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V I E T N A M
1961 - 1968
as
Interpreted in INR's Production

B1

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INTRODUCTORY NOTE

There are a number of pitfalls inherent in a study of this nature, and we would like to reassure the reader of our awareness of these problems. In the first place, the review of INR and Vietnam is distilled from a vast number of INR papers over a period of nine years. Some distortion seems inevitable, but we have tried to keep it to a minimum. Moreover, although we use "INR" as the subject throughout, it must be borne in mind that "INR" constitutes different analysts, writing under changing leadership, with both components bringing to bear different perspectives and experiences. In addition, within the Bureau or the same Office, different analysts sometimes reached divergent judgments which were never fully harmonized. Thus some papers touching on the same subject in the same general time period may reflect these divergent views.

The study focuses almost exclusively on INR's analysis of the Vietnam problem and, thus, INR is the center of the paper by definition. We are not trying to imply that INR had a more significant role than it did in fact. Moreover, the reader must understand that INR was not directly involved in policy-making even though it may have had an impact on policy in varying degrees. The distinction is sometimes difficult to draw in an area such as Vietnam where such intelligence work involves assessing the effects, actual or potential, of policy decisions. INR, of course, had no control over how its intelligence products were used.

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This study traces INR's judgments and projections on the course of events in Vietnam from the spring of 1961 through December 1968. It reviews an extensive and representative selection of papers produced or contributed to by INR—with few exceptions by the Office of Research and Analysis for East Asia and Pacific (REA). The memoranda were selected because they focused on the basic problems—how stable was the political situation in South Vietnam, how well was the war going, what were Communist intentions and reactions to allied actions, and what were the prospects for negotiations. REA (or RFE, as it was known until 1967) also produced numerous other papers on aspects of the Vietnam situation, which have not been used because they did not deal directly with these primary problems. In addition, certain REA memoranda on negotiations were based on highly sensitive material and have been omitted from this survey.

Of the analyses of the Soviet position produced by the Office of Research on the Soviet Union and Eastern Europe (RSE), only very few were used, partly because time was limited and partly because most of those papers did not bear directly on the particular aspects of the situation which were being emphasized. For the same reasons, memoranda produced by INR's other geographic offices were reviewed but not brought into the main stream of this presentation. Studies produced in RCI were used selectively, primarily to clarify what INR had thought about infiltration and Chinese or Sino-Vietnamese military activity related to the war. Most fugitive of INR's products, the daily Briefing Items doubtless

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contained some points that were not identical with those treated in more formal reports, but it was judged that the time required to exploit this extensive material would not be justified by the additional insights that might result.

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At the same time, we did not focus so exclusively on INR as to omit all reference to the views of others in the Intelligence Community and in policy-making circles. Where appropriate or noteworthy we have described them, and the absence of any reference to contrasting or concurring opinions does not mean that there was full agreement. More importantly, we recognize that others may feel that their views are not properly represented. These judgments have been made on the basis of some of the available documents of the time and, particularly, on the evidence of formal positions taken in National Intelligence Estimate sessions. Some distortion may be inevitable because we are working from limited sources. The same situation applies to our description of the views of policy makers. We recognize that what we have described may represent only a portion of their position or attitude.

Another important problem is that of subjective judgments on the part of the authors, W. Dean Howells and Dorothy R. Avery, who wrote the basic text, selected the excerpts for the annexes, and wrote the thematic summaries, and Fred Greene, who reviewed and revised this work and then wrote the critique. All worked in INR on aspects of the Vietnam problem at most of the crucial periods covered in this study. We have tried to be as objective as possible, bringing to bear our first-hand experience without letting it cloud our judgment. We also have attempted to present issues as they appeared at the time, and, although hindsight subconsciously may play a part in our treatment, we have endeavored to confine to the

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Critique any judgments about INR's performance in light of the present. Obviously, the Critique, written by Mr. Greene but reviewed closely by Mrs. Avery and Mr. Howells, was the most difficult portion of the study to write. In the first place, while it is based in part on Mr. Greene's own experience, in large measure it rests on the basic text which may perforce contain distortions. Further, it is often difficult to assess the INR position because different circumstances than envisaged in the original analysis may have developed. We have endeavored to note these instances. In addition, and though obvious it must be stated, the verdict of history has yet to be given on a number of basic issues in the conflict. Thus, the study is offered as a tentative but, we believe, the most objective possible effort to review and assess INR's analysis of major facets of the Vietnam conflict.

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1 - The Problem Confronted: January 1961-February 1962.

Background:

Events during the last two years of the Eisenhower Administration gave ample evidence that the seeming pacification and stability of South Vietnam under Diem during 1956-58 were under a serious and growing threat. Viet Cong guerrilla activities and inroads into areas previously under government control grew substantially, infiltration of cadre and key supplies from the north had increased sufficiently to support an accelerating of VC expansion, and there was evidence of growing discontent with the Diem regime in both civilian and military circles. However, within the US Government there was no agreed assessment on the nature and causes of the threat--let alone on what the US could and should do to meet it.

Divergence of views extended to central issues of strategy. Elements of the Saigon mission, especially the military, thought that the main danger lay in overt attack from the North, and that the conventional forces suited to defense against invasion from without could amply handle insurgency within. This approach had the support of Diem and of some elements in Washington. On the other hand, many observers held the chief problem to be internal security, and the chief danger to be the VC, and they drew quite different conclusions about necessary training, tactics, and the balance between political and military action. From this school emerged a comprehensive counterinsurgency plan, which the US presented

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to Diem in February 1961--a major step toward the area of action that was henceforth increasingly to preoccupy the defenders of South Vietnam.

The US made clear its support for South Vietnam and for Diem, but implied that the nature and extent of its support might depend at least somewhat on the political/military performance of the GVN in general and Diem in particular. In a letter of October 26, 1960, President Eisenhower assured Diem of US support "for so long as our strength can be useful," and on November 13, after expressing satisfaction over the failure of the attempt by some of the military on November 11 to effect a coup, the Department further expressed the hope that Diem's powers would be established "on a wider basis with rapid implementation of radical reforms."

Thus the major questions that remained unresolved as the Kennedy Administration took office were: on the military side, the source, nature, and extent of Viet Cong capabilities and the assets and tactics necessary to defeat them; on the political side, the degree to which the present government could inspire support for itself and for its present policies in conducting the conflict; and respecting action of the US itself, the manner in which it should provide the GVN with indispensable support and yet maintain the necessary leverage to ensure the implementation of an effective program.

The new administration took several steps to reaffirm its commitment to the support of South Vietnam. President Kennedy declared that consideration was being given to the use of US forces if necessary (May 5, 1961), and that the US would do all it could to save South Vietnam

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(August 2). Vice President Johnson's visit of May 11-13, 1961, resulted in additional military and economic aid.

Summary:

INR's work in this phase consisted broadly of an initial assessment for the new administration and, later in the year, a comprehensive reappraisal of the situation. INR also participated in the development of an operational concept for dealing with Communist insurgency which (if not uniformly agreed upon in detail and interpretation throughout the US Government) became generally recognized as a promising approach to the problem.

One group of issues considered during this initial period centered on the questions of how critical the situation had become and of the degree to which the Communists held the initiative and could generate even greater momentum. On both counts INR felt that the situation was deteriorating. It believed that while a non-Communist military coup against the Diem regime would be a plausible outcome of this deterioration, the Communists lacked the strength to seize power at the center either through their own efforts or in the wake of such a coup.

Another major group of issues centered on Diem himself, and INR was apprehensive that he would consolidate his rule at the expense of making the changes necessary to conduct the war more effectively. The very

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1. Forceful statements of this concept are set forth in two reports prepared in February 1962 and January 1963 by the Director of INR after trips which he made to Vietnam as special adviser to the President. Essential intelligence views of these reports are covered in other INR papers cited in this study; certain emphases and aspects, related to the Director's focus upon action rather than intelligence, differ from positions institutionally held by INR as noted below. The two reports have therefore been omitted from consideration in this study.

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support from the US that was essential to the conduct of the war and to Diem's political position tended also to insulate him from the consequences of his own failures and to stiffen him against US pressures for reform. Thus INR believed that he would oppose US recommendations more determinedly than ever, and noted that the argument that he was indispensable could bring about an even greater US commitment to him. Rather, INR believed that Diem was not indispensable and that alternatives did exist should the South Vietnamese seek to overturn his regime.

Equally important were questions concerning the nature of the war. INR shared in intelligence appraisals which, in contrast to the views of Diem and some US policy officers, held that enemy forces rested at this time far more heavily on local recruitment than on infiltration, and INR believed that the problem of internal subversion was much closer to the heart of the threat than was the much stressed danger of overt aggression. On the other hand, INR also criticized the contemporary concept and performance of counterinsurgency for depending far too much on static defense and emphasizing too much the flow of aid. Finally, it concurred in intelligence estimates that judged the North Vietnamese able and willing to go on with the war, even in the face of more numerous US troops in the South and of attacks against the North.

Initial Assessment:

In its first assessment of the situation for the new administration in the spring of 1961, INR estimated that the Communist subversive effort in South Vietnam "could reach its most critical level this year." Should

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the GVN fail to act quickly to increase the scope and effectiveness of its efforts, "the Communists could be expected to supplant completely government authority over a substantial part of the countryside in the south and southwest... While the Communists would not be able to seize control of the central government, the impact of these developments might well precipitate a coup attempt."² A month later, in viewing the April elections, INR considered that Diem owed his landslide victory more to the opposition's default than to either his popularity or his manipulation of the vote, and INR estimated that the same problems of security, corruption, and discontent would remain; further, while the victory offered Diem "an opportunity for quick and decisive reforms," he might see the results as a justification for his own personal rule and "may become even more determined in his opposition to certain US recommendations."³

In an NIE of March 28, the Intelligence Community noted, "although the Communist threat in South Vietnam has reached serious proportions,"⁴ the prospects for a Communist victory there were less than in Laos. INR concurred in the NIE, although the Estimate differed from the sense of the INR position in one respect when, noting that the Communists would exploit any new coup attempt, it warned that "we are not confident that the Army would be able to keep the situation from getting out of hand."

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2. See I-1: IR-8416, "Increased Communist Strength in South Vietnam," March 10, 1961
 3. See I-2: MM-RAS-61-53, "Post-Mortem on the South Vietnamese Elections," April 13, 1961
 4. See I-3: NIE 50-61, "Outlook in Mainland Southeast Asia," March 28, 1961

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On April 17, 1961, INR issued the first of several unusual studies that reflected the new Director's effort more closely to mesh intelligence views with the course of policy discussions. These papers of limited circulation presented critiques of past US policy toward South Vietnam. In the first critique, INR concluded that the serious current security situation had "arisen largely from [US] acceptance of the GRV's evaluation of the character of the Communist threat: namely, to over-emphasize the prospects of overt aggression...and to under-play the danger of internal subversion." ⁵ At the same time, "Our assumptions of Diem's indispensability and administrative effectiveness have gone far to produce the political crisis now prevailing in South Vietnam." ⁶ On the other hand, "Diem and his advisors...have shown considerable sensitivity toward some of the political recommendations incorporated in this [US counterinsurgency] plan, and it appears doubtful if the more important recommendations will actually be carried out;" ⁷ further, "we have given Diem a virtual carte blanche in his administration of the country" without sufficient control or restraints over him "and have thus committed ourselves to Diem's own shortcomings and rigidity." Thus, "we have allowed Diem to ignore the pressing need for political reform" as well as for rural economic and social development. ⁸

A Second Look: In a second round of estimates during the late summer and fall of 1961, the Intelligence Community set forth the following consensus: Hanoi would increase the pace, "and the war would be a prolonged

5. See I-4: "A Critique of US Policy in Laos and South Vietnam," April 17, 1961
6. See I-5: id.
7. See I-6: id.
8. See I-7: id.

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and difficult struggle;" however, "with continued high levels of US aid and a strenuous and effective GVN effort, the problem of VC control of large areas can in time be reduced." Even so, the GVN would need to continue a maximum effort to maintain its authority. As for the political situation, there was "some dissatisfaction" with Diem due to his personal rule as well as the security situation, but "the degree of dissatisfaction will probably be directly related" to the latter. The chances of a coup "have been reduced by recent manifestations of US support" for Diem; however, "the confusion and suspicion attending a coup effort could provide the Communist [sic] an opportunity to seize control of the government."⁹ INR concurred in this NIE despite its own estimate that the Communists could not seize the government. Shortly thereafter it published a revised version of its contribution to the Estimate, in which INR underlined its doubts about the Diem regime's ability to reverse the deteriorating security situation.

Two reports issued a month apart, on September 29 and November 1, complement one another in presenting a broad view of the INR position,¹⁰ focusing primarily on VC political objectives. INR noted, as did others in the Intelligence Community, that "the Communist apparatus has relied more on local resources than on infiltration"¹¹ for both men and materiel. Although "the Communists would not be able to seize control of the central

9. See I-8: NIE 14.3/53-61, "Prospects for North and South Vietnam," August 15, 1961

10. RFE-1, "South Vietnam: Crisis and Short-term Prospects," Sept. 29, 1961; RFE-3, "Communist Threat Mounts in South Vietnam," Nov. 1, 1961. See especially I-9: RFE-1.

11. See I-10: RFE-3. On October 5, 1961, SNIE 53-2-61 estimated the VC to be composed of 10-20% infiltrated cadre and 80-90% locally recruited forces.

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government ...¹² and, in the short run, "do not appear to have the capacity to foment large-scale insurrection" without overt military aggression from the North,¹³ they "may even attempt a greater armed effort before the end of the year...[and] have this capability even without further infiltration of personnel and material."¹⁴ Should Laos come under predominant Communist control, however, "the level of insurgency might assume the proportions of widespread guerrilla warfare and some areas would probably come under complete Communist control, within which Hanoi might attempt to establish a Communist but ostensibly independent government."¹⁵ Even so, "there would be no immediate collapse" but developments of this sort "could precipitate a non-Communist, anti-Diem coup attempt";¹⁶ and, as was likely should an attempt by the military to stage a coup be supported by a wider civilian base than the 1960 attempt, it "would have better than an even chance to succeed."¹⁷

INR felt in general that the GVN had considerable assets with which to handle the insurgency, and that the peasants were by no means ready to welcome the VC. Even so, and despite evidence that "the counterinsurgency program, supported by substantial US aid, is beginning to show favorable results," INR saw no "conclusive improvement in the security situation"; to be sure, barring overt military aggression from the North, and "given effective implementation of the counterinsurgency plan, the

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- 12. See I-11: RFE 3
 - 13. See I-12: RFE-1
 - 14. See I-10: RFE-3
 - 15. See I-13: RFE-1
 - 16. See I-11: RFE-3
 - 17. See I-13: RFE-1



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government should be able to reduce somewhat the level of Communist
insurgency during the next year or so and conceivably even reverse the
trend against the Communists,"¹⁸ --but, for a variety of reasons, "the
Communist initiative and advantage...have not been effectively challenged."¹⁹

The stability of the government appeared highly uncertain, since it
depended "principally on Diem's handling of the security situation."²⁰

The lull in the political crisis "can be attributed principally to strong
US public manifestations of support for the Diem government, including
Vice President Johnson's visit, and to the substantial increase in US
aid.... At best, however, the situation remains fluid and, as yet, there
has been no conclusive reversal of deteriorating trends."²¹ The decrease

in reports of coup plotting indicated that political dissidence had been
muffled rather than harmonized, and "there is probably a growing and
increasingly desperate element."²² However, Diem "will almost certainly
continue to press for...a clear priority of military over political and
economic efforts to undercut the Communist insurgency. Diem will be
adamant...and will tend to view US differences...as indications of weaken-
ing US confidence in him.... If he concludes that this posture [of
support] is weakening, he will almost certainly...become increasingly
assertive and stubborn in his relations with the US."²³ In this vein,

18. See I-12: RFE-1.

19. See I-14: RFE-3.

20. See I-13: RFE-1.

21. See I-15: RFE-1.

22. See I-12: RFE-1.

23. See I-16: RFE-1.

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INR interpreted Diem's request of September 30, 1961, for a mutual defense treaty with the US in part as a demonstration of his lingering doubts over US support and his hopes of forestalling coup plotters whose motivations would be primarily considerations of defense and security.²⁴

Continued support for Diem in the absence of reforms might have been necessary if there had been no alternative to Diem. INR maintained that no such necessity existed: "greater controls could have been exercised successfully over Diem..."; more importantly, should Diem be removed as a result of a South Vietnamese coup, "the US has an alternative²⁵ in Vice President Nguyen Ngoc Tho."

As for the joint counterinsurgency effort itself, INR considered that the concept suffered from a basic weakness in "the US assumption that the crisis in Vietnam can be solved virtually by flooding the country with US aid,"²⁶ and that implementation was undermined by our failure "to challenge the Vietnamese static defense concept and, more importantly, ...to realize that the rapid increase in Communist strength was negating any benefits inherent in the concept and ultimately would protract the effort to counter the Communists if not give them an irretrievable²⁷ advantage."

24. See I-17: MM-RFE-61-119, "South Vietnam Wants a Defense Treaty with the US," October 4, 1961

25. See I-18: "Critique of US Policy in South Vietnam," November 6, 1961

26. See I-19: id.

27. See I-20: id.

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Communist Intentions and Reactions to Possible US Actions:

During 1961, INR concurred in a series of Estimates and Special National Intelligence Estimates (SNIE) regarding Communist priorities and intentions. One NIE during the Lao crisis in March, discussing the serious proportions of the Communist threat to South Vietnam, pointed out that Hanoi and Peking attached greater importance to their effort in South Vietnam than in Laos, in part because US prestige was more deeply involved in the fate of the GVN.²⁸ In June, INR agreed that Hanoi would not undertake a major military intervention "especially in view of the progress of present North Vietnamese tactics."²⁹ Two months later, another NIE predicted that the pace and scope of Viet Cong military activity was likely to be increased, particularly as Hanoi attempted to make maximum gains before increased US assistance could make a significant impact.³⁰ Assessing the nature of bloc support to the Viet Cong insurgency, a Special Estimate judged the Viet Cong to be an integral part of the North Vietnamese Communist apparatus but with operations that were still largely self-supporting despite increased infiltration of men and supplies.³¹

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28. See NIE 50-61, "Outlook in Mainland Southeast Asia," March 28, 1961
 29. SNIE 10-2-61, "Likelihood of Major Communist Military Intervention in Mainland Southeast Asia," June 27, 1961
 30. NIE 14.3/53-61, "Prospects for North and South Vietnam," August 15, 1961
 31. SNIE 53-2-61, "Bloc Support of the Communist Effort Against the Government of South Vietnam," October 5, 1961

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In a SNIE on reactions to possible US actions, INR concurred in the estimates that an input of US combat forces would not provoke an overt, large-scale reaction because Hanoi believed that the Viet Cong, with increased assistance, could render US aid ineffective, even if the US committed substantially more than 40,000 combat troops.

In the meantime, Hanoi and Peking escalated their threats of possible counteraction as it became clear that US assistance, while stopping short of the introduction of combat forces, would be raised substantially.

An INR Intelligence Note interpreted the reaction as essentially a psychological campaign and not as a portent of overt intervention:

Peiping and Hanoi are mounting a propaganda-psychological drive intended to restrain the US and its allies in their moves to assist South Vietnam. The drive may produce still stronger statements suggesting all sorts of Peiping-Hanoi military moves toward South Vietnam. However, we think it quite unlikely that Peiping and Hanoi really contemplate overt military action toward South Vietnam in the near future. They probably believe they are doing well enough in South Vietnam through their Viet Cong "national war of liberation" tactics.

Furthermore, INR held that Communist China was unlikely to consider direct military action in Vietnam "unless subsequent developments result in fighting in North Vietnam."

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32. SNIE 19-3-61, "Probable Communist Reactions to Certain SEATO Undertakings in South Vietnam," Oct. 10, 1961; the same estimate was made in the SNIE of November 7, 1961.
 33. Intelligence Note, "Peiping-Hanoi Psychological Drive Against South Vietnam," December 22, 1961
 34. Intelligence Note, "CPR Posture Toward South Stiffens," December 8, 1961

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As for possible US action against North Vietnam, INR estimated that a blockade would not "significantly disrupt North Vietnam's economy ...or reduce its military capabilities." ³⁵ INR concurred in a SNIE of November 1961 which estimated that the Communists would take defensive measures and try to avoid giving the impression that they would back ³⁶ down as a result of the threat of air attacks against the North. The same SNIE held that, in the event of actual strikes, the USSR and China "would commit" their airpower to North Vietnam's defense and that retaliatory strikes "probably" would be undertaken by a "North Vietnamese" air force.

35. MM-RSB-61-147, "Importance of Ocean Shipping to North Vietnamese Economy," July 11, 1961

36. SNIE 10-4-61, "Probable Communist Reactions to Certain US Actions in South Vietnam," November 7, 1961

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II - Looking for Progress: February 1962-May 1963.

Background:

Following the recommendations of the Staley Committee in October 1961 and those of General Taylor in November, President Kennedy on December 14 pledged that the US would increase military aid to South Vietnam short of committing combat forces. A joint US-GVN communique on January 4, 1962 announced that a broad economic and social program to improve living standards would be undertaken simultaneously with measures to strengthen South Vietnam's defense. On February 8, the USMAAG was reorganized to become USMACV under four-star General Harkins with a strength of 4,000 US military personnel. By December 1962, this advisory force had risen to 11,000. As US economic and military assistance grew, the GVN began a series of major efforts at pacification (Operations Sunrise, Sea Swallow, etc.) that involved relocating villages and peasants into newly constructed and fortified strategic hamlets.

US public assessments of progress during this period, initially optimistic, grew more cautious as the results of the US effort emerged. On July 6, 1962, Defense Secretary McNamara was "encouraged" by the increased effectiveness of US aid; on January 11, 1963, Admiral Felt declared the Communists faced "inevitable" defeat and was "confident" the South Vietnamese would win the war; by April 22, 1963, Secretary Rusk termed the situation "difficult and dangerous" and the US role "limited and supporting."

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Summary:

As in the preceding period, INR judged that the Communists could not overthrow the GVN or seize power in the wake of a non-Communist coup, but also that Diem's regime seemed still to be incapable of halting the deterioration in security being produced by the insurgency. Noting the attempt against Diem in February 1962, INR judged that the body politic was becoming increasingly unhealthy and that further attempts at coups might quite possibly occur. It also continued to believe that there were viable non-Communist alternatives to Diem.

In analyzing the struggle against the Communists, INR continued to note the harmful effects of Diem's tight control over governmental activity and his failure to delegate authority. It also observed that the regime persisted in greatly over-emphasizing military aspects of the war, although Nhu gave lip service to stressing the socio-political revolution. The failure of the regime to give weight to the broader non-military elements of counterinsurgency reflected another continuing problem--an increasing unwillingness of Diem and Nhu to accept US guidance, and Nhu's mounting criticism of the US. This trend took a new and ominous turn when, as INR noted with alarm, the sensitive and suspicious regime curtailed the US advisory role in the field.

The conduct of the war itself added novel aspects to some old issues and generated new issues. INR developed the view that conditions

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required a small-scale, unconventional effort, while operations of large conventional units that relied on air power and artillery were inadequate. INR went on to discuss the recently developed "strategic hamlet" program; it expressed concern over the manner in which the program was being applied, but cautiously endorsed the underlying concept. In evaluating the trend of the war INR continued to hold that the tide had not yet turned as measured by initiative, territorial control, and recruitment. The problem of statistics and their reliability took on sharper focus, and INR doubted the validity of certain figures which were basic to estimates of a favorable trendline. Infiltration from the North was another subject for which hard evidence could not be currently available; allowing for this time lag, INR still held that Hanoi had the ability to increase infiltration to match what it saw as its needs. Finally, the enemy's use of Cambodia was held by INR to be marginal.

More broadly, INR continued to judge that the North would not engage in large-scale aggression but would continue the existing pattern of support, albeit at a faster tempo. As the question of Chinese involvement drew attention, INR judged that although Peking's threats were imprecise, China would come into the war if necessary should the US invade North Vietnam. Communist calls for a Geneva Conference or talk of neutralization were considered by INR as no more than ploys to put political pressure on the US, and not as indicators of a genuine quest for a settlement.

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Security Situation:

The massive new effort in itself constituted grounds for optimism, but fundamental weaknesses of the GVN and ARVN persisted; and while the rapid increase in anti-Communist activities resulting from US support and direction provided statistics to demonstrate progress, the new statistics were of unknown reliability and uncertain relevance. Moreover, efforts were so localized, and varied so greatly in quality, that examples were readily available to support either gloomy assessments or cheerful ones. A divergence grew between assessments that focused on indications of increased non-Communist capabilities and those less optimistic ones which balanced the new assets against old liabilities. For example, when the Interagency Intelligence Committee in Saigon concluded in March 1962 that a "military stand-off" had been achieved, INR believed "the tide has not been turned against the Viet Cong in terms of their ability to expand their control in the countryside or to recruit and build up their forces, and they almost certainly continue to retain the military initiative."¹

On March 19 Diem approved the recommendations of the US and of the British Advisory Mission that was headed by R.K.G. Thompson; INR noted that the strategic village concept had become "a matter of national high priority policy for the GVN."² By June 18, however, INR found reliable

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1. See II-1: MM-RFE-62-32, "Comments on Saigon's Intelligence Assessment of the Viet Cong," March 14, 1962.
 2. See II-2: MM-RFE-62-53, "Implementation of an Effective Strategic Concept for South Vietnam," April 3, 1962.

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evidence "that the program suffers seriously from inadequate direction, coordination and material assistance by the central government," that Province chiefs had drawn up "unrealistically high quotas," and that the insufficiency of resources provided by the government had resulted in "poorly constructed and poorly defended settlements and in financial levies on the peasant."³ Although "US materiel, training, and advice, supplemented by tactical support by US units, have produced an improvement in armed operations"...and the Viet Cong "is now meeting more effective resistance...nonetheless, the VC continue to increase their armed strength...and, on balance, to erode government authority in the countryside."⁴ On balance, INR judged that "there is no evidence to support certain allegations of substantial deterioration...[rather] there is evidence of heartening progress...; there is still much to be done... particularly in the political-administrative sector; a judgment on the ultimate success in the campaign...is premature; but we do think that the chances are good provided there is continuing progress by the Vietnamese Government along the lines of its present strategy."⁵

Five months later, in the report it wrote as contribution to an NIE on South Vietnam, INR was less hopeful and again did not agree with the

3. See II-3: RFE-27, "Progress Report on South Vietnam," June 18, 1962

4. See II-4: id.

5. See II-5: id.

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estimate of Diem and many US officials in Saigon that the tide was turning against the VC: "At best, it appears that the rate of deterioration has decelerated."⁶ The paper spoke of greater attention to the political, economic, and social aspects of counterinsurgency and improved tactical capabilities, but found that the "war has not abated nor has the Viet Cong been weakened."⁷ Although the results of the pacification approach "are encouraging," it "has not yet altered the balance between the government and the Viet Cong in the countryside."⁸

Moreover, the outlook remained problematical. INR continued to hold that the Viet Cong--even in combination with rebel Cao Dai or Hoa Hao elements--could not overthrow the government militarily, and that it lacked the ties with the non-Communist opposition it needed to lead a successful coup.⁹ However, Hanoi could "step up infiltration as the situation warrants, with relatively little danger of detection and no great difficulty." "It is entirely possible that the Viet Cong will step up its armed operations...in the belief that further military escalation is necessary in order to counter the growing response and effectiveness of the GVN forces and US support."¹⁰

During the next year, "the GVN probably will not be able to halt completely the deteriorating security trends, let alone reverse the tide against the Viet Cong, unless Saigon significantly accelerates and

6. See II-6: RFE-59, "The Situation and Short-term Prospects in South Vietnam," December 3, 1962

7. See II-7: id.

8. See II-8: id.

9. See II-9: id.

10. See II-10: id.

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improves its response to the insurgency." ¹¹ Even if it increases military operations, "the GVN will not be able to consolidate its military successes into permanent political gains...unless it gives more emphasis to non-military aspects of the counterinsurgency program, integrates the strategic hamlet program with an expanded systematic pacification program and appreciably modifies military tactics," particularly large-unit actions and airpower and artillery--otherwise it might increase peasant identification with the Viet Cong. ¹² In any case, "Progress against the insurgents will probably remain difficult to evaluate accurately...GVN statistics...should continue to be treated with extreme caution." ¹¹

On the whole, INR took a gloomy view of the GVN's ability to stage an effective effort. The substantial increase in US presence had, to be sure, improved morale among the middle and upper echelons, and there was "cause for optimism" ^{over} its effectiveness, but morale among the lower levels was unknown and desertion rates were increasing. In spite of this increase in US support, moreover, "Diem and particularly Nhu may also remain extremely reluctant to accept possible US proposals directed toward further integration [of the program]...or directed toward substantially altering the present balance between emphasis on purely ¹³ military...[versus] political, social and economic measures." Indeed,

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- 11. See II-12: id.
 - 12. See II-11: id.
 - 13. See II-13: id.

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although Nhu had repeatedly expressed his appreciation of the long-range socio-political revolution which would be the inevitable result of the pacification program, "there is no evidence...either in recent developments or in the records of past performance, particularly Nhu's, that such are their real objectives and expectations."¹⁴

Later that month, INR put it more bluntly: "there appears to be no reason as yet to question the soundness of the concept. But there is a very real question as to how well and wholeheartedly it is being put into effect;"¹⁵ although "much depends on the ability of the government to show convincing evidence of its intent to improve the lot of the peasants,...government efforts appear to be aimed largely at increasing government control"¹⁶ over them.

INR stressed Hanoi's ability to increase infiltration as it saw fit, and estimated that there had probably been some increase during the spring, a lull during the monsoon in the central highlands (July-August), and possibly another increase beginning in the fall. INR maintained, however, that, while judgments could be made regarding such shifts in magnitude, the evidence was not precise enough to support an estimate of the number involved. It also held that the infiltrators would continue to be native southerners, thus enabling Hanoi to maintain the fiction that the insurgency was a totally indigenous movement. Further, INR continued

14. Quoted from INR Contribution to NIE 53-62, November 8, 1962

15. See II-14: RFE-66, "Capsule Assessment of the Effort in South Vietnam," December 19, 1962

16. See II-15: id.

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to hold the view, now accepted by most observers with the notable exception of Diem, that the VC depended primarily upon local recruitment¹⁷ to expand its capabilities, rather than on external sources.

Similarly, INR found that available evidence did not substantiate Diem's charge that the VC made "extensive use" of Cambodian territory. INR did think it clear "that the VC have made limited use of the Cambodian frontier, principally as a safe haven," but doubted that such use had been "of more than marginal importance to the VC effort during the past two years or so."¹⁸

In tactics, besides continuing to emphasize the need for unconventional use of small units and for modified use of artillery and airpower, INR took special issue with the use of chemicals for crop destruction. It noted possible international repercussions, pointed out that there was not enough intelligence about VC supplies and access to food, and warned that, until the VC had been isolated and concentrated in well defined areas, crop destruction would tend to harm innocent peasants but not the VC. Moreover, the West would be establishing a precedent for the use of unconventional weapons in Asia which would reduce the opprobrium for an enemy who might in the future follow suit.¹⁹

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17. See II-16: RFE-30, "Reports on Increased Communist Infiltration into South Vietnam from Laos," July 16, 1962; and II-17: RFE-49, "Evidence of Recent Communist Infiltration into South Vietnam from Laos," October 19, 1962
18. See II-18: RFE-35, "Viet Cong Use of Cambodian Territory," Aug. 7, 1962
19. Summarized from MM-RFE-62-108, "Crop Destruction in South Vietnam," July 28, 1962, and MM-RFE-62-118, "Crop Destruction in South Vietnam," August 24, 1962.

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The Political Picture:

Political developments in this period began explosively on February 27 when two RVNAF pilots bombed and strafed the Presidential Palace in Saigon. In an internal memorandum on that same day, INR defined three underlying elements in South Vietnam which encouraged the plotting of coups: first, and perhaps most important, was Diem's inability to meet the threat from the Viet Cong; second was the discontent which flourished among Saigon officials and intelligentsia over the methods of Diem and his immediate family, although there was "little evidence...of any widespread popular dislike of Diem personally;" and the third was that "the entire Viet Cong effort....seeks to discredit Diem in every way possible." Thus plotting would remain a possibility "unless Diem can demonstrate a sustained improvement in the fight against the Viet Cong." ²⁰ US support continued to act as a counterweight against a coup, but criticism of the US--such as Mme. Nhu's--would further alienate important military and civilian elements. ²¹ Moreover, the GVN "is undoubtedly depriving itself of an important measure of support" by its repressive tactics against the labor movement, which could become a "major new and possibly critical element of opposition." ²²

Once more, INR asserted its opinion that there was an alternative to Diem. When a Policy Guidelines Paper on Vietnam stated that "no central

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20. See II-19: MM-RFE-62-17, "Assessment of Intelligence Reporting and Coup Prospects in South Vietnam," February 27, 1962
 21. From IN-MM-62-29, "Vietnam's Madame Nhu Publicly Attacks US," March 13, 1962
 22. See II-20: RM, RFE-19, "The Confederation Vietnamiennne du Travail Chretien (CVTC) - An Assessment," February 23, 1962

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figure has yet emerged under whose leadership this opposition would rally," INR proposed that the paper incorporate instead the judgment that "in the event Diem were no longer able to lead effectively (or were removed)...the odds are better than even that Vice President Tho would have sufficient support within the military and civilian sectors of the government to succeed to the Presidency."²³

US influence being an important factor in short-term political stability, INR felt that the regime could be undermining itself by criticizing the US role as the Nhus were doing. INR saw, furthermore, no reason to believe that Nhu or Diem would improve the situation either by delegating more authority within the government or by pursuing social and economic progress in the countryside. All signs indicated that the leaders' objectives were to maintain their personal control of the government and to regain control of the peasants.

INR maintained this position throughout the period. By December 1962, it noted that, although "Diem has strengthened his control [of administration]...has delegated a little more authority...[and] there are fewer reports of discontent," nevertheless "there are still many indications of continuing serious concern...[and dissident elements] are apparently placing increased reliance on clandestine activities."²⁴

"A coup could occur at any time, but would be more likely if the fight against the Communists goes badly."²⁵ "The stability of the government

23. See II-21: MM, RFE-62-47, "Vietnam Policy Guidelines Paper," March 30, 1962

24. See II-22: RM, RFE-59, as in note 6 above.

25. See II-23: RFE 59.

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during the next year will continue to depend principally on Diem's handling of the internal security situation;" any coup attempt would probably include a broad spectrum of military and civilian leaders, would not tend to polarize into an internecine struggle, and "would have a better than even chance of succeeding."²⁶

Having avoided speculation about the most likely personalities to be involved, INR, in commenting upon Diem's military reorganization of early December and pointing to the gain when Gen. Don replaced the militarily less capable Gen. Nguyen Khanh," warned that the "competent and popular" Big Minh, if not utilized in a manner commensurate with his abilities, "may in time be tempted to lead or support an anti-Diem military coup."²⁷

INR highlighted the importance of the US position in the event of a coup against Diem, and noted that US sources might obtain advance notice of an impending coup. US officials might not be able to restrain the plotters from precipitate action, INR warned, but they might be able to avert widespread fighting which could weaken the front against the Viet Cong. In addition, "the United States could also be helpful in achieving agreement among the coup leaders as to who should head the government and in restoring the momentum of the government's counterinsurgency effort."²⁸

26. See II-27: 1d.

27. See II-25: IN, "Diem's Military Reorganization Seems Sound, But....," December 13, 1962

28. See II-26: RFE-59

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Difficulties with Diem:

At the end of 1962, INR concluded that Nhu intended to consolidate control rather than to muster support through the strategic hamlet program. It also observed that the distribution of US aid "must be approved in most cases by President Diem personally." Citing a recent example in which the GVN had vetoed a USOM proposal for direct financing of provincial projects, INR commented that "Diem continues to exhibit considerable sensitivity to attempts by US officials to distribute aid directly."²⁹

By Spring of 1963, the US began running into difficulties with Diem over the US advisory role. Diem withdrew from an earlier agreement on joint US/GVN control of the counterinsurgency fund for the strategic hamlet program. He also complained bitterly over the proliferation of US advisers in the countryside on the ground that these relationships would undermine the authority of his government. INR assessed these moves--and subsequent public criticism of the US role--as reflections of nationalist sensitivities, of Diem's suspicions over US support, and of differences over the requirements for a successful counterinsurgency effort.³⁰

INR concluded that the restrictions Diem proposed "raise a serious danger that these programs will become increasingly focused on re-establishing the government's physical control of the countryside and that the

29. See II-27 and II-13, RFE-59

30. See II-28: RM, RFE-42, "Implications of Our Difficulties with Diem," May 27, 1963.

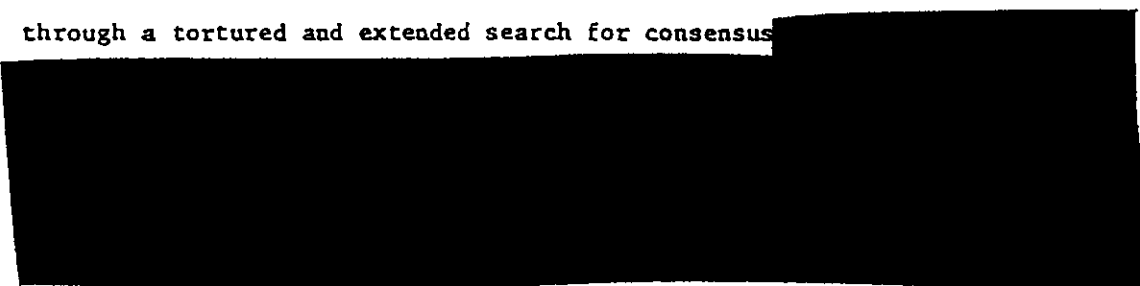
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economic, political and social measures required to win over the peasants will be increasingly de-emphasized." INR concluded that more than a token reduction of US advisers "would have serious dangers." Even though Diem had agreed to assume the local costs of the strategic hamlet program, INR believed "there is increased doubt that he will in fact make sufficient funds available"; and, without sufficient financial support, "rural pacification programs could become little more than a means for re-establishing the government's control over the countryside." 30

The Vietnam Working Group refused to clear this paper for distribution to other government agencies, on the ground that Diem had given his word to supply the necessary funds and the INR paper was therefore "speculative." Moreover, the Working Group held that since the long-term objectives of the US would in any case result in the withdrawal of US personnel, the question was merely one of timing, and thus the INR paper had "missed the point."

The April NIE:

The bulk of the citations that illustrate INR's views on the problems with Diem were drawn from RFE-59, published December 3, 1962, and this paper was based on INR's contribution of November 8 to NIE 53/63. This NIE, originally scheduled for publication in late November 1962, went through a tortured and extended search for consensus



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The net result was that the NIE was not published until April 1963, and presented a compromise with which all concurred but no one was satisfied. 31

One issue, for example, which touched INR's views closely, came up for debate while USIB was considering a proposed text in February. [REDACTED]

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The text as finally accepted took a less gloomy view than did the February draft, and INR concurred.

In the end, the Estimate concluded that "Communist progress has been blunted and that the situation is improving....Assuming no great increase in external support to the Viet Cong, changes and improvements which have occurred during the past year now indicate that the Viet Cong can be contained militarily....However,...no quick and easy end to the war is in sight...[and] the situation remains fragile." Without canvassing all potential forms of external support, on the main issues of attack or

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introduction of regular units by North Vietnam, the paper held that Hanoi would do neither. This time, however, Hanoi's decision would not be determined--as in the past--by its view of the progress of its present tactics; now Hanoi would not escalate "in view of the open US commitment." ³²

As for the political situation, the NIE concluded that "developments during the last year or two show some promise of resolving the political weaknesses....However, the government's capacity to embark upon the broader measures required to translate military success into lasting political stability is questionable." ³² In its supporting discussion, the Estimate held that a greater effort to enlist support from disaffected elements "would considerably speed the reduction of the Viet Cong insurgency." However, Diem's ability to move willingly or effectively "is questionable and may become even more so should military victory come within sight." Finally, the NIE accepted the INR position that the VC had neither the military nor the political strength to lead a coup or to participate in a non-Communist attempt; however, in an unstable situation they might be able "to gain some politically strategic positions."

Communist Intentions and Reactions:

INR assessed the vociferous reaction of the Communist bloc to increased US military assistance in early 1962 as a further intensification of political warfare and as a reflection of some concern. However, INR noted that Peking's warnings were imprecise and that the Chinese carefully distinguished between the extent to which the US action

32. See II-29: NIE 53-63, "Prospects in South Vietnam," April 17, 1963.

threatened China and the extent to which it threatened the DRV. Thus, in discussing one Chinese statement INR concluded that, while it "marked an increased level of political and psychological pressure, it had not significantly raised the probability or the imminence of direct Chinese Communist involvement in the situation in Vietnam."³³

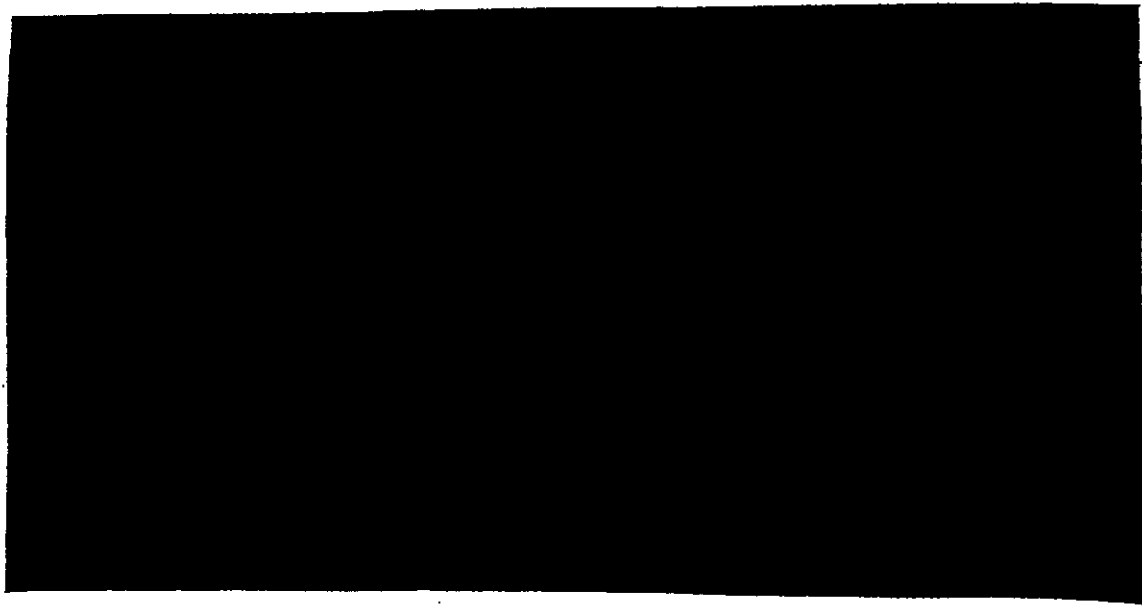
INR did not discuss possible changes in Hanoi's policy regarding the insurgency, but a series of papers on relevant bloc developments noted the increasing number of incidents in the South and tentative indicators of an arms build-up in the North.³⁴ INR also participated in a SNIE in February 1962 which estimated that there would be no large-scale military aggression; instead, it predicted a step-up in the tempo and scope of the insurgency without any change in pattern.³⁵

When China and North Vietnam called for action under the Geneva Agreement against the US moves, INR interpreted their interest to be the building of pressure against Washington and not a genuine search for a political settlement. INR estimated that Moscow was opposed to any reconvening of the Geneva Conference at this juncture, and in August,

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- 33. Quoted from RSB-61, "Recent Communist Statements on US Actions in Vietnam," March 8, 1962.
 - 34. Research Memoranda, RSB-60.1-60.5, "Monthly Report...on Major Communist Bloc Activities Affecting South Vietnam," February 28 through June 26, 1962, done at the request of the Vietnam Task Force.
 - 35. SNIE 10-62, "Communist Objectives, Capabilities and Intentions in Southeast Asia," February 21, 1962

after the Laos Conference failed to produce discussions about Vietnam (such as, in its preview of the Conference, INR had suggested might occur), INR noted the absence of Chinese and Soviet verbal support for the tentative Vietnamese Communist approval of various "neutralization" proposals. INR described Hanoi's interest in neutralization as long-range and not immediate. In other words, it seemed probable that

while their plans for using the neutralization gambit are not yet well-defined, [the North Vietnamese] realize that they cannot take over South Vietnam by force alone and must use the neutralization method in order to obtain some international sympathy. They probably also believe that, over a period of time, the high casualty rate in the warfare in South Vietnam will produce a large increase of neutralist feelings among the populace there, and that they can capitalize on this increase.³⁶



36. Research Memorandum RFE-39.1, "Monthly Report...on Major Communist Bloc Activities Affecting South Vietnam," August 21, 1962, p. 3.



Commenting on the suggestion that the US present the DRV with merely the threat of air strikes against the North, INR estimated the results of both the threat and its implementation as follows:

We would agree that the DRV leadership is probably afraid of American bombing (who wouldn't be?) and that they have been very careful to avoid any overt act which might expose them to such retaliation. However, we do not agree that the DRV would back down if we threatened it with bombing or that it would not accept Chinese Communist intervention in North Vietnam as a way of redressing the imbalance created by our escalation....On balance, we believe that the DRV would take the gamble, would not slacken its effort in South Vietnam, and would accept Chinese Communist, however reluctantly, and Soviet intervention. Ultimately, therefore, we would have to make good our threat, and we would have to expect comparable Communist actions against South Vietnam.³⁸

38. MM-RFE-62-129, "Bernard Fall's Comments on North and South Vietnam," October 18, 1962.

III - The Trouble With Diem: May-November 1963.

Background:

Events during this period dramatically switched the focus of attention from military to political affairs in South Vietnam. When the GVN on May 8 suppressed a demonstration in Hue over the right to fly Buddhist flags during religious festivals, there rapidly followed Buddhist demonstrations in other major cities, and several Buddhists immolated themselves in protest. Diem agreed on June 16 to meet certain Buddhist demands and thus produced a temporary lull, but then he violated the agreement and the Buddhist response fanned the crisis to even more serious proportions. US Ambassador Nolting warned Diem in early July that the US could not support religious intolerance. As he departed in August he was assured that the GVN would not condone repressive action against the Buddhists--but within ten days, GVN security forces raided the Xa Loi Pagoda in Saigon.

Following this act, the US quietly suspended its commodity import program. President Kennedy held a series of press interviews in which he expressed increasing concern over the situation and its implications, finally voicing his belief that there was urgent need for changes in the GVN's policies and personnel. On November 1, 1963, a military junta led by General Duong Van Minh staged a successful coup in the course of which Diem and his brother Nhu were killed. The outcome was a provisional government headed by Minh and former Vice President Nguyen Ngoc Tho.

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In this period leading up to the coup, two novel and imponderable factors obscured and complicated the view for observers. One was the uncertain but increasing influence over events exerted by Nhu and his wife--both strongly Catholic, vehemently anti-Buddhist, and increasingly critical of the US. As events became increasingly centered around him, Nhu's own byzantine and volatile personality created a situation increasingly difficult to perceive with clarity or to analyze with confidence. Secondly, General de Gaulle on August 29 called for the neutralization of South Vietnam, thus introducing a new element of tension and feeding rumors and suspicions that both pro- and anti-Diem elements were seeking a separate solution with Hanoi.

Summary:

The effect on the war effort of the regime's increasing instability and of the growing difficulties between the US and the GVN became central issues of concern at this time. INR emphasized the critical importance of the new activism on the part of the Buddhists, who by tradition had been politically quiet. It also stressed the need for Diem to grant concessions and implement them quickly. As the regime failed to do so, INR judged that the strain on the body politic was already eroding the anti-Communist effort and would get steadily worse. It noted that even the statistics used by the military as indicators showed an unfavorable shift in the military balance that had begun as early as July.

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However, INR continued in its convictions that a coup could come only from within the government, that the Communists could not ride to power as a consequence, and that there was competent alternative leadership available.

INR found little change in Hanoi's strategy for fostering the insurgency. It noted again that North Vietnam would be interested in neutralization of the South or in a Geneva Conference only as covers for capitulation by its opponents. Given the turbulent political situation in the South, little consideration was given to direct action against the North.

The Crisis and Its Implications:

INR produced a full-dress analysis of the Buddhist crisis and of its implications, during the lull achieved by Diem's agreement to meet certain Buddhist demands.¹ The Hue incident, at first of seemingly little significance, had crystallized Buddhist resentment against the privileged position of the Catholic minority; the national crisis, however, had been largely the product of Diem's failure to perceive the gravity of the protest and his consequently arbitrary response. The protest had now developed into a movement to obtain "government recognition of Buddhist legal equality," which had the support of rural as well as urban Buddhists.

1. See III-1 through III-9: excerpts from RM, RFE-55, "Implications of the Buddhist Crisis in Vietnam," June 21, 1963.

The concessions on June 16 had restored a degree of calm, and, indeed, "an opportunity is now open to the regime not only to restore such popular support as it has lost in the course of the Buddhist protest, but also to make a bid for wider support than it has enjoyed in recent years." However, "much will now obviously depend on the sincerity and speed with which it [the agreement] is implemented." Since Diem's concessions had been made only under pressure of the crisis at home and of the US from abroad, they "may appear to the Buddhists as mere palliatives...[and,] given its past record of performance, we cannot be confident that the government will actually implement the agreement promptly and consistently." Yet, "if the regime is conspicuously dilatory, inept and insincere,...[the] protest can be expected to be more militant and widespread than before."

In this event, "it is arguable that a continued or renewed Buddhist crisis would be potentially a more serious threat to the Diem regime than is the present communist insurgency;...an obvious and serious threat to Buddhism, particularly by a non-Buddhist minority, can command a more personal and spontaneous response from the ordinary Vietnamese peasant than Viet Cong propaganda." Moreover, in a renewed struggle between the government and the Buddhists, "disaffection within the bureaucracy and the army will almost certainly reach critical and unprecedented proportions."

In such a situation, the Viet Cong still "would probably not be able to initiate or gain control of a successful and ostensibly non-Communist revolt....Nor do we believe that the diversified array of

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non-Communist oppositionists outside the government could initiate or lead a successful coup....We believe the most likely revolt...would be non-Communist and fully committed to the counterinsurgency effort... [resulting in] a government led by a military junta or by Vice President Nguyen Ngoc Tho."

Although an upheaval would pose real dangers for the war effort and it was open to question whether any successor to Diem could prove more effective, INR believed there existed "a reasonably large pool" of unused manpower which, given continued US support, "could provide reasonably effective leadership for the government and the war effort."

In the event of a coup attempt, Washington's public reaction might well determine the results: "...evidence that the United States was not supporting Diem would probably inspire broader participation in the rebel effort...obvious US support for the Diem government would tend to deter participation." A SNIE on the situation published three weeks later not only followed the line taken by INR but quoted large portions² directly from the INR paper.

The Issue Joined:

During the next two months, INR pointed out how the Buddhists were gradually resuming their protests as Diem failed to reach adequate accommodation with them. INR also marked the expanding maneuvers of Nhu, which, among other things, managed to make suspect most reports on the fast moving developments, even reports from previously reliable sources. Believing that the US Mission, in assessing the validity of Buddhist

2. SNIE 53-2-63, "The Situation in South Vietnam," July 10, 1963.

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grievances, relied too heavily on the GVN's version of the situation, INR suggested that it would be useful to have an impartial assessment, if for no other purpose than to prevent embarrassment to the US in the event a UN fact-finding mission were sent to South Vietnam--an event which came to pass in October.

On August 21, after the police made their midnight raid on the Xa Loi Pagoda in Saigon and the government declared martial law, INR judged Diem's position to be highly precarious: "The prospects for the restoration of stability and mutual confidence appear extremely remote. Most importantly, the degree to which Diem can count on the army to suppress future Buddhist moves is most uncertain." After this assessment, INR considered the implications for the US of various possible indigenous South Vietnamese moves against Diem and/or Nhu and concluded that--should any such move materialize and succeed--US interests might actually be well served; further, INR reiterated its view that, should Diem and Nhu be replaced by a combination of Vice President Tho and a military junta, a power struggle within the military would be less likely, and the counterinsurgency effort might even be invigorated.

3. See III-10 and III-11: RFE-75, "Diem Versus the Buddhists: The Issue Joined," Aug. 21, 1963. Note: This initial assessment was written on the basis of Embassy [redacted] reports that the raid had been conducted by Army elements. INR's sense of the situation led it to believe that the raid had been staged, not by the Army, but by Nhu's police in army uniform. INR articulated this belief by referring to the affair as a "police raid" in the opening sentence of the paper and by drawing the implications cited above for Army loyalties should this have been the case. Confirmation of this hunch came too late to be included in the initial assessment, but it added weight to succeeding estimates of the Army's readiness to participate in a coup.
4. See III-12: RFE-76, "South Vietnam Contingencies," Aug. 26, 1963.

Effects of the Political Crisis on the War:

Whereas concern had hitherto focused on how the security situation affected political stability, the problem was now reversed. During the summer INR's judgment on the rate of Communist infiltration and recruitment remained much what it had been--that hard evidence was difficult and slow to accumulate, and that the VC still derived most of their men and materiel from indigenous sources. The VC were still not strong enough to initiate a coup or to gain control of a non-Communist revolt. As the Buddhist affair wore on, however, INR became increasingly concerned over the effects of these political tensions on the South Vietnamese war effort. Disaffection "is unlikely to produce any immediately visible impact on the war effort....However, should no significant change occur... a slow but steady erosion in resistance to communist attacks and subversion is probable."

By October, the situation had become far more serious, and operational statistics began to reveal deterioration in the effort. The US Mission, MACV, and DOD, to be sure, continued to express optimistic views, but INR concluded that the statistics "indicate an unfavorable shift in the military balance" since July 1963. Using only statistics supplied by DIA (based in turn on reports from MACV) INR found a reversal of the

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- 5. RFE-63, "Little Hard Evidence of Recent Communist Infiltration into South Vietnam," July 15, 1963
 - 6. MM-RFE-63-94, "Infiltration of Communist Munitions into South Vietnam," August 8, 1963
 - 7. See III-13: RFE-81, "Disaffection and the War Effort in South Vietnam," September 11, 1963

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trend in each of the major indices of progress and concluded "that the military position of the government of Vietnam may have been set back to the point it occupied six months to a year ago. These trends coincide in time with the sharp deterioration of the political situation;" and, while it was difficult to identify precise cause and effect, the timing could nonetheless "be considered as more than coincidental."⁸

The distribution of this paper throughout the US Government evoked a strong protest from the DOD/JCS to which INR was asked to reply. To Defense objections that the confidence and fighting efficiency of Vietnamese forces had risen, INR replied with a recent attache report that the III Corps Deputy Commander feared desertions among his troops possibly as high as 80%.⁹ The paper then went on to counter Defense claims that VC strength had increased by noting that a recent change in MACV's procedures for estimating VC orders of battle would account for a decrease and, in any case, rendered comparisons meaningless. INR agreed, however, with the claim of the JCS that "military assessments are basically the responsibility of the Department of Defense."

Communist Intentions and Reactions:

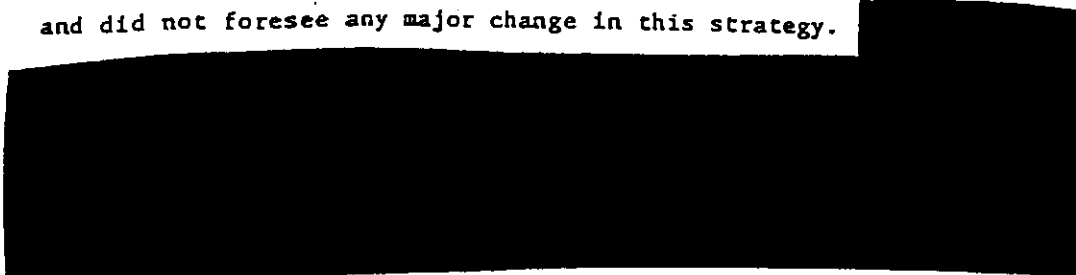
INR believed Hanoi intended to press ahead with the Viet Cong insurgency and with efforts to exploit the political instability in the South,

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- 8. See III-14 through III 18: RFE-90, "Statistics on the War Effort in South Vietnam Show Unfavorable Trends," October 22, 1963
 - 9. See III-19 and III-20: MM, "JCS Comments on Department of State Research Memorandum RFE-90," November 8, 1963

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and did not foresee any major change in this strategy.



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In the late summer, when de Gaulle's demarche for a neutralized South Vietnam coincided with tenuous reports that Ngo Dinh Nhu was in contact with Hanoi's representatives, INR analyzed the position of the major participants. The paper concluded that Hanoi "would encourage such contacts [with Saigon] if only to exploit contradictions within the non-Communist camp." INR considered that the North Vietnamese would press for talks between the GVN and the National Liberation Front, and would hold out hope for a cessation of hostilities in exchange for a reduction of US forces, but would avoid any public commitment to neutralize South Vietnam. In the long run, the paper predicted, Hanoi would not favor reconvening the Geneva Conference unless it was "clear that the US was seeking a way out"; under these circumstances, it was possible that Hanoi would agree to some neutralized status for the South albeit without meaningful controls.

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11. See III-21: RM, RFE-78, "Hanoi, Paris, Saigon, and South Vietnam's Future," September 11, 1963.

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The turbulent political events of this period suspended consideration of direct action against the North. However, INR reviewed North Vietnam's economic difficulties and vulnerabilities and considered at some length the efficacy of covert economic and political measures (including subversive activities) which might be undertaken against the North. INR noted the drawbacks to such actions and judged that they would have little direct effect. The paper suggested, however, that covert actions of this sort might be viewed in Hanoi as evidence that the US was more willing to take "whatever militant, active measures might be necessary to win its objectives in Laos and South Vietnam."¹²

12. See III-22: RM, RFE-66, "North Vietnam's Economic Difficulties and Vulnerabilities," August 19, 1963.

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