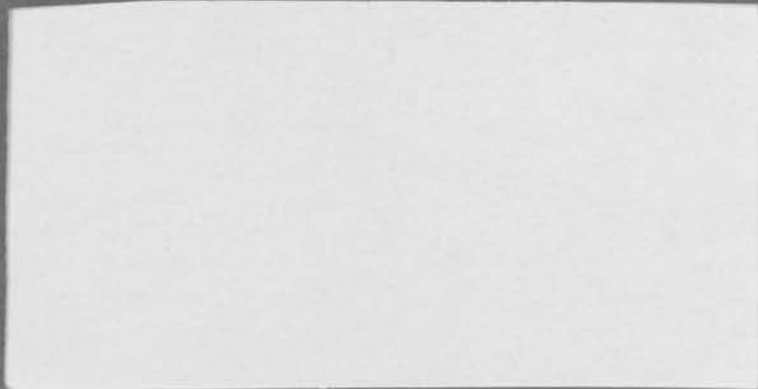


V.B Justification of the War (11 Vols.)  
Internal Documents (9 Vols.)  
4. The Kennedy Administration: (2 Vols.)  
Book II

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**UNITED STATES - VIETNAM RELATIONS**  
**1945 - 1967**



**VIETNAM TASK FORCE**

**OFFICE OF THE SECRETARY OF DEFENSE**

*SET #13*

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U.S. INVOLVEMENT IN THE WAR  
- INTERNAL DOCUMENTS -

The Kennedy Administration:  
January 1961 - November 1963

BOOK II

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V.B.4.

U.S. INVOLVEMENT IN THE WAR -- INTERNAL DOCUMENTS

The Kennedy Administration: January 1961 - November 1963

Foreword

This volume contains a collection of internal U.S. Government documents and position papers regarding U.S. policy toward Vietnam. The volume of materials for this period is so large as to preclude the inclusion in such a collection of more than a sample of the documents in the files. Those classified materials that are included, however, were circulated at the highest levels of the Government and either bore directly on the process of policy formation or were decision-making instruments. The collection is organized chronologically and devoted exclusively to the Kennedy years. A separate volume covers the Johnson Administration.

BOOK I : January thru December 1961

BOOK II : January 1962 thru October 1963

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U.S. INVOLVEMENT IN THE WAR -- INTERNAL DOCUMENTS

The Kennedy Administration: January 1961 - November 1963

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and of 4,000 in the past three months. While only 10-20% of this strength consists of cadres infiltrated from North VN, the remaining 80-90% includes remnants of the approximately 10,000 stay-behind personnel who went underground during the 1954-1955 regroupment and evacuation of Vietnamese communist army units following the Indo-China War. Though some weapons and equipment have been infiltrated into South VN, there has been no positive identification of Communist Bloc-manufactured military equipment in South VN. SNIE 53-2-61, 5 October 1961..... 291

31. The JCS feel the time is now past when actions short of intervention by outside forces can reverse the rapidly worsening situation in Southeast Asia. They consider the execution of SEATO Plan 5, or a suitable variation thereof, to be the military minimum commensurate with the situation. JCS Memorandum for Secretary of Defense, JCSM 704-61, 5 October 1961..... 295

32. It is the opinion of the JCS that the use of SEATO forces at the greatest possible number of entry points along the whole South VN border, i.e., over several hundred miles, is not feasible. Further, the alternative of using SEATO forces to cover solely the 17th parallel is militarily unsound. "What is needed is not the spreading out of our forces throughout SEA, but rather a consolidated effort in Laos where a firm stand can be taken..." A limited interim course of action is provided herewith in the event SEATO Plan 5 is considered politically unacceptable. JCS Memorandum for Secretary of Defense, JCSM 716-61, 9 October 1961. .... 297

33. "For what one man's feel is worth, mine -- based on very close touch with Indo-China in the 1954 war and civil war afterwards until Diem took hold -- is that it is really now or never if we are to arrest the gains being made by the Vietcong." Bundy suggests that an early, hard-hitting operation has a 70% chance of success. "The 30% is that we would wind up like the French in 1954; white men can't win this kind of fight. On a 70-30 basis, I would, myself, favor going in." Bundy memorandum for Secretary McNamara, 10 October 1961..... 312

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36. "With respect to training the Vietnamese Army for the 'wrong war', it seems clear that in recent months the insurgency in South Vietnam has developed far beyond the capacity of police control. All of the Vietnamese Army successes this past summer have met Viet Cong opposition in organized battalion strength...This change in the situation has not been fully understood by many U.S. officials. In this regard, there is some concern that the Thompson Mission may try to sell the Malayan concept of police control without making a sufficiently careful evaluation of conditions in South Vietnam." JCS Memorandum for General Taylor, CM-390-61, 12 October 1961.....	324
37. The President requests that General Taylor proceed to Saigon to appraise the situation in South Vietnam and to report his views on the courses of action which the U.S. might take to avoid further deterioration in the situation and eventually to eliminate the threat to the independence of South Vietnam. President Kennedy letter to General Taylor, 13 October 1961.....	327
38. The President directs the following actions be taken: (1) make preparations for the publication of the White Paper on North Vietnamese aggression; (2) develop plans for presentation of the VN case in the UN; (3) introduce the Jungle Jim Squadron into SVN for the purpose of training Vietnamese forces. He indicates that General Taylor should undertake a mission to Saigon. NSAM 104, 13 October 1961.....	328
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Geneva Agreement on the Cessation of Hostilities in VN of July 20, 1954. Introduction of U.S. troops even for purposes of flood control would still constitute a violation of the Geneva Accords by the Government of VN. If a decision is made to send U.S. troops into VN, the U.S. should justify it on the ground of collective self-defense. "Nothing in the Geneva Accords should be read as abridging the inherent right of Vietnam and the United States to take actions in collective self-defense." DoD General Counsel Memorandum for Mr. Hadyn Williams, 26 October 1961..

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40. General Taylor summarizes the fundamental conclusions of his group and his personal recommendations. Taylor concludes there is a double crisis in confidence: doubt that the U.S. is determined to save SEA, and doubt that Diem's methods can defeat the Communist purposes and methods. Taylor recommends that the U.S. Government join with the GVN in a massive joint effort as part of a total mobilization of GVN resources to cope with both the VC and the ravages of the flood. Specifically, the U.S. Government will provide individual administrators, conduct a joint survey of conditions in the provinces, assist the GVN in effecting surveillance and control over the coastal waters, and finally, offer to introduce into South VN a military Task Force to operate under U.S. military control. General Taylor telegram (cite BAG100005) for President Kennedy, 1 November 1961.....

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41. Taylor presents his reasons for recommending the introduction of a U.S. military force into South Vietnam. "I have reached the conclusion that this is an essential action if we are to reverse the present downward trend of events... there can be no action so convincing of U.S. seriousness of purpose and hence so reassuring to the people and government of SVN and to our other friends and allies in SEA as the introduction of U.S. forces into SVN." Taylor suggests that the strategic reserve of U.S. forces is seriously weak and that U.S. prestige would be more heavily engaged in SVN by this action. However, the size of the U.S. force introduced need not be great to provide the military presence necessary to produce the desired effect. General Taylor telegram (cite BAG100006) for President Kennedy, 1 November 1961.....

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42. The JCS and Secretary McNamara do not believe major units of U.S. forces should be introduced in SVN unless the U.S. is willing to commit itself to the clear objective of preventing the fall of SVN to communism and to support this



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- commitment by military action and preparation for possible later action. They recommend that the U.S. commit itself to this objective and support the recommendations of General Taylor toward its fulfillment. Secretary of Defense Memorandum for the President, 8 November 1961..... 343
43. The head of the British Advisory Mission submits to Diem his plan for clearing the VC from the Delta. The central idea is the creation of a network of "strategic hamlets" akin to those employed successfully by Thompson in defeating the communist guerillas in Malaya. R.G.K. Thompson letter to Diem, 11 November 1961..... 345
44. Reversing the November 8 Defense recommendation for a commitment of substantial U.S. ground forces to South Vietnam this November 11 Rusk-McNamara memorandum to the President (perhaps prepared at Kennedy's specific direction) escalates the rhetoric regarding U.S. interest in a free South Vietnam, but restricts the military recommendation: (a) employ only support forces now; (b) defer any decision to send "larger organized units with actual or potential direct military missions." Whether Kennedy fully accepted the high-blown statements of U.S. interest and commitment to the GVN is not known. State/Defense Memorandum to the President, 11 November 1961..... 359
45. The Joint Staff submits to the Chairman, JCS, briefs of the military actions contained in the draft National Security Action Memorandum resulting from the Taylor Mission Report. The military actions indexed pertain to the use of significant and/or substantial U.S. forces, provision of increased airlift, provision of additional equipment and U.S. personnel, provision of training and equipment for the Civil Guard and SDC, and finally, overhaul of the GVN military establishment and command structure. In connection with the draft memorandum, the Joint Staff considers it militarily desirable to pre-position forces and equipment and is currently considering augmentation of U.S. Army Forces Pacific, with one infantry division plus appropriate logistic and combat support units. Joint Staff Memorandum for the Chairman of the JCS, 14 November 1961..... 368
46. Rusk instructs Ambassador Nolting to seek an immediate appointment with President Diem to inform him that President Kennedy has decided that the Government of the U.S. is prepared to join the Government of VN in a sharply increased joint effort to avoid further deterioration in the situation of SVN. The joint effort requires certain undertakings by

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both governments. On its part, the U.S. would immediately support the GVN with increased airlift, additional equipment, U.S. personnel, expedited training and equipping of the Civil Guard and increased economic aid. The GVN, however, would have to initiate the following actions: (1) begin prompt legislative and administrative action to put the nation on a wartime footing to mobilize its resources; (2) give governmental wartime agencies adequate authority to perform their functions effectively; and (3) overhaul the military establishment and command structure to create an effective military organization. "President Kennedy contemplates an immediate strong affirmative reply to satisfactory letter along indicated lines from President Diem, which will simultaneously be made public." Rusk NIACT 619 to Saigon, 15 November 1961.....

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47. After three days of talks in Saigon, Ambassador Galbraith feels there is scarcely "the slightest practical chance that the administrative and political reforms being pressed upon Diem will result in real change." Gailbraith sees a comparatively well equipped army of a quarter million men facing 15 to 18,000 lightly armed men. "...there is no solution that does not involve a change of government... to say there is no alternative (to Diem) is nonsense." Ambassador Gailbraith Memorandum for the President, 20 November 1961.....

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48. "The key and inescapable point then is the ineffectuality (abetted debatably by the unpopularity) of the Diem Government. This is the strategic factor. Nor can anyone accept the statement of those who have been either too long or too little in Asia that it is the inevitable posture of the Asian mandarin. For one thing, it isn't true, but were it so, the only possible conclusion would be that there is no future for mandarins. The communists don't favor them." Gailbraith feels that it is politically naive to expect that Diem will reform either administratively or politically in any effective way. "However, having started on this hopeless game, we have no alternative but to play it out for a minimum time...since there is no chance of success we must do two things to protect our situation. One is to make clear that our commitment is to results and not to promises...and we can press hardest in the area of Army reform where the needed changes are most specific and most urgent." It follows from Gailbraith's reasoning that the only solution must be to drop Diem, and we should not be alarmed by the Army as an alternative. Gailbraith New Delhi 9941 for President Kennedy, 21 November 1961.....

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49. The U.S. is prepared to join the VN Government in a sharply increased joint effort to avoid a further deterioration in the situation in SVN. This joint effort is contingent upon initiation of certain actions on the part of the GVN and consists of increased economic and military support by the U.S., based on recommendations of the Taylor Report. NSAM 111, 22 November 1961.....	419
50. Bundy comments on the command arrangements for VN and recommends that General McGarr be elevated to the new position or that a replacement be found. He also recommends sending Lansdale back as Diem has requested. Bundy Memorandum for the Secretary of Defense, 25 November 1961.....	422
51. General Taylor relates a list of questions proposed by President Kennedy to be used at a meeting of his key advisors. Among the questions are: (1) what is the situation with regard to Diem as reported by Ambassador Nolting; (2) can we delay longer in obtaining an answer from Diem; (3) what are the views of the JCS on the military organization required to support the new program; (4) what is our plan for flood relief; (5) who should the President regard as personally responsible for the effectiveness of the Washington end of this operation? General Taylor Memorandum for Secretary McNamara, 27 November 1961.....	423
52. The President approves U.S. participation in a selective and carefully controlled joint program of defoliant operations in VN starting with the clearance of key routes and proceeding thereafter to food denial. NSAM 115, 30 November 1961.....	425
53. McNamara confirms to Rusk the command arrangements under which the senior U.S. military commander in Vietnam will have the title "Commander, U.S. Military Assistance Forces - Vietnam" and will have equivalent rank to the Ambassador, reporting through CINCPAC to the JCS. Secretary of Defense Memorandum for the Secretary of State, 18 December 1961.....	426
54. Diem is apprehensive about giving control authority to Big Minh as military field commander because of his fear of a coup. While U.S. policy is to support Diem and he has been so informed by the President, we must find a way to reassure him about a coup. "It is the basis for his real reluctance to do what the Americans want him to do and this basic point needs resolving...what realistic assurances can we give Diem that the action he fears won't take place?" Lansdale Memorandum for the CJCS, 27 December 1961.....	427



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- 55. The Chairman of the JCS summarizes the current situation in VN, methods of VC operations, routes of infiltration and supply, relative strengths, and discusses U.S. military units in place or enroute to VN. "The objectives of the Diem Government in SVN include not only survival against the communists, but also improvement of the national economy, enhancement of SVN's position among Southeast Asian nations, creations of an effective armed force, and preservation of a pro-Western orientation. "Policies directed toward the achievement of these objectives suffer from the concentration of power in the hands of the President, Ngo Dinh Diem, and a small clique headed by his extremely influential and powerful brother, Ngo Dinh Nhu." Chairman JCS Talking Paper for Briefing President Kennedy, 9 January 1962..... 428
  
- 56. The JCS agree that the basic issue of Diem's apprehension about a coup needs to be resolved. "I don't believe there is any finite answer to the question you pose as to how to convince Diem he must delegate authority to subordinates he doesn't fully trust." JCS Memorandum for General Lansdale, CM-491-62, 18 January 1962..... 440
  
- 57. The President establishes a Special Group (Counter Insurgency), the functions of which are as follows: (1) to insure proper recognition throughout the U.S. Government that subversive insurgency ("wars of liberation") is a major form of politico-military conflict equal in importance to conventional warfare; (2) to insure that such recognition is reflected in the organization, training, equipment and doctrine of the U.S. armed forces and other U.S. agencies; (3) to continually review the adequacy of U.S. resources to deal with insurgency; and (4) to insure the development of adequate programs aimed at preventing or defeating insurgency. NSAM 124, 18 January 1962..... 442
  
- 58. State Department agrees that an increase in the Vietnamese armed forces to the 200,000 man level should be supported provided the following factors are considered: (1) that U.S. military advisors and the Vietnamese authorities continue to set valid tactical and strategic plans; (2) the rate of increase should consider the ability of the Army to absorb and train the additional men and the manpower resources of SVN; (3) that the armed forces should level off at 200,000 and further efforts should be devoted to

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- strengthening the Civil Guard and Self-Defense Corps; and (4) that our training programs for ARVN be based on the concept that the Vietnamese Army will start winning when it has the confidence of the Vietnamese populace. U. Alexis Johnson letter to Mr. Gilpatric, 26 January 1962..... 445
59. Secretary McNamara forwards a JCS Memorandum to the President with the comment, "I am not prepared to endorse the views of the Chiefs until we have had more experience with our present program in SVN." The JCS Memorandum recommends that if, with Diem's full cooperation and the effective employment of SVN armed forces, the VC is not brought under control, then a decision should be made to deploy suitable U.S. military combat forces to SVN sufficient to achieve desired objectives. Secretary of Defense Memorandum for the President, 27 January 1962 (JCSM-33-62, 13 January 1962, attached)..... 447
60. The President requests that AID review carefully its role in the support of local police forces for internal security and counter-insurgency purposes, and recommend to him through the Special Group (Counter Insurgency) what new or renewed emphases are desirable. NSAM 132, 19 February 1962..... 455
61. The President approves training objectives for personnel who may have a role to play in counter insurgency programs as well as in the entire range of problems involved in the modernization of developing countries. The training objectives include the study of: the historical background of counter insurgency, departmental tactics and techniques to counter subversive insurgency, instruction in counter insurgency program planning, specialized preparations for service in underdeveloped areas. Training of foreign nationals will also be included in the program. The President desires that current counter insurgency training be examined to ascertain if it meets the above training objectives. NSAM 131, 13 March 1962..... 457
62. The President forwards a memorandum on the subject of VN from Ambassador Galbraith and requests Department of Defense comments. The Galbraith Memorandum (4 April 62) asserts that the U.S. is backing a weak and ineffectual government in SVN and that "there is a consequent danger that we shall replace the French as the colonial force in the area and bleed as the French did." Galbraith urges that U.S. policy keep open the door for political solution, attempt to involve other countries and world opinion in a settlement, and reduce our commitment to the present leadership of GVN. In

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- addition to recommended specific actions, Galbraith suggests the U.S. should resist all steps to commit American troops to combat action and dissociate itself from programs which are directed at the villagers, such as the resettlement programs. White House Memorandum for Secretary of Defense, 7 April 1962 (Galbraith Memorandum attached)... 460
63. The JCS comment on Ambassador Galbraith's Memorandum to President Kennedy. The JCS cite the Kennedy letter of 14 December 1961 to President Diem as a public affirmation of the intention of the U.S. Government to support President Diem to whatever extent necessary to eliminate the VC threat. In sum, it is the JCS opinion that the present U.S. policy toward SVN as announced by the President "be pursued vigorously to a successful conclusion." JCS Memorandum for the Secretary of Defense, JCSM 282-62, 13 April 1962..... 464
64. ISA discusses the circumstances surrounding the Defense reply to Galbraith's Memorandum and notes the absence of formal staffing by the State Department. In a penciled note "Secretary of Defense has talked to Ambassador Galbraith and feels no reply needed. Mr. Forrestal informed this date that none would be sent." ISA Memorandum to Secretary of Defense, 14 April 1962..... 466
65. The President requests contingency planning in the event of a breakdown of the cease-fire in Laos for action in two major areas: (1) the holding by Thai forces with U.S. back-up of that portion of northern Laos west of the Mekong River; and (2) the holding and recapture of the panhandle of Laos from Thakhek to the southern frontier with Thai, Vietnamese or U.S. forces. Kennedy indicates that he contemplates keeping U.S. forces in Thailand during the period of the negotiations by the three Princes and the early days of the government of national union. NSAM 157, 29 May 1962..... 467
66. In an evaluation of the first three months of systematic counter-insurgency, Hilsman of State's INR reports some progress and reason for modest optimism although acknowledging the great amount yet to be done. State Department INR Research Memorandum RFE-27, 18 June 1962..... +69
67. The President approves assignments of responsibilities in the development of U.S. and indigenous police, paramilitary, and military resources to various agencies as recommended by the Special Group on Counter Insurgency. Deficiencies revealed in the study pursuant to NSAM 56 include: country



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internal defense plans, improvement of personnel programs of agencies concerned with unconventional warfare, orientation of personnel, deployment of counter insurgency personnel, support of covert paramilitary operations, increased use of third-country personnel, exploitation of minorities, improvement of indigenous intelligence organizations, and research and development for counter insurgency. NSAM 162, 19 June 1962..... 481

68. The President approves a national counter insurgency doctrine for the use of U.S. departments and agencies concerned with the internal defense of overseas areas threatened by subversive insurgency. NSAM 182, 24 August 1962..... 485

69. In a year-end summary of the Vietnamese situation and prognosis, Hilsman (State INR) concludes that at best the rate of deterioration has been decreased. GVN control of the countryside, the Strategic Hamlet Program notwithstanding, has increased only slightly. State Department INR Research Memorandum RFE-59, 3 December 1961..... 487

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70. A National Intelligence Estimate states that "Communist progress has been blunted and that the situation is improving. Strengthened South Vietnamese capabilities and effectiveness, and particularly U.S. involvement, are causing the Viet Cong increased difficulty, although there are as yet no persuasive indications that the Communists have been grievously hurt." The VC will continue to wage a war of attrition and there is no threat of overt attack from the North. On the basis of the last year's progress the VC can be contained but it is impossible "to project the future course of the war with any confidence. Decisive campaigns have yet to be fought and no quick and easy end to the war is in sight." NIE 53-63, "Prospects in South Vietnam," 17 April 1963..... 522

71. The President approves and directs certain actions outlined in the Department of State Memorandum of 17 June 1963, relative to Laos planning. The President wishes to obtain suggestions for actions in Laos in light of the deteriorating situation and from the British and the French before initiating any action under the Memorandum. Kennedy asks about additional U.S. actions to be taken in Laos before any action directed against NVN. NSAM 249, 25 June 1963... 525

72. The President is briefed on developments in Indonesia, Laos and VN. Specifically, on SVN, discussions cover the possibility

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of getting rid of the Nhus (the combined judgment was that it would not be possible), pressure on Diem to take political actions, possible results of a coup, and the replacement of Ambassador Nolting with Ambassador Lodge. Department of State Memorandum of Conversation, 4 July 1963.....

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73. A Special National Intelligence Estimate evaluates the political crisis in South Vietnam arising from the Buddhist protest. It concludes that if Diem does not seek to conciliate the Buddhists new disorders are likely and there will be better than even chances of coup or assassination attempts. U.S-GVN relations have deteriorated as a function of Diem's distrust of U.S. motives in the Buddhist affair and he may seek to reduce the U.S. presence in Vietnam. The Communists have thus far not exploited the Buddhist crisis and they would not necessarily profit from a non-Communist overthrow. A successor regime with continued U.S. support would have good chances of effectively pursuing the war. SNIE 53-2-63, "The Situation in South Vietnam," 10 July 1963.....

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74. In a subsequently controversial cable, State informs Lodge that if Diem is unwilling or unable to remove Nhu from the government, that the U.S. will have to prepare for alternatives. Lodge is authorized to inform the Vietnamese generals plotting a coup that if Nhu is not removed we will be prepared to discontinue economic and military aid, to accept a change of government and to offer support in any period of interim breakdown of the central government mechanism. State Department Message to Saigon 243, State to Lodge, 24 August 1963.....

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75. U.S. policy with respect to a coup is defined in more detail for Lodge and Harkins as a result of an NSC meeting with the President. "The USG will support a coup which has good chance of succeeding but plans no direct involvement of U.S. armed forces. Harkins should state (to the generals) that he is prepared to establish liaison with the coup planners and to review plans, but will not engage directly in joint coup planning." Lodge is authorized to suspend aid if he thinks it will enhance the chances of a successful coup. State Department Message 272, State to Lodge and Harkins, 29 August 1963.....

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76. Rusk raises with Lodge the possibility of a last approach to Diem about removing Nhu before going ahead with the coup. He notes that General Harkins favors such an attempt. Rusk

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feels that if accompanied by the threat of a real sanction -- i.e., the withdrawal of U.S. support -- such an approach could be timed to coincide with the readiness of the generals to make their move and might, therefore, offer some promise of getting Diem to act. State Department Message 279, State to Lodge, 29 August 1963.....	539
77. Vice President Johnson presides over a meeting at the State Department on the subject of SVN. The generals' plot having aborted, Rusk asks what in the situation "lead us to think well of a coup." Further, Rusk feels that it is unrealistic now "to start off by saying that Nhu has to go." McNamara approves Rusk's remarks. Hilsman presents four basic factors bearing on the current situation: (1) the restive mood of the South Vietnamese population; (2) the effect on U.S. programs elsewhere in Asia of the current GVN policy against the Buddhists; (3) the personality and policies of Nhu; and (4) U.S. and world opinion. Vice President has great reservations about a coup because he sees no genuine alternative to Diem. General Krulak Memorandum for the Record, 31 August 1963.....	540
78. Lodge is instructed by the White House that since there is no longer any prospect of a coup, pressure must be applied to Diem to get him to adopt an extensive list of reforms. In particular Lodge is authorized to hold up any aid program if he thinks such action will give him useful leverage in dealing with Diem. CAP Message 63516, White House to Lodge, 17 September 1963.....	545
79. The President explains to Lodge his urgent need for the McNamara-Taylor assessment of the situation. The visit is not designed to be a reconciliation with Diem, rather he expects McNamara will speak frankly to him about the military consequences of the political crisis. State Department Message 431, The President to Lodge, 18 September 1963.....	548
80. Lodge's reply to the White House CAP Message 63516 indicates agreement that a coup is no longer in the offing, but opposes both an approach to Diem on reforms or the use of an aid suspension as a lever. He regards both as likely to be unproductive or worse. Embassy Saigon Message 544, Lodge to State for President Only, 19 September 1963.....	549
81. President Kennedy outlines his reasons for sending McNamara and Taylor to VN: "I am asking you to go because of my desire to have the best possible on-the-spot appraisal of	



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- the military and paramilitary effort to defeat the VC." While the results from programs developed after Taylor's Mission in 1961 were heartening, the serious events in the South since May 1963 have prompted the President to ask McNamara to make a fresh, first-hand appraisal of the situation. "In my judgement the question of the progress of the contest in SVN is of the first importance..." President Kennedy Memorandum for Secretary of Defense, 21 September 1963..... 551
82. Pending McNamara's visit and the subsequent review of policy, Lodge is given the following interim guidance: "(1) The United States intends to continue its efforts to assist the Vietnamese people in their struggle against the Viet Cong. (2) Recent events have put in question the possibility of success in these efforts unless there can be important improvements in the government of South Vietnam. (3) It is the policy of the United States to bring about such improvement." State Department Message 458, Eyes Only for Lodge from Ball, 22 September 1963..... 553
83. The McNamara-Taylor Mission Report concludes that the military campaign has made great progress, and, while the political crisis in Saigon is serious, "there is no solid evidence of the possibility of a successful coup..." The Report recommends against promoting a coup and, although it is not clear that U.S. pressure will move Diem to the moderations and reforms we desire, nevertheless, as the only course of action with any prospect of producing results, the report recommends the application of selective economic sanctions, including a suspension of funds for the commodity import program. The Mission further recommends a shift of military emphasis to the Delta and a consolidation of the Strategic Hamlet Program. In addition, it is recommended that a training program be established for RVNAF such that the bulk of U.S. personnel may be withdrawn by the end of 1965. In conjunction with this program, the U.S. should announce plans to withdraw 1, 000 U.S. military personnel by the end of 1963.. 554
84. Lodge is advised that as a result of the policy review just completed, the "President today approved recommendation that no initiative should now be taken to give any active covert encouragement to a coup." Efforts to build and maintain contacts with "alternative leadership" is authorized, however. CAP Message 63560, to Lodge via CAS channel, 5 October 1963..... 574
85. Contact has been renewed by the generals with a CAS agent who has been apprised of the reactivation of plotting. In the

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meeting, General Minh states that he must know the U.S. position on a coup. He stresses that a coup is urgently needed to prevent the loss of the war to the VC. The U.S. contact is noncommittal. CAS Saigon Message 1445, Lodge to State, 5 October 1963.....	575
86. Washington reaffirms Lodge's guidance that he is not to promote a coup. Neither, however, is he to thwart one. He should try to obtain as much information as possible from the plotters about their plans on which to base an American judgement about their likelihood of success. CIA Message 74228, 6 October 1963.....	577
87. The President approves the detailed military recommendations contained in the McNamara-Taylor Report, but directs that no announcement of the implementation of the 1,000-man withdrawal plan be made. NSAM 263, 11 October 1963.....	578
88. A Department of State Research Memorandum contends that the statistical indicators on the war in Vietnam reveal "that the military position of the Vietnam Government may have reverted to the point it had reached six months to a year ago." The analysis angers the JCS and Rusk subsequently apologizes to McNamara. Department of State, INR Research Memorandum RFE-90, 22 October 1963.....	579
89. With the coup plotting now far advanced and the U.S. clearly committed to the generals' attempt, Lodge seeks to calm Washington's anxieties about the lack of detailed information on the generals' plans. He is at pains to oppose any thought of thwarting the coup because he thinks the military will create a government with better potential for carrying on the war, and because it would constitute undue meddling in Vietnamese affairs. Embassy Saigon Message 1964, Lodge to McGeorge Bundy, 25 October 1963.....	590
90. While thanking Lodge for his views, the White House indicates that short of thwarting a coup we should retain the prerogative of reviewing the plans and discouraging any attempt with poor prospects of success. CAP Message 63590, McGeorge Bundy to Lodge, 25 October 1963.....	592
91. The White House instructs Lodge to bring General Harkins completely up to date on the coup plotting, and asks that Harkins, Lodge and the CIA Station Chief provide a combined assessment of the prospects of the plotters. Individual comments are to be sent if desired. With these assessments, a decision can be made telling the generals:	

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(a) we will maintain a hands-off policy, (b) we will positively encourage the coup, or (c) we will discourage it. More detailed military plans should be sought from Minh. CAS Message 79109, McGeorge Bundy to Lodge, 30 October 1963.....	593
92. After complaining about Lodge's failure to keep him informed about the coup planning, General Harkins opposes the proposed coup against Diem. He does not see an alternative leadership with Diem's strength of character, especially not among the generals. The war continues to go well. MACV Message 2028, Harkins to Taylor, 30 October 1963.....	595
93. General Harkins takes detailed exception to the interpretations of a deteriorating war effort that Lodge has been transmitting throughout October. He offers an optimistic appraisal of the trend of the war and sees the political crisis as having only a marginal effect on troop morale and military effectiveness. MACV Message 2033, Harkins to Taylor, 30 October 1963.....	597
94. Lodge argues forcefully for the coup. "It is theoretically possible for us to turn over the information which has been given to us in confidence to Diem and this would undoubtedly stop the coup and would make traitors out of us. For practical purposes, therefore, I would say that we have very little influence on what is essentially a Vietnamese affair." In the event the coup fails, he believes we should do what we can to help evacuate the generals' dependents. Lodge believes the generals are all taking enormous risks for the sake of their country and their good faith is not to be questioned. "Heartily agree that a miscalculation could jeopardize position in Southeast Asia. We also run tremendous risks by doing nothing." General Harkins did not concur in the cable. CAS Saigon Message 2063, 30 October 1963.....	600
95. Taking note of the difference of opinion on the advisability of a coup between Lodge and Harkins, the White House specifically informs Lodge that he is to discourage the generals from any attempt that in his judgement has a poor prospect of success. Lodge is given full authority for country team actions in the event of a coup; if he has left for Washington, Harkins will have charge. In the event of a coup, U.S. policy will be: (a) to reject appeals for direct intervention from either side; (b) if the contest is indecisive, U.S. authorities may perform any actions agreed	



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to by both sides; (c) in the event the coup fails, asylum  
may be offered to anyone to whom we have an obligation; but  
(d) once the coup has started, it is in our interests to  
see that it succeeds. CAS Washington Message 79407, 30  
October 1963.....

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*LCJ*  
(SECRET HAS BEEN) *Rec'd. from*  
*Joint Staff*  
*1/10/62*

Talking Paper for the Chairman, JCS, for meeting with the President of the United States 9 January 1962

Subject: Current US Military Actions in South Vietnam (U)

Background - Today Communist China and North Vietnam are suffering from the effects of failure of their communes to produce adequate amounts of food to feed their peoples. Recently, large quantities of wheat were purchased by Red China from Canada and Australia to overcome this failure. South east Asia, primarily South Vietnam and Thailand, is a food surplus area in normal times. Because of this and the standard Marxist-Leninist concept of peripheral aggression and pressure, the main communist threat in the Western Pacific appears to be directed at Southeast Asia. Of principle concern for the purpose of this briefing is the situation in South Vietnam, the US National objectives there and the military actions that have been implemented since October in support of our objectives.

*Johnson*  
*1/10/62*

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- The current situation in South Vietnam

The Viet Cong have heavily infiltrated, organized and now effectively control the colored areas on this chart.

To achieve their purposes the Viet Cong have divided the country into two major geographical areas, Intersector V with headquarters in the high plateau region north and west of Kontum, and the Nambo sector in the south with headquarters northeast of Saigon. Each major area is subdivided into interprovincial commands--four in Intersector V and three in Nambo, with a special zone for Saigon. Each interprovincial area is further organized into provinces which are further subdivided into districts, villages, and hamlets.

- Methods of VC Operation

The 16,500-man Viet Cong military establishment is divided into two operational groups--regular and regional-local forces. Regular battalions and companies, numbering about 8,500 personnel, constitute the offensive element of the "Liberation Army" and operate throughout their respective interprovincial zone.

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The 8,000 regional and local forces, which correspond functionally to the Self Defense Forces of SVN, are essentially security troops recruited and organized on district levels for limited operations and to provide security for command headquarters, conferences, and political rallies. Regional units are also used to provide semi-trained personnel as replacements in regular battalions and as fillers for newly activated units. Under regional unit control guerrilla platoons made up of day-time farmers sabotage, terrorize, assassinate, kidnap, disseminate propaganda, and attempt to subvert their neighbors.

Availability of weapons appears to be a continuing problem for Viet Cong forces, particularly in regional units in which less than half of the men are armed. The primary source of arms for all VC forces appears to be those captured from South Vietnamese security forces.

Most officers and key NCOs, as well as political and propaganda specialists, are former South Vietnamese who went north with the Communists in 1955, or who have since been recruited and sent to North Vietnam. These southerners are given special training and are then infiltrated back into South Vietnam through Laos (or by junks) to cadre regular and regional forces.

Training of regional troops and the activation of new regular battalions have been stepped up since the first of the year. In recent anti-guerrilla operations South Vietnamese troops uncovered

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several major Viet Cong training areas, one of which had barracks space for more than a battalion, 200 dummy rifles and tons of food.

In Communist-controlled areas, the Viet Cong have ordered villagers to dig trenches and prepare combat villages. The Viet Cong are collecting money from the peasants and plantation owners to finance the war against the government, and have implemented a rice tax to build up supplies for future operations. Pitched battles are avoided wherever possible, unless they are essential to a given plan, or the military advantages are at least four to one. The campaign to assassinate all who try to implement the Government of Vietnam's policies in the countryside is being intensified.

All indications point to the Viet Cong maintaining the current high level of guerrilla action in the south, and increasing activity in the high plateau area in efforts to build the decreed semi-permanent bases.

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- Routes of Infiltration and Supply

Prisoner of war interrogation recently conducted by the South Vietnamese Intelligence Service has shed additional light on the means employed by Communist North Vietnam to assist the Viet Cong in the latter's military and psychological campaigns against the Government of South Vietnam.

North Vietnam maintains a training camp for Special Troops in the vicinity of Vinh, where pro-Viet Cong South Vietnamese receive an 18-month military course interspersed with intensive Communist political indoctrination. Two 600-man battalions already have completed training, and another two battalions began training in May 1961. Personnel are assigned to units within the battalion according to their respective regions of origin in South Vietnam.

Upon completion of training, Viet Cong volunteers re-enter South Vietnam by taking a circuitous route through territory in neighboring Laos controlled by Communist Pathet Lao forces.

In addition to land infiltration, some Viet Cong guerrillas and cadres are infiltrated by sea using junks and small craft to land at various points on the long South Vietnam coastline. It is estimated that no more than 20% of the total infiltrates use the sea route.

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- Relative Strengths

The current strength of the Viet Cong is 16,500 with the possible infiltration of 1,000 per month. The increase in strength by infiltration is offset by the estimated Viet Cong casualties which average over 1,000 a month according to South Vietnam official figures. A recent refinement in intelligence reporting indicates that the official estimate of Viet Cong strength may be raised to about 20,000 in the near future.

The current actual strength of the South Vietnamese forces are as follows:

Army	163,696
Navy	4,207
Air Force	5,314
Marines	3,135

In addition paramilitary forces total 65,000 in the Civil Guard and 45,000 Self Defense Corps.

The regular Army forces are organized and assigned to three corps areas with major command headquarters and units located as shown on the chart.

- Current US Military Actions

The President on 22 November 1961 authorized the Secretary of State to instruct the US Ambassador to Vietnam to inform President Diem that the US Government was prepared to join the GVN in a sharply increased effort to avoid a further deterioration of the situation in SVN. On its part the US would immediately

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- a. Provide increased airlift to the GVN in the form of helicopters, light aviation and transport aircraft.
- b. Provide required equipment and US personnel for aerial reconnaissance, instruction in and execution of air-ground support and special intelligence.
- c. Augment the Vietnamese Navy operationally with small craft.
- d. Provide expedited training and equipping of the Civil Guard and Self-Defense Corps.
- e. Provide necessary equipment and personnel to improve the military-political intelligence system.
- f. Provide such new terms of reference, reorganization, and additional personnel for US military forces as are required for increased US military assistance.

Discussion - As a result of the decision to accelerate US support of the GVN, the following US military units are in place or enroute as shown on this chart: <sup>CAF 434</sup> (Overlay No. 1)

- a. Two Army Light Helicopter Companies are operating in support of the RVNAF from Tan Son Nhut and Qui Nhon. The third company is enroute to Da Nang with an ETA of 15 January and an operational readiness date of 1 February. This will provide one company of 20 H-21 and two H-13 in support of each of three RVNAF Corps areas.
- b. The US Army has alerted the 18th Fixed Wing Aircraft Company equipped with 16 U1A (Otter) aircraft to be ready for deployment by 15 January.

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c. The 346th USAF Troop Carrier Squadron with 16 C-123 aircraft has four aircraft at Clark and four operating from Tan Son Nhut. The remaining eight aircraft are in the Pacific Theatre enroute to Clark with an ETA of 10 January. This unit will rotate aircraft into SVN from Clark to support RVNAF operations as required.

d. Four RP-101 aircraft and a small photo processing element operated by the USAF are in place at Don Muang Airfield, Thailand, fulfilling aerial photo requirements in SVN.

e. The USAF JUNGLE JIM unit at Bien Hoa with eight F-28, Four RB-26 and Four SC-47 aircraft, is instructing the Vietnamese Air Force in combat air support tactics and techniques. The Pacific Air Force is deploying personnel and equipment to SVN to establish a joint US/GVN Tactical Air Control System (TAGS). This system will permit positive control of all air operations and rapid response to requests for air-ground support.

f. The 3rd Radio Reconnaissance Unit at Tan Son Nhut is being augmented. The additional 279 personnel will be on board by 14 January.

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gg Six C-123 spray equipped aircraft for support of defoliant operations have received diplomatic clearance to enter SVN.

h. US Navy Mine Division 73 with a tender and five mine sweepers is operating from Tourane Harbor in conjunction with the Vietnamese Navy conducting maritime surveillance patrols south of the 17th parallel.

i. Air surveillance flights 30 miles seaward from the SVN coast (17th parallel) to 50 miles beyond the Paracel Islands are conducted every other day by Seventh Fleet patrol aircraft.

In addition to deployment of organized US military units to SVN and increased personnel strength for the MAAG, accelerated delivery of MAP equipment has already begun. Nine additional L-20 light observation aircraft are enroute to SVN for use by the Vietnamese Air Force. Also, 15 T-28C aircraft have been delivered to augment the Vietnamese air-ground support capability. These were provided on an interim, loan basis until 30 T-28B (NOMAD) with a greater ordnance delivery capability could complete modification and be delivered to SVN, early in March. Department of the Army is also providing an additional 12 H-34 helicopters from active Army units to the USAF on a reimbursable basis for accelerated MAP delivery to the RVNAF early in March.

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On 1 November 1961 the personnel strength of the military Assistance Advisory Group in Vietnam was 841, present strength is 1204 and projected strength as of 30 June 1962 is 2394. The total personnel strength of US units and elements, other than the MAAG, was 1442 as of 2 January 1962 and projected strength as of 30 June 1962 is 3182. The total US personnel in South Vietnam is now 2646 and projected strength as of 30 June 1962 is 5576.

The MAAG is extending its advisory teams to battalion level within the RVNAF MA Military establishment and beginning to participate more directly in advising Vietnamese unit commanders in the planning and execution of military operations plans. Since delivery of MAP equipment has been accelerated and RVNAF military operations are increasing, the MAAG training activities have been expanded. This training includes operations, planning, logistics, intelligence, communications and electronics as they apply to each service within the RVNAF. They are also accelerating the training of the Vietnamese Civil Guard and Self-Defense Corps.

Shown on the chart are the approved and funded construction projects in South Vietnam. These include:

- a. Improvement of the Pleiku Airfield.
- b. Improvements at Tan Son Nhut Airfield which include installations of:
  - (1) Pierced steel planking parking apron.
  - (2) POL hydrant system.
  - (3) POL pipeline to Nha Be.
  - (4) Ammunition storage facility
  - (5) Concrete parking apron
- c. An aircraft control and warning site at Tan Son Nhut and one at Da Nang

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d. Improvement of the Bien Hoa Airfield.

- Communications and electronics improvements include the following:

a. An improved intelligence communications network. Net control station to be located in Saigon and to extend down to battalion and provincial level.

b. An improved Gate Way Station communications facilities at Saigon.

c. Three mobile navigational aid packages in the Pacific Theatre are approved for deployment to SVN as directed by CINCPAC.

- The Future Outlook

The foremost national objective today of the Diem government in South Vietnam is survival against the incursions of Communist forces; cadred, supplied, and directed from North Vietnam. Secondary, but nonetheless extremely important objectives include: (1) improvement of the national economy with emphasis on agrarian reform; (2) enhancement of South Vietnam's economic, cultural, and prestige position among Southeast Asian nations; (3) the creation of an armed force capable of defending the country from potential invaders; (4) and the preservation of a pro-Western orientation.

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Policies directed toward the achievement of these objectives suffer from the concentration of power in the hands of the President, Ngo Dinh Diem, and a small clique headed by his extremely influential and powerful brother, Ngo Din Nhu.

Continued receipt of US military, economic and technical aid, application of Catholic philosophys, and the repulsion of the Viet Cong guerrillas are additional major policy considerations.

Planned courses of action include: (1) the building up of the armed forces with US aid and assistance; (2) defeat of the Viet Cong forces; and (3) the implementation of a series of reforms and measures to correct imbalances in the power hier-

Certainly some of the projects we are implementing are outright R&D efforts such as the defoliation project and bare all the earmarks of gimmicks that cannot and will not win the war in South Vietnam. However, the commitment of US units to support the RVNAF and additional personnel to train, equip and advise them in conjunction with increased economic and administrative aid, should make it obvious to the Vietnamese and the rest of the world that the United States is committed to preventing Communist domination of South Vietnam and Southeast Asia.

All of the recent actions we have taken may still not be sufficient to stiffen the will of the government and the people of SVN sufficiently to resist Communist pressure and win the war without the US committing combat forces. Whether we will have to face this decision within the coming year depends to a great extent on the future action or lack of action of one man, President Diem, and the will of the Vietnamese people to fight

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THE JOINT CHIEFS OF STAFF  
WASHINGTON 25, D. C.



CM-491-62

JAN 18 1962

*OSD file*

MEMORANDUM FOR GENERAL LANSDALE

Subject: Vietnamese Command Problem (C)

1. As you point out in your memorandum of 27 December 1961, it is quite clear that Diem's apprehension about a coup is the basis for his reluctance to authorize his military field commander to implement the task force concept that was an important part of the over-all plan of operations against the Viet Cong. I fully agree that this basic issue needs to be resolved.

2. You are well aware that Chief MAAG, Vietnam, in accordance with his assigned mission, has operated principally as an adviser and trainer rather than as a commander. As such he has suggested and counseled, dropping ideas which the Vietnamese could pick up and incorporate in their own plans. This method "saved face" for them, and has been the accepted method of overcoming simultaneously the inexperience and the pride of the Vietnamese officers. Now a strong case can be made for increased direct participation by US personnel in the planning and supervision of Vietnamese counterinsurgency operations. Inherent in such increased direct participation should be some assurance of US support for Diem personally. Convincing Diem of this personal support remains a principal task of the senior US representatives in Vietnam. The increased US military stake in Vietnam should be of great assistance in this task.

3. In my view, however, some of the decisions made during the 16 December SecDef meeting at CINCPAC Headquarters offer a greater hope for progress in Vietnam. It was agreed that, while we should continue to press for acceptance of an over-all plan or concept of operations, we must place immediate emphasis on smaller, more specific, and more readily-accomplished operations. Such a technique is more likely to be acceptable to Diem. At the same time, successful small operations will provide the impetus for larger scale offensive operations.

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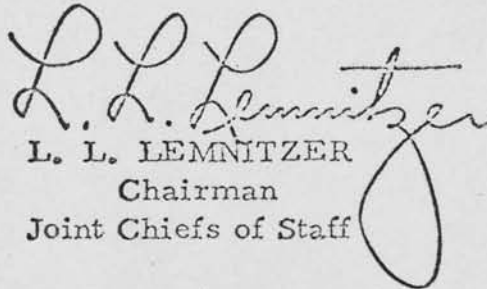
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4. I don't believe there is any finite answer to the question you pose as to how we convince Diem he must delegate authority to subordinates he doesn't fully trust. We discussed this subject at considerable length at Monday's (15 January 1962) conference in Honolulu. The Ambassador, General McGarr and other top level officers of the Embassy and MAAG recognize the nature of the problem and the importance of reaching a satisfactory solution thereto. If it was not for the heavy responsibilities you are now assigned which would preclude your going to Saigon, I believe that one of the best ways to deal with this problem would be to implement the earlier recommendation to send one Brigadier General Lansdale out to Saigon to be personal adviser and confidant to Diem.

  
L. L. LEMNITZER  
Chairman  
Joint Chiefs of Staff

cc: Secretary McNamara  
Deputy Secretary Gilpatric  
Admiral Heinz

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**TOP SECRET SENSITIVE**  
THE WHITE HOUSE  
WASHINGTON

SECRET

January 18, 1962

NATIONAL SECURITY ACTION MEMORANDUM NO. 124

TO:                   The Secretary of State  
                      The Secretary of Defense  
                      The Attorney General  
                      The Chairman, Joint Chiefs of Staff  
                      The Administrator, Agency for International Development  
                      The Director, United States Information Agency  
                      The Military Representative of the President  
                      Director of Central Intelligence

SUBJECT:           Establishment of the Special Group (Counter-Insurgency)

To assure unity of effort and the use of all available resources with maximum effectiveness in preventing and resisting subversive insurgency and related forms of indirect aggression in friendly countries, a Special Group (Counter-insurgency) is established consisting of the following members:

Military Representatives of the President, Chairman  
The Attorney General  
Deputy Under Secretary of State for Political Affairs  
Deputy Secretary of Defense  
Chairman, Joint Chiefs of Staff  
Director of Central Intelligence  
Special Assistant to the President for National Security  
Affairs  
Administrator, Agency for International Development  
Director, United States Information Agency

On invitation:

Other department and agency representatives, as deemed  
necessary

The functions of the Special Group (C.I.) will be as follows:

a. To insure proper recognition throughout the U. S. Government that subversive insurgency ("wars of liberation") is a major form of politico-military conflict equal in importance to conventional warfare.

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b. To insure that such recognition is reflected in the organization, training, equipment and doctrine of the U.S. Armed Forces and other U.S. agencies abroad and in the political, economic, intelligence, military aid and informational programs conducted abroad by State, Defense, AID, USIA and CIA. Particular attention will be paid the special training of personnel prior to assignment to MAAG's and to Embassy staffs in countries where counter-insurgency problems exist or may arise.

c. To keep under review the adequacy of U.S. resources to deal with actual or potential situations of insurgency or indirect aggression, making timely recommendation of measures to apply, increase or adjust these resources to meet anticipated requirements.

d. To insure the development of adequate interdepartmental programs aimed at preventing or defeating subversive insurgency and indirect aggression in countries and regions specifically assigned to the Special Group (C. I.) by the President, and to resolve any interdepartmental problems which might impede their implementation.

In performing the above functions, the members of the Special Group (C.I.) will act on behalf of their respective departments and agencies, and will depend for staff support upon their own staffs, and upon such country or regional interdepartmental task forces (normally chaired by a State Department Assistant Secretary) as may be established. The Group will confine itself to establishing broad lines of counter-insurgency policy, subject to my direction and decision as appropriate, insuring a coordinated and unified approach to regional or country programs, and verifying progress in implementation thereof. It will also undertake promptly to make decisions on interdepartmental issues arising out of such programs.

The critical areas initially assigned to the Special Group (C. I.) pursuant to paragraph d of this memorandum are set forth in the attached annex.

Attachment

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ANNEX TO NATIONAL SECURITY ACTION MEMORANDUM NO. 124

Hereby assign to the cognizance of the Special Group (Counter-Insurgency)  
the following countries:

Laos  
South Viet-Nam  
Thailand

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THE SECRETARY OF STATE  
WASHINGTON

TOP SECRET

January 26, 1962

Dear Mr. Gilpatric:

I have received your letter of December 28 to the Secretary on the question of an increase in the Vietnamese armed forces to the 200,000 man level. The matter was discussed with our Task Force while Ambassador Nolting was here on consultation.

In view of the gravity of the situation in Viet-Nam and of the importance of not interrupting the accelerated rate of our assistance to Viet-Nam, we agree that an increase to about 200,000 should be supported provided the following factors are given careful consideration:

1. That the U.S. military advisers and the Vietnamese authorities continue the joint effort to build up a set of valid tactical and strategic plans. We suggest that the locus of this effort should be in Viet-Nam in order to obtain full Vietnamese cooperation and to meet the speed requirements of a guerrilla war where a large number of incidents are constantly occurring. We would envisage strategic plans made in Saigon giving priority to areas to be cleared and held and setting forth general methods to be used. We believe these should be accomplished by numerous small tactical actions planned and executed by American and Vietnamese officers on the spot to meet the local situation at the moment.

2. The rate of increase to approximately 200,000 men should take into consideration:

a. The ability of the army to absorb and train these men without unduly weakening its fighting ability.

b. Viet-Nam

The Honorable  
Roswell Gilpatric,  
Deputy Secretary of Defense.

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Sec Def Cont. No. 502  
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b. Viet-Nam must husband its manpower resources carefully. A minimum number of trained civilians must be left at their posts in order to at least partially satisfy the rising expectations of Viet-Nam's citizens.

3. That the armed forces might best level off at about 200,000 with future emphasis to be devoted to strengthening and enlarging the Civil Guard and Self Defense Corps. Their job would be to hold ground that had been recovered.

4. That henceforth our training programs for ARVN be based primarily on the concept that the Vietnamese army will start winning on the day when it has obtained the confidence of the Vietnamese peasants. As a specific example I suggest that we immediately seek Vietnamese implementation of a policy of promptly giving a small reward in rice, salt or money (commodities in which the Viet Cong are in short supply) to every person who gives information to the army. Similarly, villages which show determination to resist the Viet Cong should receive the promptest possible support.

I would be glad to receive any comments you may have with respect to the foregoing.

Sincerely yours,

  
Deputy Under Secretary  
for Political Affairs

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27 January 1962

MEMORANDUM FOR THE PRESIDENT

The Joint Chiefs of Staff have asked that the attached memorandum, stating their views concerning the strategic importance may be required if the situation continues to deteriorate, be brought to your attention. The memorandum requires no action by you at this time. I am not prepared to endorse the experience with our present program in South Vietnam.

Robert S. McNamara

cc: Sec. Rusk

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SecDef Cont. No. 490

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THE JOINT CHIEFS OF STAFF  
WASHINGTON 25, D.C.

JCSM-33-62

13 JAN 1962

(SECRET HAS BEEN)

MEMORANDUM FOR THE SECRETARY OF DEFENSE

Subject: The Strategic Importance of the Southeast Asia  
Mainland (U)

(1) The United States has clearly stated and demonstrated that one of its unalterable objectives is the prevention of South Vietnam falling to communist aggression and the subsequent loss of the remainder of the Southeast Asian mainland. The military objective, therefore, must be to take expeditiously all actions necessary to defeat communist aggression in South Vietnam. The immediate strategic importance of Southeast Asia lies in the political value that can accrue to the Free World through a successful stand in that area. Of equal importance is the psychological impact that a firm position by the United States will have on the countries of the world - both free and communist. On the negative side, a United States political and/or military withdrawal from the Southeast Asian area would have an adverse psychological impact of even greater proportion, and one from which recovery would be both difficult and costly.

(2) It must be recognized that the fall of South Vietnam to communist control would mean the eventual communist domination of all of the Southeast Asian mainland. There is little doubt that the next major target would be Thailand. Cadres are now being established in that country and "land reform" or "capitalist dictatorship" ploys may prove fertile exploitation fields for the communists. Thailand is bordered by a "pink" Burma and a vacillating Cambodia, either of which will easily fall under communist pressure. Thailand would almost certainly then seek closer accommodation with the Sino-Soviet Bloc. SEATO would

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probably cease to exist. The only determined opposition to a communist drive would then be Malaya and Singapore. While the people of Malaya have the will to fight and might have the backing of the United Kingdom, the country itself would be isolated and hard pressed. The communist element in Singapore is strong. Short of direct military intervention by the United States, it is questionable whether Malaya and Singapore could be prevented from eventually coming under communist domination or control.

( 3. Military Considerations. (The Appendix contains a more detailed appraisal of these military considerations.) )

a. Early Eventualities - Loss of the Southeast Asian Mainland would have an adverse impact on our military strategy and would markedly reduce our ability in limited war by denying us air, land and sea bases, by forcing greater intelligence effort with lesser results, by complicating military lines of communication and by the introduction of more formidable enemy forces in the area. Air access and access to 5300 miles of mainland coastline would be lost to us; our Allies and neutral India would be outflanked, the last significant United Kingdom military strength in Asia would be eliminated with the loss of Singapore and Malaya and US military influence in that area, short of war, would be difficult to exert.

b. Possible Eventualities - Of equal importance to the immediate losses are the eventualities which could follow the loss of the Southeast Asian mainland. All of the Indonesian archipelago could come under the domination and control of the USSR and would become a communist base posing a threat against Australia and New Zealand. The Sino-Soviet Bloc would have control of the eastern access to the Indian Ocean. The Philippines and Japan could be pressured to assume at best, a neutralist role, thus eliminating two of our major bases of defense in the Western Pacific. Our lines of defense then would be pulled north to Korea, Okinawa and Taiwan resulting in the subsequent overtaxing of our lines of communications in a limited war. India's ability to remain neutral would be jeopardized and, as the Bloc meets success, its concurrent stepped-up activities to move into and control Africa can be expected.

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[4. Political Considerations] The Joint Chiefs of Staff wish to reaffirm their position that the United States must prevent the loss of South Vietnam to either communist insurgency or aggression, must prevent the communist control or domination of the Southeast Asia mainland and must extend its influence in that area in such a manner as to negate the possibility of any future communist encroachment. It is recognized that the military and political effort of Communist China in South Vietnam and the political and psychological thrust by the USSR into the Indonesian archipelago are not brushfire tactics nor merely a campaign for control of the mainland area. More important, it is part of a major campaign to extend communist control beyond the periphery of the Sino-Soviet Bloc and overseas to both island and continental areas in the Free World, through a most natural and comparatively soft outlet, the Southeast Asian Peninsula. It is, in fact, a planned phase in the communist timetable for world domination. Whereas, control of Cuba has opened for the Sino-Soviet Bloc more ready access to countries of South and Central America, control of Southeast Asia will open access to the remainder of Asia and to Africa and Australia.

[5.] In consideration of the formidable threat to the Free World which is represented in the current actions in South Vietnam, the need for US and GVN success in that area cannot be overemphasized. In this connection, reference is made to the staff level document entitled "Summary of Suggested Courses of Action" prepared for General Taylor for reference in his mission to South Vietnam. On 21 October 1961, this document circulated comments and recommendations on 20 courses of action that could be taken in South Vietnam short of the direct utilization of US combat forces. The Joint Chiefs of Staff note that, in keeping with the President's decision that we must advise and support South Vietnam but not at this time engage unilaterally in combat, all of the courses of action recommended with few exceptions have either been implemented or authorized for implementation. In this connection, it is noted that the Vietnamese Government has specifically requested further assistance from the United States.

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[6.] Reference is also made to the agreement made between the Government of Vietnam and the United States on 4 December 1961 wherein the Government of Vietnam agreed to take several major steps to increase its efficiency. . . .

[7.] In response to President Diem's request for assistance and the agreement between the governments, men, money, materials and advice are being provided to South Vietnam. Unfortunately, our contributions are not being properly employed by the South Vietnamese Government and major portions of the agreement have either not been carried out or are being delayed by Diem.

8. For a combined US/Vietnam effort to be successful, there must be combined participation in the decision making process. To date efforts made on both the military and diplomatic level have failed to motivate Diem to agree to act forthrightly on our advice and properly utilize the resources placed at his disposal. He has been slow to accept the plans and proposals of Admiral Felt and General McGarr and he has in many instances disregarded the advice of Ambassador Nolting. The reason for Diem's negative reaction to proposals to save South Vietnam while he maintains a positive position that it must be saved may be found in CINCPAC's appraisal of his character - an uncompromising inflexibility and his doubts concerning the judgment, ability and individual loyalty of his military leaders. Recent intelligence reports of coup d'etat plotting involving senior Vietnamese military officers and the possibility that high Vietnamese officers have approached US officials tend to confirm Diem's doubts concerning the loyalty of some of his military leaders.

9. In this regard, should a successful coup overturn Diem, we might discover that many of Diem's difficult characteristics are national rather than personal. The Vietnamese are tough, tenacious, agile, proud, and extraordinarily self confident. Their recent political tradition is one of the multiplicity of parties and groups inclining toward conspiratorial and violent methods. The disappearance of a strong leader who can dampen and control these tendencies could well mean reversion to a condition of political chaos exploitable by the strongly led and well disciplined communists. If Diem goes, we can be sure of losing his strengths but we cannot be sure of remedying his weaknesses. Achievement of US objectives could be more difficult without Diem than with him. Therefore, it must be made clear to Diem that the United States is prepared and

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willing to bolster his regime and discourage internal factions which may seek to overthrow him.

10. In consideration of the foregoing, the Joint Chiefs of Staff believe that there is an immediate requirement for making a strong approach to Diem on a Government-to-Government level. If we are to effectively assist South Vietnam, we must convince Diem that (a) there is no alternative to the establishment of a sound basis upon which both he and the United States Government can work and (b) he has an urgent requirement for advice, as well as assistance, in military, political and economic matters.

11. Accordingly, it is recommended that you propose to the President and to the Secretary of State that:

a. Upon his return to Saigon, Ambassador Nolting meet with President Diem and advise him that, since the United States considers it essential and fundamental that South Vietnam not fall to communist forces:

(1) The United States is prepared and willing to bolster his regime and discourage internal factions which may seek to overthrow him.

(2) Suitable military plans have been developed and jointly approved. Diem must permit his military commanders to implement these approved plans to defeat the Viet Cong.

(3) There must be established an adequate basis for the reception and utilization of US advice and assistance by all appropriate echelons of the GVN.

(4) There must be no further procrastination.

(5) Should it be found impossible to establish such a satisfactory basis for cooperation, the United States foresees failure of our joint efforts to save Vietnam from communist conquest.

(12) Vigorous prosecution of the campaign with present and planned assets could reverse the current trend. If, with Diem's full cooperation and the effective employment of South Vietnam armed



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forces, the Viet Cong is not brought under control, the Joint Chiefs of Staff see no alternative to the introduction of US military combat forces along with those of the free Asian nations that can be persuaded to participate.

13. Three salient factors are of the greatest importance if the eventual introduction of US forces is required.

a. Any war in the Southeast Asian Mainland will be a peninsula and island-type of campaign - a mode of warfare in which all elements of the Armed Forces of the United States have gained a wealth of experience and in which we have excelled both in World War II and Korea.

b. Study of the problem clearly indicates that the communists are limited in the forces they can sustain in war in that area because of natural logistic and transportation problems.

c. Our present world military posture is such that we now have effective forces capable of implementing existing contingency plans for Southeast Asia without affecting to an unacceptable degree our capability to conduct planned operations in Europe relating to Berlin or otherwise.

14. The Joint Chiefs of Staff recommend that in any consideration of further action which may be required because of possible unacceptable results obtained despite Diem's full cooperation and the effective employment of South Vietnam armed forces, you again consider the recommendation provided you by JCSM-320-61, dated 10 May 1961 that a decision be made to deploy suitable US forces to South Vietnam sufficient to accomplish the following:

a. Provide a visible deterrent to potential North Vietnam and/or Chinese Communist action;

b. Release Vietnamese forces from advanced and static defense positions to permit their future commitment to counterinsurgency actions;

c. Assist in training the Vietnamese forces;

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d. Provide a nucleus for the support of any additional  
US or SEATO military operations in Southeast Asia; and

e. Indicate the firmness of our intent to all Asian nations.

We are of the opinion that failure to do so under such circumstances  
will merely extend the date when such action must be taken and will  
make our ultimate task proportionately more difficult.

For the Joint Chiefs of Staff:

*L. L. Lemnitzer*  
L. L. LEMNITZER  
Chairman  
Joint Chiefs of Staff

[Attachment not found in B+C]

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THE WHITE HOUSE  
WASHINGTON

February 19, 1962

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NATIONAL SECURITY ACTION MEMORANDUM NO. 132

TO: The Honorable Fowler Hamilton  
The Administrator  
Agency for International Development

(SUBJECT: Support of Local Police Forces for Internal Security  
and Counter-Insurgency Purposes)

As you know, I desire the appropriate agencies of this Government to give utmost attention and emphasis to programs designed to counter Communist indirect aggression, which I regard as a grave threat during the 1960s. I have already written the Secretary of Defense "to move to a new level of increased activity across the board" in the counter-insurgency field.

Police assistance programs, including those under the aegis of your agency, are also a crucial element in our response to this challenge. I understand that there has been some tendency toward de-emphasizing them under the new aid criteria developed by your agency. I recognize that such programs may seem marginal in terms of focusing our energies on those key sectors which will contribute most to sustained economic growth. But I regard them as justified on a different though related basis, i.e., that of contributing to internal security and resisting Communist-supported insurgency.

I am further aware that police programs, as a relatively minor facet of the functions of the aid agency, may have tended to receive little emphasis as a result. Therefore, I would like you to consider various ways and means of giving the police program greater autonomy within AID, if this seems necessary in order to protect it from neglect.

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I fully recognize that police programs must be looked at on a case-by-case basis and that in some instances they can indeed be cut back or eliminated. I simply wish to insure that before doing so we have taken fully into account the importance of the counter-insurgency objective as I view it.

In sum, I should like AID to review carefully its role in the support of local police forces for internal security and counter-insurgency purposes, and to recommend to me through the Special Group (Counter-Insurgency) what new or renewed emphases are desirable.

(signed) JOHN F. KENNEDY

Information Copy to:

The Secretary of State  
The Secretary of Defense  
The Attorney General  
Director of Central Intelligence  
Director, Bureau of the Budget  
Director, Peace Corps  
General Maxwell D. Taylor

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THE WHITE HOUSE

WASHINGTON

CONFIDENTIAL

March 13, 1962

NATIONAL SECURITY ACTION MEMORANDUM NO. 131

TO:           The Secretary of State  
              The Secretary of Defense  
              The Attorney General  
              The Chairman, Joint Chiefs of Staff  
              The Director of Central Intelligence  
              The Administrator, Agency for International Development  
              The Director, United States Information Agency

SUBJECT:       Training Objectives for Counter-Insurgency

1. The President has approved the following training objectives for officer grade personnel of the departments and agencies indicated above who may have a role to play in counter-insurgency programs as well as in the entire range of problems involved in the modernization of developing countries.

a. The Historical Background of Counter-Insurgency

Personnel of all grades will be required to study the history of subversive insurgency movements, past and present, in order to familiarize themselves with the nature of the problems and characteristics of Communist tactics and techniques as related to this particular aspect of Communist operations. This kind of background historical study will be offered throughout the school systems of the responsible departments and agencies, beginning at the junior level of instruction and carrying forward to the senior level.

b. Study of Departmental Tactics and Techniques to Counter Subversive Insurgency

Junior and middle grade officers will receive instructions in the tactics and techniques of their particular departments which have an application in combating subversive insurgency. This level of instruction will be found in the schools of the Armed Services at the company/field officer level. In the case of the Central Intelligence Agency, this kind of instruction will be offered at appropriate training installations. The State Department will be responsible for organizing appropriate courses in this instructional area for its own officers and for representatives of the Agency for International Development and the United

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TOP SECRET SENSITIVE

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TOP SECRET SENSITIVE

States Information Agency. Schools of this category will make available spaces in agreed numbers for the cross-training of other U.S. agencies with a counter-insurgency responsibility.

c. Instruction in Counter-Insurgency Program Planning

Middle grade and senior officers will be offered special training to prepare them for command, staff, country team and departmental positions involved in the planning and conduct of counter-insurgency programs. At this level the students will be made aware of the possible contributions of all departments, and of the need to combine the departmental assets into effective programs. This type of instruction will be given at the Staff College-War College level in the Armed Services. The State Department will organize such courses as may be necessary at the Foreign Service Institute for officials of State, Agency for International Development and United States Information Agency. All schools of this category will make available spaces in agreed numbers for the cross-training of other U.S. agencies with a counter-insurgency responsibility.

d. Specialized Preparations for Service in Underdeveloped Areas

There is an unfulfilled need to offer instruction on the entire range of problems faced by the United States in dealing with developing countries, including special area counter-insurgency problems, to middle and senior grade officers (both military and civilian) who are about to occupy important posts in underdeveloped countries. A school will accordingly be developed at the national level to meet this need, to teach general (including counter-insurgency) policy and doctrine with respect to underdeveloped areas, to offer studies on problems of the underdeveloped world keyed to areas to which the students are being sent, and to engage in research projects designed to improve the U.S. capability for guiding underdeveloped countries through the modernization barrier and for countering subversive insurgency. In addition, this school would undertake to assist other more specialized U.S. Government institutions engaged in underdeveloped area problems (i.e., those conducted by the Foreign Service Institute, Agency for International Development, the Joint Chiefs of Staff and the Services, including the Military Assistance Institute and the Central Intelligence Agency) to develop curricula on the non-technical aspects of their courses of instruction.

e. Training of Foreign Nationals

It is in the interest of the United States to provide counter-insurgency training to selected foreign nationals, both in the United States and in their own countries. The emphasis

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should be placed on those countries with an actual or potential counter-insurgency problem. This training will be given in the following places:

(1) In facilities operated by the Department of Defense and the Central Intelligence Agency which are available to foreigners.

(2) In special facilities operated by the Department of Defense and the Agency for International Development in Panama for the benefit of foreign nationals.

(3) U.S. MAAGs/missions and USGIs in countries with counter-insurgency programs.

2. It is desired that the Special Group (Counter-Insurgency) explore ways of organizing a school of the type described in paragraph 1 d above as a matter of urgency and develop appropriate recommendations. The Special Group (Counter-Insurgency) should also examine the possibility of setting up interim courses at the Foreign Service Institute and/or at the National War College to fill the gap during consideration of a new school.

3. It is desired that the addressees examine the counter-insurgency training which is currently offered in their departments and agencies, and to report by June 1, 1962 upon the adequacy with which it meets the training objectives above. If any deficiencies are determined to exist, the responsible department or agency will report its plan for correcting them.

/s/ McGeorge Bundy

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WASHINGTON

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April 7, 1962

OFF SECY OF DEFENSE

(SECDEF HAS SEEN)

Dear Mr. Secretary:

The President has asked me to transmit to you for your comments the enclosed memorandum on the subject of Viet-Nam to the President from Ambassador J. K. Galbraith dated April 4, 1962.

Sincerely,

*Michael V. Forrestal*

Michael V. Forrestal

*Forrestal 091*

Encl: Memo to Pres. from Amb. Galbraith

The Honorable

Robert S. McNamara

Secretary of Defense

Washington, D. C.

*124/103<sup>a</sup>  
7 Apr 62*

*Rep by 13 Apr 62*

SecDef Control No. 2058

From J. K. Galbraith

DEPARTMENT OF STATE  
WASHINGTON

SECRET

April 4, 1962

MEMORANDUM FOR THE PRESIDENT

Subject: Viet-Nam

The following considerations influence our thinking on Viet-Nam:

1. We have a growing military commitment. This could expand step by step into a major, long-drawn out indecisive military involvement.
2. We are backing a weak and, on the record, ineffectual government and a leader who as a politician may be beyond the point of no return.
3. There is consequent danger we shall replace the French as the colonial force in the area and bleed as the French did.
4. The political effects of some of the measures which pacification requires or is believed to require, including the concentration of population, relocation of villages, and the burning of old villages, may be damaging to those and especially to Westerners associated with it.
5. We fear that at some point in the involvement there will be a major political outburst about the new Korea and the new war into which the Democrats as so often before have precipitated us.
6. It seems at least possible that the Soviets are not particularly desirous of trouble in this part of the world and that our military reaction with the need to fall back on Chinese protection may be causing concern in Hanoi.

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SecDef Control No. 2058



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In the light of the foregoing we urge the following:

1. That it be our policy to keep open the door for political solution. We should welcome as a solution any broadly based non-Communist government that is free from external interference. It should have the requisites for internal law and order. We should not require that it be militarily identified with the United States.
2. We shall find it useful in achieving this result if we seize any good opportunity to involve other countries and world opinion in settlement and its guarantee. This is a useful exposure and pressure on the Communist bloc countries and a useful antidote for the argument that this is a private American military adventure.
3. We should measurably reduce our commitment to the particular present leadership of the government of South Viet-Nam.

To accomplish the foregoing, we recommend the following specific steps:

1. In the next fortnight or so the ICC will present a report which we are confidentially advised will accuse North Viet-Nam of subversion and the Government of Viet-Nam in conjunction with the United States of not notifying the introduction of men and materiel as prescribed by the Geneva accords. We should respond by asking the co-chairmen to initiate steps to re-establish compliance with the Geneva accords. Pending specific recommendations, which might at some stage include a conference of signatories, we should demand a suspension of Viet Cong activity and agree to a standstill on an introduction of men and materiel.
2. Additionally, Governor Harriman should be instructed to approach the Russians to express our concern about the increasingly dangerous situation that the Viet Cong is forcing in Southeast Asia. They should be told of our determination not to let the Viet Cong overthrow the present government while at the same time to look without relish on the dangers that this military build-up is causing in the area. The Soviets should be asked to ascertain whether Hanoi can and will call off the Viet Cong activity in return for phased American withdrawal, liberalization in the trade relations between the two parts of the country and general and non-specific agreement to talk about reunification after some period of tranquillity.

3. Alternatively,

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3. Alternatively, the Indians should be asked to make such an approach to Hanoi under the same terms of reference.

4. It must be recognized that our long-run position cannot involve an unconditional commitment to Diem. Our support is to non-Communist and progressively democratic government not to individuals. We cannot ourselves replace Diem. But we should be clear in our mind that almost any non-Communist change would probably be beneficial and this should be the guiding rule for our diplomatic representation in the area.

In the meantime policy should continue to be guided by the following:

1. We should resist all steps which commit American troops to combat action and impress upon all concerned the importance of keeping American forces out of actual combat commitment.

2. We should disassociate ourselves from action, however necessary, which seems to be directed at the villagers, such as the new concentration program. If the action is one that is peculiarly identified with Americans, such as defoliation, it should not be undertaken in the absence of most compelling reasons. Americans in their various roles should be as invisible as the situation permits.

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THE JOINT CHIEFS OF STAFF  
WASHINGTON 25, D.C.

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JCSM-282-62

OFF SECY OF DEFENSE

13 APR 1962

MEMORANDUM FOR THE SECRETARY OF DEFENSE

Subject: US Policy Toward Vietnam (U)

(SECDEF HAS SEEN)

1. Reference is made to a memorandum by the Assistant Secretary of Defense (ISA) dated 10 April 1962, requesting comments on a memorandum to the President by the Honorable J. K. Galbraith, US Ambassador to India, wherein he proposes changes to the present US policy toward Vietnam and the government of President Diem.

2. The burden of Mr. Galbraith's proposals appears to be that present US policy toward Vietnam should be revised in order to seek a political solution to the problem of communist penetration in the area. The effect of these proposals is to put the United States in a position of initiating negotiations with the communists to seek disengagement from what is by now a well-known commitment to take a forthright stand against Communism in Southeast Asia.

3. The President of the United States and the Secretary of Defense both have recently and publicly affirmed the intention of the US Government to support the government of President Diem and the people of South Vietnam to whatever extent may be necessary to eliminate the Viet Cong threat. In his letter of 14 December 1961 to President Diem, President Kennedy said:

"Your (President Diem's) letter underlines what our own information has convincingly shown -- that the campaign of force and terror now being waged against your people and your Government is supported and directed from the outside by the authorities at Hanoi. They have thus violated the provisions of the Geneva Accords designed to ensure peace in Vietnam and to which they bound themselves in 1954.

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"At that time, the United States, although not a party to the Accords, declared that it would view any renewal of the aggression in violation of the agreements with grave concern and as seriously threatening international peace and security. We continue to maintain that view."

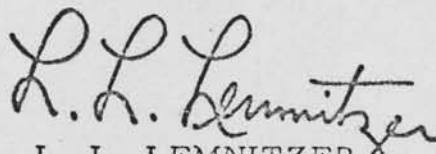
"In accordance with that declaration, and in response to your request, we are prepared to help the Republic of Vietnam to protect its people and to preserve its independence."

4. The various measures approved for implementation by the United States in support of our objectives in South Vietnam have not yet been underway long enough to demonstrate their full effectiveness. Any reversal of US policy could have disastrous effects, not only upon our relationship with South Vietnam, but with the rest of our Asian and other allies as well.

5. The problems raised by Mr. Galbraith with regard to our present policy have been considered in the coordinated development of that policy. The Joint Chiefs of Staff are aware of the deficiencies of the present government of South Vietnam. However, the President's policy of supporting the Diem regime while applying pressure for reform appears to be the only practicable alternative at this time. In this regard, the views of the Joint Chiefs of Staff as expressed in JCSM-33-62 are reaffirmed.

6. It is the opinion of the Joint Chiefs of Staff that the present US policy toward South Vietnam, as announced by the President, should be pursued vigorously to a successful conclusion.

For the Joint Chiefs of Staff:

  
L. L. LEMNITZER  
Chairman  
Joint Chiefs of Staff

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RECEIVED ASSISTANT SECRETARY OF DEFENSE  
WASHINGTON 25, D. C.

1962 APR 16 09 14

INTERNATIONAL SECURITY AFFAIRS

I-16294/802 SECY OF DEFENSE

14 APR 1962

COVERING BRIEF

TO: The Secretary of Defense

FROM: The Assistant Secretary of Defense (ISA) <sup>HW</sup> (Signed) Hayden Williams  
Acting Assistant Secretary

Problem: To respond to the President's request for your comments concerning Ambassador Galbraith's memorandum on Vietnam.

2149

Discussion: The President's request for comments did not specify that only military aspects should be treated. In view of the nature of Ambassador Galbraith's memo, meaningful comment necessarily ranges beyond the narrow military implications. However, the proposed comments conform with Special National Intelligence Estimate No. 10-62, dated 21 Feb 62.

Mr. Cottrell of the Department of State advises that Ambassador Galbraith's memorandum has not been referred to State for formal staffing and comment. Mr. Harriman regards it as a private communication to the President from Ambassador Galbraith. However, an initial draft of the attached memorandum to the President was reviewed by Mr. Cottrell and his comments have been considered.

Recommendation: That you sign the enclosed memorandum.

Concurrences: None required.

Victorinus 0911

*To record  
See OAR  
and part was reply needed. Mr. Forrestal  
was informed this date that room  
would be used in [initials]  
5/4/62*

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DOD DIR. 5200.10

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May 29, 1962

NATIONAL SECURITY ACTION MEMORANDUM NO. 157

TO: The Secretary of State  
The Secretary of Defense  
The Director of Central Intelligence  
Chairman, Joint Chiefs of Staff

SUBJECT: Presidential Meeting on Laos, May 24, 1962

The President has approved the following Record of Actions for the subject meetings:

At the meeting on the situation in Laos held in the Cabinet Room at 4:30 p.m. today, the President requested contingency planning in the event of a breakdown of the cease fire in Laos for action in two major areas:

- (a) the investing and holding by Thai forces with U.S. backup of Sayabouri Province (being that portion of northern Laos to the west of the Mekong River); and
- (b) the holding and recapture of the panhandle of Laos from Thakhek to the southern frontier with Thai, Vietnamese or U.S. forces.

In connection with the above contingency plans, the President desired an estimate of the military value of the Mekong River in Sayabouri Province as a defensive barrier in relation to the cost of taking and holding it.

The President also asked that the above planning be undertaken unilaterally by the United States without discussion at this time with the Thais or the Lao.

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The President also indicated that he contemplated keeping U.S. forces in Thailand during the period of the 3-Prince negotiations and the early days of the government of national union, i.e. as long as they serve a necessary purpose.

The President observed that a cable would have to go in answer to Bangkok's 1844.

McGeorge Bundy

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DEPARTMENT OF STATE  
BUREAU OF INTELLIGENCE AND RESEARCH

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Research Memorandum  
RFE-27, June 18, 1962

TO : FE - Governor Harriman  
FROM : INR - Roger Hilsman *Roy Hilsman*  
SUBJECT: Progress Report on South Vietnam<sup>1</sup>

RAS MASH

Please do not remove  
from Room 610, SA-1  
7417

In this report, an expansion of an earlier informal paper, we summarize the major goals and accomplishments of the present counter-insurgency effort against Communist armed and subversive forces in the Republic of Vietnam (South Vietnam). A brief assessment of the general situation is also included. It should be emphasized, however, that this report is not a complete appraisal; it does not, for example, discuss Communist strength, capabilities, and achievements in recent months nor compare these with those of the Vietnamese Government. It should also be noted that this report does not follow the usual format of a Research Memorandum.

I. WHAT ARE WE TRYING TO DO?

- A. Devise an integrated and systematic military-political-economic strategic counterinsurgency concept and plan to eliminate the Vietnamese Communist armed-subversive force, the Viet Cong.
- B. Orient the Vietnamese Government's military and security forces increasingly toward counter-guerrilla or unconventional warfare tactics.
- C. Broaden the effective participation of Vietnamese Government officials in the formulation and execution of government policy.
- D. Identify the populace with the Vietnamese Government's struggle against the Viet Cong.

1. Final analysis of the material contained in this report was concluded on June 10, 1962.

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## II. PROGRESS: WHERE ARE WE?

A. The importance of an integrated and systematic military-political-economic strategic counterinsurgency concept and plan has been recognized; the plan is being implemented.

### 1. Progress

#### a. Delta Pacification Plan

(1) President Ngo Dinh Diem approved a systematic counterinsurgency plan on March 19, 1962, which contains the bulk of the British Advisory Mission's (headed by Mr. R.G.K. Thompson) recommendations and those security concepts developed by the US. The counterinsurgency plan is to be implemented in 10 provinces around Saigon in the Mekong River delta region (the so-called "Delta Pacification Plan"). Col. Hoang Van Lac, a former province chief apparently regarded highly by Diem, is responsible for executing the plan, operating under the authority of Nguyen Dinh Thuan, Secretary of State for the Presidency, and Ngo Dinh Nhu, Diem's brother and principal political adviser.

(2) "Operation Sunrise" in Binh Duong province just north of Saigon, favored by Diem for special tactical purposes, constitutes the initial effort in a systematic, province-by-province pacification campaign. "Operation Sunrise" is headed by Brig. Gen. Van Thanh Cao, the administrator of the Southeastern Provincial Region. Three strategic hamlets have been constructed in Binh Duong province as a result of this operation and, as of mid-May 1962, more than 2,700 persons had been relocated in these hamlets. (Two additional hamlets are in the planning or early construction stage.) They are well defended and supported by Civic Action teams living with the peasantry and assisting them in a variety of ways. Reports tend to be optimistic as to the ultimate success of these hamlets.

#### b. Other Pacification Programs

On May 8, 1962, the second systematic operation to pacify a specific area was started in Phu Yen province in central Vietnam. It is known as "Operation Sea Swallow" and is similar to "Operation Sunrise" in method and objectives.

(1) More than 80 strategic hamlets are to be constructed before the end of 1962; a large number are already in the process of final construction.

(2) As of May 18, 1962, there were more than 600 Civic Action personnel in Phu Yen province formed into more than 70 teams; another 11 teams were to be formed within two weeks. As in "Operation Sunrise", these teams assist in the construction of strategic hamlets, organize government services, and help the peasants in a variety of ways.

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c. Strategic Villages and Hamlets

(1) The strategic village-hamlet concept has taken hold within the Vietnamese Government and is now priority national policy.

(2) President Diem signed a decree on February 3, 1962, creating a special "Interministerial Committee for Strategic Hamlets" to coordinate the program on a countrywide basis. The committee is officially chaired by its Secretary General, Secretary of State for Interior Bui Van Luong, but actually operates under Ngo Dinh Nhu.

(3) Estimates on the number of strategic villages and hamlets vary. As of December 1961, the Vietnamese Department of Interior reportedly tabulated almost 800 such villages and hamlets although in February 1962 the US Embassy estimated that possibly there were only 150-200 such settlements scattered in more than half of Vietnam's 39 provinces, principally north of Saigon. In April 1962, the Secretary of State for Interior informed a US Mission inter-agency group, the Province Pacification Committee, that there were 1,300 strategic hamlets already in place.

(4) On June 6, 1962, about 500 officials from all provinces completed a special training course on strategic villages and hamlets. Training reportedly emphasized the Civic Action aspects of the strategic village-hamlet program as well as the responsibilities of the officials involved.

d. Civic Action

(1) The Vietnamese Department of Civic Action was reorganized in January 1962, creating (i) a central Civic Action Service in Saigon by combining related and heretofore separate services within the Department and (ii) an integrated Civic Action office in each province and district.

(2) As of January 1962, a Civic Action chief and deputy chief reportedly had been assigned to every province in Vietnam.

(3) The Civic Action teams working in strategic villages and hamlets, particularly in support of "Operation Sunrise" and "Operation Sea Swallow," are excellently oriented and are doing a good job.

(4) USOM has established a committee to provide on a priority basis direct US assistance (and to coordinate such assistance) to Civic Action operations through the relevant Vietnamese Government agencies.

(5) The Vietnamese Department of Defense is also organizing its own Civic Action program.

e. Internal Security and Police Services

(1) The importance of the counterinsurgency role of the rural internal security services is reflected in the US Mission's recommendation that the Civil Guard be increased to 90,000 by FY 1962 and the Self Defense Corps to 80,000 by FY 1963.

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(2) As of the end of April 1962, 89 Civil Guard companies or almost 12,000 personnel and 276 Self Defense Corps platoons or about 10,500 personnel had been trained. The goal is reportedly to train a total of some 49,000 Civil Guard and 60,000 Self Defense Corps personnel by the end of 1962.

(3) The Vietnamese Government, with the help of USOM, has taken steps to extend the police system to rural areas in view of the gap created by the paramilitarization of the security services. AID is seeking to hire 20 additional police advisers for rural areas. (The present USOM advisory police complement in Vietnam is just over 20 personnel most of whom operate principally in urban areas.) US aid for the police program for FY 1962 is US\$3.5 million (of which US\$2.3 million is for commodities), in addition to about US\$4 million in unused aid.

(4) As of the end of May 1962, almost 2.8 million of the estimated 7 million persons of the age of 18 years or over have been issued identity cards. As a result of this effort, over 2,000 military deserters and 52 Viet Cong agents have been apprehended and about 4,000 irregularities in the previous identity card program have been uncovered.

f. Village Radio System

(1) As of the end of May 1962, more than 530 USOM-distributed communication radios had been installed in villages and other places in the provinces of Gia Dinh, An Xuyen, Binh Duong, Dinh Thuong, Kien Giang, Kien Phong, Tay Ninh, and Phuoc Tuy. Since the rate of installation is now about 300 radios per month, USOM expects to have more than 1,000 village radios installed by the end of July 1962. Another 1,000 sets are scheduled to be installed soon thereafter, thus equipping more than 2,000 villages with radio communication facilities.

(2) The public safety role of village radios was demonstrated on March 20, 1962, when a joint USOM-Vietnamese radio installation team was attacked by Viet Cong guerrillas. The security escort engaged the Viet Cong while the team proceeded to install the village radio and then notified district headquarters and nearby villages. Assistance was despatched and resulted in an ambush of the Viet Cong as they were fleeing toward another village which had been alerted.

g. Utilization of US Assistance

(1) Effective utilization and integration of US non-military assistance to Vietnam was strengthened by AID action in March 1962 establishing first, second, and third priorities on the basis of the immediate impact of aid projects on the counterinsurgency effort: first priority projects are those with impact during the next 12 months, including, for example, Rural Development, Public Safety (especially radio sets), and Health Services; second priority projects are those with impact during

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the next 1 to 3 years, including, for example, Agricultural Credit and Cooperatives and Highway and Bridge Construction; and third priority projects are those with long-term economic and social significance.

(2) The US Mission has established a number of inter-agency groups, such as the Province Pacification Committee, for the purpose of coordinating and expediting assistance to Vietnamese Government projects in rural areas.

(3) In anticipation of future needs, the US Mission is also taking measures to stockpile commodities (for example, pharmaceuticals, pesticides, barb wire, fence posts, fertilizer, etc.) which would be released on short notice for immediate despatch to the countryside.

## 2. Critique

a. Although the bulk of the British Advisory Mission's recommendations have been incorporated into the "Delta Pacification Plan," the enabling presidential decree omits the Mission's proposals on "prompt payment of compensation for damage to property or loss of life," on "complete coordination of all civil and military action," on a "clear chain of command," and on "direction and coordination of the information services and psy-war units."

b. US and British officials in Vietnam have voiced serious concern over (i) President Diem's delay in approving the organizational and implementing machinery for the "Delta" plan and (ii) a possible subordination of the "Delta" plan to the strategic village-hamlet program. It has been very recently reported, however, that President Diem has approved a merger of the "Delta" and the strategic village-hamlet organizational machinery and has agreed to give the 10 provinces specified in the "Delta" plan first priority, subject to modification as required by developments in the security situation.

c. Although the Vietnamese Government is giving the strategic village-hamlet program high priority, there is reliable evidence that the program suffers seriously from inadequate direction, coordination, and material assistance by the central government and from misunderstanding among officials at the provincial and local levels. Province chiefs have tended to draw up unrealistically high quotas (generally in order to please the authorities in Saigon), and the lack of sufficient resources provided by the government at the local level has in certain instances resulted in poorly constructed and poorly defended settlements and in financial levies on the peasant. Moreover, the construction of these settlements has not followed any particular pattern or plan based on priorities. In his reported recent merger of the "Delta" plan and the strategic village-hamlet program, however, President Diem has indicated that priorities would be established.

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d. Although the mission of the Vietnamese Department of Civic Action is being oriented increasingly toward supporting strategic villages and hamlets, it appears that there is still considerable emphasis on informational and intelligence activities. This has reduced the effectiveness of Civic Action operations and has been somewhat detrimental to the favorable reputation built up in the past by Civic Action personnel. The Civic Action Department also suffers from weak leadership and internal power rivalries.

e. The principal problems of the Civil Guard and Self Defense Corps pertain to tactical utilization which is discussed below, under B. However, there is also some question as to whether these services are being trained and equipped adequately and as rapidly as necessary.

f. Village radios will substantially improve the defense of the countryside and the reaction capability of the Vietnamese military and security forces. However, no effort has yet been made to improve radio communications at the hamlet level where the battle with the Viet Cong is actually joined.

g. Two of the principal weaknesses in the effective utilization of US aid are insufficient awareness on the part of central authorities in the Vietnamese Government of the need to establish project priorities and the general inability of these authorities to act quickly to despatch aid in support of projects in the countryside. The distribution of US aid must be approved in most cases by President Diem personally, frequently resulting in delays and in administrative bottle-necks. Moreover, Diem continues to exhibit considerable sensitivity to attempts by US officials to distribute aid directly to the countryside without clearance from the central government. Recently, for example, the Vietnamese Government turned down a USOM proposal aimed at increasing the impact of US aid at the local level by establishing a special fund for direct financing of provincial projects.

B. The Vietnamese armed and security forces are being oriented toward counter-guerrilla or unconventional warfare tactics.

1. Progress

a. Air Support

(1) Helicopter operations have decreased the reaction time and increased the mobility of army and security units.

(2) During May 16-23, 1962, Vietnamese Air Force and US helicopter units flew at least 347 sorties: 46 were offensive sorties; 216 sorties lifted 1,511 troops and 24,000 pounds of cargo of which 12,000 pounds were air-dropped; and 85 sorties were for air evacuation, observation, training, and other missions.

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b. Tactical Utilization of Army and Security Forces

(1) The Vietnamese Army is getting out and fighting more than ever before. During March 20-28, 1962, the armed forces launched more than 23 operations of at least company size throughout the country. During April 12-May 3, 1962, more than 11 operations were launched, each operation involving more than a battalion; some of these operations continued beyond May 3.

(2) Army units are becoming more conscious of the necessity of following through during attacks in order to prevent the Viet Cong from disengaging.

(3) Civil Guard and Self Defense Corps units apparently are being employed increasingly with army units. During April 12-May 3, 1962, for example, Civil Guard and Self Defense Corps units were combined with army units in at least 3 operations. There have also been reports of Civil Guard units receiving helicopter support.

(4) There are reports of effective utilization of artillery bombardment. In early March 1962, for example, a combined Army ranger, Civil Guard, and Self Defense Corps force engaged the Viet Cong in Kien Hoa province. Artillery was introduced only after the Viet Cong attempted to withdraw, harassing their escape routes and inflicting substantial casualties.

(5) Army ranger units are being deployed in the highlands area, recognizing the equal priority of this area with the Mekong River delta region where the pacification program has been initiated. As of February 1962, there was a total of 18 ranger companies in the I and II Army Corps Areas.

(6) It is estimated that some 3,000-5,000 Montagnard tribesmen have been recruited and are being trained and armed by the Vietnamese Army against the Viet Cong in the highlands area. In addition, there are some irregular Montagnard units.

2. Critique

a. Despite the increasing utilization of Civil Guard and Self Defense Corps units jointly with army forces, the former continue to be employed excessively on independent offensive missions. The principal stumbling block to the rectification of this problem is the province chief under whose authority the security services operate.

b. Despite the increasing deployment of ranger units in the highlands area, there is no evidence that these units are being used to any appreciable degree for patrolling the Vietnamese-Lao frontier.

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c. The principal deficiency in the utilization of air support is not tactical but rather is related to the availability and reliability of intelligence on the Viet Cong.

C. The participation of Vietnamese Government civilian and military officials in the formulation and execution of government policy has been broadened somewhat.

1. Progress

a. Military commanders in the field are playing a greater role than in the past in the actual formulation and execution of operational plans. For example, much of the planning of "Operation Sunrise" and "Operation Sea Swallow" has been carried out by Vietnamese Army division commanders and their staffs.

b. Col. Lac has been delegated limited but real authority for executing the "Delta Pacification Plan" and for his recent and concurrent responsibilities in the strategic village-hamlet program.

c. There has been limited use of the National Internal Security Council established in December 1961.

d. The Director of the Central Intelligence Organization, Colonel Nguyen Van Y, has been delegated real though limited authority both with regard to his intelligence responsibilities and his concurrent role as head of the regular police services, the National Surete and the Municipal Police.

e. There is evidence that the authority of certain cabinet members has been increased, notably Secretary of State for the Presidency Thuan and Secretary of State for Interior Luong.

f. The Vietnamese Government has also taken various measures to improve morale among rank-and-file military and security personnel. In January 1962, the family allowance rates for Army and Civil Guard privates, privates first class, and corporals (as well as the combat pay rates for Army personnel in these ranks) were increased, and Army conscripts became eligible to receive a private's pay after completing four months rather than one year in service.

2. Critique

Ineffectiveness in administration at the national level, in carrying out the control functions of the government, and in extending services to the countryside continues to represent the Vietnamese Government's main weakness. In large measure, this is due to the limited authority President Diem delegates to his subordinates. Diem continues to make

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virtually all major decisions and even many minor ones, to rely largely on his inner circle of official and unofficial advisers rather than on his cabinet officers and the formal channels of military and civil command in formulating and executing policy, and to interfere personally in purely and often minor operational matters. Discontent within the government bureaucracy and the military establishment with these tactics by Diem and his lieutenants does not appear to have decreased substantially during the past year. The prospects that Diem may change his method of operation are not favorable.

D. Popular identification of the Vietnamese people with the struggle against the Viet Cong appears to have increased somewhat.

1. Progress

a. President Diem's frequent travels to the countryside may have improved somewhat the popular image of the central government. During July-December 1961, for example, Diem made 18 known trips outside Saigon and visited 19 different provinces (9 in the central and northern provinces and 10 in the Mekong delta provinces).

b. There is evidence that villagers are passing an increasing amount of information on the Viet Cong to government officials. One striking example is the Viet Cong attack on an Army post in An Hoa in Quang Ngai province on April 6, 1962, (The Viet Cong used about 300 men, well armed with recoilless rifles and machine guns.) As a result of an earlier warning by villagers of a possible attack, the Army unit was on alert and, when the attack came, repulsed the Viet Cong with serious losses.

c. It appears that defections from the Viet Cong may be increasing. It has been estimated that only around 400 Viet Cong surrendered to government forces during all of 1961. Since the first of 1962, however, US military sources have been reporting statistics on Viet Cong surrenders on a weekly basis, and it is estimated that during February 13-April 30, more than 207 Viet Cong surrendered. (These and other statistics on the Viet Cong are derived from various official Vietnamese sources and must be treated with caution since the Vietnam Government is prone to exaggerate them.)

d. President Diem signed a decree on December 18, 1961, providing for the establishment of provincial councils, ultimately to be elected by popular ballot but for the time being to be appointed by the central government. (Youth representatives on village councils have been elected since early 1961.)

e. According to the chiefs of Kontum and Pleiku province, some 35,000 Montagnards have been resettled from Viet Cong-infested to relatively secure areas in these two provinces since January 1962 as a result of coordinated measures by Vietnamese military and civilian officials. These measures have been aimed at reducing the Viet Cong's access to tribal elements for recruits, labor, intelligence, and supplies.

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2. Critique

a. Despite favorable developments, there has been no major break-through in improving the popular image of the government, particularly in the countryside. In the short run, the success of this effort will depend largely on the degree of physical security provided the peasantry, but in the long run the key to success will be the ability of the government to walk the thin line of meaningful and sustained assistance to the villagers without obvious efforts to direct, regiment, or control them.

b. There is growing concern among Vietnamese field personnel in Kontum, Pleiku, and other provinces that the Vietnamese Government is not moving fast enough to provide adequate assistance to the Montagnard resettlement program and, as a result, that the Viet Cong may succeed in subverting resettlement efforts. According to one report almost 70,000 of an estimated 105,000 Montagnard refugees have not yet been resettled.

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### III. SUMMARY ASSESSMENT

A. It is about three months since the current phase of a major systematic counterinsurgency effort began in Vietnam, and too short a time to expect any substantial weakening of the Communist position. Moreover, final victory is likely to take some years and to be brought about more by a steady erosion of Communist strength than by dramatic military successes.

B. In the military-security sector, US materiel, training, and advice, supplemented by tactical support by US units, have produced an improvement in armed operations against the Viet Cong. US military operational reports reflect improved tactics, shortened reaction times, and more effective use of communications and intelligence. It is too early to say that the Viet Cong guerrilla-terrorist onslaught is being checked, but it can be said that it is now meeting more effective resistance and having to cope with increased aggressiveness by the Vietnamese military and security forces. Nonetheless, the Viet Cong continue to increase their armed strength and capability and, on balance, to erode government authority in the countryside.

C. There has not been a corresponding improvement in other sectors of the total counterinsurgency effort. Serious problems remain in the civil and military command structures and in the exercise of command responsibility. Diem continues to prefer personalized rule through a very small group of trusted official and unofficial advisers and traditional methods in matters affecting domestic political opposition. Civil government effectiveness is also impeded by shortages in experienced personnel, particularly at lower levels, and aggravated by confusion and suspicion at most levels of the bureaucracy. More effective direction and coordination and realistic implementation are needed, for example, for such crucially important programs as the "Delta" plan, strategic villages and hamlets, and Civic Action, and greater authority must be delegated to upper echelon civil and military officials in order to make better use of Vietnamese Government resources. Similarly, while there are encouraging signs of popular support for the government, there has been no major break-through in identifying the people with the struggle against the Viet Cong.

D. We conclude that:

1. there is no evidence to support certain allegations of substantial deterioration in the political and military situations in Vietnam;
2. on the contrary, there is evidence of heartening progress in bolstering the fighting effectiveness of the military and security forces;

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3. however, there is still much to be done in strengthening the overall capacity of the Vietnamese Government to pursue its total counter-insurgency effort, not only in the military-security sector but particularly in the political-administrative sector;

4. a judgment on ultimate success in the campaign against the Communist "war of national liberation" in Vietnam is premature; but

5. we do think that the chances are good, provided there is continuing progress by the Vietnamese Government along the lines of its present strategy.

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THE WHITE HOUSE  
WASHINGTON

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June 19, 1962

NATIONAL SECURITY ACTION MEMORANDUM NO. 162

TO:           The Secretary of State  
              The Secretary of Defense /  
              The Attorney General  
              The Director of Central Intelligence  
              The Director, United States Information Agency

SUBJECT:     Development of U.S. and Indigenous Police,  
              Paramilitary and Military Resources

The President has approved the following statement and proposed assignments of responsibilities to various agencies as recommended by the Special Group (Counterinsurgency):

The study of U.S. and indigenous paramilitary resources pursuant to NSAM 56 reflects gratifying progress in the development of an adequate U.S. capability to support both the training and active operations of indigenous paramilitary forces. Certain deficiencies, however, were clearly revealed. The deficiencies, to which all efforts and shortcomings to date are related, should be the basis upon which internal defense requirements are established for each country to be assisted.

1. Country Internal Defense Plans

With one or two exceptions, there exist no outline plans to unify and orchestrate U.S. internal defense programs and activities in friendly countries facing a threat of subversive insurgency, or which provide strategic guidance for assisting such countries to maintain internal security. The Department of State has prepared a list identifying the countries facing a threat of subversive insurgency and will direct the formulation of outline plans for internal defense (Country Internal Defense Plans) by the Country Team in each such country which encompass the total U.S. - supported internal defense field. These plans will include the

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military, police, intelligence and psychological measures comprising a well rounded internal defense plan and will be consistent with the military, economic, political and social measures constituting the overall country plan. Such plans should be completed and in the hands of the Department of State by September 1, 1962, available for review by the Special Group (Counterinsurgency). From that time on, in accordance with the provisions of NSAM 124, the Special Group will keep these country internal defense plans under periodic review, and insure prompt resolution of interdepartmental problems arising in connection with their implementation.

2. Improvement of Personnel Programs of Agencies Concerned with Unconventional Warfare

A study will be made by the Armed Forces and appropriate civil agencies concerned with unconventional warfare activities of how to improve their personnel programs. Particular attention will be directed to the following:

- (a) Personnel programming for officers and men, including establishment of career programs which protect the special skills and professional qualifications of personnel assigned to unconventional warfare duties.
- (b) Ability to perform efficiently in foreign areas in conditions of stress and danger for prolonged periods.
- (c) Morale factors such as family, housing, tours of duty, hardship allowances, hazardous duty pay, special recognition such as rewards.

3. Orientation of Personnel

As part of the current effort to train more personnel in the problems confronting underdeveloped societies, both civil and military agencies of the Government will assign, where feasible and subject to the availability of funds and personnel, middle-grade and senior officers to temporary duty for orientation purposes in selected countries experiencing internal security problems.

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4. Deployment of Counterinsurgency Personnel

In order to insure a timely deployment of qualified counterinsurgency specialists to impending crisis areas, CIA and AID will take action to insure that adequate qualified personnel with paramilitary skills are available. Periodic reports of progress to achieve this objective will be submitted to the Special Group (Counterinsurgency) by CIA and AID.

5. Support of Covert Paramilitary Operations

More Special Forces personnel will be assigned to support CIA covert paramilitary operations where acute insurgency situations exist. The Department of Defense has taken steps to expedite these assignments. In addition the Department of Defense will increase its capability to fund, support, and conduct wholly or partly covert paramilitary operations under the criteria of NSAM 57 which distinguishes responsibilities of the Department of Defense and CIA:

Where such an operation is to be wholly covert or disavowable, it may be assigned to CIA, provided that it is within the normal capabilities of the agency. Any large paramilitary operation wholly or partly covert which requires significant numbers of militarily trained personnel, amounts of military equipment which exceed normal CIA-controlled stocks and/or military experience of a kind and level peculiar to the Armed Services is properly the primary responsibility of the Department of Defense with the CIA in a supporting role.

This cooperation will be intensified and the President will be given periodic reports on the progress of these efforts.

6. Increased Use of Third Country Personnel

The Department of Defense, in collaboration with the Department of State and the Central Intelligence Agency, will undertake a study to determine on a selective basis the feasibility of the concept of the increased use of third-country personnel in paramilitary operations. Particular attention will be given to the following:

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(a) The whole range of this concept from the current limited use of Thai and Filipino technicians in Laos to the creation of simply equipped regional forces for use in remote jungle, hill and desert country. Such forces would be composed of foreign volunteers supported and controlled by the U.S.

(b) The feasibility of using third-country military or paramilitary forces to operate under their own or other national auspices in crisis areas.

7. Exploitation of Minorities

In view of the success which has resulted from CIA/US Army Special Forces efforts with tribal groups in Southeast Asia, continuing efforts will be made to determine the most feasible method of achieving similar results in other critical areas. On a selective basis, CIA and the Department of Defense will make studies of specific groups where there is reason to believe there exists an exploitable minority paramilitary capability.

8. Improvement of Indigenous Intelligence Organizations

Recent experience shows that most underdeveloped countries need more efficient intelligence coordination and dissemination systems to counter subversive insurgency. Therefore, the CIA will expand its present training and support efforts to achieve needed improvements in indigenous intelligence organizations and that other U.S. agencies contribute to this CIA coordinated program.

9. Research and Development for Counterinsurgency

The Department of Defense and the Central Intelligence Agency will carry in their research and development programs a special section devoted to the requirements of counterinsurgency. The Special Group (Counterinsurgency) will follow up on this action and receive reports from time to time with regard to progress in developing modern equipment suitable to meet the requirements of counterinsurgency.

*McGeorge Bundy*  
McGeorge Bundy

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THE WHITE HOUSE  
WASHINGTON

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August 24, 1962.

NATIONAL SECURITY ACTION MEMORANDUM NO. 182

TO:           The Secretary of State  
              The Secretary of Defense ✓  
              The Attorney General  
              The Chairman, Joint Chiefs of Staff  
              The Director of Central Intelligence  
              The Administrator, Agency for International  
                  Development  
              The Director, U.S. Information Agency  
              The Military Representative of the President

SUBJECT:      Counterinsurgency Doctrine

The President has approved the document entitled "U.S. Overseas Internal Defense Policy", which sets forth a national counter-insurgency doctrine for the use of U.S. departments and agencies concerned with the internal defense of overseas areas threatened by subversive insurgency, and has directed its promulgation to serve as basic policy guidance to diplomatic missions, consular personnel, and military commands abroad; to government departments and agencies at home; and to the government educational system. The addressees of this NSAM will take action to insure that the policies set forth in the document are reflected in departmental and agency operations and in such additional instructions and guidance as may be required to assure uniformity of effort. They will also initiate the formulation of the internal doctrine, tactics, and techniques appropriate to their own department or agency, based upon "U.S. Overseas Defense Policy." These studies when completed will be reviewed by the Special Group (CI).

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Serial Control No. 5315

*Filed in 311 (10 Aug 68)*



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The Department of State in consultation with the other addressees of this memorandum is assigned the task of keeping the "U. S. Overseas Internal Defense Policy" up to date, making such modification as changes in policy or practical experience may require, and publishing revised editions as necessary.

*McGeorge Bundy*

McGeorge Bundy

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RFE (103)

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DEPARTMENT OF STATE  
BUREAU OF INTELLIGENCE AND RESEARCH

Research Memorandum  
RFE-59, December 3, 1962

TO : The Secretary  
THROUGH: S/S  
FROM : INR - Roger Hilsman

*Roger Hilsman*

SUBJECT: The Situation and Short-Term Prospects in South Vietnam\*

This appraisal covers the Communist insurgency and the internal political situation in South Vietnam during the past year and focusses particularly on the direction and effectiveness of the Vietnamese-US counterinsurgency effort. It was prepared as a contribution to the forthcoming NIE 53-62, Prospects in South Vietnam.

ABSTRACT

President Ngo Dinh Diem and other leading Vietnamese as well as many US officials in South Vietnam apparently believe that the tide is now turning in the struggle against Vietnamese Communist (Viet Cong) insurgency and subversion. This degree of optimism is premature. At best, it appears that the rate of deterioration has decelerated with improvement, principally in the security sector, reflecting substantially increased US assistance and GVN implementation of a broad counterinsurgency program.

The GVN has given priority to implementing a basic strategic concept featuring the strategic hamlet and systematic pacification programs. It has paid more attention to political, economic, and social counterinsurgency measures and their coordination with purely military measures. Vietnamese military and security forces -- now enlarged and of higher quality -- are significantly more offensive-minded and their counter guerrilla tactical capabilities are greatly improved. Effective GVN control of the countryside has been extended slightly. In some areas where security has improved peasant attitudes toward the government appear also to have improved.

\*This report is based on information available through November 12, 1962.

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As a result, the Viet Cong has had to modify its tactics and perhaps set back its timetable. But the "national liberation war" has not abated nor has the Viet Cong been weakened. On the contrary, the Viet Cong has expanded the size and enhanced the capability and organization of its guerrilla force -- now estimated at about 23,000 in elite fighting personnel, plus some 100,000 irregulars and sympathizers. It still controls about 20 percent of the villages and about 9 percent of the rural population, and has varying degrees of influence among an additional 47 percent of the villages. Viet Cong control and communication lines to the peasant have not been seriously weakened and the guerrillas have thus been able to maintain good intelligence and a high degree of initiative, mobility, and striking power. Viet Cong influence has almost certainly improved in urban areas not only through subversion and terrorism but also because of its propaganda appeal to the increasingly frustrated non-Communist anti-Diem elements.

The internal political situation is considerably more difficult to assess. Diem has strengthened his control of the bureaucracy and the military establishment. He has delegated a little more authority than in the past, and has become increasingly aware of the importance of the peasantry to the counterinsurgency effort. Nevertheless, although there are fewer reports of discontent with Diem's leadership within official circles and the civilian elite, there are still many indications of continuing serious concern, particularly with Diem's direction of the counterinsurgency effort. There are also reports that important military and civil officials continue to participate in coup plots. Oppositionists, critics, and dissenters outside the government appear to be increasingly susceptible to neutralist, pro-Communist, and possibly anti-US sentiments. They are apparently placing increased reliance on clandestine activities.

The Viet Cong is obviously prepared for a long struggle and can be expected to maintain the present pace and diversity of its insurgent-subversive effort. During the next month or so, it may step up its military effort in reaction to the growing GVN-US response. Hanoi can also be expected to increase its efforts to legitimize its "National Front for the Liberation of South Vietnam" (NFLSV) and to prepare further groundwork for a "liberation government" in South Vietnam. On present evidence, the Communists are not actively moving toward neutralization of South Vietnam in the Laos pattern, although they could seek to do so later. Elimination, even significant reduction, of the Communist insurgency will almost certainly require several years.

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In either case, a considerably greater effort by the GVN, as well as continuing US assistance, is crucial. If there is continuing improvement in security conditions, Diem should be able to alleviate concern and boost morale within the bureaucracy and the military establishment. But the GVN will not be able to consolidate its military successes into permanent political gains and to evoke the positive support of the peasantry unless it gives more emphasis to non-military aspects of the counterinsurgency program, integrates the strategic hamlet program with an expanded systematic pacification program, and appreciably modifies military tactics (particularly those relating to large-unit actions and tactical use of airpower and artillery). Failure to do so might increase militant opposition among the peasants and their positive identification with the Viet Cong.

A coup could occur at any time, but would be more likely if the fight against the Communists goes badly, if the Viet Cong launches a series of successful and dramatic military operations, or if Vietnamese army casualties increase appreciably over a protracted period. The coup most likely to succeed would be one with non-Communist leadership and support, involving middle and top echelon military and civilian officials. For a time at least, the serious disruption of government leadership resulting from a coup would probably halt and possibly reverse the momentum of the government's counterinsurgency effort. The role of the US can be extremely important in restoring this momentum and in averting widespread fighting and a serious internal power struggle.

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I. THE NATURE OF THE COMMUNIST THREAT TO SOUTH VIETNAM

The Communist threat to the Republic of Vietnam (South Vietnam) consists of three interrelated elements. Within South Vietnam, but under the direction of the Democratic Republic of Vietnam (DRV), an expanding campaign of guerrilla warfare and terrorism and an intensive political psychological subversion effort are carried out by an apparatus commonly known as the Viet Cong,\* left behind by the DRV after it withdrew most of its military forces to the north in 1954 and since reinforced by local recruitment and infiltration from the DRV. Externally, the DRV holds over South Vietnam the tacit threat of invasion by the numerically superior North Vietnamese military forces.

In part because the Government of the Republic of Vietnam (GVN) focussed its defense efforts too much upon the implicit external threat and too little upon the internal threat, not only was it unable to counter effectively the developing Communist movement but also its authority and internal stability in the period from late 1959 until early 1962 were increasingly weakened by Viet Cong insurgent and subversive activities. Since the early part of 1962 however, the rate of deterioration appears to have decelerated as a result of substantially increased US assistance to South Vietnam and expanding GVN implementation of its broad military-political counterinsurgency program. The apparent improvement is principally in the security sector, but with some resultant effects on the political situation. Many US advisers in South Vietnam, as well as President Ngo Dinh Diem and other top GVN officials, are more optimistic and believe that the deteriorating trends in effect have been checked and that the tide is now being turned in favor of the GVN. Whether this optimism is justified may well be determined by developments during the next few months.

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\*Viet Cong is the popular term used by the South Vietnamese to refer to Vietnamese Communists, singularly or collectively. For all practical purposes, the Viet Cong apparatus is an extension of the North Vietnamese Communist Party, (Dang Lao Dong Viet Nam or merely Lao Dong) which also operates in Laos, Cambodia, and other countries with important Vietnamese minority groups.

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A. Strategy and Objectives

In South Vietnam, the Communists are clearly embarked on a "national liberation war" of insurgency and subversion from within rather on overt aggression. It is probably the Communist view that this strategy greatly reduces the risk of direct US military intervention and, at the same time, provides good prospects of success at relatively little cost. In addition, it permits the Communist Bloc to claim continued adherence to the 1954 Geneva Agreements. This strategy was most recently reaffirmed by the Third National Congress of the North Vietnamese Communist Party in Hanoi in September 1960 and the Moscow conference of all Communist parties held the following November and December.

The immediate Communist objectives are to demoralize the South Vietnamese public and the military and security forces, weaken and eventually supplant government authority in the countryside, and discredit and ultimately precipitate the overthrow of President Diem's government. Simultaneously, the Communists are attempting to gain broad popular support for their effort, including the creation of a "united front" with non-Communist elements, and gradually to strengthen and transform their guerrilla forces into regular forces capable of undertaking a general offensive.

The DRV is the implementing agency for Communist activity in South Vietnam. It exercises close control over the Viet Cong guerrillas and over the "National Front for the Liberation of South Vietnam" (NFLSV), the political instrument of the Viet Cong. However, while Hanoi is probably allowed considerable freedom of action, Moscow and Peiping probably would have overriding influence over any major decision critically affecting the situation in South Vietnam, as for example, international negotiations on South Vietnam, cessation of Communist guerrilla operations, and escalation to conventional warfare or overt introduction of North Vietnamese army units. In any event, important Communist policies for South Vietnam are probably coordinated with Moscow and Peiping and the latter scrutinize developments in South Vietnam carefully with an eye to their own interests. Both Moscow and Peiping also furnish strong propaganda support for the Communist effort in South Vietnam and, in addition, the USSR carries on supporting diplomacy, largely in its capacity as a Geneva Conference Co-chairman. There is little evidence of material support of the Viet Cong guerrillas by Moscow or Peiping.

There are no apparent major policy differences between Hanoi, Moscow, and Peiping regarding South Vietnam. During the first six months of 1962, it appeared that Moscow differed somewhat with Peiping's and Hanoi's pronaganda for an international conference to settle the South Vietnam situation; this difference presumably continues to exist although little has been said by the Bloc on a conference since mid-1962. There also may be underlying intra-Bloc differences on the subject of neutralization of South Vietnam or reunification. In any event, even though Moscow might prefer neutralization, all would work to communize a neutral South Vietnam if one were established. Moscow has also generally exerted a restraining influence over Communist willingness to take risks.

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The sharp increase of the US military presence in South Vietnam and the events of recent months in Laos apparently have not weakened Communist resolve to take over South Vietnam. However, these events have clearly caused some modification of Viet Cong guerrilla tactics and may have caused the Communists to revise their timetable. Nevertheless, the Communists probably continue to look primarily to the long run in South Vietnam and to remain confident of eventual victory.

#### B. Viet Cong Organization and Capabilities

1. General. Available intelligence indicates that two parallel structures, military and political, exist at all organizational levels of the Viet Cong apparatus in South Vietnam. At the top of the organization are two bodies, the Nambo Regional Committee (NRC) and the Interzone V Regional Committee (IVRC), equal in status and each apparently responsible directly to Hanoi. The NRC directs and is responsible for all operations in the southern provinces, or roughly the former Cochinchina region, while the IVRC directs and is responsible for all operations in the central and northern provinces. These committees consist of several staffs responsible for military and political activities. The organization of the two regional committees appears to be duplicated among intermediate and lower level committees responsible for operations at the interprovincial (i.e., area covering more than one province), provincial, district, and village levels. Information is not available on the size of the political component of the Viet Cong apparatus, but it must be assumed that the regular and irregular guerrilla forces also serve as penetration, espionage, sabotage, propaganda, and terrorist agents.

Viet Cong capabilities have increased considerably during the past three years. In 1959 a relatively small but effective military-political apparatus operating largely in the Mekong River delta provinces, the Viet Cong has since grown into a formidable force operating throughout the countryside and even in many urban centers, including Saigon, the capital. In addition to increasing its numerical strength, the Viet Cong has significantly improved its military and political organization and its tactical, weapons, and subversive capabilities.

2. Military Strength and Effectiveness. Communist assets for guerrilla action in South Vietnam are considerable. In spite of an apparently increasing casualty rate, Viet Cong hard-core personnel has grown from an estimated 4,000 in April 1960 to about 23,000 in October 1962. These forces are distributed principally in the southern provinces, the former Cochinchina region which includes the Mekong River delta area and where most of the fighting occurs. They are well-trained and well-armed (utilizing such weapons as light machine-guns and mortars and even 57 mm. recoilless rifles). The units into which these forces are organized range up to battalion and include the key personnel infiltrated from North Vietnam. These units in

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effect constitute the elite fighting elements of the Viet Cong force and operate at the interprovincial, provincial, and district levels. There has been no hard evidence that the Viet Cong has yet formed regimental-size units or that they have an anti-aircraft capability, other than the small arms which they are using with increasing effectiveness against helicopters.

In addition to this elite force, the Viet Cong has an auxiliary armed force roughly estimated at 100,000 and distributed throughout the country. This force operates essentially at the village and hamlet levels and consists largely of part-time or full-time armed cadres and sympathizers. Its functions are probably varied, but there is considerable evidence that it serves as a local defense force, provides logistic support (food and intelligence, for example), and constitutes the reserve from which personnel are drawn as replacements for the elite force or to help activate new units. The auxiliaries appear to be partially trained and partially armed, frequently utilizing nothing more than spears, scimitars, and a variety of small weapons manufactured in home workshops or "arms factories." However, these limited capabilities apparently are partly offset by the ability of the auxiliaries, many of whom cannot easily be identified by the GVN, to pass themselves off as innocent peasants.

By relying on small-unit actions and tactics of surprise, constant movement, concentration for attack, and dispersal upon withdrawal, the Viet Cong guerrillas have achieved considerable effectiveness. They ambush, carry out company-size attacks against army and security units, and have the capability to strike in battalion force against several targets simultaneously. According to official GVN statistics, the Viet Cong since 1960 has killed more than 9,500 and wounded at least 13,300 military and security personnel. In addition, the GVN estimates that at least 8,700 local officials and civilians have been assassinated or kidnapped since 1960.\*

The Viet Cong appears to be well-informed particularly on the plans and movements of government forces sent on large counterguerrilla operations. Morale is probably also good and desertions or defections to the GVN forces, although reportedly increasing, are relatively few. In recent months, however, shortages of food and the increased aggressiveness of GVN forces

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\*The statistics on Viet Cong and GVN casualties are incomplete and not entirely reliable partly because the GVN probably understates its own casualties and overstates those of the Viet Cong. Since the latter part of 1961, casualty estimates have improved largely because of the increased US presence in South Vietnam. Despite reservations regarding their accuracy, these figures are helpful as one indicator of the magnitude of the fighting in South Vietnam.

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are believed to have adversely effected the morale and capability of some Viet Cong forces in the central provinces.

### 3. Viet Cong Logistic Support

a. Local Support. The Viet Cong relies principally on local resources to sustain its operations. Both the character of this support and the means by which it is acquired vary considerably. It is obtained voluntarily, by propaganda and promises of material or political benefit, by threats and intimidation, and finally by outright force. It includes, among other things, personnel, arms, food, funds, and intelligence.

Most of the Viet Cong guerrillas and agents are recruited locally, with a large percentage coming from the youth. Most of their weapons are either captured or stolen from GVN military and security forces, are manufactured in home workshops or "arm factories" in Viet Cong concentration areas, or are activated from stocks cached since the end of the Indochina war. A considerable portion of Viet Cong funds apparently comes from fees levied on buses and other means of transportation, from taxes on the wealthy and on business enterprises (such as rubber plantations), and from ransoms paid for persons kidnapped. The Viet Cong is entirely dependent upon the local populace and the countryside for food which is obtained through purchase, pilferage, capture of stocks, taxation (in the form of rice), and even actual cultivation of crops by sympathizers and part-time guerrillas. Finally, the ability of Viet Cong guerrillas and agents to disperse, regroup, and indeed retain their presence intact, even after GVN military clearing operations have been completed, is considerably enhanced by the concealment afforded them, voluntarily or otherwise, by the local population.

In addition, the Viet Cong guerrillas and subversive agents rely heavily on the villagers for information and supplementation of intelligence gained from espionage and from penetration of GVN military and civilian services. Intelligence supplied by the villagers is largely of a tactical nature and deals, for example, with the location and movement of local GVN military and security forces and the defenses of individual army and security posts, villages, and hamlets.

b. External Support. The Viet Cong insurgent-subversive movement in South Vietnam is directed, inspired, and organized by the IRV. Logistical support from North Vietnam, however, appears to be limited, and existing evidence indicates that there is no large-scale infiltration of men and equipment. On the other hand, infiltration almost certainly occurs on a sporadic if not continuing basis and apparently increases from time to time, as was probably the case during May and June 1968.

Infiltrators are believed to consist largely of well-trained cadres (military personnel, key political and subversive agents, technicians, and couriers) rather than units. However, in recent months there have been

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two reliable reports confirming the infiltration of two Viet Cong groups (200 and 400 men respectively) from southern Laos. There is considerable evidence that infiltrators in general are largely South Vietnamese (Cochin-chinese and Annamites), regrouped and retrained in North Vietnam since the end of the Indochina war and familiar with the people and terrain of South Vietnam. They carry in their own weapons and, in some instances, a limited amount of additional small and even large weapons, technical equipment, medical supplies, and funds. The infiltrators apparently are distributed among existing Viet Cong units, thus increasing the number of hard-core personnel and thereby the capability of these units, or become the nuclei of new units.

Since the latter part of 1960, the principal infiltration routes have been through the corridor of southern Laos controlled by Laotian and North Vietnamese Communist forces. However, infiltration continues through eastern Cambodia, across the Demilitarized Zone at the 17th parallel, and by junk landings along South Vietnam's long coastline. In addition, Viet Cong guerrillas are believed to use the border areas of both southern Laos and eastern Cambodia to a limited extent for safe haven purposes during their hit-and-run attacks or when pursued by GVN forces.

#### 4. Political Capabilities

a. The Communist Position in the Countryside. There have long been major gaps in our knowledge of rural conditions in South Vietnam. In view of the overriding importance that the Viet Cong attaches to the countryside in its strategy, these gaps have now assumed critical proportions. Although our knowledge of rural conditions is improving, principally because of the substantially increased US presence in South Vietnam, any assessment of Communist political strength outside urban areas remains questionable and at best tentative.

The Viet Cong appears to have had considerable success in reducing or supplanting government authority in the countryside. By the latter part of 1961, US officials estimated that probably more than one half of the entire rural region south and southwest of Saigon, as well as several areas just to the north and in the central and northern provinces, were under effective Viet Cong control by night, with the government generally capable of maintaining its authority only by day. Many other areas were under varying degrees of Viet Cong influence.

According to a more recent and apparently more refined study, US officials estimated in mid-1962 that of South Vietnam's some 2,500 villages, which contain around 85 percent of the total population, 20 percent were effectively controlled by the Viet Cong. Although the Viet Cong-controlled villages were inhabited by an estimated 9 percent of the rural population,

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the total area represented by these villages encompassed a much larger proportion of the countryside. In contrast, the GVN effectively controlled about 47 percent of the village population, and 33 percent of the villages, largely located, however, in the environs of major towns and provincial capitals and in the more heavily populated areas along main lines of communication. In the remaining 47 percent of the villages and 44 percent of the village population, neither the GVN nor the Viet Cong exercised effective control, even though GVN influence seemed greater in most of these villages.

The accelerated GVN counterinsurgency effort, principally the strategic hamlet program and the increasing aggressiveness of the military and security forces, reportedly has enlarged somewhat the number of villages and peasants under effective GVN control. However, this improvement has presumably occurred principally in areas formerly contested by the GVN and the Viet Cong since the rural area and populace estimated as under effective Viet Cong control has been reduced by only 17 villages with a population of 150,000.

Partly by the sheer strength of its presence and partly because of the prolonged absence of strong government military and security forces, the Viet Cong has been able to transform some rural areas -- such as portions of the Ca Mau peninsula, the swampy Flaine des Jungs, and the highlands in the north -- into major concentration or base areas which are dangerously close to becoming "liberated" areas. Here, the Viet Cong has virtually a free hand in levying and collecting taxes, directing the cultivation of rice and other farm products, and controlling their distribution, propagandizing the populace, conscripting cadres, and even setting up overt political organizations and provisional local government units.

The political capability and strength of the Viet Cong in the countryside is inextricably associated with and strongly dependent upon its military presence and power. The threat or the use of force, as demonstrated by the high rate of assassinations and kidnappings of local officials and even ordinary peasants, is a continual reminder of the penalty of noncooperation with the local Viet Cong. Moreover, by successful military operations against the GVN, the Viet Cong is able to demonstrate its superiority and its determination and ability to remain. In turn, the political apathy of the peasant -- i.e., his traditional and overriding sensitivity and attachment to local, village, and indeed family matters and his minimal awareness of national or even regional issues and developments -- has made him prone to seek an accommodation with whatever force seems for the moment capable of exercising authority.

The Viet Cong also uses non-violent, positive means to appeal to the peasantry. Although their tactics vary and depend partly on prevailing

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local conditions, they have, for example, purchased rather than seized rice and food stuffs in many cases, have taxed the wealthy with effective publicity, and reportedly even distributed land to landless peasants. Even their terrorist acts from time to time have been against harsh, disliked, or corrupt officials. These acts are held out as proof of the Viet Cong's ability to improve the peasant's economic and political lot. Their appeal is enhanced by the peasant's basic distrust of government officials engendered partly by their excessive and harsh implementation of government programs and by the average Vietnamese bureaucrat's belief that he does not serve but is to be served by the people.

Viet Cong propaganda to the peasant, therefore, is both positive and negative. It extols Viet Cong achievements and power, credits the Communist forces under Ho chi Minh with expelling the French from Vietnam and keeping the north free of "foreign control," holds out economic and political inducements, derides GVN capabilities, and points to the excessive, oppressive, and corrupt character of GVN demands and practices, as for example, military conscription and forced labor in the creation of strategic hamlets. Viet Cong propaganda also exploits the Vietnamese peasant's credulity and animistic beliefs, spreading bizarre stories intended to limit popular participation in government programs.

Viet Cong penetration efforts have been directed largely against local government services and Army, Civil Guard, and Self Defense Corps field units. While the extent of this penetration is difficult to determine accurately, there have been increasing reports in recent months of successful Viet Cong penetration of Self Defense Corps units and strategic hamlets. Moreover, the apparent advance knowledge of some GVN military operations and the generally high rate of Army desertions is probably partly due to Viet Cong penetration of Army field posts and training centers.

b. The Urban Sector. Communist activities in urban areas are limited largely to propaganda, penetration, and terrorism. The immediate objective of these activities is to encourage dissent and opposition to President Diem and the US presence in South Vietnam and to foment neutralist sentiments among intellectuals, professionals, disgruntled politicians and government officials, and labor and youth groups. In this manner, the Viet Cong hopes to create a common ground with actual and potential non-Communist opposition elements, legitimize its insurgent-subversive effort, and ultimately precipitate Diem's overthrow. The Viet Cong has stepped up this effort since 1961, particularly with the creation of its "National Front for the Liberation of South Vietnam" (NFLSV) which also seeks to gain international support for the Communist position:

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As reflected by Radio Hanoi which also relays NFLSV statements, the paramount Viet Cong propaganda theme is the dictatorial family rule imposed by the Diem government and its subservience to US "foreign imperialist intervention" which are combining to "oppress" and "murder" the South Vietnamese people and block reunification. This Viet Cong propaganda campaign, coupled with recent political developments in Laos (which some Communist propaganda has implied provides an acceptable model for "settlement" of the South Vietnamese conflict) and with Diem's persistent reluctance to tolerate any appreciable non-Communist opposition, has already contributed to an increase in neutralist sentiment among urban circles. Moreover, some oppositionists, including a few leaders of the once-powerful Cao Dai and Hoa Hao religious sects, are reportedly cooperating with the Viet Cong to the point of being committed to participating in an eventual Communist-led anti-Diem coup attempt.

Viet Cong capabilities for leading a successful coup are limited, however. Its own forces, even if combined with any remnant armed bands of the Cao Dai and Hoa Hao religious sects, do not appear strong enough to overthrow the government by military means. Nor is there any evidence that the Viet Cong has any support in the middle or top levels of the GVN bureaucracy or its military and security establishments. Although the Viet Cong might well be able to exploit the confusion and instability resulting from Diem's overthrow, it does not yet have the ties with the non-Communist opposition to Diem that would enable it to lead a successful coup.

There is no reliable evidence of Viet Cong penetration of the middle or top echelons of the GVN bureaucracy and defense establishment. There is believed to be penetration of the lower echelons, and it is clear that the GVN security and intelligence services do not now have the capability to prevent such penetration. A GVN police interrogation report in early 1962 revealed that there was a large Viet Cong subversive network in the Saigon post office and that an employee of the post office was possibly using the telegraphic system for clandestine communication with North Vietnam.

The Viet Cong has also progressively improved its terrorist capability in Saigon and other urban centers. There have been increasing reports that the Viet Cong has enlarged its terrorist corps in Saigon and that the principal targets of these attacks are to be Americans. Evidence of this capability is the increasing number of grenade bombings in Saigon. For example, there were three bombing incidents against Americans in May 1962 and three bombing incidents in connection with Independence Day celebrations on October 26, 1962.

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## II. THE VIETNAM GOVERNMENT'S COUNTERINSURGENCY EFFORT

### A. Background: Gradual Response

In contrast to the rapid acceleration of the Communist insurgent and subversive effort, the GVN response until this year was gradual and relatively uncoordinated and generally did not reflect the sense of urgency acknowledged by Vietnamese officials themselves. It was not until the early part of 1961 that a comprehensive counterinsurgency plan was drawn up, with the help of US officials, and several months elapsed before general implementation began. Moreover, the GVN leadership continued to view the situation as one created and supported largely by external forces with little popular appeal and saw their problem as essentially a military one requiring overriding emphasis on purely military measures.

Even these military measures, however, were weakened principally by the GVN leadership's reluctance to abandon static defense concepts and permit more offensive actions, for which it had sufficient forces -- a reluctance that reflected both fear of overt DRV aggression and internal political considerations. In addition, the GVN military and security forces themselves, despite their experience in combatting guerrillas during the Indochina war and thereafter, were inadequately trained, equipped, and organized to wage a sustained and large-scale counterinsurgency effort.

The turning period in the GVN response occurred in late 1961 and early 1962 and resulted largely from substantially increased US aid, repeated US reaffirmations of political support for President Diem, and persistent US recommendations, including those developed by special US missions to South Vietnam. Accordingly the GVN has diversified its response by giving increasing emphasis to political counterinsurgency measures. It has improved the coordination of these measures with purely military operations, given priority to implementing a basic strategic concept for eliminating the insurgents, significantly increased the counterinsurgency tactical capability of its military and security services, and departed appreciably from static defense concepts, thereby greatly aiding the development of increasingly offensive-minded and aggressive military and security forces. By the early part of 1962, the GVN had begun to act upon the recognition that the crisis situation in South Vietnam was an internal and political problem, requiring largely political measures to eliminate Communist appeal, support, and control among the peasants.

### B. Formulation and Implementation of Basic Strategic Concept

As a result of persistent US recommendations, the GVN has developed a basic strategic concept for the implementation of its diverse counterinsurgency measures. The two principal features of this concept are the strategic hamlet program and a closely integrated and coordinated military-political approach directed toward isolating the Viet Cong and regaining control of the countryside on a systematic, area-by-area basis.

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1. Strategic Hamlet Program. The strategic hamlet program embodies principally the recommendations of the British Advisory Mission, headed by R.G.K. Thompson, a key figure in the campaign against Communist insurgency in Malaya. It also reflects US innovations and the experience and concepts developed by the GVN in similar earlier projects. Briefly, the program involves regrouping hamlets into fortified and more readily defendable settlements and undertaking in these settlements political, social, and economic measures designed to weed out Viet Cong agents and sympathizers, reestablish and improve local government administration, improve the general popular image of the GVN, and increase the peasantry's identification with the government's fight against the Viet Cong. The program is initiated in relatively secure areas and is then expanded into less secure areas. The majority of the hamlets provide most of their own resources, although the US is supplying some of the equipment and necessary construction materials and it is expected that this aid will increase substantially.

The strategic hamlet program is now priority national policy. President Diem has created a special interministerial committee to implement and coordinate the program on a countrywide basis. The committee is headed by Diem's brother, Ngo Dinh Nhu, and delegates its responsibilities to regional committees under each of the army division commanders. Increasing efforts have been made to regularize the procedure for implementing the program, educate the responsible local officials and the peasants on procedures and objectives, speed up the distribution of US material assistance, and train the necessary specialized personnel. The GVN has reported that, as of mid-October 1962, more than 3,000 strategic hamlets had been completed and more than another 2,000 were under construction; more than one-half of these are in the southern provinces, including the Mekong River delta area.

The completed strategic hamlets vary widely in the quality of their physical defenses, the effectiveness of the defense, internal security, and administrative systems, and the degree to which necessary political, social, and economic measures have been implemented. Among the most effectively organized hamlets are those in areas where integrated and systematic military-political pacification operations have been undertaken, such as "Operation Sunrise" in Binh Duong province and "Operation Sea Swallow" in Phu Yen province. In these and other hamlets, fortifications and the defense forces are adequate for repulsing guerrilla attacks, radio communication has been provided, hamlet administrative officials have been elected or selected by the inhabitants rather than appointed by the village or district chiefs, and Civic Action teams have been active in improving the health, educational, and general living standards of the people. In many other hamlets, however, fortifications are extremely inadequate or virtually nonexistent, defense forces are greatly under-strength and inadequately armed, there are no radio communications or Civic Action teams, and hamlet officials continue to be appointed. Moreover, despite improving peasant morale in many hamlets, particularly as the benefits of security against Viet Cong intimidation and

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taxation become evident, there are continuing reports that GVN officials have exacted too heavily from local resources and have not compensated the peasants for the material and labor required to build the hamlets, that the peasant's ability to earn a living has declined because of the time he is required to spend on construction, and that the government has been more concerned with controlling the hamlet population than with providing services and improving living conditions.

It is still too early for accurate evaluation of the strategic hamlet program. On balance, the program appears successful and probably has contributed to the reported slight increase in the number of persons and villages that have come under effective government control. The fact that the strategic hamlets have become a major target for Viet Cong armed attacks is in itself an indicator of the importance of the program to the GVN's counterinsurgency effort, if not a measure of its success. Most of the deficiencies of the strategic hamlet program appear to be the result of implementation and, to some extent, are to be expected during the early stages. Many provincial and district chiefs continue to be relatively uninformed or confused as to procedure and objectives or are overzealous in their attempt to impress their superiors and thus have established unrealistic goals. Moreover, some GVN leaders, including President Diem and Ngo Dinh Nhu, tend to place exaggerated importance on the program, viewing it almost as a universal panacea to the Communist insurgency rather than as merely a measure for cutting off the Viet Cong from the peasantry. Accordingly, the strategic hamlet program has not been effectively integrated with the basic military-political pacification effort to eliminate the Viet Cong gradually and systematically, principally because of the much more rapid implementation of the strategic hamlet program. As a result, the necessary basis for the continuing defense of the strategic hamlets does not exist in many of the areas where they have been established.

2. Systematic Military-Political Pacification Operations. After considerable delay and with the advice of the British Advisory Mission and US officials, the GVN has developed the general outlines of an integrated military-political approach for pacifying the country on a systematic, gradual, and province-by-province basis. The approach involves large-scale and continuing military operations to clear and hold a given province. As the province is cleared, strategic hamlets are established with Civic Action teams moving into the hamlets to direct construction and help establish administrative, informational, health, educational, security, and other services. In March 1962, President Diem approved a "Delta Pacification Plan," calling for the pacification of 11 provinces around Saigon and in the Mekong River delta area and embodying most of the recommendations of the British Advisory Mission and other security concepts developed by the US. In August 1962, the GVN divided the country into four priority areas for purposes of pacification.

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Implementation of the integrated pacification approach began in March 1962, and since then four operations have been initiated: "Operation Sunrise" in Binh Duong province (and portions of surrounding provinces), "Operation Sea Swallow" in Phu Yen province, "Operation Let's Go" in Binh Dinh province, and "Operation Royal Phoenix" in Quang Ngai province. Plans for another operation in Vinh Long province, "Operation West Wind," are being drawn up. In addition to continuing military operations, over 160 strategic hamlets, the great majority in Phu Yen province, have already been constructed and more than an additional 1,000 hamlets are planned for completion by mid-1963 or shortly thereafter.

The results of the systematic, integrated military-political pacification approach are encouraging. However, its limited application to relatively few provinces has not yet appreciably altered the balance between the government and the Viet Cong in the countryside. Moreover, there is evidence that the GVN has some doubt as to the feasibility of this approach as the principal basis of its counterinsurgency effort. For example, in addition to the heavy reliance on the strategic hamlet program, there are reports that President Diem feels that his military forces now have sufficient strength and capability to make quick, large-scale military strikes simultaneously in and behind various areas of Viet Cong concentration with the hope of dispersing and ultimately isolating the guerrilla forces into small and easily eliminated pockets.

### C. Military Operations and Effectiveness

The GVN military and security forces have significantly stepped up their offensive operations against the Viet Cong insurgents, particularly since the early part of 1962. In large measure, this has been the direct result of US agreement to support a substantial increase in the size of the GVN military and security establishments. Since the latter part of 1961, the GVN has increased its military forces from about 160,000 to around 200,000 and its security forces, the Civil Guard and Self Defense Corps, from just over 90,000 to almost 155,000. This has enabled the GVN to satisfy its requirements for defending transportation facilities and what it considers key areas, including the 17th parallel, while it attempts to seek out and eliminate the Viet Cong. During the period October 1-25, for example, the GVN military and security forces launched 19 large offensive operations, involving units with equivalent strengths ranging from two battalions to several regiments, in addition to small-unit offensive actions and defensive engagements.

The general effectiveness of GVN military operations has also improved as a result of President Diem's apparent increasing awareness that he must rely on his military establishment to formulate and execute military strategy and plans. In close cooperation with US military advisers, GVN army division commanders and their subordinates are participating increasingly in formulating and executing offensive missions against the Viet Cong.

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However, it appears that Diem's willingness to delegate this responsibility is due partly to his appointment of division commanders whom he believes to be loyal to him and his family. This reliance essentially on colonels to direct the fighting reinforces continuing reports that Diem and Ngo Dinh Nhu still mistrust most of the generals and even have doubts as to their military competence. In any event, Diem and Nhu continue to play dominant roles in the development of general military strategy and must approve plans for major operations and frequently will initiate or modify them.

As a result of the substantial increase in US military assistance and accelerated training programs by US military personnel in South Vietnam, who now number almost 11,000, the GVN military and security forces have rapidly developed considerable counter guerrilla capability. These forces are substantially better armed with weapons and equipment suitable to counter guerrilla warfare. They are now ambushing and patrolling more than ever before, are engaging the Viet Cong increasingly in small unit actions, and are following through their attacks in order to keep the Viet Cong from disengaging. Probably of greater importance, however, is the considerably improved tactical mobility of the GVN forces. These forces are now able to strike more quickly and in greater strength than ever before during defensive, relief, or offensive operations. The single most important reason for this accelerated tactical mobility is the increasing utilization of air power, principally US helicopter support. Although better intelligence and communications, particularly the installation of radios in most villages, and improvements in the tactical organization of the GVN military establishment, have also contributed significantly.

The improvement in GVN tactical intelligence is due partly to administrative and organizational reforms but principally to the success of US officials in impressing the South Vietnamese with the necessity for more effective interrogation of Viet Cong prisoners and to the apparent increase in the willingness of the peasants, at least in areas where security has improved, to inform on the Viet Cong. On balance, however, GVN intelligence continues to be seriously weakened by the shortage of trained personnel, ineffective prisoner interrogation techniques, overlapping responsibilities among several agencies and interagency rivalries, and the continuing reluctance of the peasantry to inform on the Viet Cong for fear of reprisal, particularly in insecure areas or where the GVN presence is regarded as temporary.

Despite this improvement in counter guerrilla tactics, GVN military forces continue to rely more on large operations or clearing sweeps than on small-unit actions, employ Civil Guard and Self Defense Corps units excessively in independent offensive missions, and, during large operations, deploy combat units, particularly artillery and airforce, according to conventional tactical methods. As a result, the Civil Guard and Self Defense Corps are incurring heavy casualties and Viet Cong guerrillas

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generally have advance knowledge of major GVN operations, especially when artillery or air power is used to "soften up" the enemy, and are able to disperse or avoid engagement.

The increased US support and presence, the greater role played by GVN military officials in formulating and directing military operations, and more successes against the Viet Cong than ever before have apparently improved morale among members of the middle and upper echelons of the GVN military establishment. The state of morale at the lower level, however, is more difficult to determine. Desertions, particularly among recruits and recalled reservists, appear to be running very high for a wide variety of reasons, and some GVN officials continue to claim serious difficulty in meeting conscription quotas. During the first seven months of 1962, for example, a total of 17,287 personnel were dropped from the rosters of the Army, Navy, Airforce, Civil Guard, and Self Defense Corps as deserters or as personnel absent without official leave. On the other hand, some GVN officials have recently claimed that voluntary candidates have for the first time oversubscribed the quota at the army officer's training school at Thu Duc.

### III. THE POLITICAL SITUATION

#### A. Background: Rapid Deterioration

During 1960 and 1961, the internal political situation in South Vietnam deteriorated rapidly, breaking the relative stability and general surface calm that had prevailed since President Diem consolidated his authority in 1955-56. Criticism of Diem increased substantially throughout all sectors of Vietnamese society but was more urgently articulated within the government and bureaucracy, including the armed forces. A wide range of civilian and military officials, including Vice President Nguyen Ngoc Tho and other members of the cabinet, privately questioned Diem's handling of the internal security problem and his ability to rally and lead the people against the Viet Cong during what they regarded as the most critical period since the end of the Indochina war. Their concern with the Communist threat, however, was almost inseparably entwined with an accumulation of grievances principally over Diem's failure to delegate responsibility, the excessive power exercised by Diem's family, and the use of secret security services and semicovert political organizations to scrutinize the attitudes of the bureaucracy.

Open deprecation of Diem also increased sharply among intellectuals, professionals, and disgruntled ex-politicians in urban areas, particularly in Saigon, the focal point of non-Communist political opposition to Diem since 1956, and to a lesser extent among labor and business elements. They repeatedly and, on occasion, vociferously demanded that Diem liberalize and reform his government, lift restrictions on civil liberties, eliminate corruption in government, and permit an opposition to operate. These demands

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were supported, as in the past, by a disparate group of anti-Diem Vietnamese expatriates in Paris who have long advocated Diem's removal.

Unrest also increased among the peasantry principally because of the government's inability to assure adequate protection from the Viet Cong but partly because of the cumulative reaction to the excessively arbitrary and severe behavior of local security and administrative officials. Possibly underlying this unrest also was the character of the GVN's economic development activities which, however limited, were oriented more toward developing an urban industrial base than toward improving the economic lot of the peasant.

Vietnamese confidence in the Diem government was obviously seriously shaken and morale within the bureaucracy, particularly the military establishment, declined greatly. In November 1960 a small group of middle level paratroop officers staged a near-successful coup in Saigon. Although the abortive coup obviously made Diem take serious stock of the prospects for political survival, it also strengthened his confidence in the correctness of his political views and increased his suspicion of many of his subordinates and the oppositionists outside the government.

During this period also, Diem's view of US policies toward South Vietnam underwent considerable change. For the first time since he consolidated his position, Diem appeared to question seriously US political support of his leadership and US commitments to defend South Vietnam from Communist encroachment. His apparent concern, although partly reflecting his disagreement with US actions in Laos, was due largely to earlier persistent US representations on internal issues which he regarded as pressing him unduly to reform and liberalize his regime. This concern was further aggravated by his belief, partly instilled by members of his family, that the US was in some way involved in the abortive coup.

During the immediate post-coup period, Diem took a number of measures to strengthen his controls over the bureaucracy. He and Ngo Dinh Nhu made it publicly and privately clear that future coup attempts or even public criticism of the government would be dealt with severely. The Can Lao, the government's semicovert political control organization, and the secret police were ordered to maintain close surveillance over critics within the bureaucracy and the military establishment and over the oppositionists outside the government, and officials were apparently instructed that passing information to or even having social relations with Americans would lead to serious consequences. As a result, there was a sharp decline in the heretofore large number of reports on coup plotting and criticism of Diem and his family. In the meantime, Diem reportedly organized a counter-coup group from among the most loyal members of the Can Lao, the bureaucracy, and the military and security services. Ostensibly to impress the US with his willingness to reform the government, he later reorganized his cabinet, taking the opportunity to remove cabinet officials he believed to be critical of his leadership.

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During the last half of 1961, the political situation became somewhat less disturbed, despite the continuing rapid deterioration of security conditions. The predominant factor in this development was external: strong US public manifestations of support for Diem, including the visits of Vice President Johnson and General Maxwell Taylor, and the substantial increase in US assistance to South Vietnam. Other contributing factors were the slightly greater participation that Diem now appeared to permit his military advisers in the conduct of the fighting, the favorable psychological effect on the middle and lower military echelons of a few large offensive operations, and Diem's initiation of some modest political reforms. However, there was no conclusive reversal of deteriorating trends as was made clearly evident when Diem's palace was bombed by two GVN airforce pilots in February 1962.

B. The Current Situation

The political situation in South Vietnam is now probably more complex and more difficult to analyze than at any time since 1954. On the one hand, the sense that political reform is urgently needed appears to have subsided significantly, at least on the surface, and indeed a relative calm seems again to have descended over the bureaucracy. There has been a significant decline in reports of serious discontent, and of criticism by GVN officials of Diem's leadership and his family. Reports of the concern of officials with inefficiency, corruption, and morale in the government have likewise declined significantly since the early part of 1962, as have reports on coup plotting. Some US officials believe that morale within the bureaucracy and the military services has improved appreciably, largely because of the improved capabilities of the armed forces and several large successful operations against the Viet Cong; that some heretofore strong oppositionists are now seeking to identify themselves with the government and contribute positively to the war effort; and that peasant loyalty is shifting toward the government, particularly in areas where the government is making its presence increasingly felt. Finally, Diem and his principal lieutenants have very recently shown considerable confidence and optimism that the tide has been turned against the Viet Cong and have even stated that a general offensive is about to be launched.

On the other hand, the indicators of serious internal political instability remain, however diminished in apparent intensity, and are as varied as the indicators of political stability. There are reports from officials from various levels of the administration, including Vice President Tho and Generals Duong Van Minh and Le Van Kim, that Diem continues to run the war himself or through his inner circle of confidants, that corruption within the government continues unabated (as evident in the recent national lottery scandal), that there is no political consolidation of military successes against the Viet Cong in the countryside, that indiscriminate bombing in the countryside is forcing innocent or wavering peasants toward the Viet Cong, and that coup plotting persists and only the fear of Communist

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exploitation and the belief that the US would not tolerate a coup keep it from materializing. As recently as late October 1962, Gen. Ton That Dinh, commander of Army Corps II and generally considered one of the most loyal although opportunistic of Diem's generals, stated that he was highly dissatisfied with the regime, that Diem and Nhu tolerate corruption in high places, and that he was planning to precipitate a coup in early February 1963.

1. Political Attitudes of Diem and His Family. Diem and his family remain firmly convinced of the wisdom of their political outlook and of their method of governing their country. They are basically impatient with democratic processes. They consider democracy a useful goal but its methods they regard as wasteful and as dangerous to political stability and public safety in a country such as South Vietnam. They contend therefore that the Vietnamese people, with their national survival at stake, must submit to a collective discipline until they develop a greater national consciousness and a better sense of civic responsibility. While willing to rule within the framework of constitutional and representative government, they are firm in their convictions that government is effective and dynamic only when its power is closely held and exercised by a small, highly dedicated, and uncompromising element at the very top through a machinery founded more on personal relationships and loyalty than on formal or institutional chains of command. Where representative government and civil liberties come in conflict with the highly centralized authority, the latter generally prevails. Finally, Diem and his family continue to believe strongly, almost fanatically, that their leadership is crucial if not indispensable to the survival of their country in the present crisis.

Some slight modifications have slowly appeared in these attitudes during the past year, partly because Diem and his family are increasingly aware that the Communist threat to South Vietnam is largely internal, and partly because of the magnitude and complexity of the US assistance program and its increasing orientation toward the needs of the countryside. More than ever before, they have been made aware that government must not only be served but must also serve, that the peasant and his active participation rather than his passive obedience may well be crucial for final victory over the Viet Cong, and that a little more sharing of power at the top would probably improve administrative efficiency rather than lead to their ouster.

At the same time, however, Diem and especially Nhu have gone to great lengths to convince US officials that this has always been their basic approach to government and to elaborate on what it means for the peasant. Nhu has repeatedly stated that the strategic hamlet program, for example, will create a social, economic, and political revolution in the countryside, which will uproot vested economic interests, implant democracy and efficient and benevolent administration at the local level, and raise the peasant to a new social status. There is no evidence,

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however, either in recent developments or in the records of past performance, particularly Nhu's, that such are their real objectives and expectations.

Probably the most significant change is in Diem's attitude toward the US. He has apparently become substantially persuaded that US defense commitments to South Vietnam are firm, despite his continued disagreement with the US on the Laotian problem. His earlier suspicions that the US was looking for a successor in South Vietnam and that the US was implicated in the abortive 1960 coup have been considerably relieved. On the other hand, Diem has remained firm against any US pressure on matters that he interprets as vital to his own and his government's best interests and is convinced that in the final analysis he can have absolute confidence only in himself and in his family.

2. Diem and the Bureaucracy. Diem probably has somewhat strengthened his control of the administration. For example, he has reorganized a number of his agencies, has removed a number of critical and potentially disloyal officials and by various means neutralized the influence of some others, such as Vice President Tho and Gen. Duong Van Minh, and has improved his means of surveillance of the bureaucracy through such techniques as the creation in the military establishment of a system of "political commissars" known as the Political Welfare Division. He has attempted to reinforce further his control of the military establishment by the appointment of personally loyal colonels as division commanders, some of whom have demonstrated from time to time that they regard their responsibility as principally to Diem rather than to their corps commanders.

On balance, however, it appears that the general efficiency of the administration has improved slightly, partly because of the appointment of more competent officials to several key positions, partly because of some increase in the authority delegated by Diem, and partly because of the enlarged US presence in South Vietnam. For example, Secretary of State for the Presidency Nguyen Dinh Thuan appears to be exercising greater authority than before, as is Secretary of State for Interior Bui Van Luong who, like the head of the new Central Intelligence Organization, Col. Nguyen Van Y, and Secretary of State for Public Health Tran Dinh Da, is among the newly-appointed and more competent members of Diem's entourage in Saigon. At Diem's initiative, the National Assembly recently passed an amendment to the constitution enabling it to call upon members of Diem's cabinet to give testimony on pending legislation.

Diem also has become increasingly aware of the need to revive and accelerate training programs for his civil service and has been somewhat more selective in his appointment of middle echelon officials and province chiefs. As a result of the increased number of US advisers, particularly at this level of the government, some of these officials have also shown a

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somewhat greater willingness to act on their own initiative and to attempt to improve their general effectiveness in such matters as military planning and operations, information and propaganda, intelligence, and Civic Action. Finally, there has been greater consultation and coordination of activities between GVN and US officials in Saigon which in turn has tended to reduce delays in the formulation and implementation of policies.

Nevertheless, participation by the central elements of the administration in Saigon in the formulation and direction of policies, as well as initiative and constructive criticism upward from its middle and lower echelons, continue to be restricted seriously. Diem and his family continue to operate the government largely on the basis of personal relationships rather than through the regular or formal channels of command. They have remained steadfast against any US pressure to broaden government participation at the top, and have been keenly alert and highly sensitive to the possibility that the role of US advisers in the field or at the middle and lower echelons of the administration may weaken their authority outside Saigon.

3. Diem's Position in the Countryside. Diem has never had widespread popular appeal and support, even during his period of greatest achievement, 1955-58. An austere and disciplined introvert, he is incapable of demagoguery and has never made a great effort -- to the extent that Prince Sihanouk of Cambodia and Ho Chi Minh of North Vietnam, for example, have done so -- to inspire among the South Vietnamese people a national consciousness centered and moulded around him personally. While he has enacted measures that have helped the peasants, he has not attempted to identify himself intimately with the peasants. Relatively few peasants have ever seen Diem or heard him speak, and there are probably many others who are not aware that he is head of the government. For the great majority of peasants, the district chief is probably the highest government official with whom there has been any notable degree of contact.

Diem undoubtedly has become increasingly aware of the serious need to improve the public image of himself, his family, and his government. He now travels extensively in the countryside, and his manner of talking with the peasant has become more relaxed and sympathetic than before; during the last half of 1961, for example, Diem made 18 known trips outside Saigon and visited 19 provinces, 9 in the central and northern parts of the country and 10 in the south. Both Diem and Nhu have from time to time attended the inauguration of relatively small rural projects. With US assistance, the GVN is expanding its information and Civic Action programs at the village level and has become more conscious of the need to conduct these activities along lines understood and appreciated by the peasant. Finally, there are reports that a number of the villages and hamlets which have been given arms have resisted the Viet Cong, instead of surrendering their weapons as some GVN officials had expected they would do.

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There seems to be some feeling among GVN and US officials operating at the local level that the popular appeal of and support for Diem and his government in the countryside is improving, particularly in areas where security has improved and the government's power is increasing. However, they warn against any undue optimism, particularly since they believe social and economic advances are still not keeping pace with military successes, and that the positive identification of the peasantry with the government is still a long way off. While over a 100,000 Montagnard or mountain tribespeople have fled Viet Cong-controlled areas and are being temporarily housed and fed by the GVN, their flight apparently was due principally to Viet Cong excesses and the general intensification of the fighting in the highlands rather than to any positive measures taken by the GVN to appeal to the tribespeople. The extensive use of artillery and aerial bombardment and other apparently excessive and indiscriminate measures by GVN military and security forces in attempting to eliminate the Viet Cong have undoubtedly killed many innocent peasants and made many others more willing than before to cooperate with the Viet Cong, particularly in areas where the government has conducted extensive military operations, but has failed to follow up by providing the means for permanent security.

4. Diem's Position in Urban Centers. Diem's legitimacy as South Vietnam's national leader may be, at best, a vague and impersonal concept in the countryside. It is seriously questioned, however, among many elements of the urban society, principally among professionals, intellectuals, and former politicians in Saigon. As in the recent past, this questioning largely continues to take the form of dissent and private criticism rather than openly organized opposition. Within this educated and politically sensitive sector of the Vietnamese society, there is a wide variety of political sentiments, including varying degrees of Vietnamese nationalism, neutralism, communism, pro-US and anti-US, and pro-French and anti-French. The common themes among these critics and active opponents of Diem continue to be related to his system and manner of rule.

Reports of open criticism and opposition to Diem among the Saigon civilian elite, already on the decline by early 1961, have decreased further during this year. Little has been heard, for example, of Dr. Phan Quang Dan's Republican Party of Vietnam (Dan himself has been in prison since the 1960 coup attempt), of GVN-created or GVN-controlled "opposition" groups, or of the once vociferous critics of Diem, such as the 18 intellectuals and ex-politicians who signed a public protest petition to Diem in 1960. The probable causes for this decline in reports are varied: GVN repression and increased fear of repression; the increased realization that there is little the oppositionists can do legally to change conditions, particularly in view of reaffirmed US support for Diem; and increased concern over the possibility of Communist exploitation of any coup attempt.

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This relative surface silence might be regarded as an indicator of improvement in Diem's position with the urban public if it were not for the increasing number of reports of clandestine activities by his non-Communist critics and opponents. Factional leaders of such old and once important political groups as the Dai Viets and the Nationalist Party of Vietnam (VNQDD) reportedly are seeking ways to get their members secretly installed in the government. (There is evidence of some collusion between elements of one of these groups and the two pilots who bombed Diem's palace in February 1962.) Other opposition elements, including factions of the Cao Dai religious sect and the Hoa Hao Social Democratic Party, are reportedly preparing plans for a future coup, either in cooperation with other non-Communist groups or with the Viet Cong. It also appears that expatriate groups in France, such as the Democratic Party of Vietnam, are attempting to expand their covert activities in Saigon.

While it appears that Diem has not improved his standing among urban groups, there is no evidence that the anti-Diem intellectual-clite elements in Saigon have been able to overcome their chronic disunity and sectarianism or to increase their very small followings. On the other hand, Diem's persisting disdain of most of these oppositionists and his refusal to bring into the government even some of their least reprehensible members have contributed to a growing neutralist sentiment among them and, by forcing many of them under cover, have made it extremely difficult to estimate their real strength and disruptive potential. In addition to the growing appeal of neutralism among them, their pro-US orientation may also be rapidly declining.

#### IV. ECONOMIC TRENDS

There has been little inflationary pressure in South Vietnam as yet. Prices have been stable and the money supply has been nearly constant for over a year. For example, in August 1962, total money supply, made up of demand deposits in the banks and currency in circulation, was only fractionally above what it had been in March 1961. Further, prices have been generally stable and the cost of living in the cities has risen only very slowly.

The stability in money supply and prices that has been such a marked feature of the Vietnamese economy has been the direct result of very conservative GVN policies with respect to prices, wages, and fiscal management. So long as the immediate problem in South Vietnam was reconstruction, i.e., the restoration of production to pre-World War II levels, it was possible to obtain substantial increases in output at relatively small cost, and conservative price-wage and fiscal policies were not only useful but also to some extent necessary. Although GVN policies have been more conservative in nature than was really required (for example, budget surpluses from 1954 to 1959 amounted to a total of 2.7 billion piasters), they have kept the specter of inflation from adding yet another element of instability to the scene.

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Since the reconstruction phase ended in about 1959, GVN economic policy has preserved the status quo in the countryside, including the traditional disparity between rural and urban living standards, and has not stimulated economic development. There are some indications, in fact, that there has recently been net disinvestment in agriculture. Given the security situation in the countryside and the current depressed state of trade there, revised policies directed toward increasing rural income and production would be an essential element in persuading the peasants to cast their lot with the government and not with the Viet Cong.

Two encouraging developments have occurred in the economic field in South Vietnam in the last several months. First, the Second Five-Year Plan was endorsed by the National Assembly in June and approved by President Diem. The Plan calls for the investment of 45 billion piasters over the period 1962-1966 and emphasizes the development of agriculture, public works, and industry. On June 30 the National Assembly appropriated an initial 1.2 billion piasters to finance the piaster costs of several projects, none of them in the agricultural sector.

Second, President Diem, in his state of the nation message to the National Assembly on October 1, emphasized that agriculture is the economic base of South Vietnam and must have priority in development. He also said that private investment must be encouraged and provided the rationale for deficit financing by pointing out that a developing nation normally experiences a budgetary deficit. Diem referred to the necessity of raising the living standards of the rural population and said that the present guaranteed minimum wage would be re-examined because of the rise in the cost of living. Although measures to implement new economic policies may not be presented to the National Assembly until its next regular session in April 1963, Diem's statements indicate a new awareness that the trend of declining income among the lowest income groups must be reversed. This awareness is encouraging but, unless the additional income generated by deficit financing is largely directed to the countryside and to the lower income urban groups, the price rises resulting from deficit financing will merely widen the income gap which already exists and further alienate the peasants from the GVN. Moreover, the additional income must be directed to the rural areas in such a way as to encourage agricultural production. Stable and attractive prices for farm products are the best and perhaps only means to accomplish this.

Viet Cong activities in South Vietnam can be expected to have a depressing effect on agricultural production, although the major determinants will continue to be price, the weather, and agricultural techniques, including the use of fertilizer, and improved seed. These latter factors however, are less important with respect to rubber production, which provides South Vietnam's largest single export. For the eight months through August 1962, rubber production on major plantations declined by some 2,500 metric tons as compared to 1961. A fungus disease affecting

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the rubber trees was partially responsible for the decline, but an important additional cause was clandestine tapping by the Viet Cong and general insecurity which interfered with legitimate tapping on the estates and extension of the planted area. Also, the government's urgent financial needs arising from the emergency have prevented it since 1960 from making anything more than token payments in support of its rubber replanting program. Given the vulnerability of the estates, there is little prospect for an improvement in the rubber situation until security improves generally.

It can also be expected that Viet Cong harassment will continue to interfere with the transport system, especially the railroads. The resumption of night passenger operations between Saigon and Hue on September 15 was apparently not based on any improvement in security but on the hope that the Viet Cong would not sabotage trains carrying passengers. The resumption may have also been due to the fact that additional revenues are urgently needed in view of the 10 million piaster monthly deficit on railway operations.

If President Diem's statements on October 1 are followed by the necessary measures to stimulate development of the agricultural sector in South Vietnam, which accounts for the employment of 80% of the population, important steps will have been taken not only to provide the peasantry with the motivation to side with the government but also to direct economic development along the lines most promising for the economic future of South Vietnam. This will be particularly the case if the GVN's economic development program also emphasizes industries utilizing domestically produced raw materials, particularly agricultural ones, as well as those that provide import substitutes but are based solely on imported raw materials.

In short, the GVN is showing a new awareness of the necessity of directing its attention to programs which will directly benefit the rural population. It has not as yet put into effect any concrete measures to carry out its program. Its actions in the next six months to a year will indicate how deep its new-found conviction is.

## V. OUTLOOK

### A. Communist Actions

There seems little prospect that the Viet Cong will be able to achieve a take-over of South Vietnam by armed force during the next year. The Communists are obviously prepared for a long struggle. Even though the strengthened GVN response and increased US assistance have apparently necessitated some modification of plans, it is not likely that the Communists will diminish their diversified campaign of guerrilla warfare, terrorism, and subversion. They can be expected to make every effort to maintain, consolidate, and expand their control of the countryside; increase their overall armed strength, the number of organized fighting units; and the percentage of hard-core personnel in these units; improve their weapons capability particularly against helicopters; and increase



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their attacks against strategic hamlets. Acts of terrorism, particularly against Americans, and sabotage, particularly of trains and important installations, may well increase to unprecedented proportions in an effort to tie down more GVN military and security forces and thus relieve the pressure against the Viet Cong.

Hanoi can also be expected to continue to infiltrate personnel and material into South Vietnam and has the capability to step up infiltration, as the situation warrants, with relatively little danger of detection and no great difficulty. The IRV's capability is further enhanced by the nature of the border terrain and the limited border-control capabilities of the South Vietnamese, Lao, and Cambodian governments. However, because of tactical and strategic military and political considerations, Hanoi will probably continue to infiltrate elements primarily from the pool of regrouped South Vietnamese rather than from the Vietnamese Communist forces in Laos most of whom are believed to be North Vietnamese or Tonkinese.

It is entirely possible that the Viet Cong will step up its armed operations during the next month or so with the advent of the dry season, in the belief that further military escalation is necessary in order to counter the growing response and effectiveness of the GVN forces and US support. There are a number of indicators that support this expectation: numerous earlier intelligence reports of Viet Cong regroupment and consolidation of forces; a slight increase in the number of armed incidents during roughly the last week of October; and two Viet Cong battalion-size attacks in the Mekong River delta area in late October and early November 1962, the first since July 1962. Further military escalation during the next several months might involve the formation of regimental-size units, including the transformation of some guerrilla units into conventional units with heavier weapons; selected and simultaneous large attacks against one or more targets, including military installations and towns; establishment of "liberated areas" in South Vietnam; the creation of reserve bases in Communist-held areas in southern Laos; and increased infiltration, particularly if Communist forces in southern Laos can provide adequate protection along infiltration routes. (It does not appear likely that inspection by the International Control Commission in Laos will seriously impede Communist infiltration.) However, Hanoi will probably not resort to overt military invasion.

The Viet Cong and Hanoi probably will step up significantly their political and propaganda activities. Inside South Vietnam, the Viet Cong will make increased efforts to penetrate the strategic hamlets and army and security units, recoup its psychological losses with the Montagnards, and in general subvert the GVN's effort to win the support of the peasants.

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In urban areas, the Viet Cong will rely on terrorism to demoralize the citizenry and on increased propaganda and subversion to inspire anti-Diem demonstrations and coup plots, encourage neutralist sentiment, and, in general, gain support for its "united front" tactics among non-Communist oppositionists and youth and labor groups.

Outside South Vietnam, Hanoi will probably increase its diplomatic and propaganda efforts to gain support particularly among neutral nations for the "National Front for the Liberation of South Vietnam" (NFLSV). It may have some success in establishing "unofficial" relations between the NFLSV and Laotian and Cambodian leaders, in gaining support for the NFLSV among Vietnamese minorities in Laos, Cambodia, and Thailand, and in persuading prominent Vietnamese expatriates in France to support a change of government in South Vietnam. In addition to advocating the reunification of Vietnam, Hanoi and the NFLSV can be expected to continue propaganda support for the neutralization of South Vietnam. However, the extent to which neutralization is emphasized will depend on the course of the war in South Vietnam and the degree to which the concept is found to appeal to the elements in and outside South Vietnam, as well as on developments in the Bloc itself.

The pattern of events relating to the creation and development of the NFLSV, as well as the pattern of Communist political tactics and strategy in similar situations in other countries in the past, indicates that Hanoi and the Viet Cong are preparing the groundwork for transformation of the NFLSV into a shadow or "liberation government" in South Vietnam. However, it is extremely difficult to predict when, whether, or under what conditions this will occur. Hanoi might find it politically advantageous to create a shadow government under any one of the following circumstances: during a period of internal political crisis in South Vietnam following a successful or near-successful coup attempt; during a period when there has been a series of major and dramatic Viet Cong military successes; during a period of serious military or diplomatic reverses for the US in the Far East; or at a time when several neutralist countries had given assurances of diplomatic recognition of a new "government" in South Vietnam. Under any circumstances, however, the decision would be considerably influenced by Moscow and Peking and their estimate of the general international situation.

#### B. GVN Counterinsurgency Effort

The elimination and even the significant reduction of the Communist insurgency in South Vietnam will almost certainly require several years. However, in addition to continuing US assistance, a considerably greater effort by the GVN is crucial. An effective strategic military-political concept for implementing the GVN counterinsurgency plan has been developed and is now being acted upon, and the armed and security forces have been enlarged and improved. GVN success will in large measure depend on the manner and speed with which it continues to implement this concept.

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Ultimately, however, the effectiveness of its implementation will depend on the willingness of Diem and his family to utilize fully the basic resources available to the GVN. The GVN military leaders are among the best in Southeast Asia and the rank and file have the spirit and willingness to fight; the civilian bureaucratic leadership is strongly anti-Communist, even though its effectiveness continues to be impeded by inadequate delegation of authority; there are as yet no serious trends toward neutralism or toward a political accommodation with Hanoi; and finally, the Vietnamese peasants, however politically apathetic and discontented with the government, are by no means ready to surrender themselves to the Viet Cong, given greater effort by the government to protect them from Communist intimidation and improve their economic and political status.

During the next year, the GVN probably will not be able to halt completely the deteriorating security trends, let alone reverse the tide against the Viet Cong, unless Saigon significantly accelerates and improves its response to the insurgency. Among other things, the government leadership must give much greater emphasis to political, social, and economic measures in support of its military operations, make a substantially greater effort to integrate the strategic hamlet program into a continuing systematic pacification effort, and appreciably improve its counter-guerrilla tactics and capabilities, including increased reliance on small-unit actions and restriction of the tactical use of airpower and artillery. Failure to do this will seriously weaken the strategic hamlet program, particularly since the Viet Cong can be expected to step up its efforts against the program during the next year. Such failure will also greatly restrict the ability of the GVN to weaken Viet Cong capabilities, to consolidate its own military successes into permanent political gains, and to evoke, particularly among the peasants, the needed greater sense of stake in the government's fortunes. Indeed, the continuation of such tactical measures as extensive use of airpower and crop destruction, however carefully controlled, may well contribute to the development of militant opposition among the peasants and positive identification with the Viet Cong.

Progress against the insurgents will probably remain difficult to evaluate accurately. There are many indicators on the basis of which progress can be judged; the more meaningful would appear to be the peasants' willingness to inform on the Viet Cong and to defend themselves against Viet Cong attacks, and Viet Cong weapons losses, shortages of food and medicine, and defections. In this respect, a national program by the GVN to encourage Viet Cong defections, with the promise of fair treatment of the defectors is long overdue and could be extremely effective in improving GVN intelligence and weakening Viet Cong morale. GVN statistics on casualties, while helpful as an indicator of the magnitude of the fighting, should continue to be treated with extreme caution partly because they undoubtedly include many casualties among innocent peasants or wavering supporters of the Viet Cong.

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### C. The US Role

The course of US-GVN relations will be an important element in the struggle against the Viet Cong and in sustaining South Vietnamese morale. The fact that the US is South Vietnam's only source of significant support and assistance is the controlling factor in GVN relations and attitudes toward the US. Despite considerable improvement in relations between the US and the GVN during the past year or so, disagreements and frustrations can be expected to continue over a number of issues, including the implementation of the counterinsurgency plan and GVN relations with Laos and Cambodia.

Diem will almost certainly continue to press for increased aid and remain adamant against any US pressures upon him to delegate appreciably more authority to his cabinet and military advisers or to expand the political base of his government to any significant extent. Moreover, while he has welcomed the increased US presence in South Vietnam and generally approved of the activities of US advisers in the countryside, Diem and his family will continue to maintain a close watch over these activities in the interests of protecting their authority at the local level. Diem and particularly Nhu may also remain extremely reluctant to accept possible US proposals directed toward further integration of the strategic hamlet and systematic pacification programs or directed toward substantially altering the present balance between emphasis on purely military measures to defeat the Viet Cong and emphasis on political, social, and economic measures.

Diem probably still has some lingering suspicion of the extent of US confidence in and support of his leadership. In the event of another coup attempt, Diem would expect quick and strong manifestations of US support and would regard the absence of such manifestations as demonstrating lack of US confidence.

There is considerable evidence that the substantial increase in the US presence in South Vietnam has improved morale at all levels of the GVN administration. Relations between individual US advisers and their GVN counterparts especially at the local level have generally been good and, despite Viet Cong propaganda efforts, have not resulted in any noticeable degree of association of the US presence with the former French presence. Among the probable major considerations are the fact that US personnel, unlike the French in the past, are acting as advisers rather than as directors and implementers of GVN policy, and the apparent willingness of US military personnel to live and operate closely with their GVN counterparts, assisting more by example rather than by persuasion. There is, therefore, cause for optimism over the effectiveness of the US presence in South Vietnam, even though it will come under increasing strain as the counterinsurgency effort develops and as Communist propaganda is increasingly focussed on it.

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D. Political Situation

The stability of the government during the next year will continue to depend principally on Diem's handling of the internal security situation. If Diem can demonstrate a continuing improvement in security conditions, he should be able to alleviate concern and boost morale within his bureaucracy and military establishment. However, if the fight against the Viet Cong goes badly, if the Viet Cong launches a series of successful and dramatic military operations, or if South Vietnamese army casualties increase appreciably over a protracted period, the chances of a coup attempt against Diem could increase substantially. Moreover, the possibility of a coup attempt at any time cannot be excluded. Many officials and oppositionists feel that, despite the government's military victories and improved military capabilities and initiative, the GVN is not winning the war principally because of Diem's virtual one-man rule and his failure to follow through with the political and economic measures necessary to gain the support of the peasants.

It is more difficult now than at any time since the crisis in South Vietnam began in late 1959 to estimate reliably the elements that would be most likely to precipitate a coup attempt, the prospects for the success of a coup attempt, or the effects of such an attempt on internal stability and on the counterinsurgency effort itself. During the past year or so, the Viet Cong presumably has improved its ability to initiate a coup and might attempt to do so. However, the Viet Cong probably would not be able to carry out a successful coup, and the odds that it could gain control of a successful coup, although somewhat better than last year, appear to be less than even.

The coup most likely to succeed would be one with non-Communist leadership and support, principally involving South Vietnamese military elements and civilian officials and perhaps some oppositionists outside the government. The abortive coup attempt in November 1960 and the palace bombing in February 1962 have undoubtedly demonstrated to coup plotters the necessity for better preparation and broader participation by the military. Any future non-Communist coup group probably would not be as deficient in this respect and its leaders, unlike the leaders of 1960 coup attempt, can be expected to be better prepared to execute their plan quickly. Although the possibility of a Keng Is-type coup, i.e., a coup led by a junior and relatively unknown officer, cannot be completely discounted, it is more likely that the coup leadership would include some middle and top echelon military officials. While their role is by no means certain, a major polarization of the GVN military leadership into coup and anti-coup groups does not appear likely. Most of them would probably elect to remain uncommitted at the outset of the coup, as they apparently did in November 1960, and would then give their tacit or active support to whatever side appeared to have the best chance of winning. Under these circumstances, a military coup appears to have a better than even chance of succeeding.

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Dien's removal -- whether by a military coup, assassination, or death from accidental or natural causes -- would probably considerably strengthen the power of the military. The odds appear about even between a government led by a military junta or by Vice President Tho, with the army, in the latter case, playing a major if not the predominant role behind the scenes. On the one hand, the military might conclude that a military-led government would be better able to maintain national unity and internal political cohesion and, more importantly, to conduct a determined and effective campaign against the Viet Cong. On the other hand, they might conclude that Tho, who apparently has been on good terms with some of the present top military leaders, would not disagree with their views on the manner of conducting the fight against the Communists and that his constitutional succession would legalize the change in government and possibly avert a serious power struggle, (Although Dien's brothers, Nhu and Can, would probably also be removed by a coup, if Dien left the scene for other reasons his brothers might attempt to retain real political power.) In any event, a government led by the military, by Tho, or by any other civilian approved by the military would probably maintain South Vietnam's pro-US orientation.

If there is a serious disruption of government leadership as a result of a military coup or as a result of Dien's death, any momentum the government's counterinsurgency efforts had achieved would probably be halted and possibly reversed, at least for a time. Moreover, the confusion and suspicion attending the disruption would provide the Viet Cong guerrillas an opportunity to strengthen their position in the countryside and attack some installations in large force, but they would probably fail if they attempted to seize control of the government.

Under most of the foreseeable circumstances involving a coup, the role of the US would be extremely important. Although this is by no means certain, US military and intelligence officials might well have advance notice of an impending coup and might be able to restrain the coup plotters from precipitous action. Even if unable to restrain such action, however, US officials might have greater success in averting widespread fighting and a serious power struggle which would lead to excessive bloodshed and weaken the front against the Viet Cong. The US could also be helpful in achieving agreement among the coup leaders as to who should head the government and in restoring the momentum of the government's counterinsurgency effort.

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NIE 53-63  
17 April 1963

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OFF SECY OF DEFENSE

NATIONAL INTELLIGENCE ESTIMATE

NUMBER 53-63

(Supersedes NIE 14.3/53-61)

Prospects in South Vietnam

*Submitted by the*  
DIRECTOR OF CENTRAL INTELLIGENCE

*Concurred in by the*  
UNITED STATES INTELLIGENCE BOARD

*As indicated overleaf*  
17 APRIL 1963

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## PROSPECTS IN SOUTH VIETNAM

### THE PROBLEM

To assess the situation and prospects in South Vietnam, with special emphasis upon the military and political factors most likely to affect the counterinsurgency effort.

### CONCLUSIONS

A. We believe that Communist progress has been blunted and that the situation is improving. Strengthened South Vietnamese capabilities and effectiveness, and particularly US involvement, are causing the Viet Cong increased difficulty, although there are as yet no persuasive indications that the Communists have been grievously hurt. (Paras. 27-28)

B. We believe the Communists will continue to wage a war of attrition, hoping for some break in the situation which will lead to victory. They evidently hope that a combination of military pressure and political deterioration will in time create favorable circumstances either for delivering a *coup de grâce* or for a political settlement which will enable them to continue the struggle on more favorable terms. We believe it unlikely, especially in view of the open US commitment, that the North Vietnamese regime will either resort to overt military attack or introduce acknowledged North Vietnamese military units into the south in an effort to win a quick victory. (Paras. 29-31)

C. Assuming no great increase in external support to the Viet Cong, changes and improvements which have occurred during the past year now indicate that the Viet Cong can be contained militarily and that further progress can be made in expanding the area of government control and in creating greater security in the countryside. However, we do not believe that it is pos-

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sible at this time to project the future course of the war with any confidence. Decisive campaigns have yet to be fought and no quick and easy end to the war is in sight. Despite South Vietnamese progress, the situation remains fragile. (Para. 32)

D. Developments during the last year or two also show some promise of resolving the political weaknesses, particularly that of insecurity in the countryside, upon which the insurgency has fed. However, the government's capacity to embark upon the broader measures required to translate military success into lasting political stability is questionable. (Paras. 33-35)

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THE WHITE HOUSE

WASHINGTON

June 25, 1963

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NATIONAL SECURITY ACTION MEMORANDUM NO. 249

TO: The Secretary of State  
The Secretary of Defense ✓  
The Director, Central Intelligence Agency  
The Chairman, Joint Chiefs of Staff

SUBJECT: Laos Planning

1. At a meeting on June 19, 1963 the President considered the Memorandum addressed to him from the Department of State dated June 17, 1963 ("Memorandum").
2. The President approved Phase 1 of the plan outlined in the Memorandum and authorized that the steps outlined therein might be taken at such time and in such manner as the appropriate officials concerned might direct.
3. The President directed the Department of State to consult with the French and British before initiating any action under the Memorandum. He wished to obtain their suggestions for action in Laos in light of the deteriorating situation there.
4. The President approved Phase 2 of the Memorandum for planning purposes, but directed that none of the steps outlined in Phase 2 be put into final execution until after further consultation with him.
5. The President directed that the steps described in Phase 3 of the Memorandum be further refined and reviewed; and he asked that the question be explored whether additional U. S. actions should be taken in Laos before any action be directed against North Vietnam.

*Carl Kayser*  
Carl Kayser

Copies furnished: Governor Harriman  
General McKee  
Mr. Colby  
General Clay

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DEPARTMENT OF STATE

**EYES ONLY**

OFF SECY OF DEFENSE

*Memorandum of Conversation*

FOR THE RECORD

DATE: July 4, 1963  
TIME: 11:00 to 11:50 a.m.  
PLACE: The White House

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SUBJECT: Situation in South Viet-Nam

PARTICIPANTS: The President  
Mr. Ball  
Mr. Harrigan  
Mr. McGeorge Bundy  
Mr. Hilsman  
Mr. Forrestal

COPIES TO:

The President was briefed on developments in Indonesia, Laos and Viet-Nam. The portion on Viet-Nam follows:

A joint agreement was signed on June 16 in which the Government met the Buddhists' five demands. The Buddhists and the Government then worked together on the funeral arrangements for the bonze who burned himself to death so that incidents could be avoided. The funeral came off without trouble.

Since then there have been rumors circulating in Saigon that the Government does not intend to live up to the agreement. These rumors were given credence by an article appearing in the English language "Times" of Viet-Nam, which is dominated by the Nhus. The article contained a veiled attack on the US and on the Buddhists. There was a suggestion that the Monk who burned himself to death was drugged and a provocative challenge to the Buddhists that, if no further demonstrations occurred on July 2, this would amount to an admission by the Buddhists that they were satisfied with the Government's action. (The President injected questions on the possibility of drugging, to which Mr. Hilsman replied that religious fervor was an adequate explanation.)

At this point there was a discussion of the possibility of getting rid of the Nhus in which the combined judgment was that it would not be possible.

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Continuing the briefing, Mr. Hilsman said that the Buddhists contained an activist element which undoubtedly favored increasing demands as well as charging the Government with dragging its feet. There was thus an element of truth in Diem's view that the Buddhists might push their demands so far as to make his fall inevitable.

During these events the US had put extremely heavy pressure on Diem to take political actions. Most recently we had urged Diem to make a speech which would include announcements that he intended to meet with Buddhist leaders, permit Buddhist chaplains in the army and so on. If Diem did not make such a speech and there were further demonstrations, the US would be compelled publicly to disassociate itself from the GVN's Buddhist policy. Mr. Hilsman reported that Diem had received this approach with what seemed to be excessive politeness but had said he would consider making such a speech.

Our estimate was that no matter what Diem did there will be coup attempts over the next four months. Whether or not any of these attempts will be successful is impossible to say.

Mr. Hilsman said that everyone agreed that the chances of chaos in the wake of a coup are considerably less than they were a year ago. An encouraging sign relative to this point is that the war between the Vietnamese forces and the Viet Cong has been pursued throughout the Buddhist crisis without noticeable let-up.

At this point Mr. Forrestal reported on General Krulak's views that, even if there were chaos in Saigon, the military units in the field would continue to confront the Communists.

Mr. Hilsman went on to say that Ambassador Nolting believes that the most likely result of a coup attempt that succeeded in killing Diem was civil war. Mr. Hilsman disagreed with this view slightly in that he thought civil war was not the most likely result but that it was certainly a possible result.

The timing of Ambassador Nolting's return and Ambassador Lodge's assumption of duty was then discussed. The President's initial view was that Ambassador Nolting should return immediately and that Ambassador Lodge should assume his duties as soon thereafter as possible. The President volunteered that Ambassador Nolting had done an outstanding job, that it was almost miraculous the way he had succeeded in turning the war around from the

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disastrously low point in relations between Diem and ourselves that existed when Ambassador Nolting took over. Mr. Hilsman pointed out the personal sacrifices that Ambassador Nolting had been forced to make during this period, and the President said that he hoped a way could be found to commend Ambassador Nolting publicly so as to make clear the fine job he had done and that he hoped an appropriate position could be found for him in Washington so that he could give his children a suitable home in the years immediately ahead.

The President's decision was to delegate the authority to decide on the timing of Ambassador Nolting's return to the Assistant Secretary for Far Eastern Affairs; that Ambassador Lodge should report to Washington no later than July 15 so that he could take the Counterinsurgency Course simultaneously with the normal briefings for an ambassador; and that Ambassador Lodge should arrive in Saigon as soon as possible following completion of the CI Course on August 14. Arrangements were made for Ambassador Nolting to see the President at 4:00 p. m. on Monday, July 8.

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SNIE 53-2-63  
10 July 1963

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RETURN TO DIASC-1

SPECIAL  
NATIONAL INTELLIGENCE ESTIMATE  
NUMBER 53-2-63

# The Situation in South Vietnam

*Submitted by the*  
DIRECTOR OF CENTRAL INTELLIGENCE  
*Concurred in by the*  
UNITED STATES INTELLIGENCE BOARD  
*As indicated overleaf*  
10 JULY 1963

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No. 295



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## THE SITUATION IN SOUTH VIETNAM

### SCOPE NOTE

NIE 53-63, "Prospects in South Vietnam," dated 17 April 1963 was particularly concerned with the progress of the counterinsurgency effort, and with the military and political factors most likely to affect that effort. The primary purpose of the present SNIE is to examine the implications of recent developments in South Vietnam for the stability of the country, the viability of the Diem regime, and its relationship with the US.

### CONCLUSIONS

A. The Buddhist crisis in South Vietnam has highlighted and intensified a widespread and longstanding dissatisfaction with the Diem regime and its style of government. If—as is likely—Diem fails to carry out truly and promptly the commitments he has made to the Buddhists, disorders will probably flare again and the chances of a coup or assassination attempts against him will become better than even. (*Paras. 4, 14*)

B. The Diem regime's underlying uneasiness about the extent of the US involvement in South Vietnam has been sharpened by the Buddhist affair and the firm line taken by the US. This attitude will almost certainly persist and further pressure to reduce the US presence in the country is likely. (*Paras. 10-12*).

C. Thus far, the Buddhist issue has not been effectively exploited by the Communists, nor does it appear to have had any appreciable effect on the counterinsurgency effort. We do not think Diem is likely to be overthrown by a Communist coup. Nor do we think the Communists would necessarily profit if he were overthrown by some combination of his non-Communist opponents. A non-Communist successor regime might be initially less effective against the Viet Cong, but, given continued support from the US, could provide reasonably effective leadership for the government and the war effort. (*Paras. 7, 15-17*)

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## DISCUSSION

### I. INTRODUCTION

1. The two chief problems which have faced the Government of South Vietnam (GVN) since its birth in 1954 have been: (a) to forge the institutions and loyalties necessary to Vietnam's survival as an independent nation, and (b) to counter the menace of Hanoi's subversive and aggressive designs—pursued since 1960 by a campaign of widespread guerrilla warfare. In attempting to cope with these problems, the GVN has been hampered by its lack of confidence in and its inability to engage the understanding and support of a considerable portion of the Vietnamese people—including large segments of the educated classes and the peasantry. In recent weeks these inadequacies and tensions in the South Vietnamese body politic have been further revealed and intensified.

### II. THE BUDDHIST AFFAIR

2. President Diem, his family, and a large proportion of the top leaders of the regime are Roman Catholics, in a population that is 70 to 80 percent Buddhist. The regime has clearly accorded preferential treatment to Catholics in its employment practices and has favored the Catholic Church. But there have been no legal restrictions on religious freedom and, until recently, most Buddhists appeared passive in their response to the privileged institutional position occupied by the Catholic Church. There have, however, been various administrative discriminations against the Buddhists, though these may have resulted as much from thoughtlessness or misplaced zeal on the part of minor officials as from conscious GVN policy. These have obviously created an undercurrent of resentment, as is evidenced by the extent and intensity of the recent outbreaks.

3. In April 1963, the GVN ordered its provincial officials to enforce a longstanding but generally ignored edict regulating the public display of religious flags. As it happened, this order was issued just prior to Buddha's birthday (8 May), a major Buddhist festival, and just after Papal flags had been prominently flown during a series of officially encouraged celebrations commemorating the 25th anniversary of the ordination of Ngo dinh Thuc, Diem's brother, the Archbishop of Hue. A protest demonstration developed in Hue on 8 May, which was dispersed by fire from a Civil Guard unit. In the ensuing melee several persons were killed, including some children. The GVN has blamed the deaths on Viet Cong terrorists despite evidence to the contrary, and its subsequent stiff-necked handling of this incident and its aftermath has sparked a national crisis. The Buddhists, hith-

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erto disorganized and nonprotesting, have shown considerable cohesion and force—enough to elicit a set of “compromise” agreements from President Diem on 16 June. Moreover, the fact that the Buddhist leaders have been able to challenge the government openly without evoking serious government retaliation has presumably given them considerable confidence.

4. For the moment, the Buddhist movement remains under the effective control of moderate bonzes who have refused to accept support from or countenance cooperation with any of Diem's political opponents, Communist or non-Communist, and appear to be trying to insure that the Buddhists live up to their part of the bargain. This leadership gave the GVN a period of grace (which expired about the end of June) in which to show that it was moving in good faith to carry out its undertakings, failing which protests would resume. So far there have been no further demonstrations, but the Buddhist leadership is clearly restive.

5. Despite Buddhist restraint in the political exploitation of the affair, it has obvious political overtones. It has apparently aroused widespread popular indignation and could well become a focal point of general disaffection with the Diem government. It provides an issue on which most of Diem's non-Communist opponents (even including some Catholics) can find common ground of agreement. There is considerable evidence that the issue itself and, even more, the Diem family's handling of it to date has occasioned restiveness at virtually all levels of the GVN's military and civil establishments, both of whose lower and middle echelons are largely staffed by Buddhists. In some cases, civil servants seem to have ignored or tempered GVN instructions, superiors have on occasion evaded their assigned task of propounding the official GVN line to their subordinates, and information on impending government actions has obviously leaked to Buddhist leaders. In any case, recent developments are causing many GVN officials to re-examine their relations with and the limits of their loyalty to the Diem regime; there is accumulating evidence of serious disaffection and coup plotting in high military and civilian circles.

6. The Buddhist affair appears to have given considerable heart to the various non-Communist political opposition splinter groups in and out of South Vietnam. There also appears to be a growing feeling among former supporters of the regime that Diem's position may have been permanently and dangerously impaired. Thus far, however, we have no evidence that the diverse opposition groups have been able to form new or effective alliances with one another.

7. The Buddhist issue would appear to be an obvious windfall for the Communists, but so far there is no evidence that they have been

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able to exploit it effectively. They may have penetrated the Buddhist clergy to some extent, but are not presently exerting any discernible influence, despite the suggestions to the contrary in GVN pronouncements. To date the Buddhist crisis does not appear to have had any appreciable effect on the continuing counterinsurgency effort, though the morale and efficiency of the GVN's military and civil forces are likely to be impaired if the issue is prolonged.

8. The Buddhist crisis has also hurt the GVN internationally, with potentially important effects upon the future success of US policy towards southeast Asia. Protests are growing in other predominantly Buddhist countries, with the implication that US action could help resolve the crisis. Cambodia and Ceylon have made representations to the UN and more may be forthcoming. In other countries, including the US, the crisis has given new stimulus to criticism of US policy on the grounds that the US is supporting an oppressive and unrepresentative regime.

9. The future course of the Buddhist affair will be largely determined by the GVN's actions in the near term. It is likely that the issues recently raised can be resolved if the GVN executes its portion of the negotiated bargain. However, politically sophisticated segments of South Vietnamese society, Buddhists included, are mindful of Diem's past practice of often using negotiations as a stall for time and of making promises in order to weather an immediate crisis. The real danger in the present situation is that Diem may be tempted to employ such tactics which have served him well in the past but could prove disastrous if essayed this time. If demonstrations should be resumed, they would probably assume an increasingly political cast, and less-moderate Buddhist leadership would be likely to come to the fore. Public order would be threatened. In particular, we cannot be sure how various army or police units would react if ordered to fire on demonstrations headed by Buddhist bonzes.

### III. THE EFFECT OF RECENT DEVELOPMENTS ON US-GVN RELATIONS

10. The GVN has always shown some concern over the implications of US involvement in South Vietnamese affairs and from time to time has felt moved to restrict US activities and presence in South Vietnam. This attitude springs partly from legitimate, if hypersensitive, concern for the appearance as well as the fact of Vietnam's recently acquired sovereignty. To a considerable degree, however, it springs from the Diem government's suspicion of US intentions toward it, and from its belief that the extensive US presence is setting in motion political forces which could eventually threaten Diem's political primacy.

11. The Buddhist affairs erupted at one of these periods of GVN sensitivity, and the strain has been aggravated by subsequent events. The

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GVN's initial handling of the issue gave the US ground for serious embarrassment and concern which, in turn, produced a succession of forceful US *démarches*. The Diem family has bitterly resented these US actions and may well feel that the Buddhist protests were at least indirectly due to the US presence. Under the circumstances, further pressure to reduce that presence is likely.

12. A key role in this regard will be played by Diem's brother, Ngo dinh Nhu. He has always been Diem's chief political lieutenant, but the years since 1954 have witnessed a steady accretion of Nhu's personal power and authority—an accretion due partly to circumstance and primarily to deliberate effort on Nhu's part. Nhu has political ambitions of his own and almost certainly envisages himself as his brother's successor. For a variety of reasons, Nhu has long privately viewed the US with some hostility and suspicion. American criticism of the GVN has especially irritated Nhu, for he is aware that he and his wife are often its primary targets. Above all, Nhu almost certainly doubts whether the support which the US has given to his brother would be transferred to him.

13. In the negotiations with the Buddhists, Nhu urged his brother to take a firm line and is, by his own statement, wholly out of sympathy with the concessions made. On the basis of past performance, we think it unlikely that he will help to implement the settlement; his influence on Diem will be rather in the direction of delaying and hedging on commitments, a tendency to which Diem himself is already disposed. This will be the more likely since not only the Nhus and Diem, but also his brothers Archbishop Thuc and Ngo dinh Can, the political boss of the central provinces, obviously continue to doubt the legitimacy of Buddhist complaints and to underestimate the intensity of the crisis.

#### IV. THE OUTLOOK

14. If the Diem government moves effectively to fulfill its 16 June commitments, much of the resentment aroused by the Buddhist controversy could be allayed. However, even if relations between the GVN and the Buddhists are smoothed over, the general discontent with the Diem regime which the crisis has exacerbated and brought to the fore is likely to persist. Further, if—as is probable—the regime is dilatory, inept, and insincere in handling Buddhist matters, there will probably be renewed demonstrations, and South Vietnam will probably remain in a state of domestic political tension. Under these circumstances, the chances of a non-Communist assassination or coup attempt against Diem will be better than even. We cannot exclude the possibility of an attempted Communist coup, but a Communist attempt will have appreciably less likelihood of success so long as the majority of the government's opponents and critics remain—as they are now—alert to the Communist peril.

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15. The chances of a non-Communist coup—and of its success—would become greater in the event renewed GVN/Buddhist confrontation should lead to large-scale demonstrations in Saigon. More or less prolonged riot and general disorder would probably result—with the security forces confused over which side to support. Under such circumstances, a small group, particularly one with prior contingency plans for such an eventuality, might prove able to topple the government. Conversely, a continued or resumed truce between the GVN and the Buddhists would serve to reduce the likelihood of such an overthrow.

16. Any attempt to remove Diem will almost certainly be directed against Nhu as well, but should Nhu survive Diem, we are virtually certain that he would attempt to gain power—in the first instance probably by manipulating the constitutional machinery. We do not believe that Nhu's bid would succeed, despite the personal political base he has sought to build through the Republican Youth (of which he is the overt, uniformed head), the strategic hamlet program (whose directing Inter-ministerial Committee he chairs), and in the army. He and his wife have become too much the living symbols of all that is disliked in the present regime for Nhu's personal political power to long outlive his brother. There might be a struggle with no little violence, but enough of the army would almost certainly move to take charge of the situation, either rallying behind the constitutional successor to install Vice President Tho or backing another non-Communist civil leader or a military junta.

17. A non-Communist successor regime might prove no more effective than Diem in fighting the Viet Cong; indeed at least initially it might well prove considerably less effective, and the counterinsurgency effort would probably be temporarily disrupted. However, there is a reasonably large pool of under-utilized but experienced and trained manpower not only within the military and civilian sectors of the present government but also, to some extent, outside. These elements, given continued support from the US, could provide reasonably effective leadership for the government and the war effort.

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STATE 243

REF: CAS 265 - TAB E

State 316, 320 & 329 TAB B

STATE TO LODGE

It is now clear that whether military proposed martial law or whether Nhu tricked them into it, Nhu took advantage of its imposition to smash pagodas with police and Tung's Special Forces loyal to him, thus placing onus on military in eyes of world and Vietnamese people. Also clear that Nhu has maneuvered himself into commanding position.

US Government cannot tolerate situation in which power lies in Nhu's hands. Diem must be given chance to rid himself of Nhu and his coterie and replace them with best military and political personalities available.

If, in spite of all of your efforts, Diem remains obdurate and refuses, then we must face the possibility that Diem himself cannot be preserved.

We now believe immediate action must be taken to prevent Nhu from consolidating his position further. Therefore, unless you in consultation with Harkins perceive overriding objections you are authorized to proceed along following lines:

- (1) First, we must press on appropriate levels of GVN following line:
  - (a) USG cannot accept actions against Buddhists taken by Nhu and his collaborators under cover martial law.
  - (b) Prompt dramatic actions redress situation must be taken, including repeal of decree 10, release of arrested monks, nuns, etc.

(2) We must at same time also tell key military leaders that US would find it impossible to continue support GVN militarily and economically unless above steps are taken immediately which we recognize requires removal of Nhus from the scene. We wish give Diem reasonable opportunity to remove Nhus, but if he remains obdurate, then we are prepared to accept the obvious implication that we can no longer support Diem. You may also tell appropriate military commanders we will give them direct support in any interim period of breakdown central government mechanism.

(3) We recognize the necessity of removing taint on military for pagoda raids and placing blame squarely on Nhu. You are authorized to have such statements made in Saigon as you consider desirable to achieve this objective. We are prepared to take same line here and to have Voice of America make statement along lines contained in next numbered telegram whenever you give the word, preferably as soon as possible.

Concurrently, with above, Ambassador and country team should urgently examine all possible alternative leadership and make detailed plans as to how we might bring about Diem's replacement if this should become necessary.

Assume you will consult with General Harkins re any precautions necessary protect American personnel during crisis period.

You will understand that we cannot from Washington give you detailed instructions as to how this operation should proceed, but you will also know we will back you to the hilt on actions you take to achieve our objectives.

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Needless to say we have held knowledge of this telegram to minimum essential people and assume you will take similar precautions to prevent premature leaks.

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STATE 272

(REF: Saigon 375 - TAB B)

STATE TO LODGE AND HARKINS

1. Highest level meeting noon today reviewed your 375 and reaffirmed basic course. Specific decisions follow:
2. In response to your recommendation, General Harkins is hereby authorized to repeat to such Generals as you indicate the messages previously transmitted by CAS officers. He should stress that the USG supports the movement to eliminate the Nhus from the government, but that before arriving at specific understandings with the Generals, General Harkins must know who are involved, resources available to them and overall plan for coup. The USG will support a coup which has good chance of succeeding but plans no direct involvement of U.S. armed forces. Harkins should state that he is prepared to establish liaison with the coup planners and to review plans, but will not engage directly in joint coup planning.
3. Question of last approach to Diem remains undecided and separate personal message from Secretary to you develops our concern and asks your comment.
4. On movement of U.S. forces, we do not expect to make any announcement or leak at present and believe that any later decision to publicize such movements should be closely connected to developing events on your side. We cannot of course prevent unauthorized disclosures or speculation, but we will in any event knock down any reports of evacuation.
5. You are hereby authorized to announce suspension of aid through Diem government at a time and under conditions of your choice. In deciding upon the use of this authority, you should consider importance of timing and managing announcement so as to minimize appearance of collusion with Generals and also to minimize danger of unpredictable and disruptive reaction by existing government. We also assume that you will not in fact use this authority unless you think it essential, and we see it as possible that Harkins' approach and increasing process of cooperation may provide assurance Generals desire. Our own view is that it will be best to hold this authority for use in close conjunction with coup, and not for present encouragement of Generals, but decision is yours.

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STATE 279

(REF: Saigon 375 - TAB B)

29 Aug 1963

STATE TO LODGE

Deeply appreciate your 375 which was a most helpful clarification. We fully understand enormous stakes at issue and the heavy responsibilities which you and Harkins will be carrying in the days ahead and we want to do everything possible from our end to help.

Purpose of this message is to explore further question of possible attempt to separate Diem and the Nhus. In your telegram you appear to treat Diem and the Nhus as a single package whereas we had indicated earlier to the Generals that if the Nhus were removed the question of retaining Diem would be up to them. My own personal assessment is (and this is not an instruction) that the Nhus are by all odds the greater part of the problem in Vietnam, internally, internationally and for American public opinion. Perhaps it is inconceivable that the Nhus could be removed without taking Diem with them or without Diem's abandoning his post. In any event, I would appreciate your comment on whether any distinction can or should be drawn as between Diem and Counsellor and Madame Nhu.

The only point on which you and General Harkins have different views is whether an attempt should be made with Diem to eliminate the Nhus and presumably take other steps to consolidate the country behind a winning effort against the Viet Cong. My own hunch, based in part on the report of Kattenburg's conversations with Diem is that such an approach could not succeed if it were cast purely in terms of persuasion. Unless such a talk included a real sanction, such as a threatened withdrawal of our support, it is unlikely that it would be taken completely seriously by a man who may feel that we are inescapably committed to an anti-Communist Vietnam. But if a sanction were used in such a conversation, there would be a high risk that this would be taken by Diem as a sign that action against him and the Nhus was imminent and he might as a minimum move against the Generals or even take some quite fantastic action such as calling on North Vietnam for assistance in expelling the Americans.

It occurs to me, therefore, that if such an approach were to be made it might properly await the time when others were ready to move immediately to constitute a new government. If this be so, the question then arises as to whether an approach to insist upon the expulsion of the Nhus should come from Americans rather than from the Generals themselves. This might be the means by which the Generals could indicate that they were prepared to distinguish between Diem and the Nhus. In any event, were the Generals to take this action it would tend to protect succeeding Vietnam administrations from the charge of being wholly American puppets subjected to whatever anti-American sentiment is inherent in so complex a situation.

I would be glad to have your further thoughts on these points as well as your views on whether further talks with Diem are contemplated to continue your opening discussions with him. You will have received formal instructions on other matters through other messages. Good luck.

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THE JOINT CHIEFS OF STAFF  
WASHINGTON 25, D.C.

OFFICE OF THE SPECIAL ASSISTANT FOR  
COUNTERINSURGENCY AND SPECIAL ACTIVITIES

THE JOINT STAFF

31 August 1963

MEMORANDUM FOR THE RECORD

Subject: Meeting at the State Department, 1100,  
31 August 1963; Subject: Vietnam

Present:	The Vice President	General Carter
	Secretary Rusk	Mr. Holms
	Secretary McNamara	Mr. Colby
	Mr. Gilpatric	Ambassador Nolting
	Mr. Bundy	Mr. Hilsman
	General Taylor	Mr. Kattenburg
	Mr. Morrow	General Krulak

1. Secretary Rusk stated that, in his judgement, we were back to where we were about Wednesday of last week, and this causes him to go back to the original problem and ask what in the situation led us to think well of a coup. Ruling out hatred of the Nhus, he said, there would appear to be three things:

- a. The things that the Nhus had done or supported, which tended to upset the GVN internally.
- b. The things that they had done which had an adverse external effect.
- c. The great pressures of U.S. public opinion.

2. Mr. Rusk then asked if we should not pick up Ambassador Lodge's suggestion in his message of today (Saigon 391) and determine what steps are required to re-gird solidarity in South Vietnam - such as improvement in conditions concerning students and Buddhists and the possible departure of Madame Nhu. He said that we should determine what additional measures are needed to improve

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the international situation - such as problems affecting Cambodia - and to improve the Vietnamese position wherein U.S. public opinion is concerned. He then said that he is reluctant to start off by saying now that Nhu has to go; that it is unrealistic.

3. Mr. McNamara stated that he favored the above proposals of the Secretary of State, with one additional step - that is to establish quickly and firmly our line of communication between Lodge, Harkins and the GVN. He pointed out that at the moment our channels of communication are essentially broken and that they should be reinstated at all costs.

4. Mr. Rusk added that we must do our best not to permit Diem to decapitate his military command in light of its obviously adverse effect on the prosecution of the war. At this point he asked if anyone present had any doubt in his mind but that the coup was off.

5. Mr. Kattenburg said that he had some remaining doubt; that we have not yet sent the generals a strong enough message; that the BOA statement regarding the withdrawal of aid was most important, but that we repudiated it too soon. He stated further that the group should take note of the fact that General Harkins did not carry out his instructions with respect to communication with the generals. Mr. Rusk interrupted Kattenburg to state that, to the contrary, he believed Harkins' conduct was exactly correct in light of the initial response which he received from General Kheim (they were referring to Harkins' report in MACV 1583).

6. Mr. Hilsman commented that, in his view, the generals are not now going to move unless they are pressed by a revolt from below. In this connection Ambassador Nolting warned that in the uncoordinated Vietnamese structure anything can happen, and that while an organized successful coup is out, there might be small flurries by irresponsible dissidents at any time.

7. Mr. Hilsman undertook to present four basic factors which bear directly on the problem confronting the U.S. now. They are, in his view:

a. The mood of the people, particularly the middle level officers, non-commissioned officers and middle level bureaucrats, who are most restive. Mr. McNamara interrupted to

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state that he had seen no evidence of this and General Taylor commented that he had seen none either, but would like to see such evidence as Hilsman could produce. Mr. Kattenburg commented that the middle level officers and bureaucrats are uniformly critical of the government, to which Mr. McNamara commented that if this is indeed the fact we should know about it.

b. The second basic factor, as outlined by Hilsman, was what effect will be felt on our programs elsewhere in Asia if we acquiesce to a strong Nhu-dominated government. In this connection, he reported that there is a Korean study now underway on just how much repression the United States will tolerate before pulling out her aid. Mr. McNamara stated that he had not seen this study and would be anxious to have it.

c. The third basic factor is Mr. Nhu, his personality and his policy. Hilsman recalled that Nhu has once already launched an effort aimed at withdrawal of our province advisors and stated that he is sure he is in conversation with the French. He gave, as supporting evidence, the content of an intercepted message, which Mr. Bundy asked to see. Ambassador Nolting expressed the opinion that Nhu will not make a deal with Ho Chi Minh on Ho's terms.

d. The fourth point is the matter of U.S. and world opinion, Hilsman stated that this problem was moving to a political and diplomatic plane. Part of the problem, he said, is the press, which concludes incorrectly that we have the ability to change the things in Vietnam of which they are critical. To this Mr. Murrow added that this problem of press condemnation is now worldwide.

8. Mr. Kattenburg stated that as recently as last Thursday it was the belief of Ambassador Lodge that, if we undertake to live with this repressive regime, with its bayonets at every street corner and its transparent negotiations with puppet bonzes, we are going to be thrown out of the country in six months. He stated that at this juncture it would be better for us to make the decision to get out honorably. He went on to say that, having been acquainted with Diem for ten years, he was deeply disappointed in him, saying that he will not separate from his brother. It was Kattenburg's view that Diem will get very little support from the military and, as time goes on, he will get less and less support and the country will go steadily down hill.

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9. General Taylor asked what Kattenburg meant when he said that we would be forced out of Vietnam within six months. Kattenburg replied that in from six months to a year, as the people see we are losing the war, they will gradually go to the other side and we will be obliged to leave. Ambassador Nolting expressed general disagreement with Mr. Kattenburg. He said that the unfavorable activity which motivated Kattenburg's remarks was confined to the city and, while city support of Diem is doubtless less now, it is not greatly so. He said that it is improper to overlook the fact that we have done a tremendous job toward winning the Vietnam war, working with this same imperfect, annoying government.

10. Mr. Kattenburg added that there is one new factor - the population, which was in high hopes of expelling the Nhus after the VOA announcement regarding cessation of aid; now, under the heel of Nhu's military repression, they would quickly lose heart.

11. Secretary Rusk commented that Kattenburg's recital was largely speculative; that it would be far better for us to start on the firm basis of two things - that we will not pull out of Vietnam until the war is won, and that we will not run a coup. Mr. McNamara expressed agreement with this view.

12. Mr. Rusk then said that we should present questions to Lodge which fall within these parameters. He added that he believes we have good proof that we have been winning the war, particularly the contrast between the first six months of 1962 and the first six months of 1963. He then asked the Vice President if he had any contribution to make.

13. The Vice President stated that he agreed with Secretary Rusk's conclusions completely; that he had great reservations himself with respect to a coup, particularly so because he had never really seen a genuine alternative to Diem. He stated that from both a practical and a political viewpoint, it would be a disaster to pull out; that we should stop playing cops and robbers and get back to talking straight to the GVN, and that we should once again go about winning the war. He stated that after our communications with them are genuinely reestablished, it may be necessary for someone to talk rough to them - perhaps General Taylor. He said further that he had been greatly impressed with Ambassador Nolting's views and agreed with Mr. McNamara's conclusions.

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14. General Taylor raised the question of whether we should change the disposition of the forces which had been set in motion as a result of the crisis. It was agreed that there should be no change in the existing disposition for the time being.

V. H. KRULAK  
Major General, USMC

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CAP 63516

(REF: Saigon 523 - TAB B)

WHITE HOUSE TO LODGE

17 September 1963

1. Highest level meeting today has approved broad outline of an action proposals program designed to obtain from GVN, if possible, reforms and changes in personnel necessary to maintain support of Vietnamese and US opinion in war against Viet Cong. This cable reports this program and our thinking for your comment before a final decision. Your comment requested soonest.

2. We see no good opportunity for action to remove present government in immediate future; therefore, as your most recent messages suggest, we must

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for the present apply such pressures as are available to secure whatever modest improvements on the scene may be possible. We think it likely that such improvements can make a difference, at least in the short run. Such a course, moreover, is consistent with more drastic effort as and when means become available, and we will be in touch on other channels on this problem.

3. We share view in your 523 that best available reinforcement to your bargaining position in this interim period is clear evidence that all U.S. assistance is granted only on your say-so. Separate telegram discusses details of this problem, but in this message we specifically authorize you to apply any controls you think helpful for this purpose. You are authorized to delay any delivery of supplies or transfer of funds by any agency until you are satisfied that delivery is in U.S. interest, bearing in mind that it is not our current policy to cut off aid, entirely. In other words, we share your view that it will be helpful for GVN to understand that your personal approval is a necessary part of all U.S. assistance. We think it may be particularly desirable for you to use this authority in limiting or rerouting any and all forms of assistance and support which now go to or through Nhu or individuals like Tung who are associated with him. This authorization specifically includes aid actions currently held in abeyance and you are authorized to set those in train or hold them up further in your discretion. We leave entirely in your hands decisions on the degree of privacy or publicity you wish to give to this process.

4. Subject to your comment and amendment our own list of possible helpful action by government runs as follows in approximate order of importance:

- A. Clear the air -- Diem should get everyone back to work and get them to focus on winning the war. He should be broadminded and compassionate in his attitude toward those who have, for understandable reasons, found it difficult under recent circumstances fully to support him. A real spirit of reconciliation could work wonders on the people he leads; a punitive, harsh or autocratic attitude could only lead to further resistance.
- B. Buddhists and students -- Let them out and leave them unmolested. This more than anything else would demonstrate the return of a better day and the refocusing on the main job at hand, the war.
- C. Press: The press should be allowed full latitude of expression. Diem will be criticized, but leniency and cooperation with the domestic and foreign press at this time would bring praise for his leadership in due course. While tendentious reporting is irritating, suppression of news leads to much more serious trouble.
- D. Secret and combat police -- Confine its role to operations against the VC and abandon operations against non-Communist opposition groups thereby indicating clearly that a period of reconciliation and political stability has returned.
- E. Cabinet changes to inject new untainted blood, remove targets of popular discontent.
- F. Elections -- These should be held, should be free, and should be widely observed.
- G. Assembly -- Assembly should be convoked soon after the elections. The government should submit its policies to it and should receive its confidence. An assembly resolution would be most useful for external image purposes.
- H. Party -- Can Lao party should not be covert or semi-covert but a broad association of supporters engaged in a common, winning cause.

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- This could perhaps be best accomplished by disbanding the party and starting afresh.
- I. Repeal or suitable amendment Decree 10.
  - J. Rehabilitation by ARVN of pagodas.
  - K. Establishment of Ministry of Religious Affairs.
  - L. Liberation of passport issuances and currency restrictions enabling all to leave who wish to.
  - M. Acceptance of Buddhist Inquiry Mission from World Federation to report true facts of situation to world.
5. You may wish to add or subtract from the above list, but need to set psychological tone and image is paramount. Diem has taken positive actions in past of greater or less scope than those listed, but they have had little practical political effect since they were carried out in such a way as to make them hollow or, even if real, unbelievable (e.g., martial law already nominally lifted, Assembly elections scheduled, and puppet bonzes established).
6. Specific "reforms" are apt to have little impact without dramatic, symbolic move which convinces Vietnamese that reforms are real. As practical matter we share your view that this can best be achieved by some visible reduction in influence of Nhus, who are symbol to disaffected of all that they dislike in GVN. This we think would require Nhus departure from Saigon and preferably Vietnam at least for extended vacation. We recognize the strong possibility that these and other pressures may not produce this result, but we are convinced that it is necessary to try.
7. In Washington, in this phase, we would plan to maintain a posture of disapproval of recent GVN actions, but we would not expect to make public our specific requests of Diem. Your comment on public aspects of this phase is particularly needed.
8. We note your reluctance to continue dialogue with Diem until you have more to say, but we continue to believe that discussions with him are at a minimum an important source of intelligence and may conceivably be a means of exerting some persuasive effect even in his present state of mind. If you believe that full control of U.S. assistance provides you with means of resuming dialogue, we hope you will do so. We ourselves can see much virtue in effort to reason even with an unreasonable man when he is on a collision course. We repeat, however, that this is a matter for your judgment.
9. Meanwhile, there is increasing concern here with strictly military aspects of the problem, both in terms of actual progress of operations and of need to make effective case with Congress for continued prosecution of the effort. To meet these needs, President has decided to send Secretary of Defense and General Taylor to Vietnam, arriving early next week. It will be emphasized here that it is a military mission and that all political decisions are being handled through you as President's Senior Representative.
10. We repeat that political program outlined above awaits your comment before final decision. President particularly emphasizes that it is fully open to your criticism and amendment. It is obviously an interim plan and further decisions may become necessary very soon.

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STATE 431

18 September 1963

FROM THE PRESIDENT TO LODGE

I appreciate your prompt comment and I quite understand the problem you see in visit of McNamara and Taylor. At the same time my need for this visit is very great indeed, and I believe we can work out an arrangement which takes care of your basic concerns. Will you let me have your comment on the following as soon as possible:

1. We can make it clear here, and McNamara and Taylor can make it clear in Saigon to the GVN, that this visit is not designed to bring comfort to Diem. My own thought is that in any visit McNamara makes to Diem he will want to speak some home truths on the military consequences of the current difficulties, and also to make it clear that the United States Government is not open to oriental divisive tactics.
2. We can readily set up this visit as one which you and I have decided on together, or even one which is sent in response to your own concern about winning the war in the current situation. For example, we could announce that the purpose of the mission is to consider with you the practical ways and means of carrying out my announced policy that we will support activities which will further the war effort in South Vietnam and avoid supporting activities which do not. The whole cast of the visit will be that of military consultation with you on the execution of the policy which you and I have determined.
3. As our last message said, my own central concern in sending this mission is to make sure that my senior military advisors are equipped with a solid on-the-spot understanding of the situation, as a basis both for their participation in our councils here, and for the Administrations accounting to the Congress on this critically important contest with the Communists. Having grown up in an Ambassador's house, I am well trained in the importance of protecting the effectiveness of the man on-the-spot, and I want to handle this particular visit in a way which contributes to and does not detract from your own responsibilities. But in the tough weeks which I see ahead, I just do not see any substitute for the ammunition I will get from an on-the-spot and authoritative military appraisal.
4. I do not think I can delay announcement of the McNamara mission beyond Saturday, and I will be grateful for a further prompt comment on this message so that we can be firmly together on the best possible handling of the announcement and of the mission itself.

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SAIGON 544 (Ref White House Msg CAP 63516 19 SEP 1963  
atchd at Wash Guidance TAB)  
FROM LODGE TO STATE FOR PRESIDENT ONLY

1. Agree that no good opportunity for action to remove present government in immediate future is apparent and that we should, therefore, do whatever we can as an interim measure pending such an eventuality.
2. Virtually all the topics under paragraph 4, letters A to M, have been taken up with Diem and Nhu at one time or another, most of them by me personally. They think that most of them would either involve destroying the political structure on which they rest or loss of face or both. We, therefore, could not realistically hope for more than lip service. Frankly, I see no opportunity at all for substantive changes. Detailed comments on items A to M are contained in separate telegram. re White House  
To Lodge  
17 Sep  
Tab A
3. There are signs that Diem-Nhu are somewhat bothered by my silence. According to one well placed source, they are guessing and off-balance and "desperately anxious" to know what U.S. posture is to be. They may be preparing some kind of a public relations package, possibly to be opened after the elections. I believe that for me to press Diem on things which are not in the cards and to repeat what we have said several times already would be a little shrill and would make us look weak, particularly in view of my talk with Nhu last night at a dinner where I had a golden opportunity to make the main points of your CAP 63516 as reported in 541.
4. Also, I doubt that a public relations package will meet needs of situation which seems particularly grave to me, notably in the light of General Big Minh's opinion expressed very privately yesterday that the Viet Cong are steadily gaining in strength; have more of the population on their side than has the GVN; that arrests are continuing and that the prisons are full; that more and more students are going over to the Viet Cong; that there is great graft and corruption in the Vietnamese administration of our aid; and that the "Heart of the Army is not in the war". All this by Vietnamese No. 1 General is now echoed by Secretary of Defense Thuan (See my 542), who wants to leave the country.
5. As regards your paragraph 3 on withholding of aid, I still hope that I may be informed of methods, as requested in my 478, September 11, which will enable us to apply sanctions in a way which will really affect Diem and Nhu without precipitating an economic collapse and without impeding the war effort. We are studying this here and have not yet found a solution. If a way to do this were to be found, it would be one of the greatest discoveries since the enactment of the Marshall Plan in 1947 because, so far as I know, the U.S. had never yet been able to control any of the very unsatisfactory governments through which we have had to work in our many very successful attempts to make these countries strong enough to stand alone.
6. I also believe that whatever sanctions we may discover should be directly tied to a promising coup d'etat and should not be applied without such a coup being in prospect. In this connection, I believe that we should pursue contact with Big Minh and urge him along if he looks like acting. I particularly think that the idea of supporting a Vietnamese Army independent of the government should be energetically studied.

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7. I will, of course, give instructions that programs which one can be effectively held up should be held up and not released without my approval provided that this can be done without serious harmful effect to the people and to the war effort. Technical assistance and (omission) support to communications support programs may be one way. This would be a fly-speck in the present situation and would have no immediate effect, but I hope that U.S. (omission) may get Vietnamese officials into the habit of asking me to release items which are held up and that, over a long period of time, it might create opportunities for us to get little things done.

8. But it is not even within the realm of possibility that such a technique could lead them to do anything which causes loss of face or weakening of their political organization. In fact, to threaten them with suppression of aid might well defeat our purposes and might make a bad situation very much worse.

9. There should in any event be no publicity whatever about this procedure. If it is possible (omission) a program, I intend to (omission).

10. As regards your paragraph 6 and "dramatic symbolic moves", I really do not think they could understand this even if Thao wanted to, although I have talked about it to Diem, and to Nhu last night (See my 541). They have scant comprehension of what it is to appeal to public opinion as they have really no interest in any other opinion than their own. I have repeatedly brought up the question of Nhu's departure and have stressed that if he would just stay away until after Christmas, it might help get the Appropriation Bill through. This seems like a small thing to us but to them it seems tremendous as they are quite sure that the Army would take over if he even stepped out of the country.

11. Your paragraph 8. I have, of course, no objection to seeing Diem at any time that it would be helpful. But I would rather let him sweat for awhile and not go to see him unless I have something really new to bring up. I would much prefer to wait until I find some part of the AID program to hold up in which he is interested and then have him ask me to come and see him. For example, last night's dinner which I suspect Nhu of stimulating is infinitely better than for me to take the initiative for an appointment and to call at the office. Perhaps my silence had something to do with it.

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THE WHITE HOUSE

WASHINGTON

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September 21, 1963

MEMORANDUM FOR THE SECRETARY OF DEFENSE

It may be useful to put on paper our understanding of the purpose of your visit to South Vietnam. I am asking you to go because of my desire to have the best possible on-the-spot appraisal of the military and paramilitary effort to defeat the Viet Cong. The program developed after General Taylor's mission and carried forward under your close supervision has brought heartening results, at least until recently. The events in South Vietnam since May have now raised serious questions both about the present prospects for success against the Viet Cong and still more about the future effectiveness of this effort unless there can be important political improvement in the country. It is in this context that I now need your appraisal of the situation. If the prognosis in your judgment is not hopeful, I would like your views on what action must be taken by the South Vietnamese Government and what steps our Government should take to lead the Vietnamese to that action.

Ambassador Lodge has joined heartily in supporting this mission and I will rely on you both for the closest exchange of views. It is obvious that the overall political situation and the military and paramilitary effort are closely interconnected in all sorts of ways, and in executing your responsibility for appraisal of the military and paramilitary problem I expect that you will consult fully with Ambassador Lodge on related political and social questions. I will also expect you to examine with Ambassador Lodge ways and means of fashioning all forms of our assistance to South Vietnam so that it will support our foreign policy objectives more precisely.

I am providing you separately with a letter from me to President Diem which Ambassador Lodge and you should discuss and which the Ambassador should deliver on the occasion of a call on President Diem if after discussion and reference to me I conclude that such a letter is desirable.

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THE WHITE HOUSE  
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In my judgment the question of the progress of the contest in South Vietnam is of the first importance and in executing this mission you should take as much time as is necessary for a thorough examination both in Saigon and in the field.

John F. Kennedy

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STATE 458, 22 September 1963

EYES ONLY FOR AMBASSADOR LODGE FROM BALL

Understand desire for guidance expressed your 577. Pending further review of situation by President which will follow your consultation with McNamara and Taylor we wish to give you following interim guidance:

1. The United States intends to continue its efforts to assist the Vietnamese people in their struggle against the Viet Cong.
2. Recent events have put in question the possibility of success in these efforts unless there can be important improvements in the government of South Vietnam.
3. It is the policy of the United States to bring about such improvements. Further specific guidance on your meeting with Diem being developed here and will be subject further consultation with you. In any event the President believes object of this meeting should be to increase your authority and leverage with Diem government. In meantime CAP 63516 still represents Washington's current thinking on specifics. A possible Presidential letter to Diem is in preparation and will be forwarded for your comments before a decision on delivery.



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THE SECRETARY OF DEFENSE  
WASHINGTON

2 October 1963

MEMORANDUM FOR THE PRESIDENT

Subject: Report of McNamara-Taylor Mission to South Vietnam

Your memorandum of 21 September 1963 directed that General Taylor and Secretary McNamara proceed to South Vietnam to appraise the military and para-military effort to defeat the Viet Cong and to consider, in consultation with Ambassador Lodge, related political and social questions. You further directed that, if the prognosis in our judgment was not hopeful, we should present our views of what action must be taken by the South Vietnam Government and what steps our Government should take to lead the Vietnamese to that action.

Accompanied by representatives of the State Department, CIA, and your Staff, we have conducted an intensive program of visits to key operational areas, supplemented by discussions with U.S. officials in all major U.S. Agencies as well as officials of the GVN and third countries.

We have also discussed our findings in detail with Ambassador Lodge, and with General Harkins and Admiral Felt.

The following report is concurred in by the Staff Members of the mission as individuals, subject to the exceptions noted.

I. CONCLUSIONS AND RECOMMENDATIONS

A. Conclusions.

1. The military campaign has made great progress and continues to progress.

2. There are serious political tensions in Saigon (and perhaps elsewhere in South Vietnam) where the Diem-Nhu government is becoming increasingly unpopular.

3. There is no solid evidence of the possibility of a successful coup, although assassination of Diem or Nhu is always a possibility.

4. Although some, and perhaps an increasing number, of GVN military officers are becoming hostile to the government, they are more hostile to the Viet Cong than to the government and at least for the near future they will continue to perform their military duties.

5. Further repressive actions by Diem and Nhu could change the present favorable military trends. On the other hand, a return to more moderate methods of control and administration, unlikely though it may be, would substantially mitigate the political crisis.

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6. It is not clear that pressures exerted by the U.S. will move Diem and Nhu toward moderation. Indeed, pressures may increase their obduracy. But unless such pressures are exerted, they are almost certain to continue past patterns of behavior.

B. Recommendations.

We recommend that:

1. General Harkins review with Diem the military changes necessary to complete the military campaign in the Northern and Central areas (I, II, and III Corps) by the end of 1954, and in the Delta (IV Corps) by the end of 1965. This review would consider the need for such changes as:

a. A further shift of military emphasis and strength to the Delta (IV Corps).

b. An increase in the military tempo in all corps areas, so that all combat troops are in the Field an average of 20 days out of 30 and static missions are ended.

c. Emphasis on "clear and hold operations" instead of terrain sweeps which have little permanent value.

d. The expansion of personnel in combat units to full authorized strength.

e. The training and arming of hamlet militia at an accelerated rate, especially in the Delta.

f. A consolidation of the strategic hamlet program, especially in the Delta, and action to insure that future strategic hamlets are not built until they can be protected, and until civic action programs can be introduced.

2. A program be established to train Vietnamese so that essential functions now performed by U.S. military personnel can be carried out by Vietnamese by the end of 1965. It should be possible to withdraw the bulk of U.S. personnel by that time.

3. In accordance with the program to train progressively Vietnamese to take over military functions, the Defense Department should announce in the very near future presently prepared plans to withdraw 1000 U.S. military personnel by the end of 1963. This action should be explained in low key as an initial step in a long-term program to replace U.S. personnel with trained Vietnamese without impairment of the war effort.

4. The following actions be taken to impress upon Diem our disapproval of his political program.

a. Continue to withhold commitment of funds in the commodity import program, but avoid a formal announcement. The potential significance of the withholding of commitments for the 1964 military budget should be brought home to the top military officers in working level contacts between USOM and MACV and the Joint General Staff; up to now we have stated \$95 million may be used by the Vietnamese as a planning level for the commodity import program for 1964. Henceforth we could make clear that this is uncertain both because of lack of final appropriation action by the Congress and because of executive policy.

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b. Suspend approval of the pending AID loans for the Saigon-Cholon Waterworks and Saigon Electric Power Project. We should state clearly that we are doing so as a matter of policy.

c. Advise Diem that MAP and CIA support for designated units, now under Colonel Tung's control (mostly held in or near the Saigon area for political reasons) will be cut off unless these units are promptly assigned to the full authority of the Joint General Staff and transferred to the field.

d. Maintain the present purely "correct" relations with the top GVN, and specifically between the Ambassador and Diem. Contact between General Harkins and Diem and Defense Secretary Thuan on military matters should not, however, be suspended, as this remains an important channel of advice. USOM and USIA should also seek to maintain contacts where these are needed to push forward programs in support of the effort in the field, while taking care not to cut across the basic picture of U.S. disapproval and uncertainty of U.S. aid intentions. We should work with the Diem government but not support it.\*

As we pursue these courses of action, the situation must be closely watched to see what steps Diem is taking to reduce repressive practices and to improve the effectiveness of the military effort. We should set no fixed criteria, but recognize that we would have to decide in 2 - 4 months whether to move to more drastic action or try to carry on with Diem even if he had not taken significant steps.

5. At this time, no initiative should be taken to encourage actively a change in government. Our policy should be to seek urgently to identify and build contacts with an alternative leadership if and when it appears.

6. The following statement be approved as current U.S. policy toward South Vietnam and constitute the substance of the government position to be presented both in Congressional testimony and in public statements.

a. The security of South Vietnam remains vital to United States security. For this reason, we adhere to the overriding objective of denying this country to Communism and of suppressing the Viet Cong insurgency as promptly as possible. (By suppressing the insurgency we mean reducing it to proportions manageable by the national security forces of the GVN, unassisted by the presence of U.S. military forces.) We believe the U.S. part of the task can be completed by the end of 1965, the terminal date which we are taking as the time objective of our counterinsurgency programs.

b. The military program in Vietnam has made progress and is sound in principle.

c. The political situation in Vietnam remains deeply serious. It has not yet significantly affected the military effort, but could do so at some time in the future. If the result is a GVN ineffective in the conduct of the war, the U.S. will review its attitude toward

\*Mr. Colby believes that the official "correct" relationship should be supplemented by selected and restricted unofficial and personal relationships with individuals in the GVN, approved by the Ambassador, where persuasion could be fruitful without derogation of the official U.S. posture.

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support for the government. Although we are deeply concerned by repressive practices, effective performance in the conduct of the war should be the determining factor in our relations with the GVN.

d. The U.S. has expressed its disapproval of certain actions of the Diem-Nhu regime and will do so again if required. Our policy is to seek to bring about the abandonment of repression because of its effect on the popular will to resist. Our means consist of expressions of disapproval and the withholding of support from GVN activities that are not clearly contributing to the war effort. We will use these means as required to assure an effective military program.

## II. MILITARY SITUATION AND TRENDS

### A. The Standards of Measure.

The test of the military situation is whether the GVN is succeeding in widening its area of effective control of the population and the countryside. This is difficult to measure, and cannot be stated simply in terms of the number of strategic hamlets built or the number of roads that can now be travelled without escort. Nor can the overall situation be gauged solely in terms of the extent of GVN offensive action, relative weapon losses and defections, VC strength figures, or other measures of military performance. All of these factors are important and must be taken into account; however, a great deal of judgment is required in their interpretation.

We have looked at these factors carefully, but we have also given great weight to the evidence of the men on the spot -- the U.S. military advisors and the USOM field representatives -- as to whether government control is in fact extending and becoming more accepted and solid in the various areas. We have been greatly impressed with the variation of the situation from area to area and from province to province; there is a different war in each area and province, and an example can be found somewhere to support any attitude toward the state of the counterinsurgency campaign. Our task has been to observe the situation as broadly as possible to avoid giving exaggerated importance to any single angle of observation.

### B. Overall Progress.

With allowance for all uncertainties, it is our firm conclusion that the GVN military program has made great progress in the last year and a half, and that this progress has continued at a fairly steady rate in the past six months even through the period of greatest political unrest in Saigon. The tactics and techniques employed by the Vietnamese under U.S. monitorship are sound and give promise of ultimate victory.

Specifically, progress is most clear in the northern areas (I and II Corps); especially noteworthy work has been done in key coastal provinces where VC strength once threatened to cut the country in half but has now been substantially reduced. In the central area and the highlands (III Corps), progress has been steady though slower, and the situation remains difficult in the provinces to the west and north of Saigon itself.

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Throughout the northern two-thirds of the country the strategic hamlet program has matured effectively and freedom of rural movement has grown steadily.

The Delta remains the toughest area of all, and now requires top priority in both GVN and U.S. efforts. Approximately 40% of the people live there; the area is rich and has traditionally resisted central authority; it is the center of Viet Cong strength -- over one-third of the "hard core" are found there; and the maritime nature of the terrain renders it much the most difficult region to pacify.

A first step has just been taken by the move of a third division to the Delta, but further major actions are needed. They include priority decisions by the GVN in the use of its resources, the consolidation rather than further spread of strategic hamlets in many areas, the elimination of many fixed outposts, better hamlet defenses and more trained hamlet militia. Regular army units should be reserved for use in mobile actions and for clear and hold operations in support of the strategic hamlet program. Though there are unresolved problems in several key provinces close to Saigon, as well as in the southernmost parts where the VC are strongly established, it is clear that the Delta situation has generally improved over the past year, even with the limited resources allocated to it. Despite recent evidences of greater VC effort and better weapons, the Delta campaign can continue to go forward if the essential priority is assigned to Delta requirements.

#### C. Military Indicators.

From a more strictly military standpoint, it should be noted that this overall progress is being achieved against a Viet Cong effort that has not yet been seriously reduced in the aggregate, and that is putting up a formidable fight notably in the Delta and key provinces near Saigon. The military indicators are mixed, reflecting greater and more effective GVN effort but also the continued toughness of the fight.

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 INDICATORS

	June	July	August	September (estimated)	Mo. Ave. Year ago
No. of government initiated:					
Small operations	851	781	733	906	490
Large operations	125	163	166	141	71
Viet Cong Killed	1896	1918	1685	2034	2000
GVN Killed	413	521	410	525	431
GVN Weapons Lost	590	780	720	802	390
VC Weapons Captured	390	375	430	400	450
Viet Cong Military Defectors	420	310	220	519	90
Viet Cong Initiated Incidents of all Types	1310	1380	1375	1675	1660
Viet Cong Attacks	410	410	385	467	410
Estimated Viet Cong Strength					
Hard Core	21000	21000	21000	21000	22000
Irregular	85000	82000	76000	70000	98000

Recent days have been characterized by reports of greater Viet Cong activity, countrywide, coupled with evidence of improved weaponry in their hands. Some U.S. advisors, as well as some Vietnamese, view this increased activity as a logical reaction to the steadily growing strategic hamlet program, which they believe is progressively separating the Viet Cong from the rural population and from their sources of food and reinforcements. Others view it as a delayed effort to capitalize upon the political trouble. All agree that it reflects a continuing capability for offensive action.

D. The Strategic Hamlet Program.

In this generally favorable military picture, two main factors have been the strategic hamlet program and the effectiveness of the U.S. advisory and support effort.

We found unanimous agreement that the strategic hamlet program is sound in concept, and generally effective in execution although it has been overextended in some areas of the Delta. The teamwork of U.S. military men and civilians is generally excellent, and on the GVN side a number of the province chiefs who handled the program poorly in its initial phases have been replaced by men who appear to have a better grasp of the central



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purpose of the program -- to bring people under clear GVN control, in a way that really solidifies their support of their government and opposition to the VC. The economic and civic action element of the program (schools medicine, fertilizer, etc.) has been carried forward on the U.S. side with considerable effectiveness, but has necessarily lagged behind the physical completion of hamlets and in insecure areas has made little progress. Without this element, coupled with effective hamlet defense measures, what are called "strategic hamlets" may be only nominally under GVN control. We were particularly struck by some evidence that a hamlet's readiness to defend itself often bears a direct relation to whether the Province Chief, with U.S. help, has managed to make a convincing start in civic action.

E. The U.S. Military Advisory and Support Effort.

We may all be proud of the effectiveness of the U.S. military advisory and support effort. With few exceptions, U.S. advisors report excellent relations with their Vietnamese counterparts, whom they characterize as proud and willing soldiers. The stiffening and exemplary effect of U.S. behavior and attitudes has had an impact which is not confined to the war effort, but which extends deeply into the whole Vietnamese way of doing things.

The U.S. advisory effort, however, cannot assure ultimate success. This is a Vietnamese war and the country and the war must, in the end, be run solely by the Vietnamese. It will impair their independence and the development of their initiative if we leave our advisors in place beyond the time they are really needed. In some areas reductions in the U.S. effort and transfer of U.S. responsibilities to the Vietnamese can now be carried out without material impairment of the total war effort. As a start, we believe that a reduction of about 1000 U.S. personnel (for which plans have been in preparation since the spring) can be carried out before the end of 1963. No further reductions should be made until the requirements of the 1964 campaign become firm.

F. Conclusion.

Acknowledging the progress achieved to date, there still remains the question of when the final military victory can be attained. If, by victory, we mean the reduction of the insurgency to something little more than sporadic banditry in outlying districts, it is the view of the vast majority of military commanders consulted that success may be achieved in the I, II and III Corps area by the end of CY 1964. Victory in the IV Corps will take longer -- at least well into 1965. These estimates necessarily assume that the political situation does not significantly impede the effort.

III. ECONOMIC SITUATION AND TRENDS

The current economic situation in South Vietnam is, in the main, satisfactory. The internal price level is reasonably stable. Commercial inventories are high and national bank reserves of foreign exchange stand at approximately \$160 million which equals approximately 11 to 12 months. Imports at current rate (\$240 million imports less \$75 to \$80 million exports). The effective rate of exchange of the piastre to the dollar is within the range of reasonable economic value.

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Trends are difficult to discuss but the business community was optimistic before the present crises. Rice exports for the current calendar year are projected at approximately \$80 million against \$8.75 million last year. Total exports are anticipated at \$70 million as against \$55 million last year. Banking circles point to one bearish factor in the export picture. Rubber, which represents more than half in value of all exports, faces a situation of declining world market prices and some plantations may curtail operations in the next year.

On the domestic side South Vietnam is almost self-sufficient in cotton textiles and is on its way to satisfying its own fertilizer and cement requirements by 1966. At the beginning of the current year banking circles noted a healthy increase in local investments in small enterprises which reflects, in their judgment an increase of confidence in the future that is unusual for recent years. The prospects for next year, under normal circumstances, appear reasonably good. If the Government encourages diversification in agriculture, exports of such products together with the increasing availability of rice should offset the decline in foreign exchange earnings from rubber.

The projected GVN budget for CY 1964 totals P27 billion: tax revenues are estimated at P11 billion, leaving an internal budget deficit of P16 billion. External resources (resulting from U.S. operations but requiring also use of foreign exchange reserves) are estimated to generate an additional P9.5 billion, leaving a P6.5 billion estimated deficit. This deficit might be somewhat reduced by additional tax revenues. To meet the remaining deficit, borrowings from the National Bank would still be required with a resulting increase in the money supply.

The money supply has been increasing rather sharply in the last nine months, although the inflationary effect has been dampened by the recent arrival of large shipments under USOM's commodity import program. This has been accompanied by an increase in import licensing brought about principally by the GVN's adoption at the beginning of this year of an open general licensing system for certain manufactured goods such as trucks, automobiles, fabricated steel and some industrial raw materials. The banks estimate that the open general licensing system will result in a \$10 million increase in GVN-financed imports in CY 1963.

In short, while the general economic situation is good, the prospects for holding the line on inflation and the balance of payments do not appear bright for CY 1964 unless the GVN can be persuaded to impose severe restraints.

#### Effect of the Political Crisis on the Economic Situation.

At the present time the current political problems have not had a significant effect on the internal economic situation. French banking sources report a slight increase in the rate of withdrawals from private Vietnamese bank deposits over the last two months; but this increase has only been on the order of 1 to 2 percent.

Commercial inventory stocks seem to be increasing, but this can be explained by the recent increase in arrivals of foreign goods. In any case prices have remained stable with exception of a slight increase in the cost of cement, automobiles and certain industrial equipment.

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The value of the piastre has fallen 10% on the Hong Kong market in the last month. Virtually no abnormal flight of capital has yet been observed in banking circles.

The most apparent effect of the crisis of the past several weeks is a slowdown in investment decisions, both in industry and in the limited capital market. Investors and industrialists are worried about a reduction in U.S. aid. They are aware of the suspension in the issuances of procurement authorizations and are therefore concerned about the availability of imported raw materials and spare parts.

Since the Saigon business community has lived through some violent times before this, they have not reacted to events with as much panic as might have been expected. If the U.S. should long suspend import commitments, however, it should be apparent that the private sector of the economy will react in an inflationary manner.

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#### IV. POLITICAL SITUATION AND TRENDS

Although our observations of the political situation were necessarily less extensive than of the military picture, they were ample to confirm that the existing situation is one of high tension. We reviewed the situation carefully with the relevant U.S. officials and were also impressed by frank interviews with GVN officials and with third country representatives.

In essence, discontent with the Diem/Nhu regime, which had been widespread just below the surface during recent years, has now become a seething problem. The Buddhist and student crises have precipitated these discontents and given them specific issues. But the problem goes deeply into the personalities, objectives, and methods of operation of Diem and Nhu over a long period.

The evidence appears overwhelming that Diem and Nhu operate in close collaboration, and that each needs the other. They undoubtedly regard themselves as carrying out a social and political revolution for the good of their country, using all means -- including the strategic hamlet program -- to build up a secure base of political strength in the rural areas.

At the same time, the positive and educative sides of their actions, aimed primarily at the countryside, but with extensive country-wide educational efforts as well, have been increasingly matched by negative and repressive measures of control against the urban population. The urban elite or "Establishment" -- which includes intellectuals, civilian officials at all levels, and a high proportion of military officers -- has never been trusted by Diem and Nhu. Always sensitive to signs of opposition -- with some justification from events in 1954-55 and the attempted coups of 1960 and 1962 -- the regime has turned increasingly to police methods, particularly secret arrests, that have almost all the bad effects of outright totalitarianism even though a good deal of freedom to criticize still remains.

Concurrently, the palace has always manipulated and controlled the government structure to ensure its own control. The degree to which centralized control and intervention have been carried, and the often quixotic nature of its use, have had a steadily growing adverse effect on efficiency and morale.

Both of these adverse characteristics of the regime, and the resentment of them, focus more and more on Nhu. Not merely is he the hatchet man, but his statements on "personalism" and his building up with Madame Nhu of a wide personal apparatus have smacked more and more of outright totalitarianism. A further disturbing feature of Nhu is his flirtation with the idea of negotiating with North Vietnam,

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whether or not he is serious in this at present. This deeply disturbs responsible Vietnamese and, more basically, suggests a possible basic incompatibility with U.S. objectives.

Nhu's role and scope of action have increased, and he may well have the designs imputed to him of succeeding his brother in due course. Diem is still quite a long way from being a figurehead, and his personal prestige in the country has survived remarkably well. But Diem does depend heavily on Nhu, their central ideas are very close if not identical, and it would be remarkable if Diem dropped Nhu from a commanding position.

Until the Buddhist and student crises, it was probably true that the alienation between Diem and the elite was more a matter of basically divergent views of the right social structure and of Diem and Nhu's handling of individuals in the government than it was a matter of reaction to repressions. However, the crises have now brought the repressions so directly into the lives of many of the elite that more orderly methods, which might previously have kept the loyalty of the needed amount of talent, now probably cannot do so without a convincing degree of restoration of personal security. Yet both more orderly methods and a restoration of personal security cut diametrically across the grain of Diem's and especially Nhu's view of what is necessary to maintain their power and move toward their idea of social revolution.

Thus, the discontent of the elite -- reflected chiefly in the progressive loss of responsible men -- has now reached the point where it is uncertain that Diem can keep or enlist enough talent to run the war. The loss of such men as Mau and Tuyen, and the deeply disturbed attitude of such a crucial figure as Thuan, are the strongest evidences of the seriousness of the situation.

This is not to discount groups other than the elite. However, the Buddhists and students cannot in themselves either threaten the regime or do more than focus issues -- although of course they seriously damage the regime's standing in the U.S. and elsewhere, with uninhibited press reactions that contribute further to the persecution complex that drives Diem and Nhu into repression. The business community is a passive factor only. Urban labor is simply trying to hold its position, being anti-regime but not to the point of being an independent source of trouble. The rural peasantry appear little affected even by the Buddhist issue. If these groups can be kept even in an acquiescent state the war could go forward.

As matters stand, political tension in the urban centers is so high that it could boil over at any time into another cycle of riots, repressions, and resignations. This tension would disappear in a very short time if Nhu were removed. Whether it could be reduced to acceptable proportions by measures short of this is a very doubtful question.

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but it is clear that such measures would have to include both more moderate control methods and a better government climate particularly for civilian officials.

#### V. EFFECT OF POLITICAL TENSION

##### A. On Military Operations.

So far this has not significantly affected countryside operations in any area. U.S. personnel in the field testified that a few officer or civilian counterparts showed concern over the Buddhist and student issues, but not to the extent, as yet, of materially affecting their doing their jobs. The rural population has been almost untouched. The pace of GVN operations was sharply cut for a short period at the end of August by transfers of units and general uncertainty, but has now largely renewed its previous intensity. The Delta particularly has been so concerned with the war that it has been virtually unaffected.

Basically, the unifying factors embodied in the hatred of the military for Communism remain very sharp. This hatred is real and pervasive. It transcends domestic policies in the minds of most officers.

However, there are disturbing elements that could change this picture greatly unless the political tension can be reduced. Certain high officers have been heavily preoccupied with coup possibilities. Those who have had relatives directly involved in the regime's repressions are deeply disturbed though not necessarily ready to act against Diem.\* Resentment of Nhu exists in top military circles and probably to some extent at middle levels. The fact that the great bulk of military officers -- and Province Chiefs -- come from urban areas (simply because of educational requirements in many cases) clearly does open up the possibility of progressive loss of morale and effectiveness, as well as coup participation, if the regime does not cease its oppressions against Buddhists, students, and real or supposed opposition individuals.

##### B. On-Civilian Officials.

On the civilian official side, which is also relevant to the war effort, the reaction to the regime's actions has been sharper. The

\*A specific example of this is the Commandant of the Marine Corps in Saigon. His brother, along with many other relatives of military officers and cabinet members, was picked up in the student roundups of early September. Some were tortured, and -- as in the case of the Commandant's brother -- released only after intercession. However, the Commandant shows no inclination to take action against the Diem government.

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Embassy and USOM report unanimously that their normal counterparts have become afraid of associating too closely with Americans, and that there is a general atmosphere of watch-and-wait, just going through the motions of the job but failing to exert what limited initiative and imagination they had previously been ready to exert in face of the constant and power-directed interventions of Nhu. The decline in the contribution of these officials is less serious than any similar decline among the military and province chiefs, but is nonetheless a potentially significant and growing factor if tension persists because these officials play a substantial role in the strategic hamlet program.

In summary, the political tension has not yet significantly affected progress in the field, nor does it seem likely to have major effects in the near future. Beyond that, however, the prognosis must be considered uncertain if political tension persists or mounts.

#### VI. OVERALL EVALUATION

From the above analysis it is clear that the situation requires a constant effort by the U.S. to obtain a reduction of political tensions and improved performance by the Vietnamese Government. We cannot say with assurance whether the effort against the Viet Cong will ultimately fail in the absence of major political improvements. However, it does seem clear that after another period of repressive action progress may be reduced and indeed reversed. Although the present momentum might conceivably continue to carry the effort forward even if Diem remains in power and political tensions continue, any significant slowing in the rate of progress would surely have a serious effect on U.S. popular support for the U.S. effort.

#### VII. U.S. LEVERAGES TO OBTAIN DESIRED CHANGES IN THE DIEM REGIME...

##### A. Conduct of U.S. Representatives.

U.S. personnel in Saigon might adopt an attitude of coolness toward their Vietnamese counterparts, maintaining only those contacts and communications which are necessary for the actual conduct of operations in the field. To some extent this is the attitude already adopted by the Ambassador himself, but it could be extended to the civilian and military agencies located in Saigon. The effect of such action would be largely psychological.

##### B. Economic Leverage.

Together, USOM's Commodity Import Program (CIP) and the PL 480 program account for between 60 and 70 percent of imports into Vietnam. The commitment of funds under the CIP has already been suspended. CIP

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deliveries result in the generation of piastres, most of which go to the support of the defense budget. It is estimated that CIP pipelines will remain relatively large for some five or six months, and within this period there would not be a serious material effect. Even within this period, however, the flow of piastres to support the defense budget will gradually begin to decline and the GVN will be forced to draw down its foreign exchange reserves or curtail its military expenditures.

Within the domestic economy the existing large pipelines would mean that there would be no material reason for inflation to begin in the short term period. However, the psychological effect of growing realization that the CIP program has been suspended might be substantial in 2-4 months. Saigon has a large number of speculative traders, and although there is considerable police effort to control prices, this might not be able to contain a general trend of speculation and hoarding. Once inflation did develop, it could have a serious effect on the GVN budget and the conduct of the war.

Apart from CIP, two major AID projects are up for final approval - the Saigon-Cholon Waterworks (\$9 million) and the Saigon Electric Power Project (\$4 million). Suspension of these projects would be a possible means of demonstrating to Congress and the world that we disapprove of GVN policies and are not providing additional aid not directly essential to the war effort.

#### C. Paramilitary and Other Assistance:

(1) USOM assistance to the Combat Police and USOM and USIS assistance to the Director General of Information and the ARVN PsyWar Program could be suspended. These projects involve a relatively small amount of local currency but their suspension, particularly in the case of USIS, might adversely affect programs which the U.S. wishes to see progress.

(2) However, there would be merit in a gesture aimed at Colonel Tung, the Special Forces Commander, whose forces in or near Saigon played a conspicuous part in the pagoda affair and are a continuing support for Diem. Colonel Tung commands a mixed complex of forces, some of which are supported by MAP and others presently through CIA. All of those now in or near Saigon were trained either for combat missions or for special operations into North Vietnam and Laos. Partly or grounds of their not being used for their proper missions, the U.S. could inform Diem that we would cut off MAP and CIA support unless they were placed directly under Joint General Staff and were committed to field operations.

The practical effect of the cut-off would probably be small. The equipment cannot be taken out of the hands of the units, and the

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pay provided to some units could be made up from the GVN budget. Psychologically, however, the significance of the gesture might be greater. At the least it would remove one target of press criticism of the U.S., and would probably also be welcomed by the high military officers in Vietnam, and certainly by the disaffected groups in Saigon.

At the same time, support should continue, but through General Harkins rather than CIA, for border surveillance and other similar field operations that are contributing to the war effort.

We have weighed this cut-off action carefully. It runs a risk that Colonel Tung would refuse to carry out external operations against the Lao corridor and North Vietnam. It might also limit CIA's access to the military. However, U.S. liaison with high military officers could probably be fully maintained through the U.S. military advisors. On balance, we conclude that these possible disadvantages are outweighed by the gains implicit in this action.

(3) Consideration has been given both by USOM and the military (principally the JCS in Washington) to the possibility of redirecting economic and military assistance in such a fashion as to bypass the central government in Saigon. Military studies have shown the technical feasibility, though with great difficulty and cost, of supplying the war effort in the countryside over lines of communications which do not involve Saigon, and it is assumed that the same conclusions would apply to USOM deliveries to the field under the rural strategic hamlet program. However, there is a consensus among U.S. agencies in Saigon that such an effort is not practical in the face of determined opposition by the GVN unless, of course, a situation had developed where the central government was no longer in control of some areas of the country. Nor is it at all clear that such diversion would operate to build up the position of the military or to cut down Nhu's position.

#### D. Propaganda.

Although the capability of USIS to support the United States campaign of pressure against the regime would be small, the Ambassador believes consideration must be given to the content and timing of the United States pronouncements outside the country. He has already suggested the use of the Voice of America in stimulating, in its broadcasts to Vietnamese, discussions of democratic political philosophies. This medium could be used to exploit a wide range of ascending political pressure. In addition, a phased program of United States official pronouncements could be developed for use in conjunction with the other leverages as they are applied. We must recognize the possibility that such actions may incite Diem to strong countermeasures.

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E. The Leverage of Conditioning Our Military Aid on Satisfactory Progress.

Coupled with all the above there is the implicit leverage embodied in our constantly making it plain to Diem and others that the long term continuation of military aid is conditioned upon the Vietnamese Government demonstrating a satisfactory level of progress toward defeat of the insurgency.

F. Conclusions.

A program of limited pressures, such as the CIP suspension, will not have large material effects on the GVN or the war effort, at least for 2-4 months. The psychological effects could be greater, and there is some evidence that the suspension is already causing concern to Diem. However, the effect of pressures that can be carried out over an extended period without detriment to the war effort is probably limited with respect to the possibility of Diem making necessary changes.

We have not analyzed with care what the effect might be of a far more intensive level of pressure such as cessation of MAP deliveries or long continued suspension of the commodity import program. If the Diem government should fail to make major improvements, serious consideration would have to be given to this possible course of action, but we believe its effect on the war effort would be so serious - in psychological if not in immediate material terms - that it should not be undertaken at the present time.

VIII. COUP POSSIBILITIES

A. Prospects of a Spontaneous Coup.

The prospects of an early spontaneous replacement of the Diem Regime are not high. The two principal sources of such an attempt, the senior military officers and the students, have both been neutralized by a combination of their own inability and the regime's effective countermeasures of control. The student organizations have been emasculated. The students themselves have displayed more emotion than determination and they are apparently being handled with sufficient police sophistication to avoid an explosion.

The generals appear to have little stomach for the difficult job of secretly arranging the necessary coalescence of force to upset the Regime.

Diem/Nhu are keenly aware of the capability of the generals to take over the country, utilizing the tremendous power now vested in

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the military forces. They, therefore, concentrate their manipulative talent on the general officers, by transfers, and by controls over key units and their locations. They are aware that these actions may reduce efficiency, but they tolerate it rather than risk the prospect that they be overthrown and their social revolution frustrated. They have established a praetorian guard to guarantee considerable bloodshed if any attack is made. The generals have seen slim hope of surmounting these difficulties without prohibitive risk to themselves, the unity of the Army and the Establishment itself.

Despite these unfavorable prospects for action in the short term, new factors could quickly arise, such as the death of Diem or an unpredictable and even irrational attack launched by a junior officer group, which would call urgently for U.S. support or counteraction. In such a case, the best alternative would appear to be the support of constitutional continuity in the person of the Vice President, behind whom arrangements could be developed for a more permanent replacement after a transitional period.

#### B. Prospects for Improvement under an Alternative Government.

The prospects that a replacement regime would be an improvement appear to be about 50-50.\* Initially, only a strongly authoritarian regime would be able to pull the government together and maintain order. In view of the pre-eminent role of the military in Vietnam today, it is probable that this role would be filled by a military officer, perhaps taking power after the selective process of a junta dispute. Such an authoritarian military regime, perhaps after an initial period of euphoria at the departure of Diem/Nhu, would be apt to entail a resumption of the repression at least of Diem, the corruption of the Vietnamese Establishment before Diem, and an emphasis on conventional military rather than social, economic and political considerations, with at least an equivalent degree of xenophobic nationalism.

These features must be weighed, however, against the possible results of growing dominance or succession by Nhu, which would continue and even magnify the present dissension, unhappiness and unrest.

#### C. Possible U.S. Actions.

Obviously, clear and explicit U.S. support could make a great difference to the chances of a coup. However, at the present time we lack a clear picture of what acceptable individuals might be brought to the point of action, or what kind of government might emerge. We therefore need an intensive clandestine effort, under the Ambassador's

\*Mr. Sullivan (State) believes that a replacement regime which does not suffer from the overriding danger of Nhu's ambition to establish a totalitarian state (the control of which he might easily lose to the Communists in the course of his flirtations) would be inevitably better than the current regime even if the former did have the deficiencies described.

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direction, to establish necessary contacts to allow U.S. to continuously appraise coup prospects.

If and when we have a better picture, the choice will still remain difficult whether we would prefer to take our chances on a spontaneous coup (assuming some action by Diem and Nhu would trigger it) or to risk U.S. prestige and having the U.S. hand show with a coup group which appeared likely to be a better alternative government. Any regime that was identified from the outset as a U.S. "puppet" would have disadvantages both within South Vietnam and in significant areas of the world, including other underdeveloped nations where the U.S. has a major role.

In any case, whether or not it proves to be wise to promote a coup at a later time, we must be ready for the possibility of a spontaneous coup, and this too requires clandestine contacts on an intensive basis.

#### IX. ANALYSIS OF ALTERNATIVE POLICIES

Broadly speaking, we believe there are three alternative policies the U.S. could pursue to achieve its political and military objectives:

1. Return to avowed support of the Diem regime and attempt to obtain the necessary improvements through persuasion from a posture of "reconciliation." This would not mean any expression of approval of the repressive actions of the regime, but simply that we would go back in practice to business as usual.

2. Follow a policy of selective pressures: "purely correct" relationships at the top official level, continuing to withhold further actions in the commodity import program, and making clear our disapproval of the regime. A further element in this policy is letting the present impression stand that the U.S. would not be averse to a change of Government -- although we would not take any immediate actions to initiate a coup.

3. Start immediately to promote a coup by high ranking military officers. This policy might involve more extended suspensions of aid and sharp denunciations of the regime's actions so timed as to fit with coup prospects and planning.

Our analysis of these alternatives is as follows:

1. Reconciliation.

We believe that this course of action would be ineffective from the standpoint of events in South Vietnam alone, and would also greatly increase our difficulties in justifying the present U.S. support effort both to the Congress and generally to significant third nations. We are most unlikely, after recent events, to get Diem to make the necessary changes; on the contrary, he would almost certainly regard

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our reconciliation as an evidence that the U.S. would sit still for just about anything he did. The result would probably be not only a continuation of the destructive elements in the Regime's policies but a return to larger scale repressions as and when Diem and Nhu thought they were necessary. The result would probably be sharp deterioration in the military situation in a fairly short period.

## 2. Selective Pressures.

We have examined numerous possibilities of applying pressures to Diem in order to incline him to the direction of our policies. The most powerful instrument at our disposal is the control of military and economic aid but any consideration of its use reveals the double-edged nature of its effects. Any long term reduction of aid cannot but have an eventual adverse effect on the military campaign since both the military and the economic programs have been consciously designed and justified in terms of their contribution to the war effort. Hence, immediate reductions must be selected carefully and be left in effect only for short periods.

We believe that the present level of pressures is causing, and will cause, Diem some concern, while at the same time not significantly impairing the military effort. We are not hopeful that this level (or indeed any level) of pressure will actually induce Diem to remove Nhu from the picture completely. However, there is a better chance that Diem will at least be deterred from resuming large scale oppressions.

At the same time, there are various factors that set a time limit to pursuing this course of action in its present form. Within 2-4 months we have to make critical decisions with the GVN about its 1964 budget and our economic support level. In addition, there is a significant and growing possibility that even the present limited actions in the economic field -- more for psychological than for economic reasons -- would start a wave of speculation and inflation that would be difficult to control or bring back into proper shape. As to when we would reverse our present course, the resumption of the full program of economic and military aid should be tied to the actions of the Diem government.

As a foundation for the development of our long-term economic and military aid programs, we believe it may be possible to develop specific military objectives to be achieved on an agreed schedule. The extent to which such objectives are met, in conjunction with an evaluation of the regime's political performance, would determine the level of aid for the following period.

## 3. Organizing a Coup.

For the reasons stated earlier, we believe this course

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of action should not be undertaken at the present time.

\* \* \* \* \*

On balance we consider that the most promising course of action to adopt at this time is an application of selective short-term pressures, principally economic, and the conditioning of long-term aid on the satisfactory performance by the Diem government in meeting military and political objectives which in the aggregate equate to the requirements of final victory. The specific actions recommended in Section I of this report are consistent with this policy.

Chairman, Joint Chiefs of Staff

*Criss*  
Secretary of Defense

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5 Oct 1963

TO: Lodge  
Via CAS Channel      CAP 63560

In conjunction with decisions and recommendations in separate  
RFTEL, President today approved recommendation that no initiative should  
now be taken to give any active covert encouragement to a coup. There  
should, however, be urgent covert effort with closest security under  
broad guidance of Ambassador to identify and build contacts with possible  
alternative leadership as and when it appears. Essential that this effort  
be totally secure and fully deniable and separated entirely from normal  
political analysis and reporting and other activities of country team.  
We repeat that this effort is not repeat not to be aimed at active  
promotion of coup but only at surveillance and readiness. In order to  
provide plausibility to denial suggest you and no one else in Embassy  
issue these instructions orally to Acting Station Chief and hold him  
responsible to you alone for making appropriate contacts and reporting  
to you alone.

All reports to Washington on this subject should be on this channel.

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SAIGON (CAS 1445), 5 October 1963

TO STATE FROM LODGE

1. Lt. Col. Conein met with Gen Duong Van Minh at Gen. Minh's Headquarters on Le Van Duyet for one hour and ten minutes morning of 5 Oct 63. This meeting was at the initiative of Gen Minh and has been specifically cleared in advance by Ambassador Lodge. No other persons were present. The conversation was conducted in French.

2. Gen. Minh stated that he must know American Government's position with respect to a change in the Government of Vietnam within the very near future. Gen. Minh added the Generals were aware of the situation is deteriorating rapidly and that action to change the Government must be taken or the war will be lost to the Viet Cong because the Government no longer has the support of the people. Gen. Minh identified among the other Generals participating with him in this plan:

Maj. Gen. Tran Van Don  
Brig. Gen. Tran Thien Khiem  
Maj. Gen. Tran Van Kim

3. Gen. Minh made it clear that he did not expect any specific American support for an effort on the part of himself and his colleagues to change the Government but he stated he does need American assurances that the USG will not rpt not attempt to thwart this plan.

4. Gen. Minh also stated that he himself has no political ambitions nor do any of the other General Officers except perhaps, he said laughingly, Gen. Ton That Dinh. Gen. Minh insisted that his only purpose is to win the war. He added emphatically that to do this continuation of American Military and Economic Aid at the present level (He said one and one half million dollars per day) is necessary.

5. Gen. Minh outlined three possible plans for the accomplishment of the change of Government:

a. Assassination of Ngo Dinh Nhu and Ngo Dinh Can keeping President Diem in Office Gen. Minh said this was the easiest plan to accomplish.

b. The encirclement of Saigon by various military units particularly the unit at Ben Cat. (Comment: Fifth Division elements commanded by Gen. Dinh).

c. Direct confrontation between military units involved in the coup and loyalist military units in Saigon. In effect, dividing the city of Saigon into sectors and cleaning it out pocket by pocket. Gen. Minh claims under the circumstances Diem and Nhu could count on the loyalty of 5,500 troops within the city of Saigon.

6. Conein replied to Gen. Minh that he could not answer specific questions as to USG non-interference nor could he give any advice with respect to tactical planning. He added that he could not advise concerning the best of the three plans.

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7. Gen. Minh went on to explain that the most dangerous men in South Vietnam are Ngo Dinh Nhu, Ngo Dinh Can and Ngo Trong Hieu. Minh stated that Hieu was formerly a Communist and still has Communist sympathies. When Col. Conein remarked that he had considered Col. Tung as one of the more dangerous individuals, Gen. Minh stated "if I get rid of Nhu, Can and Hieu, Col. Tung will be on his knees before me."
8. Gen. Minh also stated that he was worried as to the role of Gen. Tran Thien Khien since Khien may have played a double role in August. Gen. Minh asked that copies of the documents previously passed to Gen. Khien (plan of Camp Long Thanh and munitions inventory at that camp) be passed to Gen. Minh personally for comparison with papers passed by Khien to Minh purportedly from CAS.
9. Minh further stated that one of the reasons they are having to act quickly was the fact that many regimental, battalion and company commanders are working on coup plans of their own which could be abortive and a "catastrophe".
10. Minh appeared to understand Conein's position of being unable to comment at the present moment but asked that Conein again meet with Gen. Minh to discuss the specific plan of operations which Gen. Minh hopes to put into action. No specific date was given for this next meeting. Conein was again non-committal in his reply. Gen. Minh once again indicated his understanding and stated that he would arrange to contact Conein in the near future and hoped that Conein would be able to meet with him and give the assurance outlined above.

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SAIGON CAS 34026, 5 October 1963

TO STATE FROM LODGE

(REF: CAS SAIGON 1445)

EYES ONLY FOR SECRETARY RUSK FROM LODGE

Reference Big Minh-Conein meeting (Cas Saigon 1445). While neither General Harkins nor I have great faith in Big Minh, we need instructions on his approach. My recommendation, in which General Harkins concurs, is that Conein when next approached by Minh should:

1. Assure him that US will not attempt to thwart his plans.
2. Offer to review his plans, other than assassination plans.
3. Assure Minh that US aid will be continued to Vietnam under Government which gives promise of gaining support of people and winning the war against the Communists. Point out that it is our view that this is most likely to be the case if Government includes good proportion of well qualified civilian leaders in key positions. (Conein should press Minh for details his thinking Re composition future Government). I suggest the above be discussed with Secretary McNamara and General Taylor who contacted Minh in recent visit.

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6 Oct 1963

FROM: CIA  
TO : Lodge  
74228  
Re CAS 1445

1. Believe CAP 63560 gives general guidance requested REFTEL. We have following additional general thoughts which have been discussed with President. While we do not wish to stimulate coup, we also do not wish to leave impression that U.S. would thwart a change of government or deny economic and military assistance to a new regime if it appeared capable of increasing effectiveness of military effort, ensuring popular support to win war and improving working relations with U.S. We would like to be informed on what is being contemplated but we should avoid being drawn into reviewing or advising on operational plans or any other act which might tend to identify U.S. too closely with change in government. We would, however, welcome information which would help us assess character of any alternate leadership.

2. With reference to specific problem of General Minh you should seriously consider having contact take position that in present state his knowledge he is unable present Minh's case to responsible policy officials with any degree of seriousness. In order to get responsible officials even to consider Minh's problem, contact would have to have detailed information clearly indicating that Minh's plans offer a high prospect of success. At present contact sees no such prospect in the information so far provided.

3. You should also consider with Acting Station Chief whether it would be desirable in order to preserve security and deniability in this as well as similar approaches to others whether appropriate arrangements could be made for follow-up contacts by individuals brought in especially from outside Vietnam. As we indicated in CAP 63560 we are most concerned about security problem and we are confining knowledge these sensitive matters in Washington to extremely limited group, high officials in White House, State, Defense and CIA with whom this message cleared.

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THE WHITE HOUSE  
WASHINGTON

TOP SECRET - EYES ONLY

October 11, 1963

NATIONAL SECURITY ACTION MEMORANDUM NO. 263

TO: Secretary of State  
Secretary of Defense ✓  
Chairman of the Joint Chiefs of Staff

SUBJECT: South Vietnam

At a meeting on October 5, 1963, the President considered the recommendations contained in the report of Secretary McNamara and General Taylor on their mission to South Vietnam.

The President approved the military recommendations contained in Section I B (1-3) of the report, but directed that no formal announcement be made of the implementation of plans to withdraw 1,000 U.S. military personnel by the end of 1963.

After discussion of the remaining recommendations of the report, the President approved an instruction to Ambassador Lodge which is set forth in State Department telegram No. 534 to Saigon.

*McGeorge Bundy*  
McGeorge Bundy

Copy furnished:  
Director of Central Intelligence  
Administrator, Agency for International Development

TOP SECRET - EYES ONLY

*334 NSAM # 263*

*Oct 11 1963*

*Filed - Vietnam 381 (21 Oct 63)*

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SecDef Control No. *X6799*

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DEPARTMENT OF STATE  
BUREAU OF INTELLIGENCE AND RESEARCH

Research Memorandum  
RFE-90, October 22, 1963

TO : The Secretary  
THROUGH: S/S  
FROM : INR - Thomas L. Hughes *Thomas L. Hughes*  
SUBJECT: Statistics on the War Effort in South Vietnam Show Unfavorable Trends

This report reviews the more significant statistics on the Communist insurgency in South Vietnam as indicators of trends in the military situation since July 1963.

ABSTRACT

Statistics on the insurgency in South Vietnam, although neither thoroughly trustworthy nor entirely satisfactory as criteria, indicate an unfavorable shift in the military balance. Since July 1963, the trend in Viet Cong casualties, weapons losses, and defections has been downward while the number of Viet Cong armed attacks and other incidents has been upward. Comparison with earlier periods suggests that the military position of the government of Vietnam may have been set back to the point it occupied six months to a year ago. These trends coincide in time with the sharp deterioration of the political situation. At the same time, even without the Buddhist issue and the attending government crisis, it is possible that the Diem regime would have been unable to maintain the favorable trends of previous periods in the face of the accelerated Viet Cong effort.

Statistics as Indicators

Statistics, in general, are only partial and not entirely satisfactory indicators of progress in the total counterinsurgency effort in South Vietnam.\* First, some statistics are incomplete, as for example, those relating to Viet Cong attacks against strategic hamlets and desertions within the South Vietnamese military and security services. Second, all statistics are acquired largely if not entirely from official South Vietnamese sources. As such, their validity must, to some degree at least, remain questionable, even though the efforts of the United States military and civilian advisers have improved the quality of this data during the past year or

\*The statistics used in this paper were compiled by the Defense Intelligence Agency (DIA) and by the Office of the Special Assistant for Counterinsurgency and Special Activities (SACSA) in the Department of Defense and are based on field reports submitted by the Military Assistance Command Vietnam (MACV).

GROUP 3

Downgraded at 12 year  
intervals; not  
automatically declassified

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Third, there are several other important indicators which are extremely difficult, if not impossible, to handle statistically. These include: morale and efficiency within the bureaucracy and the armed services, the degree of locally acquired or volunteered intelligence, popular attitudes toward the Viet Cong and the government, and the status and impact of the government's political, social, and economic activities in support of the strategic hamlet program. Nonetheless, statistics touch on some significant aspects of the military situation and provide a guide at least to trends in the fighting.

#### Viet Cong Incidents

Statistics show that the Viet Cong have accelerated their military and subversive effort since July 1963. From January 1962 until July 1963, the total number of Viet Cong armed attacks, as well as all other incidents (sabotage, terrorism, and propaganda), dropped consistently. However, since July of this year, total incidents and armed attacks have increased appreciably. If the present trend continues through the end of this year, total incidents will exceed by more than 10% the level for the period July-December 1962. Large Viet Cong attacks (company-size or larger) have also increased appreciably since July of this year, and, if the trend continues, could exceed by almost 30% the level for July-December 1962.

In addition, the Viet Cong during the last half of 1963 have shown increased daring, planning, and coordination in their attacks. This has been evidenced by an attack against a United States helicopter base, and by simultaneous actions against two or more strategic hamlets and even against two district capitals. Until this period, towns had not been attacked since September 1961, when the capital of Phuoc Thanh province was raided by a large Viet Cong force.

#### Casualties

Although the Viet Cong have incurred relatively heavy losses during some of their more daring recent attacks, their overall casualties since July of this year have not been correspondingly high. If the accelerated Viet Cong effort and losses suffered are maintained at present levels during the rest of this year, casualties will remain about 10% below the level in July-December 1962, the peak period in Viet Cong casualties last year.

In contrast, casualties among the South Vietnamese military and security forces since July of this year are increasing and, at the present rate, could exceed by about 20% the level for the preceding six-month period. This would raise the total casualties for 1963 by some 30% above the 1961 and 1962 levels. Indeed, the ratio of Viet Cong to South Vietnamese forces killed and captured dropped from five-to-one for the last half of 1962 to three-to-one for the period July-September 18, 1963. This ratio would be still less favorable to the government if casualties among such

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paramilitary groups as the village militia and Montagnard scouts were taken into account. Casualty statistics on these groups are not complete and are not shown in this report. During the period August-September 18, 1963, however, their casualties exceeded 500 as compared with the combined total of more than 2,300 casualties among the Army, Civil Guard, and Self Defense Corps for the same period.

#### Weapons Losses

During 1962, weapons losses among both the Viet Cong and government forces increased progressively, although government losses were somewhat greater than those of the Viet Cong. The increase continued during January-April 1963, but losses on both sides were about even. However, during May-August, Viet Cong weapons losses dropped by more than 10%, while losses among government forces increased by about 15%. If the trend noted during the last three weeks of September should continue throughout the year, the Viet Cong will lose almost 70% fewer weapons than the government. Moreover, a large number of the Viet Cong weapons lost are of the home-made variety while the great bulk of government weapons losses are of standard or modern-type pieces.

#### Defections and Desertions

Viet Cong military defections increased progressively during 1963 until June, dropping from a high of 414 in May to a low of 107 for about the first three weeks of September. (These Viet Cong are usually members of the insurgent armed forces, although only a small percentage are believed to be hard-core cadres. They generally defect to South Vietnamese military forces who interrogate and screen them and determine their disposition.)

In addition to the military defectors, some 13,700 persons "rallied" to the government from April through August 1963 under a national surrender and amnesty campaign. This campaign, known as "Chieu Hoi," was officially inaugurated on April 19. The South Vietnamese government regards the bulk of these as Viet Cong. United States officials, who do not screen these statistics, believe the vast majority to be refugees and persons who, for one reason or another, have left areas controlled or formerly controlled by the Viet Cong. Many of them, however, may well have assisted the Viet Cong in some way voluntarily or under duress. The number of "Chieu Hoi" returnees increased progressively from April 19 to June 1963, when a high of about 3,200 was reached. By August, returnees dropped to a low of about 1,600. Complete statistics are not yet available for September.

Until June 1963, statistics on South Vietnamese desertions included all military and security personnel who had been absent from duty without official leave for any reason or for any length of time. Moreover, there was apparently no attempt to adjust these all-inclusive statistics to account for persons who had returned to duty. Including "awols," the 1962 monthly average of deserters was .7% of the combined strength of the military

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and security services. On this basis, there was no change in the monthly average during the first five months of 1963. Beginning in June, however, statistics on deserters excluded "awols" although they were still not adjusted to cover returnees. Even so, on the new basis, the monthly average of deserters increased from .6% in June 1963 to .8% in August 1963. Complete statistics are not yet available for September.

Conclusions

On the basis of available statistical trends, there appear to have been a number of significant and unfavorable changes in the military situation in South Vietnam since July of this year. Indeed, virtually all of the indicators noted in this report suggest that the military position of the Vietnam Government may have reverted to the point it had reached six months to a year ago. While it is difficult to relate precisely cause and effect for adverse changes in the military situation in South Vietnam, their occurrence at a time when the political situation has deteriorated must be considered as more than coincidental. At the same time, even without the Buddhist crisis and the more serious political difficulties following in its wake, it is possible that the Diem government would have been unable to maintain the favorable trends of preceding periods in the face of the accelerated Viet Cong effort since July 1963.

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I. STATISTICAL TRENDS, 1962-1963

	Jan. 1- June 30, 1962	July 1- Dec. 30, 1962 (and % of change)	Jan. 1- June 30, 1963, (and % of change)	July 1- Sept. 18, 1963*	% of previous period	
1. Viet Cong Incidents (total)	10,481	8,595 (-18%)	6,847 (-20%)	3,777	55%	
2. Viet Cong armed Attacks (total)	3,024	2,441 (-19%)	1,941 (-20%)	1,067	55%	
Company-size and larger	156	63 (-40%)	72 (+14%)	34	47%	
3. Viet Cong Casualties (total)	13,755	17,338 (+26%)	13,944 (-20%)	6,425	46%	
4. GVN Casualties (total)	6,036	6,846 (+13%)	8,056 (+18%)	4,220	52%	
	Jan.- April 1962	May - Aug. 1962	Sept. - Dec. 1962	Jan.- April 1963	May - Aug. 1963 (and % of change)	Thru Sept. 18, 1963 (and % of previous period)
5. Viet Cong Weapons Losses	1,202	1,526	1,806	1,917	1,703 (-11%)	335 (20%)
GVN Weapons Losses	1,777	1,884	1,534	1,974	2,260 (+15%)	644 (28%)
6. Viet Cong Defections**	1962 Total: 1,956		1,178	1,307 (+10%)	107 (8%)	

\*Although only 42% of this period has elapsed, the statistics in this column are already 46%-55% of the total figures for the previous six-month period, as shown in the last column.

\*\* This excludes "Chieu Hoi" returnees which have totalled 13,664 through August 1963 but which have declined sharply since July 1963.

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Declassified per Executive Order 13526, Section 3.3  
NND Project Number: NND 63316. By: NWD Date: 2011



II. CONDENSED FIGURES ON MILITARY ACTIVITY FROM JANUARY 1, 1962

1. Viet Cong-Initiated Incidents

1962*	Total Attacks	Large-Scale Attacks (Company-size and larger)	Terrorism	Sabotage	Prop	Total Incidents
Jan.	549	21	839	180	257	1,825
Feb.	500	20	613	137	210	1,460
Mar.	588	27	660	290	423	1,961
Apr.	497	27	1,024	220	192	1,933
May	528	38	892	154	251	1,825
June	362	23	736	157	222	1,477
July	448	12	735	158	223	1,564
Aug.	378	10	885	146	233	1,642
Sept.	391	10	624	178	182	1,375
Oct.	419	14	583	189	166	1,357
Nov.	421	8	614	144	132	1,311
Dec.	384	9	670	107	185	1,346
Total	5,465	219	8,875	2,060	2,676	19,076

\*These figures closely parallel year-end figures furnished by COMUSMACV.

1963

Jan.	252	10	447	49	179	927
Feb.	195	14	433	69	91	788
Mar.	344	11	653	131	154	1,282
Apr.	383	12	688	105	155	1,331
May	357	13	608	93	150	1,208
June	410	12	652	107	142	1,311
July	407	9	698	80	183	1,368
Aug.	319	12	569	93	186	1,167
Sep. 18	341	13	613	115	173	1,242
Total	3,008	106	5,361	842	1,413	10,624

2. Casualties\*\*

Jan. 1962	GVN				Viet Cong			
	KIA	WIA	Cap/Miss.	Total	KIA	WIA	Cap.	Total
ARVN - Army of Vietnam	116	221	8					
CG - Civil Guard	76	108	43					
SDC - Self-Defense Corps	107	146	65					
	<u>299</u>	<u>475</u>	<u>116</u>	<u>890</u>	<u>1,294</u>	<u>212</u>	<u>390</u>	<u>1,896</u>

\*\*COMUSMACV has reported the following statistics for 1962 on Viet Cong casualties: Killed - 20,919; wounded - 4,235; captured - 5,518; total 30,673.

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2. Casualties (continued)

	GVN				Viet Cong			
	KIA	WIA	Cap/Miss.	Total	KIA	WIA	Cap.	Total
<u>February 1962</u>								
ARVN - Army of Vietnam	72	118	7					
CG - Civil Guard	68	76	42					
SDC - Self-Defense Corps	104	106	75					
Totals	244	300	124	668	1,205	316	353	1,874
<u>March 1962</u>								
ARVN	97	219	28					
CG	160	223	27					
SDC	266	295	85					
Total	523	737	140	1,400	1,456	551	523	2,530
<u>April 1962</u>								
ARVN	94	164	1					
CG	108	146	66					
SDC	185	222	84					
Totals	387	532	151	1,070	1,596	292	415	2,303
<u>May 1962</u>								
ARVN	62	140	2					
CG	131	154	24					
SDC	197	215	68					
Totals	390	509	94	993	1,756	352	524	2,632
<u>June 1962</u>								
ARVN	84	133	13	230				
CG	91	186	19	296				
SDC	150	294	45	489				
Totals	325	613	77	1,015	1,666	413	441	2,520
<u>July 1962</u>								
ARVN	86	165	13	264				
CG	62	149	46	257				
SDC	236	372	153	761				
Totals	384	686	212	1,282	1,544	424	542	2,510

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2. Casualties (continued)

	GVN				Viet Cong			
	KIA	WIA	Cap/Miss.	Total	KIA	WIA	Cap.	Total
<u>Aug. 1962</u>								
ARVN	67	149	2	218				
CG	103	170	15	288				
SDC	207	307	46	560				
Total	377	626	63	1,066	2,271	367	669	3,307
<u>Sept. 1962</u>								
ARVN	125	231	2	358				
CG	46	101	3	150				
SDC	248	314	54	616				
Total	419	646	59	1,124	2,218	365	446	3,029
<u>Oct. 1962</u>								
ARVN	77	238	2	317				
CG	63	142	3	208				
SDC	225	239	59	523				
Total	365	619	64	1,048	1,967	286	373	2,626
<u>Nov. 1962</u>								
ARVN	66	233	15	314				
CG	72	156	6	234				
SDC	272	445	71	788				
Total	410	834	92	1,336	1,982	368	561	2,911
<u>Dec. 1962</u>								
ARVN	50	232	1	283				
CG	50	118	7	175				
SDC	194	268	70	532				
Total	294	618	78	990	2,203	289	463	2,955
Totals, 1962	4,417	7,195	1,270	12,882	21,158	4,235	5,700	31,093
<u>Jan. 1963</u>								
ARVN	153	432	10	595				
CG	83	152	12	247				
SDC	217	324	80	621				
Total	453	908	102	1,463	1,754	318	379	2,451

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2. Casualties (continued)  
 GVN

viet Cong

<u>Feb. 1963</u>		<u>KIA</u>	<u>WIA</u>	<u>Cap/Miss.</u>	<u>Total</u>	<u>KIA</u>	<u>WIA</u>	<u>Cap.</u>	<u>Total</u>
ARVN		82	224	6	312				
CG		87	139	10	236				
SDC		210	293	66	569				
Total		<u>379</u>	<u>656</u>	<u>82</u>	<u>1,117</u>	<u>1,084</u>	<u>303</u>	<u>292</u>	<u>1,679</u>
<u>March 1963</u>									
ARVN		75	306	4	385				
CG		161	259	11	431				
SDC		174	286	51	511				
Total		<u>410</u>	<u>851</u>	<u>66</u>	<u>1,327</u>	<u>1,443</u>	<u>368</u>	<u>205</u>	<u>2,016</u>
<u>April 1963</u>									
ARVN		192	352	15	559				
CG		91	136	13	240				
SDC		223	390	68	681				
Total		<u>506</u>	<u>878</u>	<u>96</u>	<u>1,480</u>	<u>1,660</u>	<u>256</u>	<u>388</u>	<u>2,304</u>
<u>May 1963</u>									
Total		<u>435</u>	<u>889</u>	<u>94</u>	<u>1,418</u>	<u>1,895</u>	<u>295</u>	<u>695</u>	<u>2,885</u>
<u>June 1963</u>									
ARVN		99	256	2	357				
CG		89	158	6	253				
SDC		201	358	82	641				
Total		<u>389</u>	<u>772</u>	<u>90</u>	<u>1,251</u>	<u>1,862</u>	<u>310</u>	<u>437</u>	<u>2,609</u>
<u>July 1963</u>									
ARVN		178	476	23	677				
CG		103	198	51	352				
SDC		248	397	232	877				
Total		<u>529</u>	<u>1,071</u>	<u>306</u>	<u>1,906</u>	<u>1,918</u>	<u>372</u>	<u>387</u>	<u>2,677</u>
<u>August 1963</u>									
ARVN		92	313	14	419				
CG		68	104	14	186				
SDC		150	218	151	519				
Total		<u>310</u>	<u>635</u>	<u>179</u>	<u>1,124</u>	<u>1,447</u>	<u>206</u>	<u>416</u>	<u>2,069</u>
<u>Sept. 18, 1963</u>									
ARVN		83	251	2	336				
CG		101	221	84	406				
SDC		151	211	86	448				
Total		<u>335</u>	<u>683</u>	<u>172</u>	<u>1,190</u>	<u>1,249</u>	<u>101</u>	<u>329</u>	<u>1,679</u>
<u>als, 1963*</u>		<u>3,746</u>	<u>7,343</u>	<u>1,187</u>	<u>12,276</u>	<u>14,312</u>	<u>2,529</u>	<u>3,528</u>	<u>20,369</u>

\*These figures do not include GVN casualties for other paramilitary forces, which are incomplete but which in August and September 1963 totalled 571.

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3: WEAPON LOSSES\*

	<u>Viet Cong</u>	<u>GVN</u>
<u>1961</u>	2,753	5,982
<u>1962</u>		
Jan. - Apr.	1,202	1,777
May - Aug.	1,526	1,884
Sept. - Dec.	1,806	1,534
Total	<u>4,534</u>	<u>5,195</u>
<u>1963</u>		
January	683	457
February	399	253
March	367	467
April	468	797
May	564	463
June	394	580
July	374	663
August	371	554
Sept. 18	<u>335</u>	<u>644</u>
Total	3,955	4,878

\*Many VC weapons lost are of the homemade variety.

4. VIET CONG DEFECTIONS\*\*

<u>1962</u>	1,956
<u>1963</u>	
January	168
February	245
March	394
April	371
May	414
June	394
July	308
August	191
Sept. 18	<u>107</u>
Total	2,592

\*\*This does not include "defectors" coming in under the "Chieu Hoi" or amnesty program.

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III. DESERTIONS IN THE SOUTH VIETNAMESE MILITARY AND SECURITY SERVICES\*

Date	RVNAF**	Civil Guard and Self Defense Corps	Total	Percent of Combined Strength of RVNAF, Civil Guard, Self Defense Corps***
<u>1962</u>				
January	933	1,553	2,486	.8
February	483	1,082	1,565	.5
March	1,168	2,110	3,278	1.0
April	1,273	1,424	2,697	.8
May	1,344	1,057	2,401	.7
June	1,160	1,638	2,798	.8
July	855	1,997	2,852	.8
August	867	2,105	2,972	.8
September	629	1,269	1,898	.5
October	767	1,505	2,272	.6
November	847	1,711	2,558	.7
December	877	1,270	2,147	.6
Total	11,203	18,721	29,924	Average: .7
<u>1963</u>				
January	865	1,814	2,679	.7
February	723	1,389	2,122	.5
March	656	2,260	2,916	.7
April	853	2,018	2,871	.7
May	999	2,165	3,164	.8
June	877	1,441	2,318	.6
July	686	2,289	2,975	.7
August	830	2,501	3,331	.8
Total	6,489	15,877	22,376	Average: .7

\*From January 1962 through May 1963, the above statistics include, in addition, to deserters all other persons who have been absent without official leave ("awol") for any length of time or for any reason. The statistics have not been adjusted to take into account those persons who returned to duty. From June through August 1963, the statistics consist entirely of deserters and exclude "awols," but still have not been adjusted to account for returnees.

\*\*Army, Navy, Marines, and Airforce.

\*\*\*From January through December 1962, the combined strength of these services increased from 315,454 to 390,220. From January through August 1963, the increase was from 392,460 to 404,799.

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SAIGON 1964, 25 Oct. 63

FROM LODGE TO McG. BUNDY

1. I appreciate the concern expressed by you in ref. a relative to the Gen. Don/Conein relationship, and also the present lack of firm intelligence on the details of the general's plot. I hope that ref. b will assist in clearing up some of the doubts relative to general's plans, and I am hopeful that the detailed plans promised for two days before the coup attempt will clear up any remaining doubts.

2. CAS has been punctilious in carrying out my instructions. I have personally approved each meeting between Gen. Don and Conein who has carried out my orders in each instance explicitly. While I share your concern about the continued involvement of Conein in this matter, a suitable substitute for Conein as the principal contact is not presently available. Conein, as you know, is a friend of some eighteen years' standing with Gen. Don, and General Don has expressed extreme reluctance to deal with anyone else. I do not believe the involvement of another American in close contact with the generals would be productive. We are, however, considering the feasibility of a plan for the introduction of an additional officer as a cut-out between Conein and a designee of Gen. Don for communication purposes only. This officer is completely unwitting of any details of past or present coup activities and will remain so.

3. With reference to Gen. Harkins' comment to Gen. Don which Don reports to have referred to a presidential directive and the proposal for a meeting with me, this may have served the useful purpose of allaying the General's fears as to our interest. If this were a provocation, the GVN could have assumed and manufactured any variations of the same theme. As a precautionary measure, however, I of course refused to see Gen. Don. As to the lack of information as to General Don's real backing, and the lack of evidence that any real capabilities for action have been developed, ref. b provides only part of the answer. I feel sure that the reluctance of the generals to provide the U.S. with full details of their plans at this time, is a reflection of their own sense of security and a lack of confidence that in the large American community present in Saigon their plans will not be prematurely revealed.

4. The best evidence available to the Embassy, which I grant you is not as complete as we would like it, is that Gen. Don and the other generals involved with him are seriously attempting to effect a change in the government. I do not believe that this is a provocation by Ngo Dinh Nhu, although we shall continue to assess the planning as well as possible. In the event that the coup aborts, or in the event that Nhu has masterminded a provocation, I believe that our involvement to date through Conein is still within the realm of plausible denial. CAS is

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perfectly prepared to have me disavow Concin at any time it may serve the national interest.

5. I welcome your reaffirming instructions contained in CAS Washington 74228. It is vital that we neither thwart a coup nor that we are even in a position where we do not know what is going on.

6. We should not thwart a coup for two reasons. First, it seems at least an even bet that the next government would not bungle and stumble as much as the present one has. Secondly, it is extremely unwise in the long range for us to pour cold water on attempts at a coup, particularly when they are just in their beginning stages. We should remember that this is the only way in which the people in Vietnam can possibly get a change of government. Whenever we thwart attempts at a coup, as we have done in the past, we are incurring very long lasting resentments, we are assuming an undue responsibility for keeping the incumbents in office, and in general are setting ourselves in judgment over the affairs of Vietnam. Merely to keep in touch with this situation and a policy merely limited to "not thwarting" are courses both of which entail some risks but these are lesser risks than either thwarting all coups while they are stillborn or our not being informed of what is happening. All the above is totally distinct from not wanting U.S. military advisors to be distracted by matters which are not in their domain, with which I heartily agree. But obviously this does not conflict with a policy of not thwarting. In judging proposed coups, we must consider the effect on the war effort. Certainly a succession of fights for control of the Government of Vietnam would interfere with the war effort. It must also be said that the war effort has been interfered with already by the incompetence of the present government and the uproar which this has caused.

7. Gen. Don's intention to have no religious discrimination in a future government is commendable and I applaud his desire not to be "a vassal" of the U.S. But I do not think his promise of a democratic election is realistic. This country simply is not ready for that procedure. I would add two other requirements. First, that there be no wholesale purges of personnel in the government. Individuals who were particularly reprehensible could be dealt with later by the regular legal process. Then I would be impractical, but I am thinking of a government which might include Tri Quang and which certainly should include men of the stature of Mr. Buu, the labor leader.

8. Copy to Gen. Harkins.

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FROM: McGeorge Bundy to Lodge 25 Oct 63

CAP 63590

Your 1964 most helpful.

We will continue to be grateful for all additional information giving increased clarity to prospects of action by Don or others, and we look forward to discussing with you the whole question of control and cut-out on your return, always assuming that one of these D-Days does not turn out to be real. We are particularly concerned about hazard that an unsuccessful coup, however carefully we avoid direct engagement, will be laid at our door by public opinion almost everywhere. Therefore, while sharing your view that we should not be in position of thwarting coup, we would like to have option of judging and warning on any plan with poor prospects of success. We recognize that this is a large order, but President wants you to know of our concern.

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30 Oct 1963

FROM: McGEORGE BUNDY  
TO : LODGE  
CAS 79109

1. Your 2023, 2040, 2041 and 2043 examined with care at highest levels here. You should promptly discuss this reply and associated messages with Harkins whose responsibilities toward any coup are very heavy especially after you leave (see para. 7 below). They give much clearer picture group's alleged plans and also indicate chances of action with or without our approval now so significant that we should urgently consider our attitude and contingency plans. We note particularly Don's curiosity your departure and his insistence Conein be available from Wednesday night on, which suggests date might be as early as Thursday.

2. Believe our attitude to coup group can still have decisive effect on its decisions. We believe that what we say to coup group can produce delay of coup and that betrayal of coup plans to Diem is not repeat not our only way of stopping coup. We therefore need urgently your combined assessment with Harkins and CAS (including their separate comments if they desire). We concerned that our line-up of forces in Saigon (being cabled in next message) indicates approximately equal balance of forces, with substantial possibility serious and prolonged fighting or even defeat. Either of these could be serious or even disastrous for U.S. interests, so that we must have assurance balance of forces clearly favorable.

3. With your assessment in hand, we might feel that we should convey message to Don, whether or not he gives 4 or 48 hours notice that would (A) continue explicit hands-off policy, (B) positively encourage coup, or (C) discourage.

4. In any case, believe Conein should find earliest opportunity express to Don that we do not find presently revealed plans give clear prospect of quick results. This conversation should call attention important Saigon units still apparently loyal to Diem and raise serious issue as to what means coup group has to deal with them.

5. From operational standpoint, we also deeply concerned Don only spokesman for group and possibility cannot be discounted he may not be in good faith. We badly need some corroborative evidence whether Minh and others directly and completely involved. In view Don's claim he doesn't handle "military planning" could not Conein tell Don that we need better military picture and that Big Minh could communicate this most naturally and easily to Stillwell? We recognize desirability involving MACV to minimum, but believe Stillwell far more desirable this purpose than using Conein both ways.

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6. Complexity above actions raises question whether you should adhere to present Thursday schedule. Concur you and other U.S. elements should take no action that could indicate U.S. awareness coup possibility. However, DOD is sending berth-equipped military aircraft that will arrive Saigon Thursday and could take you out thereafter as late as Saturday afternoon in time to meet your presently proposed arrival Washington Sunday. You could explain this being done as convenience and that your Washington arrival is same. A further advantage such aircraft is that it would permit your prompt return from any point en route if necessary. To reduce time in transit, you should use this plane, but we recognize delaying your departure may involve greater risk that you personally would appear involved if any action took place. However, advantages your having extra two days in Saigon may outweigh this and we leave timing of flight to your judgment.

7. Whether you leave Thursday or later, believe it essential that prior your departure there be fullest consultation Harkins and CAS and that there be clear arrangements for handling (A) normal activity, (B) continued coup contacts, (C) action in event a coup starts. We assume you will wish Truehart as charge to be head of country team in normal situation, but highest authority desires it clearly understood that after your departure Harkins should participate in supervision of all coup contacts and that in event a coup begins, he become head of country team and direct representative of President, with Truehart in effect acting as POIAD. On coup contacts we will maintain continuous guidance and will expect equally continuous reporting with prompt account of any important divergences in assessments of Harkins and Smith.

8. If coup should start, question of protecting U.S. nationals at once arises. We can move Marine Battalion into Saigon by air from Okinawa within 24 hours if ---- available. We are sending instructions to CINCPAC to arrange orderly movement of seaborne Marine Battalion to waters adjacent to South Vietnam in position to close Saigon within approximately 24 hours.

9. We are now examining post-coup contingencies here and request your immediate recommendations on position to be adopted after coup begins, especially with respect to requests for assistance of different sorts from one side or the other also request you forward contingency recommendations for action if coup (A) succeeds, (B) fails, (C) is indecisive.

10. We reiterate burden of proof must be on coup group to show a substantial possibility of quick success; otherwise, we should discourage them from proceeding since a miscalculation could result in jeopardizing U.S. position in Southeast Asia.

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30 October 1953

FROM: Harkins, Saigon  
To: Taylor, Washington, D. C.  
NR 2028

Your JCS 4188-63 arrived as I was in the process of drafting one for you along the same lines. I share your concern. I have not as yet seen SAIGON 768. I sent to the Embassy for a copy at 0830 this morning - as of now 1100 - the Embassy has not released it. Also CINCPAC 0-300040Z infor JCS came as a surprise to me as I am unaware of any change in local situation which indicates necessity for actions directed. Perhaps I'll find the answer in SAIGON 768. Or perhaps actions directed in CINCPAC 300040Z are precautionary in light of Gen. Don's statement reported in CAS 1925 that a coup would take place in any case not later than 2 November. It might be noted Don also is supposed to have said CAS SAIGON-1956 - that though the coup committee would not release the details, the Ambassador would receive the complete plan for study two days prior to the scheduled times for the coup.

I have not been informed by the Ambassador that he has received any such plans. I talked to him yesterday on my return from Bangkok and he offered no additional information. He has agreed to keep me completely informed if anything new turns up.

Incidentally he leaves for Washington tomorrow (31st) afternoon. If the coup is to happen before the second he's hardly going to get two days notice.

One thing I have found out, Don is either lying or playing both ends against the middle. What he told me is diametrically opposed to what he told Col. Conein. He told Conein the coup will be before November 2nd. He told me he was not planning a coup. I sat with Don and Big Minh for 2 hours during the parade last Saturday. No one mentioned coups. To go on:

Both CAS SAIGON 1896 and 1925 were sent first and delivered to me after dispatch. My 1991 was discussed with the Ambassador prior to dispatch. My 1993 was not, basically because I had not seen CAS SAIGON 1925 before dispatch and I just wanted to get the record straight from my side and where my name was involved.

The Ambassador and I are certainly in touch with each other but whether the communications between us are effective is something else. I will say Cabot's methods of operations are entirely different from Amb Noltings as far as reporting in the military is concerned.

Fritz would always clear messages concerning the military with me or my staff prior to dispatch. So would John Richardson if MACV was concerned. This is not true today. Cite CAS 1896 and 1925 for examples. Also you will recall I was not the recipient of several messages you held when you were here.

CINCPAC brought this matter up again when I saw him in Bangkok, this past weekend. He is going to make a check when he returns to see if he holds messages I have not received. Have just received SAIGON 768. I will have to report you are correct in believing that the Ambassador is forwarding military reports and evaluations without consulting me. For his weekly report to the President, at his request, I furnish him a short military statement. For preparation of 768 I made no mention of the Delta. I will answer 768 separately today.

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There is a basic difference apparently between the Ambassadors thinking and mine on the interpretation of the guidance contained in CAP 63560 dated 6 October and the additional thoughts, I repeat, thoughts expressed in CAS Washington 74228 dated 9 October. I interpret CAP 63560 as our basic guidance and that CAS 74228 being additional thoughts did not change the basic guidance in that no initiative should now be taken to give any active covert encouragement to a coup. The Ambassador feels that 74228 does change 63560 and that a change of government is desired and feels as stated in CAS SAIGON 1964 that the only way to bring about such a change is by a coup.

I'm not opposed to a change in government, no indeed, but I'm inclined to feel that at this time the change should be in methods of governing rather than complete change of personnel. I have seen no batting order proposed by any of the coup groups. I think we should take a hard look at any proposed list before we make any decisions. In my contacts here I have seen no one with the strength of character of Diem, at least in fighting communists. Certainly there are no Generals qualified to take over in my opinion.

I am not a Diem man per se. I certainly see the faults in his character. I am here to back 140 million SVN people in their fight against communism and it just happens that Diem is their leader at this time. Most of the Generals I have talked to agree they can go along with Diem, all say its the Nhu family they are opposed to.

Perhaps the pressures we have begun to apply will cause Diem and Nhu to change their ways. This is apparently not evident as yet. I'm sure the pressures we have begun to apply if continued will affect the war effort. To date they have not. I am watching this closely and will report when I think they have.

I do not agree with the Ambassadors assessment in 768 that we are just holding our own. The GVN is a way ahead in the I, II and parts of the III corps and making progress in the Delta. Nothing has happened in October to change the assessment you and Secretary McNamara made after your visit here.

I would suggest we not try to change horses too quickly. That we continue to take persuasive actions that will make the horses change their course and methods of action. That we win the military effort as quickly as possible, then let them make any and all the changes they want.

After all, rightly or wrongly, we have backed Diem for eight - long hard years. To me it seems incongruous now to get him down, kick him around, and get rid of him. The US has been his mother superior and father confessor since he's been in office and he has leaned on us heavily.

Leaders of other under-developed countries will take a dim view of our assistance if they too were led to believe the same fate lies in store for them.

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301030Z October 1963

FROM: General Harkins, Saigon  
TO: General Taylor, Washington  
NR: MAC 2033

1. Admiral Felt not addee this message but will be provided copy upon his arrival Saigon tomorrow.

2. I now hold copy of SAIGON 768 and this amplifies my MAC 2033 which initially responded to your JCS 4188-63.

3. SAIGON 768 was Ambassador Lodge personal report to President in response to DEPTTEL 576 which is possible explanation why I had not seen 768 until one week after dispatch and only then when I requested a copy so that I might intelligently respond to your JCS 4188-63 which referred to 768.

4. Upon receipt of DEPTTEL 576 Ambassador Lodge requested that I provide him brief suggested inputs for responses to questions 1 and 2 (a) 1 of DEPTTEL 576 in that they were principally military in nature. I have done this on weekly basis but have had no knowledge as to whether my suggested brief inputs were utilized in his personal report since as indicated abot these were not opened to me.

5. My suggested brief inputs for para 1 which were provided the Ambassador for use as he saw fit in drafting his personal evaluations for the past three weeks follow:

16 OCT: On balance we are gaining in the contest with the VC. There will continue to be minor ups and downs but the general trend has been and continues upward.

23 OCT: While significant changes are, and will be, difficult to identify on a day to day or even weekly comparative basis as regards the contest with the Viet Cong, the general trend continues to be favorable. The tempo of RVN - initiated operations is increasing and recently the tempo of VC - initiated activity has fallen off.

30 OCT: No change from that previously reported. National day affairs this past week tended to bring about a slight reduction in the tempo of RVN initiated actions, however VC initiated actions also waned and on balance the trend continues to be favorable.

6. My suggested brief inputs for paragraph 2(a) which were provided the Ambassador for use as he saw fit in drafting his personal evaluations for the past three weeks follow:

16 OCT: The government has responded at many points when we have cited need for improvement in the campaign against the VC (shift of boundaries; placement of VNSF activities in corps areas under OPCON of corps comdr; reallocation of forces). Additionally Gen Don and Gen Stilwell, my G-3 have spent the last week in the conduct of a Corps by Corps assessment of the present situation with a view to further desirable reallocation of forces. Based on their recommendations I will make further recommendations to Pres. Diem. (for inclusion in ANS to para 2(a) Ambassador was advised that US/GVN military relations remain good).

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23 OCT: Response received from the government in reaction to military areas where we have cited needed improvement has been favorable in some areas, while in other areas no indication of response has been received to date. In no case have they flatly resisted recommended improvements. Favorable indications are the commitment of nearly half of the general reserve to operations, plans for possible further redistribution of forces, and a recognition of the requirement to effect consolidation in the strategic hamlet program.

30 OCT: No specific responses have been received from the government this past week in reaction to military areas where we have cited need for improvement. This is believed due in great part to their pre-occupation with National day affairs.

7. Comparison of my 23 October suggested brief inputs quoted above with SAIGON 768 indicates Ambassador Lodge did not see fit to utilize my suggestions to any significant degree. It also apparent that upon further reflection Ambassador determined that more detailed response was required than he initially felt necessary when he requested brief inputs on principally military items.

8. I believe certain portions SAIGON 768 require specific comment. These follow:

Para F of answer to question 1 - View of Vice Pres Tho that there are only 15 to 20 all-around hamlets in the area south of Saigon which are really good is ridiculous and indicates need for him to get out of Saigon and visit countryside so as to really know of progress which is being made. In past two weeks I have visited nine Delta provinces, (Tay Ninh, Binh Duong, Hau Nghia, Long An, Kien Phong, Kien Hoa, An Giang, Phong Dinh, Chuong Thien) eight of which are south of Saigon, and I do not find the province chiefs or sector advisors to hold the same views as Vice Pres Tho.

Para H of answer to question 1 - I am unable to concur in statement that quote one cannot drive as much around the country as one could two years ago end of quote. I believe it will be some time before, if we ever do, experience mass surrenders of the VC. I am unable to concur in statement that VC is quote in fact, reckoned at a higher figure than it was two years ago end quote. I have not observed the signs that hatred of the government has tended to diminish the Army's vigor, enthusiasm and enterprise. I find it difficult to believe the few rumors one hears regarding Generals being paid off with money and flashy cars. Most cars I see in use by Generals are same they have been using for past two years and few if any qualify as flashy to my mind. I do not concur with the evaluation of the 14 October report of the Delta Subcommittee of the Committee on Province Rehabilitation which states that the VC are gaining. Moreover I

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take exception to the implication that the report represents official country team agency views and is consequently authoritative in the views it presents. Agency representatives on this sub-committee served as individuals in reporting to the COPROR Committee, incidentally there were wide divergencies even among sub-committee members. COPROR Committee received but did not place its stamp of approval or concurrence on report of its Sub-Committee. COPROR Committee returned the report to its Sub-Committee for rework. Consequently this report has not as yet been submitted to country team nor has it been referred to individual country team agencies for review and/or comment. Any views quoted from this Sub-Committee report therefore have no rpt no validity as expressions of country team or individual agency views.

Para J of answer to question 1 - With regard to the quote existing political control over troop movements, which prevents optimum use of the Army end quote. I do not deny that political influences enter into this picture however I feel we have made and are making significant strides in this area and do not concur that time is not working for us - so long as political controls remain as at present.

Para J of answer to question 1 - As indicated in paras 5 and 6 above and in other reports I have filed my evaluation is that from the military point of view the trend is definitely in RVN favor consequently I cannot concur that quote we at present are not doing much more than holding our own end quote.

Answer under (a) to question 2 - I am correctly quoted here but para 6 above gives full context of my suggested input.

Answer under (c) to question 2 - As indicated para 6 above Ambassador was advised that US/GVN military relations remain good.

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30 Oct 1963

FROM: Lodge  
TO : State  
CAS-2063

1. We must, of course, get best possible estimate of chance of coup's success and this estimate must color our thinking, but do not think we have the power to delay or discourage a coup. Don has made it clear many times that this is a Vietnamese affair. It is theoretically possible for us to turn over the information which has been given to us in confidence to Dien and this would undoubtedly stop the coup and would make traitors out of us. For practical purposes therefore I would say that we have very little influence on what is essentially a Vietnamese affair. In addition, this would place the heads of the Generals, their civilian supporters, and lower military officers on the spot, thereby sacrificing a significant portion of the civilian and military leadership needed to carry the war against the VC to its successful conclusion. After our efforts not to discourage a coup and this change of heart, we would foreclose any possibility of change of the GVN for the better. Dien/Nhu have displayed no intentions to date of a desire to change the traditional methods of control through police action or take any repeat any actions which would undermine the power position or solidarity of the Ngo family. This, despite our heavy pressures directed DEPEL 534. If our attempt to thwart this coup were successful, which we doubt, it is our firm estimate that younger officers, small groups of military, would then engage in an abortive action creating chaos ideally suited to VC objectives.

2. While we will attempt a combined assessment in a following message, time has not yet permitted substantive examination of this matter with General Harkins. My general view is that the U.S. is trying to bring this medieval country into the 20th Century and that we have made considerable progress in military and economic ways but to gain victory we must also bring them into the 20th Century politically and that can only be done by either a thoroughgoing change in the behavior of the present government or by another government. The Viet Cong problem is partly military but it is also partly psychological and political.

3. With respect to paragraph 3 Ref., I believe that we should continue our present position of keeping hands off but continue to monitor and press for more detailed information. CAS has been analyzing potential coup forces for some time and it is their estimate that the Generals have probably figured their chances pretty closely and probably also expect that once they begin to move, not only planned units, but other units will join them. We believe that Vietnam's best Generals are involved in

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directing this effort. If they can't pull it off, it is doubtful other military leadership could do so successfully. It is understandable that the Generals would be reticent to reveal full details of their plan for fear of leaks to the GVN.

4. Re para. 4, Ref., we expect that Conein will meet Don on the night of 30 Oct or early morning 31 Oct. We agree with Para. 4, Ref., that we should continue to press for details and question Don as to his estimate of the relative strengths of opposing forces. We do not believe, however, that we should show any signs of attempting to direct this affair ourselves or of giving the impression of second thoughts on this Vietnamese initiation. In the meantime, we will respond specifically to CAS Washington 79126. Please note that CAS Saigon 2059 corrects CAS Saigon 2023 and two regiments of the 7th Division are included in the coup forces.

5. Apparently Para. 5, Ref., overlooks CAS 1445, 5 Oct 1963 which gave an account of the face to face meeting of General "Big Minh" and Conein at Minh's instigation and through the specific arrangement of Gen Don. Minh specifically identified Gen Don as participating in a plan to change the government. Please note that Minh's remarks parallel in every way the later statements of Gen. Don. We believe that the limitation of contact to Don and Cein is an appropriate security measure consonant with our urging that the smallest number of persons be aware of these details.

6. We do not believe it wise to ask that "Big Minh" pass his plans to Gen. Stilwell. The Vietnamese believe that there are members of the U.S. military who leak to the Government of Vietnam. I do not doubt that this is an unjust suspicion but it is a fact that this suspicion exists and there is no use in pretending that it does not.

7. I much appreciate your furnishing the berth-equipped military aircraft which I trust is a jet. I intend to tell Pan American that a jet has been diverted for my use and therefore I will no longer need their services. This will undoubtedly leak to the newspapers and the GVN may study this move with some suspicion. I will answer any inquiries on this score to the effect that I am most pleased by this attention and that this is obviously done as a measure to insure my comfort and save my time. To allay suspicions further, I will offer space on the aircraft to MACV for emergency leave cases, etc.; and handle this in as routine fashion as possible. I wish to reserve comment as to my actual time of departure until I have some additional information, hopefully tomorrow.

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8. Your para. 7 somewhat perplexes me. It does not seem sensible to have the military in charge of a matter which is so profoundly political as a change of government. In fact, I would say to do this would probably be the end of any hope for a change of government here. This is said impersonally as a general proposition, since Gen. Harkins is a splendid General and an old friend of mine to whom I would gladly entrust anything I have. I assume that the Embassy and MACV are able to handle normal activities under A, that CAS can continue coup contacts under B, and as regards C, we must simply do the very best we can in the light of events after the coup has started.

9. We appreciate the steps taken as outlined in para. 8. However, we should remember that the GVN is not totally inept in its foreign soundings and that these moves should be as discreet and security conscious as possible. I would, of course, call for these forces only in case of extreme necessity since my hope coincides with the Generals that this will be an all-Vietnamese affair.

10. We anticipate that at the outset of the coup, unless it moves with lightning swiftness, the GVN will request me or Gen. Harkins to use our influence to call it off. I believe our responsibilities should be that our influence certainly could not be superior to that of the President who is Commander-in-Chief and that if he is unable to call it off, we would certainly be unable to do so and would merely be risking American lives attempting to interfere in this Vietnamese problem. The Government might request aircraft. Helicopters, for the evacuation of key personalities that would have to be studied closely, but we would certainly not commit our planes and pilots between the battle lines of the opposing forces. We should, rather, state that we would be willing to act in this fashion during a truce in which both sides agree to the removal of key personalities. I believe that there would be immediate political problems in attempting to take these personalities to another neighboring country and probably we would be best served in depositing them in Saipan where the absence of press, communications, etc., would allow us some leeway to make a further decision as to their ultimate disposition. If senior Vietnamese personalities and their families requested asylum in the Embassy or other American installations, we would probably have to grant it in light of our previous action with respect to Tri Quang. This will undoubtedly present later problems but hopefully the new government might feel disposed to help us solve this problem. Naturally, asylum would be granted on the same basis as the Buddhists, i.e., physical presence at the Embassy or other location.

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11. As to requests from the Generals, they may well have need of funds at the last moment with which to buy off potential opposition. To the extent that these funds can be passed discreetly, I believe we should furnish them, provided we are convinced that the proposed coup is sufficiently well organized to have a good chance of success. If they are successful, they will undoubtedly ask for prompt recognition and some assurance that military and economic aid will continue at normal level. We should be prepared to make these statements if the issue is clear-cut predicating our position on the President's stated desire to continue the war against the VC to final victory. VOA might be an important means of disseminating this message. Should the coup fail, we will have to pick up the pieces as best we can at that time. We have a commitment to the Generals from the August episode to attempt to help in the evacuation of their dependents. We should try to live up to this if conditions will permit. American complicity will undoubtedly be charged and there might be some acts taken against specific personalities which we should anticipate and make provision against as best we can. Should the coup prove indecisive and a protracted struggle is in progress, we should probably offer our good offices to help resolve the issue in the interest of the war against the VC. This might hold some benefit in terms of concessions by GVN. We will naturally incur some opprobrium from both sides in our role as mediator. However, this opprobrium would probably be less distasteful than a deadlock which would open the door to the VC. We consider such a deadlock as the least likely possibility of the three.

12. As regards your para. 10, I do not know what more proof can be offered than the fact these men are obviously prepared to risk their lives and that they want nothing for themselves. If I am any judge of human nature, Don's face expressed of sincerity and determination on the morning that I spoke to him. Heartily agree that a miscalculation could jeopardize position in Southeast Asia. We also run tremendous risks by doing nothing.

If we were convinced that the coup was going to fail, we would, of course, do everything we could to stop it.

13. Gen. Harkins has read this and does not concur.

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CAS 79407, 30 Oct '63

FROM BUNDY TO LODGE

1. Our reading your thoughtful 2063 leads us to believe a significant difference of shading may exist on one crucial point (see next para.) and on one or two lesser matters easily clarified.

2. We do not accept as a basis for U.S. policy that we have no power to delay or discourage a coup. In your paragraph 12 you say that if you were convinced that the coup was going to fail you would of course do everything you could to stop it. We believe that on this same basis you should take action to persuade coup leaders to stop or delay any operation which, in your best judgment, does not clearly give high prospect of success. We have not considered any betrayal of generals to Diem, and our 79109 explicitly reject that course. We recognize the danger of appearing hostile to generals, but we believe that our own position should be on as firm ground as possible, hence we cannot limit ourselves to proposition implied in your message that only conviction of certain failure justifies intervention. We believe that your standard for intervention should be that stated above.

3. Therefore, if you should conclude that there is not clearly a high prospect of success, you should communicate this doubt to generals in a way calculated to persuade them to desist at least until chances are better. In such a communication you should use the weight of U.S. best advice and explicitly reject any implication that we oppose the effort of the generals because of preference for present regime. We recognize need to bear in mind general's interpretation of U.S. role in 1960 coup attempt, and your agent should maintain clear distinction between strong and honest advice given as a friend and any opposition to their objectives.

4. We continue to be deeply interested in up-to-the-minute assessment of prospects and are sending this before reply to our CAS 79126. We want continuous exchange latest assessments on this topic.

5. To clarify our intent, paragraph 7 of our 79109 is rescinded and we restate our desires as follows:

a. While you are in Saigon you will be Chief of Country Team in all circumstances and our only instruction is that we are sure it will help to have Harkins fully informed at all stages and to use advice from both him and Smith in framing guidance for coup contacts and assessment. We continue to be concerned that neither Conein nor any other reporting source is getting the clarity we would like with respect to alienment of forces and level of determination among generals.

b. When you leave Saigon and before there is a coup, Truehart will be Chief of the Country Team. Our only modification of existing procedures is that in this circumstance we wish all instruction to Conein to be conducted in immediate consultation with Harkins and Smith so that all three know what is said in Conein. Any disagreement among the three on such instruction should be reported to Washington and held for our resolution, when time permits.

c. If you have left and a coup occurs, we believe that emergency situation requires, pending your return, that direction of country team be vested in most senior officer with experience of military decisions, and the officer in our view is Harkins. We do not intend that this switch in final responsibility should be publicized in any way, and Harkins will of course be guided in basic posture by our instructions, which follow in paragraph 6.

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we do not believe that this switch will have the effect suggested in your paragraph 8.

6. This paragraph contains our present standing instructions for U.S. posture in the event of a coup.

a. U.S. authorities will reject appeals for direct intervention from either side, and U.S.-controlled aircraft and other resources will not be committed between the battle lines or in support of either side, without authorization from Washington.

b. In event of indecisive contest, U.S. authorities may in their discretion agree to perform any acts agreeable to both sides, such as removal of key personalities or relay of information. In such actions, however, U.S. authorities will strenuously avoid appearance of pressure on either side. It is not in the interest of USG to be or appear to be either instrument of existing government or instrument of coup.

c. In the event of imminent or actual failure of coup, U.S. authorities may afford asylum in their discretion to those to whom there is any express or implied obligation of this sort. We believe however that in such a case it would be in our interest and probably in interest of those seeking asylum that they seek protection of other Embassies in addition to our own. This point should be made strongly if need arises.

d. But once a coup under responsible leadership has begun, and within these restrictions, it is in the interest of the U.S. Government that it should succeed.

7. We have your message about return to Washington and we suggest that all public comment be kept as low-key and quiet as possible, and we also urge that if possible you keep open the exact time of your departure. We are strongly sensitive to great disadvantage of having you out of Saigon if this should turn out to be a week of decision, and if it can be avoided we would prefer not to see you pinned to a fixed hour of departure now.

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