

~~SECRET~~

Wednesday, July 19, 1967  
7:10 p.m.

Mr. President:

Herewith Amb. Bunker reports  
the bumpy course of election politics  
in Saigon.

There is another good example  
on page 4 of improved ARVN military  
performance.

W. W. Rostow

Saigon 1409

~~SECRET~~

WWRostow:rlm

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E.O. 12356, Sec. 3.4(b)

White House Guidelines, Feb. 24, 1983

By rlg, NARA, Date 7-18-91

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FOR THE PRESIDENT FROM BUNKER (Saigon, 1409)

Herewith my twelfth weekly telegram:

A. General

The relative calm which had settled over the political scene last week suddenly erupted into intense activity on Monday and continued until the early hours of this morning when the Assembly concluded its consideration of the Presidential slates.

Early yesterday morning, Ambassador Bui Diem telephoned me saying he was then meeting with Generals Thieu and Ky and asked to see me "urgently." He came to see me in a state of considerable agitation and informed me that the Special Election Committee had "rejected" the Thieu-Ky slate on the ground that they had not withdrawn from their posts as President and Prime Minister, that the military members of the Directorate were meeting then and had concluded that if the Assembly insisted on following the recommendation of the Special Committee some "strong action" might be necessary. He said that Thieu and Ky had wanted me to be informed of the situation. Bui Diem wanted to know if I had any suggestions to offer.

I replied that in my opinion, Thieu and Ky had complied with the Electoral Law in withdrawing from the Armed Forces, that as Chief of State and Prime Minister they were not civil servants and therefore not required by law to resign these positions. I added, however, that they might want to consider the possibility of stepping aside for the month of the campaign permitting the Directorate to fill their positions temporarily in the interest of indicating their wish to be completely fair and in support of democratic processes. I pointed out that this would be an unusual step since it is not customary for an incumbent to resign in order to run for re-election, but should they reach an impasse with the Assembly, they might want to consider

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In retrospect, I believe this may have had a good effect. When Bui Diem returned again shortly after noon, he said that things looked calmer, that Thieu and Ky had been canvassing the situation and thought that they had adequate support to override the action of the Special Committee.

Later in the day yesterday, we began receiving some conflicting reports and explanation of the Committee's action in rejecting the Thieu-Ky ticket. Some of them, if true, could have disturbing and somewhat sinister implications. It is apparently a fact, which Bui Diem did not disclose to me, that Ky's supporters in the Committee voted against the Thieu-Ky ticket. One explanation which has come to us is that this was done at Ky's instructions with the purpose of creating a crisis which would (a) provide an excuse for the military to move in, or (b) demonstrate to Thieu Ky's political power in the hope of extracting more definite commitments from Thieu as to Ky's function in a new government. Another explanation is that Ky's supporters have become irritated with him because of what they consider his neglect since his decision to withdraw and run on the Thieu ticket. We are trying to get at the bottom of the matter since if the first of the explanations mentioned should prove true, it seems apparent that Bui Diem's approach to me yesterday was less than frank. It is possible that he may have been sent to test out our reaction to a decision by the military to act against the Assembly. It also may have implications regarding the Thieu-Ky relationship.

This Thieu-Ky relationship is something which will need watching and nursing. I am not yet satisfied that it has been satisfactorily resolved. Ky has told me twice that he and Thieu have

come to an understanding as to his role in a new government, and that this will be satisfactory to him "provided Thieu keeps his word." Bui Diem has also confirmed to me that there is an understanding in writing which Thieu has signed. There have been indications also within the last week that Ky has resolved his own indecision as to whether to pursue an active or passive role in the campaign in favor of the former. As I have reported, he told me that his troubles really began when he decided to withdraw to run with Thieu and had to answer criticisms from his supporters among the military, Buddhists, Cao Dai, Hoa Hao and other groups, which felt that he was well ahead in the race and almost certain to be elected. He has had to convince them that he took this action in the interest of unity of the Armed Forces and the welfare of the country, and I believe he is trying to do this sincerely. Over the weekend he summoned to Dalat the Provincial Police and Security Chiefs from whom he had also encountered criticism to explain his position and to inform them that he intended to campaign actively for the ticket.

In my talks with Thieu, I have impressed upon him our view that it is important in the interest of South Vietnam and of our mutual objectives that the relationship of trust between him and Ky should continue and that in whatever arrangement is worked out between them, everyone's talents should be utilized. I pointed out that as a team they have been chiefly responsible for much of the progress and the increased stability of the last two years and that it is important that they should together continue to build on what has already been accomplished. I added that I assumed that Ky as Vice President would not be interested in simply being a figurehead.

Thieu agreed, and said that he expected to divide responsibility with Ky and that in the future, as in the past, they would work together on a basis of mutual trust. He said that he envisaged a broadly-based government with a civilian Prime Minister and with civilian Cabinet members with the exception of Defense and Revolutionary Development which he felt should be headed by military men. He wanted personally to give more attention to the reorganization of the ARVN and to the problems of pacification.

One of the problems, of course, in working out this relationship between Thieu and Ky is the fact that under the present arrangement, Thieu is Chief of State and Ky is head of government.

Under the Constitution, the President is the real center of executive power and the Vice President has relatively few duties assigned to him. Therefore, as Chief Executive, it is to be expected that Thieu will assume a more active role as President than he has as Chief of State during the last two years. This leads to a rather delicate situation in working out a division of labor. But as I have pointed out to Thieu, there is a vast amount of work to be done, too much for any one man, and that it will need the combined efforts of the President, Vice President, and Prime Minister at the top together with all the available talent they can muster at the Cabinet level to prosecute the war and to get on with nation-building.

Last week as a demonstration of improving performance on the part of the ARVN, I mentioned some successful engagements in which they participated. Again this week, General Abrams has sent me a memorandum of an effective operation by elements of the ARVN Fifth Division which has been generally considered one of their poorest. This involved an attack by elements of the 141st North Vietnamese regiment against two companies of the Second Battalion, 9th Regiment, 5th ARVN Division in Binh Long province. The enemy attacked from two directions employing small arms, automatic weapons, mortar and rocket launcher fire and penetrated the ARVN position at two points. ARVN forces launched an aggressive counter-attack to eject the penetrations while holding the remainder of the positions tenaciously. It is interesting to note that there were two-hundred dependents located in the position and only one, a wife, was killed. The dependents assisted the ARVN forces by re-loading magazines and treating the wounded. The ARVN unit employed all available supporting arms, including artillery and air, in an extremely professional manner. The enemy broke contact at first light leaving 112 killed and 10 prisoners, one of whom was a captain. They left behind also 83 weapons, including 52 new AK 47 sub-machine guns. The ARVN forces suffered 14 killed in action. General Abrams reports that the morale and the spirit of the ARVN units were outstanding throughout the actions although they had received 75 new replacements only ten days prior to the attack; leadership was extremely professional. I merely cite this as another indicator of growing ARVN efficiency.

President Marcos made a whirlwind four-hour visit to South Vietnam July 16. We had little advance notice of his plans, having gotten word from Manila only at mid-morning Saturday, and his advance guard did not arrive until Saturday night. However,

the Philippine Ambassador and Ambassador Romualdez, whom President Marcos had sent to make preliminary arrangements, could hardly have asked for fuller cooperation from the Government of Vietnam than they received. Chairman Thieu and Prime Minister Ky both interrupted short and much-needed vacations to meet with Marcos, and a substantial number of Cabinet and general officers turned out as well.

MACV performed magnificently in providing essential assistance in the field of transportation. JUSPAO insured good size press representation at arrival and departure and during the Tay Ninh visit. It also provided tapes and films for placement in the Philippines. I was, of course, present at arrival and departure of the Marcos party. I gave him greetings on your behalf and he asked me to convey his warm regards to you. He expressed to me great appreciation for the arrangements we had made for him. Our Mission otherwise stayed in the background and this remained essentially a Philippine-Vietnamese show. General Thieu, on President Marcos' departure, said, "Your visit has been too short." Marcos replied, "Not too short for politics." Marcos himself cut an attractive figure and thanks to JUSPAO arrangements for publicity, I believe should get some political mileage out of the venture.

#### B. Political

As I have mentioned the focus of political activity this week was on the Assembly as it took the final decisions on which Presidential slates will be allowed to run. The assembly acted with great deliberation and did not take a decision on the Thieu-Ky slate until the early hours of this morning. Fifty-six of the approximately 70 Deputies present voted in favor of the Thieu-Ky ticket. The Big Minh slate was voted down by 54 Deputies. Earlier in the evening, the "peace candidate," Au Truong Thanh, was rejected by the Assembly on the grounds of "pro-Communist neutralism." In all, the Assembly eliminated seven slates, which leaves eleven still in the race. With the exception of Big Minh, all of the major contenders were approved.

We expect little popular reaction here to the Assembly's rejection of the candidacy of Au Truong Thanh. His irresponsible statements about peace have caused most political leaders to suspect that he is indeed working with the Viet Cong.

Big Minh's situation is somewhat different. He still has a good deal of popularity in many circles, and it is not unlikely that the militant Buddhists will try to exploit his rejection for their own ends. Some of our contacts predicted demonstrations if he were barred from running for President. I think that any such demonstrations, if they occur at all, will be easily controlled by the authorities so long as Thieu and Ky work together and give clear orders to the security forces.

We have heard from sources in both camps that Tran Van Huong and Big Minh have an agreement which provides that Minh will support Huong if he is not allowed to run himself. We should soon know if this is true. If Minh does throw his support to Huong, it will give Huong's campaign a considerable boost. It may also serve to deflect many of Minh's supporters from taking part in any anti-Government demonstrations which the militant Buddhists or the Viet Cong may try to generate. Huong's supporters have told us they oppose any such demonstrations, and they claim to have strongly advised Minh and his backers against such action.

In the course of my recent talks with Thieu and Ky, I again stressed the importance of free and fair elections. I raised with both of them the suggestion that international observers of one kind or another would do much to persuade public opinion here and abroad that the elections are honest.

Ky agreed with all I had to say but made no comment. Thieu noted that they plan to invite U Thant to send U.N. observers, though last year he declined to send observers for the Assembly elections. When I mentioned Senator Javits' and other proposals for Parliamentary observers, Thieu said that it was a good idea and he hopes that such groups will come. He added that of course the government intends to invite full observation by the press. I think it is important that if Parliamentary observers are invited, they come from other Asian nations and not just from our own Congress.

On July 15 I gave a speech to the Vietnamese Journalists Association. I stressed the great importance we attach to the democratic process now in motion here, made it clear that we are supporting no candidate, underlined the need for clean elections, and pointed out the need for post-election cooperation among all groups and factions. The local press gave the speech very full coverage,

as I had hoped, with many carrying banner headlines to the effect that we favor no candidate. It is my hope that my speech and the coverage of it in the local press will serve to reinforce the private persuasion we have been using on all concerned to ensure that the coming elections are indeed fair and free.

The Assembly will now turn to complaints against the Senate lists. Four of the 64 slates have withdrawn, and there are complaints lodged against 19 of them. The charges against the candidates include such things as corruption, expulsion from the Armed Forces, pro-Communist sympathies, and failure to take leave without pay from the Government service on filing of candidacy. We expect that many of these charges will be thrown out for lack of evidence, but even if all of the complaints were sustained, there would still be 41 slates in the running -- a total of 410 candidates for 60 Senate seats.

#### C. Situation in First Corps

Last week the Viet Cong made two dramatic attacks in the First Corps, perhaps in an effort to counter our efforts there and keep morale down. The Danang Air Base was hit by rocket and mortar fire on July 15, and on the night of July 14-15, the enemy stormed a prison compound in Hoi An and released over 1200 prisoners. The released prisoners included 150 confirmed Viet Cong and 770 suspected Viet Cong. About 30 of the escaped prisoners were subsequently killed and over 200 were recaptured. Our people in the First Corps report that despite these spectaculars, morale in the First Corps has not suffered. ARVN morale is in fact reported to be high there.

Political activity in the First Corps is reported increasing, with both the VNQDD and the Dai Viet parties active in pre-election organization efforts. There are some stories about government pressures on military and civil servant personnel to get out the vote for the Thieu-Ky slate, and the militant Buddhist faction is again said to be trying to organize demonstrations, this time in support of Big Minh.

#### D. Economic

The Saigon Retail Price Index slipped back two points from last week's sharp jump upward and now stands at 278. This is



still 23 percent above the level at the beginning of the year, however. Import prices rose somewhat, with the Index going from last week's 194 to 196. This is still well under last month's 219.

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The number of returnees reported this week was 419. This may be compared with 339 for the same period last year. The total number of returnees this year is now 18,564; last year at this time the total stood at 10,277.

F. Vietnamese Killed

During the week ending July 15, the enemy killed 82 Vietnamese civilians, wounded 121, and kidnapped 100. The dead included one Revolutionary Development worker, 1 Hamlet Chief, and 4 policemen.

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By reg/lus, NARA, Date 7-18-91

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