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Wednesday, October 25, 1967
6:25 p.m.

Mr. President:

Herewith Amb. Bunker's latest
weekly.

Pres file

W. W. Rostow

Saigon 9529

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E.O. 12356, Sec. 3.4(b)
White House Guidelines, Feb. 24, 1983
By rg, NARA, Date 11-7-91

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Wednesday, October 25, 1967

FOR THE PRESIDENT FROM BUNKER (Saigon 9529)

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E.O. 12356, Sec. 3.4

NIJ 94-451

By C6, NARA, Date 3-30-95

A. General

The elections for the Lower House which were successfully completed on October 22 marks the fifth time the Vietnamese people have gone to the polls within the last fourteen months. With the country at war, this fact in itself seems to me a truly remarkable performance. What is equally significant is the high percentage of the registered voters which went to the polls in spite of the massive efforts of the Viet Cong, especially in the Presidential elections on September 3, to disrupt the polling through terror and threat. This fact, together with the large number of candidates for seats in both houses of the Assembly, seemed evidence of a great interest in the democratic process on the part of the Vietnamese people. With the completion of the elections for the Lower House, we are on the threshold now of seeing the establishment of a functioning, constitutional government with a demonstrable democratic base and the development of all the other organs of democratic representative government. The village and hamlet elections, which took place last spring and summer, in which some 14,000 local officials were elected and are now being trained in the processes of government, is an equally significant development. It marks the reinstitution of local government, of getting the people involved in their own development, and in their own well being.

In addition to the inauguration and organization of the new government (Thieu told me yesterday that he expects to announce his Cabinet at the time of the inauguration or immediately thereafter), the Senate and the House will have to complete their respective organizations. In the case of the Senate, it is anticipated that this will not be completed until about November 20. In the case of the House, it will probably take longer and I imagine that we cannot expect its organization to be completed until the end of November.

Now we must concentrate on the urgent question of priority programs which should be undertaken by the new government. We recognize that there are both first stage and second stage priorities which need to be considered. Sometimes these are overlapping or closely related in terms of getting the new government moving on the most urgent and important tasks. We are agreed that the primary emphasis now should be on certain first stage priorities, including programs which will have impact during the immediate period ahead. In this connection, it is encouraging that both Thieu and Ky are conscious of the fact that the new

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government must begin to show visible results in the near future. As Thieu has said to me, "the next six months will be critical in our ability to demonstrate progress to the people and to gain their support". And again he said to me only last week, "it is imperative that we Vietnamese do more, militarily, in the reorganization of our armed forces and of our civil administration, in the attack on corruption, in pacification, and in moving ahead with the social revolution in order to shorten the war."

Using the next six months as an arbitrary period, within which we need to see concrete results, we are agreed on the following objectives which we have spelled out in some detail in a previous telegram. Priority headings are:

- A. Mobilization measures, such as lowering the draft age, extending service and recalling certain demobilized personnel;
- B. Reorganization and improvement of the Republic of Vietnam Armed Forces, including leadership, training, improved logistics, morale services, veterans' programs;
- C. Reorganization of the civil administration, including improved pay scales, improving government control, training and quality (through replacement of Province Chiefs);
- D. Via pacification measures additional to the above, including attack on the Viet Cong infrastructure, related detention center expansion and legal and judicial matters;
- E. Attack on corruption at all levels;
- F. Economic stabilization measures, including increased taxes, particularly on gasoline, and higher resale prices for U. S. rice;
- G. Peace issue, to include willingness to seek a peaceful settlement as continuing Government of Vietnam policy, and positive steps to seek out members of the National Liberation Front and to initiate discussions and move toward reintegration through the national reconciliation program.

With the exception of the economic stabilization objective, all of the other "first phase" objectives have been mentioned to me by Thieu and Ky in recent talks with them although not spelled out in as much detail as in a previous telegram. As I mentioned in my weekly telegram of September 27, I submitted to Thieu on September 24 a document entitled 'Democracy, Peace, and Social Justice' as a dynamic thirteen-point program designed to achieve democracy, peace, and social justice and the development of the nation. In addition to the first phase of priority objectives mentioned above, other objectives included:

- A. The evolution of the constitutional and party processes;
- B. Full utilization of manpower resources;
- C. Agriculture, including steps to increase production, land reform, and other measures to improve the lot of the rural dweller;
- D. Industry;
- E. Improvement of the cities, including self-help urban renewal;
- F. Education, increasing training of teachers and providing adequate school facilities;
- G. Youth. The government pledges to serve youth and to be open to youth, assuring an important place in the government for young men and women, and establishment of a new and expanded ministry of youth.

In my talk yesterday with Thieu, in addition to expressing general satisfaction with the preliminary results of the Lower House elections, he confirmed to me that he has empowered Nguyen Van Loc to seek to form a government. Thieu said he had given Loc several suggested names for each Cabinet portfolio, but that Loc may run into some problems in assembling a broadly representative Cabinet, since some of the southern Vietnamese are not particularly anxious to serve under him. Thieu was fairly confident this is not because of any fundamental aversion to him, but rather as a result of the widely-held belief that he will be essentially subservient to General Ky, who has never been popular with the southerners.

As to some indicators of the new cabinet, General Thieu's brother told us last week that Tran Van Do will probably remain as Foreign Minister, with the present Government of Vietnam Ambassador to Australia and New Zealand, Tran Kim Phuong, and the Ambassador to the Philippines, Pham Dang Lam, being appointed as his immediate subordinates to strengthen the foreign ministry. Both Phuong and Lam are able and experienced, particularly Lam, who was Secretary-General of the Foreign Ministry from 1957-1963 and was Foreign Minister on two occasions in the Cabinets which followed the fall of the Diem Government. Lam is considered one of the most capable of the Government of Vietnam's diplomatic officers. General Thieu's brother also told us that Tran Van An, a respected civilian member of the Directory, may be appointed Minister for Information and Chieu Hoi. In addition, Tran Van Huong, the defeated but highly respected Presidential candidate, has apparently agreed to become a member of the Inspectorate, the body charged with investigating and making recommendations on cases involving corruption. In view of his reputation, he would probably become Chairman. An approach is also expected to be

made to Ha Thuc Ky, the defeated Dai Viet Presidential candidate, to discuss a possible government position for him, perhaps that of Government Delegate in the First Corps.

In separate conversations with Generals Thieu and Ky over the last ten days, I have discussed with them suggestions for the issuance of certain decrees before the inauguration of the new government, in order to maintain forward momentum. The decrees would deal with: (1) increased taxes on petroleum products; (2) increase in pay for police; (3) an executive and military pay rise; (4) extension of military service and broadening the draft ages to 18-33 years. Ky agreed in principle with the first three proposals and said he would try to seed action by decree. Thieu said he would sign the decree on extension of military service and broadening of the draft ages on October 24 and Ky later told me this had been done.

In last week's telegram I mentioned to you that I had discussed with General Thieu on October 17, during a call in which I was accompanied by Phil Habib and Bill Jorden, the approach to Hanoi which Thieu committed himself to publicly during the election campaign. Although the approach has not, of course, yet been made, the Viet Cong's "Liberation Radio" on October 10 unceremoniously rejected General Thieu's reported offer in advance. The Viet Cong radio reiterated the National Liberation Front position in standard language and did not remark on the fact that the letter would be addressed to Ho Chi Minh, rather than to the Front. How definitive this "rejection" is cannot be estimated, but it is hardly surprising.

In a generally related development, Foreign Minister Tran Van Do stated in an interview published by Vietnam Press October 19 that: (1) The threat of Communism concerns not only Vietnam but all of Southeast Asia; (2) all troop contributing nations in the South Vietnam "will attend" any peace negotiations; (3) the Government of Vietnam will play the "main role in any peace talks"; (4) agreed with the Thai Deputy Prime Minister's insistence that allied nations participate in the negotiations and that the Thai troops are in South Vietnam because of the common Communist threat; and (5) stated that recent allied troop increases are not escalation but are only to meet the requirements of the war. These statements appear to be addressed mainly to Vietnamese public opinion which is currently rather sensitive on Vietnamese sovereignty and prestige. They seem designed to underline the primacy of a Government of Vietnam role in any settlement of the war.

We are looking forward to the visit of the Vice President and his party for the inauguration of the newly-elected Government of Vietnam on October 31. His visit is a welcome symbol to the people and Government of South Vietnam of our steadfastness here, particularly in view of the continuing reports of opposition to our policies within the United States. The Vietnamese people, and even the

Vietnamese Government, cannot be expected to remain unmoved by the reports of demonstrations against the war in the United States, details of which are quickly available to them in the Saigon Press. I can readily appreciate that this is not the most convenient time for the Vice President to be absent from Washington, in the closing month of this session of Congress. However, his presence will be a significant contribution to our efforts here and will go far to reassure the Vietnamese.

B. Pacification

While statistics must always be treated with some reserve, especially where we get down to the basic hamlet level, our new hamlet evaluation system is providing an increasingly valuable picture of pacification at the cutting edge. For example, by September, over 80 percent of the population in 11 provinces was regarded as relatively secure. In 3 provinces between 50 percent and 79 percent of the population was relatively secure. Eight provinces have less than 50 percent secure population, the worst being An Xuyen (only 26 percent) in the far Delta and next worst being Quang Tin in the First Corps. During September, there were substantial gains in population pacified in six provinces, and significant losses in four -- especially Quang Ngai.

C. Political

Although full and official returns from the Lower House elections are not expected to be available until October 26, the general outline of the results is already available. Almost 4.3 million voters, or 72.9 percent of the total registered, cast their ballots for the 137 Deputies in the Lower House, in 53 constituencies. The voter turnout was quite good in most regions of the country, varying from 65 percent in Third Corps up to 80.9 percent in Second Corps. In Saigon itself, the turnout was only 57.8 percent, which brought the Third Corps figure down. In U. S. terms, at least, this is substantially better than we achieve in most Presidential election years.

In statistical terms, the initial return indicates that 35 Catholics (about 25 percent) and 52 Buddhists (about 38 percent) were elected, with the remaining 47 divided among Hoa Hao (13), Cao Dai (5), and Confucianists and others (presumably the rest). The Catholic showing is a strong one, well beyond their proportion of the population (about 10 percent) but much less conspicuous than the almost 50 percent they elected in the Upper House. The Buddhist showing is better than it was in the Upper House election, but not enough to cause alarm to the Catholics. In regional terms, there are 32 Deputies from North Vietnam (23 percent), 44 from Central Vietnam (31 percent), and 59 from South Vietnam (41 percent), with two others unknown as to regional origin. The Deputies average age is 39.

In terms of personalities, a number of fairly strong figures have emerged as winners in the Lower House. In Saigon, for example, there will be two vigorous representatives of the Southern Renaissance Movement, Ly Qui Chung and Nguyen Huu Chung, both in their late 20's. Ho Huu Tuong, a 57-year-old former Trotskyite and long-time neutralist, was also elected. Tuong is a well-known and somewhat symbolic figure, whose candidacy for the Upper House was initially rejected on grounds of neutralism and whose candidacy for the Lower House was rejected on the same grounds. It was then restored on appeal. His election helps to confer credibility on the election as a whole, and one well-known neutralist will certainly be no danger to the Republic under the circumstances. As a whole, I think there will be promising quality in the new House, and this was the view Thieu expressed to me.

As in the Upper House election, there was evidently a good deal of more or less random or irrational voting. The press reports that one university-educated Saigon woman was faced with the necessity of voting for six candidates out of 60 running in her district and said she knew only two. She voted for one she liked, ignored the other, and then "looked for five kind faces." (Candidates' photos appear on the ballot.)

The voter turnout took place despite some opposition from both non-Communist and Communist sources. Although there were few direct calls for a boycott from non-Communist sources, some of the smaller opposition parties in Saigon, such as the Socialist and Democratic Socialist (Hoa Hao), Parties withdrew their candidates in the Lower House elections as a protest against what they regarded as "manipulated" results in the Upper House campaign. This was essentially a sterile gesture, as ultimately 1,172 candidates remained in the race for the 137 seats, assuring the voters a broad choice. In Da Nang, a student opposition group called "Committee of Youth and Students Struggling for Democracy", which is closely associated with militant Buddhist groups there, denounced the elections of October 22 as a "rude slander by the Americans against the Vietnamese" and called for a boycott. This student group, which we have reason to believe has been infiltrated by the Viet Cong, had little effect on the outcome, for the voter turnout in Da Nang was 72.1 percent.

The Viet Cong and the Democratic Republic of Vietnam, as expected, repeatedly denounced the whole election process in South Vietnam as a vain American effort to legalize the government in Saigon. A Nhan Dan (official Communist Party newspaper in Hanoi) commentary of October 22 noted that Vice President Humphrey is coming to the inauguration but added that "in spite of all these tricks, the Saigon puppets still remain puppets and stooges of the U. S. aggressors". The Viet Cong Liberation Radio stated that "any type of Lower House created by Thieu and Ky under U. S. instigation will be but a machine camouflaged with the

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name of the people's representatives." Although the tone is as uncompromising as ever, Viet Cong/Democratic Republic of Vietnam action against the October 22 elections was much more limited than that against the September 3 elections. Voting at a refugee center in the First Corps was interrupted for about 30 minutes due to incoming mortar fire. However, voting resumed promptly there. There were three other incidents of mortarings near voting places in Quang Tri Province. A threat to assassinate General Thieu was placed in a voting envelope in one ward in Da Nang. The threat, which states that "the righteous cause is on the other side of the (seventeenth) parallel", makes it virtually certain that it was of Viet Cong origin.

The Buddhist issue continues to simmer on without resolution so far, which Tam Chau's announced decision on October 10 to suspend application of the July Charter to allow time for further discussions with other Buddhist groups and the Government of Vietnam has drawn no corresponding gesture from the extremist An Quang Pagoda group. According to Do Dang Cong, Secretary of the Directory, on October 19 General Thieu met with An Quang representatives Thich Thien Hoa and Thich Duc Nhuan. However, the An Quang representatives showed no sign of being prepared to make any concessions, holding out for a straight-out cancellation of the July Charter and reinstatement of the 1964 Buddhist Charter (under which Thich Tri Quang dominated all major Buddhist institutions). A meeting between General Thieu and Thich Tam Chau October 20 evidently led to an offer signed by Thich Tam Giac (one of Tam Chau's associates) on October 22 and directed to the An Quang Pagoda leaders, offering to meet with them at any time to discuss outstanding issues. As far as we are aware, there has been no response from the An Quang group, which has publicly referred to Thich Tam Chau as a "traitor". In a conversation with an Embassy officer October 21, An Quang leader, Thich Thien Minh, had some kind words to say regarding General Thieu but indicated the An Quang group believed they had a promise from Thieu to "solve" the charter problem no later than October 24. There was certainly no such promise made. The Directory made clear, in a public announcement issued October 24, that the two Buddhist factions had been unable to resolve their differences and that the problem of the charter remains unchanged. The Directory added that it hoped the two factions would sit down together and resolve the problem of the charter and pledged itself to do everything in its power to help the Buddhists achieve peace and harmony among themselves.

Meanwhile, a low level of irritations goes on. There was a small demonstration October 23, staged by about 100 Buddhist monks, egged on by An Quang activists, before the Province Chief's house in Gia Dinh Province, just outside the Saigon city limits. The monks were demanding the body of a Buddhist nun who burned herself to death October 22. The Province Chief explained that she had already been buried as no one claimed the body in the time prescribed by regulations. This apparently satisfied the chief monk of the principal Pagoda in Gia Dinh but not the An Quang extremists, who continued to insist that the body be exhumed

and given a more formal burial (with attendant hoopla, no doubt). Their demands were refused, although General Loan, Director-General of National Police, offered to cooperate in holding commemoration services. The monks eventually dispersed. Saigon police peacefully entered An Quang Pagoda October 20, seized copies of a newspaper entitled Tran Dau (struggle) which reportedly contained violently anti-Government of Vietnam articles, and sealed the press on which it was printed. The newspaper was reportedly edited by Thich Thien Hoa, one of the extremist faction, but it had not received permission to publish.

As I have mentioned, the Senate is engaged in the process of organizing. In its sessions of October 19, 20, 21, and 23, it approved the sending of messages to the national assemblies of allied nations, to the national assemblies of other friendly nations, to the Chairman of the U. N. General Assembly, to the people of the nation, and to the International Parliamentary Union. Senator Tran Chanh Thanh, the Chairman of the Committee on Rules and Procedures, told an Embassy officer October 22 that it would be the latter part of November before the rules were completed. He expressed appreciation for the copy of the Senate rules which we provided him from the Joint U. S. Military Assistance Group library.

Editorial comment on the issue of Vietnamese sovereignty has continued to appear in the Saigon Press, much along the lines I mentioned in my last weekly telegram. The bulk of the commentary is addressed to alleged U. S. domination of Vietnamese internal affairs. We doubt this is having much impact on the population as a whole, in view of the limited number of Vietnamese outside Saigon who read the press, although there was some echo of the charges in the Lower House elections campaign and we can expect to hear more.

There were some echoes of the case of Truong Dinh Dzu this past week. You will recall that Dzu ran a strong second to General Thieu in the September 3 Presidential elections. Sentenced on September 15 to nine months in prison and payment of a substantial fine for bad checks and illegal currency transactions, he appealed to the court for reconsideration but again failed to appear personally. The sentence was confirmed October 20 by the same judge (a woman) who had originally sentenced him. He has 10 days in which to appeal the sentence. The initial appeal, which Dzu is almost certain to make, will be to the Court of Appeals, followed by a second appeal to the Supreme Court of Appeals. The procedure being followed is fully in accordance with Vietnamese procedures, and public interest so far is minimal. Ha Thuc Ky, another of the defeated Presidential candidates, told us October 19 that one Vietnamese bar association will almost certainly disbar Dzu. Dzu's "democratic front" of opposition to the Government of Vietnam has shown no recent signs of life.

In addition to its reaction to the Lower House elections (noted above), Hanoi has also expressed itself on a number of other issues this week. Hanoi radio reported October 22 that the Democratic Republic of Vietnam Foreign Ministry had issued a statement condemning the increases in troop contributions to Vietnam recently announced by Australia and New Zealand. The statement said that "should the Australian and New Zealand ruling circles obdurately continue to lend a hand to the U. S. aggressors in Vietnam, they would certainly step into the same path of inevitable failure as the U. S. aggressors". It predicted that "the people and progressive political circles in Australia and New Zealand would certainly step up their struggle and would not allow innocent youths in their countries to be turned into cannon fodder for the U. S. aggressors in Vietnam".

In much the same vein, Hanoi has been reporting with obvious relish and in great detail the current anti-war demonstrations in the U. S. Hanoi radio announced October 20 that Prime Minister Pham Van Dong had received an "American peace delegation" headed by one Tom Hayden, of whom we had not previously heard. Along the same line, Hanoi radio announced October 16 that a "South Vietnam people's committee for solidarity with the American people" had been founded in South Vietnam, apparently as an outgrowth of the September 6-12 Bratislava Conference which brought American leftists into contact with the Democratic Republic of Vietnam and National Liberation Front personalities to "further develop the anti-war movement." We will probably hear more of this solidarity group.

Japanese Prime Minister Sato paid a short, four-hour visit to Saigon October 21, with the schedule abridged considerably from the 24-hour visit originally envisaged, due to the death of former Prime Minister Yoshida. Even so, the short visit achieved the purpose that Japanese Ambassador Nakayama told us was intended: to offer to be of help to the new Government of Vietnam and to its free world allies. Nakayama said he thought Sato's statements at earlier stops on his trip (in Australia, New Zealand, and the Philippines) were clear evidence of this intention. He added that a primary reason for the Sato visit was to bring domestic Japanese opinion to recognize the reality of Japan's position and role in Asia and to understand the importance of their being involved both economically and politically in Asia's future. Although the visit was short, it seems to have achieved its purpose. Certainly, General Thieu had every reason to be satisfied at the language of the Joint Communique, which noted that "the Prime Minister of Japan expressed sympathy and understanding toward the efforts being made by the Vietnamese Government and people to ensure the independence and sovereignty of the Republic of Vietnam".

D. Economic

Beginning this week, the economic indicators include a seasonally adjusted retail price index. On this basis, the seasonally adjusted index (January, 1965 equals 100) was 287, compared to the unadjusted index of 291. The index figure of 291

was virtually unchanged from last week's figure of 290. Most protein food and vegetable prices fell, as did rice, with increasing arrivals of local new crop rice and plentiful stocks of U. S. remilled rice on hand. The imported commodity index level was unchanged from last week's level of 219.

E. Chieu Hoi

Returnees during the reporting period was 338, again lower than the 1966 figure of 377 for the same period last year, but higher than last week's figure of 288. The total number of Chieu Hoi returnees so far this year is 24,214. Since the program began in 1963, a total of 72,245 returnees have rallied to the Government of Vietnam.

F. Vietnamese Killed

During the week ending October 21, the enemy killed 41 Vietnamese civilians, wounded 101, and kidnapped 75. Among the dead were three Revolutionary Development cadre, one Village Chief, two Hamlet Chiefs, the wife of a Hamlet Chief, and one candidate for the Lower House. During the week the enemy killed 81 Vietnamese military personnel. The Viet Cong have killed a total of 2,751 civilians, wounded 5,510 and kidnapped 3,812.