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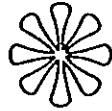
ITEMS SPECIFIED IN THE SPECIAL APPENDIX
FILED ON JUNE 21, 1971 WITH THE
UNITED STATES COURT OF APPEALS FOR THE SECOND CIRCUIT

II. Portions of Exhibits 7 and 7A the disclosure of which would slow the U.S. program of shifting military responsibility in Vietnam to South Vietnamese forces

VOL IV. C. 9 (a) and (b), US/GVN Relations 1963-1967, parts I and II. VOL IV B. 3, page 59 - Recounts in detail US disappointment with GVN efforts in government administration and conduct of the war, and US failure to generate effective leverage on the GVN in behalf of changes felt by the US to be essential. Public revelation of the extent to which the US has criticized Vietnamese efforts and attempted to control GVN decisions would make all facets of relations with the South Vietnamese more complicated at a time when the United States is entering a very delicate phase of the withdrawal process wherein we seek to win GVN support for new programs of the utmost significance to their own survival and to the security and effectiveness of US forces which remain in South Vietnam.

Particularly sensitive negotiations involve US efforts to solicit effective actions from the GVN in controlling the drug traffic to US forces. Many key GVN officials who are discussed and criticized in the studies still occupy key positions in the GVN.

Section II, Item 2



UNITED STATES - VIETNAM RELATIONS

1945 - 1967

IV. C. 9. (a)

EVOLUTION OF THE WAR

US/GVN Relations: 1963-1967

PART I

5. US-GVN Relations, 1964-1967

Summary and Analysis

1964-JUNE 1965

In 1964 the U.S. tried to make GVN strong, effective, and stable, and it failed. When the U.S. offered more aid, GVN accepted it without improving; they promised to mobilize, but failed to speed up the slow buildup of their forces. When the U.S. offered a firmer commitment to encourage them, including possible later bombing of North Vietnam, the GVN tried to pressure us to do it sooner. When the U.S. endorsed Khanh, he overplayed his hand, provoked mob violence, and had to back down to a weaker position than before. When Taylor lectured them and threatened them, the ruling generals of GVN defied him, and allied themselves with the street rioters. After several changes of government in Vietnam, the U.S. could set no higher goal than GVN stability. During this period, the USG was already starting to think about doing the job ourselves if our Vietnamese ally did not perform.

At first the U.S. thought that the power of the Vietnamese generals would make GVN strong and effective. In fact, the U.S. preference, at this time, was for military leadership in the GVN. However, the generals proved to be less than perfectly united. They found they had to bow to the power of student and Buddhist street mobs, and they lacked the will and the ability to compel the civil government to perform. Yet, the U.S. saw no alternative but to back them—to put up with Vietnamese hypersensitivity, their easy compliance combined with non-performance, and their occasional defiance. Moreover, MACV was even less ready to pressure the generals than was the Embassy and the Embassy less willing than Washington. MACV controlled the resources that mattered most to the South Vietnamese.

Pacification lagged, and the military picture steadily worsened. Planning of pressures against the North became more urgent, and the prospect of increasing U.S. inputs to all phases of the war loomed larger. The U.S. was more and more abandoning the hope that the Vietnamese could win the war by themselves. At the same time, the U.S. was preparing itself internally (NSAM 288 with the objective of an "independent non-communist Vietnam") and readying the American people (the Tonkin Gulf Resolution) for deeper commitments.

The period saw six major changes of government. At the end of January, 1964, Khanh seized power from the Minh government. In August, after his attempt to formalize military control, mob violence forced him to give way and to join a Triumvirate. It presided over formation of the civilian High National Council, which wrote a Constitution and elected the civilian President Suu and Prime Minister Huong to replace the Triumvirate. In December the military dissolved the High National Council, and in January 1965 they dismissed Huong, replacing him by Khanh as caretaker. In February, they appointed a new

civilian government, with Suu still President and with Quat as Prime Minister. In June, Ky took over. Besides all this, coup groups seized Saigon twice before being faced down each time.

During the first few months of this period the U.S. abandoned the plan for the phased withdrawal of most of our military assistance personnel, and stopped believing that the main-force war would come to a successful end by the close of 1965. With the start of planning pressures against the North, the U.S. first hoped that repeated preliminary signals to Hanoi would bring a response before bombing began; and we hoped that the promise of U.S. force commitments would strengthen Vietnamese unity and resolve. Both hopes proved vain, and we started bombing North Vietnam systematically without getting anything from either Hanoi or GVN. Then the bombing itself failed to stop Hanoi's intervention. Seeing no other choice, the U.S. poured troops into the country.

Throughout 1964, the U.S. pursued the objective of a strong, effective GVN like the Holy Grail. Increasingly, we felt we had to reassure our Saigon ally about the U.S. resolve, and hoped that a firm U.S. commitment through extending advisors and through bombing would improve GVN performance. Recurrently, we looked to the military as the one coherent, anti-communist force in the country. We leaned on them and on their strong-man, who for most of the period was Khanh, at first hoping that he or Minh would play the role that Magsaysay did in the Philippines. We were interested in legitimacy and democratic forms only as a long-run deferrable proposition; although more and more we recognized the need for broad political support—especially after the Buddhist crisis in August, 1964, had proved its importance.

As early as the Honolulu Conference in June, 1964, we worried about the possible emergence of a hostile government or anarchy; and the South Vietnamese played effectively on our fears. We lectured them repeatedly on the importance of national unity, both in periods of political calm and in crises. When the mobs in the streets faced down the generals, we then clung to the position that no one should rock the boat.

Yet, well beyond our control, General Khanh was a central figure in most of these changes. He took over in a coup in January, 1964, and played one role after another, for over twelve turbulent months. Then when a coup attempt failed against a newly installed government in February, 1965, the generals turned on Khanh and exiled him. Only the final coup, in which Ky took over, saw Khanh absent from the scene.

Withall, the military improved their hold on GVN machinery. The high turnover of district and province officials around the time of the Khanh coup put ARVN officers everywhere; and the corps commanders gradually consolidated their power throughout 1964. This tendency reached a climax and received a temporary setback in the rebellion that followed the August constitution. As a result of the successful Buddhist opposition, cabinet changes and the charter of the government in Saigon required Buddhist acquiescence.

These problems were aggravated by the clear and growing lack of legitimacy of GVN. The generals led by Minh, who overthrew Diem, gained an aura of respectability by this act because Diem had so completely alienated the people. Whatever their "respectability" may have been worth went down the drain, however, when Khanh seized power and then later maneuvered Minh out of the country. Khanh's position as a brash usurper gave him little room for maneuver among Saigon's complex political currents, although for a time the U.S. counted on his "raw power." With subsequent shifts in the form and

composition of government, the expediency and lack of legitimacy of GVN grew more conspicuous and more debilitating.

Leverage

U.S. attempts to strengthen the GVN's will to govern and to pacify the countryside failed. Moreover, the attempts, conceived in haste, often backfired. In contrast to the steady discussion of alternatives among Washington agencies, the Embassy, and MACV on the subject of pressures on the North, the idea of pressures on GVN seldom surfaced. When it did surface, it was either brushed aside or rushed into. Leverage planning failed to receive even that quality and quantity of attention that pressures against North Vietnam planning did.

As a general rule, Washington was more interested in putting pressure on GVN than was the Embassy, with the notable exception of Taylor's initiatives in December, and MACV was the least interested of all. But these differences were less notable than was the almost universal consensus (most of the time) that the Vietnamese were too sensitive for such pressures to work, and that we had to accept the GVN's non-performance as the best available.

Starting with Rusk's conversation with Khanh at the end of May, 1964, and ending with Taylor's initiative in early December, the U.S. tried to use the prospect of U.S. force commitment as an inducement to the Vietnamese to do better. However, Taylor said that if this inducement were to fail, the U.S. should go ahead with its pressures against the North anyway. Taking this position meant that the attempted inducement was bluff. There is every sign, both in their non-performance and in their December-January defiance, that the GVN sized it up that way and called the bluff.

Our attempted leverage included both inducements and threats at one time and another; and neither worked out well. Rusk's May, 1964, conversation with Khanh, the intensification of pressures planning following the Honolulu Conference in June, and the shift of the Chairman, JCS to the post of Ambassador to SVN, all showed U.S. commitment. We hoped these measures and talks would directly contribute to GVN morale and effectiveness. However, they were followed by the July press leaks and by direct pressure to bomb North immediately. The July public endorsement of Khanh was intended to reassure all concerned of our support, and so to strengthen GVN. Then, the Gulf of Tonkin incidents were followed promptly by Khanh's Constitution, which backfired against him and against us, weakening rather than strengthening GVN.

Taylor's bill of particulars against GVN in December was followed immediately by attacks on GVN by the Buddhists, and then shortly by the military, bringing down the government. Taylor's stern lecture to the Young Turks at this time met only with their defiance. They agreed to a compromise solution to the crisis when Taylor held up the GVN Defense Budget, and then reversed themselves after he released it. The first Flaming Dart raids, opening the deliberate U.S. bombing campaign against the North, were followed shortly by another coup attempt.

There was no disagreement among Washington, the Embassy, and MACV that U.S. commitments should be used to improve GVN's morale and performance. In contrast, however, they often disagreed about putting pressure on GVN. In January, 1964, State showed far more interest than did Lodge in using the AID negotiations to press GVN for more effort; in the upshot we gave

them an AID increase with no strings attached. This disagreement continued for several months. McNamara leaned consistently toward giving GVN whatever it needed; only later did he begin to mention increasing our influence. But McNamara and JCS did prod Lodge into asking GVN why they were not progressing well. In May, 1964, Sullivan proposed direct entry of U.S. personnel into the Vietnamese chain of command; his idea was watered down considerably in the State Department, and disappeared at the Honolulu Conference because of opposition by Lodge and Westmoreland. Other proposals agreed to at the conference, relating to new actions and improved programs by GVN, interested State far more than they did the Embassy and MACV, as revealed in the follow-up.

By and large the same contrasts prevailed when Taylor was the Ambassador, although in December he was far more willing to press GVN than Lodge ever was. Even then, at the peak of the crisis, Taylor expressly rejected sanctions. MACV generally rejected sanctions also, and seemed less willing to apply leverage in day-to-day matters than were U.S. civilians in the field. MACV studies on GVN ineffectiveness usually proposed more studies and never proposed pressure on GVN.

If U.S. force commitments and the record of GVN non-performance reflect the failure of leverage, what does the record tell us about how leverage could be made to work? Regrettably, the record tells us nothing about that; it merely shows that everything we tried went wrong. As noted, attempts at leverage or pressure on GVN were seldom thought through and studied carefully. One searches in vain for studies, memoranda, or widespread discussion of alternative techniques for leverage and of what our experience shows about how they might work. Pressures against the North, whose results have disappointed us, were a model of planning, foresight, and detailed consideration, compared to the subject of pressures on GVN. Yet GVN's failure was the heart of our policy problem throughout the period, as many feel it still is.

The Embassy's Lack of Political Contact

The shifts of political loyalties, coups, rebellions, and major changes of public figures often caught the Embassy by surprise. It had no effective system, either through overt or covert contacts, for finding out what was going on. CAS people talked to a few official contacts, who told them things the Vietnamese wanted the U.S. to believe; but CAS had and has no mandate or mission to perform systematic intelligence and espionage in friendly countries, and so lacks the resources to gather and evaluate the large amounts of information required on political forces, corruption, connections, and so on. Moreover, there is no sign that the Embassy understood events after the fact, or saw the connection between what we did and what the Vietnamese did next. It appears that the U.S. had few people experienced at maneuvering and manipulating among oriental politicians.

In the following cases the Embassy was in the dark. (1) We had no information on the degree of truth of Khanh's charges against the four "pro-neutralist" generals plus Minh, and we knew about his coup a day in advance only because he sounded us out on it. (2) During the months of maneuvering between Khanh and Minh after the coup, we had no way to evaluate the coup rumors that always went around, and that peaked around moments of crisis like the trial of the four generals in May. (3) Khanh's complaints of Vietnamese war-weariness starting in late May, in retrospect a transparent tactic to pressure the U.S. to bomb North, took in the USG completely; we eagerly went

ahead and planned to bomb "to improve their unity and resolve." (4) Khanh's defiant leaks on cross-border operations in July surprised and perplexed the Embassy; Taylor described them as an attempt to improve his own people's morale, not as an attempt to stampede us. (5) When Khanh asked for our public endorsement and then talked about "reorganization," we failed to see the connection. When he tried to reorganize Minh out of the government, Taylor made no move to save Minh until after street rioting had broken up the whole plan. (6) The September 13 coup attempt surprised everybody. (7) The HNC decision to make Suu President and Huong Prime Minister surprised and angered us. (8) Taylor's December plan to strengthen GVN by lecturing to it about its failures provoked a completely unexpected reaction; both Buddhists and the military turned against the GVN. Taylor's subsequent stern lecture to the Young Turks likewise produced the opposite of the desired result. (9) The generals' January, 1965, moves to renege on the agreed crisis settlement and to dismiss Huong surprised us. (10) The February 19 coup attempt surprised everybody. (11) We did not know what to think of the alleged coup attempt in May, 1965.

In some noteworthy cases we did better. (1) Taylor correctly foresaw that Khanh's August constitution would cause trouble. (2) Westmoreland detected Ky's budding coup attempt in November and, with Embassy authority, squelched it. (3) Taylor foresaw (and tacitly accepted) the Ky coup.

The MACV Role

The MACV organization played an important, mostly hidden, role in US/GVN relations. At every level from Saigon to the districts, the advisory structure was the most pervasive instrument of intergovernmental contact. ARVN officers were accustomed to being spoon-fed military advice; so when military dominance of GVN brought these same officers to high positions in government, the advisor relationship conferred a latent diplomatic role upon MACV. Advisors were used as channels of communications on political matters and became the most reliable sources of information on impending coups. (On occasions such as the Rhade uprising and Ky's first attempt at a coup, senior MACV officers openly became diplomatic emissaries.)

We have less record than we would like of COMUSMACV's influence. He reported regularly to his military seniors only on strictly military matters. Detailed reports of his routine, daily dealings with counterparts were not required of MACV as they were of the Embassy.

From time to time COMUSMACV revealed his own independent objectives. He sought protection of the ARVN officer corps from political machinations and from unfavorable press stories in order to preserve their solidarity and morale; he pressed zealously for early introduction of U.S. ground forces and for their rapid build-up; he opposed encadrement and combined command with ARVN; he resisted exclusion of the military from pacification; he rejected sanctions against ARVN; he objected to the initial constraints on the use of American forces and wanted to be free to operate independently of ARVN.

General Westmoreland's strong position usually assured that his view prevailed. Extension of advisors, increased MAP resources, and the introduction of U.S. ground forces enhanced his relative position. His freedom from detailed reporting of daily contacts was itself an element of strength. When he received unwanted advice and directives, he set up studies (as in the Civic Action Program) to stall for time; when he lacked authority to operate freely,

he planned ahead with the Vietnamese (as in the use of U.S. forces for independent offensive operations) and then presented the matter to Washington as a virtual *fait accompli*.

Vietnamese Non-Performance and Sensitivity

Throughout this period the GVN failed to perform in almost every constructive respect. Pacification lagged, when not visibly retreating, even though the GVN was always willing to issue decrees, set up organizations we suggested, and so on. Khanh's promise to mobilize came to nothing. The VC defeated ARVN in bigger and bigger battles, until the military assessment of the situation permitted Westmoreland to call for over 200,000 U.S. troops.

Moreover, on issues purportedly relating to sovereignty or "face," the Vietnamese were and are quite sensitive, and the U.S. was consistently afraid to inflame this sensitivity. Both sides avoided many delicate topics. A prime example is the matter of the lack of a bilateral treaty. The U.S. operated, and still operates, under a Pentilateral protocol signed by the French and Bao Dai under the U.S. military assistance program to France before 1954. It gave U.S. advisers and officials virtual diplomatic status, which was reasonable back when there were less than two hundred of them in all Indochina. But it now applies to all U.S. personnel, and no one has wanted to stir things up.

The sensitivity problem cropped up often. For a time early in 1964, the GVN backed off from an agreement to extend U.S. advisors to district level, and when the GVN did approve, they insisted that the advice be strictly military and that the advisors be labelled "subsector." In like manner, the III Marine Expeditionary Force became the III Marine Amphibious Force, because the French had called their Indochina force "expeditionary." But the GVN, and especially the military, agreed readily to new U.S. troop commitments.

The Vietnamese would often greet a U.S. representative, in moments of tension, with false or exaggerated stories of U.S. dealings, such as a complaint in January, 1964, about U.S. training and CIA contacts with the Cao Dai and Hoa Hao. In contrast, on cabinet appointments they often asked the Ambassador's opinion, and he customarily leaned over backward to avoid giving specific recommendations. Shared sensitivity, closely related to the lack of a treaty governing status of U.S. forces, prevented any move toward joint command and U.S. control of all military operations in Vietnam; both Westmoreland and the Vietnamese preferred to operate separately. The Embassy looked the other way from repressive police measures and political arrests unless these led to embarrassing press stories. When the Ambassador would raise this type of issue with the GVN, it proved always to be touchy.

Vietnamese sensitivity sometimes led to open displays of anti-Americanism. These happened on three main occasions: (1) when Khanh grumbled about being a puppet after the go-North leaks in July, 1964; (2) in the open rupture between Khanh and Taylor in December-January; and (3) in the January riots when rioters overran USIS buildings in Saigon and Hue.

Vietnamese Compliance More in Form Than in Substance

The Vietnamese nevertheless showed a ready willingness throughout the period to declare new policies, sign decrees, and engage in joint studies at our request. But as noted above, that did not mean we got the substance of what we wanted on such matters. The most important case of this kind was Khanh's

ready agreement in March to "mobilize" South Vietnam. He promptly made a token announcement; and while students and other potential draft-eligibles waited anxiously to learn what he meant (as did we, he delayed several weeks before any further announcement. Starting in May, he began announcing specifics and signing decrees, and kept the idea live for several months. However, strength of the RVNAF rose less in 1964 than it did in 1963*, and the talk of non-military mobilization came to nothing.

The military and the more militant civilians, on whom the U.S. counted most heavily and regularly supported, turned out to have far more enthusiasm for going North and for other external adventures than they did for getting on with the job of effective government and pacification. They promised much on this latter score, but could not or would not deliver. Knowing that we had no one else to turn to, they continued their old habits and often openly did what they pleased about important matters. The go-North problem was particularly troublesome because the militants rejected the permanent division of Vietnam at the 17th parallel, upheld in practice by the U.S.

The following are interesting instances, among many, of their superficial compliance. They agreed readily to use U.S. advisers at the ministerial level (the brain trust), although there is no sign that the brain-trusters accomplished anything. Indeed, on all ten suggestions that accompanied President Johnson's 1964 New Year's Message to Minh, only the one on amnesty found them hesitant to express their full agreement. They regularly agreed on budgetary limits to keep inflation from getting out of hand, but never satisfied us on specifics through 1964 or the first half of 1965. They repeatedly agreed to relieve ineffective, corrupt commanders and officials, but delayed endlessly on doing it and generally promoted those whom they relieved. At Westmoreland's request, Khanh created the Hop Tac plan for pacification around Saigon; but it foundered, and eventually the Vietnamese killed it. When Lodge left Vietnam in June, 1964, he sealed his tour with a general agreement with Khanh on concept, scope, and organization of the pacification efforts; obtaining such agreements presented absolutely no problem. In December, 1964, the JGS issued a directive containing every MACV suggestion on how RVNAF should help pacification.

In July, 1964, Khanh created a National Security Council similar to ours, and it met regularly with the top group of Embassy people to talk agreeably about pacification and manpower problems. MACV set up joint inspection teams and joint studies with JGS people several times a year. The only thing of this class that had any visible follow-through was the joint planning group on bombing North and on other cross-border operations. Two battalions specifically declared ineffective by MACV suffered no penalty or improvement.

The militants' predilection for external adventures began to show in May, 1964, after the Embassy started pressing Khanh about his March agreements

* The end-year figures are as follows:

<i>South Vietnam</i>	1962	1963	1964
Infantry-type Battalions	107	123	133
RVNAF Strength ('000)	397	514	571
Total Armed Strength ('000) (Included CIDG, police, etc.)	526	612	692

Source: OSD SEA Statistical Summary, Tables 1 and 2.

with McNamara. Khanh responded within a few days by saying he wanted to declare war, bomb the North with U.S. participation, bring 10,000 U.S. Army Special Forces troops into South Vietnam, "get rid of the politicians," and put Saigon strictly on a war footing. Lodge tried to cool him off, but Khanh brought up a less extreme version again with Rusk at the end of the month, saying that his government could not win without action outside South Vietnam. When Lodge returned from the Honolulu Conference in early June, Khanh responded to discussions of ARVN strength by trying to draw Lodge out on actions against the North. Then, when we did not move fast enough to suit him and Ky, they started a press campaign on the subject, and pressed Taylor more insistently. Finally, in December, when Taylor told GVN all the many ways they should improve to justify further U.S. involvement, their immediate reply included the comment that the U.S. program said nothing about Viet Cong use of Cambodia.

The press leaks about going North were the first major instance of their defiantly going ahead as they pleased against our wishes. Khanh's August constitution was a less flagrant case, because Taylor's words of caution were comparatively diffident. (Moreover, in the following August-September turbulence, Khanh let himself become clearly dependent on the Embassy when he talked to the Buddhist leaders.) In the December crisis the Young Turks defied Taylor at every turn following their dissolution of the HNC; and after a temporary agreement in January double-crossed Taylor, dismissed Huong, and took control of the formation of a new government. They guessed correctly that we saw no choice but to go along.

JUNE 1965—FALL 1967

By the summer of 1965, the war in Vietnam had dramatically changed its complexion from the previous two years. More and more, with U.S. combat forces pouring into SVN and Rolling Thunder underway, it looked like the U.S. against the DRV. The war was no longer being fought with U.S. advice and aid alone; there was now a massive U.S. presence. While official documents still repeated the credo that it was, in the last analysis, a struggle for the GVN to win or lose, the focus of U.S. concern shifted. As the U.S. role increased and then predominated, the need for GVN effectiveness in the now and short-run received less attention. The U.S. would take care of the war now—defeat the enemy main forces and destroy Hanoi's will to persist—then, the GVN could and would reform and resuscitate itself. Only after the immediate security threat to the GVN was blunted and forced to subside did we expect our South Vietnamese ally to improve its performance on all fronts. Until then and in order to get to that point, the U.S. would concentrate on what it could do.

This view—a massive U.S. effort in the short-run leading to and enabling a GVN effort in the long-run—set the tone and content of U.S.-GVN relations. In policy terms, it meant caution in the use of U.S. leverage. There seemed to be no compelling requirement to be tough with Saigon; it would only prematurely rock the boat. To press for efficiency would be likely, it was reasoned, to generate instability. Our objective became simple: if we could not expect more GVN efficiency, we could at least get a more stable and legitimate GVN. Nation-building was the key phrase. This required a constitution and free elections. Moreover, if we could not have the reality, we would start with appearances. U.S. influence was successfully directed at developing a democratic GVN in form. Beginning in September 1966, a series of free elections were held, first for a Constituent Assembly and later for village officials, the Presidency, House and Senate.

U.S.-GVN relations from June of 1965 to 1968, then, have to be understood

in terms of the new parameters of the war. Before this date, our overriding objective had to be and was governmental stability. After the Diem coup, the GVN underwent six changes in leadership in the space of one and a half years. From June 1965 on, there was relative stability. Ky and Thieu, while challenged, proved strong enough to keep their power and position. In putting down the Struggle Movement (following General Thi's dismissal by Ky) in the first half of 1966, and then delivering on the September, 1966 election, GVN effectively discredited the militant Buddhist leadership and for the time being ended its threat to political stability. Concern about possible neutralism or anarchy, which had been important in U.S. thinking in 1964 and early 1965, subsided accordingly. The uneasy agreement between Thieu and Ky to run on the same ticket, resulting partly from U.S. pressure for military unity, and the subsequent transition to legitimacy, gave the U.S. a sense of relief and satisfaction, although no one suggested that GVN had yet built a broad political base or had solved its effectiveness problems. This GVN stability made possible the increased attention to pacification and nation-building.

The pacification parameter had changed as well. From 1961 to June of 1965, the U.S. flooded SVN with the advisory resources of men and money to keep the GVN afloat and RVNAF fighting. This input lacked a clear plan. After June 1965, we made a concerted effort to organize pacification. We exacted an agreement from the GVN in the fall of 1966 to shift half of its ground forces into pacification—although U.S. forces carried a share of this burden and attempted to show RVNAF how to do it. We tried to centralize pacification programs by creating a new GVN structure to control and allocate resources. This was made manifest by the establishment of a separate Ministry for Revolutionary Development. U.S. moves by stages to the unified civil-military CORDS organization in Vietnam paralleled this super-ministry for pacification. And, pacification statistics showed steady increase of GVN control in the countryside, reversing the downward trend of previous years—but, U.S. dissatisfaction with GVN performance also increased nonetheless.

Beyond and more important than all this were the U.S. efforts themselves. By the close of 1965, 170,000 U.S. combat forces were in SVN. By the end of 1967, this figure was almost half a million. By mid-1965, U.S. air strikes against North Vietnam had extended in geographic coverage up to 20°30', and approved targets had widened beyond LOC's. Total sorties rose to about 900 per week. By 1968, we were bombing throughout the North, with very few though important targets still being prohibited. Total sorties per week reached about 4,000.

It was in this context that U.S.-GVN relations took shape.

Leverage

Having suffered several backfires in the attempts to require or encourage GVN effectiveness in 1964, the Embassy and Washington generally preferred to let well enough alone in 1965 through 1967. The U.S. limited itself to only a few demands, and usually avoided direct confrontations at the top levels of government-to-government contact.

The U.S. had one repetition of its old backfire problem following the Honolulu Conference of February 1966. President Johnson embraced Ky publicly and endorsed his government; Ky then felt strong enough to move against General Thi, who had been making trouble generally and was almost openly waiting for his chance to take over the GVN. Ky eventually succeeded in removing Thi and getting him out of the country, but at the cost of returning to a degree of

chaos in May that was in some ways worse than any suffered in 1964 under Khanh. At the height of the crisis, the U.S. went so far as to use force and the threat of force against both sides to keep the confrontation between GVN and the Struggle Movement within bounds. There was no sign of ill effects from our boldness in this instance.

Whatever interest there was in putting pressure on the top levels of GVN was stronger in Washington than in the Embassy, and stronger in the Embassy than in MACV, as it had been in the past. But the past failures of such pressures made everyone gunshy. At one point, Washington felt so strongly about the high GVN dollar balances that it sent out its own representative to negotiate with GVN, and he freely threatened to cut down U.S. dollar aid. However, neither Washington nor the Embassy suggested doing anything so drastic as holding up aid payments and projects until a satisfactory agreement could be reached. Confident that the threats were empty, GVN dug in its heels and gave us nothing but more promises.

Although the U.S. played down pressure or leverage on the top level of GVN, the idea of leverage at lower levels enjoyed a resurgence. Interest in the subject reached a low point in June 1965, when we abandoned the "troika signoff," which had given U.S. province representatives veto control over the use of AID direct-support commodities. For four months starting October 1, 1965, MACV experimented with giving its sector advisors a petty cash fund for urgent projects; however, MACV then dropped the idea. In April 1966, Lodge urged restoration of these types of leverage, and the idea kept coming up thereafter. Two major studies, one in Saigon in 1966 and one in Washington in 1967, came down strongly for regular procedures to use our material support to put pressure on lower echelons of GVN. They particularly emphasized signoff systems and the like, including U.S. distribution of MAP support within Vietnam. But the fear that such methods would prove counter-productive, either by provoking resistance or by making Vietnamese officials more dependent on our people and less able to perform on their own, prevented adoption of the proposals.

In at least three instances, AID cut off its support to a province in order to pressure the province chief. In September 1965, AID accused the province chief of Binh Tuy of misuse of AID funds, and had to withdraw its personnel from the province and cut off support to it after threats on their lives. The incident got into the papers and embarrassed both GVN and the Embassy; after several weeks GVN moved the accused officer to another job, and AID resumed its program in the province. In June 1966, AID cut off shipments to Kontum province for four days to force the province chief to account for the end uses of AID commodities. In August 1967, CORDS cut off shipments to Bien Hoa province for eleven weeks for similar reasons.

In contrast, MACV scrupulously avoided withholding MAP support from military units, regardless of circumstances. The single case of record of taking away MAP support involved two fishing boats owned by the Vietnam Navy that were found ineligible for such support. In his reaction to the PROVN Report in May 1966, in his directives to advisers around the time of the Chinh-Hunnicuttt affair in the fall of 1966, and in his reaction to Washington inquiries in May 1967, COMUSMACV consistently brushed aside criticism of ARVN and told both his superiors and his subordinates to lay off. Whatever interest in leverage there was at lower levels in the field received no backing from COMUSMACV. In March 1966, a decision to transfer MAP for Vietnam to service funding had no effect on leverage because MACV continued to put material support in Vietnamese hands as soon as it entered the country.

Although AID tried some leverage in this period, and although the Ambassador, the Mission, and officials tuned to U.S. domestic pressures urged U.S. leverage for GVN reforms, there is still no documented study of GVN's failures, of the reasons for it, and of the ways that leverage of different types might help improve GVN permanently. The basic problem of concern is GVN's overall failure to do its civil and military jobs. Leverage in the hands of U.S. personnel might assure that GVN would do particular things we want; but we have no information on what kind of leverage, if any, would reform GVN. From 1964 onwards, high U.S. officials, including McGeorge Bundy and Secretary McNamara, have said at one time and another that thorough reform of GVN is necessary; but no one has found or even seriously proposed a way to do it. Encadrement proposals, prominent before June 1965, still received occasional mention; but these proposed to make up for GVN's deficiencies by substituting U.S. control for GVN control, and do not purport to reform GVN itself. If this problem has a solution, we have yet to find it.

The Embassy's Lack of Political Contact

The turbulent events of 1964 and early 1965 had shown that the Embassy had no effective system, either through overt or covert contacts, for finding out what was going on. Nothing was done subsequently to correct this problem. CAS people talked to a few official contacts, who told them things the Vietnamese wanted the U.S. to believe; but the CIA had and has no mandate or mission to perform systematic intelligence and espionage in friendly countries, and so lacks the resources to gather and evaluate the large amounts of information required on political forces, corruption, connections, and so on.

General Thi began sounding out his U.S. contacts on whether the U.S. appreciated his superior qualities as a potential leader of Vietnam as early as August 1965; and in other ways we had plenty of warning that there would be trouble. However, we showed no feel for cause and effect. President Johnson's embrace of Ky at Honolulu in February, 1966, could only have had a divisive effect when Ky commanded so little solid support within his own country. On the one hand, civilians and the military had flouted U.S. wishes so often in the past that express U.S. support scarcely counted for much; but on the other hand Ky's weakness and Thi's known ambitions tempted Ky to get whatever mileage he could out of our support. In the subsequent turbulence, all parties again flouted U.S. wishes freely, stopping short only when the U.S. used force and the credible threat of force to oppose them. The maneuverings of the various political groups seemed to surprise the Embassy repeatedly. The same problems arose in the GVN cabinet split and crisis just before the Manila Conference in October 1966. The blandly naive language of the "Blueprint for Vietnam" in late 1967, unmodified by any back channel elaboration, offered no hope of any foreseeable improvement.

The MACV Role

The MACV organization played an important, mostly hidden, role in U.S.-GVN relations. At every level from Saigon to the districts, the advisory structure was the most pervasive instrument of intergovernmental contact. ARVN officers were accustomed to being spoon-fed military advice; so when military dominance of GVN brought these same officers to high positions in government, the advisor relationship conferred a latent diplomatic role upon MACV. Ad-

visors were used as channels of communications on political and pacification matters. (On occasions such as the attempts to get Thi to meet Ky or to leave the country, senior MACV officers openly became diplomatic emissaries.)

We have less record than we would like of COMUSMACV's influence. He reported regularly to his military seniors only on strictly military matters. Detailed reports of his routine, daily dealings with counterparts were not required of MACV as they were of the Embassy.

From time to time, COMUSMACV revealed his own independent objectives. He sought protection of the ARVN officer corps from unfavorable press stories in order to preserve their solidarity and morale; he pressed zealously for the rapid build-up of U.S. ground forces; he opposed encadrement and combined command with ARVN; he rejected sanctions against ARVN; he objected to the initial constraints on the use of American forces and wanted to be free to operate independently of ARVN.

General Westmoreland's strong position usually assured that his view prevailed. Extension of advisors, increased MAP resources, and the build-up of U.S. ground forces enhanced his relative position. By October 1966, MACV had numerical superiority of forces over Regular RVNAF; by late 1967, MACV had over 400 square miles of bases. His freedom from detailed reporting of daily contacts was itself an element of strength. When he received unwanted advice and directives, he set up studies, and, after a time, proceeded as usual. This tendency was most notable in the case of leverage, already noted, and combined command. Likewise, MACV successfully resisted taking over the bulk of Saigon Port operations, despite pressure from Washington, and delayed for about a year the move to take division commanders out of the pacification chain of command. Another instance of MACV independence showed up when Rusk and Lodge wanted to keep U.S. men and equipment out of the confrontation between GVN and the Struggle Movement in I Corps, but they failed to tell MACV about it. On April 5, MACV went ahead and airlifted two battalions of Vietnamese Rangers to Danang; after that Lodge put a stop to it.

Vietnamese Non-Performance and Sensitivity

Although population control statistics began to improve in 1966 and continued to do so in the first half of 1967, and although this seemed partly associated with the creation of the Ministry of Revolutionary Development and with the emphasis on its programs, few suggested that this progress could be held if U.S. forces withdrew. The drumbeat of criticism from field personnel, and the documented cases of non-performance on high-level matters, made it clear that there was no real improvement in GVN performance. Corruption and inaction showed no signs of improvement; province chiefs and military commanders singled out by U.S. advisers as urgently needing removal were simply shuffled around, if moved at all, and often promoted. Increasing traffic in the Port of Saigon led to acute congestion problems, which GVN failed to clear up or materially improve.

Moreover, on issues purportedly relating to sovereignty or "face," the Vietnamese continued to be quite sensitive, and the U.S. was afraid to inflame this sensitivity. Both sides avoided many delicate topics. A prime example is the lack of a bilateral treaty. The U.S. presence has always been based on the Pentilateral Protocol of 1950, signed by France, the Bao Dai government, Laos, Cambodia and the U.S., which gave U.S. advisers and officials virtual diplomatic status—an arrangement reasonable back when there were less than two hundred

of them in all Indochina, but of dubious applicability to the hundreds of thousands now there. This matter has cropped up from time to time, as in the case of American civilians being tried for currency violations in Vietnamese courts, where they were subject to extortion. Both governments cooperated in smoothing things over after a momentary disagreement over jurisdiction, and have avoided stirring things up.

Shared sensitivity (and legitimate concern for an independent RVNAF role), closely related to the lack of a bilateral treaty, prevented any move toward joint command and U.S. control of all military operations in Vietnam. Both Westmoreland and the Vietnamese preferred to operate either separately or in loosely coordinated joint operations. The Embassy looked the other way from repressive police measures and political arrests unless these led to embarrassing press stories; and when the Ambassador would raise this type of issue with the GVN, it proved always to be touchy. Especially under Lodge, the Embassy tried to protect GVN from the press and to help it build a favorable image.

Vietnamese sensitivity sometimes led to open displays of anti-Americanism. These displays reached a climax in the Struggle Movement crisis in the first half of 1966, when the Buddhists openly accused the U.S. of helping GVN crush them, and they sacked and burned the U.S. Consulate in Hue. Moreover, newspapers reflecting officials' views would occasionally publish stories expressing fear of a U.S. sellout in negotiations, anger at U.S. intervention in Vietnamese affairs (as happened during the Chinh-Hunnicuttt affair), and other anti-American themes.

Vietnamese Compliance More in Form Than in Substance

The Vietnamese, nevertheless, showed a ready willingness to declare new policies, sign decrees, and engage in joint studies at our request. But as noted, that scarcely means that we got what we wanted on such matters. Ky was always willing to issue decrees purporting to clear up the port problem, and to make public declarations against corruption. On economic policy, Ky and Hanh gave us one agreement after another promising to control inflation and to run down their dollar balances. The relations of their military with MACV showed the same pattern.

The Vietnamese military, on whom the U.S. counted most heavily, continued as in earlier periods to have far more enthusiasm for external adventures than they did for getting on with the job of effective government and pacification. They promised much on this latter score, but delivered little. Knowing that we had no one else to turn to, they continued their old habits and often openly did what they pleased about important matters, such as the airlift of troops to Danang in May, 1966.

Examples of superficial compliance are almost too numerous to mention. The Honolulu Conference of February 1966, produced over sixty agreed points between the two governments on all areas of mutual interest; getting any follow-up proved to be like pulling teeth, and then the follow-up we got was nothing more as a rule than more promises. Likewise, at the Manila Conference much the same thing happened, where GVN agreed to programs for social revolution, economic progress, and so on. However, at our insistence they did go ahead with the constitution and elections, and they shifted half of ARVN into pacification. How much substantive improvement these moves will produce still remains to be seen.

GVN taste for foreign adventure showed up in small, irritating ways. In July

1965, Thi planned unauthorized operations in the DMZ, but we stopped him. In 1967, we discovered that GVN had brought in Chinese Nationalists disguised as Nungs, to engage in operations in Laos; also, they sent a group to put an airfield on an island 170 miles south of Hainan, apparently without consulting MACV.

Conclusion

Increasingly throughout 1967, GVN legitimacy and performance became a domestic political issue in the U.S. as well as a source of concern for policy-makers. No matter what issue was raised, the central importance of the GVN remained. If we wanted to pacify more, we had to turn to the Vietnamese themselves. If we desired to push for a negotiated settlement, we had to seriously weigh the possibilities of SVN collapse. In the last analysis, it was and is a war which only GVN legitimacy and effectiveness can win.

End of Summary and Analysis

CHRONOLOGY

- 1 Jan 64 State to Saigon 1000 30 Dec 63
President's New Year's message to Minh contains reassurance; advice also rendered. Brain trust approved.
- 10 Jan 64 Lodge to State 1287 10 Jan
Lodge and Minh discuss President's advice agree they're doing fine except on amnesty. GVN backs away from previously agreed extension of advisors to districts.
- 30 Jan 64 Saigon to State 1433 30 Jan
Khanh seizes power, arrests four top generals of MRC, but lets Minh continue as President at USG urging.
- 13 Feb 64 Memorandum to Secretary of State
Rostow recommends enforcing NVN compliance with 1962 Geneva agreement.
- 21 Feb 64 COMUSMACV to CINCPAC Feb 64
GVN accepts advisors in 13 districts of the Delta.
- 21 Feb 64 Saigon to AID 2334 21 Feb
GVN asks USG for rice standby commitment, for the first time.
- 8 Mar 64 SD PM 16 Mar Sec. III; and Memorandum of Conversation at JGS Hqtrs. 12 Mar
Secretary McNamara arrives in Saigon for several days of talks, including talks with GVN. Goes away pessimistic, recommends more AID and larger RVNAF, plus unqualified backing for Khanh. Khanh promises mobilization.
- 17 Mar 64 NSAM 288
President approves Secretary of Defense recommendations, directs their execution.
- 20 Mar 64 White House Press Release
White House announces Khanh's mobilization plan.

- 4 Apr 64 State to Saigon 1602 4 Apr
Mobilization decree, dissolution of Council of Notables, promise of eventual Constituent Assembly and civil government.
- 10 Apr 64 Saigon to State 1964 11 Apr
Beginning of AID and related economic negotiations for fiscal 1965.
- 29 Apr 64 Saigon to State 2089 30 Apr
Khanh renews request for brain trust; Lodge euphoric.
- 30 Apr 64 Saigon to State 2091 30 Apr
USOM and GVN badger each other on pacification and economic delays.
- 4 May 64 Saigon to State 2108 4 May
Khanh wants to bomb NVN, have 10,000 US troops, and set up all-military government in SVN. Lodge says no, no, yes.
- 13 May 64 Saigon to State 2203 14 May
McNamara sees Khanh in Saigon; they reach agreement on desirability of progress.
- 13-27 May 64 Saigon to State DTG 271200Z May
Forrestal of White House staff "negotiates" AID with GVN, gives GVN AID increases.
- 25 May 64 Memorandum to President
McGeorge Bundy recommends force against NVN as the only path to success.
- 27 May 64 State to Saigon 1251 18 Feb.
Sullivan distributes proposal for semi-encadrement of GVN as a necessary step for progress.
- 28-29 May 64 Saigon to State 2332 and 2338 28 May
MRC censures four "neutralist plot" generals that had been arrested in Khanh coup. Keeps Minh, as urged by Lodge.
- 30 May 64 CINCPAC to State 37 2 Jun
Rusk sees Khanh, leaves nothing to the imagination on possible US all-the-way commitment, stresses need for GVN unity.
- 2-3 Jun 64 Memo for the Record, Special Meeting on SE Asia. CINCPAC 000211 DTG 8 Jun and Memo for Secretary (State) "Highlights of Honolulu Conference" from W. P. Bundy DTG 3 Jun
Honolulu Conference. Conferees (include Rusk, McNamara, Lodge, Taylor and Westmoreland) agree on increased advisory effort, agree to refine plans for pressures on NVN.
- 4 Jun 64 Saigon to State 2405 4 Jun
Lodge hints to Khanh that USG will prepare US public opinion for actions against NVN.
- 29 Jun 64 COMUSMACV Command History 1964, p. 69
AID sets up sector adviser fund, with troika signoff to bypass GVN-Saigon.

- 30 Jun 64 COMUSMACV 011057Z Jul
US and GVN agree to joint planning for cross-border operations in Laos.
- 8 Jul 64 Saigon to State 56 8 Jul
Ambassador Taylor presents his credentials to Khanh.
- 9 Jul 64 Saigon to State 65 9 Jul
Ambassador Taylor hears the complaints of civilian cabinet members.
- 17 Jul 64 Saigon to State 124 17 Jul
USOM starts periodic meetings with GVN's National Security Council.
- 19 Jul 64 Saigon to State 185 23 Jul
Khanh and Ky lobby publicly for cross-border operations and air strikes into Laos and NVN.
- 23 Jul 64 Saigon to State 185 23 Jul
Khanh presses Taylor for action, keeps up the lobbying.
- 24 Jul 64 Saigon to State 203 24 Jul
Khanh asks Taylor if he (Khanh) should resign; Taylor says no. Khanh asks for publicly stated US backing and gets it.
- 25 Jul 64 Saigon to State 232 27 Jul
Khanh promises to quit lobbying, reacts favorably to proposed joint planning for air strikes on NVN, and says he plans GVN reorganization.
- 2-4 Aug 64 Shaplen, Lost Revolution, p. 269
Gulf of Tonkin incidents, US retaliation.
- 7 Aug 64 Shaplen, Lost Revolution, p. 270
Khanh proclaims state of emergency, with press censorship.
- 8 Aug 64 COMUSMACV to CINCPAC DTG 080715Z Aug
Westy and Khanh discuss joint planning, agree not to discuss combined command.
- 12 Aug 64 Saigon to State 393 12 Aug
Khanh's "reorganization" is a new constitution with military openly on top, and with Khanh President. Taylor sceptical, counsels caution.
- 16 Aug 64 Saigon to State 415 15 Aug
Khanh gets MRC approval of constitution after hurried USOM drafting assistance.
- 18 Aug 64 Shaplen, Lost Revolution, pp. 270-71
Ambassador Taylor firmly recommends plans for gradual pressures North to start 1 January contingent on improved GVN performance, or not contingent if things get bad enough. Suggests the package include Marines at Danang.
- 21-27 Aug 64 Shaplen, Lost Revolution, pp. 272-74
Student demonstrations followed by general rioting.

- 24 Aug 64 Saigon to State 542 24 Aug
Taylor advises Khanh to move fast on new cabinet.
- 25 Aug 64 Shaplen, Lost Revolution, pp. 274-75
One o'clock A.M. Taylor advises Khanh to make some concessions but keep constitution. Khanh does and riots continue. Khanh "resigns." Riots continue.
- 27 Aug 64 Shaplen, Lost Revolution, pp. 275-78
MRC revokes constitution, keeps Khanh now as member of temporary triumvirate (including Minh and Khiem). New HNC to be appointed.
- 29 Aug 64 State to Saigon 555 29 Aug
Paratroopers with bayonets restore order in Saigon.
- 6 Sep 64 Saigon to State 785 8 Sep
Taylor takes off on a trip to Washington. Recommends pressures on NVN to begin 1 December.
- 10 Sep 64 NSAM 314 10 Sep
Says strengthen GVN.
- 13 Sep 64 Shaplen, Lost Revolution, pp. 287-290; Saigon to State 836 13 Sep; Saigon to State 878 16 Sep
Abortive coup attempt temporarily captures Saigon. Ky and Thieu back Khanh, defeat coup forces.
- 20 Sep 64 Shaplen, Lost Revolution, p. 290; Saigon to State 923 22 Sep; 936 23 Sep 937, 952, and 954 24 Sep; 985 29 Sep; and 1046 7 Oct.
COMUSMACV to CINCPAC DTG 031137Z Oct
Rhadé tribesmen in 4 CIDG camps rebel against GVN.
- 24 Sep 64 Saigon to State 938 24 Sep
The new HNC begins deliberations to write a constitution.
- 30 Sep 64 NYTimes Articles
W. Bundy predicts publicly that bombing NVN would cut down the threat to GVN in a matter of months.
- 27 Oct 64 Saigon to State 1292 27 Oct; State to Saigon 944 29 Oct. Shaplen
Lost Revolution, pp. 290-9
HNC finishes on time, surprises by naming Suu President, not Minh.
- 30 Oct 64 Shaplen, Lost Revolution, p. 293; State to Saigon 978 1 Nov; CINCPAC to JCS DTG 020400Z Nov; Saigon to State 1382 2 Nov
Mortar attack on Bien Hoa airbase. State rejects Taylor's recommendation of immediate reprisal raid on NVN.
- 11 Nov 64 Saigon to State 1452 and 1460 10 Nov
MRC publishes military reorganization without MACV review; MACV protests and MRC withdraws it for changes.
- 26 Nov 64 COMUSMACV to CINCPAC DTG 0260945Z Nov
Westmoreland slaps Ky down just before apparent coup attempt. Taylor is in Washington.

- 7 Dec 64 *Embassy to State Airgram A-468 15 Dec*
Taylor, just back from Washington with fresh guidance, presents GVN with a candid statement of its failures and couples demands for progress in stated areas to promises of US escalation.
- 8-20 Dec 64 *Shaplen, Lost Revolution, pp. 294-95*
Student and Buddhist demonstrations against Huong government and growing crisis.
- 20 Dec 64 *Saigon to State 1869, 1870, and 1874 20 Dec; MACV to CINCPAC rec'd NMCC 200816Z Dec*
Khanh and Generals disregard Taylor's protests, dissolve HNC and arrest opposition; "Young Turks" (Ky, Thieu, Thi and Cang) consolidate their dominance by creating a small Armed Forces Council (AFC) as the top governing body. Taylor reads them the riot act.
- 21 Dec 64 *Saigon to State 1881 21 Dec*
Taylor asks Khanh to resign and leave the country.
- 23 Dec 64 *Saigon to State 1914 23 Dec; 1929 and 1930 24 Dec*
Young Turks attack Taylor publicly, and privately seek his recall.
- 24 Dec 64 *Shaplen, Lost Revolution, pp. 295-97*
Taylor tells press that Khanh has outstayed his usefulness.
- 25 Dec 64 *COMUSMACV Command History 1965, p. 229*
Vietnamese JGS issues Directive A-B 139, at MACV request, on how RVNAF should be employed to improve pacification program.
- 7 Jan 65 *Saigon to State 2081 7 Jan 2089 8 Jan 2102 9 Jan*
AFC Generals decide to give way by restoring civilian government under a new name (i.e. without HNC) leaving Suu-Huong combination in.
- 9 Jan 65 *Shaplen, Lost Revolution, pp. 297-98*
With Taylor's reluctant concurrence, the AFC announces the 7 January decision.
- 11 Jan 65 *Saigon to State 2112 and 2120 11 Jan*
US and GVN publicly patch up relations. Young Turks will enter cabinet.
- 12 Jan 65 *Shaplen, Lost Revolution, pp. 298-99*
New demonstrations begin, demanding Huong's resignation.
- 14 Jan 65 *Saigon to State 2155 14 Jan*
Khanh shows Taylor a new cabinet list; Taylor tries to slow him down.
- 18 Jan 65 *Saigon to State 2176 18 Jan*
Khanh gives Taylor completed cabinet list and schedules installation for the next day.
- 19 Jan 65 *COMUSMACV to CINCPAC DTG 191235Z Jan*
Khanh tries to reassure Westmoreland on military repercussions of tying up some generals in the cabinet; then Khanh suddenly "postpones" cabinet installation.

- 19-24 Jan 65 *Shaplen, Lost Revolution, pp. 298-99*
Buddhist demonstrations build up, including sacking of USIS buildings in Saigon and Hue. Buddhist merchants respond to campaign to boycott Americans. Buddhists demand military take-over.
- 25 Jan 65 *Saigon to State 2276 and 2283 25 Jan*
Khanh tells Deputy Ambassador Alex Johnson that Huong and Suu want to resign and let the military take over. Johnson says no.
- 27 Jan 65 *Shaplen, Lost Revolution, pp. 299-302; Saigon to State 2322 27 Jan; State to Saigon 1542 27 Jan and 1565 29 Jan*
AFC topples Suu-Huong government, openly puts Khanh back in charge. JCS approves COMUSMACV request to use US jet aircraft in a strike role in-country in emergencies, subject to Embassy approval in each instance.
- 3-4 Feb 65 *Saigon to State 2399 4 Feb*
McGeorge Bundy visits Saigon, has tea with Khanh and the generals.
- 7-12 Feb 65 *Shaplen, Lost Revolution, pp. 305-6 State to Saigon 1438 6 Feb; Saigon to State 2426 7 Feb 2495 11 Feb*
Flaming Dart bombings in North Vietnam. All US dependents ordered to leave Vietnam.
- 7 Feb 65 *Memorandum to the President*
McGeorge Bundy says the military are the backbone of the country, that the Buddhists should be constructive, and that Vietnam needs a social revolution.
- 16 Feb 65 *Saigon to State 2617 16 Feb*
After two false starts, AFC selects Quat to form a new cabinet.
- 18 Feb 65 *Shaplen, Lost Revolution, pp. 306-7*
Quat cabinet installed; Buddhists acquiesce.
- 19 Feb 65 *Shaplen, Lost Revolution, pp. 307-12*
New coup groups seizes Saigon, then bows to superior AFC force.
- 20 Feb 65 *Shaplen, Lost Revolution, pp. 307-12*
AFC votes Khanh out.
- 24 Feb 65 *Saigon to State 2685 20 Feb; 2698 22 Feb; 2720 23 Feb; 2731 24 Feb; and COMUSMACV to CINCPAC DTG 241600Z Feb*
Khanh goes abroad; Rolling Thunder rolls.
- 27 Feb 65 *Saigon to State 2787 27 Feb*
USOM resumes action level meetings with GVN; both sides agreed to prepare proposals for accelerating pacification and to go forward together with effective execution.
- 28 Feb 65 *Saigon to State 2800 1 Mar*
State issues White Paper on Vietnam.
- 6 Mar 65 *COMUSMACV Command History, 1965, p. 132*
MACV gives budget guidelines to RVN Ministry of Defense.
- 8 Mar 65 *Saigon to State 2991 8 Mar*
Quat discusses sensitive combined-command issue with Taylor.

- 296 *Gravel Edition/The Pentagon Papers/Vol. II*
- 8-9 Mar 65 *Saigon to State 2908 1 Mar*
Two battalions of Marines land at Danang.
- 24 Mar 65 *Saigon to State 2065 24 Mar*
Ambassador Taylor formulates a 41-point program for stability and pacification.
- 26 Mar 65 *COMUSMACV Commander's Estimate of the Situation 26 Mar*
Westmoreland issues Commander's Estimate of the Situation, which treads lightly on combined-command issue.
- 1-2 Apr 65 *NSAM 328 6 Apr*
Taylor (in Washington) talks to President and NSC, who approve Taylor's 41-point program and General Johnson's 21 recommendations.
- 15 Apr 65 *Saigon to State 3419 17 Apr*
Taylor objects to proposed Peers mission.
- 15 Apr 65 *DOD 9164 15 Apr*
The 7-point message from State/Defense tells Saigon to encadre RVNAF/GVN and to expect additional US forces, with new missions.
- 17 Apr 65 *Saigon to State 3421, 3422 and 3423 17 Apr*
Taylor objects to 7-point message, and Westmoreland objects to encadrement.
- 19-20 Apr 65 *ASD McNaughton's Minutes of Honolulu Meeting 23 Apr*
Honolulu Conference meets to resolve disagreements on 7-point message. Conferees agree on force increase and medcap, scuttle encadrement, and agree on studies of combined command.
- 5 May 65 *Saigon to State 3097 and 3100 26 Mar; and 2140 31 Mar*
AFC dissolves itself.
- 20-21 May 65 *Saigon to State 3878 25 May*
Abortive coup attempt alleged by GVN, though not firmly confirmed by US observers.
- May 22-12 June 65 *Shaplen, Lost Revolution, pp. 342-45*
Suu-Quat disagreement on cabinet changes.
- 27 May 65 *Joint State/ Defense 80466 27 May*
State/Defense message agrees to defer approaching GVN on combined command.
- 12-Jun 65 *COMUSMACV MAC J-3, 19912 to CINCPAC DTG 120828Z Jun*
Westmoreland presses for commitment of US forces to offensive operations, has already planned it hand-in-hand with our Vietnamese ally.
- 12 Jun 65 *Shaplen, Lost Revolution, pp. 345-46. Saigon to State 4065 4 Jun, 4119 9 Jun, 4156 11 Jun, 4190 14 Jun, 4312 21 Jun*
Generals fire Suu and Quat, create National Leadership Council of ten Generals chaired by Thieu, and make Ky Prime Minister. Taylor reluctantly acquiesces to Ky's appointment.
- 22 Jun 65 *Memorandum from Vincent Puritano to James P. Grant 25 Sep 65, "Joint Provincial Sign-off Authority," with attachment*
Troika sign-off abandoned.
- 1 Jul 65 *SD PM 1 Jul 65 Sec 8B*
SecDef Memorandum to the President recommends more aid for Vietnam.
- 1 Jul 65 *Saigon to State 14, 2 Jul*
Taylor writes a letter to Ky asking him to support constructive USOM/GVN consultations on economic matters and the port.
- 8 Jul 65 *COMUSMACV to CINCPAC DTG 080020Z Jul*
MACV and RVNAF agree on coordination and cooperation, and do not discuss combined command.
- 20 Jul 65 *SD PM 20 Jul para. 8B*
SecDef Memorandum to the President recommends U.S. veto on major GVN commanders and on GVN statements about going North.
- 28 Jul 65 *Saigon to State 266, 25 Jul*
USOM and GVN agree on AID package with no leverage.
- 15-26 Aug 65 *Saigon to State 626, 26 Aug*
Lodge replaces Taylor, takes charge of the Embassy. Ky tells Lodge the U.S. forces should hold strategic points so that RVNAF can concentrate on pacification, and says that the Chieu Hoi Program is a waste of money.
- 28 Aug 65 *Saigon to State 671, 28 Aug*
Thi tells Lodge he can govern better than Ky can.
- 22 Sep 65 *COMUSMACV Command History 1965, p. 240*
COMUSMACV presents proposals for revitalization of Hop Tac to USOM.
- 1 Oct 65 *COMUSMACV Command History 1965, p. 240*
MACV begins four-month experiment with sector and subsector advisor funds.
- 3 Nov 65 *SecDef DPM*
McNamara urges more active role for U.S. advisors.
- 15 Dec 65 *COMUSMACV Command History 1965, p. 241*
JGS Directive AB 140 gives GVN military plan to support 1966 Rural Construction program.
- 24 Dec 65 *State to Saigon 1855 31 Dec*
Beginning of 37 day bombing pause and peace offensive.
- 6-8 Feb 66 *State to Saigon 2252 4 Feb "Vietnam: Honolulu Conference-Summary of Goals and Status of Activity," 30 Mar*
Honolulu Conference to press GVN for action on pacification and on political and economic reforms. Thieu and Ky obligingly agreed to U.S. demands. Vice-President Humphrey flies with them back to Saigon.

- 10 Mar 66 *Kahin and Lewis*, The U.S. in Vietnam, p. 244 and *passim*; *Saigon to State 3260 and 3265 9 Mar*
Ky persuades military leadership to approve his plan to exile I Corps Commander, General Thi. Thi resigns.
- 12 Mar 66 *Kahin and Lewis*, The U.S. in Vietnam, p. 245; and *Saigon 3333 14 Mar*
Annamese Buddhists and students begin demonstration in Danang and Hue.
- 16 Mar 66 *Saigon to State 3381 17 Mar*
Thi permitted to return to Danang to quiet demonstrations.
- March 1966 *COMUSMACV Command History 1966*, p. 510 *CINCUSARPAC 240312Z May*
PROVN Study completed.
- 3 Apr 66 *COMUSMACV Command History 1966*, p. 824
Ky declares Danang to be in Communist hands.
- 5 Apr 66 *COMUSMACV Command History 1966*, p. 824; *MACV to CINCPAC DTG 051125Z Apr*; *Saigon to State 2986 5 Apr*
MACV airlifts two ARVN Ranger battalions to Danang. 1st ARVN division commander declares for the Struggle Movement; U.S. advisors withdrawn.
- 6 Apr 66 *COMUSMACV Command History 1966*, p. 824
Non-essential U.S. civilians removed from Hue.
- 8 Apr 66 *COMUSMACV Command History 1966*, p. 824
GVN flies two additional Ranger battalions to Danang after MACV refused to do so.
- 9 Apr 66 *COMUSMACV Command History 1966*, p. 824
U.S. protest to Struggle Movement leaders induces them to pull back howitzers. Two hundred U.S. and third country civilians evacuated from Danang.
- 12 Apr 66 *COMUSMACV Command History 1966*, p. 324; *Kahin and Lewis The U.S. in Vietnam*, p. 256
GVN withdraws its Ranger battalions from Danang. Relative quiet returns.
- 14 Apr 66 *COMUSMACV Command History 1966*, p. 324; *Kahin and Lewis The U.S. in Vietnam*, p. 256
The Directorate promises elections for a constituent assembly with 3-5 months. Buddhists and others call off demonstrations.
- 4 May 66 *Kahin and Lewis*, The U.S. in Vietnam, p. 256; *Saigon to State 4368 4 May and 4605 15 May*
Ky publicly reneges on promises to hold August elections, says perhaps they will be possible by October. Lodge absent on long trip to Washington. Porter follows State guidance closely.
- 15 May 66 *State to Saigon 3448, 3449, 3450 and 3451 15 May*
GVN airlifts troops to Danang and Hue to quell new disorders. U.S. withholds airlift protests GVN failure to consult, withdraws advisors from both sides.

- 16 May 66 *Saigon to State 4627 and 4635 16 May*
USMC General Walt threatens to use U.S. jets to shoot down any VNAF aircraft used against dissident ARVN units. The threat succeeds.
- 21 May 66 *State to Saigon 3575 21 May*
Lodge returns, tells Ky to be conciliatory, use force with restraint. He does around Saigon pogodas, but naked force in Hue produces self-immolations. U.S. evacuates its consulate and other facilities there.
- 27 May 66 *Saigon to State 4837 21 May 4849 and 4878 23 May, 4943 and 4963 25 May, 4966 26 May, 5037 27 May, 5073 28 May, 5178 1 Jun, and 1947 7 Jul*; *Kahin and Lewis* *ibid.*
Ky and Thi meet; latter offered unspecified ARVN job.
- 31 May 66 *Saigon to State 5163 and 5178 1 Jun*
Ky meets leaders of the Buddhist Institute, offers civilian participation in an enlarged Directorate. They appear conciliatory and agree to appointment of General Lam as Commander of I Corps.
- 1 Jun 66 *NYTimes Article*
Student mob burns U.S. consulate and consular residence in Hue. Struggle Movement fills the streets with Buddhist altars.
- 5 Jun 66 *NYTimes Article*
Electoral Law Commission presents its proposals.
- 18 Jun 66 *NYTimes Article*
Piaster devalued to official rate of 80.
- 18 Jun 66 *Kahin and Lewis The U.S. in Vietnam*, p. 257
Anniversary of Thieu-Ky government proclaimed a GVN holiday; one-day general strike called by the Buddhists.
- 19 Jun 66 *Kahin and Lewis*, The U.S. in Vietnam, pp. 258-59
Directorate schedules elections for the Constituent Assembly for 11 September.
- 22 Jun 66 *Kahin and Lewis*, The U.S. in Vietnam, p. 257;
Conditions quiet in I Corps; GVN steadily regaining control.
- 8-9 Jun 66 *NYTimes Article*
Secretary McNamara visits Honolulu for talks with CINCPAC.
- 31 Jul 66 *State to Saigon 1694 29 Jul 2564 3 Aug*
Thi goes into exile.
- 13-14 Aug 66 *NYTimes Article*
General Westmoreland reports to the President at his Texas ranch.
- 24 Aug 66 "Roles and Missions" Study 24 Aug
"Roles and Missions" Study to the Embassy.
- 11 Sep 66 *NYTimes Article*
Constituent Assembly elections.
- 4 Oct 66 *Saigon to State 7616 4 Oct, 7732 and 7752 5 Oct, 6043 7 Oct, 8681 17 Oct, 8749 18 Oct, 8833 19 Oct, 8839 20 Oct. State to Saigon 66781 14 Oct and 68339 18 Oct*

- GVN cabinet crisis brews as six civilian ministers, the only Southern members threaten to resign.
- 5 Oct 66 *COMUSMACV Command History 1966, p. 526*
JGS chairs a high level joint conference to develop a schedule of action to implement road development.
- 6 Oct 66 *State to Saigon 49294 16 Sep 49399 17 Sep Saigon to State 6997 27 Sep State to Saigon 58092 30 Sep 61330 6 Oct 58280 2 Oct*
Hanh and Komer reach vague and general agreement on GVN budget and financial matters.
- 10-13 Oct 66 *NYTimes Article*
Secretary McNamara, accompanied by newly appointed Under Secretary of State Katzenback visits Saigon. Saigon Port congestion grows worse.
- 14 Oct 66 *SecDef Memorandum to the President*
In PM McNamara urges shift of ARVN to pacification, change of US responsibility to MACV, "drastic" reform of GVN.
- 19 Oct 66 *Saigon to State 7616 4 Oct, 7732 and 7752 5 Oct, 8681 17 Oct, 8749 18 Oct, 8833 19 Oct, and 8839 20 Oct, State to Saigon 66781 14 Oct, 68339 18 Oct*
Cabinet crisis patched up at least until after Manila Conference.
- 24-25 Oct 66 *NYTimes Article Texts of Communique and Declarations Signed at Close of Manila Conference 26 Oct*
Manila conference of the seven nations aiding South Vietnam. Basic problem is still to get GVN commitment to action on non-military measures.
- 1 Nov 66 *Saigon to State 10312 7 Nov, 11958 29 Nov*
Promised GVN National Reconciliation proclamation fails to appear; instead only vague reference in a speech on other subjects. Ky promised a NR speech and proclamation in "early December."
- 2 Nov 66 *Saigon to State 9963 3 Nov*
Komer and Porter in Saigon reach agreement with GVN on foreign exchange.
- 2 Nov 66 *Saigon to State 7815 6 Oct and 8161 1 Oct*
Ky promises a tough decree on port management.
- 18 Nov 66 *Saigon to State 11249 18 Nov 11431 21 Nov State to Saigon 93314 28 Nov*
General Quang, deposed IV Corps Commander, appointed to head the new cabinet portfolio "Planning and Development." Concern continues in Washington over AID diversions.
- 21 Nov 66 *COMUSMACV msg 50331 21 Nov*
In a policy statement, COMUSMACV tells advisors that deficiencies of non-compliance are to be resolved within RVNAF channels.
- 29 Nov 66 *MACV Commanders Conference 20 Nov*
Washington reminds the Mission that GVN has not yet delivered on its Manila promises about NR, pacification, and land reform; suggests Lodge press Ky.

- 2 Dec 66 *Saigon to State 12321 2 Dec*
Saigon declines to suggest formation of a joint inspectorate general to follow up AID diversions.
- December 1966 *Saigon to State 14009 22 Dec, 12733 7 Dec, 12908 and 12950 9 Dec, 13046 10 Dec, 14009 and 13023 22 Dec, 14112 23 Dec, 14230 26 Dec*
Further GVN-USOM negotiations on the dollar balance problem.
- 8 Dec 66 *COMUSMACV to CINCPAC 080245Z Dec*
Ceremonial signing of the 1967 Combined Campaign Plan by COMUSMACV and Chief, JGS.
- December 1966 *Saigon to State 15569 13 Jan 67*
Saigon Port congestion grows worse during GVN port commander's "great barge" experiment. State authorizes drastic action which Saigon declines to use.
- 21 Dec 66 *COMUSMACV History 1966 pp. 471-72*
Chinh-Hunnicutt affair terminated with transfer of the U.S. adviser outside the theatre and issuance of a memorandum by the division commander stating that the past must be forgotten.
- January 1967 *NYTimes Article*
U Thant advances proposals for peace. President promises careful evaluation. Ky foresees negotiations nearing. Lodge predicts sensational military gains in 1967.
- 2 Jan 67 *Saigon to State 14725 2 Jan*
U.S. Mission estimates GVN inflationary budget gap at 14-20 billion piasters.
- 7 Jan 67 *NYTimes Article*
Ky signs law providing for spring elections in 1000 villages and 4000 hamlets.
- 13 Jan 67 *Saigon to State 15569 13 Jan*
Saigon resists Washington suggestion for complete MACV take-over of Saigon port.
- 20 Jan 67 *Saigon to State 16037 20 Jan*
GVN issues Cy 1967 budget of 75 billion piasters without prior consultation with U.S.
- 23 Jan 67 *State to Saigon 123223 21 Jan*
Renewed economic negotiations forseen with Hanh in Washington.
- 24 Jan 67 *NYTimes Article*
JGS Chief of Staff Vien appointed to replace corrupt Defense Minister Co, who is informed on visit to Taiwan not to return.
- 20 Feb 67 *Saigon to State 18646 22 Feb*
GVN agrees to work on an interim memorandum of understanding to include implementation of the previous November's foreign exchange agreements. Komer threatens to reduce CIP; Hanh hints at a raise in the piaster rate.
- 24 Feb 67 *NYTimes Article State to Saigon 140250 19 Feb Saigon to State 18303 18 Feb*
Ky postpones U.S. visit to assure free and fair elections.

- 10 Mar 67 *Saigon to State 19902 9 Mar, 20053 10 Mar, 20201 13 Mar, State to Saigon 153512 11 Mar*
U.S. announces military jurisdiction over American civilians, thus skirts the problems of corrupt GVN justice and status of forces.
- 17 Mar 67 *State to Saigon 157064 17 Mar*
Another "Interim Agreement" reached with GVN on foreign exchange.
- 19 Mar 67 *NYTimes Article*
Constituent Assembly unanimously approves new constitution. Next day it is unanimously approved by the military junta and a copy presented to President Johnson at Guam meetings between top level GVN-US leadership.
- 20-21 Mar 67 *NYTimes Article Joint Communique Guam Meetings 21 Mar*
Guam meetings between top level GVN-US leadership. President Johnson introduces the new U.S. team in Saigon; Bunker to be Ambassador, Locke his deputy, Komer the new pacification czar within the MACV framework.
- 6 Apr 67 *NYTimes Article*
General Abrams appointed Deputy to COMUSMACV.
- 18 Apr 67 *Saigon to State 23376 18 Apr*
GVN issues a National Reconciliation proclamation that proves to be a mirage; it emphasizes solidarity vice reconciliation.
- 25 Apr 67 *NYTimes Article Saigon to State 23749 23 Apr*
Lodge completes his stint, leaves Saigon.
- 27 Apr 67 *NYTimes Article*
General Westmoreland confers with LBJ in Washington, addresses Congress the next day.
- 7 May 67 *COMUSMACV MAC J 341 15064 to CINCPAC 071035Z May*
General Westmoreland reports on his command project to improve RVNAF performance, offers \$7800 saving in cut-off of MAP support to two VNN fishing boats as sign of progress. ARVN evaluation only partially completed.
- 12 May 67 *NYTimes Article Saigon to State 25554 12 May*
Premier Ky announces he will seek the Presidency. Thieu-Ky rivalry intensifies.
- 20 Jun 67 *Saigon to State 28409 20 Jun*
Thieu and Ky invited to informal luncheon hosted by Bunker at which unity of the Armed Forces is discussed.
- 22 Jun 67 *State to Saigon 213380 22 Jun*
Mission estimates rate of inflation in SVN to be 45-50% per year.
- 29-30 Jun 67 *Saigon to State 29258 30 Jun*
The Armed Forces Council of 50-60 officers holds two day continuous session from which emerges the Thieu-Ky ticket.
- 7-8 Jul 67 *NYTimes Article OSD(SA) Memorandum 25 Jul, "SecDef VN Trip Briefings"*
Secretary McNamara makes his 9th visit to SVN.

- 17 Jul 67 *NYTimes Article Saigon to State 1381 to 19 Jul 1475 20 Jul*
CA approves Thieu-Ky ticket; rejects the threatening Big Minh candidacy.
- 24-25 Jul 67 *NYTimes Article*
Clifford-Taylor mission receives Saigon briefings.
- 12 Aug 67 *NYTimes Article*
Army C/S General H. K. Johnson reports we are winning, latest 45,000 man troop increase to be the last.
- 26 Aug 67 *AmEmb Saigon to SecDef, Blueprint for Viet-Nam, 26 Aug*
Mission completes "Blueprint for Vietnam."
- 3 Sep 67 *NYTimes Article*
Elections for President and Senate.

I. AFTERMATH OF THE DIEM COUP

First Half of 1964

A. THE INHERITANCE FROM 1963

The top ruling body of the Government of Vietnam at the end of 1963 was a Military Revolutionary Council of twelve generals, under the chairmanship of the affable and popular but weak General Duong Van "Big" Minh. The Council governed through an all-civilian cabinet headed by Premier Tho, having forbade all military officers to engage in politics. A Council of Notables served as a pseudo-parliament, with a purely advisory role; it included well-known Vietnamese politicians, but could not claim support of a broad popular base or the main political forces in Vietnam. While Premier Tho's previous connection with the Diem government was now a political liability, there was a shortage of national figures who were not tarred with this brush one way or another.

On the U.S. side, General Harkins, COMUSMACV, who had long been known to be pro-Diem, was clearly on his way out, although his departure was to be delayed until the middle of 1964. Ambassador Lodge had replaced Nolting just before the Diem coup, and was held in that cautious respect appropriate to the widespread belief among Vietnamese that he had engineered it.

In the last weeks of 1963, the U.S. government reassessed the progress of the counterinsurgency effort and the policy options. Plans for phased withdrawal of 1,000 U.S. advisers by end-1963 went through the motions by concentrating rotations home in December and letting strength rebound in the subsequent two months. A realistic appraisal by Secretary McNamara showed that the VC were continuing to gain steadily, especially in the Delta. U.S. policy continued to be to provide U.S. resources and personnel to the extent necessary.

The tone of USG internal documents and of its dealings with GVN was that of a benevolent big brother anxious to see little brother make good on his own—but with the benefit of extensive advice. U.S. pressure induced the GVN to break up the palace guard and to move coup-protection Ranger units out into the countryside, though it turned out that other units stayed near Saigon for this purpose. A proposal to put all ammunition stocks in Vietnam under U.S. control surfaced in November, only to sink without a trace. There was gentle pressure to persuade the GVN to allow USOM economics staffs to share the offices of

their counterparts, and to let them get involved extensively in GVN budgeting. The USIS and Ambassador Lodge tried to persuade General Minh to travel around the countryside to build a following and convince the people that the government cared about them, but with little success. The overall USG appraisal was that the GVN was weak and drifting at the top level, failing to set firm national policies and to issue detailed instructions, and that at lower levels it was in complete turmoil because of the turnover of personnel following the coup and because of the lack of firm national leadership.

Whether to push the GVN harder was a subject of disagreement between State and Ambassador Lodge. The State view was that the GVN must *prove* its resolution to adopt economic, social and political measures to support the effort against the VC, and must move toward self-support. Moreover, State said:

We will obscure the actual need for GVN adjustments if we yield too easily at this stage to GVN pressure for more commercial import aid.

In contrast, Lodge said it was essential

to provide some increase in overall level of economic aid . . . It is in my view politically unacceptable and psychologically impossible to tell Big Minh that he is going to get less than Diem.

Besides wanting to go easy on the GVN on aid leverage, he opposed pressure for early elections. Lodge's position is clear from the Honolulu Conference (November 1963) Report, which stated:

The Ambassador . . . considers it essential that the U.S. not press the new government unduly. He stated that they are in a most delicate state, and are not ready for a system which replaces governments by elective process rather than by violence; that this is beyond their horizon at this time and we should not seek to recreate in Vietnam our image of the democratic ideal.

Early in January, 1964, Lodge restated this view in a cable:

It is obvious that [the Vietnamese generals] are all we have got and that we must try as hard to make them into successful politicians as we are trying to make them into successful military men.

Behind these differences within the USG and between the USG and the GVN lay a certain lack of confidence in future behavior. Some in the U.S. were concerned that the GVN might drift toward a "neutralism" like that of Laos. At the same time, the GVN feared the U.S. would negotiate behind its back or force it to accept an unfavorable settlement. These concerns made it appropriate for the President to issue his New Year's greeting to the GVN:

As we enter the New Year of 1964, I want to wish you, your revolutionary government, and your people full success in the long and arduous war which you are waging so tenaciously and bravely against the Viet Cong forces directed and supported by the Communist regime in Hanoi . . . Our aims are, I know, identical with yours: to enable your government to protect its people from the acts of terror perpetrated by Communist in-

surgers from the North. As the forces of your government become increasingly capable of dealing with this aggression, American military personnel in South Viet-Nam can be progressively withdrawn.

The United States Government shares the view of your government that "neutralization" of South Viet-Nam is unacceptable. As long as the Communist regime in North Viet-Nam persists in its aggressive policy, neutralization of South Viet-Nam would only be another name for a Communist take-over. Peace will return to your country just as soon as the authorities in Hanoi cease and desist from their terrorist aggression.

In keeping with the attitude of concern but not alarm about the GVN's conduct of the war, SecState's cable transmitting the President's message directed Lodge to offer the following eleven points of confidential advice on behalf of the President:

1. It is vitally important to act now to reverse the trend of the war as rapidly as possible.
2. We trust that personnel changes are now virtually complete and that both military commanders and province chiefs can now get down to the job at hand.
3. We hope that General Minh can designate a Chief of the Joint General Staff and a commander of the III Corps who will have no other responsibilities and can devote themselves exclusively to these mammoth tasks.
4. We assume that, as General Don promised Secretary McNamara, the GVN will make available sufficient troops in the six key provinces in the III Corps to give its forces the necessary numerical superiority.
5. We have been glad to learn of the stress which General Minh places on small-unit actions, particularly in the Mekong Delta. We hope that equal stress will be placed on night actions, both for ambushing Viet Cong and for relieving villages under attack. To win the support of the population it needs to be emphatically demonstrated that the Viet Cong are being beaten precisely at their own game.
6. We consider it extremely important that the necessary civil-military coordinating machinery for clear-and-hold operations, followed by an effective program to give the villages protection and security, be established in Saigon.
7. It is likewise extremely important that program directives be issued at an early stage by the central government to lower echelons for proper implementation of all aspects of the program for giving villagers protection.
8. We also urge early revitalization of the amnesty program.
9. We are encouraged by the exploratory talks which the Vietnamese Government has held with Cambodian Government officials for improving relations between the two countries. We hope that both Governments can proceed to actual negotiations for the settlement of their bilateral problems.
10. We accept with pleasure General Minh's invitation to set up an American brain-trust to work with his government and we are prepared to furnish any personnel needed for this purpose.
11. General Minh can also be sure that he has the complete support of the United States Government as *the* leader of Viet-Nam. We believe he can magnetically rally the Vietnamese people if he will really try to do so. He should be told leadership is an essential political ingredient of victory such as was the case with Magsaysay in the Philippines.

In this overall context the U.S. had already moved discreetly toward greater involvement in Vietnamese administration at lower levels. Late in 1963, the USG and GVN agreed on a "Decentralization of Action" package. Using AID *de facto* control of AID commodities to the province level (even though they passed to Vietnamese ownership at the dock), U.S. advisers could assure that no AID commodities came out to the province without their consent. They could and did extend this control to cover releases of these commodities from province warehouses. U.S. officials controlled the distribution of AID commodities because they controlled all Saigon warehouses set aside for these commodities, even though the warehouses, like the commodities, belonged to the Vietnamese.

Among the many problems that were to keep recurring was that of freedom of the press. Following an initial honeymoon period after the coup, trouble broke out between GVN and the U.S. press corps. This reached a climax with the temporary barring of the *New York Times* from Vietnamese distribution channels when it ran a story reporting dissension among the Vietnamese Generals. In general, Lodge sided with GVN on this issue, as shown in his reported views at the November, 1963, Honolulu Conference:

The U.S. press should be induced to leave the new government alone. They have exerted great influence on events in Vietnam in the past, and can be expected to do so again. Extensive press criticism, at this juncture, could be disastrous.

On January 1, 1964, there were 15,914 U.S. military personnel in South Vietnam. Fewer than 2,000 of these were advisors to RVNAF, but the advisor structure extended down to ARVN line battalions, and advisors accompanied combat units on operations. The MAP budget for South Vietnam in FY 1964 was \$175 million, although it was expected that an additional \$12.5 million would be required before the end of the year.

In summary, the USG's decisions near the end of 1963 started modest changes in our Vietnam programs. Program levels held even, and earlier hopes of immediate phasedown faded. The USG moved toward more involvement in Vietnamese day-to-day administration, particularly at the province level. The move was gentle, and stopped far short of a takeover; nothing of the sort was contemplated at that time. The USG was sceptical of GVN's leadership and administration at all levels, and continued to offer extensive and detailed advice, but had no drastic policy changes in mind.

B. THE FIRST MINH GOVERNMENT GOES DOWN, JANUARY, 1964

The year began with increasing Vietnamese criticism of the Minh government. It had done little to gain popularity in the country, and felt the sting of accusations of discrimination from both Buddhists and Catholics. Buddhists attacked Prime Minister Tho, who was Vice President under Diem. Catholics accused the GVN of having gone too far to placate the Buddhists in reaction to repressions under Diem. There were also accusations of secret negotiations with the French to neutralize South Vietnam.

A spate of news stories about U.S. advisor disgust over ARVN's timid attitude toward combat provoked a cable from State to Saigon asking the Ambassador to prevent such stories in the future. (This standard phrase meant to tell

the advisors to stop talking to the press.) Thus the Department aligned itself with Lodge's view of bad press stories, which emphasized news silence rather than corrective action.

The Lodge idea of making politicians out of the members of the Military Revolutionary Council translated into a plan for them to send out carefully watched political action teams. (He also suggested ways for the generals to improve their speech-making style.) For example, he proposed there should be three teams of eight men each in each district of Long An Province. He pressed the MRC to produce a program along these lines with priority attention to security. "The workers would be technically government employees, but most of the work they will do would be what we would call political work." On the U.S. role, he said, "U.S. personnel should inspect, without looking as though they were doing it, and see to it that a very high standard is set."

When discussing general objectives, Lodge and his team got on smoothly with GVN. In a meeting with all the top members of General Minh's government early in January to discuss the eleven points transmitted with President Johnson's New Year's greeting, they persuaded Lodge that they were moving effectively on all points except number 8, relating to amnesty. This one evoked little enthusiasm, but they said they had it under study. The USOM team that discussed economic policy matters with GVN economists with the objective of limiting the GVN budget deficit and drawing down its dollar balances found them willing to talk frankly and to examine alternatives freely. GVN was also willing to set up joint working committees to analyze the budget, the import program, and agricultural policy. However, the U.S. team found that getting jointly agreed bench mark data and a clear line of authority for policy actions "may yet prove difficult."

Moreover, a snag developed on the previously agreed plan to extend U.S. advisors to district level. In a one hour meeting January 10 between Ambassador Lodge and General Minh and other top Vietnamese officers and officials, General Kim stressed the extreme undesirability of Americans going into districts and villages. It would play into the hands of the VC and make the Vietnamese officials look like lackeys. There would be a colonial flavor to the whole pacification effort. Minh added that even in the worst and clumsiest days of the French they never went into the villages or districts. Others present went on to add that they thought the USIS should carry out its work strictly hand-in-hand with the province chief. When Lodge pointed out that most of the USIS teams were Vietnamese, Minh said, "Yes, but they are considered the same as Vietnamese who worked for the Japanese and the same as the Vietnamese who drive for Americans and break traffic laws." General Minh went on to complain about the U.S. hand in the training of Cao Dai and Hoa Hao. This was bad because they then became American type soldiers, not Vietnamese soldiers. Later in the discussion, General Minh complained that the ICA had made direct contacts with the above groups. "We simply cannot govern this country if this kind of conduct continues," he said.

In reply to the report of this meeting, the Joint Chiefs of Staff cabled CINCPAC on January 14:

SecDef seriously concerned regarding . . . General Don's earlier agreement on district level advisors as well as Minh's assertion that no advisors are desired beyond the regimental level. The Secretary considers, and JCS

agree, that this would be an unacceptable rearward step. State is preparing a response . . . in which SecDef and JCS will have a hand.

The State guidance to Lodge on January 17 said:

. . . We deem it essential to retain advisors down to sector and battalion level as we now have them, and consider establishment of subsector advisors as highly desirable improvement from our viewpoint. Such advisors are best assurance that the U.S. material we supply is used to full advantage. Beyond this, we cannot give adequate justification for our great involvement in Vietnam . . . if we are to be denied access to the facts.

However, State indicated a willingness to limit subsector advisors to an experimental program in a few districts, as suggested by Col. Thang, with a review of the question to follow a few weeks later. State suggested that General Minh's erroneous statement regarding U.S. training of Cao Dai and Hoa Hao deserved prompt refutation. "It is suggested Harkins accompany you to meetings where military matters may come up."

In contrast to their reticence about extending U.S. advisors to lower levels, Minh's government had volunteered the idea in December of a group of high-level U.S. advisors to work with the top levels of the GVN. The State Department replied enthusiastically:

In elaboration of the brain trust concept suggested by General Minh and accepted by President Johnson (DepTel 1000), our view is that high-level advisors may be essential key to ingredient most sorely lacking in GVN: Efficiency and urgency of action. Minh's invitation to establish brain trust and readiness to accept U.S. advice and cooperate . . . should be seized upon . . . We have in mind advisors working directly with VN officials on day-to-day implementation of agreed policy lines. They would of course be completely responsible to you for policy guidance and would in no sense supplant your policy role with top GVN officials nor would they infringe direct and comprehensive military advisory role of COMUSMACV . . . We recognize such advisors must operate behind the scenes and that their persistent prodding must be done with great tact. . . .

The guidance continued that the department specifically had in mind the assignment of three experienced full-time advisors (and senior assistants) to work with top levels of GVN. One senior FSO would work with Minh and Tho on broad program implementation, one ranking AID official would be with GVN counterinsurgency and economic officials, one high-ranking military would work with the Minister of Defense and JGS. Both advisors and assistants would have office space in a GVN building close to the office they would advise. Authority was given to discuss this with GVN. Lodge was told to ask them whom they would like for these positions.

Meanwhile, political tension increased. Then on January 28, General Nguyen Khanh told his U.S. advisor and friend, Col. Jasper Wilson, that a group of generals, including Minh and Don, were plotting with the French to stage a pro-neutralist "coup" by January 31. He asked whether the U.S. would support him in staging a counter-coup which would assure a stepped-up GVN effort

against the Viet Cong. There is no record of an official U.S. reply before Khanh resolved to act. The evening of January 29, Khanh told Wilson he would take over the GVN at 4 a.m. the next morning. Lodge informed State, which directed him to keep a hands-off attitude and to make it clear that the USG had nothing to do with the coup. It also directed Lodge to try to keep "Big Minh" in the government, at least as a figurehead. The next morning, right on schedule, Khanh took over.

C. THE USG ACCEPTS KHANH AND OPENS THE BIDDING AGAINST THE NORTH, FEBRUARY, 1964

Keeping Minh was to prove difficult. Khanh wanted to try four arrested generals for conspiring with the French to neutralize SVN; and not only were these officers Minh's close friends, but Khanh said Minh was a party to the plot also. The affair was to drag on into September, adding to the political uncertainties and thus to the paralysis of government.

To improve government stability, Khanh broadened his government to make the cabinet more representative of all the political and religious groups, and expanded the MRC to include 17 generals and 32 other officers. (By the end of March the MRC had 53 members.) Partly at USOM urging, General Minh travelled around the country and reportedly gained popularity. The Council of Notables continued in its advisory role.

Following the coup, the USG reopened the question of extending U.S. advisors into the districts. On February 7, 1964, the State Department told Saigon:

Inasmuch as recently displaced government evidently took no definitive position on extension U.S. advisory structure to subsector level . . . we believe [the] Ambassador and General Harkins should raise this subject at early date with General Khanh. It might be useful to point out to Khanh that in addition reasons cited in our 1072, proposed extension U.S. advisory structure would represent expansion U.S. commitment to support GVN in war against VC.

State anticipated that Khanh might object but believed the possible harm would be more than counterbalanced by improved effectiveness of GVN operations in countryside:

. . . if Khanh will not accept subsector advisors on scale originally envisaged he should be urged to agree at least to their establishment on experimental basis in few districts in order to lay basis for determining whether there is any substantial ill effect in political sense from their presence.

Two weeks later COMUSMACV reported Vietnamese acceptance of district advisors in 13 districts of central Delta provinces. MACV J-3 had casually arranged it with General Khiem, apparently without any new top-level U.S./GVN discussion.

Khanh's government was as receptive at first to top-level U.S. advice as it was to advisors at lower levels, although the "brain trust" idea dropped between the cracks. General Khanh made two requests for U.S. recommendations of Vietnamese persons to be members of his cabinet. Ambassador Lodge furnished a list from which a panel could be picked, but refused to make specific recommendations for particular positions.

However, there was still no sign of effective GVN action, with or without U.S. advice. In mid-February JCS recommended a concentrated "counterinsurgency offensive" in Long An province to restore GVN control and to make that a model for other critical provinces. Deputy Ambassador Nes, in Lodge's absence, objected strongly; for he said such a proposal was based on the false assumptions that:

- (1) Indigenous Communist insurgency with full external support could be defeated by an "offensive" of finite duration.
- (2) GVN had adequate political cohesion, leadership, etc., to launch an offensive.
- (3) The U.S. Mission had sufficient influence and control over GVN to persuade it to do so.

A February 19 report from COMUSMACV tells of continuing delay on pacification because the Dien Huang (or Dong Hien) had to be revalidated by the new government. A new plan was presented to General Khanh on the 17th and was to be called Chien Thang ("struggle for victory").

On February 21, 1964, Ambassador Lodge, Admiral Felt, and General Harkins saw Khanh with a proposal for creating a corps of civil administrators to take over the villages and hamlets as soon as pacification was complete. Khanh replied that he was just about to put into effect a program in the seven key provinces around Saigon which would provide the help of doctors, teachers, and government advisors from Saigon.

The subject of funds for ARVN and para-military pay increases came up because counterpart and PL 480 proceeds were U.S. contributions to the GVN budget. Washington requested additional facts and recommendations on how added U.S. input could best be channeled but advised that an outright U.S. grant would be highly undesirable. USOM and MAAG were told to analyze the situation and develop joint U.S./GVN action to meet the threat of inflation. Saigon replied that their analysis indicated (1) the budget deficits would probably be smaller than originally expected, and (2) the economic consequences were extremely difficult to predict. Economic Minister Oanh shunned any immediate "complex study" of the economic outlook because he was completely tied up with a series of important planning exercises for the government, and Oanh felt the potential cost of the pay raise (700 million piasters in 1964) could be absorbed within the present expenditure levels.

The Embassy reported being informed on February 21 by the Minister of National Economy of a threatened Saigon rice shortage. He requested that the U.S. stand ready to provide 40,000 tons under title II PL 480 for distribution to the Armed Forces. No U.S. commitments were made. Talks were exploratory.

Although the USG recognized the weaknesses of GVN, as noted at the end of Section 1, these merely aroused concern at the highest levels, not alarm. An extreme example of the emphasis of this period is found in W.W. Rostow's memorandum to the Secretary of State dated February 13, 1964. In a context emphasizing the importance of success in Vietnam to U.S. interests everywhere, Rostow wrote only about the role of North Vietnam in the insurgency, relegating South Vietnam's governmental problems (and those of Laos) to a vague clause in one sentence:

South Vietnam is in danger. The internal position in South Vietnam created by the systematic operations conducted from North Vietnam is

precarious . . . although difficult tasks would still be faced in South Vietnam and Laos if North Vietnamese compliance with the 1962 agreement was enforced, we see no possibility of achieving short-run or long-run stability in the area until it is enforced."

In a cable to the President, Lodge expressed the same view. In addition, he compared the sanctions used against Diem with the sanctions being considered against the North, and thus by implication treated the fall of Diem as the end of the problem of good government in the South. Rightly or wrongly, the USG viewed North Vietnamese support and direction of the insurgency as the over-riding problem, not merely in its public posture (as represented by President Johnson's new year's greeting to General Minh, quoted on page 3, above, and by the State White Paper, "Aggression From the North," issued February 27), but also in its internal policy discussions. Rostow's statement says that there is no way to achieve short-run or long-run stability in Southeast Asia without putting a stop to this support and direction, and gives short shrift to GVN reform. To the extent that this view was accepted, it tended to set the face of U.S. policy looking outward across South Vietnam's borders, putting South Vietnamese weaknesses in the background, mainly to be dealt with after the 1962 Agreement is enforced.

When the issue came up of the GVN's internal military and political failures, all agreed that these were serious, but there was seldom any action. Occasional references (e.g., Honolulu, 1964), and conversations with some of the principals, make it clear that the explanation for this lack of action was the fear that the GVN was a house of cards, which would collapse if we pushed too hard. This fear of GVN weakness proved to be a consistent source of *strength* to GVN in its negotiations with the Embassy and with the USG.

D. McNAMARA'S MARCH TRIP AND NSAM 288

For several days beginning on March 8, 1964, Secretary McNamara conferred with GVN leaders and with U.S. officials in Saigon. The trip reinforced his pessimistic views of the previous December. In his trip report to the President, he said:

C. The situation has unquestionably been growing worse, at least since September:

1. In terms of government control of the countryside, about 40% of the territory is under Viet Cong control or predominant influence. . . .
2. Large groups of the population are now showing signs of apathy and indifference, and there are some signs of frustration within the U.S. contingent:
 - a. The ARVN and paramilitary desertion rates, and particularly the latter, are high and increasing.
 - b. Draft dodging is high while the Viet Cong are recruiting energetically and effectively.
 - c. The morale of the hamlet militia and of the Self Defense Corps, on which the security of the hamlets depends, is poor and falling.
3. In the last 90 days the weakening of the government's position has been particularly noticeable. . . .

4. The political control structure extending from Saigon down into the hamlets disappeared following the November coup. Of the 41 incumbent province chiefs on November 1, 35 have been replaced (nine provinces had three province chiefs in three months; one province had four). Scores of lesser officials were replaced. Almost all major military commands have changed hands twice since the November coup. The faith of the peasants has been shaken by the disruptions in experienced leadership and the loss of physical security. In many areas, power vacuums have developed causing confusion among the people, and a rising rate of rural disorders.

D. The greatest weakness in the present situation is the uncertainty of the Khanh government . . . After two coups, as was mentioned above, there has been a sharp drop in morale and organization, and Khanh has not yet been able to build these up satisfactorily. There is a constant threat of assassination or of another coup, which would drop morale and organization nearly to zero. Whether or not French nationals are actively encouraging such a coup, de Gaulle's position and the continuing pessimism and anti-Americanism of the French community in South Vietnam provide constant fuel to neutralist sentiment and the coup possibility. If a coup is set underway, the odds of our detecting and preventing it in the tactical sense are not high.

E. On the positive side, we have found many reasons for encouragement in the performance of the Khanh government to date. Although its top layer is thin, it is highly responsive to U.S. advice, and with a good grasp of the basic elements of rooting out the Viet Cong. Opposition groups are fragmentary, and Khanh has brought in at least token representation from many key groups hitherto left out. He is keenly aware of the danger of assassination or coup and is taking resourceful steps to minimize these risks. All told, these evidences of energy, comprehension, and decision add up to a sufficiently strong chance of Khanh's really taking hold in the next few months for us to devote all possible energy and resources to his support.

A memorandum of the conversation held at Joint General Staff (JGS) headquarters between Secretary McNamara and General Khanh, the Prime Minister, on March 12, shows that the U.S. pressed for a national service act. General Khanh agreeably assured the Secretary that the GVN was prepared to embark on a program of national mobilization. The principal question raised by the Vietnamese was the desirability of raising the Civil Guard to the same relative status as ARVN on such matter as salary, pensions, and survivor benefits at a total additional cost of 1 billion piasters. Mr. McNamara's reply that he thought this highly desirable was obviously interpreted by the Vietnamese as an agreement to underwrite much of the bill.

After considering various options in his reports, McNamara recommended the following basic U.S. posture:

1. The U.S. at all levels must continue to make it emphatically clear that we are prepared to furnish assistance and support for as long as it takes to bring the insurgency under control.

2. The U.S. at all levels should continue to make it clear that we fully support the Khanh government and are totally opposed to any further coups. The ambassador should instruct all elements, including the military

advisors, to report intelligence information of possible coups promptly, with the decision to be made by the ambassador whether to report such information to Khanh. . . .

3. We should support fully the Pacification Plan now announced by Khanh . . . This so-called "oil spot" theory is excellent, and its acceptance is a major step forward. However, it is necessary to push hard to get specific instructions out to the provinces, so that there is real unity of effort at all levels. . . .

Many of the actions described in succeeding paragraphs fit right into the framework of the Plan as announced by Khanh. Wherever possible, we should tie our urging of such actions to Khanh's own formulation of them, so that he will be carrying out a Vietnamese plan and not one imposed by the U.S.

4. To put the whole nation on a war footing . . . a new National Mobilization Plan (to include a National Service Law) should be urgently developed by the Country Team in collaboration with the Khanh Government. . . .

5. The strength of the Armed Forces (regular plus paramilitary) must be increased by at least 50,000 men. . . .

6. A Civil Administrative Corps is urgently required to work in the provincial capitals, the district towns, the villages, and the hamlets . . . The U.S. should work with the GVN urgently to devise the necessary recruiting plans, training facilities, financing methods, and organizational arrangements, and should furnish training personnel at once, under the auspices of the AID Mission. . . .

7. The paramilitary forces are now understrength and lacking in effectiveness. They must be improved and reorganized.

d. Additional U.S. personnel should be assigned to the training of all these paramilitary forces.

e. The National Police require special consideration. Their strength in the provinces should be substantially increased and consideration should be given to including them as part of an overall "Popular Defense Force". . . .

8. An offensive guerrilla force should be created to operate along the border and in areas where VC control is dominant. . . .

He recommended more military equipment for ARVN, which along with the expansion recommendations above, added up to a total cost to the U.S. of some \$50-60 million in the first year and \$30-40 million thereafter. He reasoned:

There were and are sound reasons for the limits imposed by present policy—the South Vietnamese must win their own fight; U.S. intervention on a larger scale, and/or GVN actions against the North, would disturb key allies and other nations; etc. In any case, it is vital that we continue to take every reasonable measure to assure success in South Vietnam. The policy choice is not an "either/or" between this course of action and possible pressures against the North; the former is essential without regard to our decision with respect to the latter. The latter can, at best, only reinforce the former.

The following are the actions we believe can be taken in order to improve the situation both in the immediate future and over a longer term

period. To emphasize that a new phase has begun, the measures to be taken by the Khanh government should be described by some term such as "South Vietnam's Program for National Mobilization."

Two courses of action that Secretary McNamara considered and rejected were destined to come up time and again. With respect to the suggestion that the U.S. furnish an American combat unit to secure Saigon, the Secretary reported "It is the universal opinion of our senior people in Saigon, with which we concur, that this action would now have serious adverse psychological consequences and should not be undertaken."

On U.S. assumption of command, he said:

. . . the judgments of all senior people in Saigon, with which we concur, is that the possible military advantages of such action would be far outweighed by its adverse psychological impact. It would cut across the whole basic picture of the VN running their own war and lay us wide open to hostile propaganda both within SVN and outside. Moreover the present responsiveness of the GVN to our advice—although it has not yet reduced military reaction time—makes it less urgent. At the same time MACV is steadily taking actions to bring U.S. and GVN operating staff closer together at all levels, including joint operating rooms at key command levels.

The President met with the National Security Council on March 17 and approved McNamara's recommendations; NSAM 288 of that date directed all agencies to execute the parts applying to them. To underline one point further, State cabled USOM Saigon on March 18 to make sure to report all rumors of coups heard by any U.S. personnel to the Ambassador at once; and it gave the Ambassador full reaction authority. Then the President summarized his view of the main thrust of the new policy, in a cable to Lodge on March 20:

As we agreed in our previous messages to each other, judgment is reserved for the present on overt military action in view of the consensus from Saigon conversations of McNamara mission with General Khanh and you on judgment that movement against the North at the present would be premature. We here share General Khanh's judgment that the immediate and essential task is to strengthen the southern base. For this reason our planning for action against the North is on a contingency basis at present, and immediate problem in this area is to develop the strongest possible military and political base for possible later action.

Anticipating great things, the White House announced Khanh's "mobilization plan" on March 17, and implied USG support for him:

To meet the situation, General Khanh and his government are acting vigorously and effectively. They have produced a sound central plan . . . To carry out this plan . . . General Khanh has informed us that he proposes in the near future to put into effect a National Mobilization Plan. . . .

The policy should continue of withdrawing United States personnel where their roles can be assumed by South Vietnamese and of sending additional men if they are needed. It will remain the policy of the United States to furnish assistance and support to South Vietnam for as long as it is required. . . .

Secretary McNamara and General Taylor reported their overall conclusion that with continued vigorous leadership from General Khanh and

his government, and the carrying out of these steps, the situation can be significantly improved in the coming months.

In a speech in Washington on March 26, Secretary McNamara more explicitly supported the Khanh government, and gave the accepted priorities of U.S. policy:

. . . In early 1963, President Kennedy was able to report to the nation that "the spearpoint of aggression has been blunted in South Vietnam." It was evident that the Government had seized the initiative in most areas from the insurgents. But this progress was interrupted in 1963 by the political crises arising from troubles between the Government and the Buddhists, students, and other non-Communist oppositionists. President Diem lost the confidence and loyalty of his people; there were accusations of maladministration and injustice. There were two changes of government within three months. The fabric of government was torn. The political control structure extending from Saigon down into the hamlets virtually disappeared. Of the 41 incumbent province chiefs on November 1 of last year, 35 were replaced. Nine provinces had three chiefs in three months; one province had four. Scores of lesser officials were replaced. Almost all major military commands changed hands twice. The confidence of the peasants was inevitably shaken by the disruptions in leadership and the loss of physical security . . . Much therefore depends on the new government under General Khanh, for which we have high hopes.

Today the government of General Khanh is vigorously rebuilding the machinery of administration and reshaping plans to carry the war to the Viet Cong. He is an able and energetic leader. He has demonstrated his grasp of the basic elements—political, economic and psychological, as well as military—required to defeat the Viet Cong. He is planning a program of economic and social advances for the welfare of his people. He has brought into support of the government representatives of key groups previously excluded. He and his colleagues have developed plans for systematic liberation of areas now submissive to Viet Cong duress and for mobilization of all available Vietnamese resources in the defense of the homeland.

At the same time, General Khanh has understood the need to improve South Vietnam's relations with its neighbors . . . In short, he has demonstrated the energy, comprehension, and decision required by the difficult circumstances that he faces. . . .

The third option before the President [after withdrawal and neutralization, both rejected] was initiation of military actions outside South Vietnam, particularly against North Vietnam, in order to supplement the counterinsurgency program in South Vietnam.

This course of action—its implications and ways of carrying it out—has been carefully studied.

What ever ultimate course of action may be forced upon us by the other side, it is clear that actions under this option would be only a supplement to, not a substitute for, progress within South Vietnam's own borders.

The fourth course of action was to concentrate on helping the South Vietnamese win the battle in their own country. This, all agree, is essential no matter what else is done. . . .

We have reaffirmed U.S. support for South Vietnam's Government and

pledged economic assistance and military training and logistical support for as long as it takes to bring the insurgency under control.

We will support the Government of South Vietnam in carrying out its Anti-Insurgency Plan. . . .

The next day McNamara formally ended the hope of phased withdrawal, by stopping the lower-echelon joint planning activities that had aimed at replacing U.S. elements in Vietnam by Vietnamese. Although the Vietnamese knew that the "withdrawal" of 1000 men in December 1963 had been a pretense, his action now removed any remaining doubt about our intentions. The message was brief:

Model Plan projection for phasedown of U.S. forces and GVN forces is superseded. Policy is as announced by White House on 17 March 64.

E. OPENING BIDS ON ADVICE, LEVERAGE, AND AID, APRIL-MAY, 1964

Armed with our declaration of support and with the promised further material assistance, General Khanh signed a mobilization decree on April 4; at the time the decree satisfied the USG as meeting McNamara's recommendation on the subject. However, Khanh delayed signing implementing decrees for the mobilization decree indefinitely; and it has never become clear what it would have meant, if implemented. In May, Khanh purportedly broadened the draft to include older and younger men, and announced formation of a new "Civil Defense Corps"; but neither came to anything. On April 4, Khanh also abolished the Council of Notables. This latter step he did on his own, without prior discussion with Lodge. As noted in section 1, Lodge, who always believed in the need and importance of constitutional government in SVN, felt no urgency for creating a democratic form of government, although many in State may have wanted to object to Khanh's actions. Such actions without prior consultation were to become a sore point later on with both State and the Embassy. Thus, what the USG actually got for the recognition and material support it gave Khanh in March was the dissolution of the Council of Notables.

During April, Lodge and State continued to debate how hard to push GVN using AID leverage. Lodge agreed with the general principle that the Commercial Import Program (CIP) should not be increased until increased GVN expenditures quickened the economy and drove imports up. However, he noted that GVN had been given to understand that they could expect at least the \$95 million CIP in 1964 that Diem had in 1963, and that McNamara had said in Saigon and Washington that U.S. assistance to Vietnam would increase by about \$50 million. These assurances had spurred Oanh, Minister of National Economy, to ask for specific increases in CIP. Lodge thought the time unpropitious for detailed joint planning and for austerity measures as conditions for the last increment of 1964 CIP. Oanh received credit for being too busy with pacification planning and other matters to discuss such matters. Therefore, Lodge proposed to use the planning of the CY 1965 program as the right place to apply leverage.

State reacted sharply, questioning whether the USG should let GVN off the hook on its March commitments that easily. Nevertheless, State acknowledged that "formal negotiations may not be desirable at this time," and settled instead for "constant dialogue to keep GVN aware of U.S. adherence to the new approach and of firm desire to see it implemented." The desired GVN actions

included drawdown of foreign exchange reserves, promotion of exports, import austerity, and an anti-inflationary domestic policy.

USOM then talked to Oanh about the commitments on the two sides. USOM felt that Oanh understood that GVN was to move first and be backed up by the USG as needed, but thought that some segments of GVN were dragging their heels to avoid living up to their commitments. USOM estimated a \$15-30 million drawdown of GVN foreign exchange reserves in 1964.

In the last week of April, General Khanh asked Lodge for one American expert each in the fields of Finance-Economics, Foreign Affairs, and Press relations to be assigned to him personally and to have offices in "a convenient villa . . . We Vietnamese want the Americans to be responsible with us and not merely as advisors." This request revived the "brain trust" concept discussed with the Minh government around the first of the year. Commenting, Lodge noted that he had opposed pushing Americans into GVN because of Colonialist overtones; they would cause resentment, and a lessening of effort by the GVN, placing the blame on the U.S. Therefore, he had avoided raising the idea with Khanh. However, that Khanh himself now proposed it removed that objection, and Lodge felt that the U.S. should respond because it was an urgent necessity.

Late in the same meeting, Lodge told Khanh of a State Department proposal for civil administrators on a crash basis in partially pacified areas. His quick reply, "Yes . . . if you will accept losses."

Lodge recommended a Civil Administrative advisor to join the three others mentioned above, but he advised against more. He said there was no sense dumping several hundred advisors out there. In view of the "trail-blazing" nature of the move, he requested a member of the White House staff, possibly Forrestal, to come out for a conference. Ordinarily, it would be surprising that Lodge would make such a big issue of Khanh's revival of an idea that GVN had already advanced through Lodge and that the President himself had approved. However, his effusive reaction in this case merely underlines his oft-repeated reluctance to push GVN. Lodge presented the first three advisors to Khanh on May 6.

On April 30, Lodge, Westmoreland, and USOM Director Brent met with several top members of GVN to discuss GVN's failure to disburse operating funds to the provinces, sectors and divisions and to correct the manpower shortage in ARVN and the paramilitary units. Lodge argued that the McNamara program was failing, not because U.S. support lagged, but because the necessary piaster support was missing. Moreover, he said, there was no shortage of piasters available to GVN. In reply, Oanh of the GVN said they had inherited a bad system from the French, and that he was now trying to implement new procedures. Khanh replied on the manpower problem that to raise the strength would require an ultimatum to the Corps Commanders, but then he also said that remedial moves were underway and were known to MACV. Khanh countered the budgetary argument by saying that he had still not received money from the U.S. to support increased pay for the paramilitary; Lodge replied that if he went ahead with the increased pay, the U.S. would meet the bill. Overall, the meeting was one of thrust and parry rather than of consultation. This meeting followed prodding from McNamara and JCS in a cable sent April 29.

On May 4, Khanh told Lodge he wanted to declare war, bomb North Vietnam with U.S. bombers, put the country on a war footing, including "getting rid of the so-called politicians and having . . . a government of technicians," and bring in 10,000 U.S. Army special forces to "cover the whole Cambodian-

Laotian frontier." Lodge was non-committal on U.S. forces, but said that the war came first and that democratic forms could wait. However, Khanh publicly called for an election by October of a Constitutional Assembly, apparently to bolster his public support; he had his share of rumors and political infighting.

On May 13, during a trip to Saigon to review progress on the March decisions, McNamara met with Khanh to express his concern over GVN inaction. McNamara's main complaints were that RVNAF was failing to reach authorized strength levels and that budget delays were holding up pacification. He felt that GVN should announce that failure to disburse funds is a crime. He also expressed concern about the replacement of incompetent officers, such as the Commanding General of the ARVN Fifth Division. The meeting went agreeably, and produced the following consensus:

- (1) All present expressed satisfaction at Khanh's having accepted the importance of speeding up disbursements.
- (2) The case of the commander of the Fifth Division "presented something of an internal problem, but it would be arranged." (This was the second time around for the Fifth Division case. As the result of a personal request from General Harkins, Khanh had agreed on April 25 to change this same officer "immediately.")
- (3) Khanh hoped to spend more time on military and pacification matters if only "this political stomach trouble" that took so much of his time could be quieted.

MACV presented McNamara with a proposal to give the province advisors a total of \$278,000 in petty cash and "seed money," to be used solely at the U.S. advisors' discretion. This initial proposal suggested putting the money under control of the psychological operations committee. The idea received mixed reactions, and went on the agenda of the Honolulu Conference in June.

M. Forrestal of the White House Staff came with McNamara, and led a negotiating team that met Minister Oanh and his staff to discuss budgetary and economic matters. The U.S. team wanted GVN to keep its budget under strict control; GVN wanted the USG to increase CIP, and to give it an additional \$18 million from fiscal 1964 funds. On May 27, when the talks ended, the USG had released the requested \$18 million, and committed itself to a fiscal 1965 CIP of \$135 million, \$40 million more than in fiscal 1964, plus a standby arrangement for an additional \$30 million. GVN protested that this commitment was not enough to prevent inflation, and did what it pleased about its own budget; the talks ended with an agreement to disagree.

E. THE POLITICAL CLIMATE AND PREVAILING VIEWS OF THE WAR, MAY 1964

Khanh's "political stomach trouble" was merely a fresh case of a chronic Vietnamese problem. His troubles with General Minh over the four jailed generals continued, and coup rumors abounded. On May 21, Lodge told him of the harmful effects of such rumors, and suggested he talk tough with his cabinet. When their conversation turned to General Minh, Khanh insisted that Minh could be proved to have conspired with the others and with the French to make Vietnam neutral. Khanh and the MRC planned to try the four generals in Dalat by the 29th of May. State then directed Lodge to try to prevent the trial, and failing that to soften its effects and prevent Minh's deposition. Lodge put

this position to Khanh on May 28, asserting the special need for unity in view of possible cross-border problems with Laos; Khanh accepted the point and agreed to soften the blow on the generals. He flew immediately to Dalat, and the next day announced to Lodge an amicable settlement of the problem, with lenient treatment of the generals and new-found complete unity among the members of the ruling MRC. State and Lodge were gratified, and agreed that the thing to do was to press for unity in support of getting on with the war. However, it was soon common knowledge that the "settlement," amounting to censure of the accused officers, satisfied no one; and the problem festered on.

In May the first sign appeared of varying emphasis at the highest levels on particular necessary steps for success against the VC. In a DPM dated May 25, 1964, McGeorge Bundy restated the theme of the Rostow memorandum to SecState of February 13:

It is recommended that you make a Presidential decision that the U.S. will use selected and carefully graduated military force against North Vietnam . . . on these premises:

- (1) That the U.S. cannot tolerate the loss of Southeast Asia to Communism;
- (2) That without a decision to resort to military action if necessary, the present prospect is not hopeful, in South Vietnam or in Laos.

Of course, Bundy knew of the GVN's weaknesses and on other occasions asserted the need to reform GVN; but here he focussed exclusively on using force against NVN.

In contrast, Chairman Sullivan of the newly-created inter-agency Vietnam Committee said in a proposed memorandum for the President (May, 1964, undated):

The Vietnamese Government is not operating efficiently enough to reverse the adverse trend in the war with the Viet Cong. The Khanh Government has good intentions; it has announced good general plans and broad programs; but these plans are not being translated into effective action against the Viet Cong on either the military or the civil side. It has, therefore, become urgently necessary to find a means to infuse the efficiency into the governmental system that it now lacks.

To remedy the GVN's lack of efficiency, Sullivan proposed that Americans assume de facto command of GVN's machinery.

American personnel, who have hitherto served only as advisors, should be integrated into the Vietnamese chain of command, both military and civil. They should become direct operational components of the Vietnamese Governmental structure. For cosmetic purposes American personnel would not assume titles which would show command functions, but would rather be listed as "assistants" to the Vietnamese principals at the various levels of government . . .

Americans should be integrated to *all* levels of the Vietnamese Government . . . Americans would be integrated into the Central Government to insure that decisions are taken, orders are issued and funds, supplies and personnel are made available for their implementation, and execution actually takes place. At the regional level Americans, both military and

civilian, would also be introduced . . . Americans would likewise be brought into the government machinery at province and district level to insure that the counterinsurgency programs are actually executed at the level where the people live.

Aside from the command aspect which Americans would assume, the principal other new element in this concept would be the introduction of American civilians at the district level. Their purpose would be to insure that programs are put into effect at the village and hamlet level to gain the support of the people . . .

Personnel at the district level would confront a maximum risk and casualties are virtually certain. Since the U.S. should take any feasible measure to assure their security, it is important that Vietnamese units of the Civil Guard and Self-Defense Corps, which operate at this level, be encadred with an adequate number of American military personnel to insure that they will operate effectively.

This DPM also proposed extensive reshuffling of the lines of authority in the GVN itself, including the elimination of divisions from the Vietnamese military structure and placing all authority for pacification, military and civilian, in the hands of the province chiefs under the corps commanders.

The Vietnam Committee watered down this proposal immediately, however. On May 27, it went to four high-level addressees as a talking paper, with the second sentence of the above recommendation altered to say, "They should become more than advisors, but should *not* become an integral part of the chain of command." (Emphasis added.) Recognizing Vietnamese sensitivities and the GVN's political vulnerability, the revised paper recommended a gradual, phased approach. But even the watered-down version was termed "radical" in the cable putting it on the agenda for the upcoming Honolulu Conference.

In the new advisory program already underway, MACV reported a big improvement by late May in the experimental districts with U.S. advisors. People rather than messages moved back and forth. Economic and social bonds were reported improved. Further extension of advisors to districts was put on the agenda. In preliminary communications, General Taylor, Chairman of the JCS, assumed that their mission would be to supervise unit training, operational performance, and operational planning of para-military units in the districts; but he also suggested discussion of other ways in which military personnel could be used to advantage in forwarding the pacification program.

The month ended with a Rusk-Khanh meeting that re-emphasized the accepted priorities of U.S. policy, and unquestionably confirmed to the Vietnamese how far we were thinking of going. First, Rusk emphasized to Khanh the effect of Vietnamese quarreling on the U.S. and on other potential allies in the struggle. Second, they discussed immediate extensions of the war, such as attacking the Laotian corridor, and the various further extensions that might follow. Third, Khanh pushed hard on the idea, which as noted above had already been discussed in Washington, that he could not win without extending the war. Finally, Khanh pledged to keep all these matters secret until the U.S. agreed to overt statement or action.

The language of the cable reporting this meeting is candid and revealing:

1. Solidarity Within South Vietnam

. . . Secretary [Rusk] stated one of main problems President faces in justifying to American people whatever course of action may be neces-

sary or indicated as matter of internal solidarity of SVN. Secretary noted that if struggle escalates, only U.S. will have the forces to cope with it.

This basic reality means President has heavy responsibility of making vital decisions and leading American public opinion to accept them. Difficult to do this if SVN appears hopelessly divided and rent by internal quarrels.

. . . Secretary said he was not thinking in terms of displaying solidarity so as to convince Paris that struggle could be won, but rather was thinking in terms of sustaining the faith in the possibilities of ultimate success of our Vietnamese effort among those nations we hoped "would be in the foxholes with us" if escalation became necessary and if enemy forces reacted in strength. For example, UK, Australia, New Zealand. Solidarity and unit of purpose in SVN was keystone of whole effort. Was General Khanh doing all he could to bring about such national unity?

Khanh replied affirmatively, saying he fully aware of importance of unity. His recent handling of the case of the arrested Generals showed this. His clemency showed he was primarily interested in protecting unity of Army. But there were many problems. Underlying structure and heritage of country was such that only Army could lead Nation in unity. Only Army had the requisite organization, cadres, discipline, and sense of purpose. The intellectuals would never be able to adopt a common point of view unless it was imposed by a dictatorship—by a party as the Communists did, or a "family dictatorship" such as Diem's. This situation was made worse because of disproportion between measure of political and civil liberties granted in wartime situation on one hand and lack of background and sense of responsibility of recipients on [the] other . . . He was aware he had perhaps given more freedom than really prudent handling of situation would have dictated, but he had to be mindful oft-proclaimed democratic goals of the Vietnamese revolution. All in all, this disunity would not be fatal because Army itself was united, and no potentially disruptive force could hope to oppose Army and overthrow GVN. (N.B. No reference to religious problems, sects, or labor under this heading.)

2. Need for Action Outside South Vietnam.

. . . Khanh dwelt at length on this, laying out some fairly precise ideas about the kind of action that might be taken.

Basically, he said that despite the pacification plan and some individual successes he and his government were "on the defensive" against the Viet Cong. He said pretty flatly that they could not win unless action was taken outside South Vietnam, and that this needed a firm U.S. decision for such action.

. . . He [Khanh] then said that the "immediate" response should be to clean out the Communists in Eastern Laos, who were the same kind of threat to him, and that we should not get bogged down in negotiations but act.

. . . Secretary then noted we could never predict enemy reaction with certainty. How would SVN people react if NVN and China responded by attacking SVN? Khanh replied this would have even more favorable effect on SVN national unity and faith in victory, and would mobilize usual patriotic reactions in face of more clearcut external threat.

3. Timing of Action Against the North and Necessary Prior Action Within South Vietnam.

Khanh asked if Secretary and Ambassador believed he should proclaim

state of war existed during next few days and now that Generals' case was settled. Both advised him to wait at least until after Honolulu Conference and in no case ever to take action on such matter without consulting. He agreed, and remarked that if he proclaimed state of war, NVN would know this was preparatory to some form of escalation and he would never act unilaterally and thereby run risk of tipping America's hand. Although the matter was not specifically mentioned, Khanh appeared to accept as entirely natural that he would not necessarily know in advance if U.S. decided to strike outside VN.

. . . Some question as to how enemy camp will react. At various points in conversation Khanh was obviously seeking some more definite statement of specific American intentions in immediate future. Secretary told him he could say nothing on this because he simply did not know. The Honolulu meeting would produce some firm recommendations to the President and some plans, but ultimately only President could decide. His decision would be influenced by consideration of all implications of escalation: On our forces, on our allies, and perhaps even on mankind itself if nuclear warfare should result. Only U.S. had the means to cope with problems escalation would pose, and only President could make the ultimate decisions.

Nevertheless, Secretary said he wished to emphasize the following:

A. Since 1945 U.S. had taken 165,000 casualties in defense of free world against Communist encroachments, and most of these casualties were in Asia.

B. U.S. would never again get involved in a land war in Asia limited to conventional forces. Our population was 190,000,000. Mainland China had at least 700,000,000. We would not allow ourselves to be bled white fighting them with conventional weapons.

C. This meant that if escalation brought about major Chinese attack, it would also involve use of nuclear arms. Many free world leaders would oppose this. Chiang Kai-Shek had told him fervently he did, and so did U Thant. Many Asians seemed to see an element of racial discrimination in use of nuclear arms; something we would do to Asians but not to Westerners. Khanh replied he certainly had no quarrel with American use of nuclear arms, noted that decisive use of Atomic bombs on Japan had in ending war saved not only American but also Japanese lives. One must use the force one had; if Chinese used masses of Humanity, we would use superior fire power.

D. Regardless what decisions were reached at Honolulu, their implementation would require positioning of our forces. This would take time. Khanh must remember we had other responsibilities in Asia and must be able react anywhere we had forces or commitments. Not by chance was this Conference being held at Honolulu; the combined headquarters of all American forces in Pacific was there.

. . . 6. Comment

As can be seen, the Secretary let Khanh develop his ideas fairly fully and do most of the talking.* Khanh talked firmly and effectively, and responded well to the Secretary's several points. He showed clearly that he was aware of the gravity of the decisions (tho he did seem a touch cavalier about the political problems of hitting eastern Laos at once), and did not seem

* Comment: Nevertheless, as can be seen, the Secretary spoke freely.

to want a firm U.S. answer the day after tomorrow. But it seemed clear that he did want it pretty soon, and was now convinced he could not win in South Vietnam without hitting other areas including the North. He was careful to point out that the pacification campaign was making gains and would continue to do so. Still, it was essentially defensive.

On the timing, the Secretary said that any action would be preceded in any event by some period of time for force deployments. (He did not refer to diplomatic steps re Laos, the UN side, the U.S. Congressional problem, or other types of factors.) Khanh understood this, and also accepted the Secretary's point that we would need to consult very closely with Khanh himself, try to bring the British and Australians aboard (the Secretary referred only to these two possible active participants), and generally synchronize and work out the whole plan with great care.

Thus although the USG had pressed GVN on many details of economic policy, administration, and pacification, contacts at the highest level told GVN that if the Vietnamese leaders would only stick together to prosecute the war, and if we compelled the North Vietnamese to cease and desist, everything would be all right. Provided the GVN didn't embarrass the USG too much, there was no limit to how far we would go to support them; and apart from "unity" and a reasonable show of effort, there was no onus on them to deliver the goods. Khanh's claim that he could not win without extending the war, and that the Vietnamese were tired of the long dreary grind of pacification, met no U.S. objection.

G. THE HONOLULU CONFERENCE AND ITS FOLLOW-UP, JUNE, 1964

The Honolulu Conference met on short notice with an air of urgency; principals included McNamara, Rusk, Lodge, Taylor, and Westmoreland. Presentations of the current situation preceded consideration of additional measures to be taken. Lodge briefed those present on the political status. He said the situation could "jog along," but he thought that some external action would be a big lift to South Vietnamese morale. Lodge's prediction was more optimistic than later events, in August, proved justified; he said "if we bombed Tchepone or attacked the [NVN torpedo] boats and the Vietnamese people knew about it, this would . . . unify their efforts and reduce [their] quarreling." In reply to a question by Rusk, he opposed the idea of a more formal joint USG/GVN organization at the top; McNamara hoped that a more formal organization would evolve. Lodge felt that the USG/GVN relationship was harmonious, and that GVN was responsive to advice. He liked the present methods of dealing with them. Westmoreland called the military picture "tenuous but not hopeless" and added that a few victories were badly needed. Both were more optimistic than was the prevailing Washington view.

All present agreed that the emergence of a hostile government or anarchy would be a major threat to the U.S. position. The fear of this threat undoubtedly helps explain the USG's persistent hesitancy to apply leverage to GVN.

Westmoreland circulated a working paper calling for moderate increases in U.S. personnel, both civilian and military, for eight critical provinces. He reported that the GVN had recently responded to massive advisory pressure by increasing the tempo of their military operations. He felt they would similarly respond to a continuing advisory program oriented toward pacification. Both Lodge and Westmoreland rejected, as both unwise and unacceptable to GVN,

any major plan for "inter-larding" or "encadrement" which would move U.S. personnel directly into decision-making roles. Their opposition ended conference consideration of the proposals advanced by the Sullivan memorandum.

In a long draft memorandum, dated June 13, 1964, Sullivan added some further insight into US/GVN relations and into the views of Lodge and Westmoreland about national priorities, beyond what is shown in the CINCPAC record of the Conference.

In attempting to accomplish many of these programs, we have encountered resistance both from the Vietnamese and from our own U.S. Mission. Ambassador Lodge . . . fears that the increased introduction of Americans would give a colonial coloration to our presence there and would cause the Vietnamese to depend more and more on our execution of their programs. The Vietnamese . . . have some fear of appearing to be American puppets . . . Finally, there is some indication that they are reluctant to associate themselves too closely with the Americans until they feel more confident of ultimate American intentions.

At the current moment, there is great doubt and confusion in Vietnam about U.S. determination . . . As a leading Saigon newspaper said on June 12: "We must be vigilant and we must be ready to meet any eventuality so as to avoid the possible shameful sacrifice and dishonor to our country as in the past."

Given this sort of atmosphere in South Vietnam, it is very difficult to persuade the Vietnamese to commit themselves to sharp military confrontations with the communists if they suspect that something in the way of a negotiated deal is being concocted behind their backs. Consequently, many of the actions which we are pressing on the South Vietnamese are flagging because of this uncertainty . . .

Both Ambassador Lodge and General Westmoreland, at the Honolulu Conference expressed the opinion that the situation in South Vietnam would "jog along" at the current stalemated pace unless some dramatic "victory" could be introduced to put new steel and confidence into the Vietnamese leadership. General Westmoreland defined "victory" as a determination to take some new vigorous military commitment, such as air strikes against Viet Cong installations in the Laos corridor. Ambassador Lodge defined "victory" as a willingness to make punitive air strikes against North Vietnam. The significant fact about both . . . suggestions was that they looked toward some American decision to undertake a commitment which the Vietnamese would interpret as a willingness to raise the military ante and eschew negotiations begun from a position of weakness.

While it is almost impossible to establish measurements of Vietnamese morale, we are able to say that there is not at the current moment a single galvanized national purpose, expressed in the government leadership and energizing all elements of the country with a simple sense of confidence.

The selective Westmoreland plan offered hope and was sufficiently general to avoid specific opposition. The conference agreed that Saigon should complete the plan and work urgently on its implementation.

Several more minor decisions were made on unilateral matters. "Czar" powers for information were put in the hands of Zorthian. It was agreed that the DCM should be strengthened with a "truly executive man," and there was to be a clearing-of-decks on the military side in Saigon through reductions in social activities and cut-downs in dependents. None of these measures was expected

to affect the dubious prognosis for the next 3-6 months. The best that could be hoped for was a slight gain by the end of the year.

There was serious discussion of military plans and intelligence estimates regarding wider actions outside South Vietnam. Subjects included the conduct of military operations in Laos, a major build-up of forces, and planning of possible air strikes against North Vietnam. The conclusion reached was that the somewhat less pessimistic estimate of the present situation afforded the opportunity to further refine these plans.

The conference concluded that the crucial actions for the immediate future were (1) to prosecute an urgent information effort in the United States toward dispelling the basic doubts of the value of Southeast Asia which were besetting key members of Congress and the public in the budding "great debate," and (2) to start diplomatic efforts with the Thais, Australians, New Zealanders, Philipines, and the French on matters within their cognizance which impinged on our effort in South Vietnam.

Upon his return to Washington, the Secretary of State cabled Saigon a specific listing of the Washington understanding of the ten actions that were to be taken to expand U.S. and Vietnamese activities in the super-critical provinces. The gist of the actions is as follows:

- (1) Move in additional VN troops to assure numerical superiority over VC.
- (2) Assign control of all troops in province to province chief.
- (3) Develop and execute detailed hamlet by hamlet "oil spot" and "clear and hold" operations plans for each of the approximate 40 districts.
- (4) Introduce a system of population control (curfews, ID papers, intelligence network).
- (5) Increase the province police force.
- (6) Expand the information program.
- (7) Develop a special economic aid program for each province.
- (8) Add additional U.S. personnel

320 military province and district advisors
40 USOF province and district advisors
74 battalion advisors (2 from each of 37 battalions)
- 434
- (9) Transfer military personnel to fill existing and future USOM shortages.
- (10) Establish joint US/GVN teams to monitor the program at both national and provincial level.

The message concluded by asking Saigon to forward specific proposals to effect these decisions and a time schedule, "earliest." The plan to give province advisors a petty cash fund received so little support that there is no mention of it in either CINCPAC or the State Conference Record.

Upon his return to Saigon on June 4 Ambassador Lodge went straight from the airport to call on General Khanh. While Lodge mentions in his report that the subject of low ARVN strength was raised as a matter to be improved upon, the main thrust of his talk with Khanh was to hint that the USG would in the immediate future be preparing U.S. public opinion for actions against North Vietnam. Khanh was reported to be eager to learn more about the details.

On June 13, Saigon replied to the State request for specific proposals. A MACV study had been completed on point 1 and the RVNAF would be ap-

proached. On point 2, it was noted that RF and PF were already under the province chiefs; ARVN would be approached on province command of regulars. A wordy description of "concept" spoke to the remainder of State's ten points. It provoked a long series of specific questions from Washington about the 8 provinces, asking in sort, "How soon can action be initiated?"

On June 25, COMUSMACV sent his request to JCS for an increase of 4,200 U.S. personnel to implement this expanded advisory effort. He viewed these as efforts to "influence the successful planning and execution of the National Pacification Plan." Subsector advisors were to be "a general reinforcement of the pacification effort at district level." Consequently, the MACV terms of reference for subsector advisors were developed to provide that teams would extend the capabilities of USOM and USIS. Guidance was intentionally not specific.

The same day General Westmoreland reported that, with the Ambassador's concurrence, he had called on General Khanh to discuss three military matters: (1) Augmentation of advisors at battalion level and extension of larger advisory teams to most districts; (2) The urgent need to coordinate pacification efforts in the provinces surrounding Saigon; and (3) The necessity of moving a regiment to Long An (the pacification show-case) as soon as possible. General Khanh's reply was very receptive and agreeable on all matters.

On June 26, Lodge sent his last message as Ambassador reporting that he and General Westmoreland had that day met with General Khanh and had reached "general agreement" on the concept, scope, and organization set forth in the Saigon reply of June 13 (referred to above).

Meanwhile the proposal for a province advisors' fund reappeared in a new form, and won quick approval. USOM agreed that AID should spend \$200,000 from its contingency funds for direct purchase of piasters, to allocate to sector advisors for small expenditures (usually less than \$25 at a time). The funds were to buy local materials and services for projects using AID commodities; and their use was to be coordinated with the Vietnamese Province Chief. By subsequent US/GVN agreement, all uses of these funds and commodities, and requisitions of the commodities from Saigon warehouses, required unanimous approval of a three-man ("troika") Provincial Coordinating Committee consisting of the Province Chief, the U.S. AID Provincial Representative and the MACV Sector Advisor. The troika sign-off had already applied to the commodities, as the means to the U.S. veto on their use mentioned above in Section A. Except for a high-level agreement each year on the size and overall allocation of these resources, Saigon allowed the Provinces full freedom of action in their use. The intent of this arrangement was to permit prompt action on urgent projects, unaffected by the delays in the GVN administration that plagued regular GVN operations. It also interfered with corrupt misuse of the AID commodities and of purchase piasters.

II. AMBASSADOR TAYLOR'S FIRST SEVEN MONTHS: PLANNING FOR "BOMB NORTH" AMID TURBULENCE IN THE SOUTH

A. AMBASSADOR TAYLOR'S INITIATION, JULY, 1964

Ambassador Taylor arrived in Saigon amid the start of planning to extend the war outside the borders of South Vietnam. Rusk had discussed the options with Khanh on June 1, and the participants of the Honolulu Conference had mulled

them over further. Although there was no formal decision to recommend new operations in Laos or North Vietnam, there was an atmosphere of expectation. A joint State-Defense message on June 27 authorized joint planning with the Vietnamese Joint General Staff for cross border operations in Laos; on June 30, Westmoreland discussed it with General Khiem, who agreed to initiate joint planning.

Taylor came with a letter of support from the President that cleared up any previous doubt about the Ambassador's control over MACV:

I want you to have this formal expression not only of my confidence but of my desire that you have and exercise full responsibility for the effort of the United States in South Vietnam . . . I wish it clearly understood that this overall responsibility includes the whole military effort in South Vietnam and authorizes the degree of command and control that you consider appropriate.

Either the letter was intended to prevent confusion of authority such as existed among Lodge, Felt, and Harkins, or the expectation of greater militarization of the war made it appropriate to appoint Taylor Ambassador and to give him unchallenged authority.

Taylor met Khanh and presented his credentials on July 8. Khanh promised him "the frank cooperation of a soldier." He said the U.S. should not merely advise, but should participate in making and implementing plans; in this he still held the view he had expressed to Taylor when he, Khanh, was still a Corps Commander. (By referring to Zorthian's contacts with the Minister of Information, Khanh made it clear he had the brain trust idea in mind.) However, he noted that this degree of involvement should be kept secret, because of the criticism it would attract if known. They discussed Minh's trips around the country, and agreed these were useful and constructive. Finally, Taylor stressed the importance of Vietnamese unity and resolve.

The next day Taylor called on the three Vice Premiers, Hoan, Do Mau, and Oanh, and received the civilian point of view. Hoan did most of the talking, saying that civilian politicians like himself wanted the Army to be supported by the people, but that Khanh and the MRC were difficult to work with: The ruling generals control everything. He said the II Corps Commander lived like a playboy, and that the people were outraged; "ever since we came to power we have been telling population we are soon going to have change, but it never comes. The people are becoming impatient." Moreover, he said, something must be done to raise the standard of behavior of the armed forces toward the population. Taylor received these views diplomatically.

For a while there was a serious effort to go through with close meshing of USOM and GVN planning. On July 17 USOM met with Khanh, Hoan, Oanh and others as a group, which Khanh designated the National Security Council. They discussed joint planning and further meshing of US/GVN organizations, putting the stamp of approval on the arrangement in the Ministry of Information. On July 23 Taylor met Khanh and discussed a second meeting of the NSC. Khanh said the Vietnamese had some difficulty in adjusting their ministerial organization to the requirements of meshing with the U.S. mission subdivisions. Taylor responded that reciprocal adjustments were possible. Planning and discussion of cross-border operations continued actively. Offensive guerrilla operations in Laos were a major idea; small operations had already begun into North Vietnam, under OPLAN 34A. In the meeting on July 23, Khanh told

Taylor he wanted to intensify the operations under 34A and to start air strikes against North Vietnam. He said again, as he had to Rusk on June 1, that he didn't like to look forward to the long, indecisive pull of the in-country pacification program, and doubted that the Army and the people would carry on indefinitely.

The events of July 19-23 made it clear that GVN was straining at the leash; it started public lobbying for cross-border operations. On July 19 Air Marshal Ky spilled the beans to reporters on plans for operations into Laos. Khanh committed a similar indiscretion at a "Unification Rally" on the 19th, and these were followed by GVN press releases and editorials in the Saigon press urging a "march to the North." All these leaks directly violated Khanh's promises to Rusk on June 1. Taylor spoke to Khanh sharply about them, and pointed out that they could be interpreted as a campaign to force the USG's hand. Khanh insisted that such a campaign was the furthest thing from his mind; and then confirmed that it was exactly what he had in mind. Following a long, eloquent repetition of his remarks of other occasions on Vietnamese war-weariness, he asked: Why does not the USG recognize that the appearance of North Vietnamese draftees among the prisoners taken in the I Corps meant that the war had entered a new phase and the USG and GVN must respond with new measures? He said Vietnamese spirits had been raised by President Johnson's firm statements earlier in the year (specifically, Los Angeles, January 21), but that following them nothing had happened. The effect was wearing off, and the communists would conclude they were only words. Then Khanh took the offensive and complained to Taylor that U.S. officials were contradicting him in public statements. For example, MACV had denied that there was an invasion of I Corps by DRV units, as Khanh had claimed in a speech at Danang. Zorthian soothed him by saying that MACV merely corrected a misquotation of one of MACV's own officials; Taylor said no U.S. official would knowingly contradict Khanh.

Taylor took all this patiently, as he did an intelligence report that said Khanh was trying to incite the USG to action against North Vietnam. (The report also said that Ky was saying privately that the GVN should go it alone, because the USG was stalling on account of the U.S. election.) USOM conjectured that Goldwater's nomination had precipitated the "go North" movement. Moreover, within two hours after Khanh's long meeting with Taylor, the Ministry of Defense let fly another press release in the teeth of USOM disapproval, when Khanh ordered the Ministry to reject Zorthian's suggested changes. The only explanation offered was that GVN was extremely sensitive about appearing to be a U.S. puppet.

In an analysis of these events, Taylor argued for tolerance and patience with GVN, and showed no hint of a desire to get tough. He noted that political sniping and maneuvering pressed Khanh to do something dramatic to bolster his support. Taylor feared the GVN might get tired and want to negotiate if they could not get the U.S. more involved. He proposed joint contingency planning for bombing North Vietnam as a means to cool GVN off and to reopen communications with them.

In a long conversation on July 24 Khanh discussed his political problems with Taylor and asked him point blank if he should resign. Taylor flatly said no, that the USG still supported him and definitely wanted no further change in GVN. Khanh then asked for a declaration of support and for pressure on the generals to continue to support him; Taylor agreed. (Comment: Much of Khanh's political problem still revolved around Minh, who had long had good relations

with Taylor. This relationship may have worried Khanh, and led him to approach Taylor in this way. However, it may have merely been a way to keep up the pressure on USG on the matter of bombing North. A couple of days later Khanh was again grumbling publicly about being a U.S. puppet.)

In response to Taylor's discussion of GVN motives and of ways to make them happy, State authorized him to tell Khanh the USG had considered attacks on North Vietnam that might begin, for example, if the pressure from dissident South Vietnamese factions became too great. He must keep this confidential. It said to tell him that the USG position had not changed, and that it never excluded the possibility of wider action. When Taylor brought this matter to Khanh for discussion, they first agreed on a GVN announcement of an increase in U.S. personnel and discussed the press leaks on going North. Khanh then took the offensive, complaining to Taylor about press stories suggesting the USG was negotiating with the Chinese through the Pakistani Government, behind the back of GVN. Taylor soothed him by saying that the USG was merely letting China know how firm our policy was. When Taylor asked Khanh his views of U.S. policy, Khanh said he wanted pressure on the North, meaning a bombing campaign. Taylor replied with the position that State had authorized on joint planning. Khanh acted pleased and surprised, promised to think it over, and promised to hold it tightly. He also said he wanted to reorganize GVN to strengthen his own position; Taylor asked for specifics, and urged him not to do anything drastic that would stir up trouble.

B. THE TONKIN INCIDENTS AND THE POLICY PROGNOSIS, AUGUST, 1964

Within a week, North Vietnamese PT boats attacked the U.S. destroyer Maddox, in admitted retaliation for an attack by South Vietnamese boats on two North Vietnamese islands. Then a disputed further attack of North Vietnamese PT boats on the Maddox and the Turner Joy on August 4 provoked a U.S. retaliatory raid on the main North Vietnamese PT boat base and its support facilities. The raids lifted GVN's spirits, as expected, and encouraged Khanh to clamp down internally. On August 7, he proclaimed a state of emergency, the idea he had been discussing for some time with both Lodge and Taylor. He reimposed censorship and restricted movement; but he left politicians and potential coup-plotters alone. Also on August 7, the U.S. Congress in joint session passed the Gulf of Tonkin Resolution.

On August 8, Westmoreland discussed overall joint planning with Khanh; the question of combined command came up, and Westmoreland mentioned the example of Korea. Both agreed to postpone this issue.

On August 14, State directed Saigon to avoid actions that could be called provocative, like the DESOTO patrols (which the Maddox and the Turner Joy had been doing when attacked) and 34A operations. State noted that the U.S. retaliatory raid's effect on GVN's morale would be temporary, and took a pessimistic view of the USOM reports:

Mission's monthly report (Saigon 377) expresses hope of significant gains by end of year. But also says Khanh's chances of staying in power are only 50-50, that leadership . . . has symptoms defeatism and hates prospect of slugging it out within country, that there will be mounting pressures for wider action "which, if resisted, will create frictions and irritations which could lead local politicians to serious consideration negotiated solution or local soldiers to military adventure without U.S. consent" . . . Our actions

of last week lifted . . . morale temporarily, but also aroused expectations, and morale could easily sag back again if VC have successes and we do nothing further.

The cable went on to state that an essential element of U.S. policy was to devise the best possible means of action—minimum risks for maximum results in terms of SVN morale and pressure on DRV. In the context of a possible new Geneva conference on Laos, its prognosis was that pressure on the North would be the main vehicle for success:

Basically solution in both South Vietnam and Laos will require combination military pressure and some form of communication under which Hanoi (and Peiping) eventually accept idea of getting out. Negotiation without continued military action will not achieve our objectives in foreseeable future . . . After, *but only after*, we have established clear pattern pressure hurting DRV and leaving no doubts in South Vietnam of our resolve, we could even accept conference broadened to include Vietnam issue. (Underlining in original.)

On the touchy aspect of US/GVN relations, it simply said:

Joint US/GVN planning already covers possible actions against DRV and the Panhandle. It can be used in itself to maintain morale of GVN leadership, as well as to control and inhibit any unilateral GVN moves.

The Taylor reply to the above message differed only in emphasis.

. . . Underlying our analysis is the apparent assumption of DepTel 439 (which we believe is correct) that the present in-country pacification plan is not enough in itself to maintain National morale or to offer reasonable hope of eventual success. Something must be added in the coming months.

Statement of the problem—A. The course which U.S. policy in South Vietnam should take during the coming months can be expressed in terms of four objectives. The first and most important objective is to gain time for the Khanh government to develop a certain stability and to give some firm evidence of viability. Since any of the courses of action considered in this cable carry a considerable measure of risk to the U.S., we should be slow to get too deeply involved in them until we have a better feel of the quality of our ally. In particular, if we can avoid it, we should not get involved militarily with North Vietnam and possibly with Red China if our base in South Vietnam is insecure and Khanh's Army is tied down everywhere by the VC insurgency. Hence, it is to our interest to gain sufficient time not only to allow Khanh to prove that he can govern, but also to free Saigon from the VC threat which presently rings it and assure that sufficient GVN ground forces will be available to provide a reasonable measure of defense against any DRV ground reaction which may develop in the execution of our program and thus avoid the possible requirement for a major U.S. ground force commitment.

A second objective in this period is the maintenance of morale in South Vietnam, particularly within the Khanh government. This should not be difficult in the case of the government if we can give Khanh assurance of our readiness to bring added pressure on Hanoi if he provides evidence of ability to do his part. Thirdly, while gaining time for Khanh, we must be able to hold the DRV in check and restrain a further buildup of Viet Cong

strength by way of infiltration from the North. Finally, throughout this period, we should be developing a posture of maximum readiness for a deliberate escalation of pressure against North Vietnam, using January 1, 1965, as a target D-Day. We must always recognize, however, that events may force us to advance D-Day to a considerably earlier date . . .

In approaching the Khanh Government, we should express our willingness to Khanh to engage in planning and eventually to exert intense pressure on North Vietnam, providing certain conditions are met in advance. In the first place before we would agree to go all out against the DRV, he must stabilize his Government and make some progress in cleaning up his operational backyard. Specifically, he must execute the initial phases of the Hop Tac Plan successfully to the extent of pushing the Viet Cong from the doors of Saigon. The overall pacification program, including Hop Tac, should progress sufficiently to allow earmarking at least three division equivalents for the Defense in I Corps if the DRV step up military operations in that area.

Finally, we should reach some fundamental understandings with Khanh and his Government concerning war aims. We must make clear that we will engage in action against North Vietnam only for the purpose of assuring the security and independence of South Vietnam within the territory assigned by the 1954 agreements; that we will not repeat not join in a crusade to unify the North and South; that we will not repeat not even seek to overthrow the Hanoi Regime provided the latter will cease its efforts to take over the South by subversive warfare.

With these understandings reached, we would be ready to set in motion the following:

- (1) Resume at once 34A (with emphasis on Marine operations) and Desoto patrols. These could start without awaiting outcome of discussions with Khanh.
- (2) Resume U-2 overflights over all NVN.
- (3) Initiate air and ground strikes in Laos against infiltration targets as soon as joint plans now being worked out with the Khanh Government are ready . . .

Before proceeding beyond this point, we should raise the level of precautionary military readiness (if not already done) by taking such visible measures as introducing U.S. hawk units to Danang and Saigon, landing a Marine force at Danang for defense of the airfield and beefing up MACV's support base. By this time (assumed to be late fall) we should have some reading on Khanh's performance.

Assuming that his performance has been satisfactory and that Hanoi has failed to respond favorably, it will be time to embark on the final phase of course of action A, a carefully orchestrated bombing attack on NVN, directed primarily at infiltration and other military targets . . .

Pros and cons of course of action—A. If successful, course of action A will accomplish the objectives set forth at the outset as essential to the support of U.S. policy in South Vietnam. I will press the Khanh Government into doing its homework in pacification and will limit the diversion of interest to the out-of-country ventures . . . It gives adequate time for careful preparation estimated at several months, while doing sufficient at once to maintain internal morale. It also provides ample warning to

Hanoi and Peking to allow them to adjust their conduct before becoming over-committed.

On the other hand, course of action A relies heavily upon the durability of the Khanh Government. It assumes that there is little danger of its collapse without notice or of its possible replacement by a weaker or more unreliable successor . . . Also, because of the drawn-out nature of the program, it is exposed to the danger of international political pressure to enter into negotiations before NVN is really hurting from the pressure directed against it.

Statement of the Problem—B. It may well be that the problem of U.S. policy in SVN is more urgent than that depicted in the foregoing statement. It is far from clear at the present moment that the Khanh Government can last until January 1, 1965, although the application of course of action A should have the effect of strengthening the Government internally and of silencing domestic squabbling. If we assume, however, that we do not have the time available which is implicit in course of action A (several months), we would have to restate the problem in the following terms. Our objective avoid the possible consequences of a collapse of National morale. To accomplish these purposes, we would have to open the campaign against the DRV without delay, seeking to force Hanoi as rapidly as possible to desist from aiding the VC and to convince the DRV that it must cooperate in calling off the VC insurgency.

Course of action—B. To meet this statement of the problem, we need an accelerated course of action, seeking to obtain results faster than under course of action A. Such an accelerated program would include the following actions:

Again we must inform Khanh of our intentions, this time expressing a willingness to begin military pressures against Hanoi at once providing that he will undertake to perform as in course of action A. However, U.S. action would not await evidence of performance.

Again we may wish to communicate directly on this subject with Hanoi or awaiting effect of our military actions. The scenario of the ensuing events would be essentially the same as under Course A but the execution would await only the readiness of plans to expedite, relying almost exclusively on U.S. military means.

Pros and cons of Course of Action B. This course of action asks virtually nothing from the Khanh Government, primarily because it is assumed that little can be expected from it. It avoids the consequence of the sudden collapse of the Khanh Government and gets underway with minimum delay the punitive actions against Hanoi. Thus, it lessens the chance of an interruption of the program by an international demand for negotiations by presenting a fait accompli to international critics. However, it increases the likelihood of U.S. involvement in ground action, since Khanh will have almost no available ground forces which can be released from pacification employment to mobile resistance of DRV attacks.

Conclusion: It is concluded that Course of Action A offers the greater promised achievement of U.S. policy objectives in SVN during the coming months. However, we should always bear in mind the fragility of the Khanh Government and be prepared to shift quickly to Course of Action B if the situation requires. In either case, we must be militarily ready for any response which may be initiated by NVN or by CHICOMS.

Miscellaneous: As indicated above, we believe that 34A operations should resume at once at maximum tempo, still on a covert basis; similarly, Desoto patrols should begin advance operating outside 12-mile limit. We concur that a number of VNAF pilots should be trained on B-57's between now and first of year. There should be no change now with regard to policy on evacuation of U.S. dependents.

Recommendations: It is recommended that USG adopt Course of Action A while maintaining readiness to shift to Course of Action B.

C. THE RISE AND FALL OF KHANH'S CONSTITUTION

In a state of euphoria after the U.S. reprisals, Khanh broached the subject of a new constitution with Taylor on August 12; presumably this was what he had in mind on July 27 when he mentioned reorganization (above, p. 328). He proposed three branches of government beneath the MRC. The Assembly would have 90 appointed members and 60 elected; Khanh would be the President (and Minh wouldn't). Taylor urged Khanh to go slowly, and to handle the matter gently. Taylor feared renewed political instability if sweeping government changes were announced; but Khanh said that the country could not progress under the existing government. Taylor expressed his scepticism, but objected no further than to caution Khanh on the need to explain these changes adequately in advance.

On August 14, after an NSC joint planning session, Khanh showed Taylor a rough English translation of his proposed new constitution. Taylor expressed reservations:

We found it brusque in language and suggested to Khanh that in present form it could raise criticism in U.S. and world press. We stressed to him that internal problems of acceptance in Vietnam were his own affair, and we could only offer observations on the objective issue of international reactions.

Khanh allowed Sullivan and Manful to work briefly with his drafting committee, the same day, but they worked in such haste that they had little influence. Taylor commented:

We conclude that Khanh and his military colleagues have decided that this sort of change is indispensable. It is of course still not determined what General Minh's view will be. We have considered possibility of seeking legal aid from Washington to review this charter, but feel this would not repeat not be useful because this document departs so widely from U.S. experience and because time is so short, we have decided that our best efforts would be devoted to (1) making wording of document less brusque and more palatable both in VN and abroad, and (2) assisting in proclamation and other sources of public relations nature explaining necessity for this sort of change. Whether we like it or not, this is the constitutional form which the MRC repeat MRC fully intends to impose, and we see no repeat no alternative but to make the best of it.

When Khanh secured MRC approval of the final draft on August 16, they also elected him President, displacing Minh. Khanh had earlier complained to Taylor that he had kept Minh, a big source of trouble to him, only at Lodge's urging, as indeed he had. Inasmuch as Khanh had seized power using charges against

four generals and using unproved allegations against Minh, and inasmuch as Minh was still a popular figure, Khanh was bound to regard Minh as a threat to his personal prospects.

For several days following the announcement of the new constitution, a head of steam built up among students and Buddhists. There is no sign that the Embassy did anything to anticipate or head off the coming trouble, other than the previously mentioned words of caution that Khanh disregarded. On August 21, student demonstrations broke out. Violence built up in the streets, organized and orchestrated by the Buddhists and the VC.

Taylor called on Khanh on August 24 in his Dalat retreat to tell him how seriously the Embassy viewed the demonstrations. The discussion revolved around "public information" and completion of arrangements for the new government. Khanh agreed to announce the members of the new government by Thursday, the 27th, and to meet the Buddhist leadership to hear their complaints and to try to enlist their help. He also promised to meet some student demands, to crack down on the demonstrations, and to enforce the old mobilization decrees plus new ones.

State responded to these events with a public announcement of support for Khanh in more direct language than any previously used:

The United States government fully recognizes the need for national unity in South Vietnam and is, therefore, supporting the Khanh government as the best means of building such unity at the same time that the war effort is being prosecuted. Obviously anything of a divisive nature is neither in the interest of the Vietnamese government nor its people.

That evening Khanh met three top Buddhist leaders in Saigon, after they refused to go to Dalat. Their principal demands, among eight, were the immediate abrogation of the August 16 charter and the holding of free elections by November 1, 1965. Khanh made the mistake of telling them he would have to consult the Americans.

Taylor and others met Khanh at 1:00 a.m. August 25. Observing diplomatic propriety, Taylor said his tentative personal views as an interested third party were that Khanh should not knuckle under to a minority group on such an important issue as the August 16 charter, especially under an ultimatum. Khanh agreed and proposed to issue a more limited proclamation immediately (which he did at 5:00 a.m.) that would meet certain concerns of the Buddhists and students.

Khanh's proclamation promised to revise the constitution, diminish censorship, rectify local abuses of government, and permit orderly demonstrations. The Buddhists and students were not satisfied; they formed a mob outside his office, to which he spoke briefly without further concession. The mob failed to disperse, and the authorities left them alone. Then without advance notice, military headquarters (Khanh) announced that afternoon that Khanh had resigned, that the August 16 charter would be withdrawn, and that the MRC would meet the next day to choose a new Chief of State and would then dissolve itself.

Taylor had made it clear to Minh, Khiem, Lam and Khanh that the U.S. favored retaining Khanh as head of the GVN. Both Tri Quang and Tam Chau, fearing a Dai Viet takeover, supported Khanh. Aligned against Khanh were elements of the military angered by Khanh's "down with military dictatorship" statement made from a truck top and the Dai Viet (including Khiem, Hoan and Minh) angered by his appeasement of the Buddhists.

On August 26 and 27, the MRC met, while violence erupted in the streets of Saigon. The evening of the 27th they announced that a triumvirate consisting of Generals Khanh, Minh, and Khiem would rule as an interim government while they tried to form a new one. Khanh withdrew to Dalat, and Vice-Premier Oanh became acting Prime Minister. Violence continued, and coup rumors became especially active.

On August 29, a State Department official briefed the press, interpreting events. He said Buddhists and students interpreted the August 16 charter as a return to Diemism and repression; in meeting their demands the MRC had worried some Catholics, but balanced things out by creating the triumvirate with all views represented. He said the charter had not been the USG's idea, but that we had been consulted and had urged delay. The demonstrations did not contain appreciable anti-Americanism, he said, nor did they arise from differences between the "go North" feelings of the military and refugee Catholics, on the one hand, and neutralist sentiments of students and Buddhists, on the other. However, the cable reporting the press conference to the Embassy showed concern on both these latter points.

D. GVN ACQUIRES A CIVILIAN FLAVOR, AND THE USG REVIEWS PRIORITIES

On August 29th, Vietnamese paratroopers armed with bayonets restored order in Saigon. Khanh rested in Dalat; Taylor called on him on the 31st to try to persuade him to return to Saigon quickly to prove he was in charge. Westmoreland went to see Khanh the next day to urge him to keep ARVN on the offensive and to press on with Hop Tac and other pacification; in exchange for reassurances, Westmoreland revised a previous position and promised that U.S. advisors through MACV would alert Khanh to unusual troop movements. Westmoreland also obtained reassurances from General Khiem. Rusk suggested a letter from President Johnson urging Khanh to return to Saigon, and then cabled the text of such a letter. A Dai Viet coup attempt was blocked by the junior members of the MRC, who had now become powerful. Several Generals went to Dalat to persuade Khanh to return as Prime Minister, which he promised to do in a few days. Khanh did return to Saigon on September 4. Minh was to be chairman of the triumvirate, and would appoint a new High National Council to represent all elements in the population. The Council was to prepare a new constitution and return the government to civilian leadership within a month or so. Khanh was taking the line that he wanted to get the Army out of politics. When Taylor cautioned Khanh, just before the latter's return to Saigon, that an all-civilian government would be too weak and would tend toward neutralism, Khanh replied that the Army would be vigilant. Taylor again advised Khanh to lay the groundwork better before any more changes in government structure. When the Triumvirate announced the creation of the NHC, they also ended the state of emergency and press censorship, which they had declared on September 6.

On the morning of September 6, as he was leaving for Washington, Taylor sent Rusk a full review of the crisis and of its effects on the Embassy-State military and political appraisal of mid-August. He said that the USG now had to give up on the idea of using a plan for pressures on the North as leverage to get the GVN to press on with pacification, and should go ahead with these pressures in the hope that they would raise Vietnamese morale enough to keep up their war effort:

. . . While we must be disappointed by the political turmoil of recent days, we cannot consider it totally unexpected. The very nature of the social, political and ethnic confusion in this country makes governmental turbulence of this type a factor which we will always have with us.

What has emerged from these recent events is a definition within fairly broad limits of the degree to which perfectability in government can be pushed. It should be remembered that the recent fracas started when Khanh sought to make his broad and cumbersome government more tractable and more effective. His motives were of the best even though his methods were clumsy. But now, after this recent experience at government improvement we must accept the fact that an effective government, much beyond the capacity of that which has existed over the past several months, is unlikely to survive. We now have a better feel for the quality of our ally and for what we can expect from him in terms of ability to govern. Only the emergence of an exceptional leader could improve the situation and no George Washington is in sight.

Consequently, we can and must anticipate for the future an instrument of government which will have definite limits of performance. At the very worst, it will continue to seek a broadened consensus involving and attempting to encompass all or most of the minority of popular front. This amalgam, if it takes form, may be expected in due course to become susceptible to an accommodation with the liberation front, which might eventually lead to a collapse of all political energy behind the pacification effort.

At best, the emerging governmental structure might be capable of maintaining a holding operation against the Viet Cong. This level of effort could, with good luck and strenuous American efforts, be expanded to produce certain limited pacification successes, for example, in the territory covered by the Hop Tac plan. But the willingness and ability of such a government to exert itself or to attempt to execute an all-out National pacification plan would be marginal. It would probably be incapable of galvanizing the people to the heightened level of unity and sacrifice necessary to carry forward the counter-insurgency program to final success. Instead, it would look increasingly to the United States to take the major responsibility for prying the Viet Cong and the North Vietnamese off the backs of the South Vietnamese population. The politicians in Saigon and Hue feel today that the political hassle is their appropriate arena: The conflict with the VC belongs to the Americans.

We may, therefore, expect to find ourselves faced with a choice of (A) passively watching the development of a popular front, knowing that this may in due course require the U.S. to leave Vietnam in failure; or (B) actively assuming increased responsibility for the outcome following a time-schedule consistent with our estimate of the limited viability of any South Vietnamese government.

An examination of our total world responsibilities and the significance of Vietnam in relationship to them clearly rules out the option of accepting course (A). If we leave Vietnam with our tail between our legs, the consequences of this defeat in the rest of Asia, Africa, and Latin America would be disastrous. We therefore would seem to have little choice left except to accept course (B).

Our previous views on the right course of action to follow in South Vietnam are set forth in EMBTEL 465. The discussion in this present cable

amounts to a recognition that course of action A repeat A of EMBTEL 465 no longer corresponds with the realities of the situation. Recent events have revealed the weakness of our ally and have convinced us of the improbability of attaining the level of governmental performance desired under course A before embarking on a campaign of pressure against the DRV. We are forced back on course of action B with certain revised views on timing.

He went on to recommend that escalating pressures on the DRV begin around December 1.

Taylor brought with him General Westmoreland's assessment of the military situation; it included a look at the political situation from a completely different viewpoint from Taylor's:

. . . 1. In preparation for your trip to Washington, I thought it might be useful to give you my assessment of the military situation. In subsequent paragraphs I outline in some detail the rather substantial progress which we have already made and, more importantly, the great potential for additional progress. I also describe military problem areas. These, as you know, are many; but all are susceptible to solution assuming that political stability can be achieved, and that armed forces, particularly the Army, remains intact and unified in its purpose. Under the present circumstances, however, the continued solidarity of the armed forces is in doubt. As all else depends on holding the armed forces together, I address this matter first.

The Key Military Issue.

2. It seems to me there are certain conditions which must be met in order to preserve the structure and effectiveness of the RVNAF:

A. The officers of the RVNAF must be protected against purge, solely by reason of religious or political affiliation. The Commander in Chief, the officers of the Joint General Staff and commanders down the line, must be given some assurance that their careers and reputations will not be sacrificed, for political expediency to the ambitions or interests of political or religious blocs.

B. The Officers' Corps must be assured that its members will not be punished or expelled from the armed forces if they faithfully execute the orders of constituted authority in connection with the maintenance of law and order. They must be assured that their superiors will not accede to the arbitrary demands of pressure groups whose interest it is to destroy the discipline of the armed forces and to render ineffective the forces of law and order.

3. If I interpret correctly the events of the past two weeks, neither of these minimum conditions have been met. To the contrary, actions best calculated to destroy the morale, the unity, the pride and confidence of the armed forces have transpired in a manner which leads me to believe that a relative free hand has been given to those who aim to destroy the armed forces. The demands of the Buddhists for the resignation of the Commander in Chief, the Chief of Staff, Commander of II Corps, the

Prefect of Saigon and the Director of National Police, to name a few, appear to be blows directed at the heart of the security forces which stand between the Viet Cong and victory. I cannot believe that it is in the interests of the Nation to accede to these demands. To the contrary, I am persuaded that acceptance is a formula for political and military disaster. While aware that the insurgency cannot be overcome by military means alone, I am equally aware that without a strong military foundation no program will ever achieve victory. I am concerned that the Government of Vietnam has already moved some distance down the wrong road in dealing with its Armed Forces. I do not know whether the Armed Forces will collapse or whether, finding the present course intolerable, they will make a desperate move to regain power. Neither course of action is compatible with the objective we seek.

In Washington, Taylor, Rusk, McNamara and Wheeler reached a consensus that (1) Khanh and GVN were too exhausted to be thinking about moves against the North, (2) GVN needs reassurance, and (3) Khanh is likely to stay in control, but not to get much done on the pacification program. There followed NSAM 314, whose main point was that "first order of business at present is to take actions which will help strengthen the fabric of the GVN."

E. THE HNC GOES TO WORK AMID FURTHER TURBULENCE

Helping strengthen the fabric of GVN proved to be easier said than done.

Another coup attempt on September 13 failed when Ky and Thi, along with other young officers, supported the existing government. The USG opposed the coup, and also opposed overt violence to suppress it; in particular, USG opposed VNAF bombing of Saigon, which was threatened at one point when the coup generals gained control of much of the city. When Khanh and Ky asked for U.S. Marines, the USG refused; State authorized a strong line in favor of the Triumvirate, and against internecine war:

- (A) It is imperative that there not be internecine war within VN Armed Forces.
- (B) The picture of petty bickering among VN leaders has created an appalling impression abroad.
- (C) The U.S. has not provided massive assistance to SVN, in military equipment, economic resources and personnel, in order to subsidize continuing quarrels among SVN leaders . . .
- (G) Emphasize that VN leaders must not take the U.S. for granted.

2. In line with above you should make it emphatically clear whenever useful, that we do not believe a Phat/Duc government can effectively govern the country or command the necessary popular support to carry forward the effort against the VC. U.S. support for the GVN is based on the triumvirate and its efforts to bring about a broadly based and effective government satisfactorily reflecting the interests and concerns of all groups.

After the coup failed, the Embassy pressed Khanh to exile the coup leaders quietly; and in the upshot they were acquitted of the charges against them.

A fresh problem blew up on September 20 when Rhade tribesmen in four

CIDG camps advised by U.S. Special Forces revolted against Saigon's authority. It arose from a long-festering mistrust and contempt between the Montagnards, encouraged by the VC, and the lowland Vietnamese. This problem also vexed US/GVN relations, because the U.S. Special Forces advisors generally got along well with the tribesmen, and some may have sympathized with them; and in particular, it added to Khanh's suspicions of U.S. intentions. Two or three Rhades had become officers in ARVN, and Westmoreland suggested using them as intermediaries with the rebelling units; but Khanh turned the idea down flat. He also declined to make concessions to Montagnard discontent. Then Taylor sent General DePuy as his intermediary to tell the Rhades they were off the payroll until they submitted to GVN authority. This move produced a temporary settlement, but trouble continued to boil up for another two or three weeks.

The High National Council began its deliberations on September 24; Taylor took the occasion to comment that Khanh conceded too much to organized pressure groups. Noting that GVN effectiveness and morale had virtually collapsed, he disliked the purely civilian makeup of the Council, and hoped that it would take its time about writing a permanent constitution. GVN set a deadline of October 27 for this exercise. Watching on the sidelines, here as at other times, Taylor opposed unsettling change, and opposed excessive civilian influence because of their presumed factionalism and lack of fervor in prosecuting the war.

F. THE HNC INSTALLS CIVILIAN LEADERSHIP, OCTOBER, 1964

The view that bombing the North was the key to success received a fresh airing, this time in a public revelation of what USG was thinking. Assistant Secretary of State William Bundy said in a speech delivered in Tokyo on September 30 that such bombing would cut down the threat to GVN in a matter of months.

Early in October, Khanh succeeded in exiling General Khiem, a member of the triumvirate, whom he had suspected of instigating the September 13 coup attempt; Khiem became Ambassador to the U.S.

As the HNC deliberated, State sent Taylor its guidance on the USG position during the formation of the new government-to-be:

1. We concur that we must . . . avoid any public espousal of charter or people, although we will undoubtedly be charged in any event with considerable responsibility for the selection of the form and personnel of any new government . . . We cannot privately disclaim any preference for individuals or form of government because of our intense interest in seeing a new government having sound organization, able members, and broad basis of popular support. We also want to avoid any private impression that we are dumping Khanh and that as far as we are concerned everything is up for grabs . . .

2. As seen from here, evolving political situation in Saigon contains at least two major problems for U.S. EmbTel 1054 strongly suggests HNC is leaning toward parliamentary form of government with all the weaknesses which were so apparent in the French 4th Republic. The second problem, highlighted in EmbTel 983, is to avoid a sharp split between the only real powers in the country, the military, and the civilian HNC. This split could occur over form of government or its personnel. U.S. must try to bring stable government of persons acceptable to both military and civilian.

Then there followed three suggestions on form of government and a paragraph on people.

7. Finally, there is a delicate problem, during this transition period, in our relations with General Khanh and his military supporters. The present truth is they hold such power as exists in SVN. Their acceptance is prerequisite to any successful constitution of a new government. Our problem is that we must not abandon one horse before there is another horse which can run the course. I would suggest: That you have full and frank discussion with General Khanh about how he sees the development of the situation so that what we ourselves do is in consonance with the consensus among military and civilian leadership which it is now our highest purpose to build . . . The important thing is that during this period we not find ourselves in a position where there is no one with whom we can work.

Meanwhile, Minh allied himself with the High National Council to put provisions for civilian control in the new constitution opposed by Khanh and the now powerful junior membership of the MRC. Taylor tried to persuade them to resolve their differences quietly, and to make sure a widely acceptable document was cleared all around before publication. Thinking that things were more likely to get worse rather than better, Secretary Rusk suggested that the USG should prefer Khanh and the "Young Turks" to Minh and the HNC:

Bob McNamara and I have following reaction to political moves you have reported during last week.

A struggle seems to be developing between Minh and HNC on one hand and Khanh and Young Turk military on the other. Between these two groups it seems to us our best interests are served if Khanh comes out on top . . . Problem is to get government with Khanh in a leading role, ideally as chief executive unless some strong civilian shows up who is not now apparent. At least Khanh should remain as leader of Army with co-equal position to civilians in a government, whose mandate will run for at least 18 months . . . We believe it should be made clear that U.S. does not repeat not support Minh as powerful chief executive.

This is consensus here and we would much appreciate your comment.

Once again the policy was to limit change and to limit civilian influence. Taylor replied:

The views which you and Bob McNamara express . . . are very much the same conclusions we have reached and acted upon here.

Minh expected to be the new Chief of State and to name the Prime Minister. Taylor talked to him about the selection problem, saying that he wished to be consulted. Minh asked Taylor's view of Saigon's Mayor Huong and of Minister of the Interior Vien. Taylor diplomatically gave his very high opinion of Vien. State urged Taylor to use his influence freely while he could still influence the shape of the new government.

The High National Council finished on schedule on October 27, and surprised the Embassy by electing its chairman, Phan Khac Suu, an elderly and respected politician, to be the new chief of State. Religious group leaders

pressured the HNC into this decision at the last minute. Taylor had hoped and expected Minh would be elected; although the action met Khanh's promise in August that the military would get out of politics. Khanh and his cabinet resigned and went into caretaker status. The HNC stayed on as the legislative body. Taylor tried to make the best of it, but protested to Suu about the failure of the HNC to consult him about Suu's election; Suu responded by discussing the composition of the new cabinet with him, naming Huong as Prime Minister. Taylor also gave Suu the usual polite lecture about the need for strong government. State went along reluctantly with the new government; Khanh and the Young Turks also went along.

G. A QUIET NOVEMBER, 1964

At the end of October, the VC staged a mortar attack on the Bien Hoa air base, destroying several U.S. aircraft and killing four Americans. Taylor urged a reprisal bombing like the one in August following the Tonkin Gulf incidents, but Washington declined to approve. Huong told Taylor he hoped the U.S. would respond, in a meeting to consult on Huong's pending cabinet appointments, but the issue was already decided and Taylor had to discourage the idea.

The new cabinet froze out Minh, no doubt to improve the palatability of the new government to the dominant group in the MRC. Minh then packed up and went abroad on a good will tour; Taylor found the cash cost to the U.S. running high, but recommended paying it. In his overall assessment of the balance of power in the new government, Taylor thought that the MRC had allowed civilians to get power (as promised in August) because the MRC feared mob violence, and thought it expedient to let the civilians make a mess of it so that military rule would again become acceptable. That is, he hoped and expected that a military return to power would become widely acceptable. Taylor thought the overall political prospects were "faintly encouraging." Commenting in reply, State once again emphasized the accepted links between U.S. commitment and GVN morale and efforts:

A key element in either the immediate program or the long-range course of action will be the nature of our discussions with the GVN. Sullivan has impressed on us the seriousness of SVN doubts as to U.S. intentions . . . More basically, we believe no course of action can succeed unless we are able to stiffen GVN to set its house in order and take every possible measure for political stability and to push forward the pacification program.

These links received a full airing between Taylor and State and between Taylor and Huong. To State, Taylor said:

We have had a great deal of discussion here as to the minimum level of government required to justify mounting military pressure against the North. I would describe that minimum government as one capable of maintaining law and order in the urban areas, of securing vital military bases from VC attacks, and giving its efforts with those of USG. As Reference B indicates we do not expect such a government for 3 to 4 months . . . perhaps not then if the current attempts to chip away at the Huong government continue. . . . However, if the government falters and gives good reason to believe that it will never attain the desired level of performance, I would favor going against the North anyway. The

purpose of such an attack would be to give pulmotor treatment for a government *in extremis* and to make sure that the DRV does not get off unscathed in any final settlement.

In his conversation with Huong, the latter requested:

That I obtain a reaffirmation of U.S. policy toward VN. Huong referred to U.S. action in Gulf of Tonkin and the lift in morale VN had received at this display of determination by the U.S. to strike against the North. Subsequently, however, U.S. had appeared to emphasize almost exclusively necessity considering war within SVN itself. I responded that reciprocal responsibilities were involved. On the GVN side it was essential that a stable government be established capable of directing affairs of the Nation and particularly of directing the national pacification effort . . . Should his government demonstrate it was capable of achieving satisfactory degree of government stability and effectiveness a wider range of possibilities would undoubtedly be open for discussion . . . Huong indicated his complete understanding of the situation.

At this time another case of non-consultation blew up. RVNAF reorganization plans had passed back and forth between the MRC and MACV since July. Then, on November 10, the MRC produced a plan that differed materially from the last one MACV had seen, Huong signed it, and it was published on November 11 before MACV could review it. Westmoreland and Taylor both protested to their respective contacts in the strongest terms; the decrees were withdrawn, changed to MACV's satisfaction, and reissued.

On November 26, Westmoreland squelched an apparent coup planned by Ky. He heard of unusual activity at VNAF headquarters and asked Ky to his office. Ky bluntly stated a case for a change of leadership. Westmoreland said:

After patiently listening to the foregoing, I informed Ky in no uncertain terms that the U.S. government would not support a change of command by other than orderly and legal process. (This statement was cleared in advance with Ambassador Johnson.) Ky was obviously impressed by my statement and said that he would not take action for three months, but if the situation continued to deteriorate he would be constrained to act in national interest.

This episode was the first sign of Young Turk action against the new government, and the first recorded sign of Ky's own ambitions. The U.S. reaction underlined the USG's opposition to sudden change without broad support, even though it was expected that the military would return to power eventually.

H. A LECTURE AND A PROGRAM FOR GVN

NSAM 314, September 10, which had called for actions to strengthen GVN, had set wheels in motion toward spelling out a U.S. program within SVN to complement the contemplated actions against the North. Taylor returned to Washington for consultations at the end of November. In the NSC, he argued that a strong message to GVN about its problems would most likely produce the optimum response. He said a threat by the U.S. to withdraw unless they improve would be too much of a gamble. There was no discussion of inter-

mediate leverage or sanctions between this extreme threat and none at all. The discussion also highlighted the fear that GVN might collapse or be replaced by neutralists who would ask the U.S. to withdraw; all agreed that neutralism could not be accepted, and that the U.S. should minimize this risk by full backing of the existing GVN.

Taylor returned to Saigon with an approved statement and program for GVN that embodied his principal recommendations. Its public aspect was an across the board increase in the approved strengths of all elements of RVNAF and the paramilitary, in support of the Hop Tac pacification plan and its outgrowths that had been in the works since July. Its unannounced aspect included a rationale showing a clear shift of emphasis from the views at the highest levels that had developed in the first half of the year. As presented to GVN, it said:

It was the clear conclusion of the recent review in Washington of the situation in South Vietnam that the unsatisfactory progress being made in the Pacification Program was the result of two primary causes from which many secondary causes stem. The primary cause has been the governmental instability in Saigon, and the second the continued reinforcement and direction of the Viet Cong by the Government of North Vietnam. It was recognized that to change the downward trend of events, it will be necessary to deal adequately with both of these factors.

However it was the clear view that these factors are not of equal importance. First and above all, there must be a stable, effective Vietnamese Government able to conduct a successful campaign against the Viet Cong even if the aid from North Vietnam for the Viet Cong should end. It was the view that, while the elimination of North Vietnam intervention would raise morale on our side and make it easier for the Government of Vietnam to function, it would not in itself bring an end to Viet Cong insurgency. It would rather be an important contributory factor to the creation of conditions favoring a successful campaign against the Viet Cong within South Vietnam.

Thus, since action against North Vietnam would only be contributory and not central to winning the war against the Viet Cong, it would not be prudent to incur the risks which are inherent in an expansion of hostilities until there were a government in Saigon capable of handling the serious problems inevitably involved in such an expansion, and capable of promptly and fully exploiting the favorable effects which may be anticipated if we are successful in terminating the support and direction of the Viet Cong by North Vietnam.

Then it went to the point:

. . . In the view of the United States, there is a certain minimum condition to be brought about in South Vietnam before new measures against North Vietnam would be either justified or practicable. At the minimum, the Government in Saigon should be able to speak for and to its people who will need special guidance and leadership throughout the coming critical period. The Government should be capable of maintaining law and order in the principal centers of population, assuring their effective execution by military and police forces completely responsive to its authority. The Government must have at its disposal means to cope

promptly and effectively with enemy reactions which must be expected to result from any change in the pattern of our operations.

To bring about this condition will require a demonstration of far greater national unity against the Communist enemy at this critical time than exists at present. It is a matter of greatest difficulty for the United States Government to require great sacrifices by American citizens on behalf of South Vietnam when reports from Saigon repeatedly give evidence of heedless self-interest and shortsightedness among so many major political groups.

As a quid pro quo, it said:

... While the Government of Vietnam is making progress toward achieving the goals set forth above, the United States Government would be willing to strike harder at infiltration routes in Laos and at sea. With respect to Laos, the United States Government is prepared, in conjunction with the Royal Laos Government, to add United States air power as needed to restrict the use of Laotian territory as a route of infiltration into South Vietnam. With respect to the sea, the United States Government would favor an intensification of those covert maritime operations which have proved their usefulness in harassing the enemy. The United States would regard the combination of these operations in Laos and at sea as constituting Phase I of a measured increase of military pressures directed toward reducing infiltration and warning the Government of North Vietnam of the risks it is running.

... If the Government of Vietnam is able to demonstrate its effectiveness and capability of achieving the minimum conditions set forth above, the United States Government is prepared to consider a program of direct military pressure on North Vietnam as Phase II . . .

As contemplated by the United States Government, Phase II would, in general terms, constitute a series of air attacks on North Vietnam progressively mounting in scope and intensity for the purpose of convincing the leaders of North Vietnam that it is to their interest to cease aid to the Viet Cong and respect the independence and security of South Vietnam . . .

In short, the USG offered to add some of its aircraft immediately to the Vietnamese ones already bombing the Laotian corridor, in exchange for a GVN promise of a shift to more energy and effectiveness; then when such energy and effectiveness actually became visible, the USG promised, the USG would begin bombing North Vietnam.

The program included the following areas in which progress would aid pacification and would measure the GVN's effectiveness:

1. and 2. Increasing RVNAF, paramilitary, and police to and above existing authorized strengths.
3. Better performance by civilian and military officials.
4. Speeding up budgetary procedures and spending in the provinces.
5. Strengthening the province chiefs.
6. Strengthening police powers.
7. More vigor in Hop Tac.
8. After a delay, "review cases of political prisoners from previous regimes."

To leave no doubt about what it wanted, the program said:

Better performance in the prosecution of the war against the Viet Cong needs to be accompanied by actions to convince the people of the interest of their government in their well-being. Better performance in itself is perhaps the most convincing evidence but can be supplemented by such actions as frequent visits by officials and ranking military officers to the provinces for personal orientation and "trouble shooting." The available information media offer a channel of communication with the people which could be strengthened and more efficiently employed. The physical appearance of the cities, particularly of Saigon, shows a let-down in civic pride which, if corrected, would convey a message of governmental effectiveness to their inhabitants. Similarly, in the country an expanded rural development program could carry the government's presence into every reasonably secure village and hamlet.

If governmental performance and popular appeal are significantly improved, there will be little difficulty in establishing confidence in the government. However, this confidence should be expressed, not merely implied. It is particularly important that the military leaders continue to express public confidence in the government and the firm intention to uphold it. While not giving an impression of submitting to pressure, the government might explore honorable ways of conciliating its most important opponents among the minority groups. The United States Government is prepared to help by oral statements of support and by further assistance to show our faith in the future of South Vietnam.

Taylor, Westmoreland, and Johnson met Huong, Deputy Premier Vien, and nameless group politely suggested that they did not know what the USG meant Khanh on December 7 to present them with the new U.S. program. The Viet by a stable effective government able to campaign successfully against the Viet Cong, and able to speak for and to its people. Moreover, they noted that the U.S. program said nothing about Viet Cong use of Cambodia. At the next meeting, on December 9, Taylor gave them the paper "Actions Designed to Strengthen the Government of Vietnam," covering the eight areas of desired progress and measures of GVN effectiveness listed above. The Prime Minister replied that the issue of political prisoners from previous regimes was a very delicate matter; Khanh said there was no problem about military support of the existing government. Taylor cabled President Johnson that the USG proposals:

have been received with an understanding reasonableness in the light of the current situation but without great enthusiasm since they necessarily omit some of the more dramatic actions which the Vietnamese desire.

The only decisions reached were for joint study and consultation. This was the last time the USG tried to set GVN performance preconditions for U.S. force use and deployments. Its effect, if any, was the opposite of that intended.

1. THE GOVERNMENT'S SUPPORT VANISHES, AND TAYLOR CONFRONTS THE GENERALS

A new threat of crisis boiled up immediately; first, the leading Buddhists declared their opposition to the government and went on a forty-eight hour hunger strike. Huong stood fast, but then the Young Turks picked a fight through

a sudden demand that the HNC dismiss nine generals and thirty other officers. (These included some, like Minh and the "Dalat" generals expelled by Khanh, who no longer had jobs but still held their rank and received Army pay.) Taylor backed Huong and the HNC against all comers, and tried to get Buddhists and others to support them. The HNC refused to retire the 39 officers. But the Young Turks, playing for Buddhist support, would not be denied. In the early morning hours of Sunday, December 20, they arrested twenty-two or more officials and politicians, including several members of the HNC, and made dozens of other political arrests. They also created an "Armed Forces Council" over or replacing the MRC, to consolidate their power.

Through Huong and indirect contacts, Taylor found out about the dissolution of the HNC several hours before Khanh announced it at a press conference; and one hour before the conference Khanh spoke to Taylor about it. Taylor protested in the strongest terms, but without effect; Khanh went ahead with the announcement. Taylor and Johnson also met with the Young Turk leaders, Ky, Thieu, Thi, and Cang, and gave them a stern lecture, speaking, as he later put it, "as one soldier to another." As recorded just afterward by the U.S. participants, the meeting went as follows:

... AMBASSADOR TAYLOR: Do all of you understand English? (Vietnamese officers indicated they did, although the understanding of General Thi was known to be weak.) I told you all clearly at General Westmoreland's dinner we Americans were tired of coups. Apparently I wasted my words. Maybe this is because something is wrong with my French because you evidently didn't understand. I made it clear that all the military plans which I know you would like to carry out are dependent on governmental stability. Now you have made a real mess. We cannot carry you forever if you do things like this. Who speaks for this group? Do you have a spokesman?

GENERAL KY: I am not the spokesman for the group but I do speak English. I will explain why the Armed Forces took this action last night.

We understand English very well. We are aware of our responsibilities, we are aware of the sacrifices of our people over twenty years. We know you want stability, but you cannot have stability until you have unity . . . But still there are rumors of coups and doubts among groups. We think these rumors come from the HNC, not as an organization but from some of its members. Both military and civilian leaders regard the presence of these people in the HNC as divisive of the Armed Forces due to their influence.

Recently the Prime Minister showed us a letter he had received from the Chairman of the HNC. This letter told the Prime Minister to beware of the military, and said that maybe the military would want to come back to power. Also the HNC illegally sought to block the retirement of the generals that the Armed Forces Council unanimously recommended be retired in order to improve unity in the Armed Forces.

GENERAL THIEU: The HNC cannot be bosses because of the Constitution. Its members must prove that they want to fight.

GENERAL KY: It looks as though the HNC does not want unity. It does not want to fight the Communists.

It has been rumored that our action of last night was an intrigue of Khanh against Minh, who must be retired. Why do we seek to retire these generals? Because they had their chance and did badly . . .

Yesterday we met, twenty of us, from 1430 to 2030. We reached agree-

ment that we must take some action. We decided to arrest the bad members of the HNC, bad politicians, bad student leaders, and the leaders of the Committee of National Salvation, which is a Communist organization. We must put the trouble-making organizations out of action and ask the Prime Minister and the Chief of State to stay in office.

After we explain to the people why we did this at a press conference, we would like to return to our fighting units. We have no political ambitions. We seek strong, unified, and stable Armed Forces to support the struggle and a stable government. Chief of State Suu agrees with us. General Khanh saw Huong who also agreed.

We did what we thought was good for this country; we tried to have a civilian government clean house. If we have achieved it, fine. We are now ready to go back to our units.

AMBASSADOR TAYLOR: I respect the sincerity of you gentlemen. Now I would like to talk to you about the consequences of what you have done. But first, would any of the other officers wish to speak?

ADMIRAL CANG: It seems that we are being treated as though we were guilty. What we did was good and we did it only for the good of the country.

AMBASSADOR TAYLOR: Now let me tell you how I feel about it, what I think the consequences are: first of all, this is a military coup that has destroyed the government-making process that, to the admiration of the whole world, was set up last fall largely through the statesman-like acts of the Armed Forces.

You cannot go back to your units, General Ky. You military are now back in power. You are up to your necks in politics.

Your statement makes it clear that you have constituted yourselves again substantially as a Military Revolutionary Committee. The dissolution of the HNC was totally illegal. Your decree recognized the Chief of State and the Huong Government but this recognition is something that you could withdraw. This will be interpreted as a return of the military to power . . .

AMBASSADOR TAYLOR: Who commands the Armed Forces? General Khanh?

GENERAL KY: Yes, sir . . .

GENERAL THIEU: In spite of what you say, it should be noted that the Vietnamese Commander-in-Chief is in a special situation. He therefore needs advisors. We do not want to force General Khanh; we advise him. We will do what he orders . . .

AMBASSADOR TAYLOR: Would your officers be willing to come into a government if called upon to do so by Huong? I have been impressed by the high quality of many Vietnamese officers. I am sure that many of the most able men in this country are in uniform. Last fall when the HNC and Huong Government was being formed, I suggested to General Khanh there should be some military participation, but my suggestions were not accepted. It would therefore be natural for some of them now to be called upon to serve in the government. Would you be willing to do so? . . .

GENERAL KY: Nonetheless, I would object to the idea of the military going back into the government right away. People will say it is a military coup.

AMBASSADOR TAYLOR and AMBASSADOR JOHNSON: (Together) People will say it anyway. . . .

AMBASSADOR TAYLOR: You have destroyed the Charter. The Chief

of State will still have to prepare for elections. Nobody believes that the Chief of State has either the power or the ability to do this without the HNC or some other advisory body. If I were the Prime Minister, I would simply overlook the destruction of the HNC. But we are preserving the HNC itself. You need a legislative branch and you need this particular step in the formation of a government with National Assembly . . .

AMBASSADOR TAYLOR: It should be noted that Prime Minister Huong has not accepted the dissolution of the HNC . . .

GENERAL THIEU: What kind of concession does Huong want from us?

Ambassador Taylor again noted the need for the HNC function.

GENERAL KY: Perhaps it is better if we now let General Khanh and Prime Minister Huong talk.

GENERAL THIEU: After all, we did not arrest all the members of the HNC. Of nine members we detained only five. These people are not under arrest. They are simply under controlled residence . . .

AMBASSADOR TAYLOR: Our problem now, gentlemen, is to organize our work for the rest of the day. For one thing, the government will have to issue a communique.

GENERAL THIEU: We will still have a press conference this afternoon but only to say why we acted as we did.

AMBASSADOR TAYLOR: I have real troubles on the U.S. side. I don't know whether we will continue to support you after this. Why don't you tell your friends before you act? I regret the need for my blunt talk today but we have lots at stake . . .

AMBASSADOR TAYLOR: And was it really all that necessary to carry out the arrests that very night? Couldn't this have been put off a day or two? . . .

In taking a friendly leave, Ambassador Taylor said: You people have broken a lot of dishes and now we have to see how we can straighten out this mess.

Amid the hustle and bustle of meetings between MACV officers, Embassy officials, and their Vietnamese counterparts, Khanh and the Young Turks, stood fast.

On the next day, December 21, Taylor suggested to Khanh that he resign and leave the country. This meeting brought to a head the Khanh-Taylor personal feud which then became public and continued for the balance of Khanh's tenure. Taylor's report of the meeting said his suggestion that Khanh leave the country came in response to Khanh's asking whether he should leave. But Khanh told a different story to the AFC, who were still smarting from the sharp interchange that Ky, Thieu, Thi and Cang had had with Taylor. Immediately they accused Taylor of interfering in GVN affairs. Commenting afterward, he said:

If the military get away with this irresponsible intervention in government and with flaunting proclaimed U.S. policy, there will be no living with them in the future.

State supported Taylor in taking a strong line to bring the situation under control. It approved a Westmoreland proposal, sent by military channels to State, that Huong get the credit for dismissing Khanh and that MACV should bargain

with the Armed Forces Council to offer a quid pro quo for reinstating the HNC. State spelled out the quid pro quo in detail:

In support of your efforts persuade military to at least partially undo damage [Sunday's] actions, we have also been considering possible leverage we might apply in event you conclude it was necessary.

If dispute continues unresolved, most obvious action might be withholding approval any pending U.S. assistance actions and letting this become known. You are in best position to evaluate whether these would impress generals or conversely hurt Huong's position. In addition, following steps aimed more specifically at military have occurred to us:

1. Suspend operation Barrel Roll—not certain it would affect generals—might have wrong impact on Hanoi—obviously generals couldn't be told because that would imply commitment to resume if they behave.
2. Instruct all or selected Corps or division advisors make known our dissatisfaction, perhaps suspending for time being further contacts with counterparts.
3. Stand down FARMGATE.
4. Suspend logistical airlift where critical supply shortages do not exist.

On balance, we inclined believe none except possibly 1st and 2nd steps would produce desired results. Obviously any would hamper over-all war effort, especially if continued for very long.

We have also considered and rejected possibility of cutting essentials POL and direct military supplies. Similarly we do not favor suspension or interruption CIP, since it would primarily affect civilian confidence in Huong government.

Although Khanh talked to Taylor about travel arrangements for himself and several other generals on the 22nd, the Young Turks had their backs up (or were convinced they could do what they pleased), and all stood fast. Khanh having rallied the military behind him, attacked Taylor for his undiplomatic actions. He spoke to the nation attacking communism and colonialism, the latter an inference to the domineering position of Taylor. In a message to the President on the 22nd, Taylor commented:

Generals acting greatly offended by my disapproval of their recent actions privately expressed to four of their number and resent our efforts to strengthen Huong government against their pressures. One unfortunate effect has been to drive them closer to Khanh who has sensed the opportunity to solidify his position.

He feared Khanh would air the quarrel publicly. Rusk cabled support:

I wish to compliment you on the vigor with which you have pursued this issue of unity since your return from Washington.

But Taylor backed off from the sanctions idea. Possibly still hoping that Khanh would go, he said there was no need for action but that the option should be kept open. In particular, he saw no value in suspending the bombing of Laos.

Also on the 22nd, while talking to Taylor of leaving, Khanh met with the Young Turks and agreed to break openly with Taylor by seeking his recall. State continued to back a tough line with them, and rejected Taylor's suggestion

of a diversion in the form of a reprisal bombing on North Vietnam for the Brinks BOQ bombing early in the week.

Hanoi would hardly read into it any strong or continuing signal in view overall confusion in Saigon . . . There might be suspicion, at least internationally, that BOQ bombing was not in fact done by VC."

Taylor urged Huong to insist on restoration of the HNC and declare the generals insubordinate if they refused. Khanh and the generals attacked Taylor publicly on December 23, as Taylor had feared, charging him with insulting them and abusing his power. Then on December 24, Taylor responded in kind, telling the press his version of the December 20 confrontation, and suggesting that Khanh had overstayed his usefulness.

Khanh then threatened privately to declare Taylor *persona non grata*; the Embassy replied that asking Taylor to leave was equivalent to asking the U.S. to leave. The implied threat of U.S. withdrawal was enough to stop the Khanh move, if he was ever serious about it. Taylor then suggested that Alex Johnson and the generals should form an ad hoc joint arbitration committee to resolve the differences between Khanh and Taylor. The idea was evidently novel enough to distract Khanh and the generals or to satisfy their dignity; it disconnected the buttons that had been pushed when Khanh and Taylor each said he wanted the other to leave the country. The ad hoc committee never met, but the proposal generated calm discussion between the Embassy and the generals for several days and allowed them to cool off gracefully.

However, the basic issue of the future of the HNC and of civilian government remained unresolved. Huong consulted with Taylor continuously, and followed some of his advice, but stopped short of taking the strong public stance he urged. On December 31, Taylor said to Washington that the USG might have to accept a military government in Saigon, though he said that Khanh must not head it. He said that plans for "Phase II" (bombing the North) should take into account various possibilities within GVN. Although Taylor had earlier favored the military's return to power, he objected to the means and to the timing of their present action.

J. ONGOING PROGRAMS, SECOND HALF 1964

While the political crises of Ambassador Taylor's first six months in Saigon built up to comic opera proportions, MACV and the country team struggled valiantly to conduct business as usual.

In March, MACV J-1 had completed a comprehensive review of ARVN personnel policies, the Murday Report, and forwarded it to JGS for action. A tally at the end of the year indicated progress on only 16 of 28 specific recommendations. One that received no response was the suggestion that the officer appointment base be expanded. In May, the Secretary of Defense had ordered COMUSMACV to develop, jointly with GVN, procedures for programming pacification operations with time-phased requirements for manpower and money. A joint, combined (MACV-USOM-GVN) committee was established. It had completed a programming document in June. After approval by RVNAF and MACV, joint US-GVN teams visited each Corps to acquaint selected personnel with the documents. As of August 31, fewer than half the provinces had submitted pacification plans; so the teams again visited each province to reinstruct province chiefs and sector advisors. All province reports were finally received by October. In July, the first Senior Advisors Monthly Report (SAME) was sub-

mitted. These put MACV in a better position to advise, and in October it sent a detailed letter of deficiencies to CINCRVNAF.

A joint combat effectiveness inspection team started its work, and at year's end the ARVN IG faced the question whether the refresher course at the National Training Center was needed for two battalions declared ineffective by COMUSMACV. In October, U.S. advisors to RVNAF units submitted the first semi-annual report of their personal observations of the treatment and use of MAP equipment. Deficiencies were noted in a letter to JGS. In one instance it was found that ordnance vans were being converted into rolling quarters for generals. After a threat to withdraw the vans, the fault was corrected and the vans were returned to their authorized use.

On October 5, COMUSMACV forwarded to the Embassy the report of a month-long study instigated by the Ambassador on how to revitalize the entire civic action program. It recommended that a USOM-USIS-MACV study group develop a joint, integrated mechanism to guide and coordinate civic action. The groups' recommendations were to provide a basis for discussions with the Vietnamese on how best to channel and revitalize the combined civic action effort.

On the subject of command relationships, JCS looked ahead to the possible deployment of U.S. ground forces and anticipated operational control of RVN forces in combined operations. However, that idea would be dropped later.

Following a Taylor-Khanh agreement to launch "Hop Tac" on October 1, USOM and the Vietnamese NSC met on September 25 to discuss pacification, after which Taylor commented:

In general, I consider the meeting was satisfactory continuation of our bilateral effort and that top priority is at last being given to Hop Tac operation. Also that general result of meeting focused attention on priority problems. The pay-off will be quality of follow-up.

State suggested decentralization of pacification control to Corps and Province, to bypass the central government; USOM disagreed. MACV contacted all senior RVNAF officers and found them taking a responsible attitude toward continuing the war effort; however, MACV noted that the coup leaders had talked the same way just before the September 13 coup attempt. Therefore MACV was candidly sceptical.

In response, a COMUSMACV memorandum of November 14 entitled "Assumption by US of Operational Control of the Pacification Program in SVN," states his position on the US role and is indicative of his later views on combined command. He recognized that any plan to encourage GVN in its efforts should include measures for developing US approved plans, as well as means for controlling money and people during execution of plans, and he envisaged an arrangement whereby GVN agencies would be provided complete planning guidance. He saw a danger of exerting influence over GVN which might be interpreted as excessive and which might boomerang on US interests. Instead, he suggested, "as a less drastic alternative, the Hop Tac idea might be extended to each of the other three tactical zones."

As discussed more fully in *Re-emphasis on Pacification 1965-67*, Hop Tac (working together) was formally proposed at a high level in the US government by Ambassador Lodge on his way home in July 1964. Ambassador Taylor and General Westmoreland implemented the idea. It tied together the pacification plans of the seven provinces around Saigon to insure security and extend government control. A headquarters for US Hop Tac elements was established in

Saigon. The Vietnamese set up a parallel organization primarily to satisfy the US, for their group had no authority or influence.

Meanwhile, the US/GVN study and planning activity continued and gave the impression of accomplishment. A US/GVN Survey Team reviewed RVNAF structure requirements for supporting the GVN National Pacification Plan. After visits to each corps headquarters, it proposed two alternative force increases, one to achieve progress in priority one Hop Tac areas, the other to attain more overall progress. On November 24, COMUSMACV formally requested approval of the first alternative from CINCPAC while at the same time the US Embassy recommended approval to the State Department. Meetings of USOM/NSC mentioned above (pp. 326 and 332) continued till December 5, after which the crisis of the Ambassador's return and its sequel stopped all pretense of joint pacification planning for several weeks.

But the Joint General Staff accepted all MACV suggestions on how RVNAF should be employed to improve the pacification program and issued its implementing Directive A-B 139 as a Christmas present on December 25, 1964, in mid-crisis.

The USMACV staff reviewed the RVN Defense Budget for 1965 and US Mission approval was received in late 1964. However, on order of the Ambassador, due to the political crisis, MACV withheld the budget from GVN until January 13, 1965.

K. JANUARY, 1965: PRELUDE TO THE BOMBING

The first week of January was filled with comings and goings with the issue of the HNC's dissolution still unresolved. The Embassy supported Huong publicly and privately, but stopped short of threatening U.S. withdrawal and admitted indirectly to Huong that the U.S. might be forced to accept military government. Then on January 7, the generals backed off slightly and reached a compromise solution, which they announced January 9 amid rumors of a military takeover. The Armed Forces Council and Khanh agreed to release the HNC prisoners and to continue backing civilian government, referring to their August promises; the civilian GVN would convene a new civilian group to legislate and write a new constitution, preparatory to Assembly elections. Taylor saw the statement before its release, and accepted it as the best available compromise. It was followed by a statement agreed on January 11 to patch up US/GVN relations, at which time Khanh agreed also to put several of the Young Turks in the cabinet. The crisis seemed to be over.

However, the end was not yet in sight. The Buddhists started demonstrating and demanding that Huong resign. On January 14, Taylor reacted to Khanh's proposals on the new cabinet by suggesting that he was moving with unseemly haste. Taylor received a complete cabinet list on January 18, and Khanh conferred with Westmoreland on the effects of cabinet roles for the generals on the 19th. Cabinet installation was scheduled for the 19th. However, at almost the last minute Khanh asked for postponement of the cabinet installation, saying afterward that Huong had defaulted on promises to change some of the civilian ministers. Leading Buddhists went on another hunger strike, and a new crisis built up; in Hue the USIS building was sacked and burned, and the USIS building in Saigon was sacked. On the 24th, they demanded that all Vietnamese businessmen, night clubs, etc., refuse to sell to Americans, and a majority apparently complied. On the 25th, Khanh, having allied himself with the Buddhists, told Deputy Ambassador Johnson that Huong and President Suu wanted

to resign and let the military take over, as demanded by the Buddhists. Johnson replied that the Buddhists must not be allowed to veto the government, and that the military must not take over.

Then on January 27, the AFC voted no confidence in the Suu-Huong government and directed Khanh to take charge and resolve the crisis. Taylor's comments to State made it clear that events were entirely out of his control; again he objected to the means and to the timing of the military return to power. When he raised the possibility of non-recognition, State authorized him to use his own judgment but advised him to play along with Khanh for the time being, while scouting around for fresh options. Although Suu was technically ousted, he stayed on at Khanh's request; and Oanh again became acting Prime Minister.

In the midst of the crisis Westmoreland obtained his first authority to use U.S. forces for combat within South Vietnam. Arguing that the VC might go for a spectacular victory during the disorders, he asked for and received authority to use U.S. jet aircraft in a strike role in emergencies, subject to Embassy approval in each instance. This move finessed all previous ideas of using potential U.S. force commitments as leverage to bring the GVN into line; but these ideas had no doubt been abandoned anyhow.

III. THE U.S. ENTERS THE WAR: FLAMING DART TO THE STEADY INFLUX OF U.S. FORCES, JUNE, 1965

A. "PHASE II" BEGINS AND COUPS CONTINUE, FEBRUARY, 1965

While the Embassy stood by doing what little it could to undercut Khanh's personal position, VC attacks on the American advisors' barracks at Pleiku, and on three other installations, provided the pretext for US/VNAF bombing attacks on infiltration staging areas in the southernmost province of North Vietnam, February 7-8. Acting Prime Minister Oanh spoke for GVN during the coordination of the attacks and announcements. (The raids were called reprisals, as was the subsequent raid on February 12 following the attacks on the American barracks at Quihon.) U.S. dependents were ordered to leave SVN.

McGeorge Bundy was in town, and in keeping with the going tactics, stayed at arms length from Khanh, though meeting him and the generals socially. As an aside at this point, Taylor gave one last blow to the idea that cutting off the flow of help from the North would turn the tide of the war against the VC: He remarked that perhaps the smell of victory within six months would now lead Khanh to take over again.

On his return to Washington, McGeorge Bundy wrote a Memorandum to the President, dated February 7, 1965. In evaluating the U.S. team and policy, he stated, "U.S. mission is composed of outstanding men and U.S. policy within Vietnam is mainly right and well directed." However, he proceeded to point out two important differences between his current assessment and that of the mission. Taylor had concluded that: (1) the Khanh government was impossible to work with, and (2) the Buddhists (Khanh's ally in the recent struggle) must be confronted and faced down, using force if necessary. Bundy disagreed on both points, stating that Khanh was still the best hope in sight in terms of pursuing the fight against the communists and that the Buddhists should be accommodated and incorporated rather than confronted.

With respect to the scheduled reprisal actions, he stated, "For immediate pur-

poses, and especially for the initiation of reprisal policy, we believe the government need by no stronger than it is today with General Khanh as the focus of a raw power, while a weak caretaker government goes through the motions. Such a government can execute military decisions and it can give formal political support to joint US-GVN policy. That is about all it can do." He further stated that reprisal actions themselves should produce a favorable reaction which would provide an opportunity for increased U.S. influence in pressing for a more effective government.

He acknowledged the latent anti-American sentiments in the country and their potential explosiveness, as had been evidenced in Hue the preceding week. He noted that these feelings limited the pressure that the U.S. could bring to bear on ambitious forces like Khanh and the Buddhists.

On February 9, Taylor again firmly recommended that the program of continuous graduated attacks on North Vietnam should begin. Nothing but political turmoil had followed his early-December attempt to induce the GVN to do better by promising these attacks as a quid pro quo. Now he disregarded this idea, and spoke only of the hope that the attacks would convince North Vietnam to abide by the Geneva Accords of 1954 and 1962, and would unify and encourage the South Vietnamese. On February 13, State cabled authority to begin the plan of graduated strikes with Vietnamese participation. It directed Taylor to get GVN approval and to get their agreement to appear at the UN if that should prove necessary; the condition of stopping the bombing would be the halting of aid by North Vietnam to the VC.

State's guidance to Taylor on political matters was that the U.S. hand should not be too obvious in the government-shuffling outcome and that the power of the Buddhists and of the military must be reflected in the new government being formed. After two political hopefuls failed to round up enough support, Quat formed a cabinet starting February 16. The AFC chose to keep Suu as Chief of State and appointed a National Legislative Council of twenty members balanced to represent all interests including the military. The Buddhists quietly acquiesced in the new government, installed just in time to be greeted by a coup attempt.

On February 19, a new coup group (consisting of Thao and Phat among other neo-Diem proponents) seized most of Saigon, Tan Son Nhut airfield, and the radio station. In this instance, as in September, 1964, MACV had to intervene to stop Ky's threat of VNAF bombing; this time it would have been the airfield, with several thousand Americans in the area. By midnight the leading members of the AFC had rallied forces and faced down the coup group; and the next day they voted Khanh out. On February 24, Khanh left the country; the Embassy and Saigon settled back in relief. The bombing phase of graduated pressures on the North (Rolling Thunder) began, and the decision to land Marines at Danang was in the works. Taylor now opposed the introduction of U.S. combat forces in SVN—except for base security. His acquiescence in the Marine deployment to Danang was in large part due to Westmoreland's strong recommendation to do so.

B. THE CONTINUING CIVILIAN INTERREGNUM AND FIRST U.S. GROUND FORCES, MARCH-MAY, 1965

For several weeks an unaccustomed calm settled over US/GVN relations. The USG white paper on Vietnam issued February 28 without prior clearance with GVN caused no visible upset. The proposal to land the first two BLT's of

Marines received prompt approval in an amicable atmosphere in the first few days of March, and the III MEF became the III MAF without fanfare. An abortive Buddhist "peace" movement died away, and religious groups generally laid low.

Following a State message expressing renewed concern, the USOM resumed meetings with the Vietnamese Internal Security Council (an enlargement of its old NSC) on February 27 to discuss pacification.

It was agreed that both sides would prepare joint proposals for accelerating pacification and for solving manpower problems and go forward together in program for effective execution of agreed programs.

At a March 13 meeting, General Thang gave a "pessimistic but realistic" account of Binh Dinh Province, and Quat said measures would be taken to prevent the situation from spreading. The USG and GVN reverted to the pattern of a year earlier of urging and advice politely received.

Throughout early 1965, it was evident that Pacification plans were failing. Even Hop Tac was at a standstill. When a stop gap allocation of 3 million piasters per province was made, pending release of regular funds, province chiefs were reluctant to spend the funds. They wanted specific authority and direction from higher authorities.

Planning continued unabated between MACV and GVN. Development of a revised budget began on March 6, 1965, when guidelines for budget preparation were furnished the RVN Ministry of Defense. The proposed revision was duly received from RVN.

On March 24, Ambassador Taylor formulated a 41-point program for stability and pacification in preparation for a trip to Washington. This program, without any hint of leverage on GVN, in fact put pacification on the back burner, while main attention focused on bombing and deployments.

In April 1965, General "Little" Minh, Minister of Armed Forces, directed I, II, and IV Corps commanders to develop Hop Tac plans for their areas. The delay between the COMUSMACV memorandum of the previous December that recommended the extension and the order itself is not explained, but in May the Vietnamese indicated to the U.S. Ambassador their dissatisfaction with the Hop Tac program. The Vietnamese wanted to make Region A of the Hop Tac area part of the Capital Military Region and the remaining regions part of the III Corps Commander's area of responsibility. COMUSMACV told the mission council that the Hop Tac organization should be retained for the foreseeable future because Hop Tac had been unique in providing a forum for military and civil authorities to address common problems.

Quiet consultation continued on the evaluation of Vietnamese counterparts in the provinces, on Third Country Forces, on military and paramilitary pay, and so on. Following Taylor's return from Washington early in April, he presented his pacification ideas (now having the stamp of President Johnson's approval), and discreetly got approval for the deployment of the third of the Marine BLT's. Quat discussed the military leadership frankly with Taylor and Westmoreland, and around the middle of April started considering a move to clip their wings. On May 5, the AFC obligingly dissolved itself, and seemed to give Quat a free hand.

The Honolulu Conference of April 20, which rebuffed the idea of encadrement and U.S. takeover (discussed later), approved additional deployments and U.S. force to about 80,000 men and to introduce Korean and Australian troops.

After several days of hesitation, Quat approved the increases. Pacification, under the new name "Rural Construction," still gave no cause for rejoicing; and GVN resisted Taylor's proposal to install some civilians as province chiefs.

Analysis by members of the U.S. mission council of a RVNAF J-3 paper, "The Organization and Operations of the Pacification System," revealed considerable variance between U.S. and GVN views on:

- (1) The role of the corps commander in pacification.
- (2) The relationship of provinces with a proposed Bureau for Pacification Affairs.
- (3) The position of Minister of Interior in pacification.

MACV forwarded requirements to increase the number of subsector advisory teams to 180, of which 33 in particularly remote locations would be filled initially by Special Forces teams. It was envisioned that in case of escalation by the VC, these teams would perform appropriate civil affairs functions, provide intelligence, and support allied forces in many ways. Should the VC refrain from extensive overt action, the teams would push vigorous rural construction.

In the last half of May, fresh trouble blew up. After an alleged abortive coup attempt on May 20-21, and disorders in the streets, Quat tried to reshuffle his cabinet, without first clearing it with Suu. Suu objected, and the two disagreed on who had the right to decide; such a misunderstanding was understandable, in view of the lack of any recognized constitution and in view of the chaos of the preceding months. The crisis simmered past the end of May, and Taylor correctly predicted the end of civilian government, with evident relief.

C. FIRST MOVES ON COMMAND AND CONTROL, MARCH AND APRIL, 1965

When the Marines arrived in March, the control measure devised for the employment was the TAOR. Under the overall suzerainty of the VN Corps Commander, the Marines were given a well defined geographical area in which U.S. forces exercised command authority over military forces and for which the U.S. accepted defensive responsibility.

On March 3, Ambassador Taylor cabled his fears that GVN would "shuck off greater responsibility on the USG," and the same day, in another message, he said he had no idea what the GVN attitude to a Marine Landing Force might be.

The first battalion of Marines splashed ashore at Danang about 0900, March 8. The next day a second battalion came in by air.

The trip of Army Chief of Staff Johnson to Saigon in mid-March, 1965, signalled the beginning of consideration and planning for the introduction of significant numbers of ground combat forces. General Johnson observed in closing his report:

In order for the USG to evaluate his (COMUSMACV's) request properly when submitted, a policy determination must be made in the very near future that will answer the question, what should the VN be expected to do for themselves and how much more the U.S. must contribute directly to the security of VN.

Secretary McNamara answered on the margin of his copy of the report, "Policy is: Anything that will strengthen the position of the GVN will be sent."

On March 8, Taylor talked with Prime Minister Quat about his concept of joint command, a matter which had been raised with General Johnson on the occasion of his visit March 6 (EmbTel 2877). Taylor found Quat's ideas very hazy, but:

his purpose was very clear. He hopes by some joint command device to bring his maverick generals under the steady influence of General Westmoreland. Taylor told him he sympathized with motive but had never hit upon a command relationship which offered much hope of accomplishing this end. Although Quat's ideas hard to disentangle, he seems to have in mind a mixed US/ARVN staff element reporting to General Westmoreland and a VN C/Staff. He visualizes the staff element as a clearing house for joint studies which would pass recommendations on to the two senior officers. By implication General Westmoreland would have the power of ultimate decision based upon an unofficial understanding which Quat hopes generals would accept. Quat concedes their acceptance far from certain.

Washington was looking toward combined command arrangements that would recognize that the U.S. was no longer limited to the role of advisors to RVNAF. When asked for his input COMUSMACV replied that gradual transition would be more palatable to GVN and suggested only cooperation in the initial phase, followed by establishment of a small combined coordinating staff headed jointly by himself and CINCRVNAF. The staff's powers would be limited solely to coordinating combined operations.

These comments were sketchy, but indicative, for in Saigon COMUSMACV and his staff were putting together the Commander's Estimate of the Situation, a standard document in the military planning process. Started on March 13, the day after General Johnson left Saigon and issued on March 26, it more clearly revealed the MACV concept of command. While recognizing that there was no longer an effective ARVN chain of command because of the irresponsible game of musical chairs among the top leadership, the estimate cautioned that the Vietnamese generals would accept integrated command only to the extent that the United States contributed troops; and it advised against U.S. commitment to any rigid arrangement *because GVN and RVNAF had not achieved sufficient political and military maturity*. MACV omitted further discussion of the function or authority of such integrated staffs. When command arrangements were covered in the detailed description of the most likely course of action, the intent was clear. U.S. commanders would control American troops except in certain clearly defined zones within which they would also be responsible for "controlling and coordinating" operations of both U.S. and RVN forces. A collateral function envisioned for each U.S. division command was that of Deputy Command Support to the ARVN Corps Commander.

D. THE RISE AND DECLINE OF ENCADREMENT, APRIL, 1965

Ambassador Taylor returned to Washington in late March and was present at the April 1-2 NSC meeting at which General Johnson's 21 recommendations and Taylor's 41 points were approved. Almost as soon as Taylor returned to Saigon wide differences of opinion developed on what should happen next.

The State/Defense "7 point message" of April 15 to Ambassador Taylor and General Westmoreland set the pot boiling, following Westmoreland's urgent request via military channels for more forces. The message directed:

- (1) Experimental encadrement of U.S. troops into RVNAF.
- (2) The introduction of a brigade force into Bien Hoa/Vung Tau for security and later counterinsurgency.
- (3) The introduction of several additional U.S. battalions into coastal enclaves.
- (4) Expansion of Vietnamese recruiting, using proven U.S. techniques.
- (5) Expansion of the MEDCAP program using mobile dispensaries.
- (6) Experimentation in 2 or 3 provinces with a team of U.S. civil affairs personnel.
- (7) Supplement of low RVNAF pay through provision of a food ration.

Taylor objected to the new forces, to encadrement, and to the whole tone of the 7 point message. He sent two principal messages with these objections, one setting out a reasoned comment on the message and a second, personal to McGeorge Bundy, saying how he really felt about it:

I am greatly troubled by DOD 15 April 15. First, it shows no consideration for the fact that, as a result of decisions taken in Washington during my visit, this mission is charged with securing implementation by the two month old Quat government of a 21 point military program, a 41 point non-military program, a 16 point Rowan USIS program and a 12 point CIA program. Now this new cable opens up new vistas of further points as if we can win here somehow on a point score. We are going to stall the machine of government if we do not declare a moratorium on new programs for at least six months.

Next, it shows a far greater willingness to get into the ground war than I had discerned in Washington during my recent trip. Although some additional U.S. forces should probably be introduced after we see how the Marines do in counterinsurgency operations, my own attitude is reflected in EmbTel 3384, which I hope was called to the attention of the President.

My greatest concern arises over para 6 reftel which frankly bewilders me. What do the authors of this cable think mission has been doing over the months and years? We have presumably the best qualified personnel the Washington agencies (State, AID, DOD, USIA and CIA) can find working in the provinces seven days a week at precisely the tasks described in para 6. It is proposed to withdraw these people and replace them by Army civil affairs types operating on the pattern of military occupation? If this is the thought, I would regard such a change in policy which will gain wide publicity, as disastrous in its likely effects upon pacification in general and on US/GVN relations in particular.

Mac, can't we be better protected from our friends? I know that everyone wants to help, but there's such a thing as killing with kindness. In particular, we want to stay alive here because we think we're winning—and will continue to win unless helped to death.

Another State/Defense message told the Ambassador to discuss with Quat several possible uses of U.S. combat forces beyond the NSC decisions of April 2. He replied, "I cannot raise these matters with Quat without further guidance . . . I need a clarification of our purpose for the large scale introduction of foreign troops unless the need is clear and explicit."

The plaintive words did not sound convincing to the JCS, for they told Sec-

Def, almost cavalierly, in JCSM 281/65, "JCS is confident the Ambassador will be able to accomplish such measures as are required for an appropriate acceptance of these deployments as approved by the highest authority."

As directed in the 7 point message, study commenced in Saigon on the matter of combined command. The message suggested two approaches: Integration of substantial numbers of U.S. combat personnel (e.g., 50) into each of several ARVN battalions (e.g., 10); or combined operations of three additional U.S. battalions with three or more ARVN battalions. General Westmoreland asked his Deputy to give detailed study to three methods:

(1) Assumption of officer and senior NCO command positions within the ARVN battalion by U.S. personnel.

(2) Assignment of U.S. personnel as staff officers, and in technical and specialists positions, within the ARVN battalion.

(3) Employment of U.S. troops as fire support elements within the ARVN battalion.

These approaches were studied in relation to: Language, security, support, mutual US/GVN acceptance, conditions and capabilities within ARVN units. Problems common to all three were the language barrier, increased exposure of U.S. personnel, difficulty of U.S. personnel adapting to ARVN living conditions, and the greatly expanded support requirement that would be generated. The following conclusions were reached:

Method (1) was not feasible nor desirable owing to the language barrier, as well as to probable non-acceptance by GVN.

Method (2) would not materially improve ARVN capabilities.

Method (3), therefore, was the only concept that would benefit ARVN and not detract from GVN morale. A fire support element of six U.S. officers and 49 enlisted men was suggested for each ARVN battalion.

Because of the difficulties of supply and service support, medical support, leadership in ARVN battalions, and anticipated morale problems amongst those U.S. personnel assigned to ARVN battalions, Deputy COMUSMACV opposed the adoption of the principle of encadrement. He recommended that COMUSMACV not support it and that if it were directed, it be initially applied to only one battalion.

At the same time, as a result of the Warrenton conference of mid-January, serious consideration was being given in Washington to the use of military government by means of Army civil affairs procedures. A straw in the wind which indicated what the Saigon reaction was to be at the forthcoming Honolulu conference was the response by Ambassador Taylor on April 15 to notification that General Peers was coming to Saigon. "If GVN gets word of these plans to impose U.S. military government framework on their country . . . it will have a very serious impact on our relations. We are rocking the boat at a time when we have it almost on an even keel."

E. HONOLULU CONFERENCE, APRIL 19-20, 1965; ENCADREMENT AND COMBINED COMMAND FADE OUT

At Honolulu General Westmoreland had his way with respect to military encadrement. Notes of the meetings reveal:

General Westmoreland states that individual encadrement of ARVN units neither required nor feasible.

Instead the plan was to "brigade" U.S. forces with ARVN troops. Consideration of the issue was ended with the understanding that General Westmoreland "will submit a written statement describing the command relationships which will prevail when U.S. forces are engaged in offensive combat actions, alone or with Vietnamese or other forces."

The introduction of U.S. Army Civil Affairs teams into the provincial government structure was also considered at Honolulu. It was decided to experiment in three provinces with U.S. teams designed to provide ample civil as well as military initiative and advice. At least one of the three teams was to be headed by a civilian. Ambassador Taylor was instructed to seek the concurrence of GVN, "recognizing that a large number of questions must be worked out subsequently."

Early in May, General Westmoreland submitted his detailed command concept. It traced the evolution of the relationship between U.S. and ARVN armed forces. Initially, U.S. forces were strictly advisory. In the period from 1960 to 1962 the U.S. had in addition provided military capabilities such as helicopters and tactical air support. The advisory effort was extended to ARVN battalions, and advisors accompanied units into combat. With the large scale commitment of U.S. ground forces in Vietnam, a logical extension of this evolution was the suggested command concept of coordination and cooperation. Operational control of each nation's forces was normally to be exercised by commanders of that nation.

COMUSMACV envisioned that the initial mission of U.S. forces would be security of base areas, a function to be coordinated through senior ARVN commanders. Subsequent deep patrolling and offensive operations by U.S. forces would occur within specified Tactical Areas of Responsibility (TAOR's) with ARVN in separate and clearly defined areas. Eventually, on search and destroy operations, U.S. forces would provide combat support at the request of the senior RVNAF commander. The U.S. commander would move to the RVNAF command post to agree on details, but close and intricate maneuver of units of the two nations' forces was to be avoided.

This Saigon proposal did not settle the matter. SecDef urged formation of a joint command with GVN and the creation of a "small combined coordinating staff to be jointly headed by COMUSMACV and CINCRVNAF" as a useful device at this stage of development of the U.S. force structure.

There were continuing indications from USG representatives in Saigon of a sensitivity to South Vietnamese criticism that the United States acted as though we were fighting all by ourselves. On May 17, Ambassador Taylor felt it wise to relay to Washington a Saigon Post column to that effect.

On May 24, both the Ambassador and COMUSMACV sent lengthy messages to their seniors discussing the matter of combined military command. Ambassador Taylor referenced both the JCS and MACV proposals and said, "I must say we are far from ready to propose to GVN anything like a plan for a more formal combined command authority . . . If USG intends to take the position that U.S. command of GVN forces is a prerequisite to the introduction of more U.S. combat troops, that fact would constitute an additional strong reason for recommending against bringing in the reinforcements."

COMUSMACV also voiced strong opposition to the Washington proposal for combined command. He recalled recent discussion of the subject with General Minh who seemed agreeable at first but then moved perceptibly away from anything suggestive of a combined headquarters. Press reports of the views of General Thieu and Air Marshall Ky, as well as the recent Saigon Post column,

were referenced to substantiate that there was no prospect of such a combined staff evolving. Instead, a U.S. Army brigadier general staff. "The positioning and accrediting of Brig. General Collins is as far as we can go."

There appears to have been no strong objection by the Joint Chiefs of Staff. In JCSM 516-65 they reviewed the course of events and recommended augmentation of MACV by seven billets (1 Brigadier General, 3 officers, and 3 enlisted) to provide "the requisite staff assistance on combined and operational planning matters associated with the coordinated operations of U.S., RVN, and third country forces in Vietnam."

A joint State/Defense message to Saigon on May 27 deferred any approach to GVN on combined command until it was politically feasible and directed that no planning discussion be undertaken with RVNAF without Ambassador Taylor's approval.

There were two major battles in late May and early June, Ba Gia and Dong Zoai. Although U.S. troops were available to assist in both instances they were not committed and in both cases RVNAF were defeated.

General Westmoreland continued to press Washington for greater freedom of discretion in the use of U.S. ground forces with RVNAF. A June 12 message recalled the three stages envisioned in his May 8 discussion of combined command. So far, in view of statements in Washington by the Secretary of State and by the White House, movement from stage 2 to 3 had been deferred, but it sounded as though some measure of joint planning was in progress.

The fact is we have moved some distance down the road toward active commitment of U.S. combat forces and have done so hand-in-hand with our Vietnamese ally. They and we recognize that the time has come when such support is essential to the survival of any government of South Vietnam and the integrity of RVNAF.

The message concluded with a request for modification of the letters of instructions on use of U.S. troops.

A minor note, not unrelated to combined command, was raised in May when Prime Minister Quat *pressed within GVN* for a status of forces agreement. The matter arose because of concern about Vietnamese sovereignty over areas where U.S. forces were stationed. Relations were being governed by the 15 year old Pentilateral agreement, clearly inapplicable to the present situation. U.S. military forces in Vietnam were enjoying virtual diplomatic immunity; so the MACV senior judge advocate developed arguments to demonstrate that raising the issue was not in the interests of either government. They were passed to the SVN source of the information for use at ministerial meetings on the subject. There is no indication that GVN formally discussed status-of-forces with the Embassy.

F. THE KY COUP, JUNE, 1965

After extended negotiations between Quat, Suu, and other leaders failed to end the government crisis that started in late May, on June 9 Quat asked the generals to mediate the dispute. They did. On June 12 they forced Quat to resign and took over the government. After several days of jockeying among themselves, the generals formed a National Leadership Council of ten members and made Ky Prime Minister. Taylor was out of town at the critical time, and the Embassy found out about the main decisions after they were taken. However, Taylor was back in time to object unsuccessfully to Ky's appointment as

Prime Minister before it was announced. Once things had settled down and the USG felt it had no choice but to accept the new government, Taylor cabled State:

. . . It will serve our best interests to strengthen, support and endorse this government.

UNITED STATES - VIETNAM RELATIONS

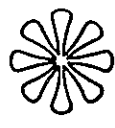
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EVOLUTION OF THE WAR

US/GVN relations: 1963 - 1967

PART II



As basis for Washington review of proposed Westmoreland back-grounder on command relationships and MACV organizational structure, please furnish draft of text he will use . . .

IV. THE KY GOVERNMENT'S EARLY MONTHS: THE COUP TO THE EMBRACE AT HONOLULU, FEBRUARY 1966

A. THE KY GOVERNMENT'S INHERITANCE

Nguyen Cao Ky, Commander of the Vietnamese Air Force, joined with other "Young Turks" of the Vietnamese Armed Forces to overthrow the civilian government of Prime Minister Quat on June 12, 1965. Attempts at civilian government had limped along since October, 1964, following riots in August-September that had forced the generals to withdraw Khanh's military-dictatorial constitution and to promise civilian rule. That entire period had been marked by riots, coups, and attempted coups. By June, when Quat and the civilian President Suu found themselves in an impasse, Ambassador Taylor easily acquiesced in the return to direct military rule.

Pacification kept lagging, and the dark military picture forced the U.S. to decide in June to pour U.S. troops into the country as fast as they could be deployed. The pattern of GVN civil and military ineffectiveness had led the U.S. Government to resolve to do it ourselves, and to abandon any hope of forcing or inducing GVN to do the job without us. All concerned knew that the Young Turks now in open control of GVN had repeatedly defied Ambassador Taylor and had gotten away with it. Attempts at top-level leverage on GVN had produced a virtual diplomatic rupture for a few days at the end of 1964 and the beginning of 1965, and the U.S. was in no mood to try it again.

B. THE KY GOVERNMENT AND THE U.S. START THEIR DEALINGS, JUNE-JULY, 1965

With Vietnam's return to overt military government, the political blocs with their private armies, perhaps exhausted, bided their time. Communications improved between the U.S. and GVN to a state of cool correctness, gradually revealing lower-level GVN's intention to go on coasting as it always had and higher-level GVN's intention to serve its own interests.

The day after the coup, COMUSMACV cabled CINCPAC in alarm about the military picture, requesting authority to send U.S. troops on offensive missions. He recalled that ARVN had lost five infantry battalions on the battlefield in the last three weeks, and he stated that the only possible U.S. response was the aggressive employment of U.S. troops together with the Vietnamese general reserve forces:

To meet this challenge successfully, troops must be maneuvered fully, deployed and redeployed as necessary.

To demonstrate how completely the initiative changes on the subject of combined command, Saigon announced to Washington in mid-June its intention within the next few days to conduct a backgrounder on command relationships. A reply from the Secretary of Defense said,

In late June, General Westmoreland was authorized by Washington to "commit U.S. troops to combat, independent of or in conjunction with GVN forces in any situation in which use of such troops is requested by an appropriate GVN commander and when, in COMUSMACV's judgment, their use is necessary to strengthen the relative position of GVN forces."

Premier Ky, obviously wishing to play down an issue sensitive to both governments, told Ambassador Taylor he saw no particular reason for any drastic change from the previous practice of combat support. In any specific situation, he said that command should be worked out in accordance with "good sense and sound military principles." Additional deployments caused no problem, and indeed GVN now asked for more US/FW forces than could be deployed or were approved. But in response to a query, Taylor waved aside any hope of using deployments for leverage. Discussions of combined command avoided joining issue and left matters unchanged.

Although Taylor's initial reaction to Ky was one of apprehension, he was soon impressed by Ky's aggressive performance including his 26 point program. He doubted Ky's ability to implement the program, but concluded that military government was less likely to abandon the war effort and thus should be supported.

Early in 1965, AID had decided to stop buying piasters for U.S.-controlled sector funds, and in June agreed with the GVN to change the province procedures. Effective June 22, 1965, the Vietnamese Province Chief would requisition and release AID commodities on his own authority, and all supporting funds came through regular GVN channels. The new procedures included elaborate reporting steps both when the U.S. advisers concurred and when they nonconcurred with the Province Chief's actions. In practice, the change reduced U.S. adviser's leverage.

On July 1, Secretary McNamara submitted a memorandum to the President reviewing all aspects of Vietnam policy. However, he naturally concentrated on U.S. deployments, and had little to say on GVN's problems. In a section titled, "Initiatives Inside Vietnam," his only significant recommendations were that we should increase our AID to GVN and that Chieu Hoi Program should be improved. However, in another memorandum to the President on July 20, following a trip to Saigon, McNamara suggested that the U.S. Government should lay down some terms for its assistance. GVN was again pressing for more U.S. forces than were available. He mentioned rice policy, plus a "veto on major GVN commanders, statements about invading NVN, and so on."

McNamara's overall evaluation was deeply pessimistic, making clear why he recommended increased U.S. forces at that time:

Estimate of the Situation. The situation in South Vietnam is worse than a year ago (when it was worse than a year before that). After a few months of stalemate, the tempo of the war has quickened. A hard VC push is now on to dismember the nation and to maul the army. The VC main and local forces, reinforced by militia and guerrillas, have the initiative and, with large attacks (some in regimental strength), are hurting ARVN forces badly. The main VC efforts have been in southern I Corps, northern and central II Corps and north of Saigon. The central highlands could well

be lost to the National Liberation Front during this monsoon season. Since June 1, the GVN has been forced to abandon six district capitals; only one has been retaken. U.S. combat troops deployments and US/VNAF strikes against the North have put to rest most South Vietnamese fears that the United States will forsake them, and US/VNAF air strikes in-country have probably shaken VC morale somewhat. Yet the government is able to provide security to fewer and fewer people in less and less territory as terrorism increases. Cities and towns are being isolated as fewer and fewer roads and railroads are being isolated as fewer and fewer roads and railroads are usable and power and communications lines are cut.

The economy is deteriorating—the war is disrupting rubber production, rice distribution, Dalat vegetable production and the coastal fishing industry, causing the loss of jobs and income, displacement of people and frequent breakdown or suspension of vital means of transportation and communication; foreign exchange earnings have fallen; and severe inflation is threatened.

In Saigon Ambassador Taylor gave the GVN the first definite sign of U.S. concern about the effects of U.S. deployments on Saigon port operations and on the Vietnamese economy. In a letter to Prime Minister Ky dated July 1, 1965, he said:

Your experts and ours are in constant contact on [the budgetary deficit] and have always worked effectively together . . . [They] will need your support in carrying out the anti-inflation measures which they may recommend from time to time . . . The rice procurement and distribution agency which you have in mind is an important measure of . . . a program which should also include the further development of port capacities.

USOM also began talking about devaluing the piaster. These matters were to come to a head a year later. At this time, however, the Embassy treated these matters routinely and applied no pressure to GVN. GVN officials opened the serious bidding in their meeting with Secretary McNamara on July 16, saying that their gold and foreign exchange reserves had suffered the alarming drop from \$175 million to \$100 million since January, 1964, and requested a big increase in AID. Ambassador Taylor preferred to limit our counter-demands to get quick agreement; he said,

We would avoid giving the impression of asking for new agreements or imposing conditions for our increase AID . . . We do not want to raise conditions in terms likely to be rejected or to require prolonged debate.

On July 28, the Embassy and GVN settled it. The agreement touched very lightly on GVN obligations and on joint economic planning. It provided for "joint discussions to precede policy decisions . . . for control of inflation," etc.

On July 8, MACV reviewed its relationships with the military leadership. There was no problem; they agreed that operations involving both U.S. and ARVN troops would use the concepts of coordination and cooperation. They did not discuss combined command. However, a flap developed late in July when General Thi was reported to be planning operations in the DMZ. Both Taylor and Westmoreland took it up with GVN, who reassured them; Thi got

back on his leash before it was too late. Such operations commenced more than a year later. A candid subsequent statement from Saigon shows the Vietnamese desired to have the best of both worlds. Ambassador Lodge reported to Washington the disparaging reactions of ARVN general officers on the JGS staff to the U.S. Marine victory south of Chu Lai. "I flag this small straw in the wind as pointing up the importance of portraying our operations here as combined with the GVN in nature."

C. QUIET SAILING THROUGH JANUARY, 1966

In August, Ky wanted to make a trip to Taiwan, being interested in getting Nationalist Chinese troops into Vietnam. The U.S. Government objected both to the trip and to its objective, but failed to persuade him to give up the trip. Later he brought in some Chinats on the sly. An idea floated in Washington that he or Thieu should visit the United States was dropped without having been brought up with the GVN.

Lodge arrived around the middle of August to replace Taylor. Having avoided the confrontations with GVN of the type that Taylor had, he came with a residue of good will. Because he was considered responsible for Diem's overthrow, the Buddhists were pleased, and the militant Catholics dubious. In that connection, State thought it prudent to direct the Embassy to assure GVN that neither Lodge nor Lansdale, whom he was bringing with him, was going to try to make changes in GVN. On August 26, Ky told Lodge that he thought U.S. forces should "hold strategic points" so that the Vietnamese could concentrate on pacification operations. That is, he wanted the United States to take over the main force war. He also said he thought the Chu Hoi program was a waste of money.

In early August, Ky established a Ministry of Rural Construction (MRC and a Central Rural Construction Council (CRCC). These absorbed functions and personnel from predecessor groups and other ministries for the announced purpose of providing centralized direction to the pacification effort. Nguyen Tat Ung was made Minister of Rural Construction while the Council was chaired by General Co, Minister of War and Defense. Timing and circumstances give no evidence of a strong U.S. hand at work. The U.S. Embassy viewed the new organization as the result of political maneuvering, but also hoped the change would promote inter-ministerial cooperation. The move signalled renewed emphasis of pacification by both GVN and the mission. In late August, Ambassador Lodge announced the appointment of retired General Lansdale as chairman of the U.S. Mission liaison group to the GVN CRCC.

There followed a period of shuffling and reorganization during which Ung was killed in a plane crash. Two weeks later Prime Minister Ky announced that General Thang would succeed to the Ministry. The appointment was for six months only, and Thang retained his position on the JGS. At the same time, General Co was elevated to Deputy Prime Minister for War and Reconstruction in a realignment that made six ministries including Rural Reconstruction subordinate to him.

On August 28, General Thi told Lodge he thought he could do a better job running the government than Ky was doing. He spoke at some length on Ky's political weaknesses, with particular emphasis on his lack of support in I Corps, where Thi was strong. As was his usual practice, Lodge politely brushed aside this approach. (Later Thi proved harder and harder to control until his dismissal in March.)

In mid-September, Lodge went on an inspection trip to Da Nang and Qui Nhon. On his return he waxed eloquent about the benefits of the U.S. presence:

All reports indicated that the American troops are having a very beneficial effect on VN troops, giving them greater confidence and courage. I am always mindful of the possibility that the American presence will induce the VN to slump back and "Let George do it." But there seems to be no sign of this.

I wish I could describe the feeling of hope which this great American presence on the ground is bringing. There can no longer be the slightest doubt that persistence will bring success, that the aggression will be warded off and that for the first time since the end of WW II, the cause of free men will be on an upward spiral.

Lodge's end-of-month appraisal was that civil and political progress lagged behind the military. He felt there would be a political vacuum that the VC would fill if the U.S. pulled out. Therefore, he was trying to start a program to provide security and to generate indigenous political activity at the hamlet level. He noted with pleasure that Ky was taking the initiative in bringing his pacification plans to Lansdale, to get U.S. reactions before these plans were too firm to change.

By September, a combination of inflation, black-marketeering by U.S. troops and other related problems led both governments to agree on important steps. The U.S. introduced military payment certificates, and the GVN agreed to exchange 118 piasters to the dollar for personal use of troops and U.S. civilians. Official U.S. purchases of piasters continued at the old exchange rate of 35, however.

September brought an evaluation of the three-month three-province pacification experiment during which each was under the unified control of a team chief; one an embassy FSO, one a MACV sector adviser, and one an AID province representative. COMUSMACV judged that test only partially successful; progress achieved was attributed to the "keen spirit of cooperation" by all team members. Because he believed the results inconclusive and in view of the existing military situation, General Westmoreland concluded that the team chief concept should not be implemented. The experiment was officially ended.

The U.S. also became deeply involved in the rice trade. Vietnam changed over from a rice exporter in the years through 1964 to a heavy importer from 1965 onwards. AID provided the imported rice under CIP. In September, 1964, Ambassador Lodge spoke of measures we are taking to control the price of rice; inasmuch as AID provided the imports, USOM had a say in the GVN's policies on price control, subsidization, and distribution of rice.

During this period a problem flared up over a corrupt Province Chief. Lt. Colonel Chi, Province Chief of Binh Tuy, was accused of misuse of \$250,000 of AID funds. After pressure from AID had merely produced threats against the lives of AID personnel in the province, on September 23 AID withdrew them and suspended AID to the province. Chi was a protege of General Co, the Minister of Defense and Deputy Premier, who himself figured in charges of corruption a year later. On October 5, the story got into the papers, and on the 7th Ky promised publicly to remove Chi. Lodge played no role in starting this episode, and told the Mission Council on October 7 that he did not want it repeated. After a six-weeks delay, Ky did remove Chi on November 25, and gave him a job in the Ministry of Defense. AID to the province resumed.

Advisers in the field kept on complaining about the delays in the Vietnamese system, and pressed for restoration of some resources of their own. On October 1, 1965, MACV began giving its sector and subsector advisers piaster funds they could spend on urgent projects. Each subsector adviser had access to 50,000 piasters which could be replenished as necessary. Toward the end of 1965 it became obvious that this method was highly successful. Consideration was given to permanent establishment of the revolving fund.

However, after the trial period of about four months MACV abandoned the plan because of strong opposition by General Thang, Minister of Revolutionary Development. He argued that under U.S. urging he had been developing an effective, flexible organization that would take care of urgent projects of the type the sector and subsector advisers wanted to promote; letting them bypass his people would encourage the latter to lapse into their old bad habits and thwart both governments' main objectives.

USOM also had second thoughts about abandoning the sign-off system. Early in October 1965, the Mission Council approved a plan to restore the "troika sign-off" procedure as it had existed prior to June. After the Mission had already reopened the issue with the GVN, the State Department objected, saying that the United States wanted to make the Vietnamese more independent and effective.

After a time the frustrations of the advisors began striking a sympathetic chord at the highest levels. In a draft memorandum to the President dated November 3, 1965, Secretary McNamara stated his own impatience with the GVN and urged a more active role for our advisers at province and district. There is no sign of such high-level interest earlier, except as expressed by decisions to extend the advisory system to lower levels; as just noted State objected to the restoration of troika sign-off on October 16, 1965.

Some uncertainty and disagreement with respect to pacification developed within United States groups in Vietnam. In November, Major General Lansdale, Special Assistant to the Ambassador, asked who on the U.S. side should have the executive role in dealing with the Rural Construction Ministry? Lansdale envisaged that MACV and JUSPAO would be observers only.

COMUSMACV disagreed with the proposed limitation. USMACV was the only structure advising GVN at all levels; so MACV shared responsibility for pacification. Manpower required for cadre teams would impact directly and seriously on MACV efforts to maintain RVNAF strengths. Minister of Rural Construction was Major General Thang who also was Director of Operations, JGS. He looked to MACV for advice and assistance on the whole spectrum of pacification problems.

On December 15 in a memorandum to Major General Lansdale, the Ambassador said,

I consider the GVN effort in this domain (apart from the military clearing phase) to be primarily civilian . . . Consequently, on the American side it is preferable that the two civilian agencies, USAID and CAS, be the operating support agencies.

The GVN military plan in support of the 1966 Rural Construction plan was given in the JGS Directive AB 140 of December 15, 1965, which had been developed in coordination with MACV and the Ministry of Rural Construction. In November onward, portions of the 1966 GVN defense budget prepared in accordance with U.S. guidelines were received by MACV.

At the time of the Christmas truce, President Johnson launched a peace offensive, including a suspension of bombing in North Vietnam that lasted 37 days. The moves were carefully cleared with GVN and with its Ambassador in Washington, and caused no significant problems. Lodge's appraisal was that the "offensive" achieved all its aims, at no significant cost. However, trouble flared up over a plan to release 20 NVA prisoners across the DMZ; General Thi was not consulted, and said he would not permit it (in his Corps). Things were smoothed over amicably by Tet.

One troublesome area was GVN's hawkishness over such issues as border incidents. Ky kept pressing for action against Cambodian sanctuaries; the U.S. stood firm on the rule of self-defense in emergencies only, which could mean shooting across the border but not maneuvering troops across it. Ky wanted to encourage a Khmer Serai expedition, which would cause a flare-up with the Cambodian Government; State directed Lodge to keep him on a tight leash.

Coup rumors started to circulate around the first of the year; Lodge remarked that just before Tet was a normal season for that. On December 29 Ky told Lodge of an alleged assassination plot directed at Ky, Co, the Buddhist leader Thich Tam Chau, and Lodge. On January 15, VNAF took to the air in nervous reaction to some supposedly suspicious troop movements; Lodge reported more rumors on January 19, and took the opportunity to spell out his position:

If . . . corridor coup . . . caused directorate members to fall out, consequences could be disastrous . . . A peaceful reshuffle within directorate is a continuing possibility. I would deplore it. We take all rumors and reports of government change very seriously and never miss an opportunity to make clear U.S. support for, and the need for, governmental stability.

Around the middle of January 1966, Ky addressed the Armed Forces Convention. He announced the prospective formation, after Tet, of a "Democracy Building Council" to serve as a constituent assembly and legislature. It would write a new constitution by October, 1966, preparatory to elections in 1967. This was the opening shot in what became a big issue within a few weeks.

D. THE HONOLULU CONFERENCE OF FEBRUARY 6-8, 1966

By late January, it was clear that Lodge's policy of not pushing GVN too hard may have helped keep things amicable but permitted pacification to keep lagging and permitted economic problems to grow serious. With conspicuous haste that caused GVN some loss of face, the U.S. summoned Thieu, Ky, and other GVN officials to Honolulu to express renewed and heightened U.S. concern. The U.S. wanted to re-emphasize pacification, with a corresponding shift of authority from the ARVN line command to the province chiefs; and it wanted strong action to limit inflation, to clear the Saigon Port, and to limit the unfavorable effect of U.S. deployments on the U.S. balance of payments.

For the first time in over a year, the U.S. bargained hard with GVN on issues of these kinds. The GVN agreed to the main U.S. demands on authority for the provinces chiefs. Moreover, it promised fiscal reform, devaluation, port and customs reform, and the use of GVN dollar balances to finance additional imports. The GVN also agreed that an International Monetary Fund team should be invited to give technical advice on these economic programs. Thieu

and Ky promised to go ahead with a new constitution, to be drafted by an appointed Advisory Council, and then ratified by popular vote in late 1966; following that, they promised, the GVN would create an elected government rooted in the constitution. The U.S. promised to increase AID imports to \$400 million in 1966, plus \$150 million in project assistance.

Altogether the two governments exchanged over 60 agreed points and assurances, ranging over free world (third country) assistance, rural construction (pacification), refugees, political development, Montagnards, Chieu Hoi, health, education, agriculture, and economic and financial programs. This package was far more specific than any previous US/GVN agreement. Their public statements after the conference emphasized social justice, the promise of elected government, and the U.S. lack of interest in bases or permanent alliance in South Vietnam.

In a public appearance at the conference, President Johnson embraced Prime Minister Ky, before photographers. Although it caused no loss of face directly, in the eyes of many observers this act added to the impression that Ky was tied to our apron strings. If Lodge sensed this effect, he said nothing about it; characteristically, he said to State that the Honolulu Conference was good psychologically for Vietnam.

Directly after the conference USOM remained seriously concerned with the high and rising black market piaster rate for dollars, which they and the Vietnamese business community regarded as the bellweather of inflation. Moreover, besides its harmful psychological effect, the high rate tempted U.S. personnel into illegal transactions, causing unfavorable publicity. Inasmuch as GVN refused to sell dollars in the black market to push the rate down, Porter requested authorization from Washington to do it on the sly with CAS money.

The thrust of the Honolulu Conference was clearly to stimulate nonmilitary pacification efforts. Upon his return to Saigon, Lodge issued a memorandum reconstituting the Mission Liaison Group under Deputy Ambassador Porter. Though charged by the memorandum with the management and control of all U.S. civilian agency activities supporting Revolutionary Development, Porter saw his responsibility as primarily a coordinating effort. He said he did not intend to get into individual agency activities.

V. A REBELLION, A CONSTITUENT ASSEMBLY, AND THE HARDSHIPS OF NEGOTIATING WITH A "WEAK" GOVERNMENT

A. THE RISE OF THE STRUGGLE MOVEMENT, MARCH, 1966

General Thi, Commander of I Corps, was a thorn in Ky's side as a potential rival. Both private and public disagreements showed there was no love lost between them; and Thi had a considerable base of support in his connections with the Buddhist leadership and in his identification with Annamese sensitivities. These factors also made the other generals of the Military Directorate (formerly National Leadership Council, etc.) suspicious of Thi; they felt better able to cope with Ky.

Armed with President Johnson's public support of him, Ky resolved to exile Thi, and he persuaded his colleagues to go along with the idea in a meeting on March 10. The day before he told Lodge of his intention, saying that Thi had been culpably insubordinate; Lodge replied that he should be sure he could prove the charges, so as to put a good public face on the move, and pave the

way carefully. Later in the day Lodge also advised him to make sure he had the votes in the Directorate, saying that for him to lose on the issue and be replaced as Prime Minister would be catastrophic. Ky was sure of himself, although he admitted he could not prove his charges. In a later meeting the same day, Thieu told Lodge Thi "had conducted himself in a way that was not suitable," and was confident Thi could be dismissed without ill effects.

On March 10, when the Directorate voted to fire him, Thi resigned. Ky told Lodge that Thi would go to Da Nang the 11th for the change-of-command ceremony and then leave the country for four months. The same day, Thi told Colonel Sam Wilson that he did not want to leave the country, and that he had been encouraged by the Director of National Police to stay; Wilson suggested that he go gracefully. On the 11th, when the time came for Thi to fly to Da Nang, he was detained at Tan Son Nhut; Ky had got wind of, or suspected, his intentions. Ky then urgently requested Lodge to invite Thi to the United States for a physical examination.

The Annamese Buddhists, led by Tri Quang, who had quietly bided their time for about a year, now entered the action. (Ky later told Lodge that Tri Quang had assented to Thi's dismissal and had then double-crossed him.) They began demonstrations in Da Nang and Hue on March 12, joined by the students, and over the next several days gained control of those cities as the police stood aside. Again Ky used Lodge's good offices to try to persuade Thi to leave the country gracefully; but the 16th, Ky and the Directorate decided to try to use Thi to restore order, and permitted him to return to Da Nang. For a few days things quieted down slightly, but the end was not yet in sight.

State offered Lodge suggestions on how to get things calmed down. First, he might counsel a firm attitude by GVN, saying it would meet with the Buddhists but not under threats, and that it would not permit disorders. Second, GVN might steal the initiative from the Buddhists by making a generous public offer of elections. Whichever course they followed, State wanted them to be sure it would work and would avoid a head-on collision with the Buddhists. In reply, Lodge agreed on the need to avoid a head-on collision; as for the means, he, like State, simply hoped for the best:

We should not settle on one solution or another. Rather it is possible, if not probable, that, unless uncontrollable mass reaction is brought about, each side will seek to arrange what can be looked upon as widely acceptable.

On March 22, Lodge and Ky had a long discussion of tactics relating to elections and constitution-writing. Elections were scheduled to come up for the largely powerless but symbolic provincial councils (which advised the Province Chiefs on policy matters), and Ky had reportedly toyed with calling off these elections. He was also far behind schedule on the constituent assembly he had publicly promised on January 19 for just after Tet, and as noted had privately promised the U.S. Government at Honolulu. Lodge reported:

2. . . . He is eager for advice and when he received it, he said he agreed with it. Now it remains to be seen whether it will be carried out.
3. My advice was based on careful reflection and consultation with my associates and was to this effect:
4. The GVN should not cancel provincial elections as I had heard re-

ported. He said that this was not exactly the case; that there were two provincial councils, which didn't want elections. I said in that event these councils should be made to say publicly that they didn't want elections so that the onus of not holding these elections would not fall on the Government. A public announcement had been made that the Government was in favor of holding these provincial elections; the offices involved have little actual consequence but are of symbolic significance; Washington had been informed of this fact; and if there was some reason why in one or two provinces they should not be held, then the provinces should make the reason plain.

5. I then advised that he should take the lead and influence opinion, and not be at the mercy of events. I suggested that a list of names for so-called consultative assembly (which I suggested would be better named "preparatory commission") which aims to draft a constitution, should be confirmed by the Generals. When this had been done, I suggested that then Ky should make a very carefully written and persuasive announcement which would be done on film for use on television and in the movie theaters. The Vietnamese are great movie-goers and it is a very important medium here. I said that he should not read it on film with his head bobbing up and down as he looked down at the text, but should have it put on cue card along side the camera and read it as he looks right into the lens.

6. His statement should be written in such a way as not to exclude the possibility of elections later on for a constitutional convention. In other words, this should be deliberately fuzzed and left open by implication. I said I much preferred the phrase "constitutional convention" to the pernicious French phrase "constituent assembly." The constitutional convention would meet, adopt the constitution and disband, whereas the constituent assembly stays around and makes trouble for an indefinite period.

7. He agreed with all this and seemed to understand it. He said that last night, the Generals had unanimously confirmed the names of the members of the preparatory committee. He would announce all this as I suggested. I wish he would do it quickly.

8. I suggested that impulsive unprepared statements were most dangerous at this time. Experienced politicians often make statements which seem to be "off the cuff," but actually are carefully thought out. His unprepared statements always worry me.

9. He agreed with me that certain Buddhists were unwittingly taking Communist inspired advice, as were the students in Hue who had attacked me . . .

10. He was absolutely sure that the Buddhists were divided among themselves—an analysis which I share. He agrees with me that Tri Quang simply has not got the powerful psychological factors working for him now that he had in October '63. All the Communist Propaganda in the world cannot alter these facts: That in '63, the Buddhists were discriminated against, and now they are not; that in the latter days of '63 the Buddhists were persecuted whereas now they are not; and that Tri Quang was an underdog then, and now he is not. Yet Tri Quang is evidently determined.

11. My advice to him was not very drastic and quite simple to do, and yet I believe that if he follows it conscientiously and expeditiously without procrastination that there may be enough of a budding sense of National interest to start moving things along in the right direction.

12. He thanked me more effusively and warmly than he has ever done before and said he was so grateful for my interest in his welfare, physical and political.

13. The situation is not yet out of hand. Ky has had offers from Catholics and Southerners for them to enter the fray on his side and start throwing their weight around, which he so far has been able to prevent them from doing. This is one of the things which I have been fearing. I talked in this vein with the Papal delegate and the Archbishop of Saigon yesterday, and they agreed completely. The leadership of the Southerners is not, I fear, as responsible.

On March 25, Ky followed Lodge's advice more or less closely, and announced the Constitutional Preparatory Commission and said it would finish its work within two months; elections might follow by the end of 1966. However, he insisted that GVN would exclude "Vietcong or corrupt elements" from the elected assembly. The move failed to restore order. On March 26, demonstrators in Hue broke out anti-American banners written in English, and an ugly incident followed in which a Marine tore one down. (After detailed negotiations, an apology was given and accepted.) The radio stations at Da Nang and Hue fell under control of dissident elements.

On March 29, Ky told Lodge that he and the generals wanted to move on Hue and Da Nang with military forces, and said that he could show that an unpublicized Buddhists split had caused the uprising. Lodge concurred in Ky's plan to use forces, but urged him not to try to create an open breach among the Buddhists.

Although Lodge had no objection to using force against the Buddhist movement, both he and Rusk felt that U.S. men and equipment should stay out of it, to avoid heightening anti-American feelings. Rusk told Lodge of his deep concern about Vietnamese internal bickering at a crucial time; he was particularly disturbed by the anti-American propaganda coming from the Hue radio, which was physically defended by the U.S. Marines in that general area. He went on to say,

We face the fact that we ourselves cannot succeed except in support of the South Vietnamese. Unless they are able to mobilize reasonable solidarity, prospects are grim. I appreciate your frank and realistic reporting and am relying heavily upon your good judgment to exert every effort to get us over the present malaise.

Lodge replied that his influence with the Catholics had kept them out of it, but that his talks with Tri Quang had been unproductive. He estimated that Tri Quang had used the anti-American theme to put pressure on the GVN. (Through an intermediary the Embassy learned that General Thi said that the United States was too committed to leave; this belief may have led Thi and the Buddhists to feel free to use the theme as a weapon against GVN.)

On March 29, the Catholic leaders in whom Lodge had placed his hopes came out against the GVN and demanded a return to civilian rule.

B. KY'S FIRST ATTEMPT TO SUPPRESS THE STRUGGLE MOVEMENT, APRIL, 1966

Events now happened in rapid succession. Assured of Lodge's sympathy, on April 3 Ky declared that Da Nang was in the hands of Communists. On April

5, despite mild questioning from State, MACV airlifted two battalions of Vietnamese Rangers to Da Nang under personal command of Ky, and they started to seize the city. That same day the 1st ARVN Division Commander declared for the Struggle Movement, with his officers backing him, and U.S. advisers were withdrawn from the Division. On April 6, "non-essential" U.S. civilians withdrew from Hue. On April 8, the GVN flew two more Ranger battalions to Da Nang, using its own airlift after MACV refused to provide any. On April 9, U.S. representatives protested to Struggle Movement leaders about Howitzers under their control positioned within range of the Da Nang airbase; the leaders agreed to pull them back. Two hundred U.S. and third country civilians evacuated Da Nang.

Washington played little role in all this. From time to time it offered mild advice, but Lodge had a free hand. It was his decision to withhold any further U.S. airlift on April 8, although after he acted State agreed by urging him to push GVN toward a political rather than a military solution:

Accordingly we believe you should not repeat not urge immediate Da Nang operations at present, but rather that entire focus of your efforts at all levels should be to get political process started.

(It was at this time that Lodge wrote his long cable, discussed in the next section below, saying that the U.S. does not have enough influence in Vietnam, and that it should set up a leverage system that bypasses Saigon and works at the Province level.) Lodge accepted the fact of Buddhist power, and wanted to avoid bloodshed, but as always his sympathies were squarely with the military leadership:

The political crisis which has been gripping VN is now almost one month old. The situation has deteriorated steadily as the Buddhist opposition has increased pressure on the GVN.

Buddhist demands, when stripped of hypocrisy [and,] . . . boil down to a naked grab for power.

Throughout this period we have sought certain fundamental objectives:

- A. To preserve the VN nation, and thus, the present government.
- B. To provide for an orderly political evolution from military to civil government.
- C. To preserve the Armed Forces as an effective shield against VC.
- D. To guard and expand all our political, economic, social and military gains, notably those which flowed from the Honolulu declaration.
- E. To maintain the effectiveness of the Free World forces in VN.

On April 12, GVN found a face-saving formula and withdrew its Ranger battalions from Da Nang to Saigon, and the streets became relatively quiet. On the 14th, the Directorate gave way to the demands for elected civilian government by promising elections for a Constituent Assembly within three to five months. For the time being the Buddhists and other political groups, while making additional demands, called off the demonstrations on condition that Ky honor his promises.

On April 23, Lodge reviewed for State all the leverage available that might

be used to help bring the I Corps area under government authority, and rejected using any of it.

We have considered possibility of using U.S. control over economic and military commodities in I Corps to foster re-establishment of government authority in the areas.

The bulk of USAID-controlled commodities are scheduled for use in rural areas. Comparatively little anti-government activity is carried on by the rural population . . .

The Hue-DaNang area currently is relatively well stocked with basic commodities. There is an estimated four month supply of rice on hand and the countryside is now starting the harvesting of a rice crop . . .

The U.S. currently controls, through the USAID, the following: (A) Warehouses in the part of DaNang containing quantities of construction material and PL-480 foodstuffs . . . (B) Three deep draft vessels and one coastal vessel now in the DaNang harbor with CIP cement, rice, fertilizer, and miscellaneous commercial cargo . . . (C) Nine chartered coastal vessels . . . operated for USAID . . .

With respect to military commodities, RVNAF maintains a 30-60 day supply of expendable combat items while their rice stocks are maintained at a 30-day level. However, under rationing these rice stocks can be extended to 60 days. The RVNAF items which are in short supply throughout Vietnam, as well as in the Hue-DaNang area, include vehicle batteries, brake shoes, and POL. We consider it unwise to interfere with the flow of supplies to RVNAF at this time since it would limit effectiveness of operations against Viet Cong forces . . .

Indeed any U.S. effort to withhold resources which it controls in this area may stimulate excesses by the struggle movement even though an attempt is made to conceal the U.S. role in the imposition of sanctions.

C. VIOLENCE EXPLODES IN MAY, 1966

After promising the elections by August 15, against Lodge's public disagreement, Ky said in a public statement on May 4 that "we will try to hold elections by October." In Lodge's absence, on a long trip to Washington, Porter protested privately to Ky that once he had made a public commitment on election timing he was risking further disorders to appear to shirk it. Nevertheless, Ky added to the flames by a further public statement that he expected to remain in office for another year. New disorders broke out, and DaNang and Hue again fell under overt control of the Struggle Movement. Without consulting the Embassy, the Directorate laid plans for several days and then on May 15 airlifted troops to DaNang and then to Hue.

State first reaction showed unrestrained fury, and sanctioned "rough talk" to stop the fighting:

This may require rough talk but U.S. cannot accept this insane bickering . . . do your best in next few hours. Intolerable that Ky should . . . move . . . against DaNang without consultation with us. Urgent now to insist that fighting stop.

State did not, at first, sanction the threat of force; for example, it said Gen. Walt should continue to harbor the dissident General Dinh in III MAF Head-

quarters, and that Walt should tell GVN he "can't foresee the U.S. Government reaction" if GVN forces should break into his Headquarters. Its overall guidance was to use persuasion, withdrawal of advisers, and a public posture of non-intervention, with the following specifics:

1. Announce that the U.S. was not consulted, gave no help. Ky's use of T39 routine, "not material assistance."
2. Furnish no airlift.
3. Withdraw all advisers from I CTZ, including from loyal GVN units, except for any clearly in position to fight VC. Keep U.S. forces out, except *maybe* to fight VC.
4. Inasmuch as withdrawal of civilians and military from DaNang in early April had a sobering effect, State authorized withdrawing them again (including combat forces).
5. Exception to 3: Keep contacts with Thi and 1st Division, and make other like exceptions. (Purpose of withdrawal is to avoid appearance of involvement.)
6. Use contacts to get a compromise that avoids bloodshed.
7. Find out "soonest" the effect on election preparations.
8. Do not throw U.S. weight behind GVN effort.

However, the "rough talk" actually used did reach the point of a clear threat of force. General Walt heard of a possible VNAF attack on dissident ARVN units in their compounds, and threatened to use U.S. jets to shoot down the VNAF aircraft if they did. (The pretext was that U.S. advisers would be threatened if they did, and did not apply to VNAF self-defense against dissident ARVN units closing on DaNang.) If such an attack was planned, the threat succeeded.

Porter followed State's guidance closely; he put it strongly to Ky and Thieu that the failure to consult was unacceptable, withheld airlift from GVN and withdrew advisers from units on both sides, and obtained from Thieu the assurance that the election would be held as promised. He refused to give public backing or opposition to either side, and tried to mediate. State sent several more messages with guidance along the same lines, and directed him to tell both sides of USG's impatience with Vietnamese factionalism:

The American people are becoming fed up with the games they are playing while the Americans are being asked to sustain such major burdens.

On May 17, a U.S. helicopter received small arms fire from a dissident ARVN unit when carrying a GVN officer to parley with them; the helicopter returned the fire, causing several casualties. In a stormy meeting the next day with Corcoran, the U.S. Consul in Hue, Tri Quang accused the U.S. of joining forces with GVN in attacking his people, and threatened violence against U.S. forces and facilities. Corcoran stood firm, saying that U.S. forces would defend themselves. State's guidance the same day, reaffirming the previous guidance, was to limit U.S. assistance to administrative aircraft, and then only when GVN had none available, to reassure Thi and the leaders of the Struggle Movement about U.S. support for free elections, to bring opposite sides (especially Ky and Thi) to face to face discussions, and to intervene as needed to end the squabbling. On May 20, Tri Quang complained to another U.S. official about the

administrative aircraft who pointed out to him that the U.S. also provided such aircraft to Thi and other dissident military officers. That same day a dissident leader threatened to attack GVN forces at DaNang, and State directed that he be reminded that the U.S. forces also in DaNang would have to defend themselves. State also authorized the threat of total U.S. withdrawal.

On Lodge's return to Vietnam at this time, he received detailed guidance from State, very similar to that previously given to Porter, for his first meeting with Ky. The guidance re-emphasized the demand for prior consultation by GVN before it made any important move, and directed him to urge GVN to be conciliatory and to use its forces with the utmost restraint:

1. We must have absolute candor from Ky as to his plans, and opportunity to comment before significant actions.
2. Tell him to leave pagodas alone, except for surveillance and encirclement.
3. Keep ARVN out of Saigon demonstrations.
4. Elections vs military role: Sound out.
5. Encourage election progress.
6. Keep GVN in contact with Buddhist leaders.
7. Help Ky meet Thi.
8. Consider further the suggestion of withdrawal from DaNang and Hue.
9. Give us "your judgment as to whether we ought to move forcefully and drastically to assert our power" to end strife.
10. Suggest broadening the Directorate with civilians.

By this time, Ky had begun leaning over backward to consult Porter, and then Lodge, before every move. GVN forces overpowered roadblocks and controlled DaNang, but demonstrators were operating freely from pagodas in Saigon, and the Struggle Movement had absolute control of Hue, where in the next few days they surrounded and blockaded the consulate. In Saigon GVN followed Lodge's advice and neutralized the pagodas by surrounding them without violating them; but in the I Corps he was preparing to occupy Hue forcefully as he had DaNang. The Buddhists began a series of self-immolations. Amid mounting threats, the U.S. evacuated the consulate and its other facilities in Hue.

Lodge was unreservedly sympathetic to Ky, as in April, and viewed the Buddhists as equivalent to card-carrying Communists; but he followed instructions and pressed Ky to be conciliatory. When Ky would blurt out fire-eating statements and whittle down his previous promises on elections, Lodge would patiently urge him to avoid off-the-cuff statements and to limit himself to prepared statements on radio and TV. Lodge and Westmoreland repeatedly pressed Ky and Thi to get together, which they did on May 27; Ky offered Thi and Dinh unspecified Army jobs. State was gratified, but cautious.

D. KY RESTORES GVN CONTROL IN I CORPS, JUNE, 1966

One of the main subjects of Lodge's conferences in Washington was what the U.S. Government position should be on elections for the Constituent Assembly. Having finished deliberations and drafting after Lodge returned to Saigon, State cabled the principles it thought should guide the Mission's operations on election matters:

A. GENERAL PRINCIPLES OF U.S. ACTION

The U.S. Mission should seek to exert maximum influence toward the achievement of the substantive objectives stated in B. below. At the same time, this must be done with recognition that a key objective is to avoid anti-Americanism becoming a major issue; we shall be accused of interferences in any event, but it is vitally important not to give potential anti-American elements (or the press and outside observers) any clear handle to hit us with.

B. OBJECTIVES

1. Elections should be held as announced by GVN on April 15th, that is by September 15 of this year.
2. The issue of anti-Americanism should be kept out of the election campaign as far as possible.
3. The question as to whether the constitutional assembly will only have the role of drafting the constitution or will have some further function should not be allowed to become an active pre-election issue and the U.S. should take no position on this question.
4. The elections should be conducted so as to produce a constitutional assembly fairly representing the various regions and groups within South Vietnam (except those actively participating with the Viet Cong), including the Army, Montagnards, Khmer minorities, et al.
5. The elections should be conducted so as to gain a maximum improvement in the image of the GVN in the United States and internationally; this calls for a wide turnout, scrupulously correct conduct of the voting and counting process, as little political limitation on voter eligibility as possible and vigorous efforts to avoid voter intimidation from any quarter. Ideas to be explored are a brief election period ceasefire, international observation of the elections, students participating as poll watchers, etc.
6. The emphasis in the campaign should be on the selection of good men to draft the constitution; political parties are not expected to play a major role although the campaign may provide the occasion for laying foundations for future party organization.
7. Unless new developments change our assessment, major efforts should be devoted not to stimulating the formation of a large nationalist party but rather to the adoption of the concept that these elections bring together all non-communist groups who are pledged, among other things, to their country's independence and the continuing need to defend it with American help. Specifically, efforts should not be made to split the Buddhists or isolate the militant Buddhist faction.
8. The election process should be a vehicle for educating and engaging the population in the democratic process and it should be used to launch political and psychological initiatives with youth groups, students, labor, etc.
9. Restore as far as possible the unity of the Directorate and promote a reconciliation between Generals Ky and Thi. However, discourage efforts by the Directorate to form a government party designed purely to perpetuate the Directorate in power to the exclusion of other significant political groups.

At the end of May things seemed to settle down. McNamara sounded out

the Embassy about a trip in early June, but Lodge talked him out of it on the grounds that it might tempt the Buddhists to start demonstrating again. Ky met Buddhist Institute leaders on May 31 and offered civilian participation in an enlarged Directorate. He reported that the Buddhists accepted this along with reassurances about elections, and agreed with Ky's new appointment of General Lam as Commander of I Corps. Lodge was skeptical:

The above is what Ky said and it stood up to questioning. It sounds too good to be true, and we will await next steps.

The next day, June 1, a mob of students burned the consulate and consular residence in Hue. When GVN forces prepared to move on Hue, the Struggle Movement filled the streets with Buddhist altars, serving as roadblocks the GVN forces hesitated to disturb, while dissident ARVN units deployed in the city.

The directorate's April 14 promise of elections of a Constituent Assembly on August 15 had led to the creation of an Electoral Law Commission, which the Buddhists boycotted as a result of the subsequent disagreements. The Commission presented its proposals on June 5, and they included several features unacceptable to the Directorate, especially those related to the powers and tenure of the Assembly. Ky reacted publicly on June 7, saying that if military-civil unity proceeded smoothly enough over the next few months it would be possible to postpone elections. Demonstrations continued in Saigon, while a combination of negotiations and force gradually brought Hue under GVN control.

On June 15, Ky made it clear that the Assembly would not be permitted to continue and to legislate after drafting a constitution, and that the Military Directorate would continue in power until promulgation of the new constitution and the seating of a subsequently elected Assembly in 1967. (Note that Lodge backed this attitude.) The Buddhist Institute called a general strike in response to the GVN declaration that June 18, the anniversary of the Thieu-Ky government, would be a national holiday. On June 19, the Directorate scheduled the elections for the Constituent Assembly for September 11, 1966. The announcement had a calming effect, and the disorders came under control within a few days. The approved electoral law gave the Directorate ample scope to exclude unwanted candidates, and prevented the Buddhists from putting their symbol, the red lotus, on the ballot. (Again, note Lodge's concurrence.)

On July 31, Thi went into exile.

E. REVOLUTIONARY DEVELOPMENT, MARCH-JUNE, 1966

To help implement the increased emphasis given pacification at Honolulu, President Johnson in late March appointed Robert Komer as his Special Assistant for "peaceful reconstruction." The creation of a high level focal point for pacification planning and coordinating had the effect of supplanting the inter-agency Vietnam Coordinating Committee (created in 1964 and originally headed by William Sullivan). Though Komer's charter was more limited than that of the VNCC, his direct access to the President conferred particular importance to this position. To his desk came the MACV and Mission reports on the progress of pacification that struck the same gloomy note month after month. The Status Report of March 30 on the Honolulu agreements said:

1. Assure that Province Chief actually retains op con over necessary military forces to support program in his Province. Status: In Long An Prov-

ince two regiments of the 25th Division are under Province control. This is encouraging, but tactical situation elsewhere makes it difficult. MACV plans to augment regular forces by 120 companies in 1966-67 (approximately 47 will go to priority areas.) This augmentation if successful will be major step forward.

2. Areas where the program is underway and four priority areas in particular should be placed under superior Province Chiefs who should not be removed while program is underway without serious cause. Status: Since Honolulu, eight Province Chiefs have been replaced. Most fall within category mentioned by General Co at Honolulu when he said GVN was about to make several changes to strengthen their ability to achieve plans. The Mission continues to emphasize at every level the need for continuity, but in most cases it is dangerous for U.S. to go down the line in support of individual Province Chiefs.

The Mission report on the status of "Revolutionary Development" for April said:

RD remains behind schedule with progress slow. As reported in March, lack of effective leadership, military as well as governmental, marginal local security, and late availability RD cadre teams, continue to hamper program accomplishments.

The corresponding report for May said:

Lack of effective low-level leadership and lack of local security continued to have adverse effects on RD program . . . progress primarily reflects consolidation of hamlets and population already under a lesser degree of GVN control rather than direct gains from VC control. There was no appreciable expansion in secured area or reduction in VC-controlled population.

An incident in June highlighted the frustrations of U.S. field representatives, and showed that leverage could work, at least on procedural matters. In Kontum, the Province Chief flatly refused to set up any end-use control procedures (filling out requisitions, etc.) for USAID commodities. This refusal could not be accepted, and AID suspended all commodity shipments to the Province. After four days, the Province Chief gave in, and AID resumed shipments.

Meanwhile, the GVN was going nothing about its Honolulu promises in the areas of administration, economic reform, and dollar balances. There were several U.S. Government reactions to these failures and continuing weaknesses. There was a series of studies and proposals for leverage, and there was rising pressure for renewed direct negotiations with GVN.

An example of the studies was the U.S. Army's "Program for the Pacification and Long-Term Development of South Vietnam," (PROVN).

The PROVN study was completed in March 1966 by a Department of the Army staff team and briefed on May 17 at CINCPAC Headquarters during a visit by COMUSMACV to Hawaii. His comments at that time were that most of the recommendations already had been acted on. He emphasized that particular care should be exercised to avoid conditions which would cause RVN officials to be branded as U.S. puppets.

The study results were presented in the MACV conference room on May 21.

In response to a JCS request, COMUSMACV commented in detail on May 27. He noted that PROVN recommended two major initiatives: (1) creation of an organization to integrate the total U.S. civil-military effort, and (2) exercise of greatly increased U.S. involvement in GVN activities.

COMUSMACV agreed with the first recommendation but felt it was already being accomplished. COMUSMACV agreed that immediate and substantially increased U.S. involvement in GVN activities, in the form of constructive influence and manipulations was essential to achievement of U.S. objectives in Vietnam. He felt there was great danger that the involvement envisioned would become excessive and boomerang on U.S. interests; U.S. manipulations could become an American takeover justified by U.S. compulsion to get the job done.

COMUSMACV saw the advantages in removing ARVN divisions from positions of command over provinces, and attaching some of their units to provinces, but this action would require a major shift of Vietnamese attitudes. Assignment of ARVN units to provinces in the past had had limited success because of restrictions on employment and command jealousies.

Accordingly MACV recommended that PROVN, reduced primarily to a conceptual document, carrying forward the main thrusts and goals of the study, be presented to the National Security Council for use in developing concepts, policies, and actions to improve effectiveness of the American effort in Vietnam.

Subsequently, JCS inquired about Revolutionary Development effectiveness. They asked why RD objectives could not be more effectively achieved with the program under military execution. COMUSMACV's reply repeated the views of the Ambassador's December memorandum to Lansdale and said the program was primarily civilian.

F. LODGE FAVORS DECENTRALIZED LEVERAGE

Embassy officials, meanwhile, continued to press for the restoration of the leverage that was lost with the dropping of the troika sign-off in June, 1965. There is no indication that the issue of sign-off came up at Honolulu, very likely because of disagreement on it between State and Saigon. But in April, Ambassador Lodge went on the record in favor of the sign-off system, and against civil encadrement in the Ministries.

Experience and study have made it apparent that the United States has not the influence which it should have in Viet Nam and also that [we] could be organized so as to be relatively much more immune from some of the worst effects of changes of government in Saigon.

I refer to influence in the provinces, and lower units of government, and not to our influence at the top of the Government in Saigon, which is just about as good as it can be. The GVN in Saigon sometimes disagrees, often agrees, and is rarely able to get much done . . .

An error was made in giving up our right to withhold funds from USAID projects until we have conducted a successful bargain with the Vietnamese in which they agreed to carry out certain things which we wanted . . .

There are two ways of not solving this problem of contact: (a) One is for a US agency head with big administrative responsibilities to pop over to the ministry to argue briefly and intensely, American-fashion, with the Minister—a system which is almost guaranteed not to produce results.

(b) Nor do I believe the problem is solved by putting American offices in the Vietnamese Ministries. This was the French practice, and it too does not prevent bureaucratic paralysis . . .

We should always be on the lookout for Americans who have the sympathy with and the knack of getting along with these people, and we might find some good material among the young men who are in the provinces. Another idea is to bring about a situation where we are really economic partners of the GVN and not merely the people who pay for the CIP Program without effective participation in the use of the piaster proceeds of that program. At present we have very little say in the disposition of such piaster funds. Somewhere along the line we gave up this very important leverage. In fact, we are now trying to recover joint authority over those funds, but progress is difficult . . . If we had this joint GVN/US authority, we could get at corruption, provided we also had advisers with the Ministries who were really "persona grata."

In the first week of May, Porter put the sector fund idea to Ky, who rebuffed him. Lodge tried to keep the idea alive, but without success.

G. THE MILITARY ADVISORY PROGRAM, MARCH-JULY, 1966

COMUSMACV's concern over declining present for combat strength of ARVN units resulted in a study which showed that as of February 28, only 62% of their authorized strength were mustered for operations. There were two principal reasons: (1) Division and regimental commanders had organized non-TOE units such as strike/recon, recon and security, recruiting teams, and (2) Large numbers of deserters, long-term hospital patients, and KIA had not been removed from rolls. MACV instructed JGS to disband non-TOE units and give increased attention to improving administrative procedures. Senior advisers were told to monitor their counterparts and use their influence to bring present for operations strengths up to at least 450 men (75%) per battalion.

At the same time, MACV had a study made to determine the need for reconnaissance units. When field advisers were asked, all replies were favorable; so JGS was asked to develop the organization for a regimental reconnaissance company.

Training was another problem. One adviser stated, "It is more accurate to describe the training program as non-existent instead of unsatisfactory." Another said, "It appears that the battalion commander desires the deterioration of the training status of the battalion so that higher authority will place the unit in a training center to be retrained." COMUSMACV wrote to the Chief JGS in March on the subject of training, but training progress did not change appreciably through 1966 from the level recorded during the first four months.

There was a question of what to do about units which advisers rated ineffective. The combat effectiveness of the 5th and 25th ARVN Divisions was the subject of a staff study completed April 19. Five courses of action were considered:

- (1) Deactivate division headquarters and place subordinate units under province chiefs.
- (2) Exchange the divisions with two other divisions from different CTZ's.
- (3) Relieve the key leaders at all levels who were marginal or unsatisfactory.

- (4) Relieve the divisions of their primary responsibility of fighting VC and leave them to pacification.
- (5) By expression of COMUSMACV's concern, encourage intensification of adviser efforts to solve the divisions' underlying problems. If there were no improvement, withdraw all advisers. If there were still no improvement, withdraw all MAP support.

COMUSMACV vetoed the last proposal and had it removed from the study. His guidance was to avoid sanctions against GVN, to intensify the effort to associate and integrate the 5th and 25th ARVN Divisions with the 1st and 25th U.S. Division, and to consider the possibility of greater U.S. participation in pacification in Hau Nghia and Binh Duong provinces.

In April, a study based on exhaustive analysis of field adviser reports and interviews was presented to RVNAF. It concerned itself with several major problem areas: Leadership, discipline, and personnel management. RVNAF reacted positively and quickly to the recommendations by establishing a committee to develop a leadership program.

In response to COMUSMACV guidance in May, J-5 studied courses of action to produce more dynamic progress in the counterinsurgency effort in RVN. It recommended establishing a Deputy COMUSMACV for RVNAF matters as a way to influence RVNAF more. General Westmoreland said in his endorsement that this step had already been taken with the appointment of Brigadier General Freund as Deputy Assistant to COMUSMACV. At the same time, he directed J-5 to review Brigadier General Freund's Terms of Reference and recommend changes or extensions. The completed J-5 study was forwarded to Chief of Staff Army on July 23, recommending that the Special Assistant to COMUSMACV not be given responsibility for any portion of the U.S. Advisory effort.

Low personnel strength was another critical factor in ARVN effectiveness. Only one of 22 battalions rated combat ineffective or marginally effective in July did not report a shortage of personnel. COMUSMACV advised Chief JGS to form an inspection team at general officer level to inspect the strength situation of ARVN division. The Inspector General, JGS, headed the team and was assisted by COMUSMACV's personal representative. The team began its inspection with the 25th Division.

H. ECONOMIC POLICY AND THE PORT OF SAIGON, APRIL-JUNE, 1966

As noted, this period saw rising pressure for renewed direct negotiations with GVN. When the first phase of the Struggle Movement ended in mid-April, Washington was thoroughly dissatisfied with accumulated delays on the economic program agreed at Honolulu. The USG had gone ahead and delivered on its side of the bargain, but GVN had done nothing. State proposed the threat of sanctions; without apparently going that far, Lodge persuaded GVN to cooperate fully with the IMF team, then on its way, to work out an anti-inflationary and balance-of-payments program.

The IMF team worked through late May and at the end of the month agreed with GVN on a program with the following main points:

- (1) The exchange rate for imports, including tariff, would be increased from 60 to 118 piasters to the dollar except for rice, which would be brought in at 80. Purchases of piasters by U.S. troops and civilians, and other "invisibles," would have the 118 rate in both directions.

- (2) A new tax on beverages would raise about 1.5 billion piasters in revenue.
- (3) The GVN would sell gold to jewelers to push the price down closer into line with black market dollar exchange rate.
- (4) The GVN would raise wages and salaries of its employees by 20% immediately, with a further 10% to follow in six months if necessary.

The GVN asked the USG for assurance on the following points:

- (1) The GVN/IMF plan would substitute for the fiscal and customs reforms promised at Honolulu.
- (2) The USG would liberalize the Commodity Imports Program to cover all importers' requests.
- (3) The USG would buy all its piasters for official programs at the exchange rate of 80 (versus the previous 35).
- (4) All appropriated Commodity Import Funds not used up would be applied to economic development projects in Vietnam.

The USG raised no problem about points (1) and (3) of the GVN requests, but for obvious reasons could give only vague and non-committal assurances on the amount of AID that Congress would authorize and reprogram. However, it made other concessions to increase total economic aid. The two governments reached prompt agreement on these points, and the piaster was devalued as proposed on June 18, along with the associated fiscal reforms. The GVN's promise to hold down its dollar holdings (given at Honolulu) remained "binding," although the generous AID package of the previous July was now raising GVN's dollar balances at a rate of about \$100 million per year.

These decisions overrode a proposal from OSD (Systems Analysis) to get tough with GVN and to get deeper and more enforceable reforms. The DASD (Economics) predicted that the GVN would fail to carry out any reforms other than changing the exchange rate, and proposed to force the GVN to maximize its legal revenues from CIP by threatening to curtail the program. Without reform of the licensing, high market prices for CIP commodities yielded extortionate profits to those merchants who could get licenses, with a presumption of kickbacks to the licensing agencies. The proposed reform was to auction the licenses in the presence of US observers. He also proposed direct US purchases of piasters, in a "grey" market.

Upon settling the devaluation package, the Embassy immediately pressed for drastic changes in Saigon port management; the pile-up of civilian cargoes had grown so much as to add to the already serious congestion. Lodge proposed a complete MACV takeover of the port and warehouses with a Vietnamese general to be appointed as figurehead port director. However, the Mission backed away from the idea of complete takeover for the time being, and settled for MACV handling of AID direct assistance commodities, not including CIP.

The agreement reached with GVN at the end of June said:

- The United States Military Agency appointed by COMUSMACV . . . shall forthwith assume responsibility and all necessary authority for . . .
- A. The receipt and discharge of all AID-financed commodities consigned to CPA.
 - B. The obtaining of customs clearances and all other clearances . . . for such commodities.

- C. The storage and warehousing of such commodities in transit as necessary.
- D. The transport of such commodities to such first destinations, including GVN holding areas and/or CPA/ministerial depots as may be designated by USAID/CPA.

I. POLITICAL AFFAIRS IN THE THIRD QUARTER, 1966

This period was comparatively quiet, and transactions between the two governments were routine. Late in June, Ky had brought up with Lodge the idea of a cabinet reshuffle, and Lodge had advised him to go slow. In July, Ky agreed to put it off. In August Ky volunteered to do something about the most corrupt generals in the Directorate, especially Co and Quang. Again, Lodge, who had frankly given up on corruption in the highest places, cautioned him to go slow, and Ky decided to put off any action until after the September elections. Lodge's advice, with State concurrence, concentrated on making sure Ky had definitive evidence of the alleged corruption; Lodge was sure that following this advice would delay things sufficiently. Late in August, Ky received an invitation to talk to a press group in Los Angeles, and Ky tentatively accepted. Both Lodge and State panicked, especially when the group started to set up a debate between Ky and Senator Fulbright; and in the upshot they talked Ky out of going.

GVN launched its transition to legitimate government on September 11, electing the long-promised Constituent Assembly. Although GVN systematically excluded from the elections all persons connected with the Struggle Movement, and although the Buddhists declared a boycott, the electorate turned out in large numbers and the results gratified the Embassy. State had reservations about the exclusion of Struggle Movement people, but Lodge unreservedly backed this exclusion, on the ground that GVN "should not be discouraged from taking moderate measures to prevent elections from being used as a vehicle for a Communist takeover of the country." As the election approached, Washington and the Embassy began to think about what they wanted to see in the new constitution. Lodge's view listed the following minimum essentials for the US best interests:

- A. A strong, stable executive.
- B. Executive control of the military.
- C. Emergency powers, so that the legislature can't hamstring the executive during the war emergency.
- D. Appropriate provision for the people's aspirations and rights.
- E. Minority group representation.

Lodge also listed lower priority requirements for the new constitution:

- A. Relative ease of amendment of the constitution.
- B. Removal of either the President or the Legislature should be very difficult.
- C. A limited term for the President.
- D. Appropriate provision for establishment and improvement of the judiciary.
- E. A superior court for constitutional review of laws and decrees.

- F. Expansion of the powers of provincial councils and other forms of local government.

State expressed broad agreement with Lodge's views, with reservations about emergency powers and about constitutional provisions to forbid communism and neutralism.

J. THE ROLES AND MISSIONS STUDY

In response to a May 27 directive from Deputy Ambassador Porter, the Director JUSPAO had named Colonel George Jacobson chairman of a study group to define RD strategy and the roles and missions of the various elements. The group submitted its report on August 24, 1966.

The major recommendations of Roles and Missions Study were:

- (1) The many elements and echelons charged with destroying VC infrastructure are confusing. The National Police should have the primary mission and responsibility for this goal.
- (2) Reforms in basic GVN attitudes are necessary. Many rural residents believe that the US condones corrupt practices. This must be changed.
- (3) ARVN forces should be encouraged to increase participation in pacification activities.
- (4) PF/RF should be developed into a constabulary-type organization.
- (5) PF/RF should be transferred from the Ministry of Security to the Ministry of Revolutionary Development.
- (6) CIDG should be stationed only in remote areas.
- (7) The Vietnamese Information Service is not effective at local level. It should assume supporting role to propaganda activities of other agencies.
- (8) A Directorate of Intelligence should be established to coordinate all intelligence activities.
- (9) Reinstitution of the MACV Subsector Advisor Fund is urged.
- (10) ARVN Divisions (eventually Corps as well) should be removed from the chain of command in RD affairs. For instance, there were no USAID, JUSPAO, or CAS representatives at ARVN division headquarters.
- (11) Because of generally bad behavior of ARVN Ranger units, they should be disbanded with Rangers reassigned as individuals throughout the Army.
- (12) The physical and attitudinal consequences of present air and artillery employment policies should be studied.
- (13) A logistic system which provides for US government control until delivery of material to end users should be substituted for the present MAP procedures.
- (14) The Provincial Committee "signoff" provision should be reinstated for the Revolutionary Development budget.

On September 7 COMUSMACV made the following comments with respect to the Roles and Missions Study:

- (1) Action had been taken to increase ARVN participation in RD, but removal of Division from the chain of command in RD activities appeared illogical. If ARVN combat battalions were dispersed to all 43

provinces, the Corps span of control would be ineffective and this arrangement would risk having these units defeated in detail. The proposed placement of battalions under sector commanders was feasible only in some areas—to be considered on an individual basis. The 1967 Combined Campaign Plan would clarify the functions of ARVN. Other things such as the buddy system with US units were the realistic ways of accomplishing the goal.

- (2) The recommended disbandment of Ranger Battalions would seriously reduce ARVN combat strength. They should be retained and reorganized under new commanders.
- (3) Recruitment of PF personnel for RD would weaken hamlet security.
- (4) Although the study recommended giving primary responsibility for intelligence to the National Police, the nature of the problem dictated that all US and GVN military and quasimilitary elements contribute to this important goal.
- (5) The idea of a single intelligence director seems sound theoretically, but it is not realistic when DIA and CIA are not amalgamated in Washington.
- (6) RD requires both military and civil participation. Continued emphasis on military participation would be given but the major change in the MACV organization suggested by the study did not seem necessary.

One of the year's changes that could have led to implementation of a major recommendation of the Roles and Missions Study, but didn't, was the March decision in Washington to transfer the support of FWMAF and RVNAF from MAP funding to service funding. Studies were made by MACV on how best to implement this change, which became effective in September. It was decided that only the logistic advisory function would be transferred to USARV. Programming budgeting and executing programs remained under MACV. Most important, MAP goods were still put into RVNAF logistic channels, although under the new funding they could have been held in US channels down to the receiving unit.

K. ECONOMIC POLICY AND THE PORT, THIRD QUARTER, 1966

Although in political affairs there was no significant friction between USG and GVN in the Third Quarter, GVN's accumulation of dollar balances and its inaction on economic matters caused growing impatience in USOM and in Washington.

In late July, 1966, Komer and Ambassador Lodge laid the basis for the US position, including a suggestion that from now on USOM should make sure it has the means to monitor and enforce GVN compliance with its commitments.

Komer said:

Devaluation, port takeover, CIP expansion, RD reorganization if all skillfully meshed—could yet have early impact on VN public and do much in these critical weeks to refurbish GVN image at home and abroad.

So far, however, GVN has failed to move aggressively enough with supplies in country to curb rice and port speculation; has been unwilling to try to develop wage restraint policy in private sector, has dithered on promulgating and carrying out promised regulations re Warehouse removals; has gone about moving expanded CIP goods up country on business as

usual basis; has shuffled about on RD reorganization, and Thang's or Ky's famous report to the nation.

Lodge proposed specific means to monitor GVN, and wished to urge the GVN to fund Revolutionary Development with counterpart piasters, so that USG could assure that the funding was adequate. Komer agreed with these proposals. Porter further proposed:

We intend using budget review process and counterpart releases on leverage on GVN CY 67 programs and to seek GVN acceptance of both overall ceiling and commitment to essential revolutionary development programs before we agree to support any part of the budget.

Note degree our effectiveness dependent on credibility our leverage by GVN, which may not be great.

But Porter opposed a complete takeover of the Saigon port, proposed by Komer.

VI. A SEVEN-NATION CONFERENCE, LEGITIMATE GOVERNMENT, AND HIGH HOPES FOR THE FUTURE, OCTOBER, 1966—SEPTEMBER, 1967

A. THE MANILA CONFERENCE, OCTOBER 1966

In the first week of October, just as planning was beginning for a seven-nation conference at Manila on Southeast Asia, latent mistrust between Southerners and Northerners in Ky's cabinet broke into an open split. A Northerner persuaded Colonel Loan, the Police Director, to arrest one of the Southerners, and although Loan released him on Ky's order a few hours later, six Southerners took it as an affront to all of them and threatened to resign from the cabinet. While conference planning was going forward, the crisis simmered on for almost three weeks, up to the eve of the conference. Lodge tried to mediate, but the six proved difficult to mollify; he conjectured that they were trying to get all the mileage they could out of the embarrassment the crisis would cause Thieu and Ky if it were not resolved before the conference. It was patched up at the last minute.

In preparing for the conference, Lodge was particularly concerned that Ky or Thieu, if put in the limelight through the opening speech to the conference, should avoid embarrassing the USG:

One crucial factor must be degree to which you believe they can be persuaded to make constructive and reasonable speech, avoiding talk of invasion of the North or any other subjects that put us openly at variance with each other . . . We hope that the GVN can delegate Tran Van Do and Bai Diem as its drafting representatives so that even before they arrive in Manila we would be a long way toward common agreement on the kinds of language we need.

The USG was also concerned that GVN should announce a broad and attractive program that would put a good face on itself and its prosecution of the war:

We welcome your news that Tran Van Do and Bai Diem will arrive Manila October 21 . . .

Since this gives us at least a solid day, the 22d, to refine drafts, we are inclined here not repeat not to ask you to work with GVN on detailed submissions . . . Rather and absolutely vital to favorable conference result, we believe you should be working with Ky to get his concurrence on the following list of action areas in which we believe forthcoming statement by GVN is not only wise in itself, but essential to US strong and successful public statement from the conference.

- A. Land Reform
- B. Constitutional Evolution
- C. National Reconciliation
- D. Economic Stabilization
- E. Improved Local Government
- F. Radically Increased Emphasis on RD/Pacification
- G. Postwar Planning
- H. Corruption
- I. Port Congestion
- J. GVN Reserves

In each of above categories, basic problem is to get GVN commitment and willingness to state its intentions.

Secretary McNamara put down his views on priorities in a Memorandum to the President on October 14. He noted that the US had not yet found the formula for training and inspiring the Vietnamese. The main thrust of the memorandum concerned shifting ARVN more into pacification and shifting the US pacification responsibility to MACV. But in discussing GVN's weaknesses, he commented, "drastic reform is needed." He let that one drop without any recommendation.

The conferees met in Manila on October 24-25, 1966, and after due deliberation issued a long communique on policies for Southeast Asia in general and South Vietnam in particular. They backed the defense of South Vietnam against North Vietnamese aggression, and supported the major outlines of US policy. The GVN emphasized its promises of social revolution, economic progress, and political freedom. They concluded with the declaration of intent to withdraw all US and Free World forces under specified conditions:

29. In particular, they declared that allied forces are in the Republic of Vietnam because that country is the object of aggression and its Government requested support in the resistance of its people to aggression. They shall be withdrawn, after close consultation, as the other side withdraws its forces to the North, ceases infiltration, and the level of violence thus subsides. Those forces will be withdrawn as soon as possible and not later than six months after the above conditions have been fulfilled.

B. BARGAINING BEGINS ON NATIONAL RECONCILIATION, OCTOBER-DECEMBER, 1966

The USG, having chafed at the lack of action on the Chie Hoi Program, wanted GVN to broaden it to attract high-level defectors by offering them posts comparable to their existing ones in the VC organization. This idea went down poorly with the Vietnamese. Lodge was pressing the idea from the beginning of October, and although they were reluctant, Thieu and Ky finally agreed on October 20 to proclaim the new program, called "National Reconciliation,"

on November 1, a national holiday. As noted above, Washington wanted and got a public commitment on this subject at Manila.

Then on November 1, the promised proclamation failed to appear; instead, there was a vague reference to it in a speech on other subjects. When the Embassy inquired, Ky said the speech had to be prepared very carefully, and that he had not had time before November 1; he promised he would have the speech and proclamation ready in early December. Lodge found this explanation hard to swallow, but had to accept it. When "early December" arrived, there was a dead silence; and the end of this exercise was not yet in sight.

C. MORE HARD BARGAINING ON ECONOMIC POLICY AND THE PORT, OCTOBER-DECEMBER, 1966

Economic policy negotiations had the same flavor as those relating to National Reconciliation. The USG was dissatisfied, in the third quarter 1966, as noted, on the lack of GVN follow-up on budgetary and foreign exchange promise in June following the IMF agreement. And in the fall, the Saigon Port congestion problem grew serious again; the June agreement had not gone far enough.

At the end of September, Governor Hanh of the RVN National Bank came to Washington to negotiate specifics on economic policy. During the negotiations, Komer cabled Lodge:

[We are pressing GVN] hard to agree to spend rapidly growing foreign exchange reserves on imports. Otherwise, it will appear and rightly so, that GVN is getting rich at US taxpayer's expense. It is apparent that GVN's chief reluctance on this score is that Thanh/Hanh want to squirrel away reserves for postwar rehabilitation in case US goes away and leaves them.

In the upshot, however, they reached only a vague and general agreement, on October 6, the most specific item being that GVN would limit its inflationary gap to 10 billion piasters in 1967. Dollar balances were deferred to later negotiations.

There was some effort to resolve disagreements on economic matters and the Port just before the Manila Conference, but no progress. Komer went to Saigon after the Conference and, assisting Porter in the negotiations, reached the following agreement with GVN on November 2:

- (1) GVN will use all gold and foreign exchange available to it in excess of \$250 million, not including commercial bank working balances, to finance invisibles and imports, including import categories now financed by the US.
- (2) GVN will place at least \$120 million of its reserves in US dollar instruments of at least 2 year maturity.
- (3) During US FY 67 USG will make available at least \$350 million of grant aid for imports, not including PL 480 Title 1 Commodities. Any portion of the \$350 million not required for such imports will be used during the US FY 67 as grant assistance for economic development projects.
- (4) Within the balance of payments accounts, the amounts or categories

to be financed by each of the governments will be determined through joint consultation on a quarterly basis.

The putting of GVN dollar reserves into US two-year or longer-term bonds would technically improve the US balance of payments, though the gain would be more nominal than real. The agreement left plenty of room for further problems and State recognized that each item would probably have to be pressed again.

Following this agreement, the Embassy prepared to negotiate a GVN budgetary ceiling and related matters. The strategy would be to seek agreement on a firm budget ceiling for GVN without committing the USG on its spending in Vietnam. But the Embassy had misgivings about this approach:

. . . It deprives US of the monetary gap analysis as a hinge on which stabilization agreements can be hung . . . Note that Komer-Hanh memorandum signed in Washington used 10 Billion gap figure as objective.

GVN officials are anxious to resume discussions. Prime Minister now has on his desk proposed GVN CY 67 budget of 100 billion piasters. The differences between that figure and acceptable one is much greater than the differences in US ceiling estimates last discussed here during McNamara's visit.

State cabled its agreement that showing GVN the US plan to limit its own piaster spending would help get GVN to accept tight ceilings itself.

In December, Embassy negotiators tried to pin down GVN on the means to limit its accumulation of dollar balances, talking mainly with Governor Hanh. To evade specific commitment, he repeatedly talked as though he could not determine GVN budget policy (which he had negotiated in Washington two months before) and that he could not as a good banker make the bookkeeping transactions that would be required to permit GVN to run them down by buying imports. The Embassy negotiators then turned to the idea of asking for a GVN contribution of 8 billion piasters to the Free World Forces' operating budget in Vietnam as a cost-sharing arrangement, which would incidentally reduce GVN's receipts of dollars and so help run down the balances. GVN's reply was that that was impossible. After a series of talks that read like haggling in an Arabian marketplace, Porter went to Ky about it and got the following understanding:

The GVN accepts the principle of contributing to free world forces local expense and will make a contribution of 1 Billion piasters for that purpose at the end of March 1967. The matter of further contribution would be considered at that time. I would send him a letter of understanding on that subject.

The story was much the same on GVN support for AID projects.

The Saigon Port congestion problem led to discussions starting around the 1st of October, which produced nominal, ineffective agreements in the first week. When McNamara went to Saigon to discuss new major troop deployments with MACV, he talked to Ky on October 11, Ky kept talking about infiltration whenever McNamara brought up the subject of the Port. Finally, Ky said he had solved the Port problem by telling the Minister of Finance "to write a decree to get rid of the mafia which was dominating the port."

That did not solve the problem; the Embassy kept pressing. On November 2, Ky promised a tough decree on port management and a deliver-or-get-fired

order to the General who had been put in charge of the Port after the June agreement. (Accepting merely this order would permit further delay before any change in the system, of course.) Later on in November, Ky changed port charges and accepted some increase in US military personnel there; but both GVN and MACV strongly resisted any increase in MACV responsibility for the port. The GVN also refused to confiscate goods left unclaimed over 30 days in the port warehouses. Further talks in December got nowhere, although State authorized drastic leverage to move GVN:

To this end you might also tell Ky that I have gone so far as to propose a two month moratorium on shipment of US financed CIP goods beginning 1 January to permit backlog in transit warehouses and on barges to be removed. You could cite my view as being that if GVN won't clear port, why should US add to congestion by continuing to ship goods?

I recognize that actual moratorium would be draconian measure and perhaps unrealistic, but citing it . . . might help move Ky.

D. CORRUPTION BECOMES AN ISSUE AT YEAR'S END

The issue of corruption came up in several ways in November and December, 1966. On November 10, Ky told Lodge he was now prepared to relieve General Quang of his command of IV Corps, following up on intentions he first told Lodge about in August. Lodge again urged caution, saying Ky should carefully avoid starting "another General Thi incident." But Lodge was satisfied that by this time Ky had prepared well for the move. He had: on November 18, the Embassy got word that General Quang would head a newly-created Ministry of Planning and Development; the Ministry would deal primarily with postwar planning. The command changed and Quang moved up on November 23. Possibly Ky's idea of how to deal with Quang came from an end-October suggestion from the Embassy for a joint postwar study team, to which Ky had agreed and was to announce jointly with the White House. (Creating the Ministry scrambled the plans for the study team and announcement, so the Embassy had to go to work on a new plan.)

A couple of weeks later, following allegations of corruption in news stories, State cabled the Embassy that the President wanted accelerated efforts both to cope with diversions and to deflate distorted allegations. State was also considering sending a "blue ribbon panel" from Washington to assess the problem of AID misuse. Responding to the stories and to the Washington concern, Ky said he planned a national campaign against corruption. State told the Embassy on November 25 of suggestions in Washington for a joint US/GVN inspectorate general to follow up AID diversions, and asked for a reaction. After a delay due to active truce discussions with the VC, Saigon replied on December 2:

There is already an interchange of information on the working level between Ky's investigative staff and our responsible people in USAID. We doubt GVN would respond positively to idea of joint US/GVN inspectorate to work on AID diversions. This would touch very sensitive areas. While we want to expose and cut diversions to maximum extent possible, we doubt that this rather public way is best suited to achieve GVN cooperation.

On December 3, Lodge and Ky had an "amiable discussion" on corruption, and Ky agreed to study and consider all these suggestions.

E. POLITICAL MATTERS AT YEAR'S END, 1966

Washington and the Saigon Mission watched closely as the Constituent Assembly did its work. Concern arose at word that GVN was providing a complete draft constitution either formally or through sympathetic Deputies, particularly because it provided that ultimate political power would be vested in the Armed Forces Council.

Washington, consistent in its championing of National Reconciliation, urged the Mission to make the USG's views known both to GVN and to key CA members before the matter became a major issue. Lodge spoke with Ky who said he was at that very moment about to leave to talk with Thieu on the matter. Lodge further encouraged Ky to state his views on the constitution to the Chairman of the Drafting Committee and reminded Ky that the American constitutional expert, Professor Flanz, was available to go to Ky at any time to give advice in complete confidence.

General Thieu concluded one of his regular discussions of the military situation with General Westmoreland by making a few pronouncements on political matters. Westmoreland stressed what was to become a persistent American theme, the importance of unity in the GVN leadership. Unabashedly Thieu said that the key question was whether the Army would stay in power and what power they would retain.

F. PACIFICATION AND THE SHIFT OF ARVN

Komer, in Washington, continued to prod the Mission to goad GVN. It seemed time to remind them, he thought, of their Manila promise to give top priority to land reform. Lodge was asked to press Ky for vigorous application of existing laws.

Continuing emphasis on pacification and increased impatience at the lack of progress brought another reorganization of the US Mission effort. To unify and streamline the civilian side, the Office of Civil Operations (OCO) was established in late November under Deputy Ambassador Porter. An OCO Director in Saigon and a single Director of Civil Affairs for each of the four corps became responsible for the Mission's civil support of Vietnamese Revolutionary Development. Within GVN General Thang not only lasted beyond the originally envisaged six months but was elevated to Commissioner-General for Revolutionary Development with supervision over the Ministries of RD, Public Works, Agriculture, and Administration (Interior). These changes seemed to enhance the chances for substantive improvements. Washington wired,

Why not approach Thang and after telling him about your reorganization and new faces you plan to put in region and then provinces, suggest he essay a shake-up too. . . . As I recall, around Tet GVN issues a new promotion list, which usually also entails some joint shifts. This might provide a good cover.

The reply offered now familiar themes as the reasons for inaction,

Specifically, if we were to give Thang a list of district chiefs and ask that they be removed, we do not think any significant change would result. In the past this tactic has proved cumbersome, even counterproductive, and

tends to lead either to reshuffling of positions with little or no positive end result or to the Asian deep freeze treatment.

. . . At times we will have to make our views known on particular personalities if we find an intolerable situation in key leadership positions, as we have done in Long An and the ARVN 25th Div. Basically, however, we will seek to avoid too deep an immersion in Vietnamese personalities, which can so easily become a quagmire from which there is no escape and concentrate instead on encouraging the GVN/RVNAF to take the initiative in a situation they know best how to tackle in specific tactical terms.

Meanwhile, efforts went forward to convert half of ARVN to the primary mission of supporting Revolutionary Development. On October 5, the Chief of the Central Training Agency, Major General Vy, chaired the high level joint conference which assigned administrative tasks and developed a schedule of required actions. Subsequently, a joint MACV/JGS team visited a few ARVN division headquarters and found that personnel had not understood the July JGS directives and thus had not undertaken the actions directed.

At about the same time, Revolutionary Development Minister Thang entered one of his recurring periods of pouting because he considered recent American criticism of slowness to imply their evaluation of the program as a failure. He told Ky he was ready to resign if Americans were so critical that they wanted to take it over and run it. Lansdale was able to placate Thang, but ARVN reluctance continued.

The conversion to RD was fraught with criticism on both sides, for the American press continued to suggest that the ARVN shift to pacification meant Americans would bear the brunt of the fighting and take the bulk of the casualties. State considered this line tendentious and urged Lodge and MACV to use "all leverage provided through MAP and advisor program" to shift ARVN to RD.

G. MILITARY ADVISORY MATTERS AT YEAR'S END, 1966

COMUSMACV backed out of ARVN personnel selection by serving notice in a message to Corps Senior Advisors that only policy matters, not the detailed problems of failure to perform, were to be referred to him.

In reviewing the deficiencies discussed in the Senior Advisor's Monthly Reports, it is noted that many items are correctable in command channels at unit, division, or corps level; yet it is not apparent that such action is being taken aggressively at local and intermediate command levels. Deficiencies involving policy are referable appropriately to this headquarters; deficiencies involving non-compliance with directives, apathy on the part of a command, etc., are to be resolved in RVNAF channels.

The role of the advisor is difficult and often frustrating. It requires military acumen, dedication, selflessness, and perseverance. It is desired that addressees channel the professional abilities of the advisory apparatus into efforts designed to complement tactical advice with improvement in the quality, efficiency, and reliability of the RVNAF structure as a whole.

Shortly afterward the Chinh-Hunnicuttt affair erupted. As it unfolded it revealed the near impossibility of eliciting satisfactory performance by means of the existing advisory system. CG 25th Division published an order of the day accusing the Senior Advisor of trying to have the CG removed, of attempting to dismiss other division officers, of bypassing the chain of command, and of

destroying the "spirit of cooperation between Americans and Vietnamese."

The MACV command history describes General Chinh as extremely weak, afraid to command. The Senior Advisor was a dynamic, competent officer assigned to improve effectiveness. He pursued his objective in a firm manner.

COMUSMACV felt the incident received distorted press coverage in the US where it was portrayed as a challenge to the entire position of the US advisory effort. He noted that the Vietnamese were sensitive to real or imagined infringements on their sovereignty. Great care had to be exercised to avoid even the appearance of violating their pride; an officer who yielded too readily to US advice was regarded as a puppet. He felt the most effective way to work with the Vietnamese was to discuss matters with them and then allow them to resolve their problems. CG 25th Division did have redeeming qualities. He was considered honest; and for his stand at the coup trials in the early 1960's, when he had accepted punishment while many others were running; he had acquired a sizeable following among ARVN officers. He was, in addition, a boyhood friend of CG III Corps, who was said to recognize the CG's fault but felt that his hands were tied.

Deputy COMUSMACV who enjoyed good rapport with CG 25th ARVN Division, visited General Chinh. In a two-hour meeting, the Vietnamese spoke freely and openly. He displayed genuine and extreme concern and admitted his error in issuing the Order of the Day. He had already apologized to CG III Corps. Deputy COMUSMACV received the impression that the advisor might have been a little too aggressive with the Vietnamese general, who was hypersensitive. Deputy COMUSMACV suggested that a memorandum be published to the division which would mention that the Order of the Day had leaked to the press which had taken it out of context and that there was no intention to disparage the advisory effort. The memorandum was published on December 21. It said the past must be forgotten and that cadre of all ranks should display warm, courteous, and friendly attitudes toward their American counterparts. General Chinh appeared to turn over a new leaf. Colonel Hunnicutt was reassigned to an apparent terminal assignment in the United States.

COMUSMACV addressed a letter to all advisors in December, 1966, to again emphasize the importance of rapport. He said, the key to success or failure was the relationship achieved and maintained by the advisor with his counterpart. The natural tendency of the US professional soldier was toward immediate reaction. He expected the same in others, but it was necessary to temper counterpart relationships with patience and restraint.

General Westmoreland affirmed this view in his remarks at a conference of his senior subordinate commanders.

In order for ARVN to be successful, a re-education process is necessary, from the generals on down . . . The attitude of the soldiers toward the people frequently is poor. . . . We must do all we can toward to change this . . .

. . . In conduct of operations in support of Revolutionary Development, we will frequently have units buddy up with ARVN units . . . A word on command relations in these combined operations is appropriate. We have had great success with our cooperative efforts in the past. We should establish a proper relationship from a technical command standpoint. Proper types of missions are general support and direct support. When conducting operations where we have the preponderance of forces committed . . . their association will be in direct support or general sup-

port of our operations. This is good military terminology and quite proper for us here. General Vien agrees in this terminology.

Sometimes ARVN was not receptive to advice. In November, recognizing the validity of a recommendation from the Corps Advisor that an additional battalion be activated in the ARVN 23d Battalion, COMUSMACV suggested this to JGS. Inactivation of a marginally effective battalion in another division was suggested as compensation. Chief JGS, for reasons of his own, declined to authorize the 23d Division to have an additional battalion.

Still, the effort moved forward. Training of RD Mobile Training Teams from each ARVN Division was conducted in December. The actual conversion training of divisions started in early 1967, and a similar program for RF/PF was planned. In fact, planning was viewed as the surest sign of progress. The 1967 Combined Campaign Plan was ceremoniously signed by Generals Westmoreland and Vien on December 8. Its significant innovations were requirements for subordinate commands to prepare supporting plans and for quarterly reviews to maintain the plan's viability.

H. CONSTITUTION-WRITING IN JANUARY, 1967

Progress within the Constituent Assembly and preliminary jockeying over the new constitution were persistent concerns during the first quarter of 1967.

At times the Assembly seemed remarkably independent. It publicly fought against a law which gave the military junta the right to over-rule its decisions. The controversy subsided in January with Junta assurance that it would not use the law. There was considerable discussion within USG circles as to how American influence should be disposed in supporting presidential candidates. Marshall Ky was already making noises about running. Washington cautioned Saigon not to automatically oppose a Ky candidacy. While State would prefer a civilian president, the most important matter was to effect transition to a constitutional government that was strong and unified enough to continue to prosecute the war effort (or negotiate a peaceful settlement),

. . . and at the same time broadly enough based to attract increasing local and national political strength away from VC.

Ambassador Lodge's reply was, "the continued viability of SVN depends very heavily on the cohesiveness of the military." This had been and remained his evaluation of the political situation.

. . . Unity of the military is essential to government stability in VN. From the standpoint of stability, this is the Law and the Prophets. Movement toward a broadly based, truly popular government is impossible without stability.

The military is also the chief nation-building group in the country. It has education, skills, experience, and discipline which no other group can offer.

State acquiesced in this argument but continued to hope for a government broadly enough based so that the VC would find avenues to conquest of South Vietnam effectively blocked.

. . . In our view it is less a question of any civilian candidate controlling

the military and more a question of the military being educated to accept a sharing of power and responsibility with civilians as a necessary elementary political progress. This means a readiness to accept the outcome of a free and open election in which the candidate favored by the directorate may not win.

I. FOREIGN EXCHANGE NEGOTIATIONS AND THE GVN BUDGET, JANUARY-MARCH, 1967

The problem of GVN dollar balances remained a thorn. GVN did nothing to carry out its November agreements. With scarcely concealed impatience, Ambassador Porter offered GVN a tough economic program, in a meeting in the first week of January, 1967, with special emphasis on the dollar balances. Reporting on the meeting, he said:

We underlined many times the very high level of the US commitment and said that we could not make this commitment unless we had [an] iron-clad guarantee that the GVN would live up [to] the foreign exchange agreement . . . we stated that this was the minimum the US could accept.

Hard bargaining continued, including another Hanh trip to Washington. Preliminary to the Conference, Washington considered several steps which might be taken:

1. Agreement on a piaster/dollar rate of 118 for official US purchases.
2. US use of all counterpart over P-30 billion.
3. Increase of Assistance In Kind from GVN.
4. Possible transfer of some official purchases from the 80 to a 118 exchange rate without changing the official rate.
5. Transfer of DoD contracts to the 118 rate.
6. Tying all 80 rate dollars to US procurement.
7. 100% US use of PL 480 sales.

Saigon's opinion was that for these negotiations there were two main routes:

- (1) A switch of counterpart funds from their use to ours, and
- (2) A change in the exchange rate.

The first seemed preferable because it was more negotiable. The second might be counter-productive by "simply angering Hanh without moving him." On February 20, GVN merely agreed to work on an "interim memorandum of understanding which would include actions to implement the foreign exchange agreement of last November." When Komer went to Saigon later in February to negotiate, he found it necessary to threaten specifically to reduce the CIP program to force down GVN's dollar balances, noting that once the program was cut Congress would be unlikely to restore the cuts. The negotiations amply demonstrated the truth of Hanh's remark that Orientals only act after much bargaining. As Komer started to walk out the door after a meeting, Hanh hinted at a raise in the official purchase piaster rate from 80 to 118, but made no other concession. (At no time did the USG threaten explicitly to buy piasters in the open market, as Porter and DASD (Economics) had earlier proposed, a procedure that would knock down GVN dollar balances to whatever extent we wanted while using fewer dollars to get the required piasters.) In an exchange

of letters early in March, Hanh said he understood the US was willing to establish \$50 million development fund in return for their purchase of 300 thousand tons of rice on a 100% US use basis and repayment of \$25 million ICA loan. From Komer, now back in Washington, came this reply,

There is in my view no doubt whatever that Hanh, and for that matter Ky, understood full well that we did not agree to the \$50 million GVN Development Fund as part of interim package. Nor do I regard our credibility as enhanced if we now retreat even more on this issue. Finally, I regard the Development Fund as a sweetener so clearly wanted by the GVN that we need not give it away too cheaply. While in one sense we have little immediate leverage to use on the GVN so long as we do not choose to withhold aid in one form or another, in another sense we clearly have the GVN worried. I believe that, either through a definitive solution this June or more likely via Salami tactics, we can keep GVN reserves from rising too far.

In mid-March Komer reached another "Interim Agreement" with GVN on foreign exchange. It provided that:

- (1) The United States would supply at least an additional 100,000 tons of PL 480 rice and a further 300,000 tons of rice under terms providing for 100% USG use of proceeds.
- (2) GVN would make available up to \$120 million of foreign exchange for financing commodities previously imported under the CIP.
- (3) The United States would make available for economic development projects the balance of FY 67 funds unused as a result of the reduction of the CIP program and would proceed to initiate and make grants for several interim projects.
- (4) The United States agreed to the establishment by GVN of a \$50 million development fund for purchase of US goods and services, such fund to be considered as use of Vietnamese foreign exchange resources under the November 4, 1966 agreement.
- (5) GVN would repay US loans totalling \$53 million.

Closely related on the economic front was the GVN budget. Estimates of the CY 1967 inflationary gap grew during the quarter from 14 to 20 billion piasters. The United States exercised only spotty influence on their budget, specifically on those items receiving direct American support; and general persuasion was used to hold down the overall limit. Governor Hanh tried to transfer all US counterpart funds to the military budget with the explanation that only the US military could adequately control the South Vietnamese military, but the guessing was that this might also be his way of freeing GVN civilian agencies from any American interference.

Washington efforts to get more information on the GVN budget only brought educated guesses and a reminder that the Mission did not participate in a review of the GVN civil budget as was the practice for the military part. The CY 1967 budget of 75 billion piasters was issued without prior discussion with AID. It was unsatisfactory. USAID had the leverage to negotiate because of counterpart funds and PL 480 receipts, but the major problem was how to provide AID the necessary funding mechanics to implement programs at levels sufficient to meet established requirements.

J. THE SAIGON PORT AGAIN

Severe congestion continued to plague the Port of Saigon. A drop in CIP/GVN cargo discharged in December brought queries from Washington. Saigon replied that the drop was due to the GVN port director's abortive great barge experiment and listed a number of corrective steps taken. In fact all were peripheral to the central problem, the failure of commercial importers to remove their goods from crowded warehouses. Saigon warned,

Any additional actions . . . would require high-level government to government agreements which in our estimation would not be appropriate at this time.

Highest authorities in Washington remained concerned and pressed for a complete military takeover or at least a comprehensive alternate plan which would demonstrably meet the problem. Saigon held back with the view that progress was being made, that Ky was persuaded of the need to eliminate port congestion and that he was doing his utmost to solve the problem. A US takeover was once again viewed as neither politically possible nor desirable. CINCPAC chimed in to support strongly the Saigon position, and at the end of the quarter Washington was still peppering Saigon with comment:

We here do not take same relaxed view of barge situation Saigon port as Saigon . . . Highest authorities have been consistently concerned.

At the same time an overlooked aspect of the earlier extension of US control of the port was being bounced back and forth. MACV clearance of AID financed project and procured commodities was estimated to have made AID liable for one billion piasters for port clearance costs previously financed by GVN. Nobody was quite certain how to approach GVN on the matter or how the US should pay the bill within existing dollar and piaster ceilings.

K. MINOR BUT PRICKLY PROBLEMS, JANUARY-MARCH, 1967

The clearance costs problem was an example of several minor matters which arose between the governments, problems that were often difficult to handle because prestige and sovereignty were involved. GVN National Bank Governor Hanh and the Embassy tangled over GVN issuance of instructions to commercial banks operating facilities for US military forces.

The Embassy became concerned because American civilians, tried and punished in GVN courts on the basis of American-supplied evidence, were subjected to extortion. The ticklish part of the problem was how to investigate the practice without jeopardizing those in the midst of buying their way out. Soon there were ill-considered remarks to the press by Brigadier General Loan who said that GVN had sole jurisdiction over civilians. State instructed Saigon to keep mum on the subject. Finally, in March it was publicly announced that the United States would exercise court martial jurisdiction over civilians but "only rarely, in exceptional cases." The US did not question, as a matter of law, the existence of a basis for court martial jurisdiction over civilians and indicated that our policy would be to handle the problem of civilians in other ways. The

statement was careful to reaffirm US respect for GVN sovereignty, so as to avoid the issue of a formal status of forces agreement.

Whether GVN could levy requirements for reports and payments upon US contract airlines caused bantam-like stances on each side. GVN demanded that contract flights pay landing charges. Porter replied that was improper and offered GVN notification of flights as a sop. Ky's retort was a demand for copies of contracts and schedules, restrictions on in-country flights and limitation of loads to personnel and equipment strictly military. We rejected those terms and the military nature of the problem probably saved a contract flight from becoming the "example" later in January when one plane-load of Pan American passengers baked in tropical heat for several hours while GVN refused them permission to disembark at Tan Son Nhut.

Premier Ky's implied intention in February to accept an invitation to speak in the United States produced an apprehensive reaction from Washington. Ambassador Lodge cautioned, "We have twice headed him off and to object a third time might create strain." Eventually Ky was able to publicly postpone his visit on the grounds that his presence was needed to insure a free and fair election.

Diversion of MAP material remained a closet skeleton to be rattled periodically. In February, MACV performed estimative gymnastics to suggest that no more than 0.3% of MAP material had been so lost. CINCPAC quickly suggested that valid data did not exist and would be hard to compile. He said that the differences between manifests and the material actually received should be otherwise identified, and his thoughts seemed for the moment to take care of a potentially embarrassing need to explain a \$5 million problem without even bothering GVN.

Throughout the quarter there were periodic flurries of talks about negotiations with North Vietnam. U Thant was especially active and these maneuvers caused an uneasiness in US/GVN relations because Saigon was never completely certain what role it would have in such discussions.

L. THE OTHER WAR

Top levels in Washington realized that not much progress was being made in Revolutionary Development and exhorted Saigon to integrated, detailed civil/military planning. COMUSMACV waffled once again on whether ARVN battalions supporting RD should actually be retained under the operational control of the province chief. US Army units continued their work in the densely populated Delta provinces. On one occasion Premier Ky called Colonel Sam Wilson in for his view of progress there as well as to ask for an evaluation of the ARVN 46th Regiment. Wilson was able to say plainly that the unit was poor and that its commander was ineffective and, without a doubt, corrupt. Ky explained that the commander in question was a close friend of the division commander who was a close friend of the corps commander who was a close friend of Ky. That seemed to explain the matter.

The US continued to press national reconciliation upon the Saigon government. Unger and CAS assets worked with the Constituent Assembly to get NR into the constitution. The lack of enthusiasm was alleged to be fear of unilateral US peace action. The present GVN continued, as they had so often before, to agree readily in conversations with us to the principle of national reconciliation; yet any concrete implementation remained illusive even through another top level meeting with the President.

M. GUAM MEETINGS, MARCH 20 AND 21, 1967

President Johnson announced that his purpose in calling the Conference at Guam was to introduce the newly appointed US team to the leaders of GVN. The shift of personnel represented the largest shake-up in US leadership in South Vietnam since August 1965. Ambassador Bunker was designated as the replacement for Lodge, and Locke took Porter's place. In a move to resolve the controversy over military versus civil control of Revolutionary Development, Robert Komer took charge with the rank of Ambassador under the COMUSMACV organizational structure with czar powers and a strong mandate to produce progress.

Most happily, the Constituent Assembly completed its work on the constitution just in time to permit Premier Ky to present a copy to President Johnson at Guam. As had been the case on the two previous occasions of top US/GVN talks, the communique which resulted from the 2-day meeting lay primary emphasis on political, economic, and social matters. The military picture was presumed to be so encouraging and improving as to need no special attention.

N. ROUTINE MATTERS, APRIL-SEPTEMBER, 1967

Most of the previous problems persisted during this period. By June the rate of inflation was predicted to be 45-50 percent per year, and the piaster gap was to be 17.3 billion greater than projected. Hanh, now GVN Economic Minister, scheduled a September trip to Washington and the list of expected topics read very much the same as agendas for many previous such meetings. Hanh could upon occasion get very excited, as in the case where a suit by a Greek shipping line froze the GVN account in a New York City bank; but despite repeated urging from Washington, nobody in Saigon could get up courage enough to approach GVN on those retroactive port clearing charges.

On April 18, GVN finally issued a National Reconciliation Proclamation which stated that "All citizens who rally to the national cause can be employed by the government in accordance with their ability," but the decree proved to be a mirage. It used the Vietnamese words for solidarity rather than those for reconciliation and the program proceeded in consonance with that distinction. Saigon reminded State that Premier Ky had recently told the Ambassador that meaningful progress on national reconciliation could only come after a constitutional government was established.

On the MACV side, Ambassador Komer was getting organized. In response to a Washington query on land reform he recalled his consistent position but pointed out that it was not an important issue in Vietnam. Far more important was the matter of security in the countryside.

The US continued to deliver material assistance to improve the morale of ARVN troops. A \$2.83 million program for 913 ARVN dependent houses was upgraded to provide more modern structures with utilities. USAID helped the RVNAF commissary system for RVNAF and dependents. Although rice was eliminated to avoid lowering its open market price, GVN sought compensating increases in the meat and fish supplied. MACV programmed over \$3 million to the RVNAF Quartermaster Corps which supplied field and garrison rations.

But there were continuing signs that ARVN as a fighting force needed propping up. Sporadic efforts at encadrement appeared. The USMC Combined Action Companies in I Corps were well publicized. In April, the US 25th Divi-

sion completed studies, and transmitted to General Chinh, still CG ARVN 25th Division, the Combined Lighting Concept. It brought together in one outpost a US squad, an ARVN squad, and a PF squad.

In response to Washington inquiries, General Westmoreland reported by message in May, 1967, "A command project was initiated on January 26, 1967, to review the performance of RVNAF units and to identify those considered ineffective and non-productive. Units so identified are being evaluated with a view to withdrawal or reduction of military assistance support unless improvement in these units is possible. The evaluation will be conducted every six months resulting in a final determination each June and December . . .

The methodology for evaluation includes:

- (1) Identification of units judged ineffective or nonproductive.
- (2) Evaluation of credibility or feasibility of present plans to guarantee increased effectiveness.
- (3) Study of unit performance trends during the past six months.
- (4) Determination of the availability of plans to train personnel.
- (5) Evaluation of command interest at all levels for improvement.

Units will be classified as Improvement Probable, Improvement Doubtful, and Improvement Unlikely. Those in the latter two groups must justify continued military assistance or action will be initiated to reduce FY 68 support.

Current Status: All VNAF and VNMC units are effective and productive. Support to VNN reduced by \$7800 which reflects discontinuance of support for two fishing boats which are not configured to support any role assigned to VNN. The evaluation of ARVN is only partially completed.

In July, the MACV staff briefed Secretary McNamara in Saigon and touched again on the subject of encadrement. One concept considered was VATUSA (Vietnamese Augmentation to US Army) whereby two or three Vietnamese would be assigned to each squad in US combat battalions. While this scheme offered the advantages of improving ARVN skills and of utilizing additional RVN troops without further strains on already limited ARVN leadership, the only real gain for the US was viewed to be a possible reduction in US strength. The disadvantages pointed out were the political climate, the language barrier, the danger to US unit security, the administrative and disciplinary difficulties and the probable irritation between VATUSA and regular ARVN unit soldiers. These, it was judged, dictated against its adoption.

A second concept considered was salting ARVN forces with US leadership in command positions. The analysis indicated that for political and psychological reasons, it would probably be best to put two US officers and three US NCO's in an instructor's role with each RF company rather than in a command role. Command would be exercised by the RF company commander but he would be required to follow the directions of the US training team leaders.

The conclusion reached was to continue the "salting" experiment with expansion in view if the initial results were good. There is no evidence that anything became of the experiment.

None of this seriously worried top RVNAF leadership; so they indulged in more interesting international activities. In May, talks started between Lao and GVN military staffs. The occasion was planning for barrier extension westward, but Washington realized at once that there was little the US could do to limit the contacts to that subject. In July, it was discovered that GVN was using

Chinat agents, disguised so as to appear to be South Vietnamese with Nung ancestry, on covert operations. JCS disapproved of the effort despite appeals from COMUSMACV. The Chinats appeared to be the result of a secret bilateral agreement concluded during 1966. In September, MACV reported that GVN had occupied Pattle Island in the Crescent Group about 170 miles south of Hainan with the intention of constructing an airfield there. Because these islands are already claimed by Communist and Nationalist Chinas and the Philippines as well, MACV advised against US cooperation in the adventure.

O. THE GVN PRESIDENTIAL ELECTION

Pre-nomination maneuvering and legitimacy of the Presidential campaign were the subjects which occupied American attention above all else. The first task facing Ambassador Bunker as he arrived on station in April was to oversee the delicate transition of GVN to a government based upon a popular election recognized by the world to be fair.

Premier Ky was already openly acting like a Presidential candidate in April. General Thieu was informed that the generals had endorsed Ky while Thieu was absent from the scene recovering from an appendectomy. That was not sufficient to scare Thieu from the race; so the US Mission became increasingly worried that the Thieu-Ky competition threatened the indispensable unity of the military. Dickering remained behind the scenes until Ky formally announced his candidacy on May 12. This served only to intensify the rivalry. By mid-June, the Thieu-Ky confrontation showed no signs of moving toward satisfactory resolution. Basically, Ambassador Bunker believed in an indirect approach. He did not hesitate to approach Ky and Thieu individually on the broader issues of arbitrary press censorship, questionable tactics being pursued by Ky supporters six weeks before it was legal to campaign, or unity of the Armed Forces. But, on the confrontation between the two candidates, Bunker's ploy was to hold an informal luncheon to which the two principals were invited. In the end they had to work out their own solution. They did. At the end of June the 50-60 officers of the Armed Forces Council met in a 2-day, continuous session at which both Thieu and Ky performed histrionics. The surprising result was that Ky agreed to run for the Vice-Presidency on Thieu's ticket. The Mission sighed in relief and agreed that Bunker's approach had worked. The Ambassador congratulated the candidates, and Thieu obligingly announced that if elected he would appoint a civilian as Premier. Ky agreed. The RVNAF chief of staff had earlier announced that there would be no officially endorsed military candidate; yet the Constituent Assembly conveniently approved a draft article which permitted Thieu and Ky to run without resigning from the Armed Forces. By mid-July, the Assembly had voted acceptance of the Thieu-Ky ticket while disallowing one headed by Big Minh who remained in nearby Bangkok as a potential threat to the younger pair. With only a few hitches, the campaigning proceeded so as to satisfy American observers that it was acceptably fair; and the resultant Thieu-Ky victory was a surprise only in its smaller-than-expected plurality.

P. BLUEPRINT FOR VIETNAM, AUGUST, 1967

State suggested that completion of the election process was a proper occasion upon which to consider several proposals, including increased leverage, for advancing the total American effort in South Vietnam. Bunker also mentioned

this when he transmitted the paper, "Blueprint for Viet-Nam." The "Blueprint" ranged widely over all topics and struck a consistently optimistic note:

Progress in the war has been steady on all fronts. We can defeat the enemy by patient, continued, and concerted effort. The way to do this is for the GVN and its allies (a) to reinforce and accelerate the progress already made; (b) to markedly improve the interdiction of infiltration of North Vietnamese troops and supplies; (c) to upgrade, accelerate, and coordinate the pacification program in the countryside; and (d) to maintain political and economic stability and support the development of the constitutional process.

. . . We still have a long way to go. Much of the country is still in VC hands, the enemy can still shell our bases and commit acts of terrorism in the securest areas, VC units still mount large scale attacks, most of the populace has not actively committed itself to the Government, and a VC infrastructure still exists throughout the country. Nevertheless, the situation has steadily improved since the spring of 1965 . . .

Now, that the initiative is ours and the enemy is beginning to hurt, maximum pressure must be maintained on him by (a) intensifying military activity in the South; (b) developing new methods of interdicting infiltration; (c) bombing all targets in the North connected with the enemy's war effort that do not result in unacceptable risk of uncontrolled escalation; (d) accelerating the program of pacification (including better security more effective attacks on the infrastructure, stepped up National Reconciliation and Chieu Hoi programs, a greater involvement of the people in solving their own problems at the village and hamlet level; (e) encouraging reforms in the government structure and continued improvement in the armed forces; (f) attacking the problem of corruption; (g) using influence to effect a strong, freely elected government with political stability; and (h) taking actions necessary to the continued growth and stability of the economy . . .

In a subsequent message Ambassador Bunker stated more specifically that the United States should use its influence to get GVN to do the following:

- A. Seek broad based popular support.
 - (1) Appoint prominent civilians including some leading opposition candidates, in new government.
 - (2) Use appointments to insure association of a new government with various religious and political groups.
 - (3) Adopt a program and identify it with that of a former national hero, "so as to give the new government an idealistic appeal or philosophy which will compete with that declared by the VC." Bunker suggested Nguyen Hue.
- B. Work on a more continuous, although informal basis with US Mission. Bunker suggests regular weekly or semi-monthly lunches.
- C. Adopt a program to include the following:
 - (1) Public recognition of the
 - (a) Necessity for every Vietnamese to contribute to the war effort.
 - (b) Need to change draft laws.
 - (2) Reaffirm on-going programs relating to RVNAF, including

- (a) MACV program of ARVN improvement through merit promotions and a military inspectorate.
 - (b) Elimination of corrupt, inefficient leaders.
 - (c) Expansion of RF/PF and adoption of the MACV recommended system of US advisory teams operating with RF/PF for 6-month period.
 - (d) Greater integration of US forces or joint operations.
 - (e) Reorientation of the concept of the Pacification Role of ARVN, RF, and PF in accordance with MACV suggestions—from static support to mobile, area security with night patrolling and a system of inspection and grading to insure implementation.
- (3) Make the Province Chief the "key" man in pacification—giving him operational control over all military and paramilitary forces engaged in pacification. He should appoint district chiefs. He should report to Corps commander on military matters and to central government on civil matters. An inspection, training, and rates system should be established.
- (4) Centralize all rural development efforts in non-RD hamlets under one coordinated control in some manner as is now done in the Ministry of Revolutionary Development for RD hamlets.
- (5) Construct an adequate number of processing and detention centers in provinces and permanent prisons on islands on priority basis together with passing of laws that it is a crime to be a VC civilian cadre.
- (6) Pay higher salaries to selected GVN officials, including the military, particularly those officials able to control corruption or in a position to be tempted by corruption.
- (7) Reaffirm National Reconciliation and Chieu Hoi programs.
- (8) Grant villages the power to enforce land rental laws.
- (9) Adopt the whole of the "operation Take-off" pacification program prepared by MACCORDS.
- (10) Establish joint council procedures over expenditure of counterpart piasters by reinstating sign-off by US advisors at province level.
- (11) Revitalize the veteran's program.
- (12) Increase receipts from domestic taxes and tariffs, and revise monetary policies.

Q. THE LEVERAGE STUDY

On August 31 State transmitted a study by Hans Heymann and Col. Volney Warner on the subject of leverage. It reviewed the rationale for leverage and considered a whole array of possible techniques:

. . . In anticipating the US/GVN relationship in the post-election period, it is generally agreed that the US should find ways to exercise leverage with the Vietnamese government which are more commensurate in degree with the importance of the US effort to South Vietnam's survival and which reflect the climate of growing restiveness in the US . . . In its impatience to get results and make progress, the US has increasingly resorted to unilateral programs and action with inadequate consultation with the Vietnamese. On the other hand, the indiscriminate and careless exercise of US leverage could undermine the self-respect of the Vietnamese government in its own eyes and in the eyes of the South Vietnamese people.
. . . To be effective, US leverage must be exercised in the context of a

relationship of mutual respect and confidence, and in ways commensurate with the objective sought. It must also be backed by credible sanctions.
. . . The various tools of leverage available to us are described below. It is not proposed that all of these tools be used at any given time or that some of them be used at all. However, they represent a selection of arrows that might be placed in the US Mission quiver for use as the Mission Council deems appropriate. It will be particularly important to construct a credible and effective system of US leverage for use as necessary and appropriate in connection with the list of priority program objectives which we shall be seeking to achieve with the newly elected government in the immediate post-election period.

Tools of Leverage

. . . A wide range of possible techniques and forms of influence is available at each level of the American presence in Vietnam. A few of these leverage devices are now in use, mostly at the initiative of individual Americans on the spot, but not as part of an organized framework of influence. Other devices have been instituted in the past, only to be subsequently abandoned because of fear of their misuse, actual misuse, or inadequate understanding of their value.

In the following list we array a range of possible instruments of influence that the US might employ, with some indication of their applicability.

- A. Rapport . . .
- B. Joint Planning and Evaluation . . .
- C. Joint Inspection and Audit . . .
- D. Joint Secretariats . . .
- E. The JCRR approach: Establishing a joint, autonomous, dually-staffed, foundation-like organization headed by a board of commissioners appointed by the two heads of state, to administer all forms of non-military AID . . .
- F. Contingency Funds and Special Resources . . .
- G. Control Over Expenditure of Counterpart Piasters . . .
- H. Retention of Resources in US Channels . . .
- I. Joint Personnel Management—to institute career incentive, selection, and removal policies . . .
- J. Joint Command . . .
- K. Policy-level Monitoring System—to monitor the exercise of authority of key officials of the GVN . . .
- L. Withholding US Support—at levels below Saigon, the authority of US senior advisors to cut off or withdraw US civil and military support from Vietnamese activities or operations within their area of responsibility would constitute powerful leverage . . .

At the Saigon level, a range of extremely tough options is available, encompassing selective withdrawal of US support for Vietnam persuading the GVN that these are in fact available requires the will to use them and the political ability to follow through if our hand is called. Options would include halting further troop deployments, standing down US unit operations, suspending CIP and MAP assistance, and so forth.

Ambassador Komer replied on September 19. He recalled his deep interest in this subject and discussed at length both present and potential techniques.

His views seemed considerably mitigated by his several months in Saigon, for "rapport" and "persuasion with implied pressure" headed the list of what was presently being done. He concluded by saying, "All of the above forms of leverage, and yet others, could be useful at the proper time and in an appropriate way. But they must be applied with discretion, and always in such manner as to keep the GVN foremost in the picture presented to its own people and the world at large . . . The exercise of leverage in a personal manner and hidden from the public view is likely to be most effective, while of the more operational means establishment of combined organization under a JCRR-type concept, to include joint control of resources, would be most desirable. In sum, we're gradually applying more leverage in Pacification, but wish to do so in ways that least risk creating more trouble than constructive results."

R. POSTLOGUE

New plans and new hopes marked the immediate post-election period. The story of US-GVN relations continues, but this narrative must end. In conclusion it seems appropriate to quote from the MACCORDS report covering Bien Hoa province for the period ending December 31, 1967.

1. Status for the RD Plan:

The GVN in Bien Hoa Province has not met with any measure of success in furthering the pacification effort during 1967. Those areas that do represent advances (such as road openings or repairs or construction, breaking up of main line VC units, etc.) have all been the result of unilateral US actions. It was perhaps naively thought that these US accomplishments would stand as an inspiring example to the GVN and would prompt them to not only continue their efforts but, further, to expand and intensify the fight. However, during 1967 in Bien Hoa Province, this has not been the case. The GVN at all levels has grown weaker, become more corrupt and, today, displays even less vitality and will than it did one year ago . . .

Advisory Leverage: This subject has been an extremely sensitive and controversial issue in both GVN and US circles. However, as painful as it must be to address, the harsh truth is that given a showdown situation or an intolerable divergence between GVN and US methods, the US advisor will lose. CORDS, Bien Hoa has gone to extraordinary lengths in reporting on both corrupt and incompetent officials and practices. The reason for these efforts has been to illustrate clearly to higher US authorities, the enormity of the problems facing the advisor on the province/District level. CORDS Bien Hoa, as perhaps all other echelons of US advisors, is ultimately powerless to rectify or even significantly alter the GVN intentions and performance. The Vietnamese in the street is firmly convinced that the US totally dominates the GVN and dictates exactly what course shall be followed. However, the bitter and tragic truth is that the US has been kept at such a distance from GVN circles and power that in joint councils or plans our views may be heard, some portions of our logic may be endorsed but with confrontations or matters that represent any truly revolutionary departure from existing GVN practices etc, we are light weights and presently do not possess the leverage or power to carry the day.

ARVN Performance: There are presently two ARVN battalions (3/43 and 2/48) who are directly assigned to support RD in Bien Hoa. With the

exception of the 1st Bn, 48th Regt which served in the Phu Hoi Campaign area earlier in the year, ARVN performance has been less than satisfactory. The units have demonstrated the same age-old ills that have collectively led to our present commitment of US forces . . .

GVN Officials Interests: The primary interest of GVN officials in Bien Hoa Province is money. The lucrative US presence with all the various service trades that cater to the soldier, have created a virtual gold mine of wealth which is directly or indirectly syphoned off and pocketed by the officials. Thus, revolutionary development with all the ultimate implications of broadening the governing base of this society, is viewed as some sort of necessary device that needs to be propped up and nominally catered to by the GVN in order to keep US and Free World's interest and faith intact. However, any serious or meaningful gesture in support of a program which ultimately is designed to displace the powers-to-be (or at least force them to become accountable or share in the power) is not forthcoming. Infrastructure is not attacked even though the target is known; budgets are not spent although the funds are available; GVN officials steadfastly refuse to visit their districts or villages or hamlets although it is there that most immediate problems exist. The list of limp, half-hearted efforts to prosecute the war is endless.

Material Cutoffs and Shortages: In August after several months of negotiation, CORDS, Bien Hoa was forced to cut off further shipment of replenishment stocks into province. The reasons for this action were many but could be reduced to sloppy, shoddy and highly questionable logistical practices and procedures on the part of the GVN. After eleven weeks, the Provincial GVN finally agreed to carry out the reforms and renovations as suggested by CORDS. However, that eleven-week gap in the flow of materials (particularly during a period most noted for its relatively high degree of GVN action) had a significant effect on curbing construction programs and causing even more delays. Then, as soon as this issue was resolved, it was learned that cement and roofing weren't in supply and rationed quotas for the remainder of the year further compounded the damage caused by earlier material shortages.

To compensate, in part, for these factors, CORDS has had to increasingly rely on the resources, skills and capabilities of resident US military units. These units have, without exception, effectively filled the gaps and their efforts have succeeded in reducing the critical road situation that has been worsening throughout the years. Their action in many other areas has been highly commendable and CORDS Bien Hoa (as well as the GVN itself) owes a great deal to these units and their commanders who have unselfishly devoted themselves to furthering pacification. However, for all their efforts, for all the resources either expended or on hand, the disturbing truth in Bien Hoa is that it still remains for the government, with forceful and meaningful direction from above, to begin to assume the responsibility for prosecuting this war and the pacification effort. Thus far, the GVN has not done this and it is the considered opinion of CORDS Bien Hoa that unless major revisions are brought about in the factors raised here, there is only to be a continuation of the same ordeal with the accompanying frustrations, inaction, corruption and incompetence. A continuation of this does not connote stability or even maintenance of the status quo; it spells regression and an ever widening gap of distrust, distaste and disillusionment between the people and the GVN.

THE ADVISORY BUILD-UP, 1961-67

IV. B. 3.

1945 - 1967
UNITED STATES - VIETNAM RELATIONS



* See Task Force Paper IV.C.6., Phase One in the Build-Up of U.S. Forces: The Debate, March-July 1965.

Deficiencies in ARVN leadership had long been recognized by U.S. military advisors as one of the key impediments to increased ARVN performance. In April, when the first major input of U.S. combat troops took place, consideration was given to the encadrement of U.S. officers in ARVN units as a way of solving this problem. The proposal was touched off by a DOD request on 15 April for COMUSMACV's opinion about the feasibility of using U.S. cadres to improve effectiveness in the ten ARVN divisions. 139/ The same day, McGeorge Bundy sent a personal NODIS message to Ambassador Taylor stating among other things, that "The President has repeatedly emphasized his personal desire for a strong experiment in the encadrement of U.S. troops with the Vietnamese." 140/ General Westmoreland turned the issue over to his deputy, General Throckmorton, for a recommendation. Throckmorton's study considered

ENCADREMENT CONSIDERED AND REJECTED

Two categories of new relationships were considered: the encadrement of U.S. and ARVN units (in several forms) and the establishment of a joint command to conduct the war. Both of these courses were rejected by COMUSMACV. In their place General Westmoreland attempted to create a joint US-RVMAF staff to coordinate independent national efforts. The basic arrangement enabling tactical independence--within limits--was the creation of mutually exclusive Tactical Areas of Responsibility (TAORs) for each combat maneuver force.

But the deployment of U.S. forces to South Vietnam did, however, open up a new range of possible relationships which would not have been possible without the presence of substantial U.S. combat forces. Each of these relationships might conceivably promote one or all of the several purposes which this study has reasoned to be behind the U.S. military advisory effort: the development of improved tactical and technical competence in RVMAF, the generation of better intelligence (both friendly and enemy); and increased U.S. influence.

NEW POSSIBILITIES

expansion, General Westmoreland had requested a significant increase in the number of U.S. troops for Vietnam (the famed "44-Battalion" request). After more than a month of deliberation, the President finally approved the request sometime in mid-July. His historic announcement of the expanded U.S. effort came on 28 July. Understandably, this momentous expansion of the U.S. involvement in the war completely overshadowed the advisory program and the growth of RVMAF during the remainder of 1965.