

193. Telegram From the Embassy in Vietnam to the Department of State¹

Saigon, July 27, 1966.

2041. For the President from Lodge. Herewith my weekly telegram: I thought your argument on your trip through Indiana was extremely effective. Your remarks about the Communists having bombed the Embassy were much appreciated here.²

A. Elections

1. A preliminary analysis of the candidates running in the Saigon-Gia Dinh area and I Corps (that is 43 of the 108 seats being contested) shows that of 328 candidates, only 30 are active military. Another 34 are civil servants. The largest category is businessmen, with 69 candidates. 57 teachers, 23 provincial and city councilors, and 13 farmers are running. While there may be some government sponsored candidates who do not appear in the military and civil servant categories, there is no sign of the government's entering a large number of its own hand-picked candidates.

2. Two traditional parties, VNQDD and Dai Viet, are strong in I Corps. But in Saigon, slates tend to be built around prominent individuals, and party affiliation is distinctly secondary. Except for Dr. Phan Quang Dan's alliance, the National Democratic Bloc, no party or group in the Saigon-Gia Dinh area is supporting more than one list.

3. Local election control boards were scheduled to complete screening of candidates on July 22. Preliminary reports indicate that few slates were eliminated. In I Corps, two or three were apparently rejected because of connections with the "Struggle," which was a conspiracy to overthrow government authority by violence—not a bona fide political movement. Communist or police records and incomplete documentation have caused the control councils to eliminate some others. In the Saigon-Gia Dinh areas, no prominent politicians were struck from the lists; the slates headed by Phan Khac Suu, Dang Van Sung, and La Thanh Nghe were all approved. Suu and Sung had been stricken for technical reasons, and I spoke to Ky about them.

¹ Source: Department of State, Central Files, POL 27 VIET S. Secret; Priority; Nodis. The source text does not give the time of transmission; the telegram was received at 10:04 a.m., and Rostow forwarded the text to the President at 6:45 p.m. (Memorandum from Rostow to the President, July 27; Johnson Library, National Security File, Memos to the President—Walt W. Rostow, vol. 9)

² For text of the President's remarks on Vietnam in Jeffersonville, Indiana, on July 23, see *Public Papers of the Presidents of the United States: Lyndon B. Johnson, 1966*, Book II, pp. 782-783.

4. There are reports that the Viet Cong intend to make a major effort to interfere with the election. Some candidates in Saigon have told us of threats. Authorities in I Corps have told us that they expect the Communists to try to repeat past tactics such as attacking polling places, intimidating voters, and stealing voter registration cards. Perhaps the first instance of Communist terror directed against the election was the July 16 attack on the VNQDD Party headquarters in Quang Tin Province.

5. Popular attention is not yet focused on the election. JUSPAO field representatives speak of ignorance and apathy, with the cost of living and terrorism still the big worries. The government is trying to publicize voter registration and is producing a "how-to-vote" film.

B. Elections are an opportunity

6. To try to hold elections in the middle of a war, in this underdeveloped country and with no real experience of democracy on a national scale, is difficult, complicated, unprecedented and dangerous. We must expect turbulence. Very few countries—developed or otherwise—hold elections in war time. Neither the British nor the French did during World War II.

7. But in spite of these considerations, I believe that holding elections in Viet-Nam at about this time had to be tried. The heart of this war, after all, is political, and the elections, while a danger, are also an opportunity for our side to look clean, to make it clear that cheating in Viet-Nam is really on the way out. It is no exaggeration to say that if our side looks clean, this can change the course of the war.

8. This is because the Communists, while brutal, imperialistic, ruthless, unscrupulous, crafty and cruel, appear puritanical by insisting that corruption exists on our side only. One rarely hears of a corrupt Communist—at least while he is with their organization, but their abandonment of their own movement and its values when they defect or are captured cast strong doubt on their supposed internal morality. Nonetheless they are widely believed to be incorruptible.

9. I have put Lansdale onto the job of helping to bring about this big psychological victory. This is what he did in the Philippines, admittedly an easier problem than this because of their island status. Another asset which should stand him in good stead is the excellent relationship which he has developed with General Thang, whom Ky has had the good sense to put in charge of the administration of the election laws. I hope that all this will work together.

10. I have suggested to Lansdale that he draft a brief statement of guidance for Thang to publish under his own name, listing the essential points: free speech for all candidates; travel in their districts, as far as the war permits; no intimidation of candidates or of voters during the campaign and on election day; watchers at the polls; and count of the ballots in the presence of all the watchers. After Thang has issued this statement,

I would then put it out to all the Americans in Viet-Nam as guidelines for them to follow in their relationship with the Vietnamese.

11. I have also asked Lansdale to interest himself in the growth of national parties. They expect there will be about 700 candidates for about 100 seats. Will there be any organization that seeks to endorse candidates in every one of the 100 odd districts?

C. Course of the war

12. Keyes Beech of the *Chicago Daily News* is the most senior and most experienced daily newspaperman in Viet-Nam, and one who has many times expressed his disgust at the journalism which is practiced here. He also has in the past criticized what he thought was the U.S. role in the '63 coup. He recently came in for backgrounding and, after we finished talking, volunteered the statement that obviously the situation in Viet-Nam is "much, much better." When I asked him what he meant by that, he said it was "much better than it was a year ago." Then after short pause, he said it was "much better than it was when you and I first started talking three years ago." Finally he said that it's the best it's ever been.

13. He thinks roughly: that we are winning militarily, politically and economically; and that once Hanoi is convinced we have learned how to overcome subversion, terrorism and criminal violence generally, they will stop—provided we continue to maintain momentum militarily, politically and economically. He does not anticipate ChiCom intervention or escalation into World War III, or a demand by the American public to bring the boys home. He does not think any publicized trips, such as those of Ronning or Sainteny or Wilson or Gandhi will accomplish anything, but that there will be a secret understanding and a quiet fade-out.

14. Beech has a house in Tokyo and travels all through the East. He says a new tide is running which makes the old fashioned anti-Americanism obsolete. People like Bhutto in Pakistan, who saw a career in trying to be a junior Krishna Menon, are out of step with the times. In none of the countries bordering China is there a move toward Communism. Although the U.S. has been clumsy and made mistakes, there is no doubt that our policies are beginning to bear fruit.

15. Beech says that once a place has felt the touch of the American bulldozer it is never the same again. The reason for the phenomenal growth in Korea is because during the American stay there, we trained many young men in handling the modern machinery which spells development of the country—that is bulldozers, trucks, airplanes, electrical equipment of all kinds. This is one of the things we leave behind us, which starts to grow after we have gone. He thinks that the progress in South Korea today is so great and dynamic and is having such a magnetic effect on North Korea that it may eventually unify the North and the South.

16. *Comment:* In Viet-Nam, we are doing the same thing—training young men in handling modern equipment. This is one reason why our decision to construct a big trade school in Saigon is valuable, and why we insist our contractors do on-the-job training. It helps to train the Vietnamese to develop their own resources; it will be giving them an educational institution and training which they really want (as compared with university educational facilities about which there is a great deal of doubt in my mind), and it is enormously popular.

D. Pacification

17. I hate to say this, but I cannot see that any really big and significant headway is being made on pacification. I talked with a very dependable man last night who had just been in Long An, which is the province immediately south of Saigon, and on which I used to concentrate in my first year here and he said the situation there is just about what it was three years ago.³

18. The reason is easy to find. It is that GVN will not give pacification the proper priority. I get reports which I am investigating that ARVN is not fitted to handle it—or else does not want to, or both. I am told that the present kind of war has become a way of life with ARVN and that the American logistic support is making it even more so. Apparently they won't want to chance anything.

19. We are surely better organized on the American side than ever before and the Vietnamese have an organization headed by General Thang which is potentially better than they have ever had before. But General Thang is not being given the tools to do the job, particularly in the form of military means to protect the process of pacification. Everything should be geared to that.

20. What distresses me about this is that I believe our successes in military and other fields make this a particularly good time for a really effective body blow at the village guerrilla, and at terrorism, and subversion and criminal violence generally. Such a body blow would, I believe, very seriously diminish all recruiting into the Viet Cong, which depends overwhelmingly on terror. If you can stop recruits from going into the Viet Cong, you are crippling it just as surely as if you defeat it in battle.

21. Also I believe that Hanoi will regard their proficiency at terrorism as their ace in the hole—their way to start all over again, even though they are defeated militarily, politically and economically.

³ In a July 27 letter to Porter, Komer stated that "the civil side is a mess. Compared to our military operations, it's still farcical. There are many reasons, few of them your fault or mine. But we inherited this mess, indeed we were both appointed because it was such a mess; and from here on we're tagged with straightening it out. The President wants results." (Johnson Library, National Security File, Komer Files, Porter/Komer Numbered Letters)

E. Casualties, military and civilian

22. American military casualties this week were 108 killed and 478 wounded. Seven were listed as captured or missing. The Communists lost 1,272 killed and 120 captured as compared with the previous week's total of 1,200 killed and 116 captured.

23. In a typical attack on civilians, the Viet Cong raided a refugee resettlement village near Quang Tin Province headquarters. They killed three refugees, wounded eleven, and left 145 homeless when they burned 11 buildings. The total number of civilians killed this week by the Viet Cong was 33, including one hamlet chief; 66 others were wounded.

F. Economic

24. This week, for the first time since devaluation, the USAID retail price index was down two percent—probably due mostly to an increase in the official price of live hogs in Saigon. It is hoped that this will increase pork supplies by encouraging growers to send more hogs to market. The price of pork in Saigon fell ten percent or more following the announcement of the official increase. Imported commodity prices also dropped in most instances, breaking rises which had been continuous since before devaluation. Our rice sales seem to be helping hold the line in that respect. We are endeavoring to produce a rational rice policy for GVN acceptance and I will have more to report on this.

25. Port improvement surveys for Da Nang, Ba Ngai and Nha Trang have been completed and designs are in the final stages. A contract between the Navy and designers of port construction (World Wide Consultants) was signed last week.

26. USAID cargo continued to move out of the port at an ever-increasing rate and, I am assured by General Breakfield of USAID, that this rate shows definite improvement over the past three weeks. General Pham Dang Lan, new port director, has formed a series of sub-committees to study port problems and recommend solutions by July 27. The 4th Transportation Corps (which is taking over supervision and control of the port of Saigon) and GVN customs officials have been meeting to work out ground rules of customs administration by the GVN within and under ARVN and U.S. military control.

G. Psychological progress

27. From July 16 to July 22, 322 returnees entered Chieu Hoi centers. This is an increase over the 256 reported last week, but still below the 339 which came in during the week of July 2. The total number of returnees this year now stands at 10,754. For the same period last year, January through July, the total was 4,686. The total for all of 1965 was 11,124. If the present rate continues, the number of returnees this year may equal in eight months the total for all of 1965. Daily average this year is 52.9 as compared with 30.4 for 1965.

28. The successful youth project in Saigon's District VIII is now being extended to District VI. As in the first project, selected youth leaders will take over the government of the district as well as the organization of a comprehensive program of civil improvements. Other youth activities include 73 work camps set up in July, with participation by 5,000 students.

H. U.S. Congressional candidates

29. Two candidates for Congress were here last week, one Republican and one Democrat—Robert Taft of Cincinnati, Ohio, and Clive Du Val of McLean, Virginia. Very confidentially, both appeared well impressed by our effort here and thought that they had learned much which they had not known before. Mr. Taft left a note of thanks, saying:

30. "Your staff has been extraordinarily helpful in every way as has the establishment at JUSPAO. This has enabled me to get maximum coverage in the shortest period of time. The experience has been an exciting and interesting one. The extent and necessity of the effort here is not sufficiently understood and my own views have been fortified so that they can be better expressed. If I can be of service in any way that can help the picture here, please call on me."

Lodge