambodian Armed Forces)
FBIS, Foreign Broadcast Information Service
FE, Bureau of Far Eastern Affairs, Department of State
FE/P, Public Affairs Adviser, Bureau of Far Eastern Affairs, Department of State
FE/VN, Officer in Charge of Vietnam Affairs, Bureau of Far Eastern Affairs, Department of State
FER, Far East Region, Office of Assistant Secretary of Defense for International Security Affairs
FOB, free on board
FRC, Federal Records Center
FSOs, Foreign Service Officers
FY, Fiscal Year
FYI, for your information
G, Deputy Under Secretary of State for Political Affairs
G-2, Army general staff section dealing with intelligence at the divisional level or higher
G-3, Army general staff section dealing with operations and training at the divisional or higher level
G-5, Army general staff section dealing with civil affairs at the divisional level or higher
G/PM, Special Assistant for Politico-Military Affairs, Office of the Deputy Under Secretary for Political Affairs, Department of State
GAO, General Accounting Office
GHQ, General Headquarters
GOC, Government of Ceylon
GOI, Government of India
GS, General Staff
GTI, Office of Greek, Turkish, and Iranian Affairs, Bureau of Near Eastern and South Asian Affairs, Department of State
GUS, Government of United States
GVN, Government of Vietnam
GVNL, Government of Vietnam (electoral) List
H, hours
HMB, *Hukbong Mapagpalaya ng Bayan* (People's Liberation Army), a military force affiliated with the Philippine Communist Party
HQ, Headquarters
Huk, *see* HMB
IBM, International Business Machines
IBRD, International Bank for Reconstruction and Development
ICA, International Cooperation Administration
ICA/W, International Cooperation Administration/Washington

- Icato**, series indicator for telegrams originating with the International Cooperation Administration
- ICC**, International Supervisory and Control Commission
- IDC**, International Development Corporation
- IES**, International Educational Exchange Service
- ILO**, International Labor Organization
- IMF**, International Monetary Fund
- inf regts**, infantry regiments
- InfoMin**, Information Minister
- IPS**, International Program Service
- ISA**, Office of the Assistant Secretary of Defense (International Security Affairs)
- JCS**, Joint Chiefs of Staff
- JCSM**, Joint Chiefs of Staff Memorandum
- JOO**, Joint Chiefs of Staff document indicator.
- JSAD**, Joint Strategic Analysis Division of the Organization of the Joint Chiefs of Staff
- km**, kilometers
- KMT**, Kuomintang
- KW**, kilowatt
- L/FE**, Office of the Assistant Legal Adviser for Far Eastern Affairs, Department of State
- MAAG**, Military Assistance Advisory Group
- MAGCH-CH**, series indicator for telegrams from the Chief of the Military Assistance Advisory Group
- MAGCH-CS**, series indicator for telegrams from the Chief of Staff of the Military Assistance Advisory Group
- MAGCH-CT**, series indicator for telegrams from the Chief of Training of the Military Assistance Advisory Group
- MAGCH-SA**, series indicator for telegrams from the Senior Advisers in the Military Assistance Advisory Group
- MAP**, Military Aid Program/Military Assistance Program
- MC**, Memorandum of Conversation
- MemCon**, Memorandum of Conversation
- Mil Att**, Military Attaché
- MNR**, Movement for National Revolution
- MR**, Military Region
- M/S**, Motor Ship
- msg**, message
- MSP**, Mutual Security Program
- MSU**, Michigan State University
- MSUG**, Michigan State University Group
- mytel**, my telegram
- NA**, Office of Northeast Asian Affairs, Department of State
- NavAtt**, Naval Attaché
- NBC**, National Broadcasting Corporation
- NCO**, noncommissioned officer
- NIA**, National Intelligence Assessment
- NIE**, National Intelligence Estimate
- NLHX, NLHZ**, Neo Lao Hat Xat (Zat)
- Noform**, no foreign (distribution)
- NPSS**, National Police and Security Service, Government of Vietnam
civilian intelligence agency
- NRM**, National Revolutionary Movement
- NSC**, National Security Council
- O's**, Officers
- OASD/ISA**, Office of the Assistant Secretary of Defense, International Security Affairs
- OCB**, Operations Coordinating Board
- OCS**, Office of the Chief of Staff, Department of the Army
- OSD**, Office of the Secretary of Defense
- OSD/ISA**, Office of the Secretary of Defense, International Security Affairs
- OSO**, Office of the Assistant to the Secretary of Defense for Special Operations
- PAs**, procurement authorizations
- PACOM**, Pacific Command
- PA/HO**, Office of The Historian, Department of State
- PAO**, Public Affairs Officer
- PAR**, parachute
- PAVN**, People's Army of (North) Vietnam
- PC/PAF**, Philippine Constabulary/Philippine Armed Forces
- PEO**, Programs Evaluation Office
- PL**, Public Law
- POI**, Program of Instructions
- POL**, petroleum, oil, lubricants
- PsyWar**, Psychological Warfare
- PTT**, Post, Telephone and Telegraph

XVI List of Abbreviations and Symbols

- PX**, Post Exchange
reDeptel, reference Department telegram
reftel, reference telegram
regt, regiment
RF, Radio Finding
RG, Record Group
RKG, Royal Khmer Government
RLG, Royal Lao Government
ROK, Republic of Korea
ROKG, Republic of Korea Government
rptd, repeated
RTG, Royal Thai Government
RVNAF, Republic of Vietnam's Armed Forces
RWP, Revolutionary Workers' Party (Cao Lao)
S-2, Army staff section dealing with intelligence at brigade level or below
S-3, Army staff section dealing with operations and training at brigade level or below
S/P, Policy Planning Staff, Department of State
S/S, The Executive Secretariat, Department of State
SDC, Self Defense Corps
SEA, Office of Southeast Asian Affairs, Bureau of Far Eastern Affairs, Department of State
SEA/E, Officer in Charge Economic Affairs, Office of Southeast Asian Affairs, Bureau of Far Eastern Affairs, Department of State
SEATO, Southeast Asian Treaty Organization
SecState, Secretary of State
Secto, series indicator for telegrams from the Secretary of State (or his delegation) at international conferences
SEPES, *Service des Etudes Politiques et Sociales* (Service of Political and Social Studies)
SF, Special Forces
SGN, series indicator for back channel telegrams from the Military Assistance Advisory Group in Vietnam
SITREP, Situation Report
SMG, submachine gun
SNIE, Special National Intelligence Estimate
SOA, Office of South Asian Affairs, Bureau of Near Eastern, South Asian, and African Affairs, Department of State
sqdn, squadron
SVN, South Vietnam
TC, Technical Cooperation
TDY, Temporary Duty
telecom, telephonic communications
TERM, Temporary Equipment Recovery Mission
TF, Task Force
TOE (T.O.&E.), Table of Organization and Equipment
Toica, series indicator for telegrams to the International Cooperation Administration
TRIM, Training Relations Instruction Mission
TWXs, teletypewriter exchange(s)
U/MSC, Deputy Coordinator for Mutual Security in the Office of the Under Secretary of State
U/PR, Protocol Staff in the Office of the Under Secretary of State
UN, United Nations
Unn, unnumbered
UNTAA, United Nations Technical Assistance Administration
UNTAB, United Nations Technical Assistance Board
UPI, United Press International
USA, United States Army
USAF, United States Air Force
USARMA, United States Army Attaché
USARPAC, United States Army, Pacific
USEmb, United States Embassy
USG, United States Government
USIA, United States Information Agency
USIB, United States Intelligence Board
USIS, United States Information Service
USMC, United States Marine Corps
USN, United States Navy
USOM, United States Operations Mission
USSR, Union of Soviet Socialist Republics
UST, United States Treaties and Other International Agreements
VBI, Vietnamese Bureau of Investigation
VC, Viet Cong
VM, Viet Minh
VN, Vietnam, Vietnamese
VNAF, Vietnamese Air Force/Vietnamese National Air Force
VNQDD, *Viet Nam Quoc Dan Dang* (National Party of Vietnam)
VOA, Voice of America

List of Abbreviations and Symbols XVII

VOR, variable omni-range (direction finding)
W/MSC, Special Assistant for Mutual Security Coordination, Office of the Deputy Under Secretary for Economic Affairs, Department of State

WE, Office of Western European Affairs, Department of State
Weeka, weekly, interagency, summary analysis from United States diplomatic missions
wpns, weapons



List of Persons

Editor's Note. This list is designed to provide ready reference for identification of those persons mentioned most frequently. The identification of the persons on this list is generally limited to positions and circumstances under reference in the volume and is confined to the years 1958–1960. All titles and positions are American unless otherwise indicated. Where no dates are given, the individual usually held the position throughout the period covered by the volume. In some cases, however, it has not proved possible to identify the positions held by Vietnamese individuals throughout the triennium.

- Abbott, George M.**, Special Assistant for South East Asian Treaty Organization Affairs, Department of State, to March 1958
- Acheson, Dean**, Secretary of State, January 1949–January 1953; thereafter in private law practice
- Adams, Sherman**, Assistant to President Eisenhower to 1958
- Alphand, Hervé**, French Ambassador to the United States
- Amory, Robert, Jr.**, Deputy Director of Intelligence, Central Intelligence Agency
- Anderson, Daniel Virden**, Director, Office of Southeast Asian Affairs, Department of State, from July 1959
- Anderson, Robert B.**, Secretary of the Treasury from July 1957
- Arneson, R. Gordon**, Deputy Director, Bureau of Intelligence and Research, Department of State, to November 1959
- Barbour, Robert E.**, Consul at Hue to September 1958; thereafter Second Secretary and Political Officer of the Embassy in France
- Barrows, Leland**, Director of the United States Operations Mission in Vietnam to December 1958
- Barthelmy, Marcel**, First Secretary, French Embassy in Washington
- Bell, James D.**, Director of the Office of Southwest Pacific Affairs, Department of State, from June 1960
- Black, Colonel Edwin F.**, USA, Military Assistant to the Deputy Secretary of Defense
- Boggs, Marion W.**, Deputy Executive Secretary of the National Security Council from 1959
- Bowie, Thomas D.**, Political Counselor of the Embassy in Vietnam to August 1960
- Brucker, Wilber M.**, Secretary of the Army
- Bui Van Luong**, Secretary of State for Interior, Republic of Vietnam, from October 1960
- Burke, Admiral Arleigh A.**, USN, Chief of Naval Operations
- Buttinger, Joseph**, author and publicist

XX List of Persons

- Cabell, General Charles P.**, USAF, Deputy Director of Central Intelligence
- Caccia, Sir Harold A.**, British Ambassador in the United States
- Campbell, Alan Lockhart, Jr.**, Consul and Second Secretary of the Embassy in Vietnam until June 1958, Consul at Hue until January 1959
- Can**, *see* Ngo Dinh Can
- Carlson, Brigadier General Gunnar C.**, USA, Deputy Chief for Logistics and Administration of the Military Assistance Advisory Group in Vietnam to October 1958
- Chapman, Christian George**, Second Secretary of the Embassy in Laos to August 1959; thereafter Officer in Charge of Laos Affairs, Department of State
- Chau**, *see* Nguyen Huu Chau
- Chen Yi, Marshal**, Foreign Minister of the People's Republic of China from February 1958
- Chiang Kai-shek, Generalissimo**, President of the Republic of China
- Chou En-lai**, Premier of the State Council and Foreign Minister of the People's Republic of China
- Chuong**, *see* Tran Van Chuong
- Colby, William E.**, Political Officer in the Embassy in Vietnam, January–May 1959; thereafter both Political Officer and First Secretary
- Colegrove, Albert M.**, journalist of the Scripps-Howard newspapers
- Collins, General J. Lawton**, USA (ret.), member of the Anderson Subcommittee of the Draper Committee; formerly Special Representative of the United States to Vietnam, November 1954–May 1955
- Comstock, Colonel**, Military Attaché at Saigon
- Coster, Donald Q.**, Deputy Director, USOM, Vietnam, from November 1959
- Cottrell, Sterling J.**, Political Adviser, CINCPAC, from March 1959
- Cumming, Hugh S., Jr.**, Director of Intelligence and Research, Department of State
- Cutler, Robert**, Special Assistant to the President for National Security Affairs to June 1958
- Dai Ta Loc, Lieutenant Colonel**, ARVN, Paratrooper Commander, leader in the coup attempt of November 1960
- Dap Chhuon (Colonel Chhuon Mochulpich)**, Commander of Cambodian Armed Forces in Siem Riep and Kompong Thom provinces; attempted coup against Prince Sihanouk, February 1959
- Desai, Manilal Jagdish**, Chairman of the International Commission for Supervision and Control of Vietnam
- Diem**, *see* Ngo Dinh Diem
- Dillon, C. Douglas**, Deputy Under Secretary of State for Economic Affairs to June 1958; Under Secretary of State for Economic Affairs, June 1958–June 1959; thereafter Under Secretary of State
- Do Cao Tri, Major**, ARVN, leader in the coup attempt of November 1960
- Dong, Lieutenant Colonel**, *see* Vuong Van Dong
- Douglas, James H.**, Secretary of the Air Force to December 1959; thereafter Deputy Secretary of Defense
- Dulles, Allen W.**, Director of Central Intelligence
- Dulles, John Foster**, Secretary of State to April 1959
- Dung**, *see* Tran Trung Dung
- Duong Van Minh ("Big Minh")**, Major General, ARVN, Commander, Field Command Headquarters
- Durbrow, Elbridge**, Ambassador to Vietnam
- Eisenhower, Dwight D.**, President of the United States
- Elbrick, C. Burke**, Assistant Secretary of State for European Affairs to October 1958

- Elting, Howard, Jr.**, Counselor of Embassy in Vietnam until April 1960
- Erskine, General Graves B.**, USMC, Assistant to the Secretary of Defense for Special Operations
- Evans, Colonel Robert F.**, USA, Assistant to the Director, Far East Region, International Security Affairs, Office of the Secretary of Defense, as of June 1959
- Felt, Admiral Harry D.**, USN, Commander in Chief, Pacific from July 1958.
- Fine, Sherwood M.**, Chief, Cambodia, Laos, Vietnam and Thailand Division, International Cooperation Administration, from December 1958
- Fink, Andrew J., III**, Second Secretary and Political Officer in the Embassy in Vietnam from November 1958
- Fishel, Wesley R.**, Chief Adviser of the Michigan State University Advisory Group at the National Institute of Administration in Vietnam to March 1958
- FitzGerald, Dr. D.A.**, Deputy Director for Operations, International Cooperation Administration
- Fox, Lieutenant General Alonzo P.**, USA, Special Assistant to the Secretary of Defense to 1959
- Frechting, Louis E.**, Special Assistant, Economic Programs, Office of Coordinator for Mutual Security, from September 1959
- French, Jerome T.**, member of the Office of the Assistant to the Secretary of Defense for Special Operations as of 1960
- Fulbright, J. William**, Senator from Arkansas, Chairman, Senate Foreign Relations Committee from 1959
- Gardiner, Arthur Z.**, Counselor for Economic Affairs and Deputy Director, USOM, Vietnam, February–November 1958; thereafter Director, USOM
- Gleason, S. Everett**, Deputy Executive Secretary of the National Security Council to 1959
- Goodpaster, Brigadier General Andrew J.**, USA, Staff Secretary to the President
- Gorce, Pierre M.**, French Ambassador to Cambodia
- Gore, Albert E.**, Senator from Tennessee, member of the Subcommittee on State Department Organization and Public Affairs, Senate Foreign Relations Committee
- Grant, William B.**, Second Secretary and Political Officer in the Embassy in Vietnam, March 1958–August 1960
- Gray, Gordon**, Director of the Office of Defense Mobilization to July 1958; thereafter Assistant to the President for National Security Affairs
- Green, Marshall**, Special Assistant for Political and Military Affairs, Bureau of Far Eastern Affairs, Department of State, until July 1959; Acting Deputy Assistant Secretary of State for Far Eastern Affairs, July–October 1959; Counselor of Embassy in Korea from November 1959; Counselor and Consul-General from March 1960
- Gromyko, Andrei Andreevich**, First Deputy Minister of Foreign Affairs of the Soviet Union
- Ha Thuc Luyen**, principal deputy of Ngo Dinh Can; Chief of Thua Thien Province, Republic of Vietnam
- Hagerty, James C.**, Press Secretary to the President
- Hammar skjöld, Dag**, Secretary-General of the United Nations
- Hare, Raymond A.**, Deputy Under Secretary of State for Political Affairs from January 1960
- Heavner, Theodore J. C.**, Second Secretary of the Embassy in Vietnam, June–October 1958; Vice Consul at Hue, October 1958–December 1960
- Henderson, Loy W.**, Deputy Under Secretary of State for Administration

XXII List of Persons

- Herter, Christian A.**, Under Secretary of State and Chairman of the Operations Coordinating Board until April 1959; thereafter Secretary of State
- Hickenlooper, Bourke B.**, Senator from Iowa, member of the Senate Foreign Relations Committee
- Ho Chi Minh (Nguyen Ai Quoc)**, President of the Democratic Republic of Vietnam; Chairman and General Secretary of Lao Dong Party
- Ho Van Nhut**, South Vietnamese opposition leader and Vice-Chairman, Vietnamese Red Cross
- Hoang Co Thuy**, South Vietnamese civilian leader in the coup attempt of November 1960
- Hollister, John B.**, Director of the International Cooperation Administration to March 1959
- Houghton, Amory**, Ambassador to France
- Humphrey, George M.**, Secretary of the Treasury to July 1957
- Huynh Van Lang**, Head of the Office of Exchange and Head of the Can Lao Party Finance Bureau, Republic of Vietnam
- Irwin, John N., II**, Assistant Secretary of Defense for International Security Affairs from September 1958
- Jarvis, Francis Girard**, Officer in Charge of Economic Affairs, Office of Southwest Pacific Affairs, Department of State
- Jones, Howard P.**, Deputy Assistant Secretary of State for Far Eastern Affairs to February 1958
- Kent, Sherman**, Chairman, Board of National Estimates
- Knight, Robert H.**, Deputy Assistant Secretary of Defense for International Security Affairs
- Kocher, Eric**, Deputy Director of the Office of Southeast Asian Affairs, Department of State, to January 1958; Director, January 1958–June 1959
- Ladejinsky, Wolf**, Adviser to President Diem
- Lalouette, Roger**, French Ambassador to the Republic of Vietnam from September 1958
- Lam Le Trinh**, Minister of Interior, Republic of Vietnam, from February 1958
- Lampert, Brigadier General J.B.**, USA, Deputy Chief of the Military Assistance Advisory Group in Vietnam for Logistics, November 1958–December 1960
- Lansdale, Colonel Edward G.**, USAF, Deputy Assistant to the Secretary of Defense for Special Operations
- Lausche, Frank J.**, Senator from Ohio
- Lay, James S., Jr.**, Executive Secretary of the National Security Council to 1959
- Le Duan**, Secretary, Lao Dong Party, Democratic Republic of Vietnam
- Le Trong Quat**, Chairman, Socialist Alliance (Minority Bloc in National Assembly of the Republic of Vietnam)
- Le Van Dong**, "Liberal" South Vietnamese politician and Minister of Agriculture
- Le Van Kim**, Brigadier General, ARVN, Commander of the Military Academy at Dalat
- Le Van Ty**, General, and Chief of Staff, South Vietnamese Joint General Staff
- Lemnitz, General Lyman Louis**, USA, Vice Chief of Staff of the Army to July 1959; Chief of Staff, July 1959–September 1960
- MacDonald, Malcolm**, British High Commissioner for India
- Macmillan, Harold**, British Prime Minister

- Mansfield, Michael J.**, Senator from Montana, Chairman of the Subcommittee on State Department Organization and Public Affairs, Senate Foreign Relations Committee
- Marcy, Carl**, Chief of Staff of the Senate Foreign Relations Committee
- Mau**, *see* Vu Van Mau
- McElhiney, Thomas W.**, Deputy Director of the Executive Secretariat, Department of State, from September 1958 to mid-1960
- McElroy, Neil H.**, Secretary of Defense to December 1959
- McGarr, Lieutenant General Lionel C.**, USA, Chief, MAAG Vietnam from September 1960
- McGee, Gale**, Senator from Wyoming
- Mendenhall, Joseph A.**, Officer in Charge of Vietnamese Affairs, Department of State, March 1958–July 1959; thereafter Counselor of Embassy in Vietnam for Political Affairs
- Menzies, Austin**, Reports Officer of USOM, Vietnam, Program Support Division
- Merchant, Livingston**, Assistant Secretary of State for European Affairs from October 1958; Deputy Under Secretary of State for Political Affairs from August 1959; Under Secretary of State for Political Affairs from December 1959
- Minh ("Big Minh")**, *see* Duong Van Minh
- Minnich, L. Arthur, Jr.**, Assistant Staff Secretary to the President
- Morse, Wayne**, Senator from Oregon
- Murphy, Lieutenant Colonel J.A.**, USA, Office of the Chief of Staff, Department of Army, Office of the Chief of Civil Affairs and Military Government
- Murphy, Robert D.**, Deputy Under Secretary of State for Political Affairs to August 1959
- Myers, Major General Samuel L.**, USA, Deputy Chief for Training of the Military Assistant Advisory Group in Vietnam to November 1958; thereafter Assistant Deputy Chief of Army Staff for Logistics
- Nehru, Pandit Jawaharlal**, Prime Minister of India and Minister for External Affairs and Commonwealth Relations
- Ngo Dinh Can**, brother of Ngo Dinh Diem (unofficial "boss" of Hue and central Vietnam)
- Ngo Dinh Diem**, President and Chief of State of the Republic of Vietnam
- Ngo Dinh Luyen**, Ambassador-at-Large of the Republic of Vietnam; Vietnamese Ambassador to the United Kingdom to 1959; also Minister to Belgium and Netherlands, 1958–1959; thereafter Ambassador to Tunisia; youngest brother of Ngo Dinh Diem
- Ngo Dinh Nhu**, Secretary-General of the Personalist Revolutionary Workers Party of Vietnam; brother and counselor to Ngo Dinh Diem
- Ngo Dinh Thuc**, Archbishop of Hue and Primate of the Roman Catholic episcopacy in the Republic of Vietnam; brother of Ngo Dinh Diem
- Nguyen Chanh Thi, Colonel**, ARVN, Airborne Brigade Commander; principal leader in the coup attempt of November 1960
- Nguyen Dinh Thuan**, Secretary of State for the Presidency of the Republic of Vietnam from 1958 to 1960; Assistant Secretary of Defense from October 1960
- Nguyen Huu Chau**, Secretary General to the Presidency of Vietnam, and Minister of Interior until March 1958
- Nguyen Huu Hanh**, Director General, National Bank of Vietnam
- Nguyen Khanh, General**, ARVN, Permanent Secretary General for National Defense 1958 to 1960; appointed Chief of Staff of the General Staff of the Vietnamese Armed Forces and Deputy Chief of Staff for the Army in 1960
- Nguyen Ngoc Tho**, Vice President of the Republic of Vietnam

XXIV List of Persons

- Nguyen Thanh Phuong**, Vietnamese Minister of State until May 1955; Commander of Cao Dai forces
- Nguyen Van Buu**, Can Lao Party's Financial Adviser
- Nguyen Van Hinh**, Former Vietnamese Chief of Staff of the Army
- Nguyen Van Luong**, Vietnam's Secretary of State for Justice from October 18, 1960
- Nguyen Van Tam**, former Vietnamese Prime Minister and Minister of the Interior
- Nguyen Van Thoi**, former Vietnamese Secretary of State for Economic Affairs
- Nhu, Madame**, *see* Tran Le Xuan
- Nhu**, *see* Ngo Dinh Nhu
- Nixon, Richard M.**, Vice President of the United States
- O'Donnell, Rear Admiral Edward J.**, USN, Regional Director, Far East, Office of Assistant Secretary of Defense for International Security Affairs
- Palmer, Gardner E.**, Deputy Assistant Secretary of State for Far Eastern Economic Affairs to November 1959
- Palmer, General Williston B.**, USA, Director of Military Assistance, Office of the Assistant Secretary of Defense for International Security Affairs, from 1960
- Parke, Roderick W.**, British Ambassador to Vietnam
- Parsons, J. Graham**, Deputy Assistant Secretary of State for Far Eastern Affairs, March 1958–June 1959; thereafter Assistant Secretary
- Pearson, Lester B.**, Canadian Secretary of State for External Affairs to June 1957; Canadian Representative to the United Nations General Assembly, November 1956–March 1957
- Peterson, Avery F.**, Deputy Assistant Secretary of State for Far Eastern Economic Affairs from November 1959
- Pham Cong Tac**, leader of Cao Dai sect, Vietnam
- Pham Dang Lam**, Secretary General of Ministry of Foreign Affairs, Republic of Vietnam
- Pham Van Dong**, Premier and Minister of Foreign Affairs of the Democratic Republic of Vietnam from September 1955
- Pham Van Nhu**, President of National Assembly and Head of Administrative Bureau of Can Lao Party, Republic of Vietnam
- Pham Xuan Chieu, General**, Chief of Staff, ARVN
- Phan Huy Quat**, Former Vietnamese Minister of Defense
- Phan Khac Suu**, Independent Member of the National Assembly of the Republic of Vietnam from September 1959
- Phan Quang Dan**, Independent Member of the National Assembly of the Republic of Vietnam, elected September 1959, but not permitted to take his seat; charged with election fraud
- Phuong**, *see* Nguyen Thanh Phuong
- Pilcher, J.L.**, Representative from Georgia
- Pinay, Antoine**, French Minister of Finance and Economic Affairs, June 1958–January 1960
- Quat**, *see* Phan Huy Quat
- Reinhardt, G. Frederick**, Ambassador to Vietnam, April 1955–February 1957; Counselor of the Department of State, March 1957–January 1960
- Rhee, Dr. Syngman**, President of the Republic of Korea until April 1960
- Richards, Arthur Lincoln**, Operations Coordinator in the Office of the Under Secretary of State to July 1958

- Riley, Vice Admiral H.D.**, USN, Chief of Staff to the Commander in Chief, Pacific, from February 1958
- Robbins, B.A., Jr.**, Captain, USN, Regional Director, Far East, Office of the Assistant Secretary of Defense (International Security Affairs)
- Robertson, Walter S.**, Assistant Secretary of State for Far Eastern Affairs until June 1959
- Roseman, Alvin**, Director, Far East Region, International Communications Agency
- Rousseau, James T.**, Second Secretary and Political Officer in the Embassy in Vietnam
- Saccio, Leonard J.**, General Counsel of the International Cooperation Administration to August 1958; thereafter Deputy Director
- Sainteny, Jean**, Delegate General of France in North Vietnam
- Sam Sary**, Life Member of the King of Cambodia's High Council; Cambodian Ambassador to London until June 1958; Deputy leader of Khmer Serei rebel group after February 1959
- Scott, Sir Robert Heatlie**, Commissioner General for the United Kingdom in Southeast Asia (Singapore)
- Sheppard, William J.**, Regional Director of Far Eastern Operations, International Cooperation Administration
- Sihanouk, Norodom, Prince**, Leader of Sangkum (Popular Socialist Community); Prime Minister of Cambodia from June 1958; Head of State of Cambodia from June 1960
- Smith, Bromley**, Executive Secretary of the Operations Coordinating Board
- Smith, General Walter Bedell**, USA (ret.), former Director of Central Intelligence and Under Secretary of State
- Son Ngoc Thanh**, Cambodian Democratic Party leader; first post-World War II Prime Minister; head of rebel group Khmer Serei (Free Khmer)
- Sprague, Mansfield D.**, Assistant Secretary of Defense for International Security Affairs to September 1958
- Spurgin, C. Richard**, Third Secretary of the Embassy in Vietnam to August 1959; in the Office of Southeast Asian Affairs, Department of State, from September 1959
- Steeves, John M.**, Political Adviser to the Commander in Chief, Pacific (Honolulu), until February 1959; Consul General at Hong Kong and Macau, March 1959–October 1959; thereafter Deputy Assistant Secretary of State for Far East Affairs
- Stump, Admiral Felix B.**, USN, Commander in Chief, Pacific and Commander in Chief, Pacific Fleet to February 1958; thereafter Commander in Chief, Pacific to August 1958
- Taylor, General Maxwell D.**, USA, Chief of Staff, United States Army until June 1959
- Thi**, *see* Nguyen Chanh Thi
- Tho**, *see* Nguyen Ngoc Tho
- Thuan**, *see* Nguyen Dinh Thuan
- Tomlinson, Frank Stanley**, Head of the Southeast Asia Department of the British Foreign Office
- Tran Chanh Thanh**, Secretary of State for Information, Republic of Vietnam
- Tran Huu The**, Secretary of State for Education, Republic of Vietnam
- Tran Kim Tuyen**, Director of Special Political Studies Branch (secret police) of the Can Lao, Republic of Vietnam
- Tran Le Xuan (Madame Ngo Dinh Nhu)**, wife of Ngo Dinh Nhu, official hostess for President Diem; founder of Women's Solidarity Movement, Republic of Vietnam
- Tran Sanh Buu**, Independent Member of National Assembly of the Republic of Vietnam from September 1959

XXVI List of Persons

- Tran Trung Dung**, Assistant Secretary of State for Defense, Republic of Vietnam, to October 1960
- Tran Van Chuong**, Vietnamese Ambassador to the United States
- Tran Van Dinh**, Director General for Information, Republic of Vietnam, from October 1960
- Tran Van Don**, General, ARVN, Commander, 1st Corps
- Tran Van Ngon**, Independent Member of National Assembly of the Republic of Vietnam from September 1959
- Tran Van Van**, South Vietnamese opposition leader; former Minister of National Economy under Bao Dai
- Truong Chin**, Vice-Premier of the Democratic Republic of Vietnam from April 1958
- Tuyen**, *see* Tran Kim Tuyen
- Twining, General Nathan F.**, USAF, Chairman of the Joint Chiefs of Staff to September 1960
- Ty**, *see* Le Van Ty, General
- Valdes, Philip H.**, Officer in Charge of French Affairs, Department of State
- Vo Nguyen Giap**, General, Commander in Chief of the Vietnam People's Army, Democratic Republic of Vietnam; also Vice Premier
- Vo Nhu Nguyen**, Head of Can Lao Intelligence and Security Bureau, Republic of Vietnam
- Vo Van Hai**, Chief of President Diem's private secretariat as of November 1960
- Vu Thin Huan**, Member of Social Affairs, Bureau of Presidency, Republic of Vietnam
- Vu Van Mau**, Secretary of State for Foreign Affairs, Republic of Vietnam
- Vu Van Thai**, Director General of the Budget and Foreign Aid, Republic of Vietnam
- Vuong Van Dong**, Lieutenant Colonel, ARVN, Airborne Battalion Commander; principal leader in the coup attempt of November 1960
- Walton, Frank**, Chief, USOM, Saigon, Public Safety Division
- White, Lieutenant General Isaac D.**, USA, Commander in Chief, Pacific
- Whittington, Floyd L.**, Officer in Charge of Economic Affairs, Office of Southeast Asian Affairs, Department of State, from August 1956; Deputy Director, Office of Southeast Asian Affairs, Department of State, January–August 1958; thereafter Counselor for Economic Affairs in the Embassy in Thailand
- Williams, Lieutenant General Samuel T.**, USA, Chief of the Military Assistance Advisory Group in Vietnam to September 1960
- Willston, B. Palmer**, Director of Military Assistance, Office of the Assistant Secretary of Defense (ISA)
- Wisner, Frank G.**, Deputy Director for Plans, Central Intelligence Agency
- Wolf, Charles, Jr.**, member of the Anderson Subcommittee of the Draper Committee, 1958–1959
- Wood, Chalmers B.**, Second Secretary and Political Officer in the Embassy in Vietnam to September 1959; thereafter Officer in Charge of Vietnam Affairs, Department of State
- Zablocki, Clement J.**, Representative from Wisconsin, Chairman of the Far East Subcommittee of the House Foreign Affairs Committee

Vietnam

THE ROLE OF THE TEMPORARY EQUIPMENT RECOVERY MISSION; THE QUESTION OF THE MILITARY ASSISTANCE ADVISORY GROUP CEILING; THE CIVIL GUARD AND THE DEVELOPMENT OF PARAMILITARY FORCES; UPGRADING THE REPUBLIC OF VIETNAM'S AIR FORCE; THE CAN LAO PARTY, CORRUPTION, AND THE USE OF U.S. AID; DETERIORATION OF INTERNAL SECURITY AND THE DEBATE OVER COUNTERINSURGENCY POLICY; INCREASE IN THE REPUBLIC OF VIETNAM'S ARMED FORCES; POLITICAL OPPOSITION TO DIEM AND THE ABORTIVE COUP OF NOVEMBER 1960¹

1. Telegram From the Ambassador in Vietnam (Durbrow) to the Department of State²

Saigon, January 24, 1958—11 a.m.

1537. Ref: Embtel 2772, Mar 9 [12]³ 1164 Dec 2, 1957;⁴ 1394 Jan 7, 1958;⁵ 1538 Jan 24, 1958;⁶ Deptel 2630, Apr 15 [9], 1957;⁷ Embdes 160, Nov 5, 1957;⁸ Embdes 238 Jan 6, 1958.⁹

¹For previous documentation on Vietnam, see *Foreign Relations, 1955-1957*, volume 1.

²Source: Department of State, Central Files, 751G.5-MSP/1-2458. Secret; Limited Distribution. Passed to CINCPAC PolAd.

³In telegram 2772, the Embassy reported that the ICC's attitude to TERM was hardening and proposed four courses of action under lettered headings: A) virtually ignoring ICC complaints; B) gradual withdrawal of TERM; C) compliance with ICC demands; or D) replacing TERM with an expanded MAAG. (*Ibid.*, 751G.5-MSP/3-1257) See *Foreign Relations, 1955-1957*, vol. 1, footnote 2, p. 781.

⁴The Embassy transmitted in telegram 1164 an assessment of the ICC reaction to information provided by the Republic of Vietnam on TERM. (Department of State, Central Files, 751G.5-MSP/12-257)

⁵In telegram 1394, Durbrow reported that a GAO, Tokyo-based team had examined U.S. military assistance to Vietnam and had revealed in its report that TERM was engaged in a training function. Durbrow suggested revisions in the language of the report to deemphasize TERM's logistical training role. (*Ibid.*, 751G.5-MSP/1-758)

⁶The Embassy reported in telegram 1538 a breach of security about TERM's training function in the September 1957 *Army Information Digest* and requested that the Department confer with the Department of Defense to insure that such a slip did not reoccur. (*Ibid.*, 751G.5-MSP/1-2458)

⁷In telegram 2630, the Department of State suggested that the Republic of Vietnam reply to ICC inquiries about TERM by leaving unanswered questions about its duration and avoiding acceptance of a narrow definition of its function. It also stated that a solution of the problem along the lines of incorporating TERM into an expanded MAAG (course D outlined in Embtel 2772 cited in footnote 3 above) was under study. (*Ibid.*, 751G.5-MSP/3-1257)

Continued

Continuing problems posed by overt and covert status of TERM in Vietnam presently highlighted by ICC request GVN furnish estimate TERM duration in Vietnam (Embtel. 1164). GVN liaison official with ICC asked us supply draft reply which, while relatively simple exercise as interim measure, will neither solve fundamental long-range problems nor deter ICC from pressing GVN in future. We can at least temporarily stall ICC with reply through GVN citing (1) examples magnitude remaining overt outshipment, disposal, scrap, salvage missions, (2) relatively untapped task inventorying large quantities MAP matériel, (3) difficulty predict withdrawal date. But, in view of anticipated continued pressure from ICC, it is perhaps advisable to give further consideration now, in the context following background and factors, to larger problem of TERM future.

After 18 months in Vietnam, TERM still temporary, and, in official view ICC, engaging only in disposal and scrap salvage work. Except for partial cover-up explanation given Indian ICC Commissioner Kaul (Embdes 238), only limited number Americans and Vietnamese here aware classified logistical training mission in which large majority TERM personnel engaged. (See, however, Embtel 1538) Scope of TERM's overt missions diminishing, however, and we doubt seriously ICC will be satisfied 350 men required for present level TERM overt activity. As Dept aware, GVN Oct 22 letter to ICC on TERM promised monthly activities reports and invited Commission visit ten TERM sites (Embdes 160). ICC has not reacted to first seven reports, which show only limited operations June through Dec, but has requested permission visit four sites late Jan early Feb.

Only seven of original ten sites listed in appendix to GVN Oct 22 letter to ICC now operational (Embdes 160). After careful consideration, MAAG and TERM concluded that it would be useless to try to pretend three sites still active. Some of remaining sites are functioning with as few as two or three TERM personnel on hand. Will be harder to resist claims of Poles and possibly Indians that work TERM must obviously be drawing to a close. We are putting ever-increasing strain on credulity our Allies by presenting picture 350 TERM personnel industriously sorting, cataloging, outshipping, immersing, destroying, scrapping, salvaging, inventorying excess war matériel.

⁸Despatch 160 contains copies of the texts of an ICC letter to the Republic of Vietnam, February 13, 1957, requesting specific information on TERM, subsequent reminder letters by the ICC, and Vietnam's response of October 22, 1957. (*Ibid.*, 751G.5-MSP/11-557)

⁹In despatch 238 the Embassy transmitted a memorandum of conversation of a discussion between Durbrow and ICC Vietnam Chairman Kaul during which TERM was discussed. (*Ibid.*, 751G.00/1-658)

MAAG assures us there is large inventorying job required in connection needs ARVN units being reorganized, but as indicated earlier, other overt TERM activities either drying up or continuing at low plateau of activity. I believe the inventory mission plausible, but it is only relatively short-term palliative and does not diminish urgency I attach to complete new look as best way of providing MAAG adequate personnel to carry out its vital missions of training and equipping VN armed forces.

Difficult predict what courses ICC might follow after consideration GVN reply to its query on TERM duration. If dissatisfied, as seems likely, Commission would be powerless eject TERM but might eventually refer to co-chairmen TERM's questionable legitimacy under Geneva Agreements, evidence its decreasing activity, and question as to "temporary" status. As Dept aware, USSR has suggested co-chairmen meetings on ICC financial matters and could be expected use such meetings, if held, to air series of Commie grievances (London 4198 Jan 17¹⁰).

I believe only two courses open to us, re-examination by Dept of 342-man MAAG ceiling, which has made most difficult execution increasingly important US military mission in Vietnam, or continuation present shell game. I discussed first course prior to my assignment here and again when I visited Washington during Diem visit May 1957, i.e. whether, in view changed atmosphere now, we should continue interpret Geneva Agreement as limiting MAAG to 342 ceiling since article 16 fails mention nationality "additional military personnel".

In view foregoing, it seems advisable give further consideration steps outlined last para Deptel 2630 to carry through course D, by increasing MAAG ceiling or replacing TERM with new organization, recommended Embtel 2772.¹¹

Durbrow

¹⁰Not printed. (*Ibid.*, 751G.00/1-1758)

¹¹According to a memorandum from Corcoran to Kocher, January 28, telegram 1537 occasioned the following review of the TERM-MAAG question:

"1. The situation has not changed substantially since we prepared the draft memorandum to the Secretary last July. The world wide cut in overseas U.S. Military personnel does not seem to have affected Viet-Nam, so we can't pick up any credit on that score. Ambassador Durbrow's 1537 merely revives Dan Anderson's 2772 and Deptel 2630 which formed the basis for our draft memorandum to the Secretary.

"2. Our next step would seem to be to get a determination on high levels in the Department that it is now preferable to abandon the MAAG ceiling, liquidate TERM and accept the risk of ICC objection rather than continue the present arrangement which involves the risk of being accused of subterfuge. Ambassador Durbrow seems to think it is preferable to do so.

"3. Once we obtain this high level determination we can start sounding out friendly powers as described in the draft memorandum and in paragraph 3 of Deptel 2630." (*Ibid.*, Vietnam Working Group Files: Lot 66 D 193, MAAG-TERM 1958)

The draft memorandum mentioned has not been found.

2. Letter From the Consul in Hue (Barbour) to the
Ambassador in Vietnam (Durbrow)¹

Hue, January 28, 1958.

DEAR MR. AMBASSADOR: You may be interested and perhaps a bit amused, to hear that among some of the younger and more liberal intellectuals here the Consulate, by its presence alone, is given credit for having brought about a grudging but allegedly visible elimination of some of the more flagrant abuses of power and some of the less praiseworthy aspects of the policy of toughness—formerly terrorism—that characterize administration in Central Viet Nam.

Although, as you know, I have yet to set eyes on "the Counselor", Ngo dinh Can, I am told by one who has occasional dealings with him that he has issued instructions to some of his more abrasive types to go slowly, lest "the Americans" become unhappy with his methods. I am also told that in discussing various programs or projects he has complained to his listeners that the presence of the Consulate forces them to observe greater circumspection than before.²

These allegations concerning such an unwarranted and reluctant deference to us are, while flattering, somewhat surprising, for I assure you that I do not consider it within my province to define "democracy" for local officials or to comment on the quantity of this element that is present in or absent from local administrative practices. Rather, such comments as Can might make along the above lines are more likely attributable to his peculiar character, his quirks and foibles, and his general fear of strangers.

However, in discussing Can's reported reactions to our presence here, my source, a well-educated and senior government official, stated that the regional budget for psychological warfare in Central Viet Nam was some \$150,000,000 this year and that for social action only \$20,000,000. He also confirmed reports of a subverted communist-denunciation campaign that got out of hand in otherwise calm Quang Nam Province not long ago and resulted in the arrest of over 1,000 people, some of whom were brutally beaten and tortured. These two factors—a lopsided budget for continued regimentation of the populace and one instance of the abusive employment of the power generated by this overemphasis—certainly justify our wondering whether dividends are still to be expected from the uncompromising and expensive campaign that has taken place in the area for

¹Source: Center of Military History, Williams Papers, Memos to and from Ambassador 1958 (36). Confidential; Official-Informal.

²The Consulate had been established on July 29, 1957.

more than two years now, or whether the present almost perfect security can really be improved upon. If Ngo dinh Can's alleged reactions are the result of misgivings that the Consulate is coming to the belief that the point of diminishing returns or even negative returns has been reached, and that the efforts and resources devoted to all the many indoctrination campaigns might better be diverted to more rewarding endeavors, then his fears are well justified.

Respectfully yours,

Robert E. Barbour³

³Printed from a copy which bears this typed signature.

3. Memorandum of a Conversation, Saigon, January 30, 1958¹

PARTICIPANTS

Ambassador Elbridge Durbrow
Ngo dinh Nhu
Howard Elting, Jr.

Nhu opened the conversation by mentioning the visit of the Malayan Prime Minister² which he said is going very well. He mentioned Rahman is thinking about some sort of military cooperation with Viet-Nam. This led to a discussion of the Chinese minority problem in Malaya, and from there to the question of the Chinese in Viet-Nam. Nhu said that around one hundred Chinese a day were now signing up for Vietnamese citizenship, and were even queuing [queuing] up to make their declarations. Moreover, it is not just the ones born in Viet-Nam but a certain number of the older element born abroad who are coming around.

The conversation turned to the proposed new Chinese textile factory and the question of its control. Nhu said that there was basic legislation which permits the GVN, if it so desires in the public interest, to buy 51 percent control in any enterprise, but he added immediately that the Government had neither the money nor the trained personnel to implement full state control. (He was very explicit in saying there was only one Vietnamese businessman in the true sense of the word in this country. This is the man who runs the

¹Source: Department of State, Central Files, 751G.00/2-1058. Confidential. Drafted by Durbrow and Elting. Sent to the Department of State under cover of despatch 289, February 10, which summarized the memorandum of conversation.

²The Tunku Abdul Rahman.

Lambretta Company. All the rest who have borrowed money to go into business, think only of getting themselves a large villa, an air-conditioned office, a Cadillac, and a wife as quickly as possible, and consequently they promptly go bankrupt.) He added Vietnamese only think in terms of quick turnover and quick profits and will not invest money if they have to wait five years to get a return—hence Government must start enterprises. Moreover, he said there was not a single ministry of the Government who favored the system of state control as such. The 51 percent provision was purely theoretical, unless the company were acting against the public interest; it would certainly never be exercised by the Government in cases where there was already a going enterprise or in cases of an enterprise which was sufficiently attractive to bring into play private capital on a reasonably early return.

On the other hand, he said his own thesis was one which he described as a "mixed economy," i.e., partly state and partly private control. He said it was necessary to delineate clearly the sectors for each, but he admitted that these sectors have not been identified. Nhu returned to this thesis of a mixed economy two or three times during the course of the conversation and seemed to be firmly convinced that it was "the third way," i.e., not liberal capitalism nor communism.

The Ambassador raised the question of foreign investment, American investment in particular, and stated we were having difficulty in trying to set up the IDC as an instrument to encourage free enterprise. Nhu replied he did not believe that any American capital would be attracted to Viet-Nam since Americans only liked to invest in big ventures like oil exploitation. When the Ambassador and Mr. Elting pointed out examples of smaller American investments in European countries, Nhu said the same situation did not apply in the Afro-Asian countries. He made it clear that newly-independent countries feared liberal capitalism and the thought of foreigners running their industries so they were searching for something similar to his "third way". He explained "mixed economy" in this way. Since there are now no entrepreneurs in Viet-Nam and little risk capital, it is necessary for the Government to "launch" those necessary enterprises which do not attract investors now by putting up 51 percent of the initial capital. Once the Government has shown the way by its investment, the other 49 percent would come from the public and the enterprise would start with Government technicians running it. These would train other technicians who in the end would run the plant in a few years, at which time the Government would sell its 51 percent to the public and a fully free enterprise concern would be created. Nhu added one did not have to fear about entrenched bu-

reacrats refusing to give up their jobs in the company since the Government did not want to be in business, but wanted to pull out as soon as possible. When that time came, the Government would order the bureaucrats to other jobs. Nhu explained that the best way for the Government to exercise its control would be through the National Bank, i.e., all the transactions of the enterprise would be subject to review by the Bank. He said this would enable the Government to watch an operation closely and intervene if necessary if the enterprise appeared to be working against the interests of the state.

Nhu explained the other countries of South and Southeast Asia have all shown great interest in this Vietnamese idea of "third way". They have discussed it very openly and frankly and with no suspicion such as they might show in discussions with western countries. All of the countries of the area are groping for some way to avoid communism as well as western liberal capitalism, which latter doctrine they associate historically with colonialism.

He said neutralism of the Indian brand is an untenable doctrine on any logical grounds. For example, he said he had told the Indians that they were illogical in considering neutralism a way to gain time vis-à-vis the Soviets, since the latter will always be ahead of them and they would never be able to develop sufficient economic strength to stand up against the Soviets. If this were not the case, he told the Indians, why did they think the Soviets allowed them to go ahead with their gambit of neutralism. Surely the Soviets with their aim of world domination would have gobbled them up by now if they had any fears of the results of a neutralist policy which in the end might permit India, for instance, to become so strong economically they could effectively resist communist domination. Nhu added that the Vietnamese arguments from experience had been so telling that the Indians had been obliged to go on the defensive in trying to defend the concept of neutralism. He added that newly-independent countries could not make progress or resist communism solely by welfare state methods as Burma is trying. They must build a solid economic base by making the people work instead of living on a perpetual dole, which would only soften them for communist domination.

Expanding on the latter ideas, Nhu said that the explanation for the varying communist tactics in this area was that they had strong hopes of internal subversion in most of the countries of South and Southeast Asia and thus it would be in their interest to maintain the fiction of peaceful co-existence. In Vietnam, however, they recognized there was no hope for internal subversion and felt obliged to use force to try and destroy a government which was beginning to

exert considerable influence and attraction in the area against the concept of neutralism as well as against communism.

In the context of the above, Nhu repeatedly suggested that the U.S. should adopt a more flexible attitude in the allocation and administration of aid to Viet-Nam because of the help that it can render in interpreting the U.S. to the other countries in the area and because of the special efforts the communists feel they must make to destroy the GVN as a force which is potentially capable of winning uncommitted countries away from both neutralism and communism. He did not suggest that this flexibility need go too far, but should be of such a nature to permit the GVN to take action which it believes best for the country even if a few mistakes are made in the process. In this connection he said that Bourguiba³ had expressed great interest in Viet-Nam and had indicated that Tunisia was taking advantage of Viet-Nam's example. Bourguiba also expressed concern about the cumbersome procedures required in order to obtain aid from the U.S. Even the Syrian Ambassador in Tunis had made a point of telling the Vietnamese that Syria was not communist and had complained because the Vietnamese were not going to visit Syria.

Turning to the situation in Laos, Nhu said that the GVN had continued to urge the Lao to put up a united slate of the conservatives and "good" liberals in the coming elections.⁴ He said that Katay⁵ was the only one who was holding out on the grounds that the candidates could not be controlled and might leave their party and run as individuals or else have to be bought off. Nhu said he had told the Lao that they must have party discipline, and when they protested that they did not have the means to enforce it, he told them, "Of course you do. You have all the means possible at your disposal. Just throw a bomb into the house of one or two candidates and the problem will be solved." (Nhu returned several times to the necessity of maintaining strict party discipline and made very clear that he favored using the most ruthless means if necessary in order to do so.)

When the Ambassador mentioned that Prince Savang⁶ did not have confidence in the police but did have in the Lao Army, Nhu said the Lao police are not under the control of the Government since it was set up by Katay with help of his Thai associate, General Phao,⁷ who had planted a number of his men who control the force.

³Habib Bourguiba, President of Tunisia.

⁴Documentation on the Lao elections is scheduled for publication in a forthcoming volume of *Foreign Relations*.

⁵Katay Don Sasorith, Lao Minister of Interior, Economy and Welfare and former Prime Minister.

⁶Crown Prince Savang Vatthana of Laos.

⁷General Sriyanon Phao, former Thai Director-General of Police and Chief of Police Intelligence.

Here again, Nhu said he advised the Lao not to ignore the police, since then they would probably end up helping the communists, but rather to use them by giving them definite instructions, i.e., "Paragraph 1, the communist candidate in your district must be defeated; Paragraph 2, the conservative candidate must win." If the police are used in this way they will be convinced that they must help the conservatives to win if they want to keep their jobs. If they are ignored, they would fear for their jobs and help the communists.

Nhu was also very specific about how to handle weak candidates he insisted must be forced to retire from the race. He said the Lao should not succumb to demands for a payoff in cash but should rely on intimidation plus the offer of posts to these men after the elections. He said the Lao were most naive about the seriousness of the communist threat. For example, he said they were confident of winning the elections and believed communists would not have adequate funds. At this point, Nhu said that he had information from what he considered to be a reliable source that the Russians had recently transmitted, from Bangkok, eight million kips to Souphanouvong.⁸ He added that the UK, the US and the GVN must therefore work closely together to make the conservative elements take the situation seriously.

Regarding Cambodia, Nhu said that Sihanouk was worried about Cambodia's increasing isolation as Vietnamese relations improve with all the other countries of Southeast Asia, and this was the reason for Sihanouk's recent anti-communist declaration. On the other hand, Nhu pointed out that Sihanouk had subsequently made a speech in the provinces which was favorable to the communists. Nhu remarked that Sihanouk is insane and unpredictable. When asked about the possibility of the GVN reaching an agreement with Cambodia on action against the dissident elements operating across the frontier, Nhu said that an effort had been made to reach an agreement on joint operations but the Cambodians, after first agreeing, raised objections as to who should control such operations. The Cambodians then suggested simultaneous operations, but nothing further has been heard about this. Nhu said he thought the Cambodians preferred to have the situation stay as it is because they think that this gives them a way to exert pressure on Viet-Nam. Nhu thought this was foolish, however, since once the GVN clears up the situation in Viet-Nam, these same elements will turn around and prey on the Cambodians.

⁸Prince Souphanouvong, leader of the Pathet Lao and Minister of Plans, Reconstruction and Urban Affairs in the Lao Government.

4. Telegram From the Ambassador in Vietnam (Durbrow) to the Department of State¹

Saigon, February 8, 1958—1 p.m.

1653. Reference: Embtel 1581.² As indicated last para reftel, I sought and obtained appointment with Pres Diem Feb 3. Prior to meeting, both Vice Pres and Director General Foreign Aid expressed concern general economic situation to Barrows and myself, urging us earnestly do everything possible bring Pres around to agreement on outstanding issues.

My meeting with Diem, which lasted nearly three hours, was friendly, frank and basically quite fruitful.

Frank Discussions Urged

I started by stating that 1958 aid questions had been discussed for some time now at various levels and I felt time had come for me to discuss these matters directly with him. I also reminded him I would be leaving in March for Chief of Missions Conference Taipei³ and hope proceed from there US for leave. Accordingly, I hoped we could have several full and frank discussions of mutual problems to enable me to explain developments in detail in Washington. I added that Barrows and I and others on staff have sought continually make our procedures as flexible as possible in hope achieving mutually agreeable solutions.

Diem Reveals Surplus Problem

Diem replied he wanted explain his views on aid and other matters in frankest manner. He had not asked see me for over two weeks because he had had most of his top officials working out facts and figures. Then, somewhat to my surprise, he said his experts now calculated there would be about six hundred million piasters excess revenue from regular taxes GVN 1957 as result taxes, economies and

¹Source: Department of State, Central Files, 751G.5-MSP/2-858. Confidential; Limit Distribution. Passed to CINCPAC PolAd.

²In telegram 1581, January 13, the Embassy reported that from discussions with working-level Vietnamese officials it was clear that only two questions remained unresolved concerning U.S. aid to Vietnam. The first was additional contributions by Vietnam to its military budget and the second was the consequent proportion of total aid to be allocated to military and economic sectors. The Embassy reported that Diem was concerned over aid cuts and was preparing to make his case that Vietnam could not contribute more than 900 million piasters to the military budget notwithstanding the expected substantial surplus in the 1957 Vietnamese budget. Durbrow noted that he was attempting to arrange a meeting with Diem to discuss these questions. (*Ibid.*, 751G.5-MSP/1-3158)

³Information on the conference will appear in a forthcoming volume of *Foreign Relations*.

postponed projects. In addition, he said an additional three hundred million piasters surplus from 1957 perequation taxes was now estimated, making total surplus of perhaps nine hundred million. He then proceeded describe number emergency measures his experts believed he must make in immediate future for which he needs these funds.

President's Grave Security Problem

Diem said when he took over in 1954, finances were in chaos. Regional chiefs expended large sums in their districts not authorized by central government but which central government had to pay. Prior 1957 President decided all such expenditures must cease in order balance 1957 national budget. Because of this, public works in provinces came to virtual standstill. His recent trip to four north-central provinces showed clearly immediate need public public works program. Population extremely poor; it had no cash; now it was in danger subversion by Commies. Described how population this area had been under Viet Minh occupation for seven years before Geneva Accords. When Viet Minh withdrew, local currency became worthless. It was never redeemed. Therefore, here, as elsewhere in the country, President was immediately obliged start public works program in effort pump money into countryside. Work had already begun. Between 10 and 20 million piasters were to be spent immediately in each of the north-central provinces. Projects for near future now total approximately 300 million piasters.

His Disposition of Surplus

Diem said therefore half 600 million piaster excess from regular taxes for 1957 was already earmarked. Other half was needed for urgent work roads, canal clearing, dredging, pay for 17,500 in self defense corps not covered by US contribution. Also planned purchase Civil Guard equipment and finance GVN public works projects other provinces. Stressed urgent need make these "delayed expenditures" in provinces in order retain peoples' good will.

He asserted good part excess revenue from perequation taxes is needed pay export subsidies. Furthermore part of this excess has already been used for emergency expenditures, totaling with subsidies approximately 100 million piasters, Diem said.

Having described these urgent expenditures, he referred to one additional essential cost, settlement with Cambodians of Paris Accords. He believes this step essential, although is not too optimistic re improving relations with Cambodians. He has therefore set aside the remaining 200 million piasters from perequation tax for use in a possible settlement with Cambodia.

This disposes of entire excess revenue anticipated on 1957 receipts. President stressed repeatedly great need make up lost time and repair previous negligence central Vietnam provinces. This is essential in order avoid "explosion" which Viet Minh trying cause. For all these reasons Diem could not see how GVN could pay 452 million piasters additional contribution military budget.

Commie Subversion Described

President then went on, explaining in detail newly stepped up Viet Minh subversive activities central area. These stepped up Communist activities only recently known. Commie posts are now established, Diem alleged, mostly along high mountain range west of Quang Tri, Hue, Tourane, Paifo and Quang Ngai with communication routes leading to these cities. Many such posts are in Montagnard villages. Three or four Commie radio transmitters believed operating this area; one near Ban Me Thuot. Seriousness of situation only became clear after considerable number captured agents were successfully interrogated and truer picture pieced together.

Roads

In order permit security forces control Viet Minh activities and prevent circulation Commie couriers, Diem believes, as he earlier told Gens Williams and Myers, a principal road from Kontum to Hue along Lao border must be built and an additional road is needed to connect up many existing secondary roads in eastern foothills of Quang Nhai and Quang Nam.

I reminded President these roads most expensive. I reminded him of President Eisenhower's statement that sometimes roads become golden highways for one's enemies.⁴ I suggested desirability concentrating on better intelligence and counterespionage organizations in Vietnam to penetrate and break up Viet Minh networks. President replied such steps already taken but because special problems presented by mountainous areas central Vietnam he is convinced he must build roads in order that security intelligence forces can enter and control those areas.

New Situation Discussed

I expressed surprise at his new view of situation this area; recalled he had told me less than two months ago National Revolu-

⁴Diem had stressed the need for aid to South Vietnam's roadbuilding program during his conversation with President Eisenhower held in Washington on May 9, 1957. At one point in the discussion, according to the memorandum by Durbrow, the "President, half jokingly, said that there was an old adage that roads sometimes were a 'golden bridge for your enemies'." See *Foreign Relations, 1955-1957*, vol. 1, p. 794.

tionary Movement had situation well in hand central Vietnam. President replied NRM had recently learned otherwise. Again emphasized situation subversion is increasingly grave problem. Believes Russian mission, alone, in Phnom Penh poured about 3 million piasters South Vietnam during last three months. Reiterated that unless he can improve the peoples' lot situation will become extremely serious.

I told President I would report all he said and was confident it would receive careful consideration.

Memorandum presented. Urged reach decisions.

I then gave Diem a memorandum⁵ containing description of vital decisions needed in order use US aid FY 58 most effectively. I pointed out it was essential for him decide on apportionment of US aid FY 1958 between military and economic sectors. I urged him accept suggestion that \$130 million be allocated military budget, and \$55 million to economic and technical sector. I reminded him of State Department declaration December 26 to Vietnamese Ambassador Washington⁶ that if it became clear after careful analysis that GVN could not contribute 450 million piasters to military budget, questions would then be re-examined.

I urged him strongly, despite emergency needs he had described, contribute as much of the excess revenue to military budget as possible. I reminded him of Department's statement that we must take into consideration total resources available to meet current needs. I suggested that perhaps many planned emergency works might not be put into effect immediately, and hence considerable sums would be available for contribution to military budget.

I added if after careful study GVN could not contribute total additional contribution suggested, we could consider question of piasters in pipe line, and find out whether Washington would agree allocate increased amount this source. I mentioned that now there is in pipe line only enough to pay for two months' US contribution to military budget. It would be imprudent to draw more at this time. Perhaps in two or three months pipe line situation might justify request to Washington draw down pipe line for remaining sum needed for military budget. Furthermore, considerable sums might be saved from 1957 military budget to apply 58 military expenditures. There was also a slight possibility also, [*sic*] if all other sources did not make up difference, urge Washington give additional aid FY 58 if any money left over from global appropriation.

⁵This memorandum is attached to despatch 293 from Saigon, February 13, which also contains a more complete account of the meeting. (Department of State, Central Files, 751G.5-MSP/2-1358)

⁶Not found.

In any case, if all other sources unavailable, as last resort we might make decision May or June postpone or eliminate some economic projects. I could thus assure him that military budget for Calendar Year 58 would somehow be covered. I added it would be unwise for him to decide he must have absolute assurance that the military budget would be fully covered now because the only available alternative at this time would be postponement or elimination of badly-needed economic projects. I reminded him of his desire obtain economic independence soon as possible. Unless essential economic development is started now, economic independence would be further delayed. I stressed that US also desires Vietnam become economically independent soon as possible. Firm decisions build up economy should therefore be reached now.

Diem's Reaction.

9 The President then described in detail how slowness USOM procedures delayed money entering economy. I replied while some projects perhaps delayed our side, many others delayed by Vietnamese. He repeated that for reasons he had given he must inject money into economy immediately and could not await USOM-GVN agreement on projects which may not get started for many months. He insisted situation in Vietnam might be out of hand if his projects are not carried out.

Referring suggestions that Vietnam contribute more to military budget, he commented on impression created abroad that everything is fine in Vietnam. He himself helped create this impression during his official visits in Asia. But situation is not as it is portrayed to outside world.

He went on to say it not easy for him understand why Vietnam was given such large cut in aid when his government had been so steadfast in loyalty to free world and he had personally used his full influence to awaken Asia's understanding of Commie threat. I replied US Government fully appreciated his efforts, and explained that aid to Vietnam had not been cut proportionally to total global cut. I added that because of fine progress made by Vietnam I was certain he could see his way clear to contribute much as possible cover military budget. This would make an excellent impression on US. It would be convincing proof that Vietnam is doing all it can to achieve economic independence despite its grave problems. The President replied it was still hard to understand our reluctance help him further at this critical time. I urged President to read carefully memorandum I had given him and said I hoped it would be helpful and flexible. I emphasized that a decision was needed in near future re apportionment of aid to appropriate economic and military factors if Vietnam

wished to take full advantage of US aid for Fiscal Year 58. President promised to read it.

Memorandum of conversation follows.⁷

Durbrow

⁷See footnote 5 above.

5. Telegram From the Ambassador in Vietnam (Durbrow) to the Department of State¹

Saigon, February 25, 1958—8 p.m.

1756. Chau² called on me and Barrows separately last evening to tell us in confidence he has resigned. He had told the president orally that afternoon of his desire to resign after the president had told him he planned to name Lam Le Trinh, Chau's assistant, to be Minister of Interior. Chau stated he had been urging president to name separate Minister for Interior because holding two jobs was becoming increasingly difficult. Chau then told president this gave him opportunity to say he had decided to resign as Secretary General to Presidency as well. The president promised to consider question.

Chau stated that he wished to tell us why he resigned before we heard any of the usual Saigon rumors. In substance his reasons were the following:

1. Personal. (To Barrows he specifically said he meant by this his divorce problem and the new anti-divorce law pressed by Madame Nhu.³)

2. He then discussed at some length his belief that the president by his arbitrary ways is losing his appeal to the people for whom he does little. Chau agreed if it were not for American aid SVN would already be Communist; that although American aid was needed to maintain strong armed forces in past three years he thought president was placing too much reliance upon spending large amounts money on military, civil guard and self-defense corps. He stated he had tried to induce president to allocate more money to economic build-up so

¹Source: Department of State, Central, 751G.13/2-2558. Secret; Limit Distribution. Sent also to Phnom Penh and Vientiane.

²Nguyen Huu Chau.

³Chau was the husband of Madame Nhu's sister. He sought a divorce in the Vietnamese courts, but his sister-in-law delayed the case until passage of her family bill prohibiting divorces. See Robert Scigliano, *South Vietnam, Nation Under Stress* (Boston: Houghton Mifflin, 1963), p. 61.

as raise productivity and standard of living. People now susceptible to Communist blandishments since they have little concrete evidence of what Government has done for them. Chau had tried to induce president to funnel current revenue surplus through provincial and village budget system to (a) reduce taxes and (b) use money through this channel to create desired public works in local areas which would show people directly government had their interests at heart. He had tried to induce president to permit provincial and local governments to work up own budgets to be voted upon by local people who would thus have say in own affairs and start rudiments of democracy. The president however desired to control everything centrally, is too arbitrary and counts on police and military to control the people. In Chau's opinion if government did more for people dissident elements would be greatly reduced and Communist threat diminished. Chau added he had tried to induce president to be more tolerant of our aid procedures since it is essential to life to [of] country that aid continue in order build toward economic independence.

Comment: Chau in speaking to us was very calm and apparently relieved he had taken decision. Despite his misgiving he expressed loyalty to president. When asked what he planned to do he stated uncertain, did not expect practice law, would prefer to go abroad to US or Germany, study matters of interest to him, particularly in economic field.

Few weeks ago Chau had talked to Barrows about possibility resigning giving reasons along above lines. British Ambassador reports Nguyen Huu Hanh, Director General National Bank, in frank conversation short time ago was most pointed in his criticisms of Diem and stated categorically "Diem must go" in order to save the country. Hanh added he seriously thinking resigning and accepting US banking offer. According Hanh Vice President Tho in general agrees with his evaluation Diem. Reports from other sources claim Dung is thinking of resigning.

While seems to be no question several high officials not too satisfied developments, we have discounted these reports as merely symptomatic individual frustrations which they probably still are. However, fact Chau has resigned opens slight possibility others may follow but unquestionably one of principal motives Chau's resignation his personal situation.

Durbrow

6. Despatch From the Consul in Hue (Barbour) to the Department of State¹

No. 16

Hue, February 25, 1958.

REF

Consulate's Despatch No. 3 of August 30, 1957²

SUBJECT

Meeting with Ngo dinh Can

In the evening of Monday, February 17, 1958, the day before the beginning of the Vietnamese lunar new year celebrations, the reporting officer was received by President Diem's elusive, political-boss brother, Ngo dinh Can, a mysterious *eminence grise* on the Central Viet Nam political scene, who shies from contacts with strangers and has heretofore declined to have dealings with American officials. Since previous expressions of hope that a meeting would be possible had been lodged periodically in the past with members of Can's entourage and had elicited no response, it was with some surprise that the invitation to meet him was received.

The Ngo family homestead, where the meeting took place, seemed unchanged from when first visited six months ago, when it was described in the despatch cited above. Within Hue's only walled compound, the grounds, as full of birds and animals as ever, were brightly decorated with flowers, lanterns, illuminated slogans, and pictures of the President in anticipation of his arrival the next day. The house was open to the seasonal mist and chill and was full of flowers as well as all the esoterica noticed last August. It is this atmosphere of mystic, exotic isolation that contributes to the position of awe which Can holds in the eyes of the common people of Hue and Central Viet Nam, relatively few of whom have ever seen him. And, it is amidst this setting, in a corner of the "living room" taken up by massive Vietnamese style, mother-of-pearl-encrusted furniture, birdcages occupied and vacant, flowers, and a large stuffed leopard, that visitors are normally received.

Can, himself, proved to be rather handsome individual of moderate stature and with a smooth, healthy, face. Contrary to expectations, he manifested none of his reputed shyness or aloofness, but seemed relaxed and friendly, although considerably less garrulous than the President or Nhu. He was dressed in the traditional Vietnamese fashion with black tunic and turban and wore sandals on his

¹Source: Department of State, Central Files, 751G.11/2-2558. Confidential.

²In despatch 3, Barbour had reported that although he had been granted an interview with Mrs. Ngo Dinh Kha, mother of the President and his brothers, he had been unable to arrange a meeting with Ngo Dinh Can. (*Ibid.*, 751G.11/8-3057)

feet. His only jewelry was an occasionally-glimpsed plain gold bracelet, the gold buttons on his tunic, and his plastic and gold-rimmed spectacles.

It is generally believed, and it has yet to be proven otherwise, that Can, the second-youngest of the President's immediate family, has steadfastly refused to adopt any Western manners or innovations. He clings to the traditional costume, refuses to speak French, although he uses occasional French words, and he prefers the peasant's small conical, malodorous, home-rolled cigarette to the standard commercial variety. He is said to epitomize all the extreme features of the Hue environment—ultra-traditionalism, xenophobia, conservatism, and a general distrust of things or ideas new or foreign.

In general the conversation on February 17 was limited to pleasantries and platitudes, and, coupling his shyness with a hope for future contacts, no attempt was made to press him with political questions. Can explained that (unlike Nhu) he is not "Counselor to the Government" but only to various groups in this area. (On Vietnamese papers his official title is "Supreme Counselor to Political Groups in Central Viet Nam".)

In response to various general inquiries, Can said he believed that despite the complaints of merchants and businessmen, the general economic situation in Central Viet Nam was better this year than last. Granted there might not be as much money circulating in the villages as there should be, but the people had plenty to eat, their clothes were adequate, and their physical well-being was generally improved over a year ago. In his opinion, there had been significant economic progress during the past year, and he was satisfied with the rate of this progress.

The important thing was to help the common people, said Can, and for this reason he regretted that so much of American aid was of a budgetary nature designed to support the military establishment. While very grateful for American assistance to Viet Nam and the Vietnamese people, he had occasionally criticized certain aspects of our aid program, he said, citing the inclusion of dried milk and cheese in food shipments to peasants as an example of the sort of thing he thought unwise. These were items the recipients either did not like or did not know how to use. He believed that above all else was the need to increase the material benefits to the people in the countryside, and to this end he had frequently tried to get the Vietnamese Army to assist in building rural roads and digging canals or helping the farmers with the harvests. Unfortunately, the "military region headquarters" had always told him that their "American advisers" would not permit them to do these things. (It is only within the past year that the Army in this area has been able to relinquish its police

and security functions and to "reconcentrate" for an extensive and, in MAAG's opinion, long overdue training program. While there may thus be some truth to Can's complaint that MAAG objected to projects which would dissipate training time in non-military activities, it does not follow that even without American objections the Vietnamese military would have agreed to Can's proposals. If what Can says here is true, it would seem primarily a good example of a standard Vietnamese willingness—although not only Vietnamese—to attribute the results of their reluctance to face unpleasant realities to someone else's shortcomings.)

With regard to subversive activities and Viet Minh agents, Can explained that most of Central Viet Nam had been occupied by or under Viet Minh influence for almost nine years, during which time the people had experienced communism at first hand and found out what it was really like. For this reason, and despite any residual Viet Minh influence in this area, most of the people were "sincere revolutionaries" (supporters of the Government's "National Revolution"). There were still some communists in this area, he said, and they must be tracked down and ferretted out. He added that in the South the situation was much different, but with the New Year the President planned to unleash an all-out campaign to destroy the subversive forces and bring peace and stability to the South.

Nguyen van Buu, a wealthy Central Viet Nam businessman and agent for Can, was present throughout the half-hour meeting but took no active part in it.

Comment:

What Can had to say is neither new nor startling, but primarily interesting as indicative of his attitude towards various problems. The picayune and now stereotyped complaints about cheese and powdered milk in food shipments seem in his mind to have obscured the fact that food was sent at all. And his satisfaction at the current rate of economic progress in Central Viet Nam is not shared by all.

What is interesting in the present instance is why the meeting took place, that is, why Can, who, according to friendly Vietnamese sources, had resolutely refused to receive the American Consul at Hue, suddenly changed his mind. It is possible that the event is attributable to a burst of good feeling occasioned by the forthcoming New Year celebrations, but it is more likely that he was prevailed upon, deferentially to be sure, by one or more of the younger, more liberal, and less tradition-bound members of his entourage to expose himself in this manner to outside contacts and, perhaps ultimately, to outside influences. Whether this is the case, or whether there is some other reason, it is evident that the sting of an unfavorable *Time* mag-

azine commentary last year has worn off, and that Can is at least slightly more favorably disposed towards the United States than he is said to have been in times past. It can only be hoped that the February 17 interview will have paved the way for other, more fruitful, exchanges with him.

Note: It is requested that the existence or contents of this despatch not be made known to or discussed with any Vietnamese or foreign government officials.

Action Requested: Department please send one copy of this despatch to the American Embassies at Saigon, Paris, and London.

Robert E. Barbour

7. **Memorandum From the Assistant Secretary of State for Far Eastern Affairs (Robertson) to the Secretary of State¹**

Washington, March 7, 1958.

SUBJECT

Long-Range Solution of MAAG and TERM Problems

Discussion:

1. TERM was established to salvage U.S. military equipment stockpiled in Viet-Nam and, as a by-product, to provide logistical training for the Vietnamese national army. In explaining the purpose of TERM to the British, Canadians, French, and Indians the only emphasis was placed on the salvaging aspect. Meanwhile, however, the training aspect of TERM has become increasingly important. (Tab A and Tab B²). The net result has been that any one of these friendly countries may take the attitude that we were less than frank in presenting TERM to them. Defense, CINCPAC, and MAAG/Saigon have consistently maintained that the voluntarily accepted MAAG ceiling impedes the training of the Vietnamese army and that TERM personnel represent the minimum augmentation of the original MAAG strength needed for training purposes. The Vietnamese-French agreement last year to withdraw the French naval and air training missions required MAAG to absorb the functions of those missions.

¹Source: Department of State, FE Files: Lot 60 D 90, Vietnam. Secret. Drafted by Corcoran with clearances from SEA, FE, C, G, and L/FE.

²These tabs were not attached and have not been further identified.

2. The Embassy in Saigon reported last month (Tab C³) that the ICC's interest in TERM had increased and expressed doubt that the ICC would continue to be satisfied that the present strength of TERM is required for the salvage of military equipment. The Embassy recommended that further consideration be given to steps discussed last year for the long-range solution of the TERM problem. At that time the Department approved a short-range course of action (Tabs D, E, F⁴) which conciliated the ICC but postponed consideration of the basic TERM problem. We also took advantage of the withdrawal of the French naval and air missions to authorize the Embassy to carry up to 43 spaces for military personnel performing functions in support of other than MAAG activities At the same time we discussed a long-range course of action for solution of the TERM and MAAG problems.

3. The long-range course of action envisaged solution of the TERM and MAAG problems along the lines of one of several alternatives proposed by the Embassy. This proposal called for facing the basic dilemma involved in the discrepancy between the way TERM was presented to the ICC (and to the British and French) and into what it actually developed [*sic*]. This approach calls for abandoning our past policy of attempting to maintain TERM's temporary technical facade, which the Embassy advises is increasingly difficult to defend, and aiming at establishing a less tenuous basis for the mission's presence. The Embassy suggested we might state that TERM's objective had been accomplished and that we now proposed to increase MAAG or to replace TERM by a mission of comparable magnitude for other purposes more descriptive of TERM's real mission. In order to placate the ICC we could use the practical argument that the small number of U.S. technicians involved was not comparable to the scores of thousands of French combat troops withdrawn from Viet-Nam after the armistice. This course of action would risk ICC objection and a possible subsequent accusation of a U.S.-Vietnamese violation of the Geneva accords. However, it offers a way in which TERM could be legitimized as a permanent organization with unrestricted functions and relative *sic* freedom from ICC interference.

³Not attached, but apparent reference to Document 1. The seemingly erroneous reference "last month" could be explained by the fact that this memorandum went through a number of drafts, some prepared in February. As footnote 11, *ibid.*, indicates, there was apparently a draft of this memorandum as early as July 1957.

⁴Not attached and not further identified.

4. In a broader context the question also arises whether or not a continued apparent lack of candor with the Canadians, British, and French might not ultimately have even more embarrassing consequences than being accused by the ICC. It should also be borne in mind that our relations with India might be harmed considerably if we appeared to have acted in bad faith in explaining TERM to them (Tab G; Tab H; Tab I⁵).

5. In informing the Embassy in Saigon of the long-range solution the Department envisaged we pointed out that before considering the details of such a solution we would discuss the matter separately with the Canadians, British, French, and Indians and would examine the implications of the possible withdrawal of the French air and naval training missions.⁶

Recommendation:

That after consulting with Defense we contact the Canadian, British, and French Embassies in Washington and that our Ambassador in New Delhi later contact the Indian Government to obtain informal reactions to the U.S. position set forth below. If the net reaction of these friendly countries should be so unfavorable as to be unacceptable in the light of our general interests we could again postpone consideration of a solution for the MAAG-TERM problem. If the net reaction is not so unfavorable as to be unacceptable we could go ahead with the gradual and simultaneous abolition of TERM and expansion of MAAG. The final total of MAAG personnel would not necessarily equal the sum of present TERM and MAAG personnel, but some smaller figure to be agreed on eventually by State and Defense.

Proposed U.S. Position

A. TERM's objective will be accomplished within the foreseeable future. We intend to withdraw elements or individual members of that mission as their functions disappear and gradually to abolish the mission.

B. Meanwhile, other considerations have made it necessary that we increase the size of MAAG. The withdrawal of the French air and naval training missions and of certain French instructors in army schools, as well as French line of communication elements whose presence contributed to the effectiveness of the air and naval training missions, is among these considerations.

⁵Not attached and not further identified.

⁶Reference is to telegram 2630 to Saigon, April 9, 1957. See footnote 7, Document 1. French air and naval missions in Vietnam terminated in the late spring of 1957.

C. The increased personnel of MAAG will be technicians and not combat instructors. In numbers the total MAAG strength will be insignificant by comparison with the total number of French troops withdrawn since the armistice and it will not by any stretch of the imagination increase the military potential of South Viet-Nam over that of the French expeditionary corps which was a party to the Geneva agreement.

D. We feel quite frankly that it is in the interests of the free world to maintain in the Republic of Viet-Nam armed forces capable of providing some defense for that country against armed aggression or massive Communist subversion. It is obvious that the armed forces of the Republic of Viet-Nam constitute no threat to the Communist region in the north.

E. The proposed increase in MAAG should not cause any concern that the U.S. intends to establish a large military presence in Viet-Nam. In fact there will be a net reduction in the number of U.S. military personnel in Viet-Nam.

Approved: C[hristian] A. H[erter], 3/18/58⁷

⁷The source text is a copy and Acting Secretary Herter's initials are lettered in an unknown hand.

8. Memorandum of a Conversation, American Embassy, Manila, March 13, 1958, 5:30 p.m.¹

US/DEL/MC-5

PARTICIPANTS

US

Mr. Walter S. Robertson

Mr. George M. Abbott

Vietnam

Mr. Nguyen Dinh Thuan

SUBJECT

- (1) Vietnamese desire for Support for Civil Guard
- (2) Vietnamese Relations with Cambodia

¹Source: Department of State, Conference Files: Lot 63 D 123, CF 989. Confidential. Drafted by George M. Abbott, Special Assistant for SEATO Affairs in the Bureau of Far Eastern Affairs. Robertson and Abbott were part of the U.S. Delegation to the Fourth Council meeting of SEATO, held at Manila, March 11-13. Thuan was Vietnam's Observer. Documentation on the Council meeting is scheduled for publication in a forthcoming volume of *Foreign Relations*.

Mr. Thuan said President Diem had asked him to take up one or two matters with Secretary Dulles and Mr. Robertson. The President wished to point out that the current communist emphasis on subversion was creating serious difficulties for Vietnam. The frontier with North Vietnam gave opportunities for infiltration and contact with remnants of insurgent groups and communist agents in the Republic of Vietnam. There was also a problem on the Cambodian border where insurgent groups and bandits were able to flee across the frontier when hard pressed.

In view of this situation President Diem felt strongly that internal security was still his most serious problem and must have priority in use of available funds and resources. Recently the armed forces had been relieved of the mission of assuring internal security in order that they could concentrate on their primary mission of defense against external aggression and carry forward the necessary training.

Internal security thus fell to the Civil Guard and it had become essential that this body of some 40,000 men receive proper equipment and logistic support. President Diem proposed to shift the Civil Guard from the Ministry of Interior to the Ministry of Defense and thus make it eligible for aid under the Military Assistance Program administered by MAAG. At present only very limited assistance is provided through Mutual Security Programs. This proposal had not received a very sympathetic reception in American circles in Saigon where it is viewed by some as an attempt to evade the force goals of 150,000 men in the armed forces.

Mr. Robertson said he would discuss this problem with Ambassador Durbrow, whom he would be seeing in Taipei in a few days, and also with interested parties in Washington on his return. He wished, however, to point out that if President Diem's proposal involved additional United States aid, as he assumed it did, the prospects were not very good. This year is a particularly difficult one for our aid program. Congress is faced with large demands for funds for the newest types of weapons for the United States armed forces. It is thus doubtful if any additional funds for foreign aid will be appropriated as compared with last year.

The conversation then turned to Vietnamese relations with Cambodia. Mr. Thuan said his government did not have much faith in Prince Sihanouk nor in his recent attacks on communism.² According to their information, the Prince's attacks on communism did not represent any ideological conversion to the free world, but merely internal political maneuvers. The Prince had become aware that Soviet and Chinese representatives in Phnom Penh had been exploiting and

²Documentation on these attacks is scheduled for publication in the compilation on Cambodia in a forthcoming volume of *Foreign Relations*.

fanning the ill-will of members of the National Assembly against Prince Sihanouk. This ill-will had arisen in the National Assembly as the result of a Cabinet decision to stop splitting the proceeds of various sorts of illicit traffic or dealings between the members of the Cabinet and of the National Assembly, and to keep the proceeds of such dealings entirely in the hands of members of the Cabinet. The animosity of members of the Assembly towards Sihanouk thus incurred had been consciously and shrewdly exploited by the communists for their purposes. This, more than any concerted view about ideology or policy, had been responsible for Sihanouk's recent attacks on communism.

At the conclusion of the conversation Mr. Robertson asked Mr. Thuan to convey his respects to President Diem.

Note:

In a subsequent brief follow-up conversation which Mr. Nguyen Dinh Thuan had with Messrs. Abbott and Kattenburg, Mr. Thuan stressed that there was a considerable current of opinion in Vietnam, including also Americans there, which favored more emphasis on the economic side and a de-emphasis of the military aspects of Vietnamese Government policy. Mr. Thuan wished to stress that President Diem considered that such a course of action would bring to Vietnam "not gradual death, but a violent death." The current situation on the security front did not afford any let-up in the Vietnamese Government's emphasis on military training and the counter-subversive aspects. The President's brother, Mr. Ngo Dinh Nhu, had recently informed Thuan that intelligence had been received from Soviet sources indicating that the communists planned a step-up in subversion in Vietnam, to begin particularly this coming May. It was therefore essential that the Civil Guard be properly organized, trained and equipped as soon as possible. President Diem hoped most strongly that the U.S. would agree with him in this view and that the current thinking on emphasizing the economic aspects would not make us lose sight of the very real subversive threat continuing to exist in the country and of the need for continued maximum possible aid on the military side.

9. **Letter From the Secretary of Defense's Deputy Special Assistant for Special Operations (Lansdale) to the Chief of the Military Assistance Advisory Group in Vietnam (Williams)**¹

Washington, March 14, 1958.

DEAR GENERAL WILLIAMS: Your two letters about the Civil Guard² were really disturbing, primarily because there is so doggone little that can be done from here. The difficulty is that the Defense policy people some time ago came to a firm decision that police business belonged under civil authorities, and this position is still held.

In trying to bring your specific problem into proper focus in Washington, we are getting State and Defense to ask Col. Bob Evans to "look into" the problem of the Civil Guard while in Saigon and to report back here. Our real purpose in doing this was to throw a few scares around town that Defense is far more interested in this problem than I can honestly say it is privately to you. Since Evans was on your staff at MAAG and presently handles the Viet Nam desk at ISA, including the OISP (supposedly Defense's contribution to country police problems), he is well worth turning into a combat man on this problem for you. Suggest you get Evans in the proper mood to come home and do battle!

I have shown your letters only to my boss, General Erskine, and to one of my present staff officers who works on these problems (and who has been working with ISA, State and ICA on the basis of my personal expressed interest in this problem.) General Erskine had a suggestion which I feel you might consider seriously. He suggested that you and Diem go along with ICA (this was on the initial request you outlined in the first letter), obtain the necessary support in the way of equipment, and then after he gets it, to blandly transfer it over to Defense. While this is hardly honest, it might meet the im-

¹Source: Center of Military History, Williams Papers, Official Correspondence Jan-June 1958 (34).

²Dated March 1 and 7. In the first of these Williams discussed problems encountered in equipping the Civil Guard and remarked that some people believed that Diem's desire to have the Civil Guard under the Defense Ministry was "a veiled scheme to increase the size of the Army, frankly to my mind a ridiculous assumption." Williams believed instead that Diem wanted the Civil Guard under Defense because it was an "up and going ministry" which was becoming more efficient monthly. In the letter of March 7 Williams stated that a Vietnamese plan given the Embassy on March 6, which envisaged a Civil Guard of almost 50,000 men, had not been shown to him in advance, and that "submitting this to Durbrow within 24 hours prior to his departure for Formosa and thence to the States for 2 months leave and talks in Washington was a dreadful mistake and has played directly into the hand of those that have bucked the rearming of the Civil Guard." (Both *ibid.*)

For additional information on the Vietnamese plan and the Embassy's reaction, see Document 12.

mediate need and break in deadlock which Washington seems unable to do.

The personal convictions of General Erskine and myself are that it is wrong for us to arm two separate forces within a country, since this can lead to all sorts of mischief in the future. Thailand certainly offers a glaring and close-by example of what happens when a police force is built up as something separate from the armed forces. It might be that Diem, after receiving ICA support, might suddenly discover events in Thailand and use them as a basis for transferring control to his Defense Ministry. Have just seen Saigon 1848³ which seems to be a further extension of your second letter. After reading this message, I see a real need, just as one American to another, for you to have a private and frank talk with Diem.

With warmest and best wishes to you and Mrs. Williams, as ever

Sincerely,

Edward G. Lansdale⁴
Colonel, USAF

³Telegram 1848, March 11, contains information which is summarized in the document cited in footnote 2 above. (Department of State, Central Files, 751G.5-MSP/5-1158)

⁴Printed from a copy which bears this typed signature.

10. Memorandum From the Secretary of Defense's Deputy Special Assistant for Special Operations (Lansdale) to the Assistant Secretary of Defense for International Security Affairs (Sprague)¹

Washington, March 19, 1958.

SUBJECT

Control of National Police

A current problem has arisen over U.S. aid to Vietnam's Civil Guard. One aspect concerns who in Vietnam should control this national police force: civil authority or military authority.

Present U.S. practice is that a national police force, in a country aided by us should be under civil authority. While examination of

¹Source: Washington National Records Center, OSD/ISA Files: FRC 62 A 1698, 092 Vietnam. Secret. Notes on the source text indicate Sprague and Byers saw this memorandum.

U.S. policy documents did not reveal a basis for this, the practice has grown into a fairly rigid procedure.

As a rigid practice, our insistence on civil control of police in a foreign nation can help create a police state, help abet political corruption exploitable by communists, or help establish rival forces within a nation which will bring on internal instability. None of these end results, of course, seems to be a desirable U.S. objective.

Knowing your personal interest in the problem of internal stability in countries we are helping, I hope that you can take a careful look at the rigidity of our official position in this matter. My belief is that the U.S. should be flexible on this and tailor recommendations to fit the needs of each individual country. The following thoughts are offered for your consideration:

1. Our objective should be to help establish institutions, including a national police force, which will protect the rights of the individual citizen. The American concept of personal liberty, as expressed in our Bill of Rights and Declaration of Independence, remains our basic difference from our enemies, whether they be communist or fascist.

2. Thus, our objective should not be simplified to creating institutions in the image of U.S. institutions, including police forces under civil authority, but should be to attain the larger objective stated above. Although U.S. police forces are under civil authority, this does not automatically mean that the concept is a superior one. The police forces of the Soviets, of communist China, of Hitler and Mussolini, all under civil authority, show plainly that such a delegation of power by a people can be contrary to our strongest principles.

3. In brief, this means we should not confuse our true objectives in a foreign country with mere institutionalizing of our approach.

4. In Vietnam, President Diem is concerned about his lack of experienced and capable persons to assist him. Thus, he has wanted to put his national police, the Civil Guard, under his Minister of Defense,² whom he feels can handle such an organization with real competence, as demonstrated in his handling of the nation's armed forces. We have opposed Diem in this. His only solution then is to place the Civil Guard under a Minister to whom he doesn't want to give this power and authority, or to do it himself. He has chosen to add this burden to his multitude of other personal tasks. American officials have long been trying to get Diem to delegate much of his personal work load to others. Now we force him to add to it.

5. It is noted that the Philippines have reverted to placing their constabulary under their Department of Interior. The constabulary had been transferred to the Department of National Defense in 1950, not only to unify the armed forces of the nation to combat the communist Huks, but also to bring a stop to venal political control of the constabulary by some provincial governors and to resulting corrupt practices by the constabulary (which the communists exploited suc-

²Tran Trung Dung was Assistant Secretary of State for Defense. Diem held the Defense portfolio.

cessfully). We have little guarantee now that U.S. funds will not be used for a force which can become, once again, the private army of corrupt politicians.

6. In Thailand, U.S. aid to formerly rival police and military forces provided a painful example of how U.S. personnel and programs can be affected and of resulting political instability.

These thoughts are only meant to say: we can do ourselves harm by taking the simple, easy way out. Instead of rigidly dividing police and military tasks between departments and agencies concerned in Washington with foreign operations, perhaps there is merit in studying the real needs of each individual country, and our objectives there, and then deciding how best to proceed.³

³Lansdale sent copies of this memorandum to Stump and Williams. In a letter to Lansdale, March 24 (copy to Williams), Stump stated: "I could not agree with you more, and I think you have expressed yourself extremely well and that you are absolutely right in advocating that we take a look at each country individually and decide what is right in each particular case. It is perfectly stupid to do otherwise." (Center of Military History, Williams Papers, Official Correspondence Jan-June 1958 (34))

11. Telegram From the Chargé in Vietnam (Elting) to the Department of State¹

Saigon, March 30, 1985—3 p.m.

2007. Re Embtel 1756.² Chau came to see me at my house yesterday afternoon to tell me had submitted his resignation in writing to the President that morning. Having told Ambassador of his oral resignation last month, Chau wanted us to know sequel. He had no idea what action President would take. (At his farewell dinner for Fishel last night Diem said nothing to me about Chau resignation.)

In rather agitated manner, Chau explained he had put up with many frustrations and even humiliations but could no longer justify to himself sticking to the job in the face of determined Can Lao Party efforts to get rid of him which, in addition to using personal divorce issue, have included at various time rumors campaigns alleging him to be neutralist, pro-communist, and most recently anti-French and anti-American.

Chau appeared genuinely and deeply concerned by growing party meddling in government and accompanying dissatisfaction

¹Source: Department of State, Central Files, 751G.13/3-3058. Secret; Limit Distribution.

²Document 5.

among civil service and middle class elements, particularly in south. If trend continues he foresees serious trouble within twelve months.

If resignation accepted Chau plans remain home quietly for while after which he would like to travel, particularly to US.

Comment: Contrary to line he took with Ambassador critical of Diem as reported reftel, Chau said nothing to me against President confining his criticism to party.

His motivation for resigning appears to be mixture of three elements: 1) persecution by Mme Nhu for seeking divorce her sister; 2) pressures exerted by party to get rid of someone who tried, however ineffectually, to buck their control; and 3) protest against ever-increasing authoritarianism of regime.

As to his reason for informing us so promptly we suspect it is partly as insurance against possible party rough stuff.

Elting

12. Despatch From the Chargé in Vietnam (Elting) to the Department of State¹

No. 343

Saigon, April 1, 1958.

REF

Embassy Despatches 304² and 305³—Embtel 1848⁴

SUBJECT

Country Team's Civil Guard Study and GVN Counter-Proposals.

On the morning of February 27 the Ambassador sent President Diem a letter commenting on the Vietnamese Government's new concept of the Civil Guard and generally concurring in the proposals of the Government for its organization except for the provision that

¹Source: Department of State, Central Files, 751G.5-MSP/4-158. Secret. Drafted by Alan L. Campbell.

²Despatch 304, March 1, contained the text of a letter from Durbrow to Diem, February 26, enclosing the Embassy's Country Team comments on Vietnam's concept of a Civil Guard. These comments are summarized in the first paragraph of the despatch printed here. Enclosed with the despatch was a Country Team Staff Study, entitled "The Civil Guard in the Future," February 28. (*Ibid.*, 751G.5-MSP/3-158)

³In despatch 305, March 5, the Embassy enclosed a memorandum of conversation among Durbrow, Diem, and Chau on February 27 which included discussions on the Civil Guard. (*Ibid.*, 751G.5-MSP/4-158) This discussion is summarized in the second paragraph of the despatch printed here.

⁴Telegram 1848, March 11, contained a report of a discussion among Diem, Durbrow, Chau, Williams, and Barrows on March 5. (*Ibid.*, 751G.5-MSP/3-1158) This discussion on the Civil Guard is summarized in the third paragraph of the despatch printed here.

the Civil Guard be attached to the Department of Defense. The Ambassador's letter explained that the Country Team had made a careful study of the new concept and, as a result, recommended that the Civil Guard be placed under the full control of the Department of Interior.⁵ Finally, the letter stated that if the President approved the concept as revised in the Country Team study, the Ambassador would be in a position to request that the recommended arms, transportation, and communications equipment be made available to the Civil Guard.

The Ambassador saw President Diem on the afternoon of February 27 and discussed the Country Team study with the President and Minister Chau. The President told the Ambassador that for political and security reasons he felt it was essential that the Civil Guard be attached to the Department of Defense, but he agreed somewhat reluctantly to study the Country Team's proposals further.

The subject was next discussed at a meeting of the Ambassador, General Williams and Mr. Barrows with the President and Mr. Chau on March 5. (See enclosure 1⁶). The President again outlined his reasons for wanting the Civil Guard placed under the Department of Defense eventually, but he said that for the present he wants the weapons and matériel the United States is prepared to give him immediately for support of a Civil Guard under civilian control. He said that although he did not want to accept this aid under false pretenses and wants the Country Team to understand his final goal, the essential thing is to get the money and to have the weapons right away. He said he hopes to reduce the Civil Guard below 55,000 eventually but that for the present this would not be possible.

⁵In the letter cited in footnote 2 above, Durbrow gave the following reasons for placing the Civil Guard under the Department of the Interior:

"a. Since, under the concept presented in Mr. Chau's letters, the Civil Guard is to be placed at the 'disposal of', and presumably is to be under the operational control of, the Department of the Interior, we see no reason why the Civil Guard was shown to be 'attached' to the Department of Defense in that concept.

"b. Since the Civil Guard is a civilian police force, and not a para-military organization, it should be placed under civilian control in accordance with usual practice.

"c. The work of the Civil Guard in peacetime, will of necessity be closely linked with that of the other police agencies, and it should therefore be attached to, and controlled by, the same department as are those agencies.

"d. American aid given to assist in the creation of police forces in various other countries has been predicated on the concept that police forces should be civilian controlled and not 'attached' to, or tied in with, military forces. Moreover, certain funds have already been appropriated to support the Civil Guard on the assumption that it is to be a civilian police force. If it should now become necessary to seek Washington's agreement to support a Civil Guard under the control of the Department of Defense, difficulties and long delays must be foreseen."

⁶Attached, but not printed. Another memorandum of this conversation is in Center of Military History, Williams Papers, Conversations with Diem 28 Dec 57-29 May 58 (160).

The Ambassador replied that a Civil Guard of 55,000 men under the Department of Defense would be hard to sell in Washington for two reasons: (1) American aid to assist in the creation of police forces in various countries has been generally predicated on the concept that such police forces should be civilian controlled; and (2) sufficient funds may not be available for support of a 55,000 man Civil Guard. A related question is whether it might not be more advisable to use this same money for improving the economy of the country.

The Ambassador then said that if the President still feels strongly that he needs 55,000 Civil Guardsmen and extra equipment, he will explain the President's position to Washington and request permission to use now the money available for the Civil Guard, while the Civil Guard is still a civilian organization.

On March 6 Mr. Chau sent the Ambassador a detailed T.O. & E.⁷ for the Civil Guard which he had promised on March 5 to provide. This document proved to be astonishingly unrealistic. It proposed a Civil Guard of approximately 55,000 men to include fifteen armored companies, twenty-one horse cavalry companies, and 225 light infantry companies. Among other things, it proposed that the Civil Guard have 1,900 horses, with gas masks for each, but made no provision for veterinary or remount service. It also called for more helicopters than are authorized for the Armed Forces, with no provision made for maintenance and support units.

In a conversation with the President on March 7 (see enclosure 2⁸) the Ambassador expressed his surprise at the type and amount of equipment in this T.O. & E., and said that a Civil Guard so equipped would, in fact, be additional armed forces with, in some cases, more firepower than the army. He pointed out to the President that if the Civil Guard were so armed and equipped and placed under the Department of Defense, it would be almost impossible to argue that the Civil Guard was a police force needed to maintain internal security.

The Ambassador then urged the President once more to study the Country Team's proposal for the Civil Guard and to adopt it as a realistic, attainable solution to the pressing problem of internal security. He suggested that if, after two years experience, it became apparent that our concept was unsatisfactory, the matter could be reviewed. (See enclosure 2, page 2, paragraph 7.⁹)

⁷Table of Organization and Equipment. [Footnote in the source text.]

⁸Memorandum of conversation attached, but not printed.

⁹Paragraph 7 of this enclosed memorandum of conversation reads as follows:

"Based on the study of the Chau paper, and our concept, it seems that we were basically in agreement on the mission of the Civil Guard; that is, a national police force. Our police and military experts are convinced that if he should accept our concept, the Civil Guard could be made into a very effective organization to control internal security. I therefore urged him to adopt our concept, try it for two years, and if at

On March 9, British Ambassador Roderick Parkes reported to the Chargé d'Affaires his conversation of the previous day with the President (see enclosure 3¹⁰). He said that the President had told him that he had to do what he believed was right and that even though he could get certain equipment right away if he went along with the Country Team's proposal, it would not be proper or fair for him to do so.

On March 10 Mr. Chau saw Mr. Barrows and later the Chargé d'Affaires (See enclosure 4¹¹). Chau said that the President wished to withdraw the T.O. & E. submitted March 6 and to modify the GVN proposals so as to reduce the Civil Guard strength figure to 30,000, leaving the question of heavy arms for the future. Chau told the Chargé d'Affaires that the President stands by what he told the Ambassador were his plans for the Civil Guard, but the organization he envisages is for the future. For the present the Civil Guard will remain under the Presidency, Chau emphasized that the T.O. & E. was not intended as a request for aid, and he described it as an "unofficial document".

On March 12, Mr. Chau invited General Williams to call at his office (see enclosure 5¹²). He showed the General a new document in which the GVN listed what Chau said were the 'indispensable' requirements of the Civil Guard for the current year. He reiterated that the T.O. & E. submitted March 6 had been intended only as a statement of plans for the future and that the President, upon learning of the Country Team's reaction to that T.O. & E., had ordered it withdrawn to avoid misunderstanding. Chau asked General Williams' opinion of the new document, saying he wished to know in advance whether it would evoke the same reaction from the Country Team as had the previous one.

General Williams replied that the main question in the Country Team would be whether the Civil Guard (or National Guard as the President is now calling it, although the Vietnamese name, Bao An, has not been changed) is to be a police force or a military force. He said that at first glance the new document appeared to be more balanced than the earlier T.O. & E.

This new document was presented to the Chargé d'Affaires later in the day of March 12 by Chau who said that the President wanted Mr. Barrows to have a copy to take to Washington. The Chargé d'Affaires pointed out to Mr. Chau that the new document would

that time, based on experience, it became apparent that his concept should be adopted, the matter could be reviewed."

¹⁰Memorandum of conversation attached, but not printed.

¹¹Memorandum of conversation between Elting and Chau attached, but not printed.

¹²Memorandum of meeting attached, but not printed.

have to be studied by the Country Team working group, which had prepared the Country Team study. (See enclosure 6¹³)

Attached to the document was an unsigned statement which said:

"The object of the present communication is solely to give concrete information on the equipment that the Bao An (National Guard) needs *immediately* to be more effective.

"It is not a question of a reorganization project but of a *request for aid.*"

The new document is more realistic than the previous T.O. & E. and proposes organization and equipment for a force of approximately 32,000 men. However, it proposes larger companies than had been envisaged by the Country Team study (158 men versus 100 men) and calls for different amounts and types of equipment for each company. This document is now being studied by the Country Team working group.

Howard Elting, Jr.

¹³Attached, but not printed.

13. Editorial Note

On April 2, the National Security Council, the Acting Secretary of the Treasury, the Attorney General, the Secretary of Commerce, and the Director of the Bureau of the Budget, adopted by memorandum rather than at a National Security Council meeting NSC 5809, "U.S. Policy in Mainland Southeast Asia." The following extract from the paper relates to South Vietnam:

"Viet Nam

"54. Assist Free Viet Nam to develop a strong, stable and constitutional government to enable Free Viet Nam to assert an increasingly attractive contrast to conditions in the present Communist zone.

"55. Work toward the weakening of the Communists in North and South Viet Nam in order to bring about the eventual peaceful reunification of a free and independent Viet Nam under anti-Communist leadership.

"56. Support the position of the Government of Free Viet Nam that all-Viet Nam elections may take place only after it is satisfied that genuinely free elections can be held throughout both zones of Viet Nam.

"57. Assist Free Viet Nam to build up indigenous armed forces, including independent logistical and administrative services, which

will be capable of assuring internal security and of providing limited initial resistance to attack by the Viet Minh.

"58. Encourage Vietnamese military planning for defense against external aggression along lines consistent with U.S. planning concepts based upon approved U.S. policy, and discreetly manifest in other ways U.S. interest in assisting Free Viet Nam, in accordance with the SEATO Treaty, to defend itself against external aggression."

Included in the paper was a supplemental statement of policy on North Vietnam, which reads:

"VI. Supplementary Statement of Policy on the Special Situation in North Viet Nam

"71. Prevent the Viet Minh from expanding their political influence and territorial control in Free Viet Nam and Southeast Asia.

"72. Deter the Viet Minh from attacking or subverting Free Viet Nam or Laos.

"73. Probe weaknesses of the Viet Minh and exploit them internally and internationally whenever possible.

"74. Exploit nationalist sentiment within North Viet Nam as a means of weakening and disrupting Sino-Soviet domination.

"75. Assist the Government of Viet Nam to undertake programs of political, economic and psychological warfare against Viet Minh Communists.

"76. Apply, as necessary to achieve U.S. objectives, restrictions on U.S. exports and shipping and on foreign assets similar to those already in effect for Communist China and North Korea." (Department of State, S/P-NSC Files: Lot 62 D 1, NSC 5809 Series)

Revision of the Laos, Thailand, Malaya, and Singapore sections of NSC 5612/1, dated September 9, 1956, was the purpose of drafting NSC 5809. The Vietnam sections of the latter paper are identical to those in NSC 5612/1, except for the renumbering of some of the paragraphs. The sections titled "General Considerations", "Policy Conclusions", "Objectives", and "Regional Courses of Action" are also identical in the two papers. A partially declassified text of NSC 5612/1 is printed in *United States-Vietnam Relations, 1945-1967*, Book 10, pages 1082-1095.

The text of NSC 5809 and related documentation are scheduled for publication in a forthcoming volume of *Foreign Relations*. A revised copy is also printed in Department of Defense, *United States-Vietnam Relations, 1945-1967*, Book 10, pages 1113-1133.

14. Memorandum From the Regional Director, Far East, Office of the Assistant Secretary of Defense for International Security Affairs (Robbins) to the Director of the Office of Southeast Asian Affairs (Young)¹

I-13469/8

Washington, April 16, 1958.

SUBJECT

MAAG and TERM Proposal

Reference is made to memorandum, dated April 7, from Mr. Mendenhall² of your office to Colonel R.F. Evans, this office, transmitting a proposal for the handling of the MAAG-TERM problem in Viet-Nam.³

This proposal has been discussed at some length with representatives of the Joint Chiefs of Staff and the Departments of the Army, Navy, and Air Force.

It is considered highly desirable that steps be taken at the earliest practicable date to relieve MAAG Viet-Nam of the presently imposed ceiling on its personnel. Reference is made to conference held at the Department of State on 20 March 1957,⁴ when agreement was reached along these lines.

The proposal submitted by memorandum to ISA on 7 April is acceptable with the exception of the final sentence of the proposal paragraph, the final sentence of the proposed position, and the first sentence of paragraph C under the position.

The concept embodied in the first two exceptions mentioned, that the total U.S. military personnel in Viet-Nam can be reduced at this time, is not considered valid. Since the assumption of responsibility for training of the Viet-Nam Navy and Air Force, an acute shortage of MAAG personnel has developed in Viet-Nam which has only partly been relieved by the cover of certain individuals by the Embassy. It is not now clear whether additional personnel can be made available by the Services to MAAG Viet-Nam, but it certainly would be desirable if it can be done. In addition, there is the proposal under discussion of having MAAG Viet-Nam take responsibility for organizing, equipping and training the Garde Civile. It is hard to visualize doing this job successfully without making a major effort to get additional personnel over and above those now present.

¹Source: Washington National Records Center, RG 330, OSD/ISA Files: FRC 62 A 1698, 200 MAAG Vietnam. Secret.

²Attached, but not printed.

³Attached; identical to the recommendation which concludes Document 7.

⁴The reference may be in error and refer to a conference on March 20, 1958. See *ibid.* for an indication that the Departments of State and Defense would consult on the issue. However, no record of a meeting on March 20 has been found.

In summary, the imposition at this time of a new and lower ceiling on U.S. military personnel would be rather like burning down the house to roast the pig. The principal interest of Defense is to remove the ceiling to permit additional personnel when and if needed.

The minor objection is the statement concerning technicians as opposed to combat instructors in paragraph C of the proposal. It is suggested that this be amended so as to make it a little less precise, possibly using the phrase, "will be generally technicians as opposed to combat instructors."

It is strongly urged that steps along the general line indicated in subject memorandum be taken without delay.

B A Robbins Jr.

15. **Memorandum From the Regional Director, Far East, Office of the Assistant Secretary of Defense for International Security Affairs (Robbins) to the Chief, Cambodia-Laos-Vietnam Division, International Cooperation Administration (Bunting)¹**

I-13775/8

Washington, April 28, 1958.

SUBJECT

Garde Civile, Viet-Nam

This memorandum is designed to state our understanding in Defense on the present status of the Garde Civile problem.

In view of the urgency of the internal security problem in Viet-Nam, considerable pressure was brought from various Defense Department agencies and from the MAAG Viet-Nam to assist or expedite the equipping and training of the Garde Civile. This was considered not only necessary in order to improve the internal security situation, but also to relieve the Vietnamese Army of its pacification activities so that it can fully implement troop training cycles, and also to eliminate the requirement for the Village Defense Corps which is costing the U.S. Government some \$3.5 million a year.

It will be remembered that at a conference at ICA on 7 April 1958² Colonel Evans proposed that Defense take over not only the

¹Source: Department of State, Vietnam Working Group Files: Lot 66 D 193, Civil Guard. Secret. Another copy of this memorandum is in Washington National Records Center, RG 330, FRC 62 A 1698: OSD/ISA Files, 092 Vietnam.

²No record of this conference has been found.

equipping and training of the Garde Civile, but also the funding of the equipping out of 1958 funds. We earmarked some \$14 million for this purpose while the proposal was being considered.

The initial reaction to the Defense proposal was favorable on the part of ICA, but State withheld comment until Embassy Saigon was heard from. A Country Team message³ came in indicating that the previous difficulties in handling the Garde Civile as a civilian controlled agency were on the verge of being solved. It was then informally agreed that ICA would continue its responsibility for the Garde Civile and press forward in getting it equipped and trained at the earliest practicable date. We understand that the equipment lists provided in telegram MAGCH-CT 494, DTG 110329Z Apr 58,⁴ with an estimated cost of some \$14 million, were accepted at staff levels in the three departments as a close approximation of the final requirement.

The funds which the Defense Department had tentatively earmarked for the Garde Civile, were it to be taken over by Defense, have now been allocated to other projects. It is our understanding that ICA is now locating adequate funds to cover the equipping of the Garde Civile at the earliest practicable date.

May I emphasize again that we in Defense consider the Garde Civile problem a most urgent one and will be happy to cooperate in any way practicable with ICA on this matter.

It might be noted that though the initial cost of equipping appears large, the sooner the Garde Civile is equipped and trained the sooner we can discontinue the Village Defense Corps with its annual cost of \$3.5 million.

B.A. Robbins, Jr.
Capt. USN

³Apparent reference to telegram 2075 from Saigon, April 10, not printed. (Department of State, Central Files, 751G.5-MSP/4-1058)

⁴Not found.

16. Letter From President Eisenhower to President Diem¹

Washington, May 23, 1958.

DEAR MR. PRESIDENT: I am taking the occasion of Ambassador Durbrow's return to Saigon to send this direct message to you.

Your friendly visit to the United States about a year ago continues to stand out vividly in my mind. The opportunity which we had to discuss the Communist problem confronting the free world, the political and military progress of Viet-Nam since 1954, and the relations between our two countries was invaluable.

Since that time, I have observed with much interest the visits that you have made to Thailand, Australia, Korea, India, and the Philippines. It is clear that by these visits you have increased the prestige and understanding of your Government abroad. The visits have also given you the opportunity to demonstrate to leaders of these countries that a new member of the family of free nations can overcome almost insurmountable obstacles to preserve its sovereignty and independence.

I have also been highly impressed by your Government's declaration of April 26, 1958, on the reunification of Viet-Nam.² It lays bare the propaganda nature of the proposals of the Communist regime in Hanoi. The positive suggestions put forth in your Government's declaration place the burden on the Communists to create conditions which will enable the peaceful reunification of your country.

May I extend to you my warmest personal greetings and my

¹Source: Eisenhower Library, Records of the Office of the Staff Secretary, International Series. Personal and Confidential. Drafted in SEA by Mendenhall on May 19 and cleared by Robertson. The fourth paragraph apparently was added at some time after the letter reached the Department's Executive Secretariat.

In a memorandum to the President dated May 22 (also drafted by Mendenhall) Dulles, in recommending Eisenhower's signature, stated in part: "President Diem paid an official visit to the United States a year ago. Your letter would, therefore, be a personal follow-up to a chief of state whom you know. In view of present instabilities in Southeast Asia, it is desirable to give maximum encouragement to President Diem as the foremost advocate of our interests in that area." In the source text, which bears Dulles' initials, the words "our interests" have been scratched out and replaced with "freedom" in an unidentified hand. (*Ibid.*, Eisenhower Papers, Whitman File)

²According to a summary of this declaration attached to Dulles' memorandum of May 22, it labeled a DRV proposal on reunification dated March 7 as propaganda and called for specific proofs of a change of attitude in the DRV, including: permission of potential refugees to leave the North; reduction of military forces to the same level as that in the South, with international verification; renunciation of terrorism; end of Communist economic monopoly in the North; cessation of use of the mails for propaganda; and restoration of democratic liberties in the North.

best wishes for your continued success in the development of Viet-Nam in the free world.

Sincerely,

Dwight D. Eisenhower

17. Paper Prepared by the Operations Coordinating Board¹

Washington, June 4, 1958.

OPERATIONS PLAN FOR VIET-NAM

I. Introduction

A. *Special Operating Guidance*

1. *General.* U.S. operations in Viet-Nam should be conducted in the context of U.S. objectives which are: to prevent Viet-Nam from passing into or becoming economically dependent upon the communist bloc; to persuade it that its best interests lie in greater cooperation and stronger affiliations with the rest of the free world; and to assist it to develop stable, free, representative government with the

¹Source: Department of State, OCB Files: Lot 62 D 430, Vietnam. Secret. Attached to a covering memorandum by Staats dated June 4.

This paper supersedes "Outline Plan of Operations With Respect to Vietnam", April 12, 1957, as well as its later annex, "Overseas International Security Program for Vietnam", January 31, 1958. (*Ibid.*) The OCB, apparently after discussing a draft dated May 23, concurred with this paper on May 28, subject to reconciliation of a difference of opinion over Diem's handling of internal security. According to the preliminary notes of the meeting by Richards, dated May 28, the difference was discussed as follows:

"*Split Position in the Viet-Nam Summary Evaluation*— In discussing the split position, Ambassador Parsons said the State Department wished to preserve two important points: 1) that President Diem has been heavy-handed with regard to internal security in Viet-Nam; and 2) that the tendency toward authoritarianism in his government posed dangers to the Diem administration since it was encouraging opposition. Mr. Sprague (Defense) said that although Defense was placed in the position of commenting on political factors, the reports they were receiving from Viet-Nam differed from the State reports. It was the sense of the Board that there should be no implication that the U.S. was considering withdrawing support from President Diem. General Cutler thought it unjustified to call Diem's actions 'heavy-handed'; he preferred 'stern'. Mr. [Allen] Dulles thought that Diem had good reasons to place emphasis on internal security.

"Governor Herter said he believed the split position could be reconciled and asked the Executive Officer to arrange for State and Defense to work out a necessary revision." (*Ibid.*, Preliminary Notes III)

The approved paper was referred to responsible agencies for implementation on June 4, according to the covering memorandum. The draft of May 23 has not been found; its destruction was authorized in the covering memorandum.

will and ability to resist communism from within and without, and thereby to contribute to the strengthening of the free world.

2. *Viet-Nam's Special Importance to the U.S. in Southeast Asia.* Viet-Nam assumes a special importance in U.S. policies and courses of action in Southeast Asia because of its exposed position as an outpost of the free world face-to-face with a powerful and threatening communist regime occupying part of its territory, and because Viet-Nam is the principal country in the area where a free government and a communist regime compete directly for the same territory and a whole nation. Moreover, the U.S. has made a substantial investment in Viet-Nam's independence, and with such success, that the most determined efforts are justified to preserve the integrity and strengthen the position of the country. Our success in halting the march of communism in Viet-Nam since the armistice constitutes perhaps the single greatest hindrance to further territorial expansion elsewhere in Southeast Asia. Further consolidation of political stability, accelerated economic progress, and extension of popular support for the government of Free Viet-Nam will not only influence the outlook of the leaders in the rest of Southeast Asia but also serve to diminish the power of attraction exerted by communist north Viet-Nam as the communist satellite regime in the area. Moreover, a strongly pro-U.S. Government at Saigon may be useful in deterring the spread of neutralism in Southeast Asia.

3. *The Threat from the Communist Regime in the North.* In planning and implementing programs in Viet-Nam, operating agencies should, therefore, take into consideration the fact that the competition between the communist regime in the north and the Government of Free Viet-Nam for the support of the Vietnamese people symbolizes the general struggle between the free-world forces and the Sino-Soviet bloc in Southeast Asia, significantly affects the balance of power in the Far East, and serves to influence trends and attitudes in the rest of Southeast Asia.

4. *Re-Unification of North and South Viet-Nam.* We continue to support the Vietnamese Government's desire for re-unification by peaceful means. Since we believe in free elections, we also continue to support President Diem's position that, if elections are to be held, there must first be conditions which preclude intimidation of the electorate. As the United States stated at the Geneva Conference in 1954, free elections should be under the supervision of the United Nations to insure that they are conducted fairly.

5. *Relations with Other Southeast Asia Countries.* Although Viet-Nam, Laos and Cambodia have taken substantially different paths since the conclusion of the three separate Geneva armistice agreements in 1954, it is to American advantage to maximize the inter-relationships between these three countries, and U.S. operating agencies should

take into account the effects upon Laos and Cambodia of the courses of action they pursue in Viet-Nam. While relations between Viet-Nam and Laos have not been marred by any special difficulties, Cambodian-Vietnamese relations continue to be strained and recently have been further embittered on a number of specific issues.

6. *U.S. Aid Programs.*

5 a. *Joint Viet-Nam-U.S. Effort.* The implementation of U.S. aid programs should depend upon the amount of cooperation displayed by the Government of Viet-Nam. Maximum efforts should be made to cooperate with the Vietnamese in all operations to avoid the appearance of U.S. unilateral action. Aid programs and programs of technical advice should be joint enterprises, rather than American conceived and American executed projects. U.S. operations should sustain the strong pro-U.S. orientation of the Vietnamese Government and should help solidify its position of leadership with the Vietnamese people. U.S. operations should take into account the need for progress in the economic rehabilitation and development of Viet-Nam, in order that the Diem Government might demonstrate both to its own subjects and to those north of the 17th Parallel that close identification with the free world is advantageous in terms of security, material progress and social advancement.

6 b. *The Need for Sound Economic Development.* Care should be taken in developing U.S. operations that sufficient resources are provided for an effective military establishment while leaving sufficient margin for sound economic development. U.S. aid should be managed so as to prevent inflationary pressures which might frustrate the achievement of U.S. objectives and nullify many of the benefits otherwise provided by aid programs. U.S. aid should be implemented with enough speed and flexibility to produce tangible benefits which can be seen and appreciated by the Vietnamese people and government.

c. *The Need for Prompt Aid.* In order to insure Vietnamese support for U.S. objectives, U.S. aid operations should be continued so as to meet Vietnamese needs on a timely basis. Continuing attention should be given to achievement of maximum performance and production of tangible results with minimal delays.

d. *The Need to Husband Resources.* Because of the need for both the U.S. and Viet-Nam to husband their resources, and because of a demand within Viet-Nam for greater economic development, the impact on the Viet-Nam Government's budgetary situation should be taken into account in the development of future U.S. aid programs in accordance with NSC 1599-e.²

²NSC Action No. 1599-e, approved by the President on September 5, 1956, reads as follows:

"Noted the President's request that the Department of State, in consultation with the Department of Defense, explore the possibility, based upon a study of the rising trends of U.S. aid programs in the entire SEATO area, of arranging conferences with the nations in that area in an endeavor to achieve agreements as to future U.S. aid programs in that area which will be more moderate in their demands upon U.S. resources and the local economies." (*Ibid.*, S/S-NSC (Miscellaneous) Files: Lot 66 D 95)

Documentation on this action is scheduled for publication in a forthcoming volume of *Foreign Relations*.

7. *Armistice Situation.* Operating agencies should take into account for the time being the existence of the Armistice Agreement and the supervisory role of the International Commission to which the Vietnamese Government has pledged cooperation. While the Commission offers certain obstacles to some U.S. operations, it serves to discourage communist efforts to alter the status quo.

8. *U.S. Private Investment.* The Government of Viet-Nam is highly nationalistic and anxious to secure full economic as well as political independence. It has repeatedly announced its support for free enterprise principles and has occasionally stated that it specifically favors private capital investment by U.S. investors, but it has failed to translate these words into consistent actions. Instead, its actions have often tended to discourage private investment. U.S. agencies should strive to maximize U.S. private participation in the economy of Viet-Nam whenever consistent with U.S. policy goals, and should accordingly provide maximum possible assistance to U.S. private investors and businessmen interested in Viet-Nam, both in the U.S. and in the field.

9. *Overseas Internal Security Program Guidance.* Insecurity in the west and southwest near the Cambodian frontier continues to be the most serious problem. In these areas there has been a discernible increase in armed dissident activities reflected in a higher frequency of murders, assassinations of local officials, highway robbery, banditry and river piracy.

The tenuous state of Cambodia-Viet-Nam relations renders solution of this problem difficult. High Vietnamese officials, including the President, are concerned by what they judge to be a deteriorating situation in Cambodia and by the use of that country as a base for communist conspiracy against Viet-Nam. They maintain that dissident bands not only enjoy a "privileged sanctuary" in Cambodia but receive some degree of assistance in money and propaganda facilities from the European diplomatic missions and the Chinese Communist economic mission in Phnom Penh. If the communist regime of north Viet-Nam should succeed in establishing representation in Phnom Penh a marked increase in dissident activities might be expected.

It is assumed that undetected groups of experienced clandestine political agitators and espionage agents continue to function among the urban population, including the approximately 700,000 overseas Chinese, especially Chinese youth. Extensive communist efforts are in progress to subvert minority groups primarily in isolated areas bordering the Western frontier through which run trails used for clandestine infiltration of south Viet-Nam. The Vietnamese communists continue to have a capability for the penetration of government offices and for harassment or propaganda in the villages. The civil administration and local civilian security forces need greater profes-

sional competence effectively to counter these communist efforts. The Vietnamese Government disposes of military, para-military, civil security and police forces as follows (current strengths are indicated): Army, Navy and Air Force: 140,361; Sûreté-VBI: 6,500; Municipal Police: 10,500; Civil Guard: 53,775; and the Self Defense Corps: 49,550.

10. *Chinese in Viet-Nam.* U.S. actions with regard to the overseas Chinese community are to be subordinated to and kept in harmony with U.S. objectives for the country as a whole. One primary aim of U.S. policy is to prevent the communists from exploiting the overseas Chinese and to strengthen anti-communist activities within the Chinese communities. The encouragement of the overseas Chinese to identify their interests with the host country is a basic guiding principle, but it is also U.S. policy to encourage support for the Government of the Republic of China in situations where this assists in denying the overseas Chinese to the communists and does not conflict with our over-all country objectives. Detailed courses of action and the principles governing them are contained in the OCB paper, "Guide Lines for U.S. Programs Affecting the Overseas Chinese in Southeast Asia," December 11, 1957,³ which should be studied by the officers responsible for action in this field.

11. *Attitudes Toward U.S. Personnel Overseas.* The Operations Coordinating Board has given particular attention over the past several years to ways and means of improving foreign attitudes toward U.S. personnel overseas. This involves both the positive actions which can be taken to improve these relationships as well as the removal of sources of friction and difficulties. The special report prepared by the Board, "United States Employees Overseas: An Inter-Agency Report," dated April 1958,⁴ is an effort to provide on an over-all governmental basis a common approach and guidance in this field. All supervisory employees in the field should familiarize themselves with the substance of this report and all U.S. personnel should know the substance of the Conclusions and Recommendations set forth in Section V, Volume I. Attention is directed to the President's remarks in the Foreword of the report.

12. *American Personnel.* Although the U.S. and its citizens continue to enjoy popularity in Viet-Nam the large scale of American representation in that country presents a potential source of offense to Vietnamese sensibilities. American personnel should be limited to the absolute minimum required for effective operations, and should be made fully aware of the necessity for discreet and circumspect personal behavior. While the general attitude toward the U.S. is friend-

³Not printed. (Department of State, OCB Files: Lot 62 D 430, Southeast Asia)

⁴Not printed. (*Ibid.*, Overseas Personnel)

ly, extreme nationalism and concomitant anti-western feeling are not far below the surface.

B. Selected U.S. Arrangements with or Pertaining to Viet-Nam

13. *U.S. Involvements Which May Imply Security Guarantees.* Viet-Nam was designated in the Protocol to the Southeast Asia Collective Defense Treaty for the purposes of Article IV of the Treaty on September 8, 1954.⁵

14. *U.S. Commitments for Funds, Goods or Services.*

None

15. *Other Arrangements.*

a. A pentilateral agreement for mutual defense in Indochina was signed at Saigon on December 23, 1950,⁶ providing for the establishment of a Military Advisory Assistance Group.

b. An economic cooperation agreement between the U.S. and Viet-Nam was signed on September 7, 1951,⁷ and entered into force on the same date, providing for a U.S. economic aid mission in Viet-Nam. It was amended March 7, 1955, by an exchange of letters.⁸

c. By an exchange of notes in April 1955,⁹ the U.S. accepted responsibility for assisting Viet-Nam in the organization and training of its armed forces.

II. Current and Projected Programs and Courses of Action

(Individual action items when extracted from this Plan may be downgraded to the appropriate security classification.)

⁵Article IV of the Southeast Asia Collective Defense Treaty reads:

"1. Each Party recognizes that aggression by means of armed attack in the treaty area against any of the Parties or against any State or territory which the Parties by unanimous agreement may hereafter designate, would endanger its own peace and safety, and agrees that it will in that event act to meet the common danger in accordance with its constitutional processes. Measures taken under this paragraph shall be immediately reported to the Security Council of the United Nations.

"2. If, in the opinion of any of the Parties, the inviolability or the integrity of the territory or the sovereignty or political independence of any Party in the treaty area or of any other State or territory to which the provisions of paragraph 1 of this Article from time to time apply is threatened in any way other than by armed attack or is affected or threatened by any fact or situation which might endanger the peace of the area, the Parties shall consult immediately in order to agree on the measures which should be taken for the common defense.

"3. It is understood that no action on the territory of any State designated by unanimous agreement under paragraph 1 of this Article or on any territory so designated shall be taken except at the invitation or with the consent of the government concerned." (6 UST 83)

⁶3 UST (pt. 2) 2756. For an explanatory editorial note, see *Foreign Relations*, 1950, vol. vi, p. 954.

⁷2 UST (pt. 2) 2205. For an explanatory editorial note, see *ibid.*, 1951, vol. vi, p. 490.

⁸7 UST (pt. 3) 2507.

⁹Dated April 22 and 23, 1955; *ibid.*, 2514.

(All target dates are continuing unless otherwise specified.)

A. Political

16. Popularize, particularly in neutralist nations of Asia, the image of a genuinely independent Viet-Nam striving by its own will and as much as possible with its own resources to enhance its ability to defend and strengthen its independence.

Assigned to: All agencies

17. Continue to encourage and assist the Vietnamese to develop a strong and stable government which enjoys popular support. Stimulate the gradual growth of democratic processes in Viet-Nam.

Assigned to: State

Support: ICA, Defense

18. Stimulate improvements in the administrative and political control structure with a view to increasing the stake of the population in supporting the present government as well as to enhancing the efficiency of the government's operations. Continued assistance in the field of public administration supports this objective.

Assigned to: State, ICA

19. Continue to encourage the GVN in its policy of trying to raise the living standards of the indigenous "Montagnard" populations; support, as appropriate, reasonable, practical, step-by-step efforts toward their eventual integration into the national life of Viet-Nam.

Assigned to: State, ICA

20. Through diplomatic means, in consultation with the Vietnamese Government, explore the possibilities for maintaining the International Commission in existence with curtailed activities and responsibilities.

Assigned to: State

Support: USIA

21. Continue to assist the Vietnamese Government in demonstrating the superiority of Free Viet-Nam over Communist Viet-Nam (DRV) by taking the initiative in the political, economic and psychological fields.

Assigned to: State, ICA, USIA

22. Deter the Viet Minh from attacking or subverting Free Viet-Nam or other neighboring states.

Assigned to: State, Defense

23. Continue to impress the Vietnamese communists with U.S. willingness to defend free countries of Southeast Asia in case of aggression or subversion from within; persuade non-communist governments in Asia, particularly the Government of Laos, of the continuing Vietnamese communist objectives of seeking communist hegemony in the area; enlist the full assistance of the Governments of Thailand, Viet-Nam, the Philippines in efforts to strengthen Lao willingness to resist communist encroachments.

Assigned to: State
Support: Defense

24. Probe weaknesses of the Viet Minh and exploit them internally and internationally whenever possible.

Assigned to: State, Defense, USIA

25. Continue to support the Vietnamese Government by diplomatic, military, economic, and psychological means. In these efforts the main object should be to maximize the attractiveness of Free Viet-Nam in contrast with conditions in the communist zone of North Viet-Nam.

Assigned to: All agencies

26. Strengthen Vietnamese relations with and representation in Laos, Cambodia, the Philippines, Thailand, Burma, Malaya and the Republic of China. Keep the GVN as fully informed as possible of developments in Indonesia in order that it may guide its relations in the best interests of the Free World. Support visits by high-ranking officials of Southeast Asian countries to Viet-Nam and vice versa, particularly from neutral countries.

Assigned to: All agencies

27. Discourage the establishment of Communist Vietnamese diplomatic missions by persuading concerned governments and international agencies that the Communist Vietnamese are merely satellites of the communist bloc. Conversely, encourage Viet-Nam to strengthen diplomatic representation in strategic countries.

Assigned to: State

28. In consultation with SEATO members encourage Viet-Nam to participate in all civilian aspects of SEATO.

Assigned to: State, Defense

B. Economic

29. Continue to exert influence to persuade the Vietnamese Government to allow maximum private participation by Vietnamese and

foreign investors in the organization and management of new industrial enterprises. Attempt to secure provisions in any new investment legislation or regulations attractive to private investors and to obtain fair and liberal administration thereof. As appropriate continue also to seek improvement of the investment and overall business climate through the curtailment of extensive economic controls.

Assigned to: ICA, State, Commerce

30. Continue the embargo of U.S. exports to North Viet-Nam, restrict the movements of shipping, and impose control on North Vietnam assets if such course becomes desirable in conformity with existing U.S. policies in other areas.

Assigned to: State, Commerce

Support: ICA, Treasury

31. Support and encourage Vietnamese participation in feasible regional projects, such as Mekong development planning and the regional telecommunications project.

Assigned to: State, ICA

32. Promote trade between the U.S. and Viet-Nam, maximize information services to American businessmen on trade opportunities in Viet-Nam and encourage U.S. and Vietnamese businessmen to get together to develop direct trade contacts.

Assigned to: State, Commerce

Support: ICA

33. In the disposal of U.S. agricultural surpluses, consideration should be given to the effect of such disposal on Viet-Nam's normal rice markets. Continue to consult the Vietnamese Government in advance of any proposed sales of surplus rice in countries of Asia, Europe, and Africa.

Assigned to: State

Support: Agriculture, ICA

34. Continue to seek to negotiate a Treaty of Friendship, Commerce and Navigation on terms compatible with U.S. interests.

Assigned to: State, Commerce

35. Encourage the United Nations Technical Assistance Administration to send the maximum number of competent technicians to assist the Vietnamese Government and to train Vietnamese specialists. This type of program activity to be most efficacious should be closely coordinated in the field with U.S. programs. Encourage Colombo Plan countries to expand their programs of technical and economic assistance to Viet-Nam.

Assigned to: ICA, State
Support: Commerce

36. Sustain the Vietnamese Government in its determination to avoid economic contact with communist countries.

Assigned to: ICA, State
Support: Commerce

37. Continue economic and technical assistance programs, with emphasis on: (1) *Capital projects* directed at (a) rapidly increasing production, primarily for local consumption, and (b) improvement of transportation and distribution facilities. Activities under this section include large-scale highway rehabilitation and improvement, restoration and improvement of internal waterways, improvement of airport and port facilities, the construction and expansion of power generating and distribution facilities, improvement of municipal water supply systems, and the expansion of existing, and/or construction of new, industrial facilities. Complete the survey of Viet-Nam's power needs and consider extending assistance in connection with the building of suitable power facilities. (2) *Improvement in rural life*. The U.S. should provide appropriate assistance for land reform, tenure, and development programs, including the resettlement in fertile and strategic areas of displaced persons and farmers now living on marginal lands. Activities in this field may also include the creation and extension of rural credit facilities on reasonable terms, diversification of crops, expansion of livestock and fisheries production, and restoration and expansion of irrigation systems. Educational and health services provided by the U.S. and Vietnamese Government should be focussed increasingly on practical improvement of village life. (3) Encourage the Vietnamese Government to improve its *budgetary and fiscal administration* and increase its tax revenues so that its budget may assume a progressively greater share of governmental and developmental costs. (4) The *training* of additional Vietnamese technicians and administrators in essential fields of activity should be increased insofar as practical.

Assigned to: ICA, State
Support: Commerce

38. Continue to emphasize technical assistance. Continue to educate Vietnamese technicians through improving essential training facilities in Viet-Nam and through sending several hundred Vietnamese annually to the U.S. and other countries for training.

Assigned to: ICA
Support: State, Agriculture

39. A rural development and improvement program should be a major component of U.S. aid. It should include appropriate assistance for land reform. It should also include improved credit facilities, irrigation, better roads and canals, and extension of improved elementary education and health services to the villages. The Government of Viet-Nam should be encouraged to strengthen the economic and social basis of sound community organization in order to develop grass roots support for the government.

Assigned to: ICA
Support: State, USIA

40. Since the Vietnamese Government has, in the past, expressed strong objections to the conclusion of triangular aid arrangements without regard to its views, endeavor whenever possible to meet its views on this subject.

Assigned to: ICA, State

41. Encourage Viet-Nam to develop economic relations with Japan and the Republic of China, and, as appropriate, to accord recognition to the contributions to the Vietnamese economy non-citizen businessmen have made and continue to make under proper conditions.

Assigned to: All agencies
Support: Commerce, ICA

C. Military

42. Should overt communist aggression occur against Viet-Nam, take actions in accordance with U.S. policy, and prepare appropriate contingency plans now to facilitate such actions.

Assigned to: State, Defense

43. On occasion of an imminent or actual communist attempt to seize control from within, take action in accordance with U.S. policy, and prepare planning studies now to facilitate such actions.

Assigned to: Defense, State

44. Encourage Viet-Nam as feasible to contribute to the preparation of military studies for the defense of the treaty area, being conducted by the SEATO Military Planning Office.

Assigned to: Defense, State

45. Jointly with other SEATO powers, or separately, when appropriate, continue to encourage Viet-Nam to send military observers to SEATO military exercises.

Assigned to: Defense
Support: State

46. Continue to implement the military assistance program for Viet-Nam. The FY 1958 program provides for construction and consumable items, spare parts, overhaul of naval vessels, and ammunition. The proposed FY 1959 program provides for maintenance and training support. Major items of equipment include communications equipment, trucks, and training ammunition. (Financial information appears in the attached MSP Pipeline Analysis.)

Assigned to: Defense
Support: State

47. Seek to influence Vietnamese defense planning so that it will be consistent with U.S. and SEATO plans. Promote a spirit of cooperation among the Vietnamese officials and people in order to develop an atmosphere favorable to the employment of U.S. forces, if they should be required in the defense of Viet-Nam.

Assigned to: Defense
Support: State

48. Within the temporary MAAG ceiling develop through training the maximum combat capabilities of the Vietnamese armed forces, including logistical support services. Develop adequate reserve forces. The present Vietnamese armed force level of 150,000 should be kept under constant review, relating such review to the external menace and to the developing capabilities of the Civil Guard and other internal security forces. Constant efforts should be made to cut the man-year costs of Vietnamese troops.

Assigned to: Defense
Support: ICA, State

49. The U.S. should continue to encourage the Vietnamese Government to enlarge its contributions to the military budget and to reduce overall military costs. The U.S. should continue to meet reasonable deficits in the Vietnamese military budget but the deficit should decline as the Vietnamese economy develops. Provide equipment to the Vietnamese forces in conformity with U.S. policy in connection with the Armistice Agreement.

Assigned to: ICA, Defense, State

50. Encourage, within the limitations of available spaces, attendance of Vietnamese military personnel at schools of the U.S. armed forces and at appropriate foreign schools operated or sponsored by the U.S. armed forces.

Assigned to: Defense
Support: ICA, State

51. Encourage Viet-Nam to participate in the Pacific Defense College to be established.

Assigned to: Defense
Support: State

D. Informational and Cultural

52. Provide appropriate information and public relations support for political, economic, and military policies and programs set forth elsewhere in this Operations Plan.

Assigned to: USIA

53. Support the Vietnamese Government's psychological warfare program against the communist zone with a view to inciting dissatisfaction and encouraging defections. Endeavor to prevent ineffective violence or other self-defeating actions by dissidents.

Assigned to: All agencies

54. Continue to encourage the Vietnamese Government to stress in its propaganda the peaceful re-unification of Viet-Nam through the establishment of conditions which will allow free elections to be held. Provide to the Vietnamese press translations into French and Vietnamese of press reports from Singapore, Malaya, Burma and elsewhere, in which communist subversion is being successfully identified and countered.

Assigned to: USIA
Support: State

55. Expand broadcasting to north Viet-Nam to play heavily upon national sentiment and other appropriate themes without, however, provoking fruitless rebellion.

Assigned to: ICA, State, USIA

56. Explore means by which VOA can provide additional physical equipment and time for broadcasts to north Viet-Nam. Continue simultaneously to use 50% of present VOA facilities for reaching northern audiences. The objective remains to sow dissatisfaction among people in the north with the communist regime and to paint a favorable picture of life in the south.

Assigned to: USIA
Support: State

57. Publicize, without giving impression Viet-Nam is dependent upon the United States, benefits and progress derived from U.S. aid programs, regional defense pacts and free world trade.

Assigned to: USIA

58. Encourage U.S. training and orientation visits for potential Vietnamese government and business leaders. Continue the granting of graduate level scholarships, with extensions to permit attainment of advanced degrees in selected cases. Permit U.S. financing of full undergraduate scholarships at U.S. universities for selected outstanding graduates of Vietnamese secondary schools.

Assigned to: State

59. Increase training of Vietnamese technical and professional personnel in U.S. schools and in U.S.-staffed and/or supported schools in Viet-Nam, insofar as practical. During the current year the International Education Exchange Service of the Department of State has programmed for 7 Vietnamese visitors to the United States, including 6 students and 1 leader. The Department of Defense has programmed for 1,619 Vietnamese military students, including 1,201 in the Zone of the Interior and 418 in third countries, of which 123 are at U.S. bases. U.S. advisory teams are with all major units and schools of the Vietnamese Armed Forces. ICA has programmed for 350 students distributed throughout the United States, Viet-Nam, the Philippines, and other third countries.

Assigned to: ICA, USIA, State, Defense

E. Overseas Internal Security Program

60. Continue to influence the Government of Viet-Nam to clarify areas of responsibility within its civilian internal security organization, so as to eliminate jurisdictional overlaps.

Assigned to: ICA

Support: State, Defense

61. Influence the Government of Viet-Nam to clarify and ordinate areas of responsibility for internal security between its armed forces and its civilian organizations.

Assigned to: State

Support: ICA, Defense

62. Continue training the Vietnamese armed forces for their internal security role, including counter-intelligence within the armed forces, support of police actions, pacification and anti-guerrilla operations, et cetera.

Assigned to: Defense

63. Continue the present program of improving and strengthening the capabilities of the Viet-Nam Civil Police to maintain internal security and suppress criminal and subversive activities by (a) support of the established training program, (b) encouragement of addi-

tional support on the part of the Viet-Nam Government to complete the reorganization of civil police forces, (c) assistance to the Vietnamese Government's newly established Central Criminal Records and Identification Bureau and Crime Laboratory, (d) provision of equipment necessary to assure efficient and effective operations of the police forces, including the improvement of the communications program, and (e) accelerating the implementation of a program to equip and train the civil guard.

Assigned to: ICA

Support: State

64. Continue to encourage the Government of Viet-Nam gradually to reduce the size of its civilian internal security forces as the internal security situation permits, as improvements in organization are achieved, and as skills rise and mobility is increased by better transport and communications.

Assigned to: ICA

Support: State

65. Continue to translate textbooks on leadership, anti-subversion, counter-intelligence, administration of martial law, riot control, etc., into French and Vietnamese for distribution to Vietnamese armed forces.

Assigned to: Defense, ICA

66. The Government of Viet-Nam should be encouraged to maintain an effective, well-trained and carefully screened Self-Defense Corps, and to continue other activities which emphasize self-help and protection against Viet Minh terror squads.

Assigned to: ICA

[Here follows a chart entitled, "Viet-Nam: Pipeline Analysis, Mutual Security Program."]

18. Memorandum From the Assistant Secretary of State for Far Eastern Affairs (Robertson) to the Secretary of State¹

Washington, June 7, 1958.

SUBJECT

MAAG and TERM Problems in Viet-Nam

Problem

In view of our affirmations to the British, Canadian, French, and Indian Governments about adherence to a 342-man MAAG ceiling in Viet-Nam, how can we resolve the TERM problem in Viet-Nam as well as meet expanded military training requirements?

Discussion

MAAG Ceiling. In 1954 you affirmed to Eden that we had no intention of increasing the MAAG beyond the level (342) obtaining when the Geneva agreement was signed. You also said that this would require the continuing use of French military personnel for training the Vietnamese (Paris Secto 11, Dec. 17, 1954—Tab A²). Affirmation of adherence to the 342-man ceiling was subsequently made from time to time to the Canadian, French, and Indian Governments either directly or indirectly through the ICC.

TERM. In early 1956, we established a 350-man military Temporary Equipment Recovery Mission (TERM) in Viet-Nam. Its primary purpose was to salvage excess equipment which had been furnished to the French forces in Viet-Nam. A subsidiary purpose was to provide logistical training to the Vietnamese army. The British, Canadian,

¹Source: Department of State, Vietnam Working Group Files: Lot 66 D 193, MAAG—TERM. Secret. Drafted by Mendenhall with clearances from SEA, L/FE, EUR/BNA, Department of Defense, and Murphy. In a letter to Durbrow, June 10, Kocher described the drafting and action taken by the Secretary on this memorandum as follows:

"Attached for your information is a copy of a memorandum which Mr. Robertson sent to the Secretary on June 7, 1958, with regard to the MAAG and TERM problems in Viet-Nam. This memorandum underwent many vicissitudes and changes following the draft which you saw while you were here in Washington, and finally emerged from FE in the form attached. It reflects several suggestions which Mr. Robertson himself made, particularly in the 'Proposed Course of Action' section.

"The Secretary decided that Prime Minister Macmillan was not the person with whom this subject should be raised. Mr. Robertson is, therefore, proposing to call in the British Ambassador in about two weeks (i.e., after Mr. Robertson's appearance before the House Appropriations Committee on the aid program and after Garcia's visit). A simultaneous approach by the Embassy in London to the British Foreign Minister is planned. [Telegram 9086 to London, June 18; *ibid.*, Central Files, 751G.5—MSP/6—1858]

"We shall keep the Embassy informed of developments concerning this matter." (*Ibid.*, Saigon Embassy Files: Lot 62 F 52, 310 ICC, 1956—58, TERM)

²*Foreign Relations, 1952—1954*, vol. XIII, Part 2, p. 2385.

an, French, and Indian Governments as well as the ICC were informed only of the primary purpose in our efforts to obtain their concurrence to establishment of this additional mission under the then tense political situation relating to the ICC and Viet-Nam. (Deptels 2705,³ 2790,⁴ and 2901⁵ to Saigon, Feb. 9, 15, and 25, 1956; Deptel 2409⁶ to New Delhi, March 28, 1956—Tab B).

Subsequently, however, as equipment recovery declined in volume and the need for additional training personnel grew, training became the function of the bulk of TERM personnel. For some time now only a handful of TERM personnel has been engaged in the original mission of equipment salvage. Practically, the duties of most TERM personnel are indistinguishable from those of the MAAG personnel. Nevertheless, in response to embarrassing ICC questions, Ambassador Durbrow has consistently stated that TERM remains engaged in its salvage mission, and must continue to do so until the job is completed.

Military Personnel on Embassy Roster. In 1957, the Vietnamese Government asked the United States to take over the air force and naval training functions of the French who had been asked to leave. To assist in accommodating this request, 44 military personnel engaged in housekeeping functions were shifted to the Embassy's roll. This makeshift enabled total military personnel to be increased from the 692 in MAAG and TERM to 736.

Need to Abolish MAAG Ceiling. Abolition of the 342-man MAAG ceiling would enable legitimization of TERM personnel as well as provide flexibility to meet expanded military training requirements.

We would envisage the following gradual solution for the TERM problem to avoid too transparent an operation: As personnel now on the TERM roster complete their tours of duty, they would not be replaced directly. However, new personnel would be added to the MAAG roster for all TERM personnel engaged in training functions (i.e., all but a handful).

Net additional training personnel is justified by the following factors:

1. *Withdrawal of French Training Personnel.* Experience during the year since the withdrawal of the French air and naval training missions and of certain French instructors in army schools has shown that the U.S. cannot adequately meet the Vietnamese Government's training requirements in these fields within the MAAG ceiling. While there is no intention of assisting Viet-Nam to build up a large navy or air force, it is not possible for us to carry on air and naval

³*Ibid.*, 1955-1957, vol. 1, p. 640.

⁴Not printed. (Department of State, Central Files, 751G.5/2-1356)

⁵*Foreign Relations, 1955-1957*, vol. 1, p. 644.

⁶Not printed. (Department of State, Central Files, 751G.5/3-2856)

training effectively with the present number of personnel. Out of a total of 736 military, we have at present 148 on the MAAG and TERM rosters involved in air and naval training and administrative support functions, compared to the approximately 284 French engaged in air and naval training functions in 1956 plus an unknown number of French engaged in administrative support at that time.

2. *Additional Logistic Training.* While the basic training of the Vietnamese army has made steady progress, it has been learned from actual exercises and maneuvers that Vietnamese army personnel has little understanding of essential logistic support. Therefore, considerable additional logistic training has been found necessary. The problem becomes more important as additional replacement matériel arrives in the country.

3. *Troop Shifts to Training.* Vietnamese troops now ready for training after previous diversion to pacification work have also increased the need for additional MAAG personnel if Viet-Nam is to create an effective deterrent of 150,000 men, the present force level.

4. *Reserve Program.* When the reserve program is established, additional MAAG personnel requirements may result from the training of reservists. This, however, should enable an eventual reduction of the over-all Vietnamese force levels.

Total Number of Personnel. We do not anticipate that the total number of U.S. military personnel in Viet-Nam will rise above 800 compared with the present 736.

Legality Under the Geneva Agreements. This increase would be insignificant compared with the nearly 200,000 French troops withdrawn since the armistice, and would, of course, not raise the military potential of South Viet-Nam over that of the French Expeditionary Corps at the time of the armistice. We, therefore, are of the view that the slight increase in our military personnel can be considered as consistent with Article 16 of the Geneva agreement which prohibits the introduction "of any troop reinforcements and *additional* military personnel" (underlining added⁷). FYI. The Legal Adviser's Office has taken the position that this interpretation of Article 16 to permit the substitution of U.S. training personnel for departed French personnel is of equal force with any other interpretation of this obscure article. FYI.

Proposed Course of Action

Since any action regarding abolition of the MAAG ceiling will require approaches to the British, Canadian, French, and Indian Governments, we should tell all four governments:

1. Changed conditions require additional MAAG personnel for training purposes. The U.S. has assumed responsibility for the training of Vietnamese troops, whose mission is to help defend that country against armed aggression and Communist subversion. It has

⁷Printed here as italics.

become impossible for the U.S. to carry out satisfactorily its responsibility with the present personnel available. Additional personnel, therefore, are urgently needed and must be provided.

2. We shall begin phasing out TERM as its salvage work is completed.

3. Additions to the MAAG will be handled in such a way that the total number of American military personnel in Viet-Nam will at no time be materially larger than the present number.

Some of the four governments to be consulted may suspect that part of the TERM personnel are already engaged in training, and may charge us with bad faith in our original presentation of TERM to them. If such a charge is raised, it would probably be by the French or Indian governments. We would have to meet it by maintaining our original position about TERM's salvage mission, as we have consistently done to date.

Recommendation

1. That, in view of your affirmation to Eden about adherence to the MAAG ceiling, you raise abolition of the ceiling with Prime Minister Macmillan along the lines recommended above.

19. Letter From the Chargé in Vietnam (Elting) to the President of the Republic of Vietnam (Diem)¹

Saigon, June 10, 1958.

DEAR MR. PRESIDENT: With reference to Ambassador Durbrow's letter of February 26, 1958,² and the various exchanges of views which have taken place on the subject of the Civil Guard, I have the honor to inform Your Excellency that we now are in receipt of authorization from Washington³ to make specific proposals to the Government of Viet Nam regarding re-equipment, retraining and reorganization of the Civil Guard along the lines with which Your Excellency is already familiar.

¹Source: Department of State, Central Files, 751G.5-MSP/6-2158. Confidential. The source text is a copy which is an attachment to despatch 468 from Saigon, June 21.

²See footnote 2, Document 12.

³In Icato 1609 to Saigon, May 30, a State-Defense-ICA message concurred in by Ambassador Durbrow. The decisions in this telegram concerning U.S. policy regarding the Civil Guard are set forth in this letter. A copy of Icato 1609 as forwarded from CINCPAC to MAAG-Vietnam on May 31 (312113Z) is in Center of Military History, Williams Papers, Civil Guard (97).

Once agreement is reached, USOM will make available for equipment for the Civil Guard, forthwith, the 5.1 million dollars from funds already programmed, less a small portion which has already been utilized for the Civil Guard. This firm commitment will enable a good start to be made on the program. Moreover, subject to the availability of appropriated funds, it is the intention of my Government to allocate a further three million dollars for equipment for the Civil Guard from our Fiscal Year 1959 program, and to seek adequate funds to continue financing equipment and training for such a program. This could involve sizeable additional expenditures by the United States Government to provide equipment for, and the technicians required for training the Civil Guard, following the principles in the study attached to Ambassador Durbrow's letter.

The proposal of my Government contemplates a gradual reduction of the present enrollment of the Civil Guard, to an ultimate thoroughly trained and well equipped force of about 32,000. The equipment list enclosed with the Ambassador's letter would be used as a guide for this program, but we believe that in practice the list would require modification by mutual agreement.

It is proposed that some military equipment be made available promptly to the Civil Guard from excess stocks available to the Army of the Republic of Viet Nam, and that this borrowed equipment be replaced promptly by identical or similar equipment ordered under the civilian program financed by USOM.

In view of recent developments relating to the administration of the Civil Guard, I am confident, Mr. President, that you appreciate the reasons which have led my Government to conclude that it is desirable to have the Civil Guard remain primarily a civilian police force, according to concepts expressed in the Ambassador's letter to you of February 26.

In the full expectation that we may reach an early accord on the foregoing proposals which will enable us to put available funds to use promptly, I have the honor to inform Your Excellency that the Director of USOM, the Chief of MAAG and I are at your disposition as a group to discuss these proposals.

I take this occasion [etc.]

Howard Elting, Jr.

20. Telegram From the Ambassador in Vietnam (Durbrow) to the Department of State¹

Saigon, June 18, 1958—8 p.m.

2517. Reference: Icato 1609.²

Civil Guard

1. Elting sent Diem letter June tenth³ outlining points contained reftel, particularly those para 5, acceptance of which would make it possible contribute 5.1 million dollars to Civil Guard.

2. Since Diem did not react to Elting's letter⁴ I asked for appointment 17th. Following are pertinent parts this discussion:

A. Diem stated had given careful consideration our suggestions Civil Guard be under civilian control and ultimate strength to be reduced to 32,000. Despite arguments we had used for some time, Diem believes as a matter of principle the Civil Guard should eventually be under the Ministry of Defense in order avoid friction and conflict which he believes would develop with two military forces in country under separate ministries. Diem again said in Asia not practical have two separately controlled military forces in country, citing Thailand as example. Despite arguments I had used re advantages civil control police force and fact that if Guard under Defense such move could be interpreted as hidden increases force goals, etc, Diem still indicated he most reluctant to have Guard remain in long run under Interior.

B. While Diem admitted situation might develop in the future so that 32,000 Civil Guards would be sufficient handle internal security, he most reluctant to undertake commitment to reduce Guard ultimately to this figure. He cited stepped up communist activities, including recent raids (Embtel 2497⁵) as reason for his reluctance. I argued well-organized, disciplined and properly armed Civil Guard of 32,000 with necessary communications equipment would be vastly superior to present ineffective fifty odd thousand Civil Guard. I added all agree present Civil Guard ineffective and necessary to start soonest building up effective well-equipped organization and if Diem accepted our basic concept Civil Guard functions, strength, control, we could immediately deliver some arms and equipment and start effective reorganization and training. I pointed out unless Diem could accept our concept in next few days would not be possible grant full

¹Source: Department of State, Central Files, 751G.5-MSP/6-1858. Secret; Priority. Passed to CINCPAC PolAd.

²Not printed, but see footnote 3, *supra*.

³*Supra*.

⁴A memorandum of this conversation forms an enclosure to the despatch cited in footnote 1, *supra*.

⁵In this telegram, June 16, the Embassy relayed inter alia a report from the Vietnamese Ministry of Defense regarding a border incident in the third military region along the frontier with Cambodia. (Department of State, Central Files, 651G.51H/6-1568)

5.1 million dollars since 1 million dollars (FY 58 money) would probably lapse if project agreement not reached.

3. After discussing matter for over one hour Diem reluctantly stated he would think matter over again but obviously he was very perturbed. Diem's adamant attitude raises question whether we should continue insist on civilian control and if we do not it raises question as to whether USOM or MAAG should do training and whether, if MAAG does training and Guard put under DOD whether[sic] arms for Guard would be subject ICC control, etc. In my estimation an effective Civil Guard is urgent need but I doubt that Diem will accept our concept.⁶ In the circumstances we probably cannot reach agreement on the use of available 1958 funds before the end of this month. An alternative plan for their use will be submitted Wash soonest. In fact, we may be forced to reconsider our position and extend our aid to a Civil Guard based on the President's concept or withdraw our support. I would be most reluctant to accept Diem's full concept, but we might have to do this in the long run in order to create effective force combat stepped up Communist activities.

4. Gen Williams and Barrows concur. Dept pass ICA and Defense.

Durbrow

⁶With despatch 468 from Saigon, June 21, Durbrow enclosed a memorandum of this conversation. In a section titled "Comment" the Ambassador concluded: "Diem was obviously very much perturbed by what I said, although he did not show any anger. He kept referring to the matter of principle of having two armed forces under separate control in a country, a most dangerous concept, in his estimation, for Asian countries. In this conversation the President allowed me to talk at long length instead of giving his usual long exposé. I received the impression that he will not change his mind." (*Ibid.*, 751G.5-MSP/6-2158)

21. **Telegram From the Chief of the Military Assistance Advisory Group in Vietnam (Williams) to the Secretary of Defense's Deputy Special Assistant for Special Operations (Lansdale)**¹

Saigon, June 26, 1958.

Reference your S-1222 June 25.² I too have long since been deeply concerned over failure to reach agreement between Country Team and Diem. As you know Country Team insisted on Civil Guard not being under DOD. Diem wants it under DOD for supply, military justice, and promotion of senior officers. Declines to agree to Country Team concept with secret intention of switching over to his own concept at later date as deceitful and unethical. He feels strongly on this. I know Barrows has weakened in his prior position and hopes MAAG gets the job. I personally believe from recent conversations and messages Embassy to State that Ambassador also is weakening in his heretofore positive position that Civil Guard must be under civilian ministry. However do not believe Country Team position will be relaxed unless directed from Washington as old Asian face saving now probably involved. Am of opinion Country Team action in past too positive but went along only in desperate hope to get something done to improve Guard. Hope you can do something there before 30 June. Regards.

¹Source: Center of Military History, Williams Papers, Civil Guard (97). Secret. Unnumbered but initialed by Williams.

²In this telegram, June 25, Lansdale expressed "deep concern over failure to reach agreement on United States support of Civil Guard" and stated: "I need not convince you of urgency of establishing a strong Civil Guard and can only suggest that you again consider personal approach to Diem on the basis of the last two paragraphs of my 14 March personal letter to you in a last minute effort to persuade him to reach agreement with United States in Saigon." (*Ibid.*)

22. Memorandum for the Record by Colonel Robert F. Evans,
Assistant to the Director, Far East Region, Office of the
Assistant Secretary of Defense for International Security
Affairs¹

I-14855/8

Washington, July 8, 1958.

SUBJECT

Aircraft to Replace Vietnamese F8Fs²

Reference is made to telegram, Def 944295, dated 032122Z Jul 58,³ which states that Navy would investigate availability of ADs for substitution for F8Fs. Captain Weinel reported this date there would be plenty of ADs available, both aircraft and spares, for at least the next five years. He pointed out that the AD is still in production, that the AD4 is now surplus but that the AD 5, 6, & 7 would be "coming up".

During the discussion Captain Weinel, who is a Naval aviator and has had much experience with the AD, pointed out that [in?] a comparison with the T-33, the AD is far more appropriate for the Vietnamese mission. A much slower plane, cruising at about 280, it has a greater fuel capacity and is capable of staying in the air for ten hours. It has a great deal more maneuverability, can carry all types of weapons, including a small atomic bomb, has minimum maintenance, and requires little more field length than does the current F8F. Compared with the F8F, which is no longer available, it has a slightly greater initial cost, about the same speed, a greater fuel capacity, somewhat less maneuverability, but much greater weaponry. It has less maintenance than the F8F and a great deal more versatility.

It is appropriate to note that as a support weapon against a possible invasion of the Vietnamese from the north, the AD would be superior to both the F8F and the T-33 in that it would be able to stay in the air, find targets, and give close ground support to the Vietnamese ground forces. It is a good observation plane and can be used as a photographic plane.

It would appear to the undersigned that the similarity with characteristics of the F8F, which is no longer available, would make it permissible to substitute it for the F8F without violating the spirit of the Geneva Accords. These Accords provide for the substitution of like weapons of similar characteristics when current weapons are no

¹Source: Department of State, Vietnam Working Group Files: Lot 66 D 193, Jet Aircraft. Secret.

²In telegram 020311Z July 58, CINCPAC to OSD/ISA, July 2, CINCPAC proposed that Vietnam's F/RF8F prop aircraft be replaced by 25 T/RT-33 jet aircraft. (*Ibid.*)

³Not printed. (*Ibid.*)

longer available. The same cannot be said for the substitution of the T-33 for the F8F. Discussion with Mr. Mendenhall of State indicates that State would not consider the substitution of jets for prop planes as conforming with the Geneva Accords. Mr. Mendenhall stated that he would query the U.S. Ambassador to Viet-Nam on this matter.⁴

Robert F. Evans

⁴See Document 25.

23. Letter From the Deputy Chief for Training of the Military Assistance Advisory Group in Vietnam (Myers) to the Chief of Staff of the Armed Forces of the Republic of Vietnam (Ty)¹

Saigon, July 14, 1958.

DEAR GENERAL TY: I have recently been informed that you intend to reorganize the Commando Training School at Nha Trang. I have been advised that this progress has the following important points:

- a. Reorganization would provide training for full TO&E companies, as opposed to individuals.
- b. Each class is to cover a period of twelve weeks.
- c. The first class would begin training 11 August 1958.
- d. Repetition of this class would continue until one such company per regiment had been trained.
- e. Each TO&E company completing the class would then return to its parent unit, remain intact and conduct all Commando Training within its respective regiment.

I recommend that you consider abandoning the execution of this plan for the following reasons:

- a. The schedule set up in your memorandum² for attendance at the Commando School would conflict with division maneuvers for the 1st and 2nd Field Divisions and the 13th Light Division.
- b. Training a composite TO&E company would affect the operational status of a regiment since it would mean the removal of the best officers, non-commissioned officers and soldiers from duty with their parent units. As you know, some regiments are very low in effective strength now.

¹Source: Department of State, Durbrow Files: Lot 68 D 404, Vietnam. Secret. Attached to a memorandum for the files by Colonel Richard H. Comstock, Army Attaché in Vietnam, not printed, but see footnote 5, Document 140.

²Not further identified.

c. An NCO Academy is planned for activation at Nha Trang this year. Implementation of the Commando Training would result in de-emphasizing the establishment of the NCO Academy.

During World War II and even as late as the Korean conflict the American Army experimented with special commando-type units. We disbanded these forces in each case, for we found that they would accomplish nothing that a well-trained infantry unit could not also accomplish—and with greater skill.³

Sincerely yours,

Samuel L. Myers
Maj Gen USA

³In a letter to Ty dated November 10, 1958, Myers reiterated MAAG's objections to Commando Unit Training at Nha Trang, emphasizing particularly the strain on ARVN instructor resources and on capacity at the NCO School. This letter is another attachment to the memorandum cited in footnote 1 above.

24. Letter From John M. Steeves, Political Adviser to the Commander in Chief, Pacific, to the Special Assistant for Political and Military Affairs, Bureau of Far Eastern Affairs (Green)¹

Honolulu, July 22, 1958.

DEAR MARSHALL: You have perhaps heard of recent discussions among our military friends about possible replacement of piston-type aircraft with jets in the Vietnamese Air Force (VNAF). As you know, a move of this kind would raise serious questions relating to the prohibition in the Geneva Accords against introduction of other than "replacement" equipment and specifically against "jet engines and jet weapons".

While the military are fully aware of the Geneva Accords and their implication, another aspect of the matter seems to pose a serious problem for all of us. We are informed that shortly spare parts for the present aircraft in the VNAF will no longer be available. It appears that parts for the outmoded craft are no longer manufactured and that cannibalization must soon end for lack of further planes to strip. When that time is reached we will be faced with the somewhat awkward choice of (1) beginning uneconomic manufacture of the

¹Source: Department of State, Vietnam Working Group Files: Lot 66 D 193, Jet Aircraft. Secret; Official-Informal.

spare parts, (2) being unable to provide repairs and maintenance for VN planes, or (3) introducing jets.

This background gives more meaning to military proposals that we move jets into Viet-Nam despite the Geneva Accords. One proposal, as you may know, is initially to introduce only unarmed trainers in inconspicuous numbers. Another is to assert that conditions and facts pertaining when the Accords were signed have so substantially changed as to terminate the obligations thus invoking the legal principle *rebus sic stantibus*. Still another is to act despite the Accords noting that neither the United States nor the Vietnamese signed (the French signed for Viet-Nam) and that the Vietnamese, in their declaration of July 21, 1954,² specifically reserved the right to act independently in accordance with their own national interests.

We will be interested in anything you may hear about this subject in Washington. We try, of course, to keep before our military colleagues a clear perspective on the relationship between the military and political aspects of the problem and, at the moment, the relationship of this problem to moves to get the ICC out of Laos.

Warm regards.

Sincerely yours,

John M. Steeves³

²*Foreign Relations, 1952-1954*, vol. xvi, p. 1546.

³Printed from a copy which bears this typed signature.

25. **Telegram From the Ambassador in Vietnam (Durbrow) to the Department of State¹**

Saigon, August 5, 1958—noon.

206. Reference: Deptel 62, July 10.²

1. I favor in principle proposal contained CINCPAC tel cited reftel to introduce jet trainers for Vietnamese Air Force (VNAF) provided we can carry out introduction without seriously upsetting status quo of sorts represented by Geneva agreements. However, all concerned should take into account likelihood of strong ICC opposi-

¹Source: Department of State, Central Files, 751G.5622/8-558. Secret. Repeated for information to CINCPAC PolAd.

²In telegram 62, the Department requested the Embassy's views on CINCPAC's proposal in telegram 020311Z July 58 to replace Vietnam's F/RF8F aircraft with jets. (*Ibid.*, 751G.5622/7-1058) Telegram 020311Z is not printed, but see footnote 2, Document 22.

tion which might even necessitate our providing interim alternatives until entry feasible.

2. Introduction jets for VNAF is, however, only a secondary feature of our basic objective of modernizing VN airport facilities for use by USAF jet aircraft in event sea hostilities. I believe we should take positive realistic measures to prepare for this contingency. As interim step in overall plan, we are, as Dept aware, already preparing underwrite extension east-west runway Tan Son Nhut airport Saigon for ostensible purpose receiving "commercial" jet aircraft. We also plan explore possibilities for creation alternative emergency jet landing facilities at least one other site in central Viet-Nam. This, too, would be carried out under "commercial" cover. Although we hope SVN will in fact soon enter jet transport era and shall express pious wishes this regard if ICC or anyone else becomes curious, basic purpose these projects is military.

3. I do not wish downplay psychological and possible limited military value introduction jets for VNAF. Diem told me he eager equip VNAF for jet age, and small number VNAF pilots presently undergoing jet training outside VN. Also important provide VNAF with some sort of jet escort, reconnaissance and fighter planes to fill gap when present propeller fighters no longer operable in order maintain minimum air cover for ARVN. (Because of spare parts problem, present propeller planes will be inoperable by end 1960.) Proposal does, however, raise following specific points which should be considered carefully before final decision reached:

A) From standpoint Article 17 Geneva Agreements,³ importation of jet aircraft would probably be considered by ICC as clear case of introduction war material of markedly higher characteristics than equipment outshipped or otherwise disposed of since 1954 cease-fire. (In previous cases, Canadians on ICC have generally managed use technical arguments based on flaws in ICC control procedures to prevent ICC from citing GVN for Article 17 violations.) It is possible, however, entry could be defended on grounds combat capable fighters being replaced by training aircraft with only limited combat capabilities but might be most difficult convince ICC of merits this interpretation. While it questionable Poles or Indians would regard any jet aircraft as less military than any propeller-driven planes, Canadians might possibly be persuaded attempt justify entry jets on this basis. It probable Commies would launch new propaganda campaign or even demand ejection aircraft under para [Article] 11 Protocol 23 of

³Article 17 of the agreement on Vietnam prohibited the introduction of any reinforcements of arms, munitions, and other war material. It specifically mentioned jet engines and jet weapons. Allowable under Article 17, however, was replacement on a piece-for-piece basis of worn out material and equipment of the same or similar type. For text of the Geneva Agreement on the Cessation of Hostilities in Vietnam, July 20, 1954, see *Foreign Relations, 1952-1954*, vol. xvi, pp. 1505-1520.

Joint Armistice Commission (encl 1 to Embdes 37, Aug 4, 1956),⁴ although it might be possible for Canadians to forestall such demand.

B) With MAAG ceiling problem now under consideration by allies and favorable ICC credits decision still to be implemented, any hint now of proposal introduce jets could upset favorable trend on these issues. One possible consequence might be to drive ICC Indians from present neutral but occasionally pro-Western position to side of Poles for indefinite period. Indians, as chairmen ICC delegations in former Associated States, regard themselves as guardians of sea peace and might well consider introduction jets for any purpose serious violation spirit and letter Geneva Agreements. Canadians would then be forced into minority just when they feel their influence in ICC stronger than at any time since cease-fire.

4. I am prepared, subject to State-Defense decision, cooperate in formulation plans for future entry military jets with reservation, however, that actual introduction be made dependent on our evaluation ICC situation at that time. Until favorable attitude ICC on entry jets should become clear, appears essential immediately to stockpile needed spare parts for present-type aircraft or more advanced propeller-driven planes against possible delay in introduction jets.⁵

5. In summary, I believe we should consider problems establishing jet facilities and equipping VNAF primarily in terms U.S. overall strategic needs this area and I am willing proceed on this assumption without being concerned unduly at this time with legality under Geneva Agreements and possible ICC reaction. It essential, however, that all such preparations be made under a single consistent cover, e.g., preparation commercial jet facilities. We must play by ear approach and timing re jet planes, based on most significant political considerations.

6. Would appreciate being kept informed Dept's thinking these questions.

⁴Article 11 of the Joint Armistice Commission for Vietnam's Protocol 23, January 14, 1955, reads:

"Control at arrival: arms, munitions, and other war matériel introduced to replace matériel certified by ICC as destroyed, damaged, worn out or used up shall be shown upon arrival to the local ICC inspection team. The said team is authorized to verify whether this matériel actually corresponds to the matériel to be replaced (in number, category, characteristics). Consequently, depots shall eventually be established at the points of entry to check arms, munitions, and other war matériel upon arrival.

"Any introduction of arms, munitions, and other war matériel which would not actually correspond to matériel to be replaced (in number, category, characteristics) would constitute a violation of the Agreements. Each time that ICC shall note such a case the matériel must be sent out of Vietnam." (Department of State, Central Files, 751G.00/8-456)

⁵The following note by Mendenhall appears in the margin: "Durbrow unaware, I believe, that AD type available. JM."

This message cleared with MAAG.⁶

Durbrow

⁶In telegram 260128Z to OSD/ISA, August 26, CINCPAC informed the Assistant Secretary of Defense for International Security Affairs that it was the "considered opinion MAAG Vietnam and here that modernization of VNAF should be projected towards jet type aircraft." CINCPAC specifically concurred in its message to paragraphs 4 and 5 above. (JCS Records, CCS 092 Asia (6-25-48) (2))

26. **Letter From the Ambassador in Vietnam (Durbrow) to the Director, Bureau of Intelligence and Research (Cumming)¹**

Saigon, August 6, 1958.

DEAR HUGH: I am reporting the following long conversation with Wolf Ladejinsky in this manner since there is no rush about it and the suggestions made are somewhat sensitive and unorthodox.

A couple of days ago the President called Wolf from his luncheon, which is unusual, and said he wanted to talk to him "urgently" about the deteriorating situation in Southeast Asia brought about by the Cambodian recognition of Red China. The following is the gist of the conversation as reported by Wolf, who incidentally said he might send Jeff Parsons, an old friend, a letter on this subject. (Therefore please show this to Jeff.)

The President is so concerned not only by the prospects of the Chicoms coming to Cambodia but also about the "deteriorating situation" in Laos, Thailand and Burma that he fears Viet Nam will soon be the only country fully committed to the West in this area. (This is not a new idea. He discussed it with me at some length late last year and there have been recent indications . . . that Nhu is thinking along the same lines.) In view of this eventuality Diem hopes that the U.S. and the GVN can work more closely together in the most flexible manner possible to fight the growing communist strength in the area by covert and/or overt means. Diem is convinced, as you have probably seen from other reports, that:

a. Not being Asians, Americans do not understand the Oriental mind and point of view. We are naive in our approaches and as Europeans we can not have "entré" into the inner circles and inner thinking of anti-communist elements in the various Southeast Asian countries.

¹Source: Department of State, Saigon Embassy Files: Lot 65 F 98, 320 Vietnam-Cambodia 1958 Aug-Dec. Secret; Official-Informal.

b. On the other hand Vietnamese, Diem in particular, "understand" their fellow Asians very well and have the capability and capacity to operate covertly and overtly in the anti-communist field. Although Wolf did not say so, Diem apparently inferred that if we should decide to cooperate in this matter we would be called on primarily to give the necessary wherewithal and perhaps on occasions equipment to permit the Vietnamese to carry out these operations.

In connection with this Diem, very flatteringly to me, suggested that since I had had considerable experience in dealing with communists and did not appear to be naive in these matters, that I should be nominated some sort of "autonomous Secretary of State for Southeast Asia" with authority to cooperate closely with the GVN and supervise the activities of other American Chiefs of Mission in the area.

Regarding the first part of the proposition, i.e. the U.S. and GVN working hand in glove, I told Wolf that matters of that kind were out of my field and therefore I could not give him an indication one way or another as to what Washington's reaction would be. I tried to make it clear as a personal opinion, however, that such an operation would be so complex, delicate, wide ranged and sensitive that I doubted whether such a matter could be worked out satisfactorily. . . .

Regarding the second Super Chief suggestion, I told Wolf that this matter had been discussed at some length in 1955 prior to my assignment to Singapore. I stated that suggestions had been made that the American Consul General in Singapore should be given similar authority to that accorded to Rob Scott, British Commissioner General for Southeast Asia and the Australian and New Zealand Commissioners for Southeast Asia. I added after careful study it had been concluded that, under the U.S. Government and Foreign Service system, such an arrangement would not work. I pointed out that if an American Chief of Mission is known to have specific autonomous authority, those with whom he dealt would gain the impression that almost anything he said in discussion or otherwise would automatically be taken as approved U.S. policy, when of course, no matter how qualified, no U.S. Chief of Mission could have the necessary current background and world-wide picture as well as the full understanding of U.S. policies to be able to make substantive spot decisions. I added that under the present system a Chief of Mission who is known to be subject to policy guidance laid down in Washington, as well as Washington clearance on specific substantive matters, can nevertheless on occasion be quite effective in discussions and arguments by expressing his personal opinion on substantive matters and thus influencing those with whom he is talking. However, since it is well known that such personal opinions may be overruled by Wash-

ington, they are not taken as definitive U.S. policy or beliefs. In other words, if a Chief of Mission is not known to have some extra special authority, he can in many ways be more effective on occasion in using the personal opinion approach. In my discussion I made it clear to Wolf that I felt most certain, for the reasons I had outlined, it would not be possible to grant to any U.S. Chief of Mission the type of authority and jurisdiction Diem had suggested.

Wolf told me that the President asked him to discuss this with me as soon as possible and Diem indicated that he would take it up with me later. In view of the cold water I threw on both propositions, I doubt whether Diem will approach me on this subject.² In any event, recently we have had several indications that Diem and Nhu are developing some grandiose ideas about their own capabilities in the counter subversion and covert operation fields. In view of these several approaches I hope that you, Jeff, and Headquarters will give us some guidance and suggestions as to how to handle this matter.

With kindest personal regards,

Sincerely yours,

Elbridge Durbrow³

²According to a letter from Durbrow to Cumming, August 11, Diem did raise this issue with Durbrow on August 7. Durbrow reported that he used basically the same arguments as with Ladejinsky, but Diem urged that the United States consider seriously his proposals. Diem did not press for American cooperation in covert operations, but urged that the United States work more closely in coordinating intelligence information. If the "Super Ambassador" suggestion could not be accomplished, Diem suggested a closer cooperation among U.S. Chiefs of Mission in Southeast Asia. Durbrow assured the President that this was already the case. (*Ibid.*)

³Printed from a copy which bears this typed signature.

27. **Memorandum From the Director of the Office of Southeast Asian Affairs (Kocher) to the Assistant Secretary of State for Far Eastern Affairs (Robertson)¹**

Washington, August 12, 1958.

SUBJECT

Internal Security Situation in Viet-Nam.

¹Source: Department of State, FE Files: Lot 60 D 90, Vietnam. Confidential. Drafted by Mendenhall. Cleared with SEA and FE. The source text is an unsigned file copy.

According to Saigon's Despatch 25, July 25, 1958, "Political Situation in Viet-Nam: January 1-June 10, 1958,"² the internal security situation in Viet-Nam has shown no significant improvement during the first half of 1958. Assassinations of local government officials and loyal peasants have numbered the following in 1958: 10 in January, 36 in February, 26 in March, 17 in April, figures for May not yet complete. These assassinations reflect a Communist campaign to disrupt provincial administration in the South and demonstrate the government's weakness to the population. (Full Embassy account on Page 7 of Tab A.³)

We have just received a USIS ticker item reporting a Vietnamese Interior Ministry announcement of an attack on the Michelin rubber plantations⁴ in which buildings were damaged and one million piastres (about \$30,000) stolen. This attack was apparently mounted by members of the Binh Xuyen which is believed responsible for a spectacular attack on another French-owned rubber plantation in January, 1958, and is thought to be under Communist direction. Security forces of the Vietnamese Government, which had been forewarned of an expected attack on the Michelin plantation, claim to have killed 30 of the attackers.

We have been concerned about the impasse in the negotiations with the Vietnamese Government for U.S. assistance in training and re-equipping the Civil Guard to cope with the serious internal security problem. The two points at issue concern the jurisdictional status of the Civil Guard and the number of its personnel:

1. The Country Team has felt that the Civil Guard should be a civil police organization, and has, therefore, been insisting on Vietnamese agreement to retain it under civilian control. President Diem, on the other hand, plans to shift the Civil Guard eventually from its present civilian control to the Department of Defense. His reason is that he desires to avoid creating in Viet-Nam the political rivalry which has existed between the army and police in Thailand. Shift of the Civil Guard to the Defense Department would, however, raise serious questions re Viet-Nam's force level basis, ICC controls, and U.S. administration of an assistance program (whether USOM or MAAG should administer and, if the latter, how the increased personnel needed could be assigned within the present MAAG ceiling).

2. The Country Team has also been insisting on Vietnamese agreement to eventual reduction of Civil Guard personnel from the present figure of some 50,000 to about 32,000. It has contended that a smaller number of well-trained and equipped Civil Guardsmen could do a better job than the present ill-qualified force. The reduc-

²Not printed. (*Ibid.*, Central Files, 751G.00/7-2558)

³Reference is to despatch 25 from Saigon, not attached.

⁴Subsequent Embassy reports on this attack are in telegrams 268 and 278 from Saigon, August 13 and 14, and despatch 76 from Saigon, September 2. (*Ibid.*, 751G.00/8-1358, 751G.00/8-1458, and 751G.00/9-258, respectively)

tion would enable scarce Vietnamese resources to be diverted to economic development purposes. President Diem has, however, continued to assert that the present state of internal security prevents any reduction in Civil Guard strength. Cambodia's recognition of Communist China will doubtless strengthen his conviction.

We are now clearing a cable to Saigon⁵ asking for a report on any further developments in the Civil Guard negotiations since the last report in June, recommendations for breaking the impasse if it persists, and comments on certain suggestions which might present a basis for compromise with President Diem.

⁵Document 31.

28. Letter From the Director of the Office of Southeast Asian Affairs (Kocher) to the Ambassador in Vietnam (Durbrow)¹

Washington, August 13, 1958.

DEAR DURBY: We have read with much interest your Telegram No. 206, August 5, 1958,² on the idea of introducing jet military aircraft into Viet-Nam. We agree that the reaction of the ICC would be vehement, particularly in view of the fact that Article 17 of the Geneva Agreement explicitly prohibits the introduction of jets. We also agree that it would be out of the question to consider proposing the introduction of jets at this time with the MAAG ceiling problem still under consideration and the ICC's favorable credits decision not yet implemented.

The Defense Department has not yet completely checked out its position on this question; but we have received the following tentative reaction: The main Defense interest is in jet airport facilities in Viet-Nam for use by U.S. aircraft in the event of necessity. (We also have been given a hint that even this may not be of transcendent importance in view of the fact that such facilities already exist in Thailand.) The Air Force is still reviewing its position on the question of jet aircraft for Viet-Nam, but it seems likely that AD propeller-type aircraft will be as suitable or more suitable for the mission in Viet-Nam than jet planes.

¹Source: Department of State, Vietnam Working Group Files: Lot 66 D 193, Jet Aircraft. Secret; Official-Informal. Drafted by Mendenhall. Approved by SEA and FE and the Department of Defense in substance.

²Document 25.

We note that your Telegram No. 206 also lists jet airport facilities as our basic objective, and that you are using commercial jet aircraft as the cover for plans in this field. Military jets for Viet-Nam do not, therefore, appear necessary as a justification for these plans.

We are not certain whether you have complete information on hand regarding the alternatives to the existing F8F's of the Vietnamese Air Force, for which spares will soon become non-existent. We are, therefore, enclosing for your background information a copy of a Memorandum for the Record prepared by Colonel Evans of Defense on July 8, 1958.³ It outlines why the AD propeller-type craft is believed to be superior to jet T-33's as replacement for the existing F8F's. It also indicates that the AD's will apparently remain in production. For these reasons they seem to us appropriate for replacement of the F8F's.

We shall be in touch with you again when we have received more definitive Defense views.

With best regards.
Sincerely yours,

Eric Kocher⁴

³Document 22.

⁴Printed from a copy which bears this typed signature.

29. **Telegram From the Ambassador in Vietnam (Durbrow) to the Department of State¹**

Saigon, August 13, 1958—2 p.m.

263. Reference: Deptel Circ 1043, May 5, Para 5.² Objectives all US activities VN to help government deter Communist aggression, enhance internal security, broaden base of popular support, and grow

¹Source: Department of State, Central Files, 751G.5-MSP/8-1358. Secret.

²Paragraph 5 of this telegram reads:

"Would appreciate your succinct, over-all analysis of U.S. objectives and role various U.S. (both MSP and non-MSP) and non-U.S. programs in FY 1960 in achieving U.S. objectives. Such report from you as responsible supervisor all U.S. activities in country to which you accredited, considered essential to give proper perspective to separate agency programs. Form and organization of report left your discretion, but it is hoped that it will touch on points listed paragraph 2 above and will also include an evaluation of how well various elements MSP programs are coordinated with each other and with other U.S. and non-U.S. programs outside Mutual Security Program. Report should reach Department by August 1 for use in Washington review field proposals." (*Ibid.*, 120.171/5-558)

toward self-support while maintaining economic stability. Having recently completed MAAG and USOM program presentations and USIS country statement, I am satisfied that these major instruments of our foreign policy are addressed to right priorities, support our objectives successfully and are being fully coordinated. Aid levels requested, though large, are conservatively estimated. Represent minimum needed to enable VN maintain necessary security forces while avoiding political, social and economic retrogression in this strategic corner mainland Asia. Continuing instability, even deterioration in various neighboring countries plus stepped-up tempo Sovbloc offensive underline growing importance Viet-Nam to US interests Asia. We dare not risk detrimental consequences to our strategic position which would result from short-sighted denial essential moral and material resources this friendly government needs to protect and strengthen its position. This is particularly true since RKG recognition ChiComs.

Though GVN requests greater military and economic aid than we have asked in format E or MSP presentation, I believe they feel that if aid levels requested MSP presentation is forthcoming (185 million dollars defense support, 5.150 million dollars TC) their essential interests (except Civil Guard) will be protected (see Embtel 264³). Pleased to note MSP program reflects results searching program review with GVN. Confident that major issues still outstanding can be resolved more easily if aid levels hold firm as requested. For reasons given Embtel 264, I believe political objectives can be attained by holding to total figure 190.15 million dollars, plus possible Civil Guard increment.

In formulating USIS and Mutual Security Programs, we have fully considered all activities supported by other friendly countries and have carefully avoided duplicating their efforts.

Aid provided by Colombo Powers, France, UN agencies, though quite useful, relatively small compared VN needs. Prospective Japanese reparations have been fully accounted for by USOM in calculating VN requirements. French cultural mission continues operate program which remains backbone VN secondary and university education and helps mitigate severity cultural nationalism and intellectual isolation. Though French acutely sensitive alleged US cultural offensive, I believe French cultural effort an important free world asset which GVN should be encouraged to retain. USIS cultural program and USOM educational activities will avoid duplication or competi-

³In telegram 264, August 13, Durbrow reported separate conversations with Diem on August 7 and Ladejinsky on August 8, in which the President and his adviser asked for a slight increase in aid to Vietnam for FY 1959 notwithstanding the projected global cuts in U.S. foreign aid. (*Ibid.*, 751J.5-MSP/8-1358)

tion French. We shall however take advantage GVN preference shift overseas training US and emphasize American techniques in many specialized fields, but without attempting displace French cultural influence.

My comments specific subjects follow:

1. Rice. Economic viability for VN many years away. Significant growth toward economic independence and reduced reliance US aid virtually impossible without massive increase rice production feed growing population and provide greater margin for export. Present US rice policy precludes MSP help this vital objective. I earnestly request full waiver this policy for VN. Unless we permitted through US aid programs help GVN begin immediately far reaching campaign to restore rice production and export, VN likely remain our ward at approximately present level for indefinite future. US Government must squarely face this choice. Aside from burden US taxpayer, perpetuation present situation extreme dependence implies continued US involvement many sensitive areas Viet-Nam's Government and economy. This inevitably generates frictions detrimental to good relationships and basic US interests. Therefore in our interest help GVN as rapidly as possible toward economic self-support.

2. DLF. GVN counting heavily DLF loans for important self-liquidating projects of type financed prior FY 58 by DS grant aid. Several sound proposals fully supported US engineering will be ready this FY. [Garble] sympathetic consideration of DLF authorities, since these projects essential national rehabilitation and development and equally important to our foreign policy objectives as grant assistance.

3. Industry. All elements country team continuously exert every influence to GVN leadership value industrial development through private enterprise. GVN officials still sceptical for reasons deeply embedded their culture and recent colonial experience. In order not retard necessary industrial growth, believe US must be prepared in some cases permit access commercial import program and DLF for selected industries built and controlled initially by state but subject promise later offer sale private investors. This will help neutralize persistent VN complaint US aid procedures too rigid and cumbersome and not responsive to needs underdeveloped countries. Furthermore while GVN is not too enthusiastic about free enterprise for reasons given, it does not think in socialistic or nationalization terms as do many countries we are aiding, which is all the more reason we must show flexibility in this field.

4. GVN budget. GVN will face serious budget problem beginning FY 60 when insufficient counterpart available finance local costs economic projects. Virtually all counterpart 59 and 60 programs will be attributed military budget deficit since this President Diem's "absolute priority" and deteriorating security situation Cambodia and

Laos affords US no basis challenge this judgment. GVN must increase revenue by raising taxes and devaluing currency to finance local costs economic projects and avoid inflationary deficit financing. Believe logic events will compel these beneficial actions and we should be prepared help plan these measures and make various concessions during difficult transitional period, in order devaluation not result US control excessive percentage VN budget resources, US must be prepared release portion of counterpart automatically enable GVN meet recurrent budget costs, and may even find it in US interest to increase aid to accomplish this end.

5. Civil Guard. I am continuing negotiations with President Diem to secure agreement CG remain civilian police agency. Whether final decision CG military or civilian, will require substantial additional US financing which cannot be accommodated within aid levels requested either MAP or USOM presentations.

6. Governmental stability. If requested aid levels hold firm and our programs in VN continue to be as efficiently administered as they have been, we shall continue to build increasing strength and stability into this government and economy. Will enable GVN make creditable showing in competition DRV for loyalty masses VN people and eventual campaign for national reunification. President Diem today, although he has certain drawbacks, is solidly on our side and is sort of leader we can work with. If some tragedy should remove him from the scene it is my hope that our programs would have had time to build political and economic structures so secure that VN would be able to adjust to new leadership without undue internal strain or any loss to U.S. position and influence.

Durbrow

30. Memorandum From the Chief of the Military Assistance Advisory Group in Vietnam (Williams) to the Ambassador in Vietnam (Durbrow)¹

Saigon, August 26, 1958.

SUBJECT

The Civil Guard

¹Source: Center of Military History, Williams Papers, Civil Guard (97). Confidential. Addressed also to Nicholas A. Natsios, First Secretary of Embassy, and Chester H. Opal, Public Affairs Officer.

1. This Headquarters has reviewed the letter submitted by Mr. Thuan on 16 August,² and the "Memorandum of Conversation" between the Ambassador and Mr. Thuan on 18 August.³

2. It appears from these two documents that GVN's present position is so nearly parallel to the one held by the Country Team, that there is an adequate basis for detailed discussions concerning reorganizing, training, and equipping the Civil Guard with U.S. standard equipment. Specifically, the GVN previous position has now changed with respect to logistic support, promotions, control and budgetary responsibility.

3. Even though Mr. Thuan has left a loophole for change from this new position, in two or three year's time, the statement of such a possible change is weak, and may very well be simply a face-saving comment. In any event, the revitalization of the Civil Guard continues to be critically needed, and GVN has agreed to the Country Team's proposed principles of operation for at least the next two or three years. It probably will take this long to complete the Country Team approved program of reorganizing, re-equipping and training the Civil Guard with U.S. equipment and by then the Guard should be firmly established under the Ministry of Interior.

4. It will be recalled that the Country Team is restricted by radio Icato 1609, of 31 May,⁴ to obtain agreement by GVN to an ultimate strength figure of no more than 32,000 in the Civil Guard. In view of the fact that GVN has changed its original views so basically, it is believed that with adequate safeguards to prevent attenuation of U.S. support the U.S. could accept a larger Civil Guard provided U.S. support only 158 companies of it. Such a proposal would, I presume, have to be referred to Washington.

5. In considering the very recent proposal at a Country Team meeting to substitute French rifles for M-1 rifles in order to save costs, it should be remembered that this would continue the complicated ammunition supply problem in Vietnam. It is desirable to use the U.S. automatic rifle and MG, as previously agreed by the Country Team. These weapons use the same ammunition as the U.S. M-1 rifle, whereas the French MAS 36 would require issue of French

²In this letter to the Ambassador, Thuan stated that the government had decided to place the Civil Guard under the Department of the Interior except in states of emergency (as decreed by the President of the Republic) or in combined operations as mutually agreed between the Departments of Interior and Defense, that it would in principle have its own system of logistics, and that its salary scale would not be coordinated with or equal to that of the ARVN. (*Ibid.*)

³In this conversation, Thuan confirmed to the Ambassador some of the provisions of the letter dated August 16 and then pointed out that Diem conceived that in 2 or 3 years it might become advantageous to put the Civil Guard under the Department of Defense. (*Ibid.*)

⁴See footnote 3, Document 19.

7.5mm ammunition. In addition, the Civil Guard has reported to MSU instances when 30 to 50% of their old French ammunition was defective.

6. Accordingly, it would appear more desirable to re-equip more slowly, but to retain the proposed equipment previously agreed to by the Country Team, with transportation, signal equipment, automatic weapons, etc having first priority and M-1 rifles as a late [*last?*] priority. If the program for 158 companies was to be extended over a three year period, and headquarters units were equipped later, the program should be executed for about \$3,315,000 per year.

7. This MAAG recommends that:

a. The GVN position be reported to Washington.

b. It be proposed to Washington that the restriction of size on the Civil Guard be lifted, so long as adequate safeguards can be provided to ensure proper control of U.S. support for the Civil Guard of only 32,000.

c. GVN be informed that we agree to the principles lately enumerated by Mr. Thuan and be informed of our proposal to Washington.

d. GVN be provided with tables of organization and equipment approved by Country Team 31 March 1958,⁵ for consideration, approval, or comment.

S.T. Williams
Lt Gen, USA

⁵Not found.

31. Telegram From the Secretary of State to the Embassy in Vietnam¹

Washington, September 3, 1958—9:11 p.m.

312. Your 2517² and Despatch 468.³

1. In view serious internal security problem, particularly high rate assassination local government officials, we concerned re continued impasse in Civil Guard negotiations with GVN reported ref messages. Report any subsequent developments and your recommendations if impasse persists.

¹Source: Department of State, Central Files, 751G.5-MSP/6-2158. Secret. Drafted by Mendenhall. Cleared by Kocher and by OSD in substance, and approved by Palmer. Repeated for information to CINCPAC.

²Document 20.

³See footnote 6, *ibid.*

2. We wonder if it may become necessary drop our insistence on GVN commitment retain Civil Guard under civilian control as condition precedent to initiation Civil Guard assistance program. As alternative would it be feasible request GVN agreement consult U.S. prior any change in existing jurisdictional status of Civil Guard and reserve right terminate assistance to Civil Guard if mutually satisfactory arrangements could not be agreed upon at time of future shift? In this connection request your estimate re timing Diem plan shift Civil Guard to Defense Department, probable ICC reaction from both force levels and equipment viewpoints, and effect re MAAG ceiling proposal now under consideration.

3. Also request your views re possible alternatives to GVN commitment to effect gradual reduction to 32,000 in number Civil Guard personnel. As alternative would commitment for elimination or substantial reduction Self Defense Corps now numbering about 50,000 be obtainable? Would be understood of course that U.S. would not provide training and equipment for more than 32,000 members Civil Guard.

4. Suggestions in paras 2 and 3 not yet cleared with all U.S. agencies involved and should therefore not be discussed with GVN.⁴

Dulles

⁴The Country Team replied to this in telegram in Toica 393 from Saigon, September 9, 1958, making recommendations along the broad lines set forth in Williams' memorandum, *supra*. Toica 393 is in Washington National Records Center, RG 286, ICA Records: FRC 60 A 482, W-130.

32. **Memorandum From the Secretary of Defense's Deputy Assistant for Special Operations (Lansdale) to the Assistant Secretary of Defense for International Security Affairs (Irwin)¹**

Washington, September 17, 1958.

SUBJECT

Self-Defense Corps in Vietnam

It was heartening to see State message 312 to Saigon, 3 September 1958,² which mostly concerned the Civil Guard in Vietnam and

¹Source: Washington National Records Center, RG 330, OSD/ISA Files: FRC 62 A 1698, 324.5 Vietnam. Secret.

²*Supra*.

reflected credit on Lt. Col. Bob Evans of ISA who has been working so long on the problem.

This State message also briefly mentions the elimination or substantial reduction of the Self-Defense Corps. I have a thought on that which you might consider for discussion with Walter Robertson.

One of our policy aims is to "broaden the base" of a government, making it more representative of and responsive to the people. A strong factor in bringing this about in our own country in our young years as a nation was the right of our people to bear arms for self-defense. It is difficult for dictatorships of either the Right or the Left to be established when a people are armed. Thus, my feeling about the Self-Defense Corps has always been that it was a factor, by arming the people, in helping us build the democratic institutions we felt were beneficial to Vietnam. Security screening gave us some assurance that the Communist enemy wasn't being armed, so this factor holds true.

It would be wise to think further on substituting controlled police forces for this body of armed people. I am a strong proponent of having effective security forces, but I believe it is also a wise U.S. investment in the development of Vietnam to help the power of the people to grow.

I know that General Williams, Chief MAAG-Vietnam, has an MP officer monitoring the Self-Defense Corps. Perhaps MAAG isn't getting this billet filled by an officer who can guide the Self-Defense Corps into the well-motivated and effective force required. It is suggested that General Williams be asked to comment on the Self-Defense Corps, its value and effectiveness, and his thoughts on improvement.³

³A communication to DOD/ISA from Williams along these lines has not been found. In a conversation, however, held in Saigon on November 15 with Charles H. Shuff, Deputy Assistant Secretary of Defense in ISA for Military Assistance Program, Williams was recorded as commenting on the SDC as follows: "Diem said he cannot always have an Army of 150 thousand. He would have to reduce someday and what would he do with all the senior officers? So there is no doubt that he thinks eventually his force strength will come down. But I don't think he expects to even think about doing it in the very near future. The first step is to develop the Self Defense Corps to be more effective. I know it is coming up by leaps and bounds. We support a strength of 43,500 at 300 piasters per man. The Vietnamese pay the rest of the monthly salary. We furnish no arms, equipment or anything else. They are armed with old French rifles. Uniforms are what each village provides. The village or province makes up the difference in pay that averages around 1000 piasters. I looked very long at that 43,000 item in the budget again this year. I had a hell of a time getting it in last year because the Country Team was opposed to it, but finally they agreed. This year the Country Team hasn't expressed an opinion because they have neither approved or disapproved the budget. So the budget is back at CINCPAC and CINCPAC has passed on it, to best of my knowledge, but the Country Team hasn't." (Center of Military History, Williams Papers, Notes on Shuff Conference 1958 (95))

33. Despatch From the Ambassador in Vietnam (Durbrow) to the Department of State¹

No. 125

Saigon, September 30, 1958.

REF

Embtels 576,² 577,³ 578,⁴ dated 9/24/58, and Embtel 586,⁵ dated 9/25/58

SUBJECT

September 24 Conversation Between President Ngo Dinh Diem and the Ambassador Regarding VN Security Problems.

There is enclosed a memorandum of the conversation which occurred September 24 between President Ngo dinh Diem and the Ambassador.⁶ A brief résumé of the conversation, together with the Ambassador's comments, follows:

1. SDC and Civil Guard

During the conversation the President pointed out the need to tighten up the organization and training of the Self Defense Corps and Civil Guard. He referred to communist plans to step up guerrilla activities and pointed out that the SDC must be trained as an anti-communist guerrilla and intelligence gathering organization.

The President believes that SDC effectiveness can be greatly enhanced if he trains, in addition to those on active SDC duty, a considerable number of villagers in intelligence and anti-guerrilla activities, through shorter periods of active SDC service.

¹Source: Department of State, Central Files, 751G.5/9-3058. Secret; Priority. Drafted by James T. Rousseau, Second Secretary and political officer at the Embassy. Copies pouched to Phnom Penh, Vientiane, Bangkok, Hue, CINCPAC, and CINCPAC PolAd.

²In telegram 576, Durbrow reported one aspect of an apparently separate conversation with Diem on September 24 in which Vietnamese-Cambodian relations were discussed. (*Ibid.*, 651G.51H/9-2458)

³In telegram 577, Durbrow reported that during a conversation with Admiral Felt on September 19 and again in a conversation between Diem and Durbrow on September 24, Diem urged that a road from Vietnam to Pakse in Laos be built for strategic, economic, and political reasons. (*Ibid.*, 851G.2612/9-2458) A memorandum of the conversation dated September 19 is in Center of Military History, Williams Papers, Conversations with Diem 12 June 58-27 Dec 58 (167).

⁴In telegram 578, Durbrow reported a conversation with Diem on the morning of September 24 in which the Vietnamese President wished to offer advice on the Tawain Straits crisis. Diem was convinced, according to Durbrow, that if the United States remained firm, the Soviet Union and the People's Republic of China would not engage in all-out war. (Department of State, Central Files, 793.00/9-2458)

⁵In telegram 586, Durbrow reported that during one of his conversations with Diem on September 24, the two men discussed their expectations of the ICC-sponsored proposed talks between the Republic of Vietnam and the Democratic Republic of Vietnam on technical matters relating to the demilitarized zone separating them. (*Ibid.*, 751G.00/9-2558)

⁶Attached, but not printed.

He explained that SDC members on active service would theoretically be on duty at all times. This means that while engaged in their normal occupations they would still be mingling with the people and picking up intelligence. These men would also be in a position to take the first brunt of an attack and hold the enemy until Civil Guard or army units arrive.

The President stated that there are many very small villages in the deep forest west and northwest of Saigon which have been infiltrated by communists. The villagers, lacking in means of defense, have been forced to work with and assist communists in various ways.

2. Organizing Activities in NRM (National Revolutionary Movement)

Diem said that the NRM is to train the SDC in civic action type work and certain anti-communist intelligence operations. NRM training along these lines has been very effective in central Viet-Nam and it is now concentrating on the Southern part of the country.

3. Communist Activities Among Montagnards

The President stated that communist infiltration and subversive activities among the Montagnards have been stepped up in recent months and that they are trying to induce villagers in Laos and Viet-Nam to sign petitions requesting that an autonomous, semi-independent Montagnard Federation be established. Although many Montagnards have seen through this communist propaganda, the communist problem among these people is still quite serious. According to Diem, it is imperative that GVN security forces set up posts in the rugged mountain areas west of Faifo, Tourane and Hué to control communist activities and win over the Montagnards. He reiterated the need for at least a jeep trail from Kontum north through the mountains to Faifo or Hué in order to support these posts.

Diem said that the school set up at Dalat to train Montagnards is progressing quite well though some difficulties remain.

4. Dissident Surrenders in 5th Military (Delta) Region

Diem said he is very pleased that more and more dissidents are rallying to the government in the 5th Military Region (Delta Area). Many of these people have become disillusioned by communist failures and are ripe for surrender if approached in the right manner. He indicated that several "deals" are in the making which he hopes will be concluded successfully.

5. Interest in SEATO Meeting

Diem asked whether Admiral Felt had commented on the SEATO Meeting. I replied that the Admiral had not discussed the

question except to remark that as is usual at these meetings, SEATO military plans were discussed.

Comments:

Although I was with Diem for about an hour and a quarter, it was not too clear to me why he had asked to see me apart, perhaps, from trying to find out about developments in the Taiwan Straits. While he brought up this subject first, he did not discuss it in detail after the first few minutes. He wandered from one subject to another but my guess is that he was endeavoring to assure himself that we would continue to pay part of the costs for the SDC since he kept coming back to this subject. He saw General Williams the day before and also talked at some length to him about the SDC. Diem did not specifically ask if we would continue to support SDC.

It is also interesting to note that despite what Nhu told me about communist efforts to organize the Montagnards in Cambodia, Laos and Viet-Nam (Embtel 243 and Despatch 86⁷) Diem did not claim that the communists were concentrating on organizing the Cambodian Montagnards.

Diem's remarks about the effective training of the SDC by the NRM probably means that he is extending to the village level the strong arm of the Can Lao covert party, for which the NRM is the front. If this added control is carried out in a friendly sympathetic manner, it could be beneficial, but if the party control becomes too dictatorial and severe this could harden the regime and cause more dissension. Diem knows his own people, realizes that the vast majority are illiterate and superstitious and understands the need to have an effective counter subversion organization, but it is to be hoped that he does not go too far in using force through the party apparatus to control the population. He is doing a great deal for the country through the resettlement, land reform and agricultural credit programs as well as in the public works field, which as they progress should increase the sympathy of the masses for the regime. He is getting around the country more and more even to the most remote parts. On these trips he emphasizes the need to work harder, to go in for more self-help projects, to increase productivity and to be alert to the communist danger. He does not, however, go in for much praise for the accomplishment attained. The people listen attentively but one notes little enthusiasm or warmth in the presence of the President. Perhaps this is due to the basically phlegmatic nature of the

⁷In despatch 86, September 9, and telegram 243, August 8, Durbrow reported the gists of long conversations he had with Nhu on August 8 and September 5 on Cambodian-Vietnamese relations. (Department of State, Central Files, 611.51G/9-958 and 751G.11/8-858, respectively)

people who have been kicked about by experts for centuries and therefore by instinct and tradition have adopted a wait and see attitude and are not prone to show enthusiasm. This makes it difficult to evaluate the basic attitude of the masses to the regime. As we have said before, however, Diem while perhaps not loved, having too cold a nature to induce much warmth, is respected.

Now the question arises whether enthusiasm for Diem and/or the regime will have a chance to grow if the Can Lao party acts in too arbitrary a manner as it extends its control throughout the country. The Embassy . . . have been working for some months on a study and evaluation of the Can Lao.⁸ When this is completed we should have a better idea of its influence for better or worse.

The rallying of various dissident elements to the government in the Delta Area should be helpful in controlling the internal security situation in that region, if Diem's claims are true. From various sources it appears to be a fact that a considerable number of additional dissidents have rallied recently to the government.

Elbridge Durbrow

⁸See Document 56.

34. Letter From the Acting Director of the Bureau of Intelligence and Research (Arneson) to the Ambassador in Vietnam (Durbrow)¹

Washington, October 1, 1958.

DEAR DURBY: We have been giving careful consideration to your two letters of August 6 and 11, 1958,² concerning Diem's interest in US-Vietnamese cooperation in covert anti-Communist activities and his suggestion for the creation of a "super-Ambassador".

We are not completely certain what Diem had in mind about covert activities, but assume it could cover a) covert operations of a political action nature, b) intelligence collection through covert means, and c) sharing of classified intelligence.

We believe it is probably best to say nothing more to Diem at this time about covert operations. As you well know, we turned down two recent approaches of this nature by the Vietnamese Gov-

¹Source: Department of State, FE Files: Lot 60 D 90, Durbrow. Secret; Official-
Informal. Drafted by Mendenhall on September 26. Cleared with SEA and Parsons.

²See Document 26.

ernment. Such cases should continue to be handled on an ad hoc basis as they arise.

We understand that no joint US-Vietnamese intelligence collection activities have been carried out to date. There might, however, be some possibilities for cooperation in this field, particularly with respect to North Viet-Nam and possibly other countries in the area as well. . . .

In the intelligence-sharing field it is evident . . . that we receive a great deal from official Vietnamese services. There is, however, no sharing in reverse as far as Washington knows. This may also be a field in which it could be to our advantage to cooperate with the Vietnamese Government by furnishing some classified intelligence. We suggest you let us have the coordinated views of the Embassy . . . together with any specific suggestions you may have.

If, in the meantime, Diem again raises the question of cooperation with respect to covert activities, you might reply that the matter is still under study.

We concur in the reply that you have already made concerning the "super-Ambassador" idea. As you told Diem, coordination among the U.S. Ambassadors in Southeast Asia is achieved through extensive exchange of cables and fairly frequent personal meetings of the various Chiefs of Mission.

With best personal regards,

Sincerely yours,

R. Gordon Arneson³

³ Printed from a copy which bears this typed signature.

35. Telegram From the Ambassador in Vietnam (Durbrow) to the Department of State¹

Saigon, October 3, 1958—1p.m.

640. Ladejinsky called morning 3d to advise me Diem has asked him to proceed United States about October 20th. Ladejinsky gave me following reasons for trip:

Diem had received reports from Buttinger and Fishel indicating he gaining US reputation for being too arbitrary, dictatorial and "un-

¹Source: Department of State, Central Files, 851G.00A/10-358. Secret. Repeated for information to CINCPAC PolAd, Phnom Penh, and Vientiane.

democratic"—that he losing popularity in Viet-Nam as well as in US. Various critical articles in American press and magazines along these lines last six months had already perturbed Diem. He complains American journalists coming to Viet-Nam recently have only spent one or two days here and picked up mainly derogatory rumors and have not spent enough time here to evaluate and analyze true facts re developments. Ladejinsky added Diem stated Chuong not too effective as advocate for Viet-Nam but he is not going to replace him. Diem hopes Ladejinsky can talk to Secretary Robertson, Parsons, Kocher and others to explain what GVN is trying to do and how and why they are required to operate.

Comments:

Although Ladejinsky did not say so it is possible he will be asked by Diem, as latter planned for him to do last year, to make plea for increased aid or at least no cut from last year. Diem also probably perturbed that reports are circulating more freely here of increased power covert Can Lao Party. British and Australians have touched on this subject with Diem and as indicated in letters to Kocher and Despatch 125² we too are somewhat perturbed about Can Lao developments but have not directly discussed matter with Diem. While see no objections to having Can Lao help run country and coordinate discipline and developments, there is always possibility such an operation may become more harmful than helpful. We will endeavor to get at least preliminary evaluation this complex semi-secret organization to Dept prior Ladejinsky's arrival.

Durbrow

²Document 33.

36. Letter From the Ambassador in Vietnam (Durbrow) to the Director of the Office of Southeast Asian Affairs (Kocher)¹

Saigon, October 10, 1958.

DEAR ERIC: I refer to our Telegram No. 640 of October 3d² regarding the Ladejinsky visit, to our Despatch 125 of September 30th,³ "Conversation with President Diem", particularly the remarks

¹Source: Department of State, Saigon Embassy Files: Lot 65 F 98, 350.1 Vietnam 1956-58. Secret; Official-Informal.

²*Supra.*

³Document 33.

and comments regarding the Can Lao party, and to the several remarks I have made about that party in my letters to you regarding the Cassia trade. (Your letter of September 29 on Cassia⁴ has just come in.)

When I dictated the message on Ladejinsky I hoped that we could get to you at least a fairly full preliminary report on Can Lao activities prior to Ladejinsky's arrival. However, after reading the first draft of that report prepared by Ben Wood,⁵ it is obvious that because of the complexities and covert nature of the Can Lao, it will be impossible to get it out prior to October 20th. Furthermore, I have been thinking the matter over and talking to Howard Elting. I now question whether it would be advisable for you or anyone else in the Department to discuss the alleged activities of the party with Wolf because I have decided that I can and should take it up direct with Diem myself without any preliminary laying of wires through Wolf.

Since the activities of the party are a purely internal matter, I have felt since the beginning that the logical and least offensive way to bring up this subject would be in connection with a direct U.S. interest, for example by using concrete evidence available to the U.S. Government that Nguyen Van Buu has been breaking American laws by under-invoicing Cassia shipments. As soon as we get concrete official information from the Commissioner of Customs indicating under-invoicing, I now plan to take up the Cassia case with Diem. I could quite logically say that there are many persistent rumors circulating in diplomatic and business circles that Buu has monopoly of the Cassia trade and the proceeds derived from this trade, particularly the large profits accruing from under-invoicing, are going into the coffers of the Can Lao or perhaps into the pockets of Buu and others connected with him. Having raised the subject, I would then refer to "more rumors" known to private as well as official foreigners here and in some cases to newspaper men, indicating that the Can Lao may be involved in many other fairly important business transactions in the country. I would mention for instance that reports keep coming to us alleging that many businessmen in order to obtain import licenses must pay a considerable sum to the Can Lao party. I would point out in this connection that whether these reports are true or not it would be detrimental to the best interests of Viet-Nam vis-à-vis the American Congress and public if any reports should reach the press alleging that licenses for the importation of American financed goods are obtainable in some cases only after payment of a substantial fee to the covert Can Lao party. Except for the Cassia and duck feather cases, we do not have too solid proof, but the many re-

⁴Not found.

⁵Apparent reference to a partial draft, not found, of Document 56.

ports we have received on Can Lao business transactions and squeezes convinces me that many of them may be true.

Some people believe, and it may be true, that Diem is not fully aware of all the financial machinations of the Can Lao members. I feel, however, that he must know of some of them or have given his blessing to some operations of this kind and it would certainly do no harm to let him know in connection with a solidly based Cassia complaint that we have considerable information on some of these machinations. If Diem does not know about all of them, he should. Moreover, I believe it is in U.S. interest to let him know that we have much information on this subject and in the process point out to him that if our data is correct it would be very detrimental to Viet-Nam's interests if a scandal should break in the press over such matters.

Despite the fact that I do not believe that you or anybody else should at this time discuss the Can Lao with Wolf, you may find it helpful if I give you the following preliminary data.

Since the Can Lao is a covert organization, it has proved quite difficult for . . . ourselves using all sources available to obtain too much concrete information regarding its organization and activities. Nevertheless, it obviously plays an important part in running the country and in anti-communist operations. The party has for its ideology a Vietnamese philosophy known as "Personalism". Roughly, Personalism is a philosophy that tries to walk the tightrope between communist collectivism and democratic individualism. It recognizes individuals have certain inalienable rights but these are rather circumscribed by discipline which must be administered by those who "know", i.e., the members of the Can Lao party. The party has as one of its goals to distribute a small piece of land to each family which the head of family has the right to hold against all comers, and where if necessary he can eke out an existence whether the government or anyone else gives him a job or not. In general, however, the individual is expected to work for the government or non-government organizations, and contribute part of his time for community works, etc. In the meantime, the party through its covert cells, which incidentally are similar in many ways to communist party cells, tries to educate the individual in his duties and rights. Eventually, once the people have learned discipline and their responsibilities, more democratic freedoms may be introduced. In a country like Viet-Nam where the French did nothing to train the people for public service or try to instill in them an appreciation of their responsibilities vis-à-vis the community and nation, it is understandable why in theory at least full democratic freedoms can not be introduced at once. This is particularly true in a country where about eighty percent of the people are illiterate. In other words, "Personal-

ism" is sort of a guided democracy on the non-communist side of the fence run by leaders who apparently sincerely believe in rights for the individual and do not believe that the masses should be forced to work for the state in the totalitarian way practiced by communists.

As mentioned in my referenced telegrams and Despatch, if such a party does not act in a too arbitrary, dictatorial manner, it could do a great deal of good for the country. However, we have heard many reports of discontent and grumbling particularly among intellectuals to the effect that the party is playing too many favorites. We have many unconfirmed reports, some of them fairly substantial, that the party has started to take a hand in military promotions not necessarily based on merit. In Central Viet-Nam where the party is under the tight discipline of brother Ngo Dinh Can it has done a fair job in organizing and governing and has been quite effective against communist subversion. Nevertheless, some of its rigid operations have reportedly caused resentment. In the South, where the much looser party organization is run by brother Ngo Dinh Nhu, the party has not been as effective although resentment is perhaps greater over the alleged machinations of Nhu and his wife as well as others.

Be that as it may, we can not ignore the increasing number of reports that the party both in Central Viet-Nam and in the South is horning in on all business, industrial, commercial and agricultural activities of any substantial nature whatsoever. If the money gained from these operations is actually used by the party to benefit the masses, build up the economy and strengthen the regime, it might be possible to justify its operations. If on the other hand, as appears possible, individuals are reaping considerable personal financial benefit from these transactions and indulging in corrupt practices, it is a matter of much concern to us. It is for this reason that I asked . . . Ben Wood of the Political Section to work up as full a report as possible on party activities. We will turn it out as soon as we feel it is in proper, objective form.⁶

Elbridge Durbrow⁷

⁶Durbrow sent a separate letter to Kocher on October 10, adding the following postscript:

"With reference to my letter of even [same?] date concerning the Can Lao, I believe another reason why it would be inadvisable for you to discuss the Can Lao with Ladejinsky arises from his somewhat anomalous position here as an American working for the head of a foreign state. As far as I know, Wolf, who is an old friend of mine of some fifteen years standing, has acted in every way as a loyal American but in a matter of this kind he might feel justified in tipping off his boss that 'the Department is gunning for the Can Lao'. Furthermore, while we all talk to Wolf fairly freely and he is helpful in many ways he is in no way a 'controlled agent' and therefore it is better for all of us to listen but divulge as little as possible." (Department of State, Saigon Embassy Files: Lot 65 F 98, 350.1 Vietnam 1956-58)

⁷Printed from a copy which bears this typed signature.

37. Memorandum of a Conversation, the President's Palace,
Saigon, October 29, 1958¹

PARTICIPANTS

President Diem
General Maxwell D. Taylor
Lieutenant General Williams
Bridgadier General Bonesteel²
Howard Elting, Jr.

On the occasion of a courtesy call by General Taylor on October 29, the President spent an hour and a half in a rambling exposition of Viet-Nam's needs and strategic situation. He started off discussing the need for military equipment of all sorts, pointing out that while the position appears to be fairly good on paper, a great deal of the equipment is old and worn out. General Taylor commented that he had discussed the matter with General Williams earlier in the day. He added that this was a problem which we also had to deal with in the US, particularly from the point of view of training adequate numbers of technicians qualified to make the necessary repairs.

The President then made the point that the Vietnamese have shown great aptitude in the handling of machinery and generally as technicians. He said that they have only gradually come to realize their lacks and their needs from the point of view of skills, organization and technique as well as matériel because the French tended to keep top jobs and controls for themselves. Diem said the Vietnamese only began to realize their lacks when they tried to build roads and bridges for themselves or when they first began holding fairly large scale maneuvers. It was at these times that inadequacies really showed up.

Diem then went into great detail regarding the security situation, describing the reasons for moving something close to 30,000 people to the High Plateau in the last two years. He asserted that the Viet Minh are becoming nervous as they see South Viet-Nam's army develop and the GVN consolidating its position and particularly as they see definite progress being made now on the economic front. Diem said this impelled the Viet Minh to redouble their efforts. He pointed out the security problems created by this being a divided country, by the difficulties of the terrain in Central Viet-Nam as well as in the delta area and by the long and vulnerable frontier. He said that all this presented an entirely different military problem from the one that the French had built up their installations to meet. The French

¹Source: Department of State, Vietnam Working Group Files: Lot 66 D 193, Jet Aircraft. Secret. Drafted by Elting.

²Brigadier General Charles H. Bonesteel, III, Secretary of the General Staff, United States Army.

had concentrated their military installations in Saigon and the other towns of the country because their concern was with the population of the country itself. Now the problem is entirely other. There is much to be done to create installations where they properly belong to meet the present-day military situation. As far as his troops were concerned, he was satisfied that they formed an effective force because he had been careful to move them around and to see particularly that those from the South got training in the rough terrain of the Center and the High Plateau.

In connection with the security situation the President produced a sheet of paper from his pocket which had about eight paragraphs typed on it, single space, from which he proceeded to read. He said it was information obtained on a most secret basis from a member of the ICC. According to this report various hotels in and around Hanoi were filled with Soviet, Czech, Polish and East German "tourists" who in reality were probably military experts and technicians. The report also spoke of the reinforcing of bridges on the two main routes coming down from China and the passage of truck convoys up to 50 in number covered with tarpaulins and presumably transporting ammunition and/or heavy military equipment because the trucks could be seen to be heavily laden. The information, at least as the President recounted it, appeared rather vague and indefinite.

At one point in the conversation General Taylor asked the President what his reaction was to the latest developments in the Taiwan Straits situation. The President repeated his well known opinion that it is essential to remain firm. He said that withdrawal from the offshore islands would have adverse repercussions throughout the Far East and indicated that he did not have a very clear idea of precisely what the US position is. General Taylor explained our position. The President did not react to this explanation.

General Williams asked the President if he would accept Laotian officers for training in Vietnamese military schools. The President said he would have to think this over very carefully, particularly as to reactions abroad. For instance, he said it would be very bad if the Laotians started to come in and then under threats or pressure from North Viet-Nam pulled back from such an arrangement.

General Taylor commented that the whole of Southeast Asia should be looked upon as a single strategic area. This led the President to discuss the various countries of the area. He started with a discussion of his brother's trip to Laos a short time ago and then made some critical remarks regarding the abruptness with which the devaluation and financial reform was carried out in Laos as a result of US insistence. Mr. Elting remarked that the Government appeared to have survived the shock successfully and that the people seemed pleased with the reform. While stressing the friendly relations that

have always existed between Laos and Viet-Nam, Diem was critical of the Cambodians and to a lesser degree of the Thais and Burmese.

Diem wound up with a plea for all the help we can give him on the grounds that Viet-Nam is the bastion of Southeast Asia. He said they need help in all areas because there is so much that needs to be done. At this point he mentioned the strain under which he and all his collaborators are working and spoke several times of the overwork which was beginning to tell on them all.

Comment by drafting officer: I had the impression for the first time that Diem is beginning to feel the strain and to appreciate more clearly the magnitude of the tasks that need to be accomplished. At the end of this talk he showed fatigue and also a certain unaccustomed humility.³

³In a letter to General Bonesteel, November 8, General Williams stated in part: "As to 'comment by drafting officer', last page, I can't agree that the President is 'beginning to feel the strain'. Mr. Elting sees the President quite infrequently, I see him frequently. The afternoon of the day of your departure, we were together about three hours. He was as full of energy, vigor and preplanning as ever. He has always, in my opinion, appreciated clearly the magnitude of the tasks that need to be accomplished." (Center of Military History, Williams Papers, Official Correspondence July-Dec 1958 (35))

38. Despatch From the Chargé in Vietnam (Elting) to the Department of State¹

No. 162

Saigon, October 31, 1958.

SUBJECT

Increased GVN Pressure for More Modern Military Equipment

In the past two months Secretary of the Army Brucker, Admiral Felt, Deputy Director Saccio of ICA/W, Secretary of Defense McElroy, Congressman George P. Miller (Armed Services Committee) and Army Chief of Staff Taylor² have had long visits with President Diem. All these officials except for Mr. Saccio are directly connected with US military matters. It is worthwhile reporting that the principal theme Diem has expounded in all these interviews is the lack of

¹Source: Department of State, Central Files, 751G.5-MSP/10-3158. Secret. Drafted by Durbrow.

²See *supra*. In telegram MAGCH-CH 1217 from Saigon, October 30, Taylor reported on his discussions with MAAG in Vietnam, endorsing the need for replacement of F-8F aircraft and stressing the unsuitability of T-28s as replacements. (JCS Records, CCS 092 Asia (6-25-48) (2))

effective and modern military equipment in Viet-Nam. Diem has made a strong oral plea to each and gave Secretary Brucker and Admiral Felt detailed memoranda, outlining what he describes as the deplorable condition of a large amount of military equipment now in the hands of the ARVN and asked each to assist in rectifying this "serious" situation.

Apart from the fact that a considerable amount of equipment now being used by the ARVN, particularly communication and transport, is outmoded and worn, I received the distinct impression that among the reasons that have impelled Diem to make these strong pleas are (1) press reports of the large amount of modern equipment being given to the Chinese Nationalists because of the Taiwan Strait problem and also reports on equipment being given to the Philippines, (2) the Taiwan Straits developments which have deeply concerned Diem. (He obviously has been fearful that we might try to induce Chiang Kai-shek to give up the offshore islands which in turn might encourage the Chinese Communists to back up the Viet Cong forces in an attack on South Viet-Nam.)

In most of these conversations Diem pointed out that Thailand has much more modern equipment, including jets, than we have furnished to Viet-Nam and he underlined the fact that the Korean Army, as a result of the recent war, is equipped with the most modern weapons. Diem also pointed out to his visitors that there are US combat forces stationed in Korea, Taiwan and the Philippines but in Viet-Nam are no such forces and in case of war or emergency Viet-Nam must be defended primarily by its own forces.

Since these pleas have grown in intensity, it is quite clear that a fundamental decision must be made in the near future whether we will accede to all of these requests or whether we will have to turn him down on a considerable portion of them. For this reason it may be helpful to the Department and other agencies to have the following rather detailed outline of the arguments used by Diem.

Diem explains in considerable detail that when the French Expeditionary Force was pulled out, it took with it a large proportion of the best equipment we had furnished to it during the Indochinese war. He points out that some of the remaining equipment was sabotaged by French individuals who sold various vital parts of equipment to Chinese merchants so that a lot of the equipment which was entered on the books at that time was never usable. He states that it is unfortunate that the facts and figures available to the Pentagon in Washington regarding the amount of equipment left in Viet-Nam is apparently on a tonnage basis and that no consideration is given to the fact that a lot of it is unusable or so badly worn that it is hardly serviceable. He states, for instance, that the ARVN communications equipment is not only outmoded but had been extensively used

before it was turned over to Viet-Nam and therefore did not work effectively and was continually breaking down. He points out that although we have trained many ARVN technicians to maintain this equipment, the breakdowns are so numerous that only about 50 percent can be kept useable at any one time. He states that trying to maintain this equipment is like trying to make a good soldier out of a man sixty years of age whose health is always breaking down. In the course of these conversations he emphasizes the very fine work done by MAAG in training the Vietnamese armed forces but adds that all this training will be to no avail if they do not have proper material and equipment. He insists that it is false economy to train large numbers of Vietnamese in the armed services and not permit them to have modern useable equipment with which to defend their country.

Diem argues that there are only two military forces in Southeast Asia which could be called upon in case of war—those of Thailand and Viet-Nam, each with a force of approximately 150,000. He then argues that while Thailand has 150,000 men under arms, about half are highly trained and equipped police forces which are not as effective as regular army troops. Furthermore, Diem claims that a great part of the Thai army is composed of regional forces which remain in their regions and therefore are immobilized. Moreover, instead of stationing their troops in various strategic parts of the country, for instance in the Northwest and Northeast of Thailand, the Thai army is stationed primarily in the Bangkok area. On the other hand, the Vietnamese armed forces are stationed at strategic places around the country in areas where they can be effective in case of war, whereas there are no strategic regional forces in Thailand. For these reasons, in case of war the Thai army would have difficulty even in defending Thailand and could not be of any assistance to Viet-Nam. On the contrary, Thailand would probably hope that Viet-Nam could assist in defending Thailand. This also is true in regard to Laos and, to a certain extent, Cambodia. Both these countries have very small ineffective armies and in Laos particularly they count upon the ARVN to help them in case of war or an emergency. For these reasons, he insists that it is in the fundamental interest of the Free World that Viet-Nam receive more modern equipment.

Diem outlines in some detail the stepped-up Communist subversion and guerrilla activities as another reason for needing modern equipment. He strongly emphasizes the fact that in Korea the military forces only have to defend the 38th parallel as they are protected on both sides by the sea. On the contrary in Viet-Nam, particularly since Cambodia recognizes Communist China, the GVN must not only protect the 17th parallel but its long frontier with Laos and Cambodia where there are no natural defense lines. Diem, of course,

always makes a point of emphasizing that Viet-Nam is a divided country with the Communist North having, according to Diem, at least three times as many military personnel as Viet-Nam.

Since we have not yet advised him of the amount of our contribution to the GVN military budget, he emphasizes that the cuts in our contribution of last year have made it difficult, if not impossible, to continue to build up the strength of Vietnamese military forces. He claims that the budget is now at rock bottom, if not below that level.

Department please pass to Defense and ICA/W.

H. Elting, Jr.
Howard Elting, Jr.

39. Memorandum of a Conversation, Seattle, November 11, 1958, 3 p.m.¹

PARTICIPANTS

United States
The Secretary
J. Graham Parsons

Viet-Nam
Dr. Vu Van Mau, Secretary for Foreign
Affairs

SUBJECT

Communist Military Threat to Viet-Nam and Viet-Nam's Need for U.S. Aid Funds

Dr. Mau expressed his appreciation for the opportunity to call on the Secretary, who then expressed his admiration for Viet-Nam and for President Diem and said that he was glad to have this chance for an exchange of views.

Dr. Mau said that he wished to discuss the situation of Viet-Nam and Southeast Asia. He said that Viet-Nam had been able to establish itself more solidly although neighboring countries had not been too helpful. Lately, on October 26—the anniversary of the Constitution—the Chiefs of Staff of neighboring countries had paid Viet-Nam the compliment of coming to the celebrations, which proved that Viet-Nam had indeed become a certain focus of strength in the area. It had gained some of this strength from its experiences in the fight against the Communists.

¹Source: Department of State, Conference Files: Lot 63 D 123, CF 123. Confidential. Drafted by Parsons on November 12.

Dulles headed the U.S. Delegation to the Colombo Plan Ministerial meeting in Seattle, Washington, November 10-13.

Recently, also, the Vietnamese Government had noted an increase in activity to the North with further development of lines of communication between North Viet-Nam and China. It was wondered in Viet-Nam whether this increasing activity had any connection with the recent crisis in the Taiwan Strait. There had been detected, for instance, a number of Chinese soldiers in the North wearing civilian clothes so as to escape ICC notice. It was evident that they were at work building up the army in the North. Whereas in 1954 there had been but seven divisions in the Viet Minh Army, by 1956 there were 20. That was one reason why President Diem had wished Dr. Mau to talk to the Secretary and to call attention to the serious situation and urge that Viet-Nam be given appropriate priority for aid.

Continuing his presentation, Dr. Mau said that if the Communists were disposed to further aggression, they would not try in Korea because of the presence of United Nations forces. Nor would they be likely to attack Taiwan because the United States was strong there. Therefore, they might turn toward Viet-Nam where there was less force opposing them, no United Nations' presence and a great hinterland beyond. It was, therefore, clear that aid to Viet-Nam, which constituted a possible point of attack, was more important than aid to some other countries. However, the President had noted that aid to Viet-Nam had diminished, there having been \$5 million less programmed last year, and this perhaps indicated a lower priority for aid to Viet-Nam. Dr. Mau well knew our difficulties, but he appealed for a higher priority for his country. Moreover, aid to the forces in Viet-Nam was actually aid to Southeast Asia and not merely to his country because his country constituted a strong point.

Another factor to be considered was the unsatisfactory situation in Cambodia, which was well known to the Secretary, and the weakness of Laos. Furthermore, despite Viet-Nam's cordial relations with Burma, it must be said that the situation there had not changed. From this viewpoint too, the Vietnamese position against the Communists was a key position.

Dr. Mau said that it was the conception of his President and his government that naturally aid could not be given indefinitely. Aid should be like helping a convalescent patient to get strong quickly so that he could stand on his own feet. It would be futile to give a convalescent just a little to keep him alive and it was just the same with economic aid. If Viet-Nam could receive a substantial amount for a few years, then there would be no need for further help and Viet-Nam could proceed on its own. At one point he mentioned the figure of about \$30 million additional as necessary.

Continuing to discuss economic aid, Dr. Mau alluded to Chinese Communist aid being given to Cambodia with promises of various

factories for wood processing and other enterprises which would help to lift the standard of living. In Viet-Nam there were several new factories projected such as a glass factory and a paper mill, to be established with government capital, but also with private capital including some French participation. Various difficulties had arisen and although funds from the budget and government credit were issued, there was a lack of foreign exchange for the imported components. The Vietnamese Government hoped that we could support these enterprises through ICA funds. Private capital would be forthcoming and purchase shares from the government if these enterprises progressed. If the Vietnamese people were to see factories financed by the Chinese Communists making progress in Cambodia while their own lagged behind, it would be bad propaganda. He had been asked to call this to our attention particularly.

The Secretary remarked that he was happy to have the observations of the President and Dr. Mau. As he had earlier said, he had great admiration for the accomplishments of President Diem's administration.

So far as the military threat was concerned, it could, of course, come in any of many different places. He agreed an attack on Korea was less likely but there remained Taiwan, Burma, Iran—no one knew what point might be chosen. It was, however, certain that if an attack come, wherever it came, it would not be regarded by the U.S. as just an attack against that country or point but against us too, for we knew we were the ultimate target. It was the United States which the Communists wished to destroy. Our military took good account of the threat and we were, we thought, well prepared to take care of it if it should come.

The Secretary added that the Minister had referred to the presence in Korea of the United Nations forces which were essentially U.S. forces. The real reason for the safety of Korea now is that the Chinese Communists know we would destroy their industry in Manchuria if they attacked. Our troops were perhaps not the essential element in this situation although their presence was important for psychological and other reasons.

The Secretary also noted that our power is mobile. We had moved a substantial force into Lebanon in a few hours and the presence of the 6th fleet was quickly achieved. It was our determination to resist any Communist attack anywhere and this was a determination that was solid. Force in being at a particular spot was not the essential thing. At any rate, he assured the Minister that we were watching and it should not be felt that we were indifferent or unprepared.

The Secretary said he shared Dr. Mau's concern about Cambodia and Laos, neither of which were solid like Viet-Nam. In Laos the sit-

uation seemed now somewhat less precarious and the Communists had not succeeded in capitalizing as much as we had once feared on the arrangements for their integration into that country. There was perhaps a high degree of probability that the anti-Communists in Laos would be able to maintain control.

In Cambodia, the course was somewhat erratic due in part to various unstable individuals. This indeed justified a measure of concern by Dr. Mau and ourselves. It seemed to us that there was not adequate awareness of the danger of Communist infiltration and we agreed that this was a situation which we must watch.

At this point, Dr. Mau injected that he had an observation to make. He had just lunched with the Foreign Minister of Laos who had asked why was the United States so friendly to the French and why did it seem to bless the French presence in Laos and the neighboring countries. Dr. Mau said that he had the same impression of the U.S. attitude towards the French and he wished us to know that the French in Cambodia and Laos had not yet given up their former designs and some French elements were trying to keep up their influence. Behind the ostensible goal of a pool of Western power for the good of these countries, the French had their secret intentions and sought to use us for their advantage. The Vietnamese were distrustful and they felt they had good information. He alluded in this connection to the small French base at Seno, to the collapse of French morale after the defeat at Dien Bien Phu and the ineffectiveness of the French military presence at Seno. The young government of Laos was concerned that we seemed to support French projects in Laos and French Embassy activities. Dr. Mau appeared to be conveying the thought that he expected the French to doublecross us.

The Secretary reverted to the size of our aid program in Viet-Nam. He said it had indeed gone down somewhat, but not through any lack of confidence on our part in the Government of Viet-Nam. It was a fact that Congress had appropriated less and we must spread the reductions and try to do the least damage, distributing our aid on an equitable basis. He personally was not familiar with the matter of the specific projects, such as the glass factory to which Dr. Mau referred but when the latter was in Washington² perhaps he would like to look into this through the ICA.

In closing the conversation, Dr. Mau said that he wished to bring to our attention informally and confidentially that his government had been surprised that our Embassy at Paris had given a visa to enter the United States to Nguyen Huu Chau,³ who had formerly

²Mau was in Washington later in the month. See *infra*.

³Chau was interviewed by Embassy and other officials in Paris on November 25 and December 22. A report of the first meeting is in despatch 1005 from Paris, Decem-

been Secretary of State at the Presidency. This man had had no exit permit to leave Viet-Nam but, we had nevertheless accepted his application although he was not properly documented. Mr. Parsons said that he would make a note of this matter and look into it in Washington. The Secretary expressed his regrets that he could not dine with Dr. Mau this evening. Dr. Mau then took his leave.

ber 5. (Department of State, Central Files, 751G.00/12-458) A report of the second meeting is in Document 46.

**40. Memorandum of a Conversation, Department of State,
Washington, November 17-18, 1958¹**

SUBJECT

U.S. Aid to Viet-Nam

PARTICIPANTS

His Excellency Vu Van Mau, Vietnamese Secretary of State for Foreign Affairs
The Honorable Tran Van Chuong, Ambassador of Viet-Nam
Nguyen Huu Chi, Director of Cabinet, Vietnamese Department of Foreign Affairs

Nguyen Duy Lien, Counselor, Vietnamese Embassy
Walter S. Robertson, Assistant Secretary of State for Far Eastern Affairs
Eric Kocher, Director, Southeast Asian Affairs
Joseph A. Mendenhall, Officer in Charge, Viet-Nam Affairs
Charles Sedgewick, Interpreter

Mr. Mau, who was visiting Washington for the first time, called on Mr. Robertson on November 17. Since time did not permit his talk with Mr. Robertson to be complete on that date, it was resumed on November 18. Subjects discussed were Cambodia, Laos, and U.S. aid to Viet-Nam. The first two subjects have been covered in cables to the appropriate field posts.

Noting the diminution in U.S. aid to Viet-Nam for the past three years, Mr. Mau requested increased aid on the following grounds: 1) In view of the present tendency of aggressive expansionism on the part of Communist China, it should be noted that Viet-Nam, with a frontier directly abutting Communist territory, stands alone against the Communist threat. In contrast, Korea enjoys UN support as well as the advantage of American military units stationed on Korean soil. Taiwan also has American troops to assist its defense, and is separat-

¹Source: Department of State, Central Files, 751G.5-MSP/11-1758. Confidential. Drafted by Mendenhall.

ed from Communist China by a body of water. 2) Economic aid, running now at \$30 million a year, should in particular be increased in order to enable Viet-Nam to become independent of U.S. aid at some point in the future. 3) The economic competition between the free world and the Communist bloc also represents an important reason for increasing economic aid since no country in Southeast Asia could serve as a better example of the U.S. experiment in aid than Viet-Nam in view of its political and economic success to date and absence of corruption. 4) Viet-Nam occupies a key position of strength against the Communists in Southeast Asia. If it cannot hold against Communism, no other country in the area can. Therefore, in view of the Congressional limitations on U.S. aid funds, the extent of U.S. aid to certain neutral countries might be re-examined with a view towards increasing Viet-Nam's share.

Mr. Robertson said that he was pleased Mr. Mau had raised these questions about U.S. aid since it provided an opportunity to clear up some misconceptions. He noted that SEATO was organized to resist aggression in Southeast Asia, and that Viet-Nam as a Protocol State is afforded the same protection that Taiwan receives under its Mutual Defense Treaty with the United States. He also said that there is a MAAG mission in Taiwan, but no U.S. troops.

Mr. Robertson stated that we have only as much money as Congress appropriates to use in the global struggle against Communism. The Administration's request for aid funds were cut by the Congress for both FY 58 and FY 59. In the case of Viet-Nam, the FY 58 aid level was determined by removal of its loan component of \$25 million because of creation of the DLF and by application of the pro-rata Congressional cut to the balance. Actually, late in FY 58, Viet-Nam received preferred treatment by being allotted an additional \$5 million in aid. For FY 1959, Viet-Nam also received preferred treatment since its level of aid was cut only 7%, whereas the levels for most other countries were assessed the full 10% cut made by Congress. Mr. Robertson said there is a growing tendency within the U.S. Government to shift the financing of economic projects from grant aid to the DLF which was established for the purpose of financing sound economic projects. He added that we wish the Communist threat were such that we could shift much of our aid from financing Viet-Nam's military budget to economic purposes, but no lasting economic development is possible without security against aggression.

Turning to the question of assistance to neutral countries, Mr. Robertson stated that its purpose is to help those countries maintain their national independence. If we were not to furnish them aid, a vacuum would be left which the Communists would be only too eager to fill. The resultant extension of Communist domination

would greatly intensify the security problem of free world countries. We, therefore, believe that our assistance to neutrals is in the interest of other free world countries as well as the neutrals themselves.

Mr. Robertson expressed the greatest admiration for Viet-Nam's accomplishments during the past four years. He said that there has been no decrease in our interest in Viet-Nam, and we shall continue to try to help as much as we can. But, to be candid about the future of our aid, we are confronted with expectations of Congressional reductions, not increases, in funds.

Mr. Mau briefly mentioned that the Vietnamese Ambassador had just received instructions from Saigon concerning the negotiation and signing of an agreement with the United States for assistance in the establishment of a nuclear research reactor. No further reference was made to this subject during the conversation.

41. **Telegram From the Ambassador in Vietnam (Durbrow) to the Department of State¹**

Saigon, December 5, 1958—5 p.m.

1108. Ref Embtel 206, Aug. 5, 1958.² During Shuff visit³ latter discussed at length question introduction jet fighters VN. Shuff indicated he hoped JCS could induce State to change its decision and permit introduction jets June 1960 despite possible strong ICC reaction. Shuff opposed to substitution AD4's for short period since he expected that State would agree by June 1960 or some later date to introduce jets. Since MAAG must make plans well in advance to assure adequate plans and facilities for VNAF, MAAG can not wait year or two pending possible State decision to introduce jets. Therefore definite decision must be reached this matter soonest.

Shuff group stated that if State would not agree introduce jets 1960 present F8F's could be kept operational after June 1960 by transferring to VN and cannibalizing F8F's now being used by Thai AFL. Since Diem knows Tyris [*Thais?*], Philippines, Koreans and ChiNats all have jets he too hopes some way can be worked out furnish jets VNAF despite probable ICC objection. Assuming this can

¹Source: Department of State, Central Files, 751G.5622/12-558. Repeated for information to CINCPAC for PolAd.

²Document 25.

³Charles H. Shuff, a Deputy Assistant Secretary of Defense for International Security Affairs who was responsible for military assistance programs, visited Vietnam in late November 1958.

not be done by 1960 it would be psychologically very detrimental to US interests if we insisted Diem accept old obsolete F8F's from Thailand in order keep his Air Force operational particularly since Thais would receive jets as replacements for F8F's.

On other hand while Diem would not be completely satisfied, I am convinced he will reluctantly accept AD4's as more effective close support combat plane than F8F's and one which would be more combat effective for mission assigned VNAF. In any event I must emphasize adverse psychological reactions if we insist on giving him discarded Thai F8F's.

Chief MAAG concurs.⁴

Durbrow

⁴Admiral Felt concurred completely with Durbrow's view that transfer of F8F's from Thailand was unacceptable. He previewed the CINCPAC position as follows:

"CINCPAC position on the improvement of VN Air Force will be forwarded shortly in which recommendation will be made that F8F's now in Vietnam be replaced substantially by AD4s, augmented with RT33'S to provide recce capability and at the same time, provide justification for jet airfield development. Introduction RT33 also for purpose of entering wedge in ultimate introduction modest number of jet interceptors when possible in light of Geneva Accords." (CINCPAC telegram to CNO, 7234, 120326Z December 1958; Department of State, Vietnam Working Group Files: Lot 66 D 193, Jet Aircraft)

CINCPAC made the formal recommendation described in the preceding paragraph in telegram 140053Z December 1958 to CNO, stressing that the RT33s were completely unarmed photographic aircraft. (*Ibid.*)

42. **Memorandum of a Conversation Between the Chargé in Vietnam (Elting) and President Diem's Adviser (Ladejinsky), Saigon, December 12, 1958¹**

Ladejinsky came in to see me following his return from the United States on December 10. He was in extremely good spirits be-

¹Source: Department of State, Saigon Embassy Files: Lot 62 F 52, 361.3 1956-58. Secret. Elting sent a copy of this memorandum of conversation to Kocher under cover of an official-informational letter, December 12, which reads as follows:

"I enclose a copy of my memorandum of conversation with Wolf Ladejinsky upon his return from the United States. You and Secretary Robertson and Jeff and everyone else certainly did a terrific job in getting over your ideas, and I can't tell you how useful it is going to be to have Wolf so completely convinced of the correctness of the facts as we believe them to be. There's no question about it, he has great influence with the President and he will now speak with the authority of a person who has been received with open arms and taken into the bosom of the family, so to speak.

"I don't know what you all did to him, but Wolf certainly has stars in his eyes now. We will keep you informed in detail as the story unfolds."

cause of the reception he had received, particularly in the State Department.² As he put it, he had not realized how many friends he has and "the doors were all wide open to me and couldn't have been more so." This reception had a most important effect since Ladejinsky has renewed confidence in himself and the worries he had about his own future position have been effectively dispelled. He now feels that he is much freer to say what he should to Diem because he does not have the same worries about where he would get another job. Before he left here, his morale was low and he had a feeling of having to rehabilitate himself somehow by eventually getting back into work for the government. Now all the compulsion has left him because he feels that he was received with open arms in the State Department, particularly by Secretary Robertson and the people in FE, and no more rehabilitation is required. Moreover, certain congressmen, whom he knows well, let him know that they would assure him interesting jobs if he wanted to come back. Finally, the Ford Foundation made him an interesting offer to go to India which he turned down but which he feels could be revived if he wished.

In addition to the above, Ladejinsky did a piece for the *Reporter Magazine* and has a commitment to do another for *Foreign Affairs* and an offer from the editors of the *New York Times* for him to submit a piece on Viet-Nam.³

Ladejinsky said another thing he found when he got back was that the President had really missed him. As he put it, "Diem has simply got used to me." He had several hours with the President the very evening of his return and two long sessions yesterday, which he outlined to me as follows:

First of all, the President was very pleased to have the statement⁴ which Secretary Robertson had prepared for Ladejinsky to bring back with him, setting forth United States Far Eastern policy. Diem is now persuaded that we will stand firm and have no intention of making concessions to the communists. Ladejinsky was also impressed by the sincerity of Secretary Robertson's remarks about the abilities and activities of President Diem, and he passed these on to Diem. In addition, he put it to the President as forcefully as he could that while Viet-Nam stands higher than it ever has in the

²Ladejinsky apparently met with officials of SEA on October 30 and with Robertson and others on November 7. No reports of these conversations have been found. A briefing paper for the November 7 meeting from Kocher to Robertson, November 4, is *ibid.*, FE Files: Lot 60 D 90, Vietnam. Kocher mentions the scheduled October 30 meeting in a letter to Elting, October 29, not printed. (*Ibid.*, Saigon Embassy Files: Lot 65 F 98, 350.1 Vietnam, 1956-58)

³An article by Ladejinsky entitled "Vietnam: The First Five Years", appeared in *The Reporter* a year later: volume 21, No. 11, December 24, 1959, pp. 20-23. See also "Agrarian Revolution in Japan", *Foreign Affairs*, October 1959, pp. 95-109.

⁴Not found.

United States and in the State Department, nevertheless he must not think that he can ask for increased military aid. Ladejinsky explained in very great detail to Diem that the whole trend now in Washington is in the other direction—with persons like Mike Mansfield insisting on the need for reduction of military aid. I commented that his efforts along these lines were extremely helpful to us and I hoped would convince the President that he would be wasting his time even to try the sort of end runs that he did last year.

Ladejinsky then said that one of the things he has always stayed away from and which the Vice President warned him about was internal politics. Now, however, the President had sent him on a special mission to the United States to find out what the climate of opinion is about Viet-Nam. He had found that it was unexpectedly good except that everyone raised the question of dictatorship and civil rights. Now, for the first time, Ladejinsky feels he has not only an opening to talk about civil rights to the President but even an obligation to do so as a part of his reporting on his mission. He intends to do it in a written report which, in a new mood of independence and self-confidence, I believe will be a forthright statement of the situation. He intends to recommend that the President adopt a definite policy of progressive liberalization in the field of civil rights and intends to point out that in his opinion, Diem has the opportunity thereby to make himself the real leader of Southeast Asia. I encouraged him to be as forthright as possible since there were so few opportunities of this sort for any of us ever to speak to the President about such matters, and it would be tragic to miss any chance to do so.

43. **Letter From the Ambassador in Vietnam (Durbrow) to the Assistant Secretary of State for Far Eastern Affairs (Robertson)¹**

Saigon, December 15, 1958.

DEAR WALTER: I refer to our Telegram No. 206 of August 5, 1958,² regarding the question of jet trainers for Viet-Nam and the development of jet facilities for the use of the USAF in this area. I refer, in particular, to the sentence in paragraph 2 of the reference

¹Source: Department of State, Vietnam Working Group Files: Lot 66 D 193, Tan son Nhut Airport. Secret; Official-Informal; Limited Distribution. Drafted with the concurrence of Williams and Burrows.

²Document 25.

telegram reading: "We also plan explore possibilities for creation alternative emergency jet landing facility at least one other site in Central Viet-Nam."

I discussed the latter point with several visitors from CINCPAC in the last few months as well as with General Williams and the members of the MAAG Air Section. After giving careful consideration to the question, all these officers are convinced that it would be in the interest of the United States to create a second jet facility at Tourane, the first one, of course, being the one we plan to build at Saigon. As I understand it, the fields at Bangkok, Clark and Taiwan are the only ones in this area now capable of handling jets. In case of hostilities in this area, military planners believe it essential to have at least two other alternate fields—Saigon and Tourane.

As in the case of the Tan-son-Nhut Airport in Saigon, it would be necessary to build a jet facility at Tourane under a completely commercial cover. If we endeavored to build a jet facility which was obviously or openly admitted to be for USAF, we would undoubtedly run into serious difficulties with the ICC. Therefore, as pointed out in the reference telegram, we must—if we are to build a jet facility at Tourane—be sure that all agencies concerned concert to maintain the cover that the jet facility at Tourane is also for commercial purposes and a "purely commercial" airport. After thinking the matter through, we believe that a plausible case could be made for building a jet facility at Tourane as an alternate field for the fairly heavily travelled commercial route, Hong Kong-Bangkok. We already have VOR and 4 KWNDB Beacons at Tourane to assist commercial airliners on that route. In case of engine trouble or weather difficulties, it could be contended logically that an alternate commercial jet field should be built at Tourane, strictly as a safety measure.

As you undoubtedly know, in our present aid programs we have no projects or funds earmarked for such an alternate jet facility. Therefore, if the Department and other agencies decide that such a facility should be built for use by the USAF in case of hostilities, it will be necessary, after finding the funds, to have them transferred to ICA for the Viet-Nam Airport Program, so that a completely "commercial" cover for the project can be fully maintained. General Wil-

liams is asking CINCPAC to send full military justification³ for this alternate field to Washington for consideration by the Department and other agencies.⁴

Sincerely,

Durby
Elbridge A. Durbrow

³A military justification is contained at least in part in a letter from Knight, Deputy Assistant Secretary of Defense, to Robertson, December 30, which reads:

"There is a United States military requirement for two airfields in Viet-Nam capable of sustaining jet operations to accommodate United States Forces in support of United States contingency plans for defense of Viet-Nam.

"There are presently only seven airfields in Southeast Asia that will be capable of operating jet aircraft; one in Burma, two in Malaya and one operational and three being improved in Thailand. Presently the International Cooperation Administration is programming improvement for Tan Son Nhut in Viet-Nam, so that it can accommodate commercial jet aviation.

"As it appears that it will be some time in the indefinite future before the Geneva Accords can be interpreted to permit military jet aircraft for Viet-Nam, it seems desirable that ICA program a second commercial jet airfield in Viet-Nam specifically at Cape St. Jacques. This can be justified on the basis that commercial jet operations from Saigon require alternate landing facilities, Cape St. Jacques being an excellent alternative. These two fields would provide the minimum jet facilities required by United States military plans. The runways of these airfields should be a minimum of nine thousand feet in length.

"It is requested that the Department of State initiate appropriate action with ICA to secure the completion of the new strip at Tan Son Nhut at the earliest practical date and to secure the programming of a second strip at Cape St. Jacques." (Department of State, Vietnam Working Group Files: Lot 66 D 193, Tan son Nhut Airport)

For Dillon's response, see Document 67.

⁴Robertson responded in a letter to Durbrow, January 30, 1959, as follows:

"We have delayed replying to your letter of December 15, 1958, regarding a second jet airport facility in Viet-Nam for U.S. Air Force use because we had hoped to send a cable to you on this subject at the same time. Since the question of a second jet facility for Viet-Nam requires coordination with W/MSC, ICA and Defense, we considered it advisable to deal substantively with this facility in formal communications since informal letters do not lend themselves well to handling inter-agency matters. Clearance difficulties have held up the cable, but we hope that it can be transmitted shortly to you.

"Shortly after receipt of your letter the Department of Defense sent us a letter proposing that the second jet facility for Viet-Nam be located at Cap St. Jacques rather than at Tourane (as you proposed). We expect the cable now in process to request your view concerning the Defense proposal as well as the means of funding it.

"Your letter states that you understand that the only airfields in your area now capable of handling jets are at Bangkok, Clark and Taiwan. For your background information you may be interested in knowing that, according to Defense, there will be seven airfields in Southeast Asia, excluding those in Viet-Nam, capable of handling jet aircraft: one in Burma, two in Malaya, and one operational and three being improved in Thailand." (Department of State, Vietnam Working Group Files, Lot 66 D 193, Tan son Nhut Airport)

44. Memorandum From the Joint Chiefs of Staff to the Secretary of Defense¹

Washington, December 18, 1958.

SUBJECT

Jet Aircraft for Vietnam (C)

1. Reference is made to a memorandum by the Assistant Secretary of Defense (ISA), dated 10 September 1958, subject: "Jet Aircraft for Vietnam (C)".²

2. The Joint Chiefs of Staff have considered the CINCPAC message and additional items contained in the memorandum by the Assistant Secretary of Defense.

3. Specific comments with respect to the message from CINCPAC to the Assistant Secretary of Defense (ISA) are contained in the Appendix hereto.³

4. The following are comments on additional items included in the memorandum by the Assistant Secretary of Defense:

a. There is a military requirement to modernize the Vietnamese National Air Force (VNAF) with jet aircraft as opposed to propeller aircraft. However, this requirement is secondary to the requirement for jet facilities, capable of sustained jet operations in support of U.S. contingency plans for the defense of Vietnam. Jet aircraft were included in the FY 1960 Military Assistance Program by Chief, MAAG, Vietnam primarily to provide means whereby jet facilities could be incorporated into the Vietnamese construction program and funded in the Vietnamese national budget. This program was supported by the Commander in Chief, Pacific, in recognition of the U.S. requirement for jet facilities. If, in light of the Geneva Accords, it is determined that jet aircraft cannot be delivered to the VNAF by end of CY 1960, a suitable type of propeller aircraft should be programmed to cover the interim period. In this respect, an indication from the Department of State as to an estimated time that the Geneva Accords problem might be received would materially assist the Joint Chiefs of Staff in determining the interim type propeller aircraft to be programmed, provided such an estimate can be immediately obtained.

b. There is a U.S. military requirement for two airfields in Vietnam capable of sustained jet operations to accommodate U.S. forces as stated above. There are currently in existence, or undergoing construction, only seven airfields in Southeast Asia that will be capable of operating jet aircraft (one in Burma, two in Malaya, and one operational and three being improved in Thailand). There is none in South Vietnam. Because of the indefinite delivery of jet aircraft to Vietnam, it is deemed advisable to request the International Cooperation Administration (ICA) to include Cape St. Jacques in addition to

¹Source: Washington National Records Center, OSD/ISA Files: FRC 62 A 1698, 451.2 Vietnam. Secret.

²Not printed. (*Ibid.*)

³Not printed, but see footnote 6, Document 25.

Tan Son Nhut in their program of improvement, under guise of commercial aviation. This would provide the minimum jet facilities required by U.S. military plans. The runways of these airfields should be a minimum of 9,000 feet in length.

c. In regard to the F8F aircraft now in the Thailand Air Force, there are no replacement aircraft in the FY 1959/1 approved Military Assistance Program. It would be most undesirable to augment the Vietnam F8F aircraft with discarded F8F's from Thailand, even if they were available, while Thailand was provided jet aircraft. Such action might introduce political and psychological complications of serious import. Considering this fact and the logistic problem involved, it is evident that the utilization of F8F aircraft in Thailand to prolong this period for which Vietnamese Air Force can be equipped with this type aircraft is not practicable.

d. As indicated in subparagraph b above, the Joint Chiefs of Staff have considered the other jet facilities located or to be located in adjacent Southeast Asia areas.

For the Joint Chiefs of Staff:
Maxwell D. Taylor
General, United States Army

45. Despatch From the Ambassador in Vietnam (Durbrow) to the Department of State¹

No. 213

Saigon, December 22, 1958.

SUBJECT

Notes and Comments on "Personalism" in Viet-Nam

Introduction and Summary

This despatch is an attempt to set forth available facts and some tentative conclusions concerning "Personalism" in Viet-Nam.² Much remains to be learned concerning the doctrine of Personalism and the extent of its influence here. Little systematic information is available. Questions raised in this despatch suggest other questions and require further investigation. The Embassy will submit additional information and comments from time to time.

¹Source: Department of State, Central Files, 751G.07/12-2258. Confidential. Drafted by Calvin E. Mehlert, former Second Secretary of Embassy, and Thomas D. Bowie, Counselor for Political Affairs, with numerous contributions from officers in other U.S. agencies in Saigon.

²See p. 15 for footnotes. [Footnote in the source text. Only the two succeeding footnotes are printed.]

"Personalism" is a political and philosophical concept which this regime affirms is a basic guide to its action. The term "human person" is cited in the Constitution in Articles 5 and 20, and is referred to, either directly or indirectly, in many major government declarations. The Government operates a school to teach Personalism.

Intended as an ideological alternative to communism and fascism, Personalist philosophy, as expounded in the 1930's by Catholic thinkers in France, stresses that the Human Person is endowed with natural rights and duties, and that respect for these rights and fulfillment of these duties would result in a social order where the individual enjoys true political and economic freedom.³

As applied in Viet-Nam, these ideas constitute an attempt to "fuse the cultural inheritance of Africa and Asia with the essence of Western civilization; to harmonize the conflicts between Tradition and Progress in order to create a stable, progressive human society, different from liberal and formal democracy as well as from communist popular democracy."⁴ Such a society is to be an Afro-Asian democracy, a "Personalized Democracy," which applies the principles implicit in the term *Human Person*.

Personalism, although Western and Catholic in inspiration, is declared to reflect the "middle way" of Confucian philosophy. It stresses principles and broad objectives. Other aspects, for example, individual dignity, suggest Buddhist teachings. Personalism does not discuss ways and means, and hence honest disagreement among personalists is not recognized. Likewise, political conflict or struggle for power has no part in the doctrine. Ngo dinh Nhu, in a confidential and apparently impromptu speech at the Department of Information and Youth last year described in some detail basic policies of the Government of Viet-Nam and related them to Personalism.

The speech by Nhu stresses the wish to provide each person, or family, with a basic plot of land. This land is to provide the individual or the family the elements of security upon which personal dignity can be based. This is also to provide wealth, beyond the immediate needs of the family unit it sustains, which would be saved for investment in industry. Nhu expects that the basic plot of land for each family unit will discourage the development of an underprivi-

³The English term "Personalism" does not convey the emphasis on the human being found in the French expression "la Personne humaine," while the Vietnamese translation "Nhan Vi" implies individual dignity. "Nhan" is derived from a Chinese ideograph depicting 'man standing up with his feet apart.' "Vi" is stated to mean "dignity". [Footnote in the source text.]

⁴Jacques Maritain, a Personalist philosopher, recently wrote in "Reflections on America" that while he had first formulated Personalism in the 1930's as an ideal objective, he discovered that "living Personalism" was a chief characteristic of American society. ("Reflections on America," Jacques Maritain, Charles Scribners Sons, N.Y., 1958, pp. 178-179) [Footnote in the source text.]

leged urban proletariat during the future industrialization of the country. The hard thinking and the difficult decisions involved in the complex task of building up Viet-Nam are influenced to some degree by Personalism. The extent of this influence, however, is difficult to determine conclusively and an effort will be made to follow up on this question. On the other hand, one might ask whether there may possibly be conflicts between Personalism in Viet-Nam and some of the objectives of U.S. policy toward Viet-Nam, particularly in the economic field. Nhu's speech indicated some reservations about private foreign capital.

Although Personalism fails to respond to many of the urgent technical and complex questions inherent in Viet-Nam's present situation, there are some aspects of Personalist doctrine which are germane and useful. Personalist doctrine stresses human values. A speech by the Minister of Education, Tran Huu The,⁵ discusses the attempt being made to overhaul the educational system so that it will preserve and reflect Vietnamese traditions while providing students instruction in meeting the problems of this age. The emphasis is on individual liberty, conditioned and qualified by the individual's responsibility to society.

In a newly independent country, divided by the struggle between communism and the Free World, ideas and political motivation assume particular importance. In its present form, however, Vietnamese Personalism as a doctrine is incomplete, and remains, for the most part, a somewhat cryptic statement of good intentions on the part of the President and the inner circle of the regime.

[Here follows the 11-page body of this paper.]

Comment

Although Personalism is said to be an answer or an alternative to communism, it does not provide the pervasive, total doctrine that communists find in Marxism. Moreover, Personalism appears to command no particular dedicated following among Vietnamese intellectuals or functionaries. The various economic and social problems for which Marxians claim they have ready answers still remain basically unanswered in Personalist doctrine. There seems little popular acceptance of Personalism.

Discussions of Personalism stimulated by Embassy officers with Vietnamese elicit a repetition of the usual phrases concerning the rights and responsibilities of the Human Person. Vietnamese seldom show any real knowledge of the subject. The public speech by Min-

⁵Reference to enclosure 5, attached but not printed, a speech in French by Tran Huu The, Secretary of State for Education, given September 9, 1958, at the sixth reunion of the Vietnam-France Friendship Association.

ister The seems exceptional and may point the way to further developments in applying Personalism to Viet-Nam's problems. Most Vietnamese seem reluctant to discuss Personalism except in safe, general terms. This is a striking contrast to the position of the President and Nhu. Personalist doctrines seem concentrated at the top, where political power is concentrated. High-ranking members of the GVN seem merely to subscribe to the concept of Personalism as a sign of agreement in principle with the Presidency and the regime. It is interesting that the speech of Dr. Tuyen, the director of Nhu's special "political studies" branch, to the SEATO Counter-Subversion Seminar early this year⁶ was a nearly verbatim repetition of what Nhu had said earlier regarding Asian-African aspirations, Viet-Nam's role in achieving these aspirations, and Personalism.

Personalist suspicion of parliaments, and the apparent absence of criticism or dissent in a Personalist society, appear to accord well with Diem's practice of benevolent authoritarianism for Viet-Nam. Diem declares that good government is not "a collection of laws and texts . . . ⁷ it is essentially a state of mind, a way of living in the active respect of the human person . . . a continuous self-education . . . a simple and patient art of fusing in a harmonious synthesis the desirable diversity of conceptions and the inevitable complexity of reality."

It is still unclear whether the regime (the President and his family) actually observes Personalist doctrines or whether the regime merely uses them to achieve specific political or economic objectives. For example, are people encouraged to move into the PMS and the Plaine des Joncs, taking up small plots of land for family use as described by Nhu, because it is a wise plan, in consonance [with?] Personalist doctrines, or are Personalist doctrines merely invoked in order to help achieve and help justify the plan? Major decisions of this kind are subject to the President's own scrutiny and analysis, and certainly Personalist doctrines are a part of his overall outlook. Probably a given plan may more readily appeal to him if it is compatible with Personalist doctrines. On the other hand, there is no evidence that Personalist doctrines must be expressed in all government plans and programs. The doctrines are too rudimentary to find expression, at all events, in many plans.

Although Personalism has not prevented this government from perpetrating heavy-handed acts hardly in accord with Personalist doctrines, the "respect for the human person" concept is highly salutary in any Asian regime. On the other hand, it would be unwise to criticize the government for not using exclusively Personalist meth-

⁶Reference to enclosure 1, attached, but not printed.

⁷Ellipses in this paragraph are in the source text.

ods in combating Communism. From what it has been possible to learn thus far, Personalist methods would not meet all communist threats. Respect for the human person should, however, be welcomed and encouraged in the existing social order as a desirable move toward better government and a better society. Personalism does some good along these lines, although it may also be suspected of being used at times to cloak crasser motives. The speech by The, for example, could probably be used to justify more statism as much as it could be used to protect the individual.

Conclusions

Although Personalist doctrine is scarcely adequate to respond to all problems that may beset this country, and it may not satisfy the intellectual aspirations of the sophisticated intelligentsia in this country, it at least ostensibly seeks to preserve human values and protect human dignity, and an effort has been made to elevate it to the highest levels in Vietnamese culture. Anyone who has lived for a period in the Orient cannot escape the fact that political democracy is a new and unproved concept in this part of the world. The rank and file still must learn to read and write, and to think in terms of civic responsibilities. They still have to learn to use the institutions, such as the National Assembly, that have already been brought into existence eventually to provide representative government. Therefore, to the extent that Personalism does help enhance human potentials there should be no doubt of its worth.

However, Personalism is not a complete explanation of all that motivates this government's action. The connection between Personalist doctrine and the secret Can Lao party will be discussed in a separate despatch.⁸

For the Ambassador:

Thomas D. Bowie

Counselor of Embassy for Political Affairs

[Here follow the footnotes of the despatch and six enclosures relating to Personalism.]

⁸Document 56.

46. Despatch From the Ambassador in France (Houghton) to the Department of State¹

No. 1169

Paris, December 31, 1958.

REF

Embassy Despatch No. 1005, December 4, 1958²

SUBJECT

Second Conversation with Nguyen huu Chau

In an attempt to elicit a more detailed type of information from former Vietnamese Cabinet Minister Nguyen huu Chau than he had seemed willing to convey in the conversation reported earlier, an Embassy Officer . . . met again with him on December 22. The conversation followed the same outline and covered some of the same subjects as previously but was primarily an attempt to probe more deeply into the question of why Chau, apparently an influential, respected member of the inner most circle of the Vietnamese Government and one of President Ngo dinh Diem's confidants, had become discontented and angry and had broken with the Government to go into voluntary exile.

In reply to this question Chau said, first of all, he had never been a member of the so-called inner circle—only Diem's brothers occupied such a position. He was only an executor. What the President and his brothers decided should be done became Chau's task to carry out. Devoted and loyal he was, intimate he was not.

As Chau talked, it became apparent the forces leading to his break with the Government were set in motion in mid-1957. Up to that time he had through tactful suggestions been able to exercise a certain amount of influence on the President and within the Government. As "Ambassador" representing the ministries at the Presidency, he had enjoyed "prestige and self respect", i.e., position and power. However, about July of last year his domestic difficulties, that is, his desire to divorce his wife, the sister of Mme Ngo dinh Nhu, apparently caused the latter to seek means of destroying his influence by turning the President against him and, incidentally perhaps, blackening his name. The instrument chosen for this task was, in Chau's opinion, the Can Lao or Revolutionary Workers' Party, which launched a large-scale gossip and slander campaign against him. Chau said he was accused of being both anti-American and anti-French and of doing all the immoral things his wife had done.

¹Source: Department of State, Central Files, 751G.00/12-3158. Secret; Limit Distribution; Noform. Drafted by Robert E. Barbour, Second Secretary and Political Officer. Copy pouched to Saigon.

²See footnote 3, Document 39.

This effort apparently achieved all its goals, for Chau said his position in the early part of 1958 had been deprived of all influence and reduced to that a simple functionary.

Other individuals were cited as having similarly been the object of Party attacks designed to undercut their positions or have them removed from office. Eight months or a year ago the then Minister of Agriculture, Vien,³ now Minister at Taipei, had been accused of mis-managing the forest exploitation program so that he would not be in a position to oppose the grant to a group of RWP members of several hundred hectares of forest lands along the Dalat Highway. The proceeds from the exploitation of these lands were intended to be used to finance Monsignor Ngo dinh Thuc's pet project, the Dalat University. But Chau said a great deal of the money went into the pockets of those who received the exploitation franchise.

Thus, Chau was not the only one whose life was made unbearable by the Party. Many other government officials and cabinet ministers had complained to him of an inability to perform their functions because Party "spies" in their ministries, by reporting directly to Nhu and therefore to the President, could and did short-circuit them. The result of such a situation, he said, was a general demoralization of the administration and, within the Party, a constant jockeying for favor on the part of its rank and file. Sycophancy and slander, depending on circumstances, were the tools by which one achieved power and prestige, according to Chau. He had recently heard that because of the atmosphere in Saigon Vice President Nguyen ngoc Tho also desired to leave the Government and Viet Nam, and, while Chau did not doubt that this was true, he did not believe he would really leave.

Chau also said one of the factors in his decision to leave the Government and Viet Nam was his seeing and hearing things he could not condone. For example, early in 1956 the then Minister of National Reconstruction, Hoang Hung, showed him a deed to a villa on the far side of the Zoological Gardens next to the amusement center that was being purchased from its French owner as a gift to the President from the National Revolutionary Movement. The price was six million piasters. On being asked for his opinion as a lawyer as to the correctness of the title, Chau suggested it might be slightly impolitic to have the property in the President's name. Subsequently it was registered in that of his brother, Monsignor Thuc. To conceal the transaction as much as possible, Chau said an old Vietnamese from Hue was sent to Saigon to carry the money to the seller's representative.

³Nguyen Cong Vien.

More recently, another instance of this kind was called to his attention by a friend, Vu tinh Huan, whom he said worked in the Social Affairs Bureau ("the secret police office") at the Presidency. This involved a villa on Rue Miche which was being given to Ngo dinh Nhu by the RWP. In fact, Chau believed the Ngo-dinh family frequently benefited in this way from the RWP's prosperity. He assumed the construction of the family tomb and the restoration of the family home at Hue had been done by the Party as a "gift". However, when questioned he claimed to be unable to shed any further light on what the Party does with its money. Some of it was obviously spent abroad for purposes of which he was unaware, and some of it undoubtedly went into the pockets of the Party rank and file, he thought. He did not know of any of its overseas financial activities and said he did not recognize the name of Nguyen van Buu (one of its "business managers"). Despite the inability to cite direct examples of possible malfeasance on the part of the President, Chau believed he had permitted too many unethical things to take place or even be done in his name to continue to deserve to be called "honest".

Reverting to the Party's ubiquity and power, Chau said its discipline over its members was very strong, and those who joined were forced to take a personal oath to Diem and to Nhu. Pham dang Lam, the Secretary General of the Ministry of Foreign Affairs, had postponed joining for a long time but had finally bowed to pressure. With regard to the RWP "spies" at diplomatic missions, Chau ventured to speculate that the military attaché at Paris, Lt. Col. Tran van Tung, was the real power here, and he knew positively that the Party representative in Bonn was the second in command there. He could only say that "one of the younger members of the staff" at the Embassy at Washington was the Party watchdog. Apropos of other aspects of Vietnamese diplomacy, he said he had heard that Ambassador Ngo dinh Luyen, currently at London, would move to Paris soon, possibly because Chau was here. There were also rumors that Ambassador Tran van Chuong, Nhu's father-in-law, would become an Ambassador for all North and South America and Nhu would be appointed a roving Ambassador-at-Large in the Far East.

In response to an inquiry as to whether he believed the activities of American officials in Saigon were subject to Vietnamese surveillance, Chau replied negatively but said those Vietnamese who had dealings with Americans were closely watched by their confreres, and one was expected not to have any contacts not required by one's responsibilities. For this reason he had always refrained from inviting General Williams to his house, although he would have liked to have done so.

Asked what people around the President, that is his brothers, really thought of Americans, Chau said there was a Vietnamese expression that was frequently recited around Independence Palace: *Ban chim duoc roi be na*, which translates as "once you've shot the bird there's no more need for the slingshot". Allegedly on more than one occasion Nhu told Chau he would not hesitate to replace American aid with French if the former were withdrawn or even threatened. Nhu and Ngo dinh Can were said to be capable of going to any extremes to maintain their positions of power, including negotiating with the Viet Minh, if their positions were threatened.

Chau said he was unable to disclose any real "secrets" because he had always refrained from interesting himself in things which did not concern him. He professed always to have acted honestly, but honesty was not appreciated. He wondered how the United States could continue to pour money into a country which made such poor use of aid funds and said for his part he had always refused to act in any way detrimental to American interests.

In response to a question he also said that after leaving Viet Nam he had come directly to France without visiting any other countries.

For the Ambassador:
William Witman II
First Secretary of Embassy

47. Paper Prepared by the Operations Coordinating Board¹

Washington, January 7, 1959

OPERATIONS PLAN FOR VIETNAM

I. Introduction

A. Special Operating Guidance

[Here follow sections 1-4 which are identical or similar to sections 1-4 of the June 4, 1958, plan.]

¹Source: Department of State, OCB Files: Lot 62 D 430, Vietnam. Secret. The OCB Working Group on Southeast Asia prepared this plan, much of which was identical or substantively similar to the plan of June 4, 1958, Document 17, which it superseded. Therefore only those numbered sections which contain important differences are printed here.

5. *President Diem's Internal Political Position.* Since it is in the U.S. interest that President Diem remain in power, we hope that he will rally as wide a basis of popular support as possible throughout the country and among all key groups in the population. The firm measures of political control exercised by his government and by the political party operated by his brothers, while to a large degree necessitated by continued communist pressure, tend to alienate the sympathy and support of certain important groups. U.S. action is restricted by the sensitivity of this subject, but the U.S. Ambassador may be able to make discreet suggestions from time to time for some liberalization of Diem's political control.²

The plan was discussed at OCB meetings of December 31, 1958, and January 7, 1959, and approved for implementation by responsible agencies at the latter meeting. Also discussed at these OCB meetings was an OCB Progress Report on NSC 5809, "U.S. Policy On Mainland Southeast Asia," also approved January 7. (*Ibid.*, S/P-NSC Files: Lot 62 D 1, NSC 5809 Series) The OCB Progress Report of January 7 is printed in Department of Defense, *United States-Vietnam Relations, 1945-1967*, Book 10, pp. 1156-1189. These two papers served as a basis for a general discussion on Vietnam which, according to notes by O'Connor dated December 31, went as follows:

"The Board then turned to the problem of internal security in Viet-Nam and the Civil Guard program to meet it proposed by the Ambassador and the U.S. agencies in Saigon. Mr. Irwin (Defense) reviewed the background. He said Defense was in favor of utilizing funds presently available for strengthening the Civil Guard. Mr. Herter thought we should move ahead rapidly and get a decision. Mr. Saccio (ICA) said he was sure a decision would be taken soon on the Civil Guard program by Mr. Dillon and Mr. Smith. Defense would be represented and the current OCB examination of the Overseas Internal Security Program would be borne in mind. Mr. Gray said he hoped the 'constant review' of the force level in Viet-Nam would be a serious study of the total security requirements. A Defense specialist said the increase in the force level in North Viet-Nam would be the most important factor in the review of weaponry, force levels, training and U.S. capabilities. Mr. Saccio reminded the Board that there were strong views within the Government that the U.S. should emphasize economic and not military assistance to countries such as Viet-Nam." (Department of State, OCB Files: Lot 62 D 430, Preliminary Notes III) Leonard J. Saccio was Deputy Director of ICA.

The discussion was next continued at the OCB meeting of January 7:

"The draft Minute of the last meeting noted that the Department of Defense is studying the Vietnamese armed forces to evaluate their ability to resist external aggression and that the study will also consider other factors relative to the level of forces. Mr. Gray of the White House said his impression was that the study would specifically cover the use and need of the Civil Guard, particularly as to whether it could be used to effect a reduction of military forces.

"The Defense representative said that the study which has been under way for some time covers Southeast Asia generally and is targeted on abilities of the nations to counter overt external attacks. Mr. Saccio, ICA, said that Under Secretary Dillon and Mr. Smith (ICA) would discuss the Civil Guard on the coming Friday [January 9] and would also consider the CIA views on the significance of the Civil Guard in Viet-Nam. He also said that while ICA is agreeable to a program for the Civil Guard in 1959, a thorough examination should be given to the full program which will extend beyond 1959. Governor Herter reminded Mr. Saccio of the immediate availability of more than \$3 million for the Civil Guard." (*Ibid.*, OCB Files: Lot 62 D 430, Preliminary Notes IV)

²Section 5 was a new addition without a corresponding section in the old paper. Therefore the numbering of the sections is not thereafter identical.

6. *Relations with Other Southeast Asia Countries.* Although Viet-Nam, Laos and Cambodia have taken substantially different paths since the conclusion of the three separate Geneva armistice agreements in 1954, it is to American advantage to maximize the inter-relationships between these three countries, and U.S. operating agencies should take into account the effects on Laos and Cambodia of the course of action they pursue in Viet-Nam. While relations between Viet-Nam and Laos have not been marred by any special difficulties, Cambodian-Vietnamese relations continue to be strained and recently have been further embittered on a number of specific issues. Recognizing the importance of cohesion among the nations friendly to the free world in Southeast Asia, the U.S. should continue to encourage the development of a favorable political situation in which Viet-Nam and its neighbors would seek the good offices of appropriate third parties to help resolve disputes.

7. *U.S. Aid Programs*

a. *Joint Viet-Nam-U.S. Effort.* The implementation of U.S. aid programs should depend on the amount of cooperation displayed by the Government of Viet-Nam. Maximum efforts should be made to cooperate with the Vietnamese in all operations to avoid the appearance of U.S. unilateral action. Aid programs and programs of technical advice should be joint enterprises, rather than American conceived and American executed projects. U.S. operations should sustain the strong pro-U.S. orientation of the Vietnamese Government and should help solidify its position of leadership with the Vietnamese people. U.S. operations should take into account the need for progress in the economic rehabilitation and development of Viet-Nam, in part in order that the Diem Government might demonstrate both to its own subjects and to those north of the 17th Parallel that close identification with the free world is advantageous in terms of security, material progress and social advancement.

b. *The Need for Sound Economic Development.* Care should be taken in developing U.S. operations that sufficient resources are provided for an adequate and effective military establishment while leaving sufficient margin for sound economic development. U.S. aid should be managed so as to prevent inflationary pressures which might frustrate the achievement of U.S. objectives and nullify many of the benefits otherwise provided by aid programs. U.S. aid should be implemented with enough speed and flexibility to produce tangible benefits which can be seen and appreciated by the Vietnamese people and government.

c. *The Need for Prompt Aid.* In order to insure Vietnamese support for U.S. objectives, U.S. aid operations should be continued so as to meet Vietnamese needs on a timely basis. Continuing attention should be given to achievement of maximum performance and production of tangible results with minimal delays.

d. *The Need to Husband Resources.* Because of the need for both the U.S. and Viet-Nam to husband their resources, and because of a demand within Viet-Nam for greater economic development, the

impact on the Viet-Nam Government's budgetary situation should be taken into account in the development of U.S. aid programs.

8. *Armistice Situation.* Operating agencies should take into account for the time being the existence of the Armistice Agreement and the supervisory role of the International Commission to which the Vietnamese Government has pledged cooperation. While the Commission offers certain obstacles to some U.S. operations, it serves to discourage communist efforts to alter the status quo.

9. *U.S. Private Investment.* The Government of Viet-Nam is highly nationalistic and anxious to secure full economic as well as political independence. It has repeatedly announced its support for free enterprise principles and has occasionally stated that it specifically favors private capital investment, but it has failed to translate these words into consistent actions. Instead, its actions have often tended to discourage private investment. U.S. agencies should strive to maximize U.S. private participation in the economy of Viet-Nam whenever consistent with U.S. policy goals, and should accordingly provide maximum possible assistance to U.S. private investors and businessmen interested in Viet-Nam, both in the U.S. and in the field.

In striving to maximize the role of private investment, U.S. agencies should make positive efforts to identify potential industrial projects in early stages of consideration and when feasible attempt to guide local thinking about such projects toward implementation by private enterprise. Efforts should be made to (a) publicize such investment opportunities and (b) when appropriate encourage and assist private enterprise, through U.S. Government channels, to undertake investment in such projects. Partial U.S. government financing should be utilized where necessary and desirable, in support of such private participation.

As a matter of general policy U.S. agencies should not expend assistance for the development or expansion of industrial facilities which are or will be stated-owned or controlled. Exception to this policy may be made in cases where the facility is of high economic significance and where private investment or participation proves not to be available. Where private investment is potentially available, but as a matter of policy the Vietnamese Government wishes to have the facility in the public sector, the U.S. should not participate; providing however, that occasional exceptions to this policy may be made in certain instances when, because of peculiarities in the Vietnamese situation, political factors are deemed to be overriding. Even in such cases private construction and management on a contractual basis should be sought, and every effort should be made to encourage the government to divest itself of its holdings as rapidly as possible.

10. *Overseas Internal Security Program Guidance.* Insecurity in the west and southwest near the Cambodian frontier continues to be the most serious problem. In these areas there has been a discernible increase in armed dissident activities reflected in a higher frequency of murders, assassinations of local officials, highway robbery, banditry and river piracy. It is also evident that attacks on rubber plantations and reported plans for interfering with the agrarian reform, land re-settlement and agricultural credit programs of the Vietnamese Government are aimed at disrupting progress in Viet-Nam's economic and social development.

The tenuous state of Cambodia-Viet-Nam relations renders solution of this problem difficult. High Vietnamese officials, including the President, are concerned by what they judge to be a deteriorating situation in Cambodia and by the use of that country as a base for communist conspiracy against Viet-Nam. They maintain that dissident bands not only enjoy a "privileged sanctuary" in Cambodia but receive some degree of assistance in money and propaganda facilities from the Eastern European Diplomatic missions and the Chinese Communist economic mission in Phnom Penh. The establishment of Chinese Communist diplomatic representation in Phnom Penh is likely to accentuate subversive activities in Viet-Nam.

It is assumed that undetected groups of experienced clandestine political agitators and espionage agents continue to function among the urban population, including the appropriately 700,000 overseas Chinese, especially Chinese youth. Extensive communist efforts are in progress to subvert minority groups primarily in isolated areas bordering the Western frontier through which run trails used for clandestine infiltration of south Viet-Nam. The Vietnamese communists continue to have a capability for the penetration of government offices and for harassment or propaganda in the villages. The civil administration and local civilian security forces need greater professional competence effectively to counter these communist efforts. The Vietnamese Government disposes of military, para-military and civilian security and police forces as follows (strengths as of this date are indicated): Army, Navy and Air Force: 146,871 (total JCS approved strength is 150,000); Sûreté-VBI: 6,500; Municipal Police: 8,500; Civil Guard: 48,000 and Self-Defense Corps: 47,000.

In connection with this situation, the concerned agencies are discussing the question of whether there should be an improved civil guard, or whether other existing Vietnamese security forces, including the Army, can adequately deal with the situation.

[Here follow sections 11-29 which were identical or substantively similar to sections 10-28 of the June 4, 1958, plan. In two of these sections, the "Viet Minh" phrase of the earlier paper has been replaced by "Viet Cong."]

30. Assist where possible in fostering better relations between Cambodia and Viet-Nam.

Assigned to: State
Support: ICA, Defense

B. Economic

31. Continue to exert influence to persuade the Vietnamese Government to allow maximum private participation by Vietnamese and foreign investors in the organization and management of new industrial enterprises. Attempt to secure provisions in any new investment legislation or regulations attractive to private investors and to obtain fair and liberal administration thereof. As appropriate continue also to seek improvement of the investment and over-all business climate through the curtailment of extensive economic controls. Also encourage the Government of Viet-Nam to bring in private management on a contractual basis in the case of state-owned industries for which private participation in ownership cannot be arranged.

Assigned to: ICA, State, Commerce

[Here follow sections 32-38 which are identical or substantively similar to sections 30-36 of the June 4, 1958, plan.]

39.³ Continue economic and technical assistance programs, with emphasis on:

(1) *Capital Projects* directed (a) at increasing agricultural and industrial production and (b) improvement of transportation, distribution, and power facilities. Activities under this section include large-scale highway rehabilitation and improvement, restoration and improvement of internal waterways, improvement of airport and port facilities, improvement of municipal water supply systems, construction and expansion of power generating and distribution facilities, and the rendering of assistance for expansion or construction of new industrial facilities under existing policy guidelines.

(2) *Improvement of rural life.* Activities supporting rural development and improvement should be a basic component of U.S. aid. Appropriate assistance should be provided for land reform, tenure, and development programs, including the resettlement in fertile and strategic areas of displaced persons and farmers now living on marginal lands. Activities in this field may also include the creation and extension of rural credit facilities on reasonable terms, diversification of crops, expansion of livestock and fisheries production, and restoration and expansion of irrigation systems. Additionally, assist Viet-Nam to increase the volume and efficiency of its rice production for export. Educational and health services should be focused increasingly on practical improvement of village life and the Government of Viet-Nam should be encouraged to strengthen the economic and

³Section 39 of the January 7 paper combined courses of action in sections 37-39 of the June 4, 1958, plan.

social basis of sound community organization in order to develop grass roots support for the Government.

(3) Encourage the Government of Viet-Nam in taking measures to improve its *budgetary and fiscal administration* and increase tax revenues so that its budget may assume a progressively greater share of governmental and developmental costs.

(4) Continue to emphasize the education and training of Vietnamese technicians and administrators in essential fields of activity, and seek to increase the rate of training through improved training facilities within Viet-Nam as well as sending Vietnamese to the U.S. and other countries.

Assigned to: ICA, State

Support: Agriculture, Commerce

[Here follow sections 40-41 which are identical to sections 40-41 of the June 4, 1958, plan, as well as sections 42-55 which are numbered differently and have minor substantive differences from sections 42-57 of the earlier plan.]

56. Encourage U.S. training and orientation visits for potential Vietnamese government and business leaders. Continue the granting of graduate level scholarships, with extensions to permit attainment of advanced degrees in selected cases. Permit U.S. financing of full undergraduate scholarships at U.S. universities for selected outstanding graduates of Vietnamese secondary schools. Encourage fullest assimilation into Vietnamese life (military, economic, social, political and cultural) of returned exchangees, participants and trainees. Maintain and strengthen contact with these beneficiaries of U.S. exchange and training programs. Provide them with continuing access to American sources of technical, professional and cultural information, and help them exercise a pro-Free World influence among fellow Vietnamese.

Assigned to: Defense, ICA, USIA, State

57. Increase training of Vietnamese technical, professional and administrative personnel in Viet-Nam, U.S. and third country schools.

Assigned to: ICA, USIA, State, Defense

58. Encourage contact between private organizations, foundations and individuals in Viet-Nam and the U.S. having common interests.

Assigned to: State, USIA

59. Continue to influence the Government of Viet-Nam to clarify areas of responsibility within its civilian internal security organization, so as to eliminate jurisdictional overlaps.

Assigned to: ICA

Support: State, Defense

60. Influence the Government of Viet-Nam to clarify and coordinate areas of responsibility for internal security between its armed forces and its civilian organizations.

Assigned to: State
Support: ICA, Defense

61. Continue training the Vietnamese armed forces for their internal security role, including counter-intelligence within the armed forces, support of police actions, pacification and anti-guerrilla operations, et cetera.

Assigned to: Defense

[Here follow sections 62-65 which are identical or substantively similar to sections 63-66 of the June 4, 1958, plan, a financial annex, and a paper entitled "Pipeline Analysis, Mutual Security Program."]

48. Memorandum From the Assistant to the Regional Director, Far East (Evans) to the Regional Director, Far East (O'Donnell) in the Office of the Assistant Secretary of Defense for International Security Affairs¹

I-12055/9

Washington, January 7, 1959.

SUBJECT

Aircraft for Viet-Nam

In view of the fact that the problem of replacing the squadron of F-8Fs in the Vietnamese Air Force has not yet been resolved, the following chronology of events may be useful.

The FY 1959 programs submission from MAAG Viet-Nam, as approved by CINCPAC, includes 30 T-28 propeller aircraft for the Vietnamese Air Force. On July 2 CINCPAC cabled² that instead of T-28s, jet T/RT/33s be utilized. On July 3 ISA responded³ by querying as to whether AD-type aircraft might not be more suitable.

On August 5 U.S. Ambassador to Saigon informed State⁴ that he agreed that eventually jets would be advisable for Viet-Nam but that

¹Source: Washington National Records Center, OSD/ISA Files: FRC 63 A 1672, 452.1 Vietnam. Secret.

²See footnote 2, Document 22.

³See footnote 3, *ibid.*

⁴See Document 25.

the ICC problem precluded immediate action and suggested that jet airfields suitable for the use of U.S. military aircraft in case of emergency could be constructed for commercial use. On the 26th CINCPAC informed OSD⁵ that it strongly recommended jets for Viet-Nam from the point of view of U.S. military requirement but agreed, from a purely country point of view, that ADs would be a good substitute.

On September 10 OSD forwarded to the Joint Chiefs of Staff request⁶ that the Joint Chiefs resolve the problem of jets vs propeller aircraft and recommended what type propeller aircraft should be utilized if the decision was for propellers. On the 12th ISA informed CINCPAC and Saigon that the problem of replacements for the F-8Fs had been referred to the JCS.

On October 30 General Maxwell D. Taylor on a visit to Saigon cabled⁷ that the F-8Fs could not be supported after FY 1960, that T-28s were unacceptable, and that if jets were politically infeasible due to the Geneva Accords, an AD-4 type should be programmed. He suggested the Department of the Army take this position in the JCS discussions of the problem.

On November 4 ISA informed CINCPAC and MAAG Viet-Nam that T-28s that had been programmed were being suspended pending the JCS recommendations. On November 24, a Mr. Smith from Air Force Mutual Security informed ISA informally of a personal telegram from Major General Hutchinson, Assistant Deputy Chief of Staff for Matériel, Air Force, then visiting Saigon with Mr. Shuff. Telegram said that F-8Fs should be retained and that those in Thailand could be utilized to keep the Vietnamese aircraft operational for a longer period.

On December 5 U.S. Ambassador to Viet-Nam cabled Department of State⁸ that Mr. Shuff desired to utilize the F-8Fs in Thailand to keep the Vietnamese F-8Fs operational. Ambassador non-concurred in the recommendation because he felt it politically unwise. On December 15 CINCPAC outlined in a lengthy telegram his views for the JCS on the replacement of F-8Fs, the substance being that AD-4s should start a 3-part program with jets phased in when feasible in terms of the Geneva Accords. On December 18 the JCS forwarded to OSD a paper⁹ recommending that prop aircraft be utilized for the time being in Viet-Nam instead of jets and recommending that a second airfield capable of handling jets be programmed by ICA at Cape St. Jacques. Paper concluded that F-8Fs from Thailand

⁵See footnote 6, *ibid.*

⁶See footnote 2, Document 44.

⁷See footnote 2, Document 38.

⁸Document 41.

⁹Document 44.

should not be utilized to support continued use of these aircraft by the Vietnamese. Mr. Shuff and Major General Hutchinson having returned to Washington on December 2, two memorandums were forwarded by General Hutchinson to Mr. Shuff on the 19th of December stating that the F-8Fs for Viet-Nam could be supported through 1962, that AD-4s not being programmed pending proof that the Vietnamese could maintain the present F-8Fs and that T-28 aircraft should be utilized as training vehicles. He informed Mr. Shuff that he was initiating action to get the Supply Support Team to Saigon to help get the Vietnamese on their feet. He informed Mr. Shuff that he did not want to cancel the T-28s and that he had not intended to use the Thai F-8Fs to replace Vietnamese aircraft but merely parts from them to keep the Vietnamese aircraft flying. On December 30 the JCS forwarded a paper to OSD¹⁰ recommending programming in 1959 of 30 AD-4s for Viet-Nam instead of T-28s. The JCS informed CINCPAC and Saigon by telegram of this recommendation. On December 31 the Department of State was requested by OSD¹¹ to initiate action by ICA for the programming for commercial use of second jet airstrip at Cape St. Jacques in accordance with the December 18 JCS memorandum.

On January 2, Director, FER, forwarded the December 30 JCS memo recommending AD-4s, to OP&C, copy to Mr. Shuff, indicating Far East concurrence with JCS recommendations and recommending implementation. On January 5 Mr. Shuff informed representative, FER, that he did not approve AD-4s for Viet-Nam due to the possibility that the Geneva Accords could be obviated earlier than expected by State, that Vietnamese maintenance was at a low level at the present time, that maintenance of the AD-4s are more complicated than of the F-8Fs and that he sees no reason why parts from Thailand could not be utilized to keep the Vietnamese aircraft flying a while longer. He suggested further discussions of the problem.

On January 7 State staff officers who had continuously queried the status of the program were informed of the present impasse. At staff level it was considered that it might be useful for Mr. Shuff to discuss the Geneva Accords aspects with Mr. Parsons of State. Lt. General Picher, Director of the Joint Staff, is reported earlier to have conferred on this problem at the Department of State prior to the completion of the JCS paper.

It may be expected that CINCPAC will respond shortly to the JCS telegram reporting their recommendation of AD-4s with the re-

¹⁰Memorandum from JCS to the Secretary of Defense, December 30. (JCS Records, CCS 092 Asia (6-25-48)(2))

¹¹Memorandum from Irwin to Robertson, December 30. (Washington National Records Center, OSD/ISA Files: FRC 63 A 1672, 686 Vietnam)

quest that they be programmed immediately. It is therefore recommended that in anticipation of this telegram Director, FER, discuss the problem with Mr. Shuff.

Robert F. Evans¹²
Colonel, Infantry

¹²Printed from a copy which bears this typed signature.

**49. Memorandum of a Conversation, Department of State,
Washington, January 8, 1959¹**

SUBJECT

Aid Program in Viet-Nam

PARTICIPANTS

Mr. Walter S. Robertson, Assistant Secretary of State for Far Eastern Affairs
Mr. Leland Barrows, Former Director of USOM, Saigon
Mr. Gardner E. Palmer, Deputy Assistant Secretary for Far Eastern Affairs
Mr. Joseph A. Mendenhall, SEA

Mr. Barrows called on Mr. Robertson following his completion of a 4-year tour as Director of the USOM in Saigon. The principal matters discussed were as follows:

1. Mr. Robertson said that all governments in the FE area receiving US aid complain about the slowness of implementation of our programs which results from procedures set up in Washington. He cited President Diem's satisfaction with rapid implementation by the Australian Government of its small program, and commented that it is unfortunate that the favorable political impact of our large programs is lost to some extent by our delays. Mr. Barrows expressed doubt that the Vietnamese Government is too well satisfied with the Australian Government's program at this time because an Australian expert recently told the GVN that it did not lack technical advice for getting on with its projects, but rather needed to make decisions itself.

2. Mr. Barrows said that relations with President Diem reached a difficult stage in FY 1958 because of the reduction in aid and our insistence upon an increased GVN contribution to the military budget. Mr. Barrows added that in FY 59 he had taken the lead in proposing that we keep our contribution to the military budget at the same

¹Source: Department of State, FE Files: Lot 61 D 6, MC Miscellaneous. Confidential. Drafted on January 9 by Mendenhall.

level as in FY 58 to avoid a political fight with Diem. Virtually the only matter of aid program friction between us and the GVN this year has related to the latter's desire for relaxation of eligibility criteria for commodities to be financed by PAs. We have opposed the financing of luxury items because of severe past criticisms in both Viet-Nam and the United States.

3. Mr. Barrows said that in his view budget support by the U.S. results in some disincentive for an aid recipient country to move toward greater viability. In this connection, he said that Diem had told him some time ago of the adoption of a policy of encouraging domestic consumption of rice rather than its exportation. The indications are that this policy is now being changed as the GVN has begun to stress increased production of rice for export. Mr. Barrows indicated that the GVN may have been pushed to this position by the decline in our aid.

4. Mr. Barrows summarized the situation in Viet-Nam as good, and progress during the last four years as excellent. Mr. Robertson concurred, stating that Viet-Nam represents one of the most amazingly successful stories in Asia, and its progress since 1954 a real accomplishment.

5. In concluding, Mr. Robertson expressed appreciation for Mr. Barrows' excellent work in Viet-Nam.

50. Memorandum From the Assistant Secretary of State for Far Eastern Affairs (Robertson) to the Under Secretary of State for Economic Affairs (Dillon)¹

Washington, January 8, 1959.

SUBJECT

Proposed Civil Guard Program for Viet-Nam

We understand that Mr. Smith, Director of ICA, is calling on you on Friday, January 9, to discuss the proposed Civil Guard program in Viet-Nam.² The background and our recommendations on this program are as follows:

The Program. The Country Team in Saigon has recommended a three-year, \$18.5 million program for re-training and re-equipping the Civil Guard to enable it to cope with Viet-Nam's continuing in-

¹Source: Department of State, FE Files: Lot 61 D 6, Vietnam. Secret. Drafted by Mendenhall with clearances from SEA and FE.

²No record of this discussion has been found.

ternal security problem. The Country Team has on hand \$3.6 million from prior years' funds to initiate this program, and has requested an additional \$6 million in FY 59 for the program. This sum would meet top-priority equipment needs. Further funding commitments for future years would not be made until the program had again been reviewed at the end of FY 59 after partial implementation. (Saigon's Toica 393, September 9—Tab A³)

Viet-Nam's Internal Security Problem. It has become increasingly clear that the Communists, no longer expectant that Free Viet-Nam will fall to their control through peaceful methods, are executing a carefully planned campaign of violence aimed at undermining the stability of President Diem's government. The Communists and dissidents have for over a year maintained a campaign of assassination, especially of officials in rural areas, at the rate of about 15-35 per month. Attacks on rubber plantations and reported Communist plans to break up the land development, land reform and agricultural credit programs indicate deliberate efforts to interfere with Viet-Nam's economic progress. The evident concentration of Communist activities in rural areas where communications and terrain make it difficult for the government to cope with the problem recalls the tactics used by the Vietminh against the French during the Indochina War.

Negotiations with the Vietnamese Government. The Country Team has carried on negotiations with President Diem for over a year concerning an acceptable Civil Guard program which it could recommend to Washington. Originally, Diem wanted the Civil Guard supplied with heavy equipment which would have made it a virtual military force, but eventually agreed to tables of equipment proposed in a Country Team staff study. Diem also wanted to place the Civil Guard under the Department of Defense, but finally agreed to the Country Team view that it should be kept as a civil police organization and assigned to the Department of Interior. The Country Team also tried to get Diem to agree to an eventual reduction of the Civil Guard from its present strength of about 48,000 to 32,000, but Diem refused to make such a commitment on the ground that the internal security situation required the larger number for an indefinite period. The Country Team's Civil Guard proposal provides, however, for the training and equipping by the United States of only 32,000. After this long history of negotiation (which Washington agencies have been well aware of) and Diem's concessions on two of the three main points in dispute between him and the Country Team, failure of Washington now to approve initiation of the Civil Guard program would cause Diem to question seriously our good faith.

³See footnote 4, Document 31.

OCB Consideration. The OCB discussed the proposed Civil Guard program on December 31 in connection with the semi-annual OCB Report on Southeast Asia. Its discussion is summarized in Tab B.⁴

Current Status. Despite urging by State and Defense staffs for months, ICA has not yet approved the Civil Guard program in principle, apparently because of Mr. Smith's reluctance to provide equipment under civil police programs for other than training and demonstration purposes and his objection to ICA financing of a program which has certain paramilitary features. On the first point Ambassador Durbrow has pointed out no useful Civil Guard project can be mounted unless the U.S. is willing to furnish operating equipment as well as training and demonstration equipment. On the second point it is to be noted that the Civil Guard needs to be given equipment at least equal to that of the Communists and the dissidents if it is to handle effectively the internal security problem. It is not feasible to shift the Civil Guard program to funding and administration by the U.S. Defense Department for the following reasons: 1) Ambassador Durbrow would be highly embarrassed after insisting for more than a year and finally obtaining President Diem's concurrence to keeping the Civil Guard under civilian control; 2) we have for important political reasons adhered to a ceiling on MAAG personnel since signature of the Geneva agreements in 1954, and recent consultations with allies regarding removal of this ceiling have thus far not yielded favorable results; and 3) propaganda advantage deriving from the existence of a military force level in South Viet-Nam which is only about half the level in the Communist North would be weakened. Mr. Smith may also indicate the undesirability of creating a police force in Viet-Nam which could become competitive with the army. We do not believe, however, there is any danger of this in view of the much smaller numbers in the Civil Guard and the absence of intention on our part to furnish it with heavy equipment.

In an effort to get this vitally needed Civil Guard program initiated without further delay, we have drafted a compromise cable (Tab C)⁵ in conjunction with ICA staff, and believe it has reached Mr. Smith. This cable would approve use of the \$3.6 million in prior years' funds and ask for the field's revised estimate of FY 59 funds required for the program. It would also approve transportation and communications equipment, but in effect require re-screening and re-justification of arms needs.

⁴Not attached, but see footnote 1, Document 47.

⁵The draft version of this cable was attached, but is not printed. For the cable as sent, see Document 52.

Recommendation:

That you urge Mr. Smith to concur at a minimum in the compromise cable attached as Tab C.

51. Memorandum From the Chief of the Military Assistance Advisory Group in Vietnam (Williams) to the Ambassador in Vietnam (Durbrow)¹

Saigon, January 14, 1959

SUBJECT

Your "Memo for Record" of Conversation with Mr. Ngo Dinh Nhu, 7 January 1959²

I have read your memorandum closely and have given it considerable thought, mainly is an attempt to determine Mr. Nhu's basic motivation.

With several of the remarks, I readily agree. With others, I cannot. For example, I cannot agree with the thought that in Vietnam the troops should be used to "work in the fields, build roads and houses". Of course, Army Engineers do work on roads as part of their training and troop labor has been used on occasion to assist in building bamboo houses for farmers in those implantation settlements where the troops were present as guards against guerrillas and outlaws.

¹Source: Center of Military History, Williams Papers, Memoranda to and from Ambassador 1959. Secret.

²In this memorandum, Durbrow reported Nhu's interest in the use of the ARVN for community development projects. "In Nhu's estimation, the officer corps in newly independent countries must continue to be imbued with selfless revolutionary spirit and set a high example of hard work and devotion. . . . I agreed that perhaps it was necessary to adopt different training methods in underdeveloped countries, but added that in the case of Vietnam, a split country, with a large Communist force in the north, it is essential in the first instance to concentrate fully on military training in order to have an effective deterrent force which would be able, if necessary, to defend the country initially in case of foreign aggression." In his attached comments on the memorandum, dated January 9, Durbrow stated in part: "While Nhu did not say so specifically, I received the impression that he went into considerable detail regarding the need to have the armed forces build up the economy in order to set up an argument to be used against us if we decide to reduce aid for the military budget next year and contribute a larger proportion of support for the economic development of the country. He seemed to wish to convince me that in an underdeveloped country if the army is used to build roads, houses, etc., it is making a substantial contribution to the economy. He apparently thinks that if we understood this, we will not cut military aid next year." (*Ibid.*)

VN troops, with only a 12 months length of conscription service, cannot be properly trained in that length of time. To take time away from their 12 months training to "work in fields" would further reduce their combat potential. Additionally, it is extremely doubtful if the U.S. would budget for pay for field hands, in uniform, under the guise that they were soldiers.

Officers of MAAG have not become aware of any appreciable number of Vietnamese officers adopting what Mr. Nhu terms the "Thai attitude".³ I cannot class any General officer as being of that type and I know them all personally. Naturally, in the military service there are those that work less than others just as in other walks of life, but the "white hands code" that prevailed among the officers of all rank when I came to Vietnam late in 1955 has for the vast majority in all commissioned grades disappeared. This primarily due to the advice and the example set by officers of MAAG and TERM.

Certainly there is not one General officer in Vietnam that has the necessary background and training to be a qualified General officer, if one uses U.S., British, German, etc. General officers as the standard of comparison. However, in comparison to officers of other countries in South East Asia, South America and elsewhere, the Vietnamese Generals professionally will stand in a favorable position. One could say with probably equal correctness that none of the VN Ministers are qualified. Such comparisons are relative. Fortunately, the General officers realize their deficiencies and are working harder to correct them than Mr. Nhu probably realizes.

Why he went into a discussion of the case of ex-General Duc I can't imagine. However, he did not state the exact facts and I'm pretty sure he must be familiar with them. Probably he brought up this case out of irritation with Duc. I'm sure that Mr. Nhu knows that General Duc was violently opposed to his attempts to inject politics into the Army and that Duc's sentiments in this regard are shared by the majority of the General officers and Colonels. This is probably both irritating and frustrating to Mr. Nhu.

As Vietnam has only 17 out of an authorized [illegible] General officers Mr. Nhu may try to see that future promotions to that grade are made from his staunch friends. However, I'm not too sure that he could succeed in this as the promotions to Colonel and General officer grade are personally passed upon by the President as to efficiency and loyalty and in my opinion he does not do this in a routine fashion.

³According to Durbrow's memorandum, Nhu had characterized the Thai officer corps as one made up of men who had entered the services for privilege and personal gain.

It is apparent that Mr. Nhu has read freely from Mao Tse-tung who published in the "Common Program" (Article 24), adopted in September 1949, the following: "The Armed Forces of the People's Republic of China shall, during peace time, systematically take part in agricultural and industrial production in order to assist in national construction work, *provided their military duties are not thereby hampered*". And in the reading failed to pay proper attention to the part I have underlined.⁴

In summary, I would say that to support his ideas, Mr. Nhu has expressed and rationalized a mass of data. Some of what he says appears to me to be true, much appears half-true, some of it untrue. Many items that he has received from his own sources I am not prepared to judge.

In the aggregate, however, I do not feel that a detailed analysis of his remarks would be useful or warranted without a clearer indication of Mr. Nhu's motivation, or without some clearer indication of exactly what he wants to do. I cannot believe that Mr. Nhu or any other responsible member of the government will undertake to change the present mission of ARVN forces without comprehensive study and a full exchange of views among all concerned.

I believe I have reiterated my views so often on the vital need for ARVN to increase its emphasis on combat training to include training of specialists that I have left no doubts as to what my views are. In short, I am unalterably opposed to diverting ARVN forces to perform any form of farm, road or industrial labor that does not advance their combat readiness. I have no reason to believe the President holds a contrary view. Rather than attempting to deal with the mass of suggestions and opinions Mr. Nhu has put forth, MAAG is prepared instead to deal with any concrete proposals he or other members of the government may initiate.

Your comment on Mr. Nhu's motivation (to set up an argument against reduction in military aid) may be plausible as one possible explanation for what he said, but based on past experience here I doubt it. It is also possible he is deeply irritated at several of the Generals, and rationalized much of this as a thrust at them. Furthermore, it appears possible that he may hope to capitalize politically on the use of military forces as labor that would cost the VN government little or nothing but would be very expensive to the U.S. government. Additionally, he may have some views derived from the DRV experience along this line although he should know that they have run into some trouble by forming "industrial Battalions" from their troops. He may hope for some propaganda or other advantage in relation to GVN's neighbors, particularly Cambodia or the DRV.

⁴Printed here as italics.

My summary is, of course, essentially speculation. I would prefer to reserve further comment until more light is thrown on the subject by subsequent remarks by Mr. Nhu, if they are made.

S.T. Williams
Lt General, USA

52. **Telegram From the Secretary of State to the Embassy in Vietnam¹**

Washington, January 16, 1959—8:24 p.m.

1065. Joint State-ICA message.

1. We recognize continued seriousness Viet-Nam's internal security problem. Particular concern arises from continued high rate Communist and dissident assassinations, particularly of local government officials, and efforts disrupt Viet-Nam's economic and social progress, such as rubber plantation attacks.

2. We note that after more than a year of negotiation Diem has acceded to Country Team position by placing Civil Guard under Ministry Interior rather than Defense Department. We pleased during course negotiations Diem induced drop proposal for supplying tanks and other heavy equipment to Civil Guard.

3. In light above following guidance furnished re proposed Civil Guard project:

(a) Subject deobligation/deallotment Civil Police project and reallocation/reobligation for new Civil Guard project, you are authorized use \$3.6 million in FY 57 funds to initiate separate Civil Guard project. Deallotment/reallocation action will be taken by ICA/W immediately on USOM notification deobligation.

(b) While Toica 1039² under review, decision has been taken not to request supplemental DS appropriation from Congress and any FY 59 funding will, under present circumstances, have to be within existing DS aid level. Within this limitation, you are requested submit for Washington review proposed amount FY 59 CG funding and uses thereof.

(c) No expansion of commitments shall be entered into beyond those in plans already generally discussed.

(d) In using 3.6 million and in proposing uses for FY 1959 funds USOM requested bear in mind following: ICA presently unwilling

¹Source: Department of State, Central Files, 851G.501/1-1659. Secret. Drafted by Mendenhall, M.J. Fox, and Theo E. Hall, the latter two of ICA. Cleared by ICA, the Department of Defense, and W/MSO in draft; cleared by SEA and approved by Palmer. Repeated for information to CINCPAC.

²Not found.

use ICA funds finance equipment of type not normally associated Civil Police operations or for general program replacing French with American arms. General question of internal security programs and their financing currently under high-level review. In view your assessment that priority should be given development communications facilities for CG and to provision most urgently needed transportation and communications equipment, plus availability French arms, believe should be possible evolve rational program for immediate implementation pending further policy decisions.

(e) Agree now timely establish USOM Public Safety Division to coordinate public safety program including Civil Guard project. Suggest initially USOM establish positions for chief and deputy chief of division within limitations para 6 Icato 595. Ultimate size and composition of division subject to further development of public safety program. Establishing this division however contingent upon USOM having responsibility implement this project.

4. Washington agencies visualize Civil Guard program aimed at increasing effectiveness this organization as Civil Police unit. Urge that GVN take prompt action institute personnel procedures described Toica 393³ in order improve morale as desirable concomitant to U.S. assistance.

5. ICA policy is work toward reduction public safety programs to TC operations as rapidly as possible. At same time Washington agencies recognize desirability Vietnamese upgrading Civil Guard to point that it can handle current internal security problem and in case of external aggression provide security of rear areas behind combat troops.

Dulles

³See footnote 4, Document 31.

53. Editorial Note

In a memorandum to the Joint Chiefs of Staff, January 22, the Assistant Secretary of Defense for International Security Affairs, John N. Irwin, II, responded to a request from the Joint Chiefs of Staff of December 30, 1958, for replacement of 30 of the Vietnamese Air Force's current F-8F aircraft with 30 AD-4 aircraft. Irwin questioned the advisability of introducing AD-4 aircraft at the time because the utilization rate of F-8F aircraft by the Vietnamese aircraft was "very unsatisfactory." Irwin traced this unsatisfactory performance to poor maintenance, logistics, and supply caused by the change-over from a French operation to a United States system. For

this reason and because of a general tightening of the 1959 Military Assistance Program, the Department of Defense considered it advisable to withhold the proposed substitution of aircraft until at least FY 1960 when it expected an improvement in Vietnamese training and maintenance. (Memorandum from Irwin to the JCS, January 22; Department of Defense, *United States-Vietnam Relations, 1945-1967*, Book 10, page 1183) The request from the Joint Chiefs of Staff to the Secretary of Defense for the 30 AD-4 aircraft, December 30, is in JCS Records, CCS 092 Asia (6-25-58) (2).

54. Memorandum From the Director of the Office of Southeast Asian Affairs (Kocher) to the Assistant Secretary of State for Far Eastern Affairs (Robertson)¹

Washington, February 2, 1959.

SUBJECT

U.S. Policy Toward ICC Viet-Nam

Problem:

Should we adopt a policy of trying to eliminate the obstacle imposed by ICC to our military program operations in Viet-Nam? If so, how should we proceed to achieve this end?

Discussion:

In reply to the Department's cable (Tab A²) expressing the tentative view that the termination of ICC Viet-Nam might be a desirable U.S. objective, Embassy Saigon and CINCPAC PolAd have agreed this would be desirable (Tab B³). Saigon has pointed out this would eliminate the TERM problem, remove the MAAG ceiling, enable the introduction of jets into Viet-Nam and facilitate the strengthening of the Lao Army.

Embassy London has learned that the British Government is trying to obtain agreement on reduction of the ICC to three teams, but is opposed (at least at the working level) to termination of the ICC or any change in its terms of reference. The probable position of

¹Source: Department of State, Vietnam Working Group Files: Lot 66 D 193, ICC Vietnam. Secret. Drafted by Mendenhall with clearances from SEA, FE, L/FE, BNA, WE, and SOA.

²Reference to telegram 1062 to Saigon, January 16. (*Ibid.*, 751G.00/12-2958)

³Apparent reference to telegram 1519 from Saigon, January 28. (*Ibid.*, 751G.00/1-2859)

other interested governments, according to estimates furnished by our posts, would be as follows:

1. Paris—French would probably also support reduction of ICC, but core should remain to supervise political aspects of Geneva Accords.
2. Ottawa—Canadians would probably be amenable to termination, but uncertain whether they would take any initiative to that end.
3. New Delhi—Indians would be willing to reduce in size, but opposed to termination.
4. Saigon—Vietnamese position uncertain and should be explored.

It appears that the next step in determining our policy toward the future of the ICC should be consultation with the GVN since any actions we might take on this matter should be consonant with GVN views. We also believe it important to consult the GVN before word reaches it that we have discussed this question in the tripartite talks with the British and French.

We believe that, in our approach to the GVN, we should express a preference for seeing ICC Viet-Nam terminated, but, in view of the recognized difficulty of obtaining the agreement thereto of all governments concerned, the two alternatives suggested by Embassy Saigon could be explored:

1. Agreement of appropriate governments to reduction in size of ICC and limitation of its functions to a) border incidents between North and South Viet-Nam and b) periodic reports to Geneva Co-Chairmen on whether conditions favorable for elections to re-unite Viet-Nam.
2. Agreement of appropriate governments to reduction in size of ICC and subsequent unilateral declaration by GVN that it would no longer consider Geneva Accord clauses on military personnel and matériel as applicable.

Recommendation:

That you sign the attached cable to Saigon (Tab C⁴) requesting an approach to the GVN along the lines indicated above.

Approve:⁵

⁴Reference to telegram 1211 to Saigon, February 3, not attached. (*Ibid.*, 751G.00/1-2859)

⁵A check on the source text indicates that this memorandum was approved.

55. Letter From the Ambassador in Vietnam (Durbrow) to the Assistant Secretary of State for Far Eastern Affairs (Robertson)¹

Saigon, February 16, 1959.

DEAR WALTER: We are working up a rather extensive report on the Anderson Committee² visit to Viet-Nam which will be sent by despatch.³ I thought it might be worthwhile, however, for you and anybody else who you might think would be interested, to give you a personalized account of certain aspects of the visit, particularly the rather long informal talks I had with Mr. Anderson and General Collins, who were my houseguests.

In general, Mr. Anderson and General Collins expressed appreciation of the way we handled the visit, our briefings, and the not too loaded schedule we laid out for them. They both seemed to be impressed by their visit to the Ban Me Thuot area, the obvious progress shown in the two resettlement villages we visited, the efforts being made at the nursery run by the International Voluntary Services group, where these young men are testing various types of new crops which they hope can be grown extensively in the High Plateau. They were also impressed by the road to the coast (Route 21) from Ban Me Thuot to Nha Trang, being built by Johnson, Drake and Piper.

On the military side they both were impressed by what little they saw in the Saigon area and General Collins, who at first questioned whether it would be worthwhile for him to visit these mili-

¹Source: Department of State, FE Files: Lot 61 D 6, Durbrow. Secret; Official-Infomal; Limit Distribution.

²The Anderson Subcommittee of the Draper Committee was in Vietnam, February 3-6, for discussions with the Country Team and Vietnamese officials including President Diem. The subcommittee was headed by Dillon Anderson, and its members included General J. Lawton Collins, Colonel Edward Lansdale, and Charles Wolf, Jr. The subcommittee operated under the authority of the Draper Committee, appointed by Eisenhower on November 24, 1958, to undertake a "completely independent, objective, and non-partisan analysis" of the military assistance aspects of the U.S. Mutual Security Program. In addition to William H. Draper, full committee members were Dillon Anderson, General Alfred M. Gruenther, Marx Leva, John J. McCloy, George C. McGhee, Joseph T. McNarney, Admiral Arthur W. Radford, James S. Webb, and Joseph M. Dodge. The President specifically charged the committee with evaluating the future of military assistance, considering the impact of the programs on the economic betterment and growth of the "free world," appraising the relative emphasis on economic and military programs in less developed areas, and assessing the impact of present and anticipated weapons on mutual security programs. (Letter from Eisenhower to Draper, November 24, 1958; Department of State *Bulletin*, December 15, 1958, p. 954)

³Despatch 268 from Saigon, February 17. (Department of State, Central Files, 790.5-MSP/2-1759)

tary installations, told me that he was not only pleased that he had made the visit, but was very much impressed by what he saw.

The principal concern of Mr. Anderson, which he expressed on many occasions, was the need to scrutinize all aid very carefully in view of the twelve billion dollar U.S. deficit predicted for FY '59. He stated that many taxpayers are showing more and more concern at continued high taxes, are questioning the efficacy of our aid, and wondering whether the United States economy can continue for long to stand the heavy drains upon it for military costs at home, as well as abroad, and the comparative high costs of economic aid. Based partly on questions raised by General Collins, Mr. Anderson questioned seriously whether we should maintain a force level of 150,000 in Viet-Nam. We had made it clear in our briefings that for the foreseeable future Viet-Nam could not be economically independent if it remained necessary to maintain such a high force level. In my last talk with Mr. Anderson the night before his departure, he stated that his preliminary thinking led him to believe that military aid to Viet-Nam should be substantially cut in FY '60. I argued that from a psychological-United States interest point of view, I felt that any serious cut in FY '60 would have very adverse effects for the position of the United States, not only in Viet-Nam but in all Southeast Asia. I pointed out that with the Cambodian recognition of Communist China and the Viet Cong incursions into Laos, the GVN now had a more serious problem in preventing infiltration and subversion along its long western frontier. We had pointed out in the discussions previously that we had received final concurrence from Washington only a few weeks ago to proceed with the project to build up the Civil Guard into an effective internal security force. I therefore argued that we should be granted at least one year's time to make the Civil Guard a more effective organization before we cut force levels. I also pointed out that we had already told the GVN in categorical terms that we would expect them to pay a considerably larger share for military expenses in FY '60 than in the past. I re-emphasized that one of the reasons why we had pled so seriously for assistance to the Civil Guard is that once it is effectively organized, we could then, without too much danger to the United States position in Viet-Nam and Southeast Asia, reduce the military force levels. General Collins agreed basically with my arguments along these lines. Nevertheless, Mr. Anderson argued if we put off a serious reduction in military aid in FY '60, experience showed that we would probably find other "valid" reasons why we should not reduce military aid in FY '61. I admitted that there is often a tendency to operate along those lines, but reiterated that we definitely planned to cut military aid as soon as the Civil Guard became a more effective organization, and reassured him that we would insist that the GVN share a greater

burden of the military expenses. I feel, however, that my arguments did not convince Mr. Anderson, since he kept referring to the need to cut down the twelve billion dollar United States deficit.

On the general political situation, Mr. Anderson agreed that, given the circumstances in Viet-Nam, with the high rate of illiteracy, little or no experience in government and no previous democratic traditions, that we could not expect the GVN to put into practice overnight all the basic tenets of democracy as we see them. He seemed to be impressed with the sincerity and dedication of Diem, whom he saw on three occasions—once for a two and one-half hour “briefing” of the entire group by Diem, the second time at a private talk he had with Diem before dinner at the Palace, and finally at a discussion which took place after the dinner. Mr. Anderson reported to me that the private talk before dinner went over a good part of the ground covered earlier that afternoon, but Diem made a particular point of emphasizing how slow ICA/USOM procedures are, how these tend to be too inflexible, and their unsuitability to the urgent needs of newly-developing countries. This is an old complaint of Diem’s—too many surveys to check on previous surveys, etc., which he claims, with considerable reason, slows down the attainment of economic independence. The talk with Diem after dinner was more or less in a philosophical vein with Mr. Anderson and Diem agreeing on the need for future cooperation and understanding among newly-developing countries in this part of the world and the necessity for defining and working on common problems, as well as following common ideals, rather than dwelling on differences. Mr. Anderson’s thoughts in this matter coincide with those Diem has been expressing for over a year about melding common Asian traditions with Western technical advances.

At Diem’s request General Collins had an hour’s talk with him alone on February 5. General Collins told me that the principal subjects raised were (1) the need to maintain present force levels because of the increased threat of communist infiltration from Cambodia since the latter’s recognition of Communist China, as well as increased communist pressures in general, and (2) Diem’s concern that the Draper Committee might recommend a drastic shift in emphasis in our aid program from basically military, as at present, to considerably more economic aid. Diem has made it clear for as long as I have been here that he prefers the way we support the military budget as compared with the way USOM handles project aid on the economic side. This needs a bit of explanation. In general, after MAAG and the Country Team have scrutinized and reduced the military budget as submitted by the GVN, the money is turned over to the Ministry of Defense for use as planned in the budget with not too much control over expenditure. As you know, the question as to whether MAAG

or USOM should try to make further audits of military expenditures has never been resolved in Washington. Although MAAG is not charged with this duty, MAAG officers do try to run spot checks on payrolls, construction projects, etc., which gives a fairly good but not complete check. On the other hand, USOM control over its projects and over the commercial import program is very tight under current ICA regulations. USOM has to make many surveys before a project is approved, followed by various end-use checks. As I have indicated above, these rather slow complex "double check" procedures do slow down action and tend to make the whole system somewhat inflexible. In this connection, the President's brother, Nhu, has said on many occasions that it would be desirable if the GVN were given economic aid in more or less the same way that aid is given for the military budget. In other words, he was inferring, "Give us the money for economic aid and we will know how to spend it best." For obvious reasons, this cannot be done.

Diem apparently complained of the USOM system to General Collins and, while admitting the GVN could from its own resources contribute more to the military budget and allow the United States to pick up the tab on additional economic projects which the GVN was now planning to pay for, Diem complained that if this were done, the efficacy of aid in general would be reduced. He therefore asked General Collins to recommend that more or less the same division between military and economic aid be maintained as in the past. I explained the significance of Diem's request in more detail to General Collins and why in particular Diem did not want any change. Nevertheless, my feeling is, as I explained to the General, that as a lesson in self-discipline, if for no other reason, it would be worthwhile to make the GVN pay more out of their own funds for military expenditures. In the long run, of course, assuming that over-all aid levels next year remain approximately as they are this year, this would not save the United States Government any money since it would be merely changing expenditures from one pot to the other. Nevertheless, I believe it essential that the GVN be forced to become more directly aware of the military burden by having to carry an increasingly greater proportion of their military expenditures out of their own resources. General Collins did not commit himself on this question to me but said he would think it over.

The entire Anderson Committee, including the economist, Mr. Wolf, showed serious concern about a problem which we exposed at some length—the expected shortage of generated counterpart funds, coupled with the increasing foreign exchange holdings of the GVN, which now amount to about \$125,000,000. This is a most complex and paradoxical question, which we have pointed out to, and discussed at long length with, all appropriate GVN officials. For con-

venient reference, I am enclosing a copy of the short paper Arthur Gardiner, the USOM Director here, read to outline this problem.⁴ The matter was discussed again at some length in the second-day meeting with the group. In view of the importance of this question, I have asked Arthur Gardiner to prepare a detailed report on it with recommendations. His report will be sent in shortly by despatch.⁵

I will not go into detail about Diem's "briefing", which boiled down to a strong plea to maintain force levels and economic aid at present levels. The official report on the visit will cover this matter in some detail.

It is interesting to report one development which is somewhat unique. For the first time in the almost two years I have been here Diem asked an important visiting American group to set aside time, which had not been planned, in order that the Vice-President and his economic advisors could explain economic developments and future prospects. As you know, Diem has tended to "run the show" completely himself without delegating any authority to his Ministers. In the past with other important visitors he has tried to outline the economic problems himself. I thought it was significant, therefore, that he made it a point to delegate this part of the briefing to the Vice-President, and particularly to Vu van Thai, who acted as spokesman for the Vice-President at that meeting. I hope that this indicates that the President has finally come around to the realization that he has to delegate more authority and depend upon his Ministers to a greater extent.

As I indicated above, General Collins expressed considerable concern about the size of the Vietnamese military forces. Both during the general discussions and in private talks at my house he stated that he was seriously thinking of recommending a complete restudy of our strategic concept in regard to Southeast Asia in order to determine whether it is in basic United States interests to maintain the current force levels in this part of the world. The General talked in terms of reorganizing the GVN military forces into five, instead of seven, active divisions, with an appropriate build-up in reserves, and turning over to the Civil Guard of the internal security responsibilities now resting partially on the Vietnamese military forces. In General Collins' opinion, if there were an all-out war, it is quite probable that there would be little, if any, action in Southeast Asia, and if there were any action in this area, a Vietnamese military force of 150,000 would have little or no effect on the outcome of a global war. On the other hand, if there were a brush-fire war, well-trained

⁴Attached, but not printed.

⁵Despatch 299 from Saigon, March 16. (Department of State, Central Files, 751G.5-MSP/3-1659)

armies in friendly Southeast Asian countries would be of some help, provided we were prepared to come in almost immediately to assist them in their defensive efforts. Nevertheless, he questioned whether it was necessary to have such a highly trained, highly organized force in Viet-Nam. He questioned, for instance, whether it is necessary to organize the ground force into three corps, as now planned, and whether it is essential to have a field headquarters command in a small country like Viet-Nam. General Collins was open-minded about this, but asked many penetrating questions. He, as well as Mr. Anderson, are seriously concerned about the fact that it will be almost impossible for Viet-Nam to become economically independent as long as they have to maintain a force level of 150,000. (Incidentally, Diem mentioned in passing to the group without pressing the point that all his generals urged him to raise all his force level to 170,000.) As I indicated above, General Collins did not agree with Mr. Anderson on a drastic reduction in military aid in FY '60, but indicated that he was thinking of recommending a rather drastic reorganization of the armed forces into five active divisions, plus reserves and civil guards as outlined above.

General Collins expressed to me some concern about Diem's refusal to permit the development of a "loyal opposition". He pointed out that his instructions when he was here were to do all in his power to bring many varied elements into the government, whether they were in agreement with Diem, or not. I argued that as necessary as it is to have a "loyal opposition", I frankly did not believe that in a country like Viet-Nam with no democratic traditions, etc., it would be in the interests of the free world to insist upon trying to put into effect all the trimmings of democracy in too much of a hurry. I expressed my conviction that unfortunate experiences in many countries, particularly Laos, show that the people in newly independent countries are not ready for the luxury of full-blown parliamentary government. I pointed out that unfortunately the communists have had extensive experience over many years on how to use the freedoms of democracy to kill it. General Collins somewhat reluctantly accepted most of my arguments.

In general, the Committee was very objective and open-minded, asked sound and penetrating questions, and seemed to be impressed with the progress Viet-Nam has made considering the initial difficulties and the short period of time since independence. My own feeling is that they will make a very objective report. In all probability they will recommend an over-all reduction in aid, particularly military aid, and recommend that the GVN be compelled to spend a considerable amount of their foreign exchange for military and economic purposes and, if necessary, go in for some borrowing or deficit financing, as well as devalue the currency. Many of these are valid comments but

if we are instructed to do all of them in too much of a hurry, basic United States objectives and interests will not be served. There are too many psychological factors involved to treat matters in this part of the world in a purely American, business-like way. We have made considerable progress here and will continue to, but in my estimation it must be on a "little steps for little feet" basis. The steps they are taking here are approaching the "teen-age stride" but it will be some time before they will have developed the experience and know-how to walk as grown-ups by themselves.

Sincerely yours,

Elbridge Durbrow⁶

P.S. If the Committee discusses its recommendations with you upon their return, it would be helpful to us if you could let us know whether or not our "hunches" on what the Committee recommends are fairly accurate. I realize that the Committee is only making recommendations, some of which may be accepted and others not, but because of the psychological factors involved it would be helpful if we could have some indications of their basic thinking to permit us to discreetly lay the groundwork on any anticipated changes in the procedures and/or levels.

⁶Printed from a copy which bears this typed signature.

56. Despatch From the Ambassador in Vietnam (Durbrow) to the Department of State¹

No. 279

Saigon, March 2, 1959.

REF

Paris Despatch 1169 of December 31, 1958² and previous.

[Here follows a table of contents.]

SUBJECT

The Can Lao

¹Source: Department of State, Central Files, 751G.00/3-259. Secret; Limited Distribution. Drafted by Chalmers B. Wood, Second Secretary and political officer at the Embassy.

²Document 46.

Introduction and Summary

This despatch is an attempt to describe the Can Lao Party of Viet-Nam (also referred to in earlier reports as the Parti Travaillist or Worker's Party) which is the small semi-covert official party run by President Ngo dinh Diem and his brothers, Nhu and Can. While there is much speculation about the party, most of its activities are covert, especially those which are considered important. . . . However, it must be emphasized that it is extremely hard to obtain proven information on this jealously guarded organization which is highly nationalistic with the result that inquiries from foreigners immediately arouse suspicion.

The more important aspects of the despatch may be summarized as follows:

The ideology of the *Can Lao Nhan-Vi Cach Mang Dang* (the Party of the Worker and of Personalism) is called Personalism and is designed to attract mass support through a nationalist philosophy which will offer a positive answer to Communism. Its chief roots, not acknowledged by the leaders, are easily traceable to the French Catholic philosopher, Mounier, who used the same word. It seeks a balance between communist collectivism and old fashioned laissez-faire capitalism by taking the position that while the individual is the highest value in society, a personality can only develop properly in his human and economic context. It is used in the President's community development program to teach the average Vietnamese the virtues of cooperation and taught to the higher Government functionaries as a means of making them aware of their responsibilities. It has come to have material connotations to the peasant in terms of a plot of his own. Personalism may be a sound, if unoriginal, beginning for an anti-communist philosophy, but it has not been developed sufficiently to offer much appeal to the average Vietnamese worker or to the Can Lao Party member. (See Despatch 213 of December 22, 1958,³ on Personalism.)

The Party was formed about 1950 by Nhu and others and by early 1954 it began to take on some importance as Diem's return and assumption of power became imminent, an event for which Nhu and his group had worked hard. It was organized on a regional basis and, despite several attempts at unification, this is still its basic pattern. Nhu supervises the South from Saigon and Can dominates the Center from Hue. There are about 16,000 members divided pretty evenly between the two areas. Five out of fifteen Cabinet members and 71 out of 123 National Assembly men are known to be Can Lao members.

³Document 45.

Nhu's area is loosely administered and several factions and groupings are discernible. Probably the most important sub-group under Nhu is the one run by Dr. Tuyen, the head of SEPES, the national intelligence and counterespionage service which can, at Nhu's direction, conduct clandestine political and propaganda activities for the Can Lao Party.

Can, in the Center, runs a very tight ship. No factions are discernible there.

Can Lao organization is based largely on the model of a Communist party, with cells, cadres, etc., and is also comparable to the Kuomintang. One of the Can Lao's roles is to control the Government's mass political party, National Revolutionary Movement (NRM) which Diem is now seeking to revitalize. Recently the Can Lao, acting through its Military Committee, has begun to recruit some key officers in the military establishment probably in order to establish a control mechanism within the only organization strong enough to challenge the Government. Certain tensions have resulted.

In order to obtain funds the Can Lao has increasingly engaged in dubious "business activities" which have injured its prestige and that of the Government. Fortunately, the President's name is never involved, but gossip often points to Nhu and his wife. It appears that few important business transactions occur in Viet-Nam without some benefit to the Can Lao. Recent evidence which is quite reliable shows Can Lao involvement in the export of cassia (cinnamon bark) and duck feathers, both of which are important for Viet-Nam, in a deal involving a 65 million piaster import license for consumer goods from Hong Kong, in a contract with Aminol (American Independent Oil Company) for the import of petroleum products which, it is planned, will be distributed by a Can Lao controlled company, and in another contract for coastal shipping. None of these have involved the misuse of U.S. funds, but since it appears that the foreign exchange from these transactions does not revert to the national treasury, these transactions are detrimental to the over-all economic development of the country. On the other hand there is evidence of three cases where Can Lao money is being used for the benefit of the average Vietnamese.

The Can Lao's chief weakness as an organization is that although designed on authoritarian lines, it has no one recognized leader. Nhu and Can act, generally separately, on behalf of the President who is usually more interested in other problems. This arrangement, however, evidently suits the President as a means of maintaining an equilibrium between the two brothers and prevents either from becoming too powerful. There is also evidence of poor organization at the local level even, to some extent, in Central Viet-Nam. This means that the Can Lao is not adequately doing the job of

maintaining popular support and enthusiasm. The President has become aware of this and has recently inaugurated several measures to improve the situation. It is too early to judge their effectiveness.

In the future it is likely that the President will continue to maintain Nhu and Can in uneasy equilibrium. As for Diem himself there is no Constitutional reason why he should not stay on as President until the end of 1970 at which time he would be 69. (He was elected for a five year term in 1955 and may hold office for two additional five year terms.) An analysis of the political possibilities shows no group likely to offer a serious threat to his continuance in office except, potentially, the Army. This presupposes that he would not permit the Can Lao to interfere in the running of the military establishment to the point where serious resentment developed among military leaders.

To run an effective administration for such a long time the President will probably need to keep himself better informed from sources outside his own family and even outside the Can Lao. This would permit him to act more effectively in curbing the Can Lao's growing taste for big money, in balancing the ambitions of his brothers and in permitting the expression of reasonable differences of opinion among Can Lao members while still retaining his own prestige.

The question of what might happen in the event of Diem's death or incapacity will be treated in a later despatch.⁴

In the present political situation U.S. interests would appear to suggest the following:

1. To tactfully encourage the President to increase his sources of information;
2. To bring to the President's attention any concrete evidence of the misuse of U.S. aid or of Can Lao activities which seriously weaken the Vietnamese economy;
3. If there is reliable evidence that the Can Lao's activities are impairing the efficiency of the Vietnamese armed forces, U.S. views should be made known to the GVN authorities.⁵

⁴Not further identified.

⁵The following marginal note appears at this point on the source text, apparently in Mendenhall's hand: "What about related action of encouraging liberalization of controls whenever it can be appropriately done?"

The Department responded to these suggestions in Instruction A-165, March 23, as follows:

"The Department agrees with the views expressed by the Embassy in its Despatch No. 279, March 2, 1959, that the U.S. potential for influencing the development of the Can Lao party is limited by the extreme sensitivity of the subject. We concur in the three courses of action proposed in this despatch.

"We believe that the pervasive system of controls exercised by the Vietnamese Government is a closely related aspect of the internal political situation in Viet-Nam. We hope, therefore, that appropriate opportunities will arise for the Embassy to lend

Continued

[Here follows Section A, a 3 1/2-page discussion on the ideology of Personalism, the official dogma of the Can Lao Party. This subject is treated in more detail in Document 45.]

B. Organization and Membership

The origins of the Can Lao party are uncertain. Some early reports indicate the party started in 1950, and was, at that time, linked to the Tinh Than Spirit Group—a group of intellectuals who formed a strongly nationalistic but intellectually tolerant debating society and which claimed as members Dr. Tran van Do, later Diem's first foreign minister, Ngo dinh Luyen, Diem's younger brother, Nguyen thanh Nguyen, a former Minister of Labor, and Ngo dinh Nhu. It was reportedly influenced by Father Parrell, a priest in Dalat. By 1952 Tranquoc Buu (now President of the Vietnamese Confederation of Christian Workers) had joined, a weekly paper *Xa Hoi* (Socialism) was being published in Saigon and meetings were occasionally being held in Hanoi, Haiphong, Hué, Saigon and Dalat. In 1953 this group founded the Workers and Peasants Party (Cong Nong Chanh Dang). Clearly, as the name implies, Nhu, Buu and their colleagues were interested in getting lower class support. Shortly thereafter Ngo dinh Can, Tran chanh Thanh (now Secretary of State for Information), and Tran trung Dung (now Deputy Secretary of State for Defense) joined the new party. In early 1954, it received its present name, The Party of the Worker and of Personalism. It was not well known at that time but it had a great potential asset in Ngo dinh Diem. The party's role then was to act as an instrument of the Ngo dinh family

discreet encouragement to some liberalization of these controls as a means of reducing opposition to the Government and broadening its base of popular support. In this connection see paragraph 33 of OCB Report on U.S. Policy in Mainland Southeast Asia, dated January 7, 1959. Any approaches of this nature and the reaction of the GVN should be reported to the Department.

"The Department wishes to inform the Embassy that it regards Despatch No. 279 as outstanding. Mr. Chalmers B. Wood is highly commended for top-quality job of analytical political reporting." (Department of State, Central Files, 751G.00/3-259)

Paragraph 33 of the mentioned OCB report reads as follows:

"Diem's Internal Political Position. Diem increased his travels throughout the country for the purpose of popularizing his regime. Increasing accomplishments of the government in the economic and social fields should also have beneficial political results. Nevertheless, the failure of the government to fully rally certain elements of the middle class, the intellectuals and former officials to its support, the frustration and restlessness of some of the present officials, and some discontent in the army are sources of political weakness. This dissatisfaction is caused primarily by the authoritarian and pervasive political controls of the Ngo family and its associates.

"Status of U.S. Actions: The desirability of liberalizing political and administrative controls is brought to the attention of the Vietnamese Government, when considered appropriate by the U.S. Ambassador. Possible lines of U.S. action are greatly limited due to the extreme sensitivity of Vietnamese leaders on this subject." (*Ibid.*, S/P-NSC Files: Lot 62 D 1, NSC 5809 Series)

in working for Diem's return. The atmosphere was potentially favorable since most Vietnamese patriots were discouraged and confused by the poor and often dishonest leadership which was offered them in those difficult times, and the absent Diem's reputation for integrity and patriotism was well known. (See Embassy Despatch Number 17 of July 16, 1954⁶ for a very interesting contemporary description of the situation.) Although Diem was widely known by reputation, his followers, including his brothers were not. Diem's return to Saigon as Prime Minister designate on June 25, 1954, marked the party's first success and its early acquisition of real power under Diem is indicated by the fact that within a few months the competition for influence between the three brothers Nhu, Can and Luyen had commenced. By 1955 some members, notably Tran van Do and Nguyen thanh Nguyen, became sympathetic to the Binh Xuyen, and were pushed out of the Can Lao. The majority of members, however, continued to support Diem

The formal organization of the Can Lao, according to fairly reliable information, dates back to 8 August 1954 at which time the party published a brochure (not now available) for members outlining its objective of organizing a small hard core cadre to support Diem and to control and direct the government and all other organized movements and fronts by infiltration into positions of responsibility. Reports reflect that at that time, the Party was organized into three regions, North, Center and South. A Central Committee composed of the individuals cited above, was envisaged, but never took effective control. The Northern representation was merged with South and the two regions remaining, the Center and South, began their respective recruiting campaigns, setting up their own separate requirements with little reference to the Central Committee. Ngo dinh Can ran the party in the Center, organizing the cells and the sectors as he saw fit—while Ngo dinh Nhu administered the South. By late 1956, a concerted effort was made by the party to achieve national unity. The plan which was drawn up by Nhu and presented to Can was to go into effect in January 1957. The organization called for Nhu as national chairman, with five departments responsible for party activities in a staff capacity (Administration; Information and Security; Organization; Finance; and Propaganda and Training). Subordinate to the National Chairman and his five departments, were six regional sectors, four in South Viet-Nam and two in the Center. The top echelon jobs and the Central Committee itself (composed of the chairman, department heads and the regional secretaries) were to be heavily weighted on the Southern Vietnamese side and Can was to be relegated a comparatively minor position. The plan never went

⁶Not printed. (*Ibid.*, Central Files, 751G.521/7-1654)

into effect, although on paper, this central organization still stands insofar as the Southern faction is concerned. In late 1957, Ngo dinh Can set forth his proposed structure for a National Can Lao party . . . , which proposed Can as Secretary General and Nhu as National Chairman. It is understood that Nhu considered calling a party Congress to work out a central organization but that a sampling of opinion led him to postpone this on the grounds that there were too many party factions many of which opposed him.

Meantime, between proposal and counter-proposal, the two factions headed by the two brothers continue operating on their own. Nhu appears to operate by letting subordinate factions compete while keeping a tight hand on all important government jobs, which he doles out. Can is a detail and organization man who permits no factions. Membership in Can Lao of South Viet-Nam under Nhu does not necessarily bring privileges . . . ; under Can it usually does.

The Can Lao statutes (enclosed⁷) were written in 1955 and although they remain to some extent theoretical, particularly in the South, they show certain important and valid characteristics of the Party as it exists today:

1. The statutes provide that "for the present" the party will be maintained on a regional basis. It begins to look as though this is more than a temporary arrangement.

2. Article 32 states "Secrecy should be observed in order to protect the assets of the Party." It is known that nine deputies of the National Assembly are overtly Can Lao members and the Administrative Bureau under Pham van Nhu is not hidden; the rest of the organization is supposedly secret. While the Can Lao is primarily a secret organization, the National Revolutionary Movement (NRM) serves as the Can Lao overt popular front organization. Now that the NRM and the Citizens Rally (CR) have joined (Emb Despatches 410 of May 10, 1958 and 38 of August 2, 1958⁸), the NRM is in fact the only important overt political movement in Viet-Nam. There are signs that the President wishes to revitalize it and make it a political party rather than a loose, mass movement. The President told the Ambassador on September 24th that the NRM in the South was to be reorganized so that it could control and improve the organization of the Self Defense Corps. On October 10 Diem expressed gratification that the NRM in the South had recently been most effective in recruiting young men and organizing the Self Defense Corps so that now it is becoming a very effective anti-Communist organization but it is operating on the same lines as the Self Defense Corps in Central Viet-Nam. The Self Defense Corps in the South, Diem continued, is presently seeking out Communist cadres by ambushes and other methods which have brought about improvement in the security sit-

⁷Attached, but not printed.

⁸Neither printed. (Department of State, Central Files, 751G.00/5-1058 and 751G.00/8-258)

uation in the Camau Peninsula. (Embdes 109 of 10/15/58⁹). Also a prominent member of the NRM Mr. Truong Vinh Le, Second Vice President of the National Assembly, has been designated to travel widely in the provinces in order to strengthen the local organization of the party (Embdes No. 49 of August 9, 1958¹⁰). These overt actions by the NRM in the South must reflect some tightening up of the covert Can Lao in the South, since the latter controls the former.

3. The statutes also provide that the Party shall be organized at seven levels running from cells, through sections, village or arrondissement branches, circumscription or district branches, provincial or city branches, and zone branches, up to the Central Organization and that at each level there shall be an Executive Committee. This appears to have been followed under Can's leadership in the Center, but in the South the Central Organization often deals directly with the cells and there is little real organization between the top and the bottom levels.

4. In addition to the Central Permanent Committee at the top which is to be under a Secretary General, the statutes also call for four Technical Departments: Organization and Supervisory, Economic and Financial, Propaganda and Training, and Study and Planning. There is evidence that Nhu followed this organization pattern at the top level fairly closely (see below); Can's arrangements appear to be more centralized in his own hands.

I. Organization and Membership In Central Viet-Nam

The Embassy has the following information which is believed to be fairly accurate, on Can's organization, henceforth described as the CVN Can Lao.

The CVN Can Lao is a semi-covert elite group controlled by Can and his Advisory Directorate, a body which in addition to its Can Lao function, maintains direct liaison with all other recognized political groups in this area.

Can's principal deputy is Ha thuc Luyen, Chief of the Thua Thien Province. Other important members are: Nguyen dinh Can, head of Accounts and Budget Staff of the Ministry of Defense, Father Cao van Luan, Rector of the University of Hue, and Nguyen van Dong, Chief of Quang Tri Province.

The CVN Can Lao organization is broken down into three regions, plus a Special Liaison Bureau dealing with the South. The regional bureaus, the Special Liaison Bureau, as well as the Headquarters for the CVN, are all run by committees which have a Secretary General, a Deputy Secretary General, a Treasurer and four other members. Further down, there are groups at the provincial level (containing seven members), below them groups at the canton level and

⁹This reference is in error. It should be to despatch 143 from Saigon, October 15, 1958, the summary of a conversation among Durbrow, Barrows, and Diem of October 10, 1958, concerning Communist activities in Vietnam. (*Ibid.*, 751G.00/10-1558)

¹⁰Not printed. (*Ibid.*, 751G.00/8-958)

finally at the lowest level, village and district groups having three members each.

As provided in the statutes, all committee members hold office for one year.

In addition to the above, there are special groups attached directly to Headquarters. Thus Luyen, Can's No. 2 man, is in charge of Security and Intelligence. He also keeps an eye on Organization. Finance and Economics are under Nguyen van Buu who is himself a businessman (see below "Business Activities").

It is estimated that there are 8,000 members of the Can Lao in the CVN.

II. Organization and Membership In South Viet-Nam

Can and Nhu agreed in late 1957 to abolish the then existing and rather inefficient structure of the SVN Can Lao in anticipation of Can's visit to Saigon. The visit never took place and nothing has yet been done. Since then the organization has split into several groups. The SVN Can Lao has been described fairly reliably as "disorganized, uncoordinated and with the exception of a few individuals, without life."

Due to disorganization in the South, the following breakdown is made on the basis of the individuals involved rather than on their party jobs. It is based primarily on . . . reports of fair reliability. The interaction of groups and personalities in the South is very complex. This breakdown gives first, personalities and their followers and second, their official jobs.

1. *Secretary General Nhu*—Since Nhu tends to play other members off to retain his control, it is hard to say specifically which other members are closest to him. In general, the party is run primarily by Nhu for the President.

2. *Dr. Tran kim Tuyen*, former private secretary of Nhu, acts largely as Nhu's executive arm in Can Lao affairs in the South. He is the head of the Service des Etudes Politiques et Sociales (SEPES) which he uses at Nhu's discretion for party purposes both at home and abroad. Tuyen was recently promoted to be Chief of SEPES though in fact he has run it for Nhu for some time. He is reported to have about 75 close followers and about 350-400 supporters, some of whom are in SEPES and some of whom are in the Police and Sûreté. SEPES as run by Tuyen is a national organization primarily devoted to covert intelligence, which carries on political surveillance both within the Can Lao and outside as requested by Nhu and which conducts and supervises clandestine political and propaganda activities on behalf of the Can Lao and the government. Among its many clandestine activities it provides a certain amount of funds to the leaders of the weak and divided Vietnamese Socialist Party. Overtly SEPES produces political and social studies and sometimes bright young Vi-

etnamese who might drift into the opposition are retained by SEPES for such work. However, SEPES' overt activities are of relatively little importance. Dr. Tuyen and his group watch the other groups and also devote a good deal of attention to the General Headquarters of the National Police and Sûreté. Dr. Tuyen's SEPES organization is supposed to have some regional divisions, but there is little evidence of their activities.

Tuyen is also in charge of the Training and Indoctrination Bureau of the party . . . and reportedly runs the Party's Intelligence and Security Bureau ostensibly headed by Vo Nhu Nguyen. This indoctrination evidently emphasized the importance of obtaining positive support for government policies and of engendering deep respect for President Diem. The rest of the indoctrination course appears to be somewhat thin.

Dr. Tuyen supervises the official newspaper, *Cach Mang Quoc Gia*, which had a reputation for being boring and which is now being reorganized. He also reportedly exercises on Nhu's behalf, considerable influence over the important newspaper *Tu Do*.

3. The *Huynh van Lang* group has about 18 active and 200 lukewarm members with headquarters at 140, rue Paul Blanchy (a very modest house). This group is strong in banking and financial circles. According to a report of fair reliability . . . Huynh van Lang is becoming increasingly critical of the President and Nhu. Lang was originally given the job of organizing the party following in the South and is the type of man who inspires loyalty. In addition to heading his own group Lang is in charge of the SVN Can Lao Finance Bureau and has the overt job of heading the Office des Changes, which controls foreign exchange.

4. The *Tran Van Trai-Ha duc Minh* group has about 100 followers in the Saigon area with heavy emphasis on businessmen who hope to make a good thing of their Can Lao connections. Trai (see Page 18¹¹) is considered an opportunist strongly opposed to Lang (above) and a rival of Tran kim Tuyen (above).

5. The *Le van Dong* and *Tran quoc Buu* group. The former, whose wife is Madame Nhu's aunt, is the Secretary of Agriculture and the latter is one of the founders of the party and is now President of the Vietnamese Confederation of Christian Workers (CVTC). Dong and Buu are "Nhu" men. This group has about 700 supporters and comes closest to being a grass-roots organization and having some provincial set-up. It attracts few intellectuals. It is able to obtain some intelligence from labor organizations and is regarded as valuable. Lang (see above) suspects that it is infiltrated by Communists.

Le van Dong also heads the Organization Bureau with *Thai manh Tin* as assistant. This is considered one of the few components at-

¹¹Reference to section C., "Business Activities," subsection I, "General Considerations and South Vietnam," items 1-3.

tempting to do its job properly. It is in direct contact with cell leaders, i.e., the lowest level and is trying to set up a card file for each member. As of April 1958 it listed 286 cells but it was only in contact with 126 of which 57 were in the Saigon-Cholon area.

6. *Pham van Nhu*, President of the National Assembly, is in charge of the Administrative Bureau, one of the only overt parts of the Can Lao. It supposedly has offices at 23 rue Miche (this building is now being constructed). Nhu is not considered to be a strong character and was apparently put in his job by the President's brother, Ngo dinh Nhu, because he had the confidence of Can and is acceptable to deputies from the South.

7. The Military Committee is under the direction of Colonel *Nguyen van Chau*, Director of Psychological Warfare, who also is reported to be involved in clandestine political activities. He is known as a forceful young officer who thinks and acts primarily along political lines. Major *Pham thu Duong*, Nhu's Chief of Cabinet, also has a great deal of influence in the Military Committee. The files of military officers which are presented for Nhu's review by the Vietnamese national army pass through Duong's hands. Duong is also assigned to liaison with Dr. Tuyen. Another important member of the Military Committee is Major *Nguyen than Toai*, as Chief of Special Studies and Research of Psychological Warfare, he is also reportedly in charge of a counterespionage unit which conducts security investigations of army officers, and passes on the applications of army officers who wish to become members of the Can Lao.

In general it can still be said that the Can Lao is dominated by civilians and that the military role is secondary. If the Can Lao is not at present dominated by the military, the Embassy . . . receive indications that the military are increasingly under the influence of the Can Lao. (See below *The Military Establishment and the Can Lao* p. 24.¹²)

It is estimated that there are 8,000 members of the Can Lao in the South.

Near the top level, Viet-Nam's fifteen man Cabinet has five members who are also known members of the Can Lao: *Nguyen dinh Thuan*, Secretary to the Presidency, *Tran le Quang*, Secretary of Public Works, *Tran trung Dung*, Deputy Secretary of Defense, *Le van Dong*, Secretary of Agriculture, *Tran chanh Thanh*, Secretary of Information and Youth, and *Lam le Trinh*, Secretary of the Interior.

Thus membership does not appear to be an absolutely necessary requirement to holding important jobs. However, the jobs held by the five known members are key posts and it is quite possible that there are other Can Lao members in the Cabinet. Aside from the President, his brothers, and Tran quoc Buu, President of the CVTC, Thanh and Dung are the only original Can Lao members who are

¹²Reference to section D.

still prominent in the regime. We do not have much information on the size of Thanh's personal following but he appears to be popular.¹³ In fact popularity and his ability as an orator have probably caused him to be regarded with some reserve by Can and Nhu. It is understood that he has recently encouraged the newspaper *Dan Chung* to attack the paper *Tu Do* which is under the supervision of Nhu's man, Tuyen. It is believed that Thanh dislikes Nhu, is disliked by Mrs. Nhu and Can, and is kept in his position due to the influence of the President. Dung is married to the President's niece and the President and Nhu seem to regard him fondly as a junior member of their family. Most members of the Government apparently have respect and affection for him. Trinh was named to the Cabinet on February 26, 1958, and apparently became a Can Lao member in May. He is considered closer to Nhu than to Can. Thuan is young, has a forceful personality and is well thought of by the President.

The National Assembly with a total of 123 deputies has 9 overt Can Lao Members and 62 covert members. Thus a majority (71) of the members are Can Lao.

III. Comment

It will be seen that the Can Lao, like the Kuomintang, has created an authoritarian organization largely modelled on Communist lines.

There are many similarities between the theoretical and actual organization of the Can Lao and of the Kuomintang (KMT). Both are designed to be highly centralized in organization, with the inspiration deriving in both cases largely from Communist principles of "democratic centralization" which gives full powers to the party leaders. This theoretical organizational method and party discipline have been modified in both Nationalist China and in Viet-Nam by personal relationships between leaders, who have ties of family relationship or provinces of common origin. This draws them together in a way which transcends party lines. On the other hand, personal feuds or different local interests break down central control by party leaders. Diem and Chiang do not strongly oppose these family and regional influences and tend to rely on and to tolerate errors by their relatives. Thus, in practice both organizations are far less centralized

¹³According to the Australian Minister who is close to Thanh and who recently accompanied the latter on a three day "information trip" to the Rach Gia and Hatien area in October, Thanh is a very effective speaker, seems to have the respect and admiration of the officials, as well as the masses in that area at least. The Minister noted real warmth shown by the many audiences Thanh addressed. On January 17-18 a British Embassy officer was the guest of the Chief of Phong Dinh (formerly Can Tho) Province. All local officials spoke warmly of Thanh. No other official from Saigon was mentioned. Thanh's picture was almost as much in evidence as President Diem's. [Footnote in the source text.]

than they are supposed to be. Also, Ngo dinh Can's fief in Central Viet-Nam had its predecessors among the regional political bosses who succeeded the war lords in Nationalist China.

In both systems, the parties have been made up in many ways of cliques and factions bound together by personal ties of followers to leaders who reward and discipline members on a highly subjective basis. These leaders, many of whom have opposing interests, are bound together by their loyalty to the party leader-chief of state; and he in turn is forced often to arbitrate their differences to maintain order and achieve progress.

Financial practices of both parties are similar; both use governmental power to grant faithful followers economic privileges in exchange for political support and financial kickbacks to the party treasury, which is closely controlled by top leaders. It is probable that a considerable amount of kickbacks are used for irregular or clandestine political activity.

The intelligence services of both parties are similar; Dr. Tran kim Tuyen combines in one organization the governmental intelligence service, foreign and domestic, and a Can Lao secret police [which?] exerts considerable influence over the Police and the Sûreté. The parallel with the Chinese Nationalist intelligence organization as established by Tai Li is close.

Although the Can Lao leaders, unlike the KMT chiefs, have not formalized as a concept the idea that they are exerting virtually unchecked their power for a period of tutelage of the population, untrained in democratic ways, it is clear that they feel it is their responsibility as an intellectual elite to lead the ignorant masses and to create conditions of stability which will provide the foundation for the eventual establishment of a democratic base for the government.

According to a recent . . . report, the President is also anxious to copy the KMT method of controlling the rural population on Taiwan by establishing NRM organized farmers associations. (This passage on the KMT was prepared by J. T. Rousseau.)

C. Business Activities

No aspect of the Can Lao's activities are better centralized than what its statutes describe as "business activities". Articles 30 and 31 of the statutes say that the policy concerning business activities is to be determined by the Central Financial and Economic Committee and that income from business is to be transferred to the "Central Organization." This appears to be true.

I. General Considerations and South Viet-Nam

The information submitted below has been obtained by the Embassy . . . and describes a number of cases each of which was obtained from at least two reliable sources. It is submitted as illustrative of Can Lao activities. Before going into detail, it can be stated generally that the Can Lao apparently has deposits or commercial assets overseas in Brazil, Canada, France and the U.S.

The Consulate in Hue has stated that the Can Lao controls every economic activity of any significance in Central Viet-Nam and . . . in Saigon doubts if any large scale financial transaction or business activity can be consummated in any part of Viet-Nam without some segment of the Can Lao obtaining a profit. Most of these operations are probably to a considerable degree under the control of Nhu and Can. The Embassy does not have information as to how much of the proceeds are used for the Can Lao as a party and how much for the benefit of individual members. There is, however, little evidence of personal financial ostentation by party members in the South. Probably any such display would come to the unfavorable attention of President Diem. It is also probable that the party spends a good deal of money on its activities and finally that some of it is banked overseas, ostensibly for the party's benefit and is thus not visible in Viet-Nam. Some of the party funds undoubtedly stick to the fingers of the members, but due to the centralized control of the major "business activities" it is unlikely that the majority of the Can Lao members in the South are making much money out of their affiliation. Presumably the big money is handled at the top. Certainly, Saigon is filled with rumors of the financial activities of Ngo dinh Nhu and especially his wife. True or not, these rumors are harmful to the regime's prestige.¹⁴

1. The Villahermosa Case

In September 1957 Don Paolo Manca di Villahermosa, an Italian industrialist with good credentials, came to Saigon as a representative of the Union des Banques Suisses to submit an offer to the Vietnamese government to finance the construction and operation of 6 sugar mills with a total capacity of 30,000 tons, to be capitalized at \$4 million. Mr. Villahermosa reported to USOM that in his meeting with Ngo dinh Nhu, the latter offered him a 20 year monopoly and

¹⁴For other recent reports on Can Lao business and other activities see Paris despatches 1005 of December 4, 1958 and 1169 of December 31. See also Embassy despatch 236 of January 22, 1959. These reports are interesting and, while some of the details might be disputed, the Embassy has no evidence indicating that they are not generally accurate. [Footnote in the source text. Regarding despatch 1005, see footnote 3, Document 39. Despatch 236 is not printed. (Department of State, Central Files, 851G.00/1-2259)]

suggested that \$500,000 be deposited in Switzerland for "a political party." Villahermosa refused.

2. *Export Licenses*

A recent case involved the sale by an agent acting for Dr. Tuyen (p. 12¹⁵) of an export license for duck feathers for 10 million piasters. Viet-Nam has in the past exported about 1,000 tons of duck feathers annually. This constitutes the country's third most valuable export and it could be substantially increased. In early 1958 the world market was high, about a dollar a pound. It was at that time that a Chinese merchant obtained the license in question from Dr. Tuyen's agent for the export of 400 tons of feathers with no requirement for the deposit of foreign exchange. The Chinese merchant is reported to have stated that the money was needed by Dr. Tuyen for "a special political party" and to pay off "secret police." Later, Minister of Finance Ha van Vuong, during a conversation with an Embassy Officer laughingly referred to Tuyen as a "feather merchant." Duck feathers may no longer be a profitable export for the Can Lao if reports of Chicom duck feather dumping in Hong Kong and Europe are substantiated.

If the sale of the 400 tons of duck feathers in question had been handled through the official mechanism it would have resulted in increased foreign exchange resources for the GVN and export tax going to the national treasury.

Recently Can Lao agents apparently offered to sell eight licenses for the export of rubber to Chinese merchants. The Chinese refused since world prices were not unduly high and also because they felt it would be too difficult to hide such a deal in a well known commodity (as opposed to duck feathers), especially considering French interest in and knowledge of the local market.

3. *Paracel Islands*

It is reliably understood that in late 1957 Nhu authorized Tran van Trai (see p. 13¹⁶) to manage the exploitation of the extensive phosphate deposits on the Paracel Islands (16° 30'-114° E), with the profits to go to the NRM (Can Lao Party front). Although Trai had no capital, he managed to make a profit without selling a pound of Paracel phosphates. He did this by applying for a license to import consumer goods from Hong Kong in anticipation of the profits which would result if the phosphates were exported to Hong Kong. This import license in the amount of 65 million piasters was granted to Trai in response to pressure from Nhu on the grounds that these imports would be paid for by the sale of phosphates and ostensibly to

¹⁵Reference to section B, "Organization and Membership," subsection II, "Organization and Membership in South Viet-Nam," item 2.

¹⁶Reference to section B, subsection II, item 4.

meet demands for consumer goods during the Vietnamese New Year (Tet) holiday season. Thereupon Trai sold shares of the 65 million piaster license to Chinese importers at prices which gave him a 20 piaster commission for each U.S. dollar equivalent. The Chinese importers then went on the black market to obtain U.S. dollars needed to buy the goods from Hong Kong. This drove up the black market dollar rate.

Thus without actually selling any phosphate or himself importing any goods, Trai amassed a tidy sum for the Party. His actions also had the effects of driving up the black market dollar rate contrary to National Bank's policy of attempting to reduce the gap between the free and black market dollar rates and of causing a glut on the consumer goods market at Tet time which did not help Vietnamese retailers.

4. *The Embassy Club*

In early 1957 the Embassy learned that . . . an American citizen with a bad reputation, was planning to open a "private club" to be known as the Embassy Club. . . attempted to give the impression that this club had the blessing of this Embassy and that membership would be limited to diplomats in Viet-Nam. The Ambassador made it clear to those concerned that the Embassy was in no way involved with the club. After a brief existence, during which time it was patronized by very few diplomats, it closed its doors. It is understood that Dr. Tuyen, the Party's and Government's watchdog for covert intelligence matters, was the man behind this club and that presumably he wished to use it as a place where the Can Lao might operate a profitable establishment and obtain intelligence from diplomats.

5. *Vietnamese Oil Company*

It was learned late in 1957 . . . that the Can Lao was seeking ways of forming a Vietnamese oil company which would import petroleum products and market them locally. Negotiations with the Gulf Oil Company fell through, but Nguyen van Buu, a wealthy operator from Hue who is Ngo dinh Can's financial advisor (see following section on Central Viet-Nam) has now signed a contract with representatives of the American Independent Oil Company (Embassy Despatch 119 of September 26, 1958¹⁷). The contract, it is understood, is for five years renewable for five additional years and calls for the delivery of all types of petroleum products to be delivered to tank storage facilities in Saigon.

It is understood that Buu has already leased property on which to construct tanks for storage and that a tank farm costing about \$1 million will be constructed. Present plans call for the construction of

¹⁷Not printed. (Department of State, Central Files, 851G.3932/9-2658)

a \$12 million refinery at the end of two years. Aminol's representative is to supply advisory service for retail operations.¹⁸ In this connection it is also reported that Mr. Buu has bought or rented 40 locations in Saigon suitable for gas stations and hopes to build up within a year or two a volume of business equal to a quarter of the present total demand of about 400,000 metric tons annually. This would be in competition with the present distributors—Caltex, Stanvac and Shell.

There is an unconfirmed rumor that Buu has asked that the oil supplier's representatives pay him \$250,000 per year, such a sum to be deposited in a designated Swiss or U.S. Bank.

Another possible aspect of Can Lao interest in the distribution of oil products in Viet-Nam came to light on October 29 when the local Caltex manager informed the Director of USOM that he had received an offer to buy a 51% interest in the local Caltex operation in return for a Government guarantee that Caltex would have 40% of the local market in 1959, 50% in 1960 and 60% in 1961. The Manager said the offer was unsigned, but it had been given to him by a Vietnamese whose card identified him as advisor on Asian affairs to the President of the Republic. The Caltex Manager, who believed that the offer had been made by Nhu on behalf of "the Party," said that he did not intend to pursue the matter.

6. *The Can Lao Investment Committee*

Apparently the Can Lao's affairs have become so multifarious that a small committee has been formed under the chairmanship of Nguyen van Buu with a capitalization of 100 million piasters for the investments of the Can Lao.

II. *Central Viet-Nam*

In Central Viet-Nam, as stated above, it is reported that the Can Lao controls every economic activity of any significance, including cassia exports. Can's private affairs and those of the Can Lao CVN appear to be handled by Nguyen van Buu. In Hue, Mr. Buu is associated with the President's sister Madame Ca Le and Ton that Huon, a businessman. In Tourane, Mr. Buu is associated with a Mr. Nguyen van Ban, possibly a nephew of Can's.

1. *Cassia (Cinnamon Bark)*

Prior to World War II Indochina had a flourishing export trade in cassia. In 1930, for example, 771.3 metric tons were exported, most of which came from the area now within the territorial limits of Free Viet-Nam. This trade has been revived since the war and by 1957 it became evident that it was being used as a source of revenue by Can

¹⁸Embassy telegram 1453 of January 23, 1959. [Footnote in the source text. Telegram 1453 is not printed. (*Ibid.*, 851G.2553/1-2359)]

(Embassy Despatch No. 138 of October 23, 1957¹⁹). It is also clear that Vietnamese exporters under-invoiced their shipments by approximately 40% during the past shipping season. The Embassy understands that the undeclared dollar balances were deposited in American banks and that in addition direct kickbacks were made to Can to the value of about 10 piasters per kilo. Business is carried on mainly by Nguyen van Buu who until recently worked with Nguyen dinh Quat. Mr. Buu has justified his under-invoicing to Embassy officers on the grounds that he needed to keep a reserve fund in America to cover losses on shipments of cassia which arrived in New York in damaged condition. He said that Vice President Tho had complained of the low prices which he was declaring on his invoices. On another occasion in January 1958 Buu informed Consul Barbour in Hue that he had recently opened a checking account with the First National City Bank in New York in his own name with an initial deposit of \$2,000 made on December 4, 1957, through his agent at the Marine Clearing House. The Embassy understands that the Marine Clearing House (11 Broadway, New York, 4, N.Y.) has been the principal outlet for Vietnamese cassia exports to the U.S. It is also understood that the Vietnamese cassia exports to the U.S. have been held back in the hope that prices would go higher.

The Embassy . . . learned from two sources . . . that as of November 1957 Can's cassia monopoly had already netted \$1.5 million which was on deposit in the First National City Bank of New York The Embassy understands that in the two years ending December 1957 Viet-Nam exported about 450 tons of cassia to the U.S.

It is reported that on a recent cassia export Buu was issued a license for 500 tons in the U.S. at \$260 per metric ton FOB Saigon. Allowing for freight charges of 15 cents per pound, this price would appear to be less than half the sales price on the New York market.

2. *Nguyen van Buu's Ships*

Buu has recently purchased three ships for which the foreign exchange was provided by USOM's commercial import program, under an arrangement which met all U.S. requirements and which was perfectly legal. Two of these, the former M/S *Drava* and the former M/S *Vardar*, are sister ships of 607.31 gross tonnage destined for use in the coastal trade between Saigon and Tourane. The third ship, the *Nhut-Le*,²⁰ a vessel of 1400 dead-weight metric tons which was constructed

¹⁹Not printed. (*Ibid.*, 411.51G212/10-2357)

²⁰The Assistant Naval Attaché is reliably informed that the present Captain of the *Nhut-Le*, a Vietnamese, was formerly employed by the Shell Company. He decided to change jobs when it was made clear to him that if he did not do so, he would lose his license. [Footnote in the source text.]

in Trieste arrived in Saigon recently. The deal was handled through a firm called EURASIA (Icato Circular A-71, 9 January 1958).²¹ The total cost of the ships was about \$1 million. On December 1st Buu held a reception aboard the *Nhut-Le*. Buu now plans to purchase four small ships for which ICA funds have been provided.

Buu is acting through EURASIA, in which he is reported to have an interest, and on behalf of the Can Lao. The ships have been purchased without any infraction of U.S. laws or regulations under the commercial import program (Icato 876, January 8 and previous).²² USOM has made a routine end-use audit. Evidently the commission obtained by Buu and EURASIA was 10%, amounting to about \$100,000, a legitimate broker's fee in Viet-Nam. The fact that the ships were probably purchased for the Can Lao does not in itself constitute a misuse of U.S. funds.

The three ships now in operation probably have the capacity between them to carry all Viet-Nam's coastal cargoes (mostly rice). This will be profitable for the Can Lao and it will probably mean that the seven small French and Chinese owned vessels now operating along the Vietnamese coast will be squeezed out. When the four additional ships which Buu has ordered arrive, his company will also be able to carry an increasing share of the trade between Saigon and Singapore, Hong Kong and the Philippines. Buu's ships are already carrying Dalat vegetables to Singapore.

III. Aid To The Average Vietnamese

There is evidence from our Consulate at Hue that some Can Lao money is being used for the benefit of the ordinary Vietnamese. There are three agricultural development centers in Central Viet-Nam which are said to be partially financed by party funds. One center is at Hoa My, approximately forty kilometers north of Hue and the other at Cua about thirty kilometers northwest of Quang Tri and a few kilometers south of National Route 9 leading to the Laotian border. These two centers are situated on land which was previously undeveloped and which has only during the past two years been opened for settlement with the construction of access roads.

Settlers are recruited from crowded villages nearer the coast and each family is given a house and a plot of ground. Rice is grown in some places, but as the land is generally higher than that which has been traditionally farmed on the coastal plains, other crops such as dry rice, manioc, tea, coffee and fruit trees have also been planted.

²¹Not found.

²²Foreign exchange for the purchases was provided from GVN-owned direct (cash grant) dollar balances obtained from the sale of piasters to the U.S. Government in FY 1955 and FY 1956. [Footnote in the source text. Icato 876 not found.]

Although exact figures are not available there are believed to be somewhat less than 5,000 people in each settlement.

Ngo dinh Can is personally very interested in these centers and maintains a house at Hoa My which he is said to visit at regular intervals. The financing comes partly from the provincial budgets of Thua Thien and Quang Tri, peasants "donate" labor by accepting half pay for community development type work in the settlements, and as stated previously, other funds are said to come from the party. Thus, two constructive projects aided by the party have been turned up by our Consul in Hue. There may be more.

It is understood that a third such center at Cua, Quang Tri Province, has recently been opened and that its prospects are better than the other two due to the fine quality of the soil in the area. This information was supplied by an officer of the Consulate at Hue.

D. The Military Establishment and the Can Lao

It is apparently considered desirable for the President and his brothers to establish party control and discipline over some key officers in the armed forces, particularly in the Army which is the only single force potentially powerful enough to overthrow the regime.

As of March 1957 . . . began to receive indications that the Can Lao, presumably acting through its Military Committee (see p. 14²³), was beginning to extend its influence into ARVN. By early 1958 it was reported that Nhu and Can were in agreement on the necessity of keeping a tight, centralized Can Lao apparatus within the Army. However, the composition of the Military Committee shows that Can has more followers on it than Nhu.

Rumors of discontent within the Vietnamese armed forces became current in September and October 1958 These rumors have been carefully weighed by the Country Team and the following conclusions can be drawn:

1. There were rumors that officers trained in the United States were being shunted about or passed over. It should be pointed out that about a year ago President Diem decided to send most of his general officers and many field grade officers to schools in the United States. The fact that Diem has sent groups of high ranking officers twice a year to the States (six left on December 7th) has in itself caused many changes in the high command which would be a basis for rumors. Some of the officers have been disappointed when, upon returning from the States, they were not given commands, but training and inspection assignments. However, they have been satisfied when it was explained to them that they were being put in posi-

²³See paragraph B.II.7 above.

tions where they could pass on what they had learned to other members of the armed forces and that a well rounded senior officer had to serve in many positions during his career. These have generally been cases where MAAG recommended that officers be put in training or inspection jobs upon their return from the States and senior MAAG officers have explained this to the officers involved.

A review of cases involving officers returning from the American training indicates that decisions on their new assignments do not appear to have been primarily based on political considerations involving the Can Lao.

2. There were rumors that General Officers were resigning. One General, Duong van Duc, did resign during this period. Various reports have been received purportedly giving the reasons for the Duc resignation. While Can Lao meddling may have entered the picture there were other known factors which influenced this decision.

3. There was much talk that officers were discontented because they felt promotions were being made on the basis of party loyalty rather than on seniority or merit.

It is the view of MAAG officers closely associated with the Vietnamese armed forces that the large majority of senior Vietnamese officers recently promoted were promoted because they were competent and that in many cases their promotion had been suggested by MAAG.

It is probably true that some officers do resent the Can Lao's activities in the armed forces, but it is not believed that the morale or efficiency of the Vietnamese armed forces has been significantly impaired. There is no conclusive evidence that the potential of the GVN armed forces has been affected. There are no known cases of recent promotions being given to clearly incompetent officers with political connections. Recent promotions seem generally to have been deserved. Some of the officers promoted may have been both deserving and members of the Can Lao. Rumors that certain officers have been promoted too rapidly must be weighed against the facts that Viet-Nam is a four year old country which started with very few senior officers and which faces a communist army of at least double its own size on its northern frontier.

Nevertheless, there is certainly a possibility that Can Lao activities may cause increasing resentment among officers of the Vietnamese armed forces. The Embassy will continue to follow the question closely.

E. Present and Future Problems

The Can Lao has no one leader. It is set up to be run as an authoritarian organization, but authority is actually divided between

the President, Nhu and Can. Although Diem could exercise full authority, he devotes his chief attention to security and economic problems. However, he is understandably unwilling to grant complete authority to any one else to run the Can Lao. Nhu is best placed to run the party for the President, but does not have complete authority from the President and certainly his writ does not run to Hue which is under the tight hand of Can. Nhu's administration of the Southern division of the party has not produced a tight organization.

Inefficiency in overall party organization has probably contributed to the fact that the party in the South is not well organized at the local level, has little spirit, and is not an effective vehicle for putting across the party line to the people. The President now seems aware that it is weak at the local level in the South. This probably is the main reason for the unification of the NRM and the Citizens Rally, for the decision to use more of Can's men and methods in the South, for sending Truong Vinh Le, Vice President of the National Assembly, on repeated trips to the provinces and for tightening up the Self-Defense Corps in the South through the NRM.

In Central Viet-Nam Can runs his organization effectively. His prestige is enhanced by his being related to the President and by the fact that he keeps very much to himself and has built up a legend which keeps the Central Vietnamese in awe of him. Persons who know him, even those who are opposed to him, feel that although eccentric and withdrawn, in dealing with party matters he is well informed and decisive. But since the center of political power is in Saigon, Can could not run a nationally organized Can Lao from Hue.

Thus the Can Lao has not been run by one person and this situation seems likely to continue.

The following survey of recent events illustrates the present tensions and frictions within the party, primarily between the Can and Nhu factions.

By February 1958 there was evidence that Can's agents were becoming more active in Saigon. In March 1958 a local USIS employee who was originally from Hue was arrested in Saigon, apparently by Can's agents. (See Embtel 1958 of March 24, 1958²⁴ and previous). There were also rumors that Can himself would come to Saigon to reorganize the party. Second-level party and Government leaders in Saigon became worried about Can's coming and applying his stringent security methods.

These tensions had apparently not died down in April, when it was reported that Can had called in deputies from the Center and told them openly of his differences with his brother, Nhu, namely: 1) Can deplored the fact that the revolutionary spirit was lost in the

²⁴Not printed. (Department of State, Central Files, 103.02-USIA/3-2458)

South; 2) did not agree that a one-party system should exist in Viet-Nam;²⁵ 3) felt that the National Assembly had lost touch with the people; 4) that the government was not handling the youth problem properly; 5) opposed Madame Nhu and the Family Bill; 6) said that Nhu had not organized the party in the South properly, had not shown leadership, had failed to instill discipline and had not taken into consideration the aspirations of the people. Can's complaints about lack of organization in the South are apparently bearing fruit since, as stated above, the President told Ambassador Durbrow on September 28 and October 10 that the NRM (and presumably the Can Lao) is now being reorganized in the South along lines followed in Central Viet-Nam. Although Can has not come to Saigon, there are current reports that his men are still making arrests of Communists and commie sympathizers in the South.

On January 10 and 11 four French citizens of Vietnamese origin, one a minor employee of the French Embassy and another a minor employee of the French Consulate General, were arrested. The GVN indicated to the French Ambassador that these men had been engaged in espionage. The French officials brought this to the attention of the Saigon Police Chief, the Secretary for Foreign Affairs and the President. An informal investigation by the French revealed that the persons who made the arrests spoke with the accent of Central Viet-Nam and that the persons arrested had all lived in Hue prior to 1955 (Embdes 253 of February 3, 1959²⁶). Prior to 1955 they had worked for the French Sûreté but according to the French, their connections with the French intelligence services had been severed when Viet-Nam became independent.

It is believed that there is an informal arrangement whereby Tuyen allows a certain number of Can's agents to operate freely in the South, in return for which Tuyen's agents are permitted to work in the Center for the purpose of obtaining intelligence on North Viet-Nam.

Although the number of Can's men in the South is thus increasing, and their influence is apparently growing . . . Can has not, so far as the Embassy can verify, been to Saigon for at least 18 months. However, he is apparently still willing and perhaps anxious to come to South Viet-Nam to help organize the Can Lao here as indicated by a fairly reliable report . . . of a Can Lao conference held at Hue on November 2nd and 3rd. This conference, the first sizeable Can Lao meeting in three years, was attended by 120 members all chosen by

²⁵He said that he believed there should be two parties and that the people should have a "real choice". This was to be for appearances, since both parties would have been controlled by the Can Lao. [Footnote in the source text.]

²⁶Not printed. (Department of State, Central Files, 751G.00/2-359)

Can, of whom 110 were natives of Central Viet-Nam. The group (which included 4 deputies from the National Assembly, but no Cabinet members) agreed that the Can Lao should be unified under Can and should exercise more leadership in Viet-Nam. However, the basic situation appears unchanged. Can evidently wants certain conditions met before he will come to Saigon. On one of his conditions, the reorganization of the Sûreté, there has been no disagreement and steps are being taken to accomplish it. He evidently also wants certain Cabinet changes. It is not known whether President Diem will agree to this. What is even less clear is whether the President actually desires Can to come to Saigon to unify the Can Lao and change security methods. As time goes on and Can continues in Hue it begins to appear that the President prefers to import some of Can's men and methods, but not Can. Can's presence in Saigon would increase the tension between him and Nhu (these tensions between Nhu and Can were very frankly confirmed to an Embassy officer recently by Tran quoc Buu (p. 13²⁷). The President's life would not be made any easier and in the end he might lose the services of one of the two brothers. He perhaps considers it more important to have Can and Nhu both working for him in different areas than to unify the Can Lao at the cost of possibly losing either Can or Nhu. Also, so long as neither Can nor Nhu win out, there is less risk of a possible challenge to the President's own position.

On present evidence it seems likely that Diem will maintain Can and Nhu in tense equilibrium for some time. The situation has existed since Diem took power and while it means that the Can Lao will, in fact, continue to be a split party, the danger of serious disunity in Viet-Nam is perhaps prevented by Can's realization that the ultimate political power lies in Saigon. That is why Can seeks to extend his power in that direction rather than to create his own separate political entity in Central Viet-Nam. But Diem's great prestige, plus the fact that neither Nhu nor Can are popular public figures, should permit him to maintain this equilibrium. Even if the balance were upset by the removal of Nhu or Can from the scene it seems very unlikely that the remaining brother could openly challenge Diem.

Outside the Ngo dinh family, the armed forces would appear to be the only group that might someday attempt to challenge Diem. The activities of the Can Lao in bringing key officers into the party shows that the family is probably aware of this. Here the ingredients for a successful coup would have to be deep discontent among the senior officers arising from undue political pressure from the Can Lao plus the emergence of a very strong and popular military leader will-

²⁷Reference to section B, "Organization and Membership," subsection II, "Organization and Membership in South Viet-Nam," item 4.

ing to capitalize on such discontent and to risk his life in an attempted coup. In a country where representative government is hardly underway and where the armed forces are powerful, this possibility exists. However, it is believed that no military coup would succeed in Viet-Nam unless the situation were very different than it is now. The President's prestige is great and one of his main purposes is to strengthen the defense establishments. The future role of the Can Lao in the military establishment will be one of the main factors affecting the balance of political forces in Viet-Nam. The party can play a useful role as a control apparatus for the President, but it will be important for the President to limit this role and prevent Can Lao interference from growing to such an extent that the officer corps becomes dangerously resentful. The President has the power to do this. Also the Nhu-Can rivalry may act as a built-in deterrent to the creation of an overly efficient Can Lao organization among the officers. On the other hand the President and his brothers are unwilling to delegate authority and it would be characteristic for them to want to increase their control of the military by means of the Can Lao apparatus. On balance the relations between the Can Lao and the military are likely to pose a growing problem for the regime.

As to other political groups, the opposition within Viet-Nam now seems of little importance. Although remnants of sects still present security problems, and are subject to continuing commie exploitation, it is believed that GVN security and intelligence groups are sufficiently effective to detect and prevent any serious communist attempt to build up opposition elements into a real political threat.

Within the Can Lao there are certainly several factions. But their differences are limited to struggles for the attainment of secondary positions and are in no way a challenge to Diem's leadership.

In brief, then, it appears likely that, short of death or incapacity Diem can remain in office until the end of 1970. The effectiveness with which he can administer Viet-Nam during such a long tenure would obviously depend on many factors. So far as the Can Lao is concerned, it would appear necessary for him to keep himself well informed (from sources outside the family) of the activities of Nhu and Can so that he can best use his influence to keep its "business activities" and its role in the armed forces from going too far.

The business activities of the Can Lao present a problem for the future which may become more serious. In the business community there is increasing talk of the Can Lao's activities. The Embassy believes that the party, having found it impossible to acquire large sums by means of its control of numerous aspects of political and economic life of the country may push ahead fast and ruthlessly unless President Diem takes major and decisive action to control this

trend. Even making allowances for comparable practices in other Asian countries, the Can Lao may soon reach a point where because of its irregular business activities, its prestige and that of the Vietnamese Government will suffer considerably.

In the Embassy's view the risks of serious Can Lao infiltration into the military establishment are somewhat less since the necessity of maintaining an effective defense force is pretty clearly understood. But here again Diem's supervision will be needed and the President and his brothers will have to restrain their tendency to over control.

In addition to keeping an eye on the business activities of the Can Lao and on the degree to which it penetrates the military, the President will also have to watch the various cliques and groups existing within the southern faction of the Can Lao. The existence of these groups permits the second level leaders who head them to feel that they have at least a limited degree of influence and interest in the party. Competition between them reduces the chances that any one of them might maneuver into a position from which it could limit the President's authority. Given the somewhat greater political maturity in the South, it would be difficult to suppress them in an attempt to reproduce the monolithic political structure existing in Central Viet-Nam. Thus it will be Diem's problem to allow some differences to exist among Can Lao leadership in the South while preventing the growth of serious factionalism.

It is unlikely that these negative aspects of the Can Lao will be balanced by the growth of personalism as a popular philosophy. Most probably President Diem will continue to interest himself in personalism and will speak of it in his addresses to the Vietnamese as he did on the occasion of the Vietnamese New Year (Embdespatch 258 of February 7, 1959²⁸), but the abstruse terms in which it is couched seem unlikely to kindle much popular support.

F. U.S. Interests and the Can Lao

In the long run U.S. prestige in Southeast Asia will probably be affected for better or worse by the activities of the Can Lao. To what degree can American influence be used to encourage the Can Lao to develop along constructive lines? Since it is a covert internal political organization run by a family who would certainly resent "outside interference" and since it is in the U.S. interest to avoid seriously antagonizing Diem and his brothers, it would be realistic to assume that American influence will not be a major factor in the development of the Can Lao and that it would be useless and probably harmful to exert major pressure on the leaders of the Can Lao unless the Party

²⁸Not printed. (Department of State, Central Files, 751G.11/2-1159)

should act in clear opposition to U.S. interests in Viet-Nam. In brief, since Viet-Nam is a country with few liberal traditions and since it faces constant security threats from the Communists and is led by a family with authoritarian views, it must be assumed that democratic traditions will develop slowly from within and that their development may not be hastened by gratuitous outside advice.

Given these limitations it would nevertheless seem clearly in the U.S. interest to watch closely for evidence of a) Can Lao business activities involving the misuse of U.S. aid funds, b) Can Lao activities adversely affecting the morale or efficiency of the Vietnamese armed forces. Positive U.S. action to be taken would depend on the facts available and the circumstances existing at that time.

Finally, (without ourselves giving Diem political advice) it would be well to give continuing consideration to how Diem can be encouraged to receive information on the activities of the Can Lao from Vietnamese sources outside his immediate family and even outside the limited circle of top party members. Obviously this is a very sensitive subject. Nevertheless so long as Diem remains the most powerful person in Viet-Nam and so long as his regime is closely associated with the United States, it is desirable that Diem be well informed about the activities of the Can Lao and that the actions he does take in this connection do not damage U.S. interests in Viet-Nam.

Elbridge Durbrow

(The Department is requested to pass copies of this despatch to the American Embassies at Paris, Phnom Penh, Bangkok and Vientiane and to the American Consulate at Hue.)

57. **Letter From the Ambassador in Vietnam (Durbrow) to the Deputy Assistant Secretary of State for Far Eastern Affairs (Parsons)¹**

Saigon, March 10, 1959.

DEAR JEFF: Thank you for your letter of February 26th² informing me of your conversation with General Taylor about a replacement for General Williams.

¹Source: Department of State, Vietnam Working Group Files: Lot 66 D 193, 21-VN 1960—Embassy Saigon Personnel Matters. Limited Official Use; Official-Informal. This letter is an attachment to a memorandum from Kocher to Parsons, March 19, not printed.

²Not found.

Admiral Felt brought this question up with me last month and asked my most frank opinion whether I thought General Williams should stay. We had a very frank exchange in which I told him the pros and cons on Williams, i.e., he has the confidence of Diem, is doing an excellent job in whipping the ARVN into excellent shape, and is deeply dedicated to this job. On the other hand, he has no interest in melding military needs with economic needs, and he's not at all easy to get along with. I have to give him orders, literally, to be sure he cooperates at all times. He is very touchy about any criticism of MAAG and is very rough on his staff, but perhaps that is why his MAAG has the best record of any in the world. From a military point of view, that is fine. I, therefore, told Felt that on balance, despite his shortcomings, I'd be pleased to have him extend, particularly since I did not know who would be his successor. If we did not choose the right man who could win the confidence of Diem, United States interests would be prejudiced. Furthermore, I told Felt and also General Taylor when he talked about it last November, Williams should be made to take about six weeks leave if he is to extend. He has taken only a few days off in over three years and is jittery. In other words, despite our battles, I respect him and the good job he's done here. Therefore, if he is to stay I would have no complaints. Felt was inclined, incidentally, to terminate his tour.

If, as Taylor indicated, he is planning to replace Williams by Van Houten,³ I would be particularly pleased because Van Houten was a student at the War College when I was Deputy there. I don't know how he has developed in the last ten years, but I liked him very much then. He's intelligent and has a fine personality. From a personal point of view, I'd naturally like to have an old friend on the staff.

Maybe on balance it's best to have a change, but I know Diem will not like it. Dillon Anderson told me Diem had asked him privately to ask President Eisenhower to extend Williams for another year. Anderson asked me about it, and I outlined Williams' good and bad points in a softened version from the one I gave Felt, who, as I said, asked my very frank and full opinion. I don't know if Anderson mentioned this to President Eisenhower, since he had not made up his mind when he talked to me about it.

To make a long story short, if Williams is to be replaced by Van Houten, I would obviously have no objection. If Williams is to stay,

³Major General John G. Van Houten, USA, Commanding General of the Military District of Washington, D.C.

it would also be all right with me, because on the military training side he has done an outstanding job.⁴

Kindest personal regards.
Sincerely yours,

Elbridge Durbrow⁵

⁴According to the memorandum cited in footnote 1 above, Diem had apparently asked Anderson to extend Williams' term for 2 years, and to intercede with Eisenhower in the matter. Goodpaster, however, had informed Irwin at the Department of Defense that the White House would extend the tour for only 1 year, until August 1960. The Department of State sent a cable to Saigon to this effect. (Telegram 1513 to Saigon, March 20; Department of State, Central Files, 751G.5-MSP/3-2059)

⁵Printed from a copy which bears this typed signature.

58. **Letter From the Assistant Secretary of State for Far Eastern Affairs (Robertson) to the Ambassador in Vietnam (Durbrow)¹**

Washington, March 10, 1959.

DEAR DURBY: We very much appreciated your long letter of February 16, 1959² concerning the visit of Draper Committee representatives to Viet-Nam as it is helpful to us to learn about their thinking following their discussions with you. We were particularly interested in Mr. Anderson's questioning of the 150,000-man force level and General Collins' idea of a possible reorganization of the Vietnamese military forces involving a reduction of the number of personnel in active service.

Since we foresee no lessening in the external threat or heavy pressure on the Republic of Viet-Nam by the Communist regime in North Viet-Nam, backed by Communist China, we do not believe that a reduction in force levels is justified on this basis under present circumstances. The Defense Department has indicated in the Congressional Presentation for the FY'60 Aid Program that the Vietnamese armed forces are capable of holding for 30 to 40 days against a Viet-Minh attack across the 17th parallel, but they are not now capable without outside assistance of holding against an attack on the delta area in South Viet-Nam through Laos and Cambodia. It is hoped, of course, that further training in large scale units can im-

¹Source: Department of State, FE Files: Lot 61 D 6, Durbrow. Secret; Official-Informal. Drafted by Mendenhall on March 2.

²Document 55.

prove Viet-Nam's capability of containing an attack until external assistance arrives. I cite these capabilities because it seems to us that any reduction in force levels at this time would move us farther away from attainment of this mission of holding until external assistance arrives.

We noted with interest the point that you made to Mr. Anderson that effective organization of the Civil Guard should eventually make possible a reduction in the military force levels, and that at least one year's time be allowed for making the Civil Guard into a more effective organization before force level action is taken. We are sure that you will keep this question under review.

We were also interested in your comments about the rising foreign exchange holdings of the Vietnamese Government and your expectation that the Draper Committee will recommend that the Vietnamese Government be compelled to spend a considerable amount of its foreign exchange for military and economic purposes to offset a recommended decrease in aid. Our impression has been that the increase in 1958 in Viet-Nam's foreign exchange reserves was more apparent than real. According to our information, the picture of the official holdings of the National Bank of Viet-Nam has been as follows:

Foreign Exchange Holdings of National Bank of Viet-Nam

(In millions of dollars)

	<i>End 1956</i>	<i>End 1957</i>	<i>Sept. 1958</i>
Total	132	138	161
1. French Francs	55	68	80
2. Dollars	73	63	68
3. Other	4	7	13

It was our understanding that the franc holdings include "trifrancs" made available under Section 402 of the Mutual Security Act, and that the "trifrancs" accounted for the entire increase in franc holdings of \$12 million in 1958 (page 7, Saigon's Despatch 175, November 10, 1958³). Moreover, we understood from Saigon's Telegram 1259, January 1, 1959,⁴ that another \$12-14 million of the franc holdings would be used by French firms for profit remittances during the first three months of 1959. Deduction of the "trifrancs" and expected profit remittances would eliminate *all* of the 1958 increase in foreign exchange reserves. We are under the impression that the net

³Not printed. (Department of State, Central Files, 851G.00/11-1058)

⁴Not printed. (*Ibid.*, 85G.131/1-159)

increase in dollar and other non-franc holdings and net reduction in franc holdings (after profit remittances) are due to a deliberate GVN policy to shift its reserves away from francs to other safer and more useful currencies.

If our information about Viet-Nam's foreign exchange reserves is not correct, we would like to know it. We also wonder whether a rising trend in foreign exchange reserves is a safe assumption for the future. While we hope and expect that receipts from Viet-Nam's exports will steadily rise, is there not a considerable likelihood that Viet-Nam is going to be impelled to spend an increasing amount of its own foreign exchange earnings for imports? We assume that our future commercial import program is unlikely to exceed its approximate current dollar level, but that rising demand flowing from the drawdown in the counterpart fund and possibly deficit financing by the Vietnamese Government may lead to a higher level of imports than during the recent period of deflation.⁵

The Vietnamese Government's views toward devaluation have apparently been crystallizing during the past few months. We note that its representative took the same position with the Draper Committee group that he did before an Aid Committee meeting in December 1958: that Viet-Nam cannot devalue until it has revamped its budgetary revenue structure in order to reduce present heavy dependence on import taxes (receipts from which would substantially fall in the case of devaluation) and increase the proportion of revenue derived from direct taxes. If the amount of our commercial import program is going to fall during the next few years (as it may well), it is difficult to refute the point of view held by the Vietnamese Government.

As requested in the postscript to your letter, we shall endeavor to let you know what the Draper Committee recommends.⁶

Best regards.

Sincerely yours,

Walter S. Robertson

⁵In a letter to Robertson dated March 17, Durbrow stated in part: "We must differ with you regarding the nature of the increase in 1958, and in prior years, in the foreign exchange reserve of Viet-Nam. If one deducts from total reserves the movement of tri-francs and direct dollars made available to Viet-Nam, one finds a very sharp increase, indeed, in Viet-Nam's 'own' reserves. Vietnamese total free exchange availabilities result from the excess of export earnings for invisible items, such as services and profit remittances." (*Ibid.*, FE Files: Lot 61 D 6, Durbrow)

⁶The Draper Committee issued a public report entitled *Composite Report of the President's Committee To Study the United States Military Assistance Program*, 2 vols. (Washington, August 17, 1959). Further documentation on the work of this committee is in the compilations on East Asian regional developments and on mutual security policy scheduled for publication in forthcoming volumes of *Foreign Relations*.

59. Letter From the Director of the Office of Southeast Asian Affairs (Kocher) to the Ambassador in Vietnam (Durbrow)¹

Washington, March 11, 1959.

DEAR DURBY: You are probably aware through MAAG channels that the question of replacement of Viet-Nam's F8F aircraft is at a standstill in Washington. Deputy Assistant Secretary of Defense Shuff is opposed to the replacement of the F8F's by AD-4's, apparently on the grounds that the F8F's can be kept operable for a while longer by one means or another and that, by the time replacements are needed, our attitude toward the Geneva Agreements will probably have evolved to the point that jets can be furnished.

We have been keeping in close touch with Defense at staff level on this question. We understand from Defense that the Air Force is looking into the matter of spare parts for the F8F's. The Air Force had been taking the view that spares were unavailable for the F8F's, but the JCS recommendation² (on which Shuff has held up action) that the F8F's be replaced by a Navy plane (AD-4's) rather than an Air Force plane has apparently caused the Air Force to have second thoughts about the possibility of keeping the F8F's in operating condition. It has not, however, been possible to date for us to get any definite information from Defense as to how long the F8F's could be kept operable.

Our reconsideration of the U.S. position toward the ICC and the Geneva Agreements has also introduced a complicating element into this question of the replacement of Viet-Nam's F8F's. If dissolution of the ICC or removal of Article 17 of the Viet-Nam Cease-Fire Agreement from the ICC's jurisdiction through one of the methods suggested in Saigon's Telegram 1519³ should occur in the foreseeable future, then we assume that it would become desirable to consider replacing the F8F's with jets rather than another propeller-type aircraft. Until consultations with the GVN and perhaps other countries on the future of ICC Viet-Nam have proceeded further, it does not seem possible to arrive at a judgment as to the timing of any change in the status of the ICC. For this reason we have not to date made any effort at high levels to obtain a reversal of Shuff's position on replacement of the F8F's by AD-4's.

Because of the Shuff position Defense has cancelled its previous tentative programming of FY'59 MAP funds for replacement aircraft for Viet-Nam. When a decision has been reached on desired type

¹Source: Department of State, Vietnam Working Group Files: Lot 66 D 193, Jet Aircraft. Secret; Official-Informal. Drafted by Mendenhall and cleared by Jenkins.

²See Document 53.

³See footnote 3, Document 54.

and timing of the replacement aircraft, we shall make a strong effort to have either FY'59 or FY'60 MAP funds programmed for this purpose.

We would welcome any views or comments you may have on this subject.⁴

Best regards.

Sincerely yours,

Eric Kocher⁵

⁴Durbrow commented in a letter to Kocher, April 3, as follows:

"As to the matter of F8F's versus AD-4's, General Williams informs me that according to his Air Section the AD-4 is better adapted to do the sort of job that needs to be done here. Moreover, it appears that one scheme for getting spare parts for the 'obsolete' F8F's is to cannibalize those being replaced by jets in Thailand.

"You can imagine what President Diem's reaction would be if he heard about this 'junk pile' operation. Under the circumstances, and based on the best advice I can get here, there seems to be no doubt that we should replace the F8F's with AD-4's. As far as I can determine, the main reason for resisting such replacement arises from the pettiest sort of inter-service rivalry and Shuff's views that 'shortly' we can forget about the Geneva Accords. Even if we can by-pass or ignore the Accords in a year or so (which I very much doubt), we think the more up-to-date AD-4 prop job is better suited to the type of military operations contemplated here." (Department of State, Vietnam Working Group Files: Lot 66 D 193, Jet Aircraft)

Durbrow wrote the following postscript on this letter: "P.S. General Williams concurs with foregoing. E.D."

⁵Printed from a copy which bears this typed signature.

60. Telegram From the Ambassador in Vietnam (Durbrow) to the Department of State¹

Saigon, March 28, 1959—10 a.m.

2042. Country Team message. In past week Pres Diem and close associates have made particular point call attention Country Team members to alleged intensification Viet Cong operations Laos and Vietnam. (Diem made particular point to pass on this information to General Williams and me March 20. Same day Thuan gave similar story to Gardiner, who was about to leave for consultation. Diem asked me be sure Gardiner understood seriousness of situation before he left. According Diem, strength Viet Cong in Laos west of seventeenth parallel considerably increased recently. This so far not confirmed by Vientiane.) In Vietnam he reports Communists infiltrating

¹Source: Department of State, Central Files, 751G.5-MSP/3-2859. Secret; Limit Distribution.

and stepping up activities Ca Mau Peninsula in extreme south. North of Saigon ARVN reported be engaged sweep to capture tough Viet Cong band which may number 300, probably including some Chinese. Diem claims GVN security forces have destroyed their camp and captured several tons rice and other supplies as well as large number identity cards. Although contact reportedly made with band March 7 and again on March 17 final phase of sweep did not get under way until March 23.

We have some independent information to confirm some of these reports but they do not show abnormal rise in activity for this season of year. I suspect incidents deliberately pointed up by President as part of his usual spring offensive to influence volume of US aid to VN. These reports coincided with aid committee meeting to discuss 1960 program and followed closely my March 15 discussion with Vice President and Thuan repeating our instructions to limit our contribution 1960 military budget to \$130 million and discontinue contribution to SDC. (Gardiner had told them this some weeks before.) In addition to passing us reports concerned Viet Cong operations, President through Ladejinsky and Thuan has warned he cannot consider cut in 1960 military budget, would not "accept" any reduction US military budget support below 1959 level, nor accept discontinuance our SDC contribution, and might refuse to accept "economic" aid if our military budget support is cut.

While there may be some substance to reports Diem has given us, I see no reason retreat from our position re SDC and limiting our 1960 military budget contribution to \$130 million and asking an increase own support. MAAG preparing guidelines for annual joint MAAG-ARVN hearings on 1960 military budget and I have asked them to include the \$130 million figure in the guidelines and to set target maximum \$165 million total budget in view tight revenue situation GVN will face in 1960.

Please draw this message attention Gardiner.²

Durbrow

²A marginal note on the source text by Mendenhall reads: "Done, 3/31/59. JAM."

61. **Letter From the Chief of the Military Assistance Advisory Group in Vietnam (Williams) to the Commander in Chief, Pacific's Chief of Staff (Riley)**¹

Saigon, March 31, 1959.

DEAR HERB: When I arrived in Vietnam late in 1955, I found it was contrary to Vietnamese policy for U.S. or French Advisors to enter into operational planning or accompany troops on operations against the sects. I was told this policy was adopted because Vietnamese were convinced operation plans known to Advisors leaked to hostile sects. After the withdrawal of French Advisors, the same policy continued in force without, however, it ever being brought up for discussion. Consequently, my verbal orders of long standing are that no MAAG or TERM personnel will accompany units on combat operations but will accompany them on all other type moves, maneuvers, marches, training exercises, etc.

The Vietnamese are no longer conducting operations against religious sects but against guerrilla bands reportedly led by Viet Cong cadres.

In my opinion, recent anti-guerrilla operations show marginal results in view of number of troops and effort involved. Evaluation of information available to me only after an operation indicates marginal results attributable to one or all of following: inadequate planning, logistical snarls, lack of aggressive execution of plans, failure to use proper chain of Command, lack of aggressive leadership.

I am unable to gain first hand information or completes information of actual problems involved during an anti-guerrilla operation. This is some times embarrassing to me, especially when Diem asks my recommendations when I'm sure that neither he nor I have full information on the situation under discussion.

Therefore, under these conditions it could be said I do not fully carry out OCB operation plan course of action 61² which charges Defense with responsibility of training Vietnamese for their internal security role, including pacification and anti-guerrilla operations.

If conditions do not soon improve in the Delta area, it is possible that in the near future a General officer will be directed to take charge of all anti-guerrilla operations in the Fifth Military Region and clean it up. If that is done, the General will certainly ask for and probably get an Infantry Division to assist the 11th Division and other units in that area now. If close guidance is not given by MAAG Advisors, such an affair could drag out for months.

¹Source: Center of Military History, Williams Papers, Official Correspondence January-July 1959 (54). Confidential.

²See paragraph 61, Document 47.

It is common knowledge that U.S. Advisors accompanied Greek forces operating against communist rebels and more recently are remaining with Chinese on Quemoy. Further, there is some indication of growing opinion among Vietnamese officers that MAAG Advisors should be allowed to accompany their units on anti-guerrilla operations.

I'm now of the opinion I should bring this subject up for discussion with President Diem and recommend to him that for increased efficiency MAAG Advisors, down to include Infantry Regimental level and Artillery, Armored and separate Marine Battalion level, be allowed to participate in operation planning and to accompany their counterparts on those anti-guerrilla operations that do not take place in areas immediately adjacent to national boundaries.

CINCPAC's views on this matter would be appreciated.

Kindest regards,

S.T. Williams³
Lt General, USA

³Printed from a copy which bears this typed signature.

62. Letter From the Commander in Chief, Pacific's Chief of Staff (Riley) to the Chief of the Military Assistance Advisory Group in Vietnam (Williams)¹

Pearl Harbor, April 9, 1959.

• • • • • • •

Meanwhile, here are my reactions.² The case in Greece was somewhat different than that in Vietnam, in that the U.S. was quarterbacking the show and was, in effect, the behind-the-scenes director of the operation. So far as Quemoy is concerned, our role there has been strictly circumscribed by instructions from high Washington authority. Briefly, our people are there strictly in the role of advisors. They are specifically prohibited from engaging in direct combat operations. Under the circumstances, that is a very fine line

¹Source: Center of Military History, Williams Papers, Official Correspondence January-July 1959 (54). Secret-Personal. Extracts. The omitted material includes discussion of Admiral Felt's and Admiral Riley's schedules, the Anderson Committee, U.S. policy in Laos, and the date of General Williams' retirement.

²To the letter *supra*.

to draw, but there it is. Naturally, they are exposed to all of the hazards of whatever action there may be on Quemoy at the time. But they have been enjoined repeatedly to refrain from direct participation in the operations.

To translate the instructions which were promulgated to our advisors on Quemoy to the situation with which you are faced in Vietnam would require an even finer line to be drawn, since, in essence, the action on Quemoy was defensive, whereas it would be difficult for your advisors to accompany their counterparts on anti-guerilla operations which are basically offensive, without "participating" in those operations. There should be no real difficulty so far as operational planning is concerned, but my guess is that our Washington superiors would frown upon direct participation in guerilla hunting.

I appreciate your position fully, and know the spot it puts you in when you are called upon for advice concerning operations your people cannot observe at first hand. I think that it is likely that we can get the necessary U.S. authority for you to have your people participate in operational planning, and perhaps even to accompany units in the field if there is some way we can throw a block at the direct participation which seems to be such a sensitive subject in Washington. If you can enlarge on that aspect a bit, I think perhaps we may be able to do some business. In any event, I hope to have an answer for you by the time I get to Saigon,³ but it would be helpful for me to have your views as to whether the "no direct participation" line can be held.

.
Sincerely,

H.D. Riley⁴
Vice Admiral, U.S. Navy

³No documentation regarding discussion of this issue during Admiral Riley's visit to Saigon in May has been found.

⁴Printed from a copy which bears this typed signature.

63. Telegram From the Ambassador in Vietnam (Durbrow) to the Department of State¹

Saigon, April 11, 1959—7 p.m.

2143. In long conversation with Diem 9th on other subjects² he brought up following points:

(1) Internal situation worsening, which requires him maintain military and security forces maximum efficiency. It therefore essential he have same amount US contribution military budget as FY 1959. As Thuan had done 8th, Diem stated if GVN increased its contribution to the military budget while US devoted more aid for economic development this would slow down necessary progress. He pointed out if GVN did not have to up its contribution to military budget, this money would be used for GVN economic development projects. He claimed that if larger proportion of US aid were used for economic development, over-all progress of country would be slowed down because of survey and other red tape involved all USOM projects. Hence his plea that we maintain level US contribution military budget for FY 1960. I argued it is interest GVN to contribute more to its military budget and allow US to assist country further toward economic independence by contributing larger proportion to economic development.

(2) In obvious effort preclude our pressuring for devaluation in connection with future aid, he went out of way to say we had not prepared ground properly for Lao devaluation; therefore had permitted corruption to increase above and beyond serious corruption which prevailed before devaluation. I replied on contrary I understood monetary reform has worked very well, that while there were some difficulties as anticipated, during early stages of reform, now matters have calmed down, prices have remained stable and Lao economy now on more sound financial basis. Diem then dropped subject.

Comment: In this discussion Diem made it even clearer than heretofore that principal reason he wants major proportion of US aid contributed to military budget is that there are less controls on GVN

¹Source: Department of State, Central Files, 751G.5-MSP/4-1159. Secret. Repeat- ed for information to Vientiane, Phnom Penh, Bangkok, and CINCPAC PolAd.

²General Williams was also at this meeting; notes prepared by Major Ruest of the MAAG, dated April 9, are *ibid.*, Saigon Embassy Files: Lot 65 F 115, 361.1 Chief Executive Vietnam—Diem. Another copy is in Center of Military History, Williams Papers, Conversations with Diem 5 Jan 59-25 Nov 59 (162). In a letter to Felt, April 11, Williams commented that during the conversation he "got the impression that the President was possibly irritated about something as his tone was often sharp and one of an impatient man who couldn't understand why his evaluation of the general situation was not understood or accepted. I have seldom, if ever, heard him speak in this manner before." (*Ibid.*, Official Correspondence January-July 1959 (54))

use of military funds and he can then use his own money for his own pet economy projects without any USOM "interference". I believe if GVN required contribute more to military budget and not count on us as they have in the past "to pick up increase in tab," (which must be kept to minimum because of piaster shortage foreseen for 1960) they would draw up more realistic and austere military budget. If we are to help GVN make sound economic progress, we should use as much of our aid as feasible to build solid infrastructure and thus eventually reduce need for US aid.

Durbrow

64. Letter From the Chief of the Military Assistance Advisory Group in Vietnam (Williams) to the Commander in Chief, Pacific's Chief of Staff (Riley)¹

Saigon, April 14, 1959.

DEAR HERB: This letter is in partial reply to yours of the 9th² and to enlarge on my proposal to allow MAAG advisors to accompany their counterparts on certain anti-guerrilla operations.

In your letter "no direct participation" by American advisors appears to be the major factor. I believe the "no direct participation line" can be maintained and still realize many of the results desired. Be assured, I have no desire nor do I think it would be appropriate for U.S. military advisors to get closely involved physically with guerrillas.

Our Combat Unit advisors are at Field Army, Corps, Division and Regimental Headquarters, only. In addition, we have advisors to Artillery and Tank Battalion Headquarters and at the Headquarters of each of the two Marine Battalions.

My concept is that the advisor should take the field with the Headquarters of the Unit he is advising and there advise the Vietnamese Commander and his Staff as to preparation of daily plans, monitor the day-to-day conduct of the operations and render on-the-spot advice based on the situation as it exists at the time. This to include logistical as well as tactical matters. The logistical questions that come up normally have to do with medical support, evacuation of wounded, transportation problems, road and trail construction, bridging, supply procedures, maintenance of equipment, etc.

¹Source: Center of Military History, Williams Papers, Official Correspondence January-July 1959 (54). Confidential.

²Document 62.

Additionally, the advisor could determine local training deficiencies and the requirements necessary to correct the deficiencies. He could also more correctly evaluate requests for additional equipment, road building materials, heavy engineer equipment and things of that nature. In those operations where Army, Navy, and Air Force elements are all involved, he could pressure for better cooperation and coordination.

Finally, I could get daily a first hand report of the actual situation and thus be in a position to give intelligent advice to the President when he asks for it. Within the last week or two, I've had to tell the President and also the Field Commander, General Minh, that I simply did not have sufficient information to intelligently comment on the course of the operation northeast of Bien Hoa. Although a total of 14 Infantry Battalions, plus odds and ends were involved, the various and sundry reports given to me by Paratroop Headquarters, First Region Headquarters and by ARVN General Staff were so at variance I couldn't afford to give the advice being asked of me.

It has never been my intent to suggest that advisors accompany attacking units or get into fire-fights. Army, Corps, Division and Regimental Commanders do not get closely and physically involved in that sort of thing in anti-guerrilla operations. If they do, they cease to be senior commanders and take on the duties of the patrol leader or the duties of the Company or platoon leader.

I also bear in mind that if I should suggest to the President that the U.S. advisors accompany their counterparts in anti-guerrilla operations, he might give me a flat refusal. Or again on the other hand, if I told him my reasons and brought up a few first hand recent examples where such would have been advisable, he might give his approval.

Kindest regards,

S.T. Williams³
Lt General, USA

³Printed from a copy which bears this typed signature.

65. **Telegram From the Ambassador in Vietnam (Durbrow) to the Department of State¹**

Saigon, April 18, 1959—6 p.m.

2202. Reference: Saigon G-96. Discussed suggested approach Diem re Cassia and other Can Lao business activities with Parsons. He concurs unless Department believes other overriding considerations unknown to us might indicate timing not appropriate that I should try to see Diem soonest carry out plan suggested my letter October 10 to Kocher.² Only possible reason I can see is that Parsons plans urge Diem and RKG to try to build basis for better VN-RKG relations and even most friendly "tip off" on Cassia matter might not be conducive to this end.

Nonetheless, I recommended to Parsons I take such step for following reasons: (1) We receiving increasing evidence Can Lao Party expanding "business activities". (2) Coming from Baguio Conference, presided over by Dillon, would give added point and emphasis to my démarche. (3) It advisable I take up matter prior to Parsons arrival 26th, when, if seems opportune and occasion should arise, Parsons could follow through my remarks.

In view of Garcia visit 22-25,³ it may not be possible see Diem in meantime, but would appreciate Department's comments and suggestions this matter soonest.⁴

Durbrow

¹Source: Department of State, Central Files, 411.51G212/4-1859. Secret; Priority; Limited Distribution. Repeated for information to Kuala Lumpur for Parsons.

²Document 36.

³President Carlos P. Garcia of the Philippines.

⁴In telegram 1679 to Saigon, April 20, the Department of State responded that it had no objection to the proposed timing of the approach to Diem concerning Can Lao business activities. (Department of State, Central Files, 411.51G212/4-1859)

66. **Memorandum of a Conversation Between the Assistant Secretary of State for Far Eastern Affairs (Robertson) and the Director of the United States Operations Mission in Saigon (Gardiner), Department of State, Washington, April 22, 1959¹**

SUBJECT

Situation in Viet-Nam

During a call by Mr. Gardiner prior to his return to Saigon, Mr. Robertson requested his views concerning developments in Viet-Nam. Mr. Gardiner said that trouble with the dissidents has increased in South Viet-Nam during the past few months. In the economic field, however, gradual progress is being made. Rice production rose during the last crop year but is harder to sell because of present large supplies in the world market. Rubber production is being further developed but returns from this will not be evident for some years because of the length of time required for growth of rubber trees. Substantial progress is being made on the road program which has already shown favorable results for the economy. Industrial projects are inching ahead with more being done in this realm under the non-project sector of the aid program than is generally realized. Mr. Gardiner noted, however, that progress in industrial development is giving rise to a fairly serious problem. As Viet-Nam comes to depend less on imports, a squeeze is placed on the budget because of its dependence on counterpart. Since counterpart is now accumulating at a rate just about sufficient to maintain our contribution to the military budget and further draw-down on the counterpart pipeline for economic projects cannot continue much longer, a problem of the adequacy of local currency resources is posed.

In response to Mr. Robertson's question as to how this problem can be met, Mr. Gardiner said that increased revenues from taxes and simplification of the exchange rate (which could lead to elimination of export subsidies now approaching a billion piastres) could help in solving it. He said that his view as well as that of the Government of Viet-Nam was that as non-project aid is reduced, it is desirable to increase project aid in order to enable Viet-Nam to progress faster toward self-support.

Mr. Robertson expressed concern as to whether the necessary military expenditures could be met in light of the problem posed by Mr. Gardiner. If this should mean consideration of a reduction in force levels, Mr. Robertson said that it must be borne in mind that

¹Source: Department of State, Central Files, 751G.00/4-2259. Confidential. Drafted by Mendenhall.

the GVN forces are confronted by a much larger Viet Minh army. Mr. Gardiner said that our new program for up-grading the Civil Guard by furnishing it transportation and communications equipment might help in this connection. He also commented that it might be possible to find economies in the military budget without reducing combat effectiveness. Mr. Robertson said that the current fashion in some circles is to take the position that economic aid is more important than military aid. That would be true if there were no Communist threat, but Viet-Nam faces strong battle-ready Communist forces. If the military posture of Viet-Nam were weakened, we would then be faced in case of Communist attack with the alternatives of either letting Viet-Nam be taken over by the Communists or counter-attacking with thermonuclear weapons. Since we do not want to be faced with these two alternatives, it is important that conventional forces be maintained. Thus while economic development is effective for combating subversion, it is no defense against actual aggression. Prosperity does not, therefore, mean security.

Mr. Gardiner mentioned the problem of the exchange rate applicable to the servicing of DLF loans which has come up in connection with the first proposed loan to Viet-Nam. He noted that the exchange rate language proposed by the DLF in the draft agreement would require the limited access free market rate of 72 piastres per dollar which is used primarily for the repatriation of the profits of French firms. Both the GVN and USOM are opposed to this rate for repayment of DLF loans. The USOM considers a rate of about 50 piastres per dollar as the appropriate one for this purpose since exports are made at an effective rate of 47 and most imports come in at an average rate of 53. He said that a memorandum to Mr. Dillon on this question would soon reach Mr. Robertson.

Mr. Robertson inquired about the GVN attitude toward changing the exchange rate. Mr. Gardiner said that he thinks that most GVN officials are in favor of a change in the rate structure but that President Diem has not yet been convinced. Mr. Robertson suggested citing the fact that we devalued our currency in 1934. He also cited our problem with Congress in cases of unrealistic rates. He said that since aid is likely to be reduced in any case because of Congressional appropriations cuts, Viet-Nam should in its own interests take every necessary step to make the most effective use of the aid given.

Mr. Gardiner said that contacts with Vietnamese officials were on a close and frank basis. Mr. Robertson expressed pleasure at hearing this.

67. **Letter From the Under Secretary of State for Economic Affairs (Dillon) to the Assistant Secretary of Defense for International Security Affairs (Irwin)¹**

Washington, April 24, 1959.

DEAR MR. IRWIN: I refer to Mr. Knight's letter of December 30, 1958 (I-17367/8),² to the Assistant Secretary for Far Eastern Affairs, relating to United States military requirements for airfields in Viet Nam capable of sustaining jet operations to accommodate United States forces in support of United States contingency plans for defense of Viet Nam.

With respect to the airfield at Tan Son Nhut (Saigon), I am informed by the International Cooperation Administration that the bulk of the United States contribution to the construction of a new, heavy-duty runway with a length of 10,000 feet is being programmed within the FY 1959 defense support program and that the remaining United States funds necessary to complete the runway are included in the proposed FY 1960 program. The engineering work on the runway is now underway, and completion of the new runway is expected by March 1961.

It should be noted that the programming of the heavy-duty runway at Ton Son Nhut was undertaken in recognition of an economic requirement, within the criteria applicable to the defense support program. The circumstances that present international commercial air traffic contributes to the Vietnamese economy and that Saigon could retain its share of traffic in the future only by providing landing facilities for jet air transports were prominent factors in reaching a decision to utilize economic assistance funds for the project. Fortuitously the new runway should, in the event of emergency, be able to support United States' contingency plans for the defense of Viet-Nam.

With respect to the construction of a second jet facility in Viet-Nam, Mr. Knight's letter proposed its location at Cap St. Jacques. It is our understanding that the Department of Defense has more recently recommended that the second facility be located at Tourane.³

The Defense letter proposes that appropriate action be initiated with the International Cooperation Administration to secure the pro-

¹Source: Washington National Records Center, RG 330, OSD/ISA Files: FRC 63 A 1672, 686 Vietnam. Secret. Drafted by L.E. Frechtling of W/MSO with clearances in substance from Moyer of ICA and by Palmer. A copy is also in Department of State, Vietnam Working Group Files: Lot 66 D 193, Tan Son Nhut Airport.

²See footnote 3, Document 43.

³See the memorandum from the Joint Chiefs of Staff to the Secretary of Defense, JSCM-97-59, March 19, 1959, *United States-Vietnam Relations, 1945-1967*, Book 10, p. 1184.

gramming of the second jet strip. All of the limited defense support funds available to us are required to meet urgent economic needs and the diversion of any of them to meet this military requirement is not, I believe, justified on either economic or political grounds. Moreover, as Mr. Knight's communication indicates that the construction of the second jet facility is required in order to accommodate United States forces in support of United States contingency plans for the defense of Viet-Nam, it would appear appropriate that the necessary funds be provided from the Department of Defense budget.

Mr. Knight's letter also notes that it may be some time before the Geneva Accords can be interpreted to permit the equipping of the Vietnamese Air Force with military jet aircraft. Therefore he suggests that the construction of the new runway could be justified, for cover purposes, as required for commercial use. In order to sustain this cover, it would appear necessary that Defense funds for construction of the runway be confidentially transferred to the International Cooperation Administration, which would appear for all public purposes to be the United States Government agency responsible for the project. While we believe, on the basis of information available in Washington, that such an arrangement would be feasible and plausible, we would wish to confirm this view by obtaining a formal expression of views from the country team in Saigon. Prior to doing so, we would like to be advised whether the Department of Defense is prepared to provide the necessary funding for this project.

Sincerely yours,

C. Douglas Dillon

68. **Memorandum of a Conversation Between the President of Vietnam's Adviser (Ladejinsky) and the Ambassador in Vietnam (Durbrow), American Embassy, Saigon, April 24, 1959¹**

In an after-dinner conversation on April 24 with Wolf Ladejinsky, the latter expressed considerable concern regarding the methods being used by the GVN to control stepped-up Communist activities.

Ladejinsky told me in confidence that in conversations with Vice President Tho and Minister of Agriculture, Le van Dong, these offi-

¹Source: Department of State, Saigon Embassy Files: Lot 65 F 115, 350.21 Communism and Communist Activity. Secret. Drafted on April 25 by Ambassador Durbrow.

cially had individually expressed deep concern regarding the almost exclusively military methods being used to suppress increased Communist activities in Viet-Nam. The Vice President, who, according to Ladejinsky, very seldom comments on the activities of the President's brother Nhu, stated he had serious misgivings about the advice given Diem by Nhu to the effect that he should basically use armed force to suppress these Communist activities, rather than try to combat this menace by efforts to win over the peasants, who are being influenced by Viet Cong cadre. The Vice President admitted that it was necessary to use a certain amount of armed force in this connection but he is worried that this method, rather than appealing to the people and taking positive steps to assist them, would be counterproductive. The Vice President believes that discontent among the peasants will increase unless the government recognizes and faces up to the psychological factors, which are important in this matter. A show of military force is not the full answer to the peasants' worries. The Vice President stated that he had tried unsuccessfully to induce Diem to take additional steps to ameliorate the plight of the peasants but that Diem, on Nhu's advice, is convinced that he must depend primarily on armed force to suppress Communist activities, and once this has been accomplished the government can increase its efforts to better the lot of the peasants.

In discussing the same question later on with Dong, he expressed the same concern as Vice President and added in this connection that the peasants in the South, for instance, resent the fact that many of the newly-appointed Province Chiefs in the South come from Central Viet-Nam and are followers of the President's brother Can. Officials from Central Viet-Nam do not understand the mentality or problems of the southerners and this is one of the causes of discontent in the Delta. Dong went so far as to state that peasant resentment against Central Vietnamese officials has gone so far that they are now stating, "We have been occupied by Central Viet-Nam." When Ladejinsky asked Dong whether he, as a prominent member of the Can Lao Party, could not convince Diem that he must make positive gestures to better the lot of the peasants, Dong replied, "I have tried but the President has been convinced by Nhu that he must first bring security by using armed force to suppress guerrilla activities." Dong explained that the Party under Nhu's and Can's guidance does not try to work with the people as the Communists do, but lays down the law from on high without taking into consideration the sensitivities of the masses or trying to win them over by direct grassroot contact and taking positive action at that level to better their lot.

Ladejinsky reports that he told the President a few days ago that he is quite concerned about the peasants' attitude in the South and

suggested that the President should not rely on reports from Province Chiefs but bring several peasant leaders from each province to Saigon to discuss frankly with them their grievances. Diem did not react one way or another to this suggestion, but Ladejinsky hopes that the President might act on it.

Elbridge Durbrow²

²Printed from a carbon copy which bears this typed signature.

69. Telegram From the Ambassador in Vietnam (Durbrow) to the Department of State¹

Saigon, April 28, 1959—7 p.m.

2286. Parsons who left 28th at 1400 local time,² asked me send highlights talks 27th with Mau, Tho, Thuan 2 1/2 hour talk with Diem.

A. (1) No significant new info obtained from talks.

(2) All four officials dwelt on increased Communist menace giving emphasis ChiCom inspired infiltrations from Cambodia. One way or another all pointed up almost impossible work out mutually satisfactory, enduring arrangements with Sihanouk. Diem, as usual, emphasized this point but was not quite so vehement as on other occasions. We suggested trusted emissary approach through private talks to try work out initial steps reconciliation. All officials said did not believe Sihanouk would entrust negotiations to emissary.

(3) As expected, Diem indicated because of increased Communist activities GVN must improve military, Civil Guard and SDC capabilities, which impossible if US contributed only \$130 million to the military budget for FY 1960 although not so pointedly as previously.

(4) Mau brought up and discussed at some length VN refugees in Thailand question. After going over past history he reiterated same points Embtel 2223.³

¹Source: Department of State, Central Files, 751G.001/4-2859. Secret.

²Parsons was in Saigon April 26-28.

³In this telegram, April 22, Durbrow reported that during a conversation held April 21 Mau had stated that his government could not absorb the 50,000 Vietnamese refugees then in Thailand, most of whom, he stated, did not wish repatriation. (Department of State, Central Files, 292.51G22/4-2259)

(5) Diem, in emphasizing stepped up Communist activities, claimed French colonials also working against free world interests for selfish reasons, which greatly aggravates matter.

(6) Thuan again urged US take over training ANL since French incapable of doing job. (See memo conversation April 25.⁴)

B. Parsons emphasized following points:

(1) Absolutely no change our firm policy against ChiComs, which proved right by Quemoy and Tibet, adding many neutralists indicating privately they now see merits our firm policy.

(2) Re Cambodia, Parsons stated firmly Sihanouk full master situation Cambodia and will remain so foreseeable future. He recalled Sihanouk had apparently urged Indian Pres Prasad to tell Diem Sihanouk desired better relations, he urged GVN act on this favorable request and work out some arrangement frontier control other than ten-kilometer hot pursuit, since this matter seems to GVN be source of most Commie activities. Parsons stated consensus at Baguio Conference that situation free world better this year than last, particularly VN Burma, Laos, Malaya and even Indonesia, with only Cambodia being possible source of danger, which made it in GVN and free world interests try to work out equitable agreements outstanding questions. Parsons added it probable that Sihanouk for various internal reasons and perhaps because of Tibet example might be more amenable working out mutually satisfactory arrangements. At least a sincere effort should be made.

(3) He underlined basic short-term-long-term necessity for economic development to win over masses as leaders Malaya, Burma and Laos endeavoring do. He agreed military force needed as deterrent and for internal security but force is only one element in bringing about stability, it more essential [gain] confidence of masses by economic development and raising living standard.

(4) He promised Mau to give further thought to VN refugee problem Thailand.

(5) He strongly backed up our efforts work out satisfactory solution Briz case.

C. We both had impression that while we may have planted lots of seeds it quite apparent Diem particularly, as well as other, probably will be very stubborn re possibility better RKG-GVN relations and they sincerely concerned re increased Communist activities.

Durbrow

⁴Not found.

70. Memorandum From the Acting Secretary of Defense (Shuff) to the Joint Chiefs of Staff¹

I-13132/9

Washington, May 2, 1959

SUBJECT

Airfields for Viet-Nam (U)

Reference is made to memorandum by the Joint Chiefs of Staff for the Secretary of Defense (JCSM-97-59) dated 19 March 1959,² subject as above.

On December 30, 1958, the Department of Defense informed the Department of State³ of a United States military requirement for a second jet airfield in Viet-Nam and subsequently informed the Department of State of the desirability of utilizing Tourane for this facility. The Department of State was requested to initiate appropriate action with the International Cooperation Administration to secure the completion at the earliest practical date of the strip at Tan Son Nhut and the programming by the ICA of the second airstrip.

On April 24, 1959, the Department of State responded,⁴ stating that the completion of the new runway at Tan Sun Nhut could be expected in March 1961, but that ICA would not be justified in diverting available funds for the Tourane strip. The latter suggests that if the necessary funds can be provided from the Department of Defense, it would appear practical to have much funds transferred to the International Cooperation Administration for the actual construction project. A copy of this letter is attached.

In view of the fact that the provisions of the Geneva Accords preclude the utilization of funds of the military departments, it would appear that Military Assistance Program funds are the only ones available to the Defense Department for transfer to ICA for this project. The views of the Joint Chiefs of Staff are requested as to whether this project is of high enough priority to warrant the diversion of funds from projects already approved for FY 1960 and, if so, which projects should be either abandoned or deferred.⁵ In the event

¹Source: Washington National Records Center, OSD/ISA Files: FRC 63 A 1672, 686 Vietnam. Secret.

²For text, see *United States-Vietnam Relations, 1945-1967*, Book 10, p. 1184. A copy is also in Washington National Records Center, OSD/ISA Files: FRC 63 A 1672, 686 Vietnam.

³See footnote 3, Document 43.

⁴Document 67.

⁵The Joint Chiefs of Staff responded in a memorandum for the Secretary of Defense, JCSM-220-59, June 11, as follows:

"1. Reference is made to a memorandum by the Acting Assistant Secretary of Defense (ISA), dated 2 May 1959, requesting the views of the Joint Chiefs of Staff re-

Continued

that the Joint Chiefs of Staff hold the opinion that the second airstrip can be deferred to FY 1961 or a later year, this project if of sufficient priority should be included in the JCS recommended list of projects for military assistance funding in FY 1961 or a subsequent year.

Charles H. Shuff

garding the relative priority to warrant the diversion of funds to the improvement of the jet facility at Tourane, Vietnam.

"2. While the requirement still exists for a second jet facility in Vietnam, diversions of MAP funds for the development of Tourane at this time would be at the expense of higher priority projects already approved for FY 60.

"3. The Joint Chiefs of Staff recommend that no FY 60 MAP funds be diverted for improvement of the jet facility at Tourane, Vietnam, and that it be considered for programming in FY 1961 or a later year.' (Washington National Records Center, OSD/ISA Files: FRC 63 A 1672, 686 Vietnam)

71. **Memorandum From the Deputy Chief for Logistics of the Military Assistance Advisory Group in Vietnam (Lampert) to the Chief of the Group (Williams)¹**

Saigon, May 9, 1959.

I. As you requested, here is my recollection of the Ambassador's remarks about the President at the Country Team Meeting on *5 May 59*.

II. He referred to his annoyance with the President's continued insistence that U.S. aid not be decreased.

He said he (Mr. Durbrow) had talked with Mr. Parsons about "*taking a club*" to the President. He said the line he intends to use (and I got the impression that Mr. Parsons agreed with it) will be:

"Mr. President, one reason our government can't see its way clear to *contributing more than \$130 million for Vietnam's military budget next year* is our *Congress* is disturbed that the GVN won't make a serious effort to settle its differences with Cambodia. Congress knows you have a long border with Cambodia. They believe that if peaceful relations existed between the two countries it would greatly reduce the security problem by restoring quiet along the border."

III. The Ambassador went on to say "The President *doesn't like me at all*, and he is mad at the U.S. because we're cutting aid. I look for a very rough time in the next six months."

¹Source: Center of Military History, Williams Papers. Secret. The source text is handwritten.

He also said, in effect: "My plan to hit the President on the Can Lao business, which I discussed with Parsons, will make things worse. So the only thing we can do is batten down the hatches, be firm, and work our way through it."

IV. Present at the meeting:

The Ambassador

Mr. Gardiner

Mr. Price, USIS²

Mr. Natsios' assistant, whose name I don't know.³

Captain Ewan, Assistant Army Attaché⁴

Mr. Bowie

Mr. Lampert

Lampert

²Darrell M. Price, Assistant Public Affairs Officer.

³"(Colby)" is printed at the end of this line in Williams' hand.

⁴Captain Richard C. Ewan, Jr.

72. **Telegram From the Ambassador in Vietnam (Durbrow) to the Department of State¹**

Saigon, May 14, 1959—6 p.m.

2408. Following are comments requested Deptel 1780:²

1. Although unable conclusively confirm reports peasant discontent and dissatisfaction, Embassy considers peasant question one of several important factors current internal security situation warranting close attention. (See Ambassador's memo conversation with Ladejinsky, forwarded SEA April 29,³ for further details re reported difference opinion within GVN between those advocating emphasis winning over peasants by taking positive steps assist them and those who would primarily rely armed forces suppress dissident activities

¹Source: Department of State, Central Files, 751G.5/5-1459. Secret.

²In telegram 1780, May 8, the Department asked for comments on the following: "Diem has in past often indicated improvement in lot peasantry vital element in regime's political viability and therefore important GVN objective. Various programs (agrarian reform, land development, agricultural credit, cooperatives, community development) developed at least partly as result this view. Are there indications implementation such programs now being downgraded in favor increased concentration on military force? If not, what meant by statement those who would rely on force apparently winning out over those who favor positive steps assist peasants? Is there concrete evidence peasant discontent?" (*Ibid.*, 751G.5/5-659)

³Presumably a reference to Document 68.

rural areas. Ladejinsky reported 13th those advocating "win over peasants" seem be gaining GVN backing.) (Begin Noform) According recent . . . information . . . President's brother, Can, political boss CVN, while urging province chiefs SVN be hard and ruthless against VC, using all means including "police state methods" ensure security, reportedly urged that MNR and provincial authorities show concern for peasants' welfare. Can also reportedly stated care should be taken distinguish between VC and peasants forced help VC. He said peasants should be made feel administration will protect them from VC's. These views indicate Can, like Ladejinsky and "liberal" southerners (such as Tho and Le Van Dong), concerned that all not proceeding smoothly countryside. (End Noform)

2. Emb does not believe long-range agricultural programs cited Deptel being downgraded. However, these programs never accorded same high priority as internal security problem. New moves outlined reftel, which generally involve or imply use force, appear motivated by GVN belief security countryside prerequisite for success agriculture, economic programs. (Example VC activities is recent burning, damaging tractors delta region, being reported separately.⁴) On other hand, should be recognized that vigorous GVN effort organize controversial farmers' associations past several months does constitute concrete non-military effort directed toward ensuring political stability countryside and encouraging economic development. (Separate report this subject in preparation.⁵)

3. Embassy believes recent security measures affecting countryside do reveal trend toward greater use force to suppress dissident activities. This trend reflects GVN concern that security situation deteriorating. However, these measures may result in increase peasants discontent, unless as indicated above, officials implement Can's directive to win over peasants.

Durbrow

⁴In despatch 349 from Saigon, May 27, and telegram 2525 from Saigon, May 29. (Department of State, Central Files 751G.5/5-2759 and 751G.5/5-2959)

⁵Not found.

73. Telegram From the Ambassador in Vietnam (Durbrow) to the Department of State¹

Saigon, May 19, 1959—6 p.m.

2439. This is Country Team message recommending replacement F8F aircraft in VNAF by AD4's.²

Part I

FY 60 MAP, approved by CINCPAC, includes 25 AD4 for VNAF which would replace old F8F now on hand. FY 61 MAP, also approved by CINCPAC, repeats item of 25 AD4 and additionally programs 6 RT-33A photo reconnaissance aircraft as replacement for RF8F's.

Part II

AD4 possesses following advantages over F8F for use in Vietnam:

1. AD4 carries larger load of either bombs or ammunition than F8F, and has considerably larger fuel capacity, thereby providing longer time over target.

2. AD4 is more rugged, more easily handled. Comparable this respect to C47 transport with Vietnamese highly efficient.

3. AD4 is still operational and spare parts stocks and replacement aircraft far more adequate than F8F. This condition expected continue foreseeable future.

¹Source: Department of State, Central Files, 751G.56/5-1959. Secret. Repeated for information to CINCPAC for PolAd; sent with instructions to pass to the Department of Defense.

²In an official-informal letter to Durbrow, April 20, Kocher suggested the following course of action to overcome opposition at the Department of Defense, particularly from Shuff, to programming AD-4's for the Vietnamese Air Force:

"We believe that, if you could send a cable (preferably joint Embassy-MAAG or one stating General Williams concurs) embodying the following points, we would then have a clear basis for trying to get higher level State intervention with Defense with a view toward obtaining a favorable decision on programming the AD-4's:

"1. A statement to the effect that AD-4's are better suited to the VNAF's mission than either jets or F8F's and an explanation of the reasons for that view. (If possible, such a statement should be reconciled with the inclusion of jets in the MAAG FY 61 submission since that may be raised here in Washington.)

"2. Reiteration of your point that President Diem would react most strongly if Viet-Nam's F8F's are kept in operation by cannibalizing Thailand's F8F's which at the same time are being replaced by jets.

"3. If correct and justified, a statement to the effect that Viet-Nam is capable of maintaining AD-4's satisfactorily. (This would be designed to meet a point expressed in some quarters of Defense that Viet-Nam is not yet ready for AD-4's.)

"With a cable to this effect as ammunition, we could then make an effort to obtain programming of the AD-4's. It is probably too late to expect their inclusion in the FY 59 program, but it ought to be possible for us to press for their placement in the FY 60 program." (*Ibid.*, Vietnam Working Group Files: Lot 66 D 193, Jet Aircraft)

4. AD4 has demonstrated it is substantially better for close ground support than F8F, an extremely important consideration as close ground support is primary mission of VNAF.

Part III

AD4 possesses following advantages over jet fighters for VNAF:

1. AD4 much more adaptable to close ground support than any U.S. jet fighter known to us.

2. Considering fuel, bomb, and ammo carrying capacities, AD4 can stay over target to degree one AD4 equivalent in close ground support to coverage provided by four to six jets.

3. AD4's can use existing airfields in Vietnam, where no jet fields now available nor adequate numbers likely to be for some time.

4. Existing aviation ground environment in Vietnam more adaptable to early general use AD4's than to jets without extensive and expensive improvements or modification.

Part IV

RT-33A aircraft included in FY 61 MAP do not enter into current discussion of F8F versus AD4. These unarmed jet trainers modified for photo recon have no other tactical capability. They would be operated from projected commercial Tan Son Nhut jet runway at Saigon, but because of Geneva Accords may be impossible introduce even such jet trainers.

Part V

Country team convinced President Diem would react most strongly if required to continue F8F's in service by cannibalizing old F8F's discarded by Thailand, same time Thais being equipped with new jets.

Part VI

Maintenance capability of VNAF steadily improving as result of continued intensive instruction in maintenance procedures, ground crew training, stock control techniques, and increasing VN knowledge of English. For example, in-commission rate of C47's in VNAF,

for which adequate maintenance support exists, now comparable to USAF standards. In-commission rate of F8F's has increased substantially over past nine months, in face of maintenance difficulties related to their ever increasing age. MAAG advisors confident VNAF capable of receiving and maintaining AD4's satisfactorily.

Part VII

Urge all possible action obtain approval FY 60 May [?] item to provide U.S. Navy AD4's for VNAF with view change over earliest possible date.³

Durbrow

³In a copy of a subsequent letter from Parsons to Irwin, undated, Parsons referred to telegram 2439 from Saigon, stated that it was the view of the Department of State that the Joint Chiefs of Staff concurred in the replacement of F8F's by AD-4's, and presented the following as the Department of State's thinking on the matter:

"While the military necessity or desirability of replacing the F8F's at this time must, of course, be judged by your Department, political factors point strongly to the desirability of early action looking toward their replacement. In view of the exposed position of Viet-Nam as a divided country, President Ngo Dinh Diem would strongly object to our leaving Viet-Nam with aircraft inadequate for the mission of the Vietnamese Air Force when we have been equipping other countries in the area with much more advanced military aircraft. Similarly, he would react most strenuously if Viet-Nam's F8F's were continued in service through the cannibalization of F8F's in another country in the area and the F8F's in that country were replaced by jets.

"If a decision is reached to replace the F8F's in Viet-Nam, we also have a political interest in the type of aircraft selected for replacement. Under the terms of the Geneva Agreements of 1954, which the United States has to date respected for political reasons though not a signatory thereto, the introduction into Viet-Nam of jet engines and jet weapons is specifically prohibited. We see no likelihood during the foreseeable future that it will become politically feasible for the United States to ignore that provision. If we introduce jets into Viet-Nam, we would be widely accused of increasing international tension in the Indochina area, we would greatly embarrass our allies, the United Kingdom and Canada, because of their Geneva Agreements roles as Co-Chairman and member of the International Control Commission, respectively, and we would adversely affect our relations with India, the Chairman of the International Control Commission. Accordingly, we do not expect to be able during the next few years to consider jets as the replacement aircraft for Viet-Nam's F8F.

"We would, however, concur in the choice of a more advanced type of propeller plane to replace the F8F's. The exact type is, of course, a military decision. We are sure you will have noted the arguments advanced in Saigon's Telegram No. 2439 about the advantages of AD-4's as well as the statement that the Vietnamese Air Force is capable of receiving and maintaining them satisfactorily.

"We are aware that no final decision about programming replacement for Viet-Nam's F8F's in FY 1960 can be made until the Congress has completed action on the aid appropriations for that year. However, leaving aside the funding aspect of this question until it can be decided, we should appreciate knowing the views of the Department of Defense on the substance of the problem." (*Ibid.*)

74. Letter From the Commander in Chief, Pacific (Felt) to the Chief of the Military Assistance Advisory Group in Vietnam (Williams)¹

Pearl Harbor, May 25, 1959.

SUBJECT

Advisory Responsibilities of CHMAAG Vietnam in regard to Vietnamese Anti-guerrilla Operations

REFERENCE

- (a) Section 102 Mutual Security Act of 1954, as amended²
- (b) Enclosure (1) to CINCPAC ltr ser 0500 of 13 Dec 1956 (Terms of Reference for U.S. MAAG to Vietnam of 15 Nov '56)³

1. Reference (a) provides that U.S. Advisory efforts will be non-combatant in nature, except that, by Presidential determination, members of the U.S. Armed Forces may be detailed to assist in military matters during a war or a declared national emergency. Paragraph 4.b.(1) of reference (b) states that "personnel of the MAAG are authorized to participate in an advisory or training capacity with Vietnamese field units, training agencies, logistics agencies engaged in operational, mobilization and war planning" . . . "in order to insure proper utilization of the military equipment and supplies furnished to the VN Government under the aid program."

2. Recent anti-guerrilla operations by the Vietnamese Forces, have reemphasized the desirability for U.S. MAAG advisory personnel to participate in the operational planning by these forces at the field headquarters of the VN unit involved. Implementation of the foregoing would permit U.S. MAAG Vietnam to obtain through direct observation, information essential to accurate evaluation of the VN proficiency in anti-guerrilla operations and further, to assess the end result of U.S. advisory efforts.

3. CHMAAG Vietnam is authorized, subject to the concurrence of the Government of Vietnam, to extend the U.S. military advisory and training operations in Vietnam as follows:

a. Provide MAAG Advisors down to and including Infantry Regimental level and Artillery, Armored and separate Marine Battalion level.

¹Source: Center of Military History, Williams Papers, Official Correspondence January-July 1959 (54). Secret. A copy of this letter is attached to a memorandum from Kocher to Parsons, June 5, not printed. (Department of State, Vietnam Working Group Files: Lot 66 D 193, SP Internal Security)

²68 Stat. 111. Section 102 provided that Armed Forces personnel assigned under provisions of the act were to assist solely "in an advisory capacity or to perform other duties of a noncombatant nature, including military training or advice."

³Not printed. (Center of Military History, Williams Papers, Pentilateral Agreement (130))

b. Place these Advisors in the field with the headquarters of the units being advised in order to furnish advice on the preparation of daily plans, monitor the day-to-day conduct of operations and render on-the-spot advice based on the situation as it exists at the time. This will include tactical advice as well as that provided on logistical matters, including medical support problems, the evacuation of the wounded, transportation problems, road and trail construction, bridging, supply procedures, maintenance of equipment, etc.

c. Evaluate Vietnamese requests for additional equipment, road building materials, heavy engineering equipment, etc., in the light of the direct observations of on-the-spot advisors as well as upon other information available.

d. Evaluate the level of cooperation and coordination among Vietnamese Army, Navy and Air Force elements and take necessary corrective action with Vietnamese officials in those instances wherein deficiencies in this area are reported by on-the-spot observers.

e. The activities of MAAG Advisors must be limited to advisory functions and under no circumstances shall they participate directly in combat operations nor will they accompany units on anti-guerrilla operations in areas immediately adjacent to national boundaries.⁴

H.D Felt

⁴A marginal note indicates that, at Williams' instruction on June 4, a copy of this letter was forwarded to Ambassador Durbrow on June 5.

75. Letter From the Commander in Chief, Pacific's Chief of Staff (Riley) to the Chief of the Military Assistance Advisory Group in Vietnam (Williams)¹

Pearl Harbor, May 26, 1959.

DEAR SAM: At about the time you receive this you will receive CINCPAC's letter of 25 May, serial 00341,² subject: Advisory Responsibilities of CHMAAG Vietnam in regard to Vietnamese Anti-guerrilla Operations.

The official letter to which I refer is the result of your letters to me of 31 March and 14 April 1959.³ All of the spadework on this subject had been accomplished prior to my departure from Hawaii on my recent trip, and I had assumed that action was completed during my absence. However, on checking upon my return, I found that the directive had not been signed, so I have followed it up.

¹Source: Center of Military History, Williams Papers, Official Correspondence January-July 1959 (54). Secret-Personal.

²*Supra.*

³Documents 61 and 64, respectively.

With reference to the lead in to paragraph 3, we realize that it may be necessary for you to "inspire" a request from or the concurrence of the Vietnamese Government. However, this is matter which is left to your discretion.⁴

Thank you again for putting up with me and my, [illegible] during my recent visit. It was good to see you and Jewel again, despite the physical handicap.

Warm regards,
Sincerely,

H.D. Riley⁵
Vice Admiral, U.S. Navy

⁴See Document 77.

⁵Printed from a copy which bears this typed signature.

76. National Intelligence Estimate¹

NIE 63-59

Washington, May 26, 1959.

PROSPECTS FOR NORTH AND SOUTH VIETNAM²

The Problem

To analyze the current situations in North and South Vietnam and to estimate probable developments over the next two or three years.

¹Source: Department of State, INR-NIE files. Secret. A partial text of this NIE is printed in *United States-Vietnam Relations, 1945-1967*, Book 10, pp. 1190-1195.

²A note on the cover sheet reads as follows:

"Submitted by the Director of Central Intelligence. The following intelligence organizations participated in the preparation of this estimate: The Central Intelligence Agency and the intelligence organizations of the Departments of State, the Army, the Navy, the Air Force, and the Joint Staff.

"Concurred in by the United States Intelligence Board on 26 May 1959. Concurring were The Director of Intelligence and Research, Department of State; the Assistant Chief of Staff for Intelligence, Department of the Army; the Assistant Chief of Naval Operations for Intelligence, Department of the Navy; the Assistant Chief of Staff, Intelligence, USAF; and the Director for Intelligence, The Joint Staff. The Atomic Energy Commission Representative to the USIB, the Assistant to the Secretary of Defense, Special Operations, the Director of the National Security Agency, and the Assistant Director, Federal Bureau of Investigation, abstained, the subject being outside of their jurisdiction."

Conclusions

1. The prospect of reunification of Communist North Vietnam (DRV) and western-oriented South Vietnam (GVN) remains remote. In the DRV the full range of Communist techniques is used to control the population, socialize the economy, impose austerity and direct investment to economic rehabilitation and development. The DRV maintains large armed forces. In South Vietnam, despite the authoritarian nature of the regime, there is far more freedom. Local resources and US aid are devoted to developing the armed forces, maintaining internal security, and supporting a relatively high standard of living, with lesser emphasis on economic development. (*Para. 9*)

2. In South Vietnam political stability depends heavily upon President Diem and his continued control of the instruments of power, including the army and police. Diem will almost certainly be President for many years. The regime will continue to repress potential opposition elements and depend increasingly upon the effectiveness of the Can Lao, the regime's political apparatus, which is run by Diem's brothers Nhu and Can. (*Paras. 11-14, 29-31*)

3. The capabilities of the GVN armed forces will improve given continued US matériel support and training. Continuance of the present level of training is threatened by a recent finding of the International Control Commission (ICC) that the US Temporary Equipment Recovery Mission (TERM) should end its activities by mid-1959. In any event, GVN forces will remain incapable of withstanding more than temporarily the larger DRV forces. The internal security forces will not be able to eradicate DRV supported guerrilla or subversive activity in the foreseeable future. Army units will probably have to be diverted to special internal security assignments. (*Paras. 15-17, 33-34*)

4. The GVN is preoccupied with the threat to national security and the maintenance of large military and security forces. It will probably remain unwilling to devote a significantly greater share of resources and attention to longer range economic development. Assuming continued US aid at about present levels, modest improvement in South Vietnam's economic position is likely. However, development will lag behind that in the North, and the GVN will continue to rely heavily upon US support to close the gap between its own resources and its requirements. (*Paras. 19-22, 32*)

5. There is little prospect of a significant improvement in relations between South Vietnam and Cambodia so long as the present leaders of the two countries remain in power. Relations with Laos will probably remain generally friendly. Continued suspicion that the French are intriguing in the area to recapture a position of major in-

fluence will probably prevent an improvement of Franco-GVN relations. (*Paras. 25-27, 35*)

6. Despite widespread popular discontent, the Government of the DRV is in full control of the country and no significant internal threat to the regime is likely. With large-scale Bloc aid, considerable progress has been made in rehabilitating and developing the economy with major emphasis on agriculture, raw materials and light industry. The regime will probably soon have laid the foundations for considerable economic expansion. (*Paras. 37-38, 42, 44*)

7. The DRV has no diplomatic relations with any country outside the Bloc and its foreign policy is subservient to the Bloc. We believe that it will continue its harassment of the GVN and of Laos, though a military invasion of either is unlikely. (*Paras. 46, 48-49*)

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77. **Memorandum of a Conversation Between the President of the Republic of Vietnam (Diem) and the Chief of the Military Assistance Advisory Group in Vietnam (Williams), Saigon, June 4, 1959, 9 a.m.¹**

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General Williams—I also have another piece of news. As you know, up to now we have not been sending U.S. Advisors along with Regiments and Separate Battalions on “operational missions.” We have done it in a few cases such as the operation of the 5th Division in area northeast of Bien Hoa. I had the senior advisor come to Bien Hoa and by commuting about 20 kilometers maintain liaison with the Division Commander on a daily basis. We also did the same thing when the 10th regiment of the 7th Division went on operation in the West. I sent the Senior U.S. Regimental Advisor to My Tho on orders to have daily liaison with the Regimental Commander who had his headquarters near by. This daily liaison is necessary in order to be able to render efficient advice on tactical and logistical prob-

¹Source: Center of Military History, Williams Papers, Conversations with Diem 5 Jan 59-25 Nov 59 (162). Extract. Secret. Interpreter and drafting officer not indicated on the source text. The omitted topics of discussion include military operations in the area northeast of Bien Hoa and in the Fifth Military Region, sabotage, and developments in Cambodia.

lems. Now, we have received CINCPAC approval to send the U.S. Advisors along on operational missions with the restriction that they are not to become involved in the actual fighting, etc.

President—That is very good. However, I should be consulted in each individual case because a great deal will depend on the type of operations.

General Williams—I will discuss this with Mr. Dung and tell him what we are now authorized to do and then he can discuss the details with you. I will tell him about my conversation with you on this subject and that you agree in principle. (The President nodded in agreement.)²

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²In a memorandum to Durbrow dated June 5, Williams reported on this conversation. He wrote in part: "I informed him of . . . the authority now granted to allow Advisors to go to higher headquarters of units on operations to consult and advise with senior VN Commanders. He approved in principle. Details are to be worked out between the MAAG and DOD with DOD consulting him as necessary." (*Ibid.*)

78. **Memorandum From the Secretary of Defense's Deputy Special Assistant for Special Operations (Lansdale) to the Regional Director, Far East (O'Donnell) in the Office of the Assistant Secretary of Defense for International Security Affairs¹**

Washington, June 4, 1959.

SUBJECT

Vietnam

State message Saigon 2525² reports on Viet-cong sabotage of U.S. aid equipment in Vietnam and President Diem's request for experts in "anti-guerrilla tactics", as well as advice on police, SDC, civil guard, and military counter sabotage matters.³ The Saigon Country

¹Source: Department of State, Vietnam Working Group Files: Lot 66 D 193, SP Internal Security.

²See footnote 4, Document 72.

³The following extract was reported to the President on June 3:

"Communist bands operating mainly in the Saigon Delta have damaged or destroyed about 40 tractors and a dredge, mostly U.S. aid equipment, in the last few

Continued

Team reports that police advisers and MAAG are studying the problem there.

As an initial reaction, the following comments are offered as of possible help in consideration of this problem:

1. U.S. missions in Vietnam have programs, personnel, equipment and funds which stately are to accomplish what Diem is now asking the U.S. to do. He apparently feels that the U.S. isn't helping effectively enough. This raises two questions:

- a. Exactly what is the internal security situation?
- b. Will the U.S. missions in Vietnam be able to evaluate the effectiveness of their own programs and personnel accurately enough for a sound judgement by the U.S.?

2. A realistic appraisal is needed of how the acts of terrorism and sabotage are mounted, to indicate the amount of support given to the terrorists and saboteurs by the local public, as well as what motivates this support. Locally established Viet Cong *organizations* which would undertake terrorism and sabotage would require local population support; the counter-action would be to win local population support away from them, to expose and destroy the Viet Cong organizations; this requires political and economic action coordinated with armed security action. On the other hand, if saboteurs and terrorists are being brought in *singly or as small teams*, as essentially foreigners to the target areas, then this requires coordinated intelligence-police action to expose and destroy them.

3. Saigon 2525 implies that both President Diem and Vice President Tho apparently believe that technical advice and probably training are what the Vietnamese need most. Since Diem went on a 3-day visit to a trouble area, to see for himself, (which he usually does with only the lightest sort of physical security), it is also apparent that he must believe that he has popular support locally. If he is wrong about this, as some U.S. officials believe, then Diem must convince himself (with effectively convincing U.S. advice) that further political-psychological action is required of the Vietnamese government to win over the populace in these areas, in coordination with economic and security actions; however, political-psychological planning and advice by U.S. officials must be tailored to the hard realities of existence in Vietnam today.

4. There was a bad psychological climate for U.S. objectives in Vietnam in February of this year.⁴ If this climate hasn't improved,

months. Diem has urgently requested American advice in coping with this new sabotage." (Synopsis of State and Intelligence material reported to the President, prepared by John S.D. Eisenhower, May 30-June 3; Eisenhower Library, Whitman File, Eisenhower Diaries)

⁴Lansdale was in Vietnam, February 3-6, as part of the Anderson Subcommittee team. See footnote 2, Document 55.

there are Washington actions which can help improve it. The psychological climate was generated mainly by Radio Hanoi broadcasts, relayed through a transmitter in Cambodia, which gave a strong, clear signal in most areas of South Vietnam. The signal was stronger than GVN broadcasts, which made it easier for South Vietnamese troops and civilians to listen to Hanoi than to Saigon. The Hanoi broadcasts were not only anti-Diem and pro-DRV, but also carried a "hate America" theme; U.S. MAAG personnel were attacked as rapists, poisoners, torturers, and bullies. The GVN needs a vastly improved radio broadcasting means than it now has; it has needed this since 1954, when ICA planned a radio project for the GVN (and has re-planned it ever since). ISA and OSO should undertake further action to get ICA to go to work realistically on this problem.

5. The Saigon Country Team undoubtedly will suggest that U.S. Army officers in MAAG act as "anti-guerrilla" advisors. The U.S. has remarkably few experienced officers in this category, since experience in Greece and Korea has little application to guerrilla forces native to an area and supported by the mass of local populations, such as in Vietnam. Most U.S. Army officers in Vietnam and the Philippines during the major campaigns there against Communist guerrillas had little opportunity to learn the counter-guerrilla tactics that were most successful. It is suggested that Army Special Warfare detail small teams to MAAG-Vietnam as "advisors", with instructions to learn counter-guerrilla tactics by being with the Vietnamese combat troops prior to giving advice. If these Army officers are experienced in small unit combat tactics and understand the home-made combat weapons of guerrillas (and Special Forces training is good preparation for this), then such Army officers should be able to learn counter-guerrilla tactics quickly and be able to act as wise, realistic counter-guerrilla "advisors" before their tours of duty in Vietnam end. If such officers are also required to submit detailed reports on tactics employed, which were successful and why, which failed and why, then these reports could be used to enrich U.S. tactical doctrine as developed for our Special Forces. This would be a valuable exercise for the U.S. Army, if done properly. (I would like to suggest the names of some U.S. Army officers whom I believe should be in the cadre of such an effort.)

OSO can assist ISA further in solving the problem in Vietnam. As a start, we will undertake the following:

1. Cdr. Curts will assist you with moves to speed-up ICA assistance to Radio Vietnam.
2. Mr. Kelleher will discuss the Special Warfare problem with the Army.
3. Mr. French will assist you with OISP aspects, upon his return to the U.S.

4. I will try to obtain a clearer evaluation of the situation from all sources available.⁵

⁵See Document 83.

79. **Telegram From the Ambassador in Vietnam (Durbrow) to the Department of State¹**

Saigon, June 12, 1959—7 p.m.

2621. It has come to my attention that Dept has recommended reduction in defense support to Viet-Nam for FY 60 of 10 to 15 million dollars below 1959 level. For reasons outlined below I and other members of Country Team believe firmly that such drastic reduction at this time would adversely affect GVN morale and prospects of building up VN economy to make it more self-sufficient.

Perhaps this suggestion was based on misunderstanding of conversation I had with Under Sec Dillon in Baguio re VN military budget.² As Dept aware, we have advised GVN we do not anticipate contributing more than \$130 million in counterpart to military budget FY 60, which would be reduction almost \$15 million from contribution FY 59. We have also urged GVN in drawing up CY 60 military budget to make every effort reduce total to \$165 million, reduction of about \$10 million below CY 59. Reason for desire of cut this nature is to permit adequate supply counterpart for economic projects, brings slow but steady pressure on GVN to increase its own tax revenues, draw up adequate but tight military budget, and bring home to GVN need to allocate resources in realistic non-inflationary manner. These objectives could not be accomplished if defense support FY 60 cut by \$10 to \$15 million below 1959 level of \$177 million.

It is considered opinion of Country Team that reduction to \$162 of [or?] \$167 million would put us well below danger point. There is continuing requirement here for commercial import program to sustain civilian economy, provide foreign exchange for local private investment, and create piastres to cover military budget without inflation, while giving GVN reasonable time to establish necessary

¹Source: Department of State, Central Files, 751G.5-MSP/6-1259. Secret. Sent with instructions to pass to ICA and the Department of Defense.

²Apparent reference to a discussion at the Chiefs of Mission Conference, April 13-17, 1959, at which both Durbrow and Dillon were participants. No record of the Dillon-Durbrow conversation has been found.

administrative measures to increase tax revenues and permit economy to develop to point where gap in foreign payments will be greatly reduced. Because of continuing internal and external security needs, GVN has not yet been able adequately to develop resources to point where our aid can be substantially reduced without jeopardizing U.S. interests.

All our aid calculations presuppose reasonable assurance that certain urgent projects, such as electric power, railroad equipment, buses, and sugar and cement factories could be financed by DLF. Success of our operations in this country will depend on program which includes reasonable segment of DLF finance as well as ICA aid, and unless DLF is prepared to make tentative country allocation in substitution for cuts in defense support (rather than operating project by project), we doubt that this new instrument will be effective in furthering our political ends here. On other hand, while DLF-financed projects essential to raise productivity, and eventually exports and revenues, DLF loans cannot be substituted in next several years for ICA grants because of GVN's limited repayment capacity even in piastres. GVN must continue receive considerable ICA grant aid for some time if we are to accomplish our political aim here and eventually put GVN into position where it can cover larger part of import and budget needs.

While acutely conscious of need to husband US tax dollars, Country Team believes we court grave risks if we cut program too brutally. Investment hitherto made by US in Viet-Nam has to date been fully justified. We therefore counsel most careful consideration before decision is made to cut aid too deeply. Cutting commercial aid (and therefore counterpart fund) too deeply would not only risk commodity shortages and inflationary pressures, but might result in reduction of security forces required to meet what now appears to be systematic well planned commie terrorist and sabotage activities aimed primarily at prevailing economic and agricultural progress (Embtel 2525 to Dept³). Cut in project aid and other programs of development would go far to retard economic recovery and growth, discourage GVN by depriving it of present hope of eventual viability, and probably cause South Viet-Nam to fall behind the North in present competition.

Durbrow

³See footnote 4, Document 72.

80. **Memorandum From the Assistant to the Regional Director, Far East (Evans) to the Regional Director, Far East (O'Donnell) in the Office of the Assistant Secretary of Defense for International Security Affairs¹**

I-14407/9

Washington, June 16, 1959.

SUBJECT

TERM, MAAG and the ICC

Upon the departure of the undersigned, the last individual in either the Department of State or Defense who has been associated with the TERM-MAAG-ICC problem since its inception will have departed. In Viet-Nam the only individual is General Williams.

The Geneva Accords of July 1954 were signed by the North Vietnamese and the French. Neither the U.S. nor the South Vietnamese signed the Accords but each country has indicated unilaterally that it will abide by the general provisions. These Accords provide, amongst other things, that there will be no increase in the number of foreign troops in either North or South Viet-Nam and that foreign troops will be replaced on a unit-for-unit or man-for-man basis. Initially the U.S. interpreted this to mean that the MAAG could not increase its strength over a 342 ceiling, the strength at the time of the signing of the Accords.

It should be noted that at the time of the Geneva Accords, MAAG Viet-Nam (then known as MAAG Indo-China) was devoted almost exclusively to the logistical support of the French and Indo-Chinese forces and was not involved in training.

After the signing of the Accords, the French Army in Viet-Nam was withdrawn and a Vietnamese Army organized to take its place. For a period of several years, the French continued to handle all the training of the Vietnamese Navy and Air Force but began to work with the US-MAAG personnel in training of the Vietnamese Army. An organization known as TRIM was set up under the overall direction of the French in which both Americans and French participated and which was responsible for the training of the Vietnamese forces. The total TRIM-MAAG strength was 888. The undersigned was for a period the Executive Officer of TRIM. In the fall of 1955 due to the pressure of the Vietnamese, the French element in TRIM began to be reduced and in 1956 TRIM ceased to exist and the MAAG took over from the French the training of the Vietnamese Army.

¹Source: Washington National Records Center, RG 330, OSD/ISA Files: FRC 63 A 1672, 092 Vietnam. Secret. A note on the source text indicates O'Donnell saw this memorandum.

The assumption of this training responsibility by the MAAG caused a personnel crisis in relation to the 342 ceiling. As Secretary of State Dean Acheson² had made a direct commitment to Sir Anthony Eden that the U.S. would not exceed 342, some other expedient had to be found. It was necessary to find a way of getting additional personnel which would not cause an international incident through the activities of the International Control Commission.

The ICC is the operating agency resulting from the Geneva Accords and is made up of Polish, Canadian, and Indian personnel. It reports to the co-chairmen of the Geneva Accords, Great Britain and Russia. Its periodic reports state to what degree the North and South are complying with the Accords and could result in a reconvening of the powers that met and brought forth the Geneva Accords.

To resolve the MAAG problem of training, it was decided not to increase MAAG but to create a new organization known as the Temporary Equipment Recovery Mission (TERM). The undersigned was dispatched in January of 1956 to Washington to meet with State and Defense officials and try and get a total of 1,055 people for the MAAG operation. As a result of the conference between State and Defense, it was decided to set up TERM as a subterfuge to increase the strength of MAAG. TERM was established at 350, which added to the MAAG strength, gave a total of 692 as opposed to the 1,055 requested by General Williams.

The concept of TERM was that in the eyes of the public and other countries, it would be concerned with the out shipping of excesses in Indo-China left over from the war. This was already a mission of the MAAG so that, in effect, the MAAG was getting 350 additional people for the training of the Vietnamese Army. MAAG was reorganized so that the logistical portion of the MAAG became TERM and TERM was responsible for all logistics, including logistical training which was kept very quiet.

The ICC was informed of the presence of TERM but due to prior representations with the Indians and Canadians, the ICC did not oppose TERM. Secretary Dulles presumably discussed the matter with Nehru, and the Canadians were partially briefed. Unfortunately, the Indians were left with the impression that the cover mission was its actual mission.

²John Foster Dulles was Secretary of State at the time of the Geneva Conference on Indochina in 1954. On December 16, 1954, Dulles met with Eden in Paris. A telegraphed report of that conversation reads in part: "[Dulles] told Eden that U.S. had no intention of increasing MAAG beyond the level obtained when Geneva agreement was signed. This raised real problem with respect to training Vietnamese and would require continuing use of French military personnel. He also explained that certain U.S. administrative personnel would be replaced by training personnel, but we did not plan to go beyond the ceiling imposed by Geneva accord." (Secto 11 from Paris, December 17, 1954; for full text, see *Foreign Relations, 1952-1954*, vol. xiii, Part 2, p. 2385)

More recently the French have withdrawn from the training of both the Vietnamese Air Force and Navy creating a Saigon requirement for some 70 additional trainers for the Air Force and an estimated 25 for the Navy. This additional requirement could not be met by either increasing TERM or MAAG so a second subterfuge was adopted. It was determined that some 44 military personnel were performing services for the American community in Saigon, operating the post-exchange, the commissary, and communications services. Forty-four spaces were added to the Embassy roll which permitted increasing the actual MAAG strength by 44 people who could give training to the Navy and the Air Force. In reality, the strength of the MAAG thus reached 736.

As time went by, the ICC, under the prodding initially of the Poles and subsequently the Indians, started pressuring the Vietnamese to send TERM home. The Vietnamese maintained a monthly correspondence saying that TERM's mission was not yet completed but would be completed possibly in another 6 or 8 months.

Finally in the spring of 1959, the ICC submitted its report stating that TERM should cease operations as of 30 June 1959. . . .

General Williams, the Department of Defense and the Department of State have never been satisfied with the subterfuge of TERM and it has been an objective to incorporate TERM into MAAG as soon as the political climate would permit. To do this involves increasing the ceiling of MAAG from 342 to at least 736. Agreement to this action on the part of the Canadians and Indians would be necessary if the ICC were to be prevented from making a cause celebre of U.S. violation of the Geneva Accords.

Under the urging of Ambassador Durbrow and the Defense Department, the Department of State has actively pursued a policy of trying to get the Canadians to agree prior to approaching the Indians. . . . Pressure on the Canadians continues but the Indians have not yet been approached. State considers that the British have released us from the commitment mentioned above by Dean Acheson to Anthony Eden to hold to the 342 level for MAAG.

As of the present writing, the June 30 deadline approaches and a decision has not been made as to how to handle the ICC.

A possible solution follows. During July, the Vietnamese government can announce that the mission of TERM is gradually dwindling away and that the U.S. has decided not to replace the TERM personnel as their tours of duty expire. This will result in the virtual elimination of TERM over a one-year period. At the same time the U.S. can start increasing MAAG by replacing the departing TERM personnel by individuals assigned to MAAG. This would result in MAAG reaching a strength of 692 at the end of the year.

The ICC can be handled by pointing out to the Canadians that they can either accept the doctrine that the Geneva Accords do not bind us since we are not a signatory or that they can accept the theory that we are merely replacing French trainers by MAAG trainers and not increasing the foreign strength in Viet-Nam. It will be remembered that in the days of TRIM there were 888 trainers—French and American.

Assuming the Canadians . . . accept this doctrine, the Indians will be asked to do the same.

If the Indians fail to buy this idea, it will put the ICC in a two-to-one majority critical of the increase of MAAG, but if the Canadian member remains firm, he can so block the activities of the ICC in this respect so that over a period of several years a dilatory exchange of correspondence will continue.

This solution at least buys a year or two more time and possibly during that time the ICC can either be abolished or will wither away.

Robert F. Evans

Colonel, Infantry

81. Telegram From the Ambassador in Vietnam (Durbrow) to the Department of State¹

Saigon, June 24, 1959—7 p.m.

2724. For Parsons from Durbrow. Reference Embassy Telegram 2698.² Because of the delicate nature of following information, I am sending it to you personally for your background and such dissemination as you believe necessary.

Reftel states FYI that under current TERM and ARVN procedures TERM would require approximately thirty months to receive and dispose of remaining matériel. Actually only seven TERM personnel are working full time on salvage and disposal operations but much of remainder TERM personnel are occasionally involved on part-time basis in processing matériel at various military depots Vietnam. Thus it is obvious that by using all 350 team [TERM] personnel, bulk of job could in fact be wound up in about 12-15 months despite delays set forth numbered paragraphs reftel. (General Williams states this would be uneconomical use of that many people on TERM task alone.) Although we have told Brits and Canadians that

¹Source: Department of State, Central Files, 751G.5-MSP/6-2459. Secret; Limit Distribution.

²Dated June 21. (*Ibid.*, 751G.5-MSP/6-2159)

overt TERM tasks occupy "significant number" TERM personnel (Embtel 2524³) facts are exact opposite. Canadians and Brits may already realize actual situations and Indians probably very suspicious. We are, therefore, skating on very thin ice if we attempt continue maintain TERM cover much longer.

In view these facts and exhaustion all other arguments re term with ICC, I believe if ICC in forthcoming meeting June 27 permits one more extension life on TERM, it will be last can expect. We will be finally forced in next few months or year to find some other solution this problem. Only acceptable alternative seems to be all-out effort to increase MAAG ceiling. In order to get any increase above 342, we may even eventually be forced to agree in order to obtain Indian, Canadian, and British concurrence that over-all MAAG ceiling would be somewhat less than combined MAAG-TERM ceiling of 692. It seems to me it is better to be prepared, if we have to accept something less than 692 if the alternative might be only 342. (General Williams does not think we should abandon theoretical right to 888.) Seems to me merging of MAAG TERM would bring greater efficiency and permit some over-all reduction. We could, of course, refuse to comply with eventual firm ICC and British demand we liquidate TERM, but such drastic step would risk causing serious strains on our relations with British, Canadians, and Indians at time when much more vital matters require US maintain closest relations particularly with British and Canadians.

Durbrow

³Dated May 29. (*Ibid.*, 751G.5-MSP/5-2959)

82. **Despatch From the Ambassador in Vietnam (Durbrow) to the Department of State¹**

No. 1

Saigon, July 1, 1959.

REF

Embassy Despatch 440, June 30, 1959²

¹Source: Department of State, Central Files, 751G.5/7-159. Secret. Drafted by Andrew J. Fink, III, Second Secretary and political officer at the Embassy.

²In this despatch, the Embassy transmitted the impressions of Vice President Tho and his party of their trip through central Vietnam. (*Ibid.*, 851G.00/6-3059)

SUBJECT

Conversation Between President Ngo dinh Diem and Ambassador Durbrow Concerning Internal Security with Particular Reference to the Camau Peninsula

On June 25, the Ambassador had a one hour and 45 minute conversation with President Diem. About half of the time was devoted to discussing the internal security situation. Memorandum of Conversation is enclosed³ and may be summarized as follows:

President Diem said that he and the government, which in the past two years had concentrated on the high plateau area, now were concentrating their efforts on improving the situation in the Delta and he was certain that within a year the dissident elements would be eliminated. He, noting that he had recently made two extensive trips to the Camau Peninsula, commented that he had made a point of visiting some of the remotest areas which are supposed to be highly infiltrated by Viet Cong dissidents. He feared many of the isolated peasants in this area were easy prey to the Viet Cong dissidents who extracted tribute. He also had been impressed by the lack of means of communication and transportation. Diem stated that in order to increase the security of the peasants in this area and to help them increase productivity he had ordered military and civilian teams to assist in cleaning out and improving the canals, which he found in very poor condition, and in building roads. Noting that he had given instructions to step-up and improve the training and recruiting of the Civil Guard and SDC, Diem expressed the hope that these forces could be more helpful to the population who in turn would feel that they were well protected. Diem stated, however, that some of the isolated peasants would have to be moved and concentrated in villages where they could be better protected. Although he expected some opposition from the peasants, he was convinced that once in the villages they would realize the advantages they had gained. The President informed the Ambassador that he had, six months ago, instructed the Sûreté to set up a Central File on subversive elements and that file was proving quite efficacious. President Diem and the Ambassador also discussed means whereby more effective use could be made of National Assembly deputies in keeping the government better informed of the population's desires and needs.

In reply to the Ambassador's expression of pleasure that the President was carrying out plans to win over the population rather than relying solely on military and police methods, Diem stated he was convinced that it was essential to win the confidence of the people if the internal security problem was to be solved.

³Attached, but not printed.

President Diem gave the general impression that the situation was still serious, but that there had recently been a considerable improvement which he attributed to the success of GVN efforts conducted by both military and civilian agencies. Unlike the Secretary of Interior, Lam Le Trinh, and the Secretary of State for the Presidency, Nguyen Dinh Thuan, who had recently indicated to the Ambassador that the situation had improved markedly in the past few weeks, President Diem indicated that he realized that much remained to be done to rectify the situation. The President made it clear that in seeking to accomplish this goal he has decided to concentrate not only on the use of force but also by other means designed to promote the welfare of the population.

Comment:

President Diem's sober comments are particularly interesting in view of the more optimistic remarks of Trinh and Thuan noted above, and similarly statements recently made by GVN officials traveling in Europe (see Despatch 443, June 30, 1959⁴) indicating there has been a marked improvement in the internal security situation. Ngo dinh Nhu, the President's brother and political advisor, is apparently even more pessimistic than the President, since he was recently reported by a reliable source to have stated that the situation is serious, and Viet-Nam is faced "with what amounts to a full-scale war". . . . Information available to US agencies corroborates the President's more moderate view that, while there has recently been some improvement, much remains to be done. Viet Cong terrorism declined somewhat during April and May. Presently available, though incomplete, statistics for June indicate a continuation of this downward trend, similar to that experienced last year. It is believed that this decrease in terrorism is partly due to strong GVN countermeasures instituted in recent months. It is not unlikely, however, that the Viet Cong, exercising their well known tactical flexibility, may have decided that now is the time to lie low, particularly in those areas where Viet Cong is under strong attack. As the Embassy has noted previously, while the extent of terrorism is often used as a barometer with regard to the internal security situation, terrorism presents only one of many tactical weapons in the Viet Cong bag of tricks, and only one factor in assessing the over-all security picture. This is perhaps best exemplified by the situation in the high plateau where there has been little overt terrorism, despite the fact the Viet Cong is actively engaged in infiltration and propaganda activities particularly among the Montagnards. Although GVN countermeasures are believed to be increasingly successful in reducing Viet Cong

⁴Not printed. (Department of State, Central Files, 751G.00/8-3159)

terrorism, US agencies have no reason to believe that the Viet Cong potential for future troublemaking has been eliminated.

Several of the President's proposals call for further comment. There are indications that President Diem's proposal to re-group isolated peasants in villages may meet with opposition, not only on the part of those to be relocated, but also on the part of local officials who would be called on to implement this program. . . . The President's proposal to improve and build canals may refer: 1) to the dredging and construction operations currently being undertaken by the GVN in the Camau Peninsula; 2) to a new and more extensive program for which American aid may later be required; or 3) merely to local efforts to clear out and improve some of the existing canals which have been allowed to become overgrown with underbrush and trees since the war years. Any new program of canal construction would presumably require a prior study in order to ascertain the effect on the water table of the Camau Peninsula. USOM believes the canal problem in this area is complicated, and has decided to inaugurate a careful study, beginning in July, which will cover the Mekong delta, a triangular between Saigon, Long Xuyen and the Camau Peninsula, before deciding on recommendations for any major US aid program of canal rehabilitation. It should be noted in connection with the President's proposal to construct jeepable roads, that in many areas of the Camau Peninsula which are marshy, roads would have to be built up above the surrounding marsh. As indicated by the President, the Sûreté does maintain a "Central File" in Saigon. According to USOM . . . , this file does not constitute a central repository of information on dissident elements due to the reluctance of other security agencies and provincial authorities to submit information. Its usefulness is believed to be further limited by the lack of adequate evaluation and correlation of information received.

There is every reason to believe that the GVN, as evidenced by the President's remarks, remains seriously concerned over the internal security situation, particularly during the pre-election period. This concern is indicated not only by the actions cited by the President, but also by the following recent developments: implementation of the legislation providing for Special Military Tribunals and indications that such tribunals will apply justice strictly and swiftly (see Despatch 441 of June 30, 1959⁵); the reported presence of about 30 battalions of ARVN forces which are engaged in operations scheduled to continue to the end of August, presumably until after the election campaign; the recent assignment of ARVN officers to the "Jungle Warfare School" at Johore, Malaya. Whether GVN efforts will be sufficient to eliminate the internal security problem in the

⁵Not printed. (*Ibid.*, 751G.5/6-3059)

delta within a year, as predicted by the President, remains to be seen. The President, in emphasizing the need to combine vigorous use of force against the Viet Cong with efforts to improve the lot of the peasants in order to obtain their support, has expressed a view remarkably close to the reported opinions of Ngo dinh Can, his brother and Political boss of Central Viet-Nam. . . . It should be noted that the President, while citing various factors relating to the security situation, did not mention the serious problems presented by the Viet Cong and dissident use of Cambodian territory as a "privileged sanctuary". The solution of this problem appears to be a necessary prerequisite to elimination of the internal security problem in the Delta area.

For the Ambassador:
Chalmers B. Wood
Second Secretary of Embassy

83. Telegram From the Secretary of State to the Embassy in Vietnam¹

Washington, July 7, 1959—10:45 p.m.

28. Joint State-Defense-ICA- . . . Message. Saigon's 2525 May 29, repeated other addressees July 7.²

1. Requests by President and Vice President for advice and suggestion for dealing with increased guerrilla activities South Viet-Nam including growing sabotage US-financed equipment being given urgent and intensive study by US agencies concerned. At your discretion you may inform appropriate GVN officials following measures taken:

a. Order issued authorizing subject GVN concurrence provision MAAG advisers down to and including infantry regimental level and artillery, armored and separate marine battalion level. These advisers at field headquarters of Vietnamese units indicated authorized furnish advice on preparation daily plans and render on-the-spot advice based on situation existing at time. This would include tactical as well as logistical advice. MAAG advisers must however confine their activities to advisory functions and are directed not to participate directly in combat operations or accompany units on anti-guerrilla op-

¹Source: Department of State, Central Files, 751G.5/5-2959. Secret. Drafted by Mendenhall with clearances from SEA, FE, and in draft from Defense and ICA approved by Parsons. Sent also to CINCPAC and repeated to Manila, Kuala Lumpur, and Singapore.

²See footnote 4, Document 72.

erations in areas immediately adjacent to national boundaries. (CINCPAC letter May 25 to CHMAAG Saigon.³)

b. ICA has detailed Melville M. Fruit to Saigon for 90 days to initiate new Civil Guard program pending arrival Frank Walton as Chief USOM Public Safety Division. Walton expected arrive early August. Fruit formerly in charge ICA public safety program in Indonesia where Mobile Brigade was established as efficient part of civil police force. While program for re-equipping and re-training Civil Guard can be expected yield results only over longer term, Fruit prepared assess need for any specific police technicians in dealing with current character internal security problem and initiate recruitment process if not now available in Saigon.

2. Defense is considering detailing U.S. Army Special Forces teams to MAAG Viet-Nam to act as advisers on anti-guerrilla tactics. Request Country Team views this suggestion. If affirmative, request estimated size and number of teams required. Also desire Country Team recommendations as to methods if any of introducing teams into Viet-Nam without affecting MAAG ceiling or whether priority of this mission justifies allocating team spaces within present MAAG ceiling.⁴

3. We glad GVN has sent 10 army officers to attend British jungle warfare school in Johore in view conspicuous Malayan success in handling terrorist problem (Weekas 26 and 27⁵) Did Fruit stopover Philippines en route Saigon to investigate possibilities for training Vietnamese with Filipino constabulary indicate this might be useful means for assisting GVN in dealing with guerrilla problem?⁶

4. In addition above which deals with armed forces and police actions for coping with guerrilla problem, believe it necessary for US agencies try obtain further information about nature internal security situation to determine whether political, economic and psychological

³Document 74.

⁴In telegram 212 from Saigon, July 24, the Country Team responded:

"3. Re paragraph 2, Deptel 28. A three to five man special forces team, fluent in French or Vietnamese to train selected groups in anti-guerrilla/psychological war techniques can be utilized early 1960 by Civil Guard project. Suggest team be introduced into Viet-Nam as civilian members of USOM/PSD project with responsibility to USOM. MAAG concurs." (Department of State, Central Files, 751G.5/7-2459)

⁵Weeka 26, telegram 2756 from Saigon, June 27. (*Ibid.*, 751G.00(W)/6-2759) Weeka 27 is not filed with the Weeka series and has not been found.

⁶In telegram 212 from Saigon, the Country Team reported as follows on Fruit's stopover in Manila:

"1. Fruit's stopover Manila indicates results may be obtained on long-range basis by training Civil Guard personnel with PC/PAF organizations. USOM/Manila estimates January 1960 earliest possible date class can be accommodated. Probably March-April. Director Civil Guard and Minister Interior desire training in ranger-type activity and psychological war techniques. Also agreeable to specialized anti-guerrilla training in Malaya and Korea. Emphasize these are long-range programs since Civil Guard cadres must first be selected then given language training and other indoctrination in Viet-Nam."

measures necessary as well. If terrorists and saboteurs being brought in singly or in small teams as strangers to target areas, security actions may be sufficient to expose and destroy them. On other hand, if these acts perpetrated by locally established Viet Cong organizations which require support local population, then further measures needed to secure cooperation of local people with GVN authorities. Unclear in Washington which method of mounting terrorist acts prevails.⁷ As related factor Saigon's 2345⁸ and 2408⁹ indicate no conclusive information available regarding rumored peasant dissatisfaction GVN. Suggest Embassy consider advisability assigning Vietnamese language officer responsibility for extensive traveling in provinces of greatest insecurity in southern Viet-Nam for purpose obtaining better picture of above factors. We recognize sensitivity this matter to GVN, but concern over sabotage US-financed equipment might provide appropriate handle for such US action.

Herter

⁷The Embassy responded in telegram 212 as follows:

"4. Re paragraph 4, Deptel 28. Information available here indicates terrorism and sabotage not restricted to one origin but consist of both types mentioned. Viet-Cong has underground and covert [garble], with certain amount of support from local population either willingly or through coercion, and in addition has bases in jungle from which individuals and teams operate. Country Team and government itself well aware importance political, economic, and psychological measures in addition to military and police action, as shown in Ambassador's talks with President June 25 (Embassy despatch 1 [Document 82]). Progress along these lines is of course subject to available resources and effectiveness of cadres. Country Team continuing press importance this subject, as well as our efforts to get most accurate view possible of real situation, both through direct reporting by Vietnamese-speaking Embassy officers Coming electoral period, incidentally, should provide an excellent test of the real situation."

⁸In telegram 2345, May 6, the Embassy reported in general on the internal security situation in Vietnam and noted that it was unable to confirm Diem's assertion that the situation was worse than any time since 1955. The Embassy specifically reported on peasant discontent as follows:

"Rumored peasant dissatisfaction and discontent in south. Part of this apparently based on resentment against new provincial officials who come from central Vietnam, are followers of President's brother Can, and fail understand mentality or problems southerners. Embassy recently received information indicating difference of opinion within GVN between those who advocate placing more emphasis on winning over peasants by taking positive steps assist them, taking into consideration psychological factors involved, and those who would primarily rely on armed forces to suppress dissident activities these areas. Indications are that latter view at present winning out." (Department of State, Central Files, 751G.5/5-659)

⁹Document 72.

84. Editorial Note

At approximately 7 p.m. local time on July 8, the United States 7th Infantry Advisory Detachment at Bien Hoa was attacked by the Viet Cong. The American advisers were in their mess hall watching a movie when they were assaulted by a force estimated to consist of five to ten guerrillas armed with small arms and home-made bombs. Five men were killed in the attack—two American advisers, one Vietnamese mess attendant, one Army of the Republic of Vietnam guard, and one Viet Cong. An additional American adviser was wounded. (Telegram MAGAC-PO6598, CHMAAG Vietnam to the Department of the Army, July 8, and telegram 76 from Saigon, July 9; Department of State, Central Files, 751J.5-MSP/7-859 and 751G.5-MSP/7-959)

A short account of this attack was included in the synopsis of State and Intelligence material prepared by John S.D. Eisenhower for the President, July 9-10. John Eisenhower noted: "This type of outbreak is the thing which Diem has been constantly warning about." (Eisenhower Library, Whitman File, Eisenhower Diaries)

 85. Despatch From the Chargé in Vietnam (Elting) to the Department of State¹

No. 40

Saigon, July 30, 1959.

SUBJECT

Can Lao Party Activities Discussed with President's Brother Ngo dinh Nhu

On July 23 Ambassador Durbrow succeeded in bringing out many of the rumors and allegations of illegal business activities by the Can Lao Party in the course of a frank discussion with President Diem's brother and political advisor Ngo Dinh Nhu. The Ambassador used the Colegrove articles² as a pretext to open up the subject

¹Source: Department of State, Central Files, 751G.00/7-3059. Secret; Limited Distribution.

²These articles were a six-part series, written by Albert M. Colegrove, which appeared in the Scripps-Howard newspapers July 20-25. Colegrove was in Vietnam from June 16 to about July 5; his articles based on his stay there were extremely critical of the American aid program, the American officials who administered it, and the corruption and authoritarianism which permeated the Diem government. Extensive rebuttals and reports of investigations of how and from whom Colegrove obtained his information are contained in telegrams sent from Saigon during the last half of July. They are in Department of State, Central Files, 751G.5-MSP for that period.

of the Can Lao. Heretofore the Embassy had had no legitimate reason to bring up the Party's activities except in connection with the under-invoicing of cassia.

Mr. Nhu was remarkably frank in discussing the question and gave the Ambassador a plausible story. (See Memorandum of Conversation enclosed)

Comment:

In the absence of a great deal more information it is impossible to evaluate Mr. Nhu's explanation. However, on the basis of the information we do have the Embassy is inclined to accept his statements as explaining in part the general motivations of the Party since many of the business activities in question are undoubtedly "illegal" by normal business standards. On the other hand, the opportunism of the Party, if practiced mainly for the good of the country, could well prove to have been the best course. Thus the only way to judge the Party's activities is to watch their development and remain continuously alert to any indications of serious diversions of funds into *personal* holdings. At this stage in Viet-Nam's development illegal practices must be judged by their degree and extent, with frequent backward glances at the state of affairs pre-Diem, in order to keep from being distracted by our own moral judgments .

Howard Elting, Jr.

Enclosure

Memorandum of a Conversation Between the President of Vietnam's Adviser (Nhu) and the Ambassador in Vietnam (Durbrow), Saigon, July 23, 1959

I opened the conversation by referring to the Colegrove articles, about which Nhu had heard but as yet not in detail. I described in general the tenor of the articles, stating that most of the accusations are fantastic and some of the statements do not involve United States aid but alleged irregularities in the GVN. I added as is always the case in such matters there is a grain of truth to many things Colegrove wrote about, although most are twisted out of context. I told Nhu I recalled certain passages which involved the GVN, himself, his wife and the President, as well as other GVN officials. I stated, for instance, that Colegrove alleged that at considerable expense to the United States a radio room was built in one of the bedrooms of the Palace, so that the President could broadcast to the nation, but that it had never been used and was now his (Mr. Nhu's) office. He made

no comment. I then stated that Colegrove had alleged that a certain Major Cuu, who until two or three years ago was the head of Radio Viet-Nam, had absconded with a considerable amount of funds which Colegrove indicated were United States aid funds. I described in a few words the allegations about the taxi dancers hired by Mr. Cuu as entertainers and announcers for Radio Viet-Nam. I stated that based on my investigations it appeared that Mr. Colegrove, although he had not so stated in his articles, had considerable alleged information about the "illegal" business activities of the Can Lao Party. I added that unfortunately for a long time there were many reports and rumors dealing with this same subject which, whether true or not, would cause a considerable loss of prestige to the GVN if they should be published. I continued by stating that these rumors alleged that no one could start a business here, foreigners or Vietnamese, unless they paid considerable sums to the Can Lao Party. In other cases it is contended that if someone tries to start a business here the Party tries to take over control. I then referred to the cassia shipments to the United States and outlined in some detail the bad impression that under-invoicing had caused in official circles in the United States. I added that unfortunately a large number of businessmen here and in the States were cognizant of this under-invoicing, and I pointed out that one of the principal concerns on the part of the United States officials was that apparently the extra profits gained from the under-invoicing, as well as the regular profits, did not revert to the benefit of the Vietnamese national economy as a whole. On the other hand, it appeared that all the money earned from these actions went to individuals.

Nhu took up from there and talked for over half an hour to explain why the Party, with the government's concurrence, had been given special benefits to engage in the export of cassia. This was done solely for the purpose of building up this trade and inducing people to take the risks involved, both physical and financial, in order to re-establish the Vietnamese cassia industry. He pointed out that the cassia trees were located in the high mountain area, in Central Viet-Nam, where the Montagnards have been infiltrated by the Viet-Cong. Therefore the collection of cassia bark is very dangerous and the harvesters of cassia ran considerable physical risks in entering the area. Furthermore, since once the cassia bark has been taken off, the tree dies, it was essential to leave enough profit to the entrepreneurs to permit them to carry out the government's orders that for each cassia tree stripped at least one other tree must be planted. He stated that for the reasons given it was essential to give special inducements during the early stages of the development of the industry, but now that the industry was going it was no longer necessary to use such inducement to entrepreneurs to get them to enter

this trade. He volunteered that the cassia trade had been given exclusively to the Can Lao Party and added that because they were a dedicated nationalistic group they were willing to take the physical and financial risks involved, while private entrepreneurs would not have been willing to take these risks. Nhu then went into a long explanation of how profits from the "commercial section of the Can Lao Party" were used. He said, for instance, if the Party had not been able to make considerable profits from the cassia trade and other commercial ventures which were quite profitable, it would not have been possible to get and maintain the Yugoslav-built coast wise steamers particularly needed in Viet-Nam. Not only did these steamers cost a considerable amount of money, but it was necessary during the initial stages of their operations here to pay dollar salaries to the foreign crews operating the boats.

He then explained that unfortunately in newly-developed countries the people did not understand the long-range advantages of setting up profitable industries. He stated that the people in these countries have not been permitted to have any business or managerial training and were only familiar with quick turn-over operations such as buying land, building houses and selling them quickly at a profit. It was for these reasons that the government has to take the lead in establishing industries and profitable trades by investing money in such enterprises. Since the government does not have too much capital, it had to turn to the small but dedicated group of the Can Lao Party and the members of the NRM, who are willing to take the risks and make the sacrifices to help build up industry. Since there is very little free capital in the country, the government is forced to grant privileges to the Can Lao Party and the NRM members to make fairly high profits initially in order to get the necessary capital to invest in the new enterprises. Nhu claimed that now that it is becoming well-known in Viet-Nam one can invest in profitable enterprises through the NRM, more people are joining the Party, even those from the opposition. Nhu said that this was an encouraging fact and he added that even many newly-naturalized Chinese are joining the Party in order to be in a position to invest in Party-sponsored enterprises. He added that while the government naturally hoped for some foreign investment, their principal concern was to develop a Vietnamese entrepreneur class who would understand the intricacies of capital formation and help to build up the industrial economy of the country. He reiterated, as he has in the past, that in those enterprises in which the government has invested fifty-one percent or more they would, in the not too distant future, sell their shares to the public once the public became aware that through such investment they could have steady long-term incomes. In regard to the Party shares, he contended that more and more of the capital for

Party enterprises was coming from individuals and therefore automatically these enterprises would be non-government. He stated that in newly-developed countries it is essential to develop as large a base as possible of dedicated individuals who are willing to work for and with the government in order to build up a solid economy for the future. He pointed out that there are many Vietnamese engineers, other professionals and technicians who work for comparatively low salaries for the government when they could earn twice as much or more by working for Shell, Stanvac or other private concerns. While the government hopes to raise the salaries of these people as soon as successful enterprises are making sufficient profits, the government had to count on the pecuniary sacrifices of these devoted persons in order to make progress in the economic field.

I told Nhu that his explanation of the commercial operation of the Party was very interesting, and I hoped that they would be helpful in building up the country. I added, however, that unfortunately for a long time we had been receiving reports that gave quite a different picture of the Party operations. I reiterated that we had heard—and foreign correspondents had heard many reports—true or not, that the Party was trying to monopolize all business and industry in the country. I pointed out that if this impression persists it would be impossible to attract any foreign capital to Viet-Nam and the good reputation already enjoyed by the GVN as a government trying to gain its economic independence as soon as possible with American aid would be lost, and not only would Congress question the advisability of giving additional aid to Viet-Nam but any prospective investors would bypass Viet-Nam.

Nhu replied that these reports were put out primarily by the Dai Viet opposition, the Communists and other opposition elements. According to Nhu, the Dai Viet and other opposition parties except the Communists are not parties in any sense of the word. They are composed of a few score of disgruntled persons who have no appeal to the people, have no backing among the population and who believe by unobjective criticism of the government they can gain sympathy primarily from foreign sources—French, American or others. Nhu is convinced that correspondents such as Colegrove and others are sought out by the Dai Viet, Communists and other opposition elements and fed erroneous information in the hope that they can gain prestige and publicity from these sources and perhaps eventually gain enough backing to overthrow the regime and take control.

He then outlined how he had operated himself under the Bao Dai regime to set up his party, together with its newspaper, which although in opposition to the government was never suppressed. He claimed that he was most careful not to criticize the entire regime but to make only objective criticisms when the government deserved it

and to praise them when they were doing something constructive for the country. Nhu claimed he had recently called in opposition leaders and advised them to operate in the same way. He pointed out that the Communists had learned this trick in which they never criticized an entire government or an entire people but picked and chose among the leaders who are subject to critical propaganda blasts and praised others in the government who allegedly do not see eye to eye with the "misguided" leaders.

86. Memorandum From the Assistant Secretary of State for Far Eastern Affairs (Parsons) to the Secretary of State¹

Washington, August 6, 1959.

SUBJECT

Congressional Hearings on Aid Program in Viet-Nam

A six-part series of articles by a reporter named Albert M. Colegrove, which ran in the Scripps-Howard newspapers from July 20–25, assailed the United States aid program in Viet-Nam and criticized various other U.S. activities there. On July 20 Senator Fulbright wrote to Mr. Riddleberger requesting the latter's comments on these articles and his opinion as to the advisability of "scheduling a public hearing." Senator Mansfield wrote to Acting Secretary Dillon on the same day and suggested that we "make necessary preparations for a full airing of this entire situation."² In view of the importance of these letters calling our attention to articles labeling one of the best United States aid programs a "fiasco" and "hidden scandal" at a time when Congress is considering mutual security appropriations legislation, it was decided to recall Ambassador Durbrow and USOM Di-

¹Source: Department of State, FE Files: Lot 61 D 6, Colegrove Articles. Confidential.

²Neither letter has been found. According to notes of a telephone conversation between Dillon and Riddleberger, 4:45 p.m., July 21, the two men discussed the Mansfield letter to Riddleberger as follows

"Mr. R. said they had a letter from Fulbright with which he sent the text of five articles on Vietnam. Fulbright wants an answer this afternoon on our reactions. Mr. R. said he had prepared a reply, which presents a more balanced picture. Mr. D. said he thought Fulbright was trying to be helpful. Mr. R. said in addition they prepared something for the White House, which is a planted question whereby the President will try to put some balance back into this. Mr. Dillon said he ought to get some facts and figures together quickly before he goes up on people being paid too much. Mr. R. said he talked to L. Henderson the other day about it." (*Ibid.*, Secretary's Memoranda of Conversation: Lot 64 D 199) Loy Henderson was Deputy Under Secretary of State for Administration.

rector Arthur Z. Gardiner from Viet-Nam to appear at hearings to be conducted by the Mansfield Subcommittee on State Department Organization and Public Affairs of the Senate Foreign Relations Committee. Defense also recalled Lieutenant General Samuel T. Williams, Chief of MAAG, Viet-Nam, and all three appeared at well-attended Senate hearings on July 30 and 31.³ The Saigon Country Team performed creditably in discrediting many of Colegrove's specific allegations of waste and malfeasance, but several Senators, including Mansfield, Morse and Lausche, appeared inclined to expand the scope of the hearings to include all United States operations in Viet-Nam and possibly certain aspects of United States aid programs globally.

Colegrove testified alone on July 30 and briefly on July 31 and added several minor points he had not covered in his articles. It is noteworthy that, despite Colegrove's heavy criticism, he conceded in his articles that South Viet-Nam had, in fact, been rescued from Communism and our economic aid program had been generally successful. He indicated that his principal concerns are the mismanagement of funds and the "lush living" of Americans in Viet-Nam.

The Zablocki Subcommittee on Far East and Pacific of the House Foreign Affairs Committee heard testimony from Assistant Secretary Parsons and Dr. Raymond Moyer, Director of ICA Far Eastern Affairs, on the Viet-Nam program on July 27. On August 3 the Saigon Country Team also testified in an executive session in the morning, an open hearing in the afternoon, and a brief "off-the-record" meeting later in the day. Representative Zablocki's Committee has been markedly friendly throughout this exercise (Zablocki, in fact, had labelled the articles "irresponsible journalism" in a speech on the House floor on July 29) and seemed quite satisfied with the Country Team's replies to detailed questions on most of the irregularities alleged by Colegrove.

The Mansfield Subcommittee decided on August 4 to hold an executive session on August 7⁴ at which Colegrove and other witnesses, but not the Country Team, will testify. We have no firm indications as to the circumstances and timing of future hearings. General Williams will not be asked to testify further. Representative Zablocki would also like to continue hearings, although he has given no indication as to when a decision will be made as to dates and subjects to be covered.

³See "Situation in Vietnam," *Hearings Before the Subcommittee on State Department Operations and Public Affairs of the Committee on Foreign Relations, U.S. Senate* (86th Cong., 1st sess.), July 30 and 31, 1959 (Washington: Government Printing Office, 1959).

⁴See Minutes, August 7, 1959, *Executive Sessions of the Senate Foreign Relations Committee (Historical Series)*, vol. XI, 86th Cong. 1st sess., 1959 (Washington: Government Printing Office, March 1982), p. 803.

Although on-the-spot investigations have been mentioned by the Senate, it is not known whether the Mansfield Subcommittee has decided to pursue them.

87. **Telegram From the Ambassador in Vietnam (Durbrow) to the Department of State¹**

Saigon, August 28, 1959—midnight.

655. Several weeks ago it appeared GVN, having assured itself that VC and VC sympathizers not candidates, prepared permit election number true independents. . . . sources reported Pres Diem, in order prevent criticism detrimental GVN prestige, insisting only legal methods be used support GVN sponsored candidates (both NRM and nominal independents). Embassy . . . info since second posting list of candidates August 15 shows trend which indicates GVN now apparently determined ensure 100 per cent support in next Assembly by hand picking candidates with possible exception two or three independents. GVN reportedly using following methods: Deletion of names from list of candidates on grounds failure comply registration requirements and other violations election law, threats, intimidation by arrest of campaign workers and use strong arm tactics to break up campaign meetings. Number candidates dropped from 625 at first posting to 460 at second, now stands at about 400 and continuing to drop. Several candidates whose names deleted have protested.

In past week number candidates have been convicted violation of election law on technicalities on basis charges by their opponents. This appears represent not only GVN action but certain amount infighting among candidates. For example, few NRM candidates, notably opponent of leading oppositionist Dr. Phan Quang Dan, also convicted and deleted. Dan and his main collaborator Hoang Co Thuy likewise convicted on similar charges and deleted Aug 28.

GVN tactics differ in central VN where Ngo Dinh Can has maintained tighter control and election party candidates assured. Here Caf [*Can?*] apparently feels secure enough to permit any candidate passing tests of anti-Commie background and loyalty regime to run. In south, however, NRM leadership under Ngo Dinh Nhu, apparently alarmed over active campaign opposition elements, which though few in number have been very vocal, with result NRM be-

¹Source: Department of State, Central Files, 751G.00/8-2859. Confidential; Noform. Repeated for information to CINCPAC PolAd.

lied opposing not only election opposition candidates but even forcing certain pro-GVN candidates withdraw in favor hand picked party men. While in certain areas latter tactic may be designed prevent splitting NRM vote, it is likely that Nhu wing of NRM in present temper desires preserve monolithic structure of party and concerned over possible growth factionalism especially among more liberal elements within party. In this connection candidates supported by Sec Agriculture Le Van Dong appear particularly hard hit by these tactics. Also certain NRM candidates perhaps sacrificed in effort win public acceptance of party activity.

GVN concern over threat presented by Lao developments may also play role GVN motivation. In any case conduct of campaign shows no progress towards liberalization regime.

Although difficult evaluate possible popular reaction to complete GVN domination next assembly, there several factors to consider. In provinces, where population largely concerned over security and ability GVN enable them carry out daily activities not with questions democratic principles, authorities should have no difficulty piling up large majorities for gov't candidates. In Saigon, however, there exists large number intellectuals who while basically pro-regime have long looked for some liberalization. For this group Dr. Dan has become symbol, not necessarily because they support him but because his campaign is test of GVN willingness permit measure of criticism and freedom. This group expected be embittered by present GVN tactics and their criticism of regime likely increase.

Moreover increasingly obvious GVN manipulation of elections will be picked up by foreign correspondents to detriment GVN prestige and feed Hanoi propaganda. This connection Australian Newsmen John Williams, correspondent for *London Daily Mirror*, *Melbourne Herald Sun* and *Sydney Daily News* has been accompanying Dr. Dan during campaign and already filed story reportedly along line elections not democratic by Western standards. Further, according FBIS, Radio Hanoi Aug 24 reported DRV made protest ICC that "Dien machinations for illegal parliamentary elections" constitute gross violation Geneva Agreements and referred elections "under conditions terror and fraudulent methods to set up 'National Assembly' without any representative character." Aug 25 Radio Hanoi highlighted number candidates deleted from lists, noted several lodged complaints against being "arbitrarily ousted from elections" and refer elections as farce and betrayal country and people.

Elections SVN, with possible exception Saigon area, not electoral contests in our sense as much as opportunity GVN propagandize achievements of regime among people and engage large anti-VC propaganda exercise. Nevertheless is regrettable GVN is passing up

chance provide safety valve by allowing free campaigning opposition and some increase number true independents elected.

Durbrow

88. **Telegram From the Ambassador in Vietnam (Durbrow) to the Department of State¹**

Saigon, August 31, 1959.

679. Ref: Embtel 655.² Joint Embassy-USIS message. Based on nearly complete returns, appears about 90 percent participation eligible voters August 30 elections. Of 98 seats tallied thus far, NRM has won 61 and several GVN-supported independents also elected. Included among victors are Mr. and Mrs. Ngo Dinh Nhu; President, 2nd Vice-President and Secretary-General National Assembly and principal NRM leaders.

However in 6 of 9 Saigon districts GVN-supported candidates lost in surprise upsets. Dr. Dan,³ running against 13 candidates, won by absolute majority. Most notable NRM loser Ngo Trong Hieu former GVN rep Cambodia. In provinces present tally shows five victories independents over GVN-supported candidates including one in CVN. Evidence indicates actual voting carried out minimum GVN direct interference. NRM losses Saigon apparently attributable protest vote against NRM machinations.

In final 48 hours of campaign apparent change in GVN policy reversed trend noted reftel. . . . source reported Pres at last minute concerned over possible international reaction NRM machinations. On August 29 decision announced that those convicted violation election law would be permitted run despite earlier understanding they would be eliminated. Question now arises as to status at least three victors who previously convicted of election law violations, since election law calls for voiding contests where victors convicted certain violations that law. GVN presumably considering action to be taken those cases and some by-elections may be held.

Press carrying names winners and number votes received. No editorials yet. Tallies also being posted currently on big electoral board in public square Saigon.

¹Source: Department of State, Central Files, 751G.00/8-3159. Confidential; Priority. Repeated for information to CINCPAC.

²*Supra.*

³Phan Quang Dan.

Size vote—which especially large in provinces—not only indicates success GVN education, propaganda program, but perhaps more importantly, shows failure VC effort convince people not to vote. No incidents reported.

Obvious GVN will retain overwhelming control National Assembly. However, we believe election some non-GVN supported candidates should produce favorable reaction international press and may reduce criticisms regime by Saigon intellectuals who to end expected GVN give coup de grace to independent candidates. These beneficial results may be tempered by subsequent GVN court or other action against victorious independents.

VOA, IPS coverage should be straight and avoid (1) reference to GVN support some independents and (2) characterization independents as opposition.

Durbrow

89. **Telegram From the Ambassador in Vietnam (Durbrow) to the Department of State¹**

Saigon, September 2, 1959—5 p.m.

698. Reference: Saigon 679.² Complete provisional returns Aug 30 elections show following breakdown successful candidates: NRM 78; Socialist 4; Social Democrats 3; VN Restoration Party 2; independents 36 (of which 3 received labor support). Winners include 9 women. Of 73 former deputies running 50 reelected (40 NRM).

Continuing Embassy— . . . reassessment of 14 “independents” who it seemed had defeated GVN-supported candidates reveals following: 5 won in districts where GVN in fact took neutral stance and they not considered genuine independents; 3 were acceptable alternatives but had to fight to defeat their GVN-supported opponents (these can be considered more or less independent); 4 (all in Saigon) won against active GVN opposition (two of these; Phan Quang Dan and Phan Khac Suu, considered oppositionist; other two, Tran Sanh Buu, Tran Van Ngan considered real independents); remaining 2 winners, one in CVN, not known and GVN attitude their candidacies

¹Source: Department of State, Central Files, 751G.00/9-259. Repeated for information to Bangkok, Vientiane, Phnom Penh, Hue, and CINCPAC PolAd.

²*Supra.*

not yet ascertained. Summary: GVN supporters 114; opposition 2; independents 5; unknown 2. Complete tabulation by pouch.³

During call on Diem Sept 1 with Steeves, I took following line re election results: congratulated him on outcome both because of handsome majority obtained by govt in Assembly and because election some independents demonstrates to world that voting conducted freely. Noted that latter fact would enhance Viet-Nam's international reputation, help counter allegations in some press circles abroad about authoritarianism GVN, and should assuage some of criticism expressed by Vietnamese intellectuals. Stressed particularly excellent propaganda value of election results vis-à-vis Communists in north where elections not held to date and if held will not be free. Said this propaganda advantage would be hard for Communists to overcome.

Diem appeared delighted with results himself. Boasted many intellectuals elected (engineers, doctors, pharmacists, two women with U.S. degrees), added Assembly will have more people with degrees than any other parliamentary body in southeast Asia. Stated intellectuals sulked during elections three years ago and afraid then take sides because of sect problem. In view present stability of govt now willing participate governmental affairs. We urged him put out full analysis composition new Assembly through Embassy outlets abroad, and reiterated favorable propaganda effect vis-à-vis north as well as in free world countries. I made no specific mention Dan to Diem, but my general line designed get across impression would be politically wiser not eliminate candidates because of election law violations. Diem gave no hint govt would prevent cheating. He said one of three

³In despatch 116 from Saigon, October 9, the Embassy provided the following summary evaluation of the election:

"Only in Saigon did the vote represent an election in the Western sense of the word. In the provinces, the campaign was not a political activity but an educational one. This educational process was limited to teaching the peasant the basic fundamentals of how to cast a ballot. The balloting itself went off without large scale direct interference on the part of the government. Nonetheless, with the exception of Saigon, the elections were characterized by almost complete government control.

"In analyzing the significance of the elections the following factors must be considered: 1) the very fact that elections were held in South Viet-Nam contrasts with the fact that in North Viet-Nam elections have not been held to date; 2) the high percentage of voter participation indicates the failure of the Viet Cong's tactics of threats and propaganda designed to dissuade the voters from casting their ballots; 3) the election of some independents and the freedom permitted the press could be expected to somewhat assuage intellectual discontent, to enhance GVN international prestige and to provide a further propaganda advantage vis-à-vis the North; 4) the expected refusal of the GVN to seat those convicted of violating the election law, particularly Phan Quang Dan, will limit to a considerable extent the advantages set forth in 3) above; 5) the GVN's position is that the refusal to seat Dan and Tran is based on law and precedent; and 6) the election of other independents may represent a gain in representative government. (End Summary)" (Department of State, Central Files, 751G.00/10-959)

labor-supported victors may be crypto-Communist, but did not even seem particularly worried about this.

I also told Diem we struck by absence Communist incidents election day and fact voter participation about 85 percent despite Viet Cong efforts to convince people not to vote. He immediately replied one incident election morning in Plaine des Joncs area when Viet Cong coming from Cambodia threw grenade near polling place and wounded two persons. (*Embassy comment*: this incident apparently not known to Minister Interior and was news to MinInfo when I told him. Believe VOA should use interior communiqué as reported Saigon's 697⁴ without change.)

In later talks with MinInfo Thanh and SecState for Presidency Thuan successively at dinner for Steeves, I repeated views expressed to Diem. Thanh pleased and said results much better than expected. Asserted he wrote memorandum for presentation at cabinet meeting prior elections in which he took position it would be bad to scratch candidates convicted election law violations and thus be accused rigged elections. Also said Diem returned from Pleiku just in time prevent this from happening. Thanh raised Dan's infringement election law, and I took direct line that unless blatant would be better forget about it. Thanh said unfortunately law even prevents any even fined under law from being seated, and I retorted law can be gotten around, for example by resort to Court of Cassation. Thanh then indicated he ready let such victors take their seats and suggested I talk to Thuan.

I took same line with Thuan about Dan and others who might have infringed law, pointing out bad propaganda effect in north and other Asian countries like India if they not permitted take seats and adding that Dan always claimed not opposed to Pres and might with responsibility of Assembly seat develop into loyal opposition. Thuan did not commit himself re Dan, and left distinct impression GVN apparently about ready eliminate some successful candidates and our recommendations hard to take.

At joint press conference Ministers Interior and Info Sept 2, former stated successful candidates convicted electoral law violations could appeal to Court of Cassation and if appeals rejected their cases would be presented to special commission of National Assembly.

⁴Telegram 697, September 2, contains a summary of a Vietnamese Department of Interior communiqué. The summary reads as follows:

"During July and August VC stepped up underground activities to sabotage elections; murdered, wounded and kidnapped nationalist cadres. However, police and GVN security officers, youth organizations and various nationalist groups undertook intense activity rural areas, especially remote villages, with result 36 VC killed, 9 arrested; guns, ammo, equipment and documents seized. Thanks to preventive measures by armed forces and cadres, elections Aug 30 took place throughout VN 'in perfect order without any security incidents.'" (*Ibid.*, 751G.00/9-259)

MinInfo added in response correspondent's question as to whether those refused seating could run in by-elections that commission provided for by electoral law would determine whether candidates in by-elections qualified.

We believe conversations with Diem, Thanh and Thuan have given GVN pause and might produce desired result since we had definite indication through independent sources Diem and others were anxious have our reactions to elections.

Durbrow

90. Telegram From the Ambassador in Vietnam (Durbrow) to the Department of State¹

Saigon, September 16, 1959—6 p.m.

874. Department Circular telegram 236² and Department telegram 470.³

¹Source: Department of State, Central Files, 751G.5-MSP/9-1659. Secret. Repeated for information to CINCPAC PolAd.

²In this circular telegram, September 8, the Department outlined in general terms the problems posed by the prospect of rigid limitations on funds available for the military assistance program, indicating that the Congressional authorization of \$1.4 billion for FY 1960 would probably not be fully appropriated. It urged all posts to analyze needs and requirements very realistically with a view to making maximum use of available resources. (*Ibid.*, 700.5-MSP/9-959)

³In telegram 470, September 9, the Department transmitted to the Embassy for comment the Department of Defense tentative refined FY 1960 Military Assistance Program for Vietnam. The program was as follows:

<i>Major Categories</i>	<i>Value in Thousands of Dollars</i>
Aircraft, components, spares and related equipment	3,696
Ships and harbor craft, components and spares	1,246
Tanks, other vehicles, weapons, components and spares	448
Ammunition	3,904
Electronic and communications equipment, components and spares	1,674
Construction	539
Other matériel	13,701
Repair and rehabilitation	1,379
Training	5,702
Total	32,289

(*Ibid.*, 751G.5-MSP/9-959)

I. In view of Communist aggression in Laos, country team and I are of firm opinion refined tentative FY60 MAP program given Department telegram 470 does not support fully US political, economic and security objectives Viet-Nam. If parts Laos, particularly those adjacent Viet-Nam territory, should fall under Communist control, Viet-Nam would be greatly exposed along western frontier. It is politically important therefore Viet-Nam's armed forces be assured as complete equipment as possible under Geneva accord limitations.

Country team has gone thoroughly into MAAG requests for additional material amounting to \$14,362,400, which MAAG feels essential for force maintenance and some vital force improvement. In going over tentative FY60 program proposed Department telegram 470, MAAG has recommended a decrease of certain items amounting to \$1,032,600, which savings would offset part of requested increase. Details re this decrease and requested increases are contained in next following telegram based on data furnished me by MAAG.⁴ Same information already furnished CINCPAC but action taken unknown here.

I am obviously not qualified to give firm recommendations from military point of view on any of the increases requested by MAAG. However, from political point of view, given low ammunition supply reserves and stepped up Communist activities this area, MAAG request to bring all ammunition supply up to sixty-day agreed reserve is justified. Furthermore since 34 55MM howitzers scheduled arrive next few months it seems essential have prime movers for these guns. In view of monetary restrictions it may not be possible furnish large number trailers requested. It seems important to me, however in view of Communist threat that ARVN should increase its mobility as much as possible. Therefore seems advisable, since ARVN has very few trailers, furnish as many as possible. Certain other force maintenance items such as cleaning and preserving material for air force are well justified maintain equipment already here. Other items, such as crane shovels, scrapers, airport improvement (which can be done by GVN public works) and many other items, do not appear to me to be of over-riding political importance to US interests. Again I emphasize I do not have knowledge give military judgment on matter on this nature but firmly believe, given Communist threat and fine progress made by VN military forces, every effort should be made to make them as combat capable as possible.

II. Re paragraph 2(c) Department telegram 236,⁵ no reallocation MSP resources from military to non-military proposed. Latter deter-

⁴Telegram 875 from Saigon, September 16, not printed. (*Ibid.*, 751G.5-MSF/9-1659)

⁵Paragraph 2(c) of circular telegram 236 reads:

mined basis import needs. Anticipate these adequately financed by DS program. Moreover, as indicated above military program already inadequate.

III. Re paragraph 2(d) Department telegram 236,⁶ serious problem has arisen. GVN has included in 1960 military budget expenditure for purchase on local market with piasters of certain important commodities costing approximately 5 million dollars. Most of these commodities imported under CIP. These are mostly items, such as civilian hardware, tools, construction materials, office and school supplies, textiles, pharmaceuticals, vehicle parts, training materials, and sports goods, which may be used for both civilian and military purposes.

USOM questions inclusion such expenditure in GVN military budget because:

A. It results in diverting 5 million dollars of imports intended civilian economy to military use, thereby supplementing Chapter 1 MSP Act at expense of Chapter 2.

B. Unit cost of imported commodities higher because of inclusion customs duties, taxes and profits in local market price than would be if same items bought through MAP since MAP purchases not subject these additional costs.

C. In effect, it authorizes the purchase from counterpart funds of commodities imported with DS dollar funds.

USOM proposing GVN use part of its own contribution to military budget rather than DS-generated piasters to buy such imported items. This would eliminate objection arising from use counterpart by DS dollars. Other two objections could be eliminated only if purchase shifted to MAP.

MAAG however opposes shift to MAP for following reasons:

A. Present practice has been followed for several years, and not feasible this late date include such commodities in FY 1960 MAP as it would increase MAP funding requirements and because of longer lead time for procurement under MAP.

B. Department of Defense guidance in past has urged MAAG's make maximum use local resources. (USOM rebuttal: In VN, however, most locally available materials are imported.)

C. Although continuous effort is made to shift to MAL all supplies which are cheaper under MAP, limited volume local procurement absolutely necessary provide emergency and minor supplies needed on short notice.

"Reallocation MSP resources from military to non-military sector can be proposed if, in your view, US interests better served thereby."

⁶Paragraph 2 (d) of circular telegram 236 reads:

"Comments should explicitly identify any problems or issues in relationship between the tentative FY 1960 MAP and DS programs."

D. Substantial quantities locally purchased materials are used by ARVN to support non-US made equipment still in use. Essential have local financial resources continue such purchases because its impracticability procuring them through MAP.

Despite reasons given by MAAG, the cheapest way and the way to save us money is to shift this procurement to MAP.

Washington guidance requested this problem.

IV. Embassy reserves position from Geneva accords standpoint with respect additional one-quarter ton and one-ton cargo trailers, rockets and AP and AT mines proposed by MAAG for addition to FY 1960 program. Study now in progress to determine whether these items in excess credits which have been, or may be entered, in ICC's war material register.

Durbrow

91. **Memorandum of a Conversation, Department of State, Washington, October 2, 1959¹**

SUBJECT

Vietnamese Economy

PARTICIPANTS

Mr. Nguyen dinh Thuan, Vietnamese Secretary of State for the Presidency²
Mr. C. Douglas Dillon, Under Secretary of State
Mr. Robert Cleveland, Officer in Charge, Southeast Asian Economic Affairs
Mr. Chalmers B. Wood, Officer in Charge, Viet-Nam Affairs

Mr. Thuan outlined Viet-Nam's economic situation as an under-developed country under heavy Communist pressure which must develop quickly. Due to the lack of trained manpower and capital, it

¹Source: Department of State, Central Files, 751G.5-MSP/10-259. Confidential. Drafted by Wood.

²Thuan was in Washington as the head of the Vietnamese Delegation to the IBRD and IMF annual meetings at the end of September. On September 30 Thuan talked with Anderson, Cleveland, and Wood at an informal dinner in his honor. Thuan urged that the Kontum-Pakse highway, of which 50 kilometers remained to be constructed, be finished. Anderson and Cleveland countered that funds were scarce, the road was primarily of military significance, and most of the unfinished part was in Laos. There were no funds in the Lao program to pay for construction. (Memorandum of conversation by Wood, September 30; *ibid.*, 851G.2612/9-3059) On October 2, Thuan also met with Secretary Herter for a brief discussion in which the Secretary expressed American concern about deteriorating Vietnamese-Cambodian relations, asked about the road building program in Laos, and received from Thuan an optimistic report about internal security in the highlands. (Memorandum of conversation by Wood, October 2; *ibid.*, Secretary's Memoranda of Conversation: Lot 64 D 199)

had devoted its primary efforts to agriculture. First there had been land distribution, then a large program for agricultural development, fertilizer, etc. The Government was sure their agricultural program would succeed.

Mr. Dillon stated that the U.S. program put Viet-Nam in first place on the basis of aid received per capita and that strong U.S. support would continue.

Mr. Thuan continued that Viet-Nam was also introducing plans for industry and for the development of its road and communications infrastructure. Mr. Dillon replied that the U.S. could help with infrastructure problems through the DLF and was prepared to receive Vietnamese projects.

Mr. Thuan said that as to the DLF, the GVN faced the problem of the exchange rate for repayments. It was understood that the official rate was too low, but to repay at the market rate would be unrealistic. He suggested that the U.S. take into consideration the exports of rice and rubber which sell at the rate of 50 piasters.

Mr. Dillon replied that such a decision was not one he could make alone due to existing laws and regulations and that also it was a question of principle which applied to all countries involved in the DLF. This principle was hard to change. The present figure for Viet-Nam was 73.5, but this would be reexamined at the end of three years. During this three-year period the amount of repayments would be small. At the end of the period the problem could be reexamined to see if the 73.5 rate was just.

Mr. Thuan then asked pointedly if this created a precedent for the aid program.

Mr. Dillon said he did not think so; that it probably would only apply to DLF. He promised to look into the matter.

Mr. Thuan said that although Viet-Nam tried to make progress by every means, there was a heavy military burden concerning which there is no choice. However, the GVN tried to make the Army as productive as possible. The troops make roads, dig canals and build houses. Mr. Dillon commented that this was a good idea.

Mr. Thuan asked Mr. Dillon's opinion about this year's military budget.

Mr. Dillon replied that Congressional cuts had been larger than last year. In deciding on Viet-Nam's share, it was necessary to examine the Vietnamese balance of payments and its economic progress. Also to be considered was the question of Viet-Nam's taxes. Certainly we did not wish all our assistance to support the military. There should be a balance for economic development. These were the principal factors to be taken into consideration in arriving at the figure for Viet-Nam.

Mr. Thuan pointed out that with the new IBM machines and other technical means Viet-Nam hoped soon to increase its tax collections. Speaking of DLF and private enterprise in Viet-Nam, Thuan pointed out:

Viet-Nam 1) lacked capital, 2) had insufficient technicians, 3) had a small market and 4) the Vietnamese did not have sufficient understanding of industrial enterprises. For these reasons, joint private-government enterprises were necessary. As a paradoxical example, even a U.S. firm, Parsons and Whittemore, had asked for Vietnamese participation. Viet-Nam had offered a contract which provided that after a certain period the Government could be bought out, but Parsons and Whittemore had insisted that the Government and Parsons and Whittemore should retain a majority interest.

Mr. Dillon commented with a smile that this was very interesting and added that while we understood Viet-Nam's problems, it was necessary to push for free enterprise.

Mr. Thuan said he understood that a recent speech had been made at an economic meeting in Washington by a Mr. Powers of Kaiser who had suggested that the DLF should loan no money to state enterprises. Mr. Thuan asked whether this was the U.S. Government point of view.

Mr. Dillon said it was not, but that we wished to do all we could for private enterprise.

Mr. Thuan stated that in 1958 Viet-Nam had loaned 150 million piasters to the rubber planters of which 142 million went to the French and that in 1960 it would loan 200 million. Most French planters, certainly Michelin and the Terres Rouges, were rich and did not need the Government loans, but since they wanted government participation, they were glad to accept the loans.

Mr. Thuan said thus two points could be deduced: 1) Viet-Nam does not discriminate but only considers productivity (Mr. Dillon interjected smilingly that in this case the GVN seemed to discriminate against the Vietnamese); and 2) private industry in Viet-Nam wished to have the government with them.

Mr. Thuan then cited capital assistance which the Government was beginning to receive from the Chinese, Japanese and French Governments and also mentioned the Chinese-Vietnamese textile plant.

The tone of the conversation, which was carried on in French, was friendly and businesslike.

92. Telegram From the Ambassador in Vietnam (Durbrow) to the Department of State¹

Saigon, October 10, 1959—2 p.m.

1270. Depcirtels 149² and 410.³ Following is my assessment US programs in Vietnam:

Objectives. Basic US objectives in Vietnam continue to be A) maintenance Vietnam's independence by keeping it from falling prey to Communist aggression or subversion, B) preserving its present close association with free world and C) helping it enhance strength free world through development stable government and self-sustaining economy which will enable it eventually to carry its own budgetary burden.

Role US and non-US programs in FY 61. Achievement these objectives requires adequate and balanced programs for security, economic stability, development material and human resources and dissemination information.

1. Security. Analysis FY 61 MAP now underway by Country Team in response circular airgram 1776⁴ will be sent separately⁵ as suggested Depcirtel 410. Military budget support component of defense support and PL 480 assistance reduced from \$144 million equivalent in FY 59 to proposed \$111 million equivalent for FY 61. This drastic reduction results from application balance of payments approach to determination as aid level and desirability using portion DS generated piasters (\$19 million equivalent) to finance local costs DS economic projects for which GVN budgetary contribution inadequate. I hope that it will be possible to reduce overall GVN military

¹Source: Department of State, Central Files, 120.171/10-1059. Secret. Repeated for information to CINCPAC PolAd.

²In this circular telegram, August 19, the Department requested from each recipient Chief of Mission the following:

"Would appreciate your succinct, overall analysis of U.S. objectives and role U.S. (both MSP and other) and non-U.S. programs in FY 1961 in achieving them. Such report from you as responsible supervisor all U.S. activities considered essential to give proper perspective to separate programs. Form and organization of report left to your discretion, but it is hoped that it will include evaluation of effectiveness of coordination among MSP elements and between MSP and other U.S. and non-U.S. programs." (*Ibid.*, 120.171/8-1960)

³In this circular telegram, September 29, the Department informed recipients that it was not necessary to repeat information on military programs as requested in circular airgram 1776. (*Ibid.*, 120.171/9-2959) Circular airgram 1776 is described in footnote 4 below.

⁴In this circular airgram, August 21, the Department outlined procedures for coordination between Unified Military Commands and Country Teams in developing, in accordance with specified fiscal ceilings, military assistance programs for submission to Washington for review. (*Ibid.*, 700.5-MSP/8-2159)

⁵Sent in despatch 123 from Saigon, October 15, not printed. (*Ibid.*, 751G.5-MSP/10-1559)

budget below \$174 million approved for CY 1959 in order alleviate impact on GVN finances of projected reduction in our DS contribution thereto. Possibilities in this respect may be clearer after MAAG review of GVN-proposed CY 1960 budget completed. Nevertheless I feel confident our action will not affect Vietnamese force level as GVN has several other feasible means of covering gap: increased tax revenues, exchange rate adjustment or deficit financing. If GVN does not choose to meet gap by these methods it might decide to cut back on investment component rather than reduce force levels.

2. Economic stability. Reduced FY 61 DS contribution to military budget should compel GVN seriously consider tax and exchange rate measures for purposes maintaining financial stability. We are aware there is calculated risk GVN could decide meet budgetary gap solely through deficit financing, and that financial stability which was attained by 1957 through aid and fiscal measures could be upset. It is also possible that, while GVN may adopt tax or exchange rate measures, political factors (such as effect of price increases on regime's popular support) may prevent those measures from being of sufficient scope to meet entire budgetary gap and deficit financing may therefore still be required. However our estimate is that budget deficits in prospect should not cause economic instability of any consequence.

3. Development of material and human resources. FY 61 defense support project aid of \$35 million is based on expected availability and readiness for financing of projects falling within DS realm, excluding projects for which non-US Government funds are expected be available as well as self-liquidating projects deemed eligible for DLF financing.

In addition to DS projects, certain projects will be financed out of Japanese reparations and French aid. Happily, GVN is also planning growing use own resources for financing projects such as road and airport construction, cement and paper plants. GVN will undoubtedly apply to DLF during course next two years for financing still other projects, such as possible joint government-private industrial projects. While as result reduced DS aid level GVN might decide meet its increased contribution to military budget through cutback in investment rather than through tax, exchange rate or deficit financing measures, we believe this is risk we should take. Such GVN measure would represent temporary tactical countermove against our strategy and if we hold firmly would probably not be adhered to for long.

Technical cooperation is proposed at level \$5 million for FY 61, same level it has approximated during past few years. Together with IES exchange persons program, it plays major role in training leaders and technicians required by Vietnam.

Committee chaired by PAO and including Embassy, USOM and MSU membership coordinates activities regarding exchange persons, English teaching and textbook translation programs. Committee also keeps account activities in these fields by non-US Government sponsors. In other technical assistance fields USOM program division follows Colombo Plan, French, German and UNTAA activities in order to avoid duplication.

4. Information. Recently approved USPS country plan supports our objectives and other programs. USIS and USOM work together closely in publicizing aid activities and in gaining psychological support for objectives of aid program.

Problems.

[1.] While I am convinced our programs are soundly conceived to achieve our objectives and well coordinated with each other and with non-US Government programs, there are certain problems directly related for the foreseeable future cannot develop sufficiently to carry this heavy burden without outside assistance.⁶ Furthermore as long as GVN believes he [we] will pick up most of military budget tab, it will resist taking necessary financial and tax measures which would permit it to shoulder more of this burden. This constitutes added reason to adopt balance payments approach.

2. Defense support aid level. While I have approved \$160 million CID budget proposed for FY 61, I wish draw attention to certain factors which might change proposed level. It is predicated on PL 480 program of \$10 million for FY 61. Any reduction in that program will lead to corresponding increase in DS requirements. In addition since proposed DS level represents calculation based essentially on estimates of commercial import requirements and Vietnam's own foreign exchange earnings, serious changes in those estimates of requirements for DS funds [*sic*]. There are two principal ways in which estimates might err. First, since GVN now exhibiting increasing tendency finance foreign exchange costs of projects out of its own resources, this could become substantial claim on foreign exchange earnings and reduce amount such earnings estimated in CPB to be available for financing commercial imports. Second, since CPB assumes GVN financing of local currency costs of these projects as well as DLF projects and a small portion of reparations projects which may require financing in 1961, GVN may find it necessary resort to inflationary methods financing to meet burden. This in turn might increase demand for imports thus increasing balance of payments gap. If either happens, US must be consistent in applying balance payments approach to DS aid and be prepared increase level if required.

⁶Apparent missing word or phrase.

3. Rate of economic development. While commendable development progress being made particularly in agriculture and transportation and a few industrial projects under way (glass, textiles and sugar), development rate is still below that required enable Vietnam compete successfully in economic race with North Vietnam and advance materially toward economic stability. While Diem has become more conscious of need for economic development, he still gives first priority to security. In addition, private individuals desiring establish small industries often find it difficult to obtain necessary government approval, licenses, etc., because of mistrust entrepreneurial group in general, suspicion of foreign business groups and tendency reserve field for those in favor with government.

We shall do what we can bring about change in these attitudes and shall continue efforts expand role private enterprise. It is necessary recognize frankly however that GVN economic philosophy, based on past history of colonial exploitation, fear of Chinese economic domination and reinforced by certain recent instances of less than satisfactory encounters with foreign private capital (Parsons and Whittemore, Pan American Hotel), will admit only gradual and partial acceptance private enterprise for time being. We should therefore be prepared finance joint government-private industrial projects in selected fields which represent GVN compromise between capitalism and state enterprise.

4. DLF. After two years of DLF operations US finds itself in position of not having consummated single loan agreement with Vietnam, which is presumably one of countries DLF created to assist. GVN's own hesitations have delayed water and electric power projects, railway and bus loans pending before DLF and problem of exchange rate for repayment loans still not settled to GVN satisfaction. We believe it urgently necessary both US and GVN move ahead at faster pace than to date so that DLF as instrument US policy can play necessary role in promoting Vietnam's economic development.

5. PL 480 rice. PL 480 sales of rice for local currency in markets of Asian producers represent in our view major deterring element in US policy objectives and programs to achieve them in Vietnam and other Asian rice producing countries. These rice sales are directly contrary to one of fundamental purposes of our aid program in Vietnam—development of prosperous economy progressing toward viability, thus reducing its dependence on US taxpayers' support. Favorable political impact which we receive from spending millions is vitiated by rice sales policy which snatches from these producing countries opportunities to increase their self-support (witness recent case of Indonesia). Such sales thus frustrate objectives our other programs.

Durbrow

93. Letter From the Consul in Hue (Heavner) to the Deputy Chief of Mission in Vietnam (Elting)¹

Hue, October 15, 1959.

DEAR MR. ELTING: During your absence, Mr. Mendenhall passed on to me a request from the Ambassador for comment on Ngo dinh Nhu's explanation of Can Lao financial activities. Nhu's views are set out in . . . and Embassy despatch number 40 of July 30, 1959.²

You will recall that Nhu stated that the party has been used to accumulate capital for industrial development and to train entrepreneurs. He also stated that the party has built a number of schools and hospitals, particularly in Central Viet Nam.

With regard to the schools, I have been told that a new school here in Hue was built on orders from Ngo dinh Can, and I assume that this is the sort of thing Nhu has in mind. Of course, when Can orders a school built, a good bit of labor and even materials are likely to be donated, so that it is hard to know how much party money is actually spent. There is also in Hue an old high school which the owner "donated" to the party and which is staffed by teachers who donate their time. The school offers tuition-free education to children of party members.

In Tourane, I believe—though I am not certain—that a very large Catholic high school was built and is operated by the party. The new director of the school has told me he is a party member. I will try to get a little more information on this school.

With regard to the hospitals, I believe Nhu may refer to projects such as the ten village maternity rooms which the wife of the Chief of Province, Mrs. Ha Thuc Luyen, has built here. Mrs. Luyen's maternity wards are financed by voluntary contributions, she says, but I doubt that public spirit accounts for the apparently substantial sums expended. She has raised funds by a charity baseball game and recently held a lottery; first prize was a new Volkswagon Microbus, and other prizes included a motor scooter. I never heard where the Microbus came from, or for that matter, who won it, but I am sure that Mrs. Luyen did not pay for it herself.

From time to time Vietnamese variety shows are permitted to set up a large temporary auditorium on the public park along the river. My friends tell me the rent paid does not cover the damages to the park, but the practise continues because part of the profits are paid to the party. I was also told, perhaps on purpose, that some part of

¹Source: Department of State, Saigon Embassy Files: Lot 65 F 115, Political Subdivisions, Hue, 1959. Secret; Official-Informal.

²Document 85.

the profits went to the Hue hospital and to Mrs. Luyen's maternity rooms.

In the cinnamon business, Nhu asserted that very high profits were permitted in order to encourage entrepreneurs to enter a field which involves physical as well as financial risks. He implies that the Vietnamese entrepreneurs themselves go into the dangerous mountain areas to oversee the harvesting and replanting of the cinnamon. This is almost certainly not true. The cinnamon is carried down by the Montagnards from scattered groves high in the mountains and sold in relatively secure market places like that at the district headquarters in Tra Bong.

Pacification of the cinnamon areas has apparently been in part directed by Buu's people, but the danger is mostly braved by Civil Guard units. I doubt that Buu's agents really have penetrated to enough of the cinnamon groves to know whether the Montagnards are replanting or not. Reverend Smith says he knows of no effort to encourage replanting. Incidentally, Buu's chief lieutenant in the cinnamon trade, Le dinh Hue, has apparently been sacked. Mrs. Buu told me recently that he doesn't work for them anymore, and she "has no idea where he is now."

As for *development* of the cinnamon industry by the Can Lao, I believe very little has been achieved. As you know, the Reds are now effectively cutting off the cinnamon trade, but even before the Reds brought terror to the mountains, the Montagnards were evidently incensed by Buu's methods. According to Reverend Smith, the going price for cinnamon was as little as 3 1/2 piasters per kilo in 1957. This did not encourage replanting. If anything, I think that the development of the cinnamon trade has probably been retarded by the party's quick-profit, short-term mentality.

In passing, I would also like to point out that Nhu's explanation of the motive for high cinnamon profits is not entirely consistent. At one point he evidently said that the high profits were permitted in order to encourage entrepreneurs to enter a physically dangerous industry. Later he said that the dedicated Can Lao members were given a monopoly because private entrepreneurs would not take such risks.

I should also mention the NRM directed and supported resettlement efforts. As I reported in my letter to the Ambassador dated July 24, the NRM is in charge of the resettlement center at Nam Dong in Thua Thien Province. It has also played an important role at the Hoa My center, also in Thua Thien. In both cases the settlers have been provided with subsistence, labor and materials while establishing themselves. Can is known to have a lively interest in these projects—they are now experimenting with kenaf at Hoa My—and I think it is safe to assume that they are in fact Can Lao projects. The Cua project in Quang Tri Province may also be a Can Lao venture,

though the main sponsor is evidently Province Chief Nguyen van Dong.

In the case of these resettlement ventures, it is impossible to guess how much party money is involved. Hoa My is a government project as well as an NRM project, and the CVN agricultural service provides a great deal of assistance. Settlers are still receiving aid in the form of rice and implements, and Province Chief Ha thuc Luyen is rather vague about the source; he usually uses the first person pronoun "I gave 100 tons of rice," etc. When asked directly if the aid is from the government or the NRM, Luyen answered, without much conviction, that it is from the government. In the early days, when the land at Hoa My was being cleared, I am told that NRM members here in Hue and elsewhere volunteered their labor.

At Nam Dong, I saw two bulldozers which I was told had been loaned to the settlement by the army. Luyen told me recently that "the government" had provided rice to see the 520 settlers now on location through the rainy season. But he emphasized the importance of the role of the NRM in the project.

In short, I think that when Can takes an interest in a project, he and his party mobilize whatever resources are required, whether public, private or party. But it rather looks as though the party's contribution usually takes the form of services—organizational skills, cadres, and sometimes "donated" labor—rather than cold cash.

In the way of industrial development, I might mention the Long Tho lime plant just outside Hue. Formerly a French lime and tile plant, it was reconstructed early this year. I am told it is one of Can's projects; the director, Ton that Huon, is one of his "financial advisors." Here again, however, I cannot say how much, if any, party money is involved. The plant was allotted 3,000,000 piasters in the 1958 special fund for the economic development of the CVN lowlands, and this was probably enough to cover most expenses. The plant, by the way, is one of those government projects in which former landowners can invest the bonds given them in compensation for land taken under the land reform program. (I noted that our painting contracts now automatically specify that the whitewash will be made from Long Tho lime.)

In short, my impression is that the party has spent some, but probably not a great deal, of its profits on various projects which develop the economy or promote social welfare. As an organizational force, marshalling resources to achieve various projects, the party has undoubtedly accomplished some worthwhile results. But the resources used are usually *not* those of the party, and I wonder why the

formal governmental structure does not perform these organizing functions instead of the party.

Sincerely yours,

Ted

Theodore J.C. Heavner

94. Despatch From the Consul in Hue (Heavner) to the Department of State¹

No. 9

Hue, November 19, 1959.

REF

Consulate Despatch 16 of February 25, 1958 and 3 of August 30, 1957²

SUBJECT

Conversation with Ngo dinh Can.

Introduction

After more than a year in Hue and numerous approaches, the reporting officer finally succeeded in meeting Ngo dinh Can, the iron-fisted and mysterious political boss of Central Viet Nam. Although it is well known that the President's younger brother is the real power in Central Viet Nam, he refuses to receive foreigners on the grounds that he has no official position. An alternate excuse, useful if the foreigner is unofficial, is poor health.

Ngo dinh Can consented to see the reporter on the condition that the interview must be kept secret and that no report would be made either to Saigon or Washington. Perhaps in an effort to smoke out the reporter, he stated with some irritation that a previous Consul had reported meeting him. For the above reasons, and in the hope of future contacts, it is requested that the mere knowledge that Can has received the reporting officer be severely restricted.

The Interview

Ngo dinh Can's home, situated near the Phu Cam Cathedral and surrounded by a high wall topped with three strands of charged wire, can only be described as bizarre. The bare earth of the yard is studded with artificial rock formations, little pools, terraces, and clipped shrubs, but there is not a blade of grass to be seen. Under the trees, flocks of caged birds call raucously, while crouched on a side porch are two enormous stuffed tigers. Province Chief Ha thuc

¹Source: Department of State, Central Files, 751G.11/11-959. Secret; Limited Distribution.

²See Document 6.

Luyen, who accompanied the reporter, was moved to comment that Can is very fond of animals because he has no wife or children.

In the house itself the reporter was received in a room cluttered with ornately carved screens, chairs and exotic bric-a-brac, including a stuffed leopard (which Can did not shoot), elephant tusks, and Chinese scrolls and mirrors. A large brass Buddhist urn was a rather surprising feature of the room, and in one corner was a Zenith trans-oceanic portable radio. Can said that he sometimes listens to the Voice of America and the BBC on this set. He was evidently rather proud of the "old fashioned things" in the room.

Can appears to be in good health. (The Director of the Hue Hospital Doctor Le Khac Quyen, once observed that he sees Can frequently during his almost daily calls on the President's mother, and in his opinion, Can enjoys excellent health.) During the interview he wore heavy gold glasses of a rather stylish design and a traditional black Vietnamese robe with small pearl buttons. The reporter noted with surprise that his graying hair is wavy; quite possibly he affects a permanent wave.

Can's manner at first was distinctly aloof; he neither smiled nor spoke as he shook hands. After sitting in uneasy silence for a moment, the reporter ventured some polite chatter, finally launched into generalities about American objectives in Viet Nam. Can replied in a low voice, halting frequently and looking at the floor. As the conversation progressed, however, he raised his eyes, spoke with increasing speed and assurance and corrected the reporter's misapprehensions about Viet Nam and himself with a sweet smile. The interview lasted over an hour, and Can seemed in no hurry to end it then.

Though evidently rather shy and suggesting in his manners a man at once strong-willed and yet rather feminine, Can did not leave any impression of mental or physical abnormality. This came as a bit of surprise, for several Vietnamese, including millionaire shipping magnate Nguyen van Buu had led the reporter to expect a very peculiar individual.

Can spent a large part of the interview emphasizing his non-official status and advancing this as his reason for not wishing to see foreigners. He insisted that he is a "representative of the people" and as such cannot seem to be too close to the Americans or even to Vietnamese officialdom. He explained that his role is to watch over the welfare of the people and to intervene on their behalf when officials make errors or when government policy is not appropriate.

When the reporter observed that security in Central Viet Nam, particularly in Quang Ngai Province, seems to have deteriorated over the past year, Can replied that security is not a serious problem. A handful of agents in the mountains of several Provinces constitute no real threat, he said, and waved aside the suggestion that the elaborate

security precautions which the reporter observed in Quang Ngai meant the Viet Cong are strong there. Asked if he had visited Quang Ngai himself, he replied that he travels all over Central Viet Nam.

Regarding security in South Viet Nam as contrasted to Central Viet Nam, he believes bad communications in the south are an important factor. He also observed that the "southerners" do not have a true nationalist spirit like that of the people of Central Viet Nam. He traced this to the long period of close contact with the French, Cambodians and other foreigners. He also observed that there were always more lawless elements in the south than in Central Viet Nam.

Asked if Central Viet Nam's security apparatus could not be duplicated in the south, he stated that CVN administrative techniques and security controls certainly can be exported to Saigon. He observed that a number of CVN administrators, including at least two Province Chiefs, have been sent to work in the south. He made a point, however, of adding that he himself has gone to Saigon only twice since 1954, both times for medical treatment.

Can stated that he believes Viet Nam can only be reunited by force. He observed that the Reds are building up north Viet Nam just as the U.S. is strengthening the GVN, and he sees no possibility of a negotiated reunification.

As for the development of the nation, Can indicated that he believes education is the key to a better future. He would emphasize primary education, feeling that the educational level of the whole people must be raised. He commented that in Laos and Cambodia a number of highly educated people have not been able to develop the country or prevent Communist penetration because the great mass of the people have had no education. He criticized the U.S. aid program because of USOM's insistence that half the cost of the schools built must be borne by the community and because USOM only pays teachers' salaries for one year. He feels this policy places too much of a burden on the poor villages of Central Viet Nam.

Can did not seem overly concerned about the slowness of economic development in Viet Nam. The suggestion that unfulfilled economic expectations could lead the people into the arms of the Communists provoked a sweet smile and a gentle shake of the hand. He seemed content to observe that Viet Nam has been independent for only five years, and that the economy naturally develops slowly after a long period of economic stagnation and exploitation under the French.

Comment

Ngo dinh Can exercises nearly absolute power in Central Viet Nam, and judging from recent trips to Pleiku and Kontum, it is the reporter's opinion that Can is also in effective control of that part of

the country. (Besides meeting a number of officials in Pleiku and Kontum who said plainly that they were working for and reporting to Can, the reporter was invited by the Pleiku Chief of Province to an elaborate reception in honor of Can's birthday. Asked why he had not made his pilgrimage to Hue to present birthday greetings in person, as hundreds of high officials from all over the country did, the Chief of Province replied that Can had told him to remain in Pleiku and celebrate the event there.) Although initially his power may have depended heavily on his relationship to the President, Can's organization now enjoys a considerable degree of autonomy. His supporters are so indebted and committed to him that, should the occasion arise, he could probably act quite independently.

This does not mean that Can is ever likely to openly oppose President Diem. The reporter has been told that Can and Diem often disagree, but "like man and wife." But Can's influence on the men under Diem appears to be growing, and he is evidently extending his organization step by step into all of Viet Nam. And he influences the President himself by appealing both to family sentiment—it is he who cares for their aged and helpless mother—and by pointing to the success which he has had in rooting out Communism and controlling Central Viet Nam.

In view of Can's large and apparently growing powers, his evident fear and distrust of foreigners, his apparent lack of information on and sympathy for the American aid program, and his views on reunification are not reassuring [*sic*]. Nor is his dismissal of the security problem in Quang Ngai a good sign. His denial of what many officials concede to be a serious situation there could mean that he is afraid of losing face with the President if it becomes evident that he has not in fact been so successful in eliminating Communism as he has claimed to be. But it may also mean that he is not getting the full story from his subordinates. Although he stated that he travels widely in Central Viet Nam, the Consulate is of the opinion, based on remarks by a number of informed Vietnamese, that Can rarely stirs from his home in Hue. In short, the reporter feels that Can's deliberate isolation, not only from foreign influence but also from his own people, is potentially dangerous.

Can's motives remain opaque. That he is determined to maintain and extend his power is clear, but what he intends to use his power for is uncertain. His evident interest in education—he has backed the University of Hue strongly and is known to be responsible for building several new secondary schools—is encouraging. And although he dismissed the problem of raising peasant living standards rather easily, his people are playing a leading role in the resettlement pro-

gram and are deeply involved in every new economic project in Central Viet Nam.

Theodore J.C. Heavner

95. Editorial Note

In two letters to Ambassador Durbrow, Daniel Anderson, Director of the Office of Southeast Asian Affairs, informed the Ambassador that both the Departments of Defense and State had approved as part of the fiscal year 1960 Military Assistance Program the allocation of 25 Navy AD-4 aircraft (one squadron) to the Vietnamese Air Force. The Department of Defense, according to Anderson, estimated that the first aircraft would be delivered to Vietnam within 11 months and the last by 15 months. (Letters from Anderson to Durbrow, November 20 and December 7; Department of State, Vietnam Working Group Files: Lot 66 D 193, 109. VN 1960—Military Assistance)

96. Memorandum of a Conversation, Saigon, November 21, 1959, 9-11 a.m.¹

1. Present:

President Diem
Mr. Tuan, Secretary of State for Presidency
Mr. Valeo²

President Diem began the conversation after the usual exchange of amenities by saying that he had just returned from a short inspection trip of the Delta Area where he had gone to visit some of the Farmers' Centers which he was encouraging. They constituted part of his urbanization program which already was beginning to yield results. For example, as a result of the grouping together of scattered villages, their inhabitants now had the possibility of sending their

¹Source: Center of Military History, Williams Papers, 119. Drafted November 23. The source text bears no indication of authorship, but the format indicates preparation by a member of the MAAG, who may also have served as interpreter.

²Frank Valeo was Assistant to the Majority Whip of the Senate, Mike Mansfield of Montana. Senator Mansfield was also a member of the Committee on Foreign Relations.

children to school, for one thing, and for another, of devoting some of the land to the cultivation of vegetable gardens and fruit trees. The Farmers' Centers were sort of miniature chambers of commerce.

2. Mr. Valeo expressed his interest in the President's program and added that he himself had visited several key cities throughout Vietnam including Hue and that he had returned to Saigon from Qui Nhon by rail. He had been very favorably impressed by the railroad and the efficient way in which it had been constructed. As he understood it, it had been built on the initiative of the Vietnamese Government and with Vietnamese funds. Only the bridges had been built with direct U.S. aid. If all this was true, he wondered if it was not possible the same *modus operandi* be followed in other major projects, such as the road building program, for example.

3. President Diem replied that Mr. Valeo understood correctly and that the railroad had been financed and built as he had just said. There was a great deal to say about this way of implementing construction programs because it was inexpensive and at the same time it satisfied the most urgent needs of the population.

On the other hand, those projects which were entirely under the control of American civilian authorities often cost an excessive amount and did not always meet the most urgent requirements. They cost an excessive amount of money because the Embassy and USOM officials were very much afraid of having to make any decisions; they would like to leave this responsibility to the "experts". Finding experts and getting their opinions is a long process. In the mean time not only is the project in question paralyzed, but so are numerous other activities which depend on it. In addition, the same fear of making decisions on the part of the civilian advisors creates long delays in finding contractors. Often rigid specifications written up without reference to Vietnam or any other under-developed country have to be met because the USOM authorities are afraid of using their initiative.

Again, the most urgent needs of the country are not always satisfied. This comes about as a result of priorities set up by people who are not in touch with developments in Vietnam. A rather striking example of this sort of thing occurs in Cambodia where a 143-mile highway has just been opened from Sihanoukville to Phnom Penh. This highway cost the U.S. some \$30,000,000.00—enough to build 100 airstrips. Yet, the tolls on this highway are so high, that it is hardly used and goods continue to be transported up the Mekong River.

All this is in sharp contrast to the effectiveness of the military aid program. General Williams is extremely sensitive to the local situation and to the requirements and capabilities of the Vietnamese Army. He sets up very well defined and carefully studied goals but

gives the Vietnamese military authorities every chance to exercise their initiative in attaining these goals. The result is that the Vietnamese Army feels that they are putting out the effort under the direction of their own officers. In this way there is first, a minimum of waste, and secondly, the most pressing requirements are satisfied first. In less than four years General Williams has thus been able to guide the Vietnamese military authorities in satisfying some of their requirements in signals equipment, ordnance and motor transportation, not to mention the tremendous strides taken in training and in attaining a high degree of combat effectiveness.

The whole secret to the efficient administering of aid, President Diem continued, was the exercise of initiative on the part of the US officials on the ground, their willingness to take responsibility, and an exercise of that "sensitivity" mentioned in connection with General Williams and the administration of the military program.

Finally, President Diem asked whether it would not be possible for the civilian authorities to study and imitate the methods used by the military?

4. Mr. Valeo indicated that he followed the President's reasoning and asked permission to come back to his previous remarks on the new Vietnamese railroad. He wanted to emphasize the efficient use that had been made of US aid in this project and the rapidity with which the work had been done and also to point out the advantages of using the same methods in other construction, as of highways, as he had previously mentioned.

4. [*sic*] President Diem agreed thoroughly with Mr. Valeo but insisted that his government should be given the choice as to the priorities to be assigned different projects. Only that way could first things be made to come first. Economy was another advantage to be gained by giving the Vietnamese government some initiative and control. When a particular project was not only being paid by the U.S. but was entirely under the supervision and control of Americans, the Vietnamese sub-contractors took the attitude that this was a purely American job *for* Americans. The result of such an attitude was not only a drop in efficiency, but even the indulgence in questionable practices.

6. Mr. Valeo now asked the President if he would say something on the Pakse-Kontum Highway.

7. President Diem replied that this was a highway for which General Williams had been fighting since he had arrived in Vietnam. From a military point of view it was essential because Highway No. 9, the main link between South Vietnam and Laos, was too close to the 17th parallel and consequently, very vulnerable. In addition, the Pakse-Kontum Highway would give Laos a much needed exit to the sea through South Vietnam. At the present time the only work being

done on this road was by the Vietnamese Army with the advice of General Williams' Army Engineers.

Here was another case in point. The construction of this highway was of great importance to Vietnam, yet the Embassy and USOM authorities could not seem to get contractors to do the job. This was true due to the reasons mentioned previously, namely, endless red-tape due to a fear of taking decisions by the civilian officials. (Yet the US had put \$30,000,000.00 in the Sihanoukville-Phnom Penh highway, which, as he had indicated before, was not serving its purpose.)

Mr. Durbrow, the American Ambassador to Vietnam had asked President Diem whether the Vietnamese could complete the Pakse-Kontum Highway themselves and President Diem had replied that they could provided that the necessary heavy equipment were [was] forthcoming. This equipment was essential, and in fact, the great superiority that American aid enjoyed over that from any other country, lay in the ability of the U.S. to supply heavy machinery in large numbers.

As far as maintaining this equipment was concerned, the Vietnamese had demonstrated their ability to do so. South Vietnam was the most motorized country in Southeast Asia, and in the Delta Region alone there were over 600 privately owned farm tractors in operation.

To get back to the Pakse-Kontum Highway, President Diem felt that the U.S. Department of Defense was aware of its importance, but the State Department had unfortunately as yet failed to grasp this fact. Of course, USOM's procedures were notoriously slow. Then, there were other obstacles that had to be overcome. For example, Mr. Durbrow was opposed to the construction of a jet strip at the Tan Son Nhut Airport for fear that this might be interpreted as a violation of the Geneva Accords.

8. Mr. Valeo now spoke of the effect that the existence of multiple exchange rates had among certain Congressmen in the U.S. Some felt that is the American dollar, which was really worth 72 piastres brought only 35 piastres to the Vietnamese Government, something over 50% of the American dollar was being lost.

9. President Diem replied that in the first place, once the taxes and duties were added to an item bought with US dollars, the Vietnamese Government did receive the equivalence of the dollar, that is, some 70 piastres. On the other hand, a devaluation of the Vietnamese piastre would be disastrous for the average Vietnamese while it would be of great benefit to the Chinese and other speculators.

Among the Vietnamese, President Diem continued, there were no marked differences among the different economic classes. There were no great concentrations of wealth, no financial superstructure,

and consequently, the Vietnamese Government could not, as in industrially developed countries, borrow from private citizens. Instead, it had to lend to the private individual.

It was this lack of an economic superstructure (industrial complex) and infrastructure (roads, ports, cities, etc., etc.) in addition to the slow procedures followed by the Embassy and USOM that made implementation of the Loan Fund unsatisfactory.

It had been suggested that Vietnamese put a greater percent of its funds into the military budget so that the US could then put more dollars into the civilian budget. This would be a very unhappy procedure, for there was no problem connected with the administration and utilization of the military funds and if the Vietnamese Government were to give it greater emphasis nothing would be gained. On the other hand, the administration and utilization of US civilian aid was so slow and inflexible, that if the Vietnamese Government did not favor its civilian budget many projects of primary importance to Vietnam would not even get started.

10. Mr. Valeo asked whether North Vietnam was making much progress.

11. President Diem answered that it was. From a military point of view, it had a much larger army than South Vietnam and very well equipped. It was strong in armor and artillery. South Vietnam's mission was to hold its frontier against this threat. Its success was a matter of importance to the free world as a whole because South Vietnam was the key country in Southeast Asia. If it were to go, all Southeast Asia would go with it. Thanks to General Williams the combat effectiveness of the South Vietnamese Army was high, but its ceiling should be at least 170,000 rather than the present 150,000 men.

12. Mr. Valeo now asked whether the granting of US Military Aid did not encourage the setting up of military dictatorships in the countries receiving such aid.

13. President Diem replied that the contrary was true, for a coup d'état was most likely to occur in a country when the Army was weak and internal security was feeble.

14. It was now 1100 hours. Mr. Valeo thanked President Diem for the interview and took his leave.

97. Despatch From the Ambassador in Vietnam (Durbrow) to the Department of State¹

No. 163

Saigon, December 7, 1959.

REF

Department's Circular Airgram 1333 of August 11, 1959²

SUBJECT

Role of the Military in Less-developed Countries: Vietnam, a Country Team Assessment.

Summary

In Viet-Nam no recent military take-over has taken place, nor is there a present trend toward one. However, a somewhat authoritarian solution similar to that recently resorted to in certain other Afro-Asian countries has characterized the Diem regime since its inception, and makes it desirable to reassess at this time political developments in Viet-Nam and their implications in the light of U.S. interests.

While unlike most other countries in this area Viet-Nam has not been the scene of recent competition by an overt communist organization with the democratic forces, the division of Viet-Nam between the communist North and the free South and the extent of covert communist forces and activities have substantially influenced the GVN toward authoritarian techniques. The GVN has also placed heavy emphasis on the development of a political system which conforms (a) to the traditions of Viet-Nam rather than to those in an alien Western environment and (b) to Viet-Nam's condition as an underdeveloped country requiring strict discipline on the part of the people if the country is to emerge from that condition.

The Diem Government is continuing the creation of democratic facades which have so far been imbued with little life, but which provide a skeletal framework for eventual political evolution in Viet-Nam. At the same time the regime has been expanding the role and

¹Source: Department of State, Central Files, 611.90/12-759. Secret. Drafted by Mendenhall, Paul E. Carr, and William E. Colby. For Colby's account of his duty in Vietnam, see William Colby, *Honorable Men, My Life in the CIA* (New York: Simon and Schuster, 1978), pp. 141-179.

²In this circular airgram, the Department of State sent a study entitled, "Political Implications of Afro-Asian Military Takeovers," May 22, which was presented to the NSC on June 18. Although not formally approved by the Council, President Eisenhower commended the study. A summary of the conclusions of the paper as well as the memorandum of discussion at the NSC meeting of June 18 relating to it are scheduled for publication in a subsequent volume of *Foreign Relations*. Also included in the airgram was an extract of an article by Guy J. Parker, entitled "Southeast Asia as a Problem Area in the Next Decade," as published in the spring 1959 edition of *World Politics*. Finally, the airgram contained a copy of the oral presentation made before the NSC. (Department of State, Central Files, 611.90/8-1159)

activities of its peculiar mechanism, the semi-covert elite Can Lao party, for insuring that political control remains in its hands.

Viet-Nam's evolution to date has given rise to two of the problems raised by the NSC paper attached to ref airgram: (1) Dissatisfaction exists among a considerable number of intellectuals because of the failure of the regime to fulfill their hopes for rapid installation of democracy in the Western sense. In view, however, of the absence of any real leadership among the dissatisfied intellectuals and the fact that they are confined to a thin stratum of society largely in Saigon, this problem is more of incipient than current importance. The intellectuals have no link with the mass of the peasants in the rural areas to whom, as a matter of fact, the Diem regime is devoting particular attention in its political, economic and social programs because of Diem's conviction that mainland China was lost to the Communists as a result of the Nationalist Chinese failure to give adequate attention to the rural area. (2) As is the tendency in countries in which military regimes are dominant, the balance between security and development considerations has been tipped by Diem very much in favor of the former. During the past two years he has given increasing attention to development, but security still takes priority whenever a showdown choice must be made.

Thus far, the military have played little direct political role in Viet-Nam despite the regime's reliance on the army as an instrument of political stability. No Vietnamese military figure of sufficient stature to really oppose the Diem Government is apparent on the scene. Nevertheless, in case of future crisis, particularly one which might arise over Diem's succession were he to die or be killed in office, the military will probably play an important role. At present it is believed likely the military would support a constitutional solution—elevation of Vice President Tho to the Presidency. Tho's main obstacle to the succession would be posed by the Ngo family, especially the President's brother Nhu. The outcome of a conflict over the succession, if it should arise, is not clear, but it is conceivable that a military figure might emerge to take over control.

We consider the US policy implications of the above to be as follows: We should give continued full support to Diem's Government as long as it remains benevolent. We should not attempt to make it over in our Western democratic image, but should, whenever feasible, try to induce it in its own interest to give gradually greater recognition to basic human rights and representative government and make some concessions to the intellectuals in an effort to win wider support among them. We should continue to try to obtain a proper balance between security and development needs in recognition of the importance of development to both stability and security. We should continue to observe carefully political tendencies among the

military and be prepared to move rapidly in case of political crisis. We cannot avoid identification with the Diem regime, but should not worry particularly about this as long as on balance the government conforms to our interests.

I. Introduction

1. This paper reviews the problems discussed in reference Circular Airgram as they appear in Viet-Nam. It has been concurred in by the Country Team.

2. One or two preliminary points should be made about the Vietnamese situation prior to a full discussion. In Viet-Nam, as distinct from certain other countries in this area, we face no recent military take-over nor present trend toward one. On the other hand, the authoritarian solution pointed up by the paper under reference has in many ways characterized the government of Viet-Nam since the inception of the Diem regime. In the first flush of enthusiasm over the Diem Government's victory in 1955, both Americans and local intellectuals may have idealized its democratic prospects. This may have led to disillusionment when the iron of its authority failed to disappear, but the change in attitude largely occurred among the observers, while the real nature of the regime remained approximately the same. The several-year experience of the strong-executive, somewhat authoritarian Diem regime in Viet-Nam thus may offer guidelines as to possible future developments in countries only now turning to solutions of this nature. Also, viewing the future of Viet-Nam from this more advanced point, one can perhaps identify some of the difficulties this solution will present in the future.

3. There is an additional preliminary point with regard to Viet-Nam which is of importance: the division of Viet-Nam and the direct military threat posed by communist military forces in the North has, of course, affected the situation here. A positive result of this situation has been the outlawing of overt communist organizations and activities in South Viet-Nam. Viet-Nam has thus not had the problem of a substantial build-up of an overt communist organizational framework in competition with that of democratic forces. Such a situation did exist, of course, prior to the Geneva Truce in 1954, and the Communists were clearly winning the race at that time. However, the separation of the country has arrested the overt development of organized communist political strength in South Viet-Nam. This is not to say that covert communist organizations do not exist. They do, but their ability to organize mass support has been severely limited.

II. Viet-Nam's Strong Executive-Type Government

1. Despite a propagandistic assertion of democratic practices and institutions, the present regime in Viet-Nam makes little attempt to hide either from its own people or from others the fact that real political decisions are made in a fairly authoritarian manner. Justification for this practice is readily presented and they include most of these in the referenced paper; the lack of experience of the people in making political decisions, the deadening hand of the earlier colonial regime, the lack of efficient cadres, the lack of traditional discipline and responsibility, and the importance of security against a vicious foe. Behind these is the traditional belief of those exerting power, especially the Diem family, in the benefits of a system providing guidance and direction to the untutored masses by wise and learned Mandarins. As a direct descendant of this group and firmly committed to the principles of respect for authority, public service and integrity stemming from its ideals, President Diem is little inclined to launch into any widespread experiments in democracy when he sees more important work ahead.

2. One additional justification for the authoritarian solution and one emphasized especially by Ngo Dinh Nhu, brother and adviser to the President, is the concept of the "forced march". This metaphor is used to describe Viet-Nam's need to advance swiftly in its economic, cultural, and political development. Since the President and his fellow rulers of the government are convinced of their knowledge of the correct route toward the goal, they at the same time insist that the "forced march" be conducted under full discipline. Many of the democratic principles outlined in the Constitution are thus in effect part of the goal, rather than present rights, and are being initiated at a most cautious pace, in many respects only in form rather than in substance. The full fruition of these democratic principles is postponed until the "forced march" reaches its goal.

3. Even the goal of the Diem regime is not apt to resemble a New England town meeting on a nation-wide scale, nor will it apply with precision the precepts of the American Bill of Rights. Viet-Nam under Diem's tutelage is carving out a political system of its own, according to the President one better suited to the traditions, character and situation of the Vietnamese people. This system of "personalism" lays at least as much emphasis on the individual's obligations to the community as it does to his rights within it. This double aspect varies somewhat from the major emphasis given in Western constitutional systems to democratic rights and it provides the basis for a larger measure of discipline of the individual on behalf of the interests of the community (as expressed by its governmental organs). Consequently, the Vietnamese Constitution even as an ideal,

provides much more scope for the exercise of governmental power than does the average Western democratic constitution. It is the contention of the present leaders of Viet-Nam that such a system is better suited to the problems of an underdeveloped Asian nation today, and they are disposed to cite as examples the cases of some Asian nations which have tried and failed to make great leaps forward into twentieth century Western democracy. At the same time, both the personalist philosophy and the Constitution assert that more than the exercises of naked power is intended, and that the objective of the "forced march" is one of greater individual freedom and development than has existed in Viet-Nam to date.

III. Trends in Viet-Nam's Development

1. Trends with both positive and negative effects upon U.S. interests can be found in Viet-Nam. There is little doubt that the past five years have been highly successful. Any perspective which includes the terrible low point of the immediate post Geneva period can only admit that developments since that time have been almost miraculously favorable for U.S. interests, namely, the continued freedom of South Viet-Nam from communist control. Consolidation of Diem's political and administrative control, elimination of the sects, the ouster of Bao Dai, establishment of the republic, promulgation of a constitution, resettlement of about 800,000 refugees, increased effectiveness of the army, pacification of most of the country against the Viet Cong, overcoming of inflation, and the initiation of economic development and land reform have all been favorable developments.

2. Some of the present difficulties in Viet-Nam can almost be said to stem from its success in climbing from the depths of 1954. Now that it has achieved a situation of relative stability, a clamor for the luxuries of freedom arises. Some consideration of recent developments will demonstrate both the existence of this malaise and that nonetheless very real steps ahead are still being taken.

3. One of the major advances made by the government has been in the field of public order and security. Communist and bandit armed gangs or assassination teams still exist and strike, but their threat to public order is certainly not what it was five years ago. The armed gangs are generally restricted to jungle hideouts or safe havens over the Cambodian border, and communism is now more a clandestine and underground problem rather than a danger to the security of the state. The absence of communist violence during the recent elections to the National Assembly was the most dramatic evidence of the increase in public order and security. There is much to do in this field, but the GVN has certainly achieved substantial results.

4. In the area of political development toward a democratic and popular government, Viet-Nam can show only small steps of progress. Furthermore, in great part these steps amount only to the erection of a facade and the reality of the situation remains one of authoritarian control by the regime. Nonetheless, the developments in question indicate that the regime does hold its own type of democratic ideal as a long-term goal and is creating at least a skeleton onto which a living democracy adapted to Viet-Nam's traditions and needs can later grow.

5. It is also engaged in a necessary educational process, of which even lip-service to individual rights and duties is an important element. Perhaps not fully comprehended by those creating them, also, is the possibility that certain of their political facades may develop a reality, initiative and even independence of their own. As will be outlined later in this paper, the regime believes it has a technique for retaining control over this development, but experience in other countries of the world has occasionally shown such "monsters" escaping from Dr. Frankenstein's direction.

6. Most significant effort by the government in the field of political development is its creation and extension throughout the country of so-called "private" professional and political organizations. The most recent effort on a large scale has been that of the Farmer's Association (Embassy Despatch No. 27 of July 20, 1959³). Others include its high-pressure effort to organize the government's political party, the Movement of National Revolution, down to the

³In despatch 27, the Embassy reported that the South Vietnamese leadership's concern with deterioration of security in the countryside led it in late 1957 and 1958 to consider a rural recruitment campaign by the National Revolutionary Movement (NRM) to win over the peasant farmers and thus gain political control of the countryside. According to the Embassy, the NRM began to organize cooperative Farmers' Associations (FA's) in March 1959, but little had been done to give them economic function or viability. The Embassy offered the following comments on the program:

"The FA's effectiveness as a scheme to combat the security situation has merit, although it is not a panacea. It is not designed to cope with the threat of violence to its membership. The GVN has other agencies for that. The FA is designed to give the GVN political support by showing the farmers that it can provide local organizations to help them with their problems. Like most new governments in SE Asia, the GVN's political organization is in the greatest need of development at the local level. This also is where the communist threat is strongest.

"The NRM may make political capital out of the movement if it employs persuasion instead of coercion in its promotional activities and demonstrates a capacity for enlightened leadership.

"A danger exists, due to numerous small organizations to be created, that communist elements may penetrate the movement.

"The GVN's recent tendency to assume a monopoly over the distribution of fertilizer for general farm use raises the possibility that the NRM may wish to employ this device as a further means of controlling the FA and uncooperative farmers.

"Several years success will be needed before the FA will become a political asset to the GVN. A growing and successful pattern of operation over the course of several years is required." (*Ibid.*, 851G.20/7-2059)

most isolated village, and to buttress it by also creating certain minor parties such as the Vietnamese Socialist Party. The continual promotion of the concept of personalism and of community effort may well lead to greater assertion by the individual Vietnamese that he have a voice in the determination of his own destiny. The establishment of the trappings of an independent judiciary and individual rights has also started the process by which these may assume reality and have clearly pointed the direction of future progress and public pressure therefor. None of these activities have brought about more than a modicum of popular influence upon governmental policy, but there is little doubt that they have increased the individual stature of the Vietnamese and formed at least a framework for the development of a governmental system reflective of the will of the people.

7. Against these rather positive comments on political developments, several quite negative features must be brought into clear focus. As stated above, the comparative success of the government in solving some of its most serious problems has permitted the attention of its critics to turn to other areas of dissatisfaction. It can be said that a "revolution of rising expectations" is taking place in the political field as well as in the economic. Particularly, the more articulate intellectual class, now that it feels that the imminent military and subversive threat has been reduced, is highly critical of the failure of the government to apply democratic procedures and principles more rapidly. The regime, as authoritarian ones perhaps always do, has insisted upon the continuing necessity for the "forced march" and the concomitant necessity for this type of discipline. Nonetheless, the recent elections provided a rather dramatic demonstration of the government's present and future vulnerability in this field. The more sophisticated electorate of one district of Saigon gave a smashing majority to a candidate whose main reputation was that of being an oppositionist to the present regime. Outside of Saigon, it is doubtful that the population's political interests have evolved much beyond an interest in security and the economic benefits of a good crop sold to advantage. Nonetheless the evolution which has already occurred in Saigon can be expected to take place in provincial centers and eventually the countryside, as communications, information and economic interdependence grow. Thus the government will face a serious problem in its relations with its population. Some indications exist that it is aware of this and it is taking some steps to solve it by speeding its program of building the structures of democratic organizations (but retaining full control). The dangerous aspects of this situation are apparent. The government is caught in the dilemma of seeing a need for some relaxation of its absolute control but being afraid to do so, both for the sake of its own skin and continued progress in the country.

8. A specific area of danger to the government is the trade union field. This area has been exceptional in the Vietnamese scene in that two trade unions apparently possess some independent existence and power and are far beyond the facade state. The hand of control has reached even into this area, however. The result has been at least the partial estrangement of certain union leaders from their former support of the government. At the moment, they lack an alternative focus for their loyalties and their opposition is thus muted. They could be expected, however, to turn to an alternative if a substantial one should arise. On the other hand, if the government does succeed in imposing its control on the unions, it can be expected that their strength will wither as they become a facade. In the absence of a real receptacle for workers' loyalties, it could only be expected that the clandestine communist network will make contact with them.

9. Turning to economic development, considerable progress has been achieved (land reform, land development, agricultural credit, rising exportable rice surplus, loans program for increased rubber culture, crop diversification, rehabilitation and expansion of transportation system, establishment now under way of some new industrial plants). Nevertheless, the present pace of developing the economy is insufficient for several reasons. It is unlikely unless accelerated to enable Viet-Nam to achieve viability. Indications are that it is also being outstripped, at least in basic development, by the more brutal "forced march" being conducted in North Viet-Nam. It is probably inadequate to satisfy in long term the "revolution of rising expectations" occurring as a result of the social, cultural and political advance of the people.

10. Proper balance between security and economic development requirements continues to be a difficult problem in Viet-Nam. While President Diem has shown much greater awareness of development needs over the past year and a half than previously, both in his conversations and in his public speeches (witness his 1958 and 1959 "State of the Union" messages to the National Assembly), he still gives first priority to security. Thus, when there is a competing demand from development and security standpoints for the same governmental resources, his inclination continues to be to give the nod to security. His fundamental reason for this is that if security does not exist, people will not invest or work hard to increase production which will either be taken over by the Communists or destroyed by them.

11. In addition, the role of private enterprise in development, particularly in the establishment of small industries, is restricted by the government's mistrust of the entrepreneurial group in general, its suspicion of private foreign capital and its tendency to reserve governmental approval of private projects for those in political favor

with the government. The government's attitude toward private enterprise derives from such factors as the mandarinal concept that the interests of the people will be better served by the governmental administration, Viet-Nam's past history of colonial exploitation, fear of domination of Chinese capital in a free enterprise system and certain less than satisfactory recent experiences with private American capital. Only gradually can private enterprise be expected to play a larger role in the Vietnamese Government's economic philosophy. Meanwhile, joint government-private industrial projects, the government's compromise between capitalism and state enterprise, will remain a prominent feature.

12. Politically the restraints on private entrepreneurs result in a dissatisfaction among business circles, especially in the Saigon area, akin in nature to the unhappiness of the intellectuals over political controls. In the case of both the intellectuals and businessmen this means that the government is failing to make maximum use of limited available human resources and talents in promoting the march forward.

IV. The Can Lao Party

1. A peculiar characteristic of the Vietnamese picture is the role of the Can Lao (Revolutionary Workers') party. The Secretary General of this party is the President's brother and adviser, Ngo dinh Nhu, and the party is the expression par excellence of the political philosophy of the Diem regime. It is not comparable in function to regular political parties, however, it does bear close similarities to, and may even be consciously modeled on, a communist party of restricted membership in a communist country.

2. The Can Lao party is reputed to have some 20,000 members throughout the population. These members are organized in clandestine cells in their neighborhoods or places of work. The cells ostensibly engage in self-improvement activities, such as the study of the personalist philosophy, and they provide a mechanism for control of the personal lives of the individual members. The function of the member is, in his daily work, to exert positive influence by applying and expressing the principles of personalism, and also to keep his party superiors informed of the "true" situation surrounding him. He thus is responsible for reporting misdeeds by other government functionaries, the appearance of suspicious or subversive individuals, and the political attitudes and feelings in the community of which he is a part. In time of crisis, the members of the party can be called upon to participate in more violent forms of the exercise of political action, terror, etc., as might be necessary. It can be seen that this mechanism provides the Diem family with an excellent system directly to gather

information and exert influence through all levels of the government and society.

3. Another function of the party is to provide an extra-legal method of accomplishing results which for one reason or another are not desired to be accomplished through normal government channels. Examples of this appear in the economic field. In certain cases, the party's leaders have admitted that the party has acted as a focal point for the collection of funds, perhaps by somewhat questionable tactics, and used these funds to launch new industries or activities deemed beneficial to the community or the nation. The activity in question was perhaps not eligible for other assistance but was felt by the party leadership to be desirable.

4. These functions of the Can Lao party have been spelled out in some detail because they bear heavily on one of the central points of the papers under reference, i.e., maintaining authoritarian control during the development of a country such as Viet-Nam, but at the same time laying the groundwork for eventual development toward democratic institutions. The Can Lao party, in theory, would provide the cement to maintain control while the government establishes the facades of democratic organization and institutions. It might thus be considered a technique to assist other less-developed countries through their immediate problems toward political democracy.

5. There is one very obvious and very great danger in this technique, that of corruption, in financial or power terms. There is considerable rumor and some firm indications that the picture painted in the paragraphs just above of the functions and activities of the Can Lao party is not accurate. These instead imply that the party is used as a mechanism for the exertion of favoritism, the formation of cliques, the execution of autocratic control with no attention paid to the attitudes and feelings of the population, and the accumulation of substantial financial holdings at home or abroad by certain families and individuals. Because of the clandestine nature of the party, temptations along these lines certainly exist. At the same time its clandestine character also makes it difficult to prove or disprove most of the allegations. Thirdly, the clandestinity undoubtedly leads opponents of the regime to suspect and denounce party manipulations in more cases than may actually exist. Lastly, misdeeds may exist on certain levels of the party at the same time they are frowned upon by higher levels.

6. This is naturally a subject which is under the closest possible observation by American agencies in Viet-Nam. It must be recognized as the great danger of any reliance on the Can Lao "cement" technique, especially in view of the strong traditions of corruption in Asia.

V. The Role of the Military

1. The Vietnamese military and officer corps have hardly been mentioned in this paper up to this point despite their appearance in the paper's title and emphasis in the paper under reference. While this is not an accurate presentation of the great degree the present regime depends upon its military forces, it is an accurate reflection of their lack of participation to date in the internal political affairs of the nation. Nonetheless, their political potential for the future is considerable.

2. The military forces and the internal security forces and police are main reservoirs of strength available to the government. They are the principal deterrent to DRV military attack, and they have been the primary instrument of the government in its drive to pacify the country and eliminate Communist and other dissident elements which threaten internal security. They have also been used as an expression of the government's presence throughout the country in the form of guard units, etc. The officer corps has been of further assistance to the government as it has supplied an extensive number of key administrative officers needed by the government to conduct its affairs and to launch its program of development. For example, a considerable proportion of the chiefs of province are military officers.

3. In view of this heavy dependence by the government on its military forces and the officer corps, it is perhaps paradoxical that the military plays a small part in the political life of the country. The fact that this is so is in part a result of its preoccupation with the priority task of creating a strong army in order to deter and repel if necessary, an attack from the North. In part, of course, it may stem from the comparative success the government has had to date in solving the country's problems, so that there has been no temptation for the military to interfere to do better. Considerable credit must also be given the influence exerted by United States MAAG officers, who have continually both preached and given the example of the American military tradition of abstaining from political affairs.

4. Another reason for this situation can be ascribed to the Diem regime itself. It is not a coincidence that the President maintains in his own hands the office of Secretary of State for Defense, and that he and his brother Ngo dinh Nhu closely follow assignments, promotions, etc., of senior officers. Ngo dinh Nhu has himself emphasized that the military must be kept out of the political arena. He has admitted that other Asian nations have had to be saved by the military, but he contends that countries with effective political organizations with strong philosophical bases can meet the communist threat without turning to military leaders, and that Viet-Nam qualifies as one of these. He has stated that an army which enters into the internal poli-

tics of a country loses its quality as a national force and becomes a political aspirant for political power, and that the attention it pays to politics is paid for by poor military training of the army.

5. Nonetheless, Ngo dinh Nhu and the Can Lao party apparently feel it essential to penetrate the military establishment just as every other force in the country. There is, for example, a "Military Committee" of the Can Lao party. Its efforts have resulted in certain of the rumors of the favoritism and influence mentioned above, but careful investigation by MAAG brought no specific evidence of detrimental effects upon the military effectiveness of ARVN. It can be assumed, however, that the Can Lao maintains at least a representation within ARVN, which would signal any steps by military leaders toward the political arena.

6. It is the judgment of the Country Team that there is no Vietnamese military figure sufficiently prominent at this time to rally opposition to President Diem or to the government. It is universally accepted that the senior Vietnamese officer, Chief of Staff Lieutenant General Le van Ty, has no political ambitions, is fully loyal to the Diem regime, and probably is not sufficiently effective to mount and carry out a military coup. Furthermore, it is the opinion of MAAG officers with close contact with senior ARVN officers, that there is very little consideration given to such a prospect by ARVN figures. Thus the likelihood of any kind of coup or military take-over against the present government is minimal for the near future. What the role of the military might be in the future circumstances is discussed below.

VI. Future Crises

1. Certain favorable and unfavorable possible long-term trends of the Diem regime have been described above. Some foreseeable events, however, could very greatly affect the overall picture in Viet-Nam and these are appropriately considered in a paper dedicated to the problems of stability and development.

2. The first and most obvious danger would be the death of President Diem. In a constitutional regime with firm traditions such as development might be regrettable but not necessarily catastrophic. Since the government of Viet-Nam at the present stage, however, is little more than the projection of President Diem's ideas and leadership, his demise would raise a problem of the first order.

3. Were the President to die or be killed, the Constitution provides for the succession of Vice President Nguyen ngoc Tho. The question on which it is difficult to form any firm predictions is whether the Constitution would be followed, and secondly, whether the solution it provides would be an enduring one.

4. Vice President Tho's chances of succeeding, at least for an intermediate period, are considered good. He is likely to receive the support of the armed forces. He is well regarded by Major General Duong van Minh, the senior ARVN general aside from Chief of Staff Le van Ty—Tho arranged for Minh's release from a French prison in which they were cell-mates. Vice President Tho has also made distinct efforts in recent months to travel widely in the country and to become well known to the population and to the administration. He is well and favorably regarded by many technicians and political personalities as well as by members of the Embassy and the United States Economic Mission (USOM).

5. The principal obstacle to Vice President Tho's succession would be posed by surviving members of Diem's family, and especially by the President's brother Ngo dinh Nhu. On several occasions, the latter has made slighting reference to Tho's qualifications for the succession and, indeed, to his qualifications for the high office he now holds. Reports have been received that a secret agreement exists under which Vice President Tho would immediately resign if the President died, and be succeeded, at least temporarily, by the then President of the National Assembly, who would be expected to follow the orders of the President's brother Nhu until a suitable successor could be chosen. It is clear that Nhu disposes of considerable political power through the mechanism of the Can Lao party, and he could be expected to be ruthless in using it in such a crisis. Whether the Vice President would accede to his demands or use his influence with the administration and the army to fight, politically or even militarily, is by no means clear at this moment, however. No more clear is the outcome if such a conflict came to pass. Aside from the main conflict with Tho, a side conflict might well arise among those seeking to displace him, involving one or more of the President's brothers, or acceptable front men and individuals who have at least the first elements of political power or public popularity.

6. Even assuming an orderly succession for an interim period, the President's death might lead to a later leadership and governmental crisis. Thus, if the Vice President's leadership should not prove sufficiently vigorous and effective, a host of possible efforts to replace him might arise. One of these might well be led by the President's brother Nhu with the support of the Can Lao mechanism. Another might be the result of an agreement among senior military officers that a strong hand was needed, and their selection of one of their number to provide the country with the necessary leadership. A third might be a crystallization of some of the present opposition to the Diem regime around a vigorous leader or even one of the present Cabinet or Assembly offering a different approach, and a bid for

power with popular support. Prediction so far ahead is, of course, a hazardous art. It can only be said at this juncture that the potential exists for any of these efforts to fill a leadership vacuum. Which would prove to have the greater power when the time came is almost impossible to determine. It can be said, however, that as long as the President remains alive and his programs of political and economic development progress, the likelihood of a constitutional and stable succession increases.

7. Assuming the continued life of the President, a crisis will arise at the next presidential election in 1961. There is little chance that opposition to Diem will be able to express itself to any degree. However, a dispute will undoubtedly arise over the selection of the candidate for Vice President for the ensuing five years. The forces mentioned above as opposed to Vice President Tho are already beginning to refer to the advisability of retiring him and replacing him with a figure with "higher qualities of leadership." Such a conflict will probably be restricted to the palace, as its final resolution would be in the hands of the President himself. His decision, however, will be most revealing of the degree of influence exerted upon him by his brothers and their Can Lao concepts of political organization, as distinct from the political powers which may assemble on the side of Tho.

8. A serious crisis could be expected in Viet-Nam if there were a substantial diminution of United States aid. The present force level of the army and the present rate of economic development are both dependent on the maintenance of very substantial levels of U.S. assistance for a number of years. The large scale difficulties which would be caused in the military as well as the economic field by too rapid a reduction of this aid would create very substantial problems even to the leadership of as strongly seated an autocrat as President Diem.

9. In the field of "second stage revolutions" under the leadership of the intellectual class, there are some indications of storms to come. As stated above, there is substantial dissatisfaction among many of the articulate intellectuals, and some public resentment over the excessive control techniques imposed by the administration and the Can Lao's clandestine power. However, there is certainly no current likelihood of the organization of a second stage revolt or military coup. The major element missing at this writing is any clearly defined or effective leadership. No such center of power appears in the military, and the intellectuals do not seem to have gravitated around any one leader, either in Viet-Nam or in exile. A figure being discussed at this time, Dr. Phan quang Dan, does not appear capable of organizing such a complicated operation. Lastly, the Communists, while certainly present in the country clandestinely, do not have suf-

ficient organized strength around which opposition to the Diem government could crystallize.

VII. U.S. Policy Implications

A. Political

1. The strongly executive type, somewhat authoritarian government of President Diem is compatible with our interests in Viet-Nam as long as that government remains benevolent as demonstrated by its efforts to improve the conditions of the Vietnamese people. We should, therefore, continue to give it our full diplomatic and material support not only because of its strongly anti-Communist external stance, but also because of its sincere endeavor to remove conditions which breed Communism from within.

2. We should be prepared to acknowledge to ourselves that even over the longer term democracy in the Western sense of the term may never come to exist in Viet-Nam. We should welcome the Diem Government's attempts to develop the ideology of Personalism as a counterbalance to the lure of Communism. The leaders of this government stand almost alone among the leaders of underdeveloped countries in this endeavor, however faltering and obscure it may seem at times. We should also look with tolerance on the GVN's efforts to establish a political system which it considers in conformance with local traditions and needs. We should not attempt to make over Viet-Nam in our own image. Excellent as the democratic, liberal and parliamentary institutions and methods are for countries like the U.S. and the U.K., recent developments in certain other Afro-Asian countries indicate that they cannot be expected to flower at an early date in such countries.

3. We should, nevertheless, whenever feasible, bring our influence to bear on the Vietnamese Government to try to induce it in its own interest to recognize basic human rights and give gradually greater reality to representative government. Such actions importantly affect the international prestige of the Government, its propaganda position vis-à-vis the Communist regime in North Viet-Nam, and its degree of support by Vietnamese intellectuals.

Following the National Assembly elections of August 30, 1959, we attempted to induce the government for these reasons to seat all of the genuine independents who were elected. Though the seating of several independents was not challenged, we were unsuccessful in the conspicuous cases of Dr. Phan Quang Dan and Nguyen Tran. A second example of what we can try to do in this area is to encourage the government to permit some legislative initiative to the new National Assembly. This was denied to the first assembly to the detriment of its prestige.

4. We should not only encourage the Government to seek greater support among intellectuals through measures of the type discussed above, but also to make better use of the human resources they represent. This is important both because dissatisfied intellectuals can be leaders of "second-stage revolutions" and because the immense area of work to be accomplished in an underdeveloped country makes it desirable to use all of the limited talents available.

Perhaps relaxation of the Government's severe restrictions on travel outside of Viet-Nam would be the single most important action which could be taken in this connection. The intellectuals, often educated abroad, either deeply resent this severance of their contacts with foreign countries, or, if already abroad, have serious apprehensions that they would not be permitted to leave Viet-Nam once they return. A more liberal attitude by the government toward foreign travel should attract many educated Vietnamese in France to return.

5. We shall also, as appropriate, encourage the government to allow some substance to the trade unions in the collective bargaining field. If the working class cannot look to trade unions under non-Communist leadership as the promoters of its interests, it will be far more susceptible to Communist subversion.

6. We believe in view of the extensive U.S. support of the GVN it is extremely difficult for the U.S. to avoid identification with the Diem regime even though we may not like some of its acts. As long as the image which the GVN presents is one which is, on balance, in conformity with our interests, we should not be overly concerned over our identification with the regime. In any case, certain of our actions, such as our effort to influence the GVN to seat all independents elected to the new National Assembly, can be discreetly made known—for example, to the diplomatic colleagues of allied countries—and thus prevent complete U.S. identification with all acts of the GVN.

7. We should be prepared in case of political crisis, such as may arise in connection with the succession to Diem, to move rapidly to support U.S. interests. This requires continuing collection and analysis of information on the political situation and personalities. Since the subject of succession is sensitive, the collecting of such information, including contacts with the opposition and possible successors, must be handled with utmost tact and care. Much of it must be carried out by well-trained lower level Embassy . . . personnel to prevent arousing antagonism on the part of the Government.

B. Economic

1. We shall continue as in the past to influence the GVN toward the proper emphasis on security and development needs. The pro-

posed level and uses of FY60 and 61 Defense Support aid are intended to serve this purpose (see Saigon's Telegram 1270, October 10⁴).

2. We shall also do what we can to change the government's attitudes toward private business and to expand the role of private enterprise in Viet-Nam, but we should expect only gradual and partial progress in this respect for the time being (see also in this connection Saigon's Telegram 1270).

C. Military

1. We shall also carefully observe political tendencies which may develop among the officer corps. Our MAAG officers stationed with units of the Vietnamese armed forces as training advisors are potentially useful sources of information of this type.

2. We shall also seek to influence the officers of the Vietnamese armed forces along the proper lines. MAAG has consistently aimed at inculcating in Vietnamese officers the U.S. concept of a responsible, dedicated, non-political corps, and this will be continued. While it would appear desirable in principle to bring the more prominent Vietnamese officers to understand the importance of balance between security and development needs in case the military plays a large role in the succession to Diem, it is believed too risky to do this at the present time because of likely irritation to the GVN which would soon come to realize the purposes of such efforts, and embarrassment to MAAG and the Embassy.

D. Informational-Cultural

1. Our information and cultural programs should continue to favor moderate political solutions. These programs should be addressed to the existing and emerging elite, the government bureaucracy and military personnel. They should pursue this general psychological objective by (1) projecting a negative image of communism, (2) fostering confidence in the power and purposes of the free world, (3) stimulate awareness of the benefits flowing from cooperation with the United States and other nations of the free world, (4) promoting understanding of basic western values, and (5) encouraging Vietnamese political and social cohesion and self-confidence.

Elbridge Durbrow

98. **Memorandum From the Director of the Office of Southeast Asian Affairs (Anderson) to the Assistant Secretary of State for Far Eastern Affairs (Parsons)¹**

Washington, December 16, 1959.

SUBJECT

Viet-Nam: MAAG Ceiling

1. The GVN has notified the ICC that TERM will probably leave by the end of 1960. Defense is pressing to start to increase MAAG and CINCPAC suggests this be done without consulting the ICC. Ambassador Durbrow says the ICC must be consulted first and wants to start consultations soon. We want to reach agreement with DOD as to the future size of MAAG before starting consultations.

2. I attach (Tab A)² a memorandum for use with Admiral Edward J. O'Donnell, OASD/ISA, suggesting that prior to implementing an increase in MAAG the ICC be informed that, due to the increased threat from the DRV, it will be necessary to raise MAAG from 342 to 685, a figure well below 888, the total number of U.S. and French military training personnel in Viet-Nam at the time of the Armistice³ but that we reserve the right to increase to 888 in case of hostilities or a serious increase in the threat from the DRV.⁴

3. This will be slightly smaller than the present MAAG-TERM total of 692. The purpose of the reduction is to facilitate ICC acceptance by a show of reducing the U.S. military presence in Viet-Nam. I

¹Source: Department of State, Vietnam Working Group Files: Lot 66 D 193, MAAG-TERM 1959. Secret. Drafted by Wood.

²Attached but not printed.

³Article 16 of the Geneva Agreement forbids the introduction of troop reinforcements, but permits troop rotation. [Footnote in the source text.]

⁴In telegram 072247Z from Pearl Harbor, November 8, CINCPAC noted a "current sympathetic attitude" in the Indian and Canadian members of the ICC and stated it was apparent that the United States could no longer delay effecting an orderly decrease in TERM and a compensatory increase in the MAAG ceiling to be phased in gradually during CY 1960. CINCPAC spoke also of a "requirement" for filling the full 888 spaces. (Department of State, Vietnam Working Group Files: Lot 66 D 193, MAAG-TERM 1959)

In telegram 1897 from Saigon, December 10, Ambassador Durbrow agreed with CINCPAC on the need to "resolve MAAG ceiling soonest" but opposed doing so prior to consultations with Canada and India. He pointed out also "that 888 figure has never been put forth by Embassy except for purpose of demonstrating that we have legal basis for increase MAAG above present 342 and that at no time has there been any intention of expanding MAAG to that figure. Embassy has never anticipated that MAAG personnel would total more than about 692. . . . Moreover, it is always possible we may have to agree to somewhat smaller number in order to obtain ICC assent. . . ." Durbrow also recommended not converting TERM members to the MAAG roster, but instead effecting the changeover as replacements arrived. In conclusion, he reemphasized that in order to "avoid too blatant admission we have been using TERM personnel for MAAG purposes" it was necessary to initiate the gradual changeover early in 1960. (*Ibid.*, Central Files, 751G.5-MSP/12-1059)

believe the negotiations would be easier than if we stick to the 692 figure or ask for an increase, even a small one.

In addition MAAG would continue to have 51 persons officially attached to the Embassy for administrative purposes. We are suggesting that this group be phased out during calendar 1961 to reduce the risk that the ICC, which is trying to improve its methods of checking MAAG personnel, might later uncover them.

4. The position taken in this memorandum is in accordance with Ambassador Durbrow's latest telegram⁵ on the subject (Tab B) except that he 1) does not specifically recommend a 1 percent cut, although he says it may be necessary to cut the figure to obtain ICC concurrence; 2) does not suggest the possible phasing out of the 51 administrative support group during 1961. We think it wise to indicate now our belief that this problem will have to be faced.

5. I hope that we can settle the matter without asking you to intervene. If you concur in the above, I will discuss the matter with Admiral O'Donnell⁶ and probably leave the attached paper with him. If we agree, I will concur in the attached draft cable (Tab C)⁷ in reply to CINCPAC's query (Tab D).⁸

⁵Telegram 1897.

⁶For a report of the meeting between O'Donnell and Anderson, see Document 100.

⁷Attached; printed as an enclosure, *ibid.*

⁸Telegram 072247Z.

99. **Memorandum of a Conversation Between Senator Mike Mansfield and the Under Secretary of State (Dillon), Department of State, Washington, December 18, 1959¹**

SUBJECT

The Mutual Security Program

Senator Mansfield asked me about the military assistance program and said he wanted to be sure the State Department still retained full control over the military assistance program as this was the intent of the Congress. He said the Foreign Relations Committee during the coming MSP hearings would inquire into this whole subject so as to make very clear the Senate's view that the State Depart-

¹Source: Department of State, Saigon Embassy Files: Lot 65 F 115, 362 Legislative Branch. Confidential. Drafted by Dillon. Attached to a letter from Parsons to Durbrow, January 27, 1960, not printed.

ment should have the final authority in the military assistance program. I assured the Senator that our relations with the Defense Department are excellent and that I now think the State Department's influence is more effective in the management of the military assistance program than ever before.

Senator Mansfield said he had heard from the staff members of his subcommittee in Vietnam who had been there for three weeks, and while they had found a few things to criticize, they had in general found nothing very much wrong. He regretted the public findings by a certain Senator who was in Vietnam for only two days and whose findings did not accord with those of the subcommittee staff.² He said the report of the committee would be framed in such a way that its recommendations would be generalized for the whole aid program rather than specifically directed toward Vietnam.

²Apparent reference to the visit of Senators Albert Gore of Tennessee and Gale McGee of Wyoming, December 7-8.

100. Letter From the Director of the Office of Southeast Asian Affairs (Anderson) to the Ambassador in Vietnam (Durbrow)¹

Washington, December 21, 1959.

DEAR DURBY: After receiving your telegram No. 1897² on the MAAG ceiling, we set up a meeting with Admiral O'Donnell which took place today and submitted to him the enclosed draft cable. We understand that DOD had originally wanted to increase MAAG to 775. However, your cable indicated that General Williams was willing to stay pretty close to the figure of 692 and on that basis we proposed a symbolic cut of seven men so that in going to the ICC we would be able to show a reduction of U.S. military personnel in Vietnam. Admiral O'Donnell indicated that Defense would probably buy the figure of 685 plus 51 for administrative support.

There are two possible flies in the ointment: 1) they may wish to bring the 51 out in the open for a new total of 736. This would be difficult as we think here that the total should be somewhat less than 692. If you have other views, please let us know. 2) They were

¹ Source: Department of State, Vietnam Working Group Files: Lot 66 D 193, MAAG—TERM. Secret; Official-Informal. Drafted by Wood and cleared by Usher.

² See footnote 4, Document 98.

obviously not happy about the last paragraph of the draft cable indicating that it might be necessary to eliminate the 51 during 1961. We said this was simply to let them know that this question might have to be reviewed, especially if the ICC head-counting procedures became more effective. I understand that the ICC has wished to tighten up on the counting of personnel arriving and departing from the airport. How does this matter now stand?

In general, I think we will have an answer from the military pretty quickly and we are preparing instructions along the lines of Deptel 65³ and previous plus two briefing papers, one for the Indians and one for the Canadians, showing the increased threat of the DRV military.

I hope you and Emily have a fine Christmas, and I wonder if you were ever able to have a few days for that tiger hunt.

Very sincerely,

D.A.

Daniel V. Anderson

[Enclosure]

**Draft Cable From the Joint Chiefs of Staff to the
Commander in Chief, Pacific (Felt)⁴**

Joint State-Defense Cable. From OASD/ISA. Reference CINC-PAC 072247Z Nov 59 (DA IN 260521).⁵ Request CHMAAG Viet-Nam prepare and submit revised T/D for MAAG Viet-Nam with two columns, one headed T/D Table (providing for 888 persons) and one headed T/D Reduction Table (providing for 736, i.e. 685 plus 51 administrative support).

Latter figure represents cut from 692 to 685 designed facilitate ICC concurrence by show reducing US military presence Viet-Nam and to avoid well worn figure 692. State believes any increase above 692 will cause difficulties, delay and possible greater cut. Implementation to take place during CY 60 after ICC consultation and with State concurrence.

³In telegram 65 to Saigon, July 15, the Department asked for the Embassy's comments on a series of proposed steps for obtaining Canadian and Indian acquiescence in increasing the number of MAAG personnel in Vietnam. (Department of State, Central Files, 751G.5-MSP/6-3059)

⁴Secret.

⁵See footnote 4, Document 98.

Implementation should be arranged so as to attract least attention. To maximum extent possible direct transfers from TERM to MAAG to be avoided.

Due probability ICC checking will become more effective and to make further gradual reduction US military presence it may be necessary eliminate 51 administrative support personnel during CY 61 leaving total MAAG 685 by end 1961, with right increase to 888 in event hostilities or grave emergency.

101. Telegram From the Ambassador in Vietnam (Durbrow) to the Department of State¹

Saigon, December 24, 1959—6 p.m.

2014. Reference: Embtel 1676.² Department Pass Defense, ICA.

1. After careful consideration MAAG-recommended GVN military budget for 1960 of \$169.3 million, which represented fine job reducing GVN/DOD's military budget proposals, I concluded on basis following overall economic and financial considerations that every effort should be made reduce total budget to \$165 million:

A. Guideline given GVN last spring called for total budget of \$165 million and US contribution not to exceed \$130 million. Given congressional cuts and no increase in military costs over those than foreseen, there is no reason to reverse earlier decision and reversal would set bad precedent.

B. \$185 million defense support requested of Congress for Vietnam for FY 1960 cut to \$156 million; thus previous maximum \$130 million on US contribution GVN military budget must be adjusted downward to conform to reduced aid availabilities.

C. Import level under commercial import program declining as result increased domestic production, thus reducing US capability generate counterpart which in turn means lower piaster availabilities from aid.

D. Accumulated counterpart resources on both program and cash bases declining.

¹Source: Department of State, Central Files, 751G.5-MSP/12-2459. Secret. Paragraph 1 of this telegram and its subsections follow closely in substance Mendenhall's memorandum of a presentation made by the Ambassador on the Vietnamese military budget at a Country Team meeting held on November 14. (Center of Military History, Williams Papers, Memoranda to and from Ambassador 1959)

²In telegram 1676, November 17, the Embassy reported that a Country Team Staff Committee had been established to study means of reducing Vietnam's 1960 military budget from the \$169.3 million recommended by General Williams to \$165 million. (Department of State, Central Files, 751G.5-MSP/11-1759)

E. GVN confronted by estimated \$VN 500 million deficit in 1959 budget and projecting \$VN 300-500 million deficit in civilian budget for 1960. Any GVN financing 1960 military budget will add to projected deficit, thus creating additional inflationary pressures. Unless inflationary potential of budget deficits restricted as much as possible, we run unnecessary risk of undoing one of first achievements of our economic aid program which was attainment of financial stability.

F. GVN will require piaster resources to finance local currency costs DLF projects and other projects being financed in part by foreign credits and VN foreign exchange resources. These costs likely add projected budgetary deficit and compete with other demands on piaster resources.

G. We hope balance of payments approach in determining level of US aid, plus reduced austere military budget, will exert pressure GVN to increase taxes and adjust piaster exchange rate.

2. I have now approved country team staff recommendations by committee established to study means reduce MAAG-recommended 1960 military budget to \$165 million. These recommendations which constitute least harmful methods of achieving reduction of \$4.3 million as follows (figures given below have been rounded after conversion from piasters):

A. *Pay and allowances—reduction of \$2,500,000*: MAAG budgeted for 147,913 man-years (excluding reserve force). Committee however believed it unlikely forces could be maintained this level without exceeding 150,000 force level which committee, in accordance with what is believed to be normal personnel practice, interpreted as ceiling, not as 150,000 man-years. Committee recommended application 2-1/2 percent lapse rate, resulting in effective realized strength of 144,217 man-years as compared monthly average strength Oct 1958-Sept 1959 of 143,804.

B. *Foodstuffs—Reduction of \$400,000*: Recommended lapse rate of 2-1/2 percent would also produce saving in this item.

C. *Reserve forces—reduction of \$500,000*: Committee recommended reduction number programmed reservists 1960 from 30,000 to 20,000 which still almost double number trained in 1959 (11,000).

D. *New construction—reduction of \$900,000*: Committee noted large unexpended pipeline of 1958 and 1959 budgeted funds for construction (about \$8 million as of October 31) far exceeds level funds budgeted for one year for this purpose. History military construction 1958-1959 raises serious question as to whether there sufficient local contractors, materiel, etc. Available carry on simultaneously work on 1958, 1959 and 1960 construction programs. Committee therefore recommended that funds for this item be budgeted at \$4.5 million, which is \$270,000 below level budgeted for 1959. MAAG and GVN should determine which projects should be postponed to bring construction budget within reduced figure. This reduction \$900,000 in MAAG-recommended figure believed in accord likely construction achievement possibilities.

3. We intend propose to GVN that 1960 military budget be financed as follows:

A. \$124.4 million from counterpart equivalent of FY 60 defense support aid;

B. \$26.5 million from customs receipts collected on DS aid and deposited in counterpart account;

C. \$14.1 million from GVN resources.

GVN previously told \$130 million represented ceiling on US contribution 1960 military budget from new funds and aware aid likely be below previous year. Propose tell GVN reduction military budget support to \$124.4 million due to large congressional cut sustained overall aid program decreasing ability CIP generate counterpart and increasing congressional insistence on progress toward economic self-support. Therefore highly desirable that GVN contribution to military budget from own resources show steady increase, and that adequate portion of DS be reserved to finance foreign exchange and local currency costs of economic infrastructure projects.

4. We assume no Washington objection to approach outlined above for 1960 military budget and propose approach GVN along above lines in week to ten days unless instructions to contrary received.

5. Chief MAAG is prepared to comply with this approach. He continues to believe, however, that \$169.3 million budget is minimum to support established force levels, and that it may be necessary during calendar 1960 to furnish additional funds or accept force level reduction with all related serious implications.³

Durbrow

³The language of this paragraph was recommended to Durbrow by Williams in an undated memorandum. (Center of Military History, Williams Papers, Memoranda to and from Ambassador 1959)

102. Memorandum From the Secretary of Defense's Deputy Assistant for Special Operations (Lansdale) to the Deputy Secretary of Defense (Douglas)¹

Washington, February 12, 1960.

SUBJECT

Security of Vietnam

Here are some thoughts you might find useful for discussion with appropriate U.S. officials.

Recent reports from Vietnam indicate an increase in Communist activity which has the stated objective of overthrowing Vietnam's government by subversion and paramilitary force. The situation is said to have been caused by a strengthening of Communist guerrilla cadres and by weaknesses in Vietnam's security forces. I have given General Bonesteel² some constructive suggestions on this.

The security of Vietnam may appear to be a military problem, but actually it is much more than this. It seems to me that the U.S. should take a hard look at this problem while it still permits solution within our present scale of effort. We should take adequate steps towards helping Vietnam meet this threat.

The fundamental of the Vietnamese situation is a political one. Without a sound political basis for operations, military actions can only provide a temporary solution. The United States advised and helped Vietnam create its present *political* organization just as it did the *military* organization, from the birth of this new nation. Our past actions have given us responsibility for the political as well as the military health of Vietnam. If we are to help Vietnam meet this current threat, our help must include a review of the political aspects required for solving the problem. It would be useful to bring this to State's attention, and then work as a Defense-State team toward achieving the NSC objectives for this new nation.

Our goal is "a strong, stable and constitutional government" for Vietnam which will enable Vietnam "to assert an increasingly attractive contrast to conditions in the present Communist zone."³ Thus, the objective has been stated by the NSC. The way leading to it has not. Shouldn't we give thought to this?

Admittedly, the political problem is not simple. It requires wisdom and sure skill to handle. Vietnam has a strong leader in Ngo Dinh Diem and much of the stability of this new nation came about

¹Source: Center of Military History, Williams Papers, Lansdale 1960 (136). Top Secret. Attached to the letter cited in footnote 3, Document 113.

²Major General Charles H. Bonesteel, III, Secretary of the General Staff (Army).

³The language quoted is from the Vietnam section of NSC 5809, April 2, 1958. See Document 13.

only through his strong leadership. It would not be wisdom now, at a time of threat, to harass him with ill-conceived political innovations, with demanding compliance under the duress of withdrawing aid, or of derogatory criticism from the sidelines. It is a time for sound guidance, given with understanding and friendship.

Communism breeds on discontent. In Vietnam, the Communists have found some discontent with political institutions supporting Diem and are enlarging upon this discontent among the people. In so doing, they are creating a popular base to support their Communist subversive and paramilitary forces and to hide them when necessary. This will increasingly pit the military against the people, unless corrected.

The political institutions supporting Diem have a basic hard core which operates clandestinely. This is perhaps the crux of the matter. U.S. officials often have addressed themselves to the unfortunate results of this system while ignoring the cause. It seems logical that we should examine the cause before more time has passed. If we find it unacceptable to us, then the U.S. officials in Vietnam most concerned with this might well start the "sound guidance" noted above by dealing directly with this cause. Constructive changes at the crux would then have wide beneficial effects.

Personal observation, at first hand, of Vietnamese political parties in 1953 and 1954 when this new republic was being born, led to the conclusion that the significant political parties were largely clandestine in organization and activity. They had to be, to stay alive. Their objective was to free Vietnam from the French and to achieve an independent nation. During long years of this activity, the French sought to curb it. Political prisoners were sent to Puolo Condore, where the death rate was sufficiently high to make political activity a deadly risk for the Vietnamese. All of Vietnam's political leaders got their early political education in revolutionary atmosphere of underground activity, with cellular organization for security, and with a deceptive appearance on the surface. In this respect, they were not too different from the Viet Minh Communists, nor too different from Americans in the Colonies just before our own Revolution.

What is needed for a revolution is hardly what is needed to run an established government. In Vietnam, it was my deep conviction then and remains now that the political health of Vietnam requires that the dynamic political organizations be out in the open. This visibility creates polarity of political thought with the constructive participation of the citizens who stake their futures on political issues. This is certainly inherent in our own most cherished political beliefs. Yet, in Vietnam, it was largely by a combination of U.S. encouragement and acceptance that clandestine political organization has continued as a way of Vietnamese political life. We will be untrue to

ourselves until we make it U.S. policy to discourage this. As a caveat, if we are clumsy in discouraging this, we could cause serious disunity at a fateful time.

What is needed then can be summarized as follows:

a. A clear U.S. appreciation and definition of the way to reach the political objective the U.S. desires for Vietnam, to provide firm direction for U.S. assistance to Vietnamese political development.

b. Place the responsibility for bringing this about in Vietnam on U.S. officials selected and well-briefed to undertake this political action.

c. Undertake the action, in an atmosphere of trust and understanding, so that the present leadership of Ngo Dinh Diem can become even more effective.

d. Make certain that the U.S. military position in Vietnam is used wisely in support of the desired political action.

e. Decide upon and undertake interim measures to meet the current threat, in harmony with the way towards U.S. objectives. These can be ad hoc measures. For example, Diem could be encouraged to temporarily transfer Vice President Tho from economic planning back to serving as political advisor in military operations against Communist guerrillas in the south: Tho was entrusted with this task by Diem in the past, and was highly effective. Another example might be the attitude taken by U.S. officials when listening to Vietnamese political leaders describe their clandestine organizations; silence by the U.S. official can be interpreted as approval.

Recommendations: It is recommended that you discuss this with John Irwin, with a view towards taking it up with Livy Merchant and Jeff Parsons at State.

103. Telegram From the Commander in Chief, Pacific (Felt) to the Office of the Secretary of Defense¹

Pearl Harbor, February 15, 1960—2:21 p.m.

152221Z. Subject: Special Forces Training Vietnamese Civil Guard, approved by OSD 242127Z Aug 59 cite DEF 964297.²

1. Although special forces team can be made available as originally proposed, exploration of various means of accomplishing its introduction into Vietnam without generation of undesirable side-ef-

¹Source: National Archives and Records Services, JCS Records, CCS 99, 9155.3/4060 (15 Feb 60). Secret. Repeated for information to JCS, DA, CINCUSARPAC, CHMAAG Vietnam, and the Embassy in Vietnam.

²Not found.

facts leads to conclusion that proposal should be shelved as infeasible at this time. Pertinent factors include:

(A) Covert introduction of active duty military personnel into USOM Vietnam under civilian cover is of questionable advisability. Experience in Laos has demonstrated difficulty maintaining plausibility such cover. This would be doubly difficult in Vietnam due ICC activity and doubly dangerous in its potential jeopardy to U.S. interests in MAAG/TERM situation.³

(B) Overt introduction to military special forces team into Vietnam, regardless of activity to which attached, would be construed by ICC as device to increase MAAG/TERM ceiling. No reasonable denial could be made to this charge.

(C) Various proposals as to mechanics of introduction special forces team into Vietnam have been made. All have been rejected for one or more compelling reasons, e.g.

(1) Attachment to or operational control by CHMAAG is blocked by MAAG/TERM ceilings.

(2) Attachment to USARMA understandably opposed by ACSI/DA as inimical to primary mission USARMA.

(3) Representation as civilian augmentation USOM too thin a disguise for credibility.

2. Training of selected Vietnamese Civil Guard personnel on Okinawa, by special forces instructors, continues to be practicable and believed to be only solution this problem currently feasible.

3. Recommend proposal to inject special forces team into Vietnam for training of Vietnamese Civil Guard, either overtly or covertly, be abandoned for the foreseeable future and that it be reconsidered only as overt MAAG augmentation if, as and when existing MAAG/TERM ceilings are removed.

³A comment on this plan in a CINCPAC study dated April 24 reads as follows: "An attempt by ICA in recent months to employ a mobile training team of Special Forces to assist in training the Civil Guard failed because no agreed means could be devised of conducting the training overtly." ("Counter-Insurgency Operations in Vietnam and Laos"; Center of Military History, Williams Papers, CINCPAC Study (109))

104. Despatch From the Ambassador in Vietnam (Durbrow) to the Department of State¹

No. 251

Saigon, February 16, 1960.

SUBJECT

Current Security Problems Facing the GVN

On February 12 I called on the President at his request and during the course of a two-hour conversation (see enclosed Memorandum of Conversation²), which is summarized below, we discussed at length the problem of how best to meet the current security problems facing the GVN.

Summary

Diem stated that while the organization of ARVN into corps and divisions was basically useful so that the ARVN could organizationally cooperate with allied forces in case of war, he pointedly emphasized the difficulty of organizing the comparatively small armed forces of Viet-Nam to meet both the threat of an all out conventional attack by the Viet Cong and the increasing Viet Cong guerrilla type of operation. Diem indicated he is now convinced that the immediate problem facing Viet-Nam is the stepped up Viet Cong guerrilla operations which will probably continue for a long time and strongly inferred he now believed too much attention had been given to training the ARVN along conventional lines. Contrary to what he said in our last talk, he stated that the Viet Cong had recently been reinforced by well trained forces from North Viet-Nam, who had come via Laos and Cambodia. Diem concurred with my suggestion that all the security forces should be given more anti-guerrilla training, but he did not believe that this alone would be sufficient to develop a system under which the entire population could be given better protection against Viet Cong depredations. He emphasized that it was unfortunate that as much as one-third of ARVN forces as now organized in large units and a large percentage of Civil Guard are tied down with staff and specialist duties or isolated in small groups guarding bridges and other installations. He had come to the conclusion, therefore, that more security forces are needed who can be spared and trained to carry out actual operations, particularly against guerrillas.

After explaining these factors, Diem said he had decided that the most expeditious way to train existing security forces for anti-guer-

¹Source: Department of State, Central Files, 751K.5/2-1660. Secret. Copies of this despatch were sent to CINCPAC PolAd, Phnom Penh, Vientiane, Bangkok, and Hue.

²Attached, but not printed.

rilla operations would be to recall to active service 10,000 volunteers from the some 100,000 military reservists who had had long guerrilla experience during the Indochina war. He said that most of the volunteers would be formed into platoons or companies to which two Civil Guard comparable regular units would be attached and that others would be assigned to ARVN units. In this way by training and operating together the experienced volunteers would teach the others guerrilla operations. Some might also be assigned to train the Self Defense Corps in guerrilla tactics.

In response to Diem's various points I stated frankly that I thought there were at present sufficient security forces in the country to meet the problem and I questioned whether it was necessary to recall to active service such a large force. I added that if all the security forces were properly trained, particularly in anti-guerrilla operations, there would be no need for additional forces. I said that I was pleased the Civil Guard training would now move ahead expeditiously and I agreed that the Civil Guard, as a national police, should be trained to combat Viet Cong subversive or guerrilla operations.

Referring to the recall of military reservists Diem pointed out that his experts had concluded that the cost would run to 200-250 million piasters a year. Since I had expected Diem was building up to a request for a larger military budget, I interrupted him to explain the various reasons, particularly the diminishing piaster revenues, why the overall military budget should not be more than \$165 million in piaster equivalents, and why we could contribute only about \$124 million of the total sum. I pointed out that if the current effort to improve the system to collect taxes were successful GVN revenues should increase substantially. (I did not get the opportunity to point out how this problem could be met by devaluation.) Diem then stated that one of the reasons why he had transferred Ha van Vuong from the Ministry of Finance to the Presidency was because he had had experience in the ways and means of collecting taxes as a former Inspector of Finance in the North.

Diem then referred to the appointment of Colonel Nguyen Khanh as military commander of the Fifth Military Region (Mekong Delta) and said that he had given Colonel Khanh full powers to carry out all operations against the Viet Cong in the Delta area and full authority to issue orders to province chiefs and other civilian and military authorities and security forces in his region. He said that he had also directed the province chiefs, whom he had selected very carefully for their administrative abilities, and the NRM cadres to pay more attention to the other needs of the population which had been neglected in the past.

Comment:

During the entire conversation about the internal security situation, Diem, in contrast to his remarks on this subject on January 27, showed no deep alarm and seemed to feel satisfied that in a few months after the 10,000 volunteers had rejoined the security forces the internal security situation would greatly improve. He made it clear that in his estimation the recent flurry of Viet Cong activities was basically a somewhat desperate operation, an effort on the part of the Viet Cong to disrupt the progress already made and prevent planned progress from taking place. Diem referred particularly to the development of the "agrovilles",³ the organization of the youth into anti-guerrilla bands, and the general success of the resettlement program not only in the High Plateau but in the Delta area as well, as achievements which sparked the Viet Cong reaction. I am not sure this is true but it may have played a part in the Commie calculations, whose tactics have, in fact, changed considerably. Another factor which may explain in part the recent Viet Cong successes is the reported apathy of some of the rural population to the efforts being made by the Government to better their lot,—i.e., community development, resettlement and construction of "agrovilles". These reports indicate that bureaucrats have not properly explained the basic motivations and aims of the Government. Instead, they have concentrated on getting the job done by forcing the peasants to work excessively on community development projects or have in general been too autocratic in their dealings with the people. Thus instead of winning over the rural population by these very worthwhile schemes, the bureaucrats have tended, by their "get the job done" methods, to antagonize a considerable section of the rural population, who therefore are not cooperating with the Government in its anti-Communist campaign. It is possible, therefore, that the Communists are taking advantage of this growing attitude.

After his long explanation as to how he planned to meet the Viet Cong threat and the additional funds it would take to carry out these plans, I was somewhat surprised that he did not ask that we reconsider the Country Team approved military budget for 1960, i.e., \$165 million overall with a United States contribution of just over \$124 million. I gave him the opportunity to bring up this matter on several occasions when I expressed my concern regarding the costs of the "volunteer" operation and the pending shortage of GVN piaster revenues. Since he did not ask directly for more United States aid or an upward revision of the military budget, I received the distinct impression that the principal reason why he asked me to call was to

³See also Document 169.

explain in some detail why he felt obliged to change the emphasis of ARVN and other security force training from conventional to anti-guerrilla. About ten days ago at a dinner the Vice President talked to me at some length about the security problem and stated that in his opinion it is essential that the ARVN training be changed so as to concentrate more on anti-guerrilla tactics and operations.⁴ (It is perhaps pertinent to point out that in the conversation with Diem he made a particular point to single out the Vice President as being one of the most intelligent and clear thinking of his collaborators.)

Although Diem's new "volunteer" plan, similar to his previous plans, obviously calls for not only more security forces and emphasizes the need to use force to meet the growing Communist threat, he seemed, for the first time in a long while, to be sincerely cognizant of the need not only to protect the rural population but to do more to win them over. He, too, seemed to be aware of the fact that bureaucrats had been acting in an arbitrary manner and thus had antagonized large sections of the population. It is essential to redouble our efforts to encourage him to put more emphasis on the people's needs rather than thinking solely in terms of armed force to meet the Viet Cong threat.

Well before the recent flurry of Communist terrorist acts I had been thinking about the internal security problem, the type of training and organization of the ARVN, and whether we should not reassess the situation to see whether our basic concepts are all still valid. Several of my foreign colleagues have also expressed concern about this matter. As I told Diem, I had come to the conclusion that more emphasis should be given to anti-guerrilla training and an organizational set up better suited to meet the unconventional threat. I believe, therefore, that all concerned should think this problem through again. Whether Diem needs 10,000 extra men in the security forces is open to question, but the basic problem of training emphasis and organizational set up is one which should be seriously reviewed.

Elbridge Durbrow

⁴No record of this meeting has been found.

105. Telegram From the Ambassador in Vietnam (Durbrow) to the Department of State¹

Saigon, February 18, 1960—7 p.m.

2446. Reference CINCPAC DTG 152221Z.² It obvious CINCPAC recommendation reference telegram cancel assignment special training forces for Civil Guard based on inadequate appraisal internal security situation and urgent need step-up anti-guerrilla training Civil Guard (see Embassy despatch 251 Feb 16,³ containing Diem's strong plea step-up Civil Guard, ARVN and SDC anti-guerrilla training in which I firmly concur).

While I realize it somewhat unorthodox assign special forces TDY USARMA, I personally made this recommendation in the national interest because I am firmly convinced internal security situation warrants taking extraordinary measures to accomplish one of most important aspects overall U.S. objectives Viet-Nam. I firmly believe if we cannot improvise and show some flexibility in this and other matters, merely because proposed action is unorthodox, we will not be able to meet serious internal threat or other objectives and our efforts here will fail to meet desired goals.

Prior receipt reftel Thuan, Secretary Presidency, made strong plea we bring special force group Viet-Nam soonest to assist urgent anti-guerrilla training Civil Guard. I explained MAAG ceiling problem and stated I had recommended group be assigned TDY USARMA for reasons explained MAGCH 186 27 Jan 1960 to CINCPAC.⁴ Thuan said he did not care how we brought them in and had no concern for possible ICC repercussions. I asked specifically whether GVN had any objection to increase number assistant military attaches. He replied agreeable any arrangements we wished to make as long as group arrived here soonest. Therefore suggested expedient will not be inimical primary mission USARMA as far as GVN concerned. If ICC should raise question we would in first instance take position personnel assigned to attaché's office do not fall within ICC purview. I am convinced if ICC persisted we could handle matter either by frankly explaining purely civilian aspect groups job or if necessary stall matter over long period of time while group is getting essential job done, or perhaps as Thuan suggested we could pay no attention to any ICC protests since commission con-

¹Source: Department of State, Central Files, 751K.5/2-1860. Confidential; Limit Distribution. Repeated for information to CINCPAC PolAd.

²Document 103.

³*Supra.*

⁴Not printed.

tinues refuse consider strong GVN protests about stepped-up Viet-Cong subversive ETD guerrilla activities.

In view above I strongly recommend against negative CINCPAC suggestion and urge immediate favorable decision assign group here TDY USARMA. Request this matter be discussed urgently with DOD in order obtain DOD's and ACSI concurrence.

Chief MAAG continues believe placing this team on TDY to USARMA is feasible and the best solution to problem at hand.

Durbrow

106. Memorandum From the Secretary of Defense's Deputy Assistant for Special Operations (Lansdale) to the Assistant Secretary of Defense for International Security Affairs (Irwin)¹

Washington, February 19, 1960.

SUBJECT

Counter-Guerrilla Training, Vietnam

In State message from Saigon, 2446, of 18 February,² Ambassador Durbrow strongly recommends that U.S. Army Special Forces be assigned to USARMA, Saigon, to give "anti-guerrilla" training to the Vietnamese Civil Guard. He indicates that the Vietnamese Government is agreeable to this extension of USARMA activities and regards this type of training as an urgent need.

OSO concurs in this recommendation. While this is an action for ISA, it does touch upon matters of concern to OSO and we will be happy to assist you in this as fully as desired. We believe this is a real opportunity to assist the Vietnamese meet a Communist threat and to gain valuable experience in a type of warfare which is still too-little understood by Americans.

As a foot-note to this memo, it might help if my use of "counter-guerrilla" instead of "anti-guerrilla" is explained. "Anti-guerrilla" has come to mean operations which protect rear areas from guerrilla harassment during combat against regular forces; thus, there is emphasis on how to get truck convoys through ambushes and simple punitive actions. "Counter-guerrilla", in my opinion, more accurately expresses operations against an enemy force which is entire-

¹Source: Washington National Records Center, RG 330, FRC 63 A 1803: Lansdale Papers, Vietnam Correspondence 1960. Confidential. Sensitive.

²*Supra.*

ly guerrilla, and who combines political subversion with his paramilitary actions. This enemy is "everywhere", not just in the rear areas. This is the type of warfare we need to understand more thoroughly than we do today.

107. Editorial Note

On February 26, the Subcommittee on State Department Organization and Public Affairs of the Senate Foreign Relations Committee, chaired by Senator Mike Mansfield, published its report entitled *United States Aid Program in Vietnam*. The subcommittee cited the achievements of the Diem government, but it did find that there were shortcomings in the administration of the aid program in Vietnam. The subcommittee made a series of recommendations to improve the program. For the report, see U.S. Senate, Committee on Foreign Relations, Subcommittee on State Department Organization and Public Affairs, 86th Congress, 2d session, Report, *United States Aid Program in Vietnam* (Washington: Government Printing Office, 1960).

At the Acting Secretary of State's staff meeting on February 26, Deputy Director of the International Cooperation Administration Leonard G. Saccio briefed the participants as follows:

"Mr. Saccio said that the Mansfield Subcommittee's report had been released. It is critical of the economic aid program as compared with the military aid program but on the whole is not unfavorable to us. Mr. Macomber said that the report had turned out to be more favorable than it might have been since a number of compromises were entered into to permit the issuance of a single report rather than split reports." (Notes by Thomas W. McElhiney of S/S, February 26; Department of State, Secretary Staff Meetings: Lot 63 D 3)

William B. Macomber, Jr., was Assistant Secretary of State for Congressional Relations.

108. Despatch From the Ambassador in Vietnam (Durbrow) to the Department of State¹

No. 261

Saigon, February 27, 1960.

SUBJECT

Anti-Guerrilla Training for Civil Guard and ARVN

On February 22, the President discussed his views on the above subject with General White (Commander-in-Chief, U.S. Army, Pacific), General Williams and me (see Memorandum of Conversation enclosed²) The conversation is summarized below.

Diem stated, that apart from the plan to recall 10,000 former servicemen with guerrilla fighting experience, he is very anxious to have sufficient numbers of U.S. special forces personnel brought in to train both the Civil Guard and ARVN. He expressed the hope that we could assign a larger number than the 10 now planned and that arrangements could be worked out quickly so that training could be started as soon as possible. He showed no concern over ICC reaction to such a move, but agreed it might be preferable to bring at least part of the special forces personnel in under some sort of cover. Others might be brought in within the MAAG ceiling limitations if, as the President had suggested, the Third Military Region was eliminated by dividing it between the Second and Fourth Regions and spaces now occupied by MAAG advisors in the Third Region were filled by special forces personnel.

The President concurred that special forces personnel should be assigned to Viet-Nam as instructors, not as advisors, and would receive authority to take full charge of anti-guerrilla training. Everyone agreed that the problem of financing could be worked out and General White said there were enough special forces personnel in Okinawa to permit the assignment of a second group to train ARVN. It was agreed that an ARVN battalion previously trained by U.S. special forces personnel could be used to train other ARVN units and Diem announced that he plans to charge the Field Command Headquarters under General Minh with the supervision and coordination of all anti-guerrilla training in ARVN.

Elbridge Durbrow

¹Source: Department of State, Central Files, 751K.5/2-2760. Secret. Drafted by Durbrow and William B. Grant, Second Secretary and political officer at the Embassy. Sent also to CINCPAC PolAd, Hue, Bangkok, Phnom Penh, and Vietiane.

²Attached, but not printed.

109. Letter From the Chief of the Military Assistance Advisory Group in Vietnam (Williams) to the Assistant Secretary of State for National Defense of the Republic of Vietnam (Dung)¹

Saigon, February 29, 1960.

MR. SECRETARY: There has been some discussion by Vietnamese and foreign civilians and Vietnamese civilian officials, and to a lesser extent by some Vietnamese military officials concerning the lack of anti-guerrilla training conducted by the Vietnamese Armed Forces. I believe you will agree this interest is commendable provided corrective action is taken by responsible officials and action is not limited to conversation.

The comments heard usually take the form of vague statements that a "MAAG does not give the proper training to the Vietnamese Army." b "MAAG only favors training for conventional war." c "That MAAG does not train the Vietnamese Army for anti-guerrilla operations," etc., etc.

As you have probably heard these remarks, also, I take this opportunity to tell you how these statements are answered when made to me or in my presence.

As to a. Under existing agreements between the GVN and GUS, MAAG officers have no command authority over Vietnamese troops, whatsoever. They may only advise and recommend as to training. If the Vietnamese Commanders do not choose to follow the advice and suggestions of the MAAG advisor, they do not do so.

As to b. It is MAAG policy to advise the Vietnamese Commanders to have well trained units capable of carrying out *all* types of operations, including anti-guerrilla operations, operations during day and during night, in all types of terrain, particularly in the jungle, the swamp and the mountains as found in Vietnam. As you will know, it is an established military fact that well trained soldiers, with good leadership and sound plans can successfully fight any kind of enemy on any kind of terrain.

As to c. It is true that MAAG does not train the Vietnamese Army in anti-guerrilla operations but they do and have advised, recommended and often actually urged that such training be conducted by the Vietnamese officers. For example:

(1) All U.S. Field Manuals and Documents used by U.S. Forces in guerrilla and anti-guerrilla operations were translated into the Vietnamese language and added to ARVN General Staff in June and

¹Source: Center of Military History, Williams Papers, Memoranda to Ambassador 1960 (77). This letter is enclosure 4 to Document 167.

July 1957 with the recommendation they be made available to Vietnamese troop commanders for their use.

(2) In May of 1958 it was recommended that Special School Courses in anti-guerrilla and guerrilla tactics be conducted. However, the first class was not conducted until September 1959, over one year later. A second course was conducted starting in November 1959. None are being conducted now.

(3) In December 1958, MAAG furnished to ARVN Programs of Instruction (POI's) on anti-guerrilla training. However, these were not published until June 1959, six months later.

(4) In June 1959, MAAG again prepared new and revised Programs of Instruction for guerrilla and anti-guerrilla instructors and handed them to ARVN with strongest recommendations that they be used.

In addition, I've directed MAAG advisors on numerous occasions to urge upon their Vietnamese counterparts to conduct more realistic training in communications, in intelligence, in small unit tactics, marches, night problems, marksmanship, scouting and patrolling and many such subjects that lead to success in fight engagements between small units in daylight or night in swamps, jungle and mountains. Some Commanders listened to these recommendations and some did not.

In too many cases little or no worthwhile training of any kind is being done. The commanders explain that demands by higher authorities prevent training. Typical demands cited are for security operations, guard, housing construction, and ceremonies.

Mr. Secretary, I am well aware that most of the people who converse in public about what MAAG does or does not do are those that know least what MAAG is authorized to do and often are persons that actually do not know what guerrilla or anti-guerrilla training consists of. Nevertheless, other people equally ignorant of the facts accept these unusual statements and pass them on to others who apparently take delight in passing the blame to any shoulders other than their own.

I'm sure that now since the Viet Cong operations have been intensified and all too often with complete success against Vietnamese troops that are better armed and equipped than they are themselves that Commanders will begin to pay more attention to the training of themselves and their troops. However, I'm of the opinion this will not occur fully until GVN military and civilian officials insist that they do so.

Coupled with adequate training are three other features that need attention very badly. They are, in my opinion,

(1) Greater concentration and evaluation and dissemination of military intelligence,

(2) A more workable system of Chain of Command, and

(3) A greater effort made to secure the cooperation of the Civil Official on the town and village level and the individual Vietnamese farmer, woodsman, fisherman and storekeeper.

S.T. Williams
Lt General, USA

110. Editorial Note

Sherman Kent, Assistant Director of Intelligence for National Estimates, visited Saigon in the winter of 1960. Portions of his trip report, dated February 29, 1960 are summarized in John Kerry King, "Vietnam and the Office of National Estimates", October 1964, CS Historical Paper No. 26, Top Secret.

According to this summary, Kent stated that indications in Saigon were that the Army of the Republic of Vietnam was not being trained for the contingencies that United States estimates considered most likely, from terror raids to guerrilla war. Instead, ARVN was undergoing divisional and corps maneuvers and there were only 300 members of the special forces. Ambassador Durbrow was also concerned about this situation. Kent raised the questions of whether ARVN was the concern of G-2 or G-3, and whether it was a legitimate intelligence target or not. Then, after generalizing this question to include other Asian armies, Kent stated that the information the United States had on such armies depended very much on the personality of the Chief of MAAG. If he gave the attachés access to information on the local armed forces, intelligence analysts would know a good deal about them; if not, they would know next to nothing. (CIA Files)

111. Despatch From the Ambassador in Vietnam (Durbrow) to the Department of State¹

No. 267

Saigon, March 2, 1960.

SUBJECT

Internal Security Situation and Corruption

¹Source: Department of State, Central Files, 751K.00/3-260. Secret; Limit Distribution. Drafted by Grant and Durbrow. Sent also to Phnom Penh, Vientiane, Bang-

Summary:

On February 24, Presidential Advisor Wolf Ladejinsky related to me his most recent and highly sensitive conversations (see memorandum enclosed²) with Le van Dong, Minister of Agriculture, Vice President Nguyen ngoc Tho and Vo van Hai, Chief of the President's private secretariat, concerning the internal security situation in Viet-Nam and corruption in the GVN.³

1. Conversation between Le van Dong and Ladejinsky.

Dong has for more than a year been seriously concerned about the negative attitude of the peasants toward the government and has mentioned this concern both to the President and to Ladejinsky. According to Dong, the government lays down policies from on high, giving little heed to the needs, desires and aspirations of the peasant masses. Although Dong believes the situation can be rectified, he feels it is essential for the government to work up policies and plans on a lower level by talking to local leaders and ascertaining the peasants' desires. Unless the GVN does something to take the peasantry into its confidence, he believes the situation can become quite serious.

Dong also expressed his serious concern over the deterioration of Army morale, noting that a large segment of the officer corps has become disgruntled over (a) the fact that incompetent officers have received promotions through influence, (b) recent setbacks sustained by ARVN in clashes with Viet Cong forces, and (c) the low rate of pay. Ladejinsky told Dong the first two reasons may be valid but the third is not, since ARVN forces are the highest paid in Asia. Ladejinsky and I speculated whether Dong might not be concerned about Army promotions since it is possible that officers favored by the Nhu faction of the party are receiving promotions instead of those favored by the Dong faction. In any event, Dong seemed deeply worried about Army morale and according to Ladejinsky felt that unless something was done about it almost immediately the regime would be in serious jeopardy.

2. Conversation between Vice President Nguyen ngoc Tho and Ladejinsky.

On February 24, the Vice President discussed the deteriorating internal security situation with Ladejinsky and again stressed the urgent need to train ARVN and other security forces in anti-guerrilla

kok, and CINCPAC PolAd. A note in an unknown hand on the source text reads: "Read by FE—Mr. Steeves."

²Attached, but not printed.

³A note in what is apparently Wood's hand reads at this point: "Secretary of Agriculture has own political backing."

operations. In analyzing the attitudes towards Communism of various sectors of the Vietnamese population, Tho expressed the view that the Hoa Hao were the most anti-Communist, the Cao Daists second, Catholics third and Buddhists fourth. Because of the Hoa Hao's strong anti-Communism, the Vice President said he had suggested to Diem that he be permitted to sound out the Hoa Hao leaders with whom he had kept in contact to see whether they would be willing, if given arms and governmental support, to conduct a campaign against the Communist elements which are getting progressively stronger in the Delta area. Tho said that the Hoa Hao had great experience in guerrilla fighting in this area and are the only element which could be used immediately to stem the Communist drive. He admitted to Diem that it would be taking a calculated risk to rearm the Hoa Hao who might get out of hand. However, if this occurred, it would not be serious since the Hoa Hao had no foreign backers and could either be bought off again or defeated by force. Tho said the President had given him permission to sound out his Hoa Hao contacts while Diem was in Malaya⁴ and Tho found that these leaders were agreeable to the idea. The Vice President heard that Diem's brother Nhu is opposed to this course of action, but Tho said that the President is considering the matter seriously. Ladejinsky and Tho discussed Nhu's nefarious influence and agreed it should be eliminated, although there was little possibility of doing so.

Vice President Tho also told Ladejinsky he was under considerable pressure from the Can Lao Party to accept proposals made by the Sterling Oil Company to enter the Vietnamese petroleum market. The Party is demanding that the Vice President agree to allocate to Sterling Oil 25% of foreign exchange available for petroleum imports which would automatically give Sterling 25% of the petroleum market before it made any real investment in the country. Tho and Ladejinsky were perturbed that Nguyen van Buu (business agent for the Can Lao Party) is supposed to receive 25% of Sterling Company's stock without putting up any money in return for special favors, such as station sites, etc. In Ladejinsky's opinion, this is straight unadulterated corruption and Ladejinsky had advised Secretary Thuan to this effect. Thuan has reported Ladejinsky's feelings to the President and Ladejinsky will raise this matter himself with Diem. The Vice President also told Ladejinsky he suspects that Thuan is now taking part in corrupt operations. Ladejinsky, who is close to Thuan, expressed the hope that this information was incorrect.

⁴Diem made an official visit to Malaya from February 15 to 19. A report of the trip is in despatch 219 from Kuala Lumpur, February 29. (Department of State, Central Files, 751K.11/2-2960)

3. *Conversation between Vo van Hai⁵ and Ladejinsky.*

Hai expressed to Ladejinsky his deep concern over the growing corruption among top officials in the government, particularly in the Can Lao Party. Hai said corruption takes the form of special payments received in the name of the Party for necessary expenses, but he is convinced a large part of the money goes to individuals in the Party. Hai was perturbed that the President knows that individuals are receiving large sums through these Party operations. Although Ladejinsky questioned whether Diem in fact knew this, we both agreed if this were the case the situation is much more serious than we had previously thought.

Comments:

Unfortunately similar various critical comments to those reported by Ladejinsky have been increasingly heard from other GVN officials and intellectuals who have been sympathetic to the regime. Many of the critical comments have emphasized that civil servants and military administrators have shown little concern about the desires and wishes of the people and have been too firm in carrying out directives. This has caused discontent which is being taken advantage of by the Viet Cong. Furthermore it has been the general consensus that practically all the Government officials have failed to speak frankly with Diem about the internal security situation and the basic grumblings of the people but instead have told him what they thought he would like to hear. Despite reports we were getting about growing discontent in the country, stepped-up guerrilla activities and more and more corruption, Diem during the autumn of 1959 and even into early January 1960 described in detail to me and others how much better internal security had become despite the Viet Cong efforts. He particularly praised the fine anti-Communist work being done by the recently organized youth groups and in general seemed to believe that the situation was more in hand than ever.

Although Diem is not unduly alarmed now, it is quite evident that the Tay Ninh attack on the local ARVN Headquarters⁶ and other recent attacks which took place have opened his eyes and he is giving serious consideration to various ways to combat these Communist activities. Some of his suggestions, however, such as recruit-

⁵Wood wrote the following marginal note on the source text at this point: "Diem's personal secretary."

⁶On January 26 in the town of Trang Sup in Tay Ninh province, four Viet Cong companies (200 men) attacked the camp of the 32d ARVN regiment. At the time of the assault only 250 to 300 ARVN troops were in the military cantonment. During the ensuing hour-long battle, the Viet Cong destroyed two large barracks, the regimental headquarters, and damaged four other buildings. They killed or wounded 66 ARVN troops and captured large amounts of arms and ammunition. (Spector, *The Early Years*, p. 338) See also Document 121.

ing up to 20,000 "commandos" seem very unrealistic and exaggerated. Vice President Tho's suggestion about the Hoa Hao would also at first glance appear to be a rather desperate and not too wise action. It, like Diem's suggestion to raise 20,000 "commandos", seems to be a bit too precipitous and defeatist. For this reason Diem may turn it down.

As I have had occasion to report in recent despatches, Diem has also begun to dwell at considerable length on the need to pick good administrators who are sympathetic to and will try to do something about the basic needs of the rural population. He has emphasized that unfortunately many Government officials have carried out their instructions too ardently and have not tried to temper their actions so as to take into consideration the feelings of the population nor have they taken the trouble to try to explain the reasons behind various Government policies. This realization on the part of Diem would seem to indicate that not only the Vice President but other loyal officials have talked to him frankly about their evaluation of the situation and therefore he is now getting a more realistic picture of current developments.

Much of the intelligence regarding the internal situation undoubtedly has come to the President through Nhu and his somewhat ruthless organization of informers, and even officials who do contact the President directly usually check first with Nhu, or the President seeks Nhu's views on what they tell him. Except for fairly frequent hunting trips in the jungle and forest areas, Nhu spends practically all his time in his "ivory tower" in the Palace making his Machiavelian plans of how to control the population, eliminate Sihanouk, or perhaps how to get more income for the Can Lao Party. Thus it is not unlikely that Nhu has misinformed or misadvised Diem on the true situation. I, too, agree that it would be most useful for all concerned if Nhu could be eased out of his influential position in the Palace and sent abroad, for instance as Ambassador, but I am also afraid that this is a forlorn hope.

It will be recalled Mr. Arthur Gardiner, Director of USOM, last year under instructions told Diem about our deep concern over the under-invoicing of cassia (cinnamon) shipments to the United States by the Can Lao Party.⁷ At that time Mr. Gardiner also told the President that we had heard many other disturbing reports about Can Lao activities which seemed to be quite irregular. It will also be recalled that at a luncheon conversation in July 1959 just after the Colegrove articles came out, I took the opportunity to tell Nhu himself that Colegrove had alleged that Nhu, his wife and other high officials were

⁷No record of this conversation has been found.

engaged in corrupt practices.⁸ I added that it was unfortunate that rumors of that kind have appeared in the press but added these rumors persisted in Saigon and other correspondents might also pick them up. Nhu of course denied that there was any truth to these reports. These frank talks apparently have not brought much corrective action except to bring about proper invoicing of cassia. Unfortunately in recent months more and more serious Vietnamese acquaintances have been talking about the business activities of the Can Lao Party, particularly the alleged personal gains made by members of the Party. The story of Nguyen van Buu's alleged unpaid-for interest in the Sterling Oil Company is being rumored around the town. Others, who have always been sympathetic to the regime, have talked about the growing power of Can Lao Party members who are gaining increasing control over licensing, building permits and the letting of Government contracts. While it is possible that Diem has not heard these stories of corrupt practices, I believe we must assume that he had some knowledge of them but perhaps accepted the denials of those close to him or their assurances that the funds collected or actions taken are for the benefit of the country (via the Party). Since Buu apparently is the business agent for Diem's brother Can, and since we have had many indications over a long period of time that even Diem hesitates to dictate to Can, it may be that Diem finds himself reluctant to try to stop these operations. In any event, Vo Van Hai's statement to Ladejinsky about Diem's knowledge of corruption in high places is very disturbing.

Instead of taking such drastic measures as Diem's 20,000 commando idea or Tho's proposal to arm the Hoa Hao it appears to me that three basic steps are necessary: (a) use the actual security forces to give more protection to the population; (b) be more solicitous of the needs and desires of the peasants who are being treated in a too arbitrary way; and (c) do something about Can Lao activities, particularly corruption. If Le van Dong's report about Army morale is true, corrective action should be taken immediately, particularly if the Party is the principal peddler of influence.

In regard to the arbitrary and roughshod methods used by provincial officials, this may stem primarily from the fact that Diem, in his hurry to get things done, gives these officials almost impossible tasks. Too often either in the military or in the civil service the officer who makes a not too grave mistake or does not get almost impossible things done on time is summarily dismissed. Therefore there is no incentive for them to think of anything else except to carry out almost impossible orders.

⁸See Document 85.

The concern now expressed by many who have heretofore been quite confident about developments or who were perhaps holding back their inner misgivings about the situation is somewhat emotional and basically exaggerated but probably healthy. It seems probable that the time had arrived for this pent-up emotional steam to bring sufficient pressure to release the safety valve. It also seems clear that the Communists have become more and more concerned by the basic progress the GVN has made and, after being frustrated in their attempt to disrupt the elections last August, decided they must take more drastic action to disrupt the progress and try to gain lost ground. The Communists undoubtedly were well aware of the latent as well as real grumblings of the population and therefore took the decision to try to gain the initiative by mounting a full-fledged guerilla-terrorist campaign. As . . . reports have indicated over the past few months, the Communists have sent a considerable number of trained cadres from North Viet-Nam to strengthen their forces for this campaign. As indicated above, this outbreak of increased terror has apparently opened Diem's eyes and he is not only getting more accurate information about the actual situation but is making a more realistic appraisal of developments. It is hoped that as he gets a clearer picture of the situation it will cause him to make some basic changes in his approach and attitude as well as bring about a more healthy and realistic attitude on the part of his inner circle of advisors with the exception, perhaps, of Nhu.

Since Diem and others seem seriously concerned about these recent developments in the internal security and disgruntled population fields and seem to be in the mood to try to do something about the situation, I plan to take the first suitable opportunity to encourage Diem to follow through on his present reappraisal mood by telling him of some of the more firm reports we have had on the attitude of the population, the need to get closer to the people, the extent to which corruption apparently has gone and suggest that it might be more effective if officials are not given impossible tasks and not dismissed when they make their first mistake. Since I have been here for almost three years, have always been very frank with the President and have previously talked with him in what I hope was an objective critical vein about fundamental matters, such as the Dup Chhuon affair,⁹ and since I believe he is sufficiently disturbed now to want to take action, I do not believe any harm will come from having such a frank talk with him.

Elbridge Durbrow

⁹Documentation on the abortive coup by General Dap Chhuon against the Sihanouk government in Cambodia will appear in a forthcoming volume of *Foreign Relations*.

112. Despatch From the Ambassador in Vietnam (Durbrow) to the Department of State¹

No. 278

Saigon, March 7, 1960.

REF

Department's Telegram No. 1339, January 29, 1960²

SUBJECT

Special Report on Current Internal Security Situation

Enclosed is a special report prepared by a Country Team study group on the current internal security situation in Viet-Nam. A summary of this report and an analysis of the main factors in Viet-Nam's current serious internal security problem are given below:

Situation. Internal security, which improved greatly since the nip and tuck period from 1954-56 but which nevertheless has been a steady concern of the GVN over the past few years, has again become its No. 1 problem as a result of intensification of Viet Cong guerrilla and terrorist activities, weaknesses apparent in the GVN security forces and the growth of apathy and considerable dissatisfaction among the rural populace. The situation has grown progressively more disturbing since shortly after the National Assembly elections at the end of August 1959, despite the fact that President Diem was claiming, up to the end of December, that internal security was continuing to improve. The monthly rate of assassinations rose substantially starting in September, and other signs of increasingly aggressive VC tactics such as ambushes of GVN security forces began to appear about the same time. The full impact of the seriousness of the present situation was brought home by a series of VC incidents in late January and February, particularly an attack on an ARVN regimental post near Tay Ninh, other smaller and less dramatic attacks on security posts elsewhere in the southwest and serious VC depredations in Kien Hoa Province.

President Diem and other GVN officials are now showing a reassuring awareness of the gravity of the situation. They have not permitted themselves to become panic-stricken, and there is no reason to become alarmist if prompt steps are taken to correct the situation.

¹Source: Department of State, Central Files, 751K.5/3-760. Secret; Noforn. Drafted by Mendenhall; James T. Rousseau, Second Secretary of Embassy; and Andrew J. Fink III, Second Secretary of Embassy. Sent also to CINCPAC PolAd, Phnom Penh, Vientiane, Bangkok, and Hue. This despatch and its enclosure are also printed in *United States-Vietnam Relations, 1945-1967*, Book 10, pp. 1254-1276.

²In telegram 1339, the Department of State expressed shock at the Tay Ninh attack and asked for an assessment of its implications. (Department of State, Central Files, 651H.51K/1-760)

VC Intentions and Potential. Indications are growing that the VC are mounting a special campaign aimed at undermining the Diem Government. According to . . . sources, VC armed cadre strength has increased to about 3,000 in the southwest, double the number in September. VC groups now operate in larger strength, and their tactics have changed from attacks on individuals to rather frequent and daring attacks on GVN security forces. A recent . . . report has indicated a VC intention to press general guerrilla warfare in South Viet-Nam in 1960, and indicates the VC are convinced they can mount a coup d'etat this year. President Diem also told me in late February about the capture of a VC document indicating their intention to step up aggressive attacks all over the country, including Saigon, beginning in the second quarter.

These signs indicate that aggressively worded statements emanating from the DRV in 1959 may accurately reflect DRV intentions. In May 1959 the central committee of the Lao Dong Party passed a resolution stating that the struggle for reunification of Viet-Nam should be carried out by all "appropriate means". Subsequently in conversations with Western officials, Prime Minister Pham van Dong made statements to the effect that "We will be in Saigon tomorrow" and "We will drive the Americans into the sea".

It is not completely clear why the DRV has chosen this particular time to mount an intensified guerrilla campaign in South Viet-Nam. Several hypotheses have been put forward. The campaign may be part of general Chicom strategy to increase pressure on non-communist countries all along the southern rim of the Asian communist bloc. Several GVN officials, including President Diem, have said that the present DRV tactics may be related to the forthcoming East-West summit meeting, but they do not seem to be clear as to just what this relationship might be. Diem and others have also expressed the view that the DRV is aiming at disruption of the GVN's economic, social and security programs, many of which have been making steady progress while others, like the agrovillage program, threaten to weaken the VC position if carried out successfully. The DRV may also have been embittered by its failure to interfere successfully with the GVN National Assembly elections last August and resolved, as a result of this failure, to intensify activities in the South.

GVN Security and Political Weaknesses. At the same time that the DRV guerrilla potential has increased in the South, weaknesses have become more apparent in the GVN security forces. GVN leaders have in recent weeks stressed the need for more anti-guerrilla training of ARVN. The desirability of centralized command in insecure areas and a centralized intelligence service has also become more evident.

The need for a capable, well-equipped, well-trained, centrally-controlled Civil Guard is even more keenly felt than previously.

Likewise, at the same time, signs of general apathy and considerable dissatisfaction which the VC can play upon have become more evident among the people in rural areas. Fear among the peasants engendered by sustained VC terrorist activities against which the GVN has not succeeded in protecting them is combined with resentment of the GVN because of the methods which are all too often employed by local officials. Coercion rather than suasion are often used by these officials in carrying out the programs decided upon in Saigon. There is a tendency to disregard the desires and feelings of the peasantry by, for instance, taking them away from their harvests to perform community work. The new agrovillage program requiring large numbers of "volunteer" laborers has accentuated this trend. Improper actions by local officials such as torture, extortion and corruption, many of which have been reported in the press, have also contributed to peasant dissatisfaction. Favoritism and fear of officials and members of the semi-covert Can Lao Party have likewise contributed to this situation.

4 Diem cannot be completely absolved of blame for this unsatisfactory situation in the rural areas. Considerable evidence has existed that he has not in the past kept himself properly informed of what is going on. Officials have tended to tell him what he wants to hear, largely because of fear of removal if they indicate that mistakes have been made or reply that projects which he is pushing should not be carried out as rapidly as he desires.

GVN Counteractions. Developments during the last month or so have, however, awakened Diem and other officials to the gravity of the present internal security and political situation. As already indicated, they are now emphasizing the need for increased anti-guerrilla training of the security forces. Diem also has indicated that he is establishing a special commando force with "volunteers" from ARVN, the Civil Guard and reservists who had guerrilla experience during the Indochina war. Diem has also stated that the new commander of the Fifth Military Region (the area of greatest insecurity) has been given full powers over all the security forces in that area, thus recognizing the need for centralized command rather than fragmentation of authority among the province chiefs.

Diem has also indicated that he is replacing local officials who are incompetent or have abused their power. He is placing renewed emphasis with these officials on the necessity of winning the confidence of the people and explaining to them the reasons for the government's programs. He has also indicated that he has ordered a slowdown in the construction of agrovilles, apparently in recognition

of the indications that the people were being driven too hard to carry out this new program.

The Embassy's views on these countermeasures of the GVN as well as on certain other actions which should be taken have been expressed in a separate despatch.³ As the situation develops, the Embassy expects to make additional recommendations.

Elbridge Durbrow

Enclosure 1

SPECIAL REPORT ON INTERNAL SECURITY SITUATION IN VIET-NAM

The Viet Cong attack on the Vietnamese Army installation near Tay Ninh on January 26 is a dramatic illustration of the increasingly aggressive tactics of the Viet Cong and of the difficulty the GVN is having in controlling the internal security situation. The audacity of the Viet Cong in conducting the attack, the likelihood of VC infiltration into ARVN, the indications of secret support of the VC by some of the local populace, the successful planning and coordination in carrying out the attack as opposed to apparent failure of ARVN which had been told there might be an attack to be sufficiently alert for such an attack and effectively counter once the attack had been launched, are indications of many of the problems faced by the GVN and discussed in this report.

Recent Viet Cong Activity

A. General Situation

The increase in Viet Cong activity in recent months can be traced back as far as the middle of September when the assassination and kidnapping rate began to rise. It will be recalled that the Government of Viet-Nam intensified its anti-VC measures during the spring of 1959 when it increased its forces engaged in internal security operations. These operations appear to have forced the VC to curtail their activities for a period of several months, regroup, strengthen and reorganize their cadres and establish new bases. The added precautions taken by the GVN during the period prior to and immediately following the August 30 National Assembly elections further suppressed VC activity. The two important exceptions to this relatively static period of VC operations are the acts of sabotage of farm

³See Document 111.

machinery in May and June (which backfired because of peasant resentment) and the July attack on U.S. Army personnel at the MAAG detachment in Bien Hoa.

By September the VC position was somewhat as follows: The VC had failed to carry out their plans to disrupt the National Assembly elections. This failure placed the VC in a position of reasserting themselves in the countryside or facing a gradual decrease of their influence as the GVN improved security and pushed forward its social and economic reforms.

Reports . . . indicated that the VC by September had become quite concerned over the possible effects of various GVN programs which were getting underway at that time. The GVN program for regrouping isolated peasants into communities was just beginning, the various youth organizations were becoming active in the villages and the new identity card program promised to create difficulties for many VC cadres who had been provided with false identity papers. The VC propaganda offensive against these programs, which was already underway during August, was intensified in September and VC harassment and violence directed against GVN youth groups, project personnel and village officials began to rise.

B. Assassinations and Kidnappings

The figures presently available indicate that assassinations and kidnappings perpetrated by the VC and other dissidents got off to a slow start in September. The date on which the GVN relaxed its post-election security precautions is not available at the present time, but the VC which committed only 7⁴ assassinations and 4 kidnappings in the first 13 days of September subsequently intensified their activities and by the end of September the total for the month amounted to 22 assassinations and 34 kidnappings, according to evaluated data from various sources. From this point the figures have continued to rise to levels considerably above the average for the past two years. A chart prepared by the Embassy and based as nearly as possible on constant criteria, is included as Annex I to this report. Deaths or persons missing as a result of participation in armed combat are not represented on this chart. Since reports are still incomplete for November and December, the figures for these months are tentative.

Although a complete analysis of assassinations and kidnappings is not available at the present time, it has become fairly apparent that since last summer the VC have added the newly formed GVN youth

⁴This figure includes four members of the security forces who may have been killed in action since reports simply state that they were "killed" by the VC. [Footnote in the source text.]

groups to their list of prime targets which continue to include village officials and NRM cadres. The vast majority of incidents has consistently occurred in the Fifth Military Region with a small number reported in the First and Capital Military Regions. During September and October, the months for which final figures are available, An Xuyen Province topped the list for both assassinations and kidnappings, followed by Kien Giang, Kien Phong and Phong Dinh. Other provinces in the Fifth Military Region, although far from peaceful, vary considerably from month to month.

C. VC Military Type Operations

VC activities involving military type operations such as ambushes, clashes and attacks on GVN military and civil posts have intensified in size and vigor over the past few months although, according to available information, the number of such actions increased only slightly through December. Statistics from GVN sources on actions and casualties of both friendly and enemy forces for the period July–December 1959 are shown in an attachment. The accuracy and value of the casualty statistics is, however, open to serious question. Comparison of ARVN data with that obtained from the NPSS and the SDC shows frequent discrepancies in casualty figures.

The post-election intensification of VC attacks began with the completely successful engagement of two ARVN companies on September 26. The poor performance of ARVN during this operation exposed a number of weaknesses which have been commented upon by many . . . MAAG sources . . . MAAG's evaluation of the factors contributing to ARVN's failure include security leaks, inadequate planning, lack of aggressive leadership, failure to communicate information to other participating units and the failure of supporting units to press forward to engage the VC (they were close enough to hear the sound of gunfire at the time). Another factor of importance illustrated in this ambush was the confidence of the VC in their ability to successfully conduct such operations. This self assurance and aggressiveness appear to be characteristic of many actions taken by the VC since September and have probably contributed to the low state of morale reported in GVN security units by . . . sources.

Earlier in 1959 ARVN units were ordered to conduct operations in Phuoc Thanh Province (VC Resistance Zone "D"). From March 8–19 elements of the 7th Division and a paratroop group conducted an indecisive operation against the VC in this area, mainly because of difficulty in locating the VC. Toward the end of March the elements of the 7th Division were replaced by 3 battalions of the Airborne Group, 2 infantry regiments and other miscellaneous units, to seal off and block in the area. The Vietnamese Air Force employed 5 and later 6 F8F fighter planes to conduct air strikes. These strikes em-

ployed rockets, bombs and strafing, but the only known result was the destruction of a number of VC buildings and huts. As the rainy season approached the emphasis was switched from operations to providing security for road construction and other civil works teams. Some patrolling in search of VC was continued throughout the rainy season, but contacts with the VC were minor and infrequent. By September, engineer construction troops had reportedly been set to work doing road work, clearing the forests, planting trees and building houses. The 5th Division was the principal unit engaged in the operation and was still in Phuoc Thanh as of late November, searching for VC. The bulk of the VC had apparently moved on to continue their operations elsewhere.

Major incidents in October were the following: According to a . . . report an ARVN section (which normally consists of about 45 men) immediately surrendered when attacked by a VC group on October 10 in Kien Phong Province. ARVN, however, denies the occurrence of this incident. On October 30 a group of 80 to 100 VC attacked the Kien An District Office, Kien Giang Province, killing the district chief, a policeman, six CG members and four civilians. Seven civilians were wounded and the VC after releasing about 70 prisoners from the local prison compound carried away 23 weapons and other equipment plus the district payroll, which was apparently the target of the raid. Exact VC casualties are not known, but were estimated to be considerable.

. . . in December, the VC in An Xuyen, Ba Xuyen, Kien Giang, Phong Dinh, An Giang, Kien Phong, Kien Tuong, and Long An Provinces numbered 2900, about twice the September 1959 figure, divided into groups of 40 to 50 men. This . . . expressed the opinion that VC attacks in November on isolated Civil Guard posts and ARVN patrol units in Kien Phong Province present an important change in VC strategy in the southwest and that the VC plan to become increasingly active in early 1960 in an effort to prove to the people that the GVN is unable to cope with the internal security situation. An example of this type of activity is the November 14 VC storming of Phong My Market in Kien Phong Province during which they reportedly set fire to a defense militia post, the information hall, three bridges and a motor-boat of the Kien Phong Security Service. Minister of Information Thanh told British Ambassador Parkes on February 22 that the VC's are burning a large number of information halls, and he is very worried by the lack of protection and retaliation.

By November and December it had become apparent that the VC were operating in larger groups than those used earlier in the year and that their attacks were well planned and vigorously executed. It seems apparent, moreover, from such large scale operations as took place in late January in the provinces of Kien Hoa, Tay Ninh

and Phuoc Long (Dong Xoai incident) that the VC have further increased their activities.⁵ Serious incidents are continuing: ARVN intelligence reports indicate that approximately twenty VC attacked a boat in Kien Giang Province on February 2 killing 12 Civil Guard and 13 civilians and wounding 11 Civil Guard, 2 other security personnel and 5 civilians and that as of February 7 VC terrorism was continuing in Kien Hoa Province.

D. Other Recent VC Activities

A recent . . . report concerning a group of VC numbering nearly 1000 men (probably exaggerated) entering a town 3 or 4 kilometers from Ben Tre on January 24 and spending most of the day unmolested, spreading VC propaganda is not the only such report of VC boldness. A similar incident involving about 100 armed VC occurred in Kien Giang Province on September 21. The fact that the VC can, and have on a number of occasions, entered fair sized communities, spent several hours or a day propagandizing the population and then retired without meeting GVN resistance would indicate that the VC have an effective intelligence system.

According to . . . sources, infiltration of the GVN security forces (including ARVN) has been a part of VC planning throughout this period. The GVN suspected that details of the ARVN operation on September 25 and 26 was made known to the VC by persons who had penetrated the government units. Infiltrations have contributed to other VC successes, possibly including the Tay Ninh incident on January 26. The VC, according to a . . . report, have also made a special effort to obtain ARVN uniforms. Reports have been received . . . concerning encounters by GVN patrols of what was believed to be an ARVN patrol, but which turned out to be VC.

Increased activity was also noted in Central Viet-Nam although the problem there was less intense than in the South. According to . . . VC armed strength in Central Viet-Nam in November was about 300. According to . . . sources the VC in the highlands of Quang Ngai carried out daring attacks during November on the head offices of communal councils and of the NRM. They also destroyed bridges and sections of road in an attempt to sabotage communications. Having gained influence among the Montagnards to the extent of being able to establish bases in the Highlands, the VC were reportedly planning in November to extend their political and military activities to the coastal regions.

⁵See Embassy telegrams 2288 (February 1) 2301 (February 2); FVS 4221, 4222, 4229 and 4227; ARMA CX-9. [Footnote in the source text. Neither of the Embassy telegrams is printed. (Department of State, Central Files, 651H.51K/2-160 and 651H.51K/2-260, respectively) The remaining telegrams have not been further identified.]

Around midnight on November 5, 25 to 30 VC (50-100 by another estimate) armed with automatic weapons attacked a 15 man squad of the 2nd Battalion, 4th Engineer Group guarding a temporary engineer equipment park near Gia Vuc (on Highway 5) in Quang Ngai Province. Four members of the squad managed to escape but the remainder were questioned and given a propaganda lecture for 2 hours. One dump truck and 1 grader were burned and 1 tractor was damaged. ARVN casualties were 1 killed and 2 wounded. The VC lost 2 dead left at the scene of action. On the following night the timber decking on an Eiffel bridge near Gia Vuc was burned by an estimated 60 Montagnard VC. The damage was repaired but the next night the Montagnard VC returned and again set fire to the decking, this time doing sufficient damage to require 3-4 days to repair.

These incidents, plus a relatively minor incident involving a VC attack on ARVN patrol on September 14 some 35 kilometers south of the town of Quang Ngai are significant in that they represent the first such reports received from Central Viet-Nam of this type of violence in many months. VC activity among the Montagnards, particularly propaganda activity, intended to set the Montagnards against the GVN and its programs for economic and social development in Central Viet-Nam has been the subject of reports by . . . our consulate at Hue. There have also been a number of reports of VC efforts to establish bases and to recruit Montagnards for guerrilla activity.

During a visit to Kontum in late January our Consul in Hue⁶ found officials rather worried about the security situation. The Chief of Kontum's northernmost district of Dak Sut said that during a three week period in January, Communists had forced or persuaded three Montagnard villages to withdraw into the mountains, out of reach of GVN administrators. This District Chief said that he and the Kontum Civil Guard Chief both think that the Communists have a major base in the Quang Nam mountains northeast of Dak Gle (the northernmost point on route 14), and predicted that communist activities in northern Kontum and southwest Quang Nam provinces would be stepped up in 1960. Our Consul was not permitted to go all the way to Dak Gle because on January 18 a Civil Guard force patrolling route 14 was fired on by a machine gun on a hilltop between Dak Gle and Dak Rotah.

A large scale sweep intended to flush out Viet Cong in the mountains of Quang Ngai Province has been underway since the end of October 1958. According to information obtained by USOM Public Safety Division, eleven companies of the Civil Guard and one battalion of ARVN and two intelligence companies were employed in

⁶Theodore J.C. Heavner.

the initial pacification phase. The operation was reported by mid-January to have entered a second phase, that of securing the support of the local population. The new chief of Quang Ngai Province, Nguyen van Tat, told our Consul in January that additional Civil Guard posts are being set up in the Montagnard districts of his province and that the Self Defense Corps will be greatly expanded in the Vietnamese sections. Asked about the progress of the sweep, he was non-committal, but he admitted that the security drive "will not be over for a long time".

E. DRV Intentions

In May 1959, the Central Committee of the Lao Dong Party passed a resolution or statement stating that the struggle for reunification would have to be carried out by all "appropriate measures". British observers have taken this to mean measures other than peaceful.

"You must remember we will be in Saigon tomorrow, we will be in Saigon tomorrow", these words were spoken by Premier Pham van Dong in a conversation with French Consul Georges-Picot on September 12, 1959.

In November, Pham van Dong twice told Canadian Commissioner Erichsen-Brown that "we will drive the Americans into the sea". DRV General Giap, however, later saw Erichsen-Brown to "re-assure" him that DRV intentions are peaceful. . . .

. . . sources have reported a gradual increase of the infiltration of VC cadres and arms from the DRV over the past few months which has increased the VC strength to about 3000 in the Southwest. (Based on available information . . . estimates that the Viet Cong strength in all South Viet-Nam is presently 3000-5000 men). Many of these new infiltrators . . . are cadres who were regrouped in the North at the time of the Geneva Accords and have had a number of years of intensive military and political training. The principal infiltration route of VC cadres from the North continues to be through Laos to Cambodia although reports are received of infiltration by sea. A . . . source . . . reports that some of the cadres arriving in SVN from the North have the mission of establishing a VC headquarters to include a general staff, a political section and a supply section and to effect a large-scale reorganization of VC cadres in the southwestern provinces (Fifth Military Region).

. . . the People's Army of Vietnam (PAVN) has continued to train its units in guerrilla type warfare in addition to training in conventional warfare. In the opinion of this Western observer, the PAVN could at any time undertake a successful campaign against the GVN utilizing the type of guerrilla tactics undertaken so effectively by the Viet Minh against the French in the Indochina War. Another

Western observer, a missionary who resided over thirty years in Viet-Nam, has also stated that PAVN is in excellent condition to carry on guerrilla warfare.

A recent . . . report . . . indicates that the VC are presently planning to augment their forces, particularly in An Xuyen, Kien Giang, Phong Dinh, Kien Phong and Kien Tuong Province and that they will press general guerrilla warfare in South Viet-Nam during 1960. This guerrilla warfare would be under the flag of the People's Liberation Movement (reports of a number of recent incidents mention the flying of a red flag with a blue star). The VC reportedly estimate that 70% of the people in the rural areas of South Viet-Nam are either embittered by or indifferent toward the present government. According to this report the VC are convinced they can bring about a coup d'état in 1960, and are presently considering three ways to do this: to incite the GVN military forces to revolt and to penetrate the new government to steer it into a neutralist policy; to force the GVN to use harsh repressive measures against the people by organizing widespread popular uprisings, thereby laying the foundation for open revolt; to set up popular front provisional governments in the Trans-Bassac area as the general guerrilla warfare mentioned above progresses (the VC estimate that they have sufficient penetrations in or control over village level administration to make this possible). The alternative which is selected will, according to the source, depend upon VC progress during the first four months of this year.

President Diem told the Ambassador and General Williams in late February about the capture of a document by GVN security forces outlining VC plans to further step up aggressive attacks all over the country, including Saigon. These operations are planned to begin in the second quarter of 1960. . . .

Military Factors Affecting the Internal Security Situation

GVN internal security operations in 1959 employed an average of 25 ARVN battalions, 44,000 Civil Guards, 43,000 SDC, 6,000 Sûreté, as well as the Gendarmérie, Self Guard Youth Corps and NRM members for which figures are not presently available. This impressive number of personnel has, however, failed to keep VC and dissident activities under control. Numerous high-ranking GVN officials have very recently stressed the necessity of more anti-guerrilla training for the security forces. From a military point of view an outstanding deficiency in the GVN effort has been the government's inability, or lack of desire, to recognize the following factors: (1) It is actively engaged in an internal war and, therefore, must take the measures which this situation entails. (2) There is a great need for a strong central military command with wide powers for the conduct

of internal security operations in the unpacified areas. (3) There is a need for a capable, well-equipped, well-trained, centrally-controlled Civil Guard to take over from the Military in pacified areas.

It cannot be emphasized too strongly that the apparent lack of success in the GVN attempts to reduce the internal threat of the VC until now has stemmed from the lack of unity of command in a single operational commander who has the means and the authority to utilize all of the potential in the area of operations without regard to province or regional boundaries and without regard to the existing political subdivision of the area. Unity of command is the most important basic principle of administration lacking here. The Province Chief structure has caused a breakdown of coordination and a fragmentation of command structure which has blocked an effective attack on the internal security problem.

The fact that the GVN, though striving to bring its military organization to a high state of training, is constantly plagued by the diversion of an average of 25 battalions to an internal security mission is indicative that a serious internal threat exists. The resulting piecemeal commitment of the armed forces has obviously been generally unsatisfactory because of the lack of a strong central command which could effectively coordinate and control all security functions in the area of operations. (See subsequent "GVN Reactions" section re recent action taken to centralize command in the Fifth Military Region).

Political Factors Affecting the Internal Security Situation

It is highly unlikely that any final solution can be found to the internal security situation in South Viet-Nam if the GVN does not enjoy the support and cooperation of the rural population. At the present time indications are that the rural population is generally apathetic towards the Diem Government and there are signs of considerable dissatisfaction and silent opposition. In part this attitude appears to result from widespread fear of the Viet Cong and a belief that the GVN is relatively helpless to protect the rural population from Viet Cong depredations. Unfortunately the longer serious insecurity continues to exist in the countryside despite GVN efforts to control it, the more serious is the effect on the GVN's prestige. Another effect is a growing belief among the peasants that the Viet Cong will always be here as long as North Viet-Nam remains under Communist control and that they must adjust to live with them. (A realization of the long-range nature of the problem among officials responsible for dealing with it could be an advantage. In Malaya it has taken 11 years to reduce the security situation to the minimum,

and it is even more difficult to deal with it in a divided country with long exposed frontiers).

There appear to be other reasons contributing to the difficulty experienced by the GVN in attempting to rally the rural population: a) Until recently it was becoming more and more apparent that Diem was not being given accurate information on the internal security and political situation in rural areas. As late as the end of December, 1959, he was telling all callers how much better the internal security situation had become, despite many doubts raised by his listeners. Information was apparently being presented to him by local officials in such a manner as to reflect well upon the officials giving it. The President's trips to the provinces have appeared to be carefully "laid on" by local officials. The President himself cannot be absolved entirely from the blame, however, since his system of personal rule which permits direct appeal from the individual provincial authorities to himself, in a sort of intra-executive check and balance system, serves to further weaken the administrative apparatus.

Recently, however, as indicated in the subsequent section on "GVN Reactions", the Vice President⁷ and others who are not his usual informers on security matters have spoken frankly with him and he now seems well aware of the situation; b) Provincial and district authorities exercise almost autonomous control in the areas under their jurisdiction. Too often the personnel holding these positions have been incompetent, having been chosen for reason of party loyalty. Moreover, some have tended to view their jobs as a means to personal advancement or financial gain⁸ often at the cost of the population under their control. Press editorials have attacked local officials for extorting money from peasants, using torture to wring false confessions from innocent people and conducting themselves in such a manner as to reflect adversely on the prestige of the national government. In addition rumors continue to circulate among the population concerning the alleged nefarious activities of and favoritism shown to members of the Can Lao party. While officials have been largely unable to identify and put out of commission Viet Cong un-

⁷Nguyen Ngoc Tho.

⁸The local press from time to time reports incidents of extortion and blackmail by local officials. On December 1 *Le Song* in an editorial cited "numerous cases of abuse of power committed by village police officials such as extortion of money and bribery". Examples like the following are to be found in various reports in the press and from various . . . USOM sources:

On February 13 *Tu Do* reported that a hamlet chief in Binh Tuong Province had been arrested for posing as a security agent and blackmailing four farmers. A USOM source in July reported that a District Chief of Security in Blao had reportedly been removed from his position for extorting sums of money from wealthy residents who were arrested on charges of being communist sympathizers and had to pay for their release. [Footnote in the source text.]

dercover cadres among the population, they have often arrested people on the basis of rumors or of denunciations by people who harbor only personal grudges. Police powers justified on the basis of the needs of internal security have reportedly been misused to extort money not only from the peasants but from land owners, merchants and professional people in the towns. This misuse of police powers and the kind of broad scale arrests on suspicion are weakening the support of the population for the regime. On the other hand, the application of swift, summary justice (such as the Special Military Tribunals were created to hand out) designed to protect the population against the Viet Cong threat, if *carefully* administered and "advertised" as such, can do much to restore a feeling of security;⁹ c) While the GVN has made an effort to meet the economic and social needs of the rural populations through community development, the construction of schools, hospitals, roads, etc., these projects appear to have enjoyed only a measure of success in creating support for the government and, in fact, in many instances have resulted in resentment. Basically, the problem appears to be that such projects have been imposed on the people without adequate psychological preparation in terms of the benefits to be gained. Since most of these projects call for sacrifice on the part of the population (in the form of allegedly "volunteer" labor in the case of construction, time away from jobs or school in the case of rural youth groups, leaving homes and lands in the case of regrouping isolated peasants), they are bound to be opposed unless they represent a partnership effort for mutual benefit on the part of the population and the government. (See subsequent section on "GVN Reactions" for indications of Diem's current awareness of this problem.)

The situation may be summed up in the fact that the government has tended to treat the population with suspicion or to coerce it and has been rewarded with an attitude of apathy or resentment. The basic factor which has been lacking is a feeling of rapport between the government and the population. The people have not identified themselves with the government. There has been a general lack of "a sense of mission" in the building of the country among both the local population and local authorities. In the past at least Diem has contributed to this attitude by his constant admonition to the villagers he talks to on his trips throughout the country that they must work harder, do more for themselves, and not complain. He has made little effort to praise them for what they have accomplished or explain the reasons for the demands he places on the population. He has none of the demagogue in him, but is rather still the mandarin.

⁹Ensuing section on "GVN Reactions" shows Diem now aware of incompetence and abuse of power by many officials. [Footnote in the source text.]

Now that he realizes the feelings of the people, it is to be hoped that he will show more solicitude for their needs and feelings, but this will not be easy for him to do.

Possibly another factor adversely affecting the current attitude of the peasants toward the Government is the decline over recent months in the price of paddy. Since the population in the southwestern delta is particularly dependent on paddy for its income, it would be a normal political reaction for this development to increase dissatisfaction with the government.

GVN Reactions to Current Internal Security Situation

President Diem, who had earlier taken the position in conversations with Ambassador Durbrow that the GVN's security operations had broken up many VC camps and forced them to regroup into larger forces, has modified his assessment considerably after the Tay Ninh attack and other recent manifestations of expanded VC activities. Previously indicating that VC reinforcements had come from Cambodia, Diem in his latest conversation with the Ambassador on February 12¹⁰ stated the VC had been reenforced by well-trained forces from North Viet-Nam. In his view the recent step-up in VC activities is basically a somewhat desperate attempt to disrupt the progress of South Viet-Nam. He does not appear to be deeply alarmed, but, on the contrary, feels that with measures he has in mind the situation should greatly improve in a few months. He believes the security forces need more anti-guerrilla training, but also thinks more security forces are needed in order to provide better protection for the entire population. He has called for volunteers from military reservists who had long guerrilla experience during the Indochina War as well as from ARVN and the Civil Guard, and has indicated that over 1000 have already volunteered.

Diem also now shows awareness of many of the political factors which have contributed to the deterioration in internal security. By the end of February in conversations with the Ambassador and other foreign officials Diem has become very frank in admitting that many of the civilian administrators have been incompetent and have abused their power. He has added he is removing these and placing competent men in their jobs whose principal duty will be to pay attention to the needs of the population and make every effort to win their confidence. The President has become quite aware of the adverse reaction of the people to indiscriminate use of methods of coercion in carrying out the government's programs in rural areas. He explained to the Ambassador at some length on February 22 the urgent

¹⁰See Document 104.

need for civilian officials to explain in detail the reasons for the government's actions in these matters in order that the population will fully understand how they will benefit in the long run.

Ngo dinh Nhu, the President's brother and political advisor, also told . . . on February 5 that the security forces need more anti-guerrilla training. He added, however, that political measures are the real key to defense against the VC attacks, and mentioned specifically that GVN officials should consider political aspects of a situation and not just concentrate on rapid physical results to please the President.

In late January Vice President Nguyen ngoc Tho, according to a . . . report, had a discussion with President Diem in which he pointed out his belief that the reports which the President had been receiving on internal security were incorrect as they underestimated the size of the VC network in South Viet-Nam. He reportedly reminded the President that he had told him a year and a half ago that the GVN did not have a correct estimate of VC strength and, unless this were obtained, the time would come when the country would be unable to cope with VC subversion. Privately Tho was said to have placed the blame for GVN loss of support among the peasantry on province chiefs whose only activity was to apply police powers strictly. He also was said to have indicated that both Ngo dinh Nhu and the NRM leaders, through the province chiefs, were responsible for providing completely erroneous and optimistic reports about the security situation. In a conversation with Ambassador Durbrow shortly after the Tay Ninh attack Tho expressed concern over the seriousness of the internal security situation, and he also urged more anti-guerrilla training of the GVN security forces.

Lieutenant General Le van Ty, Chief of Staff of the Vietnamese Army, has also expressed the view that further anti-guerrilla training is required. In addition, according to MAAG, soon after the Tay Ninh attack a meeting was held by the Assistant Secretary of Defense¹¹ with the Chief of Staff and Corps and Field Commanders at which it was decided to make certain recommendations to the President. These recommendations included adherence to the chain of command by the Presidency; assignment of commanders to be based on recommendations of the General Staff through the Department of Defense to the President as contrasted with recommendation to the President by civilian and political advisors; clarification and definition of the responsibility and authority between the province chiefs, military regional commanders and local troop commanders; and centralization of control of the various intelligence agencies.

Indications have been received that at least some of the ideas which have been expressed by GVN officials are being implemented.

¹¹Tran Trung Dung.

President Diem has told Ambassador Durbrow that Colonel Nguyen Khanh, newly designated commander of the Fifth Military Region (the southwestern area where insecurity is the worst), has been given full military powers over the security forces of the area regardless of the prerogatives of the province chiefs. Diem also said that the GVN is extending an earlier plan of appointing military officers as deputy province chiefs responsible for security, and has placed them under the control of the military regional commander.

According to a . . . report, the Assistant Secretary of State for Defense issued a directive on February 1 ordering concentration on anti-guerrilla training and tactics and enforcement of maximum security at all military posts.

Another . . . report states that President Diem, as a result of recent urgings for improvement in relations between the Government and the peasants, has ordered a slowdown in the program of building regroupment centers ("agrovilles"). Secretary of State for the Presidency Thuan told Ambassador Durbrow on February 17, however, that this program must be continued but perhaps at a slower pace, as there is no way to provide protection to isolated farm houses other than by regrouping such peasants into larger communities. He admitted that the peasants have the normal human reaction of disliking being forced to work on the regroupment centers, but he believes that after the centers have been completed they will see the advantages offered. Diem told the Ambassador on February 22 that, while he must continue to create "agrovilles", he is not planning to push too fast until one or two pilot towns are in being so that the peasants can learn for themselves the many advantages of this sort of rural organization.

. . . also reported that the NRM recently dispatched special cadres to the provinces to obtain for the President information on cases of dissatisfaction with high-handed or dictatorial attitudes of local officials. Intelligence committees have also been formed in each province which will report to the President through the Minister of Interior.¹² Diem told the Ambassador he had been impressed by the centralized intelligence organization he learned about during his visit to Malaya in mid-February. Diem inferred he is planning to adopt this system.

¹²Bui Van Thinh.

Annex I

The number of assassinations and kidnappings by months during the past two years are shown in the following chart:

1958:	Jan	Feb	March	April	May	June	Total	Total for Six Month Period
Assassinations	10	36	26	17	13	21		123
Kidnappings	25	5	43	12	5	15		105
1958:	July	Aug	Sept	Oct	Nov	Dec	Total	1958 Total
Assassinations	11	7	8	15	8	21	70	193
Kidnappings	24	18	24	26	19	20	131	236
1959:	Jan	Feb	March	April	May	June	Total	
Assassinations	10	11	31	13	16	5	86	
Kidnappings	17	6	21	16	22	15	97	
1959:	July	Aug	Sept	Oct	Nov	Dec	Total	1959 Total
Assassinations	16	12	22	29	35	33	147	233
Kidnappings	22	11	34	42	89	48	246	343

Note: Figures compiled by MAAG based on ARVN reports show 96 civilians killed and 37 civilians kidnapped during January and 122 civilians killed, 72 kidnapped in February, 1960. Figures for these months for assassinations and kidnappings may be slightly higher (but will not greatly differ from these figures) after finalization based on other sources.

Annex II

The figures contained in the tables in this Annex have been extracted from the following monthly reports for July through December:

- (1) Intelligence Summary (MAAG)—Source: ARVN
 (2) Summary Report of Self Defense Corps Activities (MAAG)—Source: SDC
 (3) Statistics of Communist and Rebel Activity in South Vietnam . . . —Source: NPSS

Source (1) (ARVN)

Total actions reported by ARVN are as follows: July 105, August 102, September 118, October 110, November 74, December 111.

	<i>July</i>	<i>Aug</i>	<i>Sept</i>	<i>Oct</i>	<i>Nov</i>	<i>Dec</i>	<i>Total</i>
<i>Pro-GVN Killed:</i>							
ARVN	3	3	15	7	3	6	37
CG	1	3	5	26	12	21	68
SDC	5	1	4	8	3	9	30
Police	2	0	2	4	0	1	9
Civ	12	11	20	37	25	33	138
VC Killed:	98	99	162	104	71	116	650
<i>Pro-GVN Wounded:</i>							
ARVN	5	6	27	8	0	13	59
CG	7	5	5	24	6	39	86
SDC	6	6	4	10	8	5	39
Police	0	0	1	0	1	0	2
Civ	7	9	32	41	5	17	111
VC Wounded:	1	18	17	31	7	25	99
<i>Pro-GVN Captured/ Kidnapped:</i>							
ARVN	0	0	0	0	0	0	0
CG	0	0	1	0	1	0	0
SDC	0	0	0	1	0	0	1
Police	2	0	0	0	0	0	2
Civ	20	7	22	45	96	48	238
<i>VC Captured:</i>							
VC	1101	1101	714	568	674	568	4726
Suspects	709	840	392	498	517	454	3410
Total	1801	1941	1106	1066	1191	1022	8316

	<i>July</i>	<i>Aug</i>	<i>Sept</i>	<i>Oct</i>	<i>Nov</i>	<i>Dec</i>	<i>Total</i>
<i>Deserted from GVN</i>							
<i>Forces:</i>							
ARVN	40	16	28	27	0	27	138
CG	11	24	3	4	0	13	55
SDC	2	1	3	1	0	8	15
Police	0	0	0	0	0	0	0
<i>VC Rallied to GVN:</i>							
VC	457	263	82	78	40	16	936

Source (2) (SDC)

	<i>July</i>	<i>Aug</i>	<i>Sept</i>	<i>Oct</i>	<i>Nov</i>	<i>Dec</i>	<i>Total</i>
<i>SDC Losses:</i>							
Killed	6	1	5	5	12	7	36
Wounded	5	5	8	5	11	7	41
Captured	0	0	0	0	3	10	13
Deserted	0	0	0	0	87	91	178
<i>VC Losses:</i>							
Killed	12	11	26	30	27	10	116
Wounded	1	5	3	2	7	1	19
Captured	90	222	183	241	187	139	1062
Surrendered	2	16	3	13	10	3	47

Source (3) (NPSS)

	July	Aug	Sept	Oct ¹⁶	Nov ¹⁶	Dec ¹⁶	Total
<i>GVN Losses in 5th</i>							
<i>Military Region:</i>							
Killed	25	15	34	—	—	—	
Wounded	21	19	30	—	—	—	
Captured	17	6	38	—	—	—	
Deserted	3	2	2	—	—	—	
Disappeared	0	0	1	—	—	—	
<i>VC Losses in 5th</i>							
<i>Military Region:</i>							
Killed	111	86	143	—	—	—	
VC Arrested	1444	1084	891	—	—	—	
Suspects							
Arrested	395	302	246	—	—	—	
Ralliés	397	136	46	—	—	—	

¹⁶Data not available. [Footnote in the source text.]

113. Telegram From the Chief of the Military Assistance Advisory Group in Vietnam (Williams) to the Secretary of Defense's Deputy Assistant for Special Operations (Lansdale)¹

Saigon, March 10, 1960.

This is reply to yours of March 4² this channel. Message is in three parts A, B and C.

Section A—Current Situation

1. Starting in July GVN made repeated sweeps in Delta area to forestall VC expected activities to embarrass Aug 30 elections. Sweeps were successful in that elections held without incident. However, these sweeps caused VC to discontinue operations in small harassing bands of three or four and to assemble in larger bands of

¹Source: Center of Military History, Williams Papers, Lansdale. Secret; Operational Immediate; Noforn. This telegram is not numbered.

²Lansdale's unnumbered telegram from Washington dated March 4 reads as follows:

"Recent Viet Cong guerrilla operations have prompted considerable attention in Washington. Before this subject becomes developed too firmly it would be most helpful and valuable to know your current thoughts, plans and the programs you are undertaking to improve Vietnamese counter guerrilla capability. Also would appreciate your indicating what items would be desirable in discussions outside Defense, such as State." (*Ibid.*)

thirty, fifty or hundred or more for raids on isolated Civil Guard posts and isolated villages. These large bands began to have local successes against regular troops placed under command of local province chiefs as time went on. Attacks continue with boldness and with small organized units primarily in large delta region and secondarily in 1st Region some distance west and north of Saigon. Entire VC force estimated 3000 to 5000. Attacks vary with no set pattern from squad to as much as estimated 3-4 company strength which largest to date at Tay Ninh on 26 January. Attacks typical ambush, raid, encircling attack with which you are familiar.

2. ARVN regular forces were committed under control and direction of chiefs of provinces in delta area who directly under Diem's control. Province chiefs in some cases military. This resulted in disorganized commitment generally company size units to general average of 40 daily throughout delta and other areas as above. For some time battalion and regimental commanders had no control over own forces committed to delta operations which negated obvious planning, combined arms, and joint operations advantages. As of last ten days operation in delta being conducted under single military individual Col Khanh, who replaced Col Y, but he still acting directly under Diem. Thus mission of defeating small but growing guerrilla opposition has not been entrusted to general staff control as frankly Diem appears often to hold them in contempt.

3. As result above mal-organization and poor concept of and execution of operations, 12 of the 21 total infantry regiments utilized for these operations have not had opportunity to accomplish critically important advanced individual and small unit training during last months which so necessary as sound basis for subsequent training in how to use these fundamentals to defeat tactics and techniques of Viet Cong which well known by you. Maybe Col Khanh will be able to correct situation.

4. Of equal importance are factors of inadequate intelligence system with information flowing where needed; poorly conceived and executed Psywar program; and an ill-trained and organized "home guard" of which component Civil Guard force of 48,000 particularly ineffective as direct result of failure of government to present satisfactory program for same to USOM so as to obtain critically important radios (1136) and vehicles (over 800). They have French weapons and as you known have been given recently 5,000 US SMG's.

5. Diem has ordered immediate organization of 10,000 Commando Force of seventy-five 131 man companies, a command group and support units. Primary strength (50 companies) to be committed in delta region. Concept for their employment still not clearly defined. Concept for organizing includes volunteers from regular officers and

soldiers plus volunteers from Civil Guard. This draining off of volunteers will affect already understrength rifle regiments, particularly by partial creaming the crop. Equipping is major problem since not MAP eligible except for possible differential of 6,000 plus for which spaces available as result authorized 150,000 force basis and current total strength of 143,000 plus. Envision possible tough problems and decisions by me first and Country Team second as to possible attempts use MAP equipment for more than 6,000 which would still require approved TOE. Additionally, use of these spaces will restrict planned reserve program. Summary here is concept of Commando Force seems is [sic] ill advised without solid implementation of following plans or programs which MAAG has been pushing hard for many months.

Section B—Specific Requirements

1. Regular forces with emphasis on the rifle regiments must be superbly trained in fundamentals of shoot, move and fight at unit level followed by few weeks tough training in anti-guerrilla combat. This to be accomplished by rotating regiments between training and combat operations against VC. To date and because of Diem's personal control of military forces we have been unable to obtain General Staff acceptance of such rotation program. Most senior officers are amenable to idea but must obviously conform to policy.

2. The rotation idea inextricably related to the tougher problem of suggesting that entire task be given to military with clear chain of command and control of all means civilian and military required in the areas of operations. Diem now insists Col Khanh given this authority directly under Presidency. Since Diem previously apparently desirous of not giving this much authority to Col Y, the result continued to be non-integrated employment of all means.

3. A sound military intelligence system to include an active planned collection and dissemination effort tied with non-military intelligence systems is essential. Information most important to anti-VC operations often delayed to military units. Political control of all critical intelligence, and the primary intelligence systems (Secret Service and Sûreté) coupled often with thoughtless or deliberate denial to the military users has been and is a major continuing problem which Diem realizes. Again obvious to you how essential timely intelligence is to these type operations.

4. To provide trained cadre to regiments and various staffs, MAAG had translated and turned over to General Staff in 1958 and 1959 all US manuals on Anti-Guerrilla operations and succeeded in introducing anti-guerrilla school course in October 1959 taught by VN Special Forces personnel. To date one course for 50 plus completed in December 1959 with no courses conducted since.

5. Since Psywar indispensable element to such operations much effort to accelerate delivery required military equipment made. This program continues to require much MAAG emphasis, though military Psywar program again controlled politically.

6. While not MAAG responsibility, believe properly organized and trained Civil Guard force essential to internal security program. GVN failure to effectively organize, equip and train this force as first line element to report, control and defeat in the beginning the random subversive acts by essentially individuals, was a major factor in permitting the VC to form into units. This failure resulted in obvious necessity to commit regular forces in the unfortunate manner described above to attempt to defeat the Viet Cong. Moreover, this same failure, plus the probable sense of frustration over efforts of regular forces so poorly employed under political control, generated in my opinion the idea of another force namely Commandos. With your knowledge you should be able easily to see picture of situation here. As described I fear the Commando Force is anything but the panacea am inclined to believe Diem regards it.

6 [sic]. Persuading the GVN to integrate Navy and Air means with surface elements against the Viet Cong continues as problem. Political control of forces obviously compounds this problem though recently air strikes have been employed several times and an air ground school instituted after more than a year of continuous recommendations and promises. Use of available L-19's in continuous support of anti-guerrilla operations remains matter of continuous persuasion.

7. Related to the ground operations is problem of coastal surveillance to prevent increasing infiltration of small numbers of VC by means of junks and sampans from DRV area and from probable small bases in Cambodia. MAAG currently advising RVNAF as to how to counter with all means, civilian and military, available. Problem here again is integrating the means under capable single military individual.

8. Some discussion of requirement for US Special Forces personnel to train proposed Commando force. As you know major mission US Special Forces is to organize, train and control guerrilla forces. This training first and foremost by doctrine is weapons, advanced individual and small unit training. After this completed then created guerrilla forces stress special training as to raid, ambush, infiltration tactics, etc. As related, I do not underestimate importance such training and have sought precisely the same here. But problem is get regiments freed to conduct such training as above. Out of a total 78 infantry battalions they averaged 25 on pacification duty continuously during 1959. About 36 committed as of this date. In addition to misunderstanding above points by many there is their oversight of the

requirement for this force in being to offer initial resistance to overt aggression should it occur. However to keep this force ready is one of Diem's reasons for raising the additional Commando force. Moreover, there are some who fail to realize that MAAG is to advise as to training, not to seize command and actually conduct training. MAAG expects additional criticism along these lines from those who like to stir up trouble particularly if internal security situation deteriorates further.

Section C—Items for State Discussion

1. Most important is complete factual picture as to why anti-VC operations in VN cannot be completely successful until all means combatting the VC are centralized for control by a single military commander and staff responding to a superior civil emergency council or similar body. Council be composed of representatives all concerned departments: Interior, Commerce, Defense, Information, etc. This is a GVN problem at highest levels not solely a military one.

2. Importance of organizing, equipping and training other means particularly civil guard, police, Psywar, information and the like. Perfectly trained RVNAF could still fail achieve complete success if other means remain inadequate.

3. Importance of social, economic and political policies being implemented in the critical area. I do not know, but perhaps GVN has tried to do too much too rapidly since it appears civilian disaffection is growing or at least too many in the rural areas seem to be fence sitting. VC as you known cannot exist without some element of civilian population being sympathetic or at least indifferent. This is not my field but appears some GVN policies in action in the Delta are not palatable to populace.

4. As to what other items would be desirable for discussion outside of Defense I can't judge from here. However, I gain the impression that GVN are of ever growing opinion that some Americans are too hide bound, unsympathetic, and unrealistic in their evaluation of GVN acute problems and how they should be solved particularly with funds and equipment.

5. In summary I'm not pessimistic. Unquestionably, the situation is delicate but hope that Col Khanh given a free hand and adequate Presidential support to keep snipers off his back will gradually produce a better atmosphere. Of course the VC always have the capability of reenforcing and can keep the pot simmering, if not at boiling point, indefinitely. I understand that all these remarks of mine in this message are in confidence.³

³A letter to Williams from Lansdale dated March 18 reads in part:

114. Telegram From the Ambassador in Vietnam (Durbrow) to the Department of State¹

Saigon, March 10, 1960—11 p.m.

2622. Reference: EmbDesp 267.² Asked see Diem prior departure Baguio. He received me morning 9th. Following highlights conversation with Diem (Thuan present).

Diem more serious and apparently concerned than heretofore, outlined extra equipment he needs soonest to meet growing internal security problem which he labeled "war". He needs more helicopters for reconnaissance and evacuation wounded, more C-47's for par drops and L-19's for liaison and observation, and urged further speed-up delivery AD4's since F-8-F's worn out and becoming less and less operable. Because difficulty attain mobility delta swamps he desires considerable number alligator amphibian vehicles (all French vehicles this type worn out). He particularly needs communication equipment since ARVN tables equipment only about 60 percent filled and only 32 percent of this equipment is new. To provide adequate fire power for commandos, needs additional automatic weapons and 60 mm mortars. He said he would give me full list prior my departure so I could discuss with Admiral Felt. Diem added list drawn up HQ committee of his highest ranking officers who had studied situation most carefully.

Diem told me he already had 4,500 volunteers from ARVN for commando units and their places in ARVN would be filled by reservists' enlistments.

After his explanation of needs to face emergency I told him I questioned desirability deplete existing ARVN units by withdrawal volunteers which probably would have bad effect morale regular units. Furthermore, it would take considerable time to equip and train commando units. I added it would seem to me primary need is

"Thanks for the extremely helpful details. Since your remarks have been in confidence, I have handled them to protect you, as you can see from the attached. Incidentally, it refers to a previous memo, which Douglas gave to State at the top. Please hold as personal information.

"These views have been given to the topside all around, including Army and Felt's own boss. I hope they clear the atmosphere. I still don't like to see a bunch of backseat drivers interfering with someone at the wheel, and I guess I don't have to tell you that you sure have a lot of them in the backseat behind you." (*Ibid.*)

The attachments mentioned are Documents 119 and 102, respectively. CINCPAC reported directly to Admiral Arleigh Burke, Chief of Naval Operations.

¹Source: Department of State, Central Files, 751K.00/3-1060. Secret. Repeated for information to Manila for Durbrow at the U.S. Far Eastern Chiefs of Mission Conference at Baguio, to Phnom Penh, Vientiane, Bangkok, and CINCPAC PolAd.

²Document 111.

to use available forces immediately to face growing emergency since situation could deteriorate further while commando units being properly trained. Diem did not agree since claims must create elite corps from dedicated volunteers in order to meet situation. Furthermore he needs replace volunteers in ARVN in order continue regular training particularly of conscripts, guard ammo and POL dumps, as well as have sufficient regular units guard 17th parallel. When I asked why Civil Guard could not guard dumps he said they needed guard other installations and workers building new airstrips and other construction work in delta. I suggested since emergency is immediate it might be advisable minimize all regular training, and begin immediate intensive anti-guerrilla training of existing ARVN units. I recalled General White had indicated the possibility sending special force instructors here from Okinawa who could assist anti-guerrilla training regular units. Diem stated he desires have these instructors soonest but would use them to train commandos. Since Diem in effect is aiming to raise force level over 150,000 ceiling, I asked him where he expected to get equipment for additional forces. Thuan replied for him, stating from French stocks. Diem added also must have additional MAP equipment. I replied Congress had cut MAP funds considerably this year, this equipment programmed and budgeted many months ahead of time and therefore I doubted would be possible obtain additional equipment. In any event even if we should agree his suggestion, would take many months to receive MAP equipment and repeated necessary act immediately in what he terms growing emergency. Diem reiterated Viet Cong had opened all-out guerrilla war which would last long time and therefore it essential receive additional MAP equipment for long haul. He again pointed out his need for "alligators" soonest. I replied not certain if we have this type of equipment now and if so would take long time to deliver. In spite my arguments, Diem urged me request serious consideration be given furnishing all this additional equipment.

3 I took occasion to tell Diem I not convinced larger forces needed meet Viet-Cong threat since it appeared to me more important win confidence local population. If this done would reduce [VC] effectiveness large extent. I told him we were receiving more and more reports which may or may not be true, although they are persistent, that province chiefs and other officials have been acting arbitrary manner which had antagonized population. I stated we had many reports that province officials have conscripted thousands of peasants to build agrovilles and other facilities when only hundreds were needed and that many peasants conscripted deeply resented forced work on these projects during harvest time. Diem admitted some excesses may have taken place but stated crops are harvested over three month period and every effort being made to conscript only those

not needed for harvests. Diem then admitted he now found it necessary slow down construction agrovilles, inferring because of resentment, but added once few model towns were built people would understand and be contented. He contends one of principal reasons stepped-up Viet-Cong activities is prevent construction agrovilles.

Since Thuan few days before had urged we furnish more naval coastal patrol craft I told them I had talked this matter over with General Williams and others who convinced even large additional number of craft would not be able by themselves control landings. More effective control would be coordinated use of ships, planes and particularly considerable number of coastal watchers to spot attempted landings. I recalled we had not been able control bootleggers during prohibition days because population against law. Therefore if population willing cooperate with Government and volunteers as coast watchers, landings would be kept to minimum. Diem disagreed, claiming rugged and/or marshy coastal areas made it impossible watchers be effective. While he did not make specific request for any particular type of craft, he mentioned need for small motor boats known as "Vedettes"; having traveled on "Vedettes" I questioned where they would be effective in South China Sea. Diem insisted they would be.

Comments: Diem was obviously not pleased by my arguments, but I felt I had to speak frankly and firmly because seems clear he moving in all directions without any clear-cut plan to utilize what he has on hand to meet situation and probably hopes use deteriorating internal situation to force US finally agree to his long sought after 170,000 force level. Since Thuan was present, I did not feel I could bring up alleged Can Lao corruption as suggested reference despatch and therefore confined my remarks to need win over population, comments on arbitrary action provincial officials and necessity to use forces and equipment now on hand. I made it quite clear I doubted we could get additional equipment but promised report his request.

After leaving Diem's office, Thuan and I talked [garble] which I reiterated my concern about attitude population. He admitted provincial officials may have been over-zealous but assured me he and others are working on this problem which can be brought under control. I suggested to Thuan advisability Diem making periodic fireside chats to explain Government policies, why sacrifices are needed and describe beneficial results he hoped to attain from various projects. Thuan said President planning make one such talk but doubted he would desire it periodically. I stated our information indicated that one of principal reasons for peasant discontent is fact they have not been taken into confidence and told basic reasons for sacrifices they called on make and expressed hope Diem would not only make ar-

rangements to explain this by radio but urge his ministers, deputies go to provinces for same purpose.

Thuan stated in confidence the GVN is receiving more and more confirmation that the VC have infiltrated military units to considerable extent.

General Williams, after reading draft this message, said he had used similar arguments to mine on March 8th in reply to Thuan's exposition of plans for commandos, etc. General Williams has not yet been asked officially or otherwise to furnish the additional equipment Diem mentioned to me.

In order that all elements of the country team may have full knowledge of our evaluation of commando concept and its many pitfalls, I asked General Williams to furnish the team with a critical analysis.³ This analysis which brings out the arguments I used with Diem as well as others, will be used by all [garble] discussing matter with GVN officials in an effort to bring their thinking in line with reality.

Durbrow

³Not found.

115. Telegram From the Commander in Chief, Pacific (Felt) to the Office of the Assistant Secretary of Defense for International Security Affairs (Irwin)¹

Pearl Harbor, March 14, 1960.

142355Z. Admin CINCPAC take as T12 for info. This is continuation of my 140630Z.²

Regarding Diem's plan to recruit commandos and raise force level 10 or 20 thousand above currently recognized ceiling, CINCPAC expressed his views as follows in a 4 Mar msg to CHMAAG:³ "British experience in Malaya and experience of the Phils in Huk campaign reveal that anti-guerrilla capability has developed with org of the reg armed forces and did not req special volunteer comm type force envisaged by Diem. Believe force for anti-guerrilla operation Vietnam can be obtained by changing emphasis of training for select-

¹Source: Center of Military History, Williams Papers, TWXs 1960 (71). Confidential; Priority. Repeated for information to Chief MAAG in Vietnam and to JCS.

²Dated March 15, this message deals with equipment for the ARVN. (*Ibid.*)

³CINCPAC 040459Z. (National Archives and Records Service, JCS Records, CCS 99, 9155.3/4060 (15 Feb 60))

ed element ARVN and other security forces from conventional to anti-guerrilla warfare. In any event development of this capability should not serve to increase GVN force level ceilings."

CHMAAG reported he concurs fully the above views and is pressing the point in Saigon. He says, however, that fact remains that instructions were distributed on 24 Feb directing formation command [*commando*] force without further consultation CHMAAG although CHMAAG explained to Diem on 20 Feb the drawbacks to the plan. Thuan has Diem as saying am at war—am going ahead. CHMAAG states he is now endeavoring persuade Diem modify figure to 4 or 5 thousand thus remaining at 10 thousand level. [?] CHMAAG believes it impossible get Diem to rescind the 24 Feb directive.

An interesting fact of this problem is fact that Diem has been maneuvering for some time to get US agreement to increase in force level. Gen'l I.D. White, CINCUSUSARPAC, had audience with Diem on 23 Feb.⁴ Latter talked at length about Viet Minh threat and emphasized his army is not big enough to meet the threat. He said he told Pentagon when he was in Wash DC that he needed 170,000 troops. He made the point that now in addition to external threat he must also face guerrilla warfare and needs 20 thousand additional troops for this alone but because of lack of money he wants to start with 10 thousand. He said his army is not properly trained for anti-subversion role and is of opinion that field army should be trained to combat subversives. With this latter opinion CHMAAG, Ambassador Durbrow and CINCPAC concur. However, we do not concur that additional troops should be raised and trained to fulfill this objective. CHMAAG is trying to hold the line⁵ as indicated in the par above and Amb Durbrow will return to the fray as soon as he returns to Saigon upon completion Baguio Conference.

⁴A memorandum of this conversation is in Center of Military History, Williams Papers, Conversations with Diem 30 Nov 59–22 Aug 1960 (163).

⁵See Document 130.

116. Telegram From the Chargé in Vietnam (Cunningham) to the Department of State¹

Saigon, March 16, 1960—7 p.m.

2671. On March 15 American businessman . . . , whose reputation known to Department in connection with Colegrove articles, called at Embassy with what he described as "hot information." . . . first tried see ArmAtt who was occupied, then called on NavAtt to whom he indicated he wished relay information to Embassy official "who could act quickly and had broader functions than attachés." . . . was referred to officer in political section.

Turned out . . . information related to anti-Diem regime opposition groups with whom he in contact. Information given Embassy by . . . being checked out . . . but at present time appears represent "pipe dream" of number of Saigon intellectuals rather than any serious threat GVN. Nature of information and . . . apparent continuing relationship with Colegrove make this matter particularly delicate. Embassy believes it necessary that . . . feel his information being listened to, but at same time that nothing be done which would indicate to GVN Embassy communicating with opposition groups. Shall therefore in future endeavor to channel . . . to ArmAtt (with whom he has often talked in past) who will listen but clearly avoid official U.S. involvement.

Information furnished by . . . summarized as follows: In late January . . . received letter return address "The Porch Window, Lyndon Hotel, Los Gatos, California" from "a friend of Mr. Colegrove's" who informed . . . that a friend of the writer's in Saigon would be contacting . . . and would identify himself by code name. Shortly thereafter a Vietnamese employee of Stanvac (whom ArmAtt now trying identify) called on . . . as person mentioned in letter and arranged meetings between . . . and opposition group including Tran Van Van, former Minister of National Economy in Bao Dai government (1949) and Dr. Ho Van Nhut, one of two vice chairmen of Vietnamese Red Cross Society. (Dr. Nhut member of opposition group which recently had meetings with Ngo Dinh Nhu. . . .)

During conversation . . . presented EmbOff with copies documents prepared by Tran Van Van showing a) political spectrum of groups in opposition Diem regime, b) provisional national assembly to be set up in event fall present government and c) provisional government to be established in such eventuality. . . . presently checking out individuals whose names shown on these documents.

¹Source: Department of State, Central Files, 751K.00/3-1660. Secret. Repeated for information to Manila for Durbrow. Sent with instructions to pass to the Department of the Army for the Assistant Chief of Staff for Intelligence.

Subsequently contact brought to . . . home alleged regimental commander of one of four Hoa Hao regiments stated to be presently located Vietnamese-Cambodian frontier who stated this group had 10,000 men under arms with large quantities guns, including carbines, submachine guns and eight recoilless rifles which they anxious show to American representative. No indication that Saigon opposition and Hoa Hao group related except that same contact introduced . . . to both.

. . . stated he came to Embassy because he felt Embassy should be aware of existence this group and because he seeking guidance as to questions to ask in order develop information which would be useful to Embassy. It appears . . . deeply involved and seeking involve Embassy. He stated all group waiting for was indication US lack of confidence Diem regime.

EmbOff made clear to . . . that while Embassy interested in listening it fully supports GVN and for obvious reasons does not wish become involved with any opposition group. Although recently Embassy has received unevaluated indications apparently based on rumors circulating local population Saigon, activity on part various anti-Diem opposition groups having ties with sects, Bao Dai family, etc., . . . information does not substantiate connotation these reports, that GVN faces serious threat from internal, non-Communist covert opposition.

Cunningham

117. **Letter From the Acting Director of the Office of Southeast Asian Affairs (Usher) to the Ambassador in Vietnam (Durbrow)¹**

Washington, March 16, 1960.

DEAR MR. AMBASSADOR: This letter is an attempt to give you our understanding of how things stand on the question of aiding the Vietnamese deal with subversion. We have sketched out the facts as we know them in the following paragraphs, and wherever we are wrong, please let us know.

1. You, Admiral Felt, and General Williams are in agreement that we cannot support an increase in the Vietnamese armed forces. We gather that as a corollary to this, Defense here and presumably

¹Source: Department of State, Vietnam Working Group Files: Lot 66 D 193, 100. VN 1960, Internal Security. Secret; Official-Informal. Drafted by Wood and cleared by Cleveland.

CINCPAC feel that we should not enter into guerrilla training until this fact of life is accepted by President Diem.

2. As to guerrilla training, we understand from Defense that Admiral Felt would want the main emphasis on such a program to be in Okinawa but would agree that some people (number unspecified) could be sent to Saigon. However, such training should only commence after the Vietnamese had decided on which units of their existing forces should be given guerrilla training. At present there are perhaps 30 Vietnamese receiving guerrilla training in Okinawa. This is the first group to go there.

3. DOD is now studying what equipment can be made available to the Vietnamese. They are thinking quite concretely in terms of 100 sixteen foot patrol boats and of radio equipment which could be distributed widely amongst small units. They are looking into the question of additional L-19 liaison aircraft and C-47 troop carriers. They hope to come up rapidly with a list to be submitted to the GVN and they believe that extra money could be obtained, if necessary, from the President's Contingency Fund. I am sure that we would support them in this.

4. On the difficult question of whether or not we can assist the Vietnamese in dealing with the civilian population, Ben Wood had a long talk this morning with Colonel Flesch and two Colonels from CAMG (Civil Affairs and Military Government).² As is always the case in such discussions, it was agreed that the internal security problems of Viet-Nam could not be settled until the government and the troops were able to obtain the confidence of the population. After a great deal of talk on the difficulties involved due to the overlapping and often confused line of authority in the Vietnamese Government and their suspicions of foreign intervention, it was agreed to look into the following as a possible solution which might be of interest to you. A lot of ground work will be needed before such a suggestion could become a concrete offer and we would certainly like to have your thoughts while all this is simply in the idea stage. In brief:

²No other record has been found of this meeting.

Tentatively pick six to a dozen Malaysians, Filipinos and/or Chinese experienced in dealing with civil populations during a time of insecurity. These men would be assigned individually to province chiefs in troubled areas. Assign two young Foreign Service Officers, one to the Department of Defense and the other to the Department of Interior in Saigon. The men in the field would work with the province chiefs and report to the young FSOs, keeping the Vietnamese informed of their reports. The FSOs would pass these reports up the line in the Vietnamese Government and would avoid offering comments or suggestions until a reasonably good working relationship had been evolved. They would also pass copies of these reports openly to the American Ambassador and others whom he might designate. These men would be assigned on an experimental basis and could be withdrawn promptly in case of personality conflicts or other trouble. On the other hand, if they worked out they could be kept at their jobs for three years in order to have time to establish confidence and good working relationships. The Asians assigned to the field could be either military or civilian. The FSOs in Saigon could, if considered desirable, be given six to eight months of training at the service schools run by CAMG before going to Saigon. If FSOs were not available, the military government people might be able to furnish young officers trained in civil affairs, psychological warfare, with some background in Asian history and culture, plus some language training. Such men would probably not be ready for assignment until early 1961. A third possibility would be to assign some young officers from USIA.

That about covers our knowledge of the situation as we know it here.

With kindest regards,
Yours sincerely,

REU
Richard E. Usher

118. Telegram From the Secretary of State to the Embassy in Vietnam¹

Washington, March 17, 1960—3:53 p.m.

1687. Joint Defense-State message. Ref A) Ottawa's 590, 591; B) Ottawa's 563;² C) Deptel 1653;³ D) Saigon's 2661.⁴ Ref A: As seen from Department favorable and sympathetic response to MAAG increase shown by GOI, GOC and UK most encouraging and represents net increase cooperativeness these governments in problems SEA area which we should maintain and encourage. To do so will require reasonable flexibility implementation time table MAAG increase. Believe it essential this context ICC have some time discuss and possibly resolve by majority vote (Articles 41, 42 Geneva Agreement/Viet-Nam⁵) this question prior actual commencement increase.

¹Source: Department of State, Central Files, 751K.5-MSP/3-1660. Secret; Priority. Drafted by Wood, cleared with DOD/ISA, SOA, BNA, and SEA; approved by Steeves. Sent also priority to New Delhi and to Ottawa and London; repeated for information to CINCPAC for PolAd and to Manila priority for Durbrow and Parsons.

²In these telegrams, March 15, 15, and 2, the Embassy in Ottawa passed on Canadian Department of External Affairs reports indicating that the Government of India would be sympathetic to a gradual increase in the U.S. MAAG in Vietnam. The Canadians did not believe that the proposed Vietnamese note in telegram 1653 to Saigon, March 12 (see footnote 3 below) would be appropriate or helpful. (*Ibid.*, 751K.5-MSP/3-1560, /3-1560, and /3-260, respectively)

³In telegram 1653 to Saigon, repeated by pouch to Ottawa, the Department of State made the following suggestion:

"Thus Embassy may wish suggest GVN, on or about March 21, present short, low voltage Note to ICC along following lines:

"In accordance with its Note of February 23 the GVN has asked the USG to commence increasing its MAAG contingent on April 1 and to continue the process until MAAG reaches a total of 685 at the end of 1960. The ICC will, of course, receive notification of all arrivals and departures and of any transfers from TERM to MAAG in the normal manner.

"MAAG personnel will be assigned in accordance with the attached Table of Distribution (subject separate DOD message)." (*Ibid.*, 751K.5-MSP/3-160)

⁴In telegram 2661, March 16, the Embassy in Saigon commented on the proposed note in telegram 1653 to Saigon and suggested that it be sent by the GVN to the ICC without reference to transfers of personnel from TERM to MAAG and without a table distribution of MAAG personnel. (*Ibid.*, 751K.5/3-1960)

⁵Articles 41 and 42 of the Agreement of the Cessation of Hostilities in Vietnam, July 20, 1954, read as follows:

"41. The recommendations of the International Commission shall be adopted by majority vote, subject to the provisions contained in article 42. If the votes are divided the chairman's vote shall be decisive.

"The International Commission may formulate recommendations concerning amendments and additions which should be made to the provisions of the agreement on the cessation of hostilities in Viet-Nam, in order to ensure a more effective execution of that agreement. These recommendations shall be adopted unanimously.

"42. When dealing with questions concerning violations, or threats of violations, which might lead to a resumption of hostilities, namely:

"(a) Refusal by the armed forces of one party to effect the movements provided for in the regroupment plan;

Continued

Unless Saigon has serious objection suggest addressee posts discuss timing MAAG increase with their governments on or soon after March 21 along following lines:

We must, at same time remove TERM personnel from Viet-Nam by end 1960, maintain in Viet-Nam a training mission of size adequate to provide maximum support for GVN at time increased danger and, in order not cause difficulties for our friends on ICC, effectuate increase of MAAG by bringing additional personnel in small groups over period months (ref B). On other hand we hope ICC will have had time discuss and, hopefully resolve by majority vote, problem before we commence MAAG increase. We understand ICC may be able commence discussions early April.

Under these circumstances we feel we must suggest to GVN that it submit short, quiet note to ICC on March 31 to effect MAAG increases will start April 15 and MAAG will be gradually increased to 685 by end 1960. Original plan was to start increase April 1.⁶

Saigon:

1. Be sure GVN does not deliver Note March 21 (ref C).
2. Ref D, when GVN submits Note March 31 Table Distribution and references to TERM to MAAG transfers should be omitted.
3. Plan commence April 15 would leave over 8 months for transfers from TERM to MAAG, average monthly basis, to be completed by 31 December 1960.⁷

Herter

⁶“(b) Violation by the armed forces of one of the parties of the regrouping zones, territorial waters, or air space of the other party; “the decisions of the International Commission must be unanimous.” (*Foreign Relations*, 1952-1954, vol. xvi, p. 1517)

⁶Telegram DEF 973757 from the Office of the Secretary of Defense to CINCPAC, dated March 11 and repeated to CHMAAG Vietnam, reads in part: “Beginning 1 April 1960, personnel arriving Viet-Nam will no longer be assigned to TERM. Have MAAG T/D 685 spaces prepared for submission by Government of Viet-Nam to ICC in accordance with instructions USEmb and all new arrivals assigned against this T/D or against the 51 administrative spaces authorized. Any shortages or understrength of personnel 1 April 1960 should be reflected in TERM. Personnel transfers necessary to phase TERM out by 31 Dec 1960 will be accomplished average monthly basis during period 1 April-30 November 1960.” (National Archives and Records Service, JCS Records, CCS 99, 9155.3/4060 (15 Feb 60))

⁷In telegram 2699 from Saigon, March 20, the Embassy concurred with the substance of paragraphs 2 and 3 in telegram 1687, but for tactical reasons favored a series of oral approaches by the United States to Canada, the United Kingdom, and India. (Department of State, Central Files, 751K.5-MSP/3-2060)

The Department of State agreed with the oral approach, but countered that the GVN should make some official notification to the ICC about the MAAG increase on or about April 4. (Telegram 1712 to Saigon, March 21; *ibid.*)

119. Memorandum From the Secretary of Defense's Deputy Assistant for Special Operations (Lansdale) to the Deputy Secretary of Defense (Douglas)¹

Washington, March 17, 1960.

SUBJECT

Security Situation in Vietnam

You might find a brief summary of current developments in Vietnam helpful in your thinking about U.S. actions to keep Vietnam securely on our side, as a keystone of our Defense posture in South-east Asia.

The Communists. The Communist Vietcong have been strengthening their guerrilla efforts in Free Vietnam for some time. Until last July, these efforts were largely by terror squads of 3 or 4 men used to support the subversive activities of Communist political workers. Following some stepped up activity by the Vietnamese Army, the Vietcong guerrillas apparently have been reorganized and strengthened into larger bands more able to cope with Army activities. The Vietcong bands are now reported to run to 30, 50, 100, or more men, totalling an estimated 3,000 men. They seem to be operating mostly in the delta regions of the Mekong and Bassac Rivers, and in the more isolated area north and west of Saigon. Vietcong striking power was highlighted by a savage attack on an Army garrison at Tayninh on 26 January.

Counter-Guerrilla Forces. Against the Communist guerrillas, the Vietnamese have been using, without decisive results, 21 infantry regiments, a "home guard" of village "self defense corps" strengthened by a large part of the 48,000-man, constabulary-type Civil Guard. This is a familiar picture to those who have observed Communist guerrilla operations in modern times, including this same area of Vietnam prior to its independence.

Apparently, the mission of defeating the Communist guerrillas has not been given to the Vietnamese Armed Forces by the Vietnamese government. Instead, the guerrilla problem has been tackled by a series of ad hoc arrangements, which have grown like Topsy to meet contingencies, and which largely by-pass the channels which would make expected use of the Vietnamese military establishment and its U.S. military advisors.

Until the beginning of this month, regular Army forces were committed under the control and direction of Province Chiefs, some of whom are military men, and others civilians. The Province Chiefs

¹Source: Center of Military History, Williams Papers, Lansdale 1960 (136). Secret. This document is an attachment to the letter cited in footnote 3, Document 113.

took their orders from President Ngo Dinh Diem. This resulted in uncoordinated military actions, with military commitments of generally company-size units on an average of 40 a day in the recent past. In many instances, these companies were removed from the control of battalion and regimental commanders for these operations. It is apparent that many military sins resulted, negating the advantages of planning, combined arms, and joint operations.

Why the operations were handled in this fashion is a matter of great complexity, involving the strong personality of President Diem, the political factors in the provinces, relationships (and trust) between Diem and officials most concerned, and inferences from lessons based upon past experiences. It is sufficient to note here that these methods existed.

In early March, President Diem appointed Colonel Khanh to be the single military commander for operations in the Delta region. President Diem believes he has given Khanh enough authority so that the military now has the entire task, with a clear chain of command and control of all means, both civilian and military, in the areas of operations. However, Khanh is directly under the Presidency, the General Staff apparently is still by-passed, and it is still not clear how firmly Khanh understands his authority nor how firmly he will be backed up by the President. It is hoped, however, that having a single commander directly supported by the President will start getting results and start changing the gloomy security climate in Vietnam.

Commando Force. President Diem has ordered the immediate organization of a commando force of 10,000 volunteers. The volunteers are to come from both the regular Armed Forces and the Civil Guard. The plan is to have seventy-five 131-man companies, a commando group and support units. The primary strength of this force, 50 companies, will be committed in the Delta region.

The commando concept poses some tough problems. The volunteers will probably take the cream off regular rifle regiments, reportedly now understrength. Equipping the commandos will take special doing; perhaps 6,000 could be equipped by using the difference between authorized strength of 150,000 and current strength of nearly 144,000 in the Vietnamese Armed Forces. Also, it is likely that British irregular tactics developed in Malaya will be introduced, with the U.S. footing the bill; due to fundamental differences between Vietnamese and Malayan problems, friction can well result among advisors, suppliers, and operators.

Training. CINCPAC is working on the problem of training the Vietnamese. This problem, too is complex. For example, 12 of the total 21 infantry regiments used in current operations have not had an opportunity to accomplish critically important advanced individ-

ual and small unit training which is a fundamental military need for successful use of these units. Thus, the problem becomes one of how to rotate these regiments out of the line, to be trained and returned. The General Staff has found itself unable to cope with the problem. In addition, the constabulary-type Civil Guard is badly in need of proper training, organization, and equipment; effective action has been withheld from the Civil Guard problem due to sharp differences of opinion in both the Vietnamese and U.S. official families on jurisdiction and methods of deployment for the Civil Guard forces; these are much the same differences which needed resolution as early as 1955.

The Political Factor. As stressed in my previous memo to you,² the fundamental need is to construct a sound political basis first. This will give meaning to the required corrective actions, military or otherwise. The constructive work has to be done in the midst of alarming contingencies, coping with Communist guerrillas on the one hand while being ready to resist a potential Communist invasion from the North, without weakening the strength of Vietnamese leadership or resources. It does seem obvious that it will require something *extra* and *special* by both Vietnam and the United States before this problem is licked.

²See Document 102.

**120. Memorandum of a Conversation, The Pentagon,
Washington, March 18, 1960¹**

I-13187/60

SUBJECT

Conference on Internal Security in Viet-Nam and Related Problem of Civil Administration, held in Admiral O'Donnell's office, 3-E-218, March 18, 1960, at 1030 hours

ATTENDANCE

Admiral E.J. O'Donnell, USN, Far East Region, ISA
Colonel E.G. Lansdale, USAF, OSO/OSD
Mr. Ben Wood, Department of State
Lt. Col. J.M. Flesch, USA, Far East Region, ISA

¹Source: Department of State, Vietnam Working Group Files: Lot 66 D 193, 101. VN 1960—Internal Security. Secret. Drafted by Flesch on March 25. A copy of this memorandum is also in Washington National Records Center, OSD/ISA Files: FRC 64 A 2170, 092 Vietnam.

Lt. Col. J.A. Murphy, USA, OCS,D/A Civil Affairs
Mr. Jerry French, OSO/OSD

The conference was called to discuss the political situation in Viet-Nam and its relationship to Viet Cong guerrilla successes. In Viet-Nam the Communists have found some discontent with political institutions supporting national authorities and are enlarging upon this discontent among the people. They are creating a popular base to support Communist subversive and para-military forces capable of hiding when necessary. As the situation worsens, the military will be pitted more and more against the Vietnamese people. These political problems must be studied and an acceptable solution presented to the country team for consideration and recommendations.

Summary of discussions of subjects follows:

a. Civil Guard

The Civil Guard is not capable of coping with the present guerrilla capabilities nor would it develop sufficiently in the foreseeable future to successfully conduct counter-guerrilla operations. This is attributable to shortages of equipment, poor training, and improper command and control channels.

b. Command and Control

Apparently the mission of defeating the Communist guerrillas has not been given to the Vietnamese Armed Forces by the Vietnamese government. Instead, the guerrilla problem has been tackled by a series of ad hoc arrangements which largely by-pass the channels which would make use of the Vietnamese military establishment and its U.S. military advisors.

Until the beginning of this month, regular Army Forces were committed under the control and direction of province chiefs, some who are military men and others who are civilians. The province chiefs received their orders from President Diem. This resulted in uncoordinated military actions with military commitments of company-size units, in general, on an average of 40 a day in the past. In many instances, these companies were removed from the control of battalion and regimental commanders for these operations. It is apparent that many military sins resulted, negating the advantages of planning, combined arms, and joint operations.

Why the operations were handled in this fashion is a matter of great complexity, involving the strong personality of President Diem, the political factors in the provinces, relationship (and trust) between Diem and officials most concerned, and perhaps improperly applied methods based upon past experiences. It is sufficient to note here that these methods existed.

In early March, President Diem appointed Colonel Khanh to be the single military commander for operations in the Delta region. President Diem believes he has given Khanh enough authority so that the military now has the entire task, with a clear chain of command and control of all means, both civil and military, in the areas of operations. However, Khanh is directly under the Presidency, the General Staff apparently is still by-passed, and it is still not clear how firmly Khanh understands his authority nor how firmly he will be backed by the President.

c. Political Conditions

The fundamental of the Vietnamese situation is a political one. Without a sound political basis for operations, military actions can only provide a temporary solution. The political problem is not simple—it requires wisdom and sure skill to handle. The U.S. has advised and helped Viet-Nam create its present political organization just as it did the military establishment and the U.S. is obligated to review and advise the Vietnamese regarding solutions in solving the problem.

Political institutions supporting President Diem have a basic hard core which operates clandestinely. The Can Lao Party appears to be one of the major sources of difficulty in the present situation. Party members are scattered throughout Vietnamese government agencies and the military establishment and non-party members are sometimes hesitant to act decisively. Since government officials do not always know who are party members in their agencies, there can be a paralysis of action by the government officials.

Instructions are passed from the President direct to province chiefs by the Minister of the Interior and military channels. It can be assumed that little or no coordination has taken place between these different sources before instructions are issued. President Diem has an excellent knowledge of the thoughts and desires of the people as a result of his frequent visits and discussions with them throughout the country.

Province chiefs and village leaders have had little experience in civil administration and political affairs. These officials often lack the appreciation of the importance of winning the support of the populace. There is evidence that community projects to improve security, sanitary conditions, and economic development have been accomplished under the direction of province and village officials prior to solicitation of peasant support. Internal security problems and administrative responsibilities have tended to take precedence over informing and influencing the people.

Summary of proposed action to assist Viet-Nam in developing an improved political environment:

As a result of the deficiencies outlined in the summary of the discussion, the Vietnamese in rural areas have to some extent lost faith in the government officials and have doubts concerning the sincerity of the national government, but still remain intensely loyal to the President. Consequently, the Communists have a tailor-made condition in which they are prepared to exert their influence. It was agreed that probably the most expeditious means to assist the Vietnamese would be through some type of mutually-agreed advisor system at the province chief level. This advisor system could be utilized to assist in advising the President of Viet-Nam of deficiencies which exist and later, with his concurrence, to assist the provincial personnel in the application of proper techniques to correct these deficiencies. It is realized that this recommendation must be handled very carefully with the Vietnamese Government and presented in a manner which will not offend their nationalist pride.

Mr. Wood presented a proposed organization (previously suggested by DOD for utilization of a third nation personnel) for assignment of advisors at province and national level. This organization would provide advisors at province and national level. This organization would provide advisors at the national level to the Ministers of Defense and Interior, and advisors to province chiefs. It was his opinion that the advisors at national level should be selected from the Departments of State and Defense and advisors to province chiefs should be selected from a third country, preferably Malaya or the Philippines.

Colonel Lansdale said that although President Diem was favorably impressed with the counter-guerrilla operations in Malaya, he did not believe Malaysians would be the best selection to advise the Vietnamese civil officials. Counter-guerrilla operations in Malaya were carried out under a colonial system in which U.K. officials had complete control of both the military and civilian echelons of the government. In this operation, the indigenous population was utilized as U.K. officials considered appropriate. In Viet-Nam indigenous government and military forces are in control and responsible for the counter-guerrilla operations. The Filipinos should be more adaptable and have better qualifications for advising the Vietnamese. Colonel Lansdale also felt that exceptionally well-qualified Filipinos are available and that his personal acquaintance with them would expedite the selection.

Mr. Wood stressed the importance of selecting advisors and of establishing mutual confidence with the Vietnamese officials before advice is given and recommendations made by the advisors. These

advisors, initially, should report to the Saigon echelon to assure that adequate political information is available to the Country Team.²

Recommendations

It was agreed that the Departments of State and Defense prepare the details and organization proposed for a political advisory group for staffing, presentation to the Country Team, and CINCPAC for consideration.

Joseph M. Flesch
Lt. Colonel, USA

²In a letter to Durbrow, March 18, Usher reported the results of this meeting and then summarized a subsequent discussion between Flesch and Wood immediately after the meeting. The subsequent discussion went as follows:

"On the subject of funds for extra military equipment which may be needed in Viet-Nam, Wood mentioned afterwards to Flesch that there are only \$15 million left in the Contingency Fund and that if DOD had any requests for money from that fund for Viet-Nam, they had better be made promptly with plenty of support. It was suggested that in view of the time element Defense might wish to make a short list of the most essential items and ask for prompt screening by MAAG and CINCPAC in order to get the claim in on the Contingency Fund before the barrel became empty. Further requests for equipment which were decided on later might be applied against 1961 funds. Flesch said the radio equipment envisaged would, he believed, cost about \$2.8 million. In connection with matériel for Viet-Nam, DOD is now planning to deliver about ten to a dozen AD-6's in September 1960 and the rest in August 1961.

"Finally, it was suggested to Colonel Flesch that when the time came to look over names for the job of Chief MAAG, Admiral O'Donnell might wish to talk informally with Mr. Steeves before any final decision is made. Flesch agreed." (Department of State, Vietnam Working Group Files: Lot 66 D 193, 100.VN 1960—Internal Security)

121. Letter From the Chief of the Military Assistance Advisory Group in Vietnam (Williams) to the Assistant Deputy Chief of Army Staff for Logistics (Myers)¹

Saigon, March 20, 1960.

DEAR SAM: YOURS of 5 March received.²

Things are rather tight just now because of the flare-up of Viet Cong activities in the 5th Military Region. Colonel Khanh is in command there now and if let alone and given proper help by the civilian officials in the area, should regain control in due time. Some sharp, nasty, fights are not unusual. However, the V.C. bands nor-

¹Source: Center of Military History, Williams Papers, Personal Correspondence 1960 (75).

²Not found.

mally give the Army and the Marines a wide berth and disappear into thin air when they come along. They do, however, hit Civil Guard posts and grab off officials of isolated villages with apparent ease and at will.

When Army or Marines do make contact with the V.C. some sharp engagements take place that can and often do cause a half dozen or so casualties on both sides in a matter of seconds.

Diem recently came up with a directive to form 10,000 Commandos by forming a couple of companies of volunteers out of each regiment. As this would skim off the cream of officers, NCOs and privates, I'm doing my best to sabotage the project and may be successful as none of the Corps or Division commanders want to lose these people.

Others here think it a ruse by Diem to raise the Armed Forces to 170,000 but I'm not convinced of that as they have said from the start the entire deal is to be financed by the GVN from their own resources. I maintain they haven't the money to do it. Thuan, who is charged with funding the money, admits to me he is at wits end. At any rate, none of the companies have been assembled to date although the Directive was dated 24 February for implementation by 1 March. Practically an impossible task. Diem didn't consult me on this and I'm convinced he didn't because Thuan felt me out and got a flat no which I know he passed on up.

Durbrow reports that Diem said he was going to give him a list of additional equipment he needed for the Regular Forces. When I asked Diem about this he said he would show it to me and get MAAG's comments as to needs and feasibility once he got recommendations from his commanders and before he gave the list to the Ambassador. To date he has not done so.

However, some days ago, and before this flap started I made inquiries as to feasibility of stepping up some Commo equipment that was due in on the FY 59 and FY 60 program. Maybe that can be done as it's really badly needed.

As to the bayonets. I see *no* reason to ask for air shipment and think you were right in not arranging for it.

You mentioned the 32d Regiment fight³ so I'll fill you in briefly. The VC, possibly 200, although the reports were from 300 to 500, hit the Regimental Camp at 0230 January 26. About 250 of the Regiment in camp, the others were either on operation or in dependent quarters. Coming in from the North they over ran the sentry posts and got down through the 1st and 2nd Battalion areas before being stopped at the 3rd Battalion area. The fight lasted 60 minutes with about 30 plus dead. The V.C. were well fixed with heavy demoli-

³See footnote 6, Document 111.

tions and destroyed or partly destroyed, about five buildings. Some made a bee-line for the Battalion arms rooms and got quite a few weapons. Some of these were later recovered. The Regimental Advisor was at billets in Tay Ninh about 12 km away and missed the show. The V.C. were driven out (or withdrew) and in the follow-up about 30 were killed. Two trucks, loaded with arms, were recaptured as the Vietnamese prisoners driving the trucks kept stalling them.

The brazenness of this attack shocked the Vietnamese to the roots and in that respect the attack may have been a good thing.

The Regimental Commander (Major) was tried and sentenced to reduction to Captain and no promotion for five years. The Division Commander (Lt Colonel), relieved from command and no promotion for five years.

The VC had the place well reconnoitered. They knew most of the Regiment was gone, they knew exactly where the arms rooms were, they knew exactly which building individual officers slept in and they headed for them. This affair really put the Vietnamese in a tizzy.

Now as to the rumors you hear about me going into striped pants. That idea, to the best of my knowledge, was first advanced by some Congressional Committee out here. Later someone sent me a clipping out of a Service Journal that suggested there was some talk of this or something to that effect. None of this has ever come from me. Frankly, the snow will very likely fall in Saigon before anyone in State will consider such a thing in a serious vein. This Despite the fact the published Mansfield Committee Report⁴ treated this MAAG, and in fact me personally, in a rather favorable way.

For background for your talks to the students at MAAG Institute, you know the situation in general. On occasion, as before, I get warnings from the VN, usually the President, to have my people be particularly careful during certain periods. Although I caution them, many probably pay little attention. That's rank stupidity. You will be pleased to hear newcomers to this MAAG speak of your talks with high praise.

[Here follows discussion of personal matters.]

S.T. Williams
Lt General, USA

⁴See Document 107.

122. Memorandum From the Chief of Staff, United States Army (Lemnitzer) to the Joint Chiefs of Staff¹

JCS 1992/791
CSAM 103-60

Washington, March 24, 1960.

ANTI-GUERRILLA TRAINING FOR VIETNAM (U)

1. I have noted in messages that the security situation in South Vietnam has deteriorated markedly during the last few months. The North Vietnamese-controlled Communist dissidents have extended their reign of terror in the rural areas and have shown an increased capability to mount raids and ambushes against selected targets near the capital. The boldness and frequency with which the dissidents have been operating clearly indicate that their capability has been reinforced with additional cadres and possibly matériel from North Vietnam by land and sea. Communist dissidents, numbering no less than 3,000, have demonstrated an increased capability to mount attacks, raids, ambushes, and other terrorist incidents in southern and central South Vietnam. Such actions plus intimidation of local villagers have caused rural populations to lose confidence in their Government, and will, unless checked, cause the nation's stability to deteriorate even more rapidly.

2. President Diem of Vietnam considers his country engaged in an all-out guerrilla war with the Viet Cong which will last a long time and has requested² additional assistance in both matériel and training. To achieve over-all U.S. objectives in South Vietnam, it is considered necessary that the U.S. render timely and reasonable support.

3. In order to reduce and eventually to eliminate the terrorist activities of the Viet Cong, the populace of South Vietnam must be physically and psychologically separated from the terrorists and then the terrorists must be ruthlessly hunted down. These actions require a coordinated effort by the Vietnamese in the fields of psychological warfare, civil affairs, intelligence and counter-intelligence, and counter-guerrilla military operations by the armed forces, Civil Guard and police.

¹Source: National Archives and Records Service, JCS Records, CCS 99, 9155.3/4060 (15 Feb 60). Secret.

²U.S. Embassy Saigon message to Secretary of State, No. 2622, dated 10 March 1960; on file in Joint Secretariat. [Footnote in the source text. Document 114.]

4. CINCPAC feels³ that an anti-guerrilla capability can be developed within the regular armed forces by changing the emphasis in the training of selected elements of the Vietnamese Army and other security forces from conventional to anti-guerrilla warfare. The Department of the Army agrees with the CINCPAC concept, but feels that additional support in specialized fields is warranted and can be introduced overtly in Vietnam as a result of current developments with respect to the MAAG/TERM ceiling.⁴ The Department of the Army is, therefore, prepared to augment the CINCPAC capability by furnishing the Chief, MAAG, with special forces mobile training team personnel, including operational detachments and command and communications elements, psychological operations advisors, civil affairs advisors, and a language qualified counter-intelligence and combat intelligence training team.⁵

5. Additional matériel support to the Vietnamese forces, or acceleration of deliveries of matériel currently programmed, as considered necessary by CINCPAC should receive the full support of the Department of Defense.

6. In view of the critical situation in Vietnam, I believe that the Joint Chiefs of Staff should take definite action to assist the Vietnamese in their effort to combat the insidious guerrilla warfare being conducted against them. I therefore recommend that the message in Enclosure "A" hereto, be dispatched to CINCPAC, offering additional training support to MAAG, Vietnam, as one means of coping with this increasingly threatening situation.⁶

³CINCPAC message to Office of the Secretary of Defense (and info addressees), DTG 142355Z March 1960 (AF IN 43393); on file in Joint Secretariat. [Footnote in the source text. Document 115.]

⁴(1) OSD message to Commander in Chief, Pacific, DEF 973757, DTG 120010Z March 1960; on file Joint Secretariat.

(2) Department of State message to American Embassy Saigon and other addressees, No. 1687, dated 17 March 1960; on file in Joint Secretariat. [Footnote in the source text. Document 118 and footnote 6 thereto.]

⁵Enclosure "B" hereto. [Footnote in the source text.]

⁶Enclosure A is a draft message to CINCPAC, subsequently sent unchanged on March 30 as JCS 947802 following JCS approval of JCS 1992/791 at their meeting held on March 29. This message set forth in the name of the JCS the substance of paragraph 4 of JCS 1992/791, and requested CINCPAC's views on training assistance and on any additional requirements necessary to insure the internal security of Vietnam. (National Archives and Records Service, JCS Records, CCS 99, 9155.3/4060 (15 Feb 60))

Subsequent messages in the file cited above and in Center of Military History, Williams Papers, TWXs 1960 (71), between JCS, CINCPAC, and Chief of MAAG Vietnam during April indicate that agreement was reached to send to Vietnam three special forces training teams of ten men each, three intelligence officers, and three "psywar" experts, to arrive in time for training to begin June 1. "Civilian clothes should be worn on arrival in Saigon. Standard U.S. combat and khaki army uniforms will be worn during duty hours in Vietnam. Calibre of all personnel should be best possible since this first time U.S. will instruct ARVN directly." (CINCPAC message

7. It is recommended that copies of this paper be forwarded to CINCPAC.

8. In consonance with the provisions of JCS Memorandum of Policy No. 83,⁷ it is recommended that copies of this paper NOT be forwarded to U.S. officers assigned to NATO activities.

Enclosure "B"

SUPPLEMENTAL INFORMATION

Department of the Army can provide the following additional personnel to USCINCPAC for MAAG, Vietnam:

a. U.S. Army Special Forces. U.S. Army Special Forces are considered well qualified to conduct and train small unit indigenous forces for anti-terrorist operations. Twelve special forces detachments totaling 116 personnel can be made available to MAAG, Vietnam, to assist the Vietnamese forces in counter-terrorist operations. Three of these teams have previously been targeted for South Vietnam. In addition, a command, control and communication element comprising 50 personnel can, if warranted, be furnished to Chief, MAAG in order to provide a communications system capable of high speed communications with each element of special forces operating with a Vietnamese unit. Any special forces units so provided would be assigned to Chief, MAAG, Vietnam.

b. Psychological Operations. Based on experience factors gained from Philippines anti-HUK operations and more recently from Laotian activities, it is considered that a minimum of six (6) psychological operations personnel may be required to assist the efforts of MAAG, Vietnam. These personnel would have the mission of advising and assisting the ARVN in obtaining the cooperation of the indigenous population and reducing or eliminating its support of Viet Cong guerrilla elements. It is believed that CINCPAC possibly has sufficient resources available to him to provide these personnel. If not, some of these personnel can be provided by DA.

c. Civil Affairs. As in psychological operations, experience in the Philippine anti-HUK operations and more recently in the Laotian situation definitely demonstrated that Civil Affairs operations can effectively contribute to the separation of civilian support from the guerrilla activity and thus deny the guerrillas a base of operations. The development of this capability requires a local Civil Affairs or-

ganization which is a thoroughly integrated part of the local Armed Forces. A minimum of three well trained Civil Affairs officers could be made available to the MAAG in order to develop the indigenous Civil Affairs capability required. These officers would be utilized not only to train and indoctrinate the indigenous personnel but also as an advisory group to the MAAG for CA aspects of the counter-guerrilla operation which is presently being conducted. The indigenous Civil Affairs capability should include a Civil Affairs focal point within the military establishment and a G5 staff organization at all levels to include the division, suitably trained and indoctrinated Civil Affairs units and an aggressive civic action program which this Civil Affairs organization could carry out.

d. Intelligence and Counter-Intelligence. A training team of 10 individuals, comprising both counter-intelligence and combat intelligence personnel, all of whom would be language-qualified. This team would assist and train the Vietnamese in counter-intelligence and counter-subversion activities, individual and unit combat intelligence, and techniques and control of clandestine intelligence operations against insurgent elements.

123. Telegram From the Chief of the Military Assistance Advisory Group in Vietnam (Williams) to the Secretary of Defense's Deputy Special Assistant for Special Operations (Lansdale)¹

Saigon, March 25, 1960.

SGN 62. Your memos of 17 March and 12 February excellent.² As to Commando Forces. Thuan felt me out 13 February and got negative reply which he passed to Diem. As I began to hear thru military considerable talk, I queried Thuan about 20 February, he said Diem was going ahead. Directive was issued about 25 February. Diem has never mentioned subject to me and his officers say he has not because I do not approve. Deciding to handle my own way and in confidence sold my point of view to Thuan, Dung, Big Minh, Don, Chieu³ and Dinh and several division commanders. Their subsequent recommendations to President and implementing actions followed my position. As I told Felt little chance to get Diem to lose

¹Source: Washington National Records Center, RG 330, Lansdale Papers: FRC 63 A 1803, Vietnam Correspondence 1960. Secret.

²Documents 119 and 102, respectively.

³Brigadier General Pham Xuan Chieu, Chief of Staff, ARVN.

face by rescinding directive published and widely circulated but good chance of getting it modified. First break came when Chief of Staff Chieu told me 10,000 was ceiling and not necessarily number to be raised. Have now been told twice in last week by Big Minh 4,000 would be maximum figure. This keeps total force well below 150,000 force ceiling. Believe Minh may be right. No Commando Companies assembled and in action as of this date. As to Tho and his military advice. Embassy says Tho made strong recommendation President turn entire anti-guerrilla job over to Hoa Hao and Cao Dai, arming them for this purpose but Diem declined. Personally cannot believe Tho made this recommendation. He and Big Minh are rumored to be very close and Minh would have told me. Tho recently talked to me about two hours concerning Army. I told him troops OK if all would let Khanh alone and get Civil Administrators on the ball. At Ministers Conference and in answer to criticism, Nhu and Diem in that order came to my defense and defense of MAAG and said any fault of troops not fault of me and MAAG but of VN officers failure to follow our advice. This presumably caused them look for new whipping boy. Believe it or not, even British Ambassador was giving GVN advice on reorganization and tactics. Fear he was aided by our fellow countrymen. As you say many back seat drivers without any responsibility like to give advice. Last August several VN officers attended British Jungle School, Malaya. MAAG was not in on this. Apparently incompetent officers physically and professionally were sent and made poor showing. This because threat gossip around Saigon and of course VN headache. Since VN know British leaked the information they now refuse to even consider sending more. The fact that at the time the British praised the Cambodian students poured salt into the wound. I was asked by Embassy if I couldn't encourage the VN to send a second group. I didn't get to first base. High U.S. civilian visitor last week asked high GVN official if they fully satisfied my work here although he did not engage me in conversation. GVN official considered this crude invitation to complain. As to Vietnamese politicians, Khanh told me during my visit to an operation with him several days ago "local administrators make ten Viet Cong behind my back faster than I can kill one in my front". You know better than I there are not enough troops in Vietnam to whip the Viet Cong unless Civilian Administrators do their own job correctly.

Big Minh will accompany Thuan as far as Honolulu. Brig Gen Lampert⁴ will go with him to Honolulu and Washington. Lampert is well qualified and should without fail be present at all Thuan military conferences at least. Kindest regards.

⁴Brigadier General J.B. Lampert, Deputy Chief of MAAG-Vietnam, Logistics.

124. Despatch From the Ambassador in Vietnam (Durbrow) to the Department of State¹

No. 306

Saigon, March 26, 1960.

SUBJECT

Conversation with President Diem on Internal Security and Aid Matters

Assistant Secretary of State J. Graham Parsons and I called on President Diem on March 21 during Mr. Parsons' visit to Saigon. Secretary of State for the Presidency Thuan was with President Diem during the interview. The call lasted for almost three hours, with President Diem doing virtually all of the talking. The salient points of the conversation are set forth below (a full memorandum of conversation is enclosed²):

Internal Security

Diem explained at length the background and history of the internal security problem and described his efforts to break up the Communist organization and the religious sects after the cease-fire, as well as his efforts to win over the bulk of the population. He attributed Viet Cong activity in recent months to a desire to counter the considerable progress his efforts had achieved. In explaining why the Self Defense Corps and the Civil Guard had not yet been effectively organized, he reminded us that we had stopped contributing money for the SDC payroll and had held up the organization of an effective Civil Guard by trying to impose our concept of a rural police instead of a para-military organization which he thought was required under the circumstances.

Diem stressed the need to build roads, canals and airstrips in inaccessible areas to block Communists infiltrating into South Vietnam via the sea and through Laos and Cambodia. To do this he said he required a) dredges to build roads in frequently inundated Delta areas and a road along the Cambodian frontier across the entire Mekong Delta to control VC incursions from Cambodia; and b) bulldozers to build a network of roads in forest areas further north along the Cambodian border.

He also said he needed the following MAP equipment: twelve H-34 helicopters, two squadrons of L-19 planes and 25 additional C-47's in order to move numbers of regular troops to isolated areas quickly, for observation purposes and to move paratroopers on short notice; alligator amphibious vehicles to give security forces greater

¹Source: Department of State, Central Files, 751K.00/3-2660. Secret. Drafted by Durbrow and Grant. Sent also to CINCPAC PolAd, Phnom Penh, Bangkok, Vientiane, and Hue.

²Attached, but not printed.

mobility in the Delta area; more modern telecommunications equipment for use against the guerrillas; and more patrol craft to prevent the VC from sending in men and equipment by sea.

Apart from stating that we would try to expedite delivery of equipment already programmed, I did not encourage Diem to expect additional equipment except perhaps some H-19 helicopters which both Admiral Felt and General Williams had urged be furnished. I promised that I would find out whether Johnson, Drake and Piper would be able to release equipment no longer needed in their road building projects and pointed out that Admiral Felt and General Williams were doing all they could to expedite the delivery of programmed telecommunications equipment, some of which had already arrived. I informed Diem that our military experts did not believe alligator vehicles would operate effectively in the Delta and recommended that 200 operable plastic assault boats be used in infected areas to carry out urgent operations. I explained that more patrol boats alone would not prevent secret landings which could only be prevented by the use of boats in conjunction with air patrols and coastal watchers. Diem did not agree with this. I said we were continuing to press for AD-type planes to replace the older F8F fighters.

United States Aid Policy and Projects

Diem clearly indicated that he did not agree with our announced plan of giving particular attention and aid to Taiwan, India and Pakistan which he believed would lead to a reduction of United States aid to Viet-Nam and other countries we had previously assisted. I explained the reasons for emphasizing aid to these three countries and said that this program would not mean we would cut aid to other countries, but that we would continue to assist Viet-Nam to attain the same level of achievement which these other countries had already attained and eventually to break through to higher economic progress.

Diem criticized at length the cumbersome methods of the DLF Program and pleaded with Assistant Secretary Parsons to do what he could to speed up these proceedings, and especially to cut through the bureaucratic delays connected with the vital East-West jet-capable 10,000 foot runaway project at Saigon Airport. Mr. Parsons promised to do what he could about the runaway and to expedite delivery of already programmed military equipment.

Comments:

Diem, who had returned a few days before from an extended visit in the Delta area, where he inaugurated the first "agrovillage", was both serious and somewhat optimistic during the interview. He gave the impression that he is now convinced, contrary to the atti-

tude he had shown when I last saw him, that the reports that the people in the countryside are disgruntled were exaggerated. Information received by the Embassy does not bear out Diem's renewed optimism, but at least Diem appears to be taking some effective steps which will probably help in meeting the increased Communist threat.

Elbrow Durbrow

125. **Telegram From the Ambassador in Vietnam (Durbrow) to the Department of State¹**

Saigon, March 29, 1960—noon.

2799. Following are military matters (other than those already covered our 2784²) which may be raised during Thuan visit³ to Washington and our recommendations for U.S. position:

1. *Commando Forces.*

A. Concept. Diem has talked of commando force with as many as 20,000 men but appears to have limited his present objective to maximum 10,000 men for financial reasons and number may actually be kept to about 5,000. He apparently originally conceived of command force as being in excess of 150,000 MAP-supported force goal on ground latter required for certain period at least for mission of resistance against external aggression. But if commandos kept to 5,000 will remain within MAP force level because of slippages.

According to MAAG information, instructions issued by GVN Dept of Defense and Vietnamese armed forces on [February] 18 and 24 provided for organization of commando forces. These forces are to perform commando, guerrilla and anti-guerrilla missions for maintenance of territorial security pursuant to pacification plans of various military regions. Military regions and infantry divisions were directed to organize 75 15-man commando companies and 3 administrative

¹Source: Department of State, Central Files, 033.51K11/3-2960. Secret. Repeated for information to CINCPAC and CINCUSARPAC.

²In telegram 2784, the Embassy summarized four main positions which it expected Nguyen Dinh Thuan to raise in Washington during his upcoming visit: Vietnam's financial contributions to its military budget; its need for signal and communications equipment; air force requirements; and navy augmentation. (*Ibid.*, 033.51K11/3-2760)

³Nguyen Dinh Thuan, Vietnam's Secretary of State for the Presidency, and Vu Van Thai, Director General of the Budget and Foreign Aid, arrived in Washington on April 3 and remained until April 8. In a briefing memorandum from Parsons to Dillon, April 7, Parsons described Thuan as "the most important man in Diem's cabinet" and Thai as "a most able sub-cabinet level official". (*Ibid.*, Vietnam Working Group Files: Lot 66 D 193, 12 VN.1960—Thuan and Thai Visit)

companies two phases; 50 companies by March 6 and 28 companies and individual replacements by June 1. Personnel to come from regular army, retired servicemen and the Civil Guard. (However, Director General Civil Guard told USOM March 18 that Diem as of that time did not intend to use Civil Guard as source commando recruitment and apparently most "volunteers" so far have been chosen from existing ARVN units. Gen Ty told me March 28 about 3,000 have "volunteered" from ARVN.) Training period to be two months, but units formed by divisions may go right into operations without special training. (Comment: As far as we can find out no training these forces has been carried out as yet.)

Divisions OC furnish supplies to units formed by divisions. Supplies for other units to come from depot stocks. Each commando unit to be equipped with following major items of equipment:

1/7 ton truck 4 x 4	1
3/4 ton 4 x 4 or 1-1/2 ton 6 x 7 truck	1
Cal 45 pistol	1
Carbine	35
M1 Rifle	29
Submachine gun	57
BAR	9
AN/PRC 9 or SCR 694	1
AN/PRC 10 or SCR 300	4
AN/PRC 6 or SCR 536	4

Commando units to be employed as follows after training is completed:

NH	Imme- diately	Ulti- mately
Capital Military Region	3	5
First Military Region	10	20
Fifth Military Region	35	50

B. Recommended position. While commando force may offer advantage of elite corps of dedicated volunteers, disadvantages far outweigh advantages. Procedure for meeting its personnel requirements will adversely affect ARVN capabilities. It will decrease already critically short officer and potential leader strength of ARVN, will tend decrease confidence armed forces in their [garble] command structure and have bad effect on morale regular units, will deny regular units benefits of operational training, and will lead shift equipment from

regular units to commandos. Moreover it will take considerable time to equip and train commando units and also raises serious question eligibility commando forces for MAP equipment, particularly if force level exceeded.

I have already made many of these arguments to Diem (Saigon's 2622⁴) and repeated most of them to Gen Ty March 28.⁵

1 [sic]. Training and Use Regular Forces.

Recommended position: Primary combatant role in anti-guerrilla warfare operations is performed by well-trained army if size and scope such guerrilla operations exceeds capabilities of police and home-guard type forces. This is situation here since ill-trained and organized Civil Guard counted on as first line has been unable to effectively prevent expansion VC forces from former small groups to organized squad, platoon and company size units operating from bases outside country or from areas deep in forests or in extremely large and bayou-swamp-like terrain comprising Delta. MAAG of firm conviction indispensable and primary training for all army (and Civil Guard) forces to combat guerrillas is sound fundamental advanced individual and basic unit training. For past year this not accomplished for 12 infantry regiments of 4 divisions generally stationed in southern third of VN. Reason is these 12 regiments committed to anti-guerrilla operations almost continuously and in fragmented manner. When this required training mastered, then training in guerrilla tactics and techniques peculiar to anti-guerrilla operations in given area of operations is undertaken and mastered. To attempt learn guerrilla tactics and techniques without mastering basic unit training is to invite failure or limited success. Foregoing is proven doctrine and experience Malaya and other areas.

Special forces personnel should be used to train selected ARVN and Civil Guard officers and NCO's as to how to conduct training in anti-guerrilla tactics and techniques. Impossible that special forces conduct training themselves for all personnel in regiment or division. Early initiation of training of these cadres by special forces would provide lead time as regular units accomplished necessary preliminary advanced individual and basic unit training.

As indicated above, problem is to free in particular the 12 regiments of the 4 divisions for both types training. MAAG has pushed hard a plan to rotate approximately equal halves of this force of 4 divisions plus between anti-VC operations and intensive tough training as described. Specifically the six infantry regiments of 2 divisions plus some marine and airborne battalions would conduct anti-VC

⁴Document 114.

⁵No additional record of this meeting has been found.

operations for a 60-90 day period and then be relieved by an equal force which had completed tough realistic and required training during same period. Relieved force would take brief respite, refit, and undertake the same training. Cycle would continue indefinitely.

Another possibility is rotation of 2 divisions of remaining 3 divisions now stationed respectively one north of Hue, another at Danang and a third on the northern plateau in Kontum/Dakto area with one regiment this division at Qui Nhon on coast. This rotation plan would involve shifting 2 of these better trained divisions to anti-Viet Cong operations in south, and replacing them with two divisions from southern area. The two replaced divisions from the southern area would then have opportunity to accomplish necessary training as outlined above. Before committing two northern divisions to anti-VC operations, they would be provided opportunity to conduct some special anti-guerrilla training preferably in upper part of Mekong delta area. Rotation would have to be effected by exchanging a regiment for a regiment, followed by other key elements (artillery, transport, engineers, medics, etc.) Still on one for one basis, due to critical requirements to maintain a two-division plus force in northern area, and one division on northern plateau.

After Diem ordered 5th regiment from Danang area (2nd div) to Delta area by Feb 27, MAAG recommended on March 1 that it be replaced by regiment from southern area. Gen Williams letter to ARVN⁶ which indicated primary reason for recommendation was always present threat of PAVN forces, and in particular unsettled situation in Laos, received firm no.

MAAG has considered possibility rotating two northern divisions for two southern divisions on gradual regiment-by-regiment basis (followed by other key elements) but has not recommended this to ARVN for following reasons:

A. Well trained force required in northern area and northern plateau vis-à-vis improbably but always present capability of PAVN forces, and in particular most unsettled situation in Laos.

B. All units which would be exchanged would have to learn new plans, and become familiar with new terrain which would require estimated one month for thorough knowledge.

C. Cost of transportation and time required to accomplish rotation.

D. Probably costly requirement to shift dependents of 4 concerned divisions.

E. Political and military importance of good relationship established between key personnel of these plateau and northern divisions with montagnards.

⁶Not found.

Major advantage of this rotation plan would be availability of better trained divisions to undertake special anti-guerrilla training now, and thereby possibly save time which will be required to train the two divisions selected under the first plan.

FYI. Movement all units so far has been made more or less arbitrarily by Diem who makes most decisions without conferring either with ARVN general staff or with MAAG. It may be most difficult to implement either plan. End FYI.

3. Centralized Command.

Suggest this be stressed with Thuan along following lines: We pleased note authority given new commander fifth military region. Hoped that this portends implementation of some form national plan whereby all security forces placed under single capable military commander responding directly to control of superior emergency council or body formed by Diem. It is essential that this council [be] comprised of representatives of concerned departments and agencies such as interior, information, defense, public works and communication and justice for example, provide means, direction and authority to designated single individual. All means must be integrated which not case now. Basic and interrelated means for centralized employment are sound intelligence system, carefully composed and implemented psywar plan, would [?] political, economic and social programs, well trained military, police and home guard type forces and integrated communications system linking all levels and echelons of operation. Again this is doctrine and experience of Malaya and other areas.

4. Centralized Intelligence.

Suggest this also be raised with Thuan as very important aspect of entire problem. It is major element as discussed para 3 above, and major weakness in current security situation. Intelligence available to all the various agencies is not systematically collected, evaluated and distributed. Tendency and practice are to distribute separate items to various recipients who may or may not make it available to military or other elements being employed and needing it critically. On military side and adding to difficulty is fact that ARVN developing combat intelligence structure slowly with essential training of key personnel requiring long lead time. Compounding entire problem is communication equipment shortage. Minimum capabilities of modern telecommunications system for VN will not be available until estimated end calendar 1961 when ICA-GVN project is completed. This part of interregional and national telecommunications system for SE Asia, which will provide modern voice and teletype channels to major cities and areas throughout Viet-Nam, since available civilian communications facilities are few and limited as to amount of traffic

which can be handled, and with particular regard for traffic generated by internal security situation. Many military nets and sets are utilized to supplement capabilities available. Intelligence traffic accounts for major and essential part of current communications load.

Military communications equipment not at top level but programmed over period of years. To alleviate shortage, MAP signal equipment as revalidated for FY's 1950-59 and certain items in FY 61 program have been requested on accelerated delivery basis. This should contribute measurably to more effective intelligence system.

FY1. Contributing to shortage of communications equipment is long delay by GVN in availing itself of large amounts communications equipment (and other types) which could now be in hand for use of Civil Guard and Sûreté. Delay pivots on failure GVN to complete detailed plan required by USOM before programming contracts can be signed. End FY1.⁷

Durbrow

⁷In MAGCH-CH 461 to CINCPAC, April 4 (040245Z), General Williams stated that much of this telegram had been prepared in the MAAG. (Center of Military History, Williams Papers, TWXs 1960 (71))

126. Briefing Paper Prepared in the Department of Defense¹

[Undated.]

BRIEFING FOR THE SECRETARY OF DEFENSE

SUBJECT

Internal Security Situation, South Viet-Nam

BACKGROUND

Colonel Lansdale—Appraisal of present conditions (15 minutes)

Lt. Col. Flesch—DOD Actions (5 minutes); Question period (5 minutes)

During a conference on 20 February, Mr. Thuan informed General Williams that President Diem was going to form a special anti-guerrilla force (which he referred to as a Commando Force) of 10,000. Personnel to organize commando force would come from volunteers from the Army, reserves and Civil Guard. Training to be conducted

¹Source: Washington National Records Center, RG 330, Lansdale Papers: FRC 63 A 1803, Vietnam Correspondence 1960. Secret. Additional information regarding the briefing anticipated in this paper has not been found.

under officers and NCOs drawn from the Army and to be conducted during March, April and May at Nha Trang. The over-all project to be under Department of Defense and financed by GVN. Commandos, after initial training, to be under direct command of various military region commanders for anti-guerrilla operations.

The Country Team, DOD and the Department of State all agree that the creation of another untrained force is not the solution to guerrilla problem of Viet-Nam.

On 4 February CINCPAC informed General Williams that anti-guerrilla capability could best be obtained by changing emphasis of training for selected elements of the Vietnamese Army. CHMAAG attempting to sell this idea to President Diem and obtain agreement that GVN will hold special commando force to 5,000 or less.

President Diem on 10 March informed Ambassador Durbrow² that Viet-Nam needed additional equipment from United States to meet growing internal security problem. He listed items as follows:

Helicopters—C-45 AC L-19s
Speed up delivery of Ad-4s
Alligator amphibian vehicles
Communications equipment
Automatic weapons
Mortars, 60 MM

President Diem stated he would furnish a complete list of equipment to CHMAAG.

DOD and CINCPAC have requested that CHMAAG screen GVN list of equipment and other requirements and furnish single package requirements to enable DOD to request MSP funds and expedite delivery of equipment.

CINCPAC has inquired regarding availability, costs, lead time, etc. 100 assault boats, 16 foot and motors. These items are available and CINCPAC has been furnished information requested.

CHMAAG has inquired concerning unfunded and low priority communications equipment for Viet-Nam Armed Forces. To furnish this equipment, about \$2,836,000 additional funds will be required.

GVN has requested a speed-up delivery of naval vessels recommended in ten-year naval program. CHMAAG recommended that this program be reduced by five years. CINCPAC does not concur with CHMAAG recommendation. CINCPAC does not believe Viet-Nam can train personnel and shore establishment to receive and utilize equipment as [at] this increased delivery tempo. Instead, he recommends that present equipment utilization be improved and Viet-

²See Document 114.

Nam Air Force trained to operate more effectively with Viet-Nam Navy.

In the FY 1960 program for Viet-Nam, 20 AD-4 aircraft were included to replace the F-8F aircraft now on hand in the Vietnamese Air Force. The Department of the Navy has made available from present resources 20 AD-6 aircraft which will expedite delivery. The substitution of Ad-6 for the AD-4s will expedite delivery by approximately 12 months.

The MAAG strength in Viet-Nam will be increased from 342 to 685 beginning 15 April 1960. TERM will be phased out of Viet-Nam in December 1960. This is primarily a paper transfer of spaces from TERM to MAAG and will be accomplished by the assignment of all new arrivals in Viet-Nam to MAAG.

Other considerations:

A. President Diem believes and has requested that the U.S. provide MAP support for a force level of 170,000 instead of 150,000. This would appear to be the appropriate time to press for this increase.

B. President Diem would like to have the Civil Guard organized into a paramilitary organization under the Minister of Defence's supervision instead of under the Minister of Interior. Under present mutual assistance laws, this force must be under the Minister of the Interior to obtain ICA funds for support.

Recommendations:

A. That Country Team Viet-Nam be given time to work out with Government of Viet-Nam coordinated plans and recommendations.

B. That DOD be prepared to request the Department of State for MSP contingency funds to expedite delivery of equipment.

127. Memorandum From the Chief of the Military Assistance Advisory Group in Vietnam (Williams) to All MAAG Advisers in Combat Units¹

Saigon, April 4, 1960.

SUBJECT

Notes on Anti-Guerrilla Operations

¹Source: Department of State, Durbrow Files: Lot 68 D 404, Vietnam. Confidential.

1. On 7 September 1958, the attached paper prepared by Chief MAAG,² setting forth a few basic principles and concepts based on US doctrine, was submitted to GVN for information and guidance.

2. In view of the current situation I desire that each Advisor now on duty with a Combat Unit and all Liaison Officers study the attached notes and then discuss them fully and at length with their Counterparts, allowing them to translate them into their own language if they so desire.

3. It is apparent that some Senior Commanders have failed, to a degree, to emphasize to their junior officers, particularly new Platoon and Company Commanders, in their Regimental Schools and in field training, many of the basic principles of small unit tactics. Advisors will continue to urge that this be corrected.

S.T. Williams
Lt General, USA

²Entitled "Notes on Anti-Guerrilla Operations", the attachment is a nine-page exposition of doctrine and tactics for the successful pursuit of guerrilla warfare. The last paragraph reads as follows: "A very limited amount of instruction has been given on this subject at the Vietnamese Staff College, and also at the Commando School, Nha Trang. However, to be more completely successful all forces (Army, Navy, Marines, Civil Guard, Self Defense Corps and Police) should establish effective indoctrination and training courses in anti-guerrilla warfare."

**128. Memorandum of a Conversation, Department of State,
Washington, April 4, 1960¹**

SUBJECT

General Discussion of US Aid to Viet-Nam, Internal Security Situation in Viet-Nam, and Vietnamese Relations with Cambodia

PARTICIPANTS

H.E. Tran Van Chuong, Ambassador of Viet-Nam
Mr. Nguyen Dinh Thuan, Secretary of State for the Presidency
Mr. Vu Van Thai, Director of the Budget and Foreign Aid
Mr. Nguyen-Duy-Lien, Counselor, Embassy of Viet-Nam
Mr. J. Graham Parsons, Assistant Secretary of State for Far Eastern Affairs
Mr. Avery F. Peterson, Deputy Assistant Secretary of State for Far Eastern Economic Affairs
Mr. Richard E. Usher, Acting Director, Office of Southeast Asian Affairs
Mr. Chalmers B. Wood, Officer in Charge Viet-Nam Affairs, SEA

¹Source: Department of State, Central Files, 751K.5-MSP/4-460. Secret. Drafted by Usher.

Mr. Nguyen Dinh Thuan and Mr. Vu Van Thai called on Mr. Parsons for an initial discussion of their objectives in visiting the United States at this time. Mr. Parsons invited Mr. Thuan to raise any points that he wished to discuss.

Mr. Thuan summarized the various sources of external aid available to Viet-Nam. He said that with this assistance the country has been progressing favorably in terms of its economic development. He went on to say that the Communists, however, have started a major offensive in Viet-Nam the success of which in recent months has been due to the deterioration of the military situation in southern Laos. Mr. Thuan said that the Communist guerrilla forces are infiltrating into Viet-Nam from southern Laos and that some Communists are also being carried into Viet-Nam by sea.

Mr. Thuan explained that the Government of Viet-Nam is taking counter measures against this Communist offensive. He mentioned particularly regroupment of the population, the agrovillage program and youth movements.

He went on to say that Viet-Nam needs US aid to face this danger. He said he hoped Viet-Nam could get an acceleration in the delivery of programmed MAP items; and more specifically he said that what they need right now is signal equipment, C-47's, helicopters, and small boats.

Mr. Thuan said it would be very dangerous for the United States to cut out too much of its aid to the Vietnamese military budget. He explained that he could see both sides of the problem; he could see the importance of economic development as well as of the military program. He said he felt that the way the United States is cutting down aid to the Vietnamese military budget is very dangerous. He referred to the fact that there are two parts to the military budget, the US part and the Vietnamese part. The US part has been declining at a dangerous rate and he gave the following figures in illustration of this point:

1956—U.S. Contribution	\$171,000,000
1959—U.S. Contribution	144,300,000
1960—U.S. Contribution	124,000,000

Thuan said that at the beginning of FY 1960 Ambassador Durbrow had shown him his proposed figure of \$130 million as the top limit of the US contribution for this year. Thuan said that he had asked that this figure be increased, explaining that he is now in charge of the budget. Thuan said that next year Viet-Nam will face even greater difficulties than in the past. In the next session of the National Assembly, they intend to increase their budget figures representing their own contribution. He said that meanwhile they asked

that the ceiling of our aid be maintained and not be cut down. Thuan said that he wished to stress this.

Turning to a different aspect of his mission, he asked for an accelerated implementation of specific spending programs. Thuan then repeated his earlier request that if possible, aid levels be maintained for the next few years. He added that Viet-Nam has a plan for the next six years. He said that he would go into the details of this plan later. Thuan indicated that this concluded his initial remarks.

Mr. Parsons then said that he would like to make a few general remarks which would give Thuan and Vu Van Thai an idea of the spirit which we bring to these particular talks and then go on to review some general considerations which we have in mind. Mr. Parsons assured the visitors that no one here underestimates the seriousness of the Vietnamese problems. He said that we are full of admiration for the way in which Viet-Nam is handling these problems and we are confident in Viet-Nam's ability to meet them successfully.

Having said that, Mr. Parsons observed that in connection with the MSP, there is one consideration which is more important than all others. He said that with respect to all of these problems which Viet-Nam and other countries face, we must ask that they make the very best possible use of the resources which they have themselves as well as of the resources which we contribute. The Congress insists that this be so and this is applicable to a number of fields.

First of all, there is the internal security problem. Mr. Parsons said he knew that the situation in Viet-Nam has become more difficult in this respect. This is due to the deterioration of the situation in southern Laos, and we think there are other reasons too. We would like to see the best use made of the existing military forces which Viet-Nam now has available. Mr. Parsons said that rotation of regular Army troops for purposes of special training is important in achieving this best use of the existing forces. We would like to make sure that the whole range of possible answers to this internal security threat have been considered. This would include such matters as the unification and improvement of the intelligence system; the question of whether everything possible is being done to win the sympathy of all elements of the population; the question of whether all possible psychological measures are being taken, as well as military and economic measures.

Mr. Parsons went on to say that there was a second small thing which he knew Ambassador Durbrow had discussed with President Diem, and he thought with Dr. Mau. That was the question of Cambodia. Mr. Parsons said that we Americans do not like to be talking to the Vietnamese about their relations with Cambodia all the time as though the Cambodians were always right and Viet-Nam was always wrong; but the Vietnamese are the bigger people and the

more experienced people. Mr. Parsons said that we were upset by the note which the Vietnamese Government had addressed to the Cambodian Government setting forth Viet-Nam's claim to certain islands. Mr. Parsons said we know the reasons which the Vietnamese had for sending the note, but we also know the consequences. Mr. Parsons said he wished the Vietnamese would make it clear to the Cambodian Government that the dispatch of this note was just for the record. We think it would also contribute to the improvement of the situation in Southeast Asia and to Viet-Nam's general security if Viet-Nam would try to avoid taking steps such as this note to Cambodia which have such predictably adverse effects.

Mr. Parsons went on to say that the third question he wished to raise was the delicate one relating to the value of the foreign exchange received for Vietnamese currency sold in Viet-Nam. Mr. Parsons said we do not normally talk to people about the value of their currency and added that we hope the Vietnamese will talk with the IMF on this subject. However, Mr. Parsons said that the Mansfield Committee is very much interested in this matter. Whether the Vietnamese agree with the Committee's reasoning or not, it is nevertheless a fact that we will have to deal with Viet-Nam on this subject of their foreign exchange conversion rate. Mr. Parsons said that we hope the Vietnamese will look to this question in terms of their own broadest interest and in obtaining the best possible utilization of their available resources.

Thuan then said that he would answer briefly with a few points. First, as to the question of rotation of troops and the training problem generally: Thuan said he thought that they were proceeding with the rotation scheme. On the general subject of training, he said he thinks that General Williams has received instructions from Washington to make the Vietnamese Army able to coordinate its activities with other Allied armies. He went on to say that if the Department of Defense directs General Williams to put more emphasis on anti-guerrilla training then surely the General would have to do that.

Referring to the intelligence system, Thuan said that this presents quite a problem. He said it takes time to develop a good intelligence system. Anyway, Thuan said, he would like to inform Mr. Parsons that he had obtained authorization to negotiate regarding a solution of this intelligence matter and to implement the outcome of such negotiations. He said this would constitute a step toward unification of intelligence systems in Viet-Nam.

Going on then to a consideration of the best use of Viet-Nam's resources, Thuan said that the Senators and Congressmen had come to Viet-Nam to look at the implementation of the program and, generally speaking, they found that it was not too bad. Thuan said sometimes the failures are not due to the Vietnamese and are not due

to the Americans, but are due to "reciprocity". Thuan then observed again that the Congressmen did not find any major problems in the program.

Going on to Cambodia, Thuan said he would like to point out today only one thing—the Vietnamese had been planning to send a delegation to Phnom Penh sometime earlier but they had been compelled to delay this because of President Diem's trips to Malaya and Taiwan. Thuan said "we want to develop something concrete to propose to the Cambodians". He said he knew the Vietnamese would soon send a delegation to Phnom Penh. He said he was to have gone himself to Cambodia with Vice President Tho but that apparently would not be possible since he, Thuan, was here in Washington. He went on to say that Prime Minister Sihanouk is very much afraid of Communism. Perhaps he wants to be on the winning side. Thuan said the Vietnamese have tried from their side to do the best they can. On the border problems, Thuan said the Vietnamese get some cooperation from the Cambodians. One form of this cooperation has been the exchange of information between the chiefs of Provinces along the border.

Thuan then said that the rate of exchange is indeed a major concern. He confessed that he was not himself an expert on such matters. He said he agreed that the present rate of exchange is not realistic; but, he said, "what we now call the free rate is not realistic either. We must consider the problem twice, or maybe three times, because of its implications in the social as well as the economic field". Thuan said that the Vietnamese Government has an agreement with the Ford Foundation to help them study various related aspects of this problem, such as economic planning, fiscal policy, and military policy. He added that what bothers the Vietnamese is that the monetary reform in Laos has not been a successful one.

Mr. Parsons observed that we really want to discuss this matter because, among other reasons, we thought that the monetary reform in Laos was in fact quite successful.

Vu Van Thai said that they had had a good discussion with the World Bank people. Thai said that the World Bank people agree with the Vietnamese that the monetary problem is merely a reflection of Vietnamese internal problems. Thai said that an increase in the rate would raise the cost of living right with it. He said Viet-Nam would have to change its taxes on imports and then they would have no more internal revenue. Thai said they must first develop their domestic industries producing import substitutes. Thai explained that Viet-Nam is building up such industries. He mentioned as examples textile mills, a cement plant, and two paper factories. Thai said that they are also working out a switch of their taxes from imports to other sectors of the economy. He said that they had

thought they might have been able to do all this by the end of this year or at the latest by the beginning of next year; but now due to the internal security problem, they have had to postpone these actions. Thai said that we should know how hard it is to start collecting taxes under the best of circumstances from people who have not been paying them. He concluded with the observation that with this new phase in Communist strategy in Viet-Nam, the Vietnamese Government must again delay its effort to reorganize its tax system until the situation becomes more stable.

At this point, Ambassador Tran Van Chuong arose and said that the group must go on to the next meeting in Mr. Peterson's office² and thanked Mr. Parsons for having received them.

²See *infra*.

**129. Memorandum of a Conversation, Department of State,
Washington, April 4, 1960, 3:25-4:55 p.m.¹**

SUBJECT

Military and Economic Aid to Viet-Nam

PARTICIPANTS

Participants listed on last page.

Mr. Peterson opened the meeting at 3:25 in his office, 3178 New State, by saying that he welcomed the opportunity to exchange views on measures to combat the threat to internal security, settle outstanding problems on projects, and arrive at better utilization of joint resources. Mr. Thuan was asked to give a summary of the topics which he wished to take up with various Washington agencies.

Mr. Thuan began by reviewing the lists of equipment which the Vietnamese armed forces need to augment the GVN's capacity to maintain internal security. This presentation (following closely the outline in Embtel 2784, March 27²) covered the following categories:

a) The 2-3 year delivery period on MAP-supplied communications equipment needed to fill out the TO/E ought to be telescoped. Increases over the present TO/E would be necessary after immediate requirements were satisfied.

¹Source: Department of State, Central Files, 033.51K11/4-460. Confidential. Drafted by Spurgin.

²Not printed, but see footnote 2, Document 125.

b) The VN Air Force needs C-123 transports which have greater carrying capacity and are easy to handle and maintain, but will be satisfied for the time being with ten more C-47's, enough to move a whole battalion by air. Ten H-34 helicopters were needed. He realized that these aircraft were not currently available under MAP but urged the US to consider exceptions in view of the wartime conditions in Viet-Nam.

c) The ten year replacement period for naval vessels is too long. The Vietnamese would like partial conversion telescoped to 1-1/2 years, although the total number of vessels remains the same. Special air propellor boats which do not get fouled on swamp vegetation are needed, as are 15 rescue-type craft to patrol the 2000 km coastline to prevent Viet Cong junks from delivering supplies. Some form of amphibious vehicles are also necessary.

Prior to Mr. Thuan's visit to CINCPAC, no final consolidated list of equipment had been communicated to US authorities. Admiral Felt agreed to accept the list which Mr. Thuan discussed with him as the "formal request".

Mr. Peterson asked if introduction of any of the equipment requested might conflict with the Geneva Accords. Mr. Thuan and Admiral O'Donnell were satisfied that it would not. Admiral O'Donnell said the final decision would be up to State. The equipment, although improved, is still of the same type used by the French. As for quantity, the GVN received credits from the ICC for outshipment of French equipment. The C-123, if approved, would not be introduced right away.

Military Budget:

Mr. Thuan urged that US accept the GVN's proposal on funding of the military budget, whereby the US would contribute an additional \$4.6 million worth of counterpart piasters. Mr. Roseman said that the approval had already been communicated to the field.

At this point Admiral O'Donnell, General Lampert and Colonel Flesch left to prepare for meetings the next day in DOD. Ambassador Chuong also left.

Economic Issues:

Messrs. Thuan and Thai touched briefly on the progress achieved in certain sectors of the economy. Rice exports doubled over 1958 and hard fiber production is encouraging. Rubber plantings are up and likely to increase greatly as a result of President Diem's decision to concentrate on this important crop. Several industrial plants would begin producing textiles, glass, tires and pharmaceuticals in 1960, and even larger projects for cement (Ha-Tien—French), sugar, electric power (at Da Nhim under reparations and Saigon under DLF), textiles, fertilizers (3 plants—Urea under reparations,

Nong Son area under French loan, and as part of refinery), oil refining (Shell-Stanvac), and rolled steel (under reparations) were being launched in the near future. The reparations agreement with the Japanese, loans from the French, and foreign investment were providing foreign exchange costs. Viet-Nam's problem is in marshalling the local currency resources necessary to finance local costs at a time when the burden of military and security expenditures is so great. Despite increased taxation, the local currency problem would cause trouble for many years, and Mr. Thai stressed the need for at least as much aid, particularly non-project, in FY 1961 as was made available in 1960 to prevent serious inflation.

Mr. Roseman said that no commitment on the 1961 level is possible but emphasized that the world-wide Defense Support request had already been cut \$50 million by the first (and friendliest) of four committees. He said that Congress is impressed by evidence that certain aid recipient countries are engaged in serious long-range planning and are taking steps to reduce the US burden. We are gratified by indications that the GVN is also moving in this direction. The sooner we can give Congress assurance that other countries, like Viet-Nam, are taking well-considered steps toward development, the better the chances are of averting crippling cuts in appropriations. Mr. Thai said that refining of the 7-year "plan" is continuing, but it was still only a projection.

Several specific problems of aid administration were raised:

a) Saigon (Tan Son Nhut) jet runway. Mr. Thuan stressed the urgency of this project and pointed out PanAm was ready to proceed with the GVN on construction of a hotel. He was gratified to hear that problems seemed to be resolved.

b) Viet-Nam Radio Network. Mr. Thuan feared that Mr. Frank McIntosh's return to Saigon might delay the project even more. Many changes in the original network plan had been made by the GVN with the concurrence of USOM, and Mr. McIntosh might insist on his former plan. Mr. Roseman doubted whether Mr. McIntosh would be inflexible, and assured Mr. Thuan that ICA had every intention of pushing the project forward to completion as rapidly as possible.

c) Thuan urged ICA approval of a loan from the Industrial Development Center (prior year ICA grants constitute most of the capitalization) to a GVN-owned spinning and weaving plant in Tourane. Mr. Roseman acknowledged that ICA had problems with projects of this type because of US policy on government ownership. Mr. Thai then said GVN ownership is a temporary measure to get major projects of this sort started. Later, these enterprises would sell shares to the public.

d) The Vietnamese urged approval of a PL-480 triangular cotton deal, in which Taiwan would process cotton into yarn for use in Viet-Nam. Taiwan would presumably accept part payment in piasters for investment in Viet-Nam.

Internal Security and Economic Development:

Mr. Peterson thought that it would be hard to explain to Congress why the internal security situation was deteriorating at a time when the GVN was paying greater attention to economic development and the welfare of the people. Mr. Thuan pointed out that the Communists want to prevent progress in underdeveloped areas unless it comes from the Communist regimes themselves. The capability of the DRV to obstruct progress and mount terrorism in the South has been enhanced by deterioration of RLG control in Southern Laos. A supply line has been established from the DRV through Laos and Cambodia over the unprotected frontier into South Viet-Nam. Junks are also sailing outside the territorial waters of South Viet-Nam and landing supplies on remote beaches. To support this thesis, Mr. Thuan said that some Viet Cong rebels, who had chosen (or been forced by the Viet-Minh) to go North in 1954, had recently been captured in the South.

Mr. Thai stressed the susceptibility of the peasants in the South to intimidation by the Viet Cong, a result of 14 years of almost uninterrupted terror and, in some cases, many years of Viet-Minh occupation. He alluded to a rural family budget survey conducted by his office, in which the peasants, despite assurances that the information would not be used against them, were afraid of saying anything except what they thought the samplers wanted to hear.

The GVN had studied two successful anti-Communist military efforts and intended to combine the Greek experience of dispersion with the Malayan experience of regroupment. Mr. Thuan said the "agrovilles" in the South and resettlement villages in the Central Highlands, the latter drawing settlers from the overpopulated lowlands of Central VN, would be vigorously pushed. Mr. Roseman expressed the hope that the GVN would not place too much emphasis on the agrovilles to the detriment of other programs and was assured that this was not the case.

Mr. Thai recalled that the standard of living in the South was lower than during the war years when the French Expeditionary Force spent upwards of \$600 million per year (comparable, in the economic sense, to tourist expenditures), the income of which went wholly for consumption. Now, foreign aid of only \$160 million is being used to supplement far greater GVN outlays for investment, regroupment, and improved administration. Consumption is therefore down drastically from the wartime years.

At the end of the meeting Mr. Thai indicated that he would be visiting DLF to discuss three active projects—Saigon water supply, Saigon thermal power (which he emphasized was of very high priori-

ty) and railway equipment. He agreed with Mr. Hutchinson to meet with DLF on the following morning.

The meeting ended at 4:55 p.m.

PARTICIPANTS

His Excellency Nguyen dinh Thuan, Secretary of State for the Presidency, Viet-Nam

Mr. Vu van Thai, Administrator General of Budget & Foreign Aid, Viet-Nam

His Excellency Tran van Chuong, Vietnamese Ambassador

Mr. Nguyen duy Lien, Counselor, Vietnamese Embassy

Mr. Avery F. Peterson, Deputy Assistant Secretary for Far Eastern Economic Affairs

Mr. Alvin Roseman, Director, Far East Region, ICA

Rear Admiral E. J. O'Donnell, Director, Far East Region, DOD/ISA

Brig. General James B. Lampert, Deputy Chief, Logistics, MAAG/Viet-Nam

Lt. Col. Joseph M. Flesch, Assistant to the Director, Far East Region, DOD/ISA

Mr. Edmond C. Hutchinson, Chief, Loan Operations Division, DLF

Mr. James R. Fowler, Far East Regional Coordinator, U/MSC

Mr. Richard E. Usher, Acting Director, Office of Southeast Asian Affairs

Mr. Robert G., Cleveland, Acting Deputy Director, SEA Mr. Chalmers B. Wood, Officer-in-Charge, Viet-Nam Affairs

Mr. C. Richard Spurgin, SEA/E

130. Memorandum of a Conversation Between the President of the Republic of Vietnam (Diem) and the Chief of the Military Assistance Advisory Group in Vietnam (Williams), Saigon, April 6, 1960, 9 a.m.-12:15 p.m.¹

1. President Diem began the conversation by saying that the VC had now entered an active phase in their guerrilla campaign. The government forces had now a certain advantage in that they knew the location of the VC bases of operation. Prior to this time, in the time of Colonel Yi, guerrilla operations had been carried out sporadically and little was known of their bases of operations.

The French had never really controlled the Delta area. They had controlled only the main communication centers and the roads. The VC had operated during all that time and continued to do so. They therefore knew the area very well.

(President Diem now went to the map and pointed out several areas throughout the 1st and 5th Military Regions from which the VC were operating and indicated also the towns and communications

¹Source: Center of Military History, Williams Papers, Conversations with Diem 30 Nov 59-22 Aug 60 (163). Secret. Neither an interpreter nor a drafting officer is indicated on the source text.

centers that were threatened by the existence of these bases. He pointed to an area on the west coast of the Cau Mau Peninsula, just north of the Song Dong Cung River, and said that this area constituted the most dangerous base of all. The VC were concentrated on the little island off the coast (there are two islands called *Les Mamelles*) and along the coast just opposite the island. The problem here was that there was no way of attacking this base. It could not be reached by land because it was surrounded by impassable marshes; and it could not be attacked by an amphibious landing because the transports would have to lay off too far from shore and it would be suicidal to make the long approach by boat. President Diem suggested that perhaps with the aid of amphibious carriers it would be possible to land troops there. General Williams said that he would have the Navy Division look into this matter in order to have their opinion of these beaches and their approaches from the sea.[]]

Still speaking from the map, President Diem indicated a location in the general vicinity of the Can Tho where he hoped to build a Dakota strip. He added that it would take some time because of the spongy nature of the soil. In reply to General Williams' question he said that the method he had spoken before for the speedy building of such strips was in the experimental stage and had run into some difficulties.

President Diem now turned to discuss the projected construction of regimental camps. He said that although he was not a military expert, it was his opinion that since Highway 14 would serve as the line of defense in case of a Viet Minh all out attack coming down through Laos and Cambodia and directed against Saigon, that he believed the camp in question could be built close to that highway not far from where it intersects with Highway 13. At any rate, the original location proposed, bordered as it was by a river, was quite undesirable because in case of attack from the north, the troops in that area would be trapped. The river could not be crossed due to the marshes that bordered it along its banks. It would be better to move this proposed camp (from Ben Cat ?) northeast in order better to control this entire area.

President Diem pointed to the Province of Kien Hoa and said that the VC were very interested in gaining control of this area because it permitted them to be supplied from the sea. This was an old base of theirs and they had occupied it against the French.

In general, the President concluded, the danger zones were the Cau Mau Peninsula, Kien Hoa, the Plaine de Joncs, Can Tho and the mountainous and marshy areas along the Cambodian frontier southwest of Chau Doc.

2. In reply to General Williams' question, President Diem replied that he estimated that in the 1st and 5th MR's there were between 3,000 and 5,000 active VC.

General Williams agreed, and pointing out the fact that in those two Military Regions ARVN had three to four times that many soldiers, he asked President Diem how many more soldiers would be needed to pacify the area.

President Diem replied that what he needed was about 5,000 more Civil Guards. He then explained that the situation which warranted this increase in the Civil Guard was the following:

In a complex of hamlets constituting a "village", the present number of Village Guards could maintain a good degree of security only over a portion of the village; people living in the outskirts of the complex were exposed to VC terrorism and were therefore afraid to cooperate with the Government. In addition, the VC had tied in the different parts of the village complexes which they controlled. In this way they could easily hide out in the villages and even move from one to another in safety.

What President Diem proposed was to get enough additional Civil Guards to cover the villages completely. In this way the ARVN forces could concentrate on pursuing the VC in the open country and not have to waste their time trying to flush them out of the villages. The interior of the village complexes themselves would be protected by trained youth who would replace the present Village Guards. Instead of ten guards each village would then have 40 young men. These young men would serve only one month out of twelve; they could therefore be paid less and the overall cost would not be greater than the cost of the present program. There would be, of course, a permanent cadre of NCO's who would ensure continuity. They would have tours of perhaps six months and would have to be paid higher wages.

As far as the 40 guards are concerned, it would be necessary to raise and train 40 X 12 or 480 a year. Of these, in an average village complex, perhaps only 200 would be entirely reliable. The other 280 would be subject to VC influence due to their living in exposed parts of the village complex.

This brought President Diem back to his discussion of VC bases. He pointed out the fact that the kidnapping or winning over by terrorism of the youth was in a way a handicap to the VC, because the presence of these young men in their ranks served to lower their combat effectiveness and laid a heavy logistic burden on them. It was for this reason, among others, that the VC were laying great stress on obtaining bases of operation. They could then establish training camps for the young men and prepare them as guerrilla fighters.

At this point General Williams said that he had received some information from his Senior Advisor with the 7th Division concerning the young men being trained by that Division in implementation of the President's program. General Williams had received a report that the health conditions in the camp occupied by the trainees as of 30 March 1960 was not good. There was an average of 100 trainees turning in sick per day. One of the principal complaints was dysentery and it appeared that one reason for this was that the drinking water was not being boiled nor was it being treated in any other way before drinking. Medical supplies in general were short and were not being received from the Department of Public Health or any other agency. Finally, it appeared that the 15\$00 per day per trainee was not sufficient and that as a result the trainees were even more exposed to disease due to malnutrition.

President Diem replied that he was aware of the situation and that he did not believe it was that bad. He said that fifteen piasters a day per man was sufficient and that medical supplies for two weeks had been sent to the camp. He added that some of the trainees were complaining because they had expected to be treated as if they were on vacation at a summer camp where they could eat and rest. However, he called in his military aid and gave him instructions to look into the matter.

3. In reply to General Williams' question, President Diem replied that the next Presidential elections would take place next May or April (1961); he doubted very much whether any other candidate could gain enough public support to endanger his reelection.

General Williams now asked how long the President thought it would be before the country could be thoroughly pacified; he expressed the opinion that the problem was not entirely military and that it would be necessary to win over the entire population on the one hand and on the other, to strengthen the civil and administrative cadres.

President Diem replied that he thought the problem could be solved by military means. He said that what he needed was another 4000 to 5000 Civil Guards and to train the local youth to protect its villages and replace the present village guards.

General Williams then asked President Diem what the ultimate purpose of the VC was. Did they hope to overthrow the Diem Government, get in someone friendly to the Ho Chi Minh Regime and eventually unite the country under communist rule?

President Diem replied that in his opinion this was exactly their plan.

General Williams then asked why, in the President's opinion, the communists had picked this particular time to go into active guerrilla operations.

President Diem replied that they were following a pre-determined schedule. As far back as 1957 and 1958 they had tried to initiate guerrilla operations in the Plateau Area but had failed. Now they had shifted their operations to the south. To do this they had had to wait for the situation to deteriorate sufficiently in Laos and Cambodia and they had had to wait also until after the rice harvest in order to have the cash with which to operate.

President Diem said that in spite of the conditions in the West, in his opinion the real danger lay in the East (i.e., Tay Ninh, area north of Saigon) especially now that the rainy season was about to begin.

In reply to another question from General Williams, President Diem said that the present Queen of Cambodia² could not remain as head of state and that a King would have to come to the throne. Sihanouk himself would be eligible but would not want to occupy that position because he preferred to rule as Prime Minister; as King, he would have to have another man in that position.

4. President Diem referred now to Mr. Thuan's visit to the United States and said that Mr. Thuan was going to look into the possibility of obtaining some small or medium dredges (12 in). With this equipment President Diem hoped to be able to speed up his project for building the road along the Cambodian frontier for some 300 kilometers from the Gulf of Siam inland.

General Williams now said that he would like to pass some information to the President on a confidential basis. On 2 April 1960 General Williams had informed the other members of the Country Team, (Ambassador Durbrow, Mr. Gardiner, Mr. Natsios and Mr. Anspacher) that he, General Williams, wanted to go on record as stating again that a military budget of \$165,000,000 was not adequate to support an armed force of 150,000; that a figure nearer 169 to 170 million would be more realistic. General Williams added that he had sent a message to CINCPAC and to the Department of Defense to this effect.³

Now, coming back to the budget, General Williams said that one thing that made his position weak when he argued for a bigger military budget with the other members of the country team was that they, and especially Ambassador Durbrow, could always come back and say that the Vietnamese Government did not need more money; that they must have enough and more since they could afford to raise a force of 10 to 20 thousand commandos over and above the force level of 150,000.

²Queen Kossamak.

³MAGCH-SA 462 to CINCPAC, April 4 (040631Z), repeated to OSD for information. (Center of Military History, Williams Papers, TWX's 1960 (71))

President Diem replied that it was no longer his intention to raise such a force of commandos. He said that he intended to raise some three to four thousand commandos and to maintain that force within the 150,000 force level authorized. He said that at present the Vietnamese Armed Forces fell short by some 6,000 men of the 150,000 ceiling. By raising 3,000 commandos he would not go over the 150,000 but would still be 3,000 men short.

General Williams replied that he was very happy to hear this, because Ambassador Durbrow repeatedly quoted the figure of 10,000 to 20,000 commandos over and above the 150,000 ceiling. He asked President Diem if [he] had thoroughly understood him and if it was President Diem's intention to remain within the 150,000 force level including his commando forces.

President Diem said that that was correct and that his intention was to remain within the 150,000 force level including his commando forces.

President Diem now said that he had a confidential matter to impart to General Williams. The Vietnamese Government had agents in North Vietnam who had access to the discussions of the Viet Minh "braintrust". As a result of information received from these agents there were two important reasons why US aid should not be reduced:

1) The Viet Minh felt that without US Aid, or with a reduced aid program, they could continue to undermine the government in South Vietnam and eventually to overthrow it. On the other hand, they felt that with the continued and increased aid from the US, the VC would not be able to attain their objectives in South Vietnam.

2) From a psychological point of view it would be a great blow to the Viet Minh if the US were to increase its aid to South Vietnam and conversely it would be very favorable to them if it were announced that US Aid had been cut. For that reason, it would be advisable to announce an increase in US Aid even if only for psychological reasons.

President Diem terminated the conversation by referring once more to the commando forces. He said he hoped to absorb them eventually into the Marine Corps.

6. The conversation ended at 1215 hours.⁴

⁴In a memorandum to Durbrow dated April 7, Williams summarized most of this conversation but did not mention the subjects discussed in the first two paragraphs of numbered section 5 or the "confidential matter" discussed toward the end of that section. (*Ibid.*, Conversations with Diem 30 Nov 59-22 Aug 60 (163))

131. Telegram From the Ambassador in Vietnam (Durbrow) to the Department of State¹

Saigon, April 7, 1960—7 p.m.

2884. Reference: Embassy despatch 267,² and Embassy telegram 2622.³ Using agreement grant GVN \$4.6 million additional counterpart for mil budget contained Icato 1665⁴ as excuse, I asked see Diem to pass on this info and took occasion discuss in detail increasing number reports of alleged Can Lao shady activities which adding to dissatisfaction Diem regime. Following short summary conversation (details by pouch⁵):

Told Diem had considerable difficulty convincing Washington need for additional contribution mil budget and added it might prove difficult obtain adequate aid FY61 if disturbing reports continue re alleged corrupt practices Can Lao party. I then said I wished to speak frankly and as friend about this delicate matter. I pointed out several congressional visitors last year had received disturbing reports re Can Lao activities and I had recently received report some members Congress still concerned about these reports (Usher's letter to me March 29th⁶). Using as background excellent detailed study⁷ . . . on Can Lao financial activities giving several documented cases and some alarming allegations from responsible sources, I gave Diem in some detail facts most these cases.

Before I went into full details Diem interjected rather firmly neither Can Lao nor MNR parties engaged in any corrupt activities but on contrary they charged with and are effectively running down corrupt activities which come GVN attention. Diem added if I gave him names and details he would investigate immediately. I did not reply. Diem added reports we had heard formed part of organized campaign of calumny by GVN opposition groups, disgruntled businessmen and Communists. I replied this may be true, but unfortunately reports of party corrupt activities persist and are growing in number. Added these reports came in many cases from responsible Vietnamese citizens and foreign businessmen. I continued whether reports true or

¹Source: Department of State, Central Files, 751K.00/4-760. Secret; Limit Distribution. Sent also to CINCPAC for PolAd; repeated for information to Vientiane, Phnom Penh, and Bangkok.

²Document 111.

³Document 114.

⁴Not found.

⁵Despatch 345 from Saigon, April 13. (Department of State, Central Files, 751K.00/4-1360)

⁶Not found.

⁷Memorandum from the Office of the Special Assistant to Durbrow, April 5, attachment to covering letter from Durbrow to Parsons, May 5. (Department of State, Saigon Embassy Files: Lot 65 F 115, 350.1 Political Parties—Can Lao)

not more and more people hearing and believing them and it apparent this one of reasons for growing discontent among various segments of population.

During the course more than hour I outlined in detail reports such as lowering military morale due alleged political promotions, political favoritism, granting licenses, tribute paid to party to obtain rice exports, party created shortages in bicycle tires and charcoal which created black market from which party profited and allegations that building permits and permission establish any worthwhile enterprise allegedly required payment to party before permission granted. I added had recently heard two cases of alleged cancellations of contracts involving foreign investment, i.e., contract with Singapore firm exploiting phosphates Paracels Islands and contract with French concern to rebuild and operate Heip Hao sugar refinery. Reports we received indicated party involved both cases. I emphasized if these reports true our efforts induce further foreign investment could be nullified.

In reply Diem readily gave ostensibly plausible "explanations" re allegations, insisting throughout our conversation reports unfounded. In course this defense Diem brought up continuing allegations against his brother Nhu and his wife and reports Nguyen Van Buu (Diem's brother Can's business manager) was also involved illegal transactions. I said we also had heard many alarming reports about these three and later reminded Diem that Buu was involved in under invoicing cassia shipments (my letter to Parsons May 12, 1959⁸). Although he had admitted Buu involved in cassia deal Diem told me I was wrong in calling it Can Lao affair. Diem stated categorically allegations against Nhus and Buu completely unfounded. He then gave me same cassia explanation he gave Gardiner May 8, 1959.⁹

On several occasions during conversation, after thanking him for his explanations, I reiterated it most unfortunate that whether allegations true or not, more and more people believing them and suggested in his and GVN's interest it imperative that firm steps be taken immediately to squash these reports. Diem did not make any suggestions except to state people spreading rumors are so ruthless and unscrupulous it difficult stop them. Finally Diem stated maybe some of rumors arise from fact some time ago he organized ONR [MNR?] "industrialist and businessmen's section". This section created to assist legitimate businessmen to expedite requests for various action bogged down in different ministries and give other assistance. Diem emphasized, however, this section assisted all comers and not just favorites. He added this group often ran into shady transactions which

⁸Not found.

⁹Documentation not found.

they turned down or denounced, which perhaps gave impression they favoring only special interests. I ended this part of conversation by reiterating need eliminate all activities which might give rise these persistent reports which as long as they continue will be most harmful to GVN.

Comment: Although I spoke most frankly and in considerable detail about these reports Diem did not take offense and readily gave me "explanation" of each allegation. Whether Diem's explanations are correct or not, and I am inclined believe the party or individuals therein are involved in many shady practices, I was able to let Diem know that we have fairly solid information about these matters. On the assumption that maybe he has been given these "explanations" and believes them, I cited chapters and verse without giving sources, and added that if party itself was not involved in corrupt activities it is quite possible that members of the party are engaging in such activities allegedly in name of the party. I hope that this frank exposé will cause Diem to delve further into these matters and perhaps take corrective measures.

I have sent this outline summary conversation by telegraph with thought in mind that Dept may care bring up this subject with Thuan and thus re-enforce our efforts to try bring about healthier political atmosphere here (Embtel 2857¹⁰).

Have just learned from member of staff who saw Ladejinsky day after talk with Diem, that latter spent entire breakfast period seventh giving same "explanations" he had given me sixth. Apparently Diem is disturbed that either we know too much or he has not been given straight story.

Durbrow

¹⁰In telegram 2857, April 4, the Embassy reported that both Vu Van Thai and Vice President Tho suspected that Thuan had been a party to several "shady deals" either acting alone or in conjunction with the Can Lao Party. (Department of State, Central Files, 851K.392/4-460)

132. Telegram From the Ambassador in Vietnam (Durbrow) to the Department of State¹

Saigon, April 8, 1960—10 p.m.

2885. During course conversation with Diem on other subjects 6th, he outlined to me as he said he had done earlier to General Williams, his latest analysis of current Communist tactics. Using a map on which were drawn about ten circles in the area from about 50 miles north of Saigon to the tip of the peninsula he explained it is now becoming clear Communists were trying to set up bases in isolated areas circled on map. It was therefore imperative to isolate and stop Communists' efforts to set up these bases. In order do this he needed more paratroops, marines and civil guards. Paratroops would be dropped in "base" areas and ARVN and/or marines would surround area and work in conjunction paratroops eliminate enemy. Since good part ARVN engaged these operations he needed about 4,000 more civil guards to reinforce units already protecting isolated villages near base areas to assure protection of population. Diem added that if population not assured protection they would not cooperate with GVN and denounce known Communists. I agreed it essential give adequate protection to population but added thought this could be done if present civil guard of about 50,000 is properly utilized. Diem replied present CG units needed guard bridges, installations and villages, etc. Therefore 4,000 extra needed especially for isolated village protection. I repeated primary need is not more security forces but to set up unified intelligence organization at national, province and district level as was done in Malaya in order gain intelligence from population and evaluate in one organization all intelligence available in order learn Communists' plans ahead of time and thus break them up. I added further efforts should be made to penetrate Communist organizations to obtain such intelligence. Diem stated he realized in the past there were too many intelligence agencies here, each doing its own evaluating and seldom passing on information between organizations. Without saying how he planned rectify this, he indicated he plans do something along suggested lines.

I noted some of circles near Cambodian border and asked if RKG still cooperating. He replied they are in minor way but don't have enough forces and many officials have been bribed by Communists. I said nevertheless GVN should try obtain further RKG cooperation.

Diem then told me in confidence had just learned from GVN agent who has penetrated higher Communist echelons, Viet Cong

¹Source: Department of State, Central Files, 751K.5/4-860. Secret. Repeated for information to CINCPAC PolAd, Vientiane, Bangkok, and Phnom Penh.

convinced GVN will follow same defensive pattern used by French during Indochina war, i.e., defend only large towns and main communication routes since GVN does not have sufficient men or equipment engage Communists in their isolated bases. Communists also convinced GVN will not receive sufficient specialized equipment from us to attack their bases and therefore VC hoped gain control most of countryside and paralyze GVN. This GVN agent urged Diem to let it be known whether true or not that US making special effort increase monetary and materiel military aid. Agent convinced if VC led to believe US willing help GVN take offensive against Communists they will not continue present aggressive tactics. I replied I had just informed him of US decision contribute additional \$4.6 million to military budget and felt certain US could step up deliveries of some programmed MAP equipment useful fighting guerrillas so that in fact we would assist GVN in carrying out offensive.

I added nevertheless we still continue receive reports province officials acting in too arbitrary way and demanding too much "free work" from peasants. I expressed strong conviction this must be stopped and concentrated efforts made to win over population. Diem replied he cognizant of this and in future efforts obtain assistance from population, number laborers actually needed would be obtained on voluntary basis, particularly among the youth, and province chiefs have been ordered explain in detail object govt's operations and benefits to be received therefrom.

Diem ended conversation by stating he had recruited about 3,000 volunteers from ARVN for his commando group and at least for the moment would not endeavor recruit more. He emphasized that while some vacant ARVN spaces brought about by departure of commando volunteers might be filled by reservists, the total number in armed forces would not exceed 150,000. I told him I was reassured to hear this since reconvinced present situation can be handled by effective use forces in being.

Durbrow

133. Memorandum of a Conversation, Department of State,
Washington, April 8, 1960¹

SUBJECT

Situation in Viet-Nam

¹Source: Department of State, Central Files, 751K.00/4-860. Confidential. Drafted by Wood.

PARTICIPANTS

Under Secretary of State C. Douglas Dillon

His Excellency Nguyen dinh Thuan, Secretary of State for the Presidency of Viet-Nam

Mr. Avery F. Peterson, Deputy Assistant Secretary for Far Eastern Economic Affairs

Mr. Chalmers B. Wood, Officer in Charge, Viet-Nam Affairs

Mr. Thuan opened with a statement along the following lines:

Although the internal security situation of Viet-Nam has become more serious in recent months, nevertheless the GVN continues to attach much importance to economic progress. We realize we cannot always count on US aid. To illustrate our awareness of the decline in US aid we have given figures on the recent decline in aid to Messrs. Parsons and Peterson.

In the last six months we have made far more economic progress than previously. Until then, we were in a period of gestation. Some examples of recent economic progress are:

1. Ratification of Japanese Reparations Agreements which means we will receive \$50 million in currency with which to build a 150,000 kilowatt dam, to start a small area fertilizer plant and a small tool plant.

2. The resolution of Viet-Nam's financial problems with France, which will be wound up when Mr. Thuan signs the final conventions in Paris in the next few days, will mean credits for Viet-Nam totalling 18 billion old francs for investment. With these, the GVN intends to commence the development of an industrial complex in Tourane which is near a coal mine, and build a fertilizer plant, a cement plant with a 50,000 ton capacity, and some other smaller enterprises. These credits will also assist the Vietnamese in building a 250,000 ton capacity cement plant in the south, upon the completion of which, Viet-Nam will no longer have to import cement.

3. Viet-Nam has reached economic agreements with Taiwan whereby a mixed Chinese-Vietnamese committee will meet every six months alternately in Taiwan and in Viet-Nam for the purpose of studying specific projects. Viet-Nam has already benefited from the visits of many Chinese technicians; more will be sent. The first project under Chinese guidance, a sugar mill 30 kilometers from Saigon, will be finished in eight months. Plants for pharmaceuticals and other products are planned. Both Nationalist China and Viet-Nam are studying the question of common markets. If Viet-Nam produces rubber, China has the technicians. Accordingly, it is planned to build a tire plant which will be able to market its products in both countries. There are similar plans for an anti-biotic plant.

4. U.S. aid has assisted Viet-Nam in commencing a pharmaceutical plant under the direction of Rousel, a French firm, and a textile plant near Saigon which will open in April with the most modern equipment of any in Asia. In addition to other plants, there will be opened in September with American aid and under French direction a glass plant which will be the most modern and the most important

in the Far East, being larger than any in Japan. Its production, destined for the three countries of Indochina, will, however, be insufficient to the needs. The same French firm is also planning two more factories, one for frozen pork and the other for processing paddy.

The Michelin tire factory, about which Mr. Thuan had spoken to Mr. Dillon in October,² will be finished soon.

In the domain of agriculture, Viet-Nam's rice exports have increased from 120,000 tons in 1958 to 260,000 tons in 1959 with a carry-over of 70,000 tons.

Viet-Nam is placing great emphasis on its program for expanding rubber replantation. President Diem has signed a new agreement with the French interests. It is planned to send a team abroad to interest US, German and other investors. Experts claim that Viet-Nam's soil, the terre rouge, is better than any in Asia including Malaya. Vietnamese workers are easy to recruit and train as rubber plantation workers. They can be trained in two weeks whereas it requires a month for the Chinese and two years for the Africans. Viet-Nam's climate is better for rubber production than Malaya's because it has a longer dry season which reduces the incidence of disease. 300,000 hectares of good land are still available for rubber production.

Whether or not Viet-Nam obtains foreign investment, it will push ahead with the expansion of the rubber production. It is calculated that after seven years which is required for rubber trees to reach maturity, rubber exports will be worth \$250 million annually.

As to his visit to Washington, Mr. Thuan said he was aware that we are much concerned with the question of monetary reform since Messrs. Parsons, Peterson and Riddleberger had already spoken to him on the subject.

Mr. Dillon indicated that this interest was extended to the Congress.

Mr. Thuan emphasized that such a decision without proper fiscal reform is but the beginnings of a series of devaluations. While the present level of exchange is not realistic, neither is the free market rate.

The Ford Foundation will provide a team of experts which will help the GVN make proper over-all plans for reform. A list of persons who will be sponsored by the Brookings Institute has been made up.

Mr. Dillon expressed his pleasure at having been given this report on the government's economic progress and on its projects for fiscal matters. He noted the mutual interest which existed in fiscal and monetary reform. While an indefinite amount of time was not available, he said, we ask only that the GVN give priority to this

²See Document 91.

work. Mr. Dillon had not heard of the Ford contract and was very interested. As to the level of the exchange, he suggested that the GVN talk with the experts of IMF; "it is their affair and they are skillful, able and sympathetic."

Mr. Thuan said that Messrs. Vu van Thai and Hanh have already made contact with the IMF. He assured Mr. Dillon that the GVN was not seeking delays, but wished to prepare things so as to avoid "a cascade of devaluations."

Mr. Dillon said the present situation could not exist indefinitely since Senator Mansfield has insisted on an eventual cessation of grant aid.³ He noted that while Senator Mansfield was very sympathetic to Viet-Nam, this was a question of general policy. Mr. Dillon pointed out that our aid to Viet-Nam in per capita terms is larger than to any other country in the world. He added that a fiscal reform will give more opportunities for private investment.

Mr. Thuan replied that some senators are concerned as to the change in the form of aid (see memcon with Senator McGee⁴). With the present counterpart arrangement we not only pay our soldiers, but also must make available a commensurate amount of consumer goods. But if we borrow, we will have money without goods.

Mr. Dillon emphasized that a sudden cut off was not suggested. In Formosa the military, which is twice as large, costs half as much as in Viet-Nam. Certainly there are reasons for this such as the recent war and the division of the country. However, this fact does draw attention in Congress when comparisons are made to the aid received in other Asian countries. It is a mutual problem. It is something to discuss with USOM in Saigon. There is nothing to settle today, merely something to keep in mind.

Mr. Thuan again emphasized that loans are inflationary.

Mr. Dillon suggested there should be even more emphasis on the present programs to provide factories, rice exports and other means of strengthening the Vietnamese economy.

Comment

The atmosphere of the meeting was friendly and understanding and afterwards Mr. Thuan expressed his admiration for Mr. Dillon's

³Apparent reference to a recommendation in the report of the Mansfield Subcommittee on State Department Organization and Public Administration, *United States Aid Program in Vietnam*, February 26. See Document 107. On April 5 Thuan and Thai met with members of the Senate Foreign Relations Committee—Senators Fulbright, Mansfield, Hickenlooper, Church, and Wiley as well as staff members Marcy and Valeo—for a wide-ranging discussion of the situation in Vietnam. A report of that meeting is in a memorandum of conversation by Wood, April 5. (Department of State, Central Files, 851K.00/4-560)

⁴Thuan met with McGee on April 8. A report of their discussion is in a memorandum of conversation by Wood, April 8. (*Ibid.*, 751K.5-MSP/4-860)

ability to quickly comprehend the main problems which his country faced. The meeting lasted 30 minutes.

(Prior to seeing Mr. Dillon, Thuan told Wood that the GVN did not consider the Lao devaluation successful. Although stability had been restored, there was little economic activity. Kip had been used to buy dollars and francs and there had been no investments in Laos. Wood replied this probably reflected the general situation in Laos which was certainly more unsettled than in Viet-Nam. Mr. Thuan did not raise this point with Mr. Dillon.)

**134. Memorandum of a Conversation, Department of State,
Washington, April 8, 1960¹**

SUBJECT

Security Situation in Viet-Nam

PARTICIPANTS

His Excellency Nguyen dinh Thuan, Secretary of State for the Presidency of Viet-Nam

General Cabell, Certain CIA Officers

Chalmers B. Wood, Officer in Charge, Viet-Nam Affairs

During a two hour conversation lasting through and after a luncheon given by General Cabell in honor of Secretary Thuan, the following were some of the points of interest emphasized by Mr. Thuan:

1. The situation in Southern Laos was completely rotten ("completement pourri") and the Communists were in control of much of the area.

2. The recent reports from the French representative in Hanoi describing troop movements from Vinh to the west and from other points were connected with the Communist rumor that a division of ARVN troops had deserted to the North. This rumor was a smoke screen to facilitate infiltration of Communists from the North to the South under the pretext that they were deserters from this division who were returning to South Viet-Nam.

3. Given the ease with which Viet Minh agents could infiltrate by various routes, the most important objective of the GVN is to win over and retain the confidence and loyalty of the population. This is why the President attaches primary importance to the "agroville"

¹Source: Department of State, FE Files: Lot 62 D 26, MC-Vietnam. Secret; Limit Distribution. Drafted by Wood.

program. The first "agroville" was a success and so many applications had been received that it would be possible to populate the additional 15 "agrovilles" due for completion in June.

4. In considering reports of insecurity in Viet-Nam it should be remembered that most activities centered in three areas: Ben Tre [?] province, An Xuyen province, and the Tay Ninh area.

5. In dealing with the guerrillas, communications equipment was particularly important. Due to its present inadequacy, Vietnamese troops often arrived at the scene of guerrilla activity too late. Pursuit planes would also permit GVN forces to react more promptly. Admiral Burke had promised to expedite this program and had informed his subordinates that the delivery of AD-6 planes in August 1960 was not fast enough.

135. Telegram From the Secretary of State to the Embassy in Vietnam¹

Washington, April 11, 1960—8:07 p.m.

1861. During call which Thuan made alone on Parsons 9th former made renewed plea for reconsideration US support of military budget for Fiscal 1961. He said that speaking as Minister responsible for budget and as former Defense Minister he could only describe figures given him by Gardiner prior departure from Saigon as "disastrous". He elaborated at some length on adverse psychological and material effects of seeking reduce US support so drastically at this time but mentioned no specific figure.

In course of discussion Parsons alluded again to principle underlying our budgetary support, namely that it was related to legitimate foreign exchange requirements and not to counterpart necessities. This led Thuan to refer to his talk with Under Secretary Dillon² (subject separate tel) in terms which once again suggested Vietnamese Government is embarked on serious study of devaluation.

During talk Thuan made eloquent plea for more rapid action re textile factory at Tourane, radio project, Diem's request for bulldozers and tractors and acceleration Saigon jet runway project.

¹Source: Department of State, Central Files, 751K.5/4-1160. Secret. Drafted by Parsons. Repeated for information to CINCPAC for PolAd.

²See Document 133.

Following Thuan's exposition foregoing topics Parsons raised two basic subjects: 1) corruption³ and 2) relations between Government and Vietnamese people. Re (1) he told Thuan that Ambassador Durbrow had just had long talk with President during which specifics of several disturbing case histories had been mentioned to President. He urged Thuan to have full and frank talk with Durbrow as soon as possible after former has returned to Saigon. Thuan agreed this desirable and said he hoped Durbrow would talk to him frankly about any matter however delicate as he could always bring question to President's attention.

Re (2) Parsons said impression had been gained by various people in Saigon and Washington that Government which had performed so effectively in many fields had not perhaps had time to cultivate popular base and that sometimes mentality of Government seemed to be too "mandarin". This he viewed as a potential danger and he was sure Thuan and his colleagues would give full attention to problem as it existed. Thuan accepted this in good part, but denied authoritarian tendencies saying that relationships between Diem and mass of rural population were excellent. He also cited approving statements by Senator McGee and others in Congress. Thuan also spoke of difficulty of winning population which had been terrorized for so long by Communists and mentioned differences in oriental psychology which sometimes made appearances deceiving to

³In another discussion between Thuan and Wood, April 7, the Officer in Charge of Vietnam Affairs brought up the issue of corruption. According to a memorandum of conversation by Wood, April 7, the discussion went as follows:

"During a private moment with Mr. Thuan, I mentioned that there had been some reports in Washington recently of corruption in Viet-Nam and that unfortunately there appeared a likelihood that these reports had reached certain circles on Capitol Hill and certain business circles. I well knew that Saigon was a place where rumors were rife and if there were rumors of corruption in Saigon, it was also true that such rumors could be picked up in other capitals. However, in view of the activities of Colegrove and the attitude of some members of Congress, there is a risk that such rumors, even if untrue, might be picked up and exaggerated in a way which would not be helpful to the interests of Viet-Nam or the United States, particularly if there were any implication that US aid funds were involved, even indirectly.

"Thuan replied in a friendly and earnest manner by saying that if Americans became aware of such rumors, he hoped that they would be brought to his attention as President Diem would wish to know of them. Thuan realized and appreciated the American policy of non-involvement in Viet-Nam's internal affairs, but felt that we could be helpful in such a situation.

"I answered that any such communications should come from Ambassador Durbrow but said that this was a delicate matter for us because of our policy of non-involvement and because so many rumors in Saigon were without foundation.

"(The above approach was based on a report from Ken Young to the effect that Valeo had told him that while in Saigon he—Valeo—had heard rumors of corruption and wondered if there were any activities which might hurt the interests of American companies there. Young stated that while he was aware of such rumors, he felt that as of that time the American companies seemed to be taking care of their own interests satisfactorily.)" (Department of State, FE Files: Lot 62 D 26, MC-Vietnam)

occidentals as to actual relationship between people and Government. Despite his protestations and atmosphere of euphoria induced by much praise of Diem and Viet-Nam which Thuan heard daily during this visit, Parsons had impression Thuan understood what he was talking about and is aware of importance of problem. However, he made no mention of committee . . . of which Parsons unaware at time.

Herter

136. Memorandum From the Secretary of Defense's Deputy Assistant for Special Operations (Lansdale) to the Deputy Assistant Secretary of Defense for National Security Council Affairs and Plans (Williams)¹

Washington, April 14, 1960.

SUBJECT

Counter-Guerrilla Training in Vietnam

In the meeting you chaired this morning, it is my understanding that there was an informal discussion of British-Malayan advice and training of the Vietnamese in their operations against Communist guerrillas. Presume you are talking this over with Admiral O'Donnell who is, of course, right in the midst of U.S. military thinking and actions on advice, training, and equipment for the Vietnamese.

My personal misgivings about British help are based on three points:

a. It is unsound to turn over U.S. aid funds and energies to a foreigner to spend for us. This, of course, would be essentially what would happen in reality if a persuasive British "expert" were placed to advise President Diem and his appointed assistants on these operations.

b. British experience in Malaya is sharply different in some vital fundamentals from the problem in Vietnam. In Vietnam, the Vietnamese are fighting their brother Vietnamese. In Malaya, a colonial power of another race led native forces against guerrillas who were largely foreigners (that is, Chinese from Communist China who had to operate in a mixed Indo-Sino-Malay population). The political attraction and security of village populations is quite different—and yet this is the "grass roots" basis of military operations.

¹Source: Washington National Records Center, RG 330, Lansdale Papers: FRC 63 A 1803, Vietnam Correspondence 1960. Confidential. F. Haydn Williams served under the Assistant Secretary of Defense for International Security Affairs, John N. Irwin, II.

c. The U.S. and Vietnamese military have an unexcelled potential for teamwork, if we can get the wraps taken off. U.S. advisors have a record of counter-guerrilla success in this same area of Vietnam in the past, and in the Philippines, which stands up well against the British accomplishments in Malaya. All we have to do is remember the lessons we learned in the very recent past, and to make use of them wisely and energetically.

On the other hand, I believe there are some British, Malayan, Filipino, and Burmese counter-guerrilla experts who would have some thoughtful suggestions to make which would be well-worth considering. I would like to see the U.S. military invite some of these folks in to visit Vietnam, with the approval of the Vietnamese government, where they could get a first-hand look at the situation and come up with ideas for U.S. and Vietnamese military to consider. This might prove most useful, and would be far different than asking them to come in to do a U.S. military task.

137. **Telegram From the Assistant Secretary of Defense for International Security Affairs (Irwin) to the Commander in Chief, Pacific (Felt)**¹

Washington, April 15, 1960—3:06 p.m.

DEF DA975658. Following is summary of Secretary of State for the Presidency Thuan's official call on representatives of the Department of Defense.

Mr. Nguyen Dinh Thuan, Secretary of State for the Presidency, Viet-Nam, called upon the following representatives of the Department of Defense on April 5 and 6, 1960:²

¹Source: Department of State, G/PM. Files: Lot 64 D 359, Vietnam—General and Counter Insurgencies. Secret. Drafted by Flesch on April 14 and approved by O'Donnell. Sent for information to the Chief of MAAG, Saigon and the JCS.

²In a memorandum to Steeves, April 8, Usher described and commented on a problem which arose at the meeting between Thuan and Gates as follows:

"1. Both General Lampert and Colonel Flesch, who have played extremely straight with us at all times, sat in on Secretary Thuan's conversation with Secretary Gates. They have assured us that while Thuan attempted to persuade the Secretary that the Civil Guard should be under the Vietnamese military, the Secretary did not agree.

"2. The Country Team decided more than a year ago that the Civil Guard should be under civil jurisdiction within the GVN. In recorded conversations with President Diem, General Williams has stood by this decision.

Comment:

"General Lampert and Colonel Flesch are aware of our concern and there would appear little risk that DOD may attempt to exercise a modifying influence on the

Continued

Hon. Thomas S. Gates, Jr., Secretary of Defense
Hon. Wilber M. Brucker, Secretary of the Army
Mr. Robert H. Knight, Dep. Asst. Sec/Def, ISA
Adm. Arleigh Burke, USN, Chief of Naval Operations, Dept/
Navy
Gen. Lyman L. Lemnitzer, USA, Chief of Staff, Dept. of the
Army
Gen. Williston B. Palmer, USA, Dir. of Military Assistance,
ISA
Gen. G.B. Erskine, USMC (Ret), Asst. to Sec/Def. for Spec.
Oper.
RAdm E.J. O'Donnell, USN, Director, Far East Region, ISA
Col. William K. McNown, Deputy Asst. for Mutual Sec.,
Dept/AF

Summary of Mr. Thuan's appraisal of internal security:

The Communists infiltrate personnel and supplies into Viet-Nam via the coastal region, the Mekong Valley, and trail through Southern Laos and Cambodia. Communist cadres infiltrate into South Viet-Nam to influence and organize the population and establish bases to receive large Communist guerrilla groups. The terrain, swamp and jungle, is very difficult in Viet-Nam and provides an advantage for Communist guerrilla operations.

The French, during their entire occupation, never controlled all of Viet-Nam but only the metropolitan areas and main roads. They never controlled the jungle which is just north of Saigon or the delta area to the south. Viet-Nam is attempting to control these areas and the Communists are reacting violently to the pressures of GVN security forces. GVN successes in the election of September 1959 and improvement of living conditions have caused the Communists to adopt new tactics to discredit the Diem government. Communist objectives have not changed but their time schedule has been disrupted. Captured documents indicate that their efforts will be increased during 1960 to intimidate the Vietnamese people and discredit the GVN.

Economic development will not eliminate the Communist guerrilla problem in Viet-Nam. The GVN is at war with the Communists and the military establishment must have the highest priority for funds and equipment to defeat the Communists, maintain security in

Country Team decision." (*Ibid.*, Vietnam Working Group Files: Lot 66 D 193 102.-VN 1960, Civil Guard)

At the Acting Secretary of State's staff meeting, April 8, Dillon gave the following report on the Thuan-Gates meeting: "Mr. Dillon said Secretary Gates had informed him that Thuan was pressing readjustment of military training and military programs to beef up internal security forces. Mr. Parsons commented that this was directly contrary to the country team recommendations since the latter's concept is that the readjustment should be by increased guerrilla training of existing army units. Mr. Dillon asked that we inform Defense of the full facts." (Notes by Calhoun, April 8; *ibid.*, Secretary's Staff Meetings: Lot 63 D 75)

the country, and create an environment in which the economy can grow.

Summary of Mr. Thuan's request for equipment and other assistance:

Mobility of ARVN units must be improved to shorten the reaction time to guerrilla assaults. ARVN needs TO&E communications equipment, sufficient airlift to move an entire airborne battalion, some type of small boat (similar to air propeller driven boats used in the Florida Everglades) with a half squad (6 to 8 men) capacity, more helicopters to improve capabilities for supply and evacuation, and L-19 aircraft for observation.

Some type of small patrol boat is required for operations in shallow water close to shore to capture or destroy Communist junks infiltrating personnel and supplies. He requested that the 10-year naval ship replacement plan for Viet-Nam be compressed into 5-year periods. Special force personnel are required to assist ARVN with training in counter-guerrilla tactics. He requested that an outstanding general officer be selected to replace General Williams.

Request for Equipment:

Air Force:

10 C-47 aircraft
6 H-34 or 6 H-19 helicopters
AC&W equipment

Navy:

15 picket boats
25 swamp boats
Compression of 10-year naval program into 5-year period
Expedite delivery of AD-6 aircraft

Army:

15 L-19 aircraft

Mr. Thuan was informed that CHMAAG had submitted a program deviation request to provide funds and program actions for delivery of TO&E equipment for ARVN. He was also informed that the AD-4s programmed for the Viet-Nam Air Force had been changed to AD-6s and the first six of these aircraft would arrive September 1960, as opposed to previous schedule of December 1960 for the AD-4s.

No representatives of the DOD promised Mr. Thuan additional equipment or funds. However, all officials were attentive and informed him that every effort would be exerted to expeditiously meet any requirements submitted by CHMAAG and CINCPAC.

General Lemnitzer explained the importance of centralized command and intelligence collection, maximum utilization of resources

and the maintenance of continuous pressure against the guerrillas. He also assured Mr. Thuan that an outstanding General would be selected to replace General Williams prior to his departure.

Admiral Burke stressed the importance of logistics in counter-guerrilla actions and said that combat units operating in the delta area should move supplies on barges with them. He also pointed out the effectiveness of bazookas, hand grenades, flame throwers, and individual weapons in such operations.

Colonel McNown stressed the importance of maximum utilization of aircraft on hand and stated that the Viet-Nam Air Force should guard against obtaining more equipment than they have the capability to maintain. He also explained the high cost of AC&W equipment which is normally considered in the long-range program.

138. Memorandum From the Officer in Charge of Vietnam Affairs (Wood) to the Acting Director of the Office of Southeast Asian Affairs (Usher)¹

Washington, April 15, 1960.

SUBJECT

Viet-Nam—Provincial Relations

Problem

The GVN is increasingly aware that the guerrilla problem cannot be licked without the loyalty and cooperation of the provincial population. They have recently commenced the "agrovillage" program but it is not clear that this program has been sufficiently studied or that it is the best means of accomplishing this purpose. While President Diem travels frequently in the provinces, it is clear that many of his officials hold back unpleasant information thus reducing or distorting the basis on which he can make sound judgments.

The Vietnamese are always sensitive to outside suggestions, particularly if these deal with their relations with their own people. On the other hand, a great deal is at stake if the Vietnamese are not able to evolve a successful political program for the provinces.

¹Source: Department of State, Vietnam Working Group Files: Lot 66 D 193, 100. VN 1960—Internal Security. Secret.

Suggested US Program

During a meeting in Admiral O'Donnell's office attended by Colonels Lansdale, Flesch, two officers from the Civil Affairs Division, and myself,² it was suggested that explorations be made along the following lines:

1. That we look into the availability of six to a dozen young Malaysians or Filipinos who had had experience in guerrilla problems and who had reputations of being discreet and cooperative.

2. That we pick two young FSOs and possibly two young military officers with the best available experience in Asia; preferably the FSOs would be language and area officers. The Department of Defense has indicated that the FSOs could receive six to eight months training in Civil Affairs before their assignment. This seems a good idea.

3. That the Asians mentioned above be assigned one each to the staff of a province chief where there were security problems, these assignments to be decided on by the Vietnamese Government.

4. That one FSO and possibly one military officer be assigned to the Secretary of Defense in Saigon and that another FSO and possibly a military officer be assigned to the Department of the Interior. In addition to receiving reports from the field as outlined below, these officers would, with the full knowledge of the Vietnamese authorities, make regular field trips for the purpose of contacting their Asian colleagues in the field and the province chiefs to whom they were assigned.

5. These persons would be assigned for a minimum of three years with the clear understanding that if for any reason their relations with the Vietnamese were not successful, they would be immediately transferred.

6. These persons would be under strict instructions to make no recommendations during the first six months of their assignments and to withhold none of the information which they obtained from the Vietnamese authorities to whom they were assigned.

7. The Asians in the field, in addition to working with the province chiefs on the question of civil relations, would prepare short monthly reports on the situation in their provinces which would be made available to the province chiefs. Copies would be sent to the Americans assigned to Saigon who would turn them over to their superiors in the Vietnamese Government and to the American Chief of Mission. While these reports would receive the distribution mentioned above, they would be treated as Confidential by the Vietnamese and American Governments.

8. If personnel and money could be made available for such a program and if it were approved, Ambassador Durbrow would present it to President Diem on the grounds that this would make available to him on a continuing basis Asian experts on the subject of guerrilla activities and the civilian population. The function of the Americans in Saigon would be primarily one of liaison. If Diem rejected the offer firmly, it would not be pressed on him further.

²See Document 120.

Conclusion

Such a program, due to its delicacy, would have to start slowly. However, if the presence of these people were accepted, it can be assumed that useful information would eventually make its way to the President and to the Country Team. It would be more difficult for Vietnamese officials to hold back information from the President which they realized was available to the US Ambassador. Not sooner than six months from the start of the program and with the approval of the Country Team, it might be possible to put forward certain ideas and suggestions to the Vietnamese Government.

The use of Asians in the field would reduce the chances that the province chiefs will be labelled by the Communists as stooges of the Americans. The use of Americans in Saigon would serve to channel and coordinate the reporting of those in the field and demonstrate to the Vietnamese that those in the field had our full support.

The planning of field trips by the Americans should be done carefully and should not become so frequent as to cause resentment or suspicion.

139. Letter From the Ambassador in Vietnam (Durbrow) to the Acting Director of the Office of Southeast Asian Affairs (Usher)¹

Saigon, April 18, 1960.

DEAR DICK: We have done a good deal of thinking about your letters of March 16² and 18³ concerning the ways in which we may be of assistance to the Vietnamese in dealing with the problem of subversion. Our comments on the various matters raised in your letters are as follows:

1. I certainly believe that we cannot support an increase in the Vietnamese Armed Forces. We have continued to make this clear to the GVN and you will note from our telegram 2885⁴ that Diem has assured me and General Williams that he does not plan to go over the 150,000 force level at this time. Therefore, given the dangers of the present situation it appears to me that we cannot safely postpone providing the necessary guerrilla training.

¹Source: Department of State, Vietnam Working Group Files: Lot 66 D 193, 16. VN 1960—Emb. Saigon. Secret; Official—Informal.

²Document 117.

³See footnote 2, Document 120.

⁴Document 132.

2. In my telegram 2799⁵ I outlined the Country Team position and attendant background on anti-guerrilla training. Subsequent to this telegram several important actions have taken place. On 4 April 1960 the GVN DOD officially requested US Special Forces training assistance. After MAAG meetings with Mr. Dung, Assistant Secretary of State for Defense, and General Ty, the Chief of Staff RVNAF, the DOD of the GVN agreed to a MAAG outline plan for this training assistance. The outline plan is attached as Inclosure 1.

This plan was recommended to CINCPAC by MAAG on 11 April, and will be discussed by General Williams and Admiral Felt during the Pacific Command Chiefs MAAG Conference being held in Hawaii during the period 18-21 April 1960. In this connection, it is expected that decisions will be forthcoming shortly as to possible implementation of the plan. The US Department of Defense has been advised of this plan. It should be noted that the 30 Vietnamese presently in Okinawa, mentioned in your letter, are not receiving specialized guerrilla training but rather routine military training and have been sent to Okinawa rather than to the States because it is cheaper to do it this way.

3. By now you have received our lists of essential items of extra military equipment insofar as we are aware of GVN desires, as well as our request for speeding up items already programmed. I hope that the necessary money can be obtained for those items which we recommended, but which have not previously been funded.

4. I have very strong reservations with regard to the proposal to use Malaysians, Filipinos and/or Chinese to assist in the Vietnamese administrative apparatus. In the first place I think it most unlikely that Diem would buy this idea except in the case of advisors who would be here for only a short time. Even then I do not think that Malaysians, Filipinos or Chinese would be acceptable to him and I recall that he has in the past sought British officers from Malaya and not Malaysians. With regard to the proposal to assign young Foreign Service officers to work with the Vietnamese Government I think it is highly unrealistic to think that we would be allowed to "interfere" in GVN affairs to this extent. Also it would be most difficult to find young FSO's who have an adequate background for this sort of work and who could be assigned here in sufficient time to do any good. (In this connection early 1961 would appear to be too late.)

The President of Viet-Nam still appears attached to a "divide and rule" policy of not allowing individual generals, or administrative officials to obtain positions of centralized power but he has been showing signs of changing his ideas on this subject. The lack of security has reached a point where he may reluctantly decide to relax his

⁵Document 125.

grip somewhat and delegate adequate authority to the military on the one hand and the civilian administration on the other. This is, however, not a situation in which the injection of advisors for provincial administration is likely to help matters.

I realize the above comments have a pretty negative ring to them, however, I feel that we should be most careful in developing our position on this question in order to avoid going off in too many directions at the same time. While much can be learned from experiences in Malaya and elsewhere, we have to recognize that we are dealing with a somewhat more complicated situation in the case of the GVN and that we have left the "Lansdale days" behind.

Sincerely yours,

Elbridge Durbrow

[Enclosure]

MAAG OUTLINE PLAN APPROVED BY GVN

(Sent to CINCPAC, CINCUSARPAC as MAGCH-SO 494 DTG120811Z)

1. *Who Would Be Trained.*

- a. *General. Individuals* not units would be trained by US SF personnel.
- b. CO's and NCO's of commando companies—to a volume which the final course loads will support.
- c. CO's and NCO's of rifle companies—to a degree they can be freed; this will be difficult.
- d. Bn and Regt CO's and their S2 and S3 O's—to a volume dependent upon availability.
- e. Senior commanders and selected key staff officers (Div, Corps, Field Comd, GS)—to a volume dependent on availability.

2. *Number of SF and Other Personnel Required.*

- a. 3 ten man SF teams.
- b. 2 or 3 Combat Intelligence Instructors.
- c. 2 or 3 Psy War Instructors.

TOTAL: 34 or 36 maximum.

3. *What Would be Taught to Individuals.*

- a. *How guerrillas fight*—All aspects to include tactical, intelligence, administrative, Psy War, and political.
- b. *How to Fight Guerrillas.*—Follows the above at a. Emphasizes principles and doctrine.

4. *Where Would Training Be Conducted.*

- a. At "base area" at Nha Trang—1 location.
- b. At 2 other locations: Danang and Song Mao.
- c. All three areas can be supported logistically and administratively.

5. *How Would Training Be Accomplished.*

a. Start 1st course at Nha Trang with *priority* to selected VN personnel who are to be the hard core assistant instructors, and eventually *the* principal instructors to take over from US SF personnel. Other students would be included as outlined in paragraph 1.

b. The other two areas would commence instruction at the same time, or shortly thereafter, for personnel outlined in paragraph 1.

c. The 5 Commando units at Nha Trang would be advised and assisted in *their* execution of the ARVN Commando POI, by US Advisors at NCO School, by VN instructors at NCO School and by supervisory visits of SF personnel as the latter are available.

d. After the conduct of 3 or 4 courses at Nha Trang and at Song Mao and Danang, the SF teachers would be phased out and the VN instructors would act as the principal instructors. Similarly, the SF instructors at Danang and Song Mao would be replaced by the VN instructors trained at Nha Trang.

e. The training center at Nha Trang would continue as long as required as a regular service school—perhaps to be called the "Ranger School". The other training areas would continue as long as required.

6. *Training load.*

a. A check of the facilities available, and coordination as to the planned numbers of SF instructors to be made available indicates that perhaps 100 each can be handled at both Song Mao and Danang. Perhaps 100–125 could be handled at Nha Trang. This would mean that approximately 300–325 could be trained in one cycle using all 3 schools described.

b. As an *illustration only*: (May take larger cadres, or smaller, from various units.)

16 cadre x 25 commando companies—400

4 cadre x 252 rifle companies—1208

4 cadre x Marine companies—48

CO and S2, S3 x 21 rifle regiments—63

CO and S2, S3 x 63 rifle Bns—189

CO and S2, G3 x 7 Divs—21

CO and G2, G3 x 3 Corps—9

CO and G2, G3 x 5 Regions—15

Selected Senior O's and General Staff and some Air Force and Navy—25

Illustrative Total—1978

140. Letter From the Ambassador in Vietnam (Durbrow) to the Assistant Secretary of State for Far Eastern Affairs (Parsons)¹

Saigon, April 19, 1960.

DEAR JEFF: I am sorry to have to bother you personally about one of my perennial problems out here—General Williams. We have talked about the General on several occasions and as you know I have personally concurred in two extensions of his stay in Viet-Nam because I was convinced he was doing a good job in training ARVN, and particularly because he has the confidence of Diem. Since the General's tour is over this August and he is retiring from the Army, I did not believe I would have to bother you again about any of his activities here.

[Here follows a discussion of personnel matters.]

As you know from our despatches and telegrams, Diem and others have been pressing me to shift from basically conventional to stepped-up guerrilla training here and they have complained about the large percentage of military personnel tied down at headquarters and in various staffs. I think that Diem and others have been a bit too precipitous in flailing around in all directions because of the stepped-up Viet Cong guerrilla activities, but nevertheless it has been clear to me that for some time in the past more attention should have been given to anti-guerrilla training. For various reasons which General Williams seems to believe are completely valid not much of this training has been done. I personally have questioned for almost a year whether we were not doing too much conventional war training to fight another World War II and whether it was necessary to have the Divisional, Corps and Headquarters organization, which is being set up here. I still don't understand why, for instance, there is a need for a fairly large number of 155 mm. howitzers in a country with very few suitable roads, but the powers that be agree that these might be useful. In any event, as you know, efforts are being made in various quarters to step up anti-guerrilla training at the urgent request of Diem and other high-ranking GVN officials.

In this general connection, Colonel Comstock reported to me about two weeks ago that when he called on Colonel Khoi, Chief of Staff to the acting Minister of Defense, Dung,² to take up another matter with him, Colonel Khoi took the occasion to discuss various ARVN problems with Colonel Comstock. Khoi raised such matters as

¹Source: Department of State, Durbrow Files: Lot 68 D 404, Vietnam. Secret; Official-Informal.

²Tran Trung Dung's title was Assistant Secretary of State for Defense. Prime Minister Diem was also Defense Minister.

the lack of sufficient officers and NCO's, the need for more civilian personnel in the Armed Forces set up in order to release for active duty many NCO's and officers who are assigned to central military agencies, as well as the problem created by the high percentage of recruits and draftees in tactical units, many of which Colonel Khoi thought should be replaced by regular long-term experienced soldiers. Colonel Khoi then brought up in some detail the problem of giving more guerrilla training in the Army. Colonel Khoi stated that after considerable study the ARVN general staff in June 1958 ordered a program of commando or guerrilla training to be started in Nha Trang. He pointed out that the plan called for those being trained at this school to return to their respective units to train other cadre in guerrilla tactics. Colonel Khoi added that despite the fact that ARVN and DOD believed this program to be necessary, MAAG interjected in two letters to the Chief of Staff, ARVN, dated July 14³ and November 10, 1958⁴ (copies attached) recommending the abandonment of this plan. Colonel Khoi then explained that some individual guerrilla-type training was originally started in 1956 and was abandoned in 1958 after MAAG had objected. Later in September and December 1959, two classes of about 50 men each were again given guerrilla training. Colonel Khoi concluded that apparently MAAG does not see the importance of commando-guerrilla type training and wants to emphasize conventional-type training.

During this conversation Khoi gave the impression to Colonel Comstock that he was talking for Acting Minister of Defense Dung although Khoi did not state so specifically and indicated to Colonel Comstock that he should pass his comments on to me. In order that Colonel Comstock and I might have better understanding of Colonel Khoi's position, he gave Colonel Comstock thermofax copies of the two letters of July 14 and November 10, 1958 referred to above which I had never seen. Whatever may have been MAAG's intent in sending these letters, turning down this particular program perhaps for what they considered to be valid reasons, the ARVN and DOD apparently took them to reflect a general position against training of this sort. Furthermore, during this conversation the question arose concerning the desirability of Acting Secretary of Defense Dung talking to me about the problems the Colonel had raised. Colonel Comstock told Khoi that he was sure that I would be glad at any time to discuss any matter with Dung and all he would have to do was to call and I would gladly go see him. (Copies of Colonel Comstock's memorandum of conversation with Khoi are attached.⁵)

³Document 23.

⁴See footnote 3, *ibid.*

⁵Dated April 7, not found attached. A copy is in Department of State, Durbrow Files: Lot 68 D 404, Vietnam.

When Comstock reported this to me I suggested that we wait and see whether Dung would ask to see me, but I received no word from him during the next ten days. In the meantime on one other occasion Colonel Khoi specifically asked Colonel Comstock if he had reported the March 26 conversation to me which Comstock stated he had done.

In the meantime I received from General Williams an information copy of a memorandum dated April 4, 1960,⁶ enclosing a paper dated September 7, 1958, entitled "Notes on Anti-Guerrilla Operations" which was sent to the GVN for information and guidance.⁷ I had never seen or heard of this paper either. This paper outlined in some detail the types of training necessary to combat guerrilla operations and ended by stating that all Vietnamese security forces "should establish effective indoctrination and training courses in anti-guerrilla warfare".

Since Dung did not get in touch with me and there seemed to be conflict between the contents of the two letters of July and November 1958 recommending that guerrilla training be stopped and the suggestion in the September 7, 1958 "Notes" that all forces should be given such training, I decided to discuss this question as well as Khoi's remarks with General Williams. I so informed Colonel Comstock who asked specifically that he be present so that he could explain the matter in some detail. On April 12 Colonel Comstock and I discussed the Khoi conversation with General Williams and I specifically asked about the apparent inconsistency of the two MAAG letters suggesting that guerrilla training be stopped and the "Notes" urging that all units be given such training. General Williams obviously seemed somewhat perturbed that I had received copies of the two letters of July and November of 1958 and when I pressed for an explanation of these inconsistencies the General, who was leaving for Pearl Harbor in two days, stated that this was a very complex matter which would take a long time to explain and he had a great deal of other things to do before his departure. He did say, however, that in essence MAAG had recommended against continued guerrilla training because it would interfere with the training of NCO's and the conventional-type training needed by ARVN units. Colonel Comstock was very frank and factual in giving General Williams the points raised by Colonel Khoi. However, when Comstock stated that Khoi had indicated most definitely that he hoped Colonel Comstock would not only tell me about the conversation but would pass on the points he had raised to the U.S. Department of Army, General Williams without giving any further explanation said in a fairly irritated

⁶Document 127.

⁷See footnote 2, *ibid.*

way something to the effect that if Comstock wanted to send this on to ACSI he could and that he (Williams) could explain this matter satisfactorily at some later date, adding that ACSI could ask General Myers who signed the letter of July and November 1958 for an explanation since General Myers is now in the Pentagon. General Williams then said that he was going to take this matter up with the Vietnamese Department of Defense because he did not believe that Colonel Khoi was in a position to discuss matters of this kind. Both Colonel Comstock and I agreed.

The next day Dung called at 7:00 p.m. to say that he wished to see me urgently. When I called, Dung said he was very much perturbed about what he had heard that day from a MAAG officer about the Khoi conversation and he had called Khoi to his office to give his version of the conversation in the presence of Colonel Kent, General Williams' representative. According to Dung, Khoi confirmed the conversation with Comstock but added he was not talking on behalf of the Ministry of Defense but he was merely giving his personal views. Dung added it was obvious that if he had desired to see me as Khoi had inferred, Dung would have called me. Dung explained that Khoi was young and impetuous and did not have very much experience and reiterated that he was only speaking personally. Dung added that the GVN understood why MAAG had suggested in its letters of July and November 1958 that guerrilla training should be stopped and therefore Khoi was wrong in his analysis of the matter. I thanked Mr. Dung for this explanation and said that the matter would be dropped.

Since General Williams was leaving the next morning I called him on the phone to let him know what Dung had told me and that the matter was now closed. General Williams then stated in somewhat angry terms that he was going to get to the bottom of this and have Colonel Comstock give sworn testimony about the Khoi conversation inferring that he did not believe that Comstock was telling the truth. I reminded General Williams that Comstock asked to be present at our conversation on the 12th since he wanted to make sure that the various elements on our side were fully coordinated about the matter and all were cognizant of the Khoi conversation in order to assure that the GVN did not make an end run against our team. I added that Colonel Comstock had acted in good faith, had repeated the Khoi conversation to me immediately and reiterated that Comstock had asked to be present when I discussed the matter with General Williams. Therefore I said in categorical terms if General Williams was going to insist on taking "sworn testimony" from Colonel Comstock, thus inferring that Comstock was not telling the truth, "I will fight you every step of the way". General Williams then said he had to protect his reputation in which I concurred but added it was

just for that reason that we had discussed the Khoi conversation with him so that the record would be made straight.

[Here follows a discussion of personnel matters.]

I learned later from Wolf Ladejinsky that, apparently after Dung had reported the matter to Diem, the latter sent word to General Williams at the airport on April 14th that Colonel Khoi was not authorized to talk on such subjects since he was merely the liaison officer for all Service Attachés.

I might add that Colonel Khoi is well known as a very active member of the Can Lao Party military group, and therefore any remarks he makes must be given full consideration. Dung, also, of course, is a member of the Can Lao Party and therefore, despite his "explanation to me", it is open to question whether Khoi was merely talking "personally".⁸

In any event, I hope that you will take the necessary steps to see that ACSI is informed about this matter in order to protect Colonel Comstock. I am sending a copy of this letter to Admiral Felt for his personnel information since it is possible that General Williams discussed this matter with the Admiral or others in CINCPAC.

Sincerely yours,

Elbridge Durbrow

P.S. (For Parsons Only)

I am also enclosing a copy of a memorandum I am sending to General Williams⁹ in order that I can have a full understanding of the status of RVNAF training including guerrilla training and a fuller explanation why the letters of July and November 1958 were sent to the Chief of Staff as well as be sure he gives me full and frank information in the future.

⁸In a letter to General Myers, April 13, Williams commented on Colonel Khoi as follows: "He is Brother Can's hot shot Can Lao party man injected into DOD to give Mr. Can a certain element of control and a listening post there. Frankly, I believe he is deep in the fight between Nhu and Can and is attempting to attack Nhu (and Thuan) indirectly through MAAG who has, I believe, their staunch support." Williams also stated his belief that Thuan had not known (in advance) of Khoi's request to Comstock. (Center of Military History, Williams Papers, Personal Correspondence 1960 (75))

⁹Dated April 19. Not found enclosed, but printed *infra*.

141. **Memorandum From the Ambassador in Vietnam (Durbrow) to the Chief of the Military Assistance Advisory Group in Vietnam (Williams)**¹

Saigon, April 19, 1960.

SUBJECT

Anti-Guerrilla Training

Pursuant to the conversation I had with you and Colonel Comstock on April 12th about the matters brought up by Colonel Khoi and your strong reaction to this development in our telephone conversation April 13th, I have given considerable thought to the question of ARVN training in general and anti-guerrilla training in particular, in order to try to reconcile what seems to be conflicting information. In this review I have recalled and have noted the following:

1. It was my understanding that the reorganization of the ARVN divisions from 10 to 7 was done primarily for the following reasons:

(a) To create uniform sized divisions which would be less dependent upon motor transport;

(b) To provide them with equipment which would be of such a nature that it could be broken down into components and carried by coolies so that the division could operate effectively off roads; and

(c) To develop a divisional structure which would be more suited to the terrain in Viet-Nam and be able to fight more or less as guerrillas.

2. That in June 1959 I asked you about the types of guerrilla training being given ARVN and you informed me that you had made available the latest US guerrilla and anti-guerrilla manuals for the use of ARVN in training troops for this sort of operations. You furnished me these manuals which I read with interest although you stated they could "mean little to other than an Army Officer". On the basis of this information and the briefings on the new type of division I understood that considerable efforts were being made to give ARVN units fairly intensive guerrilla and anti-guerrilla training.

3. I noted from your memorandum of April 4, 1960 to all MAAG advisers that you enclosed a paper you issued on September 7, 1958, entitled "Notes on Anti-Guerrilla Operations", which I assume was issued at that time in order that DOD officers and all MAAG advisers should step up anti-guerrilla training. I also assume that the manuals I read over a year ago were the ones you stated in

¹Source: Department of State, Durbrow Files: Lot 68 D 404, Vietnam. Secret; Eyes Only.

your September 7, 1958 "Notes" had been translated by ARVN some time after January and February 1957.

4. In view of the above, I was therefore somewhat surprised to learn, for the first time, about the two letters General Myers sent to General Ty, one on July 14, 1958 and the other on November 10, 1958, urging that ARVN abandon Commando-type training. It is not clear to me why General Myers sent these letters in July and November of 1958 when you issued your "Notes on Anti-Guerrilla Operations" on September 7, 1958, which seem to urge more training of this sort. I am not certain whether it was because of these letters or from other indications they may have had, but in the past two months or so Diem, the Vice President, Thuan and others have made a particular point to urge me see that MAAG change its training emphasis from conventional to anti-guerrilla training. These officials, as well as Colonel Khoi, seem to have had the impression that MAAG did not favor anti-guerrilla training.

5. I have reread carefully your letter to Dung of February 29, 1960² outlining not only the role of MAAG in Viet-Nam but citing MAAG efforts to induce their VN counterparts to give better and more realistic training to their units. I note particularly on page 2, numbered paragraph (2) of this letter, that in May 1958 MAAG recommended "that special school courses in anti-guerrilla and guerrilla tactics be conducted", etc., but again I find it difficult to reconcile this with General Myers' letters of July and November 1958.

6. Furthermore, I was somewhat surprised to learn from my telegram 2799, March 29, 1960,³ which was basically drafted by MAAG, that despite the fact that fundamental U.S. doctrine holds that the dispensable basis for all anti-guerrilla training is (a) sound fundamental advanced individual training and (b) basic unit training, only 3 of the 7 divisions have been fully trained in both these matters. I realize of course that a considerable percentage of the ARVN units have been used on pacification duties, etc., but I did not realize that the proportion which has received full advanced individual training and full basic unit training was only 3 to 7. In this connection I was quite surprised to note in your letter to Mr. Dung of February 29, 1960, that you state on page 4, "In too many cases little or no worthwhile training of any kind is being done, etc." In all the briefings I have attended and our many discussions in the Country Team, as well as in the private briefings I have had, I have always understood and have so testified in the Congressional hearings, that all training was going along quite well although I realized more had to be done. If in "too many cases little or no training" has been done,

² Document 109.

³ Document 125.

this should have been made known to me at least well before I read it in the letter to Dung. If this is the state of ARVN developments I wonder why we have gone ahead to organize Divisions and Corps if there are not cadres sufficiently trained to fill the slots?

7. In our conversation of April 12th when I asked why General Myers had sent the two letters in 1958, you stated, as I recall, that it was a very complicated matter which would require detailed explanations but added that these letters had been sent basically because it was then deemed essential to stop commando or anti-guerrilla training in order to train more NCO's and give other troops conventional-type training. You added that if ACSI desired any further explanation of these letters they could talk to General Myers who is in the Pentagon.

Since the entire question of the best type of training for the RVNAF has been raised by Diem and others over the past few months, it is essential that I have a full and clear understanding about these matters. I should appreciate it, therefore, if you would furnish me a full and detailed briefing on the following points as well as any other information which would permit me to have a clear understanding of the type of training already given the RVNAF and future training planned so that I can be in a position to evaluate the present effectiveness of the RVNAF:

(1) Details of the type of training given to the RVNAF for the past four years.

(2) An explanation as to why too many units received little or no worthwhile training of any kind.

(3) What percentage of RVNAF forces have received full fundamental advanced individual training and basic unit training?

(4) How far advanced are the remaining RVNAF forces in fundamental advanced individual training and basic unit training?

(5) How much guerrilla or anti-guerrilla type training has been given all RVNAF forces during the past two or three years? In covering this point I should appreciate an explanation as to why it was deemed advisable in July and November 1958 to send letters to General Ty urging the RVNAF to stop commando training and how this can be reconciled with the issuance of the "Notes on Anti-Guerrilla Operations" issued by MAAG on September 7, 1958. Incidentally, the last paragraph of these "Notes" seems to decry the fact that very little anti-guerrilla training was given at the Nha Trang Commando School, as well as other schools, while General Myers' letters urged that such training at Nha Trang be stopped.

(6) Your evaluation of the present state of efficiency of the RVNAF to counter (a) possible conventional aggression from NVN and (b) guerrilla-terrorist attacks within SVN.

(7) In order, in the future, that I may have a full understanding of the status of RVNAF training and its potential, arrangement must

be made to give me periodic and frank briefings on these matters and any other pertinent information available to MAAG.⁴

⁴For General Williams's reply, see Document 167.

142. Telegram From the Ambassador in Vietnam (Durbrow) to the Department of State¹

Saigon, April 19, 1960—6 p.m.

2981. Ref: Saigon's 2671.² April 11 . . . gave Army Attaché copy of document in Vietnamese which he alleged was text of letter³ to be handed Diem by opposition group at meeting which they planning for April 25. . . . suggested translation be made for Embassy information and also requested that he be given copy of translation so he could reply to opposition group's request for his comments. . . . stated he would return on April 14 to pick up original and his copy of translation. Document given . . . for translation and decision on whether or not to provide . . . with copy withheld until Embassy had time to study translation. I have just learned that when he appeared at Embassy on 14th copy of uncleared translation on unmarked paper inadvertently given him. When . . . called 14th he gave names of several alleged opposition group who wrote letter. . . . running traces these names. Letter, text of which being transmitted by pouch,⁴ summarized as follows:

1. Diem return to Viet-Nam after war hailed by people who saw him as "man to fulfill their hopes, but now after six years these hopes frustrated and group feels compelled bring facts to his attention in hope GVN make corrections to save present extremely tense

¹Source: Department of State, Central Files, 751K.00/4-1960. Secret; Limited Distribution. Sent with instructions to pass to the Department of the Army for ACSI.

²Document 116.

³Reference is to the so-called "Caravelle Manifesto," a public statement issued by 18 prominent, anti-Communist, former politicians and sect leaders. The signers formed "The Bloc for Liberty and Progress" and issued their statement on April 26 after a meeting at the Hotel Caravelle in Saigon.

⁴In despatch 358 from Saigon, April 22. (Department of State, Central Files, 751K.00/4-2260) The text of the "Caravelle Manifesto" is included as an enclosure to this despatch. The text is similar, although not identical, to the copy printed in Bernard Fall, *The Two Vietnams* (New York: Frederick A. Praeger Publishers, 1963), pp. 432-438. The slight differences in the texts can be attributed to different translations from the original Vietnamese. Also enclosed in this despatch were charts prepared by the Bloc for Liberty and Progress showing its proposed provisional National Assembly, proposed Provisional Government, and political groups in opposition to the Diem government.

situation". Diem not able hear truth before because "intentionally or unintentionally, people have covered up" true situation to point that "truth will explode in soaring waves of hatred and resentment—which will not able be stopped—of terribly suffering race standing up to break chains that restrain them, to clean up that which foul, and to eradicate injustices which have been [*sic*] enveloped and oppressed them". Letter enumerates "true situation" in various fields.

2. Politics. Letter refers to "constitution made for sake of formality", "national assembly which always moves same direction", "counter-democratic elections", "continuous arrests" which have crowded prisons and jails as never before, and failure utilize sects which could serve as useful instruments in anti-Communist struggle. Letter then asks president to "liberalize regime, publish minimum civic rights, recognize opposition in order let people speak."

3. Administration. Letter cites large number civil servants in comparison small size of country, states GVN modeling itself on communism in seeking control country by political party and sowing distrust among various groups while real power and authority in hands "irresponsible 'family' man", and charges administrative machinery slowed down, initiative paralyzed. Letter calls for restoration of discipline; exercise of authority in accordance with responsibility; use of initiative, honesty, thrift as standards for promotion; getting rid of "one-party idea" and "family mind", and bringing to light corruption and abuse of power.

4. Military. Letter charges government has brought spirit of one party, "The movement" and "Can Lao" into military, causing distrust among military personnel and using loyalty to party and agreement with upper echelons as standard for promotion and warns recent Tay Ninh incident "only small warning of danger".

5. Economics and society. Letter, pointing out hardships of people, charges "sources of income in hands of group of speculators using party and group as screen conceal monopolies for their private interests", while at same time "tens of thousands" people forced work on agrovilles thus giving additional opportunity for enemy propaganda.

6. Letter concludes with statement that group "with no fear of consequences" wish to warn government and feel compelled themselves to take action in order awaken public opinion, achieve opposition and urge government quickly take action protect republican form of government and preserve future of country. (End summary.)

Embassy concerned . . . in view apparently continuing contact with Colegrove, may have sent letter to Colegrove indicating it given to and translated by Embassy as means embarrass US Government. It is recognized mere fact . . . frequently visits Embassy source potential embarrassment and opens way for him imply he speaking for or

with knowledge of Embassy on question which as Department aware extremely sensitive for GVN. However, on other hand, must recognize fact . . . US citizen and thus can't be prevented visit Embassy. Moreover to rebuff him would undoubtedly serve Colegrove purposes. On balance, therefore, believe Embassy should not turn . . . away but seek every occasion warn him emphatically of possible dangers and make clear to him US hands-off attitude, as has already been done by Army Attaché and EmbOff.

Since this letter is similar to many other such reports we receiving continuously and since we do not believe opposition group sufficiently effective to constitute danger GVN do not believe we should inform GVN at this time. Prior receipt this particular document I have given Diem similar type warnings which would permit me to tell him if story should break that we continually receive such reports which we ascribe basically to "Radio Catinat" sources, so did not pass on this information.

Durbrow

143. Telegram From the Ambassador in Vietnam (Durbrow) to the Department of State¹

Saigon, April 19, 1960—6 p.m.

2983. Refs: Saigon's 2446,² 2803³ and 2979.⁴ Seriously concerned over absence any response to reftels requesting action aimed at obtaining ACSI agreement for assignment to office ArmAtt about 10 personnel for anti-guerrilla training of Civil Guard.

Deterioration security situation SVN points up extremely urgent need for adequately trained forces to control Communist guerrilla elements. Increasing indication that VC terrorism is directed not only at village officials and rural cadres (which is resulting in growing malaise among GVN administrative apparatus) but also aimed at obtaining real control of rural areas which is same tactic Viet Minh employed against French. At same time VC carrying out attacks on in-

¹Source: Department of State, Central Files, 751K.5/4-1960. Secret; Limited Distribution.

²Document 105.

³In telegram 2803, March 29, Durbrow reported that Thuan was pushing for assignment of U.S. Special Forces instructors to Vietnam to train the Civil Guard and subsequently ARVN in anti-guerrilla combat. (Department of State, Central Files, 751K.5/3-2960)

⁴In telegram 2979, April 19, the Embassy summarized the MAAG outline plan for anti-guerrilla training of the ARVN. See enclosure to Document 139.

stallations and posts guarded by Civil Guard and on Civil Guard units and others to show their strength and boldness, and on plantations to disrupt favorable development Vietnamese economy.

Inability counter VC tactics because of lack of adequate training to include anti-guerrilla training poses serious morale problem within Civil Guard. Civil Guard should carry large share responsibility for meeting internal security threat. Civil Guard commando battalions totalling 1264 men recently formed for use in Kien Hoa province, but his effort may be impaired by exactly that kind of training which special forces personnel designed provide.

Again request Department take this matter up with DOD at earliest opportunity. Once decision reached on assignment special forces personnel to ARMATT, we are ready to move ahead on this project to meet essential need of Civil Guard.⁵

Should be noted this training separate and distinct from special forces training for ARVN discussed Saigon's 2979.

Durbrow

⁵In telegrams 1923 and 1925 to Saigon, both April 20, the Department responded as follows:

"Department and DOD working on this problem. Early solution anticipated." (Department of State, Central Files, 751K.5/4-2060)

"Ref: Preceding Deptel this subject [telegram 1923].

"Further exploration problem furnishing ten US Special Forces personnel for Civil Guard counter-guerrilla training confirms continued strong ACSI resistance to ArmAtt cover proposal. Furthermore feeling here view relatively low level proficiency Civil Guard is that Special Forces group this size could be expected have small impact and that attainment effective counter-guerrilla capability by Civil Guard apt be slower than in ARVN and Marines.

"View foregoing would appear Okinawa training recommended CINCPAC's 152221Z March [February—see Document 103] may warrant further consideration as immediate and most effective alternative. Would welcome your comments." (*Ibid.*)

144. Memorandum Prepared for the President¹

Washington, April 21, 1960.

SITUATION IN VIET-NAM

A marked intensification of subversive activities directed by the Communist regime in Hanoi has been the major recent development

¹Source: Department of State, Central Files, 751K.00/4-2160. Confidential. Drafted by Laurin B. Askew, Officer in Charge of Cambodia Affairs. Cleared by Usher,

Continued

of interest in the Republic of Viet-Nam. These activities include larger scale guerrilla attacks and increased terrorist assassinations. The more aggressive Communist tactics probably reflect primarily a reaction to the progress being achieved by the free Government of Viet-Nam under President Diem's vigorous leadership.

President Diem has become seriously concerned with the increased Communist activity and is giving urgent attention to a strengthening of internal security measures. At his request U.S. representatives are working closely with Vietnamese officials in the preparation of plans to strengthen the over-all efficiency of the government's counter-subversion effort, including plans to streamline the chain of command and to step up efforts to enlist the confidence and support of the Vietnamese civilian population. These plans may call for increased U.S. assistance in counter-guerrilla training and for certain specialized U.S. equipment to combat the particular tactics which the Communists have now adopted.

The International Supervisory and Control Commission (ICC), established under the 1954 Geneva Agreements to supervise the cease-fire in Vietnam and staffed by representatives of India, Canada and Poland, still declines to take action on requests from the Government of Viet-Nam to cite Communist subversion as a violation of the Geneva Agreements. The Polish representative on the ICC, supported to date by the Indian Chairman, maintains there is no evidence to prove this subversion is directed by the Communist regime in North Viet-Nam. The Indian representatives on the ICC, nevertheless, have in recent months begun to display a more cooperative attitude toward free world interests. They recently have taken the position with the Canadian representatives, that a proposed expansion of the U.S. Military Assistance Advisory Group in Viet-Nam would not be contrary to the Geneva Agreements.

Anderson of SEA, and Steeves and in substance by L/FE and Flesch. According to a covering memorandum from Calhoun to Goodpaster, Major John Eisenhower telephoned a request for this information to McElhiney of S/S on April 18. On the original memorandum in the Eisenhower Library, the President wrote that it was "prepared at my request" and initialed it. (Eisenhower Library, Whitman File, Dulles-Herter Series, Indochina)

145. Telegram From the Ambassador in Vietnam (Durbrow) to the Department of State¹

Saigon, April 22, 1960—1 p.m.

3013. Reference: Deptel 1924.² Lansdale so well known SEA would be practically impossible him come here without presence being known as happened with his visit a year ago.³ Radio Hanoi has already had field day on MAAG increase and presence Lansdale here would add grist to their theme Americans planning aggression. As far as I aware Lansdale is not expert anti-guerrilla activities. Furthermore, Emb has just been advised by three experts from Malaya on anti-guerrilla and psychological warfare tactics and we are trying get full teams of special forces and other experts. Therefore his request seems to be part of his groping in all directions to get "best advice" instead of taking appropriate action of means at his disposal to ameliorate situation. But if Diem should insist we might consider sending out on short TDY best US expert anti-guerrilla tactics who could be introduced without much chance detection. For above reasons question advisability Lansdale coming here.

Durbrow

¹Source: Department of State, Central Files, 751K.5811/4-2260. Secret; Limit Distribution.

²In telegram 1924, April 20, the Department informed the Embassy of the following:

"Vietnamese Counselor Lien called at Department 19th under instructions to say that President Diem desired Colonel Edward Lansdale visit Saigon briefly to discuss tactics for dealing with intensified Communist guerrilla activity. Lien was told Department would look into matter. (Lansdale had at least one relatively private conversation with Thuan during latter's recent visit here.)

"Would appreciate your comments." (*Ibid.*, 751K.5811/4-2060)

A report of the discussion with Lien is in a memorandum of conversation by Askew, April 19. (*Ibid.*, 751K.58/4-1960) No record of a conversation between Lansdale and Thuan has been found.

³Reference to Lansdale's visit to Vietnam as part of the Anderson Subcommittee of the Draper Committee on the U.S. Military Assistance Program. For a report of the work of the subcommittee, see Document 55.

146. Memorandum From the Secretary of Defense's Deputy Assistant for Special Operations (Lansdale) to the Secretary to the General Staff of the United States Army (Bonesteel)¹

Washington, April 25, 1960.

SUBJECT

"Third Country" Doctrine, Internal Security

There seems to be a growing tendency among some Americans to rely more and more upon the "third country" method of coping with internal security problems in nations receiving U.S. help. There can be a subtle sapping of the American character in this trend towards reliance upon others, when it means getting out of responsibilities we can and should shoulder ourselves.

Currently, I know that you and others in the Army have been as concerned as we about reports of plans to have British-Malayan advisors tell the Vietnamese how to run their counter-guerrilla operations against the Communist Viet-cong in the Fifth Military Region in Vietnam. There were curious gaps in some American reports from Saigon about this. I believe I now have more of the story, and pass it along to you because of the personal interest you have in the subject.

The following is the substance of what a reliable person in Saigon has told me:

During his visit to Malaya, President Diem was given a briefing on the counter-guerrilla operations there, but felt that the briefing officer was reluctant to talk freely. So, upon return to Vietnam, President Diem invited him to visit Saigon and discuss counter-guerrilla operations. Colonel Lee, a British officer, visited Saigon and gave a number of suggestions to the Vietnamese, including the establishment of jungle bases for operations.

Among themselves, the Vietnamese officers recalled that their own isolated Army and Civil Guard posts had been destroyed at will by the Viet-cong who had attacked each in superior strength. Also, the Vietnamese had been reticent in talking with Lee, recalling what they believe was a bad experience their officers had had at the Malayan Jungle School last year, which apparently had resulted in derogatory remarks about Vietnamese capabilities as field soldiers in contrast to other Asians.

¹Source: Washington National Records Center, OSD/ISA Files: FRC 64 A 2170, 092 Vietnam. Secret. Covering notes attached to the source text indicate that Lansdale sent a copy of this memorandum to Colonel Black who in turn passed it to Knight. Lansdale stated in his note of April 22 for Black: "Believe you will find the attached of interest—not only in light of proposals in Vietnam, but also the most recent ones in Laos. Time we gave further thought to this. Ed Lansdale." A note on the source text, the copy Lansdale sent Black, indicates that Knight noted this memorandum.

A British-Malayan team then visited Saigon, talked to a number of officials, and held meetings with senior Vietnamese military officers at ARVN headquarters. The plans and suggestions given are still being thought over.

The Vietnamese government is hesitant about adopting British-Malayan methods, such as grouping people into large villages as in Malaya and then declaring all people living outside these villages as outlaws. The Vietnamese government already is embarked upon building "garden cities" or "agrovilles" and giving isolated farmers plots of land in these new cities. While this Vietnamese program has been criticized by some, as having alienated the population by forcing them to build their new homes without being advised of the reason or that their new homes and land were the gift of the government, it is believed that the government has now seen the error of inadequate psychological preparation and will correct it. The basic plan appears to be admirable, with possible splendid long-range results. The "agroville" at Vi Thanh, which is in an "unsafe" zone and thus unvisited by most Americans, was impressive, with well laid-out plots, houses, schools, hospital, market place, business houses, and a small air strip.

In brief, the Vietnamese government believes that the situations in Malaya and in Vietnam are widely different. The Malaysians fought foreigners who were easily identified. Vietnam is fighting Vietnamese. Vietnam cannot afford great money expenditures such as were made in Malaya. The British and Malaysians have been fighting the Communists for 12 years and their task is still not finished. The Vietnamese believe they cannot afford such long, drawn-out operations (they are a bit dubious about the "two-year guarantee of completion" by the British-Malayan team), and that in Vietnam the job must be done faster and more decisively, due to the proximity of Communist forces in North Vietnam.

147. Paper Prepared by the Operations Coordinating Board¹

Washington, April 29, 1960.

OPERATIONS PLAN FOR VIETNAM

A. Objectives and General Policy Directives

Regional Objectives.

1. To prevent the countries of Southeast Asia from passing into or becoming economically dependent upon the Communist bloc; to persuade them that their best interests lie in greater cooperation and stronger affiliations with the rest of the Free World; and to assist them to develop toward stable, free, representative governments with the will and ability to resist communism from within and without, and thereby to contribute to the strengthening of the Free World.

Present Application to Viet-Nam.

2. The substantial nature of U.S. programs in Viet-Nam has helped to bring about progress in achieving U.S. regional objectives described in paragraph 1. However, there has been a substantial in-

¹Source: Department of State, OCB Files: Lot 62 D 430, Preliminary Notes IV. Secret. This plan was discussed at the OCB meeting of February 17, according to preliminary notes of the meeting by O'Connor, as follows:

"Messrs. Daniel Anderson, Richard Usher and Chalmers Wood of the Office of Southwest Asian Affairs were present for Board consideration of the Plan. Mr. Anderson spoke of the problems facing U.S. operations in Viet-Nam as a consequence of the provisions of the Geneva Agreements. The termination, by the end of 1960, of the U.S. Temporary Equipment Recovery Mission and our endeavors to obtain the tacit acquiescence of the International Control Mission (ICC) to an increase in MAAG strength in a current problem. The Board discussed the differing State-Defense views relating to U.S. cooperation with the ICC. Mr. Dulles (CIA) and Mr. Irwin (Defense) suggested compromise language. The Chairman, Mr. Gray, with the consent of the members, agreed to a revision which would indicate that should U.S. cooperation with the ICC result in significant and adverse effect on U.S. operations in Viet-Nam, the U.S. would immediately review the extent of its cooperation with the ICC. Revised language is to be approved by the Board Assistants. The Treasury representative raised suggestions which were also referred to the Board Assistants. A split with Treasury relating to the application of area policy guidance to specific countries is also to be resolved at a later time. Aside from these pending issues the Board concurred in the Plan for implementation by the responsible agencies." (*Ibid.*)

According to a covering note by Smith attached to the Outline Plan, the Board concurred on February 17 with this paper subject to resolution of differences between the Departments of State and Defense on a draft version of paragraph 21 and between the Departments of State and the Treasury on a draft version of paragraph 16. Because both draft versions of this OCB Outline Plan, February 5 and April 14, were destroyed, it is impossible to ascertain the exact nature of these differences. These differences were resolved by the Board of Assistants representatives of the three Departments. This plan superseded the previous plan for Vietnam, January 7, 1959, of which extracts are printed in Document 47.

crease in Communist guerrilla and terrorist activity which requires emphasis on measures designed to combat such activity. Viet-Nam has long been persuaded that its best interests lie, politically and economically, in cooperation and affiliation with the rest of the Free World. The government is essentially stable. In connection with the other objectives, our principal emphasis will be on encouraging and assisting Viet-Nam to preserve its political independence, on making the government more representative of the entire population, and on reducing its economic and military dependence on the United States.

General Guidance.

3. Assist and encourage Viet-Nam further to develop a strong, stable and constitutional government enjoying good international prestige which will appear in increasingly favorable contrast to North Viet-Nam. Support the government's position that simultaneous elections in both zones of Viet-Nam can only take place after it is satisfied that genuinely free elections can be held in both zones. Help weaken the Communists in North and South Viet-Nam to facilitate the eventual peaceful reunification of a free and independent Viet-Nam under anti-Communist leadership. Aid Viet-Nam in strengthening its armed forces, with due regard for the Armistice Agreement, so that Viet-Nam may assure its internal security and provide limited initial resistance to Viet Minh attack.

4. Encourage the Vietnamese to develop military defense plans consistent with U.S. plans and policy and with SEATO policy. Discreetly demonstrate in other ways U.S. interest in helping Viet-Nam defend itself against external aggression.

Vietnamese Leadership.

5. The U.S. has been closely associated with the leaders of Viet-Nam since the country gained its independence. With U.S. backing these leaders have given the country security, relative stability and increasing military and economic strength. Politically they have created a constitutional government with most powers in the hands of the President. There is some complaint about lack of democratic liberties among urban intellectuals and some responsible government officials. However, the regime appears well established among the people. President Diem is greatly respected for his honesty and dedication to his country's welfare. However, his brother and close collaborator, Nhu, is disliked and regarded with suspicion. They are attempting to create an official philosophy, called Personalism, designed to offset the local appeal of communism. Internationally and domestically they are strongly anti-Communist. They are intensely and realistically aware of the fact that as an inexperienced and relatively under-populated Asian country, their fertile rice land is very

desirable to the North Vietnamese and Chinese Communists. They oppose the reunification of Viet-Nam except on terms which would exclude the Communists. They favor the concept of regional cooperation, but have been involved in recent attempts to overthrow Prince Sihanouk of Cambodia.

Guidance.

6. As long as it is in the U.S. interest we should continue to support leaders who have successfully led their country to independence and with our aid have created a strongly anti-Communist country. Limited discreet contact should be maintained with potential leaders of the non-Communist opposition. We should be careful in giving the present leaders advice and criticism in order not to disturb a situation favorable to the free world. While it is in our interest to stimulate the growth of democracy in Viet-Nam and to encourage government practices which will increase the popular support of the present government, advice on these subjects should be offered discreetly to avoid injuring the sensibilities of a government proud of its new independence.

7. In view of the heavy dependence of the Vietnamese Government on U.S. aid and of Vietnamese sensitivity as a newly independent nation, we should express our views discreetly to that government with respect to possible abuses of U.S. aid. Critical public discussion of the Vietnamese aid program, indirectly involving the government of Viet-Nam, adversely affects U.S. interests in Viet-Nam. This is particularly true of public statements made in Viet-Nam.

Collective Security and the Communist Threat.

8. Viet-Nam faces a North Vietnamese army more than double in size and highly organized subversive units, backed by North Viet-Nam. The latter can move with little interference across the Cambodian border. During recent months there has been a substantial increase in Communist guerrilla and terrorist activity. The North Vietnamese military force is backed by Communist China. Viet-Nam voluntarily abides by the provisions of the Armistice Agreement which limits the amounts of training and logistic support which can be furnished by foreign countries. In this situation the United States could appear to the Vietnamese to be a remote source of protection to the average Vietnamese.

Guidance.

9. We should continue to assist the Vietnamese, through implementation of the military assistance program, to develop the combat capabilities of the Vietnamese armed forces to assure Viet-Nam's internal security and to provide limited initial resistance to North Viet-

namese attack. Our logistic support should conform with U.S. policy on the Armistice Agreement. We should keep the present Vietnamese armed force level under constant review in terms of the external menace and should seek to reduce the man-year costs of Vietnamese troops. We should provide adequate support to the Vietnamese military budget while working to reduce over-all military costs and to increase Vietnamese contributions to those military costs and to economic development.

10. We should encourage Vietnamese defense planning consistent with that of the U.S. and SEATO. We should encourage the attendance of Vietnamese observers at SEATO military exercises and Vietnamese participation in appropriate civilians aspects of SEATO. We should maintain U.S. advisors at Vietnamese armed forces schools and provide, as possible, for attendance of Vietnamese military at U.S. or U.S.-sponsored armed forces schools. Finally, in the event of communist aggression in the Southeast Asia treaty area, we should invoke the UN charter or the SEATO Treaty, or both, and, if requested by the Vietnamese Government, take the necessary action, military or otherwise: Provided that prior Congressional approval for military action has been obtained unless the President deems the emergency so great that immediate action is necessary to save interest of the United States.

Overseas Internal Security Program.

11. Viet-Nam is emerging from a period during which the Vietnamese communists controlled much of its territory. North Viet-Nam is still under communist control. Government control and administration over considerable areas of Viet-Nam is handicapped by poor transportation and communications and lack of trained administrators. Many sections are almost inaccessible. These problems are slowly being resolved. But as long as they exist Viet-Nam will be a target for communist Vietnamese subversion.

Guidance.

12. We should train the Vietnamese armed forces for their internal security role. We should train the Vietnamese Civil Police to maintain internal security as set forth in the present program. We should obtain clarification of lines of authority for internal security between the Vietnamese civil and military authorities and within the civilian services. We should encourage the maintenance by Viet-Nam of the Self Defense Corps. We should continue the translation of training materials dealing with internal security. As the situation improves, we should encourage the reduction of internal security forces.

Minorities.

13. Although 85 to 90 percent of the population of about 12.5 million are Vietnamese, there are three important minority groups: (a) the Chinese who strongly influence the economy, (b) the hill tribes (Montagnards) who live in the thinly populated mountains covering the western half of the country and bordering on the porous frontiers of Cambodia and Laos, and (c) the indigenous Cambodian minority south of Saigon who, while themselves politically inert, provide the pretext for annual Cambodian complaints at the UN. All these minorities are potentially susceptible to communist influence. The government's policy is to assimilate them in order to minimize any threat to the national sovereignty.

Guidance.

14. So long as the Viet-Nam Government's treatment of its minorities does not violate accepted standards of international justice or interfere seriously with U.S. programs, advice should be offered cautiously. The government might be encouraged to try to raise the living standards of the mountain tribes to facilitate their integration. The treatment of these minorities should be observed so that we may be aware of any undue discrimination which may become the subject of international attention.

Regional Cooperation.

15. In the long-run struggle for national survival Viet-Nam cannot stand alone in competition with communist bloc countries of Asia whose population is fifty times larger than its own. Even the U.S. at a distance of 12,000 miles cannot guarantee the safety of a small nation from every contingency of war, infiltration and economic pressure. Furthermore, U.S. aid to Viet-Nam is diminishing. Regional cooperation may provide a broader base for inspiring Vietnamese confidence in their country's future. Without regional strength Viet-Nam has less chance of preserving its independence from communism. Regional cooperation is difficult for a country newly independent and strongly nationalistic. Furthermore, Vietnamese leaders have considerable disdain or suspicion for the people and leaders of neighboring countries with whom it would be necessary to cooperate.

Guidance.

16. We should encourage Viet-Nam to cooperate with other Southeast Asian countries on a basis of mutual aid, and to support indigenous efforts to develop regional associations so long as they do not weaken SEATO or the spirit of resistance to communism. We

should seek to strengthen Vietnamese relations with Cambodia and to assist in improving Vietnamese relations with all other free Asian nations. We should encourage visits between high ranking officials of these nations and Viet-Nam, with particular attention to neutral countries. We should support and encourage Vietnamese participation in feasible regional projects such as the Mekong River Valley and the regional telecommunications projects.

17. We should encourage Vietnamese economic cooperation with Japan and the Republic of China with particular reference to the advantages of the Japanese reparations program for Viet-Nam and to contributions which Chinese technicians from Taiwan and Vietnamese businessmen of Chinese origin can make to the Vietnamese economy. We should encourage the United Nations Technical Assistance Board (UNTAB), the free world members of the Economic Commission for Asia and the Far East (ECAFE), and of the Colombo Plan to commence or to expand civilian technical assistance programs in Viet-Nam which are, to the maximum feasible extent, tied in with regional programs. U.S. aid programs should be planned, to the extent feasible, to stimulate appropriate further regional cooperation.

Communist Viet-Nam.

18. Compared to Viet-Nam, Communist North Viet-Nam (called the Democratic Republic of Viet-Nam) has the same population, and army over twice as large, more mineral resources, a greater industrial potential, and less arable land. Its population is industrious and its leadership determined. It receives considerable economic, military and technical assistance from the communist bloc, particularly from Communist China. When Asian leaders in the area begin to see clear evidence as to which zone of Viet-Nam is making the greater progress their views and policies may be affected.

Guidance.

19. We should continue to help Viet-Nam consolidate its military strength and build up its economic and political viability as quickly as possible. We should aid Viet-Nam's propaganda against the Communists, particularly by assisting in increasing broadcast facilities to North Viet-Nam. We should seek to increase Viet-Nam's international prestige and oppose all attempts of Communist North Viet-Nam to gain international recognition. We should maintain the export embargo on U.S. trade with North Viet-Nam.

The Geneva Agreements.

20. The United States is not a party to the 1954 Geneva Agreement on the cessation of hostilities in Viet-Nam but has undertaken to refrain from the threat or use of force to disturb it. Although de-

nying that it is bound by this agreement, Viet-Nam has agreed not to interfere with the enforcement of its terms. India supplies the chairman and Canada and Poland are the other members. The International Control Commission (ICC) makes an inefficient attempt to enforce the Geneva Agreements in Viet-Nam and in Communist Viet-Nam. The ICC has not exercised any real control over armistice violations and has been prone to criticize Viet-Nam for minor violations while ignoring flagrant violations by North Viet-Nam. One result has been to limit to some extent the military contribution which the United States makes to Viet-Nam in terms of training and matériel.

21. After repeated urging by the ICC, the Viet-Nam Government with U.S. concurrence, has agreed to the termination by the end of 1960 of the U.S. Temporary Equipment Recovery Mission (TERM), which actually performs as a component of the MAAG. The U.S. is endeavoring through friendly members of the ICC (Canadian and Indian) and the British Government (Co-chairman of the Geneva Conference) to obtain the ICC's tacit acquiescence to an increase in MAAG strength. The objective of this approach is to provide sufficient MAAG strength to assure adequate training of the Vietnamese military forces and to compensate approximately for the withdrawal of TERM personnel. The value of the ICC is that its presence as an international body may have inhibited overt communist attempts to take over Viet-Nam. As the balance of power between the two zones of Viet-Nam solidifies, this inhibiting influence is probably of decreasing value. However, an overt attempt to end the ICC would subject the U.S. and Viet-Nam to considerable criticism, and at this time, there is no compelling reason to bring about its termination.

Guidance.

22. For the present the U.S. should cooperate and urge the Vietnamese Government to cooperate with the ICC. Should cooperation with the ICC significantly inhibit U.S. efforts to develop an effective defensive capability on the part of Vietnamese military forces, the nature and extent of such cooperation should be reviewed. The question of whether it is in the interests of the U.S. and of Viet-Nam for the ICC to continue should be reviewed periodically.

The Role of France, the UK and Australia in Viet-Nam.

23. Vietnamese rubber exports, mostly grown and handled by French planters, provide two-thirds of the value of Vietnamese exports. French cultural, economic and technical assistance are helpful. At the same time Vietnamese suspicions of French motives still exist. French sensibilities about American purposes in Viet-Nam are also evident. The UK and Australia provide less aid than the U.S., but as friends of Viet-Nam and of the U.S., and because they are less

deeply involved in the tensions of providing and receiving aid, the Chiefs of their Diplomatic Missions are often able to be helped in our relations with President Diem.

Guidance.

24. U.S. officials should work as closely as possible with the representatives of France, the UK and Australia in Viet-Nam without exciting Vietnamese suspicions.

Economic Development.

25. The Vietnamese Government cannot support an adequate military establishment and provide sufficient prospects of economic progress to avoid political instability without receiving large amounts of economic aid for the foreseeable future. Assistance received from other countries, international agencies and private charitable organizations is helpful, but if U.S. aid were withdrawn, these other sources would be entirely inadequate. Viet-Nam has not reached a stage where large external loan programs appear feasible. The country will continue to need grant assistance in developing roads, canals, irrigation, higher education and agricultural production. The government has not yet produced a useful economic development program and this will probably not be possible until there has been a serious analysis of the country's economy.

Guidance.

26. As it is in the U.S. interest to make it possible for Viet-Nam to maintain its independence and anti-communist alignment, considerable amounts of economic aid including assistance from the Development Loan Fund should continue to be planned along the following lines:

a. We should provide flexible economic and technical assistance as necessary to attain U.S. objectives.

b. A survey of the Vietnamese economy should be made as promptly as possible which would enable the Vietnamese Government to formulate a sound economic development program which ensure the most effective use of available resources, including U.S. and other external aid.

c. We should encourage the Government of Viet-Nam to improve its budgetary and fiscal administration and increase its tax revenues.

d. We should encourage United Nations agencies, other Colombo Plan countries, and other friendly countries to contribute available resources to promote the economic growth of Viet-Nam.

e. We should encourage Viet-Nam to continue to orient its economy in the direction of the free world and to continue to rely primarily on non-communist markets and sources of supply for trade, technicians, capital development, and atomic development.

f. In carrying out programs involving disposal of U.S. agricultural surpluses abroad, we should:

- (1) Give particular attention to the economic vulnerabilities of Viet-Nam and avoid, to the maximum extent practicable, detracting from its ability to market its own exportable produce.
- (2) Give particular emphasis to the use of Viet-Nam's resources to promote multilateral trade and economic development.

U.S. Private Investment and Trade.

27. The desirability of U.S. private investment assuming an expanded role and, where feasible, replacing U.S. public assistance abroad, is U.S. policy.

Guidance.

28. We should encourage measures to improve the climate for private investment, both domestic and foreign, and to assist U.S. private capital in investing in the area.

29. We should intensify efforts to promote U.S. exports to Viet-Nam:

a. Import procedures under the ICA-financed commercial import program should be continuously reviewed and modified, where necessary, to insure that U.S. traders have full opportunity to compete for sales in the Vietnamese market.

b. We should actively seek, when appropriate, to insure non-discriminatory allocation of foreign exchange for dollar imports financed from Vietnamese-held resources.

c. Trade promotion activities generally should be more vigorously pursued, including the encouragement and facilitation of trade contacts between U.S. and Vietnamese traders, publicizing trading opportunities in Viet-Nam, and promoting increased familiarity with American products.

Informational and Cultural.

30. In our relations with Viet-Nam we face the usual problems of a large donor country and a small, proud recipient country. This is complicated by profound historical, linguistic and cultural differences and by vast mutual ignorance. The good will generated by our helping Viet-Nam achieve and maintain its independence has lasted five years, but must be expected to diminish especially if Vietnamese leaders feel the aid program is being cut too rapidly to permit them to meet their country's problems.

Guidance.

31. Advice, suggestions and criticism should be given privately at a high level. We should continue our language and area training

programs. We should continue to emphasize the orientation program for all Americans assigned to Viet-Nam. We should strengthen informational, cultural and educational activities to foster increased understanding of the culture and policies of the United States and to expose communist aims and techniques. We should provide appropriate information and public relations support for U.S. policies and programs relating to Viet-Nam. We should encourage U.S. training and orientation visits for potential Vietnamese leaders. We should maintain contact with potential leaders after they return to Viet-Nam. We should facilitate contacts between private individuals and organizations having similar interests in Viet-Nam and the United States.

Attitudes Toward U.S. Personnel Overseas.

32. The acceptance by the people and government of Viet-Nam of the presence on their soil of official U.S. personnel directly affects our capability to achieve our national security objectives. To this end, programs should be developed and improved to encourage and strengthen the natural inclination of the individual American to be a good representative of his country and to promote conduct and attitudes conducive to good will and mutual understanding. In this connection, the OCB has developed two comprehensive documents which contain recommendations for action and serve as guidance for senior U.S. representatives overseas:

- a. "United States Employees Overseas" (April 1958)² and
- b. "Report on U.S. Personnel Overseas" (July 1959), including a Statement of National Policy and a Presidential Letter and also a reprint of the Conclusions and Recommendations of the 1958 report.³

Guidance.

33. Insure that U.S. official personnel and their dependents are aware of the importance to the United States of their role as personal ambassadors.

34. Develop and strengthen activities that promote good personal relations between foreign nationals and U.S. personnel.

35. Develop and strengthen activities aimed at maintaining respect for local laws and customs and a high standard of personal conduct by U.S. personnel.

36. Hold the number of U.S. official personnel in Viet-Nam to a strict minimum consistent with sound implementation of essential programs.

²Not printed. (Department of State, OCB Files: Lot 62 D 430, Overseas Personnel Vol. I-III)

³Not printed. (*Ibid.*)

Note: NIE Applicable to Viet-Nam: NIE 63-59, Prospects for North and South Viet-Nam, May 26, 1959.⁴

[Here follows Annex A: "Arrangements or Agreements with the United States."]

Annex B-1

DEFENSE DEPARTMENT PROGRAM SUMMARY

Viet-Nam

53. The Military Assistance Program in Viet-Nam is designed to improve the effectiveness of Vietnamese forces eligible for MAP support by providing materiel, equipment, some spare parts and maintenance, training and ancillary costs. (Cumulative and current MAP financing, along with explanatory notes, are shown in the Financial Annex of this Plan.⁵)

54. Past programs have provided aircraft and related equipment; ships and harbor craft, tanks, vehicles and weapons; ammunition; electronics and communications equipment, military construction and training.

55. The combat effectiveness of the Vietnamese Armed Forces has improved materially during the past year. MAP arms and training have produced an armed force considered as effective as that of any free world power in Southeast Asia.

56. The FY 1960 program provides training to maintain the current effectiveness and improvement of the Army, one patrol craft and the overhaul of ten (10) small craft, twenty-five AD4's as replacements for F8F aircraft and maintenance and training assistance.

57. For FY 1961, Defense has proposed to State a MAP totalling \$49.3 million. The proposed ground forces program includes tactical communications equipment, vehicles and trailers, personnel equipment and war reserve ammunition. Other major items in the FY 1961 program include 3 small ships, 8 landing craft, shop and utilities equipment for the naval shipyard, and construction for air field facilities. In addition, the program includes training, spare parts, and other matériel.

58. In addition to the training conducted in Viet-Nam, 3,644 Vietnamese military personnel have received training in the U.S. up through FY 1959. An additional 726 were trained in third countries

⁴For an extract, see Document 76.

⁵Attached, but not printed.

or at U.S. facilities overseas. The FY 1960 program provides for the training of 1,375 Vietnamese military personnel in the U.S. and 226 in third countries. The proposed FY 1961 program provides for the training of 888 Vietnamese military personnel in the U.S. and 308 at U.S. facilities overseas.

[Here follow Annex B-2, "ICA Program Summary"; Annex B-3, "State Department Program Summary"; and Annex B-4, "USIA Program Summary".]

Annex C

Central Intelligence Précis

February 9, 1960.

SINO-SOVIET BLOC ACTIVITY IN SOUTH VIET-NAM

Political

79. Bloc countries refuse to recognize South Viet-Nam as a sovereign political entity, but neither Moscow nor Peiping has agitated vigorously against South Viet-Nam in the international arena during the reporting period. Peiping has concerned itself but little with South Viet-Nam except to support North Viet-Nam's propaganda line of the moment; it usually attacks both Diem and the U.S. as preparing a new war in Indochina. Khrushchev, in his major foreign policy review in October, completely ignored Viet-Nam, which he apparently did not regard as important enough to discuss.

80. North Vietnamese spokesmen, however, have once again been re-emphasizing the reunification themes in recent weeks. Speaking for the government, Premier Pham Van Dong, in his December address to the National Assembly, reiterated his policy of pressing for peaceful reunification through negotiation, arguing that relaxation of international tensions has improved the atmosphere. This government line contrasted with the party line toward South Viet-Nam laid out by party leader Truong Chinh, who urged that the "people's democratic revolution" be carried on "directly" in the South to eliminate American influence there and defend "socialist construction" in the North. The party's political directive to the South is "to liberate the South and to defend the North."

Diplomatic

81. None. The USSR vetoes South Viet-Nam's attempts to gain admission to the United Nations, demanding concurrent admission of North Viet-Nam.

Economic

82. Trade is limited to a small amount of cross-border smuggling.

Information-Propaganda

83. Bloc broadcasting in Vietnamese increased to a total of over 46 hours weekly by mid-1959 from 38.5 hours weekly at the end of 1958. The South Vietnamese Communists (Viet Cong) carry on intensive local propaganda activity directed at civilians and members of the security forces, especially in rural areas.

Subversive

84. Communist subversion and dissident activity—South Viet-Nam's major security problem—seems to be shifting from isolated acts of terrorism to larger scale guerrilla warfare. In late January several hundred Communists launched several attacks, the boldest being against a regimental headquarters near Tay Ninh, 50 miles northwest of Saigon. According to South Vietnamese security officials, recently captured agents and documents disclosed Communist plans to step up terrorist activity this year in the troubled southwestern provinces in an effort to disrupt communications and government economic efforts, thereby eliminating Saigon's control over the area except for major towns. The Communists have also attempted, with some success, to infiltrate the army and government agencies. Their persistence in the face of extensive government anti-dissident campaigning results from the extreme isolation of their bases of operations, their use of the Cambodian border area as a safe haven, and continuing personnel and material support from North Viet-Nam. The Viet Cong do not present a major military threat to the Diem Government at this time.

South Vietnamese Reaction

85. The Diem Government is rigidly anti-Communist in its foreign policy orientation. It has avoided North Viet-Nam's efforts to 'regularize' relations by interposing conditions it is sure will be unacceptable, but Diem has taken care to avoid the appearance of accepting Viet-Nam's division as permanent. Diem has considerably improved the army's unity and its effectiveness, but he feels that the recent Tay Ninh attack has seriously hurt the army's prestige and he

may make changes in the field command structure. The government reportedly is increasingly inclined to stress counter-guerrilla tactics in army training, which heretofore has been largely along conventional lines.

The Outlook

86. The North will probably continue to press South Viet-Nam for normalization of relations, hoping thereby to exploit any popular pressures for relaxation of tensions, to embarrass the Diem Government internationally, and to persuade Asian neutrals that North Vietnamese intentions are peaceful. Although South Viet-Nam may agree to very limited discussions with the North, it is not likely to enter into broader discussions—whether or not held under ICC auspices—or to agree to establish regular contacts with the North on any scale. President Diem will probably step up military action against the dissidents in the wake of the Tay Ninh attack, for erosion of public confidence in his government and dislocation of the economy by Communist activity would have serious implications for long-range internal stability.

[Here follows a financial annex.]

148. **Letter From the Secretary of Defense's Deputy Assistant for Special Operations (Lansdale) to the Chief of the Military Assistance Advisory Group in Vietnam (Williams)**¹

Washington, April 30, 1960.

DEAR GEN. WILLIAMS: As Jerry O'Donnell probably has told you, there has been some real scrapping done in your corner in Washington—although some of these Defense folks are not aware of some of the dirtier aspects of the game.

Between the two of us, Diem recently asked for me via his Washington Ambassador who passed the request to State. Durbrow and Felt were asked how they felt about this. Both got the jitters, so I presume State will say no to Diem. I suggested that your opinion be solicited, but without effect. If you think it worthwhile, Diem might go over the heads of the bureaucrats directly to his friend Eisenhower—one boss to another. Neither Secretary of State nor De-

¹Source: Center of Military History, Williams Papers, Lansdale 1960 (136). The source text is handwritten.

fense have been told of the request. I'm damn tired and worn out, thus not seeking, but if Diem really wants me, I'll come—if you feel I can help.

Your fine information has been of terrific value in the Washington in-fighting. You were set-up to be the dumb military blunderer and Diem the next Syngman Rhee.8.8.8.8Anyhow, your help permitted a blow to be “struck for liberty”!

Warmest & best, as always,

Ed

149. Letter From Professor Wesley R. Fishel of Michigan State University to the President of the Republic of Vietnam (Diem)¹

[?], April 30, 1960.

MR. PRESIDENT AND VERY DEAR FRIEND: Although I feel sure that Mr. Ladejinsky, Ambassador Chuong, and others have kept you informed in general of what I have written and said over the past several months, I believe it is time that I wrote you again directly. My last letter to you was written more than six weeks ago; I apologize for not writing to you more frequently.

Recently I had the pleasant opportunity to meet with Nguyen Dinh Thuan and Vu Van Thai while they were in Washington and New York. As you know, their visit was quite successful, due in large measure to their superb ability to explain the situation in Vietnam persuasively to significant audiences in both Government and business circles. I was present at some of their sessions, and had occasion to speak with others who were involved in the meetings I did not attend. I can report to you that all who met and talked with them were impressed by the urgency of your cause. At the same time, I would not, were I you, look for immediate results of major importance. Rather, it is safe to say that *had they not made this visit* to the United States, certain *unfavorable* things might have occurred with respect to our policy vis-à-vis Vietnam.

The truth of the matter is that a great deal of uneasiness with respect to Vietnam exists today in official and business circles. There are four major elements which contribute to this attitude, and I outline them for you herewith:

¹Source: Michigan State University Archives, Fishel Papers, 1960–1961—Letters to Diem. Personal and Confidential (not a U.S. Government classification).

1. *Weakness of leadership:* there is much criticism of the failure of your Ministers and of civil servants generally to accept responsibility and to act on their own initiative—which, you will certainly remember, is something you and I have discussed countless times over the years. With only a handful of exceptions your Ministers are regarded as sycophants—courtiers who regard their jobs as too important to them for them to chance your anger should they act boldly, make a mistake, and have to account to you for it. Again, this is a problem you and I have often pondered. Its solution lies in the hearts and minds of the men involved, and in yourself as well. Certainly the fact that Vice President Tho, Secretary of State Thuan, Vu Van Thai, and a few others who are also men of courage are counted among your aides is evidence that you subscribe to the principle that a strong leader likes strong aides. I will add, in the utmost candour as always, that ranking officials and business leaders in the United States who are interested in your welfare and in the future of your people and your country, have paid close attention to the nature of your Ministers and other senior officials. Indeed, much of the support you continue to receive from such men as Senator Mansfield, Senator Fulbright, and other members of Congress, or from present or potential investors of significance, results from their assessment of the strength of the character, honesty, integrity, and ability of such men as those whom I have named above. Similarly, indications of dishonesty, corruption, graft, and other self-seeking activity on the part of certain other persons are scrutinized soberly and painstakingly, by these same men. I cannot stress this fact too strongly. I wish I were with you in Saigon at this moment so that I might discuss it with you more frankly, for it is dangerous to spell out these matters in a letter.

2. *Slowing of democratic development:* you know from reading my recent articles that I understand fairly well the situation in your country and the reasons that you have adopted the policies of your regime. It must be said, however, that my interpretations of developments and policies in Vietnam are not always shared by other experts here. Naturally, they do not know you or your philosophies as I do, and they tend to be more skeptical of your motivation and of your sincerity of purpose. At the recent meetings of the Association for Asian Studies (the organization which you addressed in Cleveland in 1953), I was questioned sharply about the "dictatorship" in Vietnam. The events of this past week in Korea have brought Vietnam more sharply into the public picture, and one must expect reflected activity as a consequence of the Korean revolution. I presume you are prepared for such occurrences. One can only guess at the form they will take—Communist propaganda stressing the authoritarian character of your government and crying for "democratic re-

forms", or perhaps other, non-Communist, political activity, as by some of the "intellectuals" in the opposition in Saigon, taking advantage of worldwide interest in Korea to call attention of the international press, for example, to the situation in Vietnam. Again, one can only guess, but it would seem safe to predict that some action will occur soon. (See also my remarks about your Ambassador, below.)

3. *The security situation:* I have been carefully questioned by my friends in Washington concerning the "deterioration" in internal security in Vietnam. Among other things which I have been asked are the following: Is the security crisis genuine? Or is it faked because you want more American aid (much as the French were accustomed to stage a "crisis" just as the U.S. Congress was about to pass on Mutual Security aid to France/Indochina between 1950 and 1954)? If the crisis is indeed genuine, does it indicate that your regime is failing? That it is disintegrating? That popular support for your government is declining? That the Communists are more active? And so on²

In this connection, M. Bernard Fall is preparing a sharply critical article on Vietnam. In New York the other day he boasted publicly that when he wrote about the deterioration of security in *The Nation*³ magazine some two years ago—and I had contradicted his interpretations and his facts at that time—he had been right and I had been wrong! Now he intends to prove that your government is about to fall; that the people oppose you; that corruption is rife in your regime; that your "government en famille" is destroying all possibility of democratic growth in Vietnam; that his map of terrorist activity in Vietnam (which he published in *Pacific Affairs*⁴ in 1957 was correct; and that, furthermore, *he has once more secured from Confidential French files similar evidence of terrorist activity in Vietnam today, which he now plans to publish.*

It is a matter of some pain to us who are your *friends* that your *enemies* are better able to secure detailed information about what is happening in your country than we are! Last summer, you may recall, I presented you with a list of questions concerning security and asked you for answers to them so that I might prepare a serious, authoritative article on that subject which—I felt—might convince officials and scholars in the Free World that you continue to fight a war against the Communists even today, and that you deserve to be supported. Certainly, we know this to be true, but one must have *detailed* evidence to convince skeptics who now believe (a) that ac-

²Ellipsis in the source text.

³Bernard B. Fall, "Will South Vietnam Be Next?", *The Nation*, May 31, 1958, pp. 489-493.

⁴Fall, "South Vietnam's Internal Problems", *Pacific Affairs* (vol. 31, no. 3), September 1958, pp. 241-260.

counts of terrorist attacks in Vietnam are fabricated, or (b) that if they are true they indicate a weakening of your government's power, rather than an intensification of subversive activity by the Viet Cong. May I once more, speaking for myself personally, as well as for your other friends with whom I have discussed this matter: Col. Lansdale, Sen. Mansfield, Mr. Cherne,⁵ *et al.*, request that you be kind enough to ask Mr. Hai to send me answers to the questions I asked, so that this question may be dealt with once and for all? Otherwise you must continue to expect articles such as that which appeared in the *New York World Telegram* (by Mr. Colegrove) the other day, and those which *Time* magazine has published in recent weeks. You may also be interested to know that M. Fall is in contact with Joseph Alsop, with whose writings you are quite familiar.

4. *Administrative reform and reorganization*: it is well known that you embarked some years ago on a program of administrative reform and reorganization. Ordinance 57-A, for instance, has often been cited as a measure of importance; the elimination of the *delegates* as officials of real power is also mentioned as a helpful step; the training of large numbers of civil servants has been acclaimed. At the same time, I reminded frequently that much confusion of authority is apparent as one looks at Vietnamese administration today. It is pointed out that when a terrorist attack occurs, there is often a fatal delay in responding to it while it is decided whether the *garde civile*, the *dan ve*, the *sûreté*, or the *army* has responsibility for meeting the challenge. It is even charged that in some cases two or even three of your security agencies will attempt to take charge simultaneously. The insinuation of a political element in this picture (the Can Lao Nhan Vi) is said to cloud the situation considerably. (Since I am here in the United States, and not in Vietnam, I cannot evaluate these charges accurately myself, but I can tell you that whether it is true or not, it is commonly believed in very responsible quarters.) There is also considerable criticism in the State Department, for instance, of the continuing failure of provincial chiefs, district chiefs, and so on, to get close to the population; there is also much criticism of your seeming reliance on "repression" in trying to solve the problems of government in the field. (In particular, the reputedly "brutal" activities of the Vietnamese marines have been severely criticized.)

In addition to the four elements I have outlined for you above, I feel that I must speak to you frankly at this time about some other matters as well. (You have asked me to be honest with you at all times; I hope you will accept the remarks which follow, with this fact in mind.) You have known for a long time my evaluation of the loyalty you do or do not receive from your Ambassador in Washing-

⁵Leo Cherne was active in the American Friends of Vietnam.

ton. In July of 1954 you sent me a long letter commending M. Tran Van Chuong to me as one of your "loyal friends." I have tried to consider him in this light since that time. But it has become increasingly difficult for me to do so. I cannot refrain from saying that we in this country do not consider him among the "friends of Vietnam" living in the United States. His ambitions for higher office continue to plague him and his wife. And his unhappiness with the Agrarian Reform in Vietnam he has made known publicly on several occasions—the most recent being a reception given by Mr. Buttinger⁶ for Gen. O'Daniel⁷ on the occasion of the publication of his story about Vietnam, written for American youth (see the review I have attached for an indication of how this book is being received). On this occasion he spoke—eloquently as always—to try to convince his audience (American publishers, businessmen, etc., and Vietnamese resident in New York City) that the Agrarian Reform in Vietnam was a terrible mistake; that landlords like himself have been badly treated, and so on. (If you wish, I believe I can secure a tape recording of his speech, made by the Voice of America for rebroadcast to the world. Please let me know if you want the recording.)

One member of Ambassador Chuong's staff, M. Nguyen Phu Duc,⁸ has succeeded in alienating the friendship and support for your government of some important Americans. Furthermore, your Ambassador has virtually succeeded in destroying the organization of your friends in America, of which, as you know, I am an active member.⁹ It is extremely difficult for us to understand why you continue to sanction this activity.

[Here follows discussion of personal matters and private business transactions.]

Finally, may I express my deep disappointment that M. Thuan was not authorized to extend and enlarge the Harold Oram¹⁰ contract while he was here? You will probably remember that I was very dubious about this firm when Mr. Cherne first proposed them to you in 1954. I wish to tell you very frankly that I have come to know them very well since that time. Furthermore, I have made careful inquiries about them (and other companies in the public relations business). As I wrote to Mr. Ladejinsky on this subject more than six

⁶Joseph Buttinger, a scholar of Vietnam.

⁷Lieutenant General John Wilson O'Daniel was Chief of the Military Assistance Advisory Group in Vietnam from the winter of 1954 to the fall of 1956, and became Chairman of the Executive Committee of the American Friends of Vietnam in 1957 after his retirement from the Army.

⁸First Secretary of Embassy.

⁹The American Friends of Vietnam.

¹⁰Harold Oram, Inc., had a public relations contract with the Republic of Vietnam.

months ago, I consider Mr. Oram, Mr. Jonas,¹¹ and their associates to be among the most dedicated, honest, and capable experts in their field. You may know that they accept only contracts with which they are philosophically in sympathy. Furthermore, their fees are commonly regarded by their competitors as far lower than "necessary". Which is to say that they are indeed honest, and this is something which cannot be said about most of their competitors. Perhaps you have seen the enclosed holiday greeting they sent out in December. If not, it will interest you to note who are numbered among their clients. I may add that they also handled the Democratic Party campaigns in 1952 and 1956 (that is, the campaigns of Adlai Stevenson for President), even though this activity was without financial profit to them. Here again it is hard for us to understand why there has been so long a delay in authorizing them to go ahead as they have asked. Mr. Thuan and I discussed this while he was here, and I know that he understands—or should understand—the problems that exist in their relationship with Ambassador Chuong and M. Duc, to say nothing of Mme. Chuong. The latest episode of which I can inform you (since Mr. Oram will never say anything about it to you) is that your Ambassador has asked them (over the telephone, rather than in writing) to say nothing about either security or the agricultural situation in Vietnam, even though our newspapers are filled now with one article after another on these subjects, and it would seem very important for your government to have its views presented properly by your public relations counsel!

I fear that much of what I have written to you will seem bitter as you read it. If this is so, I hope you will understand that my candour in writing these things to you is motivated by the depth and sincerity of my friendship for you, and my profound belief in what you are trying to accomplish in Vietnam. I would not be a true friend if I masked my true thoughts and reactions behind soft and camouflaging language.

Warmest regards.
Faithfully yours,

Wesley R. Fishel¹²
Professor of Political Science

¹¹Gilbert Jonas, a member of Harold Oram, Inc., and of the Executive Committee of the American Friends of Vietnam.

¹²Printed from a carbon copy which bears this typed signature.

[Postscript]

May 2, 1960.

MR. PRESIDENT AND VERY DEAR FRIEND: Before I could post the letter which I wrote to you last Saturday, I received phone calls from friends in New York and Washington alerting me to a petition sent to you by "eighteen prominent political personalities, including several former cabinet ministers." I therefore did not mail my letter, pending receipt of the text of Tillman Durdin's article¹⁴ on this subject, plus the reports from NBC, AP, UPI, Reuters, and USIS. None of these reports is very illuminating, but from the names and text that have come to me thus far it is obvious which group is behind this move.

I remember vividly your remarks on several occasions, and as recently as last August, on the failure of Vietnamese intellectuals to understand the nature of the struggle with Communism, and especially the security problem. The petition to which I have referred above is exemplary of that which we discussed on those earlier occasions. However, it has already received very wide coverage in this country, and I have been asked to comment on its significance to two radio and one television audience since yesterday morning! Coming as it does on the heels of the articles in *Time*, etc., it has attracted much attention, and the fact that Mr. Durdin has written about it, and the *New York Times* has given it prominent space on Page 1, has brought it to the attention of millions of persons who otherwise might have overlooked it.

In addition, there is an article in the new (May 2) issue of *US News and World Report* on the security problem, which will focus more public interest on your country and its problems. This last article, however, will help rather than harm.

On re-reading my letter of April 30 I feel somewhat uncomfortably like a fortune-teller or prophet (see page 2) now that "something" has actually occurred, along the lines of my prediction. Unfortunately, the writers of this petition have very cleverly chosen an unusually appropriate moment for launching their missile, and a reliable and highly regarded journalist as the means of conveying news of it to the outside world. Consequently it cannot simply be ignored. However, it can be dealt with, it seems to me, by discrediting its authors by presenting to the world their records of past collaboration with the French and with Bao Dai, and so on. Dr. Chuong's escapade of Autumn 1954, when he deserted to the Cao Dai, might also be worth bringing to light at this time. If you would be kind enough to

¹⁴The *New York Times*, May 1, 1960, p. 1.

have Mr. Hai send me by air mail short biographies of the 18 authors, I will see what can be done. Beyond this act of exposing the iniquities of the petitioners, it also will be useful to emphasize once more the desperate security situation in which your government is now working. I therefore repeat once more my request for the necessary detailed information. Although the petitioners will have much support for their seemingly innocent plea for permission to organize a "responsible opposition party", among thinking people in this country, your immediate answer, it seems to me, lies in promising such "reforms" after the security situation has been cleared up satisfactorily.

Faithfully yours,¹⁵

¹⁵There is no signature to the postscript.

150. Telegram From the Ambassador in Vietnam (Durbrow) to the Department of State¹

Saigon, May 3, 1960—6 p.m.

3095. As Department aware . . . Sam Sary has just returned to Vietnam although Phnom Penh's . . . suggests Sam Sary and Son Ngoc Thanh now Japan, and as reported by FBIS 28 April Free Khmer Radio went on air again 28th, 30th and May 1 (presumably with Vietnamese backing). Furthermore, based on talks I had Bangkok it appears quite certain GVN, probably Nhu, definitely backed and may have instigated RTG plan for raid by 100 "Free Khmers" into Cambodia at Pailin . . . and it seems quite certain GVN furnished 100 French weapons and grenades on special flight from Saigon March 18 for this raid. These actions coupled with March 9 note re Gulf Thailand islands, and despatch two PC's and re-enforced Marine platoon in April as show of force against Cambodians despite assurances given me (Embassy telegram 2809²) GVN would

¹Source: Department of State, Central Files, 751K.00/5-360. Secret; Priority; Limited Distribution. Repeated for information to Bangkok, Phnom Penh, Vientiane, and CINCPAC PolAd.

²Documentation on U.S. efforts to improve Vietnamese-Cambodian relations is scheduled for publication in a separate volume of *Foreign Relations*. Telegram 2809 from Saigon, March 30, contains a report of a conversation among Vietnamese Foreign Secretary Mau, Ambassador Durbrow, and Under Secretaries Hare and Henderson (who were visiting Saigon). During this discussion, the Americans extracted from Mau admissions that the Vietnamese note of March 9 to Cambodia claiming disputed islands

Continued

not use force in connection with islands, are all matters of deep concern which in my estimation justify our taking positive action in effort force GVN desist from taking such irresponsible actions which in ordinary circumstances could cause further serious deterioration free world position SEA, but are particularly irresponsible in view Chou En-lai's probable visit Phnom Penh³ near future which I mentioned to Mau in connection with despatch gunboats to islands.

Apart from these provocative external acts I have no reason believe Diem will take corrective action curtail or stop Can Lao party corrupt practices, although we do have some evidence Diem is endeavoring to curtail arbitrary actions by province officials which have been causing more and more internal dissatisfaction with Diem regime (Embassy despatches 345⁴ and 371⁵).

It seems crystal clear to me that all these unfavorable developments and actions are basically due to machinations of Diem's brother Nhu and his henchmen. In this connection if reports we have received are true that Diem because of Nhu's "explanations" does not believe reports he received from us and others, we must in his and our interests use somewhat drastic means to bring him to his senses.

We have tried unsuccessfully to open his eyes by various means such as frank talks about Dap Chuon affair, Free Khmer Radio, urging him send Tho delegation to Phnom Penh, warnings re Can Lao activities in connection with Cassia under-invoicing, telling him we have firm information about other corrupt Can Lao practice (which I also discussed in some detail with Nhu last July), making it clear we disapproved GVN actions re islands, telling him of firm re-

in the Gulf of Thailand was merely in anticipation of the upcoming Law of the Sea Conference and that Vietnam would not use force to regain the islands. (*Ibid.*, 751K.022/3-3060)

³Documentation on American concern with and response to the trip to Cambodia by Chou En-lai and Marshal Chen Yi, May 5-9, is scheduled for publication in a forthcoming volume of *Foreign Relations*.

⁴See footnote 5, Document 131.

⁵In despatch 371 from Saigon, April 28, Durbrow summarized and sent a memorandum of conversation of a discussion with Thuan on April 21. The summary reads as follows:

"I called on Mr. Nguyen Dinh Thuan, Secretary of State for the Presidency of Viet-Nam, April 21 at his request. It was obvious that Thuan asked me to call particularly to receive my version of the conversation I had with Diem on April 6 regarding Can Lao Party activities (despatch 345 of April 13). Since I made no reference to this matter in the early part of the conversation, Thuan finally brought up the question himself. I gave him the essence of what I had told the President. Thuan listened most patiently, showed no offense and, as indicated in the attached memorandum of conversation, did not try to give 'explanations' as did Diem, except for his explanation of the Hiep Hao sugar refinery case.

"I told Thuan that it would be helpful if some very dramatic means, such as the dismissal of important personages who had been involved in unsavory or illegal activities, were found to quash rumors of Can Lao activity." (Department of State, Central Files, 751K.00/4-2860)

ports on discontent among population, etc. Instead of paying attention to this friendly advice and concentrating all their efforts to solve the very serious basic problem facing GVN—increased Communist-terrorist acts—Diem and/or Nhu are on contrary jeopardizing their anti-Viet Cong efforts by provocative moves against Cambodia such as reviving Free Khmer Radio, etc.

Although so far we have no firm readings regarding Diem's or other officials reaction to the recent events in Korea, few comments we have heard about these developments and USG reactions indicate these developments have given officials here serious food for thought and therefore a little shock treatment might be very salutary as well as appropriate at this time. Furthermore, Tran Van Van's and Phan Khac Suu "opposition" press conference April 30 will give Diem further food for thought (Embassy telegram 3092⁶).

Since our previous efforts to persuade Diem to see the evils of his ways have been to little or no avail and brother Nhu seems to be riding even higher, I have given considerable thought about what positive and fairly drastic action we should take to make our efforts more effective. We have never heretofore put any teeth into our "persuasion" but in my estimation the time has come to do just that without any hesitation. We must take some positive action which will hurt enough but not vitally so that he and particularly Nhu know that we mean business. Our action must be sufficiently tied into his present troubles to give Diem real pause. After much reflection I strongly recommend that I be instructed to talk to Diem along following lines soonest:

1. We fully realize stepped-up Viet Cong guerrilla terrorist activities are serious problem which could become worse, and therefore prior to and during Thuan visit we have been endeavoring find ways and means to step up deliveries of and obtain additional equipment which would be helpful in present emergency.

2. We made this special effort to assist Diem despite the fact that we are convinced he not using present security resources effectively or taking all necessary steps to eliminate cause of grievances, stopping arbitrary actions by province officials, Can Lao corrupt practices, setting up effective central intelligence organization and operating through established chain of command, etc.

3. We assumed because of growing seriousness Viet Cong threat, GVN would concentrate all its efforts and energy to meet this challenge. We have learned, however, that instead they are continuing to connive in various ways to antagonize Cambodians instead of seeking to increase cooperation latter were giving on frontier control and in order to prevent it from going further to the left because of its

⁶In telegram 3092, May 2, the Embassy reported on the press conference held by opposition leaders Tran Van Van and Phan Khac Suu at which they released "the Caravelle Manifesto" to the local press. (*Ibid.*, 751K.00/5-260) The conference proceeded as anticipated in Document 142.

growing fears of its neighbors. On contrary GVN diverting arms to Free Khmers and using naval vessels and marines in show of force against RKG rather than using these forces against VC. I would then tell Diem we have learned Sam Sary here and have information that GVN recently furnished arms to Free Khmers (our evidence from here and Bangkok and Bangkok apparently confirms this). I could reiterate although USG had desired to help in furnishing additional matériel to meet Viet Cong threat, it obvious that GVN is not only not using effectively resources now available meet threat, but is increasing the possibility of exacerbating threat by its provocative and hostile actions against RKG. I would then state that since GVN had been able to send arms to Free Khmers, at same time they asking us for more arms, had reopened Free Khmer Radio, and diverted military forces and matériel from use against VC to island dispute with RKG, etc., that USG has reconsidered its decision furnish them additional equipment discussed with Thuan. (In meantime considerable essential equipment such as walkie-talkies and other telecom equipment would have been delivered and special forces instructors will be here or on way and we should let special forces trainees come for civil guard.) I would add for the reason given procurement of all additional equipment for emergency had been stopped and would not be sent (Diem could not care less if we cut off some economic development aid). I should be instructed to add that unless we convinced GVN is making serious and sincere effort to settle basic outstanding problems with RKG, such as Paris financial accords, question of islands, stops Free Khmer Radio, disbands Free Khmer cadres, refuses to collaborate . . . in trying to overthrow RKG, and endeavors to make acceptable frontier control arrangements with RKG, extra equipment will not be forthcoming even in future. Instead we would revert to previously normal program MAP deliveries. I note that for other reasons, CINCPAC has recommended we hold back on furnishing additional C-47's, L-19's, etc. (CINCPAC's 181935Z April 1960 to OSD⁷) but we should hold up these whether or not "GVN taking action to improve utilization resources on hand" and other items such as helicopters, etc., mentioned CINCPAC's message, to make this "club" effective.

While I realize that this is rather drastic suggestion I am firmly convinced that unless we prepared to stick by our guns and refuse to give extra help at this time Diem will not come to his senses, relations with Cambodia will become worse and the latter might well aggravate situation further by some stupid short-sighted deal with Chi-Coms. Although this will make it more difficult for GVN to beat back Viet Cong threat, I am firmly convinced they do have the resources to do so if they concentrate all their efforts on this serious matter rather than flailing around in all directions to build up various sorts of new security forces, ask for more military equipment, etc., and desist from aggravating their main problem by provocative acts

⁷Not printed.

against Sihanouk. I repeat that in view fact our other efforts have been of no avail we must take this calculated risk.

In this connection it essential we also bring strong pressure on RTG to desist in its efforts to overthrow Sihanouk.

This message concurred in by . . . Chief MAAG, Director USOM.

Durbrow

151. Draft Telegram From the Acting Secretary of State to the Embassy in Vietnam¹

Washington, May 3, 1960.

Ref: Saigon's 3095.² Department concurs your recommendation that on instructions you inform Diem orally no further emergency equipment will be sent until GVN takes steps you outline, viz, that would convince you GVN "is making serious and sincere effort to settle basic outstanding problems with RKG." FYI We agree telecommunications equipment and special forces training not included this cut-off. End FYI.

In addition recommended presentation you may add that if RKG should go to UN with even partial story GVN activities, GVN reputation would suffer in world opinion, its friends including US would not be able defend its anti-RKG activities and attitude of new African states would probably be influenced against GVN.

In making presentation to Diem, we believe you should refrain from linking our action to Chou En-lai coming visit to Cambodia or to recent events in Korea. Case should rest on its merits as you have outlined them.

Department will be guided by your judgment as to conditions under which later attempt might be made by Department to obtain emergency equipment. Presume this may be subject several subsequent talks with Diem.

Instructions to Bangkok follow.

[Not signed]

¹Source: Washington National Records Center, RG 330, Lansdale Papers: FRC 63 A 1803, Vietnam Correspondence 1960. Secret; Priority; Limited Distribution. Drafted by Wood and Anderson, marked "second draft", and apparently sent to DOD/ISA for clearance. This telegram was not sent.

²*Supra*. For the reply to telegram 3095, see Document 157.

152. Memorandum From the Director of the Bureau of Intelligence and Research to the Acting Secretary of State¹

Washington, May 3, 1960.

SUBJECT

Intelligence Note: Internal Opposition to the Government in South Vietnam

Developments in Korea and Turkey² tend to give added interest to recent reports of internal opposition to the administration of President Ngo Dinh Diem in South Vietnam. The terrorist successes of Communist agents during the past few months have benefited, it has been pointed out, from popular apathy or even resentment to Saigon in areas where the Communists have been operating. Now a small group of non-Communists has come forward openly to challenge Diem, who exercises strict political control of the country. The seeds of unrest are present, but Diem's position does not appear to be seriously in danger.

Recently a growing number of Saigon intellectuals and disgruntled former government officials have been deprecating Diem's leadership and the government's programs, and have especially deplored official restrictions on personal liberties. Some of these individuals have been active openly, others covertly, but none have apparently been able to gain any significant popular support or influence among the army, and they have even failed to unite among themselves. While they may be motivated in part by their own political ambitions, some undoubtedly are seriously concerned over authoritarian trends in Saigon.

As reported in the press, a political organization calling itself the "Liberty and Progress Party" sent a petition to President Diem on April 26, charging government corruption, denial of civil liberties, and dictatorial one-party rule. The petition demanded liberalization of the government and guarantee of civil liberties. About half of its 18 signers are former members of Bao Dai cabinets, and three have served as ministers under President Diem for short periods. All appear to be anti-Communist. The group does not as yet appear to have any appreciable support outside intellectual-elite circles in Saigon, and in itself probably does not pose any serious threat to Diem's leadership.

¹Source: Department of State, Central Files, 751K.00/5-360. Confidential. A note on the source text indicates that Acting Secretary Dillon saw this memorandum.

²References are to the riots in South Korea against the government of Syngman Rhee and his resignation on April 27, and to the unrest in Turkey against the government of President Celal Bayar and Premier Adnan Menderes which subsequently resulted in a military overthrow in late May.

153. Memorandum Prepared in the Department of Defense¹

May 4, 1960.

Notes on State msg. Saigon 3095²

Reply. The top echelons of the U.S. government should provide mature judgement of the actions proposed by Ambassador Durbrow. Thus, Defense should withhold any encouragement of a quick, reactive reply, as proposed by some State staff officers, to Ambassador Durbrow until it has had time to give thoughtful consideration to proposals made in evident anger, but which can have such serious consequences for our national security. The following are some suggestions for Defense consideration.

Timing. Regardless of the merits or demerits of the punitive or coercive measures proposed by Ambassador Durbrow, is this the correct time to threaten and distract President Diem from the main task, at a most sensitive moment? He is the leader in a combat situation. The several thousand casualties among combatants alone, since 15 January 1960, say that this is a serious situation. Vietnamese forces under the leadership of Diem are starting to gain success. Is this the time, then, to threaten to withdraw our support? Defense, with its generations of experience in the needs of combat leadership, should have some opinion worth heeding on this point.

Quid pro quod. [sic] Again, apart from the merits or demerits of the proposals, is the instrument (U.S. military aid items) sufficient for the task envisioned by Ambassador Durbrow? Defense might well give State a careful evaluation of the worth to a combat leader of denying to him the several actual items of equipment which would

¹Source: Washington National Records Center, RG 330, Lansdale Papers: FRC 63 A 1803, Vietnam Correspondence 1960. Secret; Sensitive. Drafter not indicated; the source text is a carbon copy. A marginal note indicates that the original was given to Robert H. Knight, Deputy Assistant Secretary of Defense for International Security Affairs. Attached to the source text is a note to Douglas from his Military Assistant, Colonel Edwin F. Black, in which the latter suggested that the Deputy Secretary look at the memorandum before the OCB luncheon meeting of May 4 in case Vietnam should be discussed. It continued:

"Ambassador Durbrow has worked himself up into a lather about some apparently ill-considered actions which the Vietnamese government has initiated with respect to Cambodia. Durbrow feels that the trouble maker is Diem's brother Nhu. While the Ambassador is certainly right that this is no time for the Vietnamese to be stirring up trouble with Cambodia, since they have a major problem of dealing with their own unsatisfactory internal security situation in the south, Lansdale fears that there is considerable danger that State will start scolding Diem about the situation rather than make constructive proposals to help him with his problems.

"I still feel that the single most constructive action which Defense could undertake would be to send Lansdale out there as soon as possible."

Black's note is stamped "Dep Sec has seen". No record has been found of a discussion of Vietnam at the OCB luncheon meeting held May 4.

²Document 150.

have to be mentioned by the Ambassador in his bargaining with President Diem. Would the few items involved portray the United States as a petty, nagging child, or as the world's leading nation? These items are worth sober thought, in the context of implementing the proposal. There are few chiefs of state who would sell their nation's honor for a handful of helicopters and swamp boats, and Diem surely is not one of them.

The Proposals. The proposals by Ambassador Durbrow merit much deeper study than is evidenced in State's suggested reply. Essentially, it is proposed that the United States of America lecture a "naughty" President Diem on how to behave correctly, or be spanked. The reason given is that our Ambassador has scolded him in the past, again and again, with only partial success. This is a negative approach to the problem. There is no mention of any attempt to work constructively with President Diem in the past, nor any hint of failure of constructive measures. Defense, with its responsibility for America's security, should examine the soundness of pursuing a negative approach to the chief of state of a key nation of the Southeast Asian peninsula. President Diem has indicated his own feeling of desperate need for a positive U.S. attitude. Most recently, his feeling of need for constructive discussion with U.S. officials was expressed by a personal request for the temporary assignment of a Defense official³ in whom he previously found the positive understanding of himself and his nation. To date, U.S. officials favoring the "scolding", critical method have vetoed President Diem's urgent request.

A Military Factor. Earlier this year, it was plainly evident that a number of U.S. officials concerned with Vietnam's affairs believed that the Communist Viet-cong guerrillas were being increasingly successful, caused to a major extent by the alleged insistence of U.S. military advisors on conventional training and employment of Vietnamese Armed Forces. Certain U.S. officials went further and proposed that the U.S. urge the Vietnamese to turn to the British and Malaysians for more successful military advice. Although there has been sufficient evidence since that the earlier portrayal of the situation of both the Vietnamese and their U.S. military advisors was far from a true portrayal, the question of the effectiveness of U.S. military advice and doctrines still persists. The U.S. military man and his thinking remain very much on trial in Vietnam. Defense should acknowledge realistically this situation it finds itself in, by insisting upon using its full, rightful voice in any further decisions affecting Vietnam. Defense opinions should be made to have their correct weight in U.S. decisions, both in the process of arriving at opinions

³Ed Lansdale. [Footnote in the source text in an unidentified hand.]

within Defense and in considerations by U.S. policy-making groups. Defense has too much at stake to do otherwise.

Recommendations. Prior to a Defense final reply to State on its proposed favorable reaction to Ambassador Durbrow's message, it is recommended that:

a. Acting Assistant Secretary Knight apprise Secretary Gates and Deputy Secretary Douglas of this situation involving Defense matériel and standing, as a matter of timely importance.

b. Since ISA has its senior official responsible for actions in Vietnam now present in Southeast Asia, Admiral O'Donnell should be asked to make an on-the-spot appraisal of Ambassador Durbrow's proposals, and send this in (by a channel giving privacy to these views) to the Acting Assistant Secretary, ISA, for consideration by top Defense officials. This would permit Defense to have valuable first-hand views from a military senior other than a military senior whose position makes him subordinate to the Ambassador.

c. The views of the Chairman, JCS, and the Service Chiefs themselves, should be obtained and be given proper consideration.

d. Defense should develop some constructive proposals for a more helpful way of bettering our problems in Vietnam, for consideration at top U.S. policy levels.

154. Editorial Note

On May 5, Senator Mike Mansfield of the Senate Foreign Relations Committee wrote separately to General Williams, Chief of the U.S. Military Assistance Advisory Group in Vietnam, and Secretary of State Herter inquiring about a United Press International despatch of the same day which stated that because of the deteriorating security situation in Vietnam, the U.S. Military Assistance Advisory Group was being doubled. Mansfield asked a series of questions to determine the reasons for the increase, how the decision was made, and by whom it was approved. Mansfield's letter to Williams is printed, along with the United Press International despatch in question, in *United States-Vietnam Relations, 1945-1967*, Book 10, pages 1276-1278.

General Williams sent the following explanation to the Department of Defense to be passed as a letter to Senator Mansfield:

"Dear Senator Mansfield: Your letter of 5 May passed to me by DOD received Saigon 19 May. Full reply enroute by airmail. As interim reply UPI despatch number 31, May 5, 1960 to which you refer not entirely factual. Specifically US training staff not being doubled as stated in UPI despatch. The 350 US 'civilian technicians' mentioned in news items as sorting and shipping arms left by French

forces undoubtedly refers to US military personnel of the temporary equipment recovery mission, short title TERM, now in process deactivation. Maintenance of total overall MAAG-TERM advisor strength of 385 for time being is at urgent request GVN with full concurrence Ambassador, CINCPAC, DOD, State Department and myself. Total advisor strength to be considerably lower than total 850 US and French MAAG at time of Geneva accords and slightly lower than total MAAG-TERM strength. Following sentence classified Confidential: Change over of TERM excess to MAAG ends subterfuge as actually TERM has had undercover mission as logistical advisors since activation. Project began before current step-up guerrilla activities. Small number US experts in guerrilla warfare recently brought in on TDY as substitutes for regular MAAG advisors and are within previous overall strength. It is my personal opinion MAAG should and can work itself 'out of job' with possible reduction approximately 15 per cent in June 61 and approximately 20 per cent reduction yearly thereafter depending of course on readings taken at subsequent dates. Very truly yours. Signed Williams." (MAGCH-CH 691, May 20; Center of Military History, Williams Papers, TWXs 1960 (71); printed in *United States-Vietnam Relations, 1945-1967*, Book 10, pages 1279-1280. General Williams' full reply is printed as Document 166.)

On May 10, Secretary Herter responded to Mansfield in a letter similar to that of Williams. The Secretary did note additionally that the International Control Commission had approved the transfer in April as not in contravention of the Geneva Agreements, that it was done with the knowledge and approval of the Secretary of State, and that while the security situation in Vietnam was not a threat to the Diem regime, it was a long-range problem for Vietnam. (Telegram 2053 to Saigon, May 11; Department of State, Central Files, 751K.5-MSP/5-1160)

155. Letter From the Chief of the Military Assistance Advisory Group in Vietnam (Williams) to the Secretary of Defense's Deputy Assistant for Special Operations (Lansdale)¹

Saigon, May 9, 1960.

DEAR ED: Yours of 30 Apr² was very informative and gave me a more detailed picture than I'd rec'd from "Jerry." Incidentally, it only

¹Source: Center of Military History, Williams Papers, Lansdale 1960 (136). Personal and Confidential. Printed from a carbon copy of the handwritten original.

²Document 148.

arrived today and after my query to you of the 7th and your reply of the 8th.³

I'm not too surprised at the local reaction to your visit and had guessed local people had been asked if you should come and had replied in the negative. I'd come to this thought knowing that your visit here with the Draper sub-committee had not been rec'd with shouts of joy. Locally you are considered a bad fellow because of your prior close association with Diem!

My "dumbness" stems from several basic causes. Too close association with Diem; my refusal to say "yes" when I think its to the best interest of the U.S. to say "no", this in spite of yelling, cursing and other verbal abuse; the lately published Mansfield Report that drew unfavorable comparison between MAAG on the one hand and USOM & Emb on the other (this was really the kiss of death).

Specific examples:

I objected to forcing the GVN to placing the Civil Guard under the Dept of Interior. My reason being Interior was neither organized nor capable of handling the job; two logistical and school systems had to be set up, one for the Military under DOD & the other for the C.G. under Interior, the country was too poor in leadership and money to have two systems. My fears have proven to be true. With full knowledge of all concerned I requested the US to *give* 5000 Thompson SMG's to the C.G. This was approved and I told USOM and the Emb and Diem. I was given a written reprimand⁴ for telling Diem that the news should be held from him until we could gain the proper "political impact." My only defense was that I'd gotten the weapons to help the poorly equipped C.G. and not for a political hammer.

At the instigation of the Br Amb ours started plugging for deactivation of the Field Command Hqs; the Corps Hqs and the Division Hqs. That the Army should consist only of individual Battalions or at most Regimental size units. In fact it was reported that Diem agreed to this privately. Not believing this report to be true I caused Diem to discuss this proposal at a meeting attended by the Amb., Gen. White⁵ and myself. At this meeting Diem stated he was well pleased with the Org of the Army and wouldn't change it.⁶ This in

³On May 7 Williams had asked, in a letter to Lansdale, about the prospects for Lansdale's trip. On the same day Lansdale had replied, in an unnumbered telegram (apparently received in Saigon on May 8), that there were "still some questions about making visit" on the part of the Department of State and of CINCPAC. (Both Center of Military History, Williams Papers, Lansdale 1960 (136))

⁴Not found.

⁵General I.D. White, Commander in Chief, United States Army, Pacific.

⁶Generals White and Williams and Ambassador Durbrow met with President Diem on February 23, 1960. It is not certain that this is the conversation referred to as

fact called the man a liar in public. However the pressure to deactivate these Hqs remains on. The stated purpose now is to reduce expenditures. Also as it is *well known* there will be no outside aggression! The savings of funds stems from the 1960 Mil budget. The budget has been reduced 32 M US dollars under my guidance since 1956. However I set 169.1 as absolute minimum for 1960. This a decrease from 174.8 M for 1959. However, the Amb. had a Mr. Mendenhall of his office go over the budget and reduce it to a flat 165 million. Now that this has been done they realize instead of supporting a force of 150,000 we have money only for about 143,000. Therefore savings must be generated somewhere and deactivation of various Hqs (which in effect puts us back organization-wise to about 1955) is considered by them the way to do it. Naturally I can't agree and say no when I'm supposed to say "yes."

When we were in Wash. in Aug. of last year the Congressional Committees treated me kindly. When McGee & Gore were here they talked very rough to others but again kindly to me. Gore even made the remark "if the Pres should nominate you for a 4th Star I'd be the first to stand up in the Senate and say give it to him." This didn't appeal to the others and was left out of the record. However, the real blow came when [the] Mansfield Report was published.

Mr. Thuan told me that when a high State official recently visited Vietnam he asked Thuan if he had read the Mansfield Report. Thuan told him no, although he had. This official then remarked that the report had overplayed the matter and that "they" (i.e. State) didn't consider MAAG as good as shown in the report. At the same time he asked Thuan if the GVN was fully satisfied with me and the work MAAG was doing. Receiving an affirmative answer he then asked that since there was to be *no war* in SE Asia were the GVN satisfied with the present organization of the VN Armed Forces. He again received an affirmative. Thuan told me this in all secrecy, just as I tell it to you in secret. Thuan expressed great disgust that these comments and questions had been put to him.

On my return from CINCPAC conference on 25 Apr I found a written requirement from the Amb written in poisonous language re-

Diem is not described in the memorandum of the conversation by Lieutenant Colonel Foster of MAAG as expressing such unequivocal satisfaction with the existing organization of ARVN. Diem is, however, reported as saying that territorial battalions had had to be reduced when the existing structure was created, and also as saying: "I do not want to convert the field army (*corps de bataille*) into commandos. We need both for an effective security force." (Enclosure to letter from Williams to White, March 2; Center of Military History, Williams Papers, Official Correspondence Jan-Apr 1960 (73))

quiring a report on VN training over past 4 years.⁷ That report is still in process of being prepared⁸ and it will take many hours to do it.

When Stump was here he had dinner with the Pres & Mrs. Nhu and Mrs. Stump at Dalat the same night I got back from Honolulu.⁹

During the conversation after dinner the Pres told Stump he believed they were out to get me and appealed to Stump to do something about it.¹⁰

So that very briefly is the story. Director of USOM¹¹ has gone home on 2 months leave. I believe there is a question in the need of his family as to whether or not he will return although he told me he would be back in July. Durbrow is due for home leave in July and I now believe he wants to oust me prior to his departure. Although I'm due to leave (for retirement) last of August he may succeed. Maybe he thinks he won't be back.

Another unfortunate incident occurred. The pick and shovel men for Gore & McGee suggested privately that I should remain in Gov. service after retirement. This was picked up by a service journal which made the suggestion that I might be named as Amb to some country. This item has without doubt come to Emb attention as I've received letters about it from many officers around the world. It was a fantastic idea but maybe they believe it and are doing their best to see that it doesn't come true. I could put their mind at rest if they should ask me!

There are two other items of interest but since this letter is now too long I'll send them by next mail.

As things written in this letter are delicate they are for your background information and your eyes alone.

Kindest regards,

STW

⁷Document 141.

⁸Document 167.

⁹April 25.

¹⁰According to a document, April 30, entitled "Résumé of the Visit of Admiral Stump with President Ngo Dinh Diem at Dalat 25-26 April 1960", Diem "told Admiral Stump in confidence that he 'believed the Embassy people were out to get General Williams.' The President seemed to be pleading with Admiral Stump to do something to alleviate the situation. Admiral Stump replied forcefully that the record both in CINCPAC and in Washington was well documented in favor of General Williams. The inference here was that the General had absolutely nothing to be concerned about." This document bears no indication of authorship. Williams apparently was not present at the dinner or the conversation which followed. (Center of Military History, Williams Papers, Conversations with Diem 30 Nov 59-22 Aug 60, (163))

¹¹Arthur Z. Gardiner.

156. Memorandum of Discussion at the 444th Meeting of the National Security Council, Washington, May 9, 1960¹

Present at the 444th NSC Meeting were the President of the United States, Presiding; the Vice President of the United States; Mr. Livingston T. Merchant for the Secretary of State; the Secretary of Defense; and the Director, Office of Civil and Defense Mobilization. Also attending this meeting and participating in the Council Actions below were the Acting Secretary of the Treasury (Fred C. Scribner, Jr.); the Attorney General; Mr. Elmer Staats for the Director, Bureau of the Budget; and the Acting Secretary of the Interior (Elmer F. Bennett) (Item 3). Also attending the meeting were the Chairman, Atomic Energy Commission; the Chairman, Joint Chiefs of Staff; Mr. Robert Amory for the Director of Central Intelligence; the Acting Director, U.S. Information Agency (Abbott Washburn); the Assistant to the President; the Special Assistants to the President for National Security Affairs, for Science and Technology, and for Security Operations Coordination; the White House Staff Secretary; Assistant Secretary of State Gerard C. Smith; Assistant Secretary of Defense John N. Irwin, II; the Assistant White House Staff Secretary; Mr. Eric Hager, Department of State; Charles Haskins, NSC; the Executive Secretary, NSC; and the Deputy Executive Secretary, NSC.

There follows a summary of the discussion at the meeting and the main points taken.

[Here follows discussion of agenda items: 1. "Soviet Destruction of a U.S. U-2 Reconnaissance Plane," 2. "Preparation for the Summit Meeting," 3. "National Security Implications Involved in the International Oil Cartel Case", and 4. "Significant World Developments Affecting U.S. Security." The following extract is taken from item 4, which began with a brief discussion by Amory on the motivation of Khrushchev in exploiting the U-2 reconnaissance incident.]

Mr. Amory then reported that increasing troubles in South Vietnam were confronting Diem. For months Diem had been facing increased insurgent activity in the countryside similar to that which characterized the last days of the French regime. Moreover, Diem's own ranks had been crumbling. Critics of his one-man rule were becoming more vocal at all levels of government. This criticism asserted that Diem's administration had fostered corruption, condoned maladministration, and permitted dictatorial practices with the result that communism in South Vietnam was being promoted. Criticism of Diem was so far uncoordinated outside government circles but was becoming stronger, as indicated by a recent manifesto made public in

¹Source: Eisenhower Library, Whitman File, NSC Records. Top Secret. Drafted by Boggs on May 13.

Saigon by a group of former officials who called for extensive political reforms.

The President said he had received a stream of reports about South Vietnam. Heretofore we have been proud of Diem and had thought he was doing a good job. Apparently he was now becoming arbitrary and blind to the situation. Mr. Amory said one danger lay in the fact that Diem was not in direct touch with the people since he seldom went out into the countryside to see the people and talk with provincial leaders. He is inclined to leave this kind of activity, as well as the details of administration, to his brothers, who have all the evils and none of the assets needed to do a good job. The President wondered whether we were doing anything to try to persuade Diem to remain in closer touch with the people. Mr. Amory said our Ambassador to South Vietnam and General Williams were constantly advising Diem to keep in touch with the people.

Mr. Merchant said Diem was more and more coming to be surrounded by a small group. He was leaving administration to his two brothers and was losing touch with the grass roots. However, Ambassador Durbrow was keeping in close touch with Diem. Mr. Merchant hoped that what happened to Syngman Rhee in Korea would give Diem pause.

The President said Diem seemed to be calm and quiet and to have an attractive personality unlike Rhee. The President then asked Mr. Merchant to consider whether the situation might be improved by a letter from him (the President) to Diem.

Mr. Gates remarked that South Vietnam internal security forces were not well equipped to handle insurgent forces in the swampy areas where most of the trouble occurred.

The President said the U.S. ought to do everything possible to prevent the deterioration of the situation in South Vietnam. We had rescued this country from a fate worse than death and it would be bad to lose it at this stage. Mr. Merchant believed that South Vietnam was getting as much economic assistance as it could effectively absorb. The President recalled that when Diem had first been attempting to acquire power in South Vietnam, a recommendation had been made to the Council that the U.S. should oppose him. The President said he hoped the Departments of State and Defense and CIA would consult together to see what could be done about the situation in South Vietnam.

The National Security Council:

Noted and discussed an oral briefing by Mr. Robert Amory, Jr., for the Director of Central Intelligence on the subject, with specific reference to probable motivations of Khrushchev in exploiting the U-2 plane incident; and evidences of a weakening in the position of Premier Diem in South Vietnam.

[Here follows discussion of the planned visit of Soviet Air Marshal Vershinin to the United States, and of the Soviet submarine program.]

Marion W. Boggs

157. **Telegram From the Secretary of State to the Embassy in Vietnam¹**

Washington, May 9, 1960—8:03 p.m.

2037. Your 3095.² Department and other agencies have given serious exhaustive thought recommendations contained reftel. While line of action you propose most convincing and has endorsement your . . . , Chief MAAG and Director USOM we are reluctant proceed immediately with that portion of your recommendations which deals with sanctions in field of military aid.

If this serious step taken, we must be willing follow through on any threat of aid curtailment if President Diem does not cooperate, thus putting our threat to test and weakening our over-all security posture in Asia. We are faced with difficult problems involving several of our Asian allies and although Diem realizing this may drive harder bargain with us, we must be extremely cautious lest we precipitate all our crises at once. In addition if we do reluctantly have to move in with sanctions as ultimate weapon to bring Diem to heel they must be of a magnitude which will be effective.

FYI: If telecommunications equipment and special forces training were to be excluded—and we agree they should be—from any sanction, remaining emergency equipment for which DOD is likely to request funds includes only six H-34 helicopters (value \$2 million of which \$1.2 million available from present program) and four small boats for canal patrol (\$36,000 payable from present program). End FYI.

There are certain influences which should be given some time to find their mark, such as Diem's reaction to events in Korea and stern warning given to Thuan when he was recently in Washington.³

¹Source: Department of State, Central Files, 751K.00/5-360. Secret; Priority; Limit Distribution. Drafted by Wood and Steeves, cleared with SEA, with Dillon in substance, with Knight of DOD/ISA by telephone, and approved by Parsons. Repeated for information to Bangkok, Phnom Penh, CINCPAC for PolAd, and Vientiane.

²Document 150.

³See Documents 133 and 134.

In view of all that must be considered, following actions should be taken:

1. At your discretion you may present following views either directly to Diem under instructions or as preliminary step initially to Vice President and Thuan in order lend weight and seriousness to your subsequent talks with President.

2. In presentation "under instructions" you are authorized use line set forth your reftel action paragraphs 1, 2 and 3 eliminating that portion para 3 on aid sanctions.

3. You should emphasize in strongest manner possible that we mean business with respect Diem's anti-RKG activities. US power and military backing is in final analysis all that guarantees security of area. Therefore without being accused of interfering in internal affairs of our friends we must have our wishes complied with in asking that irresponsible acts be stopped immediately which if continued would be a threat to area which only US can contain. All activities which you enumerate of an anti-Khmer character must cease immediately. You may also indicate that strong representations will be made to other allies who may be engaged in equally dangerous game.⁴

4. You may emphasize that Diem should need no added proof that US will continue to give Viet-Nam fullest backing in arresting Viet Cong activity and in maintaining Viet-Nam's security, but should assistance which we are providing be misused for other purposes we will give serious consideration to backing our words with action. US Government cannot justify to Congress its requests to back heavy aid programs being used to bolster feuds with neighbors instead of being applied to curb major threat.

Herter

⁴Reference is to instructions in telegram 2933 to Bangkok, May 7, in which the Embassy in Bangkok was asked to make the following démarche: "suggest you take earliest opportunity in course conduct other business to mention to Sarit or Prapat our serious view of GVN provocations of Cambodia e.g. support Khmer dissidents, actions in gulf island dispute, etc. Without going into details and if you deem appropriate you may lend emphasis to your remarks by informing Thais we considering taking 'strong actions' to persuade GVN abandon its dangerous game. If Thais and GVN collaborating on Cambodia this approach would provide Thais with adequate notice that its partner in trouble with United States Government on this issue." (Department of State, Central Files, 751K.00/5-360)

158. Telegram From the Ambassador in Vietnam (Durbrow) to the Department of State¹

Saigon, May 9, 1960—6 p.m.

3152. Reference Embtel 3095 to Department, 426 CINCPAC, 382 Bangkok, 328 Phnom Penh.² Ladejinsky called urgently ninth to discuss recent developments and to suggest possible courses action:

1. Ladejinsky has seen President twice last week and reports Diem unrealistically optimistic and stubborn about recent developments. Diem blindly convinced that government gaining upper hand over Viet Cong and he is not at all perturbed by Tran Van Van opposition group petition (Embtel 3092³) and will not receive group and is not perturbed about Korean developments which were due basically to Rhee's senility. In course one conversation Diem spoke in somewhat bitter terms about American pressure trying "force him to give up Louisiana and Texas," obviously referring to our strong reaction to GVN stand on Off-Shore Islands. Diem added he would not give up any territory no matter how much pressure from the US. Ladejinsky and Vo Van Hai, who was present, reminded President United States had not in any way ever suggested GVN give up any territory. On contrary we had suggested that island question be settled amicably. They added that we had suggested for some time that it was in interest of GVN, particularly because of dissidence in border area, that GVN make serious efforts have better relations with RKG. Ladejinsky and Hai pointed out that it would be much easier control Viet Cong if realistic border control arrangements worked out with RKG relations improved. Diem as usual said it most difficult if not impossible obtain RKG cooperation but Hai and Ladejinsky nevertheless urged him make effort.

2. Ladejinsky reported Vice President Tho and Le Van Dong, Minister Agriculture, continue express deep concern Diem losing confidence of people and that he must take immediate steps turn tide. Both have hinted to Ladejinsky most effective step would be to break Ngo family monopoly and Tho suggested Can Lao should be dissolved.

3. Ladejinsky (you might think he had been reading my mail) then suggested US should bring positive pressure on Diem to better relations with RKG and work out effective frontier control arrangements. According to Ladejinsky, Tho is of same opinion and urged

¹Source: Department of State, Central Files, 751K.00/5-960. Secret; Priority; Limited Distribution. Repeated for information to Bangkok, Phnom Penh, Vientiane, and CINCPAC PolAd.

²Document 150.

³See footnote 6, *ibid.*

Ladejinsky to suggest to me that we bring strong pressure on Diem to better relations with RKG. Tho still believes would be most worthwhile for him to visit Phnom Penh. Both feel that frontier arrangements can be worked out, effectiveness VC activities can be diminished 50 percent. I then told Ladejinsky we pleased to learn last few days that FARK on May second had carried out fairly large successful operation against rebel band in Cambodia which driven into Vietnam where apparently ARVN killed or captured many. Ladejinsky suggested that Diem could be induced use this incident to thank RKG for helping out against dissidents and use this as reason for suggesting fuller cooperation against rebels by both countries. I said I had heard GVN Foreign Office thinking of sending thanks (Embtel 3148⁴).

Ladejinsky then stated as his "hunch" that if Diem could be brought to realize importance of better RKG relations and satisfactory cooperation established between the two, Diem would then take other steps to ameliorate situation in country. Ladejinsky could not explain why he felt this but seemed convinced it most worthwhile try. Ladejinsky suggested I get firm instructions to do this. I, of course, did not tell Ladejinsky I had suggested advisability using direct pressure to get Diem better RKG relations but promised to think it over and added great deal would depend upon results of Chou En-lai visit.

Durbrow

⁴Dated May 9, not printed. (Department of State, Central Files, 651H.51K/5-960)

159. Memorandum From the Director of the Office of Southeast Asian Affairs (Anderson) to the Operations Coordinator (O'Connor)¹

Washington, May 11, 1960.

SUBJECT

Viet-Nam: Material for OCB Lunch²

¹Source: Department of State, Vietnam Working Group Files: Lot 66 D 193, 2.VN 1960—Operations Coordinating Board. Secret. Drafted by Cleveland and Wood.

²As indicated by the notes of the OCB meeting of May 11 by O'Connor, this memorandum provided the basis of a briefing of Gordon Gray by Hare:

"After the close of the OCB luncheon meeting, Mr. Hare spoke to Mr. Gordon Gray and gave him a fill-in on Viet-Nam in accordance with the memorandum which

Continued

Situation

1. *Security*

Since late 1959, the Viet Cong (Vietnamese communists) killed and kidnapped an average of about 100 to 200 persons a month, about double the average of the last three years. The Viet Cong are better organized and more numerous than previously and have attacked larger groups and targets. Most violence has occurred south of Saigon.

The GVN is gathering the rural population of troubled areas into large towns (agrovilles) for protection and is improving roads and airports in those areas. It is creating a 5,000-man commando unit mainly out of the regular army. However, Diem has not done enough to tighten the chain of command or to unify intelligence activities and too often bypasses his subordinates.

To assist the GVN to meet this new threat, the U.S. is supplying additional communications equipment, some small canal patrol boats and thirty (30) specialists in anti-guerrilla warfare training. DOD may also request authority to supply six H-34 helicopters. On the diplomatic front, Ambassador Durbrow and General Williams have spoken strongly to President Diem of the importance of tightening command and intelligence functions and of acting through his chain of command.

2. *Discontent*

Latent resentment over highhandedness and corruption among government officials has mounted with the increase of subversion and of GVN moves to counter it. Resentment appears centralized in Saigon and is directed principally toward Diem's brother Nhu. Opposition groups composed of respectable politicians (some former Cabinet members) recently made public charges of popular discontent with GVN actions. Some of this feeling is beginning to rub off on Diem himself. The U.S. press and Congress are beginning to show some awareness of and interest in the situation. Ambassador Durbrow and Mr. Parsons have recently let the GVN know of our awareness and concern; they have strongly urged remedial action. There is evidence that these approaches have had some effect.

3. *Cambodia*

The GVN has continued to harass the Cambodians by pressing territorial claims and permitting anti-Cambodian dissident activity in Viet-Nam. Ambassador Durbrow has stressed with increasing emphasis that frontier cooperation is a prerequisite to pinning down the

had been made available by Mr. Daniel V. Anderson of SEA. (Mr. Gray had expressed an interest in having the subject introduced at the OCB after the brief adversion to it in the NSC meeting on May 9, 1960.)" (*Ibid.*, OCB Files: Lot 62 D 430, Preliminary Notes IV)

Viet Cong. The Ambassador has received instructions to tell Diem that U.S. assistance must not be diverted to anti-Cambodian activities and that in the absence of GVN compliance, we will have to consider backing our words with action.

Summary

Internal insecurity, popular discontent and quarrels with Cambodia are leading toward a serious situation in Viet-Nam which is not yet a crisis. At best it will take a long time to produce internal security, but this can never be achieved unless and until the GVN becomes more active in regaining popular confidence and more willing to settle its differences with Cambodia.

160. Telegram From the Ambassador in Vietnam (Durbrow) to the Department of State¹

Saigon, May 13, 1960—10 p.m.

3196. Re Deptel 2037.² Saw Diem half hour May 13.

I opened conversation by stating I had received instructions from my government to see him about reports we had recently received and regarding certain developments which had taken place re RKG-GVN relations. I added my government considered these reports and developments grave, serious and important. I then stated that I was asked state "the following" to him orally. Since I only once before had read from typewritten notes, I formalized this démarche by translating my full instructions in French and proceeded read them slowly to Diem (see Embassy despatch 396³ going forward 14th for English and French texts my notes).

1. Until I referred in second paragraph to corruption in Can Lao party Diem remained grave but calm. When party mentioned he immediately became very serious and was obviously agitated but nevertheless he heard me through to the end.

Still agitated he replied that he was deeply hurt that USG would believe such false rumors that Sam Sary had come to Vietnam and that GVN had given arms to Free Khmers in Thailand. He added that it was sincerely regrettable that such rumors should harm relations

¹Source: Department of State, Central Files, 651H.51K/5-1360. Secret; Limited Distribution. Repeated for information to Bangkok, Phnom Penh, CINCPAC PolAd, and Vientiane.

²Document 157.

³Dated May 13, not printed. (Department of State, Central Files, 651H.51K/5-1360)

between GVN and the USG. He then asked me whether I believed these reports. I replied that I was certain my government would not give me instructions of this nature unless they had firm reasons to believe these reports were probably true. Therefore I had no reason to doubt their accuracy. Diem then speculated Free Khmer radio was probably run by Communists and asked me if I knew its location. I replied that of course possible radio run by Communists but I had seen texts of broadcasts and they did not resemble in any way Communists propaganda. I added I did not know exactly where radio was but reminded him that when I spoke of radio several months ago indications were that it was in Vietnam. I added that no matter where it is Sihanouk probably thinks it is in Vietnam. Diem did not pursue this matter further but reverted to the island question.

He reminded me that the GVN had sustained the US position at the Law of Sea Conference, for which I thanked him, and added that since GVN was hoping that agreement would be reached on a 6-mile limit, it felt it necessary before the conference to remind Cambodia about GVN claims to islands. I interrupted to state that unfortunately GVN did not indicate in any way in note or otherwise that this matter was being brought to attention RKG in connection with Geneva Conference and unfortunately note was so drafted as to give impression that GVN claimed Ile de la Baie as well as others. I added that French administrative circular of January 31, 1939 turning over administrative control of the islands to Cambodia specifically stated that the sovereignty of these islands was in dispute. Therefore I stated Diem might suggest RKG bring the matter before an international tribunal or try work out equitable settlement with RKG. Diem did not reply except to state that the Cambodians had used force in occupying islands and strongly contended that they belong GVN. I then stated that Mau had assured me GVN had no claim to Ile de la Baie and Trimble had so informed RKG, but nevertheless because of the wording of the GVN note RKG seemed to believe GVN still claims that island.

2. I then stated that since matter such as islands, Paris accords were in dispute and it was in interest of both countries to work out soonest effective border control arrangements, it would be helpful to all concerned if Diem should send a high-ranking delegation to have frank talks with RKG as he had told me he planned to do. Diem replied despite my inference he had abandoned idea and despite daily RKG press attacks on him personally and GVN he still thinking of sending high-powered delegation, but had not firmed up matter because of death of King and change-over of government. I stated since effective frontier control would be very much in his interest and might reduce Viet Cong capabilities by as much as 50 percent, I urged he make arrangements to send delegation soonest to discuss

frankly outstanding questions. Diem reiterated he still thinking of doing this.

I then mentioned free world situation in SEA to say that only really troublesome problem is GVN and RTG relations with RKG. I added I convinced Sihanouk seemed to fear Communists and I was pleased to see from RKG-CPR communiqué and other reports I had received that apparently no arrangements derogatory to free world had been made during Chou visit.⁴ I underlined that it was Chou En-lai unilaterally who had promised support of 650 million Chinese to Cambodia. Diem did not comment. I then reminded him that on April first and May second RKG had mounted fairly large-scale operations against Diem's Hoa Hao enemies. I reiterated if satisfactory frontier arrangements could be made it possible Sihanouk would cooperate in other areas along frontier which would be beneficial to both countries. Diem then said cynically GVN naturally should be more concerned about its relations with RKG than with United States. I agreed that it was very much in his interest to have as close and effective relations with Cambodia as possible and that my government had been urging him for long time to bring this about.

Diem somewhat irritably then reiterated Can Lao party's principal job is to ferret out and stop corruption rather than engage in any corrupt practices. He said he had just had talk with Thuan on this subject and ordered him to pick up any rumor regarding alleged Can Lao corruption, run it down and punish guilty persons. He said he was incensed that we believe these rumors put out by disappointed merchants, opposition groups and Communists. I replied we had heard many rumors for long time but in past months we had heard many firm reports about alleged Can Lao party corruption. Whether they were true or not more and more people are believing them and this is causing discontentment in the country. Diem then reminded me of his "explanation" about the Hiep Hao sugar refinery which had to be given to new management because of the falsification of books and money drained off by previous management. He stated Can Lao had discovered this and put Can Lao man in place of former manager. I then asked if he had heard of apparently shady flour procurement commercial import case of last week (Toica 2143⁵). Diem immediately denied that Can Lao had anything to do with affair, although I had not mentioned Can Lao he then said this was the type of case we should have brought to his or someone's attention before it got to point it did. I told him Gardiner had talked to Vice Presi-

⁴Prime Minister Chou En-lai and Foreign Minister Chen Yi visited Cambodia May 5-9. A summary of the joint statement issued on May 8 by Chou and Cambodian Prime Minister Pho Proeung appears in *Keesing's Contemporary Archives*, vol. XIII, 1961-1962 (London: Keesing's Limited, 1961-1963), p. 18013.

⁵Not found.

dent and others and had sent two letters⁶ stating we had serious doubt re bona fides of US exporter, that despite our efforts to make it clear that we thought this was shady deal, GVN had issued license to Vietnamese importer whom Diem had just denounced as a non-descript small businessman. Diem then said Thuan had told him of rumors this importer Can Lao party member and apparently we believed it. I stated we too had heard this rumor but again stated whether this true or not many people believe he is connected with party. Diem replied it most unfortunate we persisted believing false reports about party which is working only for good of country. I suggested that if party itself is not involved in corrupt practices that maybe some members of party for their own benefit are using party name to extract bribes from businessmen and others. I [He] did not reply.

By then it was obvious that Diem did not care discuss matters further so I took my leave and again urged him to make serious and sincere effort to better relations with RKG. He at least smiled on parting.

Comments: Since Mau had told Diem subject talk he fairly grave from outset, but thing which apparently troubled him most was reiteration allegation re corrupt Can Lao re which his "Explanation" and defense were weak. Except for first incensed flat denial re Sam Sary and arms he did not deny these again. One positive result was he has not abandoned idea to send high-level delegation to Phnom Penh. He was obviously shaken as shown by his initial replies but calmed down later and obviously tried to convey impression he will do something about sending delegation, but did not make firm promise. I am convinced this démarche will do no real harm and in long run will do some good.

In view French Ambassador Lalouette's suggestion re concerted action (Embtel 3133⁷), I plan tell British and French Ambassadors I saw Diem "this week" (they know I saw him 11th) and found another opportunity to urge him to endeavor have better relations with RKG and do more to meet population's wishes (which I did somewhat in passing on 11th). Therefore I shall and Department believes we have done enough for moment but see no objection if they take separate steps talk to Diem along lines suggested. I will try avoid

⁶Neither found.

⁷Telegram 3133, May 6, reported that French Ambassador Lalouette had suggested that he, Durbrow, and British Ambassador Hohler consider taking "independently" concerted steps to convince Diem to take action to rectify the growing popular discontent in Vietnam against his regime. (Department of State, Central Files, 751K.00/5-660)

mentioning meeting thirteenth, so as not to get press play back through French leak to Sihanouk via Gorce.

Durbrow

161. Memorandum of a Conversation, Department of State,
Washington, May 13, 1960¹

SUBJECT

Possible TDY to Viet-Nam for Brigadier General Lansdale

PARTICIPANTS

Deputy Defense Secretary Douglas

Deputy Assistant Secretary of Defense for International Security Affairs Knight
Messrs. Steeves, Anderson and Wood

Mr. Douglas asked about General Williams' attitude on the question of whether or not we should accede to President Diem's request that General Lansdale be assigned to Saigon. He felt that if General Williams concurred, there would be no problem.²

Mr. Steeves indicated our concern about Diem pointing out that he needed to face the facts of a difficult situation and that if he were allowed to deal with someone else besides Ambassador Durbrow and General Williams, the situation might be further complicated.

Mr. Douglas gave it as his impression that Lansdale would be sure of avoiding complications.

Mr. Steeves asked what plans Defense had for General Lansdale.

Mr. Douglas replied that Defense had none and that this request had come from the Vietnamese to the State Department. He added that Ambassador Chuong, when he had called on Mr. Douglas on May 12, knew very little of President Diem's thoughts on this matter. The Ambassador had said that Diem in 1954 had felt very much alone and that it had been important for him to be able to talk to Lansdale whom he trusted completely.

Mr. Steeves replied that anyone whom Diem wanted would in effect become his channel.

¹Source: Department of State, FE Files: Lot 62 D 26, MC Defense. Secret; Limit Distribution. Drafted by Wood.

²This matter was discussed at the Acting Secretary's staff meeting on May 13. According to notes by Calhoun:

"There was a lengthy discussion of Defense's desire to send General Lansdale back to Vietnam and the problems that would result for our Ambassador in such an eventuality. There was a consensus that we should continue to oppose his assignment there." (*Ibid.*, Secretary's Staff Meetings, Lot 63 D 75)

Mr. Douglas said that it would be much easier for Defense to keep him in Washington. He mentioned that President Eisenhower had expressed concern to Secretary Gates about the situation in Viet-Nam.³

Mr. Steeves pointed out that we were putting very heavy pressures on Diem and that if we acceded to his request to send someone to whom he could unburden himself, some of these necessary pressures would be diminished.

Mr. Douglas said that Diem might have more confidence in Lansdale's advice and that we could be sure this advice would be in line with the Country Team's view. Possibly Lansdale might seek to change the Country Team's views before presenting them to Diem. Mr. Knight stressed the importance of our military stake in Viet-Nam which revolves largely around Diem who has to make good and whom we cannot antagonize. Mr. Douglas emphasized that General Lansdale had experience and that he was controllable.

Mr. Steeves indicated doubts on this latter point, and said that he had recently talked with several senior officers who had served in Saigon at the time Lansdale was there who felt it was extremely difficult for Lansdale to work on a team.

Mr. Douglas asked whether, if General Williams asked for Lansdale, the State Department would still oppose the suggestion. Mr. Steeves replied that we would unless Ambassador Durbrow approved. He added that if we had a clearer idea of what Lansdale was to do we would put the question to Ambassador Durbrow.

Messrs. Douglas and Knight suggested that he be sent for a limited period—say, 60 days—subject to instructions agreed on with the Department of State and that he would be under Ambassador Durbrow's control in Viet-Nam.

Mr. Steeves said that we would insist that he follow the same line as the Country Team. He inquired whether CINCPAC had expressed any view.

Mr. Knight replied that CINCPAC had said he would support Ambassador Durbrow.

Mr. Steeves expressed the strong opinion that there was a risk that Lansdale's presence would be liable to cause discord, and that there seemed no reason to agree to a suggestion which might create new problems in Viet-Nam where so many already existed.

Mr. Douglas pointed out that he was a good technician.

Mr. Anderson replied that a person as well known as Lansdale could not go to Viet-Nam as a simple technician.

³An expression of the President's concern, not made exclusively to Gates, is in Document 156.

It was agreed that State would send a message⁴ saying that the Vietnamese Ambassador had approached the Defense Department with Diem's strong request that General Lansdale be assigned to Saigon without stating the period of time which President Diem had in mind, that DOD would be willing to make him available for 60 days if Ambassador Durbrow believed he would be helpful with existing problems, that he would be under Ambassador Durbrow's supervision, and that his orders would be cleared with Ambassador Durbrow.

⁴Reference to telegram 2069 to Saigon, May 13, which reads as follows:

"Vietnamese Ambassador has approached DOD re Diem's strong desire Brigadier General Edward Lansdale be sent to Saigon as Presidential adviser. Ambassador unable state how long Lansdale's services desired. DOD willing make Lansdale available for 60 days TDY if you believe he could be helpful to you with present problems. If he should be sent to Saigon he would be under your direct control and his orders would be cleared with you.

"In discussion with Steeves Under Secretary Defense emphasized DOD needed Lansdale in Washington in order make clear DOD not trying to separate him from Headquarters." (Department of State, Central Files, 751K.5811/4-2260)

162. Telegram From the Acting Secretary of State to the Embassy in France¹

Washington, May 13, 1960—2:06 p.m.

4821. Your 5194² repeated information Saigon 103, Vientiane 121, Seoul 9, CINCPAC PolAd Unn. Department considers recent developments Korea not only welcome advance locally but as providing bonus gains regionally and globally in principles for which we stand and in image of US. We wish preserve and if possible enlarge these

¹Source: Department of State, Central Files, 795.00/5-1360. Secret. Repeated for information to Saigon, Seoul, Vientiane, Manila, and CINCPAC for PolAd. Drafted by Albert leS. Jenkins, Regional Planning Adviser in FE; cleared in SEA, NA, FE, G, WE, GTI, and S/S; and approved by Acting Secretary Dillon.

²In telegram 5194, May 7, the Embassy in France had noted that as a result of developments in Korea, there was a tendency in France to "believe US has adopted new policies toward those countries where circumstances most like those in Korea-Vietnam and, to lesser extent Laos." Believing that the growth of such beliefs was "obviously dangerous", the Embassy urged the Department to "make particular effort cause French Embassy and press representatives to understand distinctive features US role in Korea, lack of similarity between ROK, GVN, et cetera, and in other ways make clear US policy toward these governments unchanged. Useful forum this purpose might be new meeting of sixteen." (*Ibid.*, 795.00/5-760) The "sixteen" is a reference to the 16 nations which had contributed combat forces to the United Nations Command in Korea. Documentation on U.S. policy with regard to the change of government in Korea is scheduled for publication in a forthcoming volume of *Foreign Relations*.

gains. At same time we have not adopted "new policies toward those countries where circumstances most like those in Korea." There is no other country where circumstances exactly parallel those of Korea, and we have no formula intended for multiple application.

Rhee was not brought down by US initiative. Probably equally true we could not have saved him had we wanted to. We did not want to, not only because we had many problems compounded by his stubbornness and lack of vision some important matters and hence viewed prospect of new regime with equanimity, but even more because we recognized his regime and tactics had caused deep revulsion among Korean people. Since ROKG had already forfeited confidence and support of majority of south Korean population (whose anti-Communist conviction has never been in question), an effort by the US to bolster the declining authority of the regime could have been expected to be followed not by reform on part of ROKG but by increasingly repressive measures. Support to the Rhee regime in such circumstances would have made US equally hated by Korean people and thus separated them from only remaining major source of support for ROK. US and Rhee regime alike would have suffered domestic and international condemnation and in end we would probably have had to choose between gross intervention either to help regime repress people or to help people overthrow regime before chaos gave Communists what they could not take in 1950-53 by force of arms. Department and Embassy public and private statements and actions were not designed to stem tide brought on by Korean people, and doubtless augmented it. This we believe to have been not only wise in view clear direction and magnitude popular tide, but entirely appropriate on our part. We have rights and indeed obligations fully corollary to our very heavy responsibilities in Korea, and we can overlook none of these. However, we have attempted and will continue attempt avoid appearance of intervention or indeed of interfering any more than essential with internal dynamism of Korean national life.

Overwhelming reaction in US and for most part Free World has been approbation of direction, degree and form of restrained but forthright influence we exerted in Korea at height of serious crisis, which would have been subject Communist exploitation if situation not realistically faced and matters allowed to drift.

We do not wish gratuitously dissipate bonus gains mentioned above. Furthermore, we wish maintain flexibility our policies and attitudes in countries where there undeniably are some similarities however limited, with former Rhee administration in Korea. We also realize US rights, obligations and responsibilities are not elsewhere closely parallel to those Korea. Accordingly we do not plan make statements either affirming or denying that we see some parallels

elsewhere, nor do we contemplate meeting of 16 to give such explanations.

Even in private bilateral conversations subject should not be initiated by us, and if queried we would not wish at present go beyond assurance we see no pat, multiple-use formula arising from Korean experience but consider instance of such determined expression of popular will on part of people of an Asian country of growing political maturity to be matter of notable, and certainly already widely noted, import.

Meanwhile fact we recognize in Turkey significant differences (along with obvious limited parallels) compared with Korea has caused us tailor our policy there accordingly, as is now obvious to all.³ Inferences from our policy there, too, we would prefer others to draw without much aid from us. In short, we wish neither to renounce possibility expression of US sympathy with tides of popular indignation which could arise elsewhere in future, nor give impression we pre-occupied with potentialities Korean "lessons."

We are not prepared to say "lessons" of Korea may not be at least partially applicable to partially similar circumstances which might evolve elsewhere in future—just conceivably in Viet-Nam as example. (Laos not so subject to comment this context at least for foreseeable future.) It is not closely held secret that we are worried by trends in President Diem's management of affairs, and time could come when it would be in our interest express our views more openly. We are increasingly concerned at evidences of lack of popular support, at Diem's "mandarin complex," at acute nepotism and other factors which not only make the Communists' road easier but, because of our inescapably close association, damage our own image as consistent upholder of principles for which we stand worldwide. This situation is embarrassing, frustrating, already damaging to our interests and potentially much more so; it is also basically unstable in the long run, given the power pressures in Asia today. We would not want to give anyone the idea, least of all Diem, that we have any pre-conceived plan either to support or oppose Diem in the possible event of wide-scale determined opposition to him should such arise in future. It would be disservice to us, to Diem and to our other friends including the French if we should volunteer any observations which could be interpreted as US readiness to insure Diem's immunity, come what may, from the "lessons" of Korea. Indeed we fear it likely he may refuse to entertain what limited lessons from Korea we feel might be applicable and salutary.

³Documentation on U.S. policy toward Turkey is scheduled for publication in a forthcoming volume of *Foreign Relations*.

For Manila: Above may be helpful as background reference your 3222.⁴

Dillon

⁴In telegram 3222, May 12, the Embassy in the Philippines had reported on the Philippine reaction to developments in Korea. (Department of State, Central Files, 795B.00/5-1260)

163. Telegram From the Ambassador in Vietnam (Durbrow) to the Department of State¹

Saigon, May 17, 1960—1 p.m.

3218. ReDeptel 2070.² Have given further thought Lansdale suggestion. Apart from those already given mytel 3013,³ still somewhat reluctant concur his coming for following reasons:

1. Do not believe Diem desires him as much as advisor anti-guerrilla activities, but hopes use "old sympathetic friend" to reverse pressure Dept and Embassy putting on Diem to take what we consider needed steps his and our interests.

2. Situation has changed considerably since 1956 and might be difficult for Lansdale become sufficiently steeped in current atmosphere to be effective.

On other hand since Diem seems most anxious Lansdale come indicating confidence in his advice and since my efforts so far apparently have not opened Diem's eyes, possibility exists that Lansdale, if fully briefed and instructed, might serve useful purpose provided (a) he follows fully Dept's instructions, is under my control and cooperates fully and openly with me; (b) reports accurately talks with and advice given Diem; and (c) that no fixed TDY period be named in

¹Source: Department of State, Central Files, 751K.5811/5-1760. Secret.

²In telegram 2070, May 13, the Department added the following to the Lansdale issue:

"In conference with Defense today we have agreed to send you through this same channel message asking your opinion regarding Ed Lansdale's assignment to Vietnam either for brief TDY period or longer. We reluctant endorse this proposal due to grave misgivings which we entertain based on his past performance and peculiar relationship to Diem. We of course have your earlier response but would appreciate again your very frank opinion in response to the proposal going out today.

"We recognize that in the midst of present delicate relationships with Diem in our current efforts to get him to mend his ways any extraneous elements of this character could provide you with a real problem. We have made no commitment to Defense other than to tell them that we would seek your views." (*Ibid.*, 751K.5811/5-1360)

³Document 145.

order be able play it by ear to see whether Diem listening Lansdale's advice and if he being effective, could stay up to 60 days.

I do not know Lansdale well enough to make firm judgment re his effectiveness under present circumstances, but if you believe worth trying, I concur.

Durbrow

164. Letter From the Chief of the Military Assistance Advisory Group in Vietnam (Williams) to the Secretary of Defense's Deputy Assistant for Special Operations (Lansdale)¹

Saigon, May 17, 1960.

DEAR ED: This is in reply to yours of 8th.²

About last of April I was handed a "draft" message, I know it now to be the one you referred to. D[urbrow] asked permission to scold Diem and threaten him with slow down or stop of mil. aid. I questioned advisability of the threat. There was much discussion between D[urbrow] and . . . G[ardiner] of USOM. I thought the whole thing was left up in the air for D[urbrow] to study further. I'm fairly positive that the draft had been written for him as he was not familiar with some of the wording. I presumed, in error, if it was to be corrected and sent out it would be sent to me for comment. I never saw it again. I considered it a most ill-advised piece of work and assumed . . . had written the draft as he knew most about it.

On the 14th May I saw the message dated 2 [3] May³ and to my utmost surprise read in the last line that I had concurred! This could have been an honest error but I do not believe so. However, at the same time I saw State's reply⁴ which said the threat could *not* be used so—to avoid another fight that could have gained nothing—said nothing. Thank Christ you were able to guess something was wrong and thus influence the answer from State. Now to carry this a bit further. D[urbrow] told us at small meeting that he had scolded Diem and that he had taken it. M[i]n. T[huan] told me the Pres told D[urbrow] that (and I quote verbatim) "I am more concerned with conditions here than Wash. because I see a deterioration between VN

¹Source: Center of Military History, Williams Papers, Lansdale, 1960 (136). Personal and Confidential. Printed from a carbon copy of the handwritten letter.

²Not found. Reference is apparently to a document different from that mentioned in footnote 3, Document 155.

³Document 150.

⁴Document 157.

and the U.S. based on such false reports." T[huan] told me Diem was white with anger. It was described by D[urbrow] to Diem as a verbal note but when conference was over D[urbrow] didn't leave any note with Diem. T[huan] said to have a copy of a "verbal" note was proper. That Diem then sent for his For Min and told him to get a copy. That the For Min had been unsuccessful. T[huan] is making a big point of this in his conversation with me. Frankly T[huan] is plenty worried and honestly I am too. Something is going on here. Messages never fail to carry little remarks about Br. are worried, Fr. are worried, Germans etc., etc. One said "I have suggested" they (Br. & Fr.) get instructions from their Gov. to have words with Diem. What the hell. Is this a one man campaign to ruin Diem? Why? Personal hate? Today at C.T. [Country Team] meeting he told us he had been asked by various heads of missions if the US was looking for a replacement for Diem and that if any of us should be asked the same question we were to say that the US supported Diem. Who in the hell would [have?] asked me such a question. In a message to State⁵ he reports these questions to him and suggests that news of some of his lectures to Diem had "leaked." However he leave [sic] a doubt that maybe they too see things are "bad" and think we would be looking for some one. He asked me in open C.T. meeting today if I thought some elements might be grooming Big Minh as his replacement. I was so taken back I had him repeat the question. In front of a room full of people how long will that be a secret? What rumors will spread from it? Is this an attempt to kill Big Minh?

I don't believe anyone here other than T[huan] or Diem know that we know each other and they won't find it out from me. State asked VN Amb if request for you to come out had been taken up with me and VN answered in negative, so says T[huan]. In State query to D[urbrow], mentioned above, it said "answer in this same channel" so he is probably not using normal channels & could be sending anything. One more item D[urbrow] is afraid of . . . and I've come to believe . . . is encouraging him to smear Diem. . . . Regardless of how subtle a smear is being conducted a man that makes such remarks in public can't be smart.

I was happy to see TWX from DA⁶ saying my nomination had gone to Senate for retirement in present grade. I thought surely some one would try to block that and will not feel safe until I hear that Senate has acted. Once I get that news the wraps will really be off.

Hope to see you soon—*here*.

STW

⁵In telegram 3220 from Saigon, May 17. (Department of State, Central Files, 751K.00/5-1760)

⁶Not found.

165. Memorandum of a Telephone Conversation Between the Assistant Secretary of State for Far Eastern Affairs (Parsons) and the Acting Assistant Secretary of Defense for International Security Affairs (Knight), Washington, May 19, 1960¹

SUBJECT

Proposed Assignment of Brigadier General Lansdale as Adviser to President Diem

After discussion with the Acting Secretary and with his authorization, I telephoned to Mr. Knight to tell him that after full and careful consideration, the Department had concluded that it could not favor this assignment. I said that in the light of President Diem's consistent unresponsiveness to representations from the Ambassador and also at times to the advice of General Williams, we had recently taken a firmer line with the President and his Government. The President, for his part, after parrying our Government's views had turned around and requested the assignment of an officer congenial to him who had been useful in other circumstances years ago. It was possible that, if assigned, he would use such an officer to play off one group of American advisers against another and to obtain changes for courses of action which he desired but which were contrary to our Government's views. It would seem, moreover, to be both strange and not useful from the standpoint of our prestige and influence to reward recalcitrance by acceding to this unusual request. It was on these grounds that we were opposed to sending Brigadier General Lansdale to Saigon.

I told Mr. Knight that we had made this determination despite an indication from Ambassador Durbrow that if he thought on balance the assignment would advance American interests and if certain conditions were met, he would concur in the assignment. I said I par-

¹Source: Department of State, FE Files: Lot 62 D 26, MC-Defense. Confidential. Drafted by Parsons on May 20. In telegram 2121 to Saigon, May 21, the Department of State informed Durbrow of this discussion and the decision on Lansdale's assignment. (*Ibid.*, Central Files, 751K.5811/5-2160)

In a memorandum to Parsons, May 18, Anderson stated that there were four main reasons for opposing the proposed Lansdale visit. It would "further undercut the present Ambassador's position already challenged by the Chief MAAG, General Williams". Lansdale's "position as an Air Force Officer . . . as presidential adviser requested by Diem but supposedly under the Ambassador's authority would be anomalous. This at a time when our Government's voice in Viet-Nam should be firm and clear." Lansdale's presence "would encourage Diem's strong propensity to play off American advisers." Lastly, four "Senior Officers who have served in Viet-Nam—three when Lansdale was there" had recommended strongly against the idea. "Knowing something of Lansdale's views and methods, it is very unlikely that he would strongly support our views and policies—particularly on Vietnam's attitude toward Cambodia—during private talks with Diem." (*Ibid.*, FE/VN Files: Lot 66 D 193)

ticularly wanted him to know that Ambassador Durbrow had taken this constructive view and was not blocking the assignment, although he had reiterated his reservations and misgivings. I added that if the Deputy Secretary of Defense who had discussed the matter with Mr. Dillon, as had Mr. Gates, desired to carry the matter further, Mr. Dillon would, of course, be glad to talk with him. The position I had taken, however, had been discussed with Mr. Dillon and had received his approval.

Mr. Knight said that the Defense Department did not want General Lansdale to go to Viet-Nam if the State Department was opposed to the assignment. However, there was a feeling in the Pentagon that this proposal had been prejudiced a bit by certain old scars at the working level here in State. More seriously, however, the Defense people felt that President Diem was a head of state in whom we have a big stake and that it might be a mistake to stand him in the corner as a bad boy. Furthermore, from the purely Defense Department viewpoint, General Lansdale was an asset to be used with this rather difficult President and Defense had a large investment in Vietnamese security. Mr. Knight recognized that our stated reason for opposing the assignment was a serious one and well considered one, but the Defense people could not altogether agree with it. However, in his view, what I had told him settled the matter. He hoped, however, that when we told the Vietnamese we would not again say that General Lansdale was unavailable, but would face the issue squarely and state that we did not consider the assignment appropriate at this time. He hoped we would reconsider it at some further date if circumstances indicated its desirability.

I, of course, said that we were always prepared to take another look at such things. With regard to the way we handled the matter with the Vietnamese, I told Mr. Knight that if we could not agree to state that the assignment was inappropriate and wished to give some other rationale to the Vietnamese, I would telephone to him before we used it so that he would have a chance to discuss the matter. Mr. Dillon, whom I have informed, sees merit in using the reason advanced by Defense.

166. Letter From the Chief of the Military Assistance Advisory Group in Vietnam (Williams) to Senator Mike Mansfield of Montana¹

Saigon, May 20, 1960.

DEAR SENATOR MANSFIELD: This is in reply to your letter of 5 May 1960² relayed to me by wire by the Secretary of Defense on 19 May. A brief interim reply was sent to you by wire via DOD on 20 May.² I am pleased to furnish you with the following additional information, first with reference to the actual situation concerning the MAAG strength and second to the internal security situation.

With the phasing out of the French Army Training Mission in 1956, which as you know had been working with MAAG in the old organization known as TRIM, and the French Navy and Air Force Training Mission in 1957, it was recognized that additional US advisors over and above the 342 then authorized would be needed to continue the training of the Vietnamese Army, Navy and Air Force. The imminent withdrawal of the French Expeditionary Force and the general situation in Vietnam—a condition of which you had first hand knowledge as a result of your thorough study of the subject at that time—imposed a requirement that the additional US advisors be on site at the earliest possible date, particularly logistical Advisors and Advisors for the Navy and the Air Force. Consequently, to avoid certain diplomatic difficulties that would have resulted from the International Control Commission (ICC) consideration of the increase in MAAG personnel, in light of the Geneva Accords, a cover organization was established in May 1956. This was and is the Temporary Equipment Recovery Mission (TERM), consisting of 350 US Military technical personnel. The mission of TERM was two-fold: First, to recover, classify and dispose of thousands of tons of US supplied military equipment from the Indo-China War, and second to advise and train the Vietnamese Armed Forces in logistical and technical matters. The first mission was completely legitimate and an essential undertaking on an overt basis. A point of considerable interest is that from arrival of TERM here in 1956 until 30 April 1960, that organization has reclaimed for the United States excess property to the value of \$749.8 million (requisition value). The second mission, however, has been kept classified since the inception of TERM and is still classified information.

The presence of US advisors of MAAG in Vietnam has long been the target of vitriolic propaganda blasts by Hanoi and regular

¹Source: Center of Military History, Williams Papers, Official Correspondence Jan-Apr 1960 (73). Personal and Confidential.

²See Document 154.

complaints to ICC about an American Military alliance with Vietnam in contravention of the Geneva Accords and about US personnel "commanding" the Vietnamese Army. Radio Hanoi has for some time regularly accused us of having 2,000 US Military in Vietnam. Undoubtedly, they realize that our efforts here have hurt them. The establishment of TERM, even as to its overt mission, led to increased presence by North Vietnam to remove all US Military personnel from Vietnam. Consequently, in early 1957, the ICC began insisting on receiving periodic reports of TERM's activities and inspections of TERM's operations with a view to insuring that TERM leave the country at an early date and as soon as all excess equipment had been removed. Recognizing that TERM could not be maintained indefinitely, because of the transitory nature of its unclassified mission but also realizing that continued logistical training was required, I proposed about March 1957 that TERM be legitimized as a permanent organization with unrestricted functions. This was considered politically impossible at that time, but in late 1957 and early 1958 I again pressed with the Country Team for establishment of a firm State-Defense "long-range policy" on the status of TERM. The need for the continued presence of these logistic advisors was now apparent to the members of the Country Team and many US official visitors, as well as to me. Actually, there is no doubt that without the assistance and advice of TERM personnel, the Vietnamese Armed Forces logistical system would have fallen flat on its face. This at great loss to US financial as well military interest.

In late 1958 and during 1959, diplomatic actions were finally undertaken at the instigation of the Country Team and with full concurrence of CINCPAC, DOD and the State Department, to obtain ICC acceptance of an increased number of MAAG personnel. Aside from the basic legality of the question, which was based on the presence of at least 888 US and French advisors in Vietnam in 1958, the phase-out of TERM as its overt work was completed was cited to emphasize the fact that we were not increasing our total military personnel in Vietnam above the number present at the time of the signing of the Geneva Accords.

In the meantime, Vietnamese officials had become increasingly concerned about the termination of TERM's functions and the possibility of the loss of their logistical advisors. I am happy to say that they have, in the past few years, become fully cognizant of the importance of logistics and technical training in the successful over-all training and employment of their armed forces. Consequently, President Diem urgently requested, in view of the newness of the VN Armed Forces and their continued need of logistical advisors, that the total strength of MAAG/TERM not be decreased at this time.

After the diplomatic groundwork had been laid by the US State Department, the Vietnamese Government presented to the ICC formal request for an increase in MAAG from 342 to 685 personnel, and on 19 April 1960 the ICC took favorable action on this request. The delay in obtaining acceptance of this action by other interested countries vindicated our previous action of resorting to a cover organization at a time when delay would have been intolerable, and the final ICC action justifies our position that such an increase is, in fact, legal under the Geneva Accords. We are now in the process of assigning all newly arriving personnel to MAAG. As TERM personnel depart upon completion of their tours of duty, they will not be replaced. The total number of US military advisors will then not be increased.

It is evident, therefore, that the action taken is not an increase in MAAG strength—actually MAAG's new strength of 685 is 7 spaces below the present combined strength of MAAG and TERM. It is, rather, an action to legalize the work which has been done by TERM for 4 years. The presentation of the case to the ICC and to friendly countries, who assisted in the diplomatic maneuvers to obtain ICC approval was made on the basis of legalizing an increase in MAAG rather than legalizing TERM's covert mission or indicating that TERM would be added to MAAG, since this would have disclosed the fact that TERM had been partly presented to ICC as a subterfuge in the beginning. The statement in the UPI press account that a group of 350 "civilian technicians" is being phased out was in error since TERM personnel were US Military.

I would like at this time to point out to you the need for continued classification of this subject, even though favorable ICC action has been taken.

With regard to the security situation, I would like to present this as a long range problem: When the Communist forces moved to the North of the 17th parallel as result of the Geneva Accords in 1959, they left Communist cells throughout South Vietnam. They have always been a security problem to a greater or lesser degree. Sometimes they would remain quiet, other times for short periods they would become active. Never were the Vietnamese able to completely eliminate them. During the latter part of 1958 but mostly during 1956, the GVN intensified its efforts against the Cao Daist and Hoa Hao Sects. By the end of 1956, with the capture and execution of the Hoa Hao leader Ba Cut, this operation was completed. During the period the Communist cells remained largely under cover. During 1957 and 1958 they were not too active. Although trouble from them was expected by GVN during the summer of 1959 and prior to the August 11, 1959 National Assembly elections, it did not materialize seriously and the elections were held without noticeable incidents.

However, after these elections the cells gradually became more active and have become very active during the last six months. This recent activity had been on a scale too large to be effectively controlled by the civilian security forces (Civil Guard, Village Militia and Police). As you realize, Hanoi can turn such activity on or off like a spigot whenever they see fit.

From time to time, the Communist cells have been reinforced by additional well-indoctrinated Communists from the North to replace their forces or to increase their numerical strength. This intensification is brought about by North Vietnam's determination to undermine and destroy the government of South Vietnam which in my opinion they hesitate to attempt at this time by all out invasion although they have the capability to do so. It is characterized by increased boldness and the use of larger groups of armed Viet Cong. Undoubtedly the Viet Cong infiltration of additional cadres into southern Vietnam has been facilitated by recent unsettled conditions in Laos, and in my opinion, by the "neutralism" of Cambodia, which makes the task of Vietnamese security forces more difficult. The Civil Guard, an organization under the Department of Interior, lacks the training and equipment to maintain security under these conditions and hence a major share of pacification operations has devolved upon the military. The training efforts of the military are keeping pace with the situation and includes, as you suggested, training to fit the troops for anti-guerrilla warfare without an increase in the number of advisory personnel.

I was impressed with the expression you used last August concerning MAAG "working itself out of a job" as I had stressed this concept, without so wording it, for a long time. My purpose has been two-fold, one to reassure the Vietnamese that we had no idea of remaining here as a second Colonial Power, which I believe many VN Military thought, and secondly to get the VN Military to work harder themselves, to become more self-reliant, to realize that MAAG unquestionably would be reduced gradually and finally withdrawn at the earliest feasible date. Recently, in reply to a request for my forecast on reduction of American personnel in Vietnam I stated that in my opinion MAAG should be able to take a 15% reduction in mid-1961 and progressively reduce about 20% each year thereafter. I fully realize, of course, that it's very difficult during recent world wide conditions to accurately forecast what the situation in South East Asia will be in mid-1961. However, for intelligent planning over a period of time some assumptions have to be made. Therefore, the recommendation could only be made on the assumption that there would be no drastic change in the general situation. With this assumption [illegible] the foreseen improvement of the VN officer and Non-Commissioned Officer Corps and especially the im-

provement that would come from the Military Schooling in the United States of selected officers of the Vietnamese Army, Navy and Air Force.

Trusting that the above gives you the information you desire, I remain

Very truly yours,

S.T. Williams³
Lt General, USA

³Printed from a copy which bears this typed signature.

167. **Memorandum From the Chief of the Military Assistance Advisory Group in Vietnam (Williams) to the Ambassador in Vietnam (Durbrow)¹**

Saigon, June 1, 1960.

SUBJECT

Training of the RVNAF (U)

1. This is in reply to your Secret memorandum dated 19 April 1960, Subject: "Anti-Guerrilla Training" (Incl #1),² which I received 26 April, with reference to my interim reply to you of 26 April 1960 (Incl #2).³

2. In the interest of clarity and objectivity, the subsequent paragraphs are identified with a short subject title. This format will facilitate appropriate response to the questions and comments outlined in the seven paragraphs of your memorandum. Other pertinent and necessary details and elaboration are presented as inclosures to this letter.

3. *Reorganization of the ARVN Divisions:*

a. The primary reason for reorganizing the 10 unbalanced ARVN divisions and 13 separate regiments into 7 balanced division and support services was to create major ground combat units capable of operating on the terrain of Vietnam and with the ability to carry out their mission, i.e., to offer effective initial resistance to external aggression, and with a capability of ensuring internal security if civilian

¹Source: Center of Military History, Williams Papers, Memoranda to Ambassador 1960 (77). Secret; Noform.

²Document 141.

³Not printed.

security forces were unable to do so. Additionally, it was necessary to develop and get approved an organizational structure that could be supported by the Military Assistance Program.

b. The reorganized divisions represent a balance of combat, combat support and service support elements capable of conducting ground combat in the terrain of Southeast Asia against either conventional or guerrilla forces. The external and internal threats to the security of Vietnam, which are expressed militarily as enemy capabilities, as well as the elements of terrain and weather, were and are the primary and governing factors in this establishment and improvement of the new division TOE. The organization and equipping of any unit, whether it be naval, air or ground, is developed by a careful analysis of the enemy's military units, the combat power which those enemy units can exert in terms of weapons systems, mobility, maneuverability, logistical and communications systems and the like, and the characteristics of the contemplated area(s) of operations.

c. With the above basic operational requirements determining the fundamental organization to be developed, many other desirable requirements were considered. Some of the more important ones are outlined in Inclosure 3.⁴ In all instances, the analyses and evaluations applied to the thousands of components comprising the new division were centered on the requirement to create a division which could conduct combat operations against conventional forces, or elements of it, to conduct combat operations against guerrilla-type forces in Vietnam. For example, to unbalance one element such as a transportation means, or a fire power means, too much toward the conduct of anti-guerrilla warfare to the exclusion of all else is to ignore the omnipresent requirement to have in being a force which can also delay effectively the much larger conventional force which stands ready and capable in North Vietnam. The converse is equally true.

d. Accordingly, a balanced division was evolved by a Vietnamese Test Board after an exhaustive test that lasted one year. Minor changes for its improvement are made on a continuing basis. It possesses a high proportion of infantry with excellent organic fire power, as well as the inherent capability of the infantry to move anywhere on land. It has also sufficient combat support in the form of mortars, recoilless rifles, artillery, engineers, and signal units to enable it to fight conventionally, or in an anti-guerrilla role; and it possesses the necessary medical, transportation, ordnance, quartermaster, and administrative elements to support its combat operations. It is so organized as to enable it to be broken down into individual company, battalion or regimental combat teams.

⁴"Operational Requirements for New Division"; not printed.

e. Excellent fire power has been assured by a careful selection of various types of weapons. The individual and crew-served weapons of the division are superior to those of the Viet Cong guerrillas or those of PAVN regular forces. The 60mm and 81mm mortars are organic to the companies, battalions and regiments, and can be transported anywhere the foot soldier can move. All these smaller weapons, which the Viet Cong covets and seeks at every opportunity, are lighter and more efficient than those of PAVN or the Viet Cong. Available for heavier fire support are the 4.2 inch mortars and field artillery. While swamp and jungle are not conducive, generally, to the employment of heavy fire power means, these weapons can be and are being employed increasingly in such terrain to support combat operations.

f. The mobility of the personnel and equipment of the division has received and continues to receive maximum attention. They are not road bound as was the Colonial Army or the normal type "western" Army.

(1) The soldier of the division, contrary to much fallacious reasoning, has the same foot mobility as the Viet Cong guerrilla. His individual equipment is light, extremely durable and most effective. As his own combat experience and that of his leaders [has] increased, this superiority in equipment has become readily apparent. It is being witnessed now in the delta area which the Viet Cong after several recent defeats by ARVN elements are avoiding combat with Regular troops.

(2) Crew-served weapons such as machine guns and 60mm and 81mm mortars can be moved anywhere the soldier can move. The heavier supporting weapons, the 4.2 inch mortar and artillery pieces, offer a bigger problem. The 4.2 inch mortar, however, is being employed in the delta area in extremely difficult terrain. Hand carts have been developed to carry the 4.2 inch mortar loads and are being refined.

(3) Many fallacious opinions and conclusions have been expressed as to the mobility of the new ARVN division. Because a limited number of 1/4 Ton, 3/4 Ton, 2 1/2 Ton and larger tonnage capacity vehicles are organic to the Table of Equipment, many non-military as well as some military personnel leap to the conclusion that the division elements are "road bound." Such conclusions ignore all the foregoing, and more importantly, the extensive experience of the U.S. Army in conducting combat operations in jungle and swamp areas in WW II. Basically, it is from this experience, now expressed in doctrine, that the organization, equipping and training of ARVN units stems. Many U.S. divisions in the Pacific fought long and arduous campaigns in jungle and swampy terrain (New Guinea, Guadalcanal, Philippines) where the rifle regiments rarely saw a vehicle other than an occasional 1/4 ton jeep. The soldiers, weapons, ammunition, food, water, and medical supplies moved by foot, as did the enemy, to the combat area. Having recognized from the beginning that such mobility was essential to the ARVN Forces designed to fight conventionally or against guerrilla-type forces in Vietnam, the

means of transportation to be made organic to the division were carefully weighed. Each truck, prime mover, or weapons carrier was assessed carefully against a considered requirement. In addition a coolie Service Company was made organic for combat operations, so as to provide a foot-means of logistical support in roadless terrain. While review of the division's mobility continues, and must continue always, the ARVN division is considered to have adequate mobility.

(4) As units of this division participate increasingly in combat operations, the resourcefulness and imagination of ARVN, as well as MAAG personnel, produce various other expedients to further mobility in difficult terrain. As a result, small craft, draft animals and many other items are tested, exploited or discarded. Expedients for stream crossings, such as rafts, floats and ropes, are the same used by the U.S. and other foreign armies.

g. The means of communication to control and direct the combat operations of the division's units being most important, the means made organic to the new TOE are efficient, dependable and light in weight. Light weight radios available to the platoon, company, battalion and regiment provide leaders with the contact means to direct the actions of organic maneuvering and fire support elements, as well as to contact supporting aircraft. Signal equipment is expensive, and in order to achieve some balance in all types of equipment received each year, it was programmed over a period of years. As ARVN units were committed in increasing numbers against the Viet Cong, it became necessary to accelerate the delivery of this signal equipment. The programmed input levels which were considered adequate for training were not adequate for combat operations. The accelerated deliveries are now underway and signal equipment being received is being allocated to those units whose operational requirements are the greatest.

h. Lastly, the TOE's of the Vietnamese Division have been approved, after detailed study, by my military superiors.

4. Counter Guerrilla Training:

a. In answer to questions on the subject of training, it is essential to keep in mind that MAAG officers have no *command* authority whatsoever over Vietnamese Forces; they may only advise and recommend as to training. If the Vietnamese commanders should not choose to follow completely the advice and suggestions of their MAAG advisor, Chief MAAG may only recommend and urge that they do so.

b. In my letter to Mr. Dung of 29 February 1960 (Incl #4),⁵ to which you have referred, it will be noted it is MAAG policy to advise the Vietnamese commanders to have well trained units capable of carrying out all types of operations, including counter-guerrilla

⁵Document 109.

operations; operations during day and during night and in all types of terrain, particularly in the jungle, the swamps and the mountains found in Vietnam. This policy is based on the established military fact that well trained soldiers, with good leadership and sound plans, can successfully fight any kind of enemy on any kind of terrain.

c. In the same letter to Mr. Dung, I outlined various examples of positive MAAG actions during the last two and one-half years which recommended and urged that counter-guerrilla training be included by Vietnamese officers in training programs for their troops. In addition to the outlined actions in this letter MAAG's recommendations are included in the 6-week program of instruction (POI) for Ranger companies which was published by Headquarters RVNAF in March 1960. Also, MAAG was recently assisted in the preparation of the POI to be conducted by U.S. Special Forces trainers. Moreover, MAAG prepared the latest revision of the POI for infantry advanced individual and basic unit training which was published by Headquarters RVNAF. That document also lays stress on tough, realistic training in difficult terrain and includes a large segment of tactical training hours directed to such field exercises as ambushes, combat patrols, raids, and developing attacks. These subjects are directly related to counter-guerrilla training.

d. Many individuals do not know what counter-guerrilla training is, and do not comprehend its relationship to sound military tactical training. As stated many times by MAAG as proven doctrine, the primary combatant role in anti-guerrilla warfare operations is performed by well-trained Army units which are used when the size and scope of guerrilla operations exceed the capabilities of police and Civil Guard forces. Doctrine and experience in Malaya, the Philippines, Greece, Russia and China demonstrate conclusively that it is essential that fundamental, sound, advanced individual and basic unit training precede training in the tactics and techniques of combatting guerrillas or any other forces. To this end MAAG has devoted, and will continue to devote, every effort.

e. [Illegible] the points covered immediately above, there are many who believe, apparently, that by abandoning requisite fundamental advanced individual and unit training and rushing to some "new tactics and techniques" that the Viet Cong guerrilla can be eliminated speedily and effectively. Advanced individual and unit training teach the individuals of the squad, the platoon, the company and the battalion to function together as a smoothly integrated team combining fire power, maneuver and control to destroy the enemy. Squads, platoons and companies learn to attack, defend, delay, ambush and the like on variegated terrain, in accordance with certain various mean distances and depths dependent on the terrain, the enemy's capabilities and their own capabilities. When this is mas-

tered, and only when it is mastered, can these individuals and units be taught a more open and fluid type of warfare characterized by counter-guerrilla operations. As an example, if the two fire teams of a squad have not learned to advance each other by extremely well-coordinated fire and movement, with each man doing this job extremely well, over normal terrain with a frontage of 50-100 yards, they cannot be expected to perform effectively in attempting the same task with the extremely limited observation, the obstacles and the far greater control problems that characterize jungle or swamp operations against a guerrilla enemy. The same principles apply to the proficiency of the individual soldier, to the platoon, company, battalion, regiment, and division. When all have attained reasonable proficiency in learning how to fight by developing smooth and integrated use of fire power and maneuver at all levels, the next step is to extend the application of these tactical skills in more difficult terrain so as to learn and then employ additional techniques by which the elusive guerrilla bands can be destroyed.

f. Regardless of the positive actions taken by MAAG to generate interest and subsequent training emphasis on counter-guerrilla training, it was not until the Viet Cong expansion and limited successes, particularly in the delta area, that the RVNAF General Staff and others began to act more fully on this military counsel. In many ways, it could be said that they reacted. Instead of initially buckling down to an intensive training task, many sought solutions in changes of commanders, creation of new units and general handwringing. Others sought and some continue to seek the 'solution' in accusations of dereliction and the like. Some of this was generated by personal jealousies or friction between individuals. Training in counter-guerrilla operations was limited in some units for several reasons. Since these reasons are covered in part above, and apply as well as obstacles to all types of military training, they will be outlined in subsequent paragraphs. The primary reasons for training interruptions often flow directly from the non-military agencies of the GVN. It is now seen that counter-guerrilla as well as other military training has improved as the result of stimulation by a new sense of urgency which has been generated by initial Viet Cong successes. This training, however, will not be completely successful until responsible leadership, both in the Civil Government first, and the RVNAF second, insists that it be so.

g. As to the last sentence in your paragraph 4, I am reasonably sure that neither President Diem or Mr. Thuan have the impression that MAAG does not favor anti-guerrilla training. If they had such an impression, I feel they would have spoken to me about it in one of our frequent conferences. What ideas the Vice President and

"others" may have, of course, I can't judge, nor have I any ideas from whom they get information on MAAG policy.

5. *The Commando School:*

a. In paragraph 4 of your memorandum, you express uncertainty and surprise as to General Myers' letters to General Ty (Incl #5)⁶ urging that ARVN abandon commando-type training at Nha Trang. The recommended disestablishment of the Commando School was and is in complete accord with the objectives of MAAG as to counter-guerrilla training and operations. The above discussion as to training for counter-guerrilla operations should contribute to an understanding of why a Commando School, as visualized by General Ty, was not recommended.

b. At that time, ARVN was seeking to establish a so-called Commando School whereby one company of each infantry Regiment was to be trained as a Commando Company at the Nha Trang School. This particular plan had several serious faults. It took from the Regimental Commander the responsibility of training one Company of his Regiment although he would be held responsible for its efficiency; the total period of time necessary to train one company per Regiment, throughout the army, would be excessive (it would have taken about six years) as each company course was three months; the final result would have been one unbalanced rifle battalion in each regiment; the best officers, NCO's and soldiers would be placed in this one Company at the expense of other Companies. Other valid reasons are set forth in the two letters written by General Myers. These letters did *not* urge that ARVN "abandon Commando training" as you state in the first sentence of your paragraph 4. They recommend that the proposed "plan" of training one Company per Regiment at Nha Trang, as described above, not be implemented. This was in no way contradictory to my recommendation of 7 September 1958 (Incl #9)⁷ that Army, Navy, Marines, Civil Guard, Self Defense Corps and Police establish effective indoctrination and training courses in anti-guerrilla warfare. The MAAG objective was to train *all* officers, NCO's and soldiers of regular units, within their own units, to be able to conduct effective counter-guerrilla operations.

c. Many young armies experiment with various organizational ideas. However, the ARVN General Staff commando concept of 1958 referred to above should not be confused with specialized offensive units organized for specific purposes by the U.S. in WW II. The U.S. Ranger *battalions* consisted of six line companies, and were well trained for and employed as battalion units to execute reconnais-

⁶Document 23 and its footnote 3.

⁷See footnote 2, Document 127.

sance-in-force missions, raids, deep penetrations as a part of a large amphibious or ground attack force, and the line. Recently, the GVN has created Ranger (or Commando) companies with specially selected personnel, this at the expense of Regular units. Since operations in the delta, to date, have made it a calculated risk to employ units smaller than a battalion (companies within reinforcing distance of each other) against the Viet Cong, how to employ these separate ranger companies presents serious problems, not to their creator, but to the commanders concerned. A young ARVN battalion commander has his hands full with his five companies. His span of control to include staff, weapons support, communications and logistical support is geared to these 5 units. To plan for and control one to two additional and attached Ranger companies complicates his planning and control, and any mission given his command to execute. It would appear that one of two broad courses of action will soon have to be implemented. The companies could be grouped into battalions with resultant further diminution of the forces in being to staff and command some 10 to 15 battalions that could be formed from the 50-78 Ranger companies. Or, the entire number of companies could be scaled down to as to create one or two additional marine battalions and perhaps two or more additional airborne battalions.

d. In summary, MAAG opposed the General Staff Commando plan of 1958 for the reasons above, and in the interest of initiating a National NCO Academy. The NCO Academy has since its inception in 1958 graduated 1830 students from throughout the Army, from 7 different courses.

6. *Training:*

a. The total amount of training and progress that has been accomplished by the three services of the RVNAF is exemplary. Perhaps the greatest return for the MAP dollar is reflected in the overall quantity and quality produced as the result of the on-shore, third country and CONUS training programs. While there are shortfalls and critical obstacles in many areas of training at present, the total achievement of the RVNAF can only be judged by an objective observer as most commendable. In a relatively few years an Army, Navy and Air Force have been created. With a long way yet to go, as evaluated by United States military standards, it is believed that the three services acting in unison are capable of accomplishing the missions of offering initial effective resistance to external aggression, and of insuring internal stability.

b. The primary obstacles to training are heavy demands on ARVN forces for pacification operations; requirements for the static security of logistical installations, rubber plantations, and communication centers; and the requirement to do much work on the construction and maintenance of temporary housing for themselves and

in particular for their families. Throughout 1959, for example, an average of 25 battalion equivalents were employed in pacification operations alone. Thus far in 1960, an average of 34 battalion equivalents have been committed against the Viet Cong. To these two yearly averages must be added an average of 20 additional battalion equivalents for static security in 1959, and an average of 18 thus far in 1960 for the same task. With such heavy demands on the troops available, the programming of progressive training for all ARVN units has been and is a difficult and complex task.

c. Compounding the problem of attempting to program the training of ARVN units has been the past and continued direct commitment of units to pacification operations without regard to the progress they have made in training. MAAG attempts since October 1959 to have Headquarters RVNAF institute a plan whereby infantry regiments of the four southern divisions would be rotated between operations and training have been fruitless. The General Staff of the RVNAF develops such programs only to see them quickly smashed by higher authority which feels the need to commit the units to operations without delay. The MAAG proposed rotation plan is outlined in detail in Embassy telegram 2799 dated 29 March 1960.⁸

d. In paragraph 6 of your memorandum reference is made to this same Embassy telegram, and the statement is made that "only 3 of the 7 divisions have been fully trained" in advanced individual and line unit training. However, on re-reading you will note the exact statement made in paragraph 2 of this telegram was "For the past year this not accomplished for 12 infantry regiments of 4 divisions generally stationed in southern third of VN." The next sentence gave the reason for not completing advanced individual and line unit training during the past year. The 12 infantry regiments were committed to anti-guerrilla operations almost continuously and in a fragmented manner the 12 infantry regiments did accomplish limited training as time was available but they did not complete the two prescribed 8-week programs of instruction for these two phases. Furthermore, they will not do so until some form of rotation plan is implemented. However, the artillery battalions, the pioneer battalions, and the service units of these divisions were able to accomplish very effective training during 1959, and for the most part are continuing to do so in 1960.

e. This same paragraph 6 of your memorandum refers to my letter to Mr. Dung (Incl #4) and my remarks therein concerning too many cases wherein little or no training is being done. It also poses a question concerning the feasibility of organizing divisions and corps if trained cadres are not available. The statement concerning too

⁸Document 125.

many cases of little or no worthwhile training being accomplished was and is true. However, this one statement read by itself could give a false impression. The purpose of the statement was to acquaint Mr. Dung with facts and to point out features of the overall training status that needed attention. It did not mean that in *all cases* there was no worthwhile training being conducted and I'm sure a full reading of the letter will place the statement in its intended light. A great deal of effective training is being conducted as will be noted in subsequent paragraphs. As to the Corps and Division structures, there are enough personnel to staff and command these headquarters in either peace or war. While their proficiency cannot be compared favorably with that of U.S. headquarters at the same levels, they are considered as reasonably proficient and effective. Their training continues. To deactivate the Field Command, Corps and Division Headquarters and then place the resulting separate Regiments and Separate Battalions of Engineers, Armor, etc. directly under Command of the General Staff would throw the entire Armed Forces into chaos at the first hostile shot of an aggressor. Furthermore, the Vietnamese do not have a communication system that would enable the General Staff to exercise such direct control. The organization of these headquarters could not have hampered training. On the contrary they are responsible for and supervise the training of the units assigned to them.

f. In reference to your remark about "briefings" in paragraph 6, your attention is invited to the fact that in all MAAG briefings for official visitors, many of which you have attended, there is shown a chart headed "Interruptions to Training." This chart lists the following:

- Operations Against Dissidents and VC Guerrillas
- Reorganization and Regroupment
- Lack of Training Facilities (Ranges)
- Construction of Temporary Housing

The remarks by the briefer are quoted as follows:

"The Vietnamese have accepted these ATP's; however, there have been many interruptions in their implementations. The principal causes for interruptions in training are four in number.

"1st. Since early 1955, some elements of the Vietnamese Armed Forces have been in actual conflict with the sect or dissident forces. The sect forces were at one time headed by war lords. The three significant groups were the Cao Dai group, the Hoa Hao group, and the Binh Xuyen group. At the present time, the major portion of all of these sect forces are aligned on the side of the government. However, certain splinter factions refused to cooperate and formed outlaw bands that are still causing trouble. In addition to the dissident outlaw bands, Viet Cong guerrilla elements have formed bands which are actively operating in South Vietnam.

"In the south and southwestern portion of this country there are operations in progress almost continuously to clean out these bands. During 1959 an average of 25 battalion equivalents of the Vietnamese Armed Forces were constantly engaged in pacification operations. Since 1 January 1960, an average of 34 battalion equivalents have been committed against VC guerrillas.

"2nd. The regroupment of regular forces to planned permanent stations will continue for some time.

"3rd. The lack of completely adequate ranges and training areas hinder training. The Vietnamese have constructed 130 complete ranges in the last three years. They have 7 under construction now and 46 more programmed.

"4th. Construction of temporary and thatched housing for the families of the Vietnamese soldiers is almost a yearly task. During the regroupment of the army this problem will continue to be great because of unit moves.

"In spite of these interruptions, the training situation is encouraging in many respects. Division exercises and maneuvers, and Corps CPX's have been conducted with good results. We believe the Vietnamese soldier can be developed into a good soldier. The major problems are: lack of well trained combat commanders and staff officers at all echelons; specialist training; the overall shortage of officers and NCO's and deficiencies in logistics."

7. a. Details requested in sub-paragraphs (1), (3), (4), and (5) of paragraph 7 of your memorandum as to training of the RVNAF are outlined in detail at Inclosures 6 (VN Army); 7 (VN Air Force); and 8 (VN Navy).⁹ Close scrutiny of these training records, available from RVNAF and MAAG sources, will indicate that an enormous amount of sound, effective training has been accomplished during the past four years.

b. In addition to the above points regarding training, certain basic and very important continuing training actions have been implemented. To encourage and develop the capability of the Vietnamese soldier to march long distances over varied types of terrain, annual marching competitions were established in 1957. Since the yearly competition starts at the platoon level throughout ARVN, the vast majority of ARVN participates. Direct results have been increased stamina in the soldier and marine, and the development of a new awareness of the inherent mobility of the foot soldier in any type of terrain. In March 1959, a swimming program for RVNAF personnel was inaugurated. To date the program has proved very successful. While 100% of all personnel cannot swim 100 meters, many thousands of personnel who cannot swim at all, or swim very little, have been taught to swim. Many of these can swim the required 100 meters. This capability contributes measurably to the mobility of the soldier and his unit—squad, platoon, company and bat-

⁹None printed.

talion. It is particularly valuable to the conduct of operations in the delta region. Marksmanship competitions start with the lowest units and end each training year with the Annual Armed Forces Marksmanship Competition.

8. *Evaluation:*

a. At the present time it is considered that the RVNAF, on balance, possesses a fair state of combat readiness in the event it is required to provide initial resistance to external aggression. This evaluation takes into account the state of training of its personnel; the organization and proficiency of its Division, Corps, Field Command and General Headquarters; the organization and proficiency of its logistical headquarters and units; the amounts and deployments of its supplies; the deployments of its forces; the status of its war plans and planning, and the assumption that the political authority will permit a military commander to conduct operations. If the military establishment were given full and uninterrupted authority to train, organize and equip the forces, and conduct operations, under general GVN guidance, it is considered that the combat potential and proficiency of the RVNAF would be increased.

b. At the present time it is considered that the RVNAF, on balance, possesses an excellent state of combat readiness to combat guerrilla terrorist attacks within South Vietnam. This evaluation takes into account the factors outlined in the second sentence of the foregoing paragraph. If all military and security forces, as well as other means, were placed under a single capable military commander, who in turn was given full authority to conduct anti-Viet Cong operations, the capabilities of the RVNAF to more quickly destroy the Viet Cong could be enhanced. Additionally, a sound plan to rotate forces between training and operations could be implemented, thereby improving combat capability; all military and security forces, as well as other means, could be centrally and directly controlled without interference; operational planning could be projected over a longer period of time and on a national rather than on a regional basis; capable subordinate commands with tri-service staff representation could be established as required to facilitate joint operations; and more effective intelligence systems and psychological warfare programs could be implemented.

9. *Periodic Training Briefings:*

MAAG, as always, is prepared to present periodic briefings on the training status of the RVNAF, or any other pertinent information

available to it, to the Ambassador as desired. It is suggested that 24 to 48 hours notice be given when a briefing is desired.

S.T. Williams¹⁰
Lt. General, USA

¹⁰Printed from a copy which bears this typed signature.

168. Memorandum of a Conversation, Department of State,
Washington, June 2, 1960¹

SUBJECT

Situation in Viet-Nam²

PARTICIPANTS

Mr. Etienne M. Manac'h, Director Asian Affairs, French Ministry Foreign Affairs
Mr. Marcel Barthelemy, First Secretary, French Embassy
Mr. J. Graham Parsons, Assistant Secretary for Far Eastern Affairs
Mr. Daniel V. Anderson, Director, Office of Southeast Asian Affairs
Mr. Chalmers B. Wood, Officer in Charge, Viet-Nam Affairs
Mr. Philip H. Valdes, French Desk Officer

Mr. Manac'h opened on the theme that President Diem was in difficulty. He referred to the serious insecurity in the delta, the fact that areas of insecurity were beginning to give the appearance of an encirclement of Saigon and the estimate of the French authorities that there were now 5,000 active guerrillas in Viet-Nam. This was a change from the time when Diem had hoped progressively to reduce the insurrection.

A liberal opposition had appeared which criticized Diem's authoritarian methods. Such criticism was easy; there were many examples to choose from such as the two deputies who were not seated following the last election. This opposition appears to be non-Communist.

The general impression of the French Government was that Diem had good techniques against subversion, but did not have a policy (politique) against subversion. There is what appears to be an

¹Source: Department of State, Central Files, 751K.00/6-260. Secret. Drafted by Wood.

²In telegram 3342 from Saigon, June 1, Durbrow reported a conversation with French Ambassador Lalouette on the situation in Vietnam. Durbrow commented that during the entire conversation Lalouette was trying to ascertain whether the United States was still backing Diem or looking for a successor. Durbrow left no doubt, he reported, that the United States was backing Diem. (*Ibid.*, 751K.00/6-160)

artificially strong government whose situation does not correspond to reality.

On the practical aspects, Mr. Manac'h said it must be confessed that the French Government does not now know what position it will take. The political system in Viet-Nam must become more supple if it is to regain the confidence of the population, but if the iron corset is removed, the situation may come apart. As a first step, certain gestures, possibly more symbolic than real, might be made. One of them might be the removal of certain members of the family from their present positions of influence with President Diem. However, the French Government realizes that this will be difficult.

Mr. Manac'h went on to say that Ambassador Lalouette had arrived in Paris today for a month of serious consultations. It is believed that as a result of these conversations the French will take a position, although they have not yet informed Diem, of continuing to support Diem. It will be explained to him that the French Government knows that he is in difficulties, and an inquiry will be made as to how the French can help him to resist Communist pressure. This transition towards liberalization will be delicate for Diem. Because of this problem, the French are less sure of what the French position should be in Viet-Nam than in Laos or Cambodia. Thus continuing consultations with the American Government in Paris and in Washington will be valuable. The French also intend to discuss the situation with the British.

Mr. Parsons replied that recent events in Korea had caused repercussions in Viet-Nam, but that the American Government did not see any true parallel. The Korean regime was much more subject to criticism, and South Korea did not have the internal problem with Communists which exists in Viet-Nam.

It is realized that the security situation in Viet-Nam is becoming more serious, but it should not be exaggerated.

It should be emphasized that the United States Government does not seek to support another group. Our Government may offer advice and suggestions to President Diem, but it continues to support him. Our representations to Diem for this purpose should therefore not be confused with any of the limited actions we took in the different Korean circumstances because, Mr. Parsons repeated, we support President Diem. With respect to Mr. Manac'h's observation, in our opinion too, there is some validity in the view that Diem has the technique, but not the policy to deal with subversion.

Mr. Manac'h stated that his government agreed on the importance of supporting Diem. The situation was different from that in Korea; it would be much more dangerous if there were a revolt in Viet-Nam due to the internal security situation.

Mr. Parsons continued that in Viet-Nam there is an incipient danger of popular discontent in the countryside. It is to be hoped that Diem will see ways to become more united with his people. We would like to consult with the French Government as this situation develops. We agree that it would be useful if some of Diem's entourage, particularly his brother Nhu, could be removed.

169. Despatch From the Ambassador in Vietnam (Durbrow) to the Department of State¹

No. 426

Saigon, June 6, 1960.

REF

Saigon Despatches 392 of May 10, and 422 of May 31, 1960²

SUBJECT

GVN Agrovillage Program

On April 30, 1960, Ambassador Durbrow, several USOM officers (including Mr. Gardiner, the Director, Mr. Coster, the Deputy Director, and Mr. Fippin, Chief of the Agricultural Division), officials of the Vietnamese Department of Agriculture, and provincial officials visited the Vi Thanh-Hoa Luu Agrovillage, located about 60 kilometers southwest of Can Tho in Phong Dinh Province. Agrovillages, allegedly the idea of Major Tran Cuu Thien, Phong Dinh Province Chief, are the regrouped housing of up to 10,000 people around an administrative and commercial nucleus for purposes of security, facilitation of extension of government social services, and the promotion of economic development. A model agrovillage is to have the following characteristics (which may not necessarily be typical): Each regrouped family is to have about an acre of land on which will be a substantial house modelled after one of four standard types. This land will be used for vegetables and fruit, with cocoanuts to become the prime fruit crop. During the growing season, the farmer will return to his own farm, anywhere from two to five kilometers away, to cultivate rice, but his family will remain in the agrovillage. Surplus labor in the agrovillages will be devoted to handicrafts and cottage industries.

Two or three agrovillages are planned for each of the southwestern provinces, some ten of which are scheduled for completion by July. In addition, the GVN is planning "agglomerated hamlets" which are

¹Source: Department of State, Central Files, 751K.00/6-660. Official Use Only. Drafted by Durbrow and Thomas J. Barnes, Third Secretary of Embassy.

²Neither printed. (*Ibid.*, 751K.00/5-1060 and 851K.02/5-3160, respectively)

smaller editions of agrovilles with a capacity of 1000 to 1500 persons each. Forty to 50 of these are scheduled, for example, in Phong Dinh Province alone. According to GVN plans, each agrovillage will receive an initial government credit of 1,000,000VN\$ and a loan of 400,000VN\$. Two identifiable financing sources for the agrovillage program in the budget are funds from the Commissariat for Civic Action and from a special contingency and reserve account. The National Lottery will also furnish 80,000,000VN\$ per year, according to President Diem.

The Vi Thanh-Hoa Luu Agrovillage is to be the largest of and the model for all other agrovilles. It was designed by an internationally recognized Vietnamese architect who has projected four separate but contiguous villages—three of 200 hectares each south of the road-canal, and one of 400 hectares north of the road-canal and opposite the central village. Only the center village south of the road-canal is near completion; the southernmost village is well underway, but the northernmost one and the one north of the canal show little evidence of development. The three villages south of the canal now contain about 1500 people, whereas 300 families are presently planned for each of them. The principal construction materials for administrative and commercial buildings are reinforced concrete, tile, and cement-plastered brick. Such buildings include a school, hospital, market, and hotel, and look substantial as well as pleasing to the eye. Elaborate artificial lakes add beauty to the city centers.

The government hopes that the agrovilles, by regrouping people for their protection, will prevent them from being the prey of Viet Cong depredations and pressure that they were subject to when living in isolated and sporadic settlements. Economic viability of the new communities will be the real long-run problem, however. Most of the expenditures to date of labor, materials, and money in Vi Thanh-Hoa Luu have been for non-productive ends. But the expenditures are perhaps justifiable in constructing a propaganda model to convince peasants of the social, economic, and security advantages of agrovillage life. Future agrovilles will probably be less fancy and less expensive. A subsidy for the settlers appears necessary while they wait five years for their first coconut crop to come in. Rice, fish, bananas, and potential handicraft skills will probably be insufficient money earners until that time.

Mr. Fippin and Mr. Trigg of USOM have prepared a detailed account of the agrovillage program which is enclosed.

Elbridge Durbrow

[Enclosure]³

GVN AGROVILLE PROGRAM

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III. Critique and Analysis

1. The concept of agglomeration villages is a complete reversal of tradition and the social and economic pattern of the people affected. It is apparent that all planning and decisions have been made without their participation and with little if any consideration of their wishes, interests or views. There is some question whether the advantages to be gained from "agrovillage" life will be sufficient to overcome the reversal of the traditional pattern of life. Nevertheless, Vice President Tho, who comes from the delta area and who at first was most skeptical about the whole scheme, stated recently that he was surprised but pleased to learn that the peasants are already well aware of the advantages to be gained and are settling in nicely.

Mr. Thien has stated that if he had not taken the first step over a year ago to get people to leave their isolated homes and move closer together for their protection, it would be much more difficult now to get them to move for a second time into Agrovilles. The first move represents the big wrench from the ancestral home near family graves, etc.—once the first move has been made, the agrovillage and "agro hamlet" idea is much more appealing. This is all the more the case since the "first-move" villages, although they achieved a measure of protection, were far too crowded, with houses located cheek by jowl. Mr. Thien confirmed that in other provinces, where the first step had not been taken, the people were very resentful of being moved directly into agrovilles.

2. Security in the whole region was reported to be far from good. In the matter of protection, the Province Chief has stated that Vi-Thanh will help prevent the Viet-Cong from infiltrating from communist strongholds such as Ca-Mau and Bac-Lieu to the strategic centers of Can-Tho, My-Tho and Rach-Gia. On the other hand, if Can-Tho, as reported, is already relatively unsafe after dark, the agrovillage, with its captive concentration of population, could be subject to night infiltration, subversion and propaganda from the surrounding vacant lands. To counter this possibility the President has indicated his intention of following the pattern employed against the Malayan rebels—to leave comparatively large security forces in the

³Extract. The omitted sections include general background on the agrovillage program and a detailed description of the agrovillage at Vi Thanh.

area for a period of 18 to 30 months until the area becomes "white". There is already quartered in Vi-Thanh a strong detachment of ARVN troops.

3. Problems of establishing a viable settlement are such as to require the close cooperation and positive assistance of at least the Agriculture, National Economy, Health and Education Departments of the GVN. Some planning and coordinating system should be established to insure active participation and assistance to the settler families. At present there are one District Agricultural Agent and two agricultural department-assigned Civic Action helpers attached to the center. In addition, Vi-Thanh appears to have already some teachers, doctors and nurses but it seems clear that much more in the way of cooperation and assistance from GVN departments will be necessary.

4. Even taking into consideration the farm ponds, the horticultural nurseries, the 40,000 to 50,000 meters of criss-cross canals which have been built in the complex, it is still undoubtedly true that an enormously high proportion of expenditures to date of labor, materials and money have been used for non-productive purposes—it might almost be said for "show". The pretentiousness of the expenditures so far suggest a terribly heavy overhead burden on the limited productive resources which are still essentially undeveloped and even somewhat problematical. In the case of the Land Development settlements, the overhead costs are close to, if not indeed greater than, half of total expenditures. Similar structures, facilities and overhead in Vi-Thanh are estimated to be many times more expensive than in any Land Development center.

On the other hand Mr. Thien has stated that in his opinion the most important next step in connection with Vi-Thanh was the absolute necessity of propagandizing the local inhabitants as to the benefits that would accrue to them socially, economically and from a security point of view in this new concept of community living, which is a complete reversal from all their traditional folkways and mores. President Diem has maintained from the beginning that it was absolutely essential to have an actual model agrovillage in being so that the peasants through the grapevine and otherwise could see and become convinced of its advantages. He did not believe it would suffice to publicize drawings and distribute brochures; the peasants would remain skeptical until they saw or heard about the real thing. This conviction definitely accounts for the President's insistence that Vi-Thanh be completed on a rush basis, even at the danger of alienating the peasants by requiring, among other things, free labor from them during the harvest season. This conviction also probably accounts for the fact that Vi-Thanh is much fancier and more eye catching than could be justified for any other reason and probably is much fancier than others will be. It seems clear that much of the ex-

penditure in human effort and in funds which has already gone, and will go, into Vi-Thanh will not be required in future agrovilles. President Diem mentioned recently that the volunteers working on the "agroville" in Kien Hoa Province are receiving 10VN\$ per day for their work and indicated that in the future others working on "agrovilles" will also receive the same pay.

5. A crucial question, on which the success of the agroville program may well depend, revolves around the following:

Will the advantages of markets, schools, recreation centers, maternity wards, hospitals and security protection be sufficient to keep the people contented for at least the 5 years until the coconut crop comes in and they receive something approaching the predicted 40,000VN\$ annual income?

It would appear that, in the beginning at least, some sort of subsidy or other help for the settlers may be necessary, even though, as Mr. Thien maintains, paddy lands are no more than 2 kms away from the agrovilles, even though the settlers may begin to receive income almost immediately from the fish and from the banana trees now being planted and even if they should be able to learn some handicraft thereby augmenting their income.

170. Memorandum From the Director, Far East Region (O'Donnell) in the Office of the Assistant Secretary of Defense for International Security Affairs to the Assistant Secretary (Irwin)¹

I-1426/60

Washington, June 6, 1960.

SUBJECT

Training of Civil Guard in Viet-Nam

Subsequent to the discussion regarding the OCB proposal for training the Civil Guard held in your office on 26 May,² the Joint Chiefs of Staff have approved paragraph 25 (Recommendations) of the CINCPAC study, "Counter-Insurgency Operations in South Vietnam and Laos."³ These recommendations are as follows:

¹Source: Washington National Records Center, OSD/ISA Files: FRC 64 A 2170, 342.5 Vietnam. Secret.

²No record of this meeting has been found.

³Not printed. A copy of this study, April 26, is attached to a memorandum from Irwin to Parsons, September 16, 1960. (Department of State, Vietnam Working Group Files: Lot 66 D 193, 97 VN 1960, Over-all Security Plan) Another copy, but dated April 24, is in Center of Military History, Williams Papers, CINCPAC Study (109).

"25. That the U.S. Government:

a. Encourage the GVN and RLG to:

- (1) Adopt a national emergency organization to integrate civil and military resources under centralized direction for the conduct of anti-terrorist operations.
- (2) Develop coordinated national plans for the progressive reduction of Communist influence.

b. Authorize and direct U.S. agencies to support the training for and conduct of emergency operations.

c. Negotiate necessary governmental agreements to permit CHPEO to engage in tactical training of and operational advice for the FAL.

d. Provide matériel and extraordinary budgetary support requirements for these emergency campaigns."

This action by the Joint Chiefs of Staff indirectly disapproves the assignment of U.S. military personnel to USOM to train the Civil Guard. Instead, CINCPAC proposes a national organization which will assign responsibility for training and operational control of the Civil Guard for the duration of the emergency to the GVN Department of Defense.

Paragraph 12 of the CINCPAC study is as follows:

"12. *National Organization:* As learned both in the Philippines and in Malaya, the anti-terrorist activities of the civil and military authorities can be most effectively coordinated by an emergency operations control system. A type control system which can be modified to apply to both the GVN and RLG follows:

a. National Security Council. The Council should be responsible to the government for the overall conduct of the campaign and should provide for full integration of civil and military efforts. Although councils of this type may exist, they do not function properly. They should be headed by the President or the Prime Minister and should include the principal cabinet members and the chiefs of the military and police forces.

b. Director of Operations. This position should be occupied by an experienced General Officer, responsible to the Minister of Defense for the overall conduct of operations. He should issue instructions to Regional Executive Councils. In each country the position should be occupied by an officer designated by the Chairman of the National Security Council. The Director of Operations should be assisted by a small staff with civil, military and police representation.

c. The Commanders Sub-Council. This Council should consist of the Director of Operations and the principal police and military commanders. Based on National Security Council policy, the Commanders Sub-Council should make plans for the employment of all national resources in the anti-terrorist campaign.

d. Regional Executive Councils. An Executive Council should be organized for each of the five military regions within each country, composed of the provincial chiefs and the senior military and police commanders in each region. Each Council should be responsible for assisting the designated commander in waging the 'war' in its respective military region.

e. Provincial Executive Councils. Councils should be formed in each province, consisting of the Provincial Chief and responsible civil, community, military and police leaders. They support the conduct of operations in their respective provinces.

f. Village Executive Councils. In both South Vietnam and Laos the council system should be carried to the village level, with care being exercised to insure ethnic minority representation. Local leaders should direct the local emergency efforts involving home guard, civic action, and propaganda activities."

Paragraph 13.b of the CINCPAC study is as follows:

"13. Force Structure:

b. In South Vietnam, the Secretary of Interior is primarily responsible for internal security. The Secretary of Defense is responsible for protecting the country from external attack. Consequently, the Chief MAAG has no responsibility for training the Civil Guard and other police forces; this is a USOM responsibility. Under the governmental organization proposed in paragraph 12 above, the Secretary of Defense would be primarily responsible for protection of the country against both the external and internal threats. Accordingly, for the duration of the emergency campaigns, the Civil Guard should operate under the Department of Defense and CHMAAG Vietnam should be assigned primary responsibility for their training. USOM should support CHMAAG Vietnam in this effort and should continue to program for necessary equipment and supplies for the Civil Guard."

In view of JCS approval of CINCPAC's recommendations, I strongly recommend that the Departments of State and Defense prepare recommendations for the Country Team's consideration and presentation to the GVN in consonance with CINCPAC's recommendation.

The CHMAAG Viet-Nam has never had any responsibility for the training or supervision of the Civil Guard. During the past two years, USOM's training, equipping and supervision of the Civil Guard has been ineffective. The Department of Defense should be very hesitant to assign military personnel to another agency to accomplish a mission which is not the responsibility of the Department of Defense. This is especially true in view of indications that USOM has failed to utilize existing resources effectively.

If the above recommendation is unacceptable to the OCB, it is recommended that the following be submitted as a fall-back position for the Department of Defense:

"Continue the present Civil Guard program as now constituted under USOM and the Minister of the Interior for administration and funding. Recommend to the Government of Viet-Nam that basic military training and certain elements of special training be conducted in military training establishments of the Ministry of Defense. Recommend further to the Government of Viet-Nam that during emergency situations that the operational control of the Civil Guard be transferred to regular military commander either country-wide or region-wide as dictated by the situation."

E.J. O'Donnell⁴
Rear Admiral, USN

⁴Printed from a copy which bears this typed signature.

171. Letter From the Assistant Secretary of State for Far Eastern Affairs (Parsons) to the Ambassador in Vietnam (Durbrow)¹

Washington, June 9, 1960.

DEAR DURBIE: I regret that your letter of April 19² on the General Williams problem has been awaiting reply for all too long. My lack of response has certainly not been any indication of a lack of appreciation for the difficulties which you have faced in controlling that situation, but there did not seem to be anything constructive that we could do about it.

He is to be retired permanently very soon, and the more we thought about it the more we considered it prudent to let his tenure come to the normal end, without attempting to hasten his departure.

His successor, General McGarr, seems to be held in high regard by the people who have known him personally. Although we were somewhat annoyed over the fact that the Pentagon did not see fit to take our counsel in connection with his appointment, we have every reason to hope that he will be a good replacement. Here in FE we will try during our visits with him before he takes off for Saigon to counsel him in a manner which may help him to be a better team

¹Source: Department of State, Durbrow Files: Lot 68 D 404, Vietnam. Secret; Eyes Only; Official-Informal.

²Document 140.

member than General Williams was and especially to appreciate the principle that he must be subject to your direction. After we have done everything we can, we will just have to trust that things work out a bit better.

I think there is little question but that the Pentagon, CINCPAC and all concerned are much more convinced now that the type of training which is required in Viet-Nam must take into consideration the need for what might be considered the unconventional aspects. It certainly should meet the requirements for meeting the guerrillas more effectively than has been the case in the past. Of course, we all recognize that there is a political and social aspect to this whole problem to which you have been given your attention and which we continue to hope Diem is taking some steps to correct.

[Here follows discussion of personnel matters.]

I will be taking off with the Presidential party on Sunday,³ but I did want to get this brief word of explanation to you as to why we had not taken more definite action on your letter.

Kind personal regards to you and Emily.

Sincerely,

Jeff

J. Graham Parsons

³On Sunday, June 12, President Eisenhower began a trip to the Philippines, the Republic of China, and the Republic of Korea. Documentation on these visits will appear in forthcoming volumes of *Foreign Relations*.

172. Telegram From the Secretary of State to the Embassy in Vietnam¹

Washington, June 10, 1960—10:56 p.m.

2230. Joint State-ICA-Defense Message. Embtel 3168.² We strongly support your estimate of urgent requirements anti-guerrilla

¹Source: Department of State, Central Files, 751K.5/5-1060. Secret. Drafted by Wood, cleared with SEA, Parsons and Steeves of FE, with ICA/W, U/MSC, and DOD/ISA in substance; approved by Merchant. Repeated for information to CINCPAC PolAd.

²In telegram 3168, May 10, the Embassy observed that notwithstanding reports of low-level proficiency of the Civil Guard, the Guard performed an important role in fighting the Viet Cong and was taking 100 percent greater casualties than the regular forces of Vietnam. The Embassy recommended that the Civil Guard remain under civilian control, operate in larger units to cut down losses, and be trained by U.S. Spe-

Continued

training for Civil Guard. In order avoid further delays in view fact placing Special Forces personnel under USOM direction would present chain of command and other problems for DOD, request your early views following proposal which can be implemented quickly if you agree:

1. ICA/W after establishing positions would recruit and finance ten civilians who thoroughly qualified give anti-guerrilla training. As civilians they would be completely under USOM administration (thus avoiding chain command problem) and would not require as much cover as would Special Forces personnel placed under USOM (thus also avoiding problem finding slots for them in MAAG or under ArmAtt). Understand three such personnel recently placed on USOM staff and remainder can be picked in short order from well screened list.

2. Slots for Civil Guard to be made available at ARVN anti-guerrilla training centers as practicable.

3. If suitably qualified Civil Guard personnel available they could receive anti-guerrilla training in Okinawa.

In this way problem would be attacked simultaneously on three fronts. It is envisaged program would remain completely under USOM.

ICA/W sending separate message on implementation.³

Herter

cial Forces assigned to the U.S. Army Attaché's office, or failing that, MAAG. The Embassy considered this alternative preferable to anti-guerrilla training in Okinawa (where the trainees would be out of the country and unavailable) or to training Civil Guards at ARVN schools (where slots would be very limited). (*Ibid.*)

³Not found.

173. Telegram From the Ambassador in Vietnam (Durbrow) to the Department of State¹

Saigon, June 11, 1960—noon.

3430. Reference: Embtels 3220, 3342, 3243² and Deptels 2186³ and 2224.⁴ In last few days we have been questioned by several persons directly whether we have changed our policy re V-N and several inferred they understood we seeking replacement for Diem. Most important inquiries follow:

1. Ladejinsky told me 10th about conversation with Diem in which latter expressed deep concern Americans seemed to be working with opposition groups. Ladejinsky told Diem he sure this not true and asked what Diem had in mind. Diem replied we in contact with opposition group through Ladejinsky replied he certain from conversation with me and others we not using . . . for contact opposition. In fact we could not understand why GVN permitted . . . remain here so long. Furthermore Ladejinsky pointed out . . . had spread false rumors re aid program which had caused serious difficulties for Embassy and USG which should be proof we have no use for him.

2. French correspondent at reception 10th asked me categoric statement whether it true we had made strong *démarche* to Diem, which in effect means we wished him step down. As I have done with other correspondents and with diplomatic colleagues, I replied this report completely false, that we still support Diem and are trying help him out in present difficulties.

3. Coster called on Thuan 11th to discuss routine matters and latter raised question re possible change United States policy re Diem. Thuan referred to many rumors he has heard re changing US policy and inferred we seeking Diem replacement. Coster assured Thuan I had given instructions to all agency heads to pass on to their staffs that we still backing Diem and endeavoring assist him in present difficulties. Thuan replied pleased to hear this but referred to

¹Source: Department of State, Central Files, 751K.00/6-1160. Secret; Limited Distribution. Repeated for information to Bangkok, Phnom Penh, CINCPAC PolAd, and Vientiane.

²In these telegrams, the Embassy in Saigon reported instances in which U.S. officials in Saigon were asked whether the United States was still actively supporting Diem and if the rumors of American disillusionment with Diem were true. Telegrams 3220 and 3243, May 17 and 19; *ibid.*, 751K.00/5-1760 and 751K.00/5-1960, respectively. Concerning telegram 3342, see footnote 2, Document 168.

³In telegram 2186, June 3, the Department informed the Embassy of the conversation with French officials as reported in Document 168. (Department of State, Central Files, 751K.00/6-1060)

⁴In telegram 2224, June 10, the Department stated that it felt "no opportunity should be lost bring promptly and sharply to GVN's attention our awareness and concern be any further moves exacerbate relations with RKG." (*Ibid.*, 651H.51K/6-1060)

report he had that Embassy officer at recent reception spoke in derogatory terms of Diem inferring he should be replaced as we did with Rhee. Coster stated he could not understand how this could happen in view of strong policy directive I had issued to all Americans here and reassured Thuan our policy had not changed. Thuan referred to strong *démarches*, particularly re Islands, I had made recently, inferring these indicated change of policy. Coster replied his understanding these *démarches* had been made in order be helpful to Diem.

4. In view Thuan-Coster conversation I asked see Thuan immediately to put record straight. I told Thuan I very perturbed to hear of Coster conversation and assured him personally and officially that we are trying to do what we can to support Diem in present difficulties and reiterated I had issued instructions to all members and staff to quash contrary rumors. I reminded Thuan we stepped up delivery needed military equipment and I reminded him that I had made special point my speech inaugurating Route 21 to praise Diem's past and present programs and progress made in country (Embtel 3318⁵). I added while I had several frank talks with President recently I had done this as a friend in an effort to be helpful. Thuan replied that the President had noted friendly words I had used in inauguration but unfortunately President and others had heard growing number reports we changing policy. I assured Thuan I have made a point for several weeks to tell diplomatic colleagues and correspondents we still supported Diem and therefore these reports false. I added without divulging country of inquirer that Parsons had replied in similar vein (Deptel 2186) to similar questions raised Washington. I then referred to Ladejinsky's report President perturbed about Embassy relations with . . . I reminded Thuan that I had asked him last December why GVN still renewing . . . visa and reminded him of my recent conversation (Embtel 3243) in which I had made it clear to him we not using . . . in any way and would like see him leave.

Thuan then referred to recent ARVN successes and expressed opinion GVN gaining upper hand against Viet Cong. I agreed recent reports encouraging. Thuan then referred to continuing difficulties caused by Sihanouk's attitude and particularly Sihanouk's recent speeches and articles. I replied these certainly were not helpful and Sihanouk not only accused his neighbors of plotting his downfall but also accused United States. However, I pointed out that we had not reacted to latest blast and expressed hope that GVN would maintain

⁵In telegram 3318, May 27, Durbrow reported that he was taking advantage of the official opening of Route 21 in Vietnam to give an official public endorsement of President Diem and his government. Durbrow noted that this ceremony provided a good opportunity because, in addition to Diem, much of the diplomatic corps and foreign press would be in attendance. (*Ibid.*, 751K.00/5-2760)

press truce. Thuan added that GVN continued to maintain truce although many in GVN believe that GVN should react in kind. I expressed hope that now Sihanouk had won referendum he might calm down and therefore urged continue press truce. I added, however, matters such as Islands claims and fact that Free Khmer Radio had again gone on air June 5th gave Sihanouk excuse to blast his neighbors. I added I still believe firmly question of Islands is of minor importance and there is genuine dispute over them which might be submitted to World Court. I urged GVN concentrate on defeating Viet Cong and drop Island polemic. Thuan tended agree but said GVN must maintain its juridical position. Thuan assured me in most solemn manner that GVN has nothing to do with Free Khmer Radio. Thuan then told me as he had told Ladejinsky and Coster he had seen Diem immediately after my official démarche May 6 and he had never seen Diem so angry since allegations I had made were false (like Ladejinsky Thuan had specifically denied GVN ran Khmer Radio or had sent arms to Thailand. Thuan did not deny that Sam Sary was here). I replied whether GVN operating radio or not Sihanouk believes it is and propaganda put out by Free Khmer Radio is not Communist but is drafted in such a way as to give impression that it comes from Vietnam. (Since we have not yet been able pinpoint location radio, I could not categorically refute Thuan's statement.) I added reports I had discussed with Diem were based on quite solid information. Despite Sihanouk's blasts I urged GVN make serious efforts establish better relations which possibly could be done now that referendum matter is behind us. Thuan made no commitment.

In reverting to our continued support for Diem I said I wished reiterate friendly suggestion I had already made several times namely for Diem to make fireside chats and otherwise through press explain his programs, reasons for sacrifices, et cetera, in order bring masses closer to regime. Thuan agreed this is good idea and is urging Diem do this. (Ladejinsky told me Diem to make radio report to nation early July.)

Thuan thanked me for my assurances and said he would report them to Diem.

Durbrow

174. Special Report Prepared by the Operations Coordinating Board¹*Washington, June 15, 1960.*

POSSIBLE ACTIONS TO IMPROVE THE SITUATION IN VIET-NAM

1. In 1960 the Republic of Viet-Nam faces an increased threat from the Communist regime in North Viet-Nam. Since the beginning of the year, that regime has promulgated a new constitution and held its first elections since 1946; its third Party Congress since 1930 will

¹Source: Department of State, OCB Files: Lot 62 D 430, Vietnam. Secret. According to a covering memorandum by Bromley Smith, the OCB approved this paper at its meeting of May 25 subject to resolution of differences between the Departments of State and Defense over anti-guerrilla training of Vietnam's Civil Guard. According to notes prepared in the White House on OCB activities of possible Presidential interest, May 27, the Southeast Asia Working Group of the OCB prepared this memorandum. (Eisenhower Library, White House Office, Project "Clean Up", Staff Memos)

At the OCB meeting of June 8, Merchant reported that the differences between the Departments of Defense and State were resolved:

"As promised, Mr. Merchant reported to the Board on a State-Defense attempt to resolve the issue of supervision of ten added instructors in anti-guerrilla training. He said the two Departments had arrived at an interim satisfactory understanding and that it was being proposed to Ambassador Durbrow, Admiral Felt and ICA Washington. The seemingly feasible proposal would be to have USOM hire directly ten qualified civilians who would be added to the staff training the Civil Guard. The MAAG would continue its present Civil Guard training in this field and would try to arrange that certain Civil Guard training would be effected outside the country, for example, Okinawa and Taiwan. The working group would arrange to amend paragraph 6f of the Special Report on Viet-Nam for approval by the Board Assistants." (OCB Notes by O'Connor, June 8; Department of State, OCB Files: Lot 62 D 430, Preliminary Notes IV)

In a letter to Durbrow, June 15, Anderson explained some of the background to the difference of opinion in Washington over the Vietnamese Civil Guard program:

"I have meant to write you about the Civil Guard training program and the delayed reply, Deptel 2230 of June 10 [Document 172].

"You have gathered that this question was the visible part of the larger iceberg representing CINCPAC's suggestion that MAAG take over the whole Civil Guard program. JCS was seized of this question and for some time couldn't come up with a position. Thus DOD was in a state of inarticulate frustration; they couldn't say 'yes' and they couldn't say 'no'. At about that time the President asked the NSC whether the U.S. was doing everything possible to improve the situation in Viet-Nam. We were accordingly requested to draft a special OCB report on the situation in Viet-Nam (two copies being pouched to Saigon). Since Civil Guard training was one of the problems concerning our relations with Viet-Nam, we had to put it in the paper. Thus the question was raised to the OCB level where it was agreed that the matter should be settled quickly and that Messrs. Merchant and Irwin would work it out. Their attempts to do so were then delayed by the SEATO Conference. Eventually Messrs. Merchant and Irwin did meet, and the June 10 telegram referred to above was sent out. DOD indicated they still might raise the larger question of unifying all internal security, but they didn't make much of a point of it as they realized that this would involve changing our OISP policy worldwide. I hope the reply will alleviate your problem." (*Ibid.*, Vietnam Working Group Files: Lot 66 D 193, 102.-VN 1960 Civil Guard)

be held in September. The theme surrounding all these political events is the overthrow of President Diem and the reunification of Viet-Nam. Concurrently, the activities of the Communist guerrillas (Viet Cong) in the South have increased seriously, particularly south of Saigon, and the Communists can be counted on to exploit popular dissatisfaction with Diem's Government, especially any rumors that the United States would like to replace Diem.

2. Diem's Government has lost some prestige due to increased popular resentment of official corruption and highhandedness and the shortcomings of its security forces in coping with stepped-up guerrilla activity.

3. Difficulties between the Thai and Vietnamese Governments on the one hand, and the Cambodian Government on the other, continue. Viet-Nam needs the cooperation of Cambodia if the use of Cambodia as a safehaven by the Viet Cong is to be even partially interdicted.

4. On the positive side, Diem has taken the following steps to strengthen the government's position in the area south of Saigon: (a) given increased authority to the military commander of that district; (b) rapidly executed a program to consolidate the populations of troubled areas into large garden towns ("agrovilles") for better protection; (c) constructed more canals and airstrips in the area; and (d) building up a 5,000 to 10,000 man commando force using personnel taken from the Army and other sources. Actions of this kind place additional strains on the Vietnamese budget. If coupled with substantial and continuous reductions in U.S. aid, severe reactions on the Vietnamese economy might result.

5. The United States is continuing its military and economic aid programs. We have changed our Military Aid Program to make more communications equipment available for military use in the field, and action is being taken to speed up deliveries. The publicly known increase of our MAAG from 342 to 685 Americans has demonstrated our support. We are placing 36 specialists in MAAG for anti-guerrilla training. On the diplomatic front Ambassador Durbrow has recently made extremely strong *démarches* to President Diem² indicating our knowledge of and concern over corruption in the government. He has also made it clear that if the government does not make a real effort to improve its relations with Cambodia, we may consider holding back some of our aid. On several occasions recently the Ambassador has also urged on Diem and top officials the importance of strengthening the government's popular support. The Ambassador has made specific suggestions, such as regular radio addresses by President Diem and better explanations to the people of government

²See Document 160.

programs in which they are involved, calculated to give them hope for the future, and has warned Diem not to require excessive amounts of unpaid labor. The French Ambassador also has urged the President to make radio talks.

While it is early to judge Diem's reaction to the various suggestions, he recently held a press conference in which he recommended constructive criticism from the press. The government has also indicated to us that it intends to give the population a better understanding of government programs, to slow the rate of construction of agrovilles (mostly built by unpaid labor), and to see that those who build the agrovilles are the ones who later live in them.

6. In addition to the above, increased emphasis might be given to the following activities which would be helpful in improving Viet-Nam's ability to resist Communist pressure:

a. Show our continued public support of the government, on the grounds that it is independent, anti-Communist, and generally responsive to the needs of the people, by such methods and at such times as our Ambassador may select (see last sentence, para. 1).

b. Continue to encourage the growth of more representative government and of an increased sense of public participation.

c. Continue to maintain the best possible intelligence on corrupt activities so that our Ambassador will be in a position to bring pressure to bear on the Vietnamese Government for corrective action.

d. Continue to press Diem on the necessity of improving relations with Cambodia, particularly with respect to border control. Explore with Diem the danger for Viet-Nam of a policy calculated to throw Sihanouk into the arms of the Communists or cause his downfall. Make a continuing review of types of aid which might be withheld from Diem if such sanctions become necessary.

e. Cooperate with the representatives of friendly governments which are working along the lines described in 6.a.-d.

f. Continue emphasis on counter-guerrilla training for both ARVN and the Civil Guard.

g. Supply special equipment necessary for use by the Armed Forces in anti-guerrilla operations. (For example, programming actions are in process to provide six H-34 helicopters and four small, air-propeller boats. Additionally, program actions are under way to adjust and accelerate the delivery of communications equipment.)

h. Continue efforts to strengthen the economy through adoption by the Government of Viet-Nam of a positive economic policy, emphasizing initially exchange reform in conjunction with sound fiscal, credit and development policy. In this connection, we should discreetly support the economists who will be sent by the Brookings Institution to work with the Vietnamese Government on long-range programs (see last sentence, para. 4).

i. Increase emphasis on helping to train government administrators of high caliber (see para. 2).

j. Step up propaganda to show the weaknesses of the North Viet-Nam regime.

175. Letter From the Secretary of Defense's Deputy Assistant for Special Operations (Lansdale) to the Chief of the Military Assistance Advisory Group in Vietnam (Williams)¹

[Washington,?] June 21, 1960.

DEAR GENERAL WILLIAMS: Prompted by your message, I have replied to Thuan's letter,² and would appreciate it if you could get it to him privately. As you can guess, it concerned you. Both he and his boss had a strong request to extend your time past what Durbrow wanted, and also wondered if I understood about the request for my own visit. I am doing a little hand-holding about you in this reply, although any constructive action would be so doggone difficult that I can tip you off privately that I doubt like hell that it can be done. I had hoped to arouse some sporting instinct in a clean way, to prompt some personal messages to you from topside here. I am not sure that I have succeeded. But, some of the people involved have been in and out of town so much that it's hard to tell.

Personally, I think the best thing of all would be to have you in town while Durbrow is here. Washington is the point of decision on almost everything, not Saigon, while Durbrow is here. Although some of the people here are alert to a few things which have been going on, they are nice people and not used to the sort of things which I suspect will be pulled by some folks who are emotionally involved in thinking that you and Diem and others like you are a bunch of bums who need a come-uppance. As one of you bastards, I get mighty lonely back here.

I also told Thuan about the very little that I know about Lionel Charles McGarr, who is slated to replace you. I know that he was hand-picked by Lemnitzer as the officer closest to you in spirit, but not knowing him at all, I don't know how close to the mark this actually is. I intend to have some talks with him and only hope that this picture is somewhat true.

The battle about my visit is still being waged behind scenes here. Gates told Nixon, who got angry when he heard about the way State played it. So State is looking to its arguments again. (I am typing this on an electric typewriter myself, and it runs away from me.³)

¹Source: Center of Military History, Williams Papers, Lansdale 1960 (136).

²In a message of June 17 to Lansdale, Williams stated that Thuan was worried that Lansdale had not replied to a letter Thuan had sent to Lansdale on May 28. Williams remarked that he did not know what was in the letter, but would like to. Thuan's letter and Lansdale's reply have not been found. Williams' message is *ibid*.

³Reference is to typing errors.

Nothing at all but rumors on your Ambassadorship. State is running roughshod over the military right now, only most of them in the Pentagon are slow in waking up to that fact. Best thing that happened was the Scty's Conference at Quantico,⁴ when one of the top State people made the mistake of telling what State staffers were thinking these days. Sort of shook the boys up and got a few of them mad. This State staff thinking will get worse under most of the folks who have an eye open for Sec State's job. They want the military to take a seat wa-a-a-ay back in anything to do with foreign aid or foreign countries. Our only hope will be if it's a race between Nixon and Johnson. The others all practically want us to deal through the UN on foreign problems and give our shirts away. The others have in mind Stevenson,⁵ Kennan,⁶ or Nitze⁷ for Sec State. You might examine the views of these gents.⁸ Warmest & best, as always,

Ed

⁴Not further identified.

⁵Adlai Stevenson, Democratic candidate for President in 1952 and 1956.

⁶George F. Kennan served as Director of the Policy Planning Staff (1948–1949), Counselor of the Department of State (1949–1950), and Ambassador to the Soviet Union (1952).

⁷Paul H. Nitze was Director of the Policy Planning Staff, 1950–1952.

⁸A handwritten postscript reads: "At suggestion of Felix Stump to me, I had Erskine (my immediate boss) suggest to Lemnitzer that you been invited to come to Washington for a visit on your return to the U.S."

In a letter of reply dated June 28 Williams stated in part: "Under existing conditions I have *no* desire to remain longer than 31 Aug as CHMAAG. Please do nothing that would indicate to anyone any other view. . . . In addition to my personal feelings, I'm sure the Army wants my 'space' so that promotions can continue to flow. I see nothing to be gained by anyone for me to come to Washington while Mr. D— is there. As you say, the other team is in the saddle and they will certainly attack anything I might say and they would win. They are too powerful. From recent events it is plain to see that your shop can't stand up against them. Under such conditions I see no reason why I should be thrown to the lions." (Center of Military History, Williams Papers, Lansdale 1960 (136))

176. Memorandum of a Conversation, Saigon, June 24, 1960,
4 p.m.¹

PARTICIPANTS

President Ngo Dinh Diem

Mr. Nguyen Dinh Thuan, Secretary of State at the Presidency

¹Source: Washington National Records Center, RG 330, Lansdale Papers: FRC 63 A 1803, Vietnam. Secret. Drafted by Coster.

Mr. Frank E. Walton, Chief, Public Safety Division, USOM
Mr. Donald Q. Coster, Acting Director, USOM

1. As a result of a meeting held with the Secretary of State at the Presidency, Mr. Nguyen Dinh Thuan, the previous day, at which time Mr. Frank Walton, Chief, Public Safety Division, explained in detail, certain problems faced by USOM in an endeavor to implement the Civil Guard Project, Mr. Walton and I were asked to meet with the President at 4:00 p.m. on June 24.

2. Prior to our appointment we met for a few minutes with Thuan and I took this opportunity to suggest to him that, if at all possible, our meeting with the President should be limited to a discussion of the Civil Guard. It appeared obvious to me at the time that the President only desired to use the question of the Civil Guard as an excuse for a thorough airing of the Aid Program. Thuan said that he was in accord with my desire to limit the conversation to the Civil Guard but added that he naturally had no control over what the President might wish to discuss.

3. My suggestion that the Civil Guard should be the only topic for discussion was a prime example of wishful thinking. The meeting lasted a full 5 hours and we did not leave the President's office until after 9:00 p.m. At the time of our departure from the Palace, I had the impression that the President could have gone on for hours and I thought that possibly he felt that we had endeavored to cut him short.

4. The President covered a multitude of subjects but at no time did he mention the recent reduction in aid under the Commercial Import Program for FY 1961 per se. At my suggestion, Walton had prepared a brief summary in French of the various obstacles that confronted USOM in our efforts to successfully implement the Civil Guard program. After a quick glance at the list the President asked Walton to summarize the problems. This Walton did, particularly mentioning: (a) Failure of the Civil Guard to give USOM daily, weekly and monthly operational reports as provided for in the Project Agreement. These reports had been received for a time but were discontinued at the direction of Secretary of State for the Interior Trinh; (b) Changes in organization, plans, and programs without consultation with or notification to USOM, i.e., formation of Commando Companies, transportation companies, personnel increases and changes in training programs; (c) Unavailability of Colonel Phat, the Director General of the Civil Guard, for conferences with Public Safety Division personnel; (d) Failure of Mr. Trinh to issue an arrete establishing the single security communications network for the Civil Guard and the Surete as had been agreed upon at a meeting on March 19, 1960, chaired by Mr. Thuan; (e) The difficulty in estab-

lishing the mission and thus a firm TO&E for the Civil Guard river companies, i.e., Civil Guard requests for crafts for the river companies have varied from boats as small as a two-men patrol craft powered by a 5 HP outboard motor, to a 50-foot sampan-type craft capable of carrying 70 persons with combat equipment at a speed of 15 knots.²

5. It was pointed out to the President that the above were just examples of the extremely unsatisfactory liaison that presently exists between the USOM and the Civil Guard. Walton and I stressed that the crux of the problem appeared to be a lack of responsiveness on the part of the Civil Guard and that USOM was regarded by the Civil Guard as a quartermaster rather than a mutual partner in a most important undertaking. We stressed that the primary difficulty appeared to rest with the Secretary of State for the Interior, as the Civil Guard personnel were apparently carrying out his orders.

6. The President then went into a lengthy discussion in Vietnamese with Thuan and concluded by saying to Walton and me that he felt we should be fully aware of the history and the background of the Civil Guard leading up to its present unfortunate status before we formed any definite opinions as to where certain faults lay.

At this point the President spent about one-half hour tracing the various steps in the formation of the Civil Guard and ended up by placing the blame for the situation in which it currently found itself on the United States. He said that in the first place the major error involved was U.S. insistence that the Civil Guard should not be under the Department of Defense but should come under the Secretary of State for Interior. Secondly, the President said that U.S. blame also rested in part with the MSUG for attempting to make a police force out of the Civil Guard, which concept had subsequently proved to be completely unrealistic.

7. The President stated that the Civil Guard should initially receive the same training as ARVN and that after this instruction they could be trained as constables. Walton pointed out to the President that in Malaya the reverse was true. There the security forces are initially trained as constables and subsequently as anti-guerrilla units. The President claimed that the problem in Malaya was not comparable to that in Viet-Nam, as in Malaya the terrorists are all Chinese while in Viet-Nam they are Vietnamese. He added that in Malaya food was not easily available and had to be brought in for the insurgents from outside, while in Viet-Nam food is plentiful and can be obtained by the terrorists at any time and at any place. The President buried the Malayan comparison by saying that while Malaya is a pe-

²The following marginal note in General Williams' handwriting appears on the source text at the end of this paragraph: "blind leading (?) the blind".

ninsula, Viet-Nam had many hundreds of kilometers of vulnerable borders with unsympathetic neighbors.

8. The President next asked Walton what communications training was being given or contemplated for the Civil Guard. It was explained to him that courses were presently being conducted at Petrus Ky and Phu Tho and that approximately 3,000 communications technicians (majority to be trained out of present Civil Guard strength) of one kind or another would be required for the maintenance of the communications operation for the security forces.

9. The President at this juncture launched into a severe criticism of Colonel Phat and said that he had been much too arbitrary in his decision to bring Civil Guard personnel from the provinces into the Saigon area for training as commandos. All provinces, he said, were asking for more Civil Guards just at the time that Colonel Phat was depleting their forces.

10. The President stated that it was important that the Civil Guard should relieve ARVN of the internal security problem so that the army could re-group and train for its primary function which was defense of the country against external aggression.

11. The President said that the GVN force level of 150,000 was not nearly large enough to cope with the external threat and that he needed an army of at least 170,000. He added, however, that if he had a force of this level, the GVN could not afford to pay them so that he was reconciled to keeping the ceiling at 150,000.

12. The President terminated the discussion of the Civil Guard by saying that now that the rainy season had commenced, it was necessary for them to be provided with ponchos or raincoats. He thereupon asked for USOM assistance and wondered if 50,000 ponchos could be obtained from war surplus stocks. Walton told the President that he would look into the matter.

13. Diem then took off in a highly critical vein concerning what he termed lack of support from the U.S. for many of his particular projects other than in the military sphere. (At this point it should be mentioned that the President said in passing that MAAG originally made the same mistake as had the French in concentrating their training in conventional warfare.³ He stated that now this situation had been rectified. Diem was highly complimentary in his remarks concerning the Chief MAAG and stated upon several occasions that General Williams had always cooperated with him to the fullest possible extent.)

The President claimed that while USOM had aided the Vietnamese in the building of many roads, we actually were failing in

³"1956-57" in General Williams' handwriting appears in the margin of the source text beside this sentence.

part of our mission as we were not providing them with the wherewithal to maintain them in good condition. He stated that although we had constructed many schools, we were not helping in their upkeep or defraying the expenses of the necessary teachers. (USOM has never undertaken any commitments to maintain roads or keep up schools.) He went on to say that he had a critical need for more bulldozers and other heavy equipment to help build not only roads but also agrovilles, a cement factory, plywood plants, etc., and especially for the clearing of forest to plant more rubber trees. Diem took this occasion to say that the GVN had already spent many millions of its own dollar reserves and that he had the figures to prove his statement. I told the President that such figures would certainly be of interest to our government.

14. In speaking of foreign reserves, Diem said Cambodia and Thailand had also built up large reserve balances but were not criticized by the United States for so doing. He also stated that there could be no valid comparison of the success of the economic development programs in Viet-Nam and Taiwan as the latter country did not suffer from the similar internal security problems and had no 17th parallel.

15. After mentioning, as stated above, his government's need for more heavy equipment to build additional agrovilles, as well as other projects, Diem launched into a full half-hour discussion of agrovilles and gave this subject the complete treatment (Embassy Despatch No. 426, June 6, 1960⁴). He said that he anticipated that the number of agrovilles would increase from 12 to 20 during the present year.

16. Diem next brought up his deep hatred for the French and for about 45 minutes he traced his past relationship with them in extremely vitriolic terms, emphasizing the efforts on the part of the French to place obstacles in the way of his country's progress and their efforts to get rid of him. He spoke at length of old French-Communist collaboration and went into detail concerning the U.S. military equipment sent to Viet-Nam during the war which had been "stolen" by the French and taken back to France with them, with the explanation that it was actually World War II material. He blamed the U.S. for this and said that the French would never have been able to get away with it had we not dared to offend them by making an inventory of the material which had been sent out here. Diem then went into the difficulties which had occurred because of the channeling of U.S. aid to Viet-Nam through the French and said that he had taken drastic means to solve this problem. He stated that what he had done was a secret which he had never told anyone before now. He went on to say that in July 1954 he had sent a per-

⁴Document 169.

sonal cable⁵ to President Eisenhower through non-diplomatic channels, requesting that he arrange to have all U.S. aid given directly to the GVN after January 1, 1955. He stated that the President had immediately acceded to his request.

17. The above thorough castigation of the French led automatically into another one-half hour talk on the importance of roads in Viet-Nam both from the military and the economic point of view. Diem stated that the French had absolutely no economic or strategic understanding of the importance of a highway system. For example he said that the highway which the French had constructed along the coast was vulnerable at too many points. He said that the French had built roads in the interior of the country only for purposes of transportation to and from their rubber plantations and accomplished nothing in the way of road construction which would aid in the development of the country. He said that every new road which was built opens up Viet-Nam economically and provides more benefits to the people. Diem went on to say that not only did the French not know how to build roads but they also did not have proper road building equipment. He said that he considered the highway program to be of the greatest possible urgency. He once more brought up the subject of additional bulldozers as well as compressors and dredges. He said that the need for dredges was so great that the GVN had bought two with their own money and that if these worked out satisfactorily he intended to buy ten more.

18. Diem devoted a full two hours to a detailed history of his regime and his ascendancy to power. He emphasized his refusal to deal with the Communists, the French and with other "gangsters and thieves". He went into great detail describing the battles between the sects and said that "even then" many of his ministers deserted him by making deals with leaders whom they thought would come into power. In heated terms, he described how a mortar shell once detonated on the grounds of the Palace and that many of his ministers told him that he was crazy to continue on with a cabinet meeting which he had called at that time. He said that at this point his close advisors informed him that some of his ministers were deserting and that he had replied "let them go—if they are not here when I need them, it is better that they leave now."

19. Diem then brought up the question of his present political enemies. He classified the so-called intellectual opposition as made up of communists and opportunists and added that he was "as strong as a rock" and that no one would break him. He touched on the questionable loyalty of "certain ministers" without mentioning names and said that "these people" and others opposed to him

⁵Not found.

would find it impossible to leave the country when they might consider it necessary because they would have no passports, visas or means of transportation. Diem stated that in 1955 his trusted and loyal friends had advised him against the creation of an opposition party and that he had followed their advice with success since that time. He said that he had no intention of changing that policy.

20. In a lengthy discussion concerning the security situation, Diem once more emphasized with considerable emotion his Gibraltar-like qualities and likened himself to an "unbreakable rock". First, he said that Viet-Cong were to have their big push in March, then it was to be April, and in May Saigon was slated to be under siege. In June, a coup d'etat was planned and he was to have been thrown out of office. Diem added, quite heatedly, that all these plans were thwarted because of his personal strength and domination over the Vietnamese people. He said that now the next Viet-Cong D-Day was set for September 2nd, the anniversary of the founding of the DRV.

21. It should be emphasized that during this long session Diem appeared to be in a highly emotional state. His efforts seemed mainly to be directly in an endeavor to impress us with:

- (a) His political strength;
- (b) Viet-Nam's progress under his leadership, despite the efforts of the communists and the French; and,
- (c) Loopholes in the U.S. aid program which in his opinion require immediate correction for the country's economic viability and political survival.

The President continually stressed the present critical period in Viet-Nam's development and often repeated that his country would not require outside assistance in another 5 years time.

22. In the final analysis, I would say that Diem gave the very definite impression that he is worried about his position and that he was making an all-out effort to convince us that he had everything under control.⁶

⁶Beneath the last paragraph on the source text is the following note in General Williams' handwriting: "Believe the boys missed the point. When Diem told me of this Conference (& not knowing I'd read a report of it) I jokingly asked why he kept them for 5 hours. His answer was to the effect that both knew so little about Vietnam & its history and the history of the C.G. that he felt it necessary to go into great detail to impress them with the seriousness of the problem at hand."

177. **Despatch From the Ambassador in Vietnam (Durbrow) to the Department of State¹**

No. 463

Saigon, June 27, 1960.

SUBJECT

An Interpretative Review of Developments in North Viet-Nam Since January 1959²

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Introduction and Summary

Prior to 1959 the Democratic Republic of Viet-Nam (DRV) was principally occupied with rehabilitating its economy and restoring its rice production following seven and one-half years of war, carrying out agrarian reform and laying the preliminary foundations for the

¹Source: Department of State, Central Files, 751K.00/6-2760. Secret. Drafted by William B. Grant.

²This report was essentially completed by the end of May, and does not reflect subsequent developments. [Footnote in the source text.]

³The page numbers in the table of contents are not printed. The Introduction and Summary comprised pages 1-4; Part I pages 4-9; Part II pages 9-20; Part III pages 20-35; Part IV pages 35-47.

development of a socialist state. Externally, the DRV pursued a relatively unambitious foreign policy toward other countries, and towards South Viet-Nam has since 1956 been following a policy aimed at overthrowing the Southern regime by promoting and inspiring subversion and terror in the South probably as a consequence of the GVN's refusal to hold elections in 1956 under the Geneva Agreements. However, the DRV's efforts in this respect, while representing a continuing problem for the GVN, did not during 1957 and 1958 appear to be of sufficient proportion to accomplish its purpose. However, since the end of 1958 the DRV has (a) greatly intensified its pressure on the South through the adoption of a policy of all out terror and subversion supported by increased infiltration from the North in a major effort to overthrow the Republic of Viet-Nam and President Ngo dinh Diem; (b) embarked on an aggressive and extremely vigorous foreign policy which has (1) threatened the independence of Laos by giving active support to the Pathet Lao communist rebel movement probably with the intention of keeping open the routes for Viet Cong infiltration into South Viet-Nam and forcing Laos to maintain a neutral posture and (2) endeavoured to enhance the international stature of the regime through programs aimed at wooing the Afro-Asian bloc and securing the loyalty of Vietnamese residents living abroad; (c) stepped up the tempo of socialization and wrestled with the problems of economic development under an extremely ambitious three year plan.

The DRV has achieved a marked if not total success in pursuing these policies. DRV efforts to wage an all out campaign of terrorism and subversion in the South have brought about a notable deterioration of security in the delta provinces and forced the GVN to commit more of its resources to fight communist terrorism—resources which otherwise would be available for the development of its economy. Although DRV aggressive pressure against Laos last summer was checked when world attention was brought to bear through the UN Security Council, nevertheless, with strong DRV support Pathet Lao rebels have increased their activities in the provinces of Laos and have assured the DRV of a relatively unhindered route by which to infiltrate its cadres into South Viet-Nam. Furthermore, as a consequence of this pressure the Western powers and the Laotian government have decided that it would be wiser for Laos to continue its neutral policy. In August 1959 the DRV concluded an agreement with the government of Thailand to repatriate Vietnamese residents (mostly of northern origin) living in Thailand and under this agreement more than 5,000 Vietnamese residents in Thailand have actual-

ly been repatriated.⁴ Furthermore, according to available information, the DRV may shortly conclude a similar agreement with France for the repatriation of Vietnamese residents living in New Caledonia and the New Hebrides. The DRV-Thai agreement was a diplomatic and psychological victory for the DRV and may have undone some of the psychological damage suffered in 1955 when more than 800,000 refugees from North Viet-Nam fled to the South. The campaign to achieve greater recognition from the Afro-Asian bloc has already succeeded in winning the recognition of Guinea and may cause other African countries to give the DRV either full diplomatic recognition or at least recognition equal to that accorded the GVN.

In its relations with the communist bloc countries the DRV has generally supported the Soviet propaganda line despite the fact that Communist China provides North Viet-Nam with more economic aid than does the USSR and owing to geographic propinquity exercises a strong influence on DRV domestic policies. There are indications that Moscow oriented leaders of the DRV are concerned over increasing Communist Chinese influence and would like to see a greater degree of Russian interest in North Viet-Nam to balance the influence of Communist China. (See Embassy despatches 246 of February 12, 1960 and 366 of April 26, 1960.⁵)

Internally, party leaders and the government bureaucracy have continued to exert a stable and effective control. Furthermore, the regime has felt sufficiently confident of its power and control over the population and it has felt free to promulgate a new constitution written according to the precepts of communist ideology, hold elections in May, 1960 for a Second National Assembly to replace the remaining rump of the First National Assembly elected 14 years ago, and announce plans to hold a Third Party Congress in September. Although reports received indicate that ethnic minorities and Catholic elements continue to be restive and the peasant population openly resentful over increased pressure to join cooperatives, the regime is believed to be in full control of the situation and no serious challenge to its authority is anticipated. Continued efforts to tighten political control over the Peoples Army of Viet-Nam (PAVN) and the change-over from a voluntary enlistment to a military conscription system would appear to explain reports of "serious malaise" in the army.

On the economic front the regime has continued to dragoon the population into achieving the very high and often unrealistic goals of

⁴Documentation on American interest in this agreement is included with material on Thailand in a forthcoming *Foreign Relations* volume.

⁵Neither printed. (Department of State, Central Files, 751K.001/2-1260 and 751K.00/4-2660, respectively)

the current three year plan. While notable progress in both agricultural and industrial production has probably been achieved, the DRV, faced with the twin obstacles of unrealistic planning and a highly underdeveloped economy, has been forced to cut back the goals of the three year plan. Nevertheless, undaunted by this experience it has called for its completion three months ahead of schedule and is actively preparing the five year plan which will begin in 1961

[Here follow Parts I-IV as described in the above table of contents.]

178. Memorandum From the Commander in Chief, Pacific (Felt) to the Joint Chiefs of Staff¹

3120/2

Honolulu, June 30, 1960.

SUBJ

Counter-Insurgency Operations in South Vietnam (U)

REF

(a) CINCPAC ltr ser 00212 of 27 Apr 1960²

(b) JCSM-232-60 of 6 Jun 1960³

ENCL

- (1) Proposed memorandum for the Secretary of Defense
- (2) Draft National Plan for counter-insurgency operations by GVN⁴
- (3) Draft State-DOD-ICA directive to CINCPAC and U.S. Country Team Vietnam⁵

1. By reference (a), a study was transmitted to the Joint Chiefs of Staff on the subject of counter-insurgency operations in South Vietnam and Laos. By reference (b), the Joint Chiefs of Staff submitted the study to the Secretary of Defense recommending that he initiate action necessary to obtain U.S. Government support of counter-insurgency operations.

¹Source: Washington National Records Center, OSD/ISA Files: FRC 64 A 2170, 381 Vietnam. Secret.

²Not found.

³Not printed; copy is attached to a letter from Irwin to Parsons, September 16, 1960, in Department of State, Vietnam Working Group Files: Lot 66 D 193, 97. VN 1960, Overall Security Plan.

⁴Attached, but not printed. The approved version of this plan is in Document 195.

⁵Attached, but not printed. The approved version of this draft, with only minor revisions, is printed as Document 205.

2. The following steps are necessary to coordinate fully and control a maximum counter-insurgency effort in South Vietnam:

- a. Development of a GVN national estimate and plan.
- b. Development of U.S. support requirements in terms of personnel, matériel and funds.
- c. U.S. policy approval and funding.
- d. Gaining acceptance of the plan by GVN.
- e. Provision of U.S. advice, support, and funds on a phased basis, in keeping with the ability of the GVN to conduct operations and properly utilize available U.S. support.

3. The development of a GVN national plan and support requirements will necessitate coordinated action by all U.S. agencies in South Vietnam. Enclosure (2) has been prepared as an outline plan to facilitate action by the U.S. Country Team. The development of U.S. support requirements will require a joint directive from Washington agencies concerned; enclosure (3) is a draft of such a directive.

4. It is recommended that enclosures (2) and (3), as finally approved by the Joint Chiefs of Staff, be transmitted to the Secretary of Defense for further action. Enclosure (1) is a draft of a memorandum transmitting the proposed plan and directive to OSD.

H.D. Felt⁶

[Enclosure 1]

Draft Memorandum for the Secretary of Defense

SUBJECT

Counter-Insurgency Operations in South Vietnam

1. The Joint Chiefs of Staff believe that encouraging the Government of South Vietnam to adopt a national course of action designed to reduce the growing threat of Communist insurgent actions is vital to the continued freedom of that nation and an important action to preclude the necessity for implementing U.S. or SEATO war plans. Further to this idea and in extension of JCS Memorandum for the Secretary of Defense (JCSM-232-60) of 6 June 1960 there are transmitted herewith for your consideration, a draft outline plan prepared for the Government of South Vietnam, and a draft State DOD-ICA directive to initiate U.S. support of this plan.

2. The Joint Chiefs of Staff are of the opinion that the following steps should be taken to initiate counter-insurgency operations in South Vietnam:

⁶Printed from a copy which bears this typed signature.

a. The enclosed draft outline plan, prepared for the Government of South Vietnam, should be forwarded to the U.S. Country Team for study, comment and further development.

b. A joint State-DOD-ICA directive should be issued to cause the preparation of estimates of U.S. personnel, matériel and budgetary support required for execution of the national emergency plan of the Government of South Vietnam.

c. The expanded national plan of the Government of South Vietnam and the estimates of U.S. support required should be reviewed jointly by the U.S. Government agencies concerned.

d. When policy approval and budgetary support arrangements have been completed by U.S. Government agencies, the U.S. Ambassador to South Vietnam should be required to initiate action to gain acceptance of the plan by the Government of South Vietnam.

e. Provided the plan for counter-insurgency operations is approved and implemented by the Government of South Vietnam U.S. personnel, matériel and budgetary support should be provided according to the ability of the country to receive and effectively utilize such support.

3. It is recommended that the Secretary of Defense initiate action necessary to obtain support of and transmit the draft outline plan for the Government of South Vietnam and the joint State-DOD-ICA directive to the U.S. Country Team and to the Commander in Chief, Pacific for necessary action.

179. Letter From the Ambassador in Vietnam (Durbrow) to the Director of the Office of Southeast Asian Affairs (Anderson)¹

Saigon, July 18, 1960.

DEAR DAN: I am enclosing a copy of a Memorandum which Sherwood M. Fine, Chief, Cambodia, Laos, Vietnam and Thailand Division, ICA/W, prepared on a conversation which he had with Wolf Ladejinsky on July 11, 1960 during Mr. Fine's recent visit here. Since Ladejinsky presented a particularly gloomy picture of the present Vietnamese political situation in this conversation, I think it is desirable for you and anyone else who reads this Memorandum to bear in mind that Ladejinsky was seriously ill at the time the conversation took place, and was in fact evacuated to Clark Field two days later with an illness which has not yet been diagnosed. In addition to the

¹Source: Department of State, Vietnam Working Group Files: Lot 66 D 193, 16.VN 1960—Embassy Saigon. Secret; Official-Informal; Limited Distribution. The folder title also includes the following: "Official-Informal Misc. Letters."

fact that his pessimistic picture may be partly attributable to his physical condition, I believe it also should be noted that Ladejinsky has been in a very low emotional state of good deal of the time within recent weeks, and his assessment, in that state, of Diem and the GVN should be accepted with some reserve.

As you know from our reports, we are also concerned about Diem's political position. We have recommended various measures which we think he should take in his own interest to improve his standing in the country. There are signs that he is taking some of the steps we have suggested. For example, reports reaching us (including some from Ladejinsky himself) indicate that Diem is genuinely concerned about corruption and is taking some measures to try to improve that condition. He also indicated in the "Double Seven" speech on July 7 his intention to make intimate talks to explain his program to the people (our Despatch 20, July 11, 1960²). He has, in addition, slowed down on the agroville program. Thuan has just informed me that the GVN is drawing up a realistic three year economic plan and is in the process of imposing new internal taxes, both of which are additional helpful signs.

It is true that there are other steps which we think Diem should take as well. We believe he should compensate peasant labor on Government projects (at least to a limited extent), and act to increase the price the peasant receives for paddy. We would also like to see him get rid of certain government personnel (such as Dr. Tuyen, the head of the secret intelligence service) whose activities have seriously damaged the prestige of the Government. We would also like to see him at least surface the Can Lao Party. We are continuing to do what we can to influence Diem, but our leverage on certain of these sensitive matters is quite evidently limited, particularly at this time when there is some question in Diem's mind about continued U.S. support of him.

I am sending copies of this letter to each of the recipients of the enclosed Memorandum³ to insure that they are aware of the above factors in reading the Memorandum.

Sincerely yours,

Durby
Elbridge Durbrow

²Not printed. (*Ibid.*, Central Files, 751H.11/7-1160)

³Copies of this letter were sent to Williams, Coster, the Office of the Special Assistant to the Ambassador, and William T. Sheppard, Regional Director of Far Eastern Operations, ICA/W.

[Enclosure]

Memorandum of a Conversation Between the Chief of the Cambodia, Laos, and Vietnam Division, International Cooperation Administration (Fine) and President Diem's Adviser (Ladejinsky), Saigon, July 11, 1960, 9 a.m.⁴

Ladejinsky was ill in bed suffering from virus pneumonia but very eager to talk. While clearly seriously under par physically he noted sardonically that he was not in particularly good shape psychologically either. After discussing his health, mutual friends and the political situation in Washington, he moved on to an assessment of the current state of affairs in Vietnam.

Other than a brief, inconsequential talk with Ladejinsky in Washington last fall, this was my first conversation with him since my visit to Saigon in June 1959.⁵ His entire assessment and tone was so notably in contrast with his position of last summer that I was hardly prepared for what followed. Last June he had unburdened himself in an unreservedly apologist statement in support of the President's position on political, security and economic matters. He had expressed strenuous criticism of ICA/W and the USOM position re Vietnam and urged that the U.S. abandon its reserved and often critical approach toward President Diem and his Government and go all out in supporting this embattled regime. U.S. aid was described as grossly inadequate, our officials as incompetent meddlers and our policy as completely lacking in appreciation that the GVN was a government on a wartime footing that was heroically struggling for survival while State and ICA temporized, ignored the hard reality of the current environment and the urgent pressure of events.

Obviously Ladejinsky had gone through a complete metamorphosis since our last serious talk. He expressed deep concern over the grave political deterioration since last winter and his profound disconcertment with President Diem's failure to come to grips effectively with the mounting problems confronting his regime. Ladejinsky's forthright indictment expressed preponderantly in a tone of sad resignation, occasionally succeeded by imperfectly repressed indignation, was based on the following judgements:

(1) Diem was virtually under the complete control of his brother Nhu who was characterized as the "evil genius" dominating the scene.

(2) Diem had become progressively isolated from the real state of affairs. Despite his frequent visits to the countryside he remained,

⁴Secret.

⁵No record of this meeting has been found.

in effect, shielded from unpleasant facts, isolated from the people and had virtually abandoned his claim to being a popular leader.

(3) Diem knowingly tolerated corruption in his family and in high governmental circles though remaining personally free of such taint.

(4) Diem, jealous of his uncontested hold upon the reins of power, presided over a government staffed largely by nonentities in key positions. His concern over potential political competition had produced a cabinet which with but two or three exceptions was distinctly third rate, intimidated and grossly dependent on the President's whim.

(5) There was absolutely no suggestion at this time that Diem was likely of his own accord to change his behavior in office. There was small likelihood that, other than as a result of firm outside pressure, the President would become a more effective and representative leader. Ladejinsky bemoaned the fact that this brilliantly talented leader had succumbed to arrogance, love of power and conviction of his infallibility. Ladejinsky stated that he still regularly saw the President, though their exchanges were invariably unharmonious. His influence had declined to virtually zero since last March. Ladejinsky was profoundly dismayed and unhappy and would have resigned his post soon thereafter but for his reluctance to be criticized for "abandoning a sinking ship"—given the low ebb of GVN affairs at that time. Ladejinsky at this point complimented Diem for his courage in the face of real adversity but added that the President probably had no real notion of the true seriousness of his position at the time.

In discussing possible alternatives to Diem on the political horizon, Ladejinsky stated that despite the President's greatly reduced popularity there was no alternative individual or group at this time. Any real potential opposition had been destroyed by the President. Ladejinsky was particularly biting in his criticism of Diem's refusing to tolerate even token opposition. The Army top command continued loyal but some criticism was to be heard from lower military officer levels.

Vice President Tho was the only possible alternative to Diem but he would not be willing to engage in any contest for power with the President. However, Ladejinsky believed that he would be willing to assume the Presidency if it were offered, in the event of a military coup. Ladejinsky expressed a very high regard for Tho and commiserated with him for the travail of his position and his horribly difficult situation vis a vis a President who refused to delegate any authority and trusted few of even closest political associates.

The one positive conclusion developed by Ladejinsky was the need for a strong U.S. policy re the Government of President Diem. Without such firm guidance the situation would undoubtedly progressively deteriorate. Ladejinsky emphasized that Diem had no place else to go but had to stick with us and retain the support of the U.S. He would bluster and fight back but the only promise for a more

constructive and responsible course on the part of the GVN could be derived from a determined U.S. policy. We were not using our great potential leverage effectively. This was imperative if Vietnam was to be saved from its own errors. This was Ladejinsky's real message.

We discussed the prospective resignation of Vu Van Thai, GVN Director General of the Budget and Foreign Aid Administration. Ladejinsky averred that perhaps U.S. representatives and he had erred in their uncritical praise and unstinting support since Thai had become insufferably arrogant and difficult to work with. If Thai in fact leaves the Government, Ladejinsky could not envisage any other GVN official who could work successfully in coordinating the planned Brookings-Ford Economic Advisory Project. Ladejinsky indicated that the Government was distinctly lukewarm about the entire project and that it was difficult to assess its prospects without Thai. However, Ladejinsky did not dismiss the possibility of Thai remaining in office.

Ladejinsky stated that he had unsuccessfully repeatedly tried to convince the President that given the formulation of serious economic development plans it probably would be possible to secure greater U.S. assistance for developmental projects. He complained about the difficulty in interesting Diem in economic matters. Ladejinsky averred however that Vietnam's economic prospects were bright indeed, if one could count on an intelligent economic program. (Incidentally, Vu Van Thai mirrored this view in another conversation.) Ladejinsky went on to say, however, that Vietnam's real problems lay in the political field and that this and the security picture were the real problem areas.

We discussed Ladejinsky's personal plans at some length. He has several very attractive offers awaiting his decision upon his scheduled departure. Ladejinsky definitely plans to quit his post at the latest by March 1961, the terminal period of his present contract. However, he believed he would be able to leave prior to that time even though the President had reacted to this piece of information by castigating Ladejinsky's intention as akin to "treachery". Ladejinsky plans to visit Washington this September for a variety of personal matters.

(The writer has known Ladejinsky since 1938 and was closely associated with him during their mutual residence in Japan throughout the Occupation period.)

180. Telegram From the Ambassador in Vietnam (Durbrow) to the Department of State¹

Washington, July 18, 1960—8 p.m.

156. Reference: Saigon 81.² Sec State Presidency Thuan asked me call July 16. Thuan said Diem would shortly give me preliminary outline "realistic" three-year economic development plan now being drawn up. He admitted plan submitted earlier this year was unrealistic. According Thuan new plan will have realizable yearly goals, will permit US to program aid to Vietnam on realistic basis and will meet recommendations Mansfield Subcommittee.³ Details of plan to be worked out by September 30. I told Thuan I was glad to hear this and would study plan most carefully.

In connection with plan Thuan referred to recently increased taxes on beverages, flour and canned milk and said definite plans well-advanced with GVN to impose or raise various other internal taxes. He told me very confidentially plans include tax on rubber exports and improved collection rice milling tax. Said that with new taxes GVN will have taken large stride to shift revenue base from import to internal taxes.

After outlining above Thuan urged we not invoke commensurate value clause or insist upon higher exchange rate on ground this would throw economic plan out of kilter because of resultant price spiral. I gave Thuan arguments for increase in exchange rate and that application commensurate value will not necessarily impede plan but might help it by creating further piaster availabilities. Agreed however study matter if we received more details from GVN about plan.

In connection my arguments favoring devaluation Thuan again claimed Laos devaluation a failure primarily because we insisted on full convertibility. I asked whether IMF had suggested full convert-

¹Source: Department of State, Central Files, 751K.5-MSP/7-1960. Secret; Limit Distribution. Repeated for information to CINCPAC PolAd, Phnom Penh, Vientiane, and Bangkok.

²In telegram 81, July 9, Durbrow reported conversations he had with Vice President Tho on July 6 and Ambassador Luyen, Diem's younger brother, on July 8. Durbrow's intention in these talks was to explain the proposed U.S. aid program for Vietnam in light of reports reaching the Embassy that the Government of Vietnam considered the proposed cuts arbitrary and punitive. Durbrow stressed the need for Vietnam to devalue its currency, reiterated the principle that aid to Vietnam was tied to Vietnam's balance of payments gap—which was shrinking—and encouraged Tho and Luyen to do all they could to see that Vietnam collected more taxes. From these conversations and others, Durbrow concluded in this telegram that Diem would resist pressure for devaluation because of his preoccupation with internal security and with the growing opposition to him among Vietnamese intellectuals. In fact, Durbrow was convinced that Diem would view pressure for devaluation and U.S. aid cuts as unfriendly moves by the United States. (*Ibid.*, 751K.5-MSP/7-960)

³See Document 107.

ibility for GVN. He said no and I stated we also did not believe this essential for GVN. Thuan seemed relieved learn this.

Full details my conversation with Thuan being pouched.

Comments: I believe this new development requires some modification in recommendation made in penultimate paragraph our 81. We should at least delay further pressure on GVN re commensurate value and exchange rate for few weeks until Diem has had opportunity outline to us development plan and further details on tax plans. Since GVN seems now to be bestirring itself on economic front, maintenance good relations makes it desirable that we not act precipitously but instead hear what Diem has to say and show willingness study GVN viewpoint.

Since I heard from Gant of Ford Foundation last week that Vu Van Thai has been asked by GVN to draw up three-year development plan, we have independent evidence that GVN is planning to work in this field and that Thuan's statements may involve more than mere delaying tactics. We are aware that relationship between economic plan and exchange or counterpart deposit rate question is not too close, but trust nevertheless that rate rise would increase costs of imported producers goods and GVN will claim that this would hamper implementation of development plan. We are also aware that development plan will necessitate additional piastre availabilities for financing which change in exchange or counterpart deposit rate would help meet, but it is possible that recent and planned GVN actions in tax field may go at least part way toward meeting this need though would probably not in themselves be adequate.

Already our threat to invoke commensurate value clause as well as other démarches to GVN in recent months have apparently produced following results:

1. Taxes increased in early July on beer, soft drinks and imports of canned milk and wheat flour which will bring in preliminary estimated revenue rise of about 200 million piasters annually. How much this due to June 27 démarche⁴ or to earlier efforts induce GVN

⁴During June the Department of State and other interested agencies in Washington discussed with the Embassy in Saigon the possibility of an official démarche to the Republic of Vietnam for establishment of a realistic and unitary exchange rate for its currency. (Telegram 3391 from Saigon, June 7, and telegram 2265 to Saigon, June 17; both Department of State, Central Files, 851K.131/6-760) In telegram 3519 from Saigon, June 22, the Embassy suggested the following alternative:

"As compromise approach which would tend to force GVN to enter into serious rate discussion with IMF we would inform GVN that we shall be obliged to insist GVN deposit into counterpart commensurate value for all US aid within near future. Without specifying a date, we would say that this has become necessary because of congressional attitude and note that executive branch must reply to Congress on Mansfield report by September 30, 1960. We would also tell GVN that once commensurate value clause invoked, under VN rate structure, all counterpart and 402 deposits

increase piaster availabilities not clear. Tentative indications also received that GVN planning accede to our proposal that shift in financing petroleum imports from CIP to GVN foreign exchange be used to increase revenue yield. According tentative information GVN planning finance imports gasoline at 85 rate and diesel oil at new 60 rate. If this plan implemented should also result in increased revenue yield of several hundred million piasters. New taxes mentioned by Thuan should also further raise revenues, but until we see details we have some question as to why GVN should impose tax on rubber at same time it subsidizes rubber exports and also as to whether improved collection rice milling tax will not further reduce price peasants receive for paddy.

2. Preparation three-year development plan also obviously results from our June 27 commensurate value démarche.

3. Evidence growing that Diem now genuinely concerned about corruption. He reportedly discussed subject at recent Vietnamese Mission Chief's conference, has asked that we bring specific cases to Thuan's attention, and has recently acted to try terminate scandal in national lottery resulting from sale of 10 piastre tickets for 13 piastres. . . . indicates crackdown on one of Nguyen Van Vuu's as-

must be at present limited access free market rate with appropriate safeguards in case change in this rate. We would construe this deposit rate as commensurate value, and not require customs duties be deposited in addition. However, if GVN and IMF agree in meantime on new official rate, we will consider accepting that rate plus customs for deposit to counterpart fund. In making such approach we would also state that we would be compelled to suspend commercial aid until GVN agrees deposit at increased rate. At same time we would inform GVN that additional piasters obtained from larger counterpart deposits could be used to finance: (a) Economic development, (b) additional needs for security, and (c) certain other expenditures now financed GVN budget, but which are appropriate for aid financing. (b) and (c), of course would reduce anticipated deficits in 1960 and 1961." (*Ibid.*, 851K.131/6-2260)

The Department of State accepted this suggestion in telegram 2320 to Saigon, June 23, with the following modifications:

"(a) In your presentation emphasize importance which US attaches to current IMF visit and expectation GVN will seize occasion undertake meaningful consultations and take prompt and effective steps toward basic exchange reform.

"(b) Rather than specify limited access free market rate with waiver customs, say deposits must be at 'rate substantially higher than current level, which would be considered by US as acceptable and commensurate with value in dollars.'

"(c) Believe threat to cut off commercial aid should be eliminated as this implicit in demand for commensurate value. Believe Embassy would concur that overt threats of sanctions should be avoided at this difficult time.

"(d) Singling out additional security needs from other GVN budget expenditures might imply US willingness relax restraints on spending for security forces which now result from limited availability counterpart. Thus, you could say additional piasters could be used finance economic development and certain other expenditures in GVN budget which appropriate for US financing (FYI This would not exclude security if proven necessary. End FYI)." (*Ibid.*, 851K.131/6-2260)

According to telegram 3570 from Saigon, June 27, Durbrow made the approach based on telegram 3519 from Saigon as modified by 2320 to Saigon to Thuan on June 27. (*Ibid.*, 851K.131/6-2760)

sociates for withholding share of business profits from Can Lao party, and information I received July 13 indicates crackdown extended to Vuu himself.

4. Some evidence also available that Diem trying enhance popular support of his regime. Stated in "double seven" talk July 7⁵ that he planned series intimate talks with people. First of these evidently took place at inauguration Agroville in Kien Hoa province July 15 where he understood to have made 45-minute extemporaneous, sincere speech to people stressing social justice and emphasizing distinct advantages of resettlement in Agrovilles for them and their children. On same occasion he apparently made real effort to be politician by leaving escort and walking over to chat with large group peasants despite obvious security hazard in this much disturbed province. Also bought items in new shops in Agroville and distributed them immediately to people in crowd and paid snack bar proprietor to serve beer to men and other drinks to women in crowd.

5. Diem has also taken action to improve effectiveness of armed forces. He instituted centralized command over all security forces in 5th military region south of Mekong, improved anti-guerrilla training of ARVN and has promised bring total level armed forces within 150,000 force level and integrate commandos into ARVN. While he has not established centralized intelligence service as we would like him to do, recent ARVN successes against guerrillas make it apparent that some improvement in intelligence collection and distribution has taken place.

6. In response our démarche GVN also attempting improve relations with Cambodia. It is apparently trying bring exchange of notes on islands to end. It has also apparently offered to cooperate with RKG in locating alleged Free Khmer groups in Viet-Nam and Free Khmer radio. Report just received . . . also indicates that GVN has removed Son Ngoc Thanh's Free Khmer headquarters from west of Banmethout to Gia Dinh province near Saigon This removal from frontier area seems to be step forward.

Invocation commensurate value clause is one of best clubs we have to induce GVN take action along lines we desire and along with our other démarches has already produced gratifying results on most points on which we have been pressing GVN for several months. We should therefore not be too hasty in making final use of this club and thus lose its wide potential for future use. We therefore believe it inadvisable set date now for invocation commensurate value. We may hold weapon over GVN's head to try induce adoption realistic development and taxation plans. If GVN fails come through with realistic plans in reasonable time, we can then set date for invocation

⁵See footnote 2, *supra*.

commensurate clause in effort force GVN to consult IMF on exchange rate as suggested our 81.⁷

Durbrow

⁷In telegram 137 to Saigon, July 27, drafted in SEA and marked "From Parsons", the Assistant Secretary replied in part: "Recent favorable developments so well summarized your 156 are especially encouraging. They show that even though our démarches not easy to make and frequently seemed unenthusiastically received, your determined efforts during past year and forthright discussions with Diem and other GVN officials are showing results." (Department of State, Central Files, 751K.5-MSP/7-1960)

181. Editorial Note

The National Security Council at its 452d meeting, July 21, adopted changes to NSC 5809, "U.S. Policy in Mainland Southeast Asia," which the President approved on July 25 as NSC 6012, same title. The complete text of the paper and related documentation will appear in a forthcoming volume of *Foreign Relations*. A text is also in Department of Defense, *United States-Vietnam Relations, 1945-1967*, Book 10, pages 1281-1297. The section on South Vietnam follows:

"Viet Nam

"62. Assist Free Viet Nam to develop a strong, stable and constitutional government to enable Free Viet Nam to assert an increasingly attractive contrast to conditions in the present Communist zone. In this regard encourage and assist public relations and public information programs of the Government of Viet Nam directed both internally to the Free Vietnamese and externally to North Viet Nam.

"63. Work toward the weakening of the Communists in North and South Viet Nam in order to bring about the eventual peaceful reunification of a free and independent Viet Nam under anti-Communist leadership.

"64. Support the position of the Government of Free Viet Nam that all-Viet Nam elections may take place only after it is satisfied that genuinely free elections can be held throughout both zones of Viet Nam.

"65. Assist Free Viet Nam to build up indigenous armed forces, including independent logistical and administrative services, which will be capable of assuring internal security and of providing limited initial resistance to attack by the Viet Minh.

"66. Encourage Vietnamese military planning for defense against external aggression along lines consistent with U.S. planning concepts based upon approved U.S. policy, and discreetly manifest in other ways U.S. interest in assisting Free Viet Nam, in accordance with the SEATO Treaty, to defend itself against external aggression.

"67. Encourage and support an improvement in relations between Viet Nam and Cambodia." (Department of State, S/P-NSC Files: Lot 62 D 1, NSC 6012)

The supplementary statement of policy on "The Special Situation in North Viet Nam," remained in substance identical to that in NSC 5809.

182. Letter From the Ambassador in Vietnam (Durbrow) to the Assistant Secretary of State for Far Eastern Affairs (Parsons)¹

Saigon, July 27, 1960.

DEAR JEFF: I should have answered your letter of June 9th in reply to my letter of April 19th on the problem I had with General Williams² about guerrilla training, etc., but as you know we have been fairly busy around here recently.

You will be interested to know that in reply to the "Eyes Only" memorandum³ I sent to General Williams (which I enclosed with my letter of April 19th), I received a very voluminous study⁴ with the usual annexes and tabs "explaining" what had been done. As you can well imagine, the "explanation" went all over the lot and landed nowhere and added up to a rather weak explanation as to why they had not done more in the anti-guerrilla training field, although we had been pressing them on this for some time. The General obviously didn't like my memorandum and has been trying to make it clear to me one way or the other that my "impressions" were wrong. The thing that counts, however, is that he and the other MAAG officers are now working fast and furiously to meet the guerrilla situation.

Despite his uncooperative attitude, I still like the old gentlemen and we snarl at each other but usually with smiles. He is leaving in early September and I hope I can follow through on the efforts you are making to start General McGarr off on the right track.⁵ The

¹Source: Department of State, Vietnam Working Group Files: Lot 66 D 193, 18.VN 1960—Gen. Lionel McGarr. Extracts. Secret; Official-Informal; Limit Distribution.

²Documents 171 and 140, respectively.

³Document 141.

⁴Document 167.

⁵In a letter to Durbrow, August 12, Anderson reported on consultations between the newly-designated MAAG Chief, Vietnam, Major General Lionel McGarr, and Department of State officials (Anderson himself, Parsons, and Bell) in which the Department officials stressed the importance of close coordination with the Ambassador,

Continued

MAAG scuttlebutt is that he is another hard-bitten soldier, but this time I will have the inside track and hope I can get him to cooperate better than his predecessor.

Since I have had to hit Diem so hard in the last few months I am somewhat in his dog house, although as we have indicated in our recent messages he seems to be moving slowly along the lines we have suggested.

I assume, particularly since I'm in his dog house, that Diem will try to take McGarr into camp and see if he can make him a "yes" man as Williams has been on many occasions except on some military matters. Although I have been questioned somewhat critically by Senator Mansfield and other members of Congress about the special relationship between Diem and Williams, I doubt if it would be worth while or productive to try to prevent Diem from seeing McGarr alone. As you know, Diem likes to work that way and so my problem will be to be sure that McGarr always sounds the "party line" and reports fully his conversations with Diem to me. I might add, incidentally, that Williams has been fairly good about that since I called him several times on his lack of fuller reports.

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In a lighter vein you will be interested in the following typical Saigon rumors I picked up in the last few weeks. Rumor No. 1: General Williams will succeed me as Ambassador. Rumor No. 2: General Ed Lansdale will succeed me as Ambassador. I have been asked this seriously by two or three people in town so I am glad to say my days in Saigon are obviously numbered.

I am hoping that the few favorable improvements on Diem's part we have noted recently will continue and that I can break the new General in sufficiently to be able to leave here in November as I wrote you I now plan to do. Thanks again for all the wonderful back-stopping you and the others in FE have given us.

With kindest personal regards to you both,
Sincerely yours,

Durby
Elbridge Durbrow

183. Memorandum From the Secretary of Defense's Deputy Assistant for Special Operations (Lansdale) to the Chairman, National Board of Estimates (Kent)¹

Washington, August 10, 1960.

SUBJECT

Approaching Crisis in South Vietnam?

Your memo to the DCI on the above subject 28 July 1960, ² deserves some comment in terms of its being the basis for developing an SNIE.³ The following are some personal views of mine, for your consideration.

It seems probable that a crisis is developing in Vietnam. If so, then it would be desirable to have an accurate estimate available to those U.S. officials who will have to make decisions concerning Vietnam, I am sure that you will agree with me that such an estimate should contain of honest a portrayal of the situation in Vietnam as possible. It is to this regard that I am gravely concerned about the use of your memo to the DCI as a basis for an SNIE.

Essentially, the problems presented in your memo are:

- a. Increased guerrilla action and terrorism by the Communist Vietcong, and
- b. Poor administration by a willful President Diem who is rapidly losing popular support.

The U.S. might well resolve the problems you have presented, only to discover that it still hadn't resolved the real problems in Vietnam, which appear to have been ignored in your memo. I admit that there are and have been a number of U.S. observers in Vietnam who seem to be subjectively emotional about Diem and the military, and apparently permit this bias to color and guide their reporting. However, we must not permit this to misdirect our attention from the problems which must be recognized, described honestly, and understood before the United States can consider how to help in solving them. The task of recognizing and describing the actual current problems in Vietnam, in a manner which permits understanding of them by the reader, is the real task of U.S. national estimators in the proposed SNIE.

¹Source: Washington National Records Center, RG 330, OSD/ISA Files: FRC 64 A 2170, 092 Vietnam. Secret. Attached to the source text was a covering note from Lansdale to Irwin, August 10, which reads as follows: "Knowing your personal interest in Vietnam, I thought the attached would be worth a quick reading. You might like to pass to Adm. O'Donnell and others on your staff. Ed Lansdale."

²Not found.

³Reference to Document 185.

As a start towards reality in this SNIE, I recommend that you strive for a truer picture of the Communist enemy in Vietnam today. He is far more formidable than some guerrillas and terrorists skulking about the swamps and jungles. These are only the more overt or obvious Communist assets, which the enemy expects the U.S. to see. But, they are only one segment of the total enemy in Free Vietnam today. There are also many skilled, organized, and dedicated political, psychological, and economic Communist actionists in Vietnam right now, apparently achieving some success in denigrating the Diem government, in exploiting the discontent of some intellectuals, in sowing disaffection among the populace, in disrupting the effective administration of government, and is promoting economic break-downs.

A few moments of reflection will show that this picture of a skilled enemy at work in fields other than the paramilitary is not an idle one. The Vietminh had 8 years of war against the French, in what is now Free Vietnam, to perfect their covert organizations and techniques in these very fields of political, psychological and economic action. It is known that the Vietminh left stay-behinds during the Vietminh withdrawals of 1954-55. There is evidence of the training and introduction of additional Communist personnel into Free Vietnam in the 5 years since then. Certainly, it is to be expected that the Communists must have an effective organization now in place and operating in Vietnam as the result of 14 years of dedicated, professional work by them. We would be damn fools to ignore this just because we are bemused by some exciting shooting and by some personalities who haven't conformed exactly to our every wish, bemused by a picture of a situation in Vietnam which is strangely similar to the one portrayed in propaganda broadcasts from Radio Hanoi and Radio Peking.

I recommend that the descriptions of governmental administration, popular support, economic problems, and security measures and needs be placed in the proper context of Vietnam today, with its Communist enemy actively at work to disrupt or destroy what we are trying to build up. Adding this constant negative strain of Communist action to a governmental mechanism which is already subject to the strain of too many inexperienced or faltering officials, will provide a more accurate and useful estimate of a situation which U.S. officials actually face. The sooner this situation is accurately recognized and described, the sooner the U.S. can act wisely and constructively.

Consideration also should be given to:

- a. First-hand observations of American, Vietnamese, and other acceptable observers who have actually gone out into the countryside among the people, talked to them, lived among them, looked at the

current scene. (I get a disturbingly different picture of the situation than the one portrayed in your memo, from such observers known to me.)

b. Other Vietnamese groups ambitious for power in Vietnam, and whether their activities are contributing to insecurity and instability or are performances of constructive political opposition in the face of a national emergency.

c. The actual, on the ground and now operating, status of operations to counter the acts of Communists and others to destroy the stability of the government in Vietnam and to destroy the friendly status of the U.S. as a worthy ally; for example, how strong is the propaganda attack against us on these points and how strong are the Vietnamese counter-measures; have we ever provided the radio broadcast facilities we have had on paper for so many years; are current—not months old—security operations successful or not; is the national police force, the Guard Civile, an effective organization or not, and if not what is needed?

d. The complex problem of the Cambodian border, a more realistic appraisal of its vulnerabilities and meaning, as well as the true nature of the Free Khmer activities which have too long been accepted as a Diem-Nhu plot; also, what effects, if any, have Chinese Communist activities in Cambodia, which include the donation of large sums of cash money to provincial governors in border regions, had upon the security of Vietnam?

184. Memorandum From the Secretary of Defense's Deputy Assistant for Special Operations (Lansdale) to Lieutenant General Lionel C. McGarr¹

Washington, August 11, 1960.

SUBJECT:

Vietnam

This is a follow-up of our conversation yesterday. I will try to answer your written questions which have been referred to me,² and also give some personal comments. Then, I will add some copies of memos³ and talks which touch on various aspects of Vietnam, as some background reading you might find of interest. I am including one memo about a proposed Special National Intelligence Estimate (SNIE)⁴ written since talking with you.

¹Source: Washington National Records Center, RG 330, Lansdale Papers: FRC 63 A 1803, Vietnam Correspondence 1960. Secret; Personal. General McGarr had been designated as Chief of MAAG, Vietnam; he assumed his duties at the end of August.

²Not found.

³None found attached.

⁴Apparent reference to a draft of SNIE 63.1-60, *infra*.

Cambodian Border. Although there have been incidents concerning the exact location of the border, (one Cambodian charge some months ago was that a VN Army unit had moved a marker to give VN more territory), the main problem for you is that guerrillas cross over into Cambodia for refuge, or use Cambodian territory as the base for operations in Vietnam. These are not only the Communist Viet-cong, but also various dissident groups of Vietnamese who probably have some encouragement or help from foreign elements who hate Diem. It will take you some time to straighten out all these various groups, but most of them were close to French "colons," have ambitions to seize power in Vietnam, and have remnants of sect armed bands (Hoa Hao, Binh Xuyen, and Cao Dai) which had been "suppletifs" or local militia of the French in the eight years Franco-Vietminh war.

Suggest that, after you get a briefing on this problem in Vietnam, you have a talk with Chief MAAG-Cambodia and the Army Attaché in Phnom Penh, and persuade them to do a first-hand look-see in the border regions in Cambodia for you.

Chinese In Cambodia. After you have been in Vietnam some time, you will start thinking that some of the U.S. officials in Cambodia are incredibly naive, particularly when it comes to questions about Chinese and Soviet Communist activities there. Just remember that these Americans are under continuing influence of some French who are hypersensitive about holding onto the last French "presence" foot-hold in Asia and that some of these French pride themselves on their ability to accommodate political philosophies and Asian "mystique." Last year in Phnom Penh, I was shocked to hear some U.S. officials blandly talk about the Chinese Communists giving aid to Cambodian provincial governors, in the form of large cash money hand-outs, and try to maintain that this was only an aid program for the people. I can only presume that some of the governors have been bought, and in geographic positions south of the Bolovens Plateau and along regions bordering Vietnam of interest to you.

There is always the threat that, if the U.S. fails to give military aid to Cambodia, Prince Sihanouk might ask Communist China for military aid and then you would have a Chicom MAAG next door. It is our belief that Chicom military intelligence personnel have been over the ground, disguised as economic aid personnel and merchants, in provincial areas, particularly in the northeast. It is possible that there is liaison between whatever nets they established with both the NLHX of Laos and the Vietminh.

The Communists and some of the French apparently keep Sihanouk stirred up about a plot to assassinate him or to overthrow the government. At times, this is blamed on Diem or on me. Dap Chhu'on supposedly gave a death-bed confession that he was work-

ing for me, which he wasn't. I merely mention this as a little alert to you, in case you and Mrs. McGarr go over to Siem Reap to visit Angkor Wat. Dap Chhu'on was the governor of the province there, and the Cambodians might suspect that you would be up to tricks with some of his former followers. So, it might be wise to let MAAG or Embassy in Cambodia know of your tourist visit prior to any trip to Siem Reap. Incidentally, I never worked with Dap Chhu'on and the story the Cambodians tell is a complete fabrication, although he might have confessed to anything under torture.

Non-Communist Dissidents. There are some remnants of sect forces in south Vietnam. If you ever get a chance for a private talk with Vice President Tho, ask him. He is probably better informed on this subject than anyone else in the government or armed forces. Also, "Big" Minh whom you met at Leavenworth is well-informed on the subject, he fought the "United Front" of Binh Xuyen and the Hoa Hao forces of both Soai and Ba Cut in 1955-56 making skilled use of political-military tactics.

The Viet-cong were in with Ba Cut's forces at one time, and some of the remnants of his forces might be allied with the Communists today, although they are little better than bandits who rob the peasants. They operate in the trans-Bassac roughly from the border of Camau over to the Seven Mountains near Cambodia. Incidentally, they invented a novel means of torture to make peasants disclose hidden valuables: while holding a man on the ground, they drive a nail into his ear-drum. They probably still have connections with some of the French in Cambodia who once had great hopes of using Gen. Hinh⁵ (former Vietnamese Chief of Staff and now a colonel in the French Air Force) to take over the Hoa Hao forces and seize power in Vietnam.

Some of the Cao Dai, and their affiliates the Lien Minh, are in small bands of dissidents, although many of these forces were integrated into the Army and probably remain loyal. Those few in dissidence would be in the area between Tay Ninh and the Cambodian border. They used to operate into the Plaine des Joncs, but have found their best hiding place in the area north of Tay Ninh. Trinh Minh The,⁶ whom I believe was a great patriot and who led the Lien Minh until he was killed in the 1955 Saigon fighting, used to tell me that the Viet Minh made real use of the terrain north of Tay Ninh as a base for operations into the Tierre Rouge, where the big rubber plantations are north of Saigon. The workers on these plantations

⁵Nguyen Van Hinh, Chief of Staff of the Army of the State of Vietnam, 1953-1954.

⁶A Cao Dai general who rallied to Diem in February 1955; killed in the fighting in Saigon, May 1955.

were organized and disciplined by the Vietminh; I know the French managers used to pay them "protection" money, just like in a gangster film. It is possible that a few Cao Dai dissidents are in with the Vietminh in this area.

None of these remnants are very large. However, the religious sect groups are a different problem. Each has political party interests and some political ambition. A lot of work was done in psychological operations to make them good citizens, but I suspect that some of this work has fallen off. "Big" Minh used to do excellent work along those lines. It would be smart for you to have a talk with Col. Chau who heads psychological operations now and encourage him to strengthen his work with the population in the 5th Military District. He is bright, energetic, and dedicated, but might require a little guidance on this. You might make sure that your U.S. adviser with Chau is getting across to him with sound advice.

One thing to keep in mind is that the sect forces were integrated into the Vietnamese Army in 1955 largely at U.S. insistence and with U.S. help. General O'Daniel, as Chief of MAAG, carried out the final negotiations with each of the sect military leaders. My own task had been in the initial negotiations, largely out in the boon-docks, which mostly followed a plan devised by a U.S.-French planning group under my chairmanship, which had been appointed by Generals Collins and Ely. As I recall, there were two regiments of one Hoa Hao group, a small battalion of another Hoa Hao group, about 10,000 Cao Dai under Gen. Phuong,⁷ and about 8,000 Lien Minh under Gen. The. One battalion of Binh Xuyen came over to join the government during the Saigon-Cholon fighting. Some of these integrated troops and their officers were treated rather shabbily by the Army, and a few went into dissidence. Other sect groups now in dissidence. Other sect groups now in dissidence are remnants of the forces that fought the Army in 1955: the Binh Xuyen, the Hoa Hao forces under Soai⁸ and Ba Cut,⁹ and some of the Catholic Militia which had joined the Binh Xuyen.

Popular Support for Diem. A number of U.S. officials are certain that there is widespread and growing popular distaste for Diem and his government. These opinions are based upon reports, methods of collection, and sources which have raised a serious question in my mind as to the validity of these views. In other words, the information reflects the wishful thinking of people and groups known to me and

⁷Nguyen Thanh Phuong, Vietnamese Minister of State from December 1954 to May 1955; a Cao Dai commander.

⁸Tran Van Soai, Minister of State from December 1954 to March 1955; a Cao Daist commander.

⁹Ba Cut (General Le Quang Vinh), a Hoa Hao dissident leader; executed July 1956.

who have personal reasons for pushing these views which are useful to their ambitions. I have had a great deal of information to the contrary, from Americans, Vietnamese, and others, who have travelled out in the provinces. My own conviction is that there is some dissatisfaction, that it has been blown-up by skilled propaganda distortion, and that the countering psychological operation simply hasn't caught up with the initial harm and erased it. If the U.S. is to help in this, largely via the Ambassador and USIS, with some collateral assist by MAAG through Col. Chau's psychological group, then our help must be done with real spirit and not just as lip-service. This is a case where "actions speak louder than words." The actions should be the government demonstrating that it is a good government through its deeds (including Army actions), and with effective publicizing of those deeds with the people. A good starting point would seem to be selling the merits of the "agroville" concept to the people.

Now, why would a Vietnamese farmer or villager help the Communist Viet-cong? He might be gradually talked into believing that Diem is no good and that the Viet-cong is the "wave of the future" and is about to take over the government. However, I believe there are damn few who would buy this, unless they saw convincing proof—such as weak or corrupt government officials, sloppy and cowardly Army troops, and so on. A larger number would be helping either through anger at the government or through fear of the Viet-cong.

Farmers and villagers get angry at the government, in a situation such as that in the 5th Military Region, primarily from the actions of troops—whose uniforms identify them openly as "government." If there is killing of innocent civilians by the troops, (such as would happen in indiscriminate shelling of "suspected" areas), rough manhandling of civilians by troops in their security screening operations or at checkpoints on the roads, or commandeering of dwellings, poultry, cattle, or other possessions at gun-point, then the civilians get mad and retaliate at "the government," meaning the Army, by helping the enemy with manpower, labor, money, food, or intelligence information. It takes an alert commander, and constant supervision, to ensure the proper behavior of troops under the vexing conditions of counter-guerrilla operations. The VN Army has been, by and large, rather good at this in the past. But, this is worth some personal checking by you.

The "fear" is a result of terrorist action, properly exploited by the Viet-cong. It only needs a few "horrible examples" of sudden and awful death as punishment for non-compliance with Viet-cong wishes to enforce a discipline of this nature upon the population. The way to overcome this, of course, is to protect the people. If the Army and police do not have a full capability for giving complete

protection, then they must get across the thought that they need the people's help, will act in warm friendship with the people, and that they will win out over the enemy soon. If the man in uniform looks and acts like he knows what he is doing, and goes out of his way to be on a friendly footing with the civilian population, then the people will have hope that the military can lick the enemy and will be encouraged to risk helping. This is the beginning of the end for the enemy.

The Diem government has an ambitious program, which is pushing through aggressively, to resettle the farm population in "agrovilles"—agrarian villages which can be more readily defended and having a garden plot for each family, schools, medical facilities, a public meeting place, a good market, and good water. In other words, this is a considerable up-grading of present living conditions. 40 of these "agrovilles" are due to be in being by this summer. The program was started this Spring. In addition, you will find President Diem is pushing through a grand resettlement program all along his border regions, using the Army for security and civic action. There is a lot of imagination, good planning, and hard work going into this.

Candid Talk. One of the wisest acts I have ever seen a MAAG Chief do was one of the early ones by Gen. Williams. He had Col. Don¹⁰ come in and talk at the monthly Advisors' Conference, when unit advisors would come in from the field to meet in Saigon. Don would tell the Americans what the Vietnamese officers thought of them, tactfully pointing out methods and mannerisms which needed correcting. Don had great skill at doing this and it was a most constructive action. I don't know whether this is being continued. With so many officers always newly arrived, you might consider keeping this up—if there is still a Vietnamese officer who can do this in the proper spirit.

Thuan. If you and Mrs. McGarr like children, I urge you to get to know the Thuan family. He is Secretary of State for the Presidency, in his 30's, highly intelligent, trusted by President Diem, and is the real executive right-arm of the President who makes the government work. He used to be number 2 man in the Ministry of Defense and you will find his knowledge of military problems, his candor, and his common-sense really refreshing. I hope you become close friends. He has a large record collection, loves music—including the latest dance tunes. My team in Vietnam used to join him getting down on the floor and setting up an electric train set for his youngsters.

After you get known Thuan well enough, I recommend that you discuss the Vietnamese officer corps with him. You will have some

¹⁰Possibly Tran Van Don, who was promoted to general by Diem for his support during the sect crisis, April–May 1955.

conflicting opinions about various officers which you will have to sort out for yourself, and I believe you will find his judgement to be wise, fair, and constructively helpful. As I said in our discussion, President Diem is informed in intimate detail about many of these officers, and has strong opinions. You will be getting other strong opinions about individuals from your MAAG advisors, from our Embassy people, from foreign officials (British and French mostly), and from various Vietnamese. Some of this is going to be strongly conflicting, and can be hard to sift out false stories and gossip to get at the truth.

Partisan Politics in the Army. You will hear a great deal about the harm to the Army caused by cliques of officers belonging to the Can Lao, the government party. Some of this is true. However, you will have a great influence in keeping promotions and assignments on a merit basis, just as Gen. Williams did—and President Diem will listen to you on this, if you ever get worried about it. I recommend strongly, though, that you check your facts thoroughly before discussing such a matter with him. Gen. Williams is in a position of influence, in large part, because he was damn careful of his facts before talking and earned the reputation with Diem and other Vietnamese of being worth listening to. Other Americans haven't been so careful and, although the Vietnamese officials have sat politely through their talk, their advice was judged valueless and was not heeded. We seem to produce a lot of these well-intentioned but impulsive Americans for positions in Vietnam. If the Vietnamese start listening to you instead of them, they are going to become mighty jealous of you and show it in a lot of rather petty ways. I advise that you just take this in your stride.

President Diem, his family, and some of the Defense officials you deal with, have some deep emotional scars from the politics in the Army. They want to make sure that it is loyal. Thus, they cannot whole-heartedly buy the idea that Can Lao membership is harmful, because to them this will mean that Can Lao officers are loyal. The only way you can lick this is to induce the U.S. concept of loyalty with patience and with careful education.

The emotional scars about loyalty come from the French-provoked plots by the former chief of staff, General Hinh, to pull a coup d'état in late 1954, and some of the questionable conduct of the French military with Vietnamese officers during 1955 combat against the Binh Xuyen and Hoa Hao. Hinh is actually a French Air Force officer. His strongest supporters came from Vietnamese units under the control of French intelligence and clandestine services. There was bitter, under-the-surface strife in the Army, including murders, kidnappings, secret arrests, and other acts of terrorism. Many Americans think this was mostly fiction—but then they weren't on the scene

when the grenades were thrown, when bribes were given, when highly-placed French officers (like Salan)¹¹ openly preached revolt in night clubs, or when French armored units were moved against loyal Vietnamese units. The President remembers some of these things strongly, deep down, although he has since forgiven the French much as they have sent wiser and more mature representatives out to Vietnam.

However, President Diem and the others know that some of the top officers in the Army, including some whom you will judge to be damn good professional soldiers, were once agents in the pay and control of the French intelligence and clandestine services. There will always be a little feeling of unease about trusting such officers all the way. This unease is kept alive by the strange alliance of some sections of the French intelligence and security services with Communist Vietminh and Chinese, as well as with Vietnamese dissident groups. Many U.S. officials have been incredibly naive about this and simply refuse to believe it, which is why Diem has stopped talking to them about it. I believe it, though, based on credible evidence, including first-hand observation.

The Chinese. Cholon is really a Chinese city, and the Chinese under French rule had a highly privileged position in the commercial life of Vietnam. Diem has acted to force these Chinese to declare their citizenship, either as Vietnamese or as Chinese Nationalists. When he started this action in 1956, many of the Chinese Communists fled to Phnom Penh in Cambodia, and are still there. Some of those in Cholon are still disgruntled that they were jarred out of a privileged position where they were exempt from many taxes and exempt from military service. You might keep this in mind as you start meeting them. I like the Chinese in Cholon very much. They are charming hosts, have wonderful food, and have a lot of practical ideas. You will be meeting quite a few of them.

[Here follows information on Vietnamese and foreign personalities.]

Vietnam. I have gone into many things here, in addition to our long talk, simply because I believe you are moving into the really responsible slot in a country which is our best bet to keep S.E. Asia free of Communism. Although the people, customs, and surroundings are about as foreign as can be, there is great respect for honesty, moral courage, and a sincere intent to understand local problems and people—which is why some of your American military friends have found service there so rewarding in the response of the Vietnamese. President Diem is a man of real courage and honesty. I feel sure you

¹¹Général Raoul Salan was Commander of French Forces in Indochina, April 1952–May 1953, and had temporary assignments in Vietnam after that time.

are going to cotton to him—and that this feeling will be returned by him.

Finally, I would like to pass along an operating rule which I have used personally as my "passport" throughout Asia: remember to smile in a friendly way. It will make Asians want to do things your way. It will get you out of tight spots. It will open the door to understanding, help break deadlocks in negotiations, and will increase the stature of your authority. There is a responsiveness to a friendly smile in Asia which is a unique and wonderful thing—and you deserve this rich experience!

185. Special National Intelligence Estimate¹

SNIE 63.1-60

Washington, August 23, 1960.

SHORT-TERM TRENDS IN SOUTH VIETNAM²

The Problem

To assess political and security problems and probable trends in South Vietnam over the next year or so.

Conclusions

1. Developments within South Vietnam over the past six months indicate a trend adverse to the stability and effectiveness of President Diem's government. Criticism of Diem's leadership within urban groups and government circles has been mounting. More immediately

¹Source: Department of State, INR-NIE Files. Secret. Also printed in Department of Defense, *United States-Vietnam Relations, 1945-1967*, Book 10, pp. 1298-1301.

²The following note appears on the cover sheet:

"Submitted by the Director of Central Intelligence.

"The following intelligence organizations participated in the preparation of this estimate: The Central Intelligence Agency and the intelligence organizations of the Departments of State, the Army, the Navy, the Air Force, and the Joint Staff.

"Concurred in by the United States Intelligence Board on 23 August 1960. Concurring were the Director of Intelligence and Research, Department of State; the Assistant Chief of Staff for Intelligence, Department of the Army; the Assistant Chief of Naval Operations (Intelligence), Department of the Navy; the Assistant Chief of State, Intelligence, USAF; the Director for Intelligence, Joint Staff; the Assistant to the Secretary of Defense, Special Operations; and the Director of the National Security Agency. The Atomic Energy Commission Representative to the USIB, and the Assistant Director, Federal Bureau of Investigation, abstained, the subject being outside of their jurisdiction."

important, the Communist Viet Cong, with support and guidance from Hanoi, has markedly increased subversive operations, terrorist activities, and guerrilla warfare. (*Paras. 4-13*)

2. Although Diem's personal position and that of his government are probably not now in danger, the marked deterioration since January of this year is disturbing. These adverse trends are not irreversible, but if they remain unchecked, they will almost certainly in time cause the collapse of Diem's regime. We do not anticipate that this will occur within the period of this estimate. However, if Diem is not able to alter present trends and the situation deteriorates substantially, it is possible during the period of this estimate that the government will lose control over much of the countryside and a political crisis will ensue. (*Para. 17*)

Discussion

3. Since the beginning of 1960, there has been a general decline in the political and security situations in South Vietnam. The Communist Viet Cong³ has stepped up terrorist activities and guerrilla warfare. At the same time, grievances against the government, which have long been accumulating, have become increasingly urgent and articulate.

The Political Situation

4. Discontent with the Diem government has been prevalent for some time among intellectuals and elite circles and, to a lesser extent, in labor and urban business groups. Criticism by these elements focusses on Ngo family rule, especially the roles of the President's brother, Ngo Dinh Nhu, and Madame Nhu; the pervasive influence of the Can Lao,⁴ the semi-clandestine apparatus of the regime; Diem's virtual one-man rule; and the growing evidence of corruption in high places. In late April, 18 prominent Vietnamese publicly peti-

³The Viet Cong insurgents represent the paramilitary arm of the North Vietnam Communist Party. The Viet Cong is estimated to have in South Vietnam between 3,000 and 5,000 regular armed cadres and about 3,000 and 5,000 regular armed cadres and about 3,000 irregulars organized as underground troops. Main areas of Viet Cong activity lie south and west of Saigon and along the Cambodian border. North Vietnam furnishes guidance, personnel reinforcements, and logistical support to the insurgents. [Footnote in the source text.]

⁴The Can Lao organization is based on the cell and cadre system, similar to that of the Kuomintang or a Communist party. It is controlled by Diem's brothers, Nhu and Can. Can Lao members are active at virtually every level of Vietnamese political life. One-third of the cabinet members and over half of the National Assembly deputies probably belong to the Can Lao. The organization also controls the regime's mass political party, the National Revolutionary Movement. It is deeply involved in Vietnamese business affairs and has a program to recruit key officers in the Vietnamese military establishment. [Footnote in the source text.]

tioned Diem to "liberalize the regime, expand democracy, grant minimum civil rights, (and) recognize the opposition in order to let the people speak without fear." This unprecedented public attack on Diem by a non-Communist group may embolden other urban elements to become more vocal.

5. A new and even more important element in the political situation is the growing criticism of Diem's leadership within government circles; including the official bureaucracy and military; this criticism has become more intense than at any time since 1956. Since the early part of this year, Vice President Tho, other members of the cabinet, and middle echelon officials have made known their serious concern over Diem's handling of the internal security problem and have privately criticized the power and influence exerted by Nhu and his entourage. In addition, there is considerable uneasiness concerning the operations and activities of the Can Lao organization.

6. Although most of the Vietnamese peasants are politically apathetic, they also have their grievances against the government. These include the ineptitude and arrogance of many local and provincial officials, the lack of effective protection from Viet Cong demands in many parts of the country, the harshness with which many peasants have been forced to contribute their labor to government programs, and the unsettling economic and social effects of the agroville (government-sponsored settlements) program. As a consequence, Diem's government is lacking in positive support among the people in the countryside.

7. The members of Diem's immediate entourage have attempted, with some success, to keep him insulated from unpleasant developments and trends. However, he has become concerned over the deteriorating internal security situation, although he still tends to discount the amount of discontent both in the countryside and among urban elements. Although he has taken some steps to meet the internal security problem, he tends to view it almost entirely in military terms. He believes that increased military activity against the Viet Cong, along with an expansion of the agroville program, will greatly improve internal security. He has been openly contemptuous of the views of oppositionists in Saigon and regards them as uninformed and dupes of the Communists. Diem also has failed to take any major steps against corruption and arbitrary conduct on the part of the Can Lao organization.

The Security Situation

8. Aggravating many of the government's problems is the active campaign of the Viet Cong to discredit Diem and weaken the government's authority through political subversion as well as paramilitary action. The Viet Cong has had some success in exploiting dis-

contented intellectuals, sowing disaffection among the populace, and disrupting the effective administration of government. This campaign has been well organized and skillfully executed, with the result that Diem has been confronted not merely with the armed threat of guerilla operations but with a comprehensive subversive program.

9. Between mid-1957 and the end of 1959, the Viet Cong conducted a steady but low key campaign of propaganda, subversion, and terrorism in the South Vietnamese countryside. Since January, there has been a significant increase in the number and size of Viet Cong attacks in several areas, particularly in the southwest. Civilian travel on public roads more than 15 miles outside Saigon has become hazardous. Attacking units, estimated to number at times in the hundreds, have operated over wider areas than at any time since 1954 and have assaulted Vietnamese Army installations. Since the beginning of the rainy season in April and the launching of Vietnamese Army counteroperations, Viet Cong operations have abated somewhat but terrorist activity, such as assassination and kidnapping of provincial officials and government sympathizers, has continued at high levels.⁵ Support from North Vietnam appears to have increased over the past several months. In particular, senior cadres and military supplies such as communications equipment are believed to be moving south through Laos and Cambodia and by junk along the eastern coastline.

10. The upsurge in Viet Cong activity, accompanied by a stepped up propaganda campaign from Hanoi, probably reflects a recent Communist decision to increase pressures on the South Vietnamese Government. The indications of increasing dissatisfaction with the Diem government have probably encouraged the Hanoi regime, supported and guided by the Chinese Communists, to take stronger action at this time. The Chinese Communists probably regard South Vietnam as a promising area for weakening the US position in Southeast Asia at little cost or risk. From the Chinese point of view, many favorable elements are present: a sizable and effective indigenous guerrilla apparatus responsive to Communist control; a government lacking in positive support from its people; and the widely recognized political commitment the US has in South Vietnam.

11. In countering the Viet Cong challenge, Diem faces many of the same problems which confronted the French during the Indo-China War. Viet Cong guerrilla units have succeeded in exploiting

⁵In the first five months of 1960, 780 government officials and sympathizers were assassinated by insurgents. The total number of assassinations in 1958 was 193 and in 1959, 239. Kidnappings this year through May total 282, as compared with 236 in 1958 and 344 in 1959. [Footnote in the source text.]

their natural advantages of surprise, mobility, and initiative. In many of their areas of operations, they have exploited the tendency of the largely passive population to accommodate to their presence and thereby to avoid reprisals. In some areas of operations, however, they have obtained the active cooperation of the local population.

12. In contrast to the French strategy in the Indo-China War, however, the Vietnamese Government is attempting not only to control the populated areas and main lines of communications but also to group the peasantry into more defensible units through its agrovillage program. Special measures in organization and training have been implemented enabling the army to react more quickly and effectively against guerrilla hit-and-run tactics. The civil guard is forming "commando" units and new stress is being placed on the building of a youth corps, 10,000 strong, for patrol and reconnaissance purposes in the villages and towns.

13. The most effective government measure against the Viet Cong, however, remains the active participation of the army, with air force support. Until recently, the army's commitment to internal security operations has been limited by the deployment of major elements in defense against an overt attack from North Vietnam and by training activities in support of this mission. Some improvement in the army's effectiveness and capabilities can be expected with the increased emphasis on antiguerrilla training, improved organization, and better combat intelligence. We believe it unlikely, however, that the army will be able to do more than contain the Viet Cong threat, at least over the short run.

The Outlook

14. The Viet Cong will probably maintain its pressure on provincial officials and government installations at the present high level, and, with the end of the wet season in October, return to large-scale guerrilla actions aimed at nullifying the government's authority in the rural areas. Hanoi could step up the weight and pace of the Viet Cong activities in South Vietnam. In the absence of more effective government measures to protect the peasants and to win their positive cooperation, the prospect is for expansion of the areas of Viet Cong control in the countryside, particularly in the southwestern provinces.

15. Dissatisfaction and discontent with the government will probably continue to rise unless the security situation improves and unless Diem can be brought to reduce the corruption and excess of his regime. Although there have been no popular demonstrations so far, we believe that the possibilities for antiregime disturbances are increasing. The Viet Cong will attempt to capture and control major demonstrations that occur. Existing police and civil guard strength is

capable of controlling small-scale disorders in major population centers, but army support would be required if rioting became widespread.

16. The position of the army in the Vietnamese political scene is not entirely clear. The regime has taken pains to insure that no one army figure could acquire such personal standing or prestige that he could range himself and the army against the government. However, there is some discontent among officers over Can Lao influence in promotions and assignments, and concern over corruption and nepotism in the army has increased. If unrest in official circles and urban elements became extreme and attempts were made to organize an anti-regime opposition, the attitude of the army would become a vital political factor. But it is not clear what the army's action would be in these circumstances.

17. Although Diem's personal position and that of his government are probably not now in danger, the marked deterioration since January of this year is disturbing. These adverse trends are not irreversible, but if they remain unchecked, they will almost certainly in time cause the collapse of Diem's regime. We do not anticipate that this will occur within the period of this estimate. However, if Diem is not able to alter present trends and the situation deteriorates substantially, it is possible during the period of this estimate that the government will lose control over much of the countryside and political crisis will ensue.

186. Telegram From the Ambassador in Vietnam (Durbrow) to the Department of State¹

Saigon, August 25, 1960—7 p.m.

466. Paris 723.² We providing material below to enable exchange views with French but believe some reserve should be used in dis-

¹Source: Department of State, Central Files, 651.51K/8-2560. Secret. Repeated for information to London, Phnom Penh, CINCPAC PolAd, Bangkok, and Vientiane.

²In telegram 723, August 23, the Embassy in France reported that an Embassy official met with Jacques Roux, Deputy Director for Political Affairs of the French Foreign Ministry to discuss Laos and Vietnam. According to the telegram, the discussion was as follows:

"3. Roux also said Foreign Office disquieted re attitude GVN and said French had indications Saigon might be giving moral and [garble] material support General Phoumi. (He thought Bangkok presently being reasonably discreet.) Roux estimated despatch GVN forces to lower Mekong probably due difficulties with Vietminh but one could not be sure. French concerned also re internal situation South Vietnam

Continued

cussions since French motives this area do not seem completely parallel ours. French interests and tactics under Gorce have been different in Cambodia and French approach to current Laos developments shows clear divergence from ours. In Vietnam we believe French views are closer to ours because we doubt French policy sees any alternative to Diem. However, except for Pinay's personal influence French carry no political weight at all with Diem regime and therefore would not be unnatural for French to desire some greater sharing by Diem of authority with opposition intellectuals whom French may hope influence.

Within above context suggest discussions with French along following lines:

1. We continue firmly support Diem as strong, dedicated Nationalist and anti-Communist leader, who is making a sincere and extensive effort improve lot of Vietnamese people.

2. We glad note Diem's recent talks to people at Agroville inaugurations and humanizing touch his actions as politician on these occasions. We hope GVN will expand publicity on these talks and actions. We also urging at appropriate opportunities other GVN actions to increase peasantry support of government, such as compensation Agroville labor and increase in price peasant receives for paddy, but believe it desirable French avoid raising such measures with GVN since there is better chance favorable action if GVN does not feel Western powers are ganging up to give it advice.

3. French likely stress opposition and demands Saigon intellectuals, such as petitions submitted by "eighteen". If raised by French, suggest Paris reply that, while meeting certain of these demands would be desirable in GVN's own interest, opposition intellectuals pose no real political threat in our view since they are without broad basis of political support, motivated in considerable measure by personal ambition, and cannot work together.

FYI. We believe it desirable avoid discussing with French the opposition within government and Can Lao Party and evidences army discontent, which we consider much more serious than chronic Saigon intellectual complaints. Again we working on these and do not want give idea of western ganging-up. End FYI.

4. French may also raise reports of possible Cabinet changes, since French Ambassador and staff here intrigued by this subject. If

where Diem experiencing increasing difficulty and said French had indications Hanoi might be preparing new moves. He asked US-French exchange information and views re Vietnam. Embassy officer said we would pass this request along with view discussion later this week.

"4. Would appreciate resume situation from Embassy Saigon both with respect internal troubles and repercussions from Laos and guidance from Department for proposed exchange with French." (*Ibid.*, 651.51K/8-2360)

raised, suggest reply that changes may well occur, but we do not think they will be of any significance.

FYI: Certain rumored changes might however represent Diem effort eliminate opposition within government. End FYI.

5. French may raise Can-Nhu "rivalry", another favorite French thesis. If so suggest reply be that we think family will stick together.

FYI. Inadvisable get into discussion of political merits of removal of Mr. and Mrs. Nhu and disbandment or surfacing of Can Lao Party. End FYI.

6. Internal security seriously deteriorated during early months 1960, improved somewhat in May and June as GVN Forces recovered some initiative, but has worsened again since July, especially in provinces north and east of Saigon. Lao Dong Party Congress starting Hanoi September 5 may well decide on measures designed intensify guerrilla pressures on GVN. GVN is however resolutely endeavoring counter enhanced security threat. It has centralized command over security forces in affected areas, is improving and expanding ARVN anti-guerrilla training, and Diem has told us he will not abandon countryside by pulling security forces back into towns. We are supporting GVN efforts by accelerate MAP deliveries, anti-guerrilla training assistance to ARVN, and program for upgrading civil guard.

French could also take action which would be of assistance. They could use their influence to induce French rubber plantation owners not to succumb Viet Cong pressure for possible pay-off payments. Plantation owners should realize such payments are contrary their real interest since Viet Cong take-over South Vietnam, as experience in North Vietnam has shown, would mean that French investments would soon totally disappear. French could also use their influence with Sihanouk to induce him cooperate effectively with GVN in reducing use of Cambodian territory by Viet Cong. Sihanouk should also be brought to realization that pressures on Cambodia would be magnified many fold if Viet Cong took over South Vietnam.

7. GVN gravely concerned about developments in Laos, which may weaken anti-Communist forces there, give Pathet Lao opportunity improve their position and could mean installation neutralist government soft on Communism. (See Embassy telegram 31 to Paris re Diem's and Nhu's conviction French behind recent Lao coup.³) No

³In telegram 31, August 25, sent to the Department as 463 and repeated to Paris as 31, Durbrow reported a conversation with Diem and Nhu on August 24. Durbrow described Nhu's conviction that France was behind the Kong Le coup as follows: "Nhu more than ever convinced French Government not just French colonial elements Laos were behind coup. He also convinced French encouraging opposition elements Viet-Nam in order bring about more neutralist GVN attitude. He attributed French attitude to mistaken belief that by diminishing US influence Laos and Viet-Nam French can

indications received of GVN military intervention in Laos, but GVN is watching situation as well as reactions Western powers closely.

8. Do not understand Roux concern despatch GVN Forces Mekong. This been going on many months to strengthen anti-Viet Cong operations. It may refer to question raised by French Ambassador recently why Vietnam Navy moving to delta area. We have checked and there are no unusual naval movements.

Durbrow

regain some of lost prestige in this area. Nhu cited Viet Cong-French agreement re Vietnamese in New Caledonia as example De Gaulle's mistaken belief must appease Viet Cong in order diminish VC desire take over Laos or SVN and cited strong neutralist position of Kong Le and Souvanna as example same French attitude." (*Ibid.*, 751J.00/8-2560)

187. Telegram From the Ambassador in Vietnam (Durbrow) to the Department of State¹

Saigon, August 30, 1960—6 p.m.

495. Our tels 432 and 455 and our G-48, G-58, G-66 and G-82.² Reftels, refairs and other reports indicate among other things that there are now about 5,000 Viet Cong in armed units in South Vietnam despite GVN's claim of having killed 2,000 VC during first six months 1960. GVN admitted losses during same period were 1,339 (of which 260 Civil Guard and 155 armed forces) compared with 793 for previous entire two years. Steady increase in intensity and areas of operations of armed groups during last six months has caused some decline in govt control in certain areas. VC also attempting disrupt economic progress by pressure on rubber plantations, and interference with rice coming from Delta. VC attempts terrorist activities have spread to Saigon itself. It thus now quite clear we are in for prolonged battle with Communist guerrillas with survival Free Vietnam at stake. This coupled with growing restiveness various anti-Communist Vietnamese groups, and prospect long unstable conditions Laos, no matter outcome present developments there, make it evident it essential back up our investment here by reinforce assistance to Diem, who is only dedicated anti-Communist nationalist

¹Source: Department of State, Central Files, 751K.00/8-3060. Secret. Repeated for information to CINCPAC for PolAd.

²Dated August 22, 24, 8, 13, 18, and 26, respectively. (*Ibid.*, 751K.00/8-2260, 751K.00/8-2460, 751K.00/8-860, 751K.00/8-1360, 751K.00/8-1860, and 751K.00/8-2660, respectively)

leader in sight. Despite his shortcomings he has recently taken useful steps we've been urging on him for long time (G-79³).

Since large proportion ARVN now committed to operations against VC there is urgent need to beef up Civil Guard training and make it better qualified to assist ARVN operations and give protection to rural populations pacified areas. It therefore very much our interest make available more U.S. trainers soonest for CG. Diem and Thuan have asked recently on urgent basis that we make available 100 U.S. trainers for CG with emphasis on ranger training (our G-83 and G-53⁴). They have made it clear have swallowed pride and seek U.S. trainers for CG to act as full-fledged trainers rather than advisors.

Although GVN asked for 100 trainers, we believe 50 is practicable maximum at present. For reasons given above believe it imperative ICA make extraordinary effort obtain soonest additional 40 above 10 now en route. It is necessary to improve CG basic capabilities which, to extent availability training personnel and other practical considerations permit, can be done more efficaciously with Americans in charge and working with trainees on face-to-face basis. Some CG's are undoubtedly already qualified to absorb considerable ranger training. In view of these considerations we need as trainers well-qualified young personnel (1) who can step up basic and advanced individual training of those CG units which have not re-

³In this airgram, August 25, the Embassy reported that in response to American pressure the Diem government had made important strides in fields of politics, security, relations with Cambodia, and economics. In the political arena, the Embassy reported that Diem was endeavoring to present himself as a "man of the people" by giving a series of friendly and intimate talks to various Vietnamese groups. The Embassy also detected in Diem the realization that the policy of force-draft labor for construction of agrovilles was causing discontent and that a corresponding shift by the government to reliance on volunteer labor was required. The Embassy was encouraged by Diem's growing personal interest in correcting corruption. In security matters the Embassy reported three main bright spots of the Diem government: centralization of military command of security forces in the Mekong Delta, new acceptance and interest by the Vietnamese in anti-guerrilla training for ARVN and the Civil Guard, and an expressed interest in centralizing intelligence functions and services in Vietnam. In its relations with Cambodia, Vietnam had in the Embassy's opinion been conciliatory and non-provocative. Finally, in the economic field the Embassy noted that Diem's government had raised taxes and prices to generate more revenue. The Embassy added the following concluding comment:

"While we shall keep pushing GVN, we believe it is important to keep matters in balance and recognize steps GVN has already taken as outlined above. GVN officials are aware they have responded favorably to many of our demands, and have indicated we should not expect them to do everything at once, especially in present emergency arising from their fight with Vietnamese Communists (violence in Saigon itself almost occurred past weekend—our telegram 432). If we demand too much at once, we could provoke strong reaction and might undo some of progress already achieved." (*Ibid.*, 751K.00/8-2560)

⁴Dated August 12 and 26. (*Ibid.*, 751K.00/8-1260 and 751K.00/8-2650)

ceived such training, and (2) some of whom can give ranger training to those CG's already qualified absorb such training.

Basic USOM plan is geared to best counter-guerrilla training possible under circumstances for 208 Civil Guard companies (26,000 men) in little less than two years beginning September 1960. Realization of this objective requires, after initial CG instructor training cycle, that 16 companies be continuous under instruction. USOM anticipates utilization of four training locations with four companies at each. Forty additional trainers would be divided ten to each training location, thus achieving effective results of close, personalized training needed and desired by GVN which could not be attained by thinly-spread original ten-man team now en route. Since that team consists of various specialists (demolition, psywar, weapons, survival, etc.), they will, after initial CG instructor-training cycle, be rotated from one training location to another. (For initial training cycle ten-man team would train CG who will subsequently serve as assistant instructors to U.S. instructors.)

In view of urgency of getting this program under way strongly recommend Department and ICA obtain DOD concurrence to retain after scheduled departure October 1 ten-man special forces team now training ARVN to accelerate training of Civil Guard trainers. Without special forces team initial ICA ten-man team would have to engage in two training cycles for Civil Guard trainers, thus delaying for two months getting trained Civil Guard units into field for action. While it is recognized that special forces team may well have greater capabilities than necessary for regular CG training, it should be noted team will be retained for training of CG counter-guerrilla trainers. While I realize extension of special forces team means continued temporary use by that team of spaces within MAAG ceiling, I am convinced this will do no real harm to MAAG's mission for training ARVN since increased number ARVN units assigned to operations means fewer units remaining for MAAG training activities. Team is here and can therefore expedite training Civil Guard before dry season in full swing when VC activities expected to be stepped-up further. Moreover, with VN presidential elections scheduled April 1961 imperative have adequate internal security forces to control VC efforts to disrupt elections. Assuming extra 40 trainers could be here by end year extended TDY special forces team would be not longer than two months.

In view need have well-qualified young trainers who should not be accompanied by dependents and who could meet rugged requirements in field training following recruitment suggestion offered: it would seem possible ICA offer civilian contracts to personnel about to be released from U.S. Army special forces or platoon leaders from Army/Marine Corps who have had recent field service with rifle pla-

toons or comparable units in reconnaissance, rangers, pathfinders or paratroopers. In view importance get well-qualified personnel assume Dept, Army and USMC would be willing assist choosing and recruiting personnel from platoon leaders being released. Since these personnel would have true civilian status, MAAG ceiling problem would not arise and any ICC questions could be easily handled.

In order prevent delay implementation this emergency training plan special logistics arrangements required. Pouching requirements.

While I realize these requests will require cutting large amount red tape, I believe growing Communist guerrilla threat to survival of government of Free Viet-Nam warrants most serious effort.

Gardiner and General Williams concur.

Durbrow

188. Memorandum From the Joint Chiefs of Staff to the Secretary of Defense (Gates)¹

JCSM-382-60

Washington, August 30, 1960.

SUBJECT

Counter-Insurgency Operations in South Vietnam (U)

1. The Joint Chiefs of Staff believe that encouraging the Government of South Vietnam to adopt a national course of action designed to reduce the growing threat of Communist insurgent actions is vital to the continued freedom of that nation and an important action to preclude the necessity for implementing U.S. or SEATO war plans. Further, to this idea and in extension of the Joint Chiefs of Staff Memorandum for the Secretary of Defense, JCSM-232-60, dated 6 June 1960,² there are transmitted herewith for your consideration, as Appendix "A" hereto, a draft outline plan prepared for the Government of South Vietnam,³ and as Appendix "B" hereto, a draft State-DOD-ICA directive,⁴ to initiate U.S. support of this plan.

2. The Joint Chiefs of Staff are of the opinion that the following steps should be taken to improve counter-insurgency operations in South Vietnam:

¹Source: Department of State, Phnom Penh Embassy Files: Lot 62 F 30, 381 Vietnam. Secret.

²See footnote 3, Document 178.

³The draft was attached, but is printed in its approved form as Document 196.

⁴The revised draft was attached, but is printed in its final form as Document 206.

a. The enclosed draft outline plan, prepared for the Government of South Vietnam, should be forwarded to the Ambassador and his Country Team in South Vietnam for study, comment and further development.

b. A joint State-DOD-ICA directive should be issued to cause the preparation of estimates of U.S. personnel, matériel and budgetary support required for execution of the national emergency plan of the Government of South Vietnam.

c. The expanded national plan of the Government of South Vietnam and the estimates of U.S. support required should be reviewed jointly by the U.S. Government agencies concerned.

d. When policy approval and budgetary support arrangements have been completed by U.S. Government agencies, the U.S. Ambassador to South Vietnam should be required to initiate action to gain acceptance of the plan by the Government of South Vietnam.

e. Provided the plan for counter-insurgency operations is approved for implementation by the Government of South Vietnam, U.S. personnel, materiel and budgetary support should be provided according to the ability of the country to receive and effectively utilize such support.

3. It is recommended that you initiate action necessary to obtain support of and transmit the draft outline plan for the Government of South Vietnam and the Joint State-DOD-ICA directive to the Ambassador and his Country Team in South Vietnam and to the Commander in Chief, Pacific, for necessary action.

4. The Joint Chiefs of Staff believe that the steps recommended by CINCPAC to coordinate and control counter-insurgency in South Vietnam are worthy of consideration as an approved procedure for other underdeveloped countries with actual or potential insurgency problems. It is therefore recommended that these steps be considered as a model for those countries with such problems.

For the Joint Chiefs of Staff:

N.F. Twining

Chairman

Joint Chiefs of Staff

189. Telegram From the Joint Chiefs of Staff to the Commander in Chief, Pacific (Felt)¹

Washington, September 1, 1960—2:43 p.m.

JCS 982211. Part 1. Chairman, Joint Chiefs of Staff has received copy of memorandum from Secretary of Defense for Assistant Secretary of Defense (ISA), subject: deteriorating situation in South Viet-Nam, 29 Aug 60, which reads as follows: "I have read the brief of SNIE 63-1-60, 'Short Term Trends in South Viet-Nam,'² prepared by the Acting Director for Intelligence, Joint Staff, and am concerned by the statement in this estimate that the seriously deteriorating situation in Viet-Nam, if allowed to continue, 'will almost certainly in time cause the collapse of Diem's regime.'

"I would like, therefore, for you to call a special meeting of the collateral activities coordinating group at 9:30 a.m. 14 September, to consider this problem.

"As I see it, the purpose of the CACG meeting would be twofold: first, to consider recommended courses of action within the authority of the Department of Defense designed to strengthen the stability and effectiveness of the Diem government; and second to develop recommendations for coordinated inter-agency action in South Viet-Nam to reverse current adverse trends in South Viet-Nam.

"I believe it would be useful to have a representative from CINCPAC and from MAAG, Viet-Nam, present at this meeting and would like you to make necessary arrangements for this through the JCS. Signed James N. Douglas, Acting."

Part 2. It is requested therefore that one representative from CINCPAC and one representative from MAAG, Viet-Nam arrive in Washington not later than 6 Sep 60 in order to participate in preliminary discussions commencing at 0900 hours 7 Sep 60 in Pentagon from [room] 2E972. Names and grades of these two representatives should be forwarded with least practicable delay but in any event prior to 5 Sep 60.

¹Source: Department of State, Saigon Embassy Files: Lot 65 F 115, 320 U.S. Basic Policy Towards VN. Secret. Repeated for information to the Chief, MAAG Vietnam.

²See Document 185.

190. Paper Prepared by the Military Assistance Advisory Group in Vietnam¹

ACTIONS TO STRENGTHEN STABILITY OF GOVERNMENT OF VIETNAM

I. General Concept

A. Nature of the Threat.

The threat to the stability of the Diem Government in Vietnam has increased, paradoxically, after five years of slow but steady growth of this new Republic. After weathering the storms of partition of the country, the resettlement of hundreds of thousands of refugees, the subjugation of dissident religious sects and the rebuilding of a shattered economy, the government of President Ngo Dinh finds itself facing a serious crisis in its efforts to insure the security of the people against internal insurgency while at the same time, maintaining a posture of deterrence to external aggression.

The threat is not entirely military, although the depredations of the armed communist rebels have, in fact, increased despite the steadily increasing capability and effectiveness of the armed forces. Adverse political forces, both communist and non-communist, are also at work to undermine and discredit the government, whose own political machinations are not above reproach. Despite the growth of the economy of the country, as reflected through increased light industry and rapidly expanding exports, the economic status of the peasant is not much improved over what it was under French colonialism. From the psychological point of view the government has accomplished too little to insure the maintenance of support of a populace harassed by communist coercion and violence.

B. Proposed Actions.

In the considered opinion of MAAG, Vietnam, the actions necessary to meet and overcome the threat to the stability of the government encompass the fields of military, political, economic, psychological and sociological matters.

From the military point of view the two primary weaknesses to be overcome are the lack of effectiveness of the para-military security forces of Vietnam, and the lack of the desired capability of the armed forces. This latter weakness stems from the prolonged commitment of ARVN to security operations, which has prevented the

¹Source: Department of State, Saigon Embassy Files: Lot 65 F 115, 350 International Political Affairs, Vietnam-GVN 1960. Secret. Drafted on September 2, discussed at a country team meeting on September 4, and revised in light of that discussion. This is apparently the version of September 4, as revised after the meeting.

degree of training required to further increase their effectiveness. Actions proposed by MAAG are designed to overcome these weaknesses and to provide the capability for decisive, continuing coordinated action against the Viet Cong, while at the same time improving the posture for defense against external attack.

Politically, further action is required to induce President Diem to eliminate corruption, nepotism and inefficiency in the government.

Actions taken by the U.S. in the economic and cultural fields, although increasingly effective, need further improvement—especially to raise the economic level so as to improve the conditions of the lower class laborers and farmers.

The effectiveness of all of the above course of action, however, will be considerably diminished, if not cancelled, unless strong, coordinated psychological measures are adopted—measures which will strengthen the desire, will and determination of the people to resist penetration and subversion and gain their active support of the Diem government.

II. Specific Courses Of Action.

A. For the U.S. Department of Defense.

1. Security Forces—Civil Guard.

a. *Mission* It is proposed that the mission of the 54,000 man Civil Guard (civil police functions, static security and offensive actions against Viet Cong) be continued. It is recommended, however, that the Civil Guard take over from the military all static security functions which now constitute a serious drain on the regular armed forces and significantly diminish their capability for effective pacification operations, training and combat readiness.

b. *Organization.* It is recommended that the Civil Guard be placed under the Vietnamese Department of Defense for both training and operations. Placement under VN DOD is proposed only until the security situation has been stabilized and the Viet Cong has been defeated. After this time, the Civil Guard should revert to its role as a National Police force under the Interior Department. This course of action is known to be favored by President Diem who has long opposed the US insistence on placing the Civil Guard under the Interior Department. Such placement will result in improved training, improved logistical support and essential effective coordination of the efforts of the Civil Guard and the armed forces. Under this concept Civil Guard units will be employed under the direction of regional military commanders. Studies should be made to determine the feasibility of improving the pay structure of the Civil Guard to place them on a more nearly equal footing with ARVN. One possibility would be the payment of a special allowance when Civil Guard units are engaged in military operations.²

²The following note is written in an unknown hand on the source text: "Study but don't act till thing gets rolling, if ever."

c. *Training.* It is recommended that responsibility for supervision of, and assistance and advice in, training be placed on MAAG, Vietnam. Initially, US personnel under MAAG will conduct actual instruction, adopting and expanding the program of anti-guerrilla training recently outlined by USOM. Under this program, 50 US personnel will conduct training at several training sites, concentrating their efforts on the training of Civil Guard instructors who would in turn, continue the training of Civil Guard companies. To the extent possible, existing training sites of ARVN as well as of the Civil Guard would be used. Because of the long lead time to obtain civilian trainers, previously proposed by USOM, it is recommended that 40 specially qualified US military personnel be provided to supplement the 10 civilian trainers already due in country under the USOM program. US Special Forces trainers already in country could possibly be retained and utilized to fill a part of this requirement.

Civil Guard personnel who lack adequate basic training would be trained in regular ARVN basic training centers.

In anti-guerrilla training of Civil Guard, special emphasis would be placed on psychological training aimed at improving the patriotism and motivation of the individual, while at the same time stressing the importance of gaining the enthusiastic support of the people in the areas in which the Civil Guard operates.

Training for specialists, such as radio operators, would be provided by quotas at regular ARVN specialist schools.

Upon completion of the training of a sufficient number of Civil Guard instructors at the anti-guerrilla training sites to continue the instruction of Civil Guard companies on an expedited basis, MAAG instructors would revert to normal advisory duties. Field advisory detachments of MAAG would provide the same advice and assistance to the Civil Guard units in the field as they now do for ARVN.

By judicious redistribution of advisory effort and concentration on only the most vital aspects of training advice, it is considered that MAAG can absorb the additional burden of Civil Guard training within its present strength ceiling. It is emphasized, however, that certain functions of MAAG would have to be curtailed and the scope of certain MAAG activities reduced. The proposed program can only be implemented if the MAAG strength is maintained at its current level.

d. *Equipment.* It is recommended that the Civil Guard be equipped with US type small arms and ammunition identical to that used by the regular armed forces, and with adequate and suitable individual clothing and equipment comparable to ARVN's. More effective and timely communications equipment must be provided either from US military stocks or by continuing USOM action to procure radio equipment—provided such equipment is capable of netting with ARVN equipment. Adequate transportation must also be made available. It is proposed that initially the 3/4 ton trucks rendered excess

by ARVN's vehicle exchange program will be turned over to Civil Guard.

e. *Supply and Maintenance.* Civil Guard units would be supported by ARVN supply and maintenance installations and facilities in the same way as regular VN armed forces. Food and other items not provided by the US would be provided by ARVN, with reimbursement of the military budget from the VN national budget.

f. *Budgetary Support.* Budgetary support for US furnished equipment as enumerated above, would be provided by Department-level transfer of funds from ICA/W to DOD. Equipment would then be programmed, procured and delivered through normal MAP channels.

2. Force Basis—Regular Military Forces

a. *Rangers.* It is recommended that the present Ranger force of 9,800 be retained as a permanent part of the force basis and that an additional 5,000 rangers be added to the force basis. Ranger operations to date have been on the whole very encouraging. The increase in Viet Cong activities to the west and north of Saigon since the Ranger force was formed, however, and the requirement for increased surveillance of borders and sea coast to prevent infiltration of VC and their resupply, establishes the need for this increase. Furthermore, the Rangers will in the near future encounter the same problems as the regular forces resulting from prolonged operational commitment, and the increase will permit necessary rotation, rest, and retraining of Ranger units. This force should receive MAP and DS budgetary support.

b. *Army.* To improve the training of the Army and to insure its readiness to resist external aggression, it is essential that four of the seven infantry divisions of ARVN be left intact in the center and north of the country—two in the vicinity of the 17th parallel and two on the high plateau. These four divisions, relieved of static security missions by the Civil Guard and of operational commitment, would then be permitted to undergo greatly needed training. It is also essential to retrain the Marine Corps Group at its station on the coast and place it in reserve. At present, the equivalent of three regiments of these four divisions are and have long been committed to combat operations. This is also true of two battalions of the Marine Corps Group and major portions of the three other infantry divisions and airborne brigade. The number of troops currently on pacification operations cannot be reduced. Therefore, to reconstitute the four divisions and Marine Corps Group in training and reserve, it is necessary to increase the force level of ARVN by the equivalent of the three regiments and two battalions now engaged in operations. This will require the addition of 10,000 spaces to the existing force basis.

When the above is accomplished and the four divisions have been adequately retrained, a system of rotation will be established. This will be accomplished by committing freshly trained units to operations and withdrawing their equivalents from operations to reserve and retraining.

In addition to the 10,000 regular army and 5,000 Ranger spaces required above, an estimated 5,000 additional *support* troops will be

needed to expand ARVN's facilities for the supply and maintenance of the Civil Guard and of the 15,000 additional regular army forces.

The force level will therefore have to be raised to approximately 170,000. This proposed increase in force level should be considered temporary. After stabilization of the security situation, the force level should be reexamined and consideration be given to reduction to the present level of 150,000.

c. *Air Force.* An urgent need exists for the establishment, equipping and training of a Joint Operations Center to provide adequate control over close ground support. While no additional personnel will be required for this function, necessary equipment and technical assistance must be provided.

Additional helicopter capability is badly needed and could best be provided by replacement of the 15 H-19 helicopters by H-34's. This is an urgent requirement which must be met at the earliest possible date. If H-34's cannot be provided within less than a year, it is proposed that an additional squadron of 9 H-19 helicopters, programmed for later years, be advanced in the program and activated without delay.

Additional transport and liaison-type aircraft cannot be justified at this time due to the current utilization rate, which although rising, does not justify additional aircraft. If utilization of transport aircraft continues to increase sufficiently, it is proposed that the existing two squadrons of C-47's be converted to squadrons of C-123, rather than increasing the number of squadrons.

d. *Navy.* No increase in Navy can be justified or supported at this time except for the establishment of the second River Group. This will require an increase of 400 personnel which can be absorbed if the force basis is raised to 170,000.

3. MAP Support. To support the above efforts, an increase in MAP funding will be required, particularly in the following areas:

- a. Initial equipping and maintenance of additional 20,000 troops.
- b. Additional ammunition and explosives to support intensified ARVN training.
- c. Additional gasoline to support unit rotation and training of Civil Guard.
- d. Training of additional helicopter pilots in event a new squadron of H-19's is activated. No out-of-country training will be required for transition from H-19 to H-34.

B. For Inter-Agency Action.

1. Budgetary support. Of primary importance psychologically as well as from the standpoint of military preparedness, the policy of basing the size of the economic aid program on the balance of payments should be temporarily suspended. At this time of serious crisis

in Vietnam, together with costs of the military program, the US has advised GVN of a drastic reduction in aid with a consequent requirement for considerably greater GVN contributions. This has created a feeling of partial abandonment within the Vietnamese who are, in general, believed to be sincerely striving to safeguard their freedom. In addition to a shortage of funds in the 1960 military budget, the GVN is faced with the requirement of increasing its contribution to the military budget from about 520 million piasters in 1960 to nearly 1.4 billion piasters in 1961, based on present plans. In addition, the actions proposed herein, particularly the increase in force level, will raise the 1961 budget significantly. It is recommended that the GVN contribution be increased within its capability to pay, but that the US be prepared to provide additional DS aid in the minimum amount of 1.75 billion piasters in FY 1961. The exact amount required can be accurately forecast only after comprehensive and detailed study of the impact of the above proposals. This is in addition to additional MAP support, from MAP or by interagency transfer to DOD, in amounts not yet determined.

2. Other actions. Of course, Chief MAAG is of the considered opinion that the solution to the overall security problem in VN does not lie in military action alone. Improvements in the field of politics, economics, sociology and psychology, as they mutually affect each other and the military program, are vitally needed. Specifically, the following action is recommended:

Upon approval of courses of action substantially in accordance with the above, representation be made to President Diem from the highest levels of our government. It is suggested that the Secretary of State discuss personally with President Diem the fact that the US stands firmly behind him, that the US is willing to demonstrate this position by increased aid as recommended above, but that the US expects and demands the following:

a. Continued efforts to reduce the public belief of harmful family influence in the government.

b. Reorganization, overtly, of the Can Lao party or its dissolution.

c. Continued efforts to reduce public belief that favoritism and corruption exist. This includes the belief that military promotions are made on other than on a merit basis.

d. Establishment of a centralized agency for coordination of all security efforts, to include military, political, economic, psychological and sociological. This is a matter of greatest urgency.

e. Under policy direction of the above central agency, the decentralization of military and other governmental activities to appropriate action agencies or departments.

f. Intensification of psychological measures to win support of the people.

g. Establishment of a centralized intelligence agency to coordinate the intelligence activities of the several branches of government. There are indications recently that this step may take place.

h. Measures to strengthen loyalty of Youth Groups by increased pay and perhaps by using them to replace the Self Defense Corps.

i. Extensive and broad measures to encourage careful relaxation of restrictions on individual liberty, extensions of popular representation in government, education of civil servants, and the like.

191. Telegram From the Ambassador in Vietnam (Durbrow) to the Department of State¹

Saigon, September 5, 1960—noon.

539. MAAG received Sept 2 JCS 982211² indicating serious concern re deterioration situation SVN and calling for special meetings Washington beginning Sept 7 with MAAG representative present to consider recommended courses of action within authority DOD designed to strengthen stability and effectiveness of Diem government. Not clear whether DOD wants recommendations for stepped up military aid or wants MAAG evaluation overall situation SVN. Gen. McGarr assumed latter and had paper prepared³ covering overall recommendations which he asked Gen. Lampert carry U.S. fourth for these discussions. I went over paper and discussed matter twice with country team but in view shortage time prior Lampert's departure could not work out more coordinated paper.

Following are my initial views on MAP papers:

1) General. I believe we should exert every justifiable effort, both material and political, to demonstrate U.S. support of Diem in present crisis. Abundant opportunity exists for us to do this in meaningful manner.

Believe we need exert every effort improve quality of existing security forces but am not convinced that GVN needs to raise total number such forces beyond existing level of about 260,000; 150,000 in armed forces, 55,000 in or slated by Diem for Civil Guard, 40,000 in SDC and several thousand in Youth Corps and Sûreté.

2) Civil Guard. I strongly concur in proposal for MAAG training of Civil Guard using 40 specially qualified military personnel and 10

¹Source: Department of State, Central Files, 751K.5-MSP/9-560. Secret. Repeated for information to CINCPAC PolAd. Sent with instructions to pass to the Department of Defense for General Lampert of MAAG, Vietnam.

²Document 189.

³*Supra.*

ICA financed civilian trainers due in country shortly. Since MAAG now conditionally agreeable to making spaces available within MAAG ceiling for such military personnel no ICC problem arises. I consider MAAG proposal for training Civil Guard preferable to one contained our 495⁴ since former will insure that training program will be under way in sizeable proportions at early date.

I also concur in MAAG's proposals for equipping Civil Guard with U.S. type small arms and ammunition as soon as practicable up to 32,000 called for by Civil Guard PROAG, that Civil Guard units be supported during emergency by ARVN supply and maintenance facilities and that ICA from already programmed funds and/or other funds which can be made available reimburse DOD for such equipment and supplies, which would be obtained or replaced through MAP channels.

Do not however agree that Civil Guard should be moved from GVN Interior Department to DOD. This step appears unnecessary either for MAAG conducted training or for MAP-ARVN equipping and supplying of Civil Guard on reimbursable basis (realize this may require considerable red tape cutting). Neither is it necessary for operational purposes since centralized command control already includes Civil Guard in 5th, 1st, and capital military regions, those of greatest VC infestation. If Civil Guard turned over 100 percent to GVN DOD, it would not be long before GVN insisted that Civil Guard be fully trained and armed like regular soldiers with tanks, artillery, etc. as Diem originally asked for, eventual hope that Civil Guard will serve as provincial police force would be lost and Diem would continue his long standing efforts increase ARVN force level, most of which we pay for, while Civil Guard basically paid for by GVN.

3) Force basis of regular military forces. While military arguments for raising force level from 150,000 to 170,000 always possible, I am not convinced by case MAAG has presented and certain negative aspects also need to be considered. Among main MAAG arguments are necessity providing for rotation of battle-fatigued units and desirability maintaining four of ARVN's seven divisions near 17th parallel and in high plateau for defense against external aggression. MAAG states military commanders in operational areas are reluctant to allow withdrawal of troops which are familiar with situation, troops and population, but MAAG believes rotation is necessary. MAAG feels however that divisions in central Viet-Nam should not be rotated because of their familiarity with defense plans against external aggression.

⁴Document 187.

I am completely convinced of desirability of rotating battle-weary troops and believe on basis discussions with MAAG that this must be done at very earliest time if we are to avoid giving rise to situation where these battle-weary units now becoming more frustrated chasing elusive VC's and if not rotated soon may infect population in south with uselessness trying defeat VC's. This could lead to situation similar to Laos of "Let's bury the hatchet—we're all Vietnamese". However in my view it is not necessary to increase force level for this purpose as such units can be exchanged with units from divisions being held to meet external attack.

My assessment is that internal guerrilla warfare is with us now and threat of external aggression seems fairly remote, particularly in view moral deterrent represented by ICC and physical deterrent represented by SEATO. Thus I would take calculated risk of rotating battle-weary troops into center and plateau for re-fitting and enabling fresh troops fight VC's.

Another MAAG argument for increasing force level is desirability adding 5,000 support troops for supply and maintenance of Civil Guard. This seems unnecessary since Civil Guard has some supply forces and should be possible create others as required to assist in performing necessary increased logistical functions under ARVN direction. Civil Guard cannot be all trained at once and at outset main thing they need is training given by US officers, US ARVN ranges, loan of some equipment and material.

Since arguments for increase in force level are not compelling, I strongly feel that increasing force level would play to Diem's proclivity for thinking in terms only of security and survival and of using force to solve his problems. It would increase his tendency to neglect adequate political and psychological measures. In addition increased force level would intensify GVN's already sizeable piastre problem. While this aspect should not of itself bar an increase it does mean that an increase should be clearly justified on other counts which I do not think is the case at this time. Well trained Civil Guard needed to protect population in areas pacified by ARVN, relieve ARVN of most static guard duties and supplement ARVN forces when necessary in particular operation. Mere relief ARVN static duties would increase troops available for training and combat.

4) Relationship between above MAAG proposals. MAAG states that its willingness take over Civil Guard training is linked to its recommended increase in force level and it cannot carry out former without latter since would detract from its main mission training ARVN. I fail to see this relationship for following reasons. With about one third ARVN engaged in operations until CG can take over some of its load, not too many ARVN forces available for training and therefore in my opinion there are sufficient MAAG trainers not

fully occupied so they can train CG; to start out now to recruit additional ARVN troops on recall reserves would take longer than giving immediate better training to CG so they can effectively assist ARVN. Therefore as matter of fact giving training to CG should be both easier from personnel standpoint and more immediately effective from security standpoint.

5) Increased MAP support. I fully support increased MAP assistance for ARVN for whatever equipment is needed and believe this together with training, equipment and arms for Civil Guard will forcefully demonstrate our continued support of Diem regime.

6) Increased budget support. I do not concur with MAAG that we need to increase greatly our military budget support and thus suspend balance of payments basis for determining DS aid level. MAAG recommendation based on psychological and military preparedness factors as well as underestimation (which became clear in discussion of DOD message) of full implications of basing level of aid on piastre requirements. Psychological factor already dealt with in para 5 above and in addition could be dealt with by general political assurances. As for other factors I do not believe that at this time we could justify action which on one hand would simply add our dollars to Viet-Nam's foreign exchange reserves and on other hand supposedly would be designed to achieve result (creation additional piastre resources) which it is already within GVN capability of achieving itself. GVN is beginning show will to do so. Even if GVN finds it is politically difficult or impossible to devalue or increase taxes much beyond rises recently effected, it can resort to increased deficit financing (as it has done with respect commando forces) without adverse political effects, at least during early stages. I would not rule out that if no other means could be brought bear we might decide open up floodgates to luxury goods for benefit of rich in order increase L-543 revenue, but this should be last resort.

What is needed are 1) better trained CG to assist and relieve ARVN; 2) more political and psychological actions by Diem to win confidence of people, not just crush them with more armed force; 3) deficit financing, loans, more taxes or devaluation; and 4) delivery of specialized equipment such as H-34 helicopters etc. where particularly needed for anti VC operations.

7) Political actions. Our G-79⁵ reports political and other actions already taken by Diem, partly in response our prodding. Additional political actions are necessary and we have this matter under study not only in connection with DOD message which led to MAAG study but also because of situation described our 528.

⁵See footnote 3, Document 187.

8) Recommendations. Recommend that DOD authorize use MAAG personnel for Civil Guard training and use MAP channels for obtaining supplies and equipment for Civil Guard, that ICA agree reimburse DOD for such supplies and equipment and that DOD promptly supply additional items required under MAP for regular armed forces. Political recommendations will follow.

Gardiner concurs.

Durbrow

192. Telegram From the Ambassador in Vietnam (Durbrow) to the Department of State¹

Saigon, September 5, 1960—1 p.m.

538. In view developments Korea, Turkey, recent coup Laos,² and attempted anti-GVN demonstration about week ago (our 432³) we believe it desirable assess possibilities for demonstration and coup here and likely outcome. Potentialities of various groups for political activities of these types given below:

1. Peasants. Various factors discontent exist such as lack of adequate protection against Communist attacks and pressures, low prices paddy, compulsory labor on agrovilles and other projects, and arbitrary methods of authorities. Diem has taken some steps to try alleviate sources of discontent (our G-79⁴) but it is important he take others because peasantry represents key to success or failure Communist guerrilla warfare in countryside and thus to gradual undermining of regime. However, any sudden demonstration or coup against GVN likely to center in Saigon and seems improbable that peasantry in view lack organization, transport problems, etc. would play significant role therein.

2. Communists. While there are indications that Commies have some strength in Saigon, they have not yet openly shown their hand in city and are much more likely operate through infiltrated, ostensibly non-Communist organizations which they will help instigate to

¹Source: Department of State, Central Files, 751K.00/9-560. Secret. Repeated for information to CINCPAC PolAd, Bangkok, Vientiane, Phnom Penh, London, and Paris. Also printed in Department of Defense, *United States-Vietnam Relations, 1945-1967*, Book 10, pp. 1302-1306.

²Reference is to the forced resignation of President Syngman Rhee of South Korea on April 27, the military takeover in Turkey on May 27, and the Kong Le coup in Vientiane on August 9.

³See footnote 2, Document 187.

⁴See footnote 3, *ibid.*

action. Even without demonstration attempt by other groups, they may engage in hit and run tactics of violence in Saigon, and in case of any demonstration would step up such tactics during confusion and would attempt behind scenes to manipulate any demonstration which began, particularly by trying provoke GVN to take harsh measures for repression.

3. Labor. Trade unions are probably best organized non-military group in Viet-Nam and possess motives for political action. Tran Quoc Buu, head CVTC, is allied with Minister Agriculture Le Van Dong against Nhu-Tuyen faction in Can Lao party; each group is also supporting competing leadership in other main labor federation CSTV. Dong has talked privately about demonstration. Should his faction decide upon one, labor would undoubtedly be its core. Probable factors restraining Dong are fear that he would not succeed and that Communists would exploit demonstration to their advantage.

Labor also has economic and social grievances which provide fertile ground for opposition groups outside government to cultivate. Taxi and motor pousse drivers for example who live hand to mouth existence were adversely affected by increase in price gasoline until GVN quickly permitted fare rise. While non-government opposition groups might not be able organize as extensive support among labor as union leader like Buu, they could nevertheless with Communist organizational assistance probably stir up some support for demonstration.

4. Students. Previously relatively inert, lacking organization and any opposition party focus such as existed in Korea and Turkey, and living in scattered fashion rather than on campus, students have nevertheless within past few weeks begun show political ferment. This probably stimulated by developments in other countries and perhaps even, in counter productive sense, by intervening GVN efforts at political sterilization of students. While no reason at this stage believe students would initiate demonstration, probability growing that they would join one led by oppositionists either within or outside government. GVN security officials are concerned over growing influence of oppositionist and VC propaganda as well as establishment of VC cells among lycee students.

5. Catholic refugees. Dissatisfaction with regime apparently exists among some Catholics, who represent great bulk of the refugees. Paradoxically, some of this stems from what they feel is too heavily Catholic leadership of regime (with potential reaction to follow) and some to regime's failure to bring Catholics particular benefits (e.g., schools). Some of hierarchy also has strong French background. Certain elements have spoken of necessity avoid Communist takeover by changing regime and there is evidence of Catho-

lic refugees having been involved in abortive Aug 19 demonstration

6. Opposition groups and sects. While some stirrings are seen among opposition groups, such as the Dai Viets, VNQDD, and Dan Chu, these groups are not expected to display substantial organized strength and more likely will continue to appear only among intellectual class. They do, however, articulate the dissatisfaction existing in other classes. Sects have given no substantial signs of revival of force either in Saigon or elsewhere.

7. Police. Of obvious importance is strength and reliability local police and other forces which could be mustered to meet demonstration. Metropolitan police number approximately 5,760 backed by approximately 3,000 members of national police and security service under direct control of General Nguyen Van Le. Official of NPSS has commented . . . that police would be loyal to government and act against any type of demonstration. Operating principle in GVN's anti-riot tactic is to smother demonstration before it can gain momentum, and while instigators can still be determined and arrested. First line of defense are several hundred Sûreté personnel mingling in crowds and reporting possible trouble. These are backed up by uniformed police department riot squad, consisting of 200 personnel plus 10-15 man command section. The 200 personnel are divided into three platoons, one of which is on duty (and another on standby) at any given time. Platoon(s) on duty sleeps dressed and is prepared to answer a call within two minutes, plus an estimated ten minutes to arrive at scene of distress. Men are practiced in 16 formations for breaking up a mob. The 200 man unit is equipped with transportation, radio communications, various submachine and riot guns, tear gas and other anti-riot material, and can call upon fire department for about 35 water trucks with hoses

Further armed support available are Civil Guard in area, about 7,000, and regular army forces, numbering three battalions paratroopers, one battalion infantry, presidential guard brigade with authorized strength of 1,500 but with current overstrength of approximately 400, one battalion marines, one armored company and an undetermined number of partially trained recruits from Quang Trung training center on outskirts Saigon. Other forces total three battalions of infantry and are available; however they are now assigned to priority security areas and whether or not they could be pulled from their present missions would depend upon situation.

8. Army. Some discontent exists because of political promotions and favoritism throughout armed forces structure. Some disturbing indications of possible development spirit frustration and defeatism in fight against Viet Cong also received, such as statement allegedly made by General Duong Van Minh that for every Viet Cong killed

by armed forces government creating ten in their rearm [?]. However indications are that generals remain imbued by non-political approach and that discontent is not of such proportions that any general is ready to take initiative in leading coup. We cannot of course exclude emergence of a "Kong Le" from ranks below general but key units in and around Saigon are commanded by officers believed to be close and loyal to Diem.

While there does not seem to be much likelihood at this time of coup led by army, picture is not so clear re reaction of army to demonstration or coup started by others. It could be clearly shown that such action was Communist-inspired no problem re army reaction would exist, but as already indicated Communists are likely to act discreetly behind scenes. If action directed against Diem, probably adequate number of police and armed forces to put it down would initially respond to call; if action directed against entourage or represented appeal for action by government, problem of putting it down might be more difficult, in either case course of developments such as revulsion at any extensive shedding of blood of non-Communists might quickly change attitude army units into one unfavorable to continuation repressive measures.

9. General. An important aspect of problem is uneasy political atmosphere itself, created by combination of continuing VC political and military gains, insufficient evidence of GVN counteraction and self correction and panicky tendencies by some elements to consider drastic measures, even a coup, to forestall Communist takeover. This latent explosive force could be touched off by an ill-advised move by sincere or opportunistic oppositionists or by unduly harsh repressive action by the GVN.

Conclusion. Real possibility demonstrations in Saigon exists. Could be instigated by Dong-Buu faction, especially if it decides risk overlooking fear of Communist exploitation. Could also be instigated by opposition elements outside government, but seems unlikely would be of any sizeable proportions unless hooked up with Communist-infiltrated group especially in labor field. Any demonstration more likely to be initially loyal protest calling for changes in policies and personnel around Diem but could develop into anti-Diem riot. While initial demonstration can probably be put down, longer term outcome would likely depend upon army attitude and Diem's method on handling crisis. In any event VC exploitation is likely.

We are developing recommended actions which might head off developments of types envisaged above and preserve Diem as GVN leader. Shall forward them soonest.

Information addressees: above FYI and not for discussion with governments.

Durbrow

193. Letter From the Ambassador in Vietnam (Durbrow) to the Assistant Secretary of State for Far Eastern Affairs (Parsons)¹

Hong Kong, September 6, 1960.

DEAR JEFF: I am writing to give you a bit of background on the "flap" we had last week-end caused by the DOD/JCS somewhat panic button telegram which was received by MAAG on September 2.² I have forgotten its number, and I do not know the number of our reply which I approved in draft September 5,³ but I am sure you know what messages I am referring to.

Upon receipt of the DOD message General McGarr and his senior MAAG staff chose to interpret the DOD telegram to be a mandate to give their ideas on how to solve all the security, military, political, economic and psychological problems of Vietnam. MAAG immediately came up with a rather long position paper late on the afternoon of the 2nd. After hearing from General McGarr the tenor of the position paper, I felt obliged to tell him that many of the suggestions made therein ran completely contrary to all the basic policies we have been following for the last three years. I promised, nevertheless, to study the paper and called for another Country Team meeting on the morning of the 4th. After studying the paper and discussing it with the MAAG group, it became quite clear that (1) some of the pent-up military frustrations that we had tried to keep in line were let out of the box with the arrival of the new Chief/MAAG, and (2) on several points General McGarr showed himself to be much more flexible than had General Williams.

In regard to their proposals, you will note from the final MAAG paper⁴ that they suggested a deal which would basically swap an increase of 20,000 additional spaces above the 150,000 agreed force level for their agreement to make MAAG instructors available within the MAAG ceiling to train the Civil Guard, as well as give at least temporarily logistics support to the Civil Guard by temporarily transferring MAP equipment for use in their training and permit the use of some ARVN facilities for this purpose. The reason MAAG says it needs 20,000 more troops is to give it enough leeway to step up ARVN training as well. This is a rather sad commentary on the slowness of the MAAG training during the relatively quiet period 1956-59, when as I pointed out in my letter to you about the flap we had

¹Source: Department of State, Vietnam Working Group Files: Lot 66 D 193, 108-VN 1960-Mutual Defense Affairs. Secret; Official-Informal.

²Document 189.

³Document 191.

⁴Document 190.

with Williams and Colonel Comstock, only 3 out of the 7 divisions have had full training. As you know, I have felt very strongly that since the Viet Cong have stepped up their activities, that Diem has been thinking more than ever in terms of security and survival with the use of force rather than doing many other fundamental things which we feel are needed to face up to the growing communist campaign among the population. As I point out further on, Diem has been doing a few of the non-military things recently but must do more.

One of the basic problems we face is not more dollar aid but the need to get the GVN to increase its piastre revenues to meet the growing internal costs for the military budget as well as for economic development. Despite the many tens of hours we have discussed the reasons for our balance of payments approach, it became quite clear in the discussions with the MAAG group on September 3 that they still have not yet fully understood the problem we face of creating more piastre revenues without automatically increasing the GVN's foreign exchange reserves, etc. The rather naive MAAG point of view boils down to this: Diem is in trouble, he is facing approximately 5,000 well-trained communist guerrilla cadre, and, therefore, he needs more aid. If we only give him more dollars, he can more easily build up his forces to face the threat, and by giving him this extra dollar aid we will convince him we are backing him to the hilt. I tried my best, in the short time we had to discuss the matter, to explain to General McGarr some of the facts of life in the dollar-piastre problem. Unfortunately, the General and I had to leave Saigon on the afternoon of the 3rd for a visit to new road projects in central Vietnam with Diem, from which we returned only late on the evening of the 4th. In the meantime, because of the DOD request that a MAAG officer arrive in Washington with the MAAG position paper by the 7th, (General Lampert who will represent MAAG left on the evening of the 4th) we did not have time to work out a more coordinated paper. While I was on the trip with Diem I had the boys work up our telegram giving our basic reaction to the MAAG paper, which I went over carefully before leaving for Hong Kong on the 5th.

Despite their lack of understanding of the dollar-piastre question, I was frankly very gratified to find a completely cooperative and realistic attitude on the part of General McGarr regarding the possibility of using MAAG instructors who are in Vietnam to train the Civil Guard in basic as well as ranger training and that he is willing to urge that red tape be cut in order to make available, on a replacement basis, MAP equipment and materiel for this purpose. With over a third of ARVN engaged in operations it has been obvious for some time that all MAAG training personnel has not been fully oc-

cupied, but Williams would not budge an inch, but McGarr has. As you perhaps know, one of the principal reasons why, since June 1959, we have not been able to train the Civil Guard better has been our inability to work out a method within the MAAG ceiling or otherwise within the stipulation of the Geneva Accords, to get instructors for the Civil Guard. We ran into roadblocks set up by Williams, Admiral Felt, ACSI and DOD in general. It was not until a few months ago that ICA was able to work a rather cumbersome system to recruit ten retired officers to come to Saigon to begin the Civil Guard training. They are finally due about September 15. Even with these ten instructors we would have had considerable difficulty in obtaining proper training facilities unless MAAG and ARVN could have made some of their facilities available for this purpose. As I have stated, McGarr's paper suggests cutting through all of this red tape in order that we may do the one thing that is basically needed in the security force field, train the Civil Guard as fully as practicable in the shortest time so that they may relieve the ARVN of many of its static duties, protect the population after ARVN has pacified an area, and on occasion assist ARVN in operations. In other words, I am firmly convinced that it is not necessary to start now to recruit 20,000 additional troops to increase the force level, when MAAG instructors can immediately start training Civil Guard personnel which have already had considerable training and thus obtain our basic objective sooner and without adding to the over-all cost to the U.S. In this connection you will recall that we pay for about 80% of the ARVN budget but are not obligated to cover troop pay for the Civil Guard, which is already budgeted for by the GVN. We have in our USOM program a considerable amount of support and communications equipment on order for the Civil Guard, and, therefore, what is needed most is intensive training as soon as possible. We may and probably can make some shifts in the USOM appropriations to meet some of the other additional costs for the stepped up Civil Guard training.

We tried in our telegram of the 5th to cover most of these highlights and others, but I thought it might be worthwhile for me to give you a more detailed explanation.

Regarding the other political, economic and psychological problems covered in the MAAG paper, I believe we have made our position quite clear in various telegrams and airgrams in the past month. Our main problem is not to pamper Diem by giving him more security forces with which to beat people into line but to give him sufficient forces, i.e., a fully-trained Civil Guard to handle the security problem, and bring all other pressures on him to take essential steps which will win over the population by other methods than sheer force. As we have reported, Diem, in the past two or three months,

has finally started to put into effect many of the non-military steps we have been urging for a long time. Since he seems to be moving in the right direction, I feel very strongly that we should not distract him from these efforts by finally succumbing to his long-expressed desire to have a force level of 170,000. In the first place I don't think he needs these extra troops if the Civil Guard can be made more effective, and the increase of 20,000 additional troops would not only cost us directly a great deal of money but, as I have already pointed out, we would have to reverse our entire aid policy by bringing in luxury goods to sell for piastres to meet these rather heavy additional expenditures. These goods would not benefit in any way the rural population, only the rich in Saigon. Such a move would let the GVN off the hook by not forcing them to adopt sounder financial measures.

There is no question that Diem's situation is fairly serious but it is not now desperate, and I do not feel that any crash aid program or pushing the panic button will make the situation better. As far as using additional dollars is concerned, we might be able to use MAP dollars to purchase certain needed anti-guerrilla items such as H-34 helicopters and some electronics equipment, etc., which would be most helpful to Diem in the anti-guerrilla campaign, but more commercial aid would not help except maybe as a last desperate effort. The use of MAP dollars, of course, does not enter into the conversion problem of dollars to piastres. DOD will also have to cut a lot of hidebound red tape to make MAP equipment available to the Civil Guard on a temporary basis.

I am sure that the Department already understands these problems, but I thought it might be worthwhile to give you my basic thoughts on this problem.

With kindest personal regards.

Sincerely yours,

Durby
Elbridge Durbrow

194. **Memorandum From the Secretary of Defense's Deputy Assistant for Special Operations (Lansdale) to Desmond Fitzgerald of the Central Intelligence Agency¹**

Washington, September 9, 1960.

SUBJECT

Madame Nhu

At her request, I visited Madame Ngo Dinh Nhu (the sister-in-law of President Diem) the evening of 7 September. She has made a brief trip to the U.S., without publicity, and stayed at the Vietnamese Embassy in Washington with her parents, the Tran Van Chuongs.

Most of our conversation was of a personal nature, about family and mutual friends and acquaintances. However, she did touch on [some?] political topics. Included among her remarks were:

a. If the U.S. recognizes that Vietnam is the bastion of the Free World in S.E. Asia, then why does the U.S. take such an equivocal position towards Vietnam? Most U.S. officials in Saigon hardly act as friends and allies. When Communist guerrillas were attacking so hard earlier this year, Ambassador Durbrow saw her brother-in-law, President Diem, and didn't offer U.S. help but, instead, said the U.S. was gravely concerned about the way President Diem was running his government, explaining that the U.S. had been just as gravely concerned over Syngman Rhee in Korea. (I reassured her that the U.S. really was a friend and ally, that help had been given, and that many people in Washington were understanding of Vietnam's problems and wanted to help.)

b. The U.S. position on the Cambodian border issue was puzzling. Certainly the U.S. should realize that it should take a firm stand on this, as the world leader against the Communists, and openly announce that Vietnam's border with Cambodia must remain inviolate and that the U.S. would take a dim view of any Communist intrusions across the border into Vietnam. Instead, the U.S. seems to be trying to make love to Sihanouk in Cambodia and seems to be blind to the fact that he looks upon the Chinese Communists as his true friends and has little use for Americans.

c. She said that it was sad that no Americans in Saigon ever stood up for the truth about her. Ironically, the ones to do so were the Germans, for whom she has no real fondness. A German writer had gone out and checked all the malicious stories of her alleged ill gotten gains, found them to be false stories, and said so. The German Ambassador corroborated the truth. She believes that many of these stories about her are spread by British and French officials to the Americans, who seem to relish repeating them. (She seemed quite emotionally upset about this.) Why doesn't CIA come out publicly

¹Source: Washington National Records Center, RG 330, Lansdale Papers: FRC 63 A 1803, Vietnam Correspondence 1960. Confidential. A copy was sent to Hugh S. Cumming, Jr., Director of Intelligence and Research, Department of State.

with the truth about her husband and herself, that they haven't gained financially by their position? It's hard to have to take the Communist propaganda attacks, day after day, knowing that she is number four on their death list (after Diem, Nhu, and Canh), and to realize that the Americans who profess to be allies and friends just keep quiet about the truth or else repeat vicious gossip.

d. She asked why other Americans were not assigned to Vietnam in the same manner as General Williams. Recently, President Diem told General Williams how deeply grateful all the Vietnamese were for the many fine things he had done for Vietnam. General Williams replied that he had only been doing his duty, that he had been assigned to MAAG to help Vietnam. Why, she asked, aren't other Americans also assigned to help Vietnam? General Williams is loved by the Vietnamese as a true friend, which is what allies really expect from the United States. It is what has made the United States so different from other countries in the past. (I commented that I had had an opportunity to talk with General McGarr, who is replacing General Williams, and that McGarr had expressed much the same understanding of his MAAG assignment as did General Williams.)

e. She commented that Vietnamese had the habit of sizing up people by looking at them closely when they first met them. Perhaps this isn't the wisest way of doing so, but this is the way that Vietnamese tell if a person is good or bad, if he is to be trusted or not. It is the reason why the Vietnamese will never be able to trust certain Americans who say with their mouths that they are friends but whose looks belie their words. Do Americans really believe and trust people like Durbrow and some of the other Americans in the Embassy. Why doesn't Parsons visit Vietnam and find out some of those things himself, since he has such great responsibilities in Asia for the United States?

I advised her that she could best help her country and her brother-in-law, President Diem, by trying to make friends with some of the Americans in Vietnam. She is usually aloof and could do much more in making friendly overtures. Many Americans are now trying to help Vietnam, and she should recognize this. In reply to her comments that she didn't go to American social affairs because of all the misunderstandings and talk about her afterwards, I said, oh, go on with you, you know that a lot of Americans like you, but you are in a place where you're bound to have enemies. Just be sure that your enemies are those you feel worth having. She said this probably was wise, but that she has decided to spend most of her time working with the women of Vietnam, and feels that this is the most constructive work she can do now.

195. **Memorandum From the Secretary of Defense's Deputy Assistant for Special Operations (Lansdale) to the Regional Director, Far East (O'Donnell) in the Office of the Assistant Secretary of Defense for International Security Affairs¹**

Washington, September 13, 1960.

SUBJECT

Possible Courses of Action in Vietnam

REFERENCE

Memo for ASD/ISA from Secretary Douglas, dated 29 August 1960, subject: "Deteriorating Situation in South Vietnam"²

As noted by the Deputy Secretary of Defense, conditions in Vietnam are deteriorating. The key element in the situation is the activity of the Viet Cong. While criticism of Diem's government in metropolitan areas adds to his problems and interacts with Viet Cong plans, the Viet Cong remains the primary threat to security. To the end of meeting this threat, several proposals are herewith submitted for consideration.

A. Actions within the authority of DOD

(1) The emphasis of the MAAG function should be shifted from purely training and organizational advice in preparation for defense against external aggression to include on-the-spot advice and assistance in the conduct of tactical operations against the Viet Cong.

(2) Concomitantly, the MAAG should be staffed to a greater intent [*extent*] with officers skilled in the conduct of counter-guerrilla operations and who are capable of operating in the field. This might include Marines for amphibious instruction on Mekong River operations. If the immediate threat is recognized as being Viet Cong, these proposals logically follow as a de-emphasis from conventional warfare against a wholesale DRV invasion. While the latter possibility is not discounted, it is felt that Viet Cong operations offer more immediate and a very deadly threat to Vietnam.

(3) Equipment required to support counter-guerrilla operations, including turbo-jet boats for Mekong River patrols, should be furnished on a priority basis. Items required by the Vietnamese in the psychological warfare area (see Appendix A) should be given a higher priority within MAP and expeditiously furnished. Advice and training in this field specifically directed against the Viet Cong should be stepped up.

(4) Small coast patrol craft should be made available to the Vietnamese Navy for purposes of restricting coastside supply shipment from North Vietnam to the Viet Cong.

¹Source: Washington National Records Center, RG 330, OSD/ISA Files: FRC 64 A 2170, 092 Vietnam. Secret. Also printed in Department of Defense, *United States-Vietnam Relations, 1945-1967*, Book 10, pp. 1307-1310.

²Document 189.

(5) In the intelligence area, again the immediate emphasis should be shifted from conventional combat intelligence to counter-guerrilla intelligence training at the battalion level. Further, an attempt should be made through training and material support to strengthen the Vietnamese counter-intelligence effort in order to frustrate the Viet Cong subversive threat. Finally, RF equipment should be furnished so that an effort can be made to locate Viet Cong radio transmitters.

B. Recommendations requiring coordinated inter-agency action

(1) Strengthen the Civil Guard by making MAAG spaces available for trainers and by provision of small arms and other equipment through MAP supply channels plus utilization of ARVN supply, maintenance, and training facilities.

(2) During the emergency, the Civil Guard should be temporarily put under the Ministry of Defense in order to integrate the activities of the ARVN and the Civil Guard. The Ambassador's concern that the Civil Guard will lose all identity as a civil police force, if this action is taken, is invalid, providing a strong US position to the contrary is announced and maintained.

(3) Emphasis on civic action type activities by the ARVN should be encouraged and advisory and material assistance in this field furnished through MDAP and ICA channels.

(4) The Department of State should reemphasize to the RKG the necessity for according the right of "hot pursuit" to the ARVN in its campaign against the Viet Cong. Since it is strongly suspected that the Viet Cong maintain their headquarters within Cambodia, and since considerable reinforcements to the Viet Cong came through Cambodia, the US should tell the RKG that we explore [*deplore*] their inaction in suppressing this activity. The effectiveness of the ARVN sweeps will be largely negated until the ROK takes steps to deny its territory as a sanctuary to the Viet Cong.

(5) Most importantly for the purpose of strengthening the morale of the Vietnamese, President Diem should be informed as soon as possible through appropriate channels of the gravity with which the US government views the internal security situation, of our intent to provide material assistance, and of our unswerving support to him in this time of crisis.

(6) If a large scale operation against the Viet Cong is undertaken by the Vietnamese, the dispatch of Seventh Fleet vessels and Air Force patrols might be useful in deterring sea reinforcements to the Viet Cong.

Appendix A

Minimum Needs for Psychological Warfare equipment.

a. Leaflet vans: (for publications platoons).

- (1) Operations Van (write and illustrate leaflets to be printed).

(2) Photo reproductions van (Photograph illustrations to be printed).

(3) Press van (print 1,000,000 leaflets in 24 hours).

b. Three Broadcasting Radio Mobile Groups (5KW) without complete OUTFIT.

(1) Emitter and Receiver of 25 KW for Army Broadcasting Station.

c. Three Line Radio Boats.

d. 20 Line Radio Cars.

e. 43 Public Address (high impedance?)

(10 loudspeaker groups for BSN NAI propaganda
30 for operations team (long distance)
3 for Aircraft equipment.)

f. 50 Projectors (16 mm) with screen.

g. One Secretary Machine (documents copy).

h. Five (5) teletypes.

i. 500 Radio (receivers).

j. Equipment and finance to set up "Army Movie Studio".

k. 50 tape recorders.

l. Film (16 mm) for sound recording.

m. Maintain Annual Budget for psychological warfare activities \$33,000,000 (piastres).

196. Telegram From the Assistant Secretary of Defense for International Security Affairs (Irwin) to the Commander in Chief, Pacific (Felt)¹

Washington, September 16, 1960—4:56 p.m.

Def 982994. The Joint Chiefs of Staff and the Deputy Secretary of Defense have approved the CINCPAC draft plan for counter-in-

¹Source: Department of State, Vietnam Working Group Files: Lot 66 D 193, 97-VN 1960—Over-all Security Plan. Secret; Routine. Drafted by Flesch and cleared by O'Donnell. Repeated for information to Chief of MAAG, Vietnam who was also to pass it to Durbrow for information. In a letter to Parsons, September 16, O'Donnell explained that this plan had been approved by Deputy Secretary of Defense Douglas on September 14. O'Donnell noted that both the Departments of Defense and State "are in agreement that immediate action is required to see the Diem Government safely through the present serious emergency." The Department of Defense, according to O'Donnell, was pleased that Durbrow had accepted as an emergency measure that Department of Defense detail 40 advisers to MAAG Vietnam to train the Civil Guard in anti-guerrilla warfare and that the Guard be transferred from the Vietnamese Ministry of the Interior to the Ministry of Defense. (*Ibid.*) A copy is also in Washington National Records Center, RG 330, OSD/ISA Files: FRC 64 A 2170, 381 Vietnam.

surgency operations by the Government of South Viet-Nam. The Deputy Secretary of Defense has directed the Assistant Secretary of Defense, ISA, to coordinate plans and directives with the Department of State and other agencies for transmission to the Country Team for consideration and comment. Department of State has not had opportunity to comment on draft plan. Draft plan follows.

Quote:

PLAN FOR COUNTER-INSURGENCY OPERATIONS BY THE GOVERNMENT OF SOUTH VIET-NAM

Task Organization

- a.*
- b.*
- c.*

1. *Situation:*

a. General: Communist-inspired insurgency in South Vietnam, aimed at the destruction of the authority and prestige of established government is a prelude to further inroads designed ultimately to absorb South Vietnam into the Communist Bloc.

b. (1) A National Emergency Council in South Vietnam should be responsible for the over-all conduct of a counter-insurgency campaign, and should provide for full integration of civil and military efforts. This council should be headed by President Diem and should include the principal cabinet members including qualified military and civil police officials (2) U.S. support will be directed by Governmental Departments and Agencies through the Ambassador.

c. Enemy Forces:

- (1)*
- (2)*

d. *Friendly Forces:*

e. *Assumptions:*

- (1)*
- (2)*

2. *Mission:* Defeat Communist insurgency efforts in South Vietnam.

a. *Objectives:*

(1) *GVN:*

*To be completed, as applicable, by Country Team and GVN. [Footnote in the source text. All subsequent asterisks are to identical footnotes in the source text.]

(a) Establish and maintain political and economic control and stability.

(b) Suppress and defeat disruptive Communist activities in South Vietnam.

(c) Interdict aid flowing to insurgents across Vietnamese borders, to include both police and military action in coordination with adjacent friendly nations.

b. *Tasks:*

(1) *GVN:*

(a) Establish an Emergency Operations Control System along the following guidelines:

1. National Emergency Council (See paragraph 1.b.(1)).

2. Director of Operations, possibly a member of National Emergency Council. Position to be occupied by experienced general officer assisted by staff of civil, military, and police officials. The Director of Operations to be responsible to the Emergency Council and to the Minister of Defense. He should formulate the Vietnamese national counter-insurgency plan, and issue all instructions to subordinate echelons relating to emergency operations.

3. A Commander's Sub-Council with responsive Regional, Provincial, and Village Executive Councils to be organized, generally along the lines followed in Malaya to extend the authority of National Emergency Council down to village level.

(b) Insure that operations are conducted on a fully coordinated schedule to assure progressive reduction of insurgency.

(c) Establish concurrently means for assuring continued security and a base for political and economic stability and development.

(d) Assign high priority to the development of intelligence/counter-intelligence staff and operational procedures designed to provide not only timely and accurate knowledge of Communist activities and organizations within Vietnam, but also to provide information to enable the GVN to correct sociological and economic problems which the Communists are exploiting.

(e) Develop plans to assure integration of effort by all Governmental Agencies.

(f) Take extraordinary action starting at the highest levels of government and extending to the lowest political subdivision (the Village), to establish and maintain internal security.

c. *Concept of Operations:*

(1) *Politico/Military Operations.* In order to provide protection which the people require, it is necessary to exercise more than an ordinary degree of control over the population. Among the more important operations required are those for exercising control in such manner as to isolate insurgents and sympathizers from the support of the popu-

lace. Such techniques as registration and identification, food control, and control of movement, should be implemented as offering the best prospects for success. Control measures instituted should require support by psychological warfare and information programs to gain and maintain popular confidence and support.

(2) *Military Operations.* An effective continuing defensive system should remain in place, with a capability for reinforcing the permanent local security establishment since it is not sufficient temporarily to defeat or suppress insurgents or to establish control in one area and then move the counter-insurgency forces to a new area thus allowing insurgents to re-establish themselves. The regular military establishment of South Vietnam has the capability to fight either guerrillas or external aggressors. Militia type home guards and civil guards should be trained and equipped. Accelerated efforts should be undertaken to develop the para-military and police forces. For the duration of the emergency campaign, operational control of all security activities should be under centralized direction. Border and Coastal Patrol operations, being fundamental to the campaign to prevent insurgents receiving support from areas outside of South Vietnam, should be closely coordinated with Vietnamese ground, air and naval operations in the counter-insurgency campaign. These operations should also be coordinated with Cambodia and Laos, as feasible.

3. *Administration and Logistics:* US administrative and logistic support to the GVN will be coordinated by the Ambassador.

4. *Command and Signal:*

a. *Command Posts:* *

b. *Command Relationships:* *

End quote of Draft Plan.

197. Telegram From the Ambassador in Vietnam (Durbrow) to the Department of State¹

Saigon, September 16, 1960—6 p.m.

624. Our 538 and 539.² As indicated our 495³ and 538 Diem regime confronted by two separate but related dangers. Danger from demonstrations or coup attempt in Saigon could occur earlier; likely to be predominantly non-Communistic in origin but Communists can

¹Source: Department of State, Central Files, 751K.00/9-1660. Secret; Limit Distribution. Repeated for information to CINCPAC PolAd. Also printed in Department of Defense, *United States-Vietnam Relations, 1945-1967*, Book 10, pp. 1311-1316.

²Documents 192 and 191, respectively.

³Document 187.

be expected to endeavor infiltrate and exploit any such attempt. Even more serious danger is gradual Viet Cong extension of control over countryside which, if current Communist progress continues, would mean loss free Viet-Nam to Communists. These two dangers are related because Communist successes in rural areas embolden them to extend their activities to Saigon and because non-Communist temptation to engage in demonstrations or coup is partly motivated by sincere desire prevent communist take-over in Viet-Nam.

Essentially two sets of measures required to meet these two dangers. For Saigon danger essentially political and psychological measures required. For countryside danger security measures as well as political, psychological and economic measures needed. However both sets measures should be carried out simultaneously and to some extent individual steps will be aimed at both dangers.

Security recommendations have been made in our 539 and other messages, including formation internal security council, centralized intelligence, etc. This message therefore deals with our political and economic recommendations. I realize some measures I am recommending are drastic and would be most impolitic for an ambassador to make under normal circumstances. But conditions here are by no means normal. Diem government is in quite serious danger. Therefore, in my opinion prompt and even drastic action is called for. I am well aware that Diem has in past demonstrated astute judgment and has survived other serious crises. Possibly his judgment will prove superior to ours this time, but I believe nevertheless we have no alternative but to give him our best judgment of what we believe is required to preserve his government. While Diem obviously resented my frank talks earlier this year⁴ and will probably resent even more suggestions outlined below, he has apparently acted on some of our earlier suggestions and might act on at least some of the following:

1. I would propose have frank and friendly talk with Diem and explain our serious concern about present situation and his political position. I would tell him that, while matters I am raising deal primarily with internal affairs, I would like to talk to him frankly and try to be as helpful as I can by giving him the considered judgment of myself and some of his friends in Washington on appropriate measures to assist him in present serious situation. (Believe it best not indicate talking under instructions.) I would particularly stress desirability of actions to broaden and increase his popular support prior 1961 presidential elections required by constitution before end April. I would propose following actions to President:

2. Psychological shock effect is required to take initiative from Communist propagandists as well as non-Communist oppositionists

⁴See Documents 131 and 160.

and convince population government taking effective measures to deal with present situation, otherwise we fear matters could get out of hand. To achieve that effect following suggested:

(a) Because of Vice President Tho's knowledge of south where Communist guerrilla infiltration is spreading so rapidly I would suggest that he be shifted from Ministry National Economy to Ministry Interior. (Diem has already made this suggestion but Vice President most reluctant take job.)

(b) It is important to remove any feeling within armed forces that favoritism and political considerations motivate promotions and assignments. Also vital in order deal effectively with Viet-Cong threat that channels of command be followed both down and up. To assist in bringing about these changes in armed forces, I would suggest appointment of full-time Minister National Defense. (Thuan has indicated Diem has been thinking of giving Thuan Defense job.)

(c) Rumors about Mr. and Mrs. Nhu are creating growing disension within country and seriously damage political position of Diem government. Whether rumors true or false, politically important fact is that more and more people believe them to be true. Therefore, becoming increasingly clear that in interest Diem government some action should be taken. In analagous situations in other countries including US important, useful government personalities have had to be sacrificed for political reasons. I would suggest therefore that President might appoint Nhu to ambassadorship abroad.

(d) Similarly Tran Kim Tuyen, Nhu's henchman and head of secret intelligence service, should be sent abroad in diplomatic capacity because of his growing identification in public mind with alleged secret police methods of repression and control.

(e) One or two Cabinet ministers from opposition should be appointed to demonstrate Diem's desire to establish government of national union in fight against VC.

3. Make public announcement of disbandment of Can Lao party or at least its surfacing, with names and positions of all members made known publicly. Purpose this step would be to eliminate atmosphere of fear and suspicion and reduce public belief in favoritism and corruption, all of which party's semi-covert status has given rise to.

4. Permit National Assembly wider legislative initiative and area of genuine debate and bestow on it authority to conduct, with appropriate publicity, public investigations of any department of government with right to question any official except President himself. This step would have three-fold purpose: (a) find some mechanism for dispelling through public investigation constantly generated rumors about government and its personalities; (b) provide people with avenue recourse against arbitrary actions by some government officials; (c) assuage some of intellectual opposition to government.

5. Require all government officials to declare publicly their property and financial holdings and give National Assembly authority to

make public investigation of these declarations in effort dispel rumors of corruption.

6. Relax existing Ministry of Information control over content of the Vietnamese public media (press, magazines, radio), so that they may contribute to wider dissemination of facts to dispel rumors, especially with respect to recommendations 4 and 5 above, and thus to closing the gap between government and its people by transmitting ideas from one to the other. To insure that the press would reflect, as well as lead, public opinion without becoming a means of upsetting the entire GVN structure, it should be held responsible to a self-imposed code of ethics or "canon" of press-conduct.

7. Launch major propaganda campaign about new 3-year development plan in effort convince people that government genuinely aims at improving their welfare. (This suggestion dependent of course upon assessment of soundness of development plan, which has just reached us.)

8. Adopt following measures for immediate enhancement of peasant support of government: (a) establish mechanism for increasing price peasant will receive for paddy crop beginning to come on market in December, either by direct subsidization or establishment state purchasing mechanism; (b) institute modest payment for all corvee labor; (c) subsidize agrovillage families along same lines as land resettlement families until former on feet economically; (d) increase compensation paid to youth corps. If Diem asks how these measures are to be financed I shall suggest through increased taxes or increased deficit financing, and shall note that under certain circumstances reasonable deficit financing becomes a politically necessary measure for governments. I should add that using revenues for these fundamental and worthy purposes would be more effective than spending larger and larger sums on security forces, which, while they are essential and some additional funds for existing security forces may be required, are not complete answer to current problems.

9. Propose suggest to Diem that appropriate steps outlined above be announced dramatically in his annual state of union message to National Assembly in early October. Since Diem usually delivers message in person this would have maximum effect, and I would recommend that it be broadcast live to country.

10. At some stage, perhaps on occasion fifth anniversary establishment Republic of Viet-Nam on October 26, it may become highly desirable for President Eisenhower to address a letter of continued US support to Diem. Diem has undoubtedly noticed that Eisenhower letter recently delivered to Sihanouk. Not only for this reason but also because it may become very important for us to give Diem continued reassurance of our support, Presidential letter which could be published here may prove to be very valuable.

Request any additional suggestions Department may have and its approval for approach to Diem along lines paras 1 to 9.

We believe US should at this time support Diem as best available Vietnamese leader, but should recognize that overriding US objective is strongly anti-Communist Vietnamese government which can command loyal and enthusiastic support of widest possible segments of Vietnamese people, and is able to carry on effective fight against Communist guerrillas. If Diem's position in country continues deteriorate as result failure adopt proper political, psychological, economic and security measures, it may become necessary for US Government to begin consideration alternative courses of action and leaders in order achieve our objective.⁵

Durbrow

⁵The memorandum of an oral history interview conducted by Department of State historians with Joseph Mendenhall on December 27, 1983, reads in part: "Mendenhall had been very pro-Diem upon arrival, but increasingly he believed Diem had to make his government more popular and efficient. Mendenhall believes that he nudged Durbrow in this direction. The latter approved a telegram Mendenhall drafted on Labor Day 1960 recommending a strong approach to Diem on political matters. [Apparently this was a telegram sent on September 16, although Mendenhall recalls it being approved on Labor Day.] The most important point was to have Diem reduce Ngo Dinh Nhu's influence by sending him abroad as an Ambassador. The initiative for the telegram came largely from the staff, although Durbrow was beginning to 'veer' towards this viewpoint. At no point, however, did he 'veer' as much as 'some of us'." (Department of State, PA/HO Files, Vietnam Interviews) For a telegram on this general subject which did go out on Labor Day, see Document 192.

198. Memorandum From the Secretary of Defense's Deputy Assistant for Special Operations (Lansdale) to the Regional Director, Far East (O'Donnell) in the Office of the Assistant Secretary of Defense for International Security Affairs¹

Washington, September 20, 1960.

SUBJECT

State Message, Saigon 624²

¹Source: Washington National Records Center, RG 330, Lansdale Papers: FRC 63 A 1803 Vietnam Correspondence 1960. Secret. Douglas' initials on a covering note from Lansdale to Black, dated September 21, indicate that the Deputy Secretary of Defense also saw this memorandum.

²*Supra.*

At your suggestion, I have read the subject message and have some comments which might be useful to you. I will key them in to the message.

"Frank and Friendly Talk."

The concept of proposing to President Diem a series of constructive moves is a sound one for the United States. It can be accomplished successfully if done in the spirit of a powerful friend who sincerely desires to help, and who will back up the suggested improvements with some tangible aid to make the improvements work.

However, in view of our spotty record of understanding past problems in Vietnam and of Ambassador Durbrow's past expressed emotions which caused mistrust by top leaders in Vietnam, I am most dubious that Durbrow will be able to achieve the "frank and friendly talk" he proposes to hold with President Diem. I certainly hope that he can play this role, for the benefit of both the U.S. and Vietnam, but we must be honest and admit to ourselves that we will be using an instrument for this delicate task who was insulting misinformed and unfriendly within the recent memory of those with whom he would not be "frank and friendly." Maybe Durbrow can now convince Diem that he is sincere, but the U.S. should not pin too much hope on this—nor condemn Diem if he is still skeptical.

Since President Diem, like other Asians, is adept at sizing up U.S. officials, it would be wise if the U.S. now acted to make Ambassador Durbrow a more effective instrument than he is at present. It is suggested that this might be done by making Durbrow's "actions speak louder than words." Specifically, *prior* to Ambassador Durbrow telling President Diem how to change the Vietnamese government all around to meet a contingency, we should let Durbrow give evidence that he is now acting in good faith. The best evidence would be for Durbrow to change his opposition to something which Diem has long desired, and strongly support Diem on the point. Diem would then start re-evaluating Durbrow as maybe a friend after all, and be far more inclined to accept suggestions from him. ISA and State might review some of Durbrow's opposition, such as the Civil Guard, with the view of changing it to a plus in Durbrow-Diem relations, well ahead of the "frank and friendly" talk.

Tho as Minister of Interior.

Transfer of Vice President Tho to the Ministry of the Interior makes sense, if Diem shows willingness to do this. The Vice President is unusually well-informed about provincial affairs in the Military Regions where the main thrust of the Viet Cong attack now is. He has intimate knowledge of the political and military personalities in the religious sects, as well as detailed knowledge of what goes on

below surface in the rubber plantations, the agrovilles, and urban areas.

National Defense.

If President Diem agrees to appoint Thuan as Minister of National Defense, it would be a most beneficial move for the U.S. Defense effort in Vietnam. Thuan is perhaps the most capable administrator Diem has, knows the Vietnamese Armed Forces and their problems in depth, and has shown skill in team-work with MAAG officers for some years now. He is hard-working, thorough, and "clicks" with Americans. The causes underlying the recent expression of some disaffection by a capable military leader such as "Big Minh" are more complex than those reported, just as an example. The Vietnamese Armed Forces are subject to some skillful operations by trained agents of the Communists, by French-oriented former officers, and by Vietnamese political factions other than the Can Lao. Admittedly, this is hardly a healthy situation. But, it is one which required skillful curing. Thus, it is suggested that a sound start towards a cure would be for General McGarr to discuss this whole problem in intimate detail with Thuan, first, and then with responsible officers—with the thought that General McGarr would then propose a carefully thought-out solution. In the interim, it would be highly useful to obtain the views of General Williams on the subject, since he has given it considerable thought after long first-hand experience with the officers and men involved.

Transfer of Mr. and Mrs. Nhu.

The proposal to transfer Mr. and Mrs. Nhu involves the traumatic surgery of removing President Diem's "right arm." Whatever the psychological-political beneficial effects on the Saigon intellectuals and foreign elements this would have, the U.S. should consider also the detrimental effects this loss would have on President Diem as the strong leader required to carry out the constructive programs envisaged by the U.S. Country Team.

In other words, the proposal is to cut off the President's "right arm." *What is proposed as a substitute?* This is the key second half to any constructive move, and it is missing from the proposal. Is the thought then that the filling of this place be left to chance or be guided? Would an American be used to fill this vacancy, partially? (Neither Ladejinsky nor Fishel, who have acted as American advisors to Diem, are aware of all the many tasks performed by Nhu for Diem, nor do they have the ability, training, or experience to advise in most of Nhu's fields.) Would another brother be used to fill this vacancy? (Deep consideration should be given to the effects of moving Luyen into the Nhu spot, since this might well be the im-

pulse of both Diem and Nhu; it is possible that such a move would make the British Ambassador more influential in Saigon than the U.S. Ambassador.) Would someone outside the family move in? (This is possible; however, the best choice is Thuan, and if he is given the Defense Ministry, he is going to be too busy to be with the President for many hours daily.)

Transfer of Tran Kim Tuyen.

Since Dr. Tuyen is a Vietnamese Intelligence Chief, in a position of great trust, the proposal to remove him from his present duties should receive thorough consideration and recommendation by responsible U.S. Intelligence officials prior to any U.S. political recommendation.

The proposal admits that Tuyen is a symbol of public rumors about secret police repressions and control. Thus, it is suggested that the best solution might well be to get to the roots of the problem and solve the causes of the rumors. If there is any basis of fact, why don't the American officials in Saigon who advise and support these "secret police" either clean up the bad practices or if they don't exist, then undertake measures to make the public fully aware of the falsity of the rumors?

New Cabinet Ministers from Opposition.

The proposal to appoint "one or two" cabinet ministers from the opposition is a very shop-worn American proposal which was adopted originally from some French influence-peddlers in Saigon. It appears reasonable until put to the acid test of these questions:

- a. Does the "opposition" man have sufficient following (numbers, not adjectives count here) to give any validity to the political usefulness of such a move?
- b. Is the "opposition" man competent enough to be the highly capable executive demanded by today's situation in Vietnam?
- c. Since the ultimate responsibility lies with President Diem, can he trust such an "opposition" man to be loyal and obedient when the chips are down—and the chips are surely down in the high stakes of the current game in Vietnam?

Surfacing the Can Lao Party.

The suggestion of surfacing the Can Lao, and every other political party in Vietnam, is an ideal objective for U.S. political work in Vietnam. It is highly doubtful that President Diem would be willing, or able to accomplish the surfacing of the Can Lao just on the verbal request of the U.S. Ambassador. He needs a carefully thought-out plan, and lots of strong U.S. support, in accomplishing this. U.S. support might well necessitate some public statements by the U.S. Ambassador, addressed to *all* political parties and not the Can Lao alone.

The U.S. Ambassador, in turn, would need some official U.S. protection from charges of "meddling" in the internal affairs of a sovereign state. However, this can be done with skill, honor, and dignity by the U.S. if well-planned before hand. Thus, it is suggested that thorough consideration be given to sound planning prior to this being proposed.

Assembly Debate and Investigations.

The suggestion of promoting public debate and legislative investigations of the government by the National Assembly is another ideal objective for U.S. political work in Vietnam. Yet, again, this requires much more thorough planning than is indicated in the proposal.

Any professional political operator should readily recognize that Pandora's Box is being opened when an inexperienced legislature is permitted to take the initiative in public criticism of the executive branch of government. (The Foreign Service officers who would like to see the National Assembly sound off against Diem's government seem to have forgotten their own feelings about Senator McCarthy not long ago).

Thoughtful planning should be done on just how to introduce the National Assembly to a healthy, constructive role in relation to the Executive Branch. How can this best be done so that President Diem and his key executives are not distracted by legislative clamor from pressing and demanding duties in an emergency situation? Who are the really responsible legislative members who could be entrusted with a constructive mission for the public good? How best might we *educate* both the Executive and Legislative Branches to one of the trickiest operations known to democracy? All of this should be thought out carefully before presenting such a proposal to the Vietnamese—otherwise, they will think Pandora's Box has been opened by the U.S. and we will have really been guilty of causing mischief at the very time we are desperate to bring about coordinated action.

Public Declaration of Property.

The principle involved in having officials publicly declare their property and financial holdings, and be subject to National Assembly investigation, is attractive as a psychological-political measure. However, to put the brakes on "witch-hunting" by legislators, this task should be given to Assemblymen who are noted for personal integrity and public-service—and the U.S. shouldn't duck the moral responsibility of quietly, skillfully bringing this about when it initiates such an innovation. It would be wise to include public statements of the holdings of Assemblymen and make them subject to the same type of scrutiny, as well, as a sobering thought to investigators.

In all of these proposals, the thought should be kept clearly in mind that the Vietnamese still have much to learn in the art of self-government and that the United States has the gravest sort of responsibility to ensure the successful introduction and use of political mechanisms when it proposes such ideas. This is no place for the political dilettante, nor for haste.

Free Press.

The ideal of a freer press, again, is a worthy objective for the U.S. in Vietnam. As a practical matter, this too needs careful U.S. planning prior to the proposal. Such planning must recognize that Vietnam is in a state of emergency, with even more need for the press not to give aid and comfort to the enemy than in the more stable United States during a national emergency such as World War II. The Free Vietnamese have their lives, fortunes, and futures at stake in the current struggle now going on. Are publishers and editors loyal to Saigon or to Hanoi? Who subsidizes or controls some of the press? The U.S. needs thorough knowledge, based on hard facts, before it proposes ways and means to have public opinions expressed in a nation fighting for its life. If there are Americans now present in Saigon with deep knowledge of Vietnamese public media loyalties and connections, Americans with full appreciation of both the needs for expression and needs for public safety, plus an ability to attest to the loyalty of journalists who would impose and police their own "canon" of press conduct—then these Americans should be the ones to plan the freeing of the Vietnamese press and should be extended for further duty in Vietnam until this freedom-with-responsibility is firmly established, say at least a year after the plan is initiated, at which time the plan should be carefully evaluated in the light of experience.

Propaganda Effort.

Publicizing the 3-Year Plan with the people is a worthy thought. Since there is a major psychological operation being conducted by the Armed Forces in many provincial areas, the Armed Forces should be brought into this action for a major role in it.

Economic Measures.

It is to be hoped that able U.S. economists, with morals, will give careful thought to the proposal of large-scale subsidies accomplished through deficit financing. Is this the wisest way, economically (completely apart from political attractions), during a war-time national emergency?

President Eisenhower Message.

A strong statement of U.S. support of Vietnam by President Eisenhower would be of great value. Its value would be enhanced by an expression of U.S. firmness in holding the borders of this new state inviolable. Its value would be diminished if the U.S. has permitted Laos to go down the drain to the Communist Pathet Lao prior to the issuance of such a Presidential statement, since Vietnamese and other Asians are acutely aware of the U.S. role in Laos and have believed we let our friends down in their hour of need. Good words cannot replace weak deeds, even when they come from the leader of the world's foremost nation.

Conclusion.

It is noted that Ambassador Durbrow concludes his proposals by saying, substantially, that if President Diem doesn't undertake effective measures (and it is presumed that these are much the same measures as Durbrow proposes), then the U.S. should look around for another leader. While this is a rather obvious insurance policy for the U.S. Country Team to take out, it is to be hoped that neither the Ambassador nor the Country Team nor responsible U.S. officials in Washington believe that the list of proposals are anything more, so far, than some bare-boned ideas—and include some with content worthy of much more mature consideration. They hardly, as yet, constitute a serious forward step for U.S. sponsorship.

199. Editorial Note

At the 460th meeting of the National Security Council, September 21, the Director of Central Intelligence reported to the Council on the situation in South Vietnam. Allen Dulles gave his assessment as part of his usual briefing on "Significant World Developments Affecting U.S. Security" as follows:

"Mr. Dulles said our problems in South Vietnam were becoming more difficult because of growing Communist activity in that country in the last three months. Some 5000 guerrillas are now operating in the swampy country south of Saigon. They hoped, by extending their operations through the countryside, to topple the government. The main routes of travel near Saigon are already insecure and the Vietnam security service takes a serious view of the situation. Our Embassy feels that Diem is vulnerable because of dissatisfaction in the rural areas and criticism in Saigon of his authoritarianism. We

believe it is important for Diem to broaden the base of the government and to send his brother to a diplomatic post abroad.

"Secretary Dillon said we could press Diem to broaden the base of his government. We had been quite concerned over the guerrilla operations in the country. The Vietnam army had been organized to resist attack from the north while the Civil Guard was supposed to combat guerrillas. However, the Civil Guard has been ineffective in recent months because of divided responsibility in the U.S. Government between Defense and ICA for support. There is now agreement in the U.S. Government that MAAG should take over responsibility for the Civil Guard. Secretary Dillon believed that the Civil Guard could now be converted into an effective anti-guerrilla organization in about three months." (Memorandum of discussion by Boggs, September 21; Eisenhower Library, Whitman File, NSC Records)

200. Letter From the Chief Adviser of the Michigan State University Vietnam Advisory Group (Musolf) to the President of Michigan State University (Hannah)¹

Saigon, September 23, 1960.

DEAR PRESIDENT HANNAH: Encouraged by Ralph Turner,² I have decided to make a confidential report directly to you on the Vietnamese political situation and our own involvement in it. I have asked Art Brandstatter³ to carry this letter directly to you. A much more general report is being sent to the Office of the Coordinator of the Vietnam Project, who will undoubtedly inform Deans Seelye⁴ and Taggart⁵ of its contents. I am reserving this more detailed report for your eyes because of the fact that its contents probably should get only very limited circulation. If the report sent to the Coordinator's Office is mentioned to you, I would appreciate your not mentioning that this more detailed report has come to you directly.

As you have undoubtedly heard from various sources, the security situation in Vietnam began to worsen in November, 1959, and has become steadily more serious. The attempt of the Viet Cong is undoubtedly to neutralize government action and American aid and eventually to install a pro-communist or at least neutralist government. In order for the Diem government to maintain itself and to

¹Source: Michigan State University Archives, Hannah Papers, H, Viet Pr. 1960. Personal and Confidential (not a U.S. Government classification).

²Chief of the Police Advisory Section of the MSUG.

³Arthur F. Brandstatter, a professor of Political Science at Michigan State University who had helped initiate the MSUG in 1954.

⁴Alfred L. Seelye, Dean.

⁵Glen L. Taggart, Dean of International Programs at Michigan State University.

beat back the Viet Cong offensive, the government was required to hold the Viet Cong bands in check and to inaugurate such political, social and economic reforms as would convince the people that the government is their friend. The government has not been successful on any of these fronts. The countryside is less secure than some months ago (no pleasure trips out of Saigon any more), and, while the agrovilles may be a success some day, their present effect has not been to improve the status of the government with the people. The reasons are that the government does not pay the workers to construct the agrovilles, that the peasants have been somewhat forcibly uprooted, and that the police and other officials have employed methods not calculated to win friendship for the government. Other measures taken by the government have had only a superficial impact on the Vietnamese people, in the opinion of high Vietnamese officials.

The heart of the trouble rests with the personality of Ngo Dinh Diem. He has been unwilling to hear criticism of his government's actions, and those of his advisors who have persisted in making criticisms have been called defeatists and have been discouraged from seeing him. He has continued to remain very optimistic about his government and its chances, without taking the actions which were required to maintain conditions justifying optimism. Both in the military and the civilian realm, officials are finding that they cannot take countermeasures against the communists because the President continues to hold all the reins of power. He will not permit action without his personal approval, and the result is that he cannot, for reasons of lack of time or competence, take necessary actions. There is a great deal of frustration among various Vietnamese officials, some of whom are deeply patriotic and who grieve at the continued loss of prestige of the government. American advisors in a number of areas find that their recommendations do not take effect because the Vietnamese officials cannot act. The government has acted in the area of political arrests. Confidentially, it may be said that numbers of political arrests are approaching 5,000 monthly, a sevenfold increase over a year ago. I think history shows that whenever a government reacts to unrest by increasing greatly the number of arrests it may be an indication that a government lacks constructive solutions to its troubles. Presumably, very few of the persons arrested can be active communists, or the security situation would long since have eased. In any case, the arrests do not endear the government to the people.

The situation has reached the point where in the Vietnamese official community itself there is discussion about what can be done to break the log jam of inaction. This talk includes mention of the possibility of a coup. The talk would undoubtedly be even more preva-

lent if it were not for the lack of a real leader who could replace Diem and who could unite the divided opposition sources. Without such unity and leadership, deeply disturbed officials apparently feel that the communists would gain from the splits which would occur once opposition forces gained control. The situation has also reached the point where Vietnamese officials talk of the desirability of American action to end the current stalemate in the government.

I should like to turn now from a general description to the relationship of the political picture to MSUG. At the present time, unlike the past, no one at MSUG has informal access to the President. Given the serious situation in which President Diem finds himself, however, it is certainly conceivable that present MSUG relationships with the Vietnamese officials would be seen in a new context should anything happen to President Diem. Of these contacts my relationship with Vice President Nguyen Ngoc Tho is probably the most pertinent. You should be aware of the fact that through the fourteen months or so of my stay here I have had 45-minute sessions with him four or five times a week, for the purpose of improving his English. Not long after we began these sessions, we became fast friends and our conversations now sometimes revolve around the Vietnamese political situation. Some time ago the point was reached where I was requested by the American official community to report on the Vice President's attitude about various matters affecting American foreign policy in this country. Although I have had qualms about making such reports, I have felt that it is my duty as an American citizen to inform my government of information which can affect policy. The Vice President has discussed the security situation, the efforts of the government to deal with the Viet Cong, the policy in the civil rights and political fields, the role of American aid and problems connected with it, and the lowered prestige of his government and the reasons for it.

It should be emphasized that in no sense have I become an advisor to the Vice President. Thus, even if he should occupy a position of greater political prominence in the future (and I am convinced he wants no part of this), a representative of MSU would not be involved on that basis. I recognize the difficulty an advisory relationship could bring to the University.

In summarizing the above, I should like to make several points. First, the account of the bleak picture of the present political situation is information you should have, but in my opinion there is no reason for panic. The present unfavorable trend may well be reversed; many Vietnamese and Americans are working hard to try to see that it is. Second, MSUG programs are going ahead normally, except that the fingerprint identification program has been concentrating on different geographical areas than originally planned.

Third, the present political situation should not at this date preclude consideration of whether there should be MSU advisors at the NIA after mid-1962, when our contract ends. The political situation will bear watching but, if it remains tolerable, anything that can improve the administrative services of this underdeveloped country deserves careful consideration.

Probably this letter conveys only inadequately what I have wanted to say, but it is probably best that you get some sort of briefing, however inadequate, on the present situation. My intention has been to inform and not to alarm. If I can clarify any points made above, or if there are questions on other matters, please do not hesitate to let me know.⁶

Sincerely yours,

Lloyd D. Musolf

⁶A brief personal postscript is omitted. In a reply dated October 27, Hannah stated that he had discussed the letter with Wesley Fishel. He continued: "Naturally I am disturbed by some of the things that are happening in Vietnam, and I would not be forthright if I did not indicate that I am unhappy with the lack of appreciation developed by some of the representatives of the United States in that country for our MSU program there. I have come to the conclusion that we are discredited by them for reasons that are not very good." Hannah suggested that Fishel visit Vietnam as Diem held Fishel in very high regard and would probably "take advice from him when he would not from any other American." Hannah stated also: "It is my personal feeling that it would be useful if our MSU project in Vietnam could be worked around so that it was in fact wholly in an educational context. If we can continue to do something useful for the NIA in the field of education or can encourage that operation to become more effective educationally than perhaps it has been in the past, I would like to see that done." (Michigan State University Archives, Hannah Papers, H, Viet Pr. 1960.)

201. Despatch From the Ambassador in Vietnam (Durbrow) to the Department of State¹

No. 149

Saigon, October 7, 1960.

SUBJECT

President Diem's Comments on Agrovilles, Internal Security, and Need for Increased Security Forces.

¹Source: Department of State, Central Files, 751K.5/10-760. Confidential. Copies sent to Bangkok, Phnom Penh, Vientiane, Kuala Lumpur, and CINCPAC PolAd. Drafted by John Helble, Third Secretary of Embassy, on September 30.

Attached is a memorandum of a conversation with President Ngo Dinh Diem on September 26, 1960.² The following is a summary of the memorandum:

Agrovilles. Diem discussed the success of the agrovillage program, stating that despite the initial problem of convincing peasants of its value, they could now see the advantages and are fully behind it. Diem stated, however, that since the program has cost a great deal of money it will be discontinued for sometime after completing "about twenty" agrovilles. He countered my suggestion that agrovillage inhabitants be initially subsidized by stating that, since they have the same paddy land as before, their income remains the same, and therefore they do not need subsidies as did the settlers in High Plateau.

Anti-Guerrilla Equipment. After asking the purpose of General Palmer's visit,³ Diem stated he planned to urge him to step up deliveries of anti-guerrilla equipment, especially larger helicopters such as H-34's and multi-rocket launchers. He also said he was sending a commission to Kuala Lumpur to inspect and possibly purchase several thousand surplus shotguns for the newly-organized Self-Guard Youth Corps.

New VC Tactics. Diem described current Viet Cong tactics as concentrating on isolated villages, kidnapping the women and children of Self-Defense Corpsmen and using them in the van of an advance on the village, to prevent the SDC from firing and thus permitting the VC's to kill off the SDC defenders.

Increased Security Forces and Centralized Intelligence. Diem repeated his belief that additional security forces, both Civil Guard and ARVN, are needed. I inquired about his plan for a central intelligence agency, emphasizing the desirability that it extend down to district level as in Malaya to prevent fruitless sweeps. Diem replied he was trying to set one up but had not yet found a qualified person to head it. He stated the Province chiefs would handle the organizations in their areas, but was not certain whether District organizations could be established. I urged the importance of having effective grass roots intelligence.

Comment: Despite many reports from both GVN and non-government sources that the agrovillage program is a main cause of peasant disgruntlement, Diem made a special effort to convince me that the attitude of the population toward the program has become favorable. On the basis of our reports, it is questionable whether the known hostility to the program, because of corvee labor and other reasons, has been overcome in such a short time. Despite Diem's contention that subsidies are not needed, we continue to receive reports that

²Not printed.

³Lieutenant General W.B. Palmer, Director of the U.S. Military Assistance Program, was scheduled to visit Vietnam in October.

agroville inhabitants are dissatisfied because they have been displaced from their ancestral homes, live further from their paddy fields, have been required to spend some of their own money to build their new houses and because the prospects for higher income from their "garden plots" are uncertain.

It is significant that despite his optimism about the agroville program Diem has decided to give it up because "it costs too much." Perhaps he has finally been convinced by all and sundry who have told him of the disgruntlement caused by the program that the "real cost" is loss of popular support for his regime. It is hoped that the quiet postponement of the program may have some beneficial effects. Because of the basic merits of the program it can be resumed later after the obvious advantages become apparent to the peasantry as a whole and the security situation is better in hand.

Diem, by again raising the need for more CG and ARVN forces, apparently is still thinking in terms of defeating the VC by force and is not paying enough attention to the political and psychological aspects of the problem. Although he says he is endeavoring to establish a central intelligence agency, he apparently is not fully convinced of the fundamental necessity of such an organization with grass-roots branches as one of the principal tools needed to eliminate the VC threat.

Elbridge Durbrow

202. Telegram From the Acting Secretary of State to the Embassy in Vietnam¹

Washington, October 7, 1960—11:23 p.m.

581. Embtels 624;² 751.³ Concur necessity your approach to Diem removes increase his popular support. However, suggest you

¹Source: Department of State, Central Files, 751K.00/10-660. Secret; Priority; Limit Distribution. Drafted by Wood. Cleared with SEA, FE, and INR; approved by Steeves. Repeated for information to CINCPAC for PolAd.

²Document 197.

³Telegram 751, October 6, reads as follows:

"While realize Department preoccupied by Lao, Congo and Khrushchev attacks against UN, I hope in near future consideration can be given to suggestions contained reftel [624]. Diem advisor Ladejinsky and Vice President in separate conversations have both urged me have another friendly but frank talk with Diem in effort to induce him take steps similar to those suggested reftel. They both pointed out Diem's Assembly speech 3rd indicated mistakes in organization and working methods have been made and he has decided rectify them. Therefore they believe time is ripe have

Continued

seriously consider idea making approach to Diem and Nhu simultaneously to reduce risk Nhu will counteract effect of *démarche* after your departure. To create favorable atmosphere you will no doubt wish lead off discussion by informing him of steps proposed upgrade capability C.G. as authorized separate telegram.⁴

We have following comments on reftel; but timing and manner approach left your judgment:

Body of suggestions might be grouped under two main heads: a) removal of Nhus and Tuyen and b) positive moves calculated increase popular support which can be announced publicly. Later might be outlined on "piece of paper". In general we should not expect Diem make any publicized moves which would give impression he yielding too much. Also, in view probably traumatic effect of suggestion re Nhus and Tuyen, you may wish reverse order presentation and discuss positive moves first. You could then say that even if most of these moves announced in dramatic fashion and seriously undertaken, they not enough. This would be followed with discussion Nhus and Tuyen.

Concur in opening suggested paragraph 1 and first part paragraph 2. Might also state after thorough study it your carefully considered view GVN will face increasingly difficult internal political situation unless dramatic moves made to reverse present deteriorating trends. Small or gradual moves not adequate.

Re Nhus and Tuyen, since this important part *démarche*, would be unpalatable, it deserves most careful consideration. Believe it should not be dwelt on too long, but best points should be offered for Diem's consideration. Agree main point should be that whether rumors true or false we are convinced that if they ignored, regime likely lose support it needs in struggle against Communists and that in all governments, such decisions have to be made.

As is often case in tense political situations, public resentment, justly or unjustly, has polarized around these three persons who not elected and whose roles and powers not defined. This is seriously impeding Government's ability act effectively at time when it must be most effective. Might add 1) this suggestion personally painful owing to high regard we have for Nhus and Tuyen; 2) it is not based on suggestions from any members of the GVN or of any other Gov-

frank talk with Diem and urge him to change his working methods by taking advice of ministers and working through channels rather than trying make all political and military decisions himself. I concur that this suggestion should be added to those made in our 624.

"Since Diem now undoubtedly preparing speech for Independence Day October 26th, I believe it would be helpful if I could be authorized have frank talk with him soonest along lines reftel." (Department of State, Central Files, 751K.00/10-660)

⁴Reference to telegram 576 to Saigon, October 7. See footnote 2, Document 204.

ernment; 3) we convinced decision regarding Nhus and Tuyen would remove major cause of resentment against regime. It would, we believe, increase support of Diem within the GVN and among the educated classes. Support these groups is as necessary as support of peasants; 4) you might suggest that President give Vice President and cabinet greater responsibilities, including Nhu's advisory function, in order more rapidly strengthen constitutional government in Vietnam. Believe it would be unwise to suggest particular individual (such as Tho, Thuan or Luyen) for role of chief adviser lest Diem became suspicious.

For this reason also believe it best not suggest Tho for Interior or Thuan for Defense. However would be well suggest Diem consider Cabinet changes as necessary part of dramatic moves needed to regain popular interest and support, perhaps including two or three members of opposition who should be given responsibility for sake national unity and to weaken opposition criticisms which have attracted wide attention in Saigon and abroad.

As to surfacing or abolishing Can Lao suggest that to ask for this and removal Nhus and Tuyen simultaneously would be too much. Diem's proclivity for playing cards close to chest and Vietnamese tradition that political parties usually have attributes secret societies would make it difficult for him really surface Can Lao. If considered necessary, question could be raised later.

Re topics of popular nature suggested refel:

1. In order demonstrate his determination remove corruption and mismanagement Diem might well:

(a) Suggest National Assembly investigate any branch GVN and question any official except himself; authorize publication of findings.

(b) Suggest National Assembly set requirements for behavior public servants.

(c) Issue warning that he may require all public officials publish property and sources income.

2. He might announce that if press will take a greater role policing itself, Ministry Info controls will be reduced. He might appoint Committee (including some members opposition) to draft press code.

3. Doubt usefulness suggesting Diem publicize three year development plan until USG and GVN agree plan sound.

4. Suggest Diem fix and announce date on which villagers will be asked elect at least some their own officials.

5. Concur in urging he announce price paid to peasant for paddy be increased.

6. Suggest inform Diem we agree agrovillage program good way meet security problem but are concerned re execution. Urge he announce corvee labor on agrovilles and elsewhere be paid and agro-

ville families receive some aid (possibly rice) during period readjustment (could be less than in High Plateau since Delta peasants still produce rice their own fields). If he asks how such measures to be paid for, concur suggest reply re higher taxes and deficit financing. Devaluation should also be emphasized. Diem might announce heavier taxes on rich for benefit peasants and agrovillage program. You might inquire whether training program for Vietnamese administrators and technicians should be increased to provide personnel needed for agrovillages and other insecure areas. Also might inquire re status information teams assigned to explain to peasants why they should leave homes and tombs ancestors to go to agrovillages.

7. Following suggestions made for your consideration and comment:

- (a) Gesture to farmers such as easing term agricultural loans.
- (b) Gesture toward students such as grant of certain number of scholarships by GVN or easing travel restrictions for study abroad.
- (c) Gesture to plantation and industrial workers such as pay adjustments or fringe benefits. (This would require cooperation employers and might be undesirable from economic standpoint.)

Suggestion para 10 under consideration. Will advise.⁵

Concur suggestion your 751. Expect send further comment subject GVN administration in near future.

Dillon

⁵Apparent reference to that portion of paragraph 10 in telegram 624 which refers to a possible letter from Eisenhower to Diem (see Document 208). In an interview with a Department of State historian held March 30, 1984, Parsons stated that although he had not been in Washington when telegram 581 was drafted, he did not recall in this general period consideration of alternative leadership in Vietnam: "Had there been strong advocacy of somebody else, had this been actively discussed as a policy that might be implemented soon, I think I would remember it, but I have no recollection of anyone in the government being an advocate at that time of getting rid of Diem in favor of somebody else. My recollection is entirely on the side of Diem as probably really the only possible leader with real authority and with strength and with proven policy objectives, anti-Communist policy objectives, and so on, who could control the country." Parsons stated that his and other officials thoughts, as he recalled them, were "entirely concentrated on how we could get this inflexible, very private little man to come out of his shell, to lead a government that was closer to his people, show himself among the people, realize that he had a domestic political problem in addition to a Communist subversive problem." Diem's success in dealing with the insurgency being fomented from outside depended greatly "on the manner in which he led his country and the image that he and people around him had in the eyes of his countryman." (Memorandum of interview; Department of State, PA/HO Files, Vietnam Interviews)

203. Telegram From the Ambassador in Vietnam (Durbrow) to the Department of State¹

Saigon, October 15, 1960—6 a.m.

802. Deptel 581.² Diem received me on the 14th for hour and fifteen minutes which permitted me outline new proposals train Civil Guard and have frank discussions re suggested steps to ameliorate deteriorating political situation.

After outlining new proposals for Civil Guard, which pleased him very much (reported in separate telegram³), in which Thuan took part, I suggested to President that I would like to have opportunity to talk with him alone. Thuan left. I then read 14 page triple-spaced French translation, of which I left copy, containing suggestions agreed to by Department in reftel (English text by pouch⁴). Before reading text I stated that on October 13 I had been in Vietnam for three and one half years, had found my assignment edifying, interesting, and most worthwhile. I mentioned solid and worthwhile progress I had noted in country since 1957 and congratulated President on his many fine accomplishments. I then stated that since I admired his courage and determination I personally desired to do all I could to help him, particularly in these trying times. I added I personally, and other friends of his here as well as those in Washington, have been giving much thought about how we might be helpful to him. Results of our thinking led to conclusion that we could be most helpful if we should make several suggestions which I could put to him in a frank manner as a friend. I then read the paper.

Diem listened intently and made no comments while I was reading except to remark after I had suggested he might get rid of ministers who had not carried out their responsibilities, by saying hardest thing to do is get qualified persons who will take responsibilities.

When I finished reading President stated that most of suggestions I had made conformed to his basic ideas, but added as much as he would like to put these into effect, stepped-up activities of the Viet Cong made it most difficult. He added that many people had been intimidated by Viet Cong and some had been won over so that it would be difficult to carry out some of steps regarding countryside. I replied while I realized difficulties I was firmly convinced after

¹Source: Department of State, Central Files, 751K.00/10-1560. Secret. Limit Distribution. Repeated for information to CINCPAC PolAd. Printed also in Department of Defense, *United States-Vietnam Relations, 1945-1967*, Book 10, pp. 1323-1324.

²*Supra.*

³*Infra.*

⁴The text was enclosed with despatch 157 from Saigon, October 15, and was in a number of instances different from that contemplated in telegram 581 to Saigon, *supra*. Despatch 157 is printed as Document 205.

most careful consideration that it essential now to take many if not all of these suggested steps on a calculated-risk basis in order to create the psychological shock which I believed essential at this time. President made no further comment except to tell me that he would consider the suggestions I had given him.

I then again begged his indulgence and asked if I could bring up a most sensitive and delicate matter which I felt in his interest and in interest of Viet-Nam I should discuss very frankly. From notes in French which I read but did not leave with him, (copy by pouch⁵) I discussed growing criticism of his brother and Madam Nhu, as well as Dr. Tuyen and suggested that they should be assigned abroad. Diem did not interrupt me but assumed somewhat grim, and I detected, slightly hurt manner, his only comment was that these rumors about the Nhuses were spread by Communists. I replied that I was sure that Communists were doing all they could to spread such rumors but I repeated that the unfortunate part about it is that more and more people are believing these reports—Vietnamese loyal to him, those who might be considered in the opposition, foreign civilians and foreign diplomats to say nothing of the press, I repeated, as I had previously, these reports were seriously damaging prestige of his regime.

After discussing the Nhuses, I again apologized, first of all for bringing up this personal and sensitive subject, as well as the other suggestions I had made. I again asked his indulgence and forgiveness for speaking so frankly and added I hoped he would understand that I was talking as a sincere friend.

Comment: Considering the fairly frank criticism I made of his regime and family, Diem outwardly showed no real resentment. After I apologized for bringing up the Nhu question, Diem remained silent for a bit and we then discussed Lao developments in a matter-of-fact realistic way. I said I was sure that Parson would fill him in regarding latest Lao developments when he is here on 18th. I then reiterated my closing apologetic comments on the Nhu question and took my leave, which was quite cordial.⁶

Durbrow

⁵The English text is enclosure 2 to despatch 157 from Saigon.

⁶In telegram 639 to Saigon, October 17, the Department congratulated Durbrow on the results of his *démarche* to Diem as reported in telegram 802 from Saigon:

"Department gratified your success conveying most difficult message. Concur importance holding knowledge your *démarche* very closely, especially as you appear to have opened successful channel to Diem re Nhu. Matter will be handled on strictly Nofoan basis in Washington." (Department of State, Central Files, 751K.00/10-1560)

204. Telegram From the Ambassador in Vietnam (Durbrow) to the Department of State¹

Saigon, October 15, 1960—6 a.m.

805. Re Deptel 576.² I called on Diem 14th to advise him broad outline of steps we propose to take upgrade capability Civil Guard by transferring responsibility from USOM to MAAG.

I left with him 2-1/2 page memorandum outlining proposals (copy by pouch³) and requesting his concurrence. Before handing paper I gave him rough French translation. After hearing first part of translation Diem had Thuan join us. During translation Diem expressed his agreement on most points raised and made it clear he very pleased with suggestions.

After hearing whole paper Diem stated he would immediately take up matter with cabinet and stated that this new project would give big boost to morale of both Civil Guard and ARVN. He expressed particular pleasure that training could start soonest using supplies in stock. I made particular point to tell him that Gen. McGarr although here only short while saw problem clearly and was able to make necessary adjustments to permit use of MAAG personnel already in Viet-Nam. Diem expressed his appreciation of this and only other comment he made was he desired Civil Guards receive ranger training soonest. I also handed Diem informal memorandum⁴ giving general list of equipment being procured by USOM and expected delivery dates.

As stated in paper I emphasized that many details remain to be worked out if GVN finds our proposals acceptable in principle and I told him MAAG and USOM working on more detailed paper to present to him next week.⁵

Durbrow

¹Source: Department of State, Central Files, 751K.5-MSP/10-1560. Confidential. Repeated for information to CINCPAC PolAd.

²In this State-Defense-ICA telegram, October 7, the three agencies agreed that Vietnam's Civil Guard should be transferred to the Vietnamese Department of Defense on a temporary basis for the duration of the present security emergency. Furthermore, the three agencies agreed that Civil Guard anti-guerrilla training should be carried out by personnel of MAAG Vietnam. Those ICA special forces-type technicians already involved in anti-guerrilla training of the Civil Guard were to be detailed from USOM to MAAG. (*Ibid.*, 751K.5-MSP/10-560)

³In despatch 159 from Saigon, October 15. (*Ibid.*, 751K.5-MSP/10-1560)

⁴Enclosed with despatch 159.

⁵Not found.

205. Despatch From the Ambassador in Vietnam (Durbrow) to the Department of State¹

No. 157

Saigon, October 15, 1960.

REF

Embtel 802, Oct. 15, 1960²

SUBJECT

Approach to President Diem on Suggested Political Actions

Attached as enclosure 1 is the English text of a memorandum on suggested political actions, a French translation of which was read and then handed to President Diem by Ambassador Durbrow on October 14, 1960. The French translation which was left with President Diem was classified "Top Secret" for the purpose of impressing Diem. For United States' purposes, however, we consider the classification of both the English and French texts to be Secret.

Attached as enclosure 2 is the English text of notes on the suggested transfer of Ngo Dinh Nhu and Dr. Tran Kim Tuyen, a French translation of which was read to President Diem by Ambassador Durbrow at the same time.

President Diem's reaction to this approach was described in our telegram No. 802, October 15, 1960.

For the Ambassador:
Joseph A. Mendenhall
*Counselor of Embassy for
Political Affairs*

Enclosure 1

ENGLISH TEXT OF MEMORANDUM HANDED TO PRESIDENT
DIEM

Mr. President, in your struggle for survival against the Viet Cong, you have taken many wise steps with respect to the security forces of the Government, and I understand that you are in the process of setting up a national Internal Security Council and a centralized intelligence agency as important and necessary additional steps toward giving effective guidance to and making maximum use of the security forces. We have recognized the increased security threat to

¹Source: Department of State, Central Files, 751K.00/10-1560. Secret; Limit Distribution. Drafted by Mendenhall. Received in FE on October 21. Printed also in Department of Defense, *United States-Vietnam Relations, 1945-1967*, Book 10, pp. 1317-1322.

²Document 203.

your Government and the additional needs of your security forces. We have shown this recognition by the comprehensive program for training, equipping and arming the Civil Guard which I have just explained, by our furnishing special forces personnel needs of ARVN for the war against the guerrillas.

Our serious concern about the present situation is based, however, not only on the security threat posed by the Viet Cong, but also on what to us seems to be a decline in the popular political support of your Government brought on in part, of course, by Viet Cong intimidation. As your friend and supporter, Mr. President, I would like to have a frank and friendly talk with you on what seems to be the serious political situation confronting your Government. While I am aware that the matters I am raising deal primarily with internal affairs and, therefore, in ordinary circumstances would be no concern of mine, I would like with your permission and indulgence to talk to you frankly as a friend and try to be as helpful as I can by giving you the considered judgment of myself and some of my friends and your friends in Washington on what we hope would be appropriate measures to assist you in this present crucial situation.

I believe that your speech to the National Assembly on October 3,³ in which you stated that your Government has decided to reorganize certain of its institutions and to rationalize and simplify its working methods, indicates that we may be thinking to some extent at least along the same lines.

I would like particularly to stress the desirability of actions to broaden and increase your popular support prior to the 1961 Presidential elections. It would seem to me that some sort of a psychological shock effect would be helpful in order to take the initiative from the Communist propagandists as well as the non-Communist oppositionists, and to convince the population that your Government is taking effective political as well as security measures to deal with the present situation. It would appear that, unless fully effective steps are taken to reverse the present adverse political trend, your Government will face an increasingly difficult internal security situation. It is our carefully considered view that small or gradual moves are not adequate. To attain the desired effect, moves, major in scope and with extensive popular appeal, should be taken at once. Specific actions which we would suggest are as follows:

- (1) We suggest that you consider Cabinet changes as a necessary part of the effective moves needed to build up popular interest and support. One Cabinet change that we believe would be helpful would be the appointment of a full-time Minister of National De-

³The text of this speech is in despatch 147 from Saigon, October 7. (Department of State, Central Files, 751K.11/10-760)

fense in order to permit you to devote your attention to developing over-all policies. To achieve maximum benefit it is suggested that you issue firm directives to assure that there is adherence to channels of command both up and down and that firm action be taken to eliminate any feeling that favoritism and political considerations enter into the promotion and assignment of personnel in the armed forces. Removal of this latter feeling is of great importance if the morale of the armed forces is not to be adversely affected during their mortal struggle against the Viet Cong.

We suggest that one or two members of the non-Communist opposition be given Cabinet posts in order to demonstrate to the people your desire for the establishment of national unity in the fight against the Viet Cong, and to weaken the criticisms of the opposition which have attracted considerable attention both in Saigon and abroad.

(2) In rationalizing and simplifying the Government's methods of work, we suggest you seek to find new methods to encourage your Cabinet Members to assume more responsibility rather than frequently submitting relatively minor matters to the Presidency for decision, thus allowing you more time to deal with basic policy matters; that the new national Internal Security Council be so constituted as to be the top level policy-making institution by having it meet frequently under your chairmanship for full discussion of all the major problems confronting the Government and proposed solutions thereto; and that the Government be operated as much as possible through well defined channels of authority from you in direct line to the department and agency heads properly concerned. Under this system Cabinet Ministers and agency heads can be held fully responsible for the operation of their departments and agencies, because of the full authority you have bestowed upon them. If a Cabinet Minister cannot fulfill his responsibilities under this system, we would then suggest that you replace him.

(3) We would suggest that you consider altering the nature of the Can Lao Party from its present secret character to that of a normal political party which operates publicly, or even consider disbanding it.⁴ If the first alternative is adopted, various methods of convincing the population that the action has been taken might be used, such as party publication of a list of its members. The purpose of this action would be to eliminate the atmosphere of secrecy and fear and reduce the public suspicion of favoritism and corruption, which the Can Lao Party's secret status has fostered according to many reports we have heard in and out of the Government.

⁴Wood wrote the following marginal note at this point: "We advised against this/ He [Diem] won't."

(4) We suggest that the National Assembly be authorized to investigate any department or agency of the Government. The Assembly should be authorized to conduct its investigations through public hearings and to publish the findings.⁵ This investigative authority for the Assembly would have a three-fold purpose: (a) to find some mechanism for dispelling through public investigation the persistent rumors about the Government and its personalities; (b) to provide the people with an avenue of recourse against arbitrary actions by certain Government officials; and (c) to assuage some of the non-Communist opposition to the Government.

We further suggest that the National Assembly be asked to establish requirements for the behavior of public servants.

We also suggest that the National Assembly be encouraged to take wider legislative initiative through the introduction of bills sponsored by individual Deputies or groups of Deputies, as well as to broaden area of public debate on all bills, whether Government-sponsored or introduced on a Deputy's initiative.⁶

(5) We suggest that you issue a warning that you may require every public official to make a declaration, for possible publication, listing his property and sources of income.

(6) We suggest that you announce that, if the press will take a responsible role in policing itself, the controls exercised over it by the Government would be reduced. In this connection you might wish to consider the appointment of a committee, including representatives of the press and some members of the opposition, to draft a press code which the press would police. Within the framework of such a code the press could be a means of disseminating facts in order to reduce rumor-mongering against the Government, malicious or not, much of which stems from lack of information.

Providing timely and more ample information would also help to reduce anti-Government rumors. Means to accomplish this include freer access for the press to responsible members of the Government, and frequent public statements from the Presidency and fireside chats, transmitted to the people by radio, sound film, tape recordings, and through the press.⁶ The more these media are encouraged to reach the provinces, the more effective will they be in bringing the people closer to your Government by providing a means of transmitting ideas from one to the other.

⁵Wood wrote the following marginal note at this point: "We advised agst/unlikely."

⁶At this point Wood commented, "New."

(7) We would like to suggest that you liberalize arrangements for Vietnamese wishing to study abroad, and for this purpose make more foreign exchange available.

We also suggest that you ease restrictions on the entry into and departure from Viet-Nam of Vietnamese nationals, in order to encourage Vietnamese well trained abroad to return and make their contribution to the development of their country.

(8) We suggest that you consider some appropriate means by which villagers could elect at least some of their own officials. Such elections at the village level would be a means of associating the population with the Government and of eliminating arbitrary actions by local government officials by demonstrating to them that they will periodically be judged at the polls.

(9) We suggest prompt adoption of the following measures for the enhancement of the Government's support in rural areas:

(a) Take action which will result in an increase in the price which peasants actually will receive for paddy before the new harvest.

(b) Liberalize the terms of credit extended to the small rice farmers.

(c) Continue to expand expenditures for agricultural development and diversification, particularly in the Mekong Delta area.

(d) Institute a system of modest Government payment for all community development labor whether on agrovilles or on other Government projects.

(e) Institute a system of limited subsidies to the inhabitants of agrovilles during the period of their readjustment. While the two situations are not completely comparable, the subsidies helped to bridge the period of adjustment for the settlers in the High Plateau. This should help to develop a favorable popular attitude toward the agrovilles by covering some of the expenses incurred in moving to and getting settled in the agrovilles.

(f) Give appropriate and adequate compensation to the 2800 village health workers. These workers can serve as an important arm of the Government in establishing friendly relations with villagers.⁸

(g) Increase compensation paid to the Self Guard Youth.⁸

(10) We suggest that as many of the steps recommended above as possible be announced dramatically to the public in your message to the people on October 26. We would envisage this message as a ringing effort to obtain the support of all non-Communist elements for your Government and to create national unity to win the fight against the Viet Cong.

⁸At this point Wood commented, "New."

Enclosure 2

ENGLISH TEXT OF NOTES ON NGO DINH NHU AND DR.
TRAN KIM TUYEN

In addition to these positive moves, again as a friend and most reluctantly, I feel that I should bring to your attention the increasing discontent among various strata of Vietnamese society with the role and alleged activities of your brother Ngo dinh Nhu and Madame Nhu. I repeat, I bring this matter up most reluctantly since I have respect for Mr. and Mrs. Nhu and I know how much you count on his advice and counsel. I know personally of the many contributions he has made to the success of your Government and I know that he is equally desirous with you to maintain the independence and integrity of Viet-Nam, as well as to advance the fine progress which has already made in your country. We have discussed this type of rumor before and I know that you have full confidence in your brother. Nevertheless, the position that Mr. and Mrs. Nhu hold in Viet-Nam has become the basis for a large amount of criticism and discontent against the Government. Unfortunately, whether based on fact or not, this criticism has reached the point that question is no longer whether these allegations are true or not. The fact that more and more people are believing them is seriously damaging the prestige of the Government. Unfortunately these rumors are also being used against your Government by Viet Cong propagandists in the countryside. Therefore, since it appears that these allegations are assuming a larger and larger importance in the public mind and are causing considerable discontent in the country, it might perhaps be advisable to give serious consideration to transferring Mr. Nhu to other duties. It has been suggested that he might be given an Ambassadorial assignment abroad. As you know, Mr. President, many Governments, including my own, have from time to time found it necessary to remove or transfer highly useful officials because of the adverse image they have created.

In this connection we have also heard much criticism of the role and activities of Dr. Tran Kim Tuyen, who, according to a growing number of reports, has come to represent a negative force in the minds of many. This too constitutes a basis for serious discontent and resentment against the Government. I personally know Dr. Tuyen and know of his abilities and contribution to the work of the Government, but because of the negative attitude about him which has developed, it might be well to consider his appointment to a post abroad.

I repeat, as unfounded as these reports and rumors may be, it has often proven advantageous to other Governments to make transfers of this kind.

206. Telegram From the Secretary of State to the Embassy in Vietnam¹

Washington, October 19, 1960—1:12 p.m.

658. Joint State-DOD message.

1. View continuing Communist inspired and directed insurgency in VN, consider over-all plan should be developed for encouraging and supporting GVN in national emergency effort defeat insurgents and bring about order and stability in that country. Such action determined necessary in order check disruptive influences which could cause disintegration of the Government and the possible loss of South Viet-Nam to Communist Bloc.

2. Studies of problem indicate plan for GVN should provide for integration and centralized direction of maximum resources in order combat insurgency. Based on requirements outline plan (see Para 4), US agencies Saigon may wish develop plan further, work out procedures thereunder and determine US personnel, matériel and budgetary support requisite successful implementation this GVN emergency effort.

3. Before such plan and procedures made known to GVN, they would be reviewed in Washington for consistency with US policy and for funding. When US position established, GVN would be approached to gain acceptance such plan and to work out details of organization, implementation by GVN authorities and provision of US support.

4. Draft outline plan for GVN national action cabled Chief MAAG (Defense Message 982994-162156Z Sept 60²) should be developed by Ambassador and CT in sufficient detail to provide basis approval courses of action and US support requirements therefor. Realize several important ideas suggested draft outline plan already

¹Source: Department of State, Central Files, 751K.5-MSP/10-1960. Secret. Drafted by Wood and cleared with Flesch of DOD/ISA, with ICA, and Cleveland. Approved for transmission by Steeves. Repeated for information to CINCPAC. Printed also in Department of Defense, *United States-Vietnam Relations, 1945-1967*, Book 10, pp. 1325-1326.

²Document 196.

under study by GVN. This might facilitate acceptance by GVN overall plan which appears necessary meet national emergency.

Herter

207. Telegram From the Ambassador in Vietnam (Durbrow) to the Department of State¹

Saigon, October 20, 1960—7 p.m.

866. Embtel 802 to Dept.² Given below are significant parts dealing with reorganization and strengthening civilian-political administration during 2-1/2 hour afternoon conversation and 3 hour dinner conversation 18th with Diem during Parsons visit with Irwin, Riley and McGarr also present (discussion re Laos reported Embtel 846³ and discussion re internal security reported Embtel 865⁴):

¹Source: Department of State, Central Files, 751K.00/10-2060. Secret; Limit Distribution. Repeated for information to Tokyo for Parsons and CINCPAC PolAd.

²Document 203.

³In telegram 846, October 19, the Embassy reported highlights of a 2-1/2-hour conversation between Diem and Parsons on October 18 in Saigon dealing with Parsons' mission and the Lao situation. Diem drew the conclusion that since the Lao Army was unable to defend its own territory, South Vietnam was forced to deploy additional security forces along its border with Laos. Diem therefore stated that it was essential that he raise the Vietnamese force level to 170,000. (Department of State, Central Files, 110.15-PA/10-1960) Documentation on Parsons' mission to Southeast Asia is printed in the compilation on Laos in a forthcoming *Foreign Relations* volume.

⁴In telegram 865, October 20, the Embassy reported the significant discussion of the same Diem-Parsons conversation of October 18 relating to internal security in Vietnam. According to the telegram, the substantive discussion on this topic went as follows:

"Diem elaborated in usual vein about internal security, efforts he making counter-attack particularly against cruel methods used by VC, and need for additional ARVN forces. He stated at least three times that in view deteriorating Lao situation, increasing number VC cadres coming from north, and possibility all out attack across 17th parallel north, it essential force level be raised to 170,000. He emphasized need increase forces along Lao and Cambodian frontier, need to give more protection to villages and need to assign ARVN units to replace Civil Guard while latter receiving advanced training under new MAAG plan. He pointed out it necessary have sufficient divisions and corps at full strength to meet possible all-out DRV attack. To do this it necessary replace companies taken out of regiments be trained as rangers. He made strong plea for equipment to give army mobility, particularly pled for more and larger helicopters, more paratroopers and more marines.

"Diem also described new tactics being used to run down and eliminate VC hideouts. He stated because of terrain, jungle and lack of roads it very wasteful and demoralizing send army on sweeps against elusive VC's. He therefore now creating groups of 3 loyal Montagnards from area, and one well-trained robust Vietnamese form team to penetrate jungle in the areas north of the Delta, locate VC hideouts and eliminate them by surprise. He said this most arduous work requiring utmost physical stamina since teams remain in jungle for up to two weeks and come out fever-ridden

Continued

For the first time since I have been here, Diem for more than one hour talked from three and half pages of notes. It seemed quite evident that these notes had been worked up as an indirect reply to some of suggestions I had made to him October 14th (reftel). Following are principal points Diem made:

(a) While we had heard of impending Cabinet changes, Diem only mentioned elimination Ministry Information which being coordinated with civic action and youth organization to integrate all three activities into single agency under Presidency (following afternoon session we learned of other Cabinet changes reported Embtel 852⁵).

(b) He made several snide criticisms of opposition elements who only criticize but have no constructive suggestions and who basically took no active part in fight for independence.

(c) Diem discussed and criticized at some length poor rural administrative organization. He recalled some months ago he had asked Saigon bureaucrats to volunteer go countryside to bring better administration at province and lower levels, adding while fairly large number had volunteered more were needed and he giving instruction each ministry provide specific quota for this purpose. He added he is doing all he can to induce new university graduates and those from national institute of administration to go countryside. He explained it essential have one or two trained administrators at village level in order assist notables in village administration. He emphasized throughout it essential build "infrastructure" at village level not only to give better administration but also protection and intelligence, pointing out that unless peasants given good administration and protection they would not support central government.

(d) Contrary to what he had previously told me (Embassy despatch 149⁶) Diem made particular point that it vital to have trained intelligence personnel at village level. He planning have 2 or 3 intelligence cadres in each village as part of SDC or other village security force. These cadres would be from locality and would induce people pass on intelligence information in order permit GVN protect them better.

and exhausted. Nevertheless these tactics very successful and he planning greatly increase number of terms." (*Ibid.*, 110.15-PA/10-2060)

⁵In telegram 852, October 19, the Embassy reported these cabinet changes:

"Nguyen Van Luong, Saigon Court Judge, replaces Nguyen Van Si as SecState for Justice; Bui Van Luong, Commissioner General for Land Development replaces Lam Le Trinh as SecState for Interior; Nguyen Dinh Thuan, SecState for Presidency, to serve also as Assistant Secretary Defense, replacing Tran Trung Dung; InfoMinistry converted into Directorate General (with Tran Van Dinh, Consul General at Rangoon to assume charge October 20, according InfoMin press conference)." (*Ibid.*, 751K.13/10-1960)

⁶Document 201.

(e) In order to permit all elements VN society be represented national level, Diem planning further implement constitutional provision for a national economic council. He explained this provision had not been fully implemented because of other pressing matters and VC activities but he now plans implement it fully by having representatives of farmers associations, retailers, wholesalers, millers, industrialists, businessmen, trade unions, etc., elected to national economic council. This will be accomplished for instance by having local farmers association elect own officers, who in turn will elect representative to district association which will elect representatives to provincial level, and provincial level elect delegate to national council. Same procedure will be followed for other economic groups. He pointed out so far this had been done only in trade unions who elect representatives from lowest level who in turn choose representatives up to national level. He made particular point to say his brother Nhu had been very effective before and after independence in building up democratic unions which have now reached such a sophisticated level of organization that GVN trade unions are recognized by ILO as being perhaps most progressive in Asia outside Japan. Diem cited plantation labor management agreement as being particularly progressive as effective. He added because help of Nhu and other union leaders, Communist elements which had infiltrated unions and caused unwarranted strikes 1956-1958 had been eliminated and there had been no serious strikes since. Diem made particular point that this electoral procedure is a constitutional requirement which must be put into effect for all economic groups, implying that its implementation would answer my suggestion for election of village officials. He added although constitutional provisions have not been fully implemented, vice president as minister national economy had partially filled this role by having periodic public meetings with various business and industrial groups to discuss openly mutual problems in presence of press and thus assure that no favoritism entered into granting of licenses or other governmental actions, etc. (*Preliminary comments:* These elections may constitute somewhat of a safety valve but they will probably be well "supervised" by the NRM or Can Lao party organs.)

(f) He cited need better tax laws and particularly increasing substantially number of tax collectors in order raise revenues, stating this part of 3-year plan already discussed with us here and Washington.

(g) Cited need to organize, train and assist youth. He again indicated his brother Nhu active this field. Youth (18-35 years old) constitute backbone of country, are basically patriotic but must be helped and guided in their desire to build and protect country. He pointed out VC's realize importance youth and therefore they trying

to kidnap and train them as Communist cadre. It necessary, therefore, GVN train and in many cases arm youth in order give further protection villages and encourage youth help in community projects.

Comments: Diem, as indicated, was obviously answering indirectly my suggestions by outlining his plans to Parsons in effort create impression many suggestions I made were being carried out or planned. In view my suggestion Nhu be sent abroad it interesting Diem mentioned him in favorable light several times. Over-all emphasis this part of conversation was need to build from grass roots up, to protect and assist villages and by implication to win over rural population.

It perhaps not just by coincidence that when Parsons and I called on Mau and assembly President Truong Vinh Le they discussed at some length internal security problem, opposition elements and need to win over masses [*masses*]. Although Parsons opened conversation with Mau by bringing up Lao developments latter did not pursue this lead until later but launched into long discussion internal security problem, and discussed at some length opposition elements, particularly Dr. Dan. Mau praised Dan as being patriot who had been active in independence fight but unfortunately has many unfavorable traits. Mau went so far as state it unfortunate Dan's election to assembly annulled basically on not too important infringement of electoral law, adding he personally believed would have been better have small loyal opposition. He stated he member of commission drawing up law for presidential elections and he suggesting infringements such as those used against Dan be treated as administrative not juridical matters.

During half hour conversation Le told us that for more than year he has been telling president of mistakes made by government, adding he pleased president now realizing this and reacting to rectify them. Le indicated assemblymen becoming restive, wish to play more active role which they would be allowed to do. Le stated he favored having loyal opposition but due all-out VC attacks it essential now unify country and he doing all he can do to induce opposition elements to close ranks. It interesting he mentioned Can Lao party as playing important role in effort bring unity all elements. He particularly asked Parsons to make it clear in Washington Viet-Nam striving for democracy which it will attain once VC threat under control.

Fact Diem went such lengths to discuss organizational faults, etc., may be hopeful sign that after much prodding he seriously planning take at least some effective steps bring masses closer to regime.

Durbrow

208. Memorandum From the Secretary of State to the President¹

Washington, October 20, 1960.

SUBJECT

Proposed Letter to President Diem of the Republic of Viet-Nam²

Ambassador Durbrow has recommended³ that on the occasion of the fifth anniversary of the Republic of Viet-Nam, October 26, 1960, you send a special letter to President Diem giving public support to him and his Government at a time when the Vietnamese are resolutely facing a very serious threat from the Communist guerrillas and there is increasing internal political tension.

Acting on our instructions Ambassador Durbrow has, in strict confidence, recently made some strong and rather unpalatable suggestions to President Diem regarding measures which were felt to be necessary if his Government were to retain its popular support and put down the Communist guerrillas.

I believe a letter from you would balance the effect of this necessary but unpleasant demarche and, in a broader sense, would strengthen the morale of the Vietnamese people and Government during a difficult period.

A suggested letter is enclosed for your consideration. If you concur, the Department will be happy to transmit the letter telegraphically to our Embassy at Saigon⁴ for delivery to President Diem. I would recommend that release of the letter be at the discretion of President Diem.

Christian A. Herter

¹Source: Eisenhower Library, Whitman File, International File, Vietnam. Secret. On a copy of this memorandum in Department of State, Central Files, 751K.00/10-2060, Wood was indicated as the drafter with clearances from SEA, FE, L/FE in substance, and U/PR. The following note appears on the source text in Goodpaster's hand: "24 Oct 60. Told State OK by phone—with 1 word change. G."

²The text of the letter to Diem is printed also in *Public Papers of the Presidents of the United States: Dwight D. Eisenhower, 1960-1961*, pp. 807-808. The one-word change referred to in footnote 1 above in Goodpaster's note was the addition of the word "your" to the first sentence of the third paragraph of the letter so that it reads: "During the years of your independence. . . ." (Draft of letter enclosed with memorandum from Herter to Eisenhower; Department of State, Central Files, 751K.00/10-2060)

³In telegrams 825 and 873 from Saigon, October 17 and 21. (*Ibid.*, 851K.47411/10-1760 and 751K.00/10-2060)

⁴Done in telegram 682 to Saigon, October 22. (*Ibid.*, 851K.47411/10-2260)

[Enclosure]

SUGGESTED LETTER

DEAR MR. PRESIDENT: My countrymen and I are proud to convey our good wishes to you and to the citizens of Viet-Nam on the fifth anniversary of the birth of the Republic of Viet-Nam.

We have watched the courage and daring with which you and the Vietnamese people attained independence in a situation so perilous that many thought it hopeless. We have admired the rapidity with which chaos yielded to order and progress replaced despair.

During the years of⁵ independence it has been refreshing for us to observe how clearly the Government and the citizens of Viet-Nam have faced the fact that the greatest danger to their independence was communism. You and your countrymen have used your strength well in accepting the double challenge of building your country and resisting Communist imperialism. In five short years since the founding of the Republic, the Vietnamese people have developed their country in almost every sector. I was particularly impressed by one example. I am informed that last year over 1,200,000 Vietnamese children were able to go to elementary school; three times as many as were enrolled five years earlier. This is certainly a heartening development for Viet-Nam's future. At the same time Viet-Nam's ability to defend itself from the communists has grown immeasurably since its successful struggle to become an independent Republic.

Viet-Nam's very success as well as its potential wealth and its strategic location have led the Communists of Hanoi, goaded by the bitterness of their failure to enslave all Viet-Nam, to use increasing violence in their attempts to destroy your country's freedom.

This grave threat, added to the strains and fatigues of the long struggle to achieve and strengthen independence, must be a burden that would cause moments of tension and concern in almost any human heart. Yet from long observation I sense how deeply the Vietnamese value their country's independence and strength and I know how well you used your boldness when you led your countrymen in winning it. I also know that your determination has been a vital factor in guarding that independence while steadily advancing the economic development of your country. I am confident that these same qualities of determination and boldness will meet the renewed threat as well as the needs and desires of your countrymen for further progress on all fronts.

Although the main responsibility for guarding that independence will always, as it has in the past, belong to the Vietnamese people

⁵See footnote 2 above.

and their government, I want to assure you that for so long as our strength can be useful, the United States will continue to assist Vietnam in the difficult yet hopeful struggle ahead.

Sincerely,

209. Telegram From the Ambassador in Thailand (Johnson) to the Embassy in Vietnam¹

Bangkok, October 21, 1960—9 p.m.

236. Eyes only for Ambassador from Parsons. There follows draft message from me to Department copy of which I am taking to Hong Kong. If it meshes well with your thinking and your reports on talks during my Saigon visit please send it as from me to Department and usual addresses.² Please correct any errors of fact or make minor editorial changes without ref to me. If you disapprove message or have major changes to suggest advise me at Hong Kong or Tokyo. Draft follows:

"While a 40 hour visit is hardly adequate basis for firm judgments on situation in Vietnam, I had benefit of contacts not only with Durbrow and country team but also with President Diem, Thuan, Mau, President Le of National Assembly, with Ladejinsky, with British, French and Australian Ambassadors. Conspicuous omission was the popular Vice President, Tho, which in itself is indication of delicate and tense situation in which increasingly beleaguered regime struggles bravely and stubbornly. This struggle is of course the anti-communist struggle for³ on economic front progress is still being made and people have probably never been better off.

As Mau said there are two factors with which President Diem must contend in governing, namely commies and oppositionists, a term which I would regard as including elements ranging from apathetic or intimidated peasantry in contaminated areas to unhappy corvee laborer agrovillage transplants to businessmen conscious of Can Lao exactions to intellectuals and politicians who consciously oppose.

First factor can only be dealt with by firm enduring resistance and counter measures not only in military but also other fields because there is no possibility of converting Viet Cong guerrilla fighters

¹Source: Department of State, Saigon Embassy Files: Lot 65 F 115, 030 Visit: Tours 1959-61 (Eyes Only) A-Z. Secret; Eyes Only.

²This telegram was sent to Washington as telegram 882, October 23. It was repeated to Toyko for Parsons. (*Ibid.*, Central Files, 110.15-PA/10-2360)

³In telegram 882, "since" is substituted for "for".

and agents. Diem has concentrated on first factor almost exclusively up until recently and focus has been predominantly military.

Second factor can be dealt with but has not been as yet, at least not adequately. This is Achilles heel which communists will inevitably seek exploit in their declared purpose of overthrowing regime within time limits they have dared to specify. Thus, obviously, to cope with the first factor, second must be handled effectively. Thus far it does not appear Diem will admit this to foreigners or even to his confidants but his evident preoccupation suggests he may be admitting it to himself. I therefore believe that Ambassador Durbrow's recent representations were as essential as they were painful. If our Vietnam program of aid can be criticized in any fundamental way in future, it may be because we have thus far been unable to persuade Diem that in long run our extensive aid can only be effective if his regime regains active loyalty of Vietnamese people and thus achieves essential unified support of all non-communist elements. I hasten to add this is no criticism of Embassy or U.S. agencies which have so long been painfully aware of disinterest and even alienation of important elements. Ambassador Durbrow has played thankless but courageous role and has yet retained ear of President who does not like to listen.

Ladejinsky who is more deeply discouraged over non-handling of second factor than he was at time my last visit seven months ago and said he had asked many key Vietnamese what they regarded to be basic problem in country. Responses were all to same effect most succinctly expressed by friend who said 'It is that we do not have dialogue between government and people; we have only monologue'. In my view this is no mere cry of frustration by Diem's interlocutors but a reflection of a fundamental defect of his concept of government. In a sense this defect is a weakness of his strength, the willingness to stand alone if need be and fight which produced miracle of 1954-1955. If now in different circumstances it proves that he is inherently incapable of adapting and of doing those things which are needful in political, psychological and social fields, then indeed we must revise downward our estimates of republic's future under Diem. As he is only leader in sight, as he does have other great, one could say heroic, and indispensable qualities, we should in my opinion press upon him insistently in every way and at every interval which we deem not likely to be counterproductive elements of recent Embassy-Department effort. While awaiting Durbrow's considered and authoritative estimate of effect of his representations, my own hunch is that he made a dent. Diem's sensitivity, his unwonted references to brother Nhu by name, his effort to prove he had acted effectively in this general field, all could mean that points made to him are revolving around in his head. Unfortunately his eventual actions might

prove to be halfway measures and far short of dramatic steps needed to catch attention of people.

My recommendations then would be that in regard to factor one, the direct resistance, we continue to follow present Embassy-MAAG judgements with their increased emphasis, according to my understanding, on counter-guerrilla training and organization.

As regards as yet unresolved question of raising ARVN force level by 20,000 I would merely note at this time (A) Laos situation if it worsens could dictate need to do this and more for both military and morale reasons and (B) French Ambassador while apologizing for a comment on something for which we pay strongly, advocated to me that we agree to augmentation. (Understand MAAG reviewing the question of the 20,000 for submission to country team.) In regard to factor two whole tenor of this message reflects my concern that regime may well be at eleventh hour and we must press hard to persuade Diem to save himself and Vietnam again by regaining his people."

Johnson

210. **Outline Plan Prepared by the Military Assistance Advisory Group in Vietnam¹**

Saigon, October 27, 1960.

U.S. PLAN FOR COUNTERINSURGENCY IN SOUTH VIETNAM

[Here follows a table of contents.]

Introduction

1. *References:*

a. Letter, CINCPAC (JOO) Ser. 00211, dated 27 April 1960, subject: Counterinsurgency Operations in South Vietnam and Laos, with:

(1) Inclosure, CINCPAC Study, dated 26 April 60,² same subject.

¹Source: Washington National Records Center, RG 330, Lansdale Papers: FRC 63 A 1803, MAAG-VN Outline Plan. Secret. Only the "Introduction" and the "Basic Plan" are printed here. Omitted are four annexes: A, "Task Organization"; B, "Intelligence"; C, "Concept of Operations"; and D, "Logistics". The date of October 27 is on the title page and the "Introduction". The "Basic Plan" is dated November 7; the table of contents is dated November 9.

²Neither printed, but see footnote 3, Document 170.

b. Message 982994, OASD/ISA to CINCPAC, info CHMAAG and US Ambassador, dated 162156Z September 1960.³

c. Joint State-DOD Message Nr 658, October 19, 1 PM.⁴

d. Draft Study, Hq MAAG, VN, dated 26 Oct 60, subject: Internal Security Problem, SVN (U).⁵

2. *Requirement:* The continuing communist inspired and directed insurgency in South Vietnam dictates development by the Country Team of policies and overall plans to encourage, and support development by the GVN of an effective national emergency effort to defeat insurgency and restore political and economic stability. However, programming and training lead times preclude GVN dependence on substantial military force increase as the basis for the increased capability required immediately. For this reason, increasing Civil Guard and current regular force effectiveness is vital. But, the threat is economic and political as well as military. The effectiveness of para-military forces and the capabilities of regular armed forces must be enhanced, to be sure, to include the ultimate force increase required for destruction of the Viet Cong and continued maintenance of security. Also, and equally important, the Country Team and GVN must act positively on a fully coordinated basis to improve government, create economic stability, and develop appropriate socio-psychological measures.

3. *Purpose:* The MAAG outline plan for a US Counterinsurgency Plan, SVN contains the basis for development by the Country Team of a detailed plan describing GVN tasks and US support necessary to accomplish the requirements described in paragraph 2 above. Upon approval by Washington, such a detailed plan would be the basis for US advice and assistance to the GVN.

4. *Scope:*

a. This plan supports the CINCPAC and OASD/ISA plan for counterinsurgency operations in SVN (reference 1 a and b above), and is, therefore, in accordance with the Joint State-DOD message, reference 1 c above, which suggests the Country Team development of such a plan. The plan also contains and justifies military requirements for personnel, matériel, budgeting support, and organizational and operational concepts. In addition, other MAAG staff papers now in varying stages of coordination with the Country Team, support this plan in detail. In particular the staff study on the internal security situation in South Vietnam, reference 1 d above, is tangential to this plan. The referenced study describes in detail the multi-sided nature of the internal security problem; establishes the requirement

³Document 196.

⁴Document 206.

⁵Not found.

for a coordinated and supporting relationship between military and non-military aspects in the current emergency situation; and recommends GVN and US actions in consonance with tasks contained herein. Other significant studies include requirements for increases in the GVN force basis; changes in governmental (military) structure; transfer of the Civil Guard to Department of Defense; and increased tactical effectiveness of RVNAF and para-military units.

b. The plan has been developed to represent fully the objectives and tasks for Country Team and GVN. However, only military and allied non-military aspects are justified in detail, with the idea that complete development and refinement of the requirements can only be accomplished by Country Team action.

[Basic Plan]⁶

Task Organization:

A. GVN

1. SPGDN
2. DOD

- a. RVNAF (See Annex A, RVNAF Force Basis)
- b. ABA
- c. PSYWAR Directorate

3. Other Civil Agencies

B. Country Team

1. US Embassy
2. USOM
3. MAAG
4. USIS

1. Situation:

a. General:

(1) Communist-inspired insurgency in SVN, aimed at the destruction of authority and prestige of established government, is a prelude to further inroads designed ultimately to absorb SVN into the Communist Bloc.

(2) Existing Conditions:

(a) General. Developments in South Vietnam over the past ten months indicate a trend that is adverse to the stability and effectiveness of President Diem's government. Beginning in December 1959 and continuing to the present, there has been a mounting increase throughout South Vietnam of Viet Cong terrorist activities and guerilla warfare. This activity has included armed propaganda and leaflet

⁶This section is so identified in the table of contents.

distribution; taxing of the population for food, money, and medicines; kidnapping and murder of village and hamlet officials; road and canal ambushes; and armed attacks against agrovilles, land development centers, Civil Guard and Self Defense Corps posts, as well as small army units. Through the use of these tactics, current Viet Cong military and political objectives are the overthrow of the Diem government by the end of 1960. Failing in this, their objectives are to eliminate any semblance of GVN control of the Mekong Delta and establish a so-called "liberated zone" in this area.

(b) Political. Politically, discontent with the Diem Government has been prevalent for some time among intellectuals and elite circles and, to some extent, labor and urban business groups. Criticism by these elements focuses on Ngo family rule, especially the roles of the President's brother, Ngo Dinh Nhu, and Madame Nhu and the influence of the clandestine Can Lao, political apparatus of the regime. An even more important element in the political situation is the growing criticism of the President's leadership within government circles, including the official bureaucracy and the military. In the past, such discontent and criticism had been centered on Diem's brothers, Ngo Dinh Nhu and Ngo Dinh Can, as directors of the allegedly corrupt Can Lao Party. Further aggravating many of the government's problems is the active and partly successful campaign of the Viet Cong to discredit President Diem and weaken the government's authority through political subversion, as well as through military action. The Viet Cong has had considerable success in sowing disaffection and disrupting effective administration of the government among the population. This is especially true in the Capital, 1st and 5th Military Regions. Viet Cong successes in these regions are due to the large number of sympathizers among the population. ARVN J2 estimates that at least 25%, or 2,000,000, of the people in these three regions are Communist sympathizers, while another 25% (2,000,000) are "sitting on the fence." Aided by this large number of Viet Cong sympathizers and the equally substantial neutral element, the Viet Cong has established a political apparatus parallel to the GVN. Below province level, in the 5th Military Region, no effective GVN control exists in many areas. The Viet Cong are increasing the void by taxation, terroristic acts, attacks on Self Defense posts, assassination of village and provincial officials, and simultaneously a systematic development of the Viet Cong political apparatus to fill the void. In view of the above conditions the principal task facing the GVN is restoration of individual security.

(c) Military. Militarily, the RVNAF is on the defensive. Approximately 70% of ARVN is committed to pacification, but mostly to static-type guard and security. The military chain of command is usually violated at the expense of unity of effort and command. The Presidency exercises arbitrary control of operations, subverting the JGS and often times Corps and Division staff and command channels. Resources are fragmented to provincial control. The above practices appear to be deliberate and designed to prevent the present government from losing control through a military coup. To top all the above off, the Civil Guard has been ineffective in the internal security role, thereby requiring the large RVNAF commitment, which

has further resulted in a serious weakening of the RVNAF capability for defense against overt attack.

(d) Summary. In view of known communist objectives in SVN and of the known general situation and steadily deteriorating political and military situation, if the GVN does not take immediate and extraordinary action to correct the organizational and procedural weaknesses which contribute to the growth of the Viet Cong power and increasing disaffection of that portion of the population loyal to the GVN, the Viet Cong can cause the overthrow of the present GVN government in the months to come.

(3) Requirement. Programming and training lead times preclude dependence on substantial military force increase as the basis for the increased capability required to immediately cope with the Viet Cong. For this reason, increasing Civil Guard and current regular force effectiveness is vital. However, the threat is multi-sided, not only military. The effectiveness of para-military forces and the capabilities of regular armed forces must be enhanced, to be sure. But also, and equally important, as indicated in par 2b above, positive action is mandatory to improve government, create economic stability, and develop appropriate socio-psychological measures. Therefore, in general, the GVN must cope with the current emergency situation with available resources, while at the same time developing the increased force structure required both to insure the eventual destruction of the Viet Cong insurgency threat and thereafter the continued security for the populace and to deter or meet overt communist attack from North Vietnam.

b. Enemy Forces. See Annex B, Intelligence.

c. Friendly Forces. See current US operations plans.

d. Assumptions:

(1) That the greatest immediate threat to the continued existence of the Republic of Vietnam is posed by the eventual solidification of guerilla warfare by the Vietnamese Communists, with the Mekong Delta as a political and military base.

(2) That North Vietnam has the capability of infiltrating covertly into South Vietnam two to three divisions of regular forces to support guerilla forces in this effort (par 3d(1) above).

(3) That the Government of Vietnam has the basic potential to cope with this threat if necessary corrective measures are taken.

(4) That the gravity of this threat will continue until a maximum offensive and coordinated retaliatory effort is made by civil and military authorities.

(5) That the most immediate consideration of US policy in Vietnam is to create governmental stability by the eradication of insurgency in the Republic of Vietnam and to that end the activities of all US agencies will be coordinated.

(6) That the Viet Cong, in coordination with the communist parties of Laos and Cambodia, will build up to a maximum effort against the Republic of Vietnam between now and the April 61 elections as the next immediate goal.

2. *Mission:* Defeat Communist insurgency efforts in SVN.

3. *Execution:*

a. *Objectives:*

(1) GVN:

(a) Establish and maintain political and economic control and stability.

(b) Suppress and defeat disruptive Communist activities in South Vietnam.

(c) Interdict aid flowing to insurgents across Vietnamese borders, to include both police and military action in coordination with the adjacent nations of Laos and Cambodia.

(2) Country Team:

(a) Induce the GVN to adopt and vigorously prosecute Country Team Plans designed to defeat Communist insurgency.

b. *Tasks:*

(1) GVN:

(a) Establish an Emergency Operations Control System to include (Appendix I, Annex C⁷):

1. A national emergency council (GVN established an Internal Security Council 7 Oct 60).

2. A director of operations (Permanent Secretary for National Defense so designated 7 Oct 60).

3. Commander's sub-council with responsive Regional, Provincial, and village executive councils.

(b) Implement fully planning aspects of the national planning, programming, and budgeting system (Appendix II, Annex C⁸).

(c) Develop and employ to optimum RVNAF capabilities to support emergency and related internal security operations on a fully coordinated schedule (Appendix II, Annex C).

(d) Take extraordinary action starting at highest levels of government and extending to the lower political subdivision (the village) to establish and maintain internal security (Appendix IV, Annex C⁹).

(e) Assign high priority to the development of intelligence/counterintelligence staff and operational procedure to provide not only timely and accurate knowledge of Viet Cong activities and organization within Vietnam, but also provide information to enable the

⁷Entitled "GVN Counterinsurgency Operations Control System."

⁸"National Planning."

⁹"Extraordinary Actions."

GVN to correct sociological and economic problems which the communists are exploiting (Appendix V, Annex C¹⁰).

(f) Develop an adequate border/coastal patrol system (Appendix VI, Annex C¹¹).

(g) Develop an adequate communication capability within GVN agencies to support emergency and related internal security operations (Appendix VIII, Annex C¹²).

(h) Employ full use of psychological and civil affairs programs in support of internal security actions (Appendix VIII and IX,¹³ Annex C).

(i) Establish concurrently means for assuring continued security and a base for political and economic stability and development (Appendix X, Annex C¹⁴).

(j) Place the Civil Guard under the control of the Department of Defense for the duration of the emergency (Appendix XI, Annex C¹⁵).

(2) Country Team:

(a) Develop combined plans and concepts for counterinsurgency operations in SVN.

(b) Influence the GVN to accept and implement US concepts for counterinsurgency operations in SVN.

(c) Coordinate US administrative logistics support to the GVN.

(d) Tailor Country Team organizations and operations to meet the requirements of the above tasks.

c. Concept of Operations:

(1) GVN:

(a) General:

1. Politico/Military Operations. In order to provide protection which the people require, it is necessary to exercise more than an ordinary degree of control over the population. Among the more important operations required are those for exercising control in such manner as to isolate insurgents and sympathizers from the support of the populace. Such techniques as registration and identification, food control and control of movement will be implemented as offering the best prospects for success. Control measures instituted will require support by psychological warfare and information programs to gain and maintain popular confidence and support. Destructive influences in public office will be removed.

2. Military Operations. An effective continuing military system should remain in place, with a capability for reinforcing the permanent local security establishment, since it is not sufficient to defeat or suppress insurgents temporarily or to

¹⁰"Development of Intelligence/Counterintelligence."

¹¹"Border/Coastal Patrol."

¹²"Psychological Problems."

¹³"Civil Affairs."

¹⁴"Continued Stability and Security."

¹⁵"Civil Guard."

establish control in one area and then move the counterinsurgency forces to a new area, thus allowing insurgents to reestablish themselves. In addition, the GVN must retain at least two divisions on the high plateau and two divisions in the area of the 17th Parallel as deterrence against and preparation for overt attack and as a deterrent against further Viet Cong expansion in those areas. The regular military establishment of South Vietnam has the capability to fight either guerillas or external aggressors; however, they are not capable of accomplishing these missions simultaneously with indigenous resources. The GVN, with US Country Team assistance as required, will accelerate efforts to train and equip para-military (militia-type home guard and Civil Guard) and police forces. For the duration of the emergency campaign, operational control of all security activities will be under centralized direction. Border and coastal patrol operations, being fundamental to the campaign to prevent insurgents receiving support from areas outside of South Vietnam, will be closely coordinated with other Vietnamese ground, air and naval operations in the Counterinsurgency Campaign. The GVN will also coordinate these operations with Cambodia and Laos, as politically feasible.

(b) Specific Task Concepts. An analysis of each task listed under paragraph 3b(1) above is at Appendix I-XI, Annex C. Included is a statement of purpose, scope and situation; a detailed concept; and an analysis of the implications for implementation.

(2) Country Team. See paragraph 3b(2) above.

4. *Administration and Logistics:*

a. *GVN:* See Annex D.

b. *Country Team:* US administrative and logistic support to the GVN will be coordinated by the Ambassador.

5. *Command and Signal:*

a. *GVN:*

(1) Command Relationships. (See Tabs A, B, C,¹⁶ Appendix I, Annex C.)

(2) Communications. See Appendix VII, Annex C.¹⁷

b. *Country Team*

¹⁶Tab A: "Organization of the Ministry of Defense;" Tab B: "Proposed Organization for National Security;" Tab C: "Proposed Organization Department of National Defense and Joint Staff."

¹⁷"Communications."

211. Telegram From the Commander in Chief, Pacific (Felt) to the Chief of the Military Assistance Advisory Group in Vietnam (McGarr)¹

Pearl Harbor, October 28, 1960-6 p.m.

1. 290412Z. Am in accord with necessity taking corrective action in military field your 19 Oct ltr refers.² Considering all factors involved, concur in your recommendation to increase VN force ceiling to 170,000 as temporary measure during present emergency. This force ceiling should be recommended to CT for inclusion in development of plan in response to State-DOD 658 to Saigon, 192020Z Oct. Pasep.³

2. In addition to pure military aspects your recommended force increase, this proposal would provide U.S. bargaining material in seeking GVN acceptance of our plan.

¹Source: Stanford University, Hoover Institution, Lansdale Papers, Vietnam, Lansdale Trip January 1961. Secret. Repeated for information to JCS and OSD/ISA.

²Not found.

³Document 206.

212. Letter From the Ambassador in Vietnam (Durbrow) to the Assistant Secretary of Defense for International Security Affairs (Irwin)¹

Saigon, October 31, 1960.

DEAR JACK: Thank you for your letter of October 21st enclosing the memorandum of your conversation with President Diem on October 19th.² As you stated to us orally, there wasn't much new that developed during this conversation. I was glad to note that you gave a couple of good plugs for grass-roots intelligence which we all feel here is one of the main things that is lacking in the present set-up. It was interesting to note that he again referred to the fact that according to the Geneva Accords the GVN would have up to 225,000 men in the Armed Forces. This is the second time he has touched on that theme. While he may need more security forces, and we are trying to help him on this score by stepping up the training of the

¹Source: Washington National Records Center, RG 330, OSD/ISA Files: FRC 64 A 2170, 092 Vietnam. Secret; Official-Informal.

²Neither Irwin's letter of October 19 nor the memorandum of his conversation with Diem has been found.

Civil Guard, all of us here are convinced that one of the principal things he has to do is to make concrete effective efforts to win over the population and not antagonize them as he has unwittingly done in the past.

In view of the increasing criticism from all quarters about the activities and influence of Nhu, it was interesting to note that Diem again gave a plug for his fine work with the trade unions. Unfortunately, whether Nhu is doing a good job or not, the antagonism toward him has so increased in the last year that he has become the symbol that represents all the bad and corrupt things in the country. Whether he is the sinister figure he is reputed to be or not, is, as I have said, beside the point, the sad fact is that more and more people think that he is.

As you know, MAAG is working up a U.S. plan for counter-insurgency in South Viet-Nam which will form the basis for a Country Team recommendation for our future activities in the country. MAAG's paper³ has just reached me and it is basically quite realistic.

I am glad that you could pay us another visit to pick up the feel of growing seriousness of the situation, but I am sorry that during the rush I did not have more time to discuss matters with you. If everything doesn't go completely to pot, I hope to be home on leave toward the end of the year and we'll have a chance to discuss material problems at that time.

With kindest personal regards,
Sincerely yours,

Durby
Elbridge Durbrow

³Document 210.

213. Airgram From the Ambassador in Vietnam (Durbrow) to the Department of State¹

Saigon, November 3, 1960.

G-196. Evidence is mounting that Diem is becoming increasingly conscious of deterioration in his political position and several straws

¹Source: Department of State, Central Files, 751K.11/11-360. Secret. Repeated for information to CINCPAC PolAd, Bangkok, Vientiane, Phnom Penh, London, Paris, Canberra, and Singapore.

in wind indicate certain actions being taken in effort arrest this trend. Some of these actions antedate or were obviously decided upon before my frank talk with Diem on internal political situation Oct. 14, while others appear have been decided since that time. Following is summary (in addition steps reported our G-79, August 25²) of actions indicating greater awareness actual situation and at least some effort improve political atmosphere:

1. Diem announced in late August suspension agrovillage program. While he attributed this move to inadequate resources to carry out both this and other programs, we are convinced primary motivation was political one of desiring to avoid further stirring up of peasants by this controversial program during period prior Presidential elections next April. Since agrovillage program could be beneficial from both security and social standpoints, we suspect Diem will revive it at time he considers politically appropriate. He has stated on several occasions that in few months when advantage of agrovillages became known to bulk of peasantry, they will urge Govt to build more. This attitude also reflects a more mature political judgment.

2) In State of Union message Oct. 3, Diem for first time publicly admitted that GVN organization and working methods have not been proper and stated Govt had decided to change them (G-147³). Sec-State for Presidency Thuan stressed to Emb significance this development and subsequently told me Oct. 11 Diem now realizes necessity for taking political measures to win popular support (our G-163⁴). Word has apparently gone out through various channels to stress Govt's decision make changes in organization and working methods since, for example, Saigon chapter of NRM picked up this idea in motion sent to President on occasion Republic Day.

3) Decree was issued October 7 establishing Internal Security Council and meetings this body have subsequently been held (our G-169⁵), though unfortunately no publicity yet given to Council's establishment. Diem apparently still intends establish centralized intelligence agency but has yet located person considered satisfactory to head it. In talk with Parsons and me October 18,⁶ Diem indicated

²See footnote 3, Document 187.

³See footnote 3, Document 205.

⁴In this airgram, October 17, Mendenhall reported that Thuan assured him in a discussion on October 11 that Diem had revised his view of the internal political situation in Vietnam and realized the necessity for taking political measures to win popular support. Thuan did not specify what measures Diem proposed to take, but he informed Mendenhall that the United States would be pleased by them. (Department of State, Central Files, 751K.5/10-1760)

⁵Dated October 20, not printed. (Department of State, Central Files, 751K.00/10-2060)

⁶See Document 207.

awareness necessity of having trained intelligence personnel at village level.

4) GVN announced October 18 four cabinet changes⁷ including key ministries of Defense, Interior and Information. We believe caliber new officials represents improvement over outgoing ones, but remains to be seen whether Diem will delegate adequate authority to them.

5) President National Assembly Truong Vinh Le told Parsons and me October 19 National Assembly would be permitted to play more active role than previously. Thuan had earlier told me he and other ministers had been directed by Diem to appear before Assembly to defend budget. These appearances have not yet occurred but may still take place as Assembly's consideration of budget is just getting under way.

At well-attended press conference October 24 Le Truong Quat, new Chairman Socialist Alliance (minority bloc in Assembly), announced program which includes adoption of law on freedom of press, demand for increased prices for agricultural products (especially rice), elimination of Government officials whose actions have widened gulf between Government and people and improved information program, particularly in rural areas. Quat stated freedom press statute would be adopted in months, not years, and repeated this later to Embassy Officer. Embassy Officer also told in talk with Nguyen Thai, Director of *Vietnam Presse* that Quat's program was proposed with permission Ngo Dinh Nhu. Thai also said in response query that program was presented by "opposition" bloc because it would look better politically if Government appeared to be conceding points to opposition. In view of these indications as well as fact that Quat is close to Ngo Dinh Can, we believe program he has proposed, especially press statute, likely soon to be adopted though not until April 1961 session of National Assembly.

6) According to Thuan, Minister Agriculture Dong and Vice President, GVN is actively studying question of raising price which peasants receive for paddy (our G-163).

7) Diem in talking with Parsons and me criticized poor rural administrative organization. Indicated special effort under way to send better personnel to countryside and stressed importance of building "infrastructure" at village level.

8) In same conversation, Diem expressed intention to activate constitutional provisions for establishment of National Economic Council, members of which will be popularly elected by various economic groups.

⁷See footnote 5, *ibid.*

9) Diem also stressed need and activity in organization, training and assisting youth of country. In recent weeks we have noted increased publicity on sports, artistic, and other types competition among youth, indicating GVN realization of desirability of offering frills as well as goading youth to security and other duties.

10) Saigon Prefecture announced October 21 that cabarets would henceforth remain open until 2 a.m. Some months ago restriction of closing at midnight was imposed and brought about considerable grumbling. New step is evident concession to popular feeling indicating some relaxation of puritanical atmosphere Ngo family has tended generate.

11) Diem's October 26 message to people contained appeal for unity and active participation by all in struggle against Viet Cong but did not include any concrete gestures for purpose bringing about unity behind Government (our 905⁸).

Conclusion

We believe above indications are sufficient demonstrate that Diem has become concerned about political situation and is seriously making effort to regain popular support. It is too early however to state however all of indicated steps summarized above are sincerely intended and will actually be carried out or whether some of them may merely prove to be window dressing designed to try to fool us Americans as well as discontented Vietnamese circles. Moreover, while above steps certainly look in right direction, it is questionable even if they are all carried out that they alone will be sufficient to reverse present political trend. Remains to be seen whether Diem will take really dramatic measures in time and of scope apparently required to bring about a real change in political tide.

Nevertheless it seems evident that there has been some change in Diem's political attitude and thinking in recent weeks and we therefore have more hope than earlier that in this atmosphere he may take the political measures which are desirable in his own interest for preservation of his regime.

Durbrow⁹

⁸In telegram 905, October 27, the Embassy summarized Diem's speech of October 26 as described above, but noted that Diem did not make any "concrete gestures" at unifying the country in the fight against the Viet Cong. (Department of State, Central Files, 851K.4711/10-2760)

⁹Mendenhall's name is typed below Durbrow's on the source text, apparently as drafter.

214. Letter From the Ambassador in Vietnam (Durbrow) to the Assistant Secretary of State for Far Eastern Affairs (Parsons)¹

Saigon, November 8, 1960.

DEAR JEFF: As you are aware, the Country Team is in the process of working on an over-all counter-insurgency plan in order to induce Diem to take needed actions which would put him in a better position to fight the growing VC threat. My frank talk with him on October 14 was part of this plan. Diem has taken a few steps in the political, economic and social fields along the path that I suggested to him on October 14th, but they certainly are not far-reaching nor dramatic enough. We keep plugging to get Diem to take these further steps but he and/or Nhu are still very stubborn.

In connection with this exercise, MAAG has come up with a rather well-thought through counter-insurgency plan to make more effective use of the military means at the disposal of the GVN.² We all feel most definitely that unless Diem agrees to change his methods so as to use the military means at his disposal in a logical manner through a firm chain of command, set up a planning and operations organization, and establish an effective central intelligence agency down to the village level, he will not be able to meet and defeat the VC military threat. The MAAG suggestions are in general very realistic.

As you know, I have felt for some time that, while it is necessary to have more security forces, which I believe can be obtained expeditiously by stepping up the training of the Civil Guard, I have questioned the need to increase the RVNAF force level by 20,000 men. The MAAG paper referred to above gives another plug for this increase. While after further study and trying other more expeditious means, it may be necessary to raise the force level somewhat even up to perhaps 20,000, I still question the advisability of this for the reasons I have outlined in the attached memorandum. Apart from the fact that Diem is not using the available security forces effectively, I am deeply concerned that if we really give him more forces he will continue to think only in terms of defeating the VC by force and will fail to take the additional political, social, economic and psychological actions he must take to try to win over the population. In any event, since the question of the force level will be discussed in Washington I thought you might like to have my latest ideas on this subject. Although MAAG has not had a chance to comment on my

¹Source: Department of State, FE Files: Lot 62 D 26, Durbrow. Secret; Official-
Informal.

²Document 210.

memorandum, a copy of which I will give to Admiral Felt who arrives here on the 11th, I thought I should get my memorandum to you in the next pouch.

I am told that although the original MAAG counter-insurgency paper states it will take up two years to train and equip the additional 20,000 men, they now believe they can work out arrangements to cut this time considerably. In any event, I am still firmly convinced that force is not the only answer and we must find some way to get Diem to take the necessary political actions if he is to survive. For this reason I've suggested in the memorandum that we might use the possibility of a force increase as a club to get Diem to act in the political field first.

We hope to have our position paper worked up in the next ten days or two weeks. It will be submitted to CINCPAC, DOD and the Department for comments and suggestions before we present it in detail to Diem. In the meantime we are taking advantage of Admiral Felt's visit to see if we can get him to plug for the needed organizational changes called for now in the military set up.

Keep up the good work.
With kindest personal regards,
Sincerely yours,

Elbridge Durbrow³

[Enclosure]

COMMENTS ON MAAG SUGGESTION TO INCREASE RVNAF FORCE LEVEL TO 170,000

I have continued to give careful thought to the MAAG suggestion that the force level of RVNAF be raised by 20,000. I agree that additional security forces are needed. The question we are faced with is how to create the additional forces as soon as possible. I appreciate that if the RVNAF force level is raised to 170,000 the GVN would be in an even stronger position to counter VC guerrilla activities and at the same time be in a better military posture to face overt aggression from the North. I also appreciate that the addition of 20,000 men would eventually facilitate the training activities of the entire RVNAF and permit more frequent rotation. There is also another consideration which must be borne in mind. If Laos should come under effective, if not full Communist control, Viet-Nam would be outflanked by Communist elements in Central Viet-Nam and suffi-

³Printed from a copy which bears this typed signature.

cient forces would be needed to control the Laos frontier much more effectively than would be the case if Laos were a friendly Free World power.

In giving consideration to the above factors, I have weighed against them several other factors which should be taken into account in order to determine the best way to increase the security forces as expeditiously as possible. In brief, these other factors are:

1. The stepped-up Communist menace is with us now and must be faced immediately with force, arms, matériel and other means, including political, social and economic, available at this time.

2. If proper use is made now of available military, political, social, economic and psychological means at the disposal of the GVN a much better showing can be made against the VC's.

3. Since the immediate threat is a stepped-up guerrilla-subversion VC effort, and overt aggression seems remote, calculated risks must be taken to use available forces and means to conduct anti-guerrilla operations at the risk of reducing considerably the capability of facing overt aggression.

4. In view of the above it seems to me that we have two principal means at our disposal to increase the security forces expeditiously:

- a) Since the actual threat is a guerrilla-type war and probably will remain so, the question arises whether we should continue to base our concept on corps and other large units with their large headquarters which perforce use a large percentage of personnel for other than combat duty. I suggest, therefore, that a large number of additional combat effective could be made available with the minimum of training by using a large percentage of personnel now on staff duty with corps and other headquarters. In view of the terrain, lack of roads in Southeast Asia, as well as the rainy climate, I have, since their inception, questioned seriously the usefulness of corps and divisions in ARVN. This higher headquarters staff personnel has received, I assume, considerable amount of training already and could be made combat effective in a very short time. What are needed, in my opinion, are more smaller units to take aggressive action against comparatively small VC bands. Diem and Thuan have from time to time during the last year complained about the large amount of personnel tied down in headquarters which has reduced the potential for front-line effectiveness considerably. (Incidentally, Thuan mentioned to me on the trip to Kontum November 5th that he had made a study which showed that about 3000 men could be released for combat duty if the corps and division headquarters were eliminated and other headquarters used for operations.) By transferring a considerable proportion of the staff personnel to combat units it should thus be possible to train quickly and assign these men to fill a considerable number of the spaces contemplated in the MAAG suggested force increase of 20,000.

- b) Since the Civil Guard with 54,000 men at present, is an organization in being and all of these men have had a considerable

amount of training, I am of the opinion that we should devote all the time, effort, money and material we can to train as many Civil Guards as possible and thus speed up the effectiveness of the security forces in general. Since it is probable that it will be found that a fairly large number of Civil Guards have had sufficient basic and even perhaps advanced individual training, the planned MAAG training period for many of the CG can be cut considerably, thus getting more well-trained units into the field in a comparatively short time. As the Civil Guard becomes more effective it cannot only give better permanent protection to the countryside but it can relieve a considerable number of RVNAF forces from their present internal security duties to carry the fight to the VC and a certain number could be given further training while on rotation from operations. If at a later date it becomes evident that we need still more security forces to fight on the internal security front and give better protection to the population, we could undertake to train and equip the entire 54,000 Civil Guardsmen instead of the 32,000 now to be trained by MAAG.

5. For these reasons and because it will take approximately two years to recruit, train and equip 20,000 additional men, it seems questionable whether in view of the immediate task at hand, that time, effort and money should now be expended to create such an additional force which obviously can have little or no bearing upon the immediate threat. If after concentrating on creating forces to meet the immediate threat it should become clear that still additional forces might be needed, we could then start augmenting the RVNAF.

6. Unfortunately, Diem still seems to count primarily on force to defeat the VC threat, and if we concur in creating a larger military force, Diem will be more inclined than ever to neglect taking other actions which I believe to be the most important under the present circumstances, namely, political, social, psychological and economic motion to win over the support of the population.

7. Furthermore, the creation of an additional force of 20,000 would greatly exacerbate the already serious piaster problem. It is already evident now that the Vietnamese economy cannot support a force of 150,000 and if we should raise the RVNAF to 170,000 the burden would become more insurmountable and the prospects of Viet-Nam's attaining economic independence would be put much further into the future.

Discussion:

Consideration of all the above factors leads me to the belief that it would be inadvisable now to expend the time, money and effort to increase the RVNAF force level by 20,000 men. As indicated above, we should concentrate our efforts on making the most effective use of available means to:

1. Induce Diem to operate through the Internal Security Council, the Directorate of Planning and Operations, and a rigid chain of command.

2. Once a proper chain of command is set up, reunite various units in their basic organizations; i.e., battalions, regiments, divisions, and corps, if that is really necessary, so that they may be used effectively and not on a piecemeal basis, as at present.

3. Take the calculated risk of reducing the number of divisions or units held in the High Plateau and Central Viet-Nam primarily to defend against overt aggression and use these units in the anti-guerrilla operations either there or elsewhere. I believe we should assume that if overt aggression should take place, at least the United States, if not SEATO, would send substantial forces in to help defend Viet-Nam.

4. Concentrate our main effort on reducing ARVN staff personnel to make more combat effectives and in training and supplying and making the Civil Guard, and organization already in being, as effective as possible in order to give permanent protection in the countryside, relieve ARVN of static security duties and permit ARVN to concentrate on fighting the VC guerrilla threat, and eventually obtain more conventional training to be in a position to meet any overt aggression which might take place.

5. In order to assist ARVN and the Civil Guard, as well as perhaps the Self-Defense Corps, we should do all in our power to supply arms, equipment and matériel especially suited to assist in anti-guerrilla operations. These supplies coming under MAP would not cause a piaster problem or necessarily disrupt the economy and if properly used would greatly increase the effectiveness of anti-guerrilla operations.

6. If the situation still remains serious a year or so from now, and if Laos should come more and more under Communist control, we should be prepared to increase our training and equipment program for the Civil Guard up to its present strength of 54,000. Such a well-trained para-military force, apart from its other duties, could be used for patrolling all frontiers to prevent infiltrations. Such increased training of the Civil Guard would not require large additional piaster expenditures, since the 54,000 are now being paid out of the GVN budget but U.S. support for the full 54,000 would require further MAP expenditures. While this would increase the U.S. dollar expenditures for MAP supplies, I believe it would be less in both dollars and piasters than the cost which would have to be met by increasing the RVNAF by 20,000. If later the situation warranted we could then increase the RVNAF force level to 170,000.

7. As I have made clear on many occasions, in my estimation, one of the principal immediate needs is to induce Diem to take the

necessary political, social, psychological and economic actions to win over the population. The increase in the RVNAF probably would distract him from taking these steps, and if the Civil Guard is properly trained he would have sufficient security forces to meet that part of his problem more expeditiously than starting to train 20,000 more ARVN personnel who would not be available for combat duty for about two years.

8. In view of the fundamental importance of getting Diem to take dramatic political steps which are needed to rectify the situation, such as those I suggested in my talk with him on October 14,⁴ we might use the possibility of granting him an increase in RVNAF personnel to get him to take these most essential political steps. Provided we had clearance from Washington to increase the RVNAF to some justified level above 150,000, we could tell Diem that while we might be in a position to assist him to increase his force level we believe it is first necessary to take at least the most effective political steps we suggested to him on October 14th in order to obtain the maximum political support from the population. We could add that if after these steps are taken it still seems essential to increase the RVNAF, we believe we could obtain the proper authorization from Washington. In other words, we need another club to get him to take the essential political, economic and social steps which are needed immediately to try to win over the population, as well as to induce him to accept the basic premise of the MAAG military counter-insurgency plan.

ED

⁴See Document 203.

215. Editorial Note

Late in the afternoon, Washington time, November 10, numerous reports of an attempted coup against the Diem government in Saigon came in on all channels of communication—naval and army attachés, Military Assistance Advisory Group, Department of State, and Central Intelligence Agency. These reports are filed primarily in three areas: Department of State, Central Files, 751K.00; Saigon Embassy Files: Lot 65 F 115, 350 Internal Political Affairs, Vietnam (GVN) November Coup, and 350 Internal Political Affairs, Vietnam—GVN—Nov. Coup (military message); and Vietnam Working Group Files: Lot 66 D 193, 83.VN 1960—Attempted Coup d'État.

216. Telegram From the Ambassador in Vietnam (Durbrow) to the Department of State¹

Saigon, November 11, 1960—7 a.m.

998. Critic. Verbatim text. Embassy officer talked by phone with SecState Presidency and Deputy SecState Defense Thuan at 0610 at this house. Thuan, who remains free, said he talked with Diem 15 minutes earlier and everyone at Palace safe at that point. Thuan understands paratroopers (apparently about one battalion) mounted coup attempt as they had done in Laos.

Thuan had report indirectly from Reuters correspondent Russell that rebels using PTT as headquarters. I had same report from *Time* correspondent Wilde but personal observation by American official about 0545 indicated area around PTT quiet. Thuan most interested receive that report.

Wilde told me at 0550 he had talked with a Lieutenant Colonel Dong² who taking credit as coup leader. Dong believed to be Paratroop Battalion Commander and said he spent four months at Leavenworth in 1958. Reported to be 30 years old. Dong claimed control airport, Presidential Palace, and other key points in city area. Dong reportedly told Wilde this is anti-Communist coup mounted because the Diem government not effective enough in dealing with present situation. Dong claimed all cabinet ministers captured. However, we talked subsequently to Thuan and know that claim not true. At 0620 Colby from his house could tell that Palace not yet seized but firing still continues in front of Palace and situation appears to be at stalemate at moment. We thus believe Dong's claims greatly exaggerated but outcome still not certain.

Radio Saigon broadcasting music about 0615 and thus apparently not under rebel control.

Durbrow

¹Source: Department of State, Central Files, 751K.00/11-1160. Limited Official Use Only. Received November 10, 9:25 p.m. This telegram was apparently not sent through Department of State channels.

²Lieutenant Colonel Vuong Van Dong.

217. Telegram From the Secretary of State to the Embassy in Vietnam¹

Washington, November 11, 1960—12:47 a.m.

770. Durbrow from Parsons. Deeply concerned at turn events. Commend your prompt reporting.

While difficult evaluate situation this stage, it does seem vital that every effort be made preserve maximum constitutionality, having in mind Vietnamese and world opinion.

Know you will bear in mind importance prompt stabilization situation in view overriding Communist menace.

In view his great services to his own country and cause of freedom, we do hope that at this difficult hour President Diem and family will be treated with all due respect.

Herter

¹Source: Department of State, Central Files, 751K.00/11-1160. Secret. Drafted by Parsons and Cleveland; cleared with Wood. Repeated for information priority to Phnom Penh, Bangkok, Vietiane, Paris, London, CINCPAC PolAd, and Taipei.

218. Telegram From the Ambassador in Vietnam (Durbrow) to the Department of State¹

Saigon, November 11, 1960—3 p.m.

1015. From various . . . Embassy reports it obvious situation still fluid although as of 1240 hours apparently firm reports (Embtel 1012²) state General Ty and General Hoang, Commander Capital Military Region, presumably captives of Colonel Thi,³ paratrooper commander and apparent leader coup, negotiating at Palace with Diem. Objectives military revolutionary committee not clear, although their broadcasts Radio Saigon and other information proclaims their anti-Communist stand, desire unify South Viet-Nam against Communists. Committee apparently does not necessarily

¹Source: Department of State, Central Files, 751K.00/11-1160. Secret. Repeated for information to Manila for Felt and CINCPAC PolAd. Passed to OSD, the Department of the Army, Navy, and Air Force. Received at 9:05 a.m.

²According to telegram 1012 from Saigon, November 11, 1 a.m. (received in Washington November 11, 2:20 a.m.), Gardiner of USOM learned from Vice President Tho that Generals Ty and Hoang were in rebel hands and were at the Presidential Palace with coup leader Colonel Thi in negotiations with Diem. Tho had this information from three reliable sources. (*Ibid.*)

³Colonel Nguyen Chanh Thi, an airborne brigade commander.

wish eliminate Diem completely but committee broadcasts state "army rose to overthrow Diem government".

Through . . . contact with Colonel Thi . . . I am seeking clarification committee objectives.⁴ Would then hope determine whether Diem might reasonably accept most of these to permit some form of collaboration between committee and Diem.

This might amount to major changes such as elimination Nhus, etc., and neither I, General McGarr, nor other senior American officials will act as mediators. Above will be carried out through lower officers

President Diem earlier in day passed message through Father De Jaegher,⁵ Belgian priest who acts as unofficial contact between Diem and local Chinese community, requesting "US Marines land to protect American lives and hold Saigon airport" (airport apparently already hands rebels). Believe this action obviously not called for now. Will endeavor make this clear Diem. Still no reports any American casualties at 1350.

Durbrow

⁴According to telegram Critic 10 from Saigon, November 11, received at 6:11 a.m., while Thi accepted the idea of compromise with the Diem government, he would not compromise on his demand that Diem should leave office. (Department of State, Central Files, 751K.00/11-1160)

⁵Reverend Raymond J. De Jaeger, General Representative of the Free Pacific Association, Far East Area.

219. Telegram From the Ambassador in Vietnam (Durbrow) to the Department of State¹

Saigon, November 11, 1960—5 p.m.

1019. Secretary of State for Presidency Thuan phoned me at 1410 that armor en route from My Tho has already arrived Phu Lam and two battalions will also arrive here from My Tho in half hour. He said Seventh Division Troops from Bien Hoa have arrived at Ben Loi bridge en route Saigon.

I asked Thuan whether intention was to use these troops try to relieve Presidential Palace. Thuan replied he thought so and asked whether I considered this good idea. I told him that I hoped that

¹Source: Department of State, Central Files, 751K.00/11-1160. Secret; Niact. Received at 7:22 a.m. Also sent niact to Manila for Felt and CINCPAC niact for PolAd. Passed to OSD and the Departments of the Army, Navy, and the Air Force.

Revolutionary Committee and President Diem could get together and agree to cooperate as Civil War could only benefit Communists. I added I hoped committee would not have too unreasonable demands so that they and President could get together. I repeated this line two or three times to Thuan.

I also told him that we had report that Diem had asked for entry U.S. Marines through Father De Jaegher. I told him Marines could not be sent in as they are not near here and their entry would require Washington decisions. I suggested he get word to Diem that we would not bring in Marines.

We talked again with Thuan at 1440 who had received report at this time from Ngo Dinh Nhu about negotiations in progress at Presidential Palace between Diem and Revolutionary Committee.

This committee, according Thuan's information, consists of Hoang Co Thuy and some paratroopers whom he did not identify. He said certain paratrooper representatives of committee carrying on negotiations with Diem. Nhu states Diem is seeking moderate solution and that is reason he directed troops not to fire on attackers.

According Thuan, Nhu told him Revolutionary Committee is demanding that Diem become "supreme adviser" (apparently an honorary title without executive authority). Thuy and paratroopers would constitute cabinet. According to Nhu, if solution proposed by committee prevails "military regions" would not accept it. Nhu told Thuan committee is trying get in touch with McGarr and me and Nhu thinks we should urge committee agree retain Diem as President because of his great prestige.

I told Thuan committee not in touch with me. I said there was no change in U.S. position that Diem is President. I said Diem and committee should try arrive at strong compromise as possible to oppose VC in view necessity confronting them with unified front. I indicated if one side or other has to make some concessions in order reach agreement I believed that desirable in order ensure unity against Communists.

Thuan phoned again at 1450 to say he had relayed my position to Nhu and Nhu urged that I take steps to get in touch with committee and ask it keep Diem as President because of his prestige. He said only demand committee has made was that Diem become "supreme adviser". I said if committee gets in touch with me I will find out what its demands are and said I continued feel strong [*strongly*] compromise desirable.

At 1500 General McGarr phoned me that Revolutionary Committee and press representatives were at his home and he wanted to know what line he should take with them. I told him to impress following on revolutionary group. We hope revolutionaries will keep President Diem in active role because of his prestige both in Viet-

Nam and abroad. Beyond that, we cannot give them any advice, and their problems must be worked out by them. However, we strongly support united stand against Communists. I emphasized McCarr should not talk to the revolutionaries in presence of press representatives who had accompanied Revolutionary Committee representatives to McCarr's house, and suggested conversations in separate room.

This is interim report.² More to follow.³

Durbrow

²The Department of State responded to this report in telegram 774 to Saigon, November 11, 3:58 p.m., as follows:

"While coup evidently aimed particularly at Diem entourage, would hope Vice President Tho who has not been closely associated with activities Diem and his family could continue play important role GVN regardless status Diem. Tho's experience and knowledge of current government problems would seem be extremely useful in maintaining legality and continuity of government. Believe he respected and trusted by ARVN." (*Ibid.*)

³Document 221.

220. Telegram From the Ambassador in Vietnam (Durbrow) to the Department of State¹

Saigon, November 11, 1960.

1022. Joint Embassy USIS msg. Following is line being taken locally with press re current crisis here, if asked:

"Representatives of both the Diem government and the Revolutionary Council have been in touch with the American Embassy. They have stated their respective positions and the Embassy has made clear, in response, that the American Ambassador remains accredited to President Diem so long as he remains president. The Embassy has emphasized that the policy of the United States remains firmly committed to the anti-Communist struggle in Vietnam as elsewhere in the world."

"So far as the alleged differences between the 'opposition' and the government are concerned, the American Embassy is of course not in a position to mediate or even to comment upon them. They are of concern to the Vietnamese government led by President Diem and to the people of Vietnam. The Embassy has told both parties, however, that its prime concern is the reestablishment of unity in the

¹Source: Department of State, Central Files, 751K.00/11-1160. Priority. Received at 9:32 a.m. Marked "Department pass USIA."

country in its fight to maintain its freedom. We hope there will be no further bloodshed."

Durbrow

221. **Telegram From the Ambassador in Vietnam (Durbrow) to the Department of State¹**

Saigon, November 11, 1960—7 p.m.

1025. 1. Rebel delegation visiting General McGarr (our 1019²) requested that McGarr or I accompany Lt. Col. Dong, Paratroop Battalion Commander, to Palace for negotiations in order guarantee his safety. After I indicated undesirability that McGarr or I be directly involved, Nhu called expressing hope we would send representative, if not possible above named then someone else. Nhu given treatment re necessity some compromise although we hoped President retain active role. Whole problem subject negotiations and must reflect degree of force held by each side.

2. Vice President Tho also called me to urge we send representative to accompany Lt. Col. Dong to Palace. I also urged compromise on Vice President.

3. During considerable negotiations with Hoang Co Thuy, . . . officer made same points but found him adamant necessity Diem go. . . . officer strongly emphasized necessity compromise in course of actual negotiations, and our feeling that Diem should be retained in active role.³ Same line as to Thuy given Col. Thi, Paratroop Commander, by separate . . . officer.

4. I decided with requests from both sides to send representative to accompany Dong to Palace but this proved unnecessary as Dong had meanwhile worked out other arrangements for safe-conduct to Palace.

5. General telephoned me from Palace at 1735 to state both sides had made positions clear in just concluded talks at Palace. Khanh said question now being considered further at Palace. I told Khanh about my willingness that I or other American serve as safe-conduct since both sides has [*had*] asked me. I told Khanh if Dong asked

¹Source: Department of State, Central Files, 751K.00/11-1160. Secret; Niact. Received at 10:42 a.m. Sent also niact to CINCPAC PolAd; repeated for information niact to Manila for Felt, priority to Bangkok, and to Vientiane and Phnom Penh.

²Document 219.

³See footnote 3, Document 241.

again I would also tell him this. In response Khanh's question I said Dong not in contact with me.

6. SITREP⁶ will provide Phnom Penh, Bangkok, Vientiane with summary earlier messages not repeated those posts.

Durbrow

⁴See Document 224.

222. Telegram From the Air Attaché in Vietnam (Toland) to the Chief of Staff, United States Air Force (White)¹

Saigon, November 11, 1960—11:55 p.m.

C-115. For AFCIN and AFCIN 1-E-A. Subject: military coup Saigon Viet Nam SITREP yellow one. Ref ALUSNA and USARMA Saigon Critics and Embtel Critics 993, 994 and Embtel 1003 to State.² At approx 1915Z, 10 Nov 60 major force of ARVN paratroopers assisted by marines and regulars seized all major military control points city Saigon and airport, incl the Presidential Palace, the postal, telephone and telegraph, services, national police HQ, security services HQ, gestapo HQ (HQ of Dr Tuyen), ARVN general staff HQ and entire Camp Tran Hung Dao, VNAF and civilian facilities Tan Son Nhut airport, Saigon radio and military radio, all major govt buildings, palace guard HQs and barracks, ARVN workshop, and navy HQs. Heavy fire including light and heavy machine guns with tracers grenades, carbine, M-1 and other auto and semi-auto wpns (possibly mortars) or tanks and other armoured vehicles lasted one hour plus with sporadic and intermittent heavy and light arms fire continuing as of 0130Z, 11 Nov 60. AIRA made visual observations entire city including all installations above with exception Presidential Palace where permitted to pass one block away on south side. Paratroopers in control all major installations with exception of marine-navy sector Saigon in hands of marines. AIRA sources reports large number military casualties l'Hospital Gralle awaiting treatment; un-

¹Source: Department of State, Saigon Embassy Files: Lot 65 F 115, Internal Political Affairs, Vietnam-GVN-Nov. Coup. Secret; Noform; Operational Immediate. Repeated for information to CMDR MATS, CMDR SAC, CMDR PACAF, CMDR 13 AF Clark, CMDR 5 AF, Air Attaché Bangkok, Army Attaché Phnom Penh and Vientiane, CMDR WESTAF, CMDR 1503 ATW, CMDT 315 AD Tachikawa AB Japan.

²None of these preliminary reports of the coup are printed. (All telegrams specifically cited are *ibid.*, except telegram 993, November 10, which is *ibid.*, Central Files, 751K.54/11-1060.)

known number dead, but two military dead observed on street. No major GVN counter actions noted thus far. Police isolated, chief national police seen under para guard national HQ. City police making selves scarce; those observers on duty handling normal traffic. Australian mil att reports holes observed in Palace wall made by rebels. British mil attaché reports GVN seeking aid from Seventh Div and other units near Bien Hoa. No ARVN units observed near or in city coming rescue Diem. No info obtained re Diem status as Palace prisoner; unknown whether he alive, dead, holding out, or having surrendered. Terms of ultimatum given President by rebel forces not yet known. No names leaders of coup group yet confirmed. No radio broadcasts by rebels yet reported however, AIRA source reported Maj Gen Duong Van Minh (Big Minh), Maj Do Cao Tri and Lt Col Dai Ta Loc leaders of paratrooper coup forces scheduled takeover city 19 Nov. Control points now in hands of rebel forces and executed plan of coup follows plan given AIRA and suggests strong possibility these individuals involved. Civilians calmly proceeding about normal daily activities and taking coup in stride. Initial reaction indigenous AIRA interviews indicate man on street glad of heart and hope rebels successful. AIRA comments: 1. Coup appears success as of moment. Evidence point no will on part of forces guarding President and GVN officials oppose armed rebel insurrection. Coup well executed by rebels. AIRA doubts ARVN mil units outside Saigon willing effect counter coup. Rebel forces appear well armed and in strategic control major command posts. No US or other foreign personnel known to have sustained injury or property damage except for stray bullet holes in houses. It AIRA belief Diem will capitulate to rebels or commit suicide before nightfall. Should point out suspected leaders inner circle coup group all South Vietnamese except AIRA informant; if rebels desire turn populace against northern Vietnamese in South Viet Nam, coup will result in great bloodshed. AIRA suspending USAF landings Tan Son Nhut until further notice. Pres Diem has issued urgent appeal over short wave radio palace for outlying GVN troops attack city and suppress coup.

223. Notes of a Telephone Conversation Between the Assistant Secretary of Defense for International Security Affairs (Irwin) and the Under Secretary of State for Political Affairs (Merchant), Washington, November 11, 1960, 2:15 p.m.¹

Mr. Irwin said he was calling about Saigon. There were some thoughts expressed in Defense as to the contacts that could be possible and things that could be said by the military there to this new military group which had some fairly close relations with some of our people and the fact that it might come more acceptably from them than from another source. Defense wanted to discuss the advisability of this and what, if anything, should be said.

Mr. Merchant said he felt the thing to do was for our military in Saigon to follow the Ambassador's guidance. It is still a terribly confused situation. State has put out a press statement here to the general effect that we did not believe that the action was communist-inspired, that we deplored disturbance and bloodshed in a friendly country particularly one bordering the communist world, and that we hoped for an early restoration of peace, order, and stability. The Department approved the line that Ambassador Durbrow has been taking. It is a little early to sort out any particular approach. A very considerable degree of discretion has to be left in the hands of the Ambassador. Did Defense have any particular ideas as to the line-up forces?

No, replied Mr. Irwin, but it was felt that if there were high-ranking people there, what should they say. Admiral Felt, who is en route to Bangkok, might usefully stop there.

Mr. Merchant said he thought it would be far better for him to stay out.

Mr. Irwin said one view in Defense was that it would be better for him to go there, in which case, what should be said and to whom.

Mr. Merchant said his own view is that we have to operate on general principles in this confused and rapidly changing situation. We have to leave it up to the political judgment of the Ambassador to use his instruments as seems best. Mr. Merchant himself would be opposed to have CINCPAC in that country at this particular time unless it was decided that there was some particular point we wanted to get across. For the moment we want to sit fairly tight and watch developments. Mr. Irwin asked what line Durbrow was taking.

¹Source: Department of State, Central Files, 751K.00/11-1160. Transcribed by Sue S. Pakis, Merchant's secretary.

Mr. Merchant replied that essentially it was that no one can profit from a civil war except the communists and anything done to humiliate or downgrade a man of Diem's stature is not going to help.

Mr. Irwin said some things may depend on the attitude of the particular military toward not only the U.S. but toward the Embassy or MAAG.

Mr. Merchant said he had not, of course, seen all the traffic regarding the coup but he has read about 40 telegrams so far, and from his own reading no anti-American attitude was noted and the general principles on which they are operating seem pretty good. But as far as personalities are concerned, it's still confused. He did feel strongly that this was no time to have an officer of Admiral Felt's position and rank going into the country. He hoped that Defense would check this out with State.

Mr. Irwin said naturally they would check it out and he would keep in touch with Jeff's area² and check out with them if they have anything specific in mind.

Mr. Merchant continued that he thought we must give latitude to the man in charge on the spot and let him play the cards in this rather confused initial stage.

Mr. Merchant then asked if Mr. Irwin had had the latest word on the jets for Cambodia and Mr. Irwin said that he had heard from Mr. Gates that the President said to go ahead.

The conversation closed with Mr. Merchant stating we would keep in touch with Defense and asking that Defense keep in touch with Mr. Parsons on the Saigon matter.

²Reference to J. Graham Parsons and the Bureau of Far Eastern Affairs.

224. Telegram From the Ambassador in Vietnam (Durbrow) to the Department of State¹

Saigon, November 12, 1960—1 a.m.

1035. SITREP Number 1 as of 1700 November 11, 1960.

¹Source: Department of State, Central Files, 751K.00/11-1260. Secret; Niact; Noforn. Received November 11 at 3:45 p.m. Repeated for information priority to Bangkok, Seoul, and CINCPAC PolAd; repeated also to Phnom Penh, Vietiane, London, Paris, Manila also to pass to Felt, New Delhi, Taipei, Tokyo, Hong Kong, Singapore, and Ottawa. Marked also for passage to the Assistant Chief of Staff for Intelligence of the Department of the Army, the Director of Naval Intelligence, and the Air Force Chief of Intelligence.

At about 0330 local time November 11, units of first, third, fourth, and eighth ABN Bns began coup d'état by seizing several government buildings in central Saigon and placing presidential palace under sporadic small arms fire; explosives, grenades, machine guns and mortars also used. Police and other security forces disarmed, but services not otherwise disrupted. Palace defended by presidential guard although attacking paratroopers began to force way into palace grounds and seized one or more of guard houses at edge of grounds.

Cabinet members reported seized by paratroopers but this apparently false since we know many of them remain free. At 0650 Secretary State Thuan told Embassy officer by telephone that rebels had attempted seize him at home but he escaped. Thuan said rebels control military radio system but claimed GVN still controlled Radio Saigon, but rebels gained control later. Rebels reported to be in control of Tan Son Nhut airport and were manning roadblocks at certain points in city. Rebels also claimed military committees set up Dalat, Bien Hoa and Vung Tau.

At 0940 radio began broadcasts in Diem's voice repeated at five minute intervals stating coup attempted by some middle-ranking officers, communications between GHQ and capital military region temporarily out, calling for tank unit and one BN forces proceed from My Tho to outskirts Saigon to await further orders.

Heavy sporadic firing in palace area ceased about 1030.

Occasional firing heard throughout city. Except for disturbed areas near palace most markets except main city market and shops remained open, but in afternoon streets almost vacant. Newspapers appeared in afternoon. City utilities not affected.

About noon four planes observed from Embassy apparently dropping leaflets urging troops not to fire on palace. Navy apparently neutral, naval area guarded by navy police, gunboat cruised up and down river all day but took no action.

Around noon statement of self-proclaimed "revolutionary committee" broadcast by Saigon Radio. Committee apparently composed of Generals Pham Zuan Chieu and Le Van Kim and Colonel Nguyen Chanh Thi of airborne command, but . . . source reports Chieu and Ty at first said that they prisoners of rebels and only Kim siding with rebels. Later became apparent they siding with rebels. According . . . source other members committee are Lt. Col. Vuong Van Dong, former deputy CO ABN group and Hoang Co Thuy, Saigon lawyer who deputy chief of committee. Same source reports original committee program as follows:

1. Removal of Diem because he so unpopular no effective leadership against Viet Cong possible while he in office.
2. Unite people to fight Viet Cong.

3. Gradually increase democratic liberties such as press freedom.
4. End corruption and thus widen access to economic benefits.
5. Hold free elections and end provisional government when situation stabilized.

Secretary of State Thuan told Ambassador at 1415 that armor from My Pko had arrived Phu Lam (outside of Cholon) and that "two bns" from My Tho would arrive in half hour. Seventh Division troops from Bien Hoa, according Thuan, enroute Saigon to relieve palace. At 1440, according Thuan, negotiations still in progress at palace between Diem and revolutionary committee. Thuan stated Ngo Dinh Nhu told him revolutionary committee demanding Diem become "supreme advisor" (apparently a figure head with lawyer Hoang Co Thuy and paratroopers as cabinet).

Although rebels reported to have delivered ultimatum to Diem to capitulate by 1400, negotiations apparently still continuing as of 1700 and rebels have taken no further action to attack palace although they remain in force in palace area. Tanks and other armored vehicles in palace area apparently partly rebel forces but part also apparently loyal.

. . . source reported at 1520 that Col. Thi accepts necessity of compromise on part both sides but insists Diem must be removed. Thi reportedly stated tanks arrived from My Tho have agreed support rebels and he has told them to help maintain order throughout city. According Thi, paratroopers remaining outside palace grounds until conclusion negotiations.

Col. Phat, Co Civil Guard, reported to USOM officer during afternoon that he and CG supporting president against rebels, that CG units waiting on outskirts city for orders from presidency as to next action. Other reports indicate some CG siding with rebels Saigon area.

Political opposition element, exploiting situation to distribute leaflets praising coup and condemning Diem Regime.

At 1700 hours no military activity but large number armed troops, some rebel and others loyal, positioned in area around palace.

Durbrow

225. **Telegram From the Ambassador in Vietnam (Durbrow) to the Department of State¹**

Saigon, November 12, 1960—7 a.m.

1040. Preliminary indications according to . . . information from revolutionary committee are that agreement has been reached between committee and Diem Government along following lines:

1. Diem to remain as Head of State which would be only titular position.

2. Government to consist of General Le Van Ty as Prime Minister and several other generals. Lt. Colonel Dong, parachute battalion commander, who seems to be real leader of coup, states he has chosen generals who are to form government, naming Xuan, Chieu, "Big" Minh, Don, and Kim.

3. Revolutionary committee will remain in existence with membership consisting of Colonel Thi (paratroop commander), Dong, a Major Loi (. . . seeking information), and Hoang Co Thuy (Catholic lawyer from Hanoi, original Diem supporter and apparently anti-commie).

Dr. Phan Quang Dan . . . will not for present be member revolutionary committee, but stated he would like see me shortly. Colonel Dong considers it very important for United States to make prompt statement of support of new government.

I thus may be confronted by necessity of acting rapidly in manner which will in effect commit US with respect new government. Rapid action appears important for two reasons: To endeavor prevent any thought from arising in minds new government of turning away from US toward neutralist stand, and to convince commies that crisis has been quickly resolved and they cannot profit from it.

Accordingly, assuming that we get firm information that Diem has agreed to arrangement substantially similar to that outlined in first paragraph above, I plan make public statement along following lines: New government has come into power in Republic of Viet Nam. I understand that government will consist of group of generals headed by General Le Van Ty and that Mr. Ngo Dinh Diem will remain as Head of State. This new government is committed to maintenance of integrity of free Viet Nam against all efforts by commies to subvert it and take it over. I feel certain that I shall enjoy same close relations with new government of Republic of Viet Nam as with previous one and that we shall be able to continue our effective collaboration against our common enemy of communism.

¹Source: Department of State, Central Files, 751K.00/11-1260. Confidential; Niact. Received at 8:57 p.m. Repeated for information niact to Manila for passage to Felt and to CINCPAC PolAd; sent priority to Bangkok, Phnom Penh, and Vientiane.

Department may wish comment on above but will understand it maybe necessary issue statement before Department reaction received.² Also should be understood that some changes may have to be made in statement outlined above depending upon developments in situation. By personalizing my support statement, I should leave Department opportunity disown it if should become imperative.

Recommend Department be prepared rapidly to express publicly U.S. support new government. If Diem remains as Head of State, statement will not need contain any indication of recognition of new government. Strongly recommend Department's statement not be issued without further cable from me.

Durbrow

²The Department of State responded in telegram 778 to Saigon, November 12, 12:02 a.m., as follows:

"If outcome of coup is formation provisional government along lines described reftel, concur your issuance statement of type you propose. Your suggestion of personalized message especially appreciated by Department.

"Our only comment would be that you might wish edit: (1) omit word 'Republic' before 'Viet Nam' and (2) in first sentence, change order to place President Diem at beginning rather than end.

"After receipt your cable of confirmation, Department plans express informally to press our satisfaction that internal conflict in Viet Nam solved quickly and the new government strongly anti-Communist. Would say we looking forward continuance of our good relations with people and GVN." (*Ibid.*, 751K.00/11-1260)

226. Telegram From the Chief of the Military Assistance Advisory Group in Vietnam (McGarr) to the Commander in Chief, Pacific (Felt), at Manila¹

Saigon, November 12, 1960—4:21 a.m.

MAGTN-PO 1432. Situation still confused. My assessment, as of 2200 hours local time based on information available from GVN sources, coup leaders, and MAAG field advisors, follows:

Coup triggered by young junior officers of airborne brigade with no big name behind it. Senior officers Lt General Le Van Ty, Chief of Staff, Brig General Nguyen Khanh and other generals apparently not part of coup. Junior officers have been increasingly more outspo-

¹Source: Department of State, Central Files, 751K.00/11-1160. Secret; Niact; Noforn. The Department of State information copy was received November 11, 9:42 p.m. Dispatched with date-time group 112021Z November. Sent also to CINCPAC, Honolulu; repeated for information to the Departments of State and Defense, JCS, CINCUSARPAC, CINCPACAF, the MAAG Chiefs in Cambodia, Taiwan, and Thailand, and the PEO Chief in Laos.

ken about failure of GVN to handle VC threat, politics in military matters, and failure to announce traditional promotions on 26 October coupled with poor promotion and command policy of president. I do not believe senior officers will participate in coup unless they are convinced such participation will result in tangible benefits to people.

Comment: General Ty, since 2030 hrs local, broadcasting on public every 15 minutes; stating President had signed papers turning government over to General Ty and group of 18 civil and military leaders. He also request that troops go home, and that Col Thi (Paratroop leader) had stated same thing [*sic*]. However Sec Thuan informed my chief of staff at 2200 hrs that this information not entirely accurate. This may indicate that Gen Ty's actions require further evaluation.
End of comment.

An unknown factor is Maj Gen Duong Van Minh, field command. He is reported to have a large following in the army, among which are the two corps commanders, Generals Don and Dinh, as well as number of other senior and junior officers.

Early today General Minh closeted himself at home with a few trusted members of his staff together with corps and regional commanders, Don, Dinh, Hoang, and Tam who originally gathered to discuss periodic review of national defense plans. His house was later surrounded by paratroops but probably because of his popularity, he was able to walk in civilian clothes, past guards and escape to friend's home.

Because of his following and reliability, he could possibly become a symbol of leadership in present crisis. Presently he has done nothing to commit himself to any group although Secy Thuan considers him pro Diem. In past Minh has been pro American favoring many actions outlined in the U.S. counter insurgency plan, in which area he and his staff have also made similar studies. Despite his frequent moves during the day, he has remained in contact by telephone with his U.S. advisor and Asst Sec Def Thuan.

Coup leaders seem to be convinced of their aims but vague in their specific accomplishments. They refused to see me at my office but insisted that they meet with me at my quarters. Conferences with coup leaders and other participants indicated that although may not now demand abdication Diem, they are still insistent Diem rid himself of present entourage and yield to military control.

Both Maj Son, commander of task force mentioned my msg 1429,² and Lt Col Dong, ostensibly second in command coup group

²In telegram MAGTN-PO 1429, November 11, McGarr reported on Major Son as follows:

"Maj Son, CO of rangers from capital region arrived in Saigon from Tay Ninh answering a call from the President. He left Tay Ninh at 0700 hours this morning,

Continued

but apparently brains behind it, appear sincerely interested prevent further fighting between brothers in arms. Also in view apparent initial success negotiations, possibility that situation may be solved without further fighting is encouraging. Troops both sides now deployed in contiguous positions with an atmosphere of comradeship prevailing. Currently all is quiet.

Am however much concerned over VC capitalization on withdrawal troops from capital and 5th regions to meet coup. Up to now, increase in VC activity reported only from Tay Ninh province West of Saigon near Cambodian border. MAAG advisors report VC activity other areas apparently normal.

Attitude people in Saigon generally curious but relatively apathetic, with normal heavy traffic throughout Saigon during day. Reported paratroops herded civilians in front of them in entering Palace main gate this morning thus preventing marines inside from firing.

Believe Diem may have been softened somewhat toward demands of rebels by JCEMO criticism non-Communist oppositionists and by numerous approaches of country team. Most elements of changes proposed by coup group, except military control of government, coincide almost exactly with proposals country team have made to Diem recent months.

Extent to which Diem may yet commit or may have committed himself to concessions to coup group cannot yet be determined. However, presently feel that certain concessions may be made—and in right direction—which may result in attainment many of our own objectives. These to include reforms of government making it more responsive to needs and desires of people and requirements of internal security situation. This is predicated, of course, on ability coup group to prevent communist infiltration their movement.

without knowing what the situation was in Saigon within 10 meters of paratroops. They are exchanging conversation with paratroops as they, rangers, do not know situation. Son also has one regt composed of 11 companies and 2 inf regts waiting on his call at a half hours distance from Saigon. *Comment:* Believe confirm presence of 3 regts within 30 minutes of Saigon. Believe Son means 1 regt minus 1 company plus 2 additional battalions. Anticipate that with the reported number of troops withdrawn from Tay Ninh, VC activity will increase soonest. *End of comment.*

"Maj Son feels that situation should be settled amicably without any bloodshed, otherwise VC would profit by it to gain more strength among the population and possibly initiate their own coup. Maj Son also feels that this political situation should be settled with the least delay, otherwise, again the VC would take advantage of this delay to gain popular recognition. Although Son stated he did not wish to fight paratroops, he 'was ordered here by Diem, he is loyal to Diem buy if he must fight, he believes he can whip paratroops.'

"Maj Son added that President Diem is correct but his entourage lacks integrity."
(*Ibid.*)

227. **Telegram From the Chief of the Military Assistance Advisory Group in Vietnam (McGarr) to the Commander, Pacific (Felt), at Manila¹**

Saigon, November 12, 1960—8:39 a.m.

MAGTN-PO 1434. At approximately 0620 H, 12 November, a taped recording President Diem's voice was broadcast several times stating "I, President of the Republic of Vietnam, after the incident at the capital, and in order to maintain all our forces for the fight against communism, suppress the present government, and call the commanding generals to set up a provisional government. In the meantime, I will coordinate with the revolutionary committee to form a coalition government. In order to avoid bloodshed and to check propaganda, I the President, give orders to the commanding generals council to stop firing."

At approximately same time as above, heavy, violent small arms, machine gun and apparently mortar fire was directed on Palace area for about 10 minutes. Fire then reduced in intensity for 10 to 20 minutes and has continued sporadically thereafter.

New subject:

Assistant Secretary Thuan passed word to me that military junta with President Diem as titular head has been agreed to by both sides, and subsequent to above, Major Son, who is commanding loyal troops told me that he has encircled the rebel paratroopers consisting of three companies, and a considerable number are surrendering. Gen Khanh tells me situation is in hand even though sporadic firing continues throughout Palace area.

I will keep you advised.

¹Source: Department of State, Central Files, 751K.00/11-1260. Confidential; Niact; Noforn. The Department of State's information copy was received at 1:11 a.m. Sent also to CINCPAC Honolulu; repeated for information to the Departments of Defense and State, JCS, CINCUSARPAC, CINCPACFLT, CINCPACAF, the MAAG Chiefs in Cambodia, Thailand, and Taiwan, and the PEO Chief in Laos.

228. Telegram From the Ambassador in Vietnam (Durbrow) to the Department of State¹

Saigon, November 12, 1960—2 p.m.

1049. Prior receipt Deptel 775² I decided I must speak firmly with Diem. It evident from troop movements in front of Embassy and from first-hand observers various places center of city troops apparently loyal to Diem moving in to surround paratroopers at Palace and that probably large blood-letting about take place. Following are facts and summary ten minute phone call 0920 12th with Diem.

I opened conversation by stating I deeply concerned at growing evidence pointing to large bloodbath which I insisted must be avoided. I then told him we had worked all day 11th and during night to try to convince rebels not to fire on Palace and thus create bloodbath but to negotiate. I then said that after all these efforts I extremely perturbed, particularly after he had made his announcement of agreement with rebels, that more and more apparent loyalist troops were converging on Palace. I emphasized in most emphatic manner that if loyalist troops were planning to shoot it out with rebels this would have most disastrous effects for all concerned. All that he had done since taking over power and high prestige he held in Free World would be lost. Diem stated that early morning 11th when troops started he thought rebels were Communists. I assured him all our evidence to contrary and Diem frankly admitted his first information wrong. He said he too agreed bloodbath should be avoided and he had instructed Colonel Khiem, loyalist commander fifth military region, to negotiate with rebels in order divide rebel and loyal forces into separate zones to avoid bloodbath battle. I expressed hope such arrangement could be made but reiterated large number troops moving towards center and just at that moment several armored cars moving past Embassy that direction at fast pace.

Diem then said he had been negotiating with rebel's during entire night and while he had agreed their terms, rebels kept broad-

¹Source: Department of State, Central Files, 751K.00/11-1260. Secret; Niact. Received at 4:25 a.m. Repeated for information niact to Manila, priority to Bangkok for Felt, priority to Phnom Penh and Vientiane, and to CINCPAC PolAd. Passed to OSD and the Departments of the Army, Navy, and Air Force.

²Telegram 775 to Saigon, November 11, drafted by Cleveland and cleared by Parsons, reads:

"If still appropriate you may wish inform Diem and at your discretion get word to coup leaders that we consider it overriding importance to Viet Nam and Free World that agreement be reached soonest in order avoid continued division, further bloodshed with resultant fatal weakening Viet-Nam's ability resist Communists." (*Ibid.*, 751K.00/11-1160).

The text is also printed in Department of Defense, *United States-Vietnam Relations, 1945-1967*, Book 10, p. 1327.

casting to people to demonstrate in front of and invade Palace in morning. When he pointed this out to them they promised try to prevent any demonstrations. In other words, rebels had not acted in good faith. I then said I had just heard from eyewitnesses that tanks and troops apparently defending Palace had shot into large mob near Palace, wounding and probably killing many. I reiterated this must stop immediately or entire population would rise up against both loyalists and rebels, and Communists would take over city. I added if bloodbath not avoided, all of Vietnam would go Communist in very short time. Diem then said rebels had broken cease-fire between 0600 and 0630 twelfth and his troops had to reply. I stated we had firm information firing broke out in morning through error and therefore it not too important but repeated he must negotiate immediately with rebels to avoid further shooting.

Diem confirmed he had agreed to creation of provisional government of generals and had agreed to meet with these generals at convenient place near Palace, for instance, foreign ministry, but that rebel generals had not shown up. I stated this probably due fact sporadic shelling continued around Palace and possibly to fact loyal troops had fired into crowd. After Diem reiterated several times rebels had not acted in good faith I told him that all information we had received indicated rebels desired maintain cease-fire, and again exhorted him as friend to not jeopardize all he had done to build up Vietnam and his own prestige if bloodbath takes place and to urge Colonel Khiem to negotiate immediately. He promised to do what he could.

Durbrow

229. Telegram From the Chief of the Military Assistance Advisory Group in Vietnam (McCarr) to the Commander in Chief, Pacific (Felt), in Thailand¹

Saigon, November 12, 1960—2:34 p.m.

MAGCH-CS 1438. Reference Def 985721 from OSD/ISA.²

¹Source: Department of State, Vietnam Working Group Files: Lot 66 D 193, 83. VN 1960—Attempted Coup d'état. Secret; Operational Immediate. Sent also to the Office of the Commander in Chief, Pacific, at Honolulu. Repeated for information to the Department of Defense, JCS, CINCPACREPHIL Manila, CINCUSARPAC, CINC-PACAF, CHMAAG Cambodia, and CHPEO Laos.

²In this telegram, November 11, 6:47 p.m. Washington time, the Office of the Secretary of Defense asked the following questions of McCarr:

Continued

Feel much has already been answered by other messages. Messages MAGTN-PO 1429³ and MAGTN-PO 1432 giving situation and assessment indicated paratroops under coup leaders had surrounded palace. However, many reinforcing Army units loyal to government had arrived Saigon and mingling amicably with paratroops, with apparent capability defeating coup forces if necessary. We did not say that coup group in actual command of situation, on contrary, Diem's agreement to negotiate with coup leaders based on desire not cause bloodshed by having loyal troops fight paratroops. Coup group was not and is not in control of military.

Diem has, however, passed control of government for time being to group of military generals who would work in consultation with revolutionary committee. Actually, Generals (Ty, Big Minh, Don, Xuan, Kim) not yet acting. Brig Gen Khanh, C/C Army, very loyal to Diem, has overall direction of military operations. This morning action described MAGTN-PO 1434⁴ consists of fighting between loyal units and reported 3 companies paratroops. Other paratroops reported on Diem side. Maj Son, described MAGTN-PO 1429, states this group reportedly inspired by direction of a civilian Communist, although top military leaders not Communist. As of 0830 local, elements 5th Div had reinforced loyal troops in Saigon and it reported that two companies paratroops surrendered without struggle. Also, 300 weapons (rifles, machine guns, submachine guns, mortars) captured by loyalists.

With regard ability loyal military leaders to stabilize situation and continue campaign against Viet Cong, General Khanh reports he making every effort maintain unity of Army and has asked all rebel paratroop units move to General Staff headquarters vicinity airport and cease fighting. Believe military situation now under cntl and that good prospects last vestiges of rebel paratroop opposition will be disposed of.

When questioned about meaning of Diem's statement that government entrusted to ARVN generals for "time being" General Khanh stated this to be in effect until government can be reorga-

"Are there units loyal to President Diem which may still attempt put down coup? Does coup group have sufficient control of military to stabilize situation and continue campaign against Viet Cong strongly? What can be done and what is being done to maintain unity of armed forces? Are any MAAG well acquainted with coup leaders? To what extent would they have influence with leaders? In what ways, if any, can Communists take advantage of situation to exert influence in armed forces? What appears situation outside Saigon area on the part of military, of the civil populace, of the Communists? Please include additional information you believe helpful." (*Ibid.*, Saigon Embassy Files: Lot 65 F 115, 350 Internal Political Affairs, Vietnam GVN, Nov. Coup (military messages))

³See footnote 2, Document 226.

⁴Document 227.

nized. Believe much of original purpose of coup group has been accomplished and that reforms will be made, although probably not as sweeping as coup group desired.

CHMAAG impressed strongly on Khanh necessity for getting Generals, who have been sitting on sidelines, in to the act in full support of actions to stabilize situation, and to unify armed forces as quickly as possible to continue fight against Viet Cong.

Comment: Situation created in 5th Military Region by removal large proportion of ARVN could become especially sensitive.

Aside from reported defection (cannot verify) 3 companies paratroops to civilian Communist leader, do not believe Communists have infiltrated Army to appreciable extent. Of course, Communists can take advantage continued unsettled situation to exert influence in armed forces in all traditional ways which are well known to all of us. Other than situation reported herein, no specific Communist moves reported nor known to be imminent.

Situation outside Saigon apparently normal except for increase VC activity in Tay Ninh province (reported previously).

Ambassador has advised of report that large crowd civilians gathered downtown shouting against Diem and stating if paratroops fail, civilians will oust Diem. If true, this to me constitutes greatest present threat since this group probably stirred up by Communists. Communists could well inspire public to unrest or popular revolt if Diem does not come out with proposed reforms ASAP. CHMAAG advised General Khanh and Secretary Thuan of urgent necessity such action and wide broadcast TF reform plans even before last elements rebels put down.

Learned later Ambassador had recommended similar action to Diem, personally. Later attempts verify mob action and activity described above not successful. However, such Communist inspired civilian action could well be logical next phase.

CHMAAG had known Lt Col Dong as student, Leavenworth and believe influence already exerted in discussions described previous messages.

230. Memorandum From the Secretary of Defense's Deputy Assistant for Special Operations (Lansdale) to the Secretary of Defense (Gates)¹

Washington, November 12, 1960.

SUBJECT

Vietnam

With the news that President Diem has put down the revolt in Saigon and is rapidly re-establishing his authority, it would be useful to give some thought to what comes next. Here are some initial personal thoughts which might be of help in considering the situation.

The revolt undoubtedly has taught a lesson to Diem. He might well read this lesson as teaching him to mistrust large segments of the armed forces and, possibly, the utility of the way MAAG advisors are placed with Vietnamese units. After all, officers and men in the revolt were quite close to the American military. Thus, it is possible that he will tend to take even closer personal command of the armed forces and do some shaking by his own personal direction. If so, then this will make General McGarr's role with President Diem of vital importance to the United States. It would be useful to get State's agreement to free General McGarr to confer with President Diem as closely and as continuously as necessary, under only broad guidance to attain U.S. objectives, without the Ambassador insisting upon McGarr checking with him every five minutes.

Of course, the lesson we would like him to learn is that he should change some of his ways, since some of his people felt strongly enough about it to take up arms against him. This is normally a task for the Ambassador, when it comes to conveying U.S. views on such delicate internal matters to a Chief of State. However, it is most doubtful that Ambassador Durbrow has any personal stature remaining. Diem must feel that Durbrow sided with the revolters emotionally. Perhaps he even feels that Durbrow's remarks over the months helped incite the revolt. Thus, it would be useful to get Durbrow out of Saigon. A graceful way would be to have him come home to report.

¹Source: Washington National Records Center, RG 330, Lansdale Papers: FRC 63 A 1803, Vietnam Correspondence 1960. Secret. Also printed in Department of Defense, *United States-Vietnam Relations, 1945-1967*, Book 10, pp. 1328-1329. Printed with that text is a covering note dated November 12 from Lansdale to Colonel Edwin F. Black, a Military Assistant to Douglas. The note reads: "Please pass to Secretary Douglas. Thought you would like to add your own comments." A note by Black, dated November 16, reads: "Mr. Douglas, Concur. The sooner we get Brown and Durbrow out of S.E. Asia the better." Copies of the memorandum went also to Lemnitzer and Irwin.

The necessity of keeping the troops alert to the Viet Cong danger has been passed to General McGarr already. It is the most immediate concern.

231. Telegram From the Acting Secretary of State to the Embassy in Vietnam¹

Washington, November 12, 1960—6:03 p.m.

782. Durbrow from Parsons. Embtel 1049.² While leaving matter to your good judgment feel it would be useful give Diem our views on political causes and effects recent crisis. You may wish convey following:

We are gratified that violence has ceased. We greatly admire steadfast courage which President Diem displayed during this dangerous time. We are gratified but not surprised that during this crisis there was no doubt of the continued determination of VN people and Government to resist Communists. We will continue to support Viet-Nam in this struggle.

However, we would like President to know confidentially that, in our view, while there was no weakening of the anti-Communist spirit, recent events have proven that there is a serious lack of support among military and other elements for many aspects of the Government's policies. It would therefore be very unwise for GVN to take a public posture which could be regarded as too inflexible.

We urge first and urgently that GVN avoid acts of retribution which would deepen existing divisions.

Second, it is clear that much of dissatisfaction which was expressed openly during unusual circumstances of crisis was focused on certain members of President's family. Painful as it may be, we believe these criticisms cannot be ignored.

Third, we wish to recall the other points raised in Ambassador's démarche of October 14 (Embdes 157, October 15³) particularly as concerns the importance of taking dramatic action in a number of fields calculated to strengthen the regime's popular support. You may wish underline that unfortunate implications of Can Lao influence on ARVN has certainly been made abundantly clear.

¹Source: Department of State, Central Files, 751K.00/11-1260. Secret; Priority; Limit Distribution. Drafted by Wood, cleared by Cleveland, approved by Parsons. Repeated for information to CINCPAC for PolAd.

²Document 228.

³Document 205.

Although violence has subsided in Saigon, we believe the regime's prestige has suffered seriously and that actions along the lines suggested should be taken soon.

We would appreciate the President's considered views on these matters.

FYI. You may wish make point re avoiding undue acts retribution soonest and then make full démarche later. End FYI.

Herter

232. **Telegram From the Ambassador in Vietnam (Durbrow) to the Department of State¹**

Saigon, November 12, 1960—11 p.m.

1066. In view of successful outcome Diem resistance to rebels and in view my frank talk with him morning 12th urging he avoid further blood-letting,² I decided to call him to tell him how pleased I was that he, General Khanh and others had been able to put down rebellion without further serious blood shed. I stated this would be well received in Viet-Nam as well as abroad. Diem seemed pleased I had called and stated he had only learned hour or so ago of the trickery used to induce paratroopers attack Palace. Leaders of coup had awakened paratroopers middle night 11th informing them they needed immediately to defend President against Palace guards who had rebelled. Paratroopers who loyal to President immediately followed leaders and attacked Presidential guard barracks and Palace thinking they were fighting to save President. It was not until those of paratroopers who captured radio station heard Colonel Thi's broadcasts that they realized they had been tricked. Most other paratroops did not realize they had been duped until fighting over. (As reported Embtel 1067³ Thuan later told same story stating he had learned it after visiting wounded paratroops in hospital afternoon 12th.)

Diem's explanation gave me good opportunity to open second subject I planned to discuss with him. In view of Nhu's coldly vengeful nature and in view vengeful overtones Diem's radio an-

¹Source: Department of State, Central Files, 751K.00/11-1260. Secret. Received November 13, 3:14 p.m. Repeated for information to Manila, Bangkok (for Felt), Phnom Penh, Vientiane, and CINCPAC for PolAd. Sent with instructions to pass to the Departments of the Army, Navy, and Air Force.

²See Document 228.

³Dated November 12, not printed. (Department of State, Central Files, 751K.00/11-1260)

nouncement to people 1800 12th (Embtel 1063⁴) I thought it might be helpful to get over to Diem that he had a wonderful opportunity to rally all anti-communist elements in nation by leniency in treatment rebels. I therefore stated that since the paratroopers had been duped, and I felt sure many others who may have taken part in rebellion probably did so for misguided reasons, Diem could increase his prestige even further, both in the country and in the free world if he showed forgiveness and leniency in dealing with the rebels and made broad statesmanlike efforts to reunite all military and civilian elements who are anti-communists and thus set up solid front to defeat the only real threat to Viet-Nam. Diem replied I apparently did not understand rebels had caused much blood-letting, many innocent people had been killed and many innocent people duped. I stated that while of course this true I sincerely felt in his interest and particularly in interest of rallying people of country to face VC threat, he should make every effort to use this unfortunate event to really unify all elements of the country and avoid what might appear be vengeful attitude. Diem obviously did not fully concur my suggestion and repeated more than once loyal troops came to Saigon to save the President of the country and even the tricked paratroopers thought they were doing same. Diem said one reason why his troops had fired on crown this morning was that they were told the crowd intended to invade the Palace to harm the President. Therefore, he expressed opinion that leaders who had misled paratroops and other leaders must be punished. I agreed that maybe small number of leaders should not go without some punishment, but reiterated my opinion that if he showed himself to be statesmanlike and generous in this matter he could rally all elements in country to his cause.

Diem made no commitments but I hope I was able diminish the revengeful attitude we had detected. In closing the conversation I

⁴The translated text of this radio speech is in telegram 1063 from Saigon, November 12, 11 p.m. Saigon time. It reads as follows:

"After the uprising in the capital, I—President of the Republic—eager to preserve intact the military forces for dealing with the Communists, have agreed with the President of the National Assembly to find a conciliatory solution. But the rebels have been continually deceitful and have committed many crimes. First of all they have fooled paratroopers by telling them that they had to come immediately to the rescue of the President who was betrayed by his guards. Thus, I ordered the republican army to liquidate them and their accomplices—the political speculators. Now the republican army from various military zones and different services—infantry, navy, and air force—has fulfilled its mission and has returned to its former bases. The rebels and their accomplices will be appropriately punished by the law. The government and I respectfully bow my head before the souls of those who have sacrificed their lives for the just cause and who have unjustly died from the crime of the antipeople and anti-patriotic men. The government will continue to serve the country and the people according to the republican and personalist line. Compatriots, remain calm and united. Be enlightened regarding the plots of the Communists." (*Ibid.*)

again congratulated him on bringing about end of rebellion without further serious loss of blood.⁵

Durbrow

⁵The Department of State responded in telegram 788 to Saigon, November 14, as follows:

"Department gratified you made prompt approach to Diem urging leniency re punishment rebels. Would assume here that as a minimum and under circumstances Diem will probably have several military coup leaders tried and executed (unless they have escaped) since they would appear to have acted treasonably.

"If it appears to you that Diem intending to take more extreme action than indicated above (such as execution several civilians as well as large number military), with resultant adverse effect on regime, Department would consider, on your recommendation, sending high level message to Diem supporting position you have taken." (*Ibid.*)

233. Telegram From the Chief of the Military Assistance Advisory Group in Vietnam (McGarr) to the Commander in Chief, Pacific (Felt), in Thailand¹

Saigon, November 13, 1960—5:17 a.m.

MAGTN-PO 1445. This message continuation messages MAGTN-PO 1432² and MAGCH-CS 1438³ is my assessment of actions from 1135 hours to 2400 hours local although it was apparent order restored before that time.

Rebels continued hold out ARVN Hq, nearby Tan Son Nhut Airport and police headquarters, Cholon, until progressively defeated with final capitulation approximately 1400 hours. Throughout remainder afternoon troop movements observed to include truck movement paratroops in direction ARVN HQ and ARVN units to various positions of deployment around palace and throughout city for security. Activities appeared to be returning normal with friendly atmosphere existing between troops and people on streets.

At 1635 report received from MAAG Air Force Advisor VNAF C-47 had taken off Tan Son Nhut Airfield at 1400 piloted by Comdr 1st Transport Sqdn, Capt Tren, carrying top paratroop coup leaders and three majors rumored for Phnom Penh. This confirmed at 1835

¹Source: Department of State, Vietnam Working Group Files: Lot 66 D 193, 83.VN 1960—Attempted Coup d'État. Secret; Priority; Noform. Sent also to the Office of the Commander in Chief, Pacific, Honolulu; repeated for information to the Department of Defense, JCS, CINCPACREPHIL, CINCUSARPAC, CINCPACFLT, CINCPACAF, CHMAAG Cambodia, CHPEO Laos.

²Document 226.

³Document 229.

by Gen Khanh who stated to CHMAAG that rebel leaders who departed were Col Thi, Lt Col Dong and Maj Soan. Stated also that Gen Hoang CG III Corps, and CAP region captured earlier at ARVN Hq by paratroopers may possibly have been taken along as hostage.

At 1800 President Diem broadcast message announcing cessation hostilities.

Diem lacking both loyal troops and a functioning staff yesterday called upon ARVN units within striking distance Saigon to relieve city. Son's units from Tay Ninh, first to arrive afternoon eleventh, commenced neutralization of rebel paratroop military advantage. Arrival 5th MR troops under CO 5th Military Region, and elements 21st Div gave preponderance power loyal troops Saigon. At same time gave Diem staff and command control capability elements of loyal forces in action here.

Relatively prompt restoration of order with limited actual fighting and minimum damage to property indicate competent execution by Gen Khanh and Col Khiem of Diem's desire to keep down bloodshed and effect minimum disruption of Saigon-Cholon area. It not yet known just what role individual senior officers of General Staff played in actively putting down revolt, since senior generals in house arrest and General Staff Headquarters offices taken over by paratroops early morning 11th. However, their role appeared small compared with Khanh's (besieged in palace) and Khiem's and Maj Son's (Main commanders hastily formed fighting force).

Effective manner in which commanders and their junior leaders of loyal troops moved from home stations to Saigon and deployed for action in absence full knowledge situation and plans, is indicative of capabilities these units in the type warfare. However, must be realized this was mainly movement exercise with little resistance actually encountered. Absence of reported looting or other disorders on part of troops and this friendly attitude toward populace indicates good discipline and esprit.

Appears coup not Communist dominated but rather sincere, though misguided, attempt by junior commanders register dissatisfaction and force improvement government's policies, both military and political. To date no concrete evidence Communist capitalization of coup except for previously reporting increase VC activity Tay Ninh region and possible attempts stir up Saigon crowds as reported earlier. Low level Viet-Cong activity so far reported could mean, in face Diem demonstrated strength, they not ready to risk main effort at this time.

Diem, in his 1800 12 Nov radio address,⁴ indicated he had put thing in order. Reference in text to "untruthful men" and fact he

⁴See footnote 4, *supra*.

forced into agreement, however, leaves way open for abrogation reported 11 Nov agreement revolutionaries. Implementation of desired reforms will determine his intentions this regard. Believed that coup may cause Diem to proceed more rapidly with reforms than previously intended, although not to degree desired by coup leaders. The present activities of General Staff in reestablishing control over forces or changes which might be made in staff or command not presently known.

It is known that Vice President Tho and Gen Duong Van "Big" Minh both reported by Thuan to be opposed to concessions to rebels, had lengthy discussion with Diem late afternoon 12 Nov. Also reported that National Assembly appeared to be in session until at least 1200 hours local purpose not known.

As CHMAAG emphasized to Thuan and Khanh 12 Nov, any appreciable delay in returning troops to operational areas increases danger at attempted VC takeover of control of provinces. Will continue press Khanh and Thuan for quick action this regard.

234. Telegram from the Chief of the Military Assistance Advisory Group in Vietnam (McGarr) to the Secretary of Defense's Deputy Assistant for Operations (Lansdale)¹

Saigon, November 13, 1960.

SGN 236. Am sure you have been following recent attempted coup action through reports forwarded throughout action of 11th-12th.

Might be of interest to know have had post action conversation with Thuan and Vo Van Hai, Staff Secretary to President, and hope soon be able talk personally with Diem. However asked Thuan to advise Diem my readiness to pass any information to you. Will reaffirm when I next see Diem.

Courageous action of Diem coupled with loyalty and versatility of commanders bringing troops into Saigon from 1st, Cap, and 5th Military Regions were determining factors in outcome of action. Fortunately I was in excellent position thru personal contact with rebel as well as loyal Vietnamese commanders to influence action.

Either thru careful rebel timing or freak circumstance Senior Commanders of ARVN Forces had been summoned to Saigon for

¹Source: Washington National Records Center, RG 330, Lansdale Papers: FRC 63 A 1803, Vietnam Correspondence 1960. Secret.

conference. This facilitates rebel seizure and control of top command of armed forces.

My opinion that Diem has emerged from this severe test in position of greater strength with visible proof of sincere support behind him both in armed forces and civilian population. Impact of this action on organization and command structure of military forces will be determined to considerable degree by investigative and disciplinary action taken by Vietnamese Government in immediate future.

Troops are speedily returning to task of protecting people from Viet Cong attack and destroying forces of communist insurgency.

235. Editorial Note

In a letter to his parents dated November 13, Joseph A. Mendenhall described his experiences during the attempted coup d'état in Saigon. The sections which follow omit reference to personal matters:

"This was the first coup d'état or attempted coup d'état we have lived through, and it's a very exciting experience. We were awakened by a telephone call about 20 minutes of 4 o'clock in the morning Friday, Nov. 11, from an American friend who asked whether we had heard the firing of guns. I said no as we slept in an air-conditioned bedroom, but stepped out on the upstairs terrace where we could hear firing very plainly. [Mrs. Mendenhall] was alarmed because she was afraid it was a Communist attack, but I told her I was pretty sure that it was not, and that it was instead an attempt by non-Communists to overthrow the Diem Government.

"I called the Ambassador who was up and had heard the shooting. Our friend Bill Colby who lives almost next to the entrance to the Presidential Palace had already phoned the Ambassador to tell him that armed forces were firing in front of his house on the Presidential guard houses beside the big entrance gates to the Palace grounds.

"At the Ambassador's request I immediately began to round up communications personnel to get to the Embassy to send messages to Washington. The chief of the Communications Unit lives next to us, so I went over and got him and then telephoned the marine guard at the Embassy to go pick up communications clerks if he could get out of the Embassy safely. By that time other Embassy officers living nearby had gathered at our house, and several of us got into a car and went over to the Ambassador's residence.

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"At the Ambassador's residence I immediately began drafting telegrams for the Ambassador's approval reporting information as it

reached us. I would then telephone the cables to the Embassy for immediate transmission to Washington, and the first few were sent via a method which will put the information on President Eisenhower's desk within ten minutes after its arrival in Washington. We read later in the local papers that Hagerty, the President's Press Secretary, had announced that the President who was in Georgia was being kept posted. I was also busy telephoning my Vietnamese friends to get as much information as we could on what was happening. It soon became clear that it was paratroopers who were trying to oust the government, and that they were anti-Communist.

"About 9 a.m. another Embassy officer and I decided to try to get to the Embassy because we were afraid the telephone lines between the Ambassador's residence and the Embassy might be cut. We took a long way around in order to try to avoid the area of firing, but finally ran into a road block and had to return to the residence which we had left an hour earlier.

"I remained there until noon, and then passed by home for a bite of lunch. As the Ambassador still wanted me to go to the office, I again tried after lunch. The firing had been silent for 3 or 4 hours, and this time I made it although I passed right by a gun emplacement.

"I arrived at the Embassy about 1 p.m., and from then until the next afternoon at 3:30 p.m. remained continuously in the Embassy. All of the Political Officers were kept on duty all night. I did get out for dinner Friday evening at a neighboring restaurant. I slept in my office arm chair from 12:30 a.m. to 5 a.m. with a break at about 3 a.m. when I checked up on developments. At 5 a.m. I was awakened by a development in the negotiations between the government and the rebels, and from then on was busy again. At 6:15 a.m. Pres. Diem announced by radio that he agreed to form a new government with the rebels, but at that very moment heavy firing broke out again in various parts of the city. Two or three officers and the Ambassador stepped out of the Embassy balcony to see what was going on, and one of the officers was hit by a ricocheting bullet, but was not seriously wounded.

"By mid-morning Sat. reinforcements loyal to the government were flowing into town from the provinces, and we were afraid much more serious fighting might break out. But they were so superior in number that the paratroopers began to surrender, and by shortly after noon on Saturday the revolt was over.

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"This afternoon we drove around the city to look over the after-effects and damages. There is remarkably little considering the amount of firing. Certain buildings are considerably pock-marked by bullet holes. The wall in front of the Colby's garden was hit several times, and one bullet went right through their bedroom while Bill was using the telephone.

"Enough excitement for one week—this is one we won't forget" (Letter in possession of the author.)

In an interview held with members of the Office of the Historian on December 27, 1983, Mendenhall stated that Durbrow was "shocked" and "stunned" by the coup, "it was such a surprise to him. And he was initially terribly upset about it." The memorandum of the interview reads in part:

"The very first bits of information on the coup, he [Mendenhall] stressed, made it clear that the event was not related to Viet Cong activity.

"Mendenhall recommended that the Embassy take a neutral position toward the coup, for it soon became clear that the other side was 'as much a friend of ours as Diem was.' When two friends are fighting, said Mendenhall, it is best to maintain a neutral position until one sees who is coming out on top. 'The worst thing is to have supported the loser.'

"Durbrow and Mendenhall did not reach the Embassy until noon on the 11th. Around mid-afternoon, Diem called Durbrow, who played it 'rather non-committally,' which Mendenhall felt was 'absolutely correct at the point' because the situation was by no means clear. 'As a matter of fact,' remarked Mendenhall, 'it looked as though the rebels were probably going to win at that stage. I would date the serious deterioration in relations between Diem and Durbrow from that moment forward.' Mendenhall believed, nevertheless, that this was the correct line to take. When asked about the details of the call, Mendenhall said he thought Durbrow urged some gesture of compromise, either during this call or perhaps a later one, so that a serious rift would not remain between the government and the armed forces that could adversely affect the common struggle.

"During the coup Durbrow and Mendenhall had repeated contacts with Colby, who talked with the Ambassador about what he could see from his residence. Colby may have even reached the Embassy before them." (Department of State, PA/HO Files, Vietnam Interviews)

In interviews with a Department of State historian held April 2 and May 4, 1984, Durbrow stated that although there had been rumors of a coup off and on for months, he had no foreknowledge of this coup attempt and was certainly not in favor of it. He had been awakened at 3 a.m. on November 11 by a call from Colby and received reliable information on the leadership of the coup attempt by 6 a.m. He arrived at the Embassy's chancery later that morning. For a while it was "nip and tuck" as to which side would win. Durbrow said that he did not recollect a call from Diem the first day of the coup, but was not sure. He did remember calls from Generals Duong Van Minh and Nguyen Van Khanh, and from Nguyen Van Thuan. He remembered also a call at about 3 a.m. on November 12 from Vo Van Hai, Private Secretary to Diem, whom Durbrow believed was being held captive by the rebels at Tan Son Nhut. The Ambassador said that he had gotten a "hunch" Hai was being held at gunpoint during the conversation, and that the hunch later had turned out to

be correct. Hai had asked Durbrow to call Diem and urge the President to resign with an assurance of safe conduct out of the country. Otherwise, Hai said, the rebels would shell the palace. "So I said . . . it's none of your damn business what I tell Diem and I will not do what you ask at all. I will back up Diem." The Ambassador also stated that if the shelling took place all aid to Vietnam would be cut off. The shelling did not take place.

Asked whether the Embassy, during the coup attempt, had backed Diem fully, adopted a neutral stance, or supported the rebels, the Ambassador stated: "I had no confidence in any rebels doing any good for Vietnam or for us for anybody else." He stated also that he "was 100% in support of Diem." Later, however, he had urged Diem "not to be too rough on the rebels." (*Ibid.*)

A contemporary record of a phone call from Diem to Durbrow on the afternoon of November 11 has not been found.

In an interview with a Department of State historian held January 6, 1984, William Colby stated that "in the conversations between Diem and Durbrow during the coup Durbrow was not just supportive of Diem. I mean that's clearly admitted, there's no doubt about it. And Durby's point was, suppose they won? The United States has to be there. This isn't our coup and this isn't our government. And so, no, we're [*we were*] not 100% in support of Diem in this fight. Diem took that as a total washing of hands" and was also suspicious of the presence of Americans at rebel headquarters. Colby stated that he had maintained contact with Nhu during the coup attempt and had indicated to Nhu "some degree of support within the limits of what the Ambassador's policy was." Right after the coup attempt Colby called on Nhu: "I think he sensed that I had been reasonably supportive. The policy had not been one of total support." At another point in the interview Colby stated: "We were not supporting the government against them [the rebels] and we were not supporting them against the government." (*Ibid.*) See also footnote 3, Document 241, and William E. Colby, *Honorable Men: My Life in the CIA* (New York: Simon and Schuster, 1978), pages 163-165.

In an undated paper titled "The Paratrooper Coup in Vietnam", General McGarr described his activities during the coup attempt and speculated about the possibility of Communist involvement in it. (Attachment to unsigned letter to Lieutenant Colonel Peter A. Dul, January 1, 1961; Hoover Institution, Williams Papers, Miscellaneous Data) A variant text of this paper, also undated, includes material on the need for political and military reform in Vietnam. (Michigan State University Archives, Fishel Papers, 1959-1960 Military Situation (11)) Neither text is signed, but General McGarr verified his authorship in an interview with a Department of State historian held February 14, 1984. (Department of State, PA/HO Files, Vietnam Interviews)

236. **Memorandum Prepared by John S.D. Eisenhower,
Assistant White House Staff Secretary¹**

Washington, November 14, 1960.

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3. *South Vietnam*—Suppression of the attempted coup against President Diem appeared virtually complete by the afternoon of 12 November with the surrender of nearly all rebel paratroopers to loyal forces which had entered Saigon in response to Diem's earlier radio appeals. Efforts are being made to stabilize the military situation as rapidly as possible in order to prevent Communist guerrillas from profiting by the diversion of field units to Saigon. Some increase in Communist activity has been reported in Tay Ninh Province west of Saigon.

Our Ambassador Durbrow has urged Diem not to take severe retaliatory measures and has urged that he take stock of his family's participation in government. While he applauds Diem's fortitude in this crisis, and while he admits there is no weakening of anti-Communist sentiment, he still points out that the existence of this uprising is harmful to Diem's standing and indicates considerable dissatisfaction within elements of the country.

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John S.D. Eisenhower

¹Source: Eisenhower Library, Whitman File, Eisenhower Diaries. Extract. Top Secret. Omitted are brief unrelated items reporting on developments in Laos, Iraq, France/Algeria, Turkey, and Guatemala.

237. **Telegram From the Ambassador in Vietnam (Durbrow) to the Department of State¹**

Saigon, November 15, 1960—2 a.m.

1082. Re Department telegram 782.² I had 50-minute talk with Diem beginning 1700 14th.

I opened conversation by expressing my personal gratification that he safe and alive since I had been very concerned about his safety during first day of coup and therefore I had instructed all members of staff who were contacted by rebels to urge them to prevent bloodshed and negotiate. I then told him I had received instructions from the Department to express gratification violence had ceased and express my government's admiration for Diem's courage during crisis. I added my government pleased to note there no doubt both people and Government of Vietnam, even rebels, were strongly anti-Communist. Referring to my telephone conversation evening 12th urging forgiveness and leniency in dealing with rebels (Embassy telegram 1066³), I stated that since both rebels and pro-government forces were obviously strongly anti-Communist, government hoped Diem would do all possible to reunify anti-Communist elements and refrain from undue acts of retribution. I stated my government would appreciate Diem's considered views on developments.

Diem thanked me and then went into more detailed explanation of how paratroopers and others had been "duped" by small number leaders as he had told me 12th (Embassy telegram 1066). He told me he had not taken any action against paratroopers except a few leaders but those who rebelled were for the moment confined to their barracks. He spoke highly of bulk of paratroopers who "were his children", who had been duped in attacking palace believing they were rescuing President. Regarding Lt. Colonel Dong and Thi he stated both had married "demimonde women" who were under influence of French and often "went dancing with French officers now in Saigon". Dong was troublemaker and therefore had been removed from paratroops some time ago and stated Thi had shown signs recently of being unbalanced. He was not too vindictive about them but stated a few other paratrooper officers who may still be at large in country might cause further difficulties. He referred to one unnamed Major who had escaped to Tay Ninh area and had talked his way through frontier guards and escaped to Cambodia. I tried to find

¹Source: Department of State, Central Files, 751K.00/11-1560. Secret. Repeated for information to Bangkok, Vientiane, Phnom Penh, and CINCPAC PolAd. Sent with instructions to pass to the Departments of the Army, Navy, and Air Force.

²Document 231.

³Document 232.

out whether he had arrested Dong and Thi but he was noncommittal and stated that probably they left by plane for Cambodia although he was not yet sure. While I was talking with him he received short message saying that General Hoang had been taken by rebels in plane to Phnom Penh but had been released. Diem obviously gratified most military were loyal and referred to fact paratroopers had not fired on loyal troops when they came to palace area because paratroopers began realize they had been "duped".

During conversation I found several opportunities to urge him make every effort reunify entire anti-Communist elements to carry on fight against VC without indulging in recrimination. Diem, without agreeing directly, intimated he concurred except for few leaders. He brought up name of lawyer Thuy, allegedly civilian leader coup, and stated he had been compelled to dismiss him from government in 1956 because he over-ambitious, lacks political sense and is corrupt. He stated he had been very much worried about General Ty who had been captured by rebels and stated that he had sent his private secretary Vo Van Hai early to try to induce rebels to desist. He expressed pleasure in that neither of these had been harmed by rebels and indicated they had been very helpful in preventing rebels from spilling more blood.

Diem was obviously pleased with outcome and seemed to be in comparatively relaxed mood. He seemed particularly touched that Thai Ambassador, Dean of Corps, had called on him earlier to express gratification Diplomatic Corps that he had been saved. In consenting to have Dean make this call I and most Chiefs of Mission urged him to plead with Diem for leniency. I do not know whether Dean did this.

Since Diem has obviously not sorted matters out in his own mind, and is feeling particularly gratified at outcome, I did not bring up other questions suggested reference telegram re change government policies along lines my talk October 14. I will take first opportunity to do this as soon as matters clarify a bit. He did not attempt to give me his considered judgment of development.

Durbrow

238. Memorandum From the Secretary of Defense's Deputy Assistant for Special Operations (Lansdale) to the Deputy Secretary of Defense (Douglas)¹

Washington, November 15, 1960.

SUBJECT

Vietnam

In determining U.S. policy towards Vietnam in the immediate future, you might find the following personal observations of help:

President Ngo Dinh Diem will have the 1954 coup attempt of General Minh in mind as he deals with the leaders of the 1960 coup attempt and receives U.S. advice about punishment. In 1954, Diem was persuaded to let Minh and his key officers leave the country unpunished. A few weeks later, they were instigating a revolt by the sect forces against Diem which led to considerable bloodshed in March and April 1955. President Diem always felt that a little more firmness with a few individuals would have cooled many of the hot-heads who later listed to Minh.

The 1954 and 1960 events have enough similarities to make the 1954 lesson fresh in his mind. Both coup attempts were in November. The military leader of each claimed inspiration from Nasser of Egypt and had rather close ties with former chief of state Bao Dai. Both had imprecise programs of political aims, stated as generalized ideals which sounded as phoney as a \$3-bill to the people they hoped would rally to their cause, but which coincided with a French analysis of the desires of the U.S. Ambassador and his political staff. Both were certain that Army units wouldn't act against them; both wooed the sect organizations and the same political parties; both seem to share the same friends and acquaintances in France and Cambodia.

The actions of the U.S. Ambassador undoubtedly have deepened President Diem's suspicions of his motivations. Diem cannot help but wonder at U.S. objectives as voiced by such a spokesman. At the most critical moment of the coup attempt, the U.S. Ambassador urged Diem to give in to rebel demands to avoid bloodshed. Earlier, he had urged others to urge Diem to compromise with the rebels. The most charitable view that Diem could take would be that our Ambassador is a badly-informed man, but he would also then be-

¹Source: Washington National Records Center, RG 330, Lansdale Papers: FRC 63 A 1803, Vietnam Correspondence 1960. Secret. Printed also in Department of Defense, *United States-Vietnam Relations, 1945-1967*, Book 10, pp. 1330-1331. A note on the source text, dated November 16, indicates that Douglas read the memorandum and planned to discuss it with Secretary Gates.

lieve that the Ambassador has been far too prone to listen to the wrong people in Vietnam, people who are Diem's enemies.

Actually, Ambassador Durbrow is not entirely to blame for these blunders. The invitation to engage in this badly-timed and demoralizing meddling in Vietnam's affairs was given the Ambassador by the Southeast Asia desk staff in State message 775.² This action, on top of many others which seem to have weakened both the U.S. position and the cause of freedom in Southeast Asia in the immediate past, should make us note that advice and actions of this staff carry definite hazards to the security of the U.S. Their advice and instructions on the next events in Vietnam deserve the most careful scrutiny and evaluation, particularly by Defense whose resources are called upon so heavily to carry out U.S. policy in this area. The long-known strategic value of Southeast Asia places a premium upon our military participation.

Finally, it appears that General McGarr, the MAAG Chief, came through this test of U.S. influence very well. Both the rebel forces and the loyal forces turned to him for counsel. He seems to have handled them with complete honesty and objectivity which will increase his potential for influencing the Vietnamese military in the future. This is a factor which should carry its proper weight in future considerations of our actions in Vietnam. Also, it should be borne in mind that this will subject General McGarr to considerable vindictive attack by the Vietminh and by those jealous of his increased prestige.

These observations are prompted by the fact that it is critical that U.S. policy makers have some deeper understanding of people and events in Vietnam, if we are to keep Southeast Asia free. It is our key piece in the area and must be handled correctly.

Although this memo deals with a most sensitive subject, you may wish to show it General Lemnitzer and Assistant Secretary Irwin who also are concerned with this problem.

²See footnote 2, Document 228.

239. Telegram From the Ambassador in Vietnam (Durbrow) to the Department of State¹

Saigon, November 16, 1960—2 p.m.

1088. Reference telegram 1081.² Additional to points made at press conference Monday evening I emphasized the following:

1. Throughout events of November 11–12, Embassy had emphasized when contacted by either side, urgency of avoiding bloodshed necessity talking rather than firing, and giving as well as taking in negotiations.

2. We had expressed to various top officials of the government, after emergency was over, damage to Vietnam's world prestige and to its anti-Communist efforts, of severe and revengeful reprisals.

3. In answer to a point-blank question I replied that I was "happy that President Diem had successfully resisted the coup".

Durbrow

¹Source: Department of State, Central Files, 751K.00/11-1660. Official Use Only. Repeated for information to Bangkok, Vientiane, Phnom Penh, Tokyo, Hong Kong and CINCPAC PolAd.

²In telegram 1081, November 14, Durbrow reported that he and McGarr had held a press conference for U.S. correspondents at which he and the MAAG Chief had set forth a general, "guardedly frank résumé of developments as we knew them" in the recent attempted coup d'état. "There were no really embarrassing questions but most correspondents expressed hope coup would induce Diem take steps improve internal situation and obvious discontent." (*Ibid.*, 751K.00/11-1460)

240. Telegram From Jerome T. French of the Office of Special Operations, Department of Defense, to the Secretary of Defense's Deputy Assistant for Special Operations (Lansdale)¹

Saigon, November 17, 1960.

SGN 239. Following are conclusions I have reached after 3 full days of discussions with various people here. Unable to see President, but have had lengthy discussions with others referred to your message.²

Situation is deteriorating rapidly as is U.S. capability to render constructive influence. There are many facets to coup attempt and its

¹Source: Washington National Records Center, RG 330, Lansdale Papers: FRC 63 A 1803; Vietnam Correspondence 1960. Secret.

²Not further identified.

effect which require detailed discussion. Worst effect is bitterness, dissension and further demoralization which it appears will result and which is affecting even some who are instrumental in saving the day. This is not hearsay but what the individuals themselves have told me.

Viet Cong situation is much stronger than I believe is generally recognized in Washington. I believe that they are rapidly moving towards a position of strength comparable to that held prior to Geneva. ARVN Intelligence supplied to MAAG indicates they now hold secure pockets length of Country and are beginning to link-up such areas in Southern Region.

I am concerned to extent that I feel I should cut short trip and return Washington for early discussion situation here personally with you. Am leaving for Manila today if you concur in early return. Please advise via USARMA Manila.³ Otherwise will submit written report from there giving details.

³In telegram DA985948, November 17, sent to French via the Army Attaché's office in Manila, Lansdale replied: "Cut trip short as feasible for early discussions here." (Washington National Records Center, RG 330, Lansdale Papers: FRC 63 A 1803, J.T. French Trip File) Lansdale summarized this telegram in a memorandum to Gates dated November 17. Stamped notes on the source text indicate that Knight and Lieutenant General John A. Dabney, Deputy Assistant Secretary of Defense for Disarmament and Military Affairs, saw it. (*Ibid.*, OSD/ISA Files: FRC 64 A 2170, 092 Vietnam)

241. Telegram From the Ambassador in Vietnam (Durbrow) to the Department of State¹

Saigon, November 17, 1960—8 p.m.

1096. Our 1093.² Since "People's Committee Against Rebels and Commies" obvious GVN creation with various officials holding its

¹Source: Department of State, Central Files, 751K.00/11-1760. Secret; Priority. Repeated for information to Phnom Penh, Vietiane, Bangkok, Paris, London, and priority to CINCPAC for PolAd.

²In telegram 1093, November 17, the Embassy transmitted to the Department of State the text of a pamphlet which the so-called "People's Committee Against Rebels and Communists" distributed on November 17. The pamphlet reads as follows:

"In recent attempted coup d'état on Nov 11, 1960 the rebels and political profiteers have gotten support of group of American, French and British colonialists and imperialists.

offices, it is apparent my protest to Secretary State for Presidency Thuan November 16 about Committee's implication Americans behind coup (our 1091³) has not dissuaded government from pursuing this tack. It is possible that conversation with Thuan led GVN to direct Committee to associate French and British with Americans in support of coup so that Americans would no longer be solely pinpointed by GVN-inspired line.

I feel particularly concerned about leaflet language because its terminology re "colonialists and imperialists" is same as that which Commies use in attacking free world. We are not sure what is meant by "slanted version of victory" given by "colonialists and imperialists" but reference is possible to large number of US correspondents stories reporting extensive dissatisfaction with "family rule".

Difficult determine GVN motives in inspiring this attack on US but two hypotheses arise:

1. May represent crude effort shift dissatisfaction of people away from GVN to us and other western powers.

"Plot has failed. Colonialist and imperialists have been unmasked and, out of spite, gave slanted version of victory achieved by army and people who heroically fought rebels and lackeys of imperialists and Communists.

"Thus do not let your judgment be influenced by colonialists' and imperialists' propaganda lies. Let's maintain our determination in unmasking them and their lackeys.

"People's Committee Against Rebels and Communists." (*Ibid.*)

³Durbrow reported in telegram 1091, November 16, that in response to Saigon rumors—some apparently officially-inspired—about American involvement in the abortive coup of November 11/12, he had seen Thuan that morning and expressed his concern that such intimations would adversely affect American-Vietnamese relations. Thuan promised to look into the situation. (*Ibid.*)

Colby discusses the Americans who were in contact with coup leaders in *Honorable Men*, pp. 163-165.

In an interview with a Department of State historian held January 6, 1984, Colby described the role of an American in touch with civilians rebel leaders as follows: "Just by having an American at the rebel center was a signal that the Americans were at least receptive to the rebellion, and were not totally opposed to it. Now intelligence people normally say well no, we're just there to acquire information, but, as I've pointed out in my book on certain other things . . . there are times in which the perception of support may exist, even though there isn't any support. And that's an inherent problem in the collection of intelligence, that sometimes you're going to give an impression that you're somehow interested in supporting as distinct from just knowing what's happening and those are two different things. In my mind and in my talks with my officer I was convinced that I made clear to him and that he would pass the messages honestly, that we were not supporting, that we had our hands off this one, which was our policy. We had our hands off, I mean that was the Ambassador's policy. We were not supporting the government against them, and we were not supporting them against the government. He was only there to find out what was happening. . . . And I think that was made clear [to the rebel leaders.] At another point in the interview Colby stated that he had later told Nhu that he "didn't think he [the American] had gone over the edge. He was a little enthusiastic, but I think I held him within reasonable limits." (Department of State, PA/HO Files, Vietnam Interviews)

2. May constitute tactic which is designed to try prevent us from bringing further pressure on Diem to make drastic political changes in order win support of people. GVN thinking under this hypothesis may be that, if US is put on defensive about alleged role in coup, it will be intimidated from making further demands GVN make changes.

Whatever GVN's exact motivation this bears all earmarks this is Nhu-Tuyen maneuver to vent their anger against US for having criticized their regime and not having backed them 100 percent.

Durbrow

242. Memorandum From the Deputy Coordinator for Mutual Security (Bell) to the Under Secretary of State (Dillon)¹

Washington, November 17, 1960.

SUBJECT

Vietnam

ICA sent over informally a staff memorandum expressing its concern about the situation in Vietnam (Tab A). I obtained Mr. Parsons' comments thereupon which are set forth in his memorandum of November 15th.²

While I don't think there is much to be gained by holding up aid entirely, I do think that it is worth considering whether something other than full release would not be justified in the present circumstances.

Of course, this is basically FE's bailiwick and I have great sympathy for Jeff Parsons' problems in those difficult and troubled areas. However, there seems to be little doubt that the situation in Vietnam is far from promising and our political representations, however energetically they have been and are being made, do not seem to have borne much fruit. Perhaps there is nothing that can be done about it but I would suggest that after you have read these memoranda, you might think it worthwhile either yourself to discuss the situation with Parsons, or ask Ray Hare to take a look at it. I am afraid that the demands on Mr. Parsons' time and the general reaction of his staff in defense of existing policies may tend to result in less consid-

¹Source: Department of State, G/PM Files: Lot 64 D 359, Vietnam—General and Counter Insurgency. Secret. The source text is an uninitialed copy.

²Not found.

eration being given to possible adjustments in our Vietnam policy than is desirable.

Meantime, I am having my staff give this some thought and we may have some ideas to provide you on your return from Europe.

Tab A

Memorandum From the Deputy Director for Operations, International Cooperation Administration (FitzGerald) to the Deputy Coordinator for Mutual Security (Bell)³

Washington, November 7, 1960.

SUBJECT

Re-examination of Vietnam Aid Program

A cable to Saigon has been prepared which would inform the USOM of the Coordinator's approval of an FY 1961 aid level of \$110 million of nonproject assistance and up to \$25 million for project sector planning purposes. Although it was prepared in ICA and has been cleared with the Department and U/MSC, further reflection has convinced me and the officials of the Office of Far Eastern Operations directly concerned that re-examination of the decisions embodied in this cable is in order.

The consensus of U.S. intelligence is that without prompt, clear and measurable improvement in the quality and direction of Vietnam political leadership, that nation is doomed to collapse. Without such improvement in the quality and direction of Vietnam political leadership, the assistance proposed for FY 1961 may be completely wasted. The presently proposed FY 1961 program is in no way related to any

³Secret. This unsigned copy drafted by Sherwood Fine and others, was sent to Bell under cover of a memorandum from FitzGerald to Bell, also November 11, which reads as follows:

"The attached memorandum prepared by my staff is the product of a great deal of searching inquiry into the very difficult issues surrounding our political and economic assistance policy towards Vietnam. I agree that there are questions which should be raised and concur in the views expressed. But because of the seriousness of the problems involved, I felt that I should first informally advise you of our thinking on this matter before signing and dispatching this memorandum.

"I am holding the clearance and dispatch of the telegram advising USOM/Saigon of the FY 1961 aid level until I get your reaction to the thoughts contained in the memorandum.

"The issues raised are fundamental. And although addressing them may require some further time, the urgency of the situation, it seems to me, compels us to undertake this effort. Not only do we have at issue a very large magnitude of aid, but we also have at stake the question of the future of a country that is important to our security."

8
 action program addressed to the effective resolution of this central political problem. Under these circumstances, we are not prepared without further consideration to commit the U.S. to make this assistance available and, by so doing, give up a significant means of influencing the quality and direction of Vietnam political leadership at this critical time.

9
 The seriousness of the present situation is graphically set forth in the Special National Intelligence Estimate 63.1-60 of August 23, 1960.⁴ The report states that discontent with the Diem regime is rapidly mounting. If not checked, the SNIE concludes, it will "... almost certainly in time cause the collapse of Diem's regime. We do not anticipate that this will occur within the period of this estimate (the next year or so).⁵ However, if Diem is not able to alter present trends and if the situation deteriorates substantially, it is possible during the period of this estimate that the government will lose control over much of the countryside and political crisis will ensue."

The SNIE stresses the stepped-up terrorist activities and guerrilla warfare of the Communist Viet Cong and the heightening of long standing political grievances against the government which have now become increasingly urgent and articulate. Criticism of Diem's leadership within urban groups and government circles has been mounting. The acute restiveness of politically conscious groups in Saigon, stemming from their progressive disillusion with the corruption and anti-democratic posture of the present regime, has separated the Government from the best elements of the nation.

10
 The startling military and political inroads recently achieved by the Communist Viet Cong, despite the intensified military efforts of the Diem regime and heartening progress of the Vietnam economy reinforce the official intelligence estimate that the proper corrective is to be sought not alone in military action but in prompt political adjustments and correctives by President Diem. Unfortunately, however, despite the fact (emphasized by the SNIE) that the crucial need is to meet the insistent, growing criticism directed against the alleged corruption in the President's family and in high officials, the pervasive influence of the secret Can Lao and Diem's virtual one man rule, President Diem has chosen, with active U.S. support, to concentrate almost exclusively upon the strengthening of the Vietnam military organization to sustain his collapsing regime.

11
 On October 14, 1960, Ambassador Durbrow read and then handed to President Diem a memorandum in French calling on him to take immediate, effective steps to liberalize his regime.⁶ Among

⁴Document 185.

⁵All ellipses in this document are in the source text.

⁶See Document 205.

the suggested political actions were admitting members of the non-Communist opposition into the cabinet; permitting the cabinet to assume some genuine responsibility; altering the present secret character of the Can Lao Party; authorizing the National Assembly to investigate any agency of the Government and publish its findings; asking the National Assembly to establish requirements for behavior of public servants; encouraging the National Assembly to take wider legislative initiative and to broaden the area of public debate on all bills; warning that every public official may be required to declare his property and sources of income; reducing the present controls over the press; permitting election by villages of at least some of their own officials; and a variety of economic actions designed to enhance the Government's support in the rural areas.

Ambassador Durbrow's *démarche* of October 14, 1960, closed by suggesting that as many as possible of these political actions be announced dramatically to the people of Vietnam in President Diem's message which was scheduled for October 26. Diem was urged to make a ringing statement in an effort to obtain the support of all non-Communist elements for his Government and thus to create the national unity essential to winning the fight against the Viet Cong.

Assistant Secretary Parsons' assessment of Diem's beleaguered regime (Embtel 882, received October 23⁷) called attention to a fundamental defect in Diem's concept of government, namely his strength of personal conviction and willingness to stand alone, but his refusal to communicate with others.

" . . . In a sense this defect is a weakness of his strength, the willingness to stand alone if need be and fight which produced miracle of 1954-1955. If now in different circumstances it proves that he is inherently incapable of adapting and of doing those things which are needful in political, psychological and social fields, then indeed we must revise downward our estimates of republic's future under Diem."

Mr. Parsons concluded:

" . . . whole tenor of this message reflects my concern that regime may well be at eleventh hour and we must press hard to persuade Diem to save himself and Vietnam by regaining his people."

But in his October 26 message, however, President Diem failed to respond to Ambassador Durbrow's *démarche*.⁸ Instead of the hoped for call to national unity, instead of positive political action responsive to the demands of the democratic-minded, anti-Communist elements of the population, President Diem merely reiterated his concern with the Viet Cong military threat and warned against the

⁷Printed in Document 209.

⁸See Document 213.

dangers of utopian solutions to Vietnam's problems. It would be difficult to envisage a more disappointing response to Ambassador Durbrow's démarche. Mr. Parsons' prophecy that, "Unfortunately his (Diem's) eventual actions might prove to be halfway measures and far short of dramatic steps needed to catch attention of people," was all too sadly confirmed.

The economic assistance program bears directly on these problems. In the course of his telegram, Mr. Parsons said:

"If our Vietnam program of aid can be criticized in any fundamental way in future, it may be because we have thus far been unable to persuade Diem that in long run our extensive aid can only be effective if his regime regains active loyalty of Vietnamese people and thus achieves essential unified support of all non-communist elements."

To commit the United States now, without further consideration, to make available the balance of the \$135 million of FY 1961 economic assistance when the strong probability is that this assistance cannot be effective would be unwise. Moreover, by this action the United States would give up one of its most significant means of influencing President Diem.

We believe that the urgency of the situation requires an immediate and drastic re-evaluation of United States policy toward Vietnam. Among the judgments which must be made is whether or not a further, prolonged exchange with President Diem will be effective. Mr. Parsons suggests that such an exchange might only produce: "halfway measures . . . far short of the dramatic steps needed to catch attention of people." If this assessment is correct, it would seem advisable for the United States to promptly consider the alternatives that exist to the present leadership.

D.A. FitzGerald

243. Memorandum From the Chief of the Military Assistance Advisory Group in Vietnam (McGarr) to the Ambassador in Vietnam (Durbrow)¹

Saigon, [November 17, 1960].

SUBJECT

Record of Conversation with President Diem

¹Source: Department of State, Saigon Embassy Files: Lot 65 F 115, 350 Internal Political Affairs, Vietnam—GVN—November Coup 1960. Secret. A note on the source

Continued

1. President Diem called at 1630, 17 November, for me to come to the Palace immediately. As this was the first time his summons had been so urgent, I left and awaited my interpreter there. In the absence of an interpreter, I was immediately shown to the President's office. He came in shortly and he was visibly troubled and apparently hurt. He spoke in English until the arrival of the interpreter—which he had never done before. This was the first time I had seen the President since the coup.

2. The President said he had called me because he wanted me to know his feelings on the recent attempted coup. He asked several times that I communicate these views to my superiors.

3. Mr. Diem advised me that the GVN does not foster any anti-American movement. It would, of course, not be in the interest of GVN to do so. However, the GVN cannot conceal these facts from the people:

a. The campaign of disparagement that many foreigners, including the Americans, during the past months have echoed and amplified.

b. . . .

c. After failure of the coup, foreigners, including members of the American Community, expressed regret that the rebels had not won.

4. The President reiterated to me that he was "fed up" with the attitude of the "free world" during the coup and his one consolation was the steady support he got from MAAG. He especially asked that I report that he had received this support from Gen. O'Daniels, then Gen. Williams and now me.

5. He stated that the GVN believe the correct position of all concerned would be to listen not only to the demagogues and rumor mongers, but also to the GVN and give credence to its reports as well.²

6. The President mentioned that he was very sorry that his repeated requests for military aid, in the form of an increase in the strength ceiling to 170,000, had not received more consideration from my government. With the increase in Viet Cong strength and attacks, he considers this increase to be absolutely necessary. If the communists continue to increase their pressure, both military and otherwise,

text indicates that this memorandum was discussed at a Country Team meeting on November 22. McGarr sent a telegraphic summary of this meeting to CINCPAC and for information to ISA in telegram MAGCH-CS 1494, November 21. (*Ibid.*, Vietnam-GVN-Nov. Coup (military messages))

²A marginal note at this point apparently in Mendenhall's hand reads: "There is no question that more and more VN'ese are against entourage, arbitrary gov't, lack of coordinated effort against V.C., lack of some press freedom, corruption and arbitrary action by GVN functionaries. Does Diem have any dope to refute this?"

this will extend the length and intensity of the conflict and require even more men.

7. He then again spoke critically of the so-called intellectuals and demagogues who circulate criticisms and clamor for reforms, but have no useful suggestions for reforms when they are asked for them.³ Nevertheless, this irresponsible talking by these people has sufficient influence on the population to cause damage to the government and the nation. Mr. Diem said he would like to send Mr. Thuan to Washington to apprise the American government of the exact situation and to defend him and the falsely accused members of his family as this has evidently not been done by the U.S. Embassy. However, he cannot spare Thuan's services at this time.

8. Mr. Diem then turned to military subjects. He discussed the officers of the army at some length, particularly the senior officers. He described their capabilities and their shortcomings, and his desire to reorganize the officer corps to promote esprit and to narrow the gap separating officers from NCO's and soldiers. I counseled him to be as lenient as possible in dealing with his generals. I pointed out that he needs their support and assistance in the difficult days ahead, particularly in unifying the army in the face of the communist threat. However, I told him I, as an army officer, could not condone rebellion against a government and felt that those actually guilty should be punished as provided by law.

9. We then discussed the organization of the Civil Guard. The President stated that Province Chiefs have to have some troops and that these men, who are mostly military, have a better insight into the situation than military commanders, as they know the political as well as the military aspect.⁴ He said that he did not see how he could put the Civil Guard under the RVNAP general staff. I then presented my views, previously stated, on the need for clear command lines through military channels, with the military commanders having full authority for the military phase of operations and the Province Chiefs handling non-military problems. I also stressed the need for an effective intelligence system from the village level up to a Central Intelligence Agency. (The next day Mr. Thuan told me that the MAAG plan for a more responsive command structure with direct lines of command had been approved by the President. He also stated that the decree transferring the Civil Guard had been approved.)

³A marginal note in the same hand at this point reads: "see note to ¶5." Another note reads: "Look in the mirror, Diem."

⁴A marginal note at this point in the same hand reads: "But many of these mil. Prov. Chiefs are just the ones who drove the people to more and more free labor."

10. President Diem then discussed Mr. and Mrs. Nhu. He said that Mrs. Nhu and her husband have been unjustly accused of corruption to include illegal transactions and that these accusations have been repeated and spread abroad by newspaper reporters, many of whom are Americans. Mr. Diem then explained that Mrs. Nhu is a very sick woman who is suffering from a rare disease. He said that he had told the Ambassador of her illness. He also stated that she is so ill that she cannot do the things of which she is accused and that she constantly suffers headaches with only her faith keeping her going.⁵

Lionel C. McGarr
Lieutenant General, USA

⁵A marginal note in the same hand at the end of this memorandum reads: "On other hand get impression from Wash that they losing interest and patience with Diem and indicate they want change—but have no constructive suggestions. We must first give Diem a chance for 6–12 months to take steps needed in his own interest[;] if he doesn't start things going shortly he'll be lost no matter what we want. More troops aren't the only answer."

244. Memorandum of a Conversation Between the Assistant Secretary of State for Far Eastern Affairs (Parsons) and the Vietnamese Ambassador (Chuong), Department of State, Washington, November 18, 1960¹

SUBJECT

Vietnamese Pamphlet Alleging Americans Involved in Coup Attempt

REFERENCE

Saigon's Telegram No. 1093²

PARTICIPANTS

His Excellency Tran Van Chuong, Ambassador of Viet-Nam
Mr. Nguyen-Duy-Lien, Counselor, Embassy of Viet-Nam
Mr. J. Graham Parsons, Assistant Secretary of State for Far Eastern Affairs
Mr. Chalmers B. Wood, Officer in Charge, Viet-Nam Affairs

Mr. Parsons spoke in the following vein: He was pleased that the circumstances of this meeting with the Ambassador were much happier than those which prevailed at the time of the coup. The Americans were greatly relieved that President Diem had escaped

¹Source: Department of State, Central Files, 751K.00/11-1860. Secret. Drafted by Wood.

²See footnote 2, Document 241.

unharméd. We admired very much his courage and the way he faced the crisis. Our support for President Diem as the leader of his people and as the head of the Vietnamese Government continued as it had for so long. We looked forward to continuing good relations with the GVN.

However, we had been shocked by a leaflet distributed in Saigon attributed to the People's Committee Against Rebels and Communists. We felt it is necessary to speak in rather strong terms and not to leave to Ambassador Durbrow the sole responsibility for discussing this matter.

It was utterly false to say that the United States supported the coup. We felt President Diem well knew the role which we played. When the rebels controlled the entire center of Saigon, we attempted to urge moderation on both sides and avoid a bloodbath. It is strange to see such language employed against foreigners, especially those who have tried to help the regime. It is dangerous to incite xenophobia. Also the leaflet used the words and techniques of the Communists.

This leaflet was gift to the Communists. Their radios in Moscow and Peking would use it to disparage the Government of Viet-Nam.

We knew that the "Committee" was said to be private. However, it was also alleged that the leaflet was distributed by Army trucks. Furthermore, we understood that the members of the "Committee" included many general officers and police officers. While it was certain that the President had nothing to do with the leaflet, someone approved it.

It was gratifying that Secretary Thuan had indicated publicly that no foreign governments were involved in the coup. But he had also said that foreigners were involved in a campaign of disparagement and that they thus shared indirect responsibility.

Any comments that we have made about certain problems faced by the GVN have always been made privately to high GVN officials and there has been no campaign of disparagement.

It was noted that there has been no Vietnamese disavowal of the leaflet.

On another subject, we noted that the GVN was considering political, economic and social reforms, and we would be interested to learn more about them.

Ambassador Chuong replied that he had no information and no instructions and could only say that he could not believe his ears when he had heard an American radio broadcast mentioning the allegations in the leaflet. He promised to transmit Mr. Parsons' remarks to Saigon immediately. He thanked Mr. Parsons for his sympathy during the crisis when the Ambassador had asked Mr. Parsons to see what the Americans could do to remedy the situation in Saigon. He

believed that General McGarr's conference in Saigon might have helped. He fully appreciated that Mr. Parsons in no way wished to embarrass the Vietnamese Government. He hoped there had been a misunderstanding and could only say that Secretary Thuan's disavowal may have been made to correct misimpressions formed during the tense atmosphere immediately following the crisis.

The Ambassador then said, speaking personally, that he had been surprised by an article in *Le Monde Diplomatique* which he had received that day. He handed Mr. Parsons a copy of the article which had presumably been written before the coup and which indicated that Washington had decided to support a coup d'etat of young officers.

Mr. Parsons thanked the Ambassador for bringing the article to our attention. The article appeared to be very mischievous. We would bring it to the attention of our Embassy in Paris.

The Ambassador also pointed out a section of the article which alleged that some members of the Vietnamese opposition had been active in both Washington and Paris.

Mr. Parsons and Mr. Wood denied that we had given any advice or encouragement to Vietnamese oppositionists operating out of Paris. We understood that one of them had evidently come to Washington without encouragement and had contacted General Collins. General Collins had given no advice nor encouragement to this individual and he had not been received in the State Department.

Mr. Parsons concluded by emphasizing that we regretted the entire episode and that we hoped that the leaflet could be more clearly disavowed since we desired to continue our good relations with the GVN.

245. Memorandum on the Substance of Discussion at a Department of State-Joint Chiefs of Staff Meeting, The Pentagon, Washington, November 18, 1960, 11:30 a.m.¹

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¹Source: Department of State, State-JCS Meetings: Lot 70 D 328. Extract. Top Secret. A typed note indicates that the memorandum was prepared in the Department of State but not cleared with participants. The other topic at the meeting discussed at JCS initiative was Soviet oil. The Congo, Cuba, East Pakistan relief, and CENTO were all discussed at the instance of the Department of State. All of the Joint Chiefs attended except General White, who was represented by Air Force Vice Chief of Staff Curtis E. Lemay. Deputy Under Secretary Merchant headed the State contingent. Knight represented ISA, Lay the NSC, and Robert Amory and Richard Helms the CIA.

5. *Ambassador Durbrow's Philosophy Vis-à-vis Attempted Coup in Vietnam (JCS Initiative)*

General Lemnitzer said he had been disturbed by the implications in Ambassador Durbrow's messages from Saigon during the recent rebellion, particularly the indications that the Ambassador wished to encourage Diem to stop the fighting. The most important question was that of the Ambassador's attitude toward "bloodshed". General Lemnitzer said, "We are against bloodshed as much as anyone but when you have rebellious forces against you you have to act forcibly and not restrain your friends". He said the main point was sometimes bloodshed couldn't be avoided and that those in power must act decisively.

Mr. Knight said the situation was underscored because the rebels were composed only of three companies of troops.

General Lemnitzer said that Diem had had a very close call on this one and that after all he had proven himself to be a good leader in Vietnam. In 1954 no one would have given a plugged nickel for Vietnam's chances of remaining free and on the side of the West. It was this that caused him to be amazed at the Ambassador's "good offices" offer.

Mr. Merchant said he hadn't gotten the impression from the telegrams that the Ambassador had been trying to weaken Diem's position but that he would review the telegrams again.

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246. **Telegram From the Ambassador in Vietnam (Durbrow) to the Department of State¹**

Saigon, November 18, 1960—6 p.m.

1103. Deptel 793.² Several considerations lead me to recommend strongly against the President's sending Diem congratulations.

¹Source: Department of State, Central Files, 751K.11/11-1860. Confidential; Limit Distribution.

²In telegram 793, November 15, the Department of State transmitted to the Embassy for its approval a draft message to be sent from Eisenhower to Diem, in which the President would state that it was "extremely gratifying to me that as a result of your steady courage and the loyalty of the great majority of the military leaders, the attempt failed and that you are safe and sound. . . . It is a great satisfaction to know

Continued

Principal reasons are:

1. Inadvisability of American President's again identifying himself with Diem until Diem shows clear signs of grasping and heeding lessons of coup;
2. Intemperate declarations of "Peoples Committee Against Communists and Rebels," an organization of GVN officials, which has accused American, French and British "imperialists and colonialists" of having encouraged revolt; and
3. Fact congratulations now might detract from stern attitude we may soon have to take toward Diem.

Durbrow

that you have been able to guide your Government through this trying time and that you will continue to lead the Vietnamese people." (*Ibid.*, 751K.11/11-1560)

247. Telegram From the Ambassador in Vietnam (Durbrow) to the Department of State¹

Saigon, November 18, 1960—7 p.m.

1105. Reference: Deptel 782.² Inasmuch as I spoke to Diem rather firmly on two occasions about being lenient and indulgent and had urged him to adopt statesmanlike attitude in order unite all elements fight Communists and make progress, I have not endeavored see him again in order that we could take better readings of developments and let matters clarify a bit (Embtels 1066 and 1082³).

In the meantime I have discussed matters with British, French, Australian, Korean and Japanese Ambassadors, as well as Menon (Indian ICC Chairman). Consensus these Chiefs of Missions, as well others, is: (A) It most fortunate coup put down quickly; (B) that Diem should be induced be lenient and not go in for retribution; (C) he has a golden opportunity to act like statesman to take necessary steps to unify country by instituting reforms if he acts quickly and broadly enough; and (D) unfortunately, although the Nhus are a symbol of considerable amount discontent, it would be counterproductive, at this moment, to try to get him transfer them. Since I had said my piece on the two occasions, I urged above colleagues, when

¹Source: Department of State, Central Files, 751K.00/11-1860. Secret; Priority. Repeated for information to CINCPAC for PolAd.

²Document 231.

³Documents 232 and 237.

they saw Diem, to endeavor talk to Diem along above lines. They all said they would.

Menon⁴ called on me early 18th having just returned from Hanoi to discuss developments, he expressed gratification Diem successful. Stated Diem had asked to see him soonest and therefore he desired discuss matters with me prior to call. I was pleased to learn Menon volunteered he plans speak at some length and frankly with Diem along following lines: He would draw on his experience in early days of Indian independence and his tours in Malaya and Kenya to urge Diem be lenient with rebels, take opposition into camp by bringing some into government as Nehru had done 10 years ago, relax too rigid restrictions and make full effort to learn needs of masses and do what he could to meet along lines he explained to me in Embassy despatch 142, October 4, 1960.⁵ I told Menon I very pleased he planned to do this because coming from Asian of his experience and stature I was sure it would be more beneficial than from European. General Choi, Korean Ambassador, who is being transferred at end of month, told me he will urge Diem be lenient and will stress, as military man, need to keep army out of politics, grant promotions on merit and not for political affiliation, and not make mistakes of Syngman Rhee by being too inflexible.

I hope colleagues will do as they say they will because there are apparently two factions working on Diem: A die-hard Can Lao group represented by the "Peoples Committee Against Communists and Rebels" (Embtel 1091⁶), and more level-headed group including Thuan who are urging him to adopt necessary reforms soonest, be lenient and take advantage of opportunity make strong appeal to masses. Diem, Nhu and Thuan have privately stated that GVN would adopt necessary reforms soonest, and Thuan, without going into details, stated this at press conference 16th (Embtel 1098⁷). While these are hopeful signs, the damage to newspaper plant, continued closing of at least two papers, as well as fears expressed by some GVN officials that nothing dramatic or concrete enough will be done to rectify situation, are disturbing elements in present picture.

From first-hand reports, Diem and both Nhus are outraged at press stories, particularly American, that Nhus must go before situation can be rectified. Therefore in my estimation this is not time to

⁴Gopala Menon, the new Indian Chairman of the ICC.

⁵In despatch 142, the Embassy transmitted a summary of and a memorandum of conversation of a discussion between Durbrow and Gopala Menon. The two men discussed South Vietnam's internal security, domestic politics, and the need for Diem to explain his policies to the people. Menon impressed Durbrow as both intelligent and objective. (Department of State, Central Files, 751G.00/10-460)

⁶See footnote 3, Document 241.

⁷Dated November 18, not printed. (Department of State, Central Files, 951K.60/11-1860)

7 press Diem directly on this score since it will not only rub him wrong way but might drive him to listen to the die-hards who are urging tough line. Nevertheless, unless Diem does in fact immediately adopt lenient attitude toward opposition and rebels, and institute solid worthwhile reforms which will tend to increase support of masses, situation will go from bad to worse, particularly if Nhus stay in power. If in near future it becomes clear Diem not adopting reforms, we should give most serious consideration to giving practically an ultimatum to him that unless he gets rid of Nhus we must reconsider our whole policy regarding Viet-Nam. In this connection I believe I should be instructed to tell him that while we are considering assisting him to increase force level to 170,000, we could not see our way clear to do this unless he adopts most of measures along lines those I suggested October 14th including transfer Nhu. (My letter to Parsons November 8th.⁸) To give him more force before he has taken drastic action in the political, psychological, social and economic fields would not rectify situation.

In view of these developments, I plan to see Diem 21st and talk to him along following lines:

1. I will reiterate my government's gratitude that he was successful in putting down coup;
2. I will tell him my government gratified he planning adopt soonest needed reforms and changes in policies;
- 8 3. Suggest again that he give serious considerations to adopting the suggestions I made on October 14th⁹ or their equivalent (these of course contain suggestion transfer Nhu but I would not specifically refer to that point); and
4. In course of conversation I will try to draw him out in detail on reforms and type changes he is planning.¹⁰

Durbrow

⁸Document 214.

⁹See Document 205.

¹⁰In telegram 806 to Saigon, November 19, Department observed that in view of the strain on Diem of putting down the coup and the combined weight of démarches by the U.S. as well as other Ambassadors in Saigon, it would be well for Durbrow to speak to Diem in a "relatively relaxed vein" expressing gratitude that the coup had been foiled and interest in recently announced government plans for reform. If Diem raised the question of the leaflet or leniency for coup participants, Durbrow was to reaffirm the Department's established positions. The Department strongly concurred that the time was not appropriate for raising the question of transfer of Nhu. (Department of State, Central Files, 751K.00/11-1860)

248. **Telegram From the Ambassador in Vietnam (Durbrow) to the Department of State¹***Saigon, November 23, 1960—3 p.m.*

1119. SecState for Presidency Thuan discussed following subjects with Emb officer Nov 22:

Political "reforms". On "strictly personal and confidential" basis Thuan said program of reforms would be put into effect between now and middle December including following:

(1) National economic council would be established with representation from various sectors of economy, thus enabling much wider participation in national life (our G-196²). Without being specific he added similar institutions would be set up in educational, social and cultural fields.

(2) Press will be allowed freedom as long as it is honest and accurate. This would enable press to serve as control on government actions. However freedom of press will not extend to permitting activities favorable to communists, such as urging trade between two zones of Vietnam or pushing program of "we are all Vietnamese brothers so why not get together".

(3) National Assembly will be given wider role particularly at committee level. Emb officer suggested that committee sessions, including those at which cabinet ministers now appearing to explain departmental budgets, should be public in order obtain greater political impact. Thuan indicated idea would be considered.

(4) Improved coordination will be established throughout government. Thuan was not specific on this score except to state that all agencies now attached to presidency would be redistributed to relevant ministries except for three or four such as directorate general budget and foreign aid. In response query Thuan said that he would remain as both SecState for Presidency and Assistant SecState for National Defense. Without saying so directly Thuan implied there would be changes in certain cabinet ministers.

Security forces. Thuan said Diem would sign on Nov 22 or 23 decree which would place Civil Guard under Dept Defense for purposes reorganization, training and equipment. Operational responsibility for Civil Guard will however remain in Dept of Interior except in areas seriously affected by insecurity, such as fifth military region. Thuan indicated Diem's decision retain civilian control over military operations in less affected areas had been influenced by views expressed to Diem recently by Marshal Templer, former British High Commissioner in Malaya.

¹Source: Department of State, Central Files, 751K.00/11-2360. Confidential. Repeated for information to CINCPAC PolAd, Phnom Penh, Vientiane, Bangkok, London, and Paris.

²Document 213.

Thuan said various organizational recommendations by MAAG, such as establishment of operational command in ARVN, combination of military regions and corps headquarters, and designation of specific divisions for pacification responsibilities in fixed areas, had also been accepted. Thuan indicated also that he attached great importance for morale purposes to proposals he has made to Diem for construction of housing for military dependents and for establishment of simple PX and commissary system for armed forces. He said that he had recommended to Diem that housing program be carried out completely at once rather than slowly over period of years, and that he was looking for funds for this purpose (he mentioned figure of 150 million piasters) through reduction in various civilian programs.

Reasons for coup attempt. Embassy officer questioned Thuan's assertion at Nov 17 press conference that foreigners in "echoing campaign disparagement GVN" had contributed to coup.³ Thuan reasserted same viewpoint, pointing specifically to article by expelled AP correspondent Inagaki in which he stated in effect that "U.S. has brought Diem up, now it should bring him down" (our 757⁴).

Thuan asked whether Emb officer did not think that outcome coup had shown unity of army. Emb officer replied that even if soldiers misled into participation, fact that officers of elite parachute unit as well as certain others involved, indicated something was seriously wrong in army. Thuan stated coup leaders Lt Cols Dong and Hong motivated by need for money. He also implied Communists behind coup by referring to document captured prior to coup indicating Communists would try overthrow government in Nov or Dec, and by noting that Indian ICC Commissioner Menon, who was with Pham Van Dong, Gen Giap and others in Hanoi on Nov 11, had reported they were jubilant and did lot of winking at each other on receipt of news of coup. Embassy officer repeated however that coup showed discontent among certain elements of GVN armed forces and Thuan said this would not be overlooked in analysis of causes of coup.

³The introductory remarks made by Thuan at the press conference of November 17 are in telegram 1104 from Saigon, November 19. (Department of State, Central Files, 751K.00/11-1860) Thuan's assertion was apparently made in the subsequent question and answer period, of which no text has been found.

⁴In telegram 757, October 7, the Embassy transmitted the text of the article by AP correspondent René-Georges Inagaki which occasioned his expulsion from South Vietnam. Inagaki attempted to report the extent of the fighting against the Viet Cong and noted that "compared to the viciousness of the undeclared war in South Vietnam, the pro-Communist Pathet Lao activity in Laos seems child play." Inagaki also reported that there was even the view among some Vietnamese that in order to save South Vietnam from communism, Diem must go. (*Ibid.*, 951K.62/10-660)

U.S.-GVN unity. Thuan then said U.S. should also draw proper lessons from coup by realizing necessity for closer unity and better support of GVN in fight against Communists. Emb officer replied he thought we were giving GVN just about everything it needs for this fight. Thuan replied by referring to requests for H-34 helicopters, additional budget support beyond that contemplated for calendar year 1961 and 20,000 increase in force level. Emb officer stated we continuing try obtain H-34s, piaster requirements for military budget are at present (in view continuing rise in GVN foreign exchange reserves) within GVN capacity to handle, and suggested perhaps might be better to see what political measures GVN is going to take before further considering 20,000 increase in armed forces.

Durbrow

249. Telegram From the Ambassador in Vietnam (Durbrow) to the Department of State¹

November 26, 1960—9:50 a.m.

1129. Embtel 1118.² Diem received me one hour 26th. I was wrong in believing Diem's illness was diplomatic since it obvious he still suffering from sore throat. He was, however, quite relaxed and pleasant although still rankled by American and other press stories. Following highlights conversation:

I opened conversation by reiterating gratification my government he able suppress coup speedily and minimize bloodshed, adding USG particularly pleased hear he planning speed up reforms he had already started. I suggested it might be mutually beneficial discuss reforms and assured him we would be as helpful as we could.

Diem replied most essential thing to do is to help peasants at village level by doing all possible to cater their needs, give them protection and obtain their collaboration. He stated too many officials had been making fine speeches about what should do for peasants without taking any effective action and ministries are overstaffed with functionaries who prefer reside big cities instead of going out help masses. Diem ordering ministries send best cadres countryside

¹Source: Department of State, Central Files, 611.51K/11-2660. Secret. Repeated for information to Bangkok, Vientiane, Phnom Penh, and CINCPAC PoAd.

²In telegram 1118, November 22, Durbrow reported that Diem postponed the Ambassador's request for an interview from November 21 to at least November 24 on grounds that he had an inflamed throat and needed rest. Durbrow thought Diem's illness might be diplomatic based on his anger with Durbrow for his alleged support of the rebels in the recent coup. (*Ibid.*, 611.51K/11-2260)

to help peasants. He urging young medical graduates to make sacrifices by spending two years in country rather than trying to start lucrative city practices. He arranging elections by village youth to pick representative to work with village elders in interests youth. He has for some time been endeavoring pick and train qualified cadre to be G-2 for SDC at village level to obtain first hand intelligence at this level. He stated he had not yet been able find qualified man of integrity to head national intelligence organization but hopes obtain such person from among university professors. He must find man of integrity with solid reputation for full objectivity.

I asked whether he planned to implement his suggestion to hold elections for representatives of various professions and strata of population to form district, province and national level groups as part of national economic council set-up. Diem replied he will do this but it would be wrong to rush into such elections until various lower-level organizations are properly established, such as village-level farmers associations, retail traders, etc. and thus assure that when elections take place they will be fully representative. I urged him do this or allow elections for village elders in order make clear to masses that their desires are being taken into consideration. Diem indicated he planning do something along these lines but except for election youth representative to elder group, he not planning other elections near future.

I asked Diem significance press announcement of new decree stating Civil Guard, while remaining under Interior would be trained and equipped by Defense. (I had not seen text of decree.) He replied while Civil Guard would technically still remain under Interior, decree provided that as many elements as needed would be put under control Defense for training, equipping and operations. He stated since CG pay scale lower than ARVN, would have bad effect morale if entire Civil Guard under Defense and practically integrated into Army. He added decree was worded so as to give flexibility. I reminded Diem that unless it clear that CG elements we assisting are under control Defense we could not furnish MAP equipment for CG nor could MAAG do training. Without going into detail, Diem assured me decree covered these points. I asked him whether Civil Guard would be under operational control military commanders. He stated they would but indicated province chiefs and their military advisers would in certain circumstances have use elements of CG. I stated I hoped decree made it quite clear that military commanders had first priority and operational control all security units since this only way to assure effective use these forces against VC. Without going into details, Diem assured me this correct. I stated that I understood military commanders fifth, capital and first military regions already have such operational control but understood commanders

other regions did not. Diem replied this incorrect since, for instance, General Dinh had full operational control CG in fourth region. I then asked Diem significance announced decree putting SDC under Civil Guard. He replied SDC had always been under Interior but administered separately. By placing SDC under administration CG would permit elimination SDC administrative organization, save personnel and make more effective administration both organizations.

In this connection Diem stated, without giving details, that Gen Nguyen Khanh, who directed loyal forces from Palace during coup, would henceforth have top military planning and operational command under directives issued by Internal Security Council.

In not too pointed way Diem complained about unfounded foreign press stories about corruption SVN. He claimed GVN record in eliminating corruption better than all countries SEA. He added it only helped Communists have foreign press talk about corruption when all they were doing was spreading rumors which not backed by facts. He added that if correspondents and others had facts regarding corruption they should make it known to government in order that proper measures could be taken rather than just spread wild rumors.

He ended conversation by outlining results of investigation he had made re reasons Colonels Dong and Hong had revolted. Investigations disclosed they and their wives were quite high livers, gamblers, whose main reasons for disgruntlement was need for more money. During negotiations with Dong he kept pressing to get list of committee members, but it became obvious except for few fellow officers and Dong's uncle Hoang Co Thuy, no one of consequence on committee which obviously represented no serious elements in country. At one point when Diem on phone with Dong during coup he pressed latter give him names key ministers for new government. Dong said for instance Gen Ty would make good Minister of Defense. Since Gen Ty was rebel captive Diem asked to speak to him. When Diem asked Gen Ty if he would like be Min Defense he categorically refused. Dong then suggested Gen Duong Van Minh (Big). Diem knowing Minh was at Vice President's house asked him same question. He too refused stating he would gladly lead troops anywhere for Diem but being soldier had no interest in nor capacity for political job. (This confirmed by Gardiner who at Vice President's house at time Diem called.)

Comment: It somewhat encouraging Diem emphasized need to do more for and win over peasants as well as organized village-level intelligence capability. Whether his efforts will be effective and implemented soon enough is not too sure. His explanation re control of CG needs considerable clarification. It is to be hoped Diem will in fact let Gen Khanh act as overall operations commander instead of

Diem moving units around on his own without much rhyme or reason.

I detected nothing which would indicate Diem plans act in vengeful way against rebels and their sympathizers.

Durbrow

250. Telegram From the Chief of the Military Assistance Advisory Group in Vietnam (McGarr) to the Secretary of Defense's Deputy Assistant for Special Operations (Lansdale)¹

Washington, November 27, 1960.

SGN 252. Thanks for your most helpful information.² I had already called Thuan and making [*made*] strong representation and he took up with president. He called me today—Sunday—our time—and said Diem had agreed to place Civil Guard under VN DOD for operational control also. Now awaiting promised change in decree. This information not yet given country team. Your help appreciated. Best not known by ambassador as may be misunderstood.

¹Source: Washington National Records Center, RG 330, Lansdale Papers: FRC 63 A 1803, Vietnam Correspondence 1960. Secret.

²Not further identified.

251. Telegram From the Ambassador in Vietnam (Durbrow) to the Department of State¹

Saigon, November 27, 1960—1 p.m.

1130. Department telegram 821.² At this juncture I believe Lansdale visit may be useful from two viewpoints, despite possible Hanoi blasts:

¹Source: Department of State, Central Files, 751K.5811/11-2760. Limited Official Use; Limit Distribution. Repeated for information to Manila, Phnom Penh, Vientiane, Bangkok, and CINCPAC PolAd.

²Telegram 821, November 23, reads as follows:

"DOD desires Brig. Gen. Lansdale travel near future to addressee posts to appraise conditions and make recommendations concerning further efforts DOD might

Continued

a) If he follows Department's instructions and cooperates fully and openly with me, including reporting accurately to me on talks with and advice given Diem and other top Vietnamese, he may help in persuading Diem to take necessary political and economic as well as military measures, and

b) It should be useful to Pentagon for Lansdale to obtain first hand reading of current situation and problems here.

I concur Lansdale visit despite fact Jerome French, a civilian on Lansdale staff, was free wheeling around Saigon shortly after coup.³ French came here ostensibly discuss purely MAAG matters. After talking with MAAG he took leave of his military escort officer in mid-town saying he needed no more assistance. I learned later by chance he had talked with Thuan and he was seen having lunch with Vo Van Hai, Diem's personal secretary. French made no effort contact me or any political . . . officers so I am unaware his real mission or what he learned.

Durbrow

make contributing to stability in area. He would be available for discussion each country period 3 to 7 days. Request your reaction." (*Ibid.*, 790.5811/11-2360)

³See *infra*.

252. Letter From the Secretary of Defense's Deputy Assistant for Special Operations (Lansdale) to the Assistant Secretary of State for Far Eastern Affairs (Parsons)¹

Washington, November 29, 1960.

DEAR JEFF: Jerry O'Donnell passed to me a message from you about the visit of Jerome French, of OSO, to Phnom Penh. Also, I have seen Saigon 1130² about French's visit to Vietnam. The inference in these reports appears to be so distorted that I hesitate to comment on them. However, it might be helpful to you to have the facts on record, so I will note them briefly here. If there is any further concern in your office about this, perhaps Mr. French could resolve this by a personal visit.

Mr. French had been sent to Bangkok to attend the regular meeting of the Committee of Security Experts, of SEATO, which is a standing responsibility of this office. On his return from Bangkok, we had asked him to stop at Saigon, Manila, Okinawa, and CINC-

¹Source: Department of State, FE Files: Lot 62 D 26, L.

²*Supra*.

PAC briefly to discuss various current Defense problems of interest to us.

Mr. French's visit to Phnom Penh was caused by the coup attempt in Saigon and not by him or this office. He was aboard Air France flight 184 from Bangkok to Saigon on 11 November. Airline officials diverted this flight to Phnom Penh when the Saigon airport was closed to incoming flights. Mr. French immediately checked with the Embassy, to seek advice and assistance in continuing his journey. Being advised not to continue to Vietnam, he returned to Bangkok.

In Bangkok, Mr. French awaited the first Air France flight into Saigon and took it, arriving in Saigon on 14 November. He spent his time there on military matters with MAAG in which this office has staff responsibilities. He did visit with Vietnamese on personal and private affairs. As I am sure you do also, we like to keep in touch with old friends on family news and I believe you will agree that this is hardly a subject for official discussions. Incidentally, Mr. French had no escort officer assigned to him and thus could not have left him as reported. Also, I note that the Saigon message does not indicate that the Ambassador had checked with Chief, MAAG, prior to sending it.

In reflecting on the tone of these messages, I wonder if there is not an indication of prejudice which would impair the usefulness of a visit by myself to Saigon or elsewhere in the area. I note that copies of the messages were distributed to a number of our Embassies as well as to CINCPAC.

With best personal regards.

Sincerely,

Edward G. Lansdale³
Brigadier General, USAF

³Printed from a copy which bears this typed signature.

253. Letter From the Ambassador in Vietnam (Durbrow) to the Assistant Secretary of State for Far Eastern Affairs (Parsons)¹

Washington, November 30, 1960.

DEAR JEFF: With reference to my letter of November 8th enclosing my comments² on MAAG's suggestion to increase RVNAF force level to 170,000, I have received the attached reply from General McGarr to the comments contained in my memorandum.

Since Admiral Felt could not come here because of the coup, we were unable to discuss this question with him and therefore I sent a copy of my memorandum to CINCPAC PolAd so that the Admiral could have my views. As you will note from General McGarr's attached letter, he has also sent copies of his memorandum to Admiral Felt requesting that this matter be resolved at higher echelons. Since you will probably be in on any Washington discussions, I am sending you General McGarr's memorandum so that you may have a full record of both our views on this matter.

I am now working on a telegram to give my further ideas on the prospects of Diem's putting into effect needed reforms and suggesting, as I did in my 1105,³ that we should not give favorable consideration to granting a 20,000 force increase unless Diem takes effective, dramatic, far-reaching action to rectify his policies so as to win support for his Government. (Incidentally, you will note from General McGarr's memorandum that he now feels that the additional 20,000 men could be trained in a year to 18 months rather than two years as I indicated in my letter of November 8th.) While Diem, Thuan and others are talking about far-reaching reforms, I am very much afraid that the action to be taken may be neither drastic enough nor constitute enough of a psychological shock to turn the tide which is frankly running against Diem at the present time. I believe, therefore, it is important to bring as much pressure as we possibly can on Diem to take drastic action and I sincerely feel that we would be wasting time, money and effort if we accorded him a force increase before he institutes the very much needed reforms. For these reasons I have informed General McGarr that I cannot approve the force increase at this time.

¹Source: Department of State, Vietnam Working Group Files: Lot 66 D 193, Embassy Saigon, Official-Informal Misc. Letters. Secret; Official-Informal.

²Document 214.

³Document 247.

With kindest personal regards,
Sincerely yours,

Durby
Elbridge Durbrow

[Attachment]

**Letter From the Chief of the Military Assistance Advisory
Group in Vietnam (McGarr) to the Commander in Chief,
Pacific (Felt)**

Saigon, November 21, 1960.

DEAR ADMIRAL FELT: On 8 November, Ambassador Durbrow handed me a memorandum⁴ stating the Embassy's views opposing an increase in the force level of the Armed Forces of Viet-Nam from 150,000 to 170,000. On this same date, he sent a copy of this memorandum to Mr. J. Graham Parsons, Assistant Secretary of State for Far Eastern Affairs.

Today the Ambassador was given MAAG's comments on this subject, stating the arguments which justify and dictate an increase in strength. Since it appears at this time that the difference in the Embassy and MAAG views on the subject may not be resolved at Country Team level, and since the Embassy's views have been forwarded for consideration in Washington, it is considered essential that the entire matter be referred to higher authority for resolution between the Departments of Defense and State. Accordingly, there are enclosed herewith, for your information and forwarding to DOD, copies of both the Embassy and MAAG memoranda.

The arguments contained in the MAAG memorandum are believed to contain ample justification of the need for an increase in forces. A more detailed justification of the specific units considered necessary is contained in the MAAG-proposed Counter-Insurgency Plan, which has not yet been approved by the Country Team.

Realizing we should not permit ourselves to be forced into decisions by unilateral actions taken by the Government of Viet-Nam, it would nevertheless be unrealistic and short-sighted to neglect the consideration that if the U.S. does not soon agree to an increase, President Diem may well decide to make the increase on his own, using present RVNAF resources for this purpose. This, as you know, was done in the case of the Rangers last March, and the U.S. later agreed to accept and support the Rangers although their organization was and is not yet what we would have desired.

⁴See footnote 2 above.

President Diem has spoken of the need for an increase of 20,000 or more sufficiently often in recent weeks to indicate that he may again take such unilateral action. If he does, the forces which he would organize would almost certainly consist only of additional small combat units and not those which MAAG studies have indicated are required to provide a properly balanced force capable of providing the desired rotation for training, increased combat power and essential logistical support which has never reached acceptable standards. While these considerations cannot be considered as a factor in influencing the U.S. decision for or against a force increase, they do point up the urgency of an early decision.

A prompt decision favoring the force increase would permit the MAAG to condition the approval of the increase on the establishment of proper type units and proper utilization of all forces available.

Sincerely yours,

Lionel C. McGarr
Lieutenant General, U.S.A.

[Enclosure]

**Paper Prepared in the Military Assistance Advisory Group,
Vietnam**

Saigon, undated.

**MAAG COMMENTS ON RECOMMENDED 20,000 INCREASE IN
RVNAF FORCE LEVEL**

After an analysis of your 8 November comments on my recommended increase of the RVNAF force level to 170,000, I would like to provide you with additional thoughts on this matter. My answer is keyed, as applicable, to the comments expressed in your paper.

It is an agreed fact that the problem confronting VN today is one of a politico-military-psychological-economic nature which cannot be resolved by military means alone. The final solution can come only through a coordinated use of all of the elements of national power. In this respect, the history of communist "take over" of a target nation illustrates clearly that the timely, ruthless use of military force—or the supportable threat of its use—has often been a determining factor. Therefore, the fact that the North Vietnamese Third National Party Congress admits the current failure of its politico-psychological attack and has directed increased military-guerrilla-

action is significant. This again shows, if further proof is necessary, communist understanding and use of all the major elements of National Power in a balanced, coordinated, cohesive manner—and it reemphasizes their reliance on military force, if required, as the final arbitrator.

Military force, in the form of increased communist insurgency, is clearly the major immediate threat to the stability of Vietnam today—and historically, insurgencies have been controlled or eliminated only after long, hard effort. For example, it took a force of 463,000 thirteen years to pacify Malaya against 10,000 communist guerrillas. The present insurgency in South Vietnam is no exception in this respect.

Yet, South Vietnam is unique in that it is the only country in the world which is being forced to defend itself against a communist internal subversive unconventional action—a “hot war” waged with deadly seriousness every hour of every day—while at the same time being subject to the militarily supportable threat of a conventional external attack from communist North Vietnam. The former of these threats requires an intensification of counter-subversive and anti-guerrilla type action while the latter requires the more conventional organization and action. Both actions, however, are based on the use of flexibility—mobility—improved communications, intelligence and psychology. The problem is twofold, although at present the anti-insurgency phase is the more dangerous—as it is the more immediate—and it is producing excellent results from the communist point of view. It is most dangerous not only to the future of Vietnam, but to the future of the Free World. If we fail to meet this danger, the Free World will once more lose one of its major battles for the freedom of Asia—probably its last—in a battle in which SEATO is being effectively circumvented by the known communist tactic of fomenting an internal revolution within the country through subversion and military attack. For here in Vietnam a preview in miniature of world conquest is being conducted—similar but not as simple of solution as that the communists waged and lost in Malaya.

Those of us near the problem in the MAAG entirely agree that its solution lies in the coordinated use of additional military, political, social, economic and psychological power with the objective of conquering the VC and winning over the population. We both agree that the assistance and cooperation of the population is absolutely necessary to overall success against the communist threat. With the population whole-heartedly supporting the GVN, the VC will not be able to gain its support against the government. Equally as important, the population will then be able to give its government and its military forces the intelligence of enemy plans and actions which it so badly needs.

From the purely military point of view, acting as one of these elements of power, the solution hinges on the capability of the Army to protect the very lives of the people—to include government functionaries—from communist assassination and intimidation. In the far-flung villages, especially those isolated from governmental protective power in point of time, space and force, this is most difficult. With both the present military and the political situation a matter of serious concern, it becomes daily more important that the Armed Forces be able to give the population full and complete physical protection from the VC. We are convinced that because of the steadily deteriorating military position of RVNAF, this cannot be done to the required degree at present.

Among the reasons for this are certain basic and fundamental weaknesses in the present force structure of the RVNAF. (As you know, corrective action by the GVN in this area now appears likely.) However, this and other deficiencies cannot be overcome merely by reorganizing units within the present 150,000 ceiling. Nor would the reduction or elimination of headquarters staffs create sufficient spaces to make a meaningful contribution to the counter-insurgency effort. While reorganizing, retraining and re-equipping the Civil Guard under DOD—together with other corrective measures which we have already agreed are necessary—will have an impact on the effectiveness of military operations, the military fact remains that additional units must be created to provide the means for improving the overall military posture and effectiveness of RVNAF forces so that they can meet the present threat. To do this successfully, the RVNAF must have the training, mobility and strength to take the offensive against the VC. This it does not have at present. Therefore, MAAG has recommended an increase in strength to provide for:

a. *Meaningful rotation of combat units*—Rotation of ARVN and Marine units cannot now be accomplished with required regularity. The result is that many units have been committed on operations for a year or more without relief. For instance, the ARVN staff is forced to commit Marine units and Rangers with little hope of rotation. Thus, many troops have been separated from their families for long periods and are battle-weary, in a low state of morale, and in critical need of recuperation and training. Successful combat demands teamwork and teamwork is the result of effective training. Unfortunately, combat, while improving the soldier as an individual fighter if he is adequately trained to survive, cannot take the place of all important unit training. Due to losses of key personnel and periods of relative inactivity under conditions precluding meaningful training, the essential teamwork of a unit deteriorates rapidly once it is committed in combat. Therefore, of necessity these units must be rotated periodically to home stations for rest, leaves with their families and retraining. The latter includes individual training of personnel to fill selected key positions, and unit training to overcome weaknesses

brought to light as a result of operations. In addition to providing for the rotation of the regular units the recommended increase takes into consideration the need for an adequate rotational base to replace Civil Guard companies for training.

b. *More effective surveillance of rugged terrain, border and coastal areas:* The VC infiltrate into SVN by use of overland trails through Laos and Cambodia as well as sea-going junks and sampans from North Vietnam to transit the coastal waters into inland rivers, staging or regrouping areas. To prevent this infiltration, the GVN must have a firmer control of its frontiers. Frontiers which, because of the great length, ill defined boundaries, and nature of the terrain coupled with the political failure of the countries concerned to reach agreement on policing of borders make the military task of preventing infiltration almost insurmountable. However, this infiltration of both sea and land frontiers must be prevented by use of military land, sea and air action together with political action if the GVN is to be expected to successfully deny the use of these access routes to the VC "safe havens" in SVN which its condition of military weakness has fostered. Better utilization by the GVN of current military resources can somewhat diminish this traffic but cannot stop it.

c. *Increased helicopter lift and close air support*—Additional personnel are needed to man and support an additional H-34 helicopter squadron. As we have agreed, this unit which we have both recommended is urgently required to furnish the needed mobility to permit prompt commitment of forces against the VC in isolated areas. This helicopter squadron will provide a means of increasing the tempo of operations against the VC which is beyond the technical capability of the helicopters presently in use. However, the personnel required to man and support these additional helicopters cannot be provided within the current force ceiling. Further, in order to achieve optimum return from the investment in the VNAF and insure timely air support to ground forces engaged in anti-insurgency operations, Joint Operations and Air Support Operations Centers must be established and air-ground coordination teams organized and trained to operate with the ground forces in a close support role.

d. *An increased military intelligence capability*—The current military intelligence capability of the RVNAF is admittedly inadequate to support critical intelligence requirements. The Military Intelligence Battalion which I have included in the recommended increase in force level is a flexible, composite organization designed to conduct badly needed military intelligence operations in support of all echelons of the Armed Forces.

e. *Correction of the present imbalance between combat and logistic units, and inclusion of additional support for the 15,000 increase in RVNAF combat troops and for logistical support of the Civil Guard*—The additional personnel strength will also serve to correct logistical deficiencies. These have resulted from a long standing lack of sufficient logistical units to support the combat troops. This shortage is, of course, significantly accentuated by currently stepped up anti-insurgency operations. Augmentation is also required so that the RVNAF can absorb the additional work load derived from the transfer of the Civil Guard to the DOD, with MAAG assuming the responsibility for training from USOM as well as from the increase in force level.

f. *Adequate forces in position to deter and to combat overt aggression and to prevent further expansion of the VC insurgency and concurrent communist infiltration of regular troops into South Vietnam in support of the VC insurgency effort.* Of troops regularly stationed in the Hue-Danang area, at the present time, 14 out of 18 infantry battalions are committed to anti-insurgency operations. Three of the 14 battalions so committed are operating in the 5th Military Region far from home station. Of troops with home stations in the Central Plateau area, 13 out of 18 battalions are committed to anti-insurgency operations. Two of these 13 are engaged in operations in Zone D. In other words, 5 battalions of this deterrent force are operating out of their zones. This is cause for concern since it puts the deterrent force seriously off balance to meet an overt attack.

I fully agree that action must be taken immediately to bring about better utilization by the GVN of means currently available. If the recommendations of the Country Team, in regard to use of available military, political, social, economic, and psychological means are adopted by the GVN, some progress can be made within a reasonable length of time to limit Viet Cong activity and reduce the immediate threat. However, due to the topography of Southeast Asia and the proximity of out-of-country Viet Cong bases I cannot foresee the required elimination of organized Viet Cong military forces until the Civil Guard is fully trained militarily and capable of maintaining local internal security under present conditions; and there are also balanced, well trained regular forces in existence capable of defeating sizeable Communist forces now in the country and at the same time capable of guaranteeing the country's borders against infiltration of strong VC forces.

Although the most immediate threat is the stepped-up guerrilla-subversion Viet Cong effort, I cannot agree that the threat of overt aggression can be considered remote. Clear evidence of the external threat can be seen in the recent attacks by out-of-country Viet Cong forces in Kontum province. These attacks, while relatively small, approach overt attacks in the true sense. In fact, they could well have been military "Reconnaissances in Force" for future possible actions. They clearly indicate the capability and flexibility of the Viet Cong to strike at any place and at any time of their own choosing. Thus, a reduction of GVN forces in the plateau area to reinforce elsewhere (which has already been done to a dangerous degree) may well result in loss of control of that portion of South Vietnam by default. Further, forces positioned in the high plateau not only serve to combat Viet Cong aggression, but are strategically stationed in accordance with current U.S. approved GVN war plans. The key terrain to the defense of South Vietnam from overt attack by North Vietnam is, in the final analysis, the Pleiku-Kontum-Plateau des Bolovens Complex.

In reference to your suggestion that corps, divisions and similar large headquarters be eliminated in order to generate more combat forces, I have recently approved a study that recommends inactivation of the headquarters of the Military Regions and the Field Command. However, the personnel saving that will result from the adoption of this recommendation is minimal as the functions of these headquarters must still be performed elsewhere. My primary reason for approving this study is to provide a clear cut chain of command within the RVNAF by utilizing proper military channels. Corps and division headquarters are primarily tactical headquarters, capable of controlling a large number of smaller tactical and logistical units either directly or through their organic tactical headquarters. Divisions, a number of which are controlled by a single corps, are composed of units that provide battlefield mobility in every type terrain and are capable, if properly employed, of closely coordinated action even when widely dispersed.

Taking advantage of these inherent capabilities and organizational characteristics, such forces are fully capable of defeating guerrilla forces provided they are properly trained and employed in meaningful anti-guerrilla action in an offensive role. The elimination of corps and division headquarters, which contain only 2166 spaces or 1.4% of the total force structure, would place the control of regiments and battalions directly on the ARVN General Staff. This would be an impossible task for that or any other single headquarters and would be militarily unsound. Our advisory objective has been, and will continue to be, a concerted effort to have the tactical headquarters perform their proper function which in the past has not always been the case.

From my present knowledge, I believe the state of training of the Civil Guard is generally inadequate for the mission it must perform in meeting stepped-up VC military activity. Among other factors, this is due to lack of equipment, inadequate time for proper training, and shortage of advisors and training facilities. In recognition of this training deficiency, the "MAAG Plan for Reorganization, Training and Employment of the Civil Guard"⁵ visualizes a major portion of the Civil Guard undergoing basic and advanced individual training, followed by basic unit training at existing military training sites. This training is considered essential, for an effective anti-guerrilla fighter must first of all be a well-trained, well-disciplined, well-motivated soldier who is conditioned to hardship. Although this will take time, MAAG considers the worth and effectiveness of this training to be in direct proportion to the time spent. The augmentation of the RVNAF ceiling was, for this reason, insisted upon at the

⁵Not found.

time of negotiations for MAAG assuming the responsibility of Civil Guard training. If implemented without major deviations, (and currently this appears probable) this training will result in a Civil Guard more capable and more willing to perform its mission. To accomplish the required training, units will be relieved from present missions on a rotational basis to devote full time to training at suitable ARVN facilities. Since Civil Guard units will be issued U.S. weapons and equipment, the men must be trained in the use and maintenance of this equipment. To allow time for bringing all needed equipment into Vietnam, equipment must be phased into units as they are trained.

The statement that it will take approximately two years to recruit, train and equip the 20,000-man additional force is not entirely accurate when considered in proper context. It presents a picture which is unrealistically unfavorable. I am convinced that after approval of the recommended increase in force level, through certain emergency actions such as the call-up of prior service personnel, reduction in personnel attrition rates, and shortening of the training cycle, based on previous training, significant numbers of trained new tactical units will begin to join the RVNAF within a year, and that within eighteen months the bulk of this force will be deployed in anti-insurgency operations or other vital missions. This augmentation to the RVNAF is vital if the initiative is to be seized from the Viet Cong by offensive military action and if a decisive offensive to eliminate them is to be launched. As I have indicated above, the elimination of the Viet Cong, considering the demonstrated Communist determination and known objectives for South Vietnam, can only take place over a period of years. Therefore, any delay in initiating action to reach the increased force level will mean a continuation of the presently ineffective, piecemeal commitment of inadequately trained units during a period when time and events are in favor of the Viet Cong. Laos may be lost to the Communist Bloc, and if the loss is coupled with indecisiveness on our part, it may well mean the loss of all of Southeast Asia.

Within the scope of my comments, I certainly feel that we should condition the approval of an increase in force basis on the acceptance by the GVN of MAAG recommendations for the composition and employment of these additional forces and of the proposed improvements in the military structure contained in our Counter-insurgency Plan. Moreover, such concrete evidence of strong U.S. support of the GVN, vividly demonstrated by the approval of the much-desired force increase, could be expected to assist in bargaining with President Diem for the adoption of other improvements in the political, economic and social fields which have been recommended by the U.S. in the past.

I strongly urge, however, that we initiate action to obtain Washington approval for the necessary force increase in troop basis as a matter of urgency, concurrently with attempts to influence the GVN to implement immediate actions. Delay in any of our efforts to meet the Viet Cong threat may well negate attempted improvements in other areas. In the military area, delay can only set back the time when both the Civil Guard and RVNAF will be adequately trained for their mission of defeating the communist military threat to SVN.

In summary, it is the professional judgement of this MAAG that, regardless of the obstacles which must be overcome, there is a clear and urgent need for an increase in military force to assure the restoration of internal security in the degree necessary to the development of political and economic stability. Further, the time to move in this direction is now and not later when the situation is out of hand and training will be both impossible and too late. Accordingly, I would hope that this exchange of ideas will bring our views into agreement or that we may further discuss the question at your earliest convenience.

254. Memorandum From the Joint Chiefs of Staff to the Secretary of Defense (Gates)¹

JCSM-544-60

Washington, December 1, 1960.

SUBJECT

Helicopters for Vietnam (U)²

¹Source: JCS Files, CCS 99, 9155.3/4060 (1 Nov 60). Secret. Also printed in Department of Defense, *United States-Vietnam Relations, 1945-1967*, Book 10, pp. 1332-1333.

²In MAAGCH-SA 1388 from Saigon, November 1, McGarr stated in part:

"1. Continued deterioration of local internal security situation here emphasizes necessity for provision H-34 helicopters as matter of urgency and on an emergency basis. As pointed out previously neither A nor B model H-19 meets requirements of current operations in this area. Long lead time incident to provision H-34's from production understood, however, feel scope and urgency of the emergency such that H-34's should be provided from those on shelf or active inventory of U.S. units. Although cost is a factor to be considered, it should not be the determining factor. U.S. national policy in Southeast Asia at stake.

"2. Increased lift, reliability and added range afforded by H-34's considered to be vital and essential factors which would be major contribution to success of anti-guerilla operations." (*Ibid.*)

The Embassy gave its strong support to this recommendation in telegram 956 from Saigon November 4. (Department of State, Central Files, 751K.00/11-460) CINC-PAC did the same in message 052313Z to OSD/ISA, November 6. (Washington National Records Center, RG 330, OSD/ISA Files: FRC 64 A 2170, 092 Vietnam)

1. Reference is made to a memorandum, dated 9 November 1960³ from the Director of Military Assistance, Office of the Assistant Secretary of Defense, International Security Affairs, to the Chairman, Joint Chiefs of Staff concerning a recommendation to provide H-34 helicopters to the Republic of Vietnam.

2. The Joint Chiefs of Staff consider that there is a valid requirement to increase the helicopter lift capability of the Vietnamese Armed Forces at this time, in view of the deteriorating internal security situation in Vietnam.

3. The Joint Chiefs of Staff concur with the recommendation of the Director of Military Assistance, OASD (ISA), to provide 11 H-34 helicopters from service inventories for delivery to the Republic of Vietnam, subject to immediate reimbursement to the providing department.

4. It is the understanding of the Joint Chiefs of Staff that emergency funding action will be required to provide the required increased helicopter lift capability to the Vietnamese Armed Forces, and that the Director of Military Assistance concurs in the Commander in Chief, Pacific request for such emergency funding action, rather than providing the increased capability by deviation from the FY 61 Military Assistance Program for Vietnam.

5. The provision of the requested number of H-34 aircraft from active service inventories, plus the provision of the necessary ground support equipment and follow on spares, will result in a reduction in the capabilities of the providing service until such time as the aircraft, equipment and spares can be replaced. In view of this, and since shortages of this model aircraft already exist in the service inventories, rapid replacement will be required. In addition, the anticipated increase in the cost of providing the Vietnamese Armed Forces with an H-34 helicopter maintenance capability will require provision of additional funds to the FY 61 Military Assistance Program for Vietnam. The Joint Chiefs of Staff strongly recommend that the additional funds required to provide the required increased helicopter lift capability be provided from the President's Emergency Fund.

6. It is recommended that the Department of the Army be designated to provide the 11 H-34 aircraft, plus the ground support equipment and follow on spares, with the Department of the Air Force implementing delivery through normal Military Assistance Program procedures.

For the Joint Chiefs of Staff:
Curtis E. LeMay
General, USAF
Vice Chief of Staff, U.S. Air Force

³Not printed. (JCS Files, CCS 99, 9155.3/4060 (1 Nov 60))

255. Special Staff Note Prepared by the Department of Defense¹

Washington, December 1, 1960.

From Defense:

Indochina.—Because of the worsening of internal security conditions in Viet Nam, Defense is considering the possibility of giving 11 H-34 helicopters to the Vietnamese as an emergency measure. (S)² . . . ³ Defense and State have developed a list of equipment to be provided under the additional \$900,000 in military aid that we recently promised to grant to Cambodia for political reasons. The list includes engineer construction battalion equipment, 3 medium landing craft, 3 M-26 tanks, 10,000 carbines, and rifles and crew-served weapons. We have also decided to reduce by only 5% rather than 10%, for one year, our annual contribution to the Cambodian forces (which will give Cambodia \$1 million more than we had previously agreed), and to provide jet training for 6 Cambodian pilots, and additional police training and equipment under ICA programs. Cambodia also requested 6 jet aircraft but we will not commit ourselves because there is no military justification for the aircraft and granting them might have an adverse effect in Viet Nam and Thailand. (C)

¹Source: Eisenhower Library, Whitman File, Staff Secretary Record, International Series. Secret. The source text was initiated by President Eisenhower.

²See the memorandum *supra*. At this point, President Eisenhower wrote the following comment in the margin: "If we do—then now! D." John S.D. Eisenhower wrote the following note at the end of the source text: "Secretary Irwin notified by memo. J.S.D.E." A copy of that memorandum, December 12, is in Washington National Records Center, RG 330, OSD/ISA Files: FRC 64 A 2170, 452.1 Vietnam.

³Ellipsis in the source text.

256. Memorandum From the Officer in Charge of Vietnam Affairs (Wood) to the Director of the Office of Southeast Asian Affairs (Anderson)¹

Washington, December 2, 1960.

SUBJECT

Diem's Resentment

¹Source: Department of State, Vietnam Working Group Files: Lot 66 D 193, 91-VN 1960—Chief Executive: Ngo Dinh Diem. Secret. Sent through Cleveland and initialed by Anderson.

After going through all the messages and weighing the pros and cons, I have changed my opinion and I think it would be a mistake to recommend that the Secretary call in Ambassador Chuong to affirm our support of Diem and his government. My reasons are as follows:

1. The nature of Diem's resentment is difficult to analyze and therefore difficult to meet, but it appears to center around Diem's feeling that we did not give him personally enough support during the attempted coup but rather sought a rapid compromise between anti-Communists in order to avoid giving the Viet Cong an opening. This is pretty close to the truth and it would be difficult for the Secretary to make an honest and convincing statement which would arrest these resentments. Throughout the coup attempt Ambassador Durbrow's chief preoccupation was to avoid a bloodbath and to urge that the Government and the rebels get together. Our line with the press at that time was "The American Ambassador remains accredited to President Diem so long as he remains President." (Saigon's 1022²) This certainly was not undying support (as Madame Chuong pointed out to my considerable irritation).

2. After the coup Ambassador Durbrow said to the press that he was "happy that President Diem had successfully resisted the coup," (Saigon's 1088³) and Mr. Parsons emphasized to Ambassador Chuong that "our support for President Diem as the leader of his people and as the head of the GVN continued as it had for so long." (Memorandum of Conversation, November 18⁴)

3. Nhu has said he fully understands the U.S. role during the coup attempt including our efforts to exert influence to retain the President in an active role and to avoid bloodshed. He comments that our role was to seek a compromise among non-Communist forces. His complaint is that we should start from some more fundamental strategy based on the application of the Constitution and that any force that challenged this strategy had to be opposed by the Government, not met by a compromise. . . .

In plain English, all these resentments could only be met by assuring Diem that we will back him at all times, under all circumstances and forever. This we cannot do. Our role is to back the legitimate Government of Viet-Nam against the Communists, and if for purely internal and non-Communist reasons there is a change of Government, it would under most circumstances be wrong for us to interfere. One of the chief criticisms that we hear from non-Communist Vietnamese who are opposed to Diem is that we appear to back

²Document 220.

³Document 239.

⁴Document 244.

Diem at all times and at all costs. The proper answer to this is that we back the legitimate government of Viet-Nam.

4. If we go further than Mr. Parsons' statement that we continue to support President Diem and if we make Diem believe that our support is in any way "absolute", we will weaken our own pressures for government reform and liberalization.

5. Another problem involved in meeting these resentments is that they have come to us indirectly This makes it difficult to take official cognizance of them.

6. Finally, Ambassador Durbrow has not recommended that the Department take any action.

Conclusion

Since the State Department, speaking through Mr. Parsons, has already indicated our continuing support for Diem and Ambassador Durbrow has indicated publicly and privately to Diem our gratification that he was able to resist the coup speedily and with a minimum of bloodshed (Saigon's 1082⁵ and 1129⁶), I think we should go no further than to suggest to Ambassador Durbrow that he say to Diem at his next meeting that in order to avoid any misunderstandings arising from the tensions caused by the coup that there is no question but that the USG supports President Diem and his government, desires to continue to work closely with it, and to discuss and work out in a frank and friendly manner all problems of mutual interest.

⁵Document 237.

⁶Document 249.

257. Telegram From the Ambassador in Vietnam (Durbrow) to the Department of State¹

Saigon, December 4, 1960—2 p.m.

1151. Some three weeks after coup, following are my evaluation and recommendations:

On surface life has returned to normal, Viet Cong activities appear to have diminished somewhat, although this could be lull

¹Source: Department of State, Central Files, 751K.00/12-460. Secret; Limit Distribution. Repeated for information to London, Paris, Bangkok, Phnom Penh, Vientiane, Singapore, Kuala Lumpur, Manila, Canberra, and CINCPAC PolAd. Printed also in Department of Defense, *United States-Vietnam Relations, 1945-1967*, Book 10, pp. 1334-1339.

before storm; Diem has not adopted vengeful attitude against rebels, although certain others have sought take advantage of situation for "settlement of accounts" and some of "people's" actions against rebels' families, newspapers, et cetera, were unfortunate; Diem has taken some steps recommended by us in military field, i.e., partially placed Civil Guard under defense (this being clarified); is reportedly working on plan to set up what we hope will be effective operations commands, including reorganization and streamlining of field headquarters which we hope will be allowed to operate through firm chain-of-command; Diem, Nhu and Thuan have told us they working on other reforms, i.e., election youth representatives to village councils, eventual implementation elective representatives to National Economic Council, plan for periodic "fireside chats," promised reorganization of the cabinet structure, and other unspecified moves which Thuan promised would be worked out by Christmas. It is hoped that these reforms are not just reforms on surface with little or no substance. Despite these signs, there is basically quite serious undercurrent malaise and skepticism whether effective reforms will be taken soon enough. This uneasy feeling not confined to intellectuals or opposition groups; but to sizeable number of others, i.e., cabinet Ministers, other loyal officials, deputies and some military. Nhu and Thuan have indicated that Diem, who not particularly interested fundamental political matters, is resisting some suggested basic reforms.

Nhu and Diem still deeply rankled particularly by critical American press stories about autocratic regime and entourage, and Diem made the ridiculous statement to Ladejinsky November 30th that he believes some Americans may have backed coup because one of coup leaders, Colonel Dong, "told him so during negotiations." This may represent rationalization blame others not selves. Diem probably drawing on his "miracle theory" refuses admit rebels could have captured or killed him if they had followed through initial advantage (General Khanh told me 3rd after first rebel attack morning 11th there were only 30 defenders in Palace which could have been easily taken) and both Nhu and Diem now expressing deep displeasure because "Americans equated Diem regime with rebels because both anti-Communists and therefore we urged both sides negotiate. While under circumstances their attitude understandable, we have made point clear to them that we did all in our power to prevent bloodshed and urge rebels when they had power to oust Diem that he should be given active role in any government established. While hothead Can Lao party members who organized committee against Communist colonialists have been calmed down somewhat, this element could regain momentum and cause further trouble if unleashed again by GVN.

Just below surface there is much talk about another coup unless Diem relaxes some controls, puts in effective reforms, takes more effective action to fight VC and give protection to population. There is still strong under current of resentment against entourage but because any action he took this score would be under pressure and indicate weakness, and particularly his resentment of press stories about entourage, coupled with fact Diem feels he needs Nhu as loyal adviser, prospects Diem will transfer Nhu to other work or abroad not in sight, at least for some time. Despite this malaise and feeling about entourage, most critics still respect Diem as only leader at moment but this feeling could easily change² unless he takes fairly drastic action to meet criticism and basic desires most strata population.

We believe also that unless Diem takes early effective action on political front, coup has increased chances for development neutralism and for anti-Americanism among those critical of GVN. Despite our close identification with Diem and his regime critics have not to date bracketed us with government in expressing their dissatisfaction. Many have told us however that only we can induce Diem adopt changes which will save his regime, thus indicating they look to us to help them. If, after failure of clearly anti-Communist coup attempt to bring about changes we are not successful in inducing Diem to make peaceful changes, critics may well become frustrated, turn against U.S., seek other means bring about change and might even move toward neutralist position in middle. If Viet Cong guerrilla successes in countryside continue at rate registered during past year, this will also increase frustration of armed forces and population and could provide soil in which neutralism may grow.

Recommendations:³

1. We must continue urge effective integrated programs soonest in political, social, economic including needed fiscal reforms, and military fields. Since Diem and others assure us they working on reforms we should not at moment press too hard.
2. We should continue urge other foreigners, particularly Asians, to urge Diem take above steps.
3. We should continue urge Diem, Nhu and others to change their attitude regarding foreign as well as local press and take effective steps to have better public relations internally as well as abroad and implement an effective country-wide psywar program.

²At this point a marginal note in an unidentified hand reads: "What proof."

³In the margin next to each of the first eight in an unidentified hand is the notation "O.K."

4. If necessary, do all we possibly can to prevent hotheads from trying gain upper hand and going in for vengeance against rebels and adopting ultra-nationalistic attitude.

5. Take appropriate opportunities urge Diem and others adopt at least most important suggestions contained in my démarche to him Oct 14th.

6. Do all we can get Diem to accept basic principles suggested in MAAG counter-insurgency plan, which will be forwarded soonest (some parts of plan which within U.S. agreed policy directives have been urged on GVN with some success).

7. Clarify inconsistencies in transfer Civil Guard to DOD in order that MAAG may start training on large scale soonest and make MAP equipment available.

8. Since Diem believes we do not understand seriousness of VC threat and he suspects we may have encouraged rebels, we should make arrangements immediately to ship six H-34 helicopters which are not only most urgently needed fight VC effectively but would reassure Diem we trying give effective help.

9.⁴ Since it far from certain Diem will introduce sufficiently appealing and effective new programs and use his present security forces in most efficacious manner, we must find suitable means to bring pressure on him. As I outlined in Embtel 1105⁵ as well as in memorandum this subject (Letter to Parsons Nov 8⁶) I am convinced, even if we eventually should agree, that we should not now accord his request for 20,000 additional force or concur in his unilateral action to raise force level (Chief MAAG 1537 Dec 1⁷—copy JCS). To do so without his having relaxed controls, instituted effective reforms and having permitted efficient use present forces, would not save the day for Diem but might even induce him follow his instinct to rely primarily on use of force both to control population and fight VC. While I am not fully convinced need for extra 20,000 men, I would be willing to concur in such addition if careful study by all concerned concurred in this recommendation. (MAAG views on urgent need for 20,000 increase forwarded Parsons my letter Nov 30th⁸) therefore, suggested this matter be carefully studied Washington and if final recommendation is favorable it be kept secret as ace in the hole to grant Diem provided he has taken other necessary steps which are to me much more fundamental, and provided he needs extra force after taking more essential steps. If, for instance, at

⁴In the margin next to recommendation 9 in the same hand is the note: "Reply in draft."

⁵Document 247.

⁶Document 214.

⁷Not printed.

⁸Document 253.

the beginning next year he has taken effective steps along lines suggested above and it is still considered he needs increased force level we could so inform him then. But in meantime, in view his threat to raise force level unilaterally, I should be instructed soonest to take suitable opportunity to state while force level increase is under consideration Washington cannot now see its way clear to grant such increase when other more important steps are essential at present in fight against VC and to make further progress Viet-Nam.

10. In summary, situation in Viet-Nam is highly dangerous to US interests. Communists are engaged in large-scale guerrilla effort to take over countryside and oust Diem's government. Their activities have steadily increased in intensity throughout this year. In addition Diem is faced with widespread popular dissatisfaction with his government's inability to stem the Communist tide and its own heavy-handed methods of operation. It seems clear that if he is to remain in power he must meet these two challenges by improvements in his methods of conducting war against Communists and in vigorous action to build greater popular support. We should help and encourage him to take effective action. Should he not do so, we may well be forced, in not too distant future, to undertake difficult task of identifying and supporting alternate leadership.

This is not for discussion with foreign governments.

Durbrow

258. Memorandum From the Director of the Office of Southeast Asian Affairs (Anderson) to the Assistant Secretary of State for Far Eastern Affairs (Parsons)¹

Washington, December 6, 1960.

SUBJECT

Talk with Mr. Merchant: Vietnamese Force Level

President Diem has long wanted to increase his armed forces from 150,000 to 170,000.

Recently MAAG/Viet-Nam and CINCPAC have recommended that this be done. Ambassador Durbrow is opposed to such an increase at present on the grounds that Diem is not using his available forces effectively and that if he is given the means to increase his

¹Source: Department of State, Vietnam Working Group Files: Lot 66 D 193, 108-VN 1960-National Defense Affairs (General). Secret. Drafted by Wood and cleared by Cleveland.

forces by 20,000, he will think too much in terms of force and not enough of reforms. General McGarr has written Admiral Felt asking that this difference between the Embassy and the MAAG be resolved at higher levels.

The Pentagon is troubled by the shortage of funds.

The GVN is faced by many needed reforms—some to give more liberalization and others to increase governmental efficiency. The former need not be extensive, but should be genuine moves towards liberalization (particularly the press and the National Assembly). The latter involve inter alia a National Security Council (already established), a better chain of command and a unified intelligence organization. Our Country Team is working on an over-all plan.

Ambassador Durbrow has spoken strongly to President Diem on the need for both liberalization and government reform.

As to the Vietnamese armed forces, FE is very much aware of recent reports of North Vietnamese troops massing near the 17th parallel.² The intelligence community does not believe they are preparing to attack. If they are, a decision now to increase ARVN by 20,000 would be a little late as these recruits would need 18 months of training.

We agree with Ambassador Durbrow that now is not the time to distract Diem from the problems he must solve soon by dangling hopes of a major force increase which he is likely to regard as a panacea, particularly as we would have great difficulties with funding.

We are writing Ambassador Durbrow informally to suggest some alternatives to a 20,000 man increase which he might want to ask his Country Team to study if he thinks they might be useful. These are:

1. Present plans include counter-guerrilla training for 32,000 members of the Civil Guard. Should this program be increased to give training to all 54,000 Civil Guardsmen? These men already exist in units designed for local defense and protection.

2. Increased training and equipment for the existing 47,000 members of the Self-Defense Corps whose primary role is village protection.

3. An increase in the number of engineers in the armed forces of up to, say, 5,000. More roads and airstrips in the troubled areas and near frontiers would increase the mobility of the defense forces. Army engineers can increase this important infrastructure and protect themselves at the same time.

4. We are seeking approval of the Embassy's recommendation that we concur in the GVN's suggestion that conscription be suspended provided the GVN is prepared to meet the increased local currency costs resulting from the fact that regular troops get more pay than conscripts. At present about 50 percent of the fighting

²See Document 260.

troops are conscripts. MAAG and the Embassy concur that regular troops would be more effective.

Suggested for immediate action:³

Ambassador Durbrow has asked to be instructed "soonest" to inform Diem that while force level increase is under consideration, Washington cannot now see its way clear to grant such an increase when other more important steps are essential at present in the fight against the Viet Cong and to make further progress in Viet-Nam.

Recommendation: that Ambassador Durbrow be instructed to say that no force level increase is possible at present, that the matter will be studied and that it will not be possible to have a final decision for some months. Meanwhile no plans should be made which assume such an increase.

³See Document 262.

259. Memorandum From Jerome T. French of the Office of Special Operations, Department of Defense, to the Secretary of Defense's Assistant for Special Operations (Erskine)¹

Washington, December 6, 1960.

SUBJECT

Report of Trip to Asia, 28 October 1960 to 26 November 1960

The following is a brief résumé of places visited, activities undertaken and impressions obtained during the subject trip.

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Vietnam

I was enroute by air to Saigon when the Coup attempt occurred on 11 November and the flight was rerouted to Phnom Penh. On advice of U.S. Embassy officials in Phnom Penh I returned to Bangkok the following day and proceeded from there to Saigon as directed on the 14th. I remained until the 17th and had extensive discussions with General McGarr and other MAAG officers on the situa-

¹Source: Washington National Records Center, RG 330, FRC 63 A 1803: Lansdale Papers, J.T. French Trip File. Extracts. Secret. The omitted material includes an account of French's stops in Tokyo, Manila, Bangkok, and Okinawa.

tion in Saigon as a result of the Coup attempt and on the general military situation in Vietnam with respect to Viet Cong activities. I was given briefings by the plans and operations sections of MAAG and also talked with MAAG advisors concerned with psychological warfare and intelligence activities, on the status of U.S. assistance to the Vietnamese Armed Forces in the counter-insurgent field, especially actions taken by MAAG since the meeting held in Washington in August which was chaired by Deputy Secretary Douglas.² I was furnished with a copy of the counter-insurgency plan prepared by MAAG³ for which Country Team and Vietnamese Government support is currently being sought. Some of the recommendations contained in this plan have already been discussed with the Vietnamese and are in the process of implementation as has been reported, however, I have serious doubts as to whether the full plan can be sufficiently implemented in time to recoup the internal security situation which appears to be deteriorating rapidly.

I was also able during my brief stay to see Mr. Thuan, the Assistant Secretary of State for Defense, and Mr. Vo Van Hai, Secretary to the President, both of whom are personal friends. My conversations with these gentlemen were largely personal and unofficial in nature, however they did provide me with information relative to the Coup attempt, its effect on the internal security situation in the country and current Viet Cong activities. I relayed this information in detail to General McGarr and that pertaining to the Coup has subsequently been covered in various official reports from Saigon.

A brief statement of my personal views with respect to the situation in Vietnam based upon impressions obtained during my visit is attached as Annex "A".

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Conclusion

My trip was thrown badly out of kilter by the events in Saigon which served to dramatically emphasize the ferment which dominates the area.

Although the trip was abbreviated and I did not have the opportunity to talk with nearly as many people as would have been desirable or long enough with others, it does seem to me that U.S. prestige and our position in Asia vis-à-vis the communists has deteriorated to an alarming extent since my visit of last year at this time.

²No memorandum of this meeting has been found.

³Document 210.

Vietnam exemplifies the fact that we have not yet, after so many bitter years of experience, developed the necessary capability for assisting foreign armed forces in dealing with Mao-type guerrilla warfare. I believe there is much truth to the statement made to me by one individual that "not only have we made ourselves weak, but worse yet we have made our allies weak as well."

The problem of making most effective use of military assets in the cold war is exemplified in the present situation with respect to the activities of B&VA PAC. Perhaps OSO in conjunction with JSAD and the Army could jointly study the question of how greater use might be made of this organization in support of the Defense cold war effort, with the object of providing detailed guidance to CINC-PAC and/or USARPAC on its employment.

It does not appear that effective utilization of the STC is likely unless the response in the PACOM area to recent Washington directives on increasing counter-guerrilla and related training under MAP, is so great that other U.S. training resources are over-committed such as is presently the case at the ALS. In this event the present CINC-PAC position against insisting on MAAG utilization of STC for off-shore training may be reversed. Unless this occurs or can be brought about, it would seem that the only alternative is to permit utilization of the facility of the Philippine Government for its own purposes.

Jerome T. French

Annex "A"

THE SITUATION IN VIETNAM

A. Coup Attempt

1. The abortive coup was an attempt by a few officers together with some civilian relatives to take advantage of U.S. and Vietnamese dissatisfaction with the Diem Regime in furtherance of their own ends.

2. They counted on support from the remainder of Army and the U.S. which was not forthcoming.

3. Popular dissatisfaction with the government does exist and is aggravated by the worsening security situation and rumors. The basic cause of dissatisfaction is government by a few and the social and political injustices which apparently have occurred but which have been greatly magnified by rumors and hearsay. Diem appears to have lost much of his identification with the people in Saigon who were politically apathetic during coup attempt. It was apparent however that the popular dissatisfaction is directed not so much at him per-

sonally as at his political entourage. I believe it is significant that two people both of whom are extremely loyal to Diem and who have been with him since his underground days, expressed to me their disgust with political intrigues and arbitrary actions by the government and the need for reforms. These people are *both in* the present government with little to gain from a change and were *not* sympathetic to rebels. Both are held in high regard by Diem but are apparently unable to influence him in this area. However, I believe the fact that they were able to speak frankly to me without apparent fear of reprisal is indicative that the rigid dictatorship in Vietnam which some have alluded to simply does not exist.

4. Possible After-Effects.

a. The coup attempt may make Diem more intransigent and suspicious than before and less likely to broaden the base of his government and relax his autocratic methods. It also seems likely that the purge threatened by the anti-coup committee will permit political power seekers within the military and government to advance their own interests at the expense of good and loyal people. Chief MAAG is doing his best to prevent this within the military.

b. Unfortunately it would appear that many people in the U.S. community in Saigon have forfeited their ability to render a constructive influence on the Vietnamese Government by short-sighted and ill-conceived words and actions during and immediately following the Coup attempt. These people, apparently victims of rumors and their own bias against Diem, were quick to assume the Coup attempt was a popular movement and Diem would be toppled. Their expressions of sympathy for the rebel cause, both during and after the Coup attempt, have been extremely damaging to U.S. interests in Vietnam. At the present time, General McGarr is the only senior U.S. official welcome at Palace and the GVN is convinced many U.S. officials were sympathetic to and even actively supporting the Coup group. This will serve to preclude the intimate U.S.-Vietnamese relationship which I believe is necessary in order to effectively reduce the rapidly worsening internal security situation.

B. V.C. Situation

1. The Viet Cong are rapidly moving towards a pre-Geneva situation wherein V.C. will control country-side and GVN will control larger cities and main roads during the day.

2. They have secure base areas throughout country and are beginning to consolidate these areas in the South. They are capable of launching raids virtually anywhere in the country outside of Saigon at any time.

3. They are concentrating on disrupting the economic base of the country and rural government administration in order to bring down the Diem government.

4. They need only to maintain present scale of activities to accomplish this as long as government military operations continue on

the defensive and mainly ineffective as at present. (Static Defense and sweeps.)

5. MAAG Vietnam has prepared a detailed plan for reorganization and re-employment of military and other security forces, which is currently being coordinated with other elements of the Country Team prior to presentation to the GVN. The most important aspect of this plan is a streamlining of the military command and the removal of non-military authority over military employed in security operations. I believe the greatest weakness of the plan to be that it fails to give adequate weight to the time factor. To be effective I believe it must be telescoped. The type of offensive operations which are envisioned *after* reorganization of the armed forces must be begun immediately.

6. In my opinion we will *not* be able to obtain full support of GVN *unless* Diem is convinced of the *sincerity* of the U.S. Government and that *he* has its *full* support. We must show that we view the situation as critical and are willing to provide extraordinary support, if we expect the Vietnamese Government to take the extraordinary measures which are necessary to recoup the situation. In this connection, I believe it would be highly desirable to provide immediately the additional assistance which President Diem and his military leaders are convinced is necessary and which MAAG and CINCPAC support, i.e., H-34 helicopters, approval and support for the proposed 20,000-man Army increase, and additional special forces instructors. In addition, all other military assistance to Vietnam should be handled on a high priority basis in view of the emergency situation which exists.

260. Memorandum From the Director for Intelligence and Research (Cumming) to the Secretary of State¹

Washington, December 7, 1960.

SUBJECT

Intelligence Note: *Reported North Vietnamese Military Moves Against South Vietnam*

Since the latter part of November, there have been several reports that the Communist North Vietnamese regime will launch a

¹Source: Department of State, Vietnam Working Group Files: Lot 66 D 193, GVN-DRV Relations, 1960. Secret. Drafted by Louis G. Sarris and Alfred E. Wellons of the South Asia Division of the Office of Intelligence Research and Analysis for Asia. Cleared by the Asian Communist Areas Division of the Office of Research and Analysis for the Sino-Soviet Bloc. Printed from a carbon copy.

major terrorist-guerrilla campaign throughout South Vietnam and/or a military offensive across the North Vietnamese or Laos frontiers during the next week or so. Hanoi reportedly will induct 80,000 conscripts into the armed forces and is massing army units along the Vietnam Demilitarized Zone, allegedly in preparation for these moves. However, most of these reports, including the massing of forces, appear doubtful and seemed to have stemmed originally from the French Government representative in Hanoi who frequently is not reliable, despite the fact that he has greater contacts in North Vietnam than any other non-Bloc official. We doubt that an overt North Vietnamese attack on South Vietnam is in prospect but we expect the Vietnamese Communist clandestine network south of the 17th parallel to continue to expand its armed and other subversive operations against the government of President Diem.

Alleged secret directives from Hanoi to its cadres in South Vietnam since the early part of this year apparently have laid down a program of action in stages to be completed by the end of 1960 or very early in 1961. One stage, presumably now in effect, supposedly involves a take-over of most of the southern countryside (the area formerly known as Cochin China) designed to critically weaken and eventually precipitate the downfall of the Diem government. Although the Communists already appear to have made significant progress toward this end, it is highly unlikely that their armed cadres of 7,000 to 8,000 can actually take over most of the countryside any time soon without considerable assistance from North Vietnam. Hanoi probably must look forward to a protracted and difficult struggle, particularly if the Diem government increases its effectiveness against the internal Communist threat and takes critically needed political and psychological measures.

The resolutions of the Third Congress of the Vietnamese Communist Party last September indicated that Hanoi would accelerate its efforts to extend its control over all of Vietnam. However, there is no evidence that the Bloc has yet sanctioned any new, large-scale Communist move against South Vietnam in support of Communist global strategy.

This analysis does not preclude, or assess, the possibility that the reported North Vietnamese military moves may be related to the current crisis in Laos.

261. Telegram From the Ambassador in Vietnam (Durbrow) to the Department of State¹

Saigon, December 8, 1960—7 p.m.

1161. Our 466,² G-156,³ D-207.⁴ Expanding Communist guerrilla war in South Vietnam with its increasing threat of achievement of Communist objective of taking over free area of Vietnam poses in more acute form than at any time previously problem of border control between Cambodia and Vietnam. Build-up of Viet Cong Forces to more than 7,000 (our G-156) and Viet Cong progress toward establishment "liberated areas" in SVN (our despatch 207) underline importance considering further action US can take to ameliorate border control situation. Major part infiltration VC into Southern Vietnam believed accomplished via transit from DRV, through Laos and Cambodia.

Chief MAAG is convinced that this guerrilla war cannot be won by free world unless effective steps taken to plug up porous border. In connection counter insurgency plan now under preparation at Washington direction, MAAG is working our recommendations to GVN for expanding and improving its control system on both Cambodia and Lao borders. However, without improved Cambodian cooperation it is very doubtful that substantial improvement in control of border can be achieved.

Believe therefore US should explore all possible alternatives for improving Cambodian cooperation with GVN on this question. We suggest:

1. Consideration of further increase in US military aid beyond that already agreed to in response RKG request. This further increase would be contingent upon Cambodian agreement to effective border control arrangement. In view frequent previous Sihanouk statements RKG does not have wherewithal to patrol borders, increased military aid should relate primarily to types equipment required for more effective border control. Phnom Penh may wish comment on types equipment desirable.

¹Source: Department of State, Central Files, 751K.00/12-860. Secret. Sent also to Phnom Penh and Paris; repeated for information to Bangkok, London, Vientiane, Ottawa, New Delhi, and CINCPAC PolAd.

²Document 186.

³In this airgram, October 8, the Department transmitted the ARVN's estimate of strength of the Viet Cong in South Vietnam as of September 1, 1960, at 7,252, an 85 percent increase over the previous estimate of April 30, 1960. (Department of State, Central Files, 751K.00/10-860)

⁴In despatch 207, November 25, the Embassy described and analyzed the Viet Cong campaign of increased guerrilla warfare in the South beginning in September 1960. (*Ibid.*, 751K.00/11-2560)

In trying sell this quid pro quo to Sihanouk suggest stress greater threat to RKG posed by Vietnamese Communists than GVN. While RKG may feel that GVN has created problems for it, RKG could be certain that Communist-controlled South Vietnam would pose far greater threat to Cambodia's security. Since current campaign against internal Communist influence demonstrates RKG aware Communist problem, we believe RKG may also recognize own interest served by improving border control cooperation with GVN.

Believe it would also be useful to remind RKG that free Khmer problem has disappeared during past few months. May therefore be in order for RKG to help GVN deal now with its dissident problem.

2. Urge French in view special influence they have had in Cambodia collaborate with us in attempting persuade RKG introduce more effective border control, as suggested our 466. French have frequently during recent months taken initiative to discuss with us what could be done to improve situation in SVN. French could be told here is concrete way in which they could help.

Chief MAAG concurs in above. Trimble⁵ who consulted during visit also concurs but may have some further comments.

Durbrow

⁵William C. Trimble, Ambassador to Cambodia.

262. Telegram From the Secretary of State to the Embassy in Vietnam¹

Washington, December 9, 1960-12:59 p.m.

862. Joint State-Defense message. Embtel 1151.² Your thoughtful evaluation reftel much appreciated and very helpful. We are studying your recommendations carefully and hope comment soon.

Re proposed 20,000 man increase ARVN, this will require extensive study and consideration reaching very high levels Washington agencies. This must take place in context consideration over-all counter-insurgency plan.

We feel there is danger approach to Diem suggested para nine reftel likely be taken by him to mean increase would be approved if

¹Source: Department of State, Central Files, 751K.00/12-460. Secret; Limit Distribution. Drafted by Cleveland; cleared with Parsons, Wood, and DOD/ISA; approved by Anderson.

²Document 257.

he makes adequate reforms. Have serious doubts re soundness use proposed military increase as bargaining counter obtain political reforms because: a) increase should be considered on merits and in light present emergency of internal security conditions; and b) degree GVN performance on reforms not subject exact definition.

You may therefore wish inform Diem proposal will receive full consideration Washington on own merits and in light military situation, but that nature decision cannot be predicted. You should advise Diem against taking any action based on assumption approval increase.

Herter

263. Central Intelligence Agency Information Report¹

December 9, 1960.

COUNTRY

South Vietnam

SUBJECT

Alternate Political Leadership for Vietnam

DATE OF INFO

November 1960

PLACE & DATE ACC.

. . . (3 December 1960)

SOURCE

. . .

Field Comment. This report was prepared primarily for the internal use of the originating organization. However, it is disseminated in the belief that the commentary may be useful to other agencies interested in the current political situation in South Vietnam. The views expressed are those of the source.

1. The abortive coup of 11-12 November against the Government of Vietnam (GVN) provides a significant point of departure for an assessment of potential alternate leadership for Vietnam. The coup eliminated certain candidates and revealed significant aspects of others. It also brought out the preeminent importance of Ngo Dinh Diem himself and the degree his presence has blocked the rise of al-

¹Source: Department of State, Saigon Embassy Files: Lot 65 F 115, Internal Security (Durbrow démarche). Confidential; Noform; Continued Control.

ternatives. This inverted pyramid resting on one man, however, bears the seeds of serious difficulties in the event of his removal by death, a new coup, or an unexpected result or popular reaction to the Presidential elections of April 1961.

2. For convenience, the potential sources of alternate leadership will be discussed in six general categories below. These categories are by no means exclusive and individuals and groups placed in one often have strong ties within others. It may be expected that alliances and enmities will be formed and revised among them as the situation changes. Such alliances may prove to be the key to the success of contending figures for power.

3. One major alternative is left unsaid, the Communist Party. It can nonetheless be expected to play a very large role, both in its continuing effort to unseat the Diem regime and in any struggle for power which occurred as a result of his unexpected departure. A major problem will be the extent to which the Communists establish contact with and support competing non-Communist figures.

Army

4. As the major locus of power in Vietnam, the Army offers the most obvious potential of assuming political power in the event of the disappearance of the President. Such a development could take several forms:

a. *General Le Van Ty*: Assumption of power by General Ty would be highly unlikely except as an unwilling action compelled by chaos in the country. Even in such case he would not be likely to represent the real power in the situation, as he does not today within the Army itself, but would be a figurehead. There are several other generals who might also serve as such a figurehead (compare General Le Van Kim's nomination for this role during the recent coup) but their chances of achieving this role are not great.

b. Several Generals offer the potential for real leadership of an Army-led regime. Primary among these is General Duong Van Minh, a southerner close to the Vice President, with considerable popularity within the armed forces. He would thus appear to have the necessary elements to enable him to seize and maintain power. His relative inaction during the recent coup casts some doubt on his forcefulness, but this stand may have reflected a "wait and see" position which would leave him available to assume leadership if necessary and appropriate, but not to lead an attack against the Diem government. Other leading candidates among the generals are General Nguyen Khanh, obviously a vigorous and ambitious officer of considerable capabilities as demonstrated during the coup, General Tran Van Don, well respected within the Army and apt to secure support, General Thai Quang Hoang,² who disposes a considerable force in the Saigon

²The following note appears at this point in the margin of the source text, in what is apparently Mendenhall's hand: "Isn't he too much of a Diem and Party man. I have had the impression for a long time that other officers don't like him."

area and has demonstrated a vigorous approach to using it, and General Ton That Dinh,³ a field commander of considerable vigor. These figures would be the forceful type who could either as individuals or as members of a committee assume political leadership in a critical situation. There are already reports of mutual competition and antipathy among them, a natural reflection of personal ambition.

c. Other officers with political ambitions and the strength to translate these into force also exist within the Army, even though the recent action of the parachutist lieutenant colonels proved a failure. Such officers might learn from the 11 November experience and do a better job or they might prove to be of great importance in swinging the weight of their units to one or another faction contending for power. Identifying them is a difficult process, however, made no easier by the fate of the leaders of the 11 November coup.

Government Figures

5. A distinct group is represented by the figures whose major strength is their position in the GVN governmental structure. This group could be expected to cleave together to retain their positions and privileges against contenders, following the disappearance of the President. It contains a number of fairly strong figures, among them several ministers without particular political complexion, whose established reputations and technical capabilities would be helpful to the continued operation of any government in Vietnam. Thus they have a certain asset which they could utilize during a struggle for succession:

a. *Vice President Nguyen Ngoc Tho*, the first of these, represents constitutional succession and might take at least temporary power. He has indicated privately his disinclination to run for office again in 1961. This attitude has culminated a steady growth of unhappiness on his part with the small consideration he felt he has received from the President and those making major decisions. His departure would be welcomed by figures opposed to him, such as Ngo Dinh Nhu. During the coup, Vice President Tho also revealed a certain vacillation and weakness in a crisis which does not recommend him for the intense responsibilities of the Presidency, and indicates rather clearly that he would not be likely to lead an attempt to secure the post. He is nonetheless popular, especially among the southern population, and he has certain friendships within the Army.⁴ He might thus be utilized as a non-Communist front behind which a struggle for power could take place or behind which the real center of power rested. He himself would not be apt to provide the real leadership.

b. *Truong Vinh Le*, President of the National Assembly; constitutionally the third ranking official in the GVN, he would almost certainly offer no real challenge for power. In view of his obvious lack

³The following note appears at this point in the margin of the source text in the same hand: "Also a party man?"

⁴The following note appears at this point in the margin in the same hand: "But we might want to back him strongly if he had initial Army backing, Minh or Kim or Don."

of color, ambition or support, it is highly unlikely that he would be anything but a complete figurehead in the unlikely event he should be thrust into office.

c. *Nguyen Dinh Thuan*, Secretary of State at the Presidency: a government official obviously becoming of increasing importance, but whose power stems principally from President Diem and his brother Nhu. Nonetheless Thuan is developing a considerable reputation and might be able to rally support from his key governmental position. He is clever and capable, but appears to have little independent popular appeal. As a civilian rallying point, he might offer an important service as a compromise leader, and would probably exercise well responsibilities thus assumed.

d. *Other officials*: A number of other officials might be characterized in more or less the same terms as Nguyen Dinh Thuan, for example, such individuals as Bui Van Luong, Tran Ngoc Lien and Nguyen Thai. None would appear to offer the potential for top leadership, but they might be of considerable value and importance in secondary positions.

e. *New Institutions*: Several potential, but not yet actual, centers of power exist in some of the new institutions in the course of formation. Among these might be included the political parties, the Farmers Associations, the Youth Movement, and the Women's Movement. These are as yet shadow institutions but can be expected to gain strength over the course of time and may perhaps be in the position to exert at least some influence on the choice of leadership in Vietnam.

Ngo Family

6. The Ngo family is an institution and a power in itself and can be expected to unite to face any major challenge to its present control of the destinies of Vietnam:

a. *Ngo Dinh Nhu*: Ngo Dinh Nhu's widespread unpopularity, and that of his wife, make it unlikely that he would assume power easily. The coup, however, displayed his strength and determination under crisis and it could be expected that he would wield considerable political power through the Can Lao Party in choosing the succession to the President. He is thus a force to be reckoned with.

b. *Ngo Dinh Can*: As the key figure of Central Vietnam, long engaged in building a political machine there, he might retain power even in the face of the fall of his brothers in Saigon, even by secession and establishment of a separate regime. If the South fell to Communists or neutralists or an extended civil war developed there, this possibility might be far from undesirable. However, Can does not appear to offer the potential of replacing the President on a nation-wide basis, and could be expected only to act as a political boss behind the scenes.

c. *Ngo Dinh Luyen*: The appeal of Ngo Dinh Luyen is in great degree a result of his distance from Vietnam. In a critical situation, however, his return might rally support as did that of President Diem in 1954. He would have to have some local center of power, however, with which to ally, which at this moment does not appear to have been arranged.

Oppositionists

7. The intellectual and traditional oppositionists showed definite weaknesses during the recent coup, and a number of its leading figures tried to climb on the paratrooper bandwagon before it had demonstrated its solidity. Some have thereby effectively eliminated themselves from a political potential. Others seemed not to have any manipulable political strength which they could use to influence a crisis. Any new government, however, and particularly one weak in civilian leadership, would be likely to seek to exploit their reputations or call upon their technical abilities in the field of government, which would give them a basis for influencing the direction taken by such a government. Their use would also be a symbolic repudiation of the Diem regime, which would increase their attractiveness. A number of them also are articulate and highly political, and would no doubt seek and achieve considerable public attention in any crisis. They would also have a considerable importance with respect to the foreign community.

a. *Dr. Pham Quang Dan*: This primary opposition candidate to Diem has eliminated himself from the active political scene by his leap onto the paratrooper bandwagon during the coup. If he should escape and become an exile figure, he might still be of some importance. His appeal, however, seems highly demagogic in nature, supported neither by the specifics of a program nor any real organizational base. Thus he might rally considerable support initially but his ultimate direction might prove obscure and subject to the pressures of contending forces (including the Communists). He would also not appear to have the organizational ability to operate the government effectively, which would also weaken him with respect to the Communists.

b. *The Caravelle Group*: Dr. Phan Khac Suu is the leader and typical of the intellectual oppositionists, such as Tran Van Do, Tran Van Van, Ho Van Nhut, etc. Suu has attained considerable popularity by being the sole opposition representative within the National Assembly and demonstrated an interest in capitalizing upon this during the recent coup. He, like Dr. Dan and Hoang Co Thuy, is temporarily out of public life as a result but might return in a crisis. The other members of this group fall more or less in the same category, but are less likely to seek the leading position.

c. *Dai Viets*: Of the oppositionist "parties" the Dai Viets appear to be the only group with any substantial organization, in addition to their extensive traditions. They would thus have the capability of delivering some strength to a competing faction and of creating new strength in an open situation. A prime figure of this movement is Dr. Dang Van Sung who in addition to his relatively clean reputation as a Dai Viet also has been able to maintain some contact with Ngo Dinh Nhu. He could be expected to exercise his influence in the direction of moderate steps to improve the GVN but not create a chaotic situation which would be exploited by the Communists.

d. *Exiles*: The exiles, particularly as far away as France, would not be likely to play a very significant role. Few appear to have the organizational machinery necessary to exert political force in a crisis and nor [*sic*] to have the overwhelming national reputation which would lead them to be called to solve a critical problem. They would, however, undoubtedly throw their weight with one force or another in a factional struggle for power and would have a certain influence on the situation. Among the figures who might be of significance in such a case would be Buu Hoi, who could almost be characterized as an exile despite the fact that the GVN now exploits his reputation by naming him as Ambassador to Morocco; General Nguyen Van Hinh, whose name still conjures a certain magic in the minds of some Vietnamese; General Duong Van Duc, who left Vietnam in December 1958 and who still retains the friendship of several high military figures; or Nguyen Bao Toan. The former Emperor, Bao Dai, would have practically no appeal and the likelihood of any other member of that family reassuming imperial power is minimal.

e. *"Has-beens"*: There are a number of "has-beens" both in Vietnam and abroad, former ministers and men of similar significance. None appear to have any substantial political power. They could be expected to do little more than lend their names to one or more factions struggling for position. Among these would be ex-Prime Minister Nguyen Van Tam, Tran Van Huu, Bui Luong, former head of the CVTC, Tran Van Lam, and others.

Can Lao Factions

8. The Can Lao, although probably exaggerated as a well-organized and coordinated force, nonetheless includes many of the revolutionary and vital political elements of the country. Even were the Can Lao to be proscribed, it would be reasonable to expect many of these figures to continue to be prominent on the political scene, although not as contenders for the top position. It may be loosely divided into the following factions:

a. *"Young Turks"*: This group is an informal collection of younger figures, such as Dang Duc Khoi, Tran Van Dinh or Ton That Thien. To date the mentor of the group has been Ngo Dinh Nhu but there are some indications that the group is assuming a status of its own, perhaps under Nhu's over-all aegis but with certain ideas of independence picked up from their cosmopolitan experiences. This group also has some access to the secret services of the GVN and could be expected to try to manipulate these to strengthen their position in any crisis.

b. *Labor*: The Can Lao labor faction is led by Tran Quoc Buu, who has close associations with Minister of Agriculture Le Van Dong. Buu controls the most significant independent political force in Vietnam, the trade unions, and could be expected to utilize them in any struggle for power, although on 11 November he assertedly used his influence to hold his unions in check. Dong, a southerner well known in the country and with considerable ambition, has associated himself closely with Buu and might provide the political front

behind which Buu's labor movement could move. Combined with a strong military figure, this could be formidable ensemble.

c. *Central Vietnam Group*: A group of younger officials and deputies have a loose association stemming from a common origin in Central Vietnam. They maintain an over-all connection with Ngo Dinh Can, but there is some doubt as to whether he fully controls their activities. As individuals or as a group they could expect to wield some influence in a critical situation. Among the figures involved in this group, which rather strongly opposes certain of the other Can Lao factions, are Vo Van Hai, Do Cao Minh, Ngo Khac Tinh, and Lieutenant Colonel Le Quang Tung.

d. *Tran Kim Tuyen*: Through his position in the Palace as Nhu's alter ego, Tuyen has built a series of relationships, especially in some of the key governmental offices, which would allow him to dispose of considerable power in a crisis, in addition to that offered by his SEPES organization. His colleagues include such figures as Tran Van Tho, Colonel Nguyen Van Chau and Cao Xuan Vy.

e. *Others*: Other and smaller Can Lao factions exist and might have some influence, although they would not offer high leadership. Among these are that of Huynh Van Lang, Tran Van Trai⁵ and possibly Colonel Do Mau.

Other Groups

9. Certain other groups might exert some influence in a critical situation, although they are not themselves apt to possess sufficient power to achieve national leadership. Among these might be:

a. *The sects*: The remnants of the sects as time goes by become increasingly weak and disorganized. Nonetheless there is a certain appeal and there is a certain organizational base which could be exploited in a critical situation. Of the sects, probably the Hoa Hao is the strongest followed by the Cao Dai. Both of these have certain contacts with exile figures in Cambodia and France. The Binh Xuyen is not expected to be more than a countryside bandit group.

b. *Catholics*: The Catholics offer a better organizational base than the sects. Due to their own discipline and their hierarchy's position, however, they would not be apt to exert all their force in an internal struggle not directly aimed at the Communists. Various Catholic figures, such as Nguyen Van Can, are now endeavoring to build the elements of political-religious movements which would give the Catholics some means of exerting influence in a crisis. These would not be apt to be able to provide national leadership by themselves but would be expected to throw their weight to one or another of the major factions.

Conclusions:

10. This review has shown the existence of a number of factions which could be expected to engage in a struggle for power. The disappearance of President Diem could therefore be expected to be fol-

⁵The following note in Durbrow's hand appears on the source text at this point: "More of a polly [?] and demagog than most. E.D."

lowed by an interregnum, during which this struggle would take place. His natural or even violent death, if not associated with a coup, would probably see an initial assumption of office by the constitutional successor, the Vice President. The latter's basic weaknesses, however, would be likely to lead to the transference of actual power to some other figure who could acquire Army support or benevolent neutrality, either a vigorous military officer or a strong political figure. The development along one or other of these lines would probably be determined by the alliances made during the critical period among the factions listed above. Most serious result of this interregnum would be a probable diminution of the momentum of the government's development programs and a reduction of the intensity of its fight against the Communists. The Communists could thus be expected to gain strength during such an interregnum and might themselves begin to exert a direct influence on the struggle among the factions. In the case of an extended interregnum, therefore, the eventual direction of the country's policies would be hard to predict.

11. The continued domination of the Vietnamese scene by President Diem makes it difficult for alternate leadership to appear through constitutional processes. The GVN's asserted plans for major reorganization of its structure and the introduction of new and more vigorous personnel may offer some amelioration of this situation, however. The success or failure of the GVN's fight against the Communists during the coming months might also bring out new leaders and new forces.

12. Should the war against the Communists go badly, and increased discontent arise with Diem's leadership of the GVN, a new effort to replace Diem might take place. Aside from the ever-present possibility of a junior officers revolt such as the 11 November attempt, it would appear that the most likely source of a serious effort would be one or more of the leading Generals of the Army, either as a purely military action or associated with oppositionist civilians. A second possibility would be one of the Can Lao factions, particularly the Labor-Dong group, provided it could secure military support. The key to the success of such a coup would be the breadth of the alliances it made among the groups reviewed above, failing which it would be apt to suffer the fate of the 11 November attempt, or merely create a chaotic situation for Communist exploitation. In any case, it is clear that the constitutionally required Presidential election of April 1961 presents a critical date in the history of the GVN. This election could conceivably result in the legal or semi-legal unseating of Diem or, on the other hand, popular revulsion with a sham election leading to another attempt at his violent overthrow.

264. Telegram From the Commander in Chief, Pacific (Felt) to the Office of the Secretary of Defense¹

Pearl Harbor, December 10, 1960—12:03 p.m.

102203Z. Personal for BGen Lansdale info DepSecDef Douglas from Felt.

It appears that we are not quite in tune as to the purpose of your trip to Viet-Nam.² I do not have in mind that you go for primary purpose of getting info on security situation. I think we have adequate info in that field. To the contrary, I have in mind that your influence can be used as a "national plan" which has been approved by all WashDC agencies and which Amb Durbrow has been trying to get Diem to do. My idea is that you not visit for purpose of gathering info but that you work on Diem to do things that are distasteful to him although essential to save his country. Suggest you review the plan which I submitted and which has been approved.³ Suggest further that you look at your mission as one of furthering the objectives of that plan. You should understand that my suggestion for you to go to Viet-Nam is to work with Diem as a trusted confidante and try to get him to change some of his fixations. If you need time to get firsthand knowledge of what is under surface throughout country before you can be effective with Diem in pressing for a national program, then I believe you should arrange to take the time required. If this is impossible then I would not favor a quick trip.

¹Source: Stanford University, Hoover Institution, Lansdale Papers, Vietnam, Lansdale Trip Jan 1961. Confidential; Personal.

²In message Def 987048 to CINCPAC dated December 9, marked "Personal for Admiral Felt from Lansdale", the latter discussed his forthcoming trip to Vietnam, stating in part: "Main purpose would be to obtain information on security situation for Secretary of Defense as President Diem may possibly confide to me in terms not used in communicating with other U.S. officials. Would be happy help you and General McGarr with GVN as needed, although believe McGarr has sound inside track do this. Extensive political work as apparently envisaged by AM Ambassador seems impractical without more first-hand knowledge of what's under surface throughout country than time will permit me obtain." (*Ibid.*)

³Apparent reference to Document 196.

265. **Memorandum From the Secretary of Defense's Deputy Assistant for Special Operations (Lansdale) to the Deputy Secretary of Defense (Douglas)**¹

Washington, December 14, 1960.

SUBJECT

Trip to Asia

In view of Admiral Felt's personal message about the purpose of my visiting Vietnam,² I believe it is necessary to have this purpose clarified. My own understanding was that I would go to Vietnam for you and Secretary Gates, with the concurrence of Allen Dulles and of State Department officials, to do the following:

a. Make full use of the personal confidence which President Ngo Dinh Diem feels towards me to make certain that we have the fullest possible understanding of the facts, problems, and possible answers in Vietnam as President Diem sees them. There is a continuing and strong indication that he does not feel that his situation and ideas are being grasped and reported fully enough to permit real Vietnamese-American team-work. My role would be to assure that top U.S. officials truly have Diem's views.

b. Making use of this same trusted relationship, it may be that I can be of some use in assisting in bringing about the Vietnamese-American team-work which the facts indicate to top U.S. officials.

I believe that it would be most important to the success of my mission to have your concurrence in the above two phases.³

¹Source: Stanford University, Hoover Institution, Lansdale Papers, Vietnam, Lansdale Trip 1961. Confidential.

²*Supra.*

³In message Def 987217 to CINCPAC dated December 14, marked "From Douglas, Personal for Admiral Felt", the Deputy Secretary stated: "I do not share your concern about any differences as to purpose of General Lansdale's proposed trip. He will, of course, support the current national plan to which you refer and I expect he can be very helpful in its implementation. General Lansdale expects to work closely with you, Ambassador Durbrow and General McGarr. Also Secretary Gates and I are interested in having first-hand suggestions from General Lansdale on the whole situation in Vietnam, and I am confident that this will be equally helpful to you." (Stanford University, Hoover Institution, Lansdale Papers, Vietnam, Lansdale Trip 1961.)

266. Telegram From the Ambassador in Vietnam (Durbrow) to the Department of State¹

Saigon, December 15, 1960—6 p.m.

1175. Re Deptel 862.² Called on Diem late afternoon 14th.

In carrying out instructions reftel I combined slight carrot, i.e., our agreement to suspension conscription with memorandum covering points reftel re consideration being given 20,000 force level increase.

In letter (copy by pouch³) re conscription I underlined fact additional costs would have to be at expense GVN. Diem obviously disappointed and raised question more aid to cover these costs. I replied not question of more dollar aid but question create more piasters and emphasized this perhaps one of most important problems facing GVN—raising more piasters to meet mounting expenditures for various essential needs. Diem did not pursue dollar aid question.

I read him short memorandum (copy by pouch⁴) containing instructions reftel re 20,000 increase. Diem replied it question of timing since it essential now have sufficient troops to meet any stepped-up VC activities and particularly prevent VC from being tempted because ARVN spread very thin, to make thrust across or around 17th parallel, similar to recent Kontum attack. I asked if he believed VC would make overt attack across 17th. He referred to alleged build-up in north (Embtel 1140⁵) as indication possible overt attack, but concluded he really feared large-scale guerrilla attacks either south of parallel or in Plaine des Joncs area. Stated he also needs additional men to take over duties while Civil Guard being trained and added if he cannot give security protection to countryside it will be impossible implement some new programs. I replied since would take considerable time train additional forces even if composed reservists, our possible agreement force increase would not meet current situation which can be helped primarily by putting into immediate effect new positive military and political programs he now considering. I added even if force level increased now, would take some time before equipment could be made available for them particularly since good part equipment on hand being made available for Civil Guard under MAAG training.

¹Source: Department of State, Central Files, 751K.00/12-1560. Secret; Limit Distribution. Repeated for information to CINCPAC PolAd.

²Document 262.

³In despatch 249 from Saigon, December 16. (Department of State, Central Files, 751K.5511/12-1660)

⁴In despatch 246 from Saigon, December 16. (*Ibid.*)

⁵Dated December 1, not printed. (*Ibid.*, 751K.00/12-160)

Diem reiterated if could not give countryside protection would be difficult implement various new programs; for instance, further organize farmers' associations and other similar groups, therefore it essential get additional men under arms soonest. I replied apparently quickest way give protection countryside is to use present security forces as efficaciously as possible by putting into effect suggested reorganization armed forces, setting up effective operational command, establishing firm chain of command and expediting Civil Guard training. Diem, without going into details, said this being done but insisted it imperative he have additional 20,000 to meet any emergency. He asked particularly that I emphasize to Dept the question of timing. I reiterated question being studied at highest level and decision will be based on merits and in view current military situation, adding I hoped promised new positive programs would be implemented soonest since these most essential in fight against VC.

Comment: By indicating it may not be possible carry out new positive programs unless he gets force increase, Diem seems still be thinking primarily in terms force to rectify situation. See following cable⁶ for further ideas on reforms.

Durbrow

⁶*Infra.*

267. Telegram From the Ambassador in Vietnam (Durbrow) to the Department of State¹

Saigon, December 15, 1960—6 p.m.

1176. During course call 14th on Diem on other matter discussed following subject:

1. I expressed hope that the promised new positive programs Diem and Thuan had talked about would be implemented soonest. Diem confirmed he had already issued instructions to arrange for election of youth representatives on village councils. He stated that elections would be carried on as for assembly with candidates putting up names, campaigning, and one or more representatives depending on size of village, being elected to councils. Diem believes

¹Source: Department of State, Central Files, 751K.00/12-1560. Secret. Repeated for information to CINCPAC PolAd, Phnom Penh, Bangkok, and Vientiane. Although received in the Department at 3:44 p.m. on December 15, a note in the margin initialed by Wood indicates that he did not receive this telegram until December 19.

this will be well-received by youth, whose loyalty it essential retain in VC fight. He stated loyal youth would also join self-defense corps units. I expressed hope that this would be accomplished soonest and that electoral basis would be broad. . . . eligible candidates must be members republican youth group and eligible voters will be restricted to officers of same youth group.)

2. Diem said he about ready to implement plan to have one, two or more intelligence reporters at village level, some would be overt, and others covert. I stated this perhaps the most essential thing that could be done in fight against VC and even more important than requested force level increase. Diem replied he needed both but organized intelligence very essential.

3. Since Mau had raised question of derogatory American press articles at Diem's request (Embtel 1164²), I took opportunity when Diem made passing remark about derogatory press articles to discuss this question. I said since Mau had complained no American papers had given any play to Thuan's press conference about coup, I had brought with me AP story from *Herald Tribune* and UPI story *New York Times*, which gave some play to Thuan conference. I also gave him *Christian Science Monitor* story November 18 which gave primary emphasis to committee against rebels and Communists allegations that British, French and Americans had aided rebels. I pointed out this article mentioned Thuan's conference only in passing since big news of that day was unfounded committee allegations. I stated this pointed up need to have better press relations by having more press conferences and making positive effort to talk frankly with correspondents, informing them of problems, mistakes, as well as progress made. I cited very favorable impression received by NBC correspondent Robinson³ who went on ranger patrol (report being pouched⁴). Diem said Robinson had been lucky since he joined patrol when they had successful operation and fortunately Robinson not hurt in skirmishes. Diem added if he permitted all correspondents to go on patrol, one might be hurt or killed and this would create bad impression. I replied correspondents who asked to go into battle areas knew they were taking chances and therefore should be allowed go, adding it important get story of VC war to outside world and thus gain sympathy for GVN. Diem then cited several French and other corre-

²Mau, at Diem's request, discussed with Durbrow what he characterized as continued "inaccurate and detogatory" U.S. press stories. Mau was concerned that the U.S. public was receiving a distorted picture and the new Kennedy Administration might adopt a cool attitude to the Diem regime based on these "warped stories." (*Ibid.*, 951K.1162/12-1060)

³James Robinson.

⁴As reported in despatch 250, December 17. (Department of State, Central Files, 751K.00/12-1760)

spondents who had been fully briefed and given all facilities, particularly one who came here with Pinay, who nevertheless wrote very derogatory articles. I pointed out that with free press you have to take good with bad, that our press often critical of the administration citing Colegrove articles as example, but if one learned to work with press it possible to have objective, fair picture of developments. I said I had noted announcement creation public relations section in directorate of information and suggested Diem might hire good foreign public relations expert in order to develop better press relations. I also urged that he, other ministers, and particularly director of information open doors to press, speak frankly with them, and explain problems so that stories would be in proper perspective. If this not done correspondents bound to get stories from "Radio Catinat". Diem dwelt some length press stories re corruption and family rule saying no country Asia more diligent in prosecuting corruption than GVN, adding if press had information on corruption or that Nhu corrupt why didn't they give proof instead of repeating Radio Hanoi reports spread by "Radio Catinat". He said he pleased Colegrove articles proven untrue, but if Colegrove had gone to Korea he would have found real corruption.

Diem, referring to recent article in *Extreme-Asia* denouncing foreign press (being pouched Dept⁵), repeated "Radio Catinat" is really "Radio Hanoi". I replied not all stories one hears here are from Hanoi and reiterated if press given frank information they would publish objective stories. Obviously Diem not convinced.

Comment. In hour's talk Diem quite relaxed and pleasant but obviously concerned about VC guerrilla war and situation in countryside. Oddly enough, he did not bring up Laos. While I did not press him for details on promised new programs, I received impression he, as Thuan has indicated, may be dragging his feet on some and still leans toward force to solve VC problem.

It perhaps fortunate I discussed press relations some detail for I learned later from Ladejinsky that Diem had just received a very frank analysis of recent US press stories from Oran, GVN's public relations firm in New York. According Ladejinsky, Oran very frank in giving reasons for bad press and suggesting changes.

Durbrow

⁵Not found.

268. Telegram From the Acting Secretary of State to the Embassy in Vietnam¹

Washington, December 16, 1960—5:14 p.m.

898. Embtel 1151, Recommendation 5.² Since, hopefully, time approaching when GVN may announce various reforms and liberalization measures, Ambassador prior departure leave December 23 may wish review matter with President as follow up October 14 démarche and prior possible public announcement by GVN of liberalization program which might be inadequate.

Approach to Diem might be on these lines:

Have been instructed review with President some points dealing with liberalization regime raised in Memorandum October 14 (Despatch 157³). Would prefer, for moment, put aside questions internal reforms GVN calculated primarily increase its efficiency (such as Internal Security Council) and focus on liberalization since any announcements GVN makes this subject will be matter great public interest. Realize President has received much advice. Do not wish advance any further suggestions this time. Also understand President planning certain liberalizing moves such as elections to National Economic Councils, elections of youth to Village Councils, some liberalization press, closer relations foreign correspondents and somewhat greater role National Assembly. Also pleased learn President planning regular, informal radio talks. Purpose present discussion is review suggestions already made in light above, particularly those which so important we believe necessary they be included any forthcoming announcement in order make possible increased popular support. In present circumstances where GVN evidently considering large number structural as well as liberalizing changes, believe other suggestions could be postponed for later discussion. It Embassy's observation events November 11 and 12, whatever their cause, have led to increased atmosphere uneasiness and some doubt projected reforms will be adequate (Embtel 1151). This adds emphasis to basic premise against which, we believe, program of liberalization should be tested: it should be genuine, if limited, liberalization on several fronts to be announced simultaneously. We certainly sympathetic President's explanation Oct 14 of grave problems GVN faces as result VC atrocities and activities and due Lao situation (Embtel 802⁴). That is why we

¹Source: Department of State, Central Files, 751K.00/12-1560. Secret; Priority; Limit Distribution. Drafted by Wood, cleared with SEA, FE/P, and ICA/W, approved by Steeves.

²Document 257.

³Document 205.

⁴Document 203.

suggest limited liberalization. At same time we concerned that if liberalization not clear cut and genuine and not made on several fronts, public will feel deceived and GVN will lose rather than gain popular support. We believe as a minimum genuine liberalization needed following fields:

1. *National Assembly*—Pleased note Ministers now defending budgets in committee (Embtel 1119⁵). If such hearings not publicized, suggest at least minutes of meetings be given to press. Also hope further consideration be given to suggestions re National Assembly contained memorandum October 14, particularly right to investigate any branch GVN (if necessary in closed hearings) and publish findings.

2. *Domestic Press*—Realize line hard to draw, but believe press should be encouraged set up machinery police itself and that GVN should only intervene if articles flagrantly dishonest, inaccurate or favorable to Communists (Embtel 1119). If GVN does intervene, would be better require paper publish retraction than confiscate edition (Saigon's G-242⁶).

3. *Foreign Press*

Realize President Diem feels GVN unfairly treated by foreign press during and after coup and matter has been brought to Department's attention as Diem requested (Embtel 1164⁷). However it almost as important for GVN have favorable foreign press as to obtain diplomatic recognition friendly countries. This harsh fact requires continuation press conferences of type so ably given by Thuan, trips by correspondents to see VC threat for themselves and increased accessibility Ministers to correspondents. If correspondents treated in more open manner, tone their articles will almost certainly improve. As indicated to Mau, Department will be prepared assist publicize an effective and worthwhile new program and will meanwhile as already done in past call attention of US press to any obvious inaccuracies which we can verify.

4. Steps to strengthen support rural population. In addition election youths to Village Councils, President might consider whether most favorable move in peasant's eyes would not be increase paddy prices and freer credit facilities. Further re farmers we completely concur President's plans send more administrators into countryside and prepared help by speeding up existing training programs for administrators and agricultural, health and education technicians as well as study sympathetically any other personnel training programs GVN may suggest.

5. Finally urge President consider seriously inclusion all these items in liberalization program even if it means delay in announcement. Meanwhile may wish caution GVN officials against premature disclosures so that program will have maximum impact.

⁵Document 248.

⁶In this airgram, December 6, the Embassy reported that the Government of Vietnam prevented distribution of the November 28 edition of *Cach Mang Quoc Gia*, journal of the National Revolutionary Movement, a semi-official party of the Diem government, because of its editorial calling for reform and more representative government. (Department of State, Central Files, 951K.61/12-660)

⁷See footnote 2, *supra*.

FYI. Embtel 1151 much appreciated here.

Above suggestions intended as culling out of most important items October 14 démarche which might at present be acceptable to Diem. Ambassador may wish change items for discussion from among those presented October 14 and should do so even if no time for further consultation prior seeing Diem. Suggest only that further reference Nhu question likely be unproductive.

Embtel 1175⁸ received after drafting above, but following cable with ideas on reforms⁹ not received. In interests time you authorized act on basis above at your discretion. End FYI.

Dillon

⁸Document 266.

⁹Telegram 1176, Document 267.

269. Letter From the Acting Assistant Secretary of State for Far Eastern Affairs (Steeves) to the Ambassador in Vietnam (Durbrow)¹

Washington, December 20, 1960.

DEAR DURBY: Before Jeff left for Paris, he asked me to reply to your letters of November 8 and November 30² which he had read with great interest. Your telegram No. 1151³ has also received rather wide high-level attention among Washington agencies, and has been highly commended for its penetrating analysis.

What I think is perfectly clear to all of us is that there are two fundamental and urgent tasks which confront us in Viet-Nam; namely, to win the battle against the insurgents, and to win the support of the people for the Government. These two tasks cannot be wholly separated as each interacts very materially on the other. As you are no doubt quite aware, there is considerable divergence of opinion as to the weight which should be given to each of these elements. The Pentagon warmly supports Diem and, I think, tends to feel that if he could only beat the insurgents, his other problems would disappear. On the other hand, there is a fairly vocal school of thought around here which has little regard or hope for Diem, and

¹Source: Department of State, Vietnam Working Group Files: Lot 66 D 193, 16.VN 1960-Embassy Saigon, Official-Informal, Miscellaneous Letters. Secret; Official-Informal. Drafted by Cleveland and Wood and cleared by Anderson.

²Documents 214 and 253.

³Document 257.

tends to feel that Viet-Nam's current problems can only be licked under a government more responsive to the people. Jeff and I feel that these are simply the two sides of the same coin, and that we must help Diem push forward on both fronts, to save himself and his people.

In this connection we are looking forward to receiving the overall counter-insurgency plan when it is completed. At that time we should be able to obtain a total Washington focus on the future of our policies and programs respecting Viet-Nam. We are hoping that things will work out so that you will be able to participate in this exercise.

Jeff and I share your reservations about the proposed 20,000 man increase in ARVN and even feel (as indicated in Deptel 862⁴) that it should not be used as a bait to obtain political objectives. We concur in your reasoning, particularly on the following points: 1) that available forces are not used as effectively as they should be; 2) that the proposed increase would encourage Diem to think in terms of force rather than in terms of reforms; 3) that it would be quicker to complete the training of the Civil Guard than to start with raw recruits, especially since the Civil Guard is designed for the type of fighting that is now going on; and 4) that it would intensify the already existing piaster shortage. We are somewhat less sanguine about the possibility of breaking up both corps and division headquarters, although serious slimming might be possible, particularly at the corps level. Also, in view of the attempted "invasion" north of Kontum, the increased guerrilla activity in Central Viet-Nam and the reported massing of troops north of the 17th parallel, it might be unwise to reduce the number of divisions in the High Plateaux.

I hope that both the weather and the political atmosphere have cooled a bit recently.

Sincerely yours,

John M. Steeves

⁴Document 262.

270. Telegram From the Ambassador in Vietnam (Durbrow) to the Department of State¹

Saigon, December 24, 1960—6 p.m.

1216. Re Deptel 898.² Diem didn't receive me until 23rd.

I wrote out instructions and translated them in French and left English and French copies (texts by pouch³). My remarks covered most points Dept's suggestions although in view current indications liberalization programs may not be too profound, only hinted Dept would be prepared publicize announcement such programs. Since my October 14th remarks⁴ included suggestion transfer Nhu, I did not specifically refer to that date although referred to previous suggestions we had made. Since GVN has already instituted plan to increase and stabilize paddy prices, I merely stated we pleased learn this and then urged granting broader credit facilities peasants. Before going into details, I reminded Diem of steps we have taken to strengthen GVN against Viet Cong such as delivery of AD-6 planes, stepped-up deliveries of electronic equipment, and told him I instructed Gardiner to re-examine with Vice President and Thuan ways and means to overcome piaster shortage. Since I did not receive Deptel 917 until after translation typed, I told him orally of approval to give him eleven H-34's soonest. (He made no comment.)

While Diem was pleasant during hour and three-quarters of discussion, he was basically negative. Diem did not reply to my remarks immediately but insisted essential have additional 20,000 troops since would do no good to try to put in reforms, build factories, roads and bridges, etc., unless these things and people could be protected. He referred several times to the need for 20,000 men stressing need because of deteriorating Lao situation. I then remarked we had just learned that he had increased force level of Civil Guard to 64,000 and asked if this increase would not fill security force needs. Diem replied Civil Guard not trained so needs bring back 20,000 reservists. He asked that I urge Dept to give favorable consideration force level request and I reiterated matter under careful study in Washington.

Referring to my remarks he again attacked the viciousness of foreign correspondents, particularly the French, who only seek sensational news. He then reviewed in some detail economic and social progress made in Viet-Nam in the past six years which have raised standard of living here above most SEA countries and asked why

¹Source: Department of State, Central Files, 751K.00/12-2460. Secret; Limit Distribution. Repeated for information to CINCPAC PolAd. Printed also in Department of Defense, *United States-Vietnam Relations, 1945-1967*, Book 10, pp. 1348-1351.

²Document 268.

³See Document 272.

⁴See Document 205.

correspondents didn't report this instead of picking up Radio Hanoi reports spread by disgruntled Vietnamese intellectuals. As I had done in my remarks, I reiterated if he and other ministers had periodic press conferences and if ministers would have frank talks with correspondents they would write more objective stories.

Referring our suggestion allow assembly to carry on investigations, Diem pointedly stated that since under the constitution the executive and legislature are completely separate, and [*sic*] it would not be right for the assembly to investigate executive departments. I replied we had the same system and, as he knew, Congress does investigate executive departments and makes findings public and pointed out this would be very healthy development here in order to quell unfounded rumors. Diem obviously didn't agree. Diem spent some time denouncing rich intellectuals and businessmen who do not pay their taxes and then blame the government for not doing enough for the people. Although I had not mentioned corvee labor this time, Diem stated this only way collect equivalent of taxes from peasants and that this system is in Vietnamese tradition, but peasants in Cochinchina under French had not been asked to contribute labor. Therefore they now resent corvee labor and of course would not think of paying any monetary taxes. He pointed out peasants in central Viet-Nam willingly contribute free labor instead of taxes. I remarked one reason for discontent in south is arbitrary action of officials and the failure to explain needs to peasants before forcing them to work. Diem insisted peasants had been told of needs but they just lazy.

Diem then stated while it might be necessary to find ways and means to raise taxes in general, this had to be done very carefully in order to avoid a too-high rise in prices which would cause further disgruntlement. He added devaluation would have same effect and therefore this could not be done in hurry. In this connection he again stated that Lao devaluation [had] been a failure and was one of the causes for the current troubles there. I repeated, as I had several times, that we considered Lao devaluation as beneficial and successful.

Toward end of conversation Diem reverted again to useless intellectuals who now spreading reports of another coup on Christmas or on January 20th.

On few occasions he let me talk, I urged he adopt reforms soonest since it essential to win further support of the people if Viet Cong menace is to be overcome, but he gave me no indication of reforms he may adopt. Before leaving I again expressed hope that he would accept our suggestion that he announce all liberalizing programs at one time in order to make best impact. Diem replied he would think about this but made no commitment.

Comments: We have heard that Nhu, Thuan and others have been running into resistance when urging Diem to adopt worthwhile reforms. I also received impression he very reluctant to adopt reforms and is still basically thinking in terms of force to save the day, hence his insistence several times that we approve force level increase and his action raising Civil Guard ceiling by 10,000. While I still believe it absolutely essential he adopt more liberal programs, it is not certain from his attitude and remarks that he will take effective action in these matters, although I learned later he has agreed to engage the services of a public relations expert . . . to make a survey of GVN foreign public relations needs.

Durbrow

271. Telegram From the Ambassador in Vietnam (Durbrow) to the Department of State¹

Saigon, December 24, 1960—7 p.m.

1217. Depcirtel 879.² Principal watershed for current phase of development of Viet-Nam is Geneva Agreements of 1954, which enabled country become independent but divided it into Communist northern half and non-Communist southern half. In initial confusion and due partly to residual Communist control many parts of South Viet-Nam in 1954, appeared likely country could not survive as independent entity, but would shortly be merged with Communist north. However, due determination of substantial majority of people, advent to power and skilled leadership of markedly anti-Communist government of Ngo Dinh Diem, and strong U.S. diplomatic and both civilian and military support, South Viet-Nam survived its critical first two years, established framework for existing political institutions, integrated about 800,000 refugees into economy, and began development effective military forces. By 1958 after earlier preoccupation with security and political matters GVN began devote more attention to economic development, which has shown marked progress.

¹Source: Department of State, Central Files, 751K.00/12-2460. Secret. Repeated for information to Phnom Penh, Vientiane, Bangkok, Paris, London, Singapore, Hong Kong, and CINCPAC PolAd.

²In circular telegram 879, December 19, the Department requested that the recipient Far Eastern Ambassadors or Principal Officers prepare a concise, year-end review placing the current situation in historical perspective, relating the historical summary to U.S. policies, and recommending future policy; in the words of the telegram, a "think piece." (*Ibid.*, 120.201/12-1960)

In initial period of consolidation President Diem had support of great majority of country. However, starting in 1957 this support gradually decreased among large segments educated elite in cities because of Diem's mandarinal concepts, Ngo family monopoly of political power, and failure to permit development political institutions or allow broader exercise of democratic freedoms, at least some of which could have been granted despite Communist threat. In addition Diem has conspicuously failed to establish real political rapport with population. If he had 10 percent of demagoguery of Sukarno . . . he would be one of most effective leaders in this part of world. Prosecution of basically worthwhile but arbitrarily implemented agrovillage program in 1959-60, other forced labor programs and high-handed attitude of local officials also resulted in growing alienation of support of peasants. At this time also Communists changed tactics from subversion and propaganda to full scale guerrilla terrorist war, partly because GVN economic and social development was progressing at such rate that softer tactics were considered to be inadequate to take over country.

U.S. policy throughout period 1954 to present has been to provide strong and unequivocal support for Diem government as only entity in sight capable of maintaining integrity of South Viet-Nam as viable non-Communist state. While giving extensive support to GVN security forces, U.S. sought persuade Diem to give balanced emphasis to economic development and to establishment of governmental institutions essential to vitality of an independent nation, but we were not as successful as we might have been in view of security threat. We also made continuous efforts but had little success in persuading Diem to take political measures in effort reverse popular trend away from his regime. Diem contends this impossible if people not given military protection. U.S. has also sought persuade Diem improve relations with Cambodia (which considers Viet-Nam traditional enemy) both to avoid giving Cambodia reason for moving toward Communist bloc and to obtain greater Cambodian cooperation against Communist insurgents. Despite our efforts and pointed warnings GVN in early 1959 tried overthrow Sihanouk by ill-fated Dap Chhuon revolt. After this failure our efforts met with some intermittent success in latter part 1959 and latter part 1960, but could again deteriorate acutely at any time without warning because long standing suspicions both sides and Sihanouk's periodic leftish swings. Conversely GVN relations with Laos good whenever anti-Communist government in power there. U.S. tried minimize GVN involvement in Laos to avoid DRV reaction despite GVN's deep concern at any indication increased Communist strength in Laos.

Foregoing catalog of successes and failures properly identifies President Diem as key to situation. He has been principal motivating

force for most of GVN's activities since his accession to power, and little or no action has taken place in which he was not interested or which he opposed. He is very much the mandarin, is a devoted, incorrupt nationalist with strong sense of mission, deep religious faith (Catholic) and conviction that his judgment is invariably correct. In last respect, he can and does point to a series of critical decisions over past five years which he made against his advisors, foreign and domestic, and in which he proved successful. He has sincerely referred to some of these as "miracles" including defeat recent coup. This strong and stubborn character has led him into excessive centralization of power, however, and impatience with any real trends toward or expressions of democratic political life, which he asserts is too great luxury for underdeveloped [country?] engaged in guerrilla war with Communists. As result, Diem is particularly sensitive to threats his position, is most disposed to give primary attention to security measures designed strengthen that position, and therefore is particularly difficult to induce to make political and social changes.

At present Diem government confronted by problems which constitute most serious challenge it has faced since 1955: 1) greatly expanded Viet Cong guerrilla and subversion threat; 2) greatly increased non-Communist discontent developing into growing opposition; and 3) problem of internal fiscal reform to provide local resources for development and military programs which Diem insists should be provided primarily by foreign aid.

Viet Cong guerrilla war has steadily intensified since late 1959, with armed personnel in units rising from about 2,000 to present ARVN estimate of 9,800. Communist Party in North Viet-Nam made it clear at party congress in September 1960 that DRV actively seeking overthrow Diem government by subversive (i.e. primarily guerrilla) methods and its replacement by "united front" government willing negotiate reunification South Viet-Nam with DRV. Obvious that DRV means reunification on Communist terms. To meet this threat GVN has 150,000 armed forces, about 60,000 Civil Guard, and other security forces, but they have not yet received adequate training for variety reasons to meet new VC tactics of large scale guerrilla war, in view prior emphasis on meeting overt threat from north. Organizational and command structure at higher levels ARVN has not been adequately oriented toward dealing with missions of armed forces to include conventional and unconventional warfare. Also Diem's proclivity to bypass channels and to deal directly with military units at all levels has been handicap.

Partly because of growth of insecurity and partly because of Diem's failure to progress on political front and remove sources of political discontent, dissatisfaction and opposition to his government growing in virtually all circles and are perhaps at highest pitch since

he took over in 1954. Temptation toward change through violent action has been strengthened by 1960 developments in Korea, Turkey and Laos. Army elements actually tried seize power through coup in November because of dissatisfaction with government's political methods and failure defeat Communists, but bulk of army remained loyal and responded Diem appeal to put down revolt. Nevertheless, government and security forces probably weakened by distrust in aftermath of coup. Much talk of another coup is heard, and real possibility exists another coup or coups may take place, which, while they might be unsuccessful, would further weaken Diem government to such extent that Commie takeover will be facilitated.

GVN under Diem still seems strongest non-Communist group in sight and remains firmly oriented to West. Its shortcomings as enumerated above are sometimes exaggerated by foreign press, while overlooking its substantial accomplishments and perhaps applying higher standards than most Asian countries can meet. View deterioration of situation, Embassy believes Diem must continue receive all necessary U.S. military assistance beyond his own resources to deal with Communist threat. However, to accomplish primary objective of maintaining South Viet-Nam as viable non-Communist state GVN must also take effective action broaden base its political support. We must therefore continue by all feasible and appropriate means press this on Diem.

Despite growing criticism (some triggered by rumors) of Diem government by more and more elements in and out of government, non-Communist Vietnamese, who still substantial majority of population South Viet-Nam, continue have hopeful attitude towards U.S. Local appreciation of U.S. support still widely in evidence. However, non-Communist Vietnamese coming increasingly expect U.S. to take principal role in somehow bringing about major change in attitude of Diem government, which we have and should continue press for. In absence such change, deterioration in presently favorable attitude most Vietnamese towards us must be expected, and support for violent overthrow of Diem government, with unpredictable effect on Viet-Nam's international orientation, will probably grow.

Thus, unless present trends reversed, there good possibility Diem government may be overthrown and replaced. Therefore, if Diem continues fail carry out necessary reforms and present deterioration continues U.S. should actively initiate search for best available substitute and do as much as we can to arrange as orderly a transfer of power as possible. Whether with a revitalized Diem regime or with a suitable replacement U.S. should continue collaborate in struggle against Viet Cong guerrillas and well-begun but still unfinished task of promoting progressive political and economic development.

Because of risks of any external intervention prospects of overt Communist aggression are minimal at this time, but this possibility should be borne in mind. In my estimation we must be prepared to face long, drawn-out full scale guerrilla war which might develop to such extent we might find it necessary respond to GVN request bring in U.S. forces.

Prospects for next half decade are that U.S. support for Viet-Nam's security forces will retain high priority (primarily against guerrillas as long as that continues be main threat). At same time U.S. assistance for economic development will continue be required for peaceful economic and social competition with Communist regime in North Viet-Nam. Politically, U.S. should support as much as circumstances and situation permit, development of political institutions and expanding personal and political freedom to point up contrast to Communist system and assist Viet-Nam to maintain its independence as a free nation.

In view Diem's firm anti-Communist stance his confidence in U.S. ally remains predicated on firm U.S. approach in dealing with Communism.

Durbrow

272. Despatch From the Ambassador in Vietnam (Durbrow) to the Department of State¹

No. 264

Saigon, December 27, 1960.

REF

Saigon's Telegram 1216, Dec. 24, 1960²

SUBJECT

Memorandum Handed to President Diem on Liberalization

Enclosed is the English text of the memorandum on liberalization which Ambassador Durbrow handed to President Diem on December 23, 1960, as indicated in Saigon's Telegram 1216. The French text of the memorandum is being forwarded under transmittal slip to Mr. Wood in SEA.

As indicated in Telegram 1216, the Ambassador supplemented the memorandum with the following oral remarks about the supply-

¹Source: Department of State, Central Files, 751K.00/12-2760. Secret; Limit Distribution. Drafted by Mendenhall. Printed also in Department of Defense, *United States-Vietnam Relations, 1945-1967*, Book 10, pp. 1352-1355.

²Document 270.

ing of H-34 helicopters to Viet-Nam: "I have just learned today that my Government has approved the request to give H-34 helicopters to Viet-Nam. The total will be 11 units. I have been told that the first ones will be delivered shortly and that we shall be furnished soon with the delivery dates for all of them."

President Diem's reaction to this approach on liberalization was described in Telegram 1216.

For the Ambassador:
Joseph A. Mendenhall
*Counselor of Embassy for
Political Affairs*

[Enclosure]

MEMORANDUM HANDED TO PRESIDENT DIEM BY AMBAS-
SADOR DURBROW ON DECEMBER 23, 1960

I have reported to the Department of State your serious concern and that of other high-ranking Vietnamese officials about the critical articles about Viet-Nam which have appeared in American as well as other foreign papers. I have also reported on the progress being made in working out new policies, and organizational and liberalization changes in the governmental and military structure which you and other officials have informed us you are planning to implement in the near future.

As you know, my Government has taken certain steps to assist you in strengthening the GVN against the Communist attacks being made against it. The new AD-6 planes whose delivery was speeded up I understand are proving effective and helpful, and you are aware of the large quantity of electronic communications equipment MAAG and USOM secured on an expedited basis. Lastly, I have instructed Mr. Gardiner to seek an appointment with the Vice President and Secretary of State Thuan to re-examine carefully the entire problem of your piastre shortage to see whether there may be some new technique or action to meet your critical need in this area. Your comparatively satisfactory foreign exchange and balance of payments position has of course created special problems which we hope we can jointly solve.

On the basis of these reports I have received instructions to discuss these matters with you, particularly certain liberalizing projects which would have a favorable effect on world public opinion. As you no doubt know, Mr. President, since the press conference held by Mr. Thuan on November 17 at which he stated that the Govern-

ment had for some time been working out details for new organizational and liberalization schemes, many elements here in Viet-Nam and in the world press have questioned whether these projected schemes would be adequate and sufficiently profound to increase the public support for your Government and make it clear to world opinion that the criticisms of your Government in the world press were unfounded.

In an effort to be as helpful as we can to assist you in your efforts to broaden the base of your Government, the Department of State has instructed me to discuss with you some of the suggestions which we have already made and which the Department of State believes would have beneficial effects if adopted now in connection with the other measures you are planning. Apart from the organizational changes proposed in the governmental and military structure and those liberalizing schemes you have told me about—such as elections of youths to village councils and other progressive matters of this nature—we believe it would be helpful if you could also adopt the measures outlined below. We, of course, recognize that security considerations impose certain limitations on liberalization, but we believe that the political situation requires certain calculated risks in order that the public and world opinion will become convinced of the sincerity of the steps you are taking to evoke broad participation in your efforts to improve security and develop the economy and institutions of Viet-Nam. It is our belief that the liberalization schemes should be clear-cut, effective, and of a broad nature so that the impact of their announcement will have the desired beneficial effect on the public here and abroad and will enhance the public support for your regime. With this thought in mind, it is suggested that:

1. In connection with the excellent new method of having Ministers defend their budgets before Assembly Committees, it would be advantageous from a political and press point of view either to publicize these hearings in full or at least to give fairly full minutes of these meetings to the press.

2. As has already been suggested, it would be politically worthwhile to authorize the Assembly to conduct investigations of any Department or Agency of the Government. While public hearings would be politically more useful, closed hearings could be held providing the results of the investigations are made public in considerable detail.

3. While it is realized that it is not a simple matter to work out an effective domestic press code, we believe it would be most beneficial to a better understanding of the fruitful efforts being made by your Government on behalf of the people and a better appreciation of the many problems you and your colleagues have to face, if the Assembly could adopt in the near future a fairly liberal press code. If this cannot be accomplished shortly, the press should be encouraged to set up machinery to police itself. Under such a system the Gov-

ernment should only intervene if articles are flagrantly dishonest, inaccurate, or favorable to the Communists. In case of a breach of the press code it might be better to require the paper to publish a full retraction rather than confiscate the particular edition or suspend the newspaper.

4. I have already discussed with you our suggestions on ways and means to have more favorable foreign press coverage. In this connection, the Department of State believes that it is almost as important for your Government to have favorable foreign press relations as it is to have diplomatic recognition from friendly countries. The Department suggests that you continue to have periodic press conferences such as those recently conducted by Mr. Thuan, that effective use be made of the weekly press conferences of the Directorate General of Information by channelling items of substantive information through that agency for release, that foreign correspondents be permitted to make trips in the country to learn for themselves the nature of the Viet Cong threat, and that Ministers of the Government be available to have open and frank talks with correspondents about the accomplishments and problems of the various Ministries. It is believed that this might be helpful in improving the tone of foreign press articles.

5. We are pleased to learn that steps are being taken to increase and stabilize the price of paddy to the peasants. We also suggest that further efforts be made to grant broader credit facilities to the peasants.

It is the belief of the Department of State that if measures such as those suggested above, in addition to the other liberalizing steps regarding elections of youth representatives to village councils, sending better administrators into the countryside, periodic "fireside chats", etc., are adopted in the near future, it would be worthwhile to withhold the announcement of individual measures, so that a meaningful official announcement could be made, preferably by you, of all of the liberalizing measures you are putting into immediate effect. If the individual measures were not disclosed in advance, such an across-the-board announcement of genuine liberalizing measures would, we believe, have a most beneficial effect on the people of Viet-Nam and on world opinion. It is certain that such an announcement would do a great deal to correct any erroneous impressions that have been given to world opinion in recent months and encourage the world press and government spokesmen to support you in your tireless efforts to eliminate the Viet Cong threat and continue the fine programs attained in Viet-Nam in such a short period of time.

273. Telegram From the Ambassador in Vietnam (Durbrow) to the Department of State¹

Saigon, December 29, 1960—7 p.m.

1231. Re Embtel 1217, rptd CINCPAC 255,² and CHMAAG-1607 to CINCPAC only.³ Although General McGarr concurred basically with Embtel 1217 which he went over before it sent, he received impression, after further study later, that statement (fourth paragraph from end) "Therefore, if Diem continues fail carry out necessary reforms and present deterioration continues, US should actively initiate search for best available substitute and do as much as we can to arrange as orderly a transfer of power as possible," indicated I did not recommend that we back up Diem fully now and intimated that we might take action to undermine his strength and discredit GVN internally more or less in immediate future. In order clarify my point I informed Gen McGarr that possible action to replace Diem was predicated on possibility that "present deterioration continues" and if it should, then to prevent Commie or front organization taking over and leaving us out in cold we should search for suitable substitute and try arrange as orderly change of power as possible. Since McGarr sent this interpretation with my concurrence to CINCPAC in ref CHMAAG tel, I thought it might be helpful spell out point to Department. McGarr as stated in his tel to CINCPAC believes before we start such search we should "give Diem adequate military resources to resolve problem of protection population from V.C. and thus be able to adopt other measures" (i.e., liberalization programs).

I agree Diem should be given adequate military resources to put down VC threat but still believe that VC threat will continue grow unless effective measures are also taken simultaneously to win over population as well as protect it. On basis conversation McGarr had 21st and I had 23rd with Diem (Embtel 1216⁴), it appears Diem was indicating he cannot effectively introduce any worthwhile liberalization reforms until he can protect population which he claims cannot be done unless granted 20,000 additional troops. If this turns out to be the case, I sincerely believe Diem's chances of defeating VC threat will be greatly minimized. However, it is apparent from the continued scale of Communist guerrilla operations in Viet-Nam and the blatant Soviet aerial intervention in Laos that responsible leaders of

¹Source: Department of State, Central Files, 751K.00/12-2960. Secret. Repeated for information to CINCPAC PolAd.

²Document 271.

³Not printed.

⁴Document 270.

the bloc are determined to push us in Southeast Asia as far as they think they can. The latter development justifies the need for additional well-trained forces in being in this area. Consequently while until now I have had reservations on need for 20,000 level increase, it now seems clear, part [apart?] from Diem's inclination to give most emphasis to use of force to try to solve his internal security problem, that other factors have entered the picture from a purely U.S. point of view so I withdraw my reluctance to any increase which may be deemed appropriate by Washington. We must however continue press Diem hardest on need for positive and immediate political action to gain support, and examine closely his success along these lines to determine whether the "present deterioration continues" to the degree that would oblige us to seek or accept alternative leader for SVN.

McGarr, in the reference telegram to CINCPAC, also expressed concern over statement in Embtel 1217 that "prospects of overt Communist aggression are minimal at this time." Because of increasing PAVN capability, Soviet airlift and deteriorating situation Laos, McGarr believes it "militarily dangerous minimize threat of external aggression, particularly during dry season," since such minimization could result in destroying balance of forces required meet internal threat and still maintain posture to meet external attack. This obviously matter open to different evaluation, but I raise question whether more calculated risk than Gen McGarr deems advisable, should not be taken use maximum forces available here to fight present guerrilla-terrorist threat, which could cause overthrow Diem without any overt aggression.

General McGarr also believes my statement in reftel "in my estimation we must be prepared to face long drawn-out full-scale guerrilla war" gives erroneous impression that continued terrorism internally is only foreseeable threat. He believes "such interpretation dangerous as would lead to continually increasing fragmentation ARVN forces in anti-guerrilla security operations with aggravation neglect of training mission which would"⁵ continue dissipate ARVN strength and destroy its ability meet overt aggression. Again this boils down to degree we should take calculated risk of concentrating on meeting present guerrilla war at which [sic] we both believe will continue for long time, which poses serious danger of overwhelming free Viet-Nam, against maintaining balanced posture to meet possible overt aggression at some indefinite time in future.

Durbrow

⁵The source text indicates close of quotation at this point.

274. **Telegram From the Acting Secretary of State to the Embassy in Vietnam¹**

Washington, December 31, 1960—8:15 p.m.

961. From Parsons for Durbrow. Your 1216, 1217, 1231,² 1232.³ During this period intense danger and concern for position free world SEA, your recent telegrams provide excellent and realistic analysis. You and your staff highly commended.

The substance of your messages is receiving our close attention and we will be commenting in more detail as appropriate. Our preliminary thoughts follow:

1. Believe for present Embassy has gone as far as feasible in pushing for liberalization and future exhortation likely be counter-productive. Believe we both should be thinking about our minimum objectives this field, and suitable pressures which might be effective to produce action by GVN.

2. Re 20,000 man increase ARVN, Washington agencies prepared study promptly, upon receipt, counter-insurgency plan plus comments Ambassador, Country Team and CINCPAC. (This study will be in context overall situation SEA as well as in context your views on GVN as reported reftels.) Advise when will arrive Washington.

3. In view extremely sensitive nature subject, suggest highest classification and limited distribution future messages containing any references to alternative leadership GVN. We both should be thinking about this contingency in practical terms.

4. On your return for consultation, hopefully early in year, we would plan on thorough review with you and interested agencies our policy Viet-Nam in light a) SNIE to be prepared coming weeks, b) counter-insurgency plan and c) your assessment of conditions at that time.

5. In mean time know you will be watching situation closely and in particular endeavoring to reassess and re-evaluate relative impor-

¹Source: Department of State, Central Files, 751K.00/12-2960. Top Secret; Limit Distribution. Drafted by Cleveland and Wood, cleared by Anderson, Steeves, Flesch for paragraph 2, and approved by Steeves on behalf of Parsons.

²Documents 270, 271, and 273.

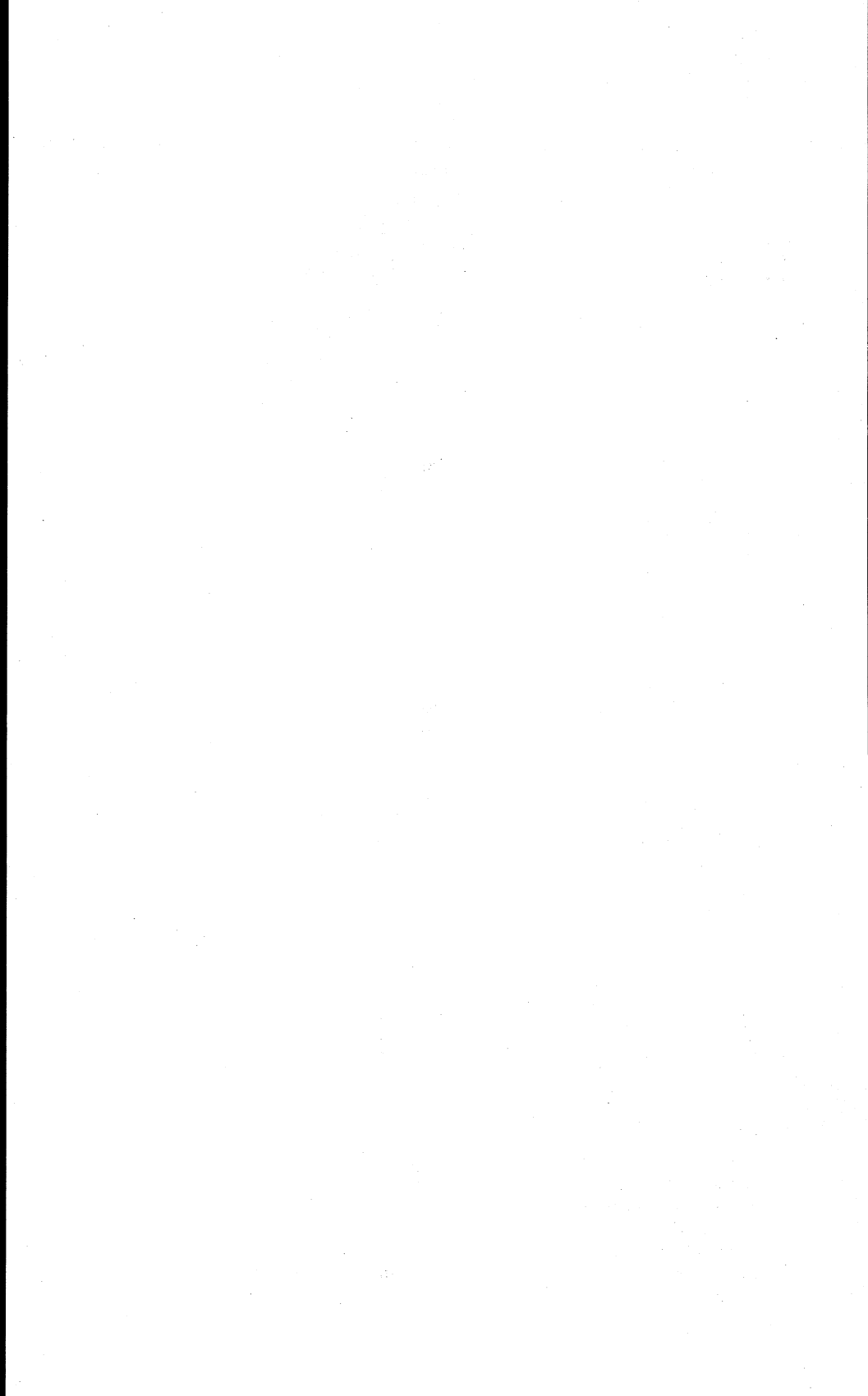
³In telegram 1232 from Saigon, December 29, Durbrow reported that there was growing unease among official and private Americans in Vietnam because of the abortive coup of November 11/12, the recent battle for Vientiane, and the hit-and-run terrorist tactics of the Viet Cong. The Ambassador reported that the Embassy was taking every precaution to ensure the safety of Americans. He suggested that Washington agencies tell their Vietnam-bound personnel and dependents "that some American may get hurt." Durbrow stated that it was his intention to ask for removal of any member of the U.S. mission whose preoccupation with his own personal safety became embarrassing or for those who lacked "sufficient courage and emotional stability to face the challenge." (Department of State, Central Files, 751K.00/12-2960)

tance of the two halves of major problem in Viet-Nam i.e. insurgency and political support of GVN.

6. Your comments on personnel security problems most helpful.

Merchant

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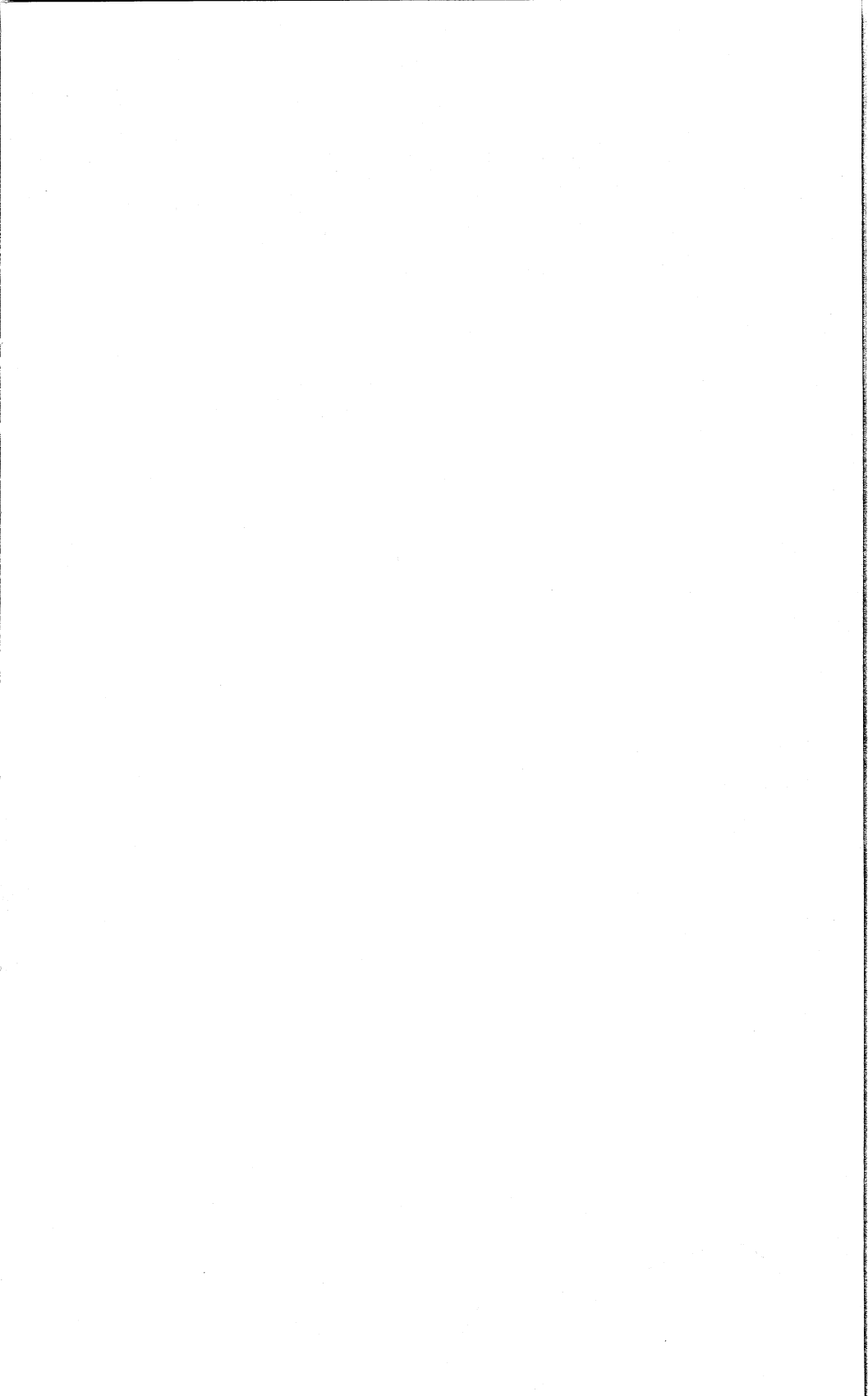
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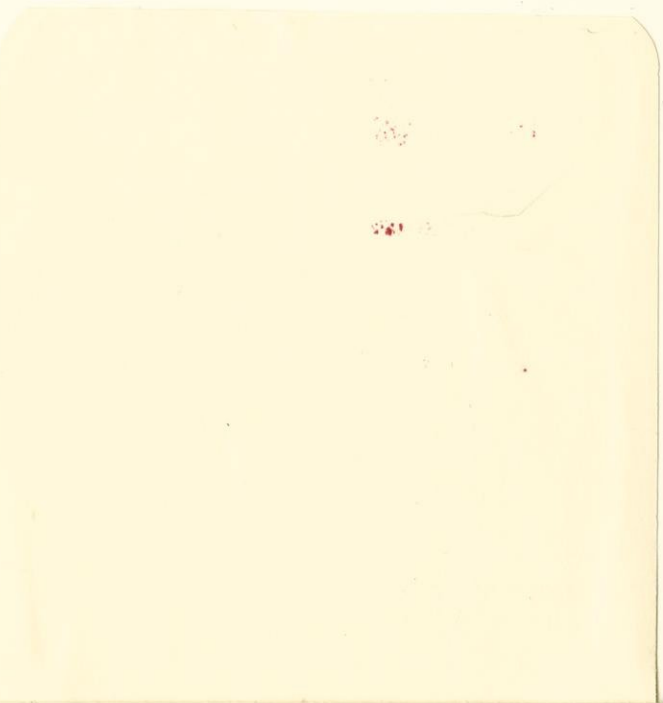
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