

Sept 3, 1963

An Approach to the Present Problem

American prestige is so heavily involved that we can not go back to "business as usual". In any case we should not retreat, as we can not win this war with the Ngo family, because it is (1) unpopular and (2) administratively inefficient.

Ambassador Lodge has only recently arrived and can not be expected to burn all his bridges behind him when he has just appeared on this scene. It would serve no purpose for him to publicly confront the GVN in such a way as to destroy his own usefulness. Accordingly this fight should be fought from Washington, giving the Ambassador local tactical flexibility.

Let us suppose that in a news conference President Kennedy says the following

"Today I want to talk a little about Vietnam. As you know we have been supporting that country for some nine years, and have provided almost \$2,000,000,000 in aid and have lost American lives to help the Vietnamese Government to win against the Communist threat. We are faced with the fact that the Government there has lost the support of its own people. We feel in America that governments that do not derive their powers from the consent of the governed are unstable by their very nature. It has become quite clear that the Diem Government cannot lead the Vietnamese people to victory over the Communists. Now we in America cannot, and do not want to, dictate to any other country what its Government should be like, but we can and should decide what we do with our own military and economic aid. It has become clear that, in the long run, we would be throwing away lives and money in continuing to support Diem. We have not lost our sympathy for the gallant people of Vietnam, and we do not intend to allow the Communists to take over that country contrary to the wishes of its people. But the Vietnamese people must set their house in order before we can effectively help. ~~XXXXXXXXXX~~ I have therefore ordered a suspension of certain categories of US aid to Vietnam, and we will study the question as to whether more cuts will be necessary....."

The gist of the above to be broadcast to Vietnam continuously. This will give the army and the population time to digest and believe in the fact that the US has finally changed its policy towards Diem. Concurrently it will undermine the Diem regime. Diem rules by fear and favors. When he cannot hand out favors, he will lose the cooperation of those who now enable him to rule by fear. Over a period of time his position will erode until a successful coup will occur.

O.W.