

Political Developments. Abortive Coup in Saigon. - Re-election of President Ngo Dinh Diem. - New Cabinet. - Large-scale Activities by Communist Viet Cong Guerrillas. - Increased U.S. Military and Economic Aid to South Vietnam

Political developments in South Vietnam during the past 14 months were characterized by an abortive attempt by Army officers to overthrow President Ngo Dinh Diem, which collapsed within 48 hours; presidential elections in April 1961 at which President Diem was re-elected by an overwhelming majority; consequential Cabinet changes, accompanied by administrative and agrarian reforms; a large-scale intensification of guerrilla activities by the Communist *Viet Cong* movement, allegedly directed from North Vietnam, which presented an increasingly grave threat to the South Vietnamese Government throughout 1961; and increased American military and economic aid to South Vietnam. An attempt on the President's life was made on Feb. 27, 1962, by two Vietnamese airmen who bombed the presidential palace in Saigon. These and related developments are summarized below, covering the period from the end of 1960 to the beginning of 1962.

A number of Army officers led by Colonel Nguyen Chanh Thi attempted to carry out a *coup d'état* in Saigon in the early hours of Nov. 11, 1960, when parachute troops under their command occupied the General Staff and police headquarters, the airport, the general post office, and the radio station, and besieged the presidential palace. The parachutists, who were joined by armoured troops and marines, tried to break into the strongly guarded presidential palace but abandoned the attempt after heavy fighting with loyalist troops. Apart from some student demonstrations, the civilian population remained passive, and during the afternoon of Nov. 11 General Le Van Ty (the Chief of Staff), who had been arrested at the beginning of the coup, was released by the rebels and began negotiations with them on the instructions of President Ngo Dinh Diem, who had been in the palace since the beginning of the uprising.

Later in the day, however, it was announced by Lieut. Colonel Vuong Van Dong (Colonel Nguyen's second-in-command) and Dr. Phan Quang Dan (leader of the outlawed Free Democratic Party, who had been excluded from the National Assembly—see 17036 A) that a five-man Revolutionary Committee had been set up with Lieut.-Colonel Vuong as chairman, Colonel Nguyen as vice-chairman, and Dr. Phan as one of its members; the names of the other two members were not given. The fact that Lieut.-Colonel Vuong was named chairman of this committee, with precedence over his superior officer, confirmed reports that he, and not Colonel Nguyen, was the real leader of the attempted coup.

Rebel spokesmen stated that their aim was to establish “true democracy and liberty” in South Vietnam and to continue the fight against Communism. To this end the Revolutionary Committee would dismiss the National Assembly (the elections to which had been criticized by Opposition elements as “undemocratic”) and hold power until a new Assembly had been elected and a new Government formed; meanwhile freedom of the Press, assembly, and opinion would be proclaimed. The spokesmen claimed that the President had agreed to resign and that they were waiting for him to surrender and place himself under their protection.

Although the rebels had captured the radio station, broadcast appeals were made by President Diem—apparently from a transmitter in the palace—for military reinforcements to be sent to Saigon from the surrounding area. In response, armoured and infantry units entered the capital on Nov. 12 and moved on the

presidential palace, from which the rebel parachutists withdrew to their barracks. The parachutists subsequently surrendered to the loyalist troops without resistance, but heavy fighting went on round the radio station before it was recaptured. According to official statements, over 300 people were killed and wounded during the 48-hour revolt, including 45 parachutists killed.

President Diem announced after the suppression of the revolt that its leaders would be brought to trial but that no action would be taken against the rank and file, who had been misled into action by being told that the presidential palace had been occupied by Communists, and who had ceased fighting immediately they realized the true situation; 15 rebel officers—who were believed to include Colonel Nguyen and Lieut.-Colonel Vuong—had meanwhile succeeded in escaping by air to Cambodia, where they were interned. It was announced on March 2, 1961, that Dr. Phan Quang Dan, M. Tran Van Van (a former Minister of National Economy), and M. Phan Khac Suu (a member of the National Assembly) would be tried by a military court on charges arising out of the attempted coup. The two last-named were among the leaders of an Opposition group, styling itself the “Committee for Progress and Liberty,” which had been formed early in 1960 with the aim of liberalizing the regime and permitting the emergence of a non-Communist political Opposition, and had petitioned President Diem to this effect.

The “Committee for Progress and Liberty,” comprising 18 prominent public figures, had sent a petition to the President on April 30, 1960, wherein the Government were accused of denying elementary civil liberties, of enforcing one-party rule and copying “Communist dictatorial methods,” of silencing the Press and public opinion, and of carrying out widespread arrests which had “filled the gaols to overflowing.” It was also alleged that the Government bureaucracy was paralysed by nepotism and corruption; that the Army had been weakened by making political affiliation more important than military efficiency; and that the country's economy was largely in the hands of speculators who were using the ruling party as a screen for their operations. To right these abuses, the President was urged to take measures to liberalize the regime and to restore fundamental rights.

M. Tran Van Van, chairman of the “Committee for Progress and Liberty,” emphasized that it was opposed to Communism but believed that “a regime without corruption, with more liberty and efficiency,” would combat Communism more effectively than was being done.

The 18 members of the “Committee for Progress and Liberty,” all of whom signed the petition to President Diem, included nine former Ministers, doctors, lawyers, intellectuals, and leading members of the Roman Catholic community and the Coo Dai and Hoa Hao sects. In addition to M. Tran Van Van and M. Phan Khac Suu, they included Dr. Tran Van Do, Foreign Minister in President Diem's first Cabinet.

Within a few weeks of the abortive coup important administrative reforms were announced by President Diem on Feb. 6, 1961, designed to increase the efficiency of the administration. Details were as follows:

- (1) A reduction from 20 to six in the number of agencies directly attached to the Presidency, the remainder being placed under appropriate Government departments.
- (2) The creation of two new departments, each under a Minister—for Rural Affairs, to take over the Offices of Agricultural Development, Agricultural Credit, and Rural Reconstruction; and for Civic Action, Information, and Youth.
- (3) The grouping of the Government departments dealing respectively with security, economic development, and cultural and social affairs. In addition to the Secretaries of State responsible for each department, there would be three Secretaries of State with responsibility for co-ordinating the work of the different departments in the three groups.

(4) The creation of a National Economic Council and a Cultural and Social Council to help in preparing Government projects and programmes, and of a Cultural Institute to help promote scientific research and artistic activities.

(5) As a first step towards fully elected village councils, a member responsible for youth and information work would be elected to each existing council by the local members of the Government's youth organization; elected village, municipal, and provincial councils would subsequently be established.

In the same month the National Assembly passed a Bill setting up the National Economic Council, comprising 45 representatives of agriculture, industry, commerce, transport, banking, fisheries, handicrafts, and co-operatives (including 17 trade union representatives) and 10 economists. This body, officially inaugurated on Jan. 8, 1962, will give advice on all legislation relating to economic affairs and will be consulted on economic, financial, and social problems whenever the President considers it necessary.

By June 30, 1961, compensation totalling over 1,260,000,000 piastres had been paid to 2,034 landlords for 301,923 hectares of rice fields expropriated under the land reform programme and redistributed to the peasantry; in addition, 218,522 hectares of land had been purchased from French owners under the terms of the Franco-Vietnamese convention of September 1958 [see 16528 B]. The Department of State Lands and Agrarian Reform said that the total land still to be bought from Vietnamese landlords was estimated at 482,821 hectares, and that from the French at 229,447 hectares. Since the start of the land reform programme 307,018 hectares had been allotted to landless peasants, while another 420,167 hectares had been apportioned but not yet turned over to their new owners.

Elections for the Presidency and Vice-Presidency, held on April 9, 1961, were contested by three pairs of candidates: President Ngo Dinh Diem and Vice-President Nguyen Ngoc Tho; M. Nguyen Dinh Quat and M. Nguyen Thanh Phuong; Dr. Ho Nhut Tan and M. Nguyen The Truyen. M. Nguyen Dinh Quat (44) is a wealthy rubber-plantation owner and businessman, and Dr. He Nhut Tan (75) a medical practitioner; the latter, like M. Nguyen The Truyen, is a veteran nationalist with a long record of opposition to French and Japanese rule.

In his policy statements President Diem promised to increase the size of the Army and promote higher standards of efficiency and honesty in the Civil Service; a social insurance programme; heavier investment in industry; and expansion of the area under cultivation. He stated that Opposition parties would be allowed to function only within the concept of "national discipline."

The two Opposition candidates attacked President Diem's "family rule" and the Government's "arbitrary methods," and called for freedom of speech and of the Press, the release of all political prisoners, and measures against corruption; M. Nguyen Dinh Quat also called for a cease-fire with the Viet Cong rebels and nationwide elections with a view to the reunification of Vietnam. During the election campaign the heavily censored Press unanimously supported President Diem and strongly attacked the Opposition candidates; The Times reported that "the local newspapers have accused Mr. Quat of almost every human frailty, from being on the point of bankruptcy to making a noise when he drinks soup."

The official results of the elections, in which about 85 per cent of the electorate voted, were:

President Ngo Dinh Diem	5,997,927
M. Nguyen Dinh Quat	268,668
Dr. He Nhut Tan	475,125

The Opposition vote was largest in Saigon, where President Diem received 354,732 votes against a total of 197,596 for the other two candidates; as 179,920 of the electorate did not vote or cast invalid votes, President Diem received less than half the potential vote in the capital. In the provincial constituencies, however, he obtained overwhelming majorities; at Con Son he was officially claimed to have won all the votes cast, and at Pleiku he was said to have received 101,396 votes against a total of seven votes for the Opposition. Both the Opposition candidates alleged “terrorization” and “intimidation” by provincial officials against their supporters during the election campaign.

The four defeated candidates stated on May 24, 1961, that they had formed an organization called the Democratic Opposition Party, which they had asked the Government to register as a legal political party. Its aims were described as “the unification of Vietnam against dictatorship and Communism, and the reconstruction of the republic on the basis of democracy and civil liberties.”

An extensive governmental reorganization was carried out by President Diem on May 27, 1961, implementing at the same time the administrative reforms described above. The new Cabinet, all of whose members were designated Secretaries of State, included the above-mentioned three Co-ordinating Secretaries (“super-Ministers”), as well as new Ministers for Rural Affairs and Civic Action, its membership being as follows:

M. Nguyen Ngoc Tho	Vice-President of the Republic and Co-ordinating Secretary of State for the Economic Development Group.
M. Nguyen Dinh Thuan	Secretary of State for the Presidency, Assistant Defence Secretary, and Acting Co-ordinating Secretary of State for the security Group.
M. Truong Cong Cuu	Co-ordinating Secretary of State for the Social and Cultural Group.
M. Bui Van Luong	Interior.
M. Vu Van Mau	Foreign Affairs.
M. Nguyen Van Luong	Justice.
Professor Nguyen Quang Trinh	Education.
M. Ngo Trong Hieu	Civic Action.
M. Hoang Khac Thanh	National Economy.
M. Nguyen Luong	Finance.
M. Tran Le Quang	Rural Affairs.
Professor Tran Dinh De	Public Health.
M. Huynh Huu Nghia	Labour.

M. Nguyen Van Public Works and Communications.
Dinh

From the end of 1959 onwards, and throughout 1960 and 1961, the Communist *Viet Cong* guerrillas intensified their activities on an ever-increasing scale in many parts of the country, notably in the Mekong delta, in the Point Camau area in the extreme south, and in the jungle areas along the Cambodian frontier. In nearly every month during 1960 and 1961 there were several hundred casualties in fighting between the guerrillas and Government forces, the latter being at a considerable disadvantage owing to the difficult nature of the terrain—e.g. in the Mekong delta, where high grass and mangrove swamps greatly facilitated guerrilla operations, and in the jungles of the hinterland. By the end of 1961 it was estimated that about 20,000 *Viet Cong* guerrillas were active in different parts of the country, against an estimated 6,000,000 a year earlier, necessitating a major military effort by the Government forces. According to foreign press correspondents in Saigon the Government had about 170,000 troops on active service during the later months of 1961, although about four-fifths were needed to guard provincial administrations and were therefore virtually immobilized.

Throughout 1960 the *Viet Cong* carried out numerous terrorist raids and attacks, mainly of a sporadic character, in an apparent attempt to disrupt the Government's control in the countryside by murdering village headmen and local notables. In one such attack the Governor of Vinhlong province and high provincial officials were killed in an ambush in the Mekong delta in June of that year, in August two members of the National Assembly were murdered by terrorists, while in November an official of the U.S. Operations Mission was shot dead when his car was ambushed near the seaside resort of Long Hai, east of Saigon. In other raids rebel bands ransacked schools, extorted money from villagers, and killed those who refused to pay. By the end of the year guerrilla activities were on such a scale that Saigon was reported to be almost isolated from the rest of the country, while many provincial administrative centres were increasingly threatened by *Viet Cong* bands, some of whom were reported to be operating in battalion strength. Casualties during 1960 as a whole—comprising those of the Government forces, of the Communist guerrillas, and of civilians killed by the terrorists—were unofficially estimated at about 800 a month in killed and wounded.

Viet Cong activities were greatly intensified during the spring and summer of 1961, when rebel operations were on a much larger scale than hitherto; as in 1960, there were also many individual terrorist attacks on civilians, including plantation managers and workers, anti-malaria personnel, bus passengers, and motorists. To counteract this development, the South Vietnamese Army was reorganized in May into three "tactical areas"—superseding the five former "military regions"—corresponding roughly to the southern, central, and northern geographical areas of South Vietnam. Casualties continued to occur at the rate of about 500 a month, and from July until the late autumn the Communist guerrillas launched large-scale attacks in widely dispersed areas—notably in Khanh Hoa province, on the South China Sea littoral; in Phuoc Thanh and Binh Duong provinces north-west of Saigon; in Bien Hoa province, in the Mekong delta to the east of the capital; and in Kien Giang and An Giang provinces, on the Cambodian border.

A pitched battle was fought on July 16-17, 1961, in the Plain of Reeds (*Plaine des Jones*), an expanse of rice fields and swamps 80 miles west of Saigon, in which a *Viet Cong* force of about 600 was engaged by Government parachute troops; about 190 Communist guerrillas were killed, some 200 wounded, and quantities of arms captured, Government losses being given as 10 killed and 57 wounded. Further widespread fighting occurred in various areas during August, rebel casualties for that month being given as 302 killed and 357 captured against Government losses of 73 killed, 191 wounded, and about 50 missing.

On Sept. 1-2 strong *Viet Cong* forces captured two military posts near the Laotian border but were subsequently driven out after heavy fighting in which Government troops suffered about 100 casualties in

killed, wounded, and missing. A fortnight later two *Viet Cong* battalions estimated at 600 strong stormed and captured Phuoc Vinh (55 miles north-east of Saigon), capital of Phuoc Thanh province, after overwhelming the small garrison; the Communists held the town for several hours, during which they killed the provincial governor, his deputy, and several members of the administration, before they were driven out by Government Weeps rushed to the area. Casualties in the Phuoc Vinh battle (Sept. 17-18) were given as 75 soldiers and civilians killed, against Communist casualties of at least 100 killed.

On Oct. 1 a *Viet Cong* band kidnapped Colonel Hoang Thuy Nam, chief liaison officer of the South Vietnamese Government with the International Control Commission, while he was driving about 12 miles north of Saigon; Colonel Hoang's mutilated body was recovered on Oct. 18 from the Saigon River, a post-mortem examination showing that he had been tortured before his death.

From October onwards there was a certain diminution in *Viet Cong* activities—partly because of bad weather in the *Plaine des Jones* and other areas of rebel activity, partly because of the apparent regrouping of rebel forces, and partly because of increasing successes by Government troops against the terrorist bands. The situation nevertheless remained serious and a number of clashes were reported from time to time in November, December, and the early weeks of 1962, with casualties on both sides.

The *Viet Cong* became involved in a large-scale clash with the Royal Cambodian Army on Cambodian territory early in September 1961. A Pnom-Penh communique (Sept. 7) announced that Cambodian Army units had found a large *Viet Cong* encampment inside the Cambodian frontier, covering nearly one square mile and manned by some 500 Vietnamese rebels. The Cambodian troops came under heavy mortar and small-arms fire and lost eight men killed, but the *Viet Cong* rebels withdrew across the frontier after a two-hour battle.

The equipment and organization of the *Viet Cong* were described by the Saigon Correspondent of *The Times* in an article published on Sept. 27, 1961, extracts from which are given below.

The Correspondent stated that the *Viet Cong* were armed with home-made weapons “turned out from different gauges of iron pipe,” including rifles, mortars, bombards (firing a charge of scrap iron), and grenades; with French rifles, light machine-guns, and grenades dating from the Indo-China war; and with captured U.S. weapons supplied to the South Vietnamese Army, including Garrand rifles, Colt pistols, 30-mm. machine-guns, and 81-min. mortars. Except for “a few Skoda weapons of dubious antecedents,” there was no indication that the guerrillas were receiving weapons from Communist sources.

Quoting intelligence officers in South Vietnam, the Correspondent continued: “The best and most complex arms go to the 27 regular battalions of the *Viet Cong*. These units, the ‘hard core’ of the terrorists, occupy fairly well-defined bases... such as... in Bien Hoa province, 50 miles east of the capital. But these bases are usually in impenetrable jungles or marshland. On the approach of Government columns, the *Viet Cong* battalions melt into the hush or retreat across the frontier into the comparative safety of Cambodia or Laos.

“Supporting these regular units, and in much closer contact with the villages, is another terrorist formation, made up of what are called ‘local troops on the district level.’ These men are true guerrillas, constantly on the move from one village to another.... To them go the older French rifles, hand-grenades, and locally made weapons. They are grouped into about 43 regional companies and 21 sections with special tasks, including propaganda and tax-collecting. The total strength of the *Viet Cong* troops and guerrillas is estimated at between 12,000 and 14,000 combatants....

“The question is how much longer the two armed formations of the *Viet Cong* will continue to manage on their existing stocks of weapons. When will the Communist block begin a large-scale re-equipment of the

terrorists in South Vietnam, thus starting the escalation of the struggle? It seems that that point is not very far away. The laws of supply and demand are beginning to work against the *Viet Cong*. In the recent sharp engagements [i.e. those of September 1961] the terrorists, for the first time, lost more arms than they captured....

“But behind the *Viet Cong* are the immense resources of the Communist world, spearheaded by Communist North Vietnam. The Hanoi regime has made it clear that the Communist purpose is to ‘liberate Vietnam from the yoke of the American-Diemist Imperialists’...”

President Ngo Dinh Diem proclaimed a state of emergency throughout South Vietnam on Oct. 19, 1961, when the National Assembly passed a Bill giving him powers for one year to issue all decrees necessary “to protect national security and mobilize manpower resources”; a fortnight earlier the President had told the National Assembly that South Vietnam was faced “no longer with a guerrilla war but with a real war waged by an enemy who... is seeking a strategic decision in South-East Asia in conformity with the orders of the Comintern.” The state of emergency was proclaimed on the same day that General Maxwell Taylor, special military adviser to President Kennedy, arrived in Saigon to assess what further support could be given to South Vietnam by the United States [see page 18614 below].

The National Assembly adopted in December another Bill, introduced by Mme. Ngo Dinh Nhu (sister-in-law of the President and a member of the Assembly), for the raising of a paramilitary women's army to fight the *Viet Cong*, recruited from volunteers between the ages of 18 and 35. It provided, as a first stage, for the creation of a cadre of 1,500 women officers and N.C.O.s, who would be trained in Saigon and then posted to the provinces to train women volunteers locally.

Madame Nhu also sponsored another Bill, which aroused much controversy and is not yet in force, calling for the outlawing of prostitution; a ban on contraceptives and birth-control propaganda; the prohibition of all dancing except traditional Vietnamese dances; the abolition of the “socially unproductive” profession of night-club hostess; a ban on boxing, cock fighting, and fights between fishes; the outlawing of soothsayers and sorcerers; prohibition of the sale of tobacco and alcoholic beverages (except light wines and beers) to minors under 18, who would also be barred from cinemas and theatres; and a ban on beauty contests. This Bill received 79 votes out of a possible 123 in the National Assembly on Dec. 22, 1961, and was sent to the President for his signature; according to Saigon reports, however, the Cabinet unanimously advised the President to return it to the Assembly in view of the popular feeling against many of its provisions.

Madame Ngo Dinh Nhu fled from Hue (North Vietnam) to South Vietnam in 1954 and subsequently became a member of the National Assembly, a leader of the feminist movement in South Vietnam, and a protagonist of social reform and female emancipation. In 1959 she drafted and piloted through the Assembly legislation (the Family Law) which ended the centuries-old system of concubinage and polygamy by depriving concubines of their legal status and making the President of the Republic the sole dispenser of divorces [previously Vietnamese men were entitled to take any number of legal wives as well as concubines, the children of the latter being entitled to a share in the family property]. The Family Law was bitterly attacked by some male members of the National Assembly but passed into law with a large majority. Madame Nhu is official hostess to President Ngo Dinh Diem, who is a bachelor.

With the aim of removing peasants in outlying areas from the influence of the *Viet Cong*, the Government adopted early in 1960 a policy of moving the peasantry from isolated villages to fortified settlements known as “agrovilles.” Although the resettlement was in theory on a voluntary basis, many of the peasants were compelled to move to the agrovilles by the military authorities; in view of the strong opposition aroused, it was reported in April 1961 that the Government had decided not to set up more agrovilles when the establishment of the 26 originally planned was completed. Later in the year the Government began to

organize a village "self-defence programme" whereby villages in outlying areas were protected by palisades, hidden traps, and other tactical defence measures. At the same time the rural population were encouraged to hunt down *Viet Cong* guerrillas and agents who were operating in the countryside.

The Government's campaign against the Viet Cong was greatly hampered by a major flood disaster which inundated some 2,500 square miles in the Mekong delta in October 1961, left half a million people homeless, and destroyed the country's entire rice surplus for the coming year, estimated at 300,000 tons. In three provinces the peasantry lost practically all their pigs and poultry and 10 to 15 per cent of their buffaloes (the Vietnamese peasant's animal of all work), as well as large quantities of farm machinery. Reports from press correspondents said that the disaster—caused by the flooding of the Mekong River—had reduced about 1,000,000 peasants to "rock-bottom poverty." Large-scale relief aid was sent by the United States, France, Great Britain, Australia, New Zealand, Malaya, Japan, Western Germany, and many other countries.

The intensification of Communist guerrilla activities in South Vietnam caused increasing anxiety to the U.S. Administration and resulted in a marked acceleration in American economic and military assistance to that country from the middle of 1961 onwards. Following Vice-President Lyndon Johnson's visit to Saigon in May, during which he and President Ngo Dinh Diem had agreed on measures to "increase and accelerate" U.S. aid to South Vietnam, the following economic and military aid measures were announced during the summer:

(1) An agreement (announced in Washington and Saigon on June 16, 1961) whereby the U.S.A. undertook to increase its 685-man Military Advisory Group in South Vietnam; to assign specialists to direct the training of Vietnamese troops; to send U.S. officers to observe them in action in the field; to pay the wages of and supply arms for an additional 20,000 troops to be added to the South Vietnamese Army (bringing its strength to 170,000 men); and to supply arms for the entire Civil Guard, a 60,000-strong force used for the protection of villages against night raiders.

(2) An economic agreement, signed in Saigon on July 14 by the Secretary of State for National Economy and the U.S. Ambassador (Mr. Frederick Nolting), under which quantities of wheat flour, cotton, and tobacco worth over \$11,000,000 were made available from U.S. surplus stocks to the South Vietnamese Government against payment in piastres, for sale to authorized local importers. The major portion of the local currency thus generated was to be used to the support of the Vietnamese budget and for development projects.

(3) The drawing up on July 11, 1961, by teams of U.S. and Vietnamese experts headed respectively by Dr. Eugene A. Staley and Dr. Vu Quoc Thuc, of recommendations for "a series of actions in the military-internal security and economic-social fields to be undertaken jointly by the Vietnamese and U.S. Governments to defeat the Communist campaign of terrorism and sabotage being waged against the people of Vietnam." Specific details were not disclosed.

(4) In addition to the above agreements, the U.S. Senate ratified on Sept. 11, 1961, a U.S.-Vietnamese treaty of friendship and economic relations which provided (a) that Vietnamese nationals in the U.S.A. and American nationals in South Vietnam might engage in industrial, commercial, and other activities under the same conditions as nationals of other countries having similar agreements with the U.S.A.; (b) for most-favored-nation and non-discriminatory treatment in Customs duties and related matters such as import and export restrictions; (c) for mutual free access to law courts, protection of property rights, non-discriminatory treatment of shipping, settlement of governmental disputes, etc. The treaty had been signed in Saigon on April 3, 1961, before Vice-President Johnson's visit, and had been ratified by the Vietnamese National Assembly on June 13, 1961.

General Maxwell D. Taylor, special military adviser to President Kennedy, visited South Vietnam from Oct. 19-25, 1961, to make an on-the-spot assessment of the situation for the U.S. President. During his visit he met President Ngo Dinh Diem at the mountain resort of Dalat; had conversations with senior Vietnamese and U.S. officers, including Lieut. General Lionel C. McGarr, head of the U.S. Military Advisory Group; and visited areas where the *Viet Cong* had been particularly active. After General Taylor had left for Washington, President Kennedy sent a letter to President Diem on Oct. 26 stating that he was awaiting General Taylor's report "with great interest," following which he would be "in a better position to consider with you additional measures we might take to assist the Republic of [south] Vietnam in its struggle against the Communist aggressors."

Under the title *A Threat to the Peace*, the U.S. State Department published on Dec. 10 a two-volume White Book containing copies of documents alleged to have been captured from North Vietnamese sources, and designed to show that the *Viet Cong* "liberation movement" in South Vietnam was directed and controlled from the North. Stating that there was "a clear and present danger of Communist conquest" of South Vietnam, the report pointed out that in such an eventuality another 14,000,000 people would be added to the Communist bloc; that this would "doubtless seal the fate of Laos, where the Communists already control half the country"; and that Cambodia's neutrality would be increasingly threatened and the position of Siam endangered.

At a press conference on the same day Mr. Dean Rusk (U.S. Secretary of State) said that there was abundant evidence to show that the Communist regime in North Vietnam had violated the Geneva Agreements of 1954 by sending guerrillas to infiltrate into South Vietnam, a process which had "accelerated sharply" in recent months. He expressed the hope that "other nations" would join with the U.S.A. in providing aid to meet the "threat to the peace" in the area. While not asking for any commitment of troops, Mr. Rusk indicated that the most urgently needed aid included economic and technical assistance, administrative help, and aid to "improve the mobility, communications, and equipment of the South Vietnam forces."

The North Vietnamese Government described the U.S. White Book as a "collection of false documents" whereby the "American imperialists hope to justify their aggressive actions in South Vietnam by preparing public opinion for the despatch of American troops to that country... in violation of the Geneva Agreements."

The White House disclosed on Dec. 15 that further correspondence had taken place between the U.S. and Vietnamese Presidents (the dates were not given). President Diem, who initiated this correspondence, had stressed that "if we lost this war, our people will be swallowed up in the Communist bloc," and had also referred to the serious economic consequences of the flood disaster. In reply, President Kennedy had assured President Diem that the U.S.A. would "promptly increase our assistance to your defence effort as well as help to relieve the destruction of the floods," adding that U.S. aid in South Vietnam's defence effort would no longer be necessary "if the Communist authorities in North Vietnam stop their effort to destroy the Republic of Vietnam."

Meanwhile a certain amount of American military material, including helicopters and fighter-bombers, had arrived in South Vietnam during November and December; no official statements were issued, but the arrival of such supplies was reported by the Saigon Correspondents of the London *Times* and of the *New York Times*. The *Times* Correspondent said on Dec. 7 that supplies already delivered by the U.S.A. "range from fighter-bomber aircraft to trained dogs for hunting down the terrorists." On Dec. 11 the *New York Times* Correspondent reported the arrival of two U.S. Army helicopter companies, comprising 33 helicopters with 400 pilots and ground crew, which would be assigned to the South Vietnamese Army in the field but would remain under U.S. Army control and operation.

In a joint statement on Jan. 4, 1962, the U.S. and South Vietnamese Governments announced details of "a

broad economic and social programme aimed at providing every Vietnamese with the means for improving his standard of living,” representing “an intensification and expansion of efforts already made for the same purpose during the past few years.” Simultaneously with this programme, “measures to strengthen South Vietnam's defence in the military field” were being taken pursuant to the exchange of letters between Presidents Kennedy and Diem. All these steps—economic, social, and military—demonstrated “the desire of the U.S. and Vietnamese Governments to do their utmost to improve the protection and prosperity of the Vietnamese in the face of Communist guerrilla aggression and depredations directed and supported by the Communist regime in Hanoi.”

Details of the joint programme were given in the following statement issued in Washington and Saigon:

“The Vietnamese and American Governments have worked out a comprehensive programme as a follow-up to the study made by a joint group of experts under the leadership of Professor Vu Quoc Thuc of Vietnam and Dr. Eugene A. Staley of the U.S.A., as well as later studies. Some measures have already been started. Others are in the advanced planning stage and will soon be under way.

“The U.S. Government is furnishing additional aid to assist the Government of Vietnam in maintaining a level of essential imports which the Vietnamese Government could not otherwise finance. Priority will be given to imports required to meet the needs of the people, including the means of developing Vietnam's industries, and luxury goods will be excluded in accordance with current conditions of austerity [see page 18615 below, where details of South Vietnam's austerity legislation are given].

“The Vietnamese Government, as recently announced, has taken steps to increase greatly the piastre resources available to it for financing the piastre costs of security, economic, and social programmes. With this combination of dollars and piastres the Government of Vietnam, with U.S. material and advisory support, will carry out the following programmes at village and hamlet level and in cities:

(1) Training facilities for village officials will be set up to improve administration where Government has the closest contact with the people.

(2) The rural health programme will be further developed. Maternity clinics have already been established in over half of the districts and first-aid stations in about two-thirds of the villages. The objective is to extend this programme to achieve 100 per cent coverage. A nation-wide programme of inoculation against diphtheria, tetanus, and whooping-cough will be started. These programmes will be concentrated in areas relatively free of *Viet Cong* domination and will be extended to other areas as the *Viet Cong* are suppressed.

(3) The education programme will also be expanded. Public primary schools have increased from 1,191 in 1954 to 4,668 in 1961. Over the same period the number of students has grown from 330,000 to 1,100,000. The goal is to extend primary schools to every village in the country. As with rural health facilities, the immediate aim is to expedite the extension of primary schools to all those villages in areas relatively free of the *Viet Cong*, and to extend them to villages in other areas as Communist guerrillas are eliminated.

(4) Village communications are being developed, both to enable receipt of radio programmes broadcast over the national radio system (now nearing completion) and to provide the means for village communication with district headquarters. Such a communication system will make it possible to make emergency calls of any nature—for example, for emergency medical assistance.

(5) New roads are being built to link rural communities with main highways and, in turn, with provincial and national centres. This programme, already under way in many areas, will make it easier to ferret out *Viet Cong* guerrillas....

(6) Adequate funds will be available to support and expand the agricultural credit system. It has already functioned successfully in many parts of the country, and as security is restored an increasing number of farmers will be able to borrow money cheaply in order to increase their production and income.

(7) The programme to control pests and insects, especially in central Vietnam where they have ravaged rice crops for the past two years, is ready to be launched on an extensive scale. It should materially improve the livelihood of peasants in the areas affected.

(8) Special efforts will also be taken to enable the Montagnard population in the high plateau to share progress in this region with their Vietnamese compatriots. Resettlement will be accelerated where necessary to remove the population from *Viet Cong* pressures. Increased resources available to the Government of Vietnam will assist in the construction of resettlement villages and will permit helping inhabitants where necessary until they become self-supporting. Many of the land development centres created during the past few years are now flourishing areas, and people living in them enjoy a bigger income than before. Similar prospects exist for new resettlement centres for Montagnards, to which village improvements in health, education, and communications will be extended.

(9) Special efforts will be directed at reconstruction in flood-stricken regions in the Mekong delta. These will include regroupment of people into new villages to which health, education, and communications benefits will be extended. Road and canal construction will also be involved.

(10) Extensive programmes of public works will be undertaken to help relieve unemployment.

(11) Industrial development, which has been marked in the past two years, will continue. In the field of cotton textiles, for example, a further investment of \$6,000,000 will go far toward making Vietnam nearly self-sufficient in cotton cloth. At the same time it will provide a living for thousands of workers.

“Increased U.S. assistance for both immediate economic and social measures and longer-range development reflects the confidence of the U.S. Government in the future of free Vietnam. Both the Vietnamese and U.S. Governments also welcome the support and assistance of other Governments in carrying forward these programmes ensuring the freedom of Vietnam and increasing the prosperity of the Vietnamese people.”

With the agreement of President Ngo Dinh Diem, the U.S. Government established on Feb. 8 a U.S. Military Command, Vietnam, headed by General Paul D. Harkins, Deputy C.-in-C. and Chief of Staff, U.S. Army, Pacific. It was stated that the new command would include the existing Military Advisory Group under Lieut.-General McGarr, which would continue to function. According to the *New York Times*, the U.S. forces in South Vietnam were estimated at between 2,000 and 4,000 men, many of whom were taking part in tactical operations in battle areas—including support roles in transport and communications—while some were serving as mobile training teams. A Pentagon spokesman emphasized, however, that American personnel in South Vietnam were “not in combat.”

The South Vietnamese Government's austerity programme, mentioned in the U.S.-Vietnamese statement of Jan. 4, 1962, was contained in ten decree-laws signed by President Diem on Dec. 29, 1961. Aimed at the “entire reshaping” of the country's economic and financial structure, particularly in the fields of external trade, Customs duties, and exchange control, they were in large part drafted by Dr. Vu Quoc Thuc, who headed the Vietnamese group of experts which carried out joint studies with the American group led by Dr. Staley. The provisions of the decree-laws were as follows:

(1) Abolition of some 13 taxes at present levied on imported goods, and their replacement by a single “economic development and national defence surtax” fixed at five-sevenths of the c.i.f. value of imported

products calculated at a fixed dollar-piastre rate.

(2) Introduction of a temporary “austerity tax” on certain imported goods.

(3) Levying of surtax as under on all transfers of funds abroad, although certain transactions would be exempted, e.g. remittances to Vietnamese students abroad, diplomatic personnel in foreign countries, and people sent on official or study tours.

(4) A new simplified Customs nomenclature, together with a revision of tariffs and the exemption of some capital goods from Customs duties.

(5) Replacement of various taxes levied on exported merchandise by a single export tax on certain products.

(6) Continuation of special subsidies to exporters of certain local products, designed to promote such exports; these subsidies, however, would be restricted in future to such cases where the disparity between international prices and local prices made subsidization “absolutely necessary.”

(7) A provision that persons or firms repatriating foreign exchange resulting from commercial or financial transactions would receive a premium of five-sevenths of the piastre value of such remittances.

(8) Revision of certain internal taxes in order to increase their yields, especially in the higher brackets of salaries, company dividends, etc.

(9) Creation of a special Budget for economic development, separate from the ordinary civil and the security Budgets, designed to meet the requirements of economic planning and financed partly by counterpart funds, foreign loans and grants, public bond issues, and if necessary by advances from the National Bank.

(10) Raising of the legal ceiling on advances which might be made by the National Bank to the Government from the present maximum of 25 per cent of Budget receipts to 40 per cent.

Vice-President Nguyen Ngoc Tho (who is concurrently Co-ordinating Secretary of State for Economic Development) explained that the reorganization had been under consideration for three years; he said that it was all the more necessary because “in order to put our economic development programme into effect we must make the best possible use of the substantially increased American aid.”

The International Control Commission in Saigon, set up under the Geneva agreements of 1954 which ended the Indo-China war and consisting of Canadian, Indian, and Polish members, decided on June 28, 1961, that it was competent to investigate complaints and allegations by the South Vietnamese Government of subversion by the Communist authorities in North Vietnam, notably allegations of North Vietnamese support for the *Viet Cong* terrorists. The decision was taken by the votes of the Canadian and Indian representatives and against the opposition of the Polish member, who maintained that the I.C.C. had no authority to investigate such complaints under its terms of reference.

The Saigon Correspondent of *The Times* pointed out that the I.C.C. had previously been unable to take action on complaints of terrorism either from South or North Vietnam, since the Geneva agreements which created the International Control Commissions in Vietnam, Laos, and Cambodia “did not envisage the state of undeclared war which has arisen in South Vietnam”; moreover, the words “terrorism,” “sabotage” and “subversion” were nowhere mentioned in the 1954 agreements. The Correspondent stated: “The Indian and Canadian members of the Commission have overcome this difficulty by re-interpreting four articles of the Geneva agreement on Vietnam. These articles (numbers 10, 19, 24, and 27) require ‘complete cessation of all hostilities’ in Vietnam, call on the North and South not to follow an aggressive policy, and prohibit either

party from committing any act or undertaking any operation against the other.”

The I.C.C.'s decision was warmly welcomed by the South Vietnamese Government, which pointed out that it had reported to the I.C.C. some 500 cases of Communist subversive activity during the previous five years, with no useful result. In 1960, for example, it had drawn the Commission's attention to a statement by the chairman of the “*Viet Cong* National Assembly,” Ten Due Thang, broadcast by Hanoi radio on April 12, 1960, which referred to measures being taken to expand Communism southwards and to stimulate *Viet Cong* agents to increase their activities in South Vietnam. Moreover, on numerous occasions the Commission's attention had been drawn to the fact that the *Viet Cong* forces, in the guise of a “Front for the Liberation of the South,” included all military elements maintained by the *Vietminh* in the South after the ending of the Indo-China war, reinforced since then—it was alleged—by new elements infiltrating into South Vietnamese territory from North Vietnam.

The Soviet Government sent an *aide-memoire* to the British Government on Jan. 10, 1962, condemning what it described as the “gross interference” of the United States in South Vietnam's internal affairs, accusing the U.S.A. of “open violations of the international agreements on Indo-China,” and strongly attacking President Ngo Dinh Diem. [The communication was sent to Britain because the British and Russian Foreign Ministers were co-chairmen of the 1954 Geneva conference on Indo-China]

The Soviet memorandum said that the Foreign Minister of the U.S.S.R., as one of the co-chairmen of the Geneva conference, had received messages from the Foreign Minister of the Democratic Republic of Vietnam [i.e. North Vietnam] expressing the “serious concern” of his Government at the situation in South Vietnam; citing “numerous facts which bear witness to the growing military intervention of the United States in the internal affairs of South Vietnam”; and stating that American “intervention” in that country might “seriously affect the cause of peace and security in Indo-China and South-East Asia as a whole.”

After saying that the U.S.A. bore primary responsibility for the “present worsening of the situation in South Vietnam,” in particular by sending “a large quantity of arms and war materials” to that country, the *aide-memoire* described President Ngo Dinh Diem as a ruler who was “hated by the people” and who had abolished all democratic liberties and “established a military dictatorship based on ruthless terror.” In these circumstances it was “quite understandable that increasingly large sections of the population are taking the road of just struggle against the bankrupt Ngo Dinh Diem clique.” The memorandum added that the U.S.A., by supporting President Diem, was “striving to put down the growing liberation movement of South Vietnamese patriots” and turning South Vietnam into “an American military-strategic stronghold in South-East Asia.”

In reply to this communication, the British Government sent an *aide-memoire* to the U.S.S.R. on Feb. 16 rejecting the Soviet allegations against the United States and in turn expressing concern at the “many manifestations of flagrant North Vietnamese interference in South Vietnam in violation of the Geneva settlement.” The British memorandum said that the tension in South Vietnam arose directly from the North Vietnamese policy of seeking to overthrow the South Vietnamese Government by force, and expressed the conviction of H.M. Government that “the rebellion in South Vietnam has been fomented, organized, in part supplied, and wholly directed from the North.”

At the request of the South Vietnamese Government, three British Officials with experience of the anti-terrorist campaign in Malaya had arrived in Saigon in September 1961 to advise on police and intelligence aspects of the war against the *Viet Cong* guerrillas. The group was led by Mr. R. G. K. Thompson, formerly Secretary of Defence in the Malayan Federation.

The Chinese Foreign Ministry in Peking issued a statement on Feb. 24 saying that “U.S. imperialist

aggression in South Vietnam constitutes a direct threat to the Democratic Republic of [North] Vietnam and seriously affects the security of China and the peace of Asia.” After alleging that the new U.S. military command in South Vietnam was designed to suppress the “just and patriotic struggle” of the South Vietnamese people against the “Ngo Dinh Diem clique,” the Chinese statement called on the co-chairmen of the Geneva conference and the countries concerned to hold early consultations and take “appropriate measures to eliminate the serious danger of war in South Vietnam.”

Two fighter-bombers of the South Vietnamese Air Force attacked the presidential palace in Saigon in the early morning of Feb. 27, 1962, with rockets and machine-gun fire, the attack lasting for about 25 minutes. One wing of the palace was demolished and 16 palace officials wounded; President Ngo Dinh Diem and his entourage escaped unhurt except that Mme. Ngo Dinh Nhu grazed her arm when she fell down the stairs in the excitement. The only fatal casualty was an American who fell to his death from the roof of a nearby building while watching the attack.

One of the planes was shot down by anti-aircraft fire and crashed in the Saigon River, its pilot (Lieutenant Pham Phu Quoc) being arrested when he swam ashore. The other machine, piloted by Lieutenant Nguyen Van Cu, flew westwards and was later reported to have landed in Cambodia. The two officers were not known to have had any political connexions, and it was officially stated that the attack was an isolated action. —(Vietnam Press, Saigon - Le Monde, Paris - Times New York Times - New York Herald Tribune - Soviet Embassy Press Department, London) (**Prev. rep. Vice-president Lyndon Johnson, saigon Visit, U.S.-Vietnamese Agreement 18266 A; South Vietnam Elections, 17036 A; Laos Situation, 18561 A; Geneva Agreements, 13689 A.**)

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