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By , NARA, Date 12-16-94

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FRIDAY

SEPTEMBER 8, 1967

FOLLOWING IS VIET NAM POLITICAL SITUATION REPORT FOR TODAY.

THIEU-KY RELATIONSHIP

BUNKER SAW THIEU AND KY YESTERDAY TO DISCUSS THEIR APPEARANCE THIS WEEKEND ON "MEET THE PRESS". AT THAT TIME THEY SEEMED QUITE RELAXED ABOUT THE BROADCAST AND UNDERSTOOD ITS IMPORTANCE IN TERMS OF AMERICAN OPINION. THEY GAVE NO HINT, AS REPORTED IN THE PRESS THIS MORNING, THAT KY WOULD NOT APPEAR WITH THIEU ON "MEET THE PRESS". THE EMBASSY HAS CONFIRMED BY PHONE THAT KY WILL NOT APPEAR ON THE PROGRAM. THE EMBASSY BELIEVES THAT THIEU DID NOT WANT KY TO APPEAR WITH HIM.

THIEU AND KY TOLD BUNKER NO DECISION HAD YET BEEN MADE ON THE PRIME MINISTER, BUT THAT THEY WERE MOVING AHEAD WITH CERTAIN OTHER CABINET APPOINTMENTS. BUNKER SAID THAT HE DID NOT PURSUE THE MATTER AT THAT TIME BECAUSE IT INVOLVES SOMEWHAT DELICATE QUESTIONS BETWEEN THE TWO MEN.

WE CONTINUE TO GET REPORTS OF A GROUPING OF KEY GENERALS ORGANIZED FOR THE PURPOSE OF RESOLVING INEVITABLE FRICTIONS BETWEEN THIEU AND KY. THESE REPORTS INDICATE THAT KY DOMINATES THIS GROUP. HOWEVER, THERE ARE ALSO INDICATIONS THAT SOME FIELD-GRADE OFFICERS ARE DISSATISFIED OF THE CREATION OF THIS GROUPING, PARTLY BECAUSE OF THE PERSONALITIES IN IT AND PARTLY BECAUSE THEY FEEL THE MILITARY SHOULD STAY OUT OF POLITICS.

PROBLEM OF DZU

THIEU AND KY TOLD BUNKER THAT THERE WAS NO QUESTION THAT DZU HAD HAD SUBSTANTIAL FUNDS FROM UNKNOWN SOURCES. THEY ALSO POINTED OUT THAT DZU RAN STRONGEST IN AREAS WHERE VC STRENGTH WAS GREATEST. SEMI-OFFICIAL VIET-NAM PRESS HAS ANNOUNCED THAT THE POLICE HAVE UNCOVERED EVIDENCE THAT THE VC INSTRUCTED VOTERS TO CAST BALLOTS FOR DZU. THE EMBASSY COMMENTS THAT THE GVN THROUGH THIS AND OTHER MEANS IS TRYING TO FORECLOSE THE POSSIBILITY THAT OTHERS WILL COOPERATE WITH DZU.

NEW UPPER HOUSE

IN ITS PRELIMINARY ASSESSMENT OF THE NEW UPPER HOUSE, EMBASSY SAIGON COMMENTS THAT, ALTHOUGH CATHOLICS TOOK A DISPROPORTIONATE SHARE OF THE UPPER HOUSE SEATS, MANY OTHER GROUPS HAVE SOME REPRESENTATION. THE MOST IMPORTANT GROUPS EXCLUDED ARE THE SOUTHERNERS WHO SUPPORT HUONG OR DZU AND THE NORTHERN BUDDHISTS. THE EMBASSY BELIEVES THAT THE SENATE IS LIKELY TO BE INDEPENDENT OF THE GOVERNMENT, THOUGH INCLINED TO COOPERATE WITH IT ON MANY ISSUES. IT IS LIKELY TO BE STRONGLY ANTI-COMMUNIST AND PROBABLY CONSERVATIVE ON SOCIAL AND ECONOMIC ISSUES.

IN A CONVERSATION WITH A SENIOR EMBASSY OFFICER, FOREIGN MINISTER DO ATTRIBUTED THE CATHOLICS' NOTABLE SUCCESS TO THEIR EFFECTIVE ORGANIZATION AND DISCIPLINE. HE SAID THIS WAS A REAL LESSON FOR THE BUDDHISTS. DO SAID THAT THE LOWER HOUSE ELECTIONS WOULD BE QUITE DIFFERENT SINCE ITS MEMBERS WOULD BE ELECTED FROM INDIVIDUAL CONSTITUENCIES AND THEREFORE REPRESENT A MUCH BROADER SPECTRUM OF VIETNAMESE SOCIETY. DO NOTED THAT THE PRESIDENTIAL AND SENATE ELECTION RESULTS NARROWED THE SELECTION OF A PRIME MINISTER TO PERSONS WHO WERE BUDDHIST, CIVILIAN, SOUTHERNER, AND COMPETENT AND EXPERIENCED. HE ASSUMED THAT HE WAS UNDER CONSIDERATION.

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