

SECRET

Wednesday, Sept. 13, 1967  
5:05 p.m. 13

MR. PRESIDENT:

Herewith Ambassador Bunker's latest.

In addition to the account of post-election politics you will wish to note the marked account (pp. 7 - 8) of a good Vietnamese operation, and (p. 8) Bob Komer's efforts to move forward in the organization of pacification.

W. W. R.

-SECRET/EXDIS attachment (Saigon 5825)

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

White House Cables, Feb. 24, 1983

By rg, NARA, Date 10-3-91

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Wednesday, September 13, 1967

FOR THE PRESIDENT FROM BUNKER (Saigon, 5825)

Herewith my twentieth weekly telegram:

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E.O. 12356, Sec. 3.4

NEJ 94-361

By           , NARA, Date 10-14-94

A. General

With the elections for President, Vice President, and the Senate behind us, cries of anguish have gone up from some of the defeated candidates. Eight of the defeated Presidential candidates issued a written statement declaring that the elections had been fraudulent and that the signers would request the National Assembly to invalidate the elections. Tran Van Huong and Ha Thuc Ky did not join in the declarations. In a second rather general declaration issued yesterday, six of the candidates (Phan Khac Suu, Hoang Co Binh, Truong Dinh Dzu, Tran Van Ly, Nguyen Hoa Hiep, and Vu Hong Khanh) again denounced the "dishonest practices of this Government," the failure of the Government ticket to receive more than 35 percent of the total vote in spite of the exertion of pressure and illegal practices, exhorting the people to speak out against this suppression and pointing out to the people and Government of the United States that the policy carried out in Vietnam must conform with the will of the Vietnamese people, that otherwise it will be doomed to "bitter and total failure." The prime beneficiary of concerted action by the defeated candidates would be Truong Dinh Dzu, who ran second, and I believe the other candidates have only limited interest in helping Dzu to further his personal ambitions.

Among the Presidential protesters, Dzu seems to be the most active. He ran a notice in the Saigon Daily News yesterday morning, "apologizing for having missed a meeting with Charles Doe and informs all foreign newsmen that he is available at any time, mornings from 9 to 12:30 at his law office and afternoons at his house from lunch time to 5:00 p.m. Thank you in advance." He apparently has little else to do.

In addition to complaints by the Presidential candidates, one has been filed by an Assembly Deputy, Trieu Van Tuc, and four by voters.

Some other protest voices have also been heard. Four student groups have jointly declared that the elections were "rigged and arranged by a foreign hand."

~~SECRET/EXDIS~~

Militant Buddhist leaders told a meeting at the An Quang Pagoda on September 9 that the elections had been rigged, but their strongest condemnation was against the Government for having signed the new Buddhist Charter. I suspect that the Government will act to prevent any serious difficulties by such elements.

The press in general seems to be taking a more responsible view of the election results than have most of the defeated candidates. The general view taken by the press of the elections seems to be one of a job well done. A number of papers have commented on the need for national solidarity and for the losing candidates to form a loyal opposition. Thoi Dai very sensibly told the losers to either cooperate with the Government or form an opposition bloc.

It does not seem to us that the complaints, fifteen in all, have much substance, or that they provide adequate grounds for invalidation of the elections. However, the losers are not only dissatisfied, but are taking it hard and may give us some difficult moments before the election results are finally certified.

The Assembly meets today to announce the temporary results of the election. It will meet again in late September after court ruling on violations of the Election Laws have been submitted to it and the Central Election Council has examined complaints with respect to the conduct of the voting. The Assembly must vote by October 2 at the latest on the validity of the elections. While, as I have said, in our judgment it is very doubtful that the Assembly will be able to document to any degree of thoroughness the charges that the Presidential election was rigged, Deputies have not always voted in the past strictly on the basis of facts. In this instance, other pressures and interests could play a significant role in the way they vote. Ky were he so inclined could, for example, instruct 30 or so Deputies loyal to him to vote against validation in an effort to discredit or unseat Thieu or he could simply threaten to do so in an effort to exact concessions from Thieu. The eight Deputies who ran on the Upper House slate associated with Dzu could also pose a problem as could scattered oppositionists who do not have a stake in orderly Constitutional development.

Our initial reading of the mood of the Assembly is that the followers of Tran Van Huong and Ha Thuc Ky will not engage in any efforts to discredit the elections, partly because they hope to be represented in Thieu's government and because one of Ha Thuc Ky's Upper House slates has been elected. The combined strength of their followers in the Assembly is about 30 Deputies. The mood of the pro-Government of Vietnam democratic alliance bloc, the largest bloc in the assembly, is at this tage harder to guage. Only two out of the more than 20 members of the bloc who ran for the Upper House did so successfully. Piqued by their failure and with an uncertain political future,

they might go along with the mood to throw out the elections.

We are taking the line with the Deputies that the question of validation is very serious and that unless there is extensive, substantial evidence that the election was rigged, the election of Thieu should be validated. We are also volunteering our impression, based on extensive observation not only by ourselves and our observers but observers from the other countries, that the election was an honest one and that if any cheating took place, it did not affect the outcome. In talking with Thieu yesterday, I impressed on him that a bit of judiciously applied Government of Vietnam pressure and persuasion would appear to be in order.

Only this morning in talking with Ky, I brought up the subject of the Assembly attitude toward the elections. He recalled that he told me before the campaign started that we should expect some protests and disorders after the elections, especially from the An Quang Buddhists and perhaps students also who had been stirred up by the Buddhists, and remarked that a student demonstration was taking place while we were talking.

He said that these demonstrations are confined to a relatively small group of so-called leaders in Saigon, but that the rest of the country was calm and quiet. He was quite confident it would remain so. He said that he understood fully the importance of responsible action by the Assembly in performing its function in regard to the elections and understood what the effect would be on opinion in the United States and elsewhere should it fail to act responsibly. He assured me that means were available to him and the Government of Vietnam to see that the members acted responsibly and he proposed to do so. This is reassuring in view of some rumors that have come to us that Ky, feeling that he had been snubbed by Thieu and dissatisfied with the way in which the latter was going about the formation of his Government, might use his influence to upset the results. He assured me that he had no intention whatever of taking any such irresponsible action.

In this immediate post-election period the first order of business has been to focus on the effort to put together the new Government. There is inevitably a period of maneuvering in which conflicting interest held in check during the campaign period begin to emerge. The Thieu-Ky relationship is being subjected to strain heightened, I fear, by the entourage of each in their attempt to promote their own interests and positions.

This has centered around differences of opinion between them regarding appointments to Cabinet posts and Ky's own responsibilities in the new Government. These problems were discussed at a meeting of the inner circle

of Generals with Thieu and Ky last Monday. The issues were not resolved then and it was agreed that another meeting would be held on Saturday, the 16th.

The post of Prime Minister is still open. Thieu informed me yesterday that he had offered the post to Tran Van Huong who had turned it down, Thieu said, on the ground that he did not want to serve with Ky. Thieu expressed some relief that Huong had refused since he believed that Huong would find it difficult to work as a member of a team. He is now looking for a capable civilian, a southerner, preferably a Buddhist, to fill the position. Ky is still insisting on Nguyen Van Loc whom Thieu does not feel has either the stature or the capacity for the job. We are inclined to agree with his estimate.

The other matter is Ky's own role and responsibility in the Government. He expressed to me this morning his keen disappointment that Thieu had not made any approach to him on this, and said that he had made it very clear when he accepted the Vice Presidential spot that he would not be content with being merely a figurehead for the next four years. If this were to be the case, he would return to the Air Force. I have constantly urged Thieu to be forthcoming in regard to his relationship with Ky and have said that I would expect that he would make good use of Ky's energy, abilities, and talents. I have suggested to him, for example, that Ky might be given responsibility for coordination of all of the pacification programs within the Government. Yesterday, I urged Thieu and this morning Ky to get together and work out this problem openly and frankly between themselves.

One of the difficulties has been that members of their entourages out of self-interest try to exacerbate the rivalry. We have a report that at a meeting of the inner circle last Monday, Thieu and Ky agreed that they would dismiss any member of their entourages found to be spreading rumors designed to deepen the rift between them. We are following this matter closely, using both persuasion and some judicious pressure and I have confidence that this can be worked out by the Vietnamese themselves just as the problem of the single military ticket was resolved last June.

Both Thieu and Ky are in agreement that the Government must be given a new face and that it must put forward a dynamic program which will enlist the enthusiasm and support of the people. In this connection, we are developing a statement of suggested policies and programs which we intend to put in their hands for use in preparation of a statement or declaration to the people of the new Government's program.

B. Political

After all the time and effort that went into the preparation and organization of the Presidential and Senate elections, it is not surprising that they have continued to dominate political developments during the past week.

As I reported on September 9, I delivered your warm and encouraging message to General Thieu the previous evening. Substantial portions of your message have been prominently displayed in the Saigon press. Thieu himself has no reservations about the desirability of a broadly-based Government with predominantly civilian representation, and is himself deeply involved in negotiations with his recent opponents to achieve this objective. He is fully aware of the complicated personal and political problems involved. In addition to the offer made to Huong, Thieu also said that he planned to sound out Phan Khac Suu on a post in the Government though he felt this would have to be pretty much in an honorary capacity because of Suu's physical and mental condition. In addition, Thieu told me he hopes to find, among supporters of Huong, Suu, and Ha Thuc Ky, representatives whom they might suggest for Government posts and who could be included.

The extent to which some of the defeated civilian candidates or their representatives can be brought into an acceptable relationship with the Government will inevitably be affected by the outcome of the election protests now before the National Assembly. One of the 15 protests which have by now been presented to the Assembly was signed by eight of the defeated candidates (Tran Van Huong and Ha Thuc Ky did not sign it). The protest complains that in late July Prime Minister Ky allegedly said he would overthrow any popularly-elected Government, that Generals Thieu and Ky improperly remained in office and exploited their offices directly or indirectly during the campaign for the benefit of their slate, that Generals Thieu and Ky held a reception the afternoon of September 2 after the official end of the campaign to propagandize for their slate, that Generals Thieu and Ky appeared on television the evening of September 2 under the pretext of calling for fair and clean elections, but actually to continue the campaign and that General Thieu's speech delivered on television September 2 was rebroadcast on September 3.

This is a relatively unimpressive set of charges. Ky's statements with regard to overthrowing an elected Government (even assuming that he was accurately quoted, which he disputes) were perhaps better left unsaid, but they hardly constitute violation of the Electoral Law. Thieu and Ky made various "non-political" trips during the campaign, but as they continued to serve at the head of the Government, it would be difficult to prove violation of the Electoral Law on this account. The September 2 reception was in honor of

the foreign observer delegations; all Presidential candidates and the heads of all Senate slates were invited to attend. The Thieu-Ky television addresses of September 2 (rebroadcast September 3) were made in their capacities as Chief of State and Prime Minister. In sum, these charges amount to complaints that Thieu and Ky were incumbents and enjoyed the advantages of incumbents.

While this protest is not substantial, the fact is that the National Assembly contains 48 members (out of a total membership of 117) who ran for the Senate but were defeated. The Vietnamese tend to be poor losers, and we are hearing a certain amount of grousing and complaints, particularly from Assembly members who lost their Senate bids. Moreover, some of the most active grumblers (they have not grumbled publicly so far) are those who in the past have been active supporters of Prime Minister Ky.

Six of the defeated civilian candidates (Phan Khac Suu, Hoang Co Binh, Truong Dinh Dzu, Tran Van Ly, Nguyen Hoa Hiep, and Vu Hong Khanh), in an effort to dramatize their protest letter already sent to the National Assembly, sought to hold a press conference September 7. However, the Government decided to apply the standard procedure of requiring seven days advance warning for a meeting of more than six persons and refused to grant permission for the press conference on the grounds that the request was not submitted sufficiently in advance. Accordingly, Phan Khac Suu, Truong Dinh Dzu, and Hoang Co Binh marched over to the steps of the National Assembly on September 7 and held an impromptu press conference, fully covered by the Vietnamese and foreign press, at which they denounced the elections as fraudulent. The police wisely did not interfere. The impromptu press conference dispersed peacefully and without incident.

The Senate election results have not been officially released, though we anticipate no changes in the outcome already reported. The principal political problems created by the Senate election results (apart from the slowness of the reporting, which has led to speculation that the results are being "cooked" by the Government to strengthen its position) are that the Buddhists are generally upset that they are under-represented, while 48 of the 55 National Assembly members who were candidates for Senator were defeated. The Catholics, who benefitted from better organization, will have at least 21 (but probably not more than 24) members in the Senate. This is well short of a majority of the 60-member Senate, but a group this size will be able to wield considerable influence. We suspect the Catholics will avoid giving the appearance of acting as a bloc in view of the resentment it would cause.

The Viet Cong are commenting on the elections in predictably derisive fashion, coupling radio commentaries on the recently-adopted National Liberation Front Program I described in last week's letter with a generalized denunciation of the election as a "farce." The National Liberation Front continues to allege that it is the "sole genuine representative" of the Vietnamese people in the South and that the new National Liberation Front program fulfills the aspirations of all inhabitants of South Vietnam. Hanoi and Viet Cong media dismiss as "clamor" General Thieu's statements that he is interested in holding peace talks and in making contact with Hanoi.

### C. Military

General Westmoreland reports that the enemy strategy during August remained as outlined in his last assessment; however, the enemy's major tactical orientation shifted to terrorist/guerrilla/propaganda activities in an effort to disrupt and discredit the national elections. The enemy continued to maintain his threats in the Demilitarized Zone and western highlands and attempted to regain the initiative in these areas. His early August efforts in the western highlands were met and defeated by Joint General Staff reserves and ARVN regular forces. On the other hand, the anticipated enemy attack in the Demilitarized Zone has not yet materialized, primarily because of our successful application of intensive artillery, tactical air, and B-52 strikes. Intelligence indications particularly attest to the effectiveness of the B-52 raids in disrupting the enemy attack preparations. As in the last period, evidence continues in the coastal areas of the First and Second Corps to indicate enemy supply and manpower difficulties. This is also true in the Fourth Corps. Continued friendly offensive pressure in these areas has prevented any respite. The enemy attacks by fire against friendly installations have psychological victories. Friendly counter efforts are beginning to show more success as evidenced by the Marine capture of 140mm rockets in firing positions. Continued emphasis is being placed on more effective countermeasures.

It is encouraging to report another highly successful operation on the part of the Vietnamese Armed Forces. In the early morning hours of September 6, more than 1,200 Viet Cong tried to overrun Tam Ky, the capital of the northern province of Quang Tin. The objective of the pre-dawn attack was principally the province jail containing 800 prisoners and the Tam Ky Bridge three kilometers south of the city. The Vietnamese Security Forces had been maintained at a high condition of alert, but the most significant factor in the heavy defeat suffered by the enemy was the outstanding leadership displayed by

the Province Chief, Lt. Col. Hoang Dinh Tho. This experienced officer, a recent graduate of the US Command and General Staff College at Fort Leavenworth, literally fought the battle on his own. Lt. Col. Tho left the besieged headquarters and personally led an aggressive counterattack with armored personnel carriers and elements of an infantry battalion. The armored personnel carrier unit drove around the enemy flank and cut the Viet Cong battalion in two. This rapid reaction involving the use of fast-moving forces executing a counterattack during hours of darkness is an example of the offensive spirit of ARVN units when properly led.

Total friendly casualties as a result of the attacks were 22 killed and 60 wounded. Two Browning automatic rifles were lost to the enemy and three individual weapons were damaged. Enemy losses were 217 killed, 64 individual weapons and 8 crew-served weapons captured, and 9 enemy captured. One of the latter was said to be a Viet Cong combat correspondent from Hoi An.

Pacification planning: Bob Komer and his people have been working hard to get the Government of Vietnam better focussed on pacification. General Westmoreland and he see the pending Vietnamese Armed Forces reorganization plan, for example, as a major step forward toward continuing local security for the pacification areas via increased emphasis on the vital Regional and Popular Forces. Bob has also been lobbying hard with the Government of Vietnam to get them to adopt our new scheme for a more effective attack on the Viet Cong infrastructure, using largely the police. While the elections have delayed Vietnamese responses, the omens are favorable.

Another step forward has been to achieve early US/Vietnamese agreement on Revolutionary Development planning for 1968. Heretofore, coordination has been less than perfect. This year our planners have been working side by side with Thang's people in the Revolutionary Development Ministry. Hence, Thang's plan for 1968, which he signed with Komer's concurrence last Tuesday -- backdating it to September 1 so that it would bear the authority of a government having full powers rather than lame-duck status -- is a combined Vietnamese/US product. The 1968 plan calls for a sizable increase in Revolutionary Development teams including 100 or so special civilian/military Revolutionary Development teams made up of Regional Force or Popular Force platoons for security and local officials for administration. We hope to get the Vietnamese Government working on almost twice as many hamlets in 1968 -- 2,000 versus the 1,100 involved in the 1967 program. This will further step up the momentum that I already can see developing in the crucial pacification campaign.

D. Economic

The Saigon Retail Price Index rose noticeably to 307, compared with 295 last week. Retail prices in Saigon moved up after three weeks of comparative stability. Most foodstuff prices, particularly protein foods and rice, moved up, caused largely by the rash of Viet Cong terrorist activities prior to the September 3 elections. The Imported Commodity Index is now 229, up from 225 last week. Wheat flour and sugar rose due to a seasonal increase in consumption associated with the mid-autumn festival. Some iron and steel products rose as low arrivals of these commodities were anticipated.

New minimum wage rates were established by the Ministry of Labor, retroactive to July 1, affecting about 20,000 workers (mostly women employed in the textile, handicraft, and other industries which have lagged behind as wages have moved upward).

A new law on employment of foreign workers became effective August 25, tightening conditions under which foreign workers may be employed and requiring the institution of training programs for Vietnamese workers. The intent of the law is to bar the entry of foreign workers who may compete with Vietnamese counterparts, but the temporary effect is likely to be to slow down the entry of even noncompeting specialists.

The International Monetary Fund representative to the National Bank of Vietnam has submitted a report on the inflationary situation. It notes that the money supply increased by 7 billion piasters in the first half of 1967 and projects an increase of only 6 billion piasters for the second half. The Joint Economy Office of the Mission will shortly issue a fall stabilization review which will carry projections through 1968.

Against a rather optimistic picture of the general stability of the economy must be set the worrisome continuation of price increases in foods, especially the perishable needs, vegetable and fruits that are becoming more important in the Vietnamese diet. Food prices have risen 75 percent since January 1, 1967 in Saigon. This problem will be attacked during the coming year by vigorous attempts to raise agricultural production.

E. Chieu Hoi

Returnees during the reporting period totaled 333. This may be compared with 166 during the same period last year, when a sharp drop also occurred, presumably in association with the 1966 Constituent Assembly elections. The year's total to date is 22,140.

F. Vietnamese Killed

During the week ending September 9 the enemy killed 129 Vietnamese civilians, wounded 505, and kidnapped 403. The dead included 15 Revolutionary Development workers, nine policemen, and two combat youth. Since January 1, 1967 the Viet Cong have killed a total of 2,403 Vietnamese civilians, wounded 4,701, and kidnapped 3,484.