

RECEIVED
WHCA

6:18 AM
34
Sent

DECLASSIFIED

E.O. 12356, Sec. 3.4

NEJ 94-365

By 100, NARA, Date 10-15-94

1967 SEP 7 10 18

~~SECRET~~

NODIS

SEP
1

THURSDAY
EE

VZ070603A365
TO VTE19
RE VTE 1652

FROM: WALT ROSTOW
TO : THE PRESIDENT
CITE: CAP67749

~~SECRET NODIS~~

FOR THE PRESIDENT FROM BUNKER (SAIGON, 5060)

HEREWITH MY NINETEENTH WEEKLY TELEGRAM:

A. GENERAL

1. SINCE THE CAMPAIGN AND ESPECIALLY THE ELECTION ITSELF HAVE BEEN REPORTED ON IN GREAT DETAIL AND WILL BE COVERED FURTHER IN THE POLITICAL SECTION, I SHALL ONLY MAKE A FEW GENERAL OBSERVATIONS ABOUT THEM HERE.

2. THE FIRST IS THAT AN OUT-TURN OF 83 PERCENT OF THE REGISTERED VOTERS IN THE FACE OF MASSIVE AND DETERMINED EFFORTS BY THE VIET CONG TO DISRUPT THE ELECTIONS BY TERROR AND INTIMIDATION SURPRISED EVERYONE. IT IS A RARE TRIBUTE TO THE COURAGE OF THE VIETNAMESE PEOPLE AND EVIDENCE OF THEIR GREAT INTEREST IN THE ESTABLISHMENT OF DEMOCRATIC INSTITUTIONS AND OF THEIR DETERMINATION TO REGISTER THEIR CONVICTIONS. THAT THE VIET CONG WERE NOT MORE SUCCESSFUL IN THEIR TERRORIST ATTACKS WAS DUE IN GREAT MEASURE TO THE SECURITY PROVISIONS PUT INTO EFFECT BY OUR OWN AND VIETNAMESE FORCES. GENERAL THIEU HAS PAID TRIBUTE TO THE CONTRIBUTION MADE TO SECURITY DURING THE ELECTION BY THE ALLIED FORCES. GENERAL WESTMORELAND HAS BEEN EquALLY COMPLIMENTARY ABOUT THE SECURITY PLANS WORKED OUT BY THE VIETNAMESE ARMED FORCES AND THEIR EFFECTIVE IMPLEMENTATION. HE REPORTS THAT ESSENTIALLY A THREE-RING SECURITY CONCEPT WAS EMPLOYED. POLICE AND POPULAR FORCES COMPRISED THE CLOSE-IN SECURITY IN AND ADJACENT TO THE POLLING STATIONS. ARMY OF THE REPUBLIC OF VIET NAM UNITS AND REGIONAL FORCES ESTABLISHED A CENTRAL SECURITY BELT ABOUT THE HAMLETS, VILLAGES AND CITIES. THE OUTER-RING OF SECURITY OPERATIONS WAS ACCOMPLISHED BY MAIN ARMY OF THE REPUBLIC OF VIET NAM ELEMENTS. MAJOR EMPHASIS WAS PLACED UPON THE ROADS AND WATERWAYS OVER WHICH THE VOTERS TRAVELED TO THE POLLS. IN SAIGON, POLICE AND SUPPORTING ARMY OF THE REPUBLIC OF VIET NAM UNITS COVERED THE CITY SO COMPLETELY AND EFFECTIVELY THAT ELECTION DAY INCIDENTS WERE TOO SCATTERED, INFREQUENT AND INSIGNIFICANT TO WARRANT MORE THAN PASSING NOTICE. THE SECURITY PLAN FOR SAIGON WAS CLASSIC IN BOTH ITS DETAIL AND IMPLEMENTATION.

COPY LBJ LIBRARY

3. THE SECOND POINT TO BE NOTED IS THE EFFECTIVE ORGANIZATION OF THE POLLING. I THINK ALL OF OUR OBSERVERS AND CERTAINLY THE EXPERTS WHO ACCOMPANIED THEM, MESSRS. SCAMMON, HERZBERG, AND PENNIMAN, WERE GREATLY IMPRESSED BY THE WAY IN WHICH THE ELECTIONS HAD BEEN ORGANIZED AND THE SMOOTHNESS WITH WHICH THE MACHINERY WORKED. A CONSIDERABLE EFFORT HAD GONE INTO INSTRUCTING THE PEOPLE HOW TO VOTE AND THE ACTUAL PROCESS OF VOTING PROCEEDED MUCH MORE RAPIDLY THAN WE HAD ANTICIPATED. DR. SCAMMON TOLD ME THAT THEY HAD TIMED A SUBSTANTIAL NUMBER OF VOTERS AND FOUND THAT THE BALLOTTING TIME VARIED FROM THIRTY SECONDS TO TWO MINUTES AND FORTY SECONDS. GENERAL THIEU, HOWEVER, CONFESSED TO ME THAT IT TOOK HIM FOUR MINUTES TO VOTE HIS SENATE LIST BECAUSE HE HAD LEFT THE PAPER WITH THE NUMBERS HE WANTED TO VOTE FOR AT HOME. BUT I THINK IT IS A TRIBUTE TO THE CAREFUL PREPARATION AND ORGANIZATIONAL ABILITY OF THE GOVERNMENT THAT SUCH A LARGE NUMBER OF VOTES COULD HAVE BEEN REGISTERED BETWEEN 7:00 A.M. AND 4:00 P.M.

~~SECRET~~

~~NODIS~~

4. THE THIRD POINT, WHICH I MENTIONED ALSO IN MY LAST WEEK'S MESSAGE, IS THAT THERE WAS COMPLETE FREEDOM OF SPEECH AND FREEDOM OF THE PRESS. THE GOVERNMENT WAS SUBJECT TO A CONTINUOUS AND HEAVY BARRAGE OF CRITICISM BY ALL THE CIVILIAN CANDIDATES AND EDITORIALLY BY A SUBSTANTIAL PORTION OF THE PRESS. ALL OF IT WAS FREELY PRINTED. IN FACT, I THINK DZU'S STRONG SHOWING, WHICH SURPRISED EVERYONE, WAS DUE IN PART TO THE FACT THAT HE WAS THE MOST ARTICULATE AND VOCIFEROUS CRITIC OF THE GOVERNMENT. THERE IS ALWAYS A PORTION OF THE ELECTORATE WHO ARE "AGAINST THE GOVERNMENT" AND NO DOUBT HE MADE A STRONG APPEAL TO THEM. HIS SIMPLISTIC AND INSISTENT EXPLOITATION OF THE PEACE THEME UNDOUBTEDLY ALSO HAD A STRONG APPEAL.

5. BY AND LARGE IT WAS A FREE SWINGING CAMPAIGN, CARRIED ON IN DEAD EARNEST AND NOT RELIEVED BY MUCH HUMOR. ONE EXCEPTION WAS SUU'S VICE PRESIDENTIAL RUNNING MATE, DR. DAN, WHO HAD A LIGHTER TOUCH. IN HIS SPEECH IN CHOLON, IN WHICH HE WAS CRITICAL OF THE STATE OF AFFAIRS IN SAIGON, HE SAID "TO TAKE A TAXI OR PEDICAB, THE COST IS PROHIBITIVE. THERE ARE NO PUBLIC LAVATORIES AND YET IT IS AGAINST THE LAW TO URINATE IN THE STREET. I SUGGEST YOU JUST URINATE IN YOUR "PANTS".

6. THE FOURTH POINT IS THAT IN THE VIEW NOT ONLY OF MOST OF OUR OWN OBSERVERS AND THE EXPERTS WHO ACCOMPANIED THEM, BUT ALSO IN THE VIEW OF OBSERVERS FROM OTHER COUNTRIES AS WELL, THERE WAS LITTLE EVIDENCE OF IRREGULARITIES. MANY OF THEM EXPRESSED THE VIEW TO ME THAT THE ELECTIONS HERE DID NOT SUFFER FROM COMPARISON WITH OUR OWN. AFTER MAKING A THOROUGH STUDY OF THE PREPARATIONS FOR THE ELECTIONS AND OBSERVING THE VOTING IN A LARGE NUMBER OF POLLING PLACES IN SAIGON, TAY NINH, AND AN XUYEN, MESSRS. SCAMMON, HERZBERG, AND PENNIMAN SAID TO ME FRANKLY THEY HAD NEVER SEEN A BETTER ELECTION. WHILE I HAVE SEEN ONLY A FEW REPORTS OF OPINIONS EXPRESSED BY THE OBSERVER GROUP ON REACHING HONOLULU, A NUMBER OF THEM SAID TO ME ON LEAVING THAT THEY THOUGHT THE ELECTIONS HAD GONE EXTREMELY WELL AND HAD BEEN CARRIED OUT FAIRLY AND IN A HIGHLY CREDITABLE FASHION.

7. THE AUSTRALIAN AMBASSADOR HAS TOLD ME THAT IN HIS OPINION THE ELECTIONS HAD BEEN WELL ORGANIZED, THAT THE BALLOTTING WENT EXTREMELY WELL, AND THAT IN HIS VIEW THE ELECTION WAS FREE AND FAIR. THE NEW ZEALAND AMBASSADOR, WHO WAS AN OBSERVER FOR HIS GOVERNMENT, CAME TO SEE ME THIS MORNING, AND SAID THAT HE HAD REPORTED TO HIS GOVERNMENT THAT HE THOUGHT THE ELECTIONS WERE "FIRST RATE". TWO OTHER UNOFFICIAL AMERICAN OBSERVERS HAVE REPORTED THEIR FINDINGS.

PROFESSOR OF DIPLOMACY AND WORLD AFFAIRS EDWARD W. MILL AT OCCIDENTAL COLLEGE SPENT 10 DAYS HERE ON HIS OWN TO OBSERVE THE ELECTORAL PROCESS. HE CAME TO SEE ME THIS MORNING AND TOLD ME THAT HE HAD BEEN BOTH SURPRISED AND PLEASED TO SEE THE EFFICIENCY WITH WHICH THE ELECTIONS HAD BEEN ORGANIZED AND WITH WHICH THE BALLOTTING WAS CARRIED OUT. HE SAID THAT HE SAW NO EVIDENCE TO SUBSTANTIATE THE CHARGES OF IRREGULARITIES BEING MADE BY SOME OF THE CANDIDATES, AND HE FELT THAT THE WHOLE PROCESS HAD REALLY BEEN A SPLENDID PERFORMANCE. CONGRESSMAN WOLFF WHO CAME HERE AS A SKEPTIC, AND WITH WHOM I HAD A LONG TALK ON HIS ARRIVAL, HAS REPORTED FROM BANGKOK ON HIS OBSERVATIONS HERE. HE IS QUOTED AS SAYING, "I CANNOT PUT A STAMP OF COMPLETE AND UNALTERABLE FREEDOM AND HONESTY ON THE ENTIRE ELECTION BUT I CAN SAY WHAT I DID SEE AND SPOT CHECK WAS FREE. I HAVE THE VISUAL AND AUDIO EVIDENCE TO SUPPORT MY FINDINGS. WHAT I DID SEE AND SPOT CHECKED HAD TOO MANY BUILT IN SAFEGUARDS. IT IS ALMOST IMPOSSIBLE TO BELIEVE ANYONE COULD HAVE "STOLEN" THE ELECTION EXCEPT BY A BLATANT EFFORT AND COMPLETE DISREGARD FOR CONVENTION THAT COULD NOT HAVE ESCAPED THE ATTENTION OF THE 20 ODD NATIONAL OBSERVER TEAMS AND THE HUNDREDS OF NEWSMEN HERE FOR THE ELECTION." HE ADDED, "A VERY SIGNIFICANT STEP HAS BEEN TAKEN; A MOST IMPORTANT OBJECTIVE REACHED. IN LIGHT OF THIS IT IS NOW TIME TO REAPPRAISE OUR PLANS FOR THE FUTURE."

~~SECRET~~ ~~NOFORN~~

8. I AM EXTREMELY HAPPY THAT YOU WERE ABLE TO PERSUADE SUCH A HIGH CALIBER AND BROADLY REPRESENTATIVE OBSERVER GROUP TO COME HERE. I THINK THEY PERFORMED A MOST USEFUL FUNCTION. WE TRIED TO ORGANIZE THEIR VISIT SO AS TO GIVE THEM MAXIMUM FREEDOM, EACH INDIVIDUAL HAVING A HIGH LEVEL ESCORT AND INDIVIDUAL TRANSPORTATION. IN WELCOMING THEM, I SAID THAT WHILE WE HAD WORKED OUT A PROGRAM FOR THEM, THEY WERE TO FEEL COMPLETELY FREE TO DISREGARD THE PROGRAM, TO GO WHERE THEY WISHED, EITHER SINGLY OR IN GROUPS, AND TO TALK WITH WHOMEVER THEY WISHED. THEY SEEMED PLEASED BY THIS AND REALLY TOOK ADVANTAGE OF IT. MANY OF THEM MADE THEIR OWN PLANS AND IN THE FOUR DAYS THROUGH ELECTIONS WORKED EXTREMELY HARD AND COVERED MUCH OF THE COUNTRY. WE GAVE THEM FACTUAL BRIEFINGS, MADE NO ATTEMPTS TO INFLUENCE THEM, AND LET THEM FORM THEIR OWN OPINIONS. MANY OF THEM TALKED TO A GOOD MANY MEMBERS OF THE PRESS AND I FOUND THAT QUITE A NUMBER OF THE OBSERVERS WERE SURPRISED AND RESENTFUL AT WHAT THEY PRESS HERE. I BELIEVE THE EXERCISE ALSO RESOLVED DOUBTS IN THE MINDS OF SOME OF THE GROUP WHICH HAD BEEN TROUBLING ME WHILE THEY ARRIVED HERE AND THAT IT HAS BEEN EXTREMELY

9. NOW WE ARE FACED WITH NEW PROBLEMS HAVING NEW DIMENSIONS. BUT IF WE CAN PERSUADE THIEU AND KY AS A BEGINNING, AND AS I BELIEVE WE CAN, TO PUT TOGETHER A BROADLY BASED GOVERNMENT REPRESENTING A WIDE POLITICAL SPECTRUM, I THINK WE SHALL HAVE TAKEN A LONG STRIDE FORWARD IN THE ESTABLISHMENT OF REPRESENTATIVE DEMOCRACY IN VIETNAM.

10. THE FIRST THING WE NEED TO DO, I THINK, IS TO USE OUR INFLUENCE TO SEE THAT THE ADMINISTRATION IS BOTH BROADLY BASED AND COMPETENT. I HAD A PRELIMINARY TALK WITH THIEU ABOUT THIS LAST NIGHT, ESPECIALLY ABOUT THE APPOINTMENT OF THE PRIME MINISTER. HE SAID THAT HE THOUGHT IT WOULD BE VERY DESIRABLE TO HAVE A SOUTHERNER IN THIS POST SINCE HE IS A CENTRALIST AND KY A NORTHERNER, AND WAS THINKING OF NGUYEN LUU VIEN, THE PRESENT DEPUTY PRIME MINISTER, BECAUSE OF HIS HIGH REPUTATION FOR HONESTY AND COMPETENCE. I SUGGESTED TO HIM THAT HE MIGHT ALSO WANT TO THINK OF NGUYEN HUU MANH, GOVERNOR OF THE NATIONAL BANK OF VIETNAM, AND MINISTER FOR ECONOMY AND FINANCE, WHO ALTHOUGH FROM CENTRAL VIETNAM IS PROBABLY THE ABLEST MAN IN THE GOVERNMENT TODAY. THIEU SAID HE THOUGHT MANH WOULD ALSO BE AN EXCELLENT CHOICE SINCE HE BELIEVES THAT THE PRIME MINISTER SHOULD HAVE COMPETENCE IN ECONOMICS AND ADMINISTRATION AS HE AND KY WOULD PROBABLY BE DEVOTING MUCH OF THEIR ATTENTION TO THE CONDUCT OF THE WAR, THE ARMED FORCES, AND PACIFICATION. I ALSO ASKED HIM HIS VIEW AS TO THE DESIRABILITY OF OFFERING THE PRIME MINERSHIP TO HUONG. HE SAID HE DID NOT BELIEVE HUONG'S HEALTH COULD WITHSTAND THE RIGOROUS DUTIES OF THE OFFICE AND HE THOUGHT ALSO THAT THEY WOULD FIND HIM DIFFICULT TO WORK WITH. HE WAS, HOWEVER, CONTEMPLATING OFFERING BOTH HUONG AND SUU POSITIONS IN THE GOVERNMENT, PERHAPS ON THE SUPREME COURT PROVIDED FOR IN THE CONSTITUTION. HOWEVER AS I INTERPRET PROVISIONS OF THE CONSTITUTION (ARTICLE 30) I DOUBT THAT THIS PARTICULAR APPOINTMENT WOULD BE POSSIBLE.

11. I SAID THAT I THOUGHT IT WOULD BE WISE IN OFFERING POSTS TO THE OPPOSITION CANDIDATES OR THEIR REPRESENTATIVES TO MOVE AHEAD RAPIDLY IN ORDER TO UNDERCUT POSSIBLE CHARGES ON THEIR PART OF ELECTION IRREGULARITIES. WE HAVE HAD REPORTS THAT DZU IS TRYING TO ARRANGE A UNITED FRONT OF THE CIVILIAN CANDIDATES IN PRESENTING CHARGES OF FRAUD IN THE ELECTIONS.

~~SECRET~~

NODIS

~~SECRET~~

~~NODIS~~

12. I ALSO MENTIONED TO THIEU THE DESIRABILITY OF COMING FORWARD SOON WITH A DYNAMIC PROGRAM WHICH WOULD ENGAGE THE ENTHUSIASM OF THE PEOPLE AND LET THEM FEEL THAT A NEW DAY HAD INDEED DAWNED. THIS WOULD HAVE THE ADVANTAGE ALSO OF TAKING THE SPOTLIGHT AWAY FROM DZU, HIS CHARGES OF IRREGULARITIES, AND HIS ADVOCACY OF HIS SIMPLISTIC APPROACH TOWARD PEACE NEGOTIATIONS. HE AGREED THAT THIS WAS IMPORTANT AND SAID THAT THEY WERE WORKING ON SUCH A DECLARATION. I THINK WE CAN BE HELPFUL IN PROVIDING SUGGESTIONS AND ARE WORKING ON A MEMORANDUM ALONG THESE LINES. OUR VIEWS OUTLINING THE POLICIES THAT WE BELIEVE WE OURSELVES SHOULD TRY TO FOLLOW IN THE MONTHS AHEAD, AND THE POLICIES WE FEEL THAT WE SHOULD TRY TO GET THE GOVERNMENT OF VIET NAM TO ADOPT ARE OUTLINED IN THE "BLUEPRINT FOR VIETNAM" WHICH I HAVE FORWARDED TO YOU, TO SECRETARY RUSK, AND TO SECRETARY McNAMARA. AMBASSADOR LOCKE WILL BE DISCUSSING THESE AND OTHER MATTERS DURING HIS CONSULTATIONS IN WASHINGTON.

B. POLITICAL:

13. ON ELECTION DAY ITSELF, SEPT. 3, THE PEOPLE OF SOUTH VIETNAM TROOPED, ONCE AGAIN TO THE POLLS IN LARGE NUMBER, 33 PERCENT OF THE REGISTERED VOTERS RECORDED AS PARTICIPATING, COMPARED TO 30.3 PERCENT IN THE CONSTITUENT ASSEMBLY ELECTIONS OF SEPT. 1966.

14. THEIR MOOD ON THE WHOLE APPEARED SOBER AND CALM, THOUGH THERE WAS A FESTIVE ATMOSPHERE ABOUT MANY OF THE POLLING PLACES. MISSION PERSONNEL AND OTHER U. S. OBSERVERS VISITED. THE VIETNAMESE ELECTION MACHINERY IS FAIRLY WELL-OILED BY NOW, AND THE STAFF WAS PREPARED FOR THE VOTERS. AT A POLLING STATION VISITED BY ONE OF THE OFFICIAL U. S. OBSERVERS, PROFESSOR SCAMMON, PREPARATIONS APPEARED TO HIM TO BE BETTER IN HAND THAN AT MANY POLLING STATIONS IN THE UNITED STATES AT OPENING TIME.

15. WHILE THE ELECTION STATISTICS DO NOT REFLECT VOTING BY SEX, THERE WAS EVIDENTLY A LARGE TURNOUT OF WOMEN VOTERS, BOTH IN THE CITIES AS WELL AS IN THE COUNTRYSIDE. AT ONE POLLING PLACE IN SAIGON THE FIRST VOTER WAS A TINY, OLDER LADY OF ABOUT 65, WHO EXPRESSED SOME ANNOYANCE THAT ALL WAS NOT IMMEDIATELY READY WHEN SHE ARRIVED TO VOTE AT 7:00 A.M. SHE LOOKED THINGS OVER, GAVE THE VOTING OFFICIALS INSTRUCTIONS ON HOW THEY OUGHT TO ASSEMBLE THE BALLOTS, QUICKLY VOTED WHEN SHE OBTAINED HER BALLOTS, AND TRIUMPHANTLY DEPARTED. IN FEW CASES IN THE COUNTRYSIDE WOMEN ARRIVED WITH TWO VOTING CARDS--FOR THEMSELVES AND FOR THEIR HUSBANDS--AND WERE PERMITTED TO VOTE, THOUGH THIS IS A TECHNICAL VIOLATION OF THE LAW. NO DOUBT THEIR HUSBANDS WERE WORKING IN THE FIELDS. NOT EVEN AN ELECTION CAN ENTIRELY DISRUPT THE RHYTHMS OF RURAL VIETNAMESE LIFE.

16. THE THIEU-KY VICTORY IN THE ELECTIONS WAS DECISIVE, THOUGH THEIR PERCENTAGE OF THE VOTE WAS 34.8 PERCENT ACCORDING TO REVISED FIGURES RELEASED BY THE NATIONAL ASSEMBLY SEPT 5. THEIR NEAREST RIVAL, THE DZU-CHIEU TICKET (WHICH HEAVILY PLUGGED THE "PEACE" THEME AND MAY POSSIBLY HAVE HAD COVERT SUPPORT), OBTAINED 17.2 PERCENT OF THE VOTE. THE NEXT TWO TEAMS WERE SUU-DAN (10.3 PERCENT) AND HUONG-TRUYEN (10.0 PERCENT). THE REMAINING TICKETS, AND THEIR APPROXIMATE PERCENTAGES OF THE VOTE WERE AS FOLLOWS: KY-DINH (7.3 PERCENT), QUAT-CHAN (6.2 PERCENT), MIEP-TRUYEN (3.5 PERCENT), KHANH-DONG (3.2 PERCENT), BINH-KHINH (2.9 PERCENT), CO-SIMH (2.2 PERCENT), AND LY-DUONG (1.9 PERCENT).

~~SECRET~~

~~NOFORN~~

17. FAILURE OF SEVEN OF THE ELEVEN LISTS TO OBTAIN 10 PERCENT OF THE EFFECTIVE TOTAL VOTE OF 4,735,404 VOTES LEAVES THEM LIABLE TO REPAY THE VIETNAMESE TREASURY FOR THE MONEY ADVANCED TO THEM FOR PRINTING LEAFLETS AND POSTERS (AN AVERAGE OF AROUND ONE MILLION PIASTERS EACH, OR CLOSE TO \$10,000). THE TRAN VAN HUONG SLATE NARROWLY MISSED BEING PLACED IN THIS CATEGORY, RECEIVING 600 MORE VOTES THAN THE MINIMUM OF 10 PERCENT REQUIRED TO ESCAPE THE APPLICATION OF THIS PROVISION OF THE PRESIDENTIAL ELECTIONS LAW.

18. NOT SURPRISINGLY, THE FOUR LEADING SLATES HAD POCKETS OF STRENGTH AND WEAKNESS THROUGHOUT THE COUNTRY, ALTHOUGH ALL OF THEM WERE STRONG CONTENDERS ON A NATION-WIDE BASIS. THEIU AND KY BENEFITED FROM BEING FAIRLY WELL-KNOWN PARTICULARLY KY, WHO IN SOME RURAL PLACES IS KNOWN AS "MR. MOUSTACHE". THEIU AND KY WERE STRONG IN THE LARGER CITIES (RUNNING A STRONG SECOND IN BOTH SAIGON AND HUE) AND WERE FIRST IN EACH OF THE FOUR CORPS AREAS. SURPRISINGLY, THE THIEU-KY SLATE DID LESS WELL THAN HAD BEEN EXPECTED IN CHOLON, WHICH IS PREDOMINANTLY CHINESE. THERE MAY STILL BE LINGERING RESENTMENT THERE OVER THE SUMMARY TRIAL AND EXECUTION IN 1966 OF TA VINH, A WEALTHY CHINESE BUSINESSMAN, ON A CHARGE OF CORRUPTION. THIEU AND KY DID QUITE WELL IN II CORPS, PARTICULARLY IN THE HIGH-LAND PROVINCES, WHERE THE RECENT PROMULGATION OF THE SPECIAL STATUTE FOR THE MONTAGNARDS CERTAINLY DID THEM NO HARM. THE CAMPAIGN WAS EVIDENTLY NEITHER LONG ENOUGH NOR INTENSIVE ENOUGH FOR THE OTHER CANDIDATES TO ERASE THE INCUMBENTS' ADVANTAGES POSSESSED BY THEIU AND KY.

19. THE PRINCIPAL SURPRISE IN THE CAMPAIGN WAS THE STRONG SHOWING MADE BY TRUONG DINH DZU. DZU, AN EXPERIENCED LAWYER AND A GIFTED PUBLIC SPEAKER, WAS PARTICULARLY EFFECTIVE IN THE JOINT APPEARANCES OF THE PRESIDENTIAL CANDIDATES, WHERE HIS ORATORICAL SKILL, MIXED WITH A SKILLFUL USE OF INVECTIVE DIRECTED AGAINST THE GOVERNMENT, WON CONSIDERABLE APPLAUSE FROM HIS AUDIENCES. HOWEVER, DZU ALSO DID WELL IN AREAS OF THE COUNTRY WHERE HE NEVER APPEARED PERSONALLY, ALTHOUGH IN SOME OF THESE LOCALITIES HE COULD BE SEEN OR HEARD ON TELEVISION OR ON RADIO. DZU UNDOUBTEDLY BENEFITED FROM HIS SKILLFUL EXPLOITATION OF THE "PEACE" ISSUE. IN HIS INITIAL SPEECHES IN THE CAMPAIGN HE APPEARED NO MORE DEDICATED TO "PEACE" THAN OTHER CANDIDATES, ALTHOUGH HE HAD CHOSEN THE DOVE AS HIS ELECTION SYMBOL. DZU MADE THIS ISSUE THE CENTRAL PART OF HIS CAMPAIGN. BY NO MEANS A COMMUNIST, EITHER OVERTLY OR COVERTLY, DZU QUICKLY SENSED THE RECEIPTIVITY OF HIS AUDIENCES TO A CAMPAIGN AIMED AT "PEACE" AND REAPED SUBSTANTIAL BENEFIT FROM THIS APPROACH. HE DID NOT DEVELOP A DETAILED "PEACE PROGRAM" UNTIL LATE IN THE CAMPAIGN.

20. SPECIFICALLY, DZU'S "PEACE PLAN" INVOLVES PROPOSING TO THE UNITED STATES AN UNCONDITIONAL HALT TO THE BOMBING OF NORTH VIET-NAM; PROPOSING TO HANOI A CEASE-FIRE WHICH WOULD INVOLVE AN END TO ALL MILITARY ACTIVITIES IN VIET-NAM; TALKS BETWEEN THE GOVERNMENT OF VIET NAM AND HANOI AIMED AT HALTING THE INFILTRATION OF MEN AND EQUIPMENT FROM NORTH TO SOUTH AND THE WITHDRAWAL OF NORTH VIETNAMESE TROOPS FROM THE SOUTH; TALKS WITH THE UNITED STATES AND OTHER ALLIED GOVERNMENTS TO REACH AGREEMENTS ON TROOP LEVELS, THE PERIOD DURING WHICH ALLIED TROOPS WOULD BE STATIONED IN VIET-NAM, AND TIMING OF ULTIMATE WITHDRAWAL; TALKS WITH THE LIBERATION FRONT "TO FIND OUT THE ASPIRATIONS OF THE LIBERATION FRONT" AND "TO EXCHANGE RATIONAL PROPOSALS WITH THE LIBERATION FRONT"; AND NEGOTIATION OF AN INTERNATIONAL GUARANTEE THROUGH A RECONVENED GENEVA CONFERENCE TO SUPPORT THE ARRANGEMENTS REACHED DIRECTLY BETWEEN THE PARTIES CONCERNED. DZU HAD NOT PREVIOUSLY SHOWN A GREAT DEAL OF INTEREST IN THE "PEACE" ISSUE, AND THE ABOVE "PLAN" IS ESSENTIALLY A FIRST CUT AT A PROBLEM MUCH MORE COMPLICATED THAN HE PROBABLY REALIZES. HIS UNSAVORY REPUTATION-STAINED IN RECENT YEARS BY VIOLATIONS OF CURRENCY CONTROL REGULATIONS AND FLEECING LAW CLIENTS EVIDENTLY DID NOT IMPRESS THE VOTERS AS MUCH AS HIS SIMPLISTIC PEACE APPEAL AND HIS HARSH ATTACKS ON THE GOVERNMENT.

~~SECRET~~ ~~NOFORN~~

~~SECRET~~

~~NOFORN~~

21. THE SUU-DAN TICKET CARRIED HUE AND WAS SECOND IN I CORPS. HOWEVER, SUU RAN FOURTH IN SAIGON AND IN THE POPULOUS III AND IV CORPS. ULTIMATELY, SUU WAS NEVER ABLE TO ESCAPE FROM THE WIDELY HELD FEELING THAT HE IS AN OLD AND RATHER WEAK MAN WITH LITTLE NEW TO OFFER THE COUNTRY. EVEN DAN'S IMAGINATIVE LAND REFORM PROGRAM, AN IMPORTANT PART OF THE SUU-DAN PLATFORM, ATTRACTED LITTLE ATTENTION. THIS SUGGESTS THAT LAND REFORM, HOWEVER DESIRABLE AND NECESSARY, IS PROBABLY NOT A POLITICALLY POWERFUL ISSUE AT THIS TIME. NONE OF THE OTHER CANDIDATES MADE MORE THAN PASSING REFERENCE TO LAND REFORM, AND THE ISSUE APPEARED TO GENERATE LITTLE REAL INTEREST.

22. TRAN VAN HUONG CARRIED SAIGON, WHERE HE HAD BEEN AN EFFECTIVE AND POPULAR MAYOR, BUT HIS PERFORMANCE ELSEWHERE WAS WEAK. HE RAN FIFTH IN I AND II CORPS, WHERE HIS TROUBLES WITH THE BUDDHISTS IN 1964-5 ALMOST CERTAINLY HURT HIM, BUT HE ALSO RAN ONLY THIRD IN III AND IV CORPS, WHERE HE WAS EXPECTED TO DO MUCH BETTER. EVEN IN DEFEAT HE REMAINS A STRONG AND TOUGH-MINDED POLITICAL FIGURE, AND IT MAY BE THAT HE HAS NOT DEFINITELY ABANDONED ANY POSSIBILITY OF HOLDING OFFICE UNDER THIEU AND KY. HE WOULD ADD STRENGTH TO THE GOVERNMENT OF VIET NAM IF A SUITABLE PLACE CAN BE FOUND FOR HIM.

23. THE RETURNS FROM THE SENATE ELECTIONS, WHICH WERE HELD SIMULTANEOUSLY, HAVE BEEN MUCH SLOWER COMING IN, AN INEVITABLE RESULT OF THE FACT THAT THERE ARE 48 SENATE LISTS FOR WHICH TOTALS MUST BE COMPUTED IN EVERY ONE OF THE 3,824 POLLING STATIONS THROUGHOUT THE COUNTRY. FROM INITIAL INDICATIONS, IT APPEARS THAT SENATE LIST 13 (HEADED BY RETIRED GEN TRAN VAN DON AND CONSISTING OF A BALANCED GROUP OF MILITARY AND CIVILIAN FIGURES, INCLUDING A MONTAGNARD FROM PHU BON PROVINCE) IS DOING WELL AND WILL PROBABLY BE ONE OF THE WINNERS. THE OTHER SLATES ARE WELL SPREAD OUT, AND WE DON'T EXPECT TO KNOW THE PATTERN FOR PERHAPS ANOTHER DAY. IT IS CLEAR THAT THE SENATE VOTE HAS BEEN MUCH AFFECTION BY RANDOM VOTING. MANY VOTERS HAVE TOLD US THAT, AFTER SELECTING ONE OR TWO LISTS THEY PARTICULARLY WANTED, THEY PULLED OUT SEVERAL OTHER LISTS AT RANDOM TO MAKE UP A TOTAL OF SIX LISTS, AS PROVIDED IN THE ELECTION LAW.

24. ONE FAIRLY WELL-EDUCATED YOUNG LADY TOLD US THAT SHE HAD VOTED FOR ONE SENATE LIST BECAUSE IT WAS HEADED BY A NEIGHBOR AND FOR ANOTHER BECAUSE IT INCLUDED A RELATIVE. THE OTHER FOUR LISTS SHE PULLED OUT AT RANDOM FROM THE SHEAF OF 48 LISTS GIVEN TO HER IN THE POLLING PLACE. THE FIRST LIST SHE DREW AT RANDOM WAS HEADED BY A WOMAN, WHICH SHE REJECTED BECAUSE SHE FELT WOMEN SHOULD NOT BE ACTIVE IN POLITICS. SHE SAID SHE COULD NOT REMEMBER WHICH OF THE FOUR LISTS DRAWN AT RANDOM SHE FINALLY DEPOSITED IN THE BALLOT BOX.

25. THE PRESIDENTIAL ELECTION RESULTS SPEAK FOR THEMSELVES AND WILL GO FAR TO ANSWER THE EARLIER CHARGES THAT THE GOVERNMENT WAS GUILTY OF IMPROPER ACTIVITIES DURING THE CAMPAIGN AND WOULD MANIPULATE THE RESULTS. WE OBSERVED SOME MINOR IRREGULARITIES. THE IDENTIFICATION PROCEDURES AT THE POLLING PLACES WERE RATHER HAPHAZARD. VOTERS SIMPLY PRESENTED THEIR IDENTITY CARDS AND THEIR VOTER'S CARD AND, AFTER A CURSORY EXAMINATION TO ESTABLISH THAT THEY WERE THE PERSON INVOLVED, THEY WERE GIVEN THEIR BALLOTS. WE KNOW OF A NUMBER OF CASES WHERE PEOPLE VOTED OTHER THAN IN THE PRECINCTS NEAR THEIR RESIDENCES. IN A FEW CASES POLLING STATIONS RAN OUT OF BALLOTS FOR GIVEN CANDIDATES. ONE OF TRAN VAN HUONG'S SUPPORTERS STATED THAT SEVERAL POLLING PLACES IN SAIGON HAD RUN OUT OF HUONG BALLOTS. HOWEVER, WE DO NOT FEEL THAT THE IRREGULARITIES WHICH OCCURRED WERE OF SUCH NATURE AS TO CHANGE THE OUTCOME. WE DOUBT THAT MUCH DOUBLE VOTING OCCURRED, AND VERY FEW HAVE ALLEGED THAT THEY COULD NOT OBTAIN BALLOTS FOR THE CANDIDATE OF THEIR CHOICE.

~~SECRET~~

~~NOFORN~~

H26. THE VERY FACT THAT THIEU-KY GOT JUST UNDER 35 PERCENT OF THE VOTE, WHILE THE DZU-CHIEU TICKET (WHICH HAD ATTACKED THE GOVERNMENT IN VIGOROUS AND FREQUENTLY SCATHING TERMS) GOT 17.2 PERCENT OF THE VOTE, IS THE BEST ANSWER TO ANY SPECULATION THAT THE RESULTS WERE MANIPULATED. WHEN WE RECALL THAT PRESIDENT DIEM WAS OFFICIALLY RECORDED AS HAVING OBTAINED 39.9 PERCENT OF THE VOTE IN THE 1961 PRESIDENTIAL ELECTION, WE CAN SEE HOW FAR THE GOVERNMENT OF VIET NAM HAS COME IN CONDUCTING A GENERALLY FAIR ELECTION AND IN THE COMPILATION OF THE RESULTS.

27. THE US OBSERVER MISSION DID AN ENERGETIC AND INTELLIGENT JOB OF GETTING AROUND THE COUNTRY, ACCEPTING SOME OF THE HAZARDS INVOLVED (SEN MURPHY OF CALIF AND GOV GUY OF NORTH DAKOTA CAME CLOSE TO BEING PRESENT AT A POLLING STATION IN PHU YEN PROVINCE WHEN A BOMB EXPLODED THERE ON ELECTION DAY), AND I BELIEVE THEY WERE GENERALLY SATISFIED THAT THE ELECTIONS WERE FAIRLY AND PROPERLY CONDUCTED. THE CIRCUMSTANCES OF THEIR MOVEMENTS LEFT US WITH LITTLE OPPORTUNITY TO TALK TO THEM AT LENGTH, BUT THE OVERALL IMPRESSION WE HAVE IS THAT THEY WERE SATISFIED WITH THE OUTCOME. THE OBSERVER MISSION WAS WELL WORTH THE TIME AND EFFORT REQUIRED TO PUT IT TOGETHER IN THE UNITED STATES AND TO SUPPORT IT HERE IN VIETNAM. I BELIEVE MUCH THE SAME IMPRESSION WAS SHARED BY THE OBSERVER GROUPS FROM OTHER NATIONS.

28. WE HAVE NOT YET SEEN THE PLAYBACK OF ALL OF THE STORIES WRITTEN BY THE AMERICAN CORRESPONDENTS HERE, BUT IT APPEARS THAT THEY ARE DISPLAYING MAJOR INTEREST IN TRUONG DINK DZU, ESTIMATING HIS STRENGTH, LOOKING INTO HIS PROGRAMS AND OUTLOOKS, AND SPECULATING ON WHAT HIS FUTURE PROSPECTS ARE. WHILE WE WILL UNDOUBTEDLY HEAR A GREAT DEAL MORE ABOUT THIS, I AM ENCOURAGED AT THIS LINE, SINCE IT IMPLICITLY SEEMS TO ACCEPT THE ESSENTIAL FAIRNESS OF THE ELECTIONS. THE COMPARATIVE CLOSENESS OF THE PERCENTAGE RESULTS HAS ALSO HELPED. A FEW WEEKS AGO IT WAS HARD TO BELIEVE THAT THE AMERICAN CORRESPONDENTS HERE WOULD EVER ACCEPT A THEU-KY VICTORY AS ANYTHING BUT EVIDENCE OF A RIGGED ELECTION.

29. IN TERMS OF THE EFFECT ON THE VIETNAMESE THEMSELVES, WE JUDGE THAT THEY ARE PLEASED AT THE ORDERLY WAY IN WHICH THE ELECTION WAS CONDUCTED. AT THE POLLING PLACES THERE WAS A HOLIDAY MOOD, THE CROWDS WERE ORDERLY, AND, APART FROM VIET CONG INSPIRED VIOLENCE, THERE WERE NO PARTICULAR PROBLEMS REPORTED. THE SAIGON PRESS HAS EXPRESSED CAUTIOUS SATISFACTION WITH THE CONDUCT OF THE VOTE-COUNTING, REPORTING THE PROGRESS OF THE VOTE COUNT AS IT IS RELEASED BY THE NATIONAL ASSEMBLY.

30. NOT SURPRISINGLY, TRUONG DINH DZU HAS DENOUNCED THE ELECTIONS AS FRAUDULENT, AND HE PROBABLY CAN BE EXPEDED TO PURSUE THIS THEME WITH HIS CUSTOMARY VIGOR WHEN THE CERTIFICATION OF THE ELECTION RESULTS COMES UP BEFORE THE CENTRAL ELECTION COUNCIL AND THE NATIONAL ASSEMBLY. MORE IMMEDIATELY, DZU HAS TOLD DENIS WARNER, THE AUSTRALIAN JOURNALIST, THAT HE HAS AGREED WITH THE SUU-DAN AND HUONG-TRUYEN SLATES, AS QUANG, TO HOLD A PRESS CONFERENCE SEPT 7 AT WHICH THEY WILL DENOUNCE THE GOVERNMENT'S CONDUCT OF THE ELECTION. DZU SAID THEY WOULD ASK THE GOVERNMENT FOR PERMISSION TO HOLD, AT AN UNDETERMINED DATE, A PEACEFUL DEMON-
STATION TO PUBLICIZE THEIR CHARGES THAT THE GOVERNMENT RIGGED THE ELECTIONS. DZU SAID THAT IF THE GOVERNMENT DID NOT TAKE ACTION (WHICH HE DID NOT SPECIFY), HE WOULD CONSIDER A COUP D'ETAT. WARNER, A RELIABLE AND RESPECTED JOURNALIST WHO HAS COVERED VIETNAM SINCE THE INDO CHINA WAR AGAINST THE FRENCH AND WHO HAS KNOWN DZU FOR YEARS, COMMENTED LATER THAT HE DID NOT KNOW WHETHER TO CONCLUDE THAT DZU IS MAD OR BAD."

~~SECRET~~

NODIS

31. WHILE DZU EVIDENTLY INTENDS TO WALLOW IN THE PUBLICITY AND ATTENTION HE CAN ATTRACT OVER THE NEXT FEW WEEKS, IT IS NOT SO CLEAR WHETHER THE OTHER DEFEATED CANDIDATES ARE WILLING TO ALLOW HIM TO EXPLOIT THEM FOR PURPOSES STILL NOT FULLY CLEAR. I ASKED THEIU ABOUT THEM LAST NIGHT AND HE SAID THAT HE DID NOT THINK SUU OR HUONG COULD WANT TO IDENTIFY THEMSELVES WITH ANYONE OF DZU'S UNSAVORY REPUTATION. WE WILL BE IN CLOSE TOUCH WITH THE DEFEATED CIVILIAN CANDIDATES AND, WHEN APPROPRIATE, WILL BE IN TOUCH WITH DZU, ALSO. HE HAS NOT SO FAR TAKEN AN ANTI-AMERICAN STANCE AND, INDEED, ENJOYED FAIRLY CLOSE AND FRIENDLY RELATIONS WITH AMERICANS IN THE PAST, THOUGH NOT IN THE LAST YEAR OR SO. THE PRESS CONFERENCE SCHEDULED FOR SEPT 7 WILL INDICATE MORE CLEARLY HOW FAR DZU PLANS TO GO AND, MORE IMPORTANTLY, HOW FAR THE OTHER CIVILIAN CANDIDATES ARE PREPARED TO SUPPORT HIM.

32. SO FAR WE HAVE ONLY FRAGMENTARY EVIDENCE OF THE ATTITUDE OF THE OTHER DEFEATED CANDIDATES. PHAN QUANG DAN, SUU'S RUNNING MATE, TOLD AN EMBASSY OFFICER SEPT 5 THAT HE FELT THE ELECTION HAD BEEN VERY FREE AND THAT THE FEW INDICATIONS OF ELECTION FRAUD WERE AN INSIGNIFICANT FACTOR IN THE THIEU-KY VICTORY. HE SAID HE WOULD NOT TAKE PART IN ANY ATTEMPT TO DISCREDIT THE ELECTION, THOUGH HE SAID THAT SUU, HA THUC KY, HUONG AND DZU WERE PLANNING TO PROTEST THE RESULTS AND HOPE TO GET THE NATIONAL ASSEMBLY TO DECLARE THE ELECTION INVALID. DAN SAID THROWING OUT THE ELECTION WOULD BE A SENSELESS, UNJUSTIFIABLE, AND DISASTROUS ACT. DAN IS CLEARLY ANGLING FOR A GOVERNMENT POST (HE HAS KIND WORDS TO SAY FOR GENERAL THIEU, THOUGH HE DISLIKES GENERAL KY) AND MAY HAVE TAILORED HIS REMARKS IN THESE TERMS. HOWEVER, HIS REMARKS ABOUT DZU AND SOME OTHER OPPOSITION FIGURES ARE TIMELY WARNING OF WHAT WOULD CERTAINLY BE AN UNFORTUNATE TREND OF EVENTS. HA THUC KY, CLEARLY A POOR LOSER, DENOUNCED THE CONDUCT OF THE ELECTIONS IN BITTER TERMS SEPT 5 IN A CONVERSATION WITH AN EMBASSY OFFICER. HE CHARGED THAT THE GOVERNMENT OF VIET NAM ITSELF HAD SELECTED TROUNG DINH DZU TO COME OUT IN SECOND-PLACE AND COMPLETELY DISCOUNTED THE CREDIBILITY OF THE PUBLISHED ELECTION RESULTS. HOWEVER, HE APPEARED RESIGNED TO THE BELIEF THAT A PROTEST WOULD PROBABLY GET NOWHERE. HE CLAIMED THAT NEITHER HE, TRAN VAN HUONG, NOR PHAN KHAC SUU WOULD ACCEPT ANY POST IN THE THIEU GOVERNMENT.

33. THE VIET CONG REACTION TO THE ELECTIONS DURING THE PAST WEEK HAS CONTINUED TO REFLECT, ON THE WHOLE, THE SAME NEGATIVE AND DESTRUCTIVE ATTITUDE SHOWN IN THE PAST. THERE WAS A DRAMATIC UPSWING IN THE NUMBER OF TERRORIST INCIDENTS DIRECTED AGAINST THE VIETNAMESE CIVILIAN POPULATION DURING THE WEEK ENDING SEPT 2 WITH THE INCREASE PARTICULARLY NOTEWORTHY DURING THE DAYS IMMEDIATELY BEFORE THE ELECTIONS. THE VIET CONG ATTACKED POLLING PLACES, MINED ROADS AND STAGED MASS KIDNAPPINGS IN AN OBVIOUS EFFORT TO PREVENT VOTERS FROM CASTING THEIR BALLOTS. DURING THE PERIOD FROM 6 P.M. SEPT 2 TO MIDNIGHT SEPT 3 ALONE, INCIDENTS AGAINST CIVILIANS TOOK A TOLL OF 461 (23 KILLED, 160 WOUNDED, AND 278 KIDNAPPED) IN ELECTION-RELATED INCIDENTS.

~~SECRET~~

NOFORN

~~SECRET~~ **NODIS**

34. VIET CONG ACTIVITY AGAINST THE ELECTIONS WAS NOT CONFINED TO TERRORISM, HOWEVER. IT IS ESTIMATED THAT AROUND 50 PERCENT OF CURRENT VIET CONG RADIO OUTPUT WAS DEDICATED TO DEMONSTRATING THE ELECTIONS DURING THE PAST WEEK, MOSTLY CALLING ON THE PEOPLE TO BOYCOTT THE ELECTIONS. VIET CONG POLITICAL COMMENTARIES DENOUNCED ALL THE PRESIDENTIAL CANDIDATES, MILITARY AS WELL AS CIVILIAN, ALTHOUGH THERE IS SOME INCONCLUSIVE EVIDENCE THAT THEY MAY HAVE GIVEN COVERT SUPPORT TO THE TRUONG DINH DZU PRESIDENTIAL SLATE. CERTAINLY, IN SOME OF THE PROVINCES WHICH DZU CARRIED (HAI NGHIA, KIEN PHONG, BINH DUONG, AND TAY NINH) SECURITY CONDITIONS ARE POOR, AND THE MOST IN-SECURE DISTRICTS ARE THOSE WHICH DZU CARRIED BY THE LARGEST MAJORITIES. BUT, IN AN GIANG PROVINCE DZU ALSO DID WELL, AND SECURITY THERE IS GOOD. MOREOVER, IN PARTICULARLY BAD PROVINCES, SUCH AS AN XUYEN AND CHUONG THIEN, THIEU-KY DID MUCH BETTER THAN DZU.

35. IN WHAT WAS CLEARLY AIMED AT THE ELECTIONS, THE NATIONAL LIBERATION FRONT ISSUED A REVISION OF ITS POLITICAL PROGRAM ON SEPTEMBER 2. THIS IS PARTICULARLY SIGNIFICANT, FOR THE THIRD OF HANOI'S WELL-KNOWN FOUR POINTS FOR PEACE INVOLVES ACCEPTANCE OF THE PROGRAM OF THE LIBERATION FRONT. THE PROGRAM OF THE FRONT, ORIGINALLY ISSUED IN JANUARY, 1961 BUT BEARING THE DATE OF DECEMBER 26, 1960, REMAINED UNCHANGED FOR SIX AND ONE-HALF YEARS, ALTHOUGH PORTIONS OF IT (SUCH AS THE CALL FOR THE OVERTHROW OF THE DIEM GOVERNMENT) HAVE BEEN OBSOLETE FOR WELL OVER THREE YEARS. THE REVISION OF THE PROGRAM AT THIS TIME MAY ANTICIPATE NEGOTIATIONS IN THE NEXT YEAR OR SO, OR IT MAY ONLY REFLECT CONCERN AT THE PROCESS OF POLITICAL CONSOLIDATION BY THE GOVERNMENT OF VIET NAM.

36. THE PRINCIPAL POINTS IN THE REVISED PROGRAM, ASIDE FROM THE USUAL INVECTIVE AGAINST THE US, STRIPPED OF THE CLOUDS OF COMMUNIST VERBIAGE WHICH OVERLAY THEM, ARE: (1) ACHIEVE A BROAD AND PROGRESSIVE DEMOCRATIC REGIME; (2) BUILD AN INDEPENDENT AND SELF SUPPORTING ECONOMY TO IMPROVE THE PEOPLE'S LIVING CONDITIONS; (3) ENACT A LAND POLICY EMBODYING THE SLOGAN "LAND TO THE TILLERS"; (4) BUILD A NATIONAL DEMOCRATIC CULTURE AND EDUCATIONAL STRUCTURE; (5) DEVELOP A NATIONAL HEALTH SERVICE; (6) BUILD THE LIBERATION ARMED FORCES TO LIBERATE THE PEOPLE AND DEFEND THE FATHERLAND; (7) REWARD THE FIGHTERS AND COMPATRIOTS WHO HAVE FOUGHT AGAINST "US AGGRESSION"; (8) ORGANIZE PROGRAMS OF SOCIAL RELIEF TO HELP THOSE AFFECTED BY HOSTILITIES; (9) IMPLEMENT FULL EQUALITY BETWEEN MEN AND WOMEN; (10) DEVELOP UNITY AND PRACTICE EQUALITY AMONG THE VARIOUS MINORITY GROUPS; (11) RESPECT FREEDOM OF RELIGION; (12) WELCOME "PUPPET OFFICERS AND MEN AND PUPPET OFFICIALS" WHO RALLY TO THE FRONT; (13) PROTECT THE RIGHTS AND INTERESTS OF VIETNAMESE OVERSEAS; (14) PROTECT "THE LEGITIMATE RIGHTS AND INTERESTS OF FOREIGN RESIDENTS IN SOUTH VIET-NAM."

37. WHILE SOME OF THESE ARE FAIR WORDS, THE REVISED PROGRAM AS A WHOLE REMAINS A BLUEPRINT FOR COMMUNISTS TAKEOVER OF ALL OF VIETNAM. THE OVERALL IMPRESSION WE HAVE OF THE REVISED PROGRAM ON THE ISSUE OF PEACEFUL SETTLEMENT OF THE WAR IS THAT THE HANOI/VC POSITION HAS NOT CHANGED SIGNIFICANTLY, AN IMPRESSION STRENGTHENED BY THE UNCOMPROMISING TONE OF THE NATIONAL DAY SPEECH OF THE DEMOCRATIC REPUBLIC OF VIETNAM PRIME MINISTER PHAM VAN DONG ON AUGUST 31. U.S. TO CEASE THE BOMBING, WITHDRAW ITS TROOPS, RECOGNIZE THE FRONT, AND LET THE VIETNAMESE SETTLE THEIR OWN AFFAIRS. DONG MADE IT CLEAR THAT THE INITIATION OF TALKS DEPENDS ONLY ON CESSION OF THE BOMBING, AND NOT ON U.S. ACCEPTANCE OF THE FOUR POINTS OF HANOI OR THE VIET CONG FIVE POINT STATEMENT. THE LATTER REMAIN, HOWEVER, INTEGRAL TO ANY GENERAL SETTLEMENT OF THE CONFLICT IN THE SOUTH.

~~SECRET~~ NODIS

38. ONE OF THE URGENT TASKS BEFORE THE GOVERNMENT OF NORTH VIETNAM IN THE NEXT FEW WEEKS WILL BE THE FORMATION OF THE NEW GOVERNMENT. GENERALS THIEU AND KY HAVE A RESPECTABLE VICTORY IN THEIR HANDS, AND THEY CAN AFFORD TO BE GENEROUS IN SEEKING TO BRING SOME OF THE DEFEATED CIVILIAN CANDIDATES INTO SOME KIND OF SATISFACTORY RELATIONSHIP WITH THEM. THIS COULD TAKE THE FORM OF CABINET MEMBERSHIP, APPOINTMENT TO ONE OF THE HIGH-LEVEL ECONOMIC OR SOCIAL COUNCILS TO BE FORMED UNDER THE CONSTITUTION, OR SOME LESS FORMAL ASSOCIATION. AS I HAVE MENTIONED, I HAVE ALREADY BEGUN TALKS WITH THIEU ON THIS AND I WILL CONTINUE TO URGE THEM TO TAKE ACTION OF THIS KIND, IN ORDER TO BROADEN THE BASE OF THE GOVERNMENT. MORE IMMEDIATELY, I WILL BE URGING THEM TO TAKE NO LEGAL OR OTHER ACTION AGAINST TRUONG DINH DZU IN RETALIATION FOR HIS SHARP ATTACKS ON THE GOVERNMENT DURING THE CAMPAIGN AND ON GENERAL KY IN PARTICULAR. WITHHOLDING LEGAL OR OTHER ACTION AGAINST DZU WILL INVOLVE A CONSIDERABLE EXERCISE IN PATIENCE FOR THIEU AND KY, PARTICULARLY IF DZU CONTINUES THE INTEMPERATE AND FREQUENTLY VICIOUS ATTACKS HE HAS LAUNCHED AGAINST THE GOVERNMENT. HOWEVER, I FEAR TAKING ACTION AGAINST HIM WOULD SIMPLY PLAY INTO HIS HANDS AND BE READY BY INTERNATIONAL OPINION (BUT PERHAPS LESS SO BY VIETNAMESE OPINION) AS SIMPLE PERSECUTION OF A DEFEATED OPPONENT. THE FACT THAT DZU HAS EVIDENTLY ENGAGED IN EXTORTION AND PROHIBITED FOREIGN EXCHANGE TRANSACTIONS HAD HAS PROBABLY BEEN GUILTY OF UNETHICAL CONDUCT AS A LAWYER--ACTIONS WHICH GIVE THE GOVERNMENT AND THE BAR ASSOCIATION GROUNDS FOR MOVING AGAINST HIM WITH SOME ISSUE OF PROPRIETY--IS NOT LIKELY TO IMPRESS FOREIGN OPINION AS MUCH AS HIS SHOWING AT THE POLLS.

39. WHILE THE PRESIDENTIAL AND SENATE ELECTIONS HAVE ENGAGED OUR ATTENTIONS, PREPARATIONS FOR THE LOWER HOUSE ELECTIONS HAVE GONE FORWARD, LOOKING TOWARDS ELECTION DAY OCT 22. MORE THAN 1500 CANDIDATES ARE EXPECTED TO CONTEST THE 137 SEATS TO BE FILLED, INCLUDING A SUBSTANTIAL NUMBER OF DEFEATED SENATE CANDIDATES. THE LOWER HOUSE ELECTIONS WILL BE CONTESTED IN THE 53 CONSTITUENCIES INTO WHICH THE COUNTRY HAS BEEN DIVIDED. THE CAMPAIGN WILL BE CONDUCTED ESSENTIALLY ON A LOCAL BASIS AND PROBABLY ON LOCAL ISSUES, AVOIDING MANY OF THE LOGISTICAL AND OTHER PROBLEMS ENCOUNTERED IN THE PRESIDENTIAL AND SENATE ELECTIONS, WHICH WERE CONDUCTED AT LARGE. HOWEVER, IF TRUONG DINH DZU CONTINUES TO PRESS ON THE "PEACE" ISSUE, IT IS LIKELY THAT THIS MATTER WILL BE EXPLORED FURTHER IN THE LOWER HOUSE CAMPAIGN.

40. WITH THE ADVENT OF A FULLY-ELECTED GOVERNMENT, OUR WORKING RELATIONSHIPS WITH THE GOVERNMENT WILL UNDERGO SOME CHANGE. PREVIOUSLY, WHEN WE CONVINCED THIEU AND KY THAT ACTION IN A GIVEN FIELD WAS NECESSARY AND DESIRABLE, THEY WERE IN A POSITION TO ISSUE A DECREE TO IMPLEMENT THE ACTION. NOW, HOWEVER, THIEU AND KY WILL BE OPERATING WITHIN THE FRAME WORK OF A CONSTITUTION WHICH DEFINES THEIR POWERS AND ALSO DEFINES THE POWERS OF THE TWO HOUSES OF THE NATIONAL ASSEMBLY.

~~SECRET~~

~~INODIS~~

41. ON PAPER, THIEU AND KY WILL HAVE CONSIDERABLY LESS POWER THAN THEY PREVIOUSLY HAD, THOUGH IT REMAINS TO BE DETERMINED TO WHAT EXTENT THEY CAN INFLUENCE THE ASSEMBLY TO TAKE ACTION. GETTING LEGISLATION THROUGH THE NATIONAL ASSEMBLY WILL PROBABLY BE AS COMPLEX A JOB AS GETTING LEGISLATION THROUGH OTHER ELECTED PARLIAMENTS. INITIALLY, IT MAY BE EVEN MORE COMPLICATED HERE, BECAUSE THERE PROBABLY WILL BE NO WELL-DEFINED POLITICAL PARTIES AND GROUPS IN THE NATIONAL ASSEMBLY. HENCE, DISCIPLINE WITHIN THE ASSEMBLY IS A POTENTIAL PROBLEM.

42. ONE OF THE FIRST ORDERS OF BUSINESS FOR THE ASSEMBLY WILL BE THE BUDGET FOR CALENDAR YEAR 1963, WHICH, ACCORDING TO THE CONSTITUTION, IS TO BE APPROVED PRIOR TO THE END OF 1967. SINCE THE ELECTED NATIONAL ASSEMBLY WILL NOT BE FULLY CONSTITUTED UNTIL NOVEMBER 1, THIS LEAVES ENOUGH BUT NOT TOO MUCH TIME TO COMPLETE LEGISLATIVE ACTION ON THE BUDGET. WE WILL HAVE A CLEARER IDEA OF HOW THE NATIONAL ASSEMBLY WILL WORK AFTER COMPLETION OF THE BUDGET.

43. AS A GENERAL REFLECTION, IT SEEKS TO ME THAT WE WILL NEED TO EXERCISE SOME PATIENCE WHERE ACTION BY THE NATIONAL ASSEMBLY IS CONCERNED. THE MEMBERS OF THE ASSEMBLY, NATURALLY ENOUGH, WILL FEEL THEY HAVE A MANDATE FROM THE PEOPLE TO CARRY OUT VARIOUS COURSES OF ACTION IN WHICH THE MEMBERS HAVE LONG BEEN INTERESTED. WHILE MOST MEMBERS OF THE ASSEMBLY WILL PROBABLY BE INCLINED TO CLOSE RELATIONS AND COOPERATION WITH THE U.S., THEY WILL PROBABLY BE MORE SENSITIVE ABOUT VIETNAMESE SOVEREIGNTY OVER THE PAST FEW YEARS. THEY MAY ALSO RAISE UNPALATABLE ISSUES. PHO BA LONG, ONE OF THE CANDIDATES ON A SENATE LIST WHICH IS DOING FAIRLY WELL SO FAR IN THE BALLOT COUNTING, TOLD AN EMBASSY OFFICER IN JULY THAT HE THOUGHT VIET NAM SHOULD HAVE A PUBLISHED STATUS OF FORCES AGREEMENT WITH ALL OF THE FREE WORLD COUNTRIES HAVING ARMED FORCES IN VIET NAM. HE EVIDENTLY FELT THESE WOULD BE HELPFUL IN NEGOTIATIONS WITH THE NORTH VIETNAMESE, AS AN ANSWER TO EXPECTED COMMUNIST CHARGES THAT THE REPUBLIC OF VIET NAM IS A PUPPET OF FOREIGN POWERS. OTHERS HAVE EXPRESSED SIMILAR IDEAS. AN INTEREST IN THE TERMS UNDER WHICH THE U.S. AND OTHER ALLIED FORCES OPERATE IN VIET NAM IS ALSO EXPRESSED IN TRUONG DINH DZU'S "PEACE PLAN" DISCUSSED ABOVE.

44. ALL IN ALL, WHILE THE ELECTIONS HAVE TAKEN US A CONSIDERABLE STEP FURTHER DOWN THE ROAD, THERE ARE STILL PLENTY OF POTHOLEs AHEAD. THE ELECTIONS THUS CONSTITUTE THE SUCCESSFUL END OF ONE PROCESS AND THE BEGINNING OF ANOTHER IMPORTANT ONE, NAMELY, THE SUCCESSFUL PROSECUTION OF THE WAR AND CONCLUSION OF AN ACCEPTABLE SETTLEMENT.

45. THE SAIGON RETAIL PRICE INDEX DROPPED SLIGHTLY FROM 297 TO 295. RICE AND BREAD PRICES WERE STEADY, AND OTHER FOOD ITEMS FLUCTUATED WITHIN NARROW LIMITS. THE IMPORTED COMMODITY INDEX IS NOW 225, UP THREE POINTS OVER LAST WEEK'S 222. MOST IRON AND STEEL PRODUCTS INCREASED SLIGHTLY IN PRICE, THOUGH CEMENT AND FERTILIZERS REMAINED UNCHANGED.

46. SEVEN STANFORD RESEARCH SCIENTISTS BEGAN LAND-USE STUDIES IN DALAT AND THE PROVINCES OF CENTRAL VIET NAM TO DETERMINE THE ADVISABILITY OF DEVELOPING NEW POLICY GUIDELINES FOR VIETNAMESE LAND TENURE PATTERNS. THEY WILL REVIEW AND EVALUATE ALL PREVIOUS LAND TENURE WORK DONE IN VIET NAM, IN RELATION TO THE PACIFICATION AND REVOLUTIONARY DEVELOPMENT PROGRAMS.

~~SECRET~~

NODIS

~~SECRET~~

~~NOFORN~~ ~~NOFORN~~

47. TWENTY NEW KOREAN-BUILT BUSES, PROCURED WITH GOVERNMENT RESOURCES, WERE ADDED TO THE SAIGON BUS SYSTEM. WITHIN THE FIRST SEVEN DAYS OF THEIR OPERATION, THE SYSTEM RECORDED A 63.7 PERCENT INCREASE IN PASSENGER REVENUES. INCREASED PASSENGER SERVICE IS EXPECTED TO REDUCE LAST YEAR'S OPERATING DEFICIT OF VND 7 MILLION TO LESS THAN VND 1 MILLION THIS YEAR.

48. ON SEPTEMBER 2 WE FORMALLY CONCLUDED AN AGREEMENT WITH THE GOVERNMENT ESTABLISHING THAT THEY WILL, ON OCTOBER 1, START PROVIDING US 113 PIASTERS PER \$1 FOR OFFICIAL PURCHASES WHICH WE MAKE OF PIASTERS IN SUPPORT OF FREE WORLD FORCES EFFORTS IN VIET NAM. PRIOR TO THIS AGREEMENT THE RATE AT WHICH WE RECEIVED PIASTERS WAS 80 TO \$1. THE PRINCIPAL CONCESSIONS WHICH WE GAVE ON OUR SIDE TO OBTAIN THIS AGREEMENT WERE:

(A) THAT WE WOULD PROVIDE 430,000 TONS OF RICE ON 25 PERCENT U.S. USES BASIS DURING 1968 AND THAT WE WOULD DISCUSS WITH THE GOVERNMENT ADDITIONAL PL 430 RICE SHIPMENTS FOR 1968 ON A 20 PERCENT U.S. USES BASIS WHEN WE HAD BETTER INFORMATION ON THE U.S. CROP THIS YEAR-- PROBABLY OCTOBER OR NOVEMBER; AND,

(B) THAT WE WOULD ADJUST OUR COMMODITY IMPORT PROGRAM AS MIGHT BE NECESSARY TO ENABLE THE GVN TO CONTINUE ITS LIBERAL IMPORT POLICIES WHILE MAINTAINING THE FOREIGN EXCHANGE RESERVE LEVEL OF ABOUT 300 MILLION, EVEN THOUGH IT WOULD NO LONGER EARN THE SAME AMOUNT OF FOREIGN EXCHANGE FROM ITS SALE OF PIASTERS TO US. OUR ESTIMATE OF THE LOSS TO THE GVN FROM THIS CHANGE FROM 80 TO 113 PIASTERS PER \$1 IS ABOUT \$100 MILLION.

D. CHIEU HOI

49. RETURNEES DURING THE REPORTING PERIOD TOTALLED 472. THIS MAY BE COMPARED WITH 262 DURING THE SAME PERIOD LAST YEAR. THE YEAR'S TOTAL TO DATE IS 21,837.

5. AMERICANS AND VIETNAMESE KILLED:

50. DURING THE WEEK ENDING SEPT 2 THE ENEMY KILLED 190 VIETNAMESE CIVILIANS, WOUNDED 426, AND KIDNAPPED 237. THE DEAD INCLUDED 36 REVOLUTIONARY DEVELOPMENT WORKERS, FIVE HAMLET CHIEFS, AND SIX POLICEMEN. SINCE JAN 1, 1967, THE VIET CONG HAVE KILLED A TOTAL OF 2,277 VIETNAMESE CIVILIANS, WOUNDED 4,196 AND KIDNAPPED 3,081.

DTG: 061355Z SEP 67

SPS: 7800 IMI 7800

~~SECRET~~

~~NOFORN~~

COPY LBJ LIBRARY