

Wednesday, February 7, 1968
1:00 p. m.

MR. PRESIDENT:

My recommendations on the attached are as follows. *Pres. file*

1. I agree that there is a tendency to view the political problems of South Viet Nam by analogy with those of Chiang Kai-shek in the period 1945-49.

2. I do not believe the analogy is accurate as a matter of history and social science analysis. The present leadership in South Viet Nam contains some "old family mandarins" elements; but, basically, South Viet Nam is in the process of transition from the old-fashioned rule of Diem (Syngman Rhee, Chiang Kai-shek) to rule by young nationalist technically-trained men of whom Thang has become a symbol, although there are many others like him. Thieu is trying to make that transition cautiously -- the transition Diem tragically never attempted.

3. This was the transition which Park has carried through fully since 1961 in South Korea.

4. Our job, therefore, with the South Vietnamese, is not to force them to marry the NLF. Our job is to encourage Thieu to complete the transition by bringing into authority in Saigon and in the provinces the younger, competent, dedicated men who are emerging, whether they are military or non-military.

5. You may remember David Lilienthal's reaction to the young economists and cabinet ministers he met. They are also part of the new group; and I suspect you can find men like them in every province.

6. Therefore, I would not accept at this time, on present evidence, the prescription in paragraphs 5 and 6.

7. What I would do is to use every resource of persuasion and pressure that we can with Thieu to accelerate the transition by:

-- keeping Ky and Thang at the work of military-civilian coordination after the recovery of the cities has been achieved;

-- making a quick purge of the army and province chiefs on the basis of man-by-man performance during the Viet Cong uprising;

-- using the crisis in the cities to hold down to austerity and move seriously against corruption;

-- winning the race back to the hamlets and villages from which both VC and allied forces have been withdrawn temporarily;

-- exploiting the rallying of non-Communist political leaders throughout Viet Nam to the government to build the framework for a national political party; etc.

8. In short, we have a battle to fight which is not yet completed. We have men and attitudes and assets on our side which have withstood the full brunt of the maximum enemy attack on the cities, survived, and rallied. It is much too soon to adopt the proposed policy of pessimism and despair.

W. W. Rostow

32a

NOTE ON VIETNAM

1. There is unquestionably a very solid concensus that supports the President's policy of holding the line in Vietnam and preventing undue escalation. This concensus is to be found in the universities inspite of much active protest. Nevertheless, even among supporters of the policy, I find uneasiness and even alarm growing over the issue of South Vietnam's ability to play its part. The resignation last week of General Thang is bound to stir this up.
2. The root of the worry is, in a sense, historical. The experience with Chiang Kai-shek and the Soong family in China (and before them with the Manchu dynasty) suggests that when a Mandarin society becomes corrupt, the decay can be virtually unlimited.
3. The symptoms of this in South Vietnam are so vast that they need not be documented. At the core of all of them is the determination of those in power or in luck to enjoy all the benefits possible under "American occupation" with little thought for tomorrow and no thought at all for the country. One American official recently expressed this point of view to a visitor: "Our local American leaders are convinced that they are climbing steadily up the ladder on the side of the Vietnamese ship of state. But they are too near to see that the ship is sinking".
4. The Americans' dilemma is acute. If they threaten to leave, the North Vietnamese terms will stiffen; if they promise to stay, the South Vietnamese quite cynically

continue to exploit the "occupation".

5. Is there a way out of the dilemma? One possibility is worth examining, once the next largescale Northern offensive has been beaten off. This new step might not only put pressure for reform on Saigon. It could also lead the way to negotiations. It would consist in America scaling down/a "clear and hold" policy with repeated bombing pauses and a general and even ostentatious de-escalation of the military effort. Saigon's protests would be met (a) with a strong public guarantee that America would stay but (b) a strong private warning that this de-escalation has been prompted by the total failure of the government to do anything about the villages and the statement that continued apathy and failure might persuade the American voter to demand further de-escalation. Such a shock might galvanize new energies, while still leaving America with its largest bargaining counter ~~—~~ its presence.
6. Moreover, the possibility of negotiations could just possibly encourage the local South Vietnamese leaders to begin their own manoeuvres to produce a "national coalition". Hitherto, they have simply played the hard line, believing America to be wholly committed to supporting them. A controlled deflation of American support might give them, in the interests of sheer self-survival, a more flexible approach. That possibilities of a broad coalition exist is suggested by many commentators - the latest Shaplen piece in the New Yorker is reasonably specific. But no political movement is possible if America's continued "presence" is used as a cloak for local immobilisme.