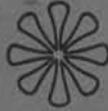
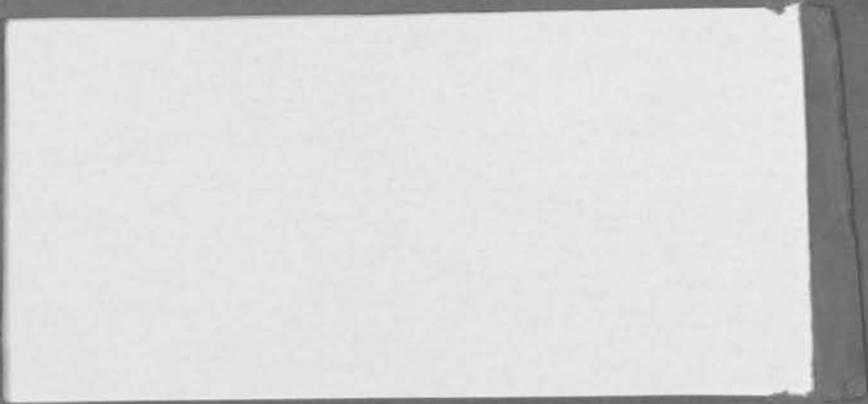


- V.B Justification of the War (11 Vols.)
 - Internal Documents (9 Vols.)
- 3. The Eisenhower Administration: (4 Vols.)
 - a. Volume I: 1953

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UNITED STATES - VIETNAM RELATIONS
1945 - 1967



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JUSTIFICATION OF THE WAR

- INTERNAL COMMITMENTS -

The Eisenhower Administration, 1953 - 1960

BOOK I - 1953

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V.B.3.

JUSTIFICATION OF THE WAR -- INTERNAL COMMITMENTS

The Eisenhower Administration, 1953 - 1960

Foreword

This portion of the study consists of a collection of U. S. Government documents which set forth the rationale of U. S. policy toward Vietnam. The collection represents the internal commitment of the U. S. as expressed in classified documents circulated at the highest levels in the Government. The documents are organized chronologically within each Presidential administration. This volume covers the Eisenhower years, 1953 - 1960.

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- BOOK II : 1954 - The Geneva Accords
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- tactical and strategic error." On the political aspects of the war, Trapnell feels that "a strictly military solution to the war in Indochina is not possible...It is doubtful if the ordinary people understand the issues at stake between the rebel and Associated States objectives." The solution in Indochina requires a strong French assault on the Viet Minh, training of National armies, a defensive alliance of Asian nations, and a guarantee of the Associated States borders. Trapnell recommends a U.S. training mission for Indochina, and concludes that victory in Indochina is international rather than local and essentially political as well as military. Major General Trapnell Debriefing, 3 May 1954..... 406
90. Indochina is the only nation that has the highest MDAP priority and thus has precedence over every other nation for allocation of critical military equipment. The JCS have completed a plan for military intervention in Indochina and, as well, planned for resumption of hostilities in Korea. CINCPAC has directed that other plans be prepared, i.e., blockade of China coast, evacuation of French forces from Tonkin, etc. Joint Subsidiary Plans Memorandum for OCB, 5 May 1954..... 421
91. General Smith reviews the French proposal which has been sent to the Cabinet for approval. France proposes a cease-fire take place when "international" control machinery, based on Laniel's 5 March conditions, is in place. Regular troops would be regrouped into delimited areas and all other forces disarmed. France assumes that the Russians would propose a follow-on political settlement (coalition) and immediate elections. SECTO 106, 5 May 1954..... 423
92. The NSC 195th Meeting considers Secretary Dulles pessimistic report on Geneva to the President: (1) there is no responsible French Government to deal with, (2) the British reject the "regional grouping," (3) the British want secret talks on Southeast Asia, (4) the expected communist proposal is for foreign troop withdrawal and elections, (5) and the U.K. wants a settlement based on partition. NSC 195th Meeting, 6 May 1954..... 425
93. Dulles briefs Congressional leaders on the Geneva Conference and reviews the weaknesses of Britain's position. Congress members comments are adverse. Dulles states three conclusions: (1) U.S. should not intervene militarily, (2) U.S. must push rapidly for a Southeast Asia community, (3) and the U.S. should not "write off" the British and French in spite of their weakness in Asia. TEDUL 37, 6 May 1954..... 426

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94. The JCS forward their views on negotiations with respect to Indochina to the Secretary of Defense for transmittal to the Department of State in regard to SECTO 106. The JCS feel that, based on the Korean experience, and as a minimum, the U.S. should not "associate itself with any French proposal directed toward a cease-fire in advance of a satisfactory political settlement." JCS Memorandum to Secretary of Defense, 7 May 1954.....	430
95. President Eisenhower makes it clear that the preconditions for U.S. intervention in Indochina are that the "U.S. would never intervene alone, that the indigenous people must invite intervention, and that there must be regional or collective action. The NSC action of the meeting on 5 April as pertains to paragraph 1.b. of the record (organizing a regional grouping) is approved by the President. Memorandum by R. Cutler, Special Assistant, for Secretary of Defense and CJCS and Meeting Minutes, 7 May 1954.....	435
96. May 8 - July 21: Geneva Conference on Indochina. The 1st Plenary Session convenes on 8 May and hears proposals by France and the Viet Minh for cessation of hostilities and participation in the conference. (Excerpts) The delegates to the conference are from Great Britain and the USSR (joint chairmen), France, the United States, Communist China, Cambodia, Laos, and Vietnam, and the Viet Minh regime. (Final agreements are signed on July 20 and 21, and the main provisions concerning Vietnam are that (1) Vietnam is to be partitioned along the 17th parallel into North and South Vietnam, (2) regulations are imposed on foreign military bases and personnel and on increased armaments, (3) countrywide elections, leading to the reunification of North and South Vietnam, are to be held by July 20, 1956, and (4) an International Control Commission (ICC) is to be established to supervise the implementation of the agreements. The United States and Vietnam are not signatories to the agreements. The United States issues a unilateral declaration stating that it (1) "will refrain from the threat or the use of force to disturb" the Geneva agreements, (2) "would view any renewal of the aggression in violation of the aforesaid agreements with grave concern and as seriously threatening international peace and security," and (3) "shall continue to seek to achieve unity through free elections, supervised by the UN to insure that they are conducted fairly.") Excerpts from 1st Plenary Session of the Geneva Conference, 8 May 1954.....	439

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97. The Defense member of the NSC Planning Board indicates the options available to the U.S. with regard to the Geneva results. General Bonesteel suggests that the increased risks associated with pressuring France to continue the war and possible U.S. intervention to stop the communist advance can "more surely and safely be accepted now than ever again." On the other hand, a compromise at Geneva would lead to communist subversion at a late date and U.S. involvement then might be inhibited by an increased Soviet nuclear capability. "Asia could thus be lost." General Bonesteel Memorandum for Secretary of Defense, 9 May 1954.....	442
98. The draft instructions for the Geneva Delegation, which have been approved by the President are sent to the Defense Department for comment. According to the instructions, the U.S. is "an interested nation which, however, is neither a belligerent nor a principal in the negotiation." State Department Letter to R. B. Anderson, Deputy Secretary of Defense, 10 May 1954.....	443
99. France is convinced it is facing Communist China at Dien Bien Phu not Viet Minh rebels. The French request the aid of competent U.S. military advice, i.e., a U.S. General to confer with General Ely on regrouping forces in Indochina. Paris 4287 to Dulles, 10 May 1954.....	446
100. The United States "posture" at Geneva is interpreted as "to cheer the players" rather than "to pitch." The draft instructions to the Geneva delegation imply a "profound point" -- will the U.S. admit diplomatic defeat and cease to use the conference toward its ends if the conference appears to go against the U.S.? General Bonesteel Memorandum for Deputy Secretary of Defense, 10 May 1954.....	449
101. The President approves informing the French of his conditions for U.S. intervention in Indochina. Even though premature, the decision to internationalize the war must be made. President Eisenhower would ask Congressional authority to commit U.S. forces provided: (1) there was a French request, (2) that other nations would be requested and would accept, (3) that the UN would be notified, (4) that France guarantees independence in the French Union to the Associated States, including the option to withdraw at any time, (5) that France would not withdraw its forces after the intervention, and (6) that an agreed on structure for united action is reached. Dulles 4023 to Paris, 11 May 1954.....	451

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102. The President approves NSC Action No. 1111 recommended by the Joint Chiefs of Staff which immediately suspends "shipment of military end-items under U.S. MDAP" to Indochina. NSC Memorandum for Secretary of Defense, 11 May 1954.....	456
103. Secretary Dulles forwards the basic instructions approved by the President for the head of the U.S. Delegation to Geneva. "The United States is not prepared to give its express or implied approval to any cease-fire, armistice, or other settlement...." which would subvert the local governments, impair territorial integrity, or jeopardize forces of the French Union. Dulles TOSEC 138 to Geneva, 12 May 1954.....	457
104. A proposal tabled at the Planning Board meeting on 13 May 1954, suggests that "the U.S. is endeavoring to avoid the loss of Indochina and to resolve the colonialism problem by the creation of a regional grouping." General Bonesteel Memorandum to NSC, 13 May 1954.....	460
105. Laniel and Schuman appear well pleased with the U.S. position, especially that U.K. participation is no longer a prerequisite to U.S. intervention. The one serious objection to Eisenhower's conditions, however, is that "France publicly accord to the Associated States the right of withdrawal from the French Union at any time." Unless some way can be found around this, "the French will never ask for outside assistance." Paris 4383 to Dulles, 14 May 1954.....	462
106. In referring to the French objection to Eisenhower's conditions for intervention, Dulles indicates the U.S. might be flexible but "there cannot be any equivocation on the completeness of independence if we are to get the Philippines and Thailand to associate themselves." Without them the whole arrangement would collapse and the U.S. is not prepared to intervene "as part of a white Western coalition which is shunned by all Asian states." Dulles 4094 (TEDUL 73) to Paris, 15 May 1954.....	465
107. The "right of withdrawal" from the French Union is unacceptable to France because it reflects on French honor and questions the concept of the French Union. It is proposed that existence of a powerful Vietnamese National Army would clarify the independence status to other Asian states and therefore the U.S. should assume "primary responsibility for the training and equipping of a Vietnamese National Army." Dillon 4402 to Dulles, 17 May 1954.....	469

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108. The present acute crisis prevents successful debate on the European Defense Community (EDC) proposal in the French Parliament. Any attempt to force a vote would lead to postponement or defeat of EDC. If the Laniel government falls because of Indochina, EDC will likely get buried for good. Paris 4440 to Dulles, 19 May 1954.....	472
109. Secretary Stevens emphasizes the Army's concern over high-level official views that "air and sea forces alone could solve our problems in Indochina" and that the complex nature of these problems would require a major logistical effort -- "it explodes the myth that air and sea forces could solve the Indochina problems." Secretary of the Army Memorandum for Secretary of Defense, 19 May 1954.....	475
110. The Joint Chiefs of Staff recommend that U.S. military participation in Indochina be limited primarily to naval and air forces. JCS Memorandum for Secretary of Defense, 21 May 1954.....	477
111. The JCS recommend against a "Korea-type" defense of Southeast Asia as unsound. Accordingly, the U.S. "should adopt the concept of offensive actions against the 'military power of the aggressor,' (in this instance, Communist China) rather than local reaction to the attack. JCS Memorandum for Secretary of Defense, 21 May 1954.....	480
112. General Smith cannot understand why the JCS downgraded U.S. military representation on the five-power staff conference because the Russians and Chinese must have known "we really intended serious business." DULTE 100, 23 May 1954.....	483
113. The U.S. feels, as a minimum, France and Vietnam should sign draft Treaty of Independence, France should indicate "equal and sovereign" status of French Union states, and declare withdrawal of French Expeditionary Forces as soon as possible. Dulles to Paris 4272, 26 May 1954.....	484
114. The JCS point out their belief that, from the U.S. point of view with reference to the Far East, "Indochina is devoid of decisive military objectives and allocation of more than token U.S. armed forces in Indochina would be a serious diversion of limited U.S. capabilities." JCS Memorandum for Secretary of Defense, 26 May 1954.....	487

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115. The White House views the JCS position on intervention in Indochina as not involving any new policy issue relative to NSC 5405. However, a pencilled Secretary of Defense marginal note indicates that the White House "misses the point" -- the JCS was considering the "regional grouping" and others in the grouping, i.e., U.K. may object to NSC 5405 policy. Hence the JCS is warning "not to get involved in such a grouping" unless all parties accept direct action. White House Memorandum for Secretary of Defense, 26 May 1954.....	494
116. Ely emphasizes particular points to Trapnell and Dillon: (1) Ely was not in accord with O'Daniel's proposal to reorganize the Vietnamese army on a divisional basis, (2) O'Daniel's operational war plan was unrealistic, (3) the increasing frequency of American criticism of French conduct of the war was not appreciated, (4) Ely was regrouping his forces for defense of the Delta, and (5) one or two U.S. Marine divisions could assure defense of the Delta. Paris 4566 to Dulles, 27 May 1954.....	495
117. The U.S. Delegation to Geneva clearly sees a forthcoming settlement which the U.S., under NSC, cannot associate itself with. Both the dangers of partition and impossibility of armistice supervision in Indochina are recognized. "There is very little that the Defense Department can do to influence the negotiations, since a political decision has been made that the U.S. will continue to participate" even though partition will ultimately result in loss of Indochina to communism. Geneva Delegate Letter to Admiral Davis, 28 May 1954.....	498
118. The French suggest that the U.S. take over responsibility for training the Vietnamese National Army and provide assistance toward improving airfields for jet aircraft use in Indochina. Paris 4580 to Dulles, 28 May 1954.....	500
119. Dillon clarifies apparent misunderstanding in Washington on French understanding of U.S. intervention if Red China attacks Indochina. Paris 4607 to Dulles, 30 May 1954.....	503
120. Schuman, Ely, and Laniel inform Dillon and Trapnell that France regards the present bilateral negotiations as a "prelude to U.S. intervention should Geneva fail" or should the communists drag negotiations to obtain a military decision in the Delta. The French pursue reassurance of U.S. intervention if Red China launches an all-out air attack. Paris 4612 to Dulles, 31 May 1954.....	506

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121. There is no misunderstanding between U.S. and France if U.S. policy on a Chinese intervention would be "judged under the circumstances of the moment." Dillon cites three courses of action open to the U.S. in such an event: (1) President will request Congress to act, (2) President would request authority to use forces, or (3) U.S. would act only as part of a collective action. Paris 4625 to Dulles, 1 June 1954.....	508
122. NSC Action 5421 incloses summaries of studies prepared by various departments and agencies with respect to "possible U.S. action regarding Indochina." Summaries included here are of studies prepared by Departments of State, Justice, Defense and CIA, Office of Defense Mobilization, Bureau of the Budget, Foreign Operations Administration and Operations Coordinating Board. NSC 5421, 1 June 1954.....	510
123. Disagreement exists that the U.S. and France have "now reached accord in principal on the political side" on conditions for U.S. participation in Indochina. The U.S. needs a precise statement of France's commitments to meet the preconditions for intervention. Dulles 4421 to Paris, 4 June 1954.....	530
124. Saigon suggests that in order to make a French declaration more palatable, the U.S. announce its intention to withdraw technical and military assistance as soon as practicable. In "neutralist Asian eyes, the U.S. is the principal threat to Eastern Asia....and not decadent France." A review of terms of reference which limit MAAG to a logistical function is now essential. Saigon 2656 to Dulles, 4 June 1954.....	531
125. The U.S. seeks to avoid formal identification with open partition or the creation of two states. While U.S. military authorities take a "gloomy view" of the military situation, France has failed to decide to "internationalize" the war on the conditions laid down in Paris. The French are not treating the U.S. proposal seriously but "toying with it just enough to use it as a talking point at Geneva." TEDUL 169, 7 June 1954.....	533
126. General Valluy evaluates the Tonkin Delta military situation: (1) If Tonkin is lost, a military line will not be re-established, (2) in this connection, there are no South Vietnamese who could oppose North Vietnamese, (3) Ho Chi Minh's objective is Tonkin and the political capital Hanoi, to be gained either by	

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negotiation or military force as necessary, (4) if Tonkin is lost, France will not fight in the South, (5) nor would Vietnamese fight against other Vietnamese and sooner or later the whole of Vietnam will become communist. TEDUL 171, 7 June 1954.....	535
127. Dulles feels that it is of "overriding importance" to push on with action on Thailand's appeal to the United Nations Security Council, TOSEC 368, 7 June 1954.....	538
128. The U.S. will seek firm views of others once the "French authoritively tell us they want to internationalize the Indochina war." Further, when France decides to request U.S. intervention, the U.S. must have the opportunity to make its own decision based on prevailing circumstances. "We cannot grant the French an indefinite option on us without regard to intervening deterioration." TEDUL 175, 8 June 1954.....	540
129. Because of Thailand's strong feeling the scope of appeal should not be limited to Thailand. The Thai government has a negative attitude on limiting the scope and they object to Czechoslovakia or other Soviet satellite membership on the Peace Observation Commission (POC). United Nations 810 to Dulles, 8 June 1954.....	542
130. Bidault replies to a conversation reported in DULTE 156 (not printed here) in which "agreement in principle" with the U.S. had been reached. No major differences are noted, however, French military believe <u>any</u> JCS war plan would show the necessity of at least one Marine division for the Delta. General Valluy's conversations at the Pentagon are seen as most crucial. "Thus if we want French military assistance...in Southeast Asia...it is vital...JCS...approve a joint war plan justifying the use of Marines." Paris 4766 to Dulles, 9 June 1954.....	544
131. Eden cites three major issues emerging on which "we cannot compromise": (1) separate treatment of Laos and Cambodia problem, (2) status and powers of international supervisory authority and (3) composition of the international supervisory authority. Britain feels negotiations have failed and little can be salvaged in Vietnam. DULTE 164, 9 June 1954.....	547
132. The French are upset because Admiral Radford had said there was "no question of utilization of Marines in Indochina." The U.S. position, according to Dulles,	

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had been clear from the start that "we were not willing to make a commitment ahead of time which the French could use for internal political maneuvering or negotiating at Geneva...." TEDUL 178, 9 June 1954.....	550
133. "General Ely has twice in my presence stated that his keenest desire is for the United States to enter this war." The purpose of General Valluy's statement (war assessment) is either to bring the U.S. and five other powers into the conflict or to prepare an "excuse before history" for an armistice. Saigon 2714 to Dulles, 10 June 1954.....	552
134. The French military feel that a Tonkin decision will rest on U.S. intentions. The French are reluctant to request "internationalization" which would result in new talks and provoke new "hopes." The U.S., on the other hand, does not want to consider a U.S. training mission separate from the "overall operational plan" on the assumption the conditions are fulfilled for U.S. participation in Indochina. Murphy (Acting SecState) 4508 to Paris, 10 June 1954.....	553
135. The French impression is that even after all conditions are met, the chances of U.S. participation are "nil." With this attitude it is only a matter of time until the French come to terms with the Viet Minh. The result would be disastrous to French public opinion and the "U.S. would be blamed" for having failed in the crisis. Therefore, it is recommended that the French be informed that "the President is <u>no longer prepared to request military intervention</u> " even if France fulfills all conditions. France should strive for an armistice and thus avoid a military disaster. A few months delay in communist takeover in Indochina is not commensurate with "possible collapse of the defense of Western Europe." Paris 4841 to Dulles, 14 June 1954.....	555
136. The French want, and "in effect have, an option on our intervention, but they do not want to exercise it and the date of expiry of our option is fast running out." TEDUL 197, 14 June 1954.....	558
137. Secretary Dulles emphasizes that events have shown that predictions he has made all along on the lack of any real French desire for U.S. intervention but "as a card to play at Geneva." The U.S. does not see that France's bitterness is justified considering "prolonged French and U.K. indecision." Dulles 4579 to Paris, 14 June 1954....	559

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138. It is in the best interests of the U.S. that final adjournment of the Conference take place unless France wants to keep it alive. Eden's departure on a recess is seen as evidence of no reason to delay "collective talks on SEA defense." TEDUL 196, 14 June 1954.....	561
139. The CIA estimates communist reactions to the participation of U.S. air and naval forces at various levels of intensity and on various targets in conjunction with French Union forces in Indochina. Special National Intelligence Estimate, SNIE 10-4-54, 15 June 1954.....	563
140. Dulles cites an alternative that "if and when" a French Government which had the confidence of the Assembly should decide to continue the war, as opposed to an unacceptable armistice, the U.S. would be prepared to respond promptly. TEDUL 208, 16 June 1954.....	570
141. Viet Minh demand all of Tonkin area including Hanoi and Haiphong in secret talks with France. The U.S. informs France that "we did not wish to be....abruptly confronted with agreement..." as a result of secret negotiations and suggest a U.S. liaison officer. DULTE 187, 16 June 1954.....	572
142. China and the Soviet Union are "greatly concerned" over any break-up of the Indochina conference. Eden expresses the view that China wants a settlement but doubts their degree of control over the Viet Minh. DULTE 193, 17 June 1954.....	574
143. The "underground military talks" at Geneva are pointing toward a <u>de facto</u> partition of Indochina. "There can of course be no repeat no question of U.S. participation in any attempt to 'sell' a partition to non-communist Vietnamese. TEDUL 212, 17 June 1954.....	576
144. U.S. re-examines possible <u>de facto</u> partition of Vietnam in light of five-power staff report suggesting Thakhek-Donghoi line. TEDUL 222, 18 June 1954.....	577
145. The French feel that partition is the best settlement they could have worked for under the conditions laid down by U.S. for intervention which "no French Parliament would approve." Partition should come as no surprise to the Vietnamese since the Viet Minh had made it clear to them -- "coalition government or partition." DULTE 195, 18 June 1954.....	578

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146. General Smith and Molotov conduct lengthy conversations on "making positions clear." The Soviet tactics were probably to forestall U.S. intervention in the Delta by a compromise formula if intervention appeared imminent. When intervention became improbable, the "ante" in negotiations was raised. DULTE 202, 19 June 1954.....	580
147. In conversations with the French, China recognizes that "two governments" exist in Vietnam and Chou En-lai regards that the final political settlement should be reached by direct negotiations between the two governments. Paris 5035 to Dulles, 24 June 1954.....	589
148. Dulles thinks our present role at Geneva should "soon be restricted to that of observer...." TOSEC 478, 24 June 1954.....	592
149. A French <u>aide-memoire</u> indicates the French objective to seek a <u>de facto</u> division which leaves a solid territory for the State of Vietnam and further requests that the U.S. do nothing to encourage an anticipated "violent and unreasoning" reaction on the part of Vietnamese patriots who object to an indefinite period of division of the country. Dulles 4852 to Paris, 28 June 1954.....	593
150. French negotiations with Viet Minh are stalled and Mendes-France is perplexed by reference to the "Dong Hoi" line since France was holding out for the 18th parallel. Paris 5117 to Dulles, 30 June 1954.....	596
151. Dulles warns that Ngo Dinh Diem has been "kept in the dark" on French negotiations and fears that if revealed as a <u>fait accompli</u> the reaction French wish to avoid will result. Dulles 39 to Paris, 2 July 1954.....	597
152. France apologizes for not keeping the U.S. fully informed of French military withdrawals in the Delta. In addition, while France is holding out for an eighteen-month period before elections, Diem, to the contrary, has suggested elections within a year. Paris 32 to Dulles, 2 July 1954....	598
153. The French speak most firmly to the Viet Minh that the proposal for demarcation along the thirteenth parallel is unacceptable. On Soviet interest in the line, the French threaten that the line they propose is acceptable to the rest of the conference and thus averts the "risk of internationalization of the conflict." SECTO 557, 3 July 1954.....	600

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154. The U.S. does not want to be associated with a settlement which falls short of the seven-point memorandum on which Britain agreed and now appear to be less than firm. "If either or both the French and Communists are operating on the assumption we will adhere to any settlement they agree to, then we may be headed for serious trouble." Dulles 52 to Paris, 3 July 1954.....	603
155. Dillon recommends that if the U.S. attempts to get the best possible settlement, we should (1) maintain a Geneva delegation, (2) have Dulles return to head the delegation, (3) offer French support to sell a settlement to Vietnam if it is satisfactory, and (4) pressure Britain to stick to the seven points of US-UK agreement. Paris 41 to Dulles, 4 July 1954.....	606
156. The French welcome the US-UK 7-point agreement except that clarification was suggested on the conflict between provisions for elections and the position that no political provisions should risk loss of the area to communism. The French felt that the elections could "go wrong." Paris 50 to Dulles, 6 July 1954.....	608
157. The French indicate they attach no great military importance to retention of Haiphong and that they were "avoiding contact" with the Vietnamese in order not to have to answer their questions. SECTO 560, 6 July 1954.....	609
158. Mendes-France will announce to the National Assembly that if a cease-fire is not agreed to prior to 21 July, it will be necessary for the Assembly to approve the sending of conscripts to Indochina. Paris 66 to Dulles, 6 July 1954.....	612
159. Dulles informs Eden that it is "better if neither Bedell nor I went back" to Geneva since the French will probably settle for worse than the 7-point agreement, hence it would be embarrassing to all concerned. Dulles NIACT 101 to London, 7 July 1954.....	614
160. The U.S. feels that elections mean eventual unification of Vietnam under Ho Chi Minh and therefore should be held "as long after a cease-fire agreement as possible and in conditions free from intimidation...." Further, the U.S. believes no date should be set now and that no conditions be accepted which would affect international supervision of elections. The U.S. would not oppose a settlement based on the 7-points nor would we seek to upset a settlement by force. Dulles 77 to Paris, 7 July 1954.....	616

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161. Dillon discovers that the U.S. complaints of not being informed are proved unjustified on the French withdrawal in Tonkin. Both State and Defense were notified via Trapnell's hand-carried plans and diplomatic cables. Public statements thus "can only serve to make our position here vis-a-vis Mendes and his government increasingly difficult and undermine the confidence of both the French Government and people in our candor..." Paris 81 to Dulles, 7 July 1954.....	618
162. "I have never harbored any thought of wilful concealment...there is a certain lack of intimacy..." in relations with the present government. The U.S. intends to leave representation at Geneva but not Bedell Smith nor Dulles will return. The U.S. should avoid a "position at Geneva..." Dulles 85 to Paris, 8 July 1954.....	619
163. The Chinese inform Ambassador Johnson that Chou En-lai had a "very good meeting" with Ho Chi Minh and that "results would be helpful to the French." The French believe that the Sino-Soviet positions have been coordinated with the Chinese views on Asian problems being given major weight. SECTO 578, 9 July 1954.....	622
164. The Defense Department queries the State Department regarding equipping three French light infantry divisions for Indochina in view of (1) the Premier's promise to end the war by 20 July and (2) the considerable impact of equipment removal on NATO. Defense Letter to State, 9 July 1954.....	624
165. President Eisenhower and Secretary Dulles indicate firmly to President Mendes-France the rationale behind not sending Dulles or General Smith back to Geneva. Essentially, the rationale is based on failure of the U.S., U.K. and France to agree on a joint position at Geneva and lack of agreement on a "united action" proposal if the position is not accepted by the communists. Dulles sees France and U.K. enhancing a communist "whittling-away" process by readily accepting less than the seven points. Dulles 127 to Paris, 10 July 1954.....	625
166. France views the Dulles decision as (1) making the French bargaining position weaker and (2) that Europe would interpret U.S. absence from Geneva as a step in the "return to a policy of isolationism." Paris 134 to Dulles, 11 July 1954.....	631

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167. France indicates the "necessity for a clear-cut U.S. guarantee that would protect the Associated States" if the communists did not honor a Geneva settlement. Mendes-France will resign if no cease-fire is reached. Paris 133 to Dulles, 11 July 1954.....	633
168. Views of the U.K. on collective security of Southeast Asia are summarized: (1) the British prefer a generalized collective arrangement with as many states involved as possible; (2) the preferred organization would have a general council, a political/economic council, and a military organization; (3) in the event of no Indochina agreement, the British would move ahead with a military arrangement to meet the threat. Admiral Davis Memorandum for Secretary of Defense, 13 July 1954.....	635
169. Secretary Dulles reports on the Paris meeting: (1) an agreed French-United States position paper on Indochina which has the United States respecting terms conforming to a 7-point agreement; (2) the 7 points along the lines which were agreed during the Churchill-Eisenhower conversations; (3) a Mendes-France to Dulles letter which tells Dulles that his absence from Geneva would produce an effect opposite to his intention; (4) a Dulles to Mendes-France letter which informs him of General Smith's return to Geneva; (5) and a letter from Eden to Mendes-France reassuring him of Britain's support. Paris 179 to Dulles, 14 July 1954.....	638
170. Secretary Dulles reports on his trip to Paris at the NSC meeting. Dulles had told Mendes that France's troubles stemmed from lack of a decision on EDC and the Soviets were successful in splitting France and Germany. If the U.S. cannot guarantee the Geneva Conference results or influence France to reject any settlement, the U.S. will be blamed and put a major strain on Franco-United States relations. NSC Minutes, 15 July 1954.....	644
171. Mendes-France is firm in a cocktail conversation with Molotov on Vietnam election dates. The French, however, conceive the military demarcation line and regroupment of forces to be the major outstanding issues. SECTO 626, 16 July 1954.....	646
172. At a meeting of Mendes, Eden, and Molotov, the outstanding issues are summarized: (1) demarcation line for Vietnam; (2) elections; (3) control arrangements; (4)	

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regroupment time; (5) prevention of arms importation, and (6) Laotian regroupment areas. France strongly opposes Molotov on holding elections in 1955 and placing the demarcation line at the 16th parallel. SECTO 632, 17 July 1954.....	648
173. The Vietnamese delegation to the Geneva Conference secretly passes the U.S. delegate a note of protest which had been handed to the French. The note complains that the "National Government of Vietnam has been left in complete ignorance" of proposals made by the French to other nations on Vietnam's fate. Vietnam rejects the <u>de facto</u> partition proposal, a cease-fire, and requests that United Nations control be established over all Vietnam territory. SECTO 633, 17 July 1954.....	651
174. The Chinese Communists inform the U.S. of their position via Seymour Topping, Associated Press. The despatch reflects the views of Chou En-lai and demands that the U.S. guarantee a "partition peace plan." Further, China is hopeful of a cease-fire but did not rule out the chance for one even if the U.S. refuses to accept the armistice. SECTO 639, 18 July 1954.....	653
175. The U.S. fears Britain will push France into an agreement short of the 7 points resulting in a situation which had been previously discussed in Paris. TOSEC 565, 18 July 1954.....	656
176. At the 23rd Indochina restricted session, Tran Van Do (Vietnam) states that Vietnam cannot associate itself with the final declaration of the Conference which is to be reviewed. Vietnam does not agree to conditions for cease-fire nor have they as yet advanced proposals for a solution "based on peace, independence, and unity." SECTO 654, 18 July 1954.....	658
177. The Vietnamese delegation requests a plenary session to put forward their position (Document 171, preceding). The U.S. replies that the Vietnamese position is "not practicable" and, in indicating that time is short, suggests that the Vietnamese "speak directly with the French." SECTO 655, 18 July 1954.....	662
178. Seymour Topping again supplies confidential information from a Chinese Communist contact, Huang Hua. "When Huang Hua spoke of the possibility of American bases in Indochina, or anti-Communist pact in Southeast Asia, he became very agitated, his hands shook, and his usually excellent English broke down..." Chinese are convinced that France and the U.S. have made a deal. SECTO 661, 19 July 1954.....	663

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179. International control commission is to be composed of Poland, India, Canada, or Belgium. The U.S. is satisfied that this is better than Korea and is "within the spirit of Point 7." SECTO 666, 19 July 1954.....	664
180. General Smith makes it clear to France that the U.S. could, under no circumstance, associate itself with the conference declaration and recommends authorization to amend the proposed U.S. declaration of position. SECTO 669, 19 July 1954.....	665
181. Dulles has no objection on Smith's proposal to amend the declaration, but is concerned about including part of paragraph 9 of the Conference declaration, which seems to imply a "multilateral engagement with the Communists" which is inconsistent with the U.S. basic approach. TOSEC 576 NIACT, 19 July 1954.....	667
182. The Vietnamese delegation proposes: (1) a cease-fire on present positions; (2) regroupment into two small zones; (3) disarmament of irregular troops; (4) disarmament and withdrawal of foreign troops; and (5) control by the United Nations. It is noted that there is no provision for demarcation line or partition. SECTO 673, 19 July 1954.....	669
183. The United States, not prepared to sign the Accords, makes a unilateral declaration of its position on the Conference conclusions. The United States declares that it will refrain from the threat or use of force to disturb the agreements and would view any renewal of the aggression with grave concern and as a threat to international peace and security. Unilateral Declaration of the United States, 21 July 1954.....	671
184. Final Declaration of the Geneva Conference, 21 July 1954.....	672

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185.	The State Department explains the rationale of why the United States issued a unilateral declaration instead of signing the 1954 Accords on Indochina. Secretary Dulles was unwilling to even consider signing accords on Indochina of the type concluded at Geneva, and hence was not an alternative to issuing a unilateral declaration but was a substitute suggested by the French leaders. The declaration was based on the understandings of the 14 July Franco-American Six Point position paper. State Department Analysis - Geneva Declaration.....	676
186.	The NSC adopts the JCS recommendation that the possible use of ROK forces in Indochina be kept under review. Secretary of Defense Memorandum to JCS, 30 July 1954.....	679
187.	Dulles reviews the occasions when French officials suggested U.S. armed intervention in Indochina and the parallel U.S. efforts to organize "united action." The possibility of "united action" lapsed in mid-June 1954 with the French decision to obtain a cease-fire at Geneva. Dulles 689 to London, 3 August 1954.....	680
188.	The CIA assesses the probable outlook in Indochina in the light of agreements at the Geneva Conference. The conclusions are:(1)that the communists will continue to pursue their objectives in South Vietnam by political, psychological and paramilitary means; (2) that if elections are held in 1956, the Viet Minh will win; (3) and that the events in Laos and Cambodia depend on the developments in Vietnam. National Intelligence Estimate, NIE 63-5-54, 3 August 1954.....	691
189.	The French view of Diem Government is that it does not qualify on three major points: (1) fully representative of the population; (2) prepared to carry out land reform; and (3) prepared to depose Bao Dai. Diem is seen as valuable for his high moral character but his mandarin background precludes his qualifications on the three points. Paris 481 to Dulles, 4 August 1954.....	699
190.	The Joint Chiefs of Staff recommend that before the U.S. assume responsibility for training the Vietnamese Army that four preconditions be met: (1) "it is absolutely essential that there be a reasonably strong, stable civil government in control"; (2) each government concerned should formally request the U.S. to assume the responsibility; (3) arrangements should be made for	

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granting full independence and provide for phased withdrawal of French forces; and (4) the force structure should be dictated by local military requirements. JCS Memorandum for Secretary of Defense, 4 August 1954.....	701
191. The Chief MAAG outlines his point of view of the U.S. part in the future of Vietnam. His mission is twofold: establish U.S. courses of action to insure survival of Free Vietnam as a nation and develop Vietnam as an effective barrier to Communist expansion. Saigon 3024A, 8 August 1954.....	703
192. The French have been lead to believe that Dulles made an offer of the use of atomic bombs at Dien Bien Phu and that Bidault was "much upset" by the offer and felt that they would have done no good tactically. There is concern that Bidault -- "ill, nervous, hypersensitive and bitter" might attempt to publicize his version and take credit for preventing the use of atom bombs as "suggested by the U.S." Paris 558 to Dulles, 9 August 1954.....	705
193. Dulles has "no recollection whatever of the alleged offer" of atomic bombs to the French and indicates "it is incredible that I should have made the offer" Dulles 501 to Paris, 9 August 1954.....	706
194. On the offer of atomic bombs, the French agree that there has been a complete misunderstanding, possibly based on language difficulties. On the day of Dulles "alleged" offer, Bidault had been "ill, jittery, overwrought" and, even to the French staff, "incoherent." Paris 576 to Dulles, 10 August 1954.....	708
195. The JCS review U.S. policy in the Far East - NSC 5429. They recommend that NSC 5429 be returned to the Planning Board for "exposition of U.S. objectives" and "delineation of broad courses of action" in the Far East. Extensive comments by the Army Chief of Staff on NSC 5429 ("It is not a comprehensive review of the entire problem...WE DO NOT HAVE EITHER TO APPEASE COMMUNIST CHINA OR TO DESTROY IT.") are included. JCS Memorandum for Secretary of Defense, 11 August 1954.....	709
196. The JCS comment on a draft State Department message for the French Prime Minister regarding U.S. policy toward Indochina. They feel the message should state clearly that the assumption of training responsibility in Vietnam by the U.S. is contingent on the preconditions stated in their 4 August memorandum (see Document 185). JCS Memorandum for Secretary of Defense, 12 August 1954.....	714

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197. Regarding...the assumption by the U.S. of the responsibility for training the Vietnamese Army, Secretary Wilson forwards the JCS view as representing the Defense Department position to Secretary Dulles. Secretary of Defense Letter to Secretary of State, 12 August 1954.....	717
198. The JCS concur in the view that a statement of intent to conclude a treaty establishing a collective security arrangement in the Far East should be issued by the countries which intend to be treaty members. The JCS list the provisions which the treaty should incorporate. JCS Memorandum for Secretary of Defense, 13 August 1954.....	719
199. Secretary Wilson expresses the Defense views on the draft "Southeast Asia Collective Security Treaty" which include the JCS position. In his view, the recent developments in Geneva and Indochina increases the urgency for a "comprehensive United States policy with respect to the Far East region as a whole." Secretary of Defense Letter to Secretary of State, 17 August 1954.....	725
200. Secretary Dulles replies to the JCS: 4 preconditions with the assertion that "one of the most efficient means of enabling the Vietnamese Government to become strong is to assist it in reorganizing the National army and in training that army." Even though Vietnam could not meet the U.S. prerequisites, Dulles believes that strengthening the army was a prerequisite to political stability. Secretary of State Memorandum to Secretary of Defense, 18 August 1954.....	728
201. The U.S. policy with respect to Southeast Asia provides for negotiating a collective security treaty, considers appropriate action in the event of local subversion, and outlines political and covert action. NSC 5429/2, 20 August 1954.....	731
202. The President has approved the policy that henceforth aid to Indochina would be direct rather than through the medium of the French Government. Further, State feels the Government should respond affirmatively to Cambodia's request for assistance in training the Royal Cambodian Army. Secretary of State Letter to Secretary of Defense, 26 August 1954.....	742
203. Australia welcomes establishment of SEATO and is prepared to make an increased military contribution to the defense of the area. Australian <u>Aide-Memoire</u> , 31 August 1954.....	743

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204. The Manila Conference delegate submits comment on the SEATO treaty articles of special concern to Defense. Among these are: "Article IV is the heart of the treaty" -- and provides that aggression against any member, or, by agreement, any nation in the area, would be met by action in accordance with "constitutional processes"; Article V establishes a council which provides for "machinery" to achieve Treaty objectives; and Article VII provides that other nations may be invited to accede to the Treaty. ISA Memorandum for Secretary of Defense, 14 September 1954.....	746
205. Diem has not demonstrated the necessary ability to deal with practical politics and administration. France, apparently with no policy toward South Vietnam, has failed to support Diem. Trends indicate enhanced prospects of Communist control over the area. SNIE 63-6-54, 15 September 1954.....	751
206. Ambassador Heath goes on record with a strong criticism of General O'Daniel's "impetuous action" in contacting General Hinh concerning the political crisis in Saigon. O'Daniel prefers Hinh to Diem and rejects the exiling of Hinh to the United States as requested by Diem. Ambassador Heath Letter to State, 16 September 1954.....	753
207. The JCS see the Geneva cease-fire agreement as a major obstacle to the introduction of adequate U.S. MAAG personnel and of additional arms and equipment. Further, because of "uncertain capabilities of the French and Vietnamese to retrieve, retain, and reorganize the dispersed forces of Vietnam," U.S. support to the area should be accomplished at "low priority." JCS Memorandum for Secretary of Defense, 22 September 1954.....	756
208. The JCS recommend against the assignment of a training mission to MAAG, Saigon in view of the unstable political situation in South Vietnam. JCS Memorandum to Secretary of Defense, 22 September 1954.....	759
209. Total tonnage of MDAP material delivered to Indochina since December, 1950, is 737,000 tons. Prior to termination of hostilities, there were 500,000 tons of equipment and 20,000 vehicles in North Vietnam. As of 13 September, there are 450,000 tons of equipment to be evacuated from North Vietnam. Military Assistance Memorandum for ISA, 24 September 1954.....	761

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210. The U.S. and France agree to support Diem in the establishment of a strong, anti-Communist nationalist government. The five key elements recognized which can provide a chance of success are: Bao Dai, General Hinh and the National army, and the three sects. The Binh Xuyen sect, which controls the police and is tied to Bao Dai, is to be isolated from Bao Dai and their strength minimized. TOSEC 9, 30 September 1954.....	765
211. Secretary Dulles feels that U.S. policy on the magnitude of force levels and costs for Vietnam should be based on NSC 5429/2 which provides for internal security forces under SEATO: "...it is imperative that the United States Government prepare a firm position on the size of forces we consider a minimum level to assure the internal security of Indochina." Dulles Letter to Wilson, 11 October 1954.....	768
212. Defense forwards Secretary Dulles letter (Document 204, page 746) to JCS and requests the JCS to reconsider their previous estimates (Document 202, page 742) in light of the more recent views of Dulles. ISA Memorandum for JCS, 14 October 1954.....	770
213. The JCS, in reply to the Secretary of State's letter of 11 October (Document 210, page 765), persist in their view that the U.S. should not participate in the training of Vietnamese forces. However, if "political considerations are overriding," then the JCS agree to assignment of a training mission to MAAG Saigon "with safeguards against French interference...." JCS Memorandum for Secretary of Defense, 19 October 1954.....	771
214. Dulles reports on a conversation with Mendes-France on the critical situation in Vietnam. The French position is that plans should be laid for another government structure in the event of a Diem failure. They stress the importance of utilizing the "thread of legitimacy deriving from Bao Dai...." Dulles requests the State Department estimate on the political situation. DULTE 5, 20 October 1954.....	775
215. A new approach to leadership training and "cross-fertilization between Western and Asiatic ideas" is proposed in a psychological operations concept entitled "Militant Liberty." The implementation of "Militant Liberty" -- a concept which "motivates indigenous people to work toward a common goal of individual freedom" -- is proposed on a test basis in Indochina as a joint military-CIA venture. Defense Memo for the CIA (Draft), 20 October 1954.....	776

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216. The State Department's estimate of the political situation is that Hinh holds a veto power over Diem; "jockeying for power and struggle for cabinet positions is resulting in paralyzing impasse"; French reference to "another structure of government" implies a "hankering to reestablish a political system" which might involve direct colonial-type controls by France; and, unless Diem receives U.S.-French support, his chances of success appear slight. Paris TEDUL 11 NIACT, 21 October 1954.....	780
217. This message contains the policy of the U.S. Government and instructions to the Ambassador and Chief of MAAG in Saigon necessary to carry out the provisions of NSC 5429/2 pertaining to training of Vietnamese armed forces. Draft Joint State-Defense Message, 21 October 1954.....	783
218. The OCB draft recommendations on training in Vietnam outline the U.S. role in assisting the reorganization and training of the Vietnamese armed forces and specifies the coordination required between the Ambassador and Chief, MAAG. The question of ultimate size of the Vietnamese forces and U.S. support is left for "later determination." NSC 218th Meeting, 22 October 1954.....	789
219. The Report of the Van Fleet Mission to the Far East is discussed with President Eisenhower. General Van Fleet's views are "somewhat different from present policies." As Van Fleet states the problem: "The problem before us is the failure of U.S. leadership in the Far East....the future will reveal other prices we must pay for the free world defeat in Indochina." White House Memorandum for General Bonesteel, 25 October 1954.....	792
220. Diem is insisting on getting rid of General Hinh. Eisenhower's letter to Diem is being interpreted as superseding Washington agreements, that Diem has "full rein" without meeting the precondition of "forming a strong and stable government." The President's letter can also be exploited by the Viet Minh and is causing the French concern. State Memorandum of Conversation, 26 October 1954.....	798
221. Secretary Dulles forwards the main points of General Collins' recommendations regarding force levels in Vietnam. In summary, the points are: (1) it would be disastrous if the French Expeditionary Corps (FEC) were withdrawn prematurely; (2) the U.S. should continue to subsidize the FEC; (3) the Vietnamese Army should be	

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down to 77,000 and under Vietnamese command by July 1955; (4) the U.S. should assume training responsibility by 1 January 1955; and (5) the French are agreeable to a slow build-up of MAAG. Dulles Memorandum for the President, 17 November 1954.....	800
222. The French Ambassador is informed by the FOA that, sub- ject to agreement, the U.S. contemplates \$100 million support for the FEC in Indochina for CY 1955. The Defense Department has "never agreed to the original position paper," which is based on General Collins' recommendations, without details of his calculations. ISA Memorandum for Record, 24 November 1954.....	802
223. Senator Mansfield states his conclusions based on General Collins' analysis of the Vietnam situation: (1) prospects for Diem "look very dim," elections in 1956 would probably favor the communists; (2) the U.S. should continue to support Vietnam as long as possible; (3) he sees no alternative to Diem; (4) he is certain refugees, Catholic bishops and church officials would oppose replacement of Diem; (5) Paris should urge Bao Dai cease his interference and support Diem; (6) and Diem should be encouraged to compromise on issues. State Memorandum of Conversation, 7 December 1954.....	806
224. The French Government is considering the decision to accelerate withdrawal of the FEC and evacuation of civilians as a direct result of the U.S. decision to provide only one-third the amount requested for maintenance of the FEC in 1955. Paris 2448 to Dulles, 9 December 1954.....	809
225. Diem "passes the buck" of convincing the sect leaders not to oppose the appointment of Dr. Quat as Defense Minister to the U.S. Collins is convinced that Diem and his brothers, Luyen and Nhu, are afraid of Quat or any strong man in control of the armed forces since with "spineless General Ty" as Chief of Staff, Diem has effectively seized control of the army. Further, Collins comments on the alternatives to Diem Government; though the alternative of gradual with- drawal from Vietnam "is least desirable, in all honesty, and in view of what I have observed here to date it is possible this may be the only sound solution." Collins (Saigon) 2250 to Dulles, 13 December 1954.....	811
226. The Defense Department reviews the military aid situ- ation in Indochina including the value of MDAP ship- ments (\$1,085 million) and losses of equipment at Dien	

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Bien Phu (\$1.2 million) which included 8 tanks, 24 howitzers, and 15,000 small arms. Defense Letter to Senate Foreign Relations Committee, 14 December 1954.....	818
227. Collins is convinced that "Diem does not have the capacity to unify divided factions in Vietnam" and unless decisive action or dramatic leadership galvanizes the country into unified action "this country will be lost to communism. "Apparently, the only Vietnamese who might be competent...is Bao Dai." It is recommended that the U.S. not assume responsibility for training on 1 January 1955, or give direct military aid. Collins 2303 for Dulles, 16 December 1954.....	820
228. Ambassador Heath suggests that General Collins' recommendations ignore the basic factor that withholding aid from Diem would assist a communist takeover. Dulles has analyzed our situation in Vietnam as a "time buying operation" and Heath recommends continued support of Diem in spite of a "Bao Dai solution." The fear that \$300 million plus our national prestige would be lost in a gamble" is a legitimate one, but withholding our support would "have a far worse effect." Heath Memorandum to FE, 17 December 1954.....	824
229. Tripartite discussions on Indochina are summarized. To Secretary Dulles desire to continue strong support of Diem, Ely indicates that he and Collins have exerted pressure without result and "were now convinced that it was hopeless to expect anything of Diem." Ely feels that he and Collins must decide now "whether Diem was really the man capable of national union." Four points are agreed upon: (1) support Diem, (2) study alternatives, (3) investigate timing of replacement, and (4) (added by Dulles) how much more U.S. investment should be made in Indochina if it is decided there is no good alternative to Diem? Paris 2601 to State, 19 December 1954.....	826
230. The President approves NSC 5429/4 as amended and adopted by the Council as NSC 5429/5. This statement on current U.S. policy in the Far East deals with the primary problem of the threat to U.S. security resulting from communist expansion in China, Korea, and North Vietnam. NSC 5429/5, 22 December 1954.....	835
231. Dulles spells out guidelines for future U.S. actions in Indochina: (1) we must create such a situation	

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- that the Viet Minh can take over only by internal violence; (2) investment in Vietnam is justified even if only to buy time, we must be flexible and proceed carefully by stages; (3) "we have no choice but to continue our aid to Vietnam and support of Diem"; (4) Bao Dai's return would not solve the problem; (5) revitalization of National army is hope for an improved security condition; (5) and "something should be done on our side" to exploit land reform issue. Dulles 2585 to Collins (Saigon), 24 December 1954..... 853
232. Collins refutes most of the comments of Ely and Mendes made at the tripartite discussion and is disturbed over some of the suggestions and attitudes of Mendes and Eden. He feels that he should be in Washington in January if the NSC is to re-evaluate U.S. policy to avoid misunderstandings. Collins 2455 to Dulles, 25 December 1954..... 856
233. Secretary Dulles decides that the U.S. should proceed as scheduled and "take the plunge" and begin direct aid to Vietnam on 1 January and move ahead on MAAG negotiations in Cambodia. Dulles feels that the JCS prerequisite on eliminating the French from Cambodia is "too legalistic and unrealistic." State Memorandum for the Record, 29 December 1954..... 859

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234.	In light of the unstable situation in South Vietnam and conflicting views between General Collins and the State Department, Secretary Wilson requests the JCS to "reconsider" U.S. military programs in Southeast Asia. Secretary of Defense Memorandum for JCS, 5 January 1955.....	860
235.	The JCS provide additional courses of action in Vietnam to the Secretary of Defense. Specifically, (1) to continue aid; (2) to unilaterally institute an "advisory system"; (3) if (1) and (2) fail, to deploy unilaterally or with SEATO; (4) or to withdraw all U.S. support from South Vietnam and "concentrate on saving the remainder of Southeast Asia." JCS Memorandum for Secretary of Defense, 21 January 1955.....	862
236.	General J. Lawton Collins reports on the situation in South Vietnam. The major factors which will affect the outcome of U.S. efforts are: (1) Viet Minh strength and intentions; (2) French attitude and intentions; (3) sects attitudes and intentions; (4) Vietnamese armed forces loyalties; (5) free Vietnam economy, and (6) Diem's popular support. There is no guarantee that Vietnam will remain free with U.S. aid -- but without it, "Vietnam will surely be lost to communism." Memorandum for the National Security Council, 24 January 1955.....	864
237.	The Planning Board recommends approval of the Collins Report. NSC 234th Meeting, 27 January 1955.....	883
238.	The JCS recommend a concept and plans for the implementation, if necessary, of Article IV.1., of the Manila Pact (SEACDT). The primary objective is deterrence of "overt aggression by China or other Communist nations." The concept relies on development of indigenous forces and readiness to retaliate with U.S. power on the aggressor. JCS Memorandum for Secretary of Defense, 11 February 1955.....	885
239.	This memorandum describes the Department of Defense contribution to and participation in the Bangkok Conference on SEACDT. DOD Memorandum, forwarded 29 March 1955.....	888
240.	The U.S. proposal on elections is based on Eden's plan at Berlin, i.e., Free Vietnam will insist to the Viet Minh that no discussions on the type, issues, or other factors of elections are possible unless the Viet Minh accept the safeguards spelled out. Dulles 4361 to Saigon, 6 April 1955.....	892

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241. General Collins submits a seven step recommendation which centers on getting rid of Diem and reorganizing the government structure. Collins 4448 to Dulles, 9 April 1955.....	894
242. Diem exists by reason of U.S. support despite French reluctance. If the French view prevails, "removal of Diem... may well be interpreted in Vietnam and Asia as an example of U.S. paying lip service to nationalist cause, and then forsaking a true nationalist leader when 'colonial interests' put enough pressure on us." Dulles 4438 to Saigon, 9 Apr 55..	907
243. Bao Dai recommends that the U.S. agree with the French to create a "Supreme Council" or "Council of Elders" to govern in place of Diem. The Binh Xuyen could have been used in the common effort if "Diem had not bungled matters." Bao Dai cannot rule for Diem by decree and considers Diem's strength as a "mockery." Paris 4396 to Dulles, 9 Apr 55.....	910
244. Ely disagrees with the U.S. on maintaining Diem in office. The worsening situation is attributed to Diem by the French and "only by surgery, that is removal of Diem, can the country be saved." Ely feels that if Diem is retained, he could not be the responsible French representative or remain in Saigon. Saigon 4661 to Dulles (Excerpts) 19 Apr 55.....	912
245. Diem is seen as a barrier to forming an interim government and the gap between him and other elements in the society is becoming wider. The U.S., however, warns Vietnamese leaders that if Diem is removed as a "sect victory" it would be "difficult to obtain popular support in the U.S. for continuation of U.S. aid." Saigon 4662 to Dulles, 20 Apr 55.....	915
246. Diem announces to the U.S. his willingness to accept a coalition in the government but on his terms. This uncompromising attitude leads Collins to remark: "I see no alternative to the early replacement of Diem." Saigon 4663 to Dulles, 20 Apr 55.....	918
247. Conclusions and recommendations are offered as a basis for future Department of Defense positions on the subject of South Vietnam. Key recommendations made are: to determine U.S. military action within the scope of SEACDT to prevent the loss of Southeast Asia as a result of the loss of South Vietnam, and to postpone indefinitely the elections proposed by Geneva Accords for Vietnam. ISA Letter to State Department, 22 Apr 55.....	923

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248. In a debriefing, General Collins is firmly convinced that it will be to the detriment of U.S. interests to continue to support Diem. ISA Memorandum, 25 April 1955.....	937
249. The U.S. tentatively proposes to maintain full support to Diem until an alternative supported by Bao Dai is developed. Dulles 4757 to Saigon, 27 April 1955.....	941
250. The State Department is being forced to take a strong stand for Diem. Senator Mansfield is a strong backer of Diem and if Diem is forced out, there will be "real difficulties on the Hill." K.T. Young Memorandum for Robertson, 30 April 1955.....	945
251. Bao Dai registers strong complaints against U.S. support of Diem, U.S. inaction which allowed the present civil strife, and against U.S. failure to urge Diem to go to France. Diem, in Bao Dai's opinion, is a "psychopath who wishes to martyrize himself." Paris 4746 to Dulles, 30 April 1955.....	948
252. It is predicted that the success of Diem against the Binh Xuyen, Bao Dai, the French and General Vy has created a potentially revolutionary situation in Vietnam and, given U.S. support and French acquiescence, Diem is expected to stabilize the situation in Saigon. SNIE 63.1-2/1-55, 2 May 1955.....	955
253. Tripartite discussions again reveal basic disagreement. The French conclude: "Diem is a bad choice...without him some solution might be possible but with him there is none...What would you say if we <u>France</u> were to retire entirely from Indochina..." SECTO 8, 8 May 1955.....	959
254. The French are increasingly bitter toward Diem and convinced he must go. Steps are suggested to reconstitute a joint Franco-American approach to the situation. Among these are steps to reduce the French garrison in Saigon, replace Ely, and form a course of action after the crisis is over which persuades Diem to reorganize his government or else get rid of him. Saigon 5074 to Dulles, 8 May 1955.....	967
255. The JCS reject both alternatives suggested by Dulles as solutions to the Vietnam problem. The JCS recommend that Dulles be advised that Diem shows the most promise for achieving internal stability, that the U.S. cannot guarantee security of French nationals, and that U.S. actions under SEATO could possibly replace FEC presence. JCS Memorandum for Secretary of Defense, 9 May 1955.....	971

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256. A move to deal with Diem to protect French civilians in order to get the French to withdraw "would clearly disengage us from the taint of colonialism..." General Bonesteel Memorandum, 9 May 1955.....	975
257. The recommendations of the report of the Military Staff Planners Conference, SEACDT and the recommended JCS actions are summarized. The basic report is omitted. See Document 258, page 984. JCS Memorandum for Secretary of Defense, 2 June 1955.....	976
258. The NSC recommends and President Eisenhower approves that NSC recommendations as to U.S. policy on all Vietnam elections are not required and that in the event of renewal of Communist hostilities, U.S. policy would be governed by NSC 5429/5. Memorandum for the NSC (NSC 1415), 13 June 1955.....	984
259. A summary of those portions of the Report of the Staff Planners Conference which have political significance are forwarded to the Secretary of State. The parts summarized concern terms of reference for military advisors organization to SEACDT, measures for improving defensive effectiveness through mutual aid and self-help, signal communications, and future organizational structure. JCS Memorandum for Secretary of Defense, 1 July 1955.....	985
260. In probable developments before July 1956, North Vietnam (DRV), though confronted by serious economic problems, will consolidate its control north of the 17th parallel. The DRV army has increased in strength but will probably not attack Laos before mid-1956. Tactics are likely to include activation of guerrilla units in South Vietnam and their reinforcement by infiltration from the North. NIE 63.1-55, 19 July 1955.....	993
261. The consequences of selected U.S. courses of action are estimated in the event of Viet Minh aggression against South Vietnam. While overt aggression is unlikely, U.S. efforts at undertaking other steps to convince the Viet Minh that aggression will be met with intervention are expected to render overt aggression even less likely. Failure to intervene however, could signal an expanded Communist Chinese effort in Asia. SNIE 63.1-4-55, 13 September 1955.....	997

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262. The JCS assess the implications of U.S. military operations to repulse and punish overt Viet Minh aggression or to destroy Viet Minh forces and take control of North Vietnam in the event of renewed hostilities. Secretary of Defense Memorandum for NSC, 15 September 1955.....	1001
263. The State Department relates the political actions necessary under a deterrent strategy and in a situation of overt Viet Minh aggression. In either situation, the U.S. has to provide substantial economic assistance. State Department Draft Study, 6 October 1955.....	1016
264. The Staff Planners conclude that the successful defense of South Vietnam, Laos and Cambodia is wholly dependent on timely deployment of SEATO forces, an unlikely event, or on the use of nuclear weapons to reduce force requirements. Other conclusions and recommendations are made which deal with overt attacks, combating subversion, logistics, and psychological warfare. SEACDT Military Staff Planners Conference, 16 November 1955.....	1020
265. Asian members of SEATO are pressuring for a "permanent SEATO Council and Military Staff organization." The U.S. position to avoid such a commitment is rapidly becoming untenable. The Asian signatories to SEACDT are losing faith in SEATO as a deterrent for communist expansion. ISA Memorandum for Secretary of Navy, 16 December 1955.....	1043

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266.	ISA proposes a letter be sent to Secretary Dulles requesting additional U.S. personnel be sent to Vietnam to protect against vast losses of MDAP equipment and to arrange with the French for implementing the Collins-Ely agreement. Secretary of Defense Letter to Secretary of State, 31 January 1956.....	1046
267.	The position of the government of South Vietnam is appreciably stronger than it was a year, or even six months ago. New crises are expected in 1956, in view of the CHICOM request for reconvening Geneva, the absence of election prospects, and increased opposition to Diem. Intelligence Brief No. 1876, 7 February 1956.....	1048
268.	The President approves the statement on basic national security policy which has as its objective the preservation of U.S. security. The basic threat is posed by hostile policies and power of the Soviet-Communist Bloc; and the basic problem is to meet and reduce the threat without undermining the fundamental U.S. institutions or economy. NSC 5602/1, 15 March 1956.....	1051
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269.	The State Department informs Defense of the understanding that TERM personnel will perform functions of training which are inseparable from tasks of recovering and maintaining MDAP equipment. Only formal approval by the ICC is necessary for the TERM to arrive in Vietnam. State Letter to Secretary of Defense, 1 May 1956.....	1057
270.	The Army states its position on the Southeast Asia issue. Specifically, the U.S. should qualify its position with neutral nations, should allocate the major proportion of U.S. resources into economical and technical assistance, should assist indigenous forces to provide internal security, should prepare to intervene against aggression, and should oppose continuance of colonialism. Army Memorandum for NSC Planning Board, 20 June 1956.....	1060
271.	The President approves U.S. military action to encourage Vietnamese military planning for defense against external aggression and to manifest other ways to assist Vietnam to defend itself in accordance with the Manila Pact. Secretary of Defense Memorandum for JCS, 16 July 1956.....	1064

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272. The intelligence estimate of the political, economic, and military situation in Vietnam through mid-1957 concludes that: (1) DRV will not attempt an invasion of South Vietnam; (2) the trend toward stability in South Vietnam will continue barring invasion, guerrilla action, or death of Diem; (3) basic economic progress will be slow; and (4) significant sect resistance has been eliminated, but 8-10,000 armed communists pose a serious internal security problem. NIE 63-56, 17 July 1956.....	1066
273. The President approves NSC 5612 statement of U.S. policy in mainland Southeast Asia. This policy treats the Viet Minh as not constituting a legitimate government and sets forth actions to prevent the Viet Minh from expanding their political influence and territorial control in Free Vietnam and Southeast Asia. NSC 5612/1, 5 September 1956.....	1082
274. The JCS recommend that the United States make no specific force commitments to the SEATO, but that the Military Advisor inform SEATO nations of the U.S. forces deployed and available to the Pacific for contingency planning. JCS Memorandum for Secretary of Defense, 16 November 1956....	1096

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275. Defense urges the State Department to seek international concurrence in the abolition of the ceiling on MAAG personnel in Vietnam in order to fulfill increased training requirements resulting from withdrawal of French training missions. ISA Memorandum to State, 15 April 1957..... 1098
276. Vietnam seems clearly persuaded that its interests lie in stronger affiliation with the Free World. The Army in Vietnam is now capable of insuring internal security. 321st NSC Meeting, 12 May 1957..... 1100
277. The prospects for North Vietnam for the next year are estimated. Essentially, it is concluded that the DRV remains in firm control even though there have been outbreaks of sporadic violence, that the DRV would attack only if Moscow and Peiping were sure that the U.S. would not intervene, and that the DRV will continue its tactics of "peaceful competition." NIE 63.2-57, 14 May 1957..... 1101
278. President Diem discusses his plans and programs with Deputy Secretary Donald Quarles. Among these are the resettlement programs, road building, the SEATO plan, and reorganizing the Army structure to include an increase in strength to 170,000. ISA Memorandum for Record, 15 May 1957..... 1103
279. Progress is reported in developing a representative government in Vietnam. Executive leadership is strong but effective counter measures against non-violent Communist subversion remains a priority requirement. NSC Planning Board Meeting, 26 November 1957..... 1108
280. The NSC considers a progress report on U.S. policy on mainland Southeast Asia (NSC 5612/1) which is essentially the same as the Planning Board report. 347th NSC Meeting, 5 December 1957..... 1111
281. NSC 5809 reaffirms that the national independence of Southeast Asia is important to the security interests of the United States. NSC 5809 contains draft revisions of NSC 5612/1. A statement of policy on the special situation in North Vietnam is included which continues to treat the Viet Minh as not constituting a legitimate government. NSC 5809, 2 April 1958..... 1113
282. In general, the U.S. is achieving its objectives in Vietnam. Major problems which exist consist of the continued dependence on foreign aid, political and security problems of the Diem Government. Both military and economic assistance will be reduced in FY 58 and FY 59, compared to FY 57. OCB Report on Southeast Asia, 28 May 1958..... 1134

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283.	Draft editorial amendments of NSC 5429/5 are forwarded to the National Security Council for consideration. Substantive change in U.S. policy is not intended but elimination of ambiguity in use of the term "hot pursuit" where doctrinal meaning in international law conflicts with use in NSC 5429/5. JCS study on "hot pursuit," 23 October 1958, is included. Memorandum for the NSC, 5 January 1959.....	1148
284.	Vietnam displays serious concern about developments in Laos, Cambodia's recognition of Communist China, and the U.S. position in the Taiwan straits. Major problems facing the U.S. are Diem's internal political position, internal security, and economic development. CIA analysis and financial summaries of assistance programs to Southeast Asia are included. OCB Report on Southeast Asia, 7 January 1959.....	1156
285.	Defense (ISA) suggests that it is advisable to withhold the replacement of F-8F aircraft in VNAF with AD-4 type aircraft. Defense Memorandum for JCS, 22 January 1959.....	1183
286.	The JCS recommends improvement of Tan Son Nhut Airfield and Tourane Airfield be improved for jet aircraft "under the guise of commercial aviation." JCS Memorandum for Secretary of Defense, 19 March 1959.....	1184
287.	Responsibilities within the Defense Department are assigned for the twenty courses of action in the OCB "Operation Plan for Vietnam." Among the courses of action are: popularize the image of Vietnam among neutralists, probe weaknesses of the Viet Cong, develop maximum combat capabilities of RVNAF, and encourage GVN to maintain an effective Self-Defense Corps. ISA Memorandum for JCS, 20 May 1959.....	1185
288.	An intelligence analysis of the situation in Vietnam and estimates of probable developments conclude that (1) the prospect of reunification of DRV and GVN is remote, (2) Diem will be President for many years by repressing opposition via the Can Lao political apparatus, (3) internal security forces will not be able to defeat DRV supported guerrilla and subversive forces, (4) GVN will continue to rely heavily on U.S. aid, (5) and DRV is in full control of North Vietnam and likely to continue harassment of GVN and Laos. NIE 63-59, 26 May 1959.....	1190

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289. The Department of State submits a draft revision of NSC 5429/5, U.S. policy in the Far East. The principle objectives of U.S. policy should be: (1) preservation of territorial and political integrity of Asian nations against communist expansion, (2) deterrence of local or general war, (3) bring about desirable changes in the Communist Bloc, (4) strengthen the economic, political and military position of the Free Far East, (5) promote Free World unity, and (6) identify the U.S. with Asian aspirations. NSC Memorandum for the Planning Board, 29 June 1959..... 1196
290. The JCS submits their and the Services' views on U.S. policy in the Far East. "The U.S. faces a delicate problem in presenting its Far Eastern policy to the world. A U.S. policy will not be very sympathetically received if it is presented in the purely negative terms of preventing communist expansion or the reduction of its power." JCS Memorandum for NSC Staff, 14 July 1959..... 1211
291. A resurgence of tensions between Vietnam and Cambodia threatens to frustrate U.S. objectives in Cambodia. In Vietnam the Diem Government continues its strong controls which antagonize the Vietnamese elite. "Vietnamese military forces have improved under the MAAG training program." OCB Report on Southeast Asia, 12 August 1959..... 1236
292. An intelligence analysis of Communist capabilities and intentions in Laos concludes that the Communist resumption of guerrilla warfare in Laos is a reaction to initiatives of U.S. support of Laos. The chances of Communist success are high at a low risk. Non-Asian forces intervening in Laos increase the likelihood of Communist invasion, but preference would be to diplomacy, propaganda, and guerrilla action to cause the West to back down. SNIE 68-2-59, 18 September 1959..... 1242
293. The U.S. seeks to increase the MAAG ceiling on personnel before furnishing the ICC with plans for withdrawal or phase-out of TERM. ISA Memorandum for Joint Staff, 20 October 1959..... 1248

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294.	The evolution of political conditions necessitates that policy guidance should be directed at the problem of dealing with Sihanouk of Cambodia, "by all odds the major single factor in Cambodia and the principal target of U.S. policy." Further, the guidance of NSC 5809 is not adequate to cope with the situation in Laos. OCB Special Report on Southeast Asia, 10 February 1960.....	1249
295.	The Vietnam Country Team prepares a special report on the current security situation in Vietnam. "...the rural population is generally apathetic towards the Diem Government and there are signs of considerable dissatisfaction and silent opposition." Without support of the rural population, no final solution can be found to the internal security problem. Militarily, the GVN organization lacks unity of command. The situation is summed up. "...the government has tended to treat the population with suspicion or to coerce it and has been rewarded with an attitude of apathy or resentment." Saigon 278 to State, 7 March 1960.....	1254
296.	Williams testified that he was working "MAAG out of a job" and this is impressive to Senator Mansfield and the Foreign Relations Committee. Mansfield requests information on the situation which now requires "the addition of 350 men to the MAAG." Mansfield Letter to Lt General Williams, 5 May 1960.....	1276
297.	Williams replies that the 350 spaces referred to are the TERM personnel now in deactivation. The turnover of TERM spaces to MAAG ends the "subterfuge as actually TERM has had the undercover mission as logistical advisers since activation." Williams MAGCH-CH91 to OSD (for Mansfield), 20 May 1960.....	1279
298.	The President approves changes in NSC 5809 and directs implementation as NSC 6012, "U.S. Policy in Mainland Southeast Asia." Policies toward Vietnam are essentially unchanged. NSC 6012, 25 July 1960.....	1281
299.	Developments in South Vietnam indicate an adverse trend and if they remain unchecked will almost certainly cause the collapse of President Diem's regime. SNIE 63.1-60, 23 August 1960.....	1298

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300. The U.S. assesses the possible coup groups in Saigon (e.g. peasants, communists, labor, students, Catholic refugees, sects, police and Army) and concludes that long term effects of any demonstration depends on the attitude of the Army. Saigon 538 to State, 5 September 1960.....	1302
301. Lansdale offers several proposals to meet the threat to security posed by the Viet Cong in Vietnam. Specifically, he recommends shifting the MAAG function emphasis to assistance on tactical operations, increasing the MAAG staff, priority be given to furnishing selective equipment, more emphasis on counter-guerrilla intelligence training, and certain actions on activities of the Civil Guard, civic action, and MAP requiring interagency coordination. Lansdale Memorandum for ISA, 13 September 1960.....	1307
302. The Diem regime is confronted by two separate, but related dangers -- a non-communistic coup attempt in Saigon and gradual Viet Cong extension of control in the countryside. U.S. objectives rest on a strongly anti-communist but popularly supported government; continued failures by Diem is cause to seek alternative leaders. Saigon 624 to State, 16 September 1960.....	1311
303. The U.S. suggests numerous political actions to President Diem, among them are Cabinet changes, more responsibility for Cabinet members, alteration of the Can Lao Party from a secret organization to a normal political party, investigation of Government departments by the National Assembly, freer press functions, and measures to enhance the Government's support in rural areas. In addition, it is suggested that Ngo Dinh Nhu, the President's brother, be given an ambassadorial post outside the country. Saigon 157 to State, 15 October 1960.....	1317
304. Diem's responses to the suggestions for political action and removal of Nhu outwardly show no resentment. Saigon 802 to State, 15 October 1960.....	1323
305. The U.S. urges preparation of an over-all plan, acceptable to GVN, for integration and centralized direction of maximum resources to combat the insurgency. DOD-State 658 to Saigon, 19 October 1960.....	1325
306. U.S. urges Diem and the coup leaders to reach a quick agreement and avoid further bloodshed. Herter 775 to Saigon, 11 November 1960.....	1327

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307. Lansdale suggests that, in light of the abortive coup against Diem, General McGarr's role should be expanded to permit freer contact with President Diem. Ambassador Durbrow has apparently lost "personal stature" with Diem and should be removed. Lansdale Memorandum for Secretary of Defense, 11 November 1960.....	1328
308. Diem may react firmly toward the coup leaders since there are similarities to the circumstances of the 1954 attempt. Also Diem is probably now very suspicious of Ambassador Durbrow. State Cable 775 invited Durbrow to engage in this "demoralizing meddling in Vietnam's affairs." Lansdale Memorandum for Douglas, 15 November 1960.....	1330
309. The JCS consider that there is a valid requirement to increase the helicopter lift capability of the Vietnamese armed forces at this time, in view of the deteriorating internal security situation in Vietnam. JCS Memorandum for Secretary of Defense, 1 December 1960.....	1332
310. Nhu and Diem are rankled by American press stories on "autocratic regime." There is below the surface talk of another coup. The coup has increased chances of neutralism and anti-Americanism among GVN critics. It is recommended to continue to urge Diem to adopt effective programs even though the situation in Vietnam is highly dangerous to U.S. interests. Saigon 1151 to State, 5 December 1960.....	1334
311. The U.S. assessment of the Laotian situation is that, if present trends continue, it will remain one of "confusion, drift, and disintegration....Laos is heading toward civil war." SNIE 68-60, 6 December 1960.....	1340
312. The Bon Oum Government is in control, but faces critical problems in the continuing Laos situation. Immediate matters of concern are to bolster Phoumi forces, forestall Nehru on reconstituting the ICC, and assumption by the U.S. of primary advisor status. 470th NSC Meeting, 20 December 1960.....	1346
313. Diem stresses his need for 20,000 additional troops. Diem states also that corvee labor is the only way to collect "equivalent taxes" from peasants. Durbrow urges adoption of liberalizing programs. Saigon 1216 to State, 24 December 1960.....	1348

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314. Ambassador Durbrow hands a memorandum on liberalization to President Diem. Specifically, suggestions are made to: (1) publicize budget hearings, (2) authorize the Assembly to conduct investigations, (3) work out an effective press code, (4) and grant broader credit to the peasants. Saigon 264 to State, 27 December 1960..... 1353

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315.	Defense reviews its files to determine the actions taken with State concerning Defense requirements for facilities in Vietnam, Laos, and Thailand. No requests for facilities in Laos or Vietnam have been made to State except for correspondence or improvement of two airfields in Vietnam. ISA Memorandum for NSC, 4 January 1961.....	1356
316.	The Counter Insurgency Plan (CIP) for South Vietnam is submitted for approval to Washington. MAAG prepared most of the CIP which is based on State and DOD guidance. Some of the recommendations set forth have already been communicated to GVN. The Country Team is not unanimous, however, on the recommended 20,000-man increase in RVNAF -- Durbrow maintains reservations. The CIP, which is an enclosure to Tele 276, is not reproduced here. Saigon 276 to State, 4 January 1961.....	1357
317.	President Eisenhower meets with President-elect John F. Kennedy on the subject of Laos. Attendees are Dean Rusk, Robert McNamara, Douglas Dillon, and Clark M. Clifford. Eisenhower gives the impression that if Laos applies for SEATO aid, the obligation of the U.S. and other signatories is binding. Eisenhower says that "Laos is the key to the entire area of Southeast Asia" -- if Laos falls, then all the area is written off. Kennedy asks "how long it would take to put a U.S. division into Laos." Memorandum of Eisenhower-Kennedy Conference, 19 January 1961.....	1360

1953



SECRET
DEPARTMENT OF THE ARMY
OFFICE OF THE CHIEF OF STAFF
WASHINGTON 25, D. C.

15 January 1953

MEMORANDUM FOR: ASSISTANT TO THE SECRETARY OF DEFENSE FOR INTERNATIONAL SECURITY AFFAIRS

SUBJECT: Military Aid to Indo China

Reference General Collins' remarks concerning military aid to Indo China at the Armed Forces Policy Council on 13 January 1953, General Collins asked me to send you the attached copy of a letter which he received on this subject from General Trapnell.

1 Incl
Cy ltr to Gen Collins
fm Gen Trapnell. dtd
20 Dec 52

John C. Oakes
JOHN C. OAKES
Brigadier General, GS
Secretary of the General Staff

Col. M. S. ...

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HEADQUARTERS
MILITARY ASSISTANCE ADVISORY GROUP,
INDO-CHINA
SAIGON (Vietnam)

20 December 1952

Dear General Collins:

It became increasingly evident after my arrival in Indo China and seeing the terrain, visiting the troops, and knowing the type of combat, that the most important and immediate need to the successful conclusion of the war in Indo China was more troops. During the past year, the Vietnamese Army has been organized as scheduled. However, most of these units have been activated by merely transferring and renaming units in the Vietnamese Army which were already in being in the French Colonial Army. I am convinced that additional Vietnamese battalions, over and above the units approved for support by the Joint Chiefs of Staff, should be activated.

In an informal conversation, the matter was discussed with General Salan who agreed to the need but felt that the cost of many additional battalions and the cadre requirements were beyond the capacity of France to support, but that a realistic number should be set up to be supported and trained. In order to have a clear picture of the requirements, a study was made on the basis of an additional forty (40) battalions.

In a short conference with General Alessandri, Military Advisor to His Majesty Bao Dai, he stated that he recognized the immediate need for additional Vietnamese troops, and he explained to me his concept for the organization of additional battalions. These troops would be armed only with shoulder weapons, light machine guns, and 60-MM mortars and would be trained in maneuvers over mountainous terrain, capable of finding and destroying the enemy in his own territory. Each battalion would be cadred with a minimum of seven (7) French officers and thirty (30) French non-commissioned officers. French cadres would be furnished as far as possible from the Vietnamese battalions already in being, but which are at present being employed on a static guard-duty basis. Military schools would be expanded in order to permit the battalions to be ready for a combat assignment in December 1953.

This is an ambitious program, but one which (if implemented) will most surely bring this war to a quicker end. There is no problem as to manpower availability. The equipment required can be met by substitution of items already scheduled for programming in the FY 1954 MDA Program; however, the big problem is the money necessary for the pay, rations, and individual equipment. The French state that this is beyond the financial capacity of the Vietnamese Government or France. Their estimate for these additional forty (40) battalions is twelve (12) billion francs for equipment and seventy (70) billion francs a year for maintenance. This figure is high in comparison with our estimate, because it includes the construction cost for schools and barracks, as well as pay, rations, ammunition, POL, and clothing. The French staff is now drawing up plans for this proposed expansion.

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The French Air Force in Indo China has been hampered by (1) a late delivery of MDAP programmed items and (2) a personnel ceiling imposed by Metropolitan France, which is well below that required to do an efficient job. The types and number of aircraft assigned are, in general, satisfactory for support of ground actions. In the case of airborne operations involving considerable number of troops, additional airlift and personnel must be brought in for temporary periods. Since greater emphasis has been placed upon this theatre and a high supply priority established, the supply picture has improved considerably in the past three (3) months and shows every indication of being completely relieved in another three to six months. The personnel shortage, however, will remain and will continue to adversely affect operations. The French have placed an arbitrary ceiling of 10,000 air-force personnel for FIC and we believe this figure is about 5,000 short of that needed for efficient operations of the total number of aircraft currently assigned and employed. A conservative estimate indicates that the French Air Force could double its sortie rate with even a 33% increase in personnel.

In addition to the military problem there are political, economic, and social considerations which must be solved. An extensive psychological warfare program can and must be implemented. Also the French must change their tactical thinking from defensive action to one of vigorous offense.

The Viet Minh launched their winter offensive in Tonkin on 15 October 1952, taking the French by surprise not only as to time (three weeks earlier than anticipated), but also as to the direction and objective. The enemy has consequently retained the initiative ever since. However, operation LORRAINE (combined airborne-ground maneuver), initiated by the French-Vietnamese forces on 10 November, successfully cut off the Viet Minh divisions from their Chinese supply routes and overran substantial forward supply dumps. On 26 November, the French withdrew their forces back into the perimeter in order to release several Groups Mobile for action to counteract Viet Minh infiltration in the southern part of the Delta. Am convinced if the French could have remained in the PHU DOAN area and extended their operation to YEN BAY, the Viet Minh reaction would of necessity have been to reverse the direction of their operations, engage the French in that area to clear their supply routes, with the result that a decisive action would have resulted under conditions favorable to the French-Vietnamese forces.

General de Linares is still hoping to make a trip to Korea, but both he and General Salan feel that he should not leave at this time.

Sincerely,

/s/ T J H TRAPNELL
T. J. H. TRAPNELL
Brigadier General, USA
Chief

General J. Lawton Collins
Chief of Staff United States Army
Room 3-E-663
Pentagon
Washington 25, D. C.

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SECURITY INFORMATION

19 JAN 1953

MEMORANDUM FOR THE JOINT CHIEFS OF STAFF

SUBJECT: Broadening the Participation of the United States
in the Indochina Operation

In the memorandum of 14 November 1952 to the Secretary of Defense, concerning the Report of the Five Power Conference on Southeast Asia, the Joint Chiefs of Staff advised that, from a military viewpoint, it was desirable to aid the French to speed development of indigenous combat forces and to improve the supporting logistical and operating facilities.

Since an effective French-supported offensive in Indochina has failed to materialize and a continued stalemate is indicated, the Joint Secretaries have been requested, by memorandum, to consider United States support of a material augmentation of Vietnam Forces in Indochina. A copy of this memorandum is attached.

It is requested that the Joint Chiefs of Staff also undertake a reexamination of United States participation in the Indochina operation, giving special consideration to training of indigenous forces and maintenance of United States supplied equipment by United States personnel.

(signed) William C. Foster
Deputy Secretary of Defense

- 1 Attachment
Memo to Joint Secretaries
(copy) dtd 19 Jan at bottom
of page

cc: OISA

PRESIDENT EISENHOWER LINKS KOREA, MALAYA, AND INDOCHINA
STATE OF THE UNION MESSAGE, FEB., 2, 1953.

[extract]

In this general discussion of our foreign policy, I must make special mention of the war in Korea.

This war is, for Americans, the most painful phase of Communist aggression throughout the world. It is clearly a part of the same calculated assault that the aggressor is simultaneously pressing in Indochina and in Malaya, and of the strategic situation that manifestly embraces the island of Formosa and the Chinese Nationalist forces there. The working out of any military solution to the Korean War will inevitably affect all these areas.

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751G.55395B/2-1053: Top Secret File

OUTGOING TELEGRAM

Sent to: Amembassy SAIGON 1644 February 10, 1954 Z19537
EYES ONLY AMB FROM ALLISON 2:58 P.M.

Question of whether US could assist French in training of Vietnamese national levies has been examined from time to time. Conclusion reached generally negative because of language problem and also because of French sensitivities.

Nevertheless, it seems to us that French, Viets, ROKS and ourselves could profit from exchange of experience in this field.

I should therefore appreciate your view as to the possibility of arranging for exchange of missions between Korea and IC. Mission from IC could consist of French officers engaged in training national armies plus Viet, Cambodian and Laotian officer. Mission from Korea could consist of US officers plus one or more ROK officers. Idea would be that mission could examine training practices in other country with view to taking advantage useful features of experience in that country. Possibly after visits completed, two missions might have conference for purpose comparing notes and perhaps reaching certain conclusions or formulating recommendations.

If you think this idea presents possibilities, suggest you discuss it on informal and personal basis with Letourneau, Salan and perhaps Allard, and if they concur, with appropriate Vietnamese officials. Similarly, exploration will probably be conducted simultaneously with US and ROK officials in Korea.

We believe that carrying out of this exchange of training missions might produce not only concrete advantages

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in training field but would also from point of view of French and Vietnamese have political and psychological advantages. We are not now in a position to make commitments.

DULLES

FE:PSA:FWBonsal

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A-117 to Saigon, March 5, 1953.

February 2, 1953. France.

Foreign Minister Bidault stated that the French Government considers there is one single problem to contend with, essentially the same in Europe, Africa, Asia and elsewhere, namely the problem occasioned by Soviet pressure. The basic element of French foreign policy is the determination to maintain and reinforce the operation of NATO as an expression of the common will of the free world. He expressed his personal gratitude to the Secretary for the latter's statement on his arrival giving credit to France for their contribution to the common cause in Indochina.

Asia

Bidault reviewed the French contribution and manpower losses in Asia, recalled the erstwhile misunderstanding of the Indochina war as colonialist in nature, and expressed gratification at the present 'belated' recognition of the conflict as part of the world-wide struggle. He made indirect reference to the deneutralisation of Formosa: 'Initiatives on the entire Asiatic continent should in the French view be subject to joint discussions' since any such initiative could have immediate consequences for the French. China has no manpower problem, whereas France, which must meet pressures in Europe, Africa and Asia, is severely strained. He insisted that any US decisions bearing on China should be discussed with the French in view of their bearing on Indochina.

The Secretary said that President Eisenhower also feels that Korea and Indochina are parts of a single front, which was brought out in the State-of-the Union message. He is the first US President to recognize this publicly, and if the French government desires, we would be prepared to discuss at a later date the possibility of action which might make successful conclusion of the

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Indochina struggle more likely. As the President has suggested, there is room for closer understanding between nations that have major interests in Asia. At present, French, UK and US policies in that part of the world are not fully coordinated. (The Secretary then went into a detailed exposition of the thoughts underlying the de-neutralization of Formosa along the lines of the President's message.)

Indochina

Returning to the Indochina problem, Bidault observed with some asperity. 'I thank God and General Eisenhower that it took only six years to have France's contribution there recognized for what it is.' He politely suggested that the recall of the seventh Fleet constituted a matter for more than unilateral decision, since Chinese reaction could very well come in Indochina. He reiterated the French determination to go forward with the common defense effort and stressed the will of the French people to fight aggression.

February 4, 1953. United Kingdom

Indochina

Mr. Dulles said that while in Paris, M. Mayer said that some agreement should be reached to relieve France of some of her burden in Indochina in order to enable her to match Germany on the Continent. Mr. Dulles told him that we would be prepared to discuss this matter possibly during Mayer's forthcoming visit to Washington.

The mention of Indochina gave rise to an extended discussion of the subject. Mr. Dulles pointed out that we are already carrying about one-third of the financial burden of the Indochina operation, and that we think that there is a possibility that if the French take the necessary steps the war there could be reduced to manageable proportions within perhaps a year and a half, perhaps similar to the Huk situation in the Philippines. Mr. Dulles

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said that there were two principal steps that the French might take. On the military side they would have to study and adapt to conditions in Indochina the training methods such as we have used in building up the South Korean army and which have been outstandingly successful. Secondly, there would probably have to be political efforts to get native Viet Nam support and cooperation.

Mr. Eden made two points: 1) He agreed that the French must have more troops and this means that they must train more Vietnamese. Lord Alexander agreed, although he expressed some doubt whether, despite training, the Vietnamese would turn out to be as good fighters as the Koreans. 2) Mr. Eden said that he suspected that the financial burden is the basic problem for the French in Indochina.

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THE JOINT CHIEFS OF STAFF
WASHINGTON 25, D. C.

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13 March 1953

MAR 13 1953

MEMORANDUM FOR THE SECRETARY OF DEFENSE

Subject: Broadening the Participation of the
United States in the Indochina Operation.

1. The Joint Chiefs of Staff have re-examined the problems of United States participation in the Indochina operation as requested by your memorandum dated 19 January 1953, subject as above, and submit herewith their comments and recommendations.

2. The Joint Chiefs of Staff have considered broadening U.S. participation in the Indochina operation both from within and without the framework of the Mutual Defense Assistance Program (MDAP) with a view toward speeding and improving the development of indigenous combat forces and supporting logistical and operating facilities. Special consideration has been given, as requested by your office, to the training of indigenous forces and maintenance of U.S. supplied equipment by U.S. personnel.

3. NSC 124/2 with regard to Indochina states in part that "...we should use our influence with France and Associated States to promote positive political, military, economic and social policies," and "Continued recognition and carrying out by France of its primary responsibility for the defense of Indochina." NSC 124/2 also states that . . . "Our influence with the French and Associated States should be designed to further those constructive political, economic and social measures which will tend to increase the stability of the Associated States and thus make it possible for the French to reduce the degree of their participation in the military, economic and political affairs of the Associated States." In keeping with the foregoing policy, the Joint Chiefs of Staff consider that actions to broaden U.S. participation in Indochina would require sensitive selection and application to avoid any semblance of usurpation of French responsibilities and prerogatives. It is anticipated that any attempt by the United States to intrude in the French military responsibilities in Indochina would be strongly resisted, but the U.S.

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should seek to impress upon the French the necessity and desirability of granting the Associated States ever-increasing responsibilities with respect to expansion of their economic, political and military potentialities.

4. The U.S. Ambassador to Indochina has reported that the French and Vietnamese are in general agreement on the necessity of expanding the Vietnamese Army by some 57 light battalions involving approximately 40,000 troops. The details on financing and the degree of autonomy and military responsibility to be allowed the Vietnamese Army have yet to be decided. It is envisaged that these additional battalions will provide the Franco-Vietnamese forces with sufficient strength to undertake effective offensive action in Vietminh-held territory. It is the opinion of the Joint Chiefs of Staff that this augmentation of the Vietnamese Army is one of the most important and feasible actions that can be taken to improve the situation in Indochina and that United States support of the program should be undertaken as necessary upon receipt of definite planning data from the French.

5. The addition of another squadron of transport aircraft would materially aid offensive operations by providing increased troop-carrier and supply support capabilities.

6. The report of the ad hoc committee, formed in accordance with your memorandum for the Joint Secretaries dated 19 January 1953 and which considered the foregoing projects has a final conclusion:

"The final determination of the feasibility of implementation of the augmentation of Vietnamese forces cannot be accomplished until receipt of a concrete proposal from the French Government."

The Joint Chiefs of Staff consider that the French should be encouraged to expedite the submission of such proposals in order that the United States may take steps to provide such aid as may be deemed appropriate. In this connection the Joint Chiefs of Staff indicated in a memorandum for you, dated 11 February 1953, that plans now under consideration to expand the Republic of Korea Army may introduce some competing requirements, primarily in non-critical items. However, certain ammunition requirements could be both critical and competing.

7. The Joint Chiefs of Staff consider that the augmentation mentioned above should be energetically prosecuted and financially supported in order that the Franco-Vietnamese forces will be able to undertake offensive operations during the 1953-54 dry season.

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8. In view of their experience and the language difficulties involved, it is considered that the French are better qualified to conduct the training of the indigenous forces than United States personnel would be. However, it is believed that the French might profit by applying some of the methods the United States forces in Korea are using in training Republic of Korea troops and officers. In this connection the Commander in Chief Far East (CINCFE), and General Juin have agreed to exchange French and Vietnam officers from Indochina to Korea, and Korean Military Advisory Group (KMAG) personnel to Indochina. Accordingly, there appears to be no need for further United States participation in the training of the Vietnamese forces unless specifically invited.

9. The formation of effective Vietnamese forces is handicapped by deficient Vietnamese incentive and lack of qualified indigenous military leadership. Consequently the French should be given encouragement to grant Vietnamese forces more military autonomy and to train indigenous officers to assume more responsibility for control of local forces.

10. Although the U.S. Air Force has recently assigned some aircraft maintenance crews, on a temporary basis, to help the French overcome a critical period in their aircraft operations, it is considered that the French have the ability and can provide the personnel which would permit maximum utilization of their aircraft. Current practice provides for Military Assistance Advisory Group (MAAG) to obtain the aid of special technical groups from the U.S. Services whenever there is a need to instruct the French in the maintenance and operation of United States supplied equipment. This type of assistance is deemed adequate to meet current maintenance requirements.

11. In studying possible courses of action to be taken in the defense of Indochina, the inadequate port facilities at Haiphong and air facilities in the Hanoi area have been pointed up as major items in restricting the support of military operations. The Chief, MAAG, Indochina, has mentioned that the movement of supplies into the delta could be speeded by two or three months if Haiphong were able to receive and unload deep-draft vessels. The air depot at Bien Hoa is in particular need of expansion in order to accelerate air shipments. The improvement of the port and air facilities would not only provide impetus to military operations, but would benefit the economic status of Vietnam. Such improvement could be made with U.S. monetary and material aid, but in order to avoid possible Chinese reaction, significant numbers of U.S. personnel should not be utilized.

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12. In a letter to the Chief of Staff, U.S. Army, dated 20 December 1952, the Chief, MAAG, Indochina stated that the shortage of French Air Force personnel has had considerable adverse effect on operations. He mentioned that, as a conservative estimate, the sortie rate could be doubled if the personnel strength were increased by one-third. The U.S. Ambassador to Indochina and the U.S. Consul, Hanoi, have both reported that French officials in Indochina will press for an increase in the air force personnel ceiling for Indochina. It is believed the French should be encouraged through diplomatic channels to increase the Indochina air force ceiling.

13. Active combat participation by the United States in the Indochina operation is not favored in view of the capability of France and the Associated States to provide adequate forces therefor, and present United States world-wide military commitments.

14. However, in order to provide impetus and support to the military operations in Indochina, it is recommended that:

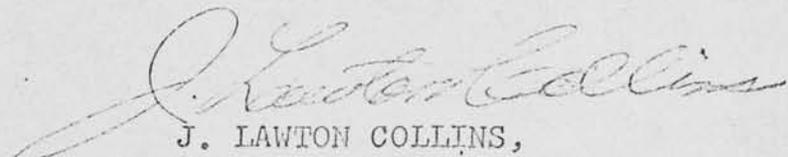
a. The French Government be encouraged to take early action to augment the Vietnamese forces and increase their air force personnel strength in Indochina.

b. Steps be taken to improve the port and air facilities in the Tonkin Delta area as early as practicable.

c. The United States furnish material and financial support to assist in accomplishment of a and b above upon receipt of a definite program from the French.

d. The United States give serious consideration to utilizing this increased support to impress upon the French the necessity and desirability for granting the Associated States more responsibility with respect to expansion of their economic and political potentials, and to granting more autonomy to Vietnamese military forces.

For the Joint Chiefs of Staff:


J. LAWTON COLLINS,
Chief of Staff, U.S. Army.

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SECURITY INFORMATION

751G:5/3-1953: Secret File

OUTGOING TELEGRAM

SENT TO: Amembassy PARIS 4907 March 19, 1953

Recent Paris working-level discussions added substantially to our factual background on Indochina. Please express to Foreign Minister my appreciation for cooperation all concerned. Also take early opportunity discuss informally on my behalf with Mayer or Bidault forthcoming conversations along following general lines:

QTE Secretary Acheson in December 1952 and I last month have discussed with our French colleagues the Indochina situation. On both occasions we received indications French Government was planning to request US GOVT to increase already considerable share of financial burden of the struggle which it is now bearing. I assume that when Mayer, Bidault and Letourneau come to Washington they will furnish further particulars regarding French Government's plans and resulting requirements. It may be helpful to them in formulating their position to express to them informally some of considerations involved not only in matter of additional aid but also in continuation American assistance at present substantial level. Considerations are:

First, Government and people of US are fully aware of importance to free world of war being waged in Indochina by armies of France and Associated States. They appreciate sacrifices which have been and are being made and degree to which Communist plans have been thwarted by magnificent defense carried out in Indochina against Communist aggression.

Second, we envisage Indochina situation with real sense of urgency. We believe continued military stalemate will produce most undesirable political consequences in Indochina, France and U.S. Therefore, we heartily agree that considerable increased effort having as its aim liquidation principal regular enemy forces within period of, say, twenty-four months is essential. We obviously

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751G.5/3-1953

do not wish share Franco-Vietnamese responsibility for conduct operations. However, if interested Departments this Government are to urge Congress to make necessary appropriations for Indochina for FY 54, those Departments must be convinced that necessarily top secret strategic plans for Indochina are sound and can be and will be aggressively and energetically prosecuted.

Third, I share concern frequently expressed in French circles regarding adequacy of the financial contribution to prosecution of war derived from residents of the Associated States including French businessmen. While I welcome increased Vietnamese Government contribution recently made, I believe there is ground for thoroughgoing re-examination this problem into which balance of payment and rate of exchange considerations enter and which of course is of interest to us in its bearing upon the need for US aid.

Fourth, I look forward to opportunity talking with my French colleagues on question of free world policy in Far East as whole and particularly the policies which we should adopt in order to discourage further Chinese Communist aggression. I hope to reach agreement that speedy defeat of Viet Minh forces in Indochina would deter rather than provoke Chinese Communist aggression in Tonkin since it would be a clear indication of our joint determination to meet force with effective force.

Fifth, I should appreciate receiving any views which my French friends may care to convey regarding relations between the US and the Associated States of Indochina and particularly regarding participation by latter in discussions of military and economic policy and in reception of US aid. END QUOTE

Please handle on strictly oral basis and let me have reaction. The specified points are designed to be exploratory; I would welcome any ideas French may wish to convey on these or other topics prior to our conversations.

FE:PSA:PWBonsal

DULLES

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SECURITY INFORMATION

TOP SECRET - SECURITY INFORMATION

Outgoing Telegram
Department of State

1953 Mar 26
PM 7 39

TO: Amembassy PARIS 4992

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RÉ EDC President stressed major importance attached thereto both by American people and himself. EDC vital not only because it provides best means obtain German contribution without which no real defense of Europe can be undertaken but also because it provides means for eventual European viability, also impossible keep Germany much longer under occupation status.

President declared that EDC so important in American eyes that American people would not support aid to France if they were given impression that France resorting to dilatory tactics in order to postpone ratification this vital development. Therefore when setting forth any conditions precedent to ratification French must be very careful to point out why these conditions are in fact vital to France and not inconsequential details or obstructionist moves.

Concerning Indochina President expressed full American sympathy for valiant French struggle as part of over-all fight against Communist aggression.

He recognized this struggle not just another colonial war but advised French to make this very clear as many Americans still under misapprehension. President expressed great American interest in French program leading to solution of Indochina problem making clear that he was not talking in terms of a complete victory. However requests for further American assistance could not be considered without full knowledge of French political and military plans permitting US Government to see why its assistance was required and how it would be used. President expressed great interest in measures being taken by French to obtain greatest possible support by local populations through convincing them they were fighting their own war for their own independence.

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Re Indochina Mayer started by referring to NAC Resolution December 1952 re QTE continuing aid UNQTE from NATO Governments. He said French political and military plans would be communicated to us later during the talks. Meanwhile he stressed his full agreement with President that the task was two-fold: militarily, Associated States Armies had to be developed for victory and for internal pacification. Politically it was necessary to develop popular basis for national governments to protect them from eventual take-over by Vietminh forces. While expressing the greatest interest in Gen Clark's report following visit to Indochina Mayer was careful to point out differences between Korea and Indochina.

Le Tourneau said that details of recent Dalat agreements would be given to us later but that in meanwhile he can say that these will permit presentation of a Franco-Vietnamese plan which should lead within two years to reduction of Vietminh to a negligible factor in Indochina if no material increase in Chinese or Soviet aid in meanwhile. LeTourneau expressed confidence that popular support for local governments was increasing day by day, pointing to success of January elections in Vietnam, to fact that much more officer material is now available for National Armies and that all enlisted men needed under present financial limitations were available on volunteer basis. Finally he expressed confidence that local populations supported local governments more vigorously now that Vietminh was clearly recognized as the agent not only of Communism but also of traditional Chinese enemy.

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Outgoing
Telegram

DEPARTMENT OF STATE

1953 Mar 27
PM 5 45

SECRET SECURITY INFORMATION

Sent to Amembassy PARIS--5001

French delegation met with Secretary, Secretary of Treasury, Director Mutual Security (Defense represented by Assistant Secretary Nash) for three hours yesterday afternoon. Ambassadors Cambodia and Vietnam attended initial portion session devoted general expose Indochina situation. Following their departure further discussion Indochina problem took place and Secretary also replied to points made by Mayer to President during morning but which latter had not repeat not had time answer. ...

Mayer in introducing Letourneau made it clear Vietnam and Cambodia independent states and their peoples fighting maintain their freedom. Letourneau stressed French interest in creating strong free states Indochina that would later not repeat not lose through political weakness what they had gained militarily. He also highlighted importance recent "Dalat decisions" providing increased Vietnamese financial effort and creation 54 new Vietnamese battalions comprising 40,000 men. ... While he could not repeat not promise complete victory he believed implementation this plan which is reasonable and practical would result in breaking back Vietminh in 24 months. Finally he stated his conviction true Vietnamese nationalism resided Bao Dai and his government and supporters and not repeat not Vietminh who were Soviet-controlled.

Cambodian and Vietnamese Ambassadors made brief remarks. Secretary concluded this portion meeting reiterating our realization this was common war which while now restricted Korea and Indochina, might break out anywhere. He expressed hope for program commensurate with peril which we realized might call for additional assistance our part. He concluded such assistance depended on many factors most important was whether plan France and Associated States was practical.

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After departure Associated States Ambassadors Secretary stated we understood French feeling tiredness in Indochina after seven years warfare but expressed conviction feeling would evaporate in face of positive constructive program and concluded we must not repeat not be immobilized by fear.

Mayer and Letournear posed questions what we would do event Chinese Communist offensive Indochina and if we didn't think Korean armistice might cause considerable risk Chinese attack Indochina. Secretary said he thought Chinese Communist attack unlikely because they realize would start chain disasters far outweighing any possible gains and while there no repeat no question land invasion of China, vista of trouble through sea and air attack would be strong deterrent to them. Nash stated recent talks on five-power cooperation Southeast Asia had made considerable progress and mentioned forthcoming meeting Honolulu where five-power talks would continue on invitation Admiral Radford. Secretary agreed might be necessary for military reasons talks about what we would do in event evacuation but concluded firmly he convinced there would be no repeat no evacuation. He also noted, in unlikely event Korean armistice, that if Chinese obviously simply concluded such arrangement order transport troops attack Indochina, armistice would have automatically failed purpose. Finally he referred to integral connection two wars as contained President's State Union Message.

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SECRET - SECURITY INFORMATION

Outgoing Telegram
Department of State

1953 Mar 30
PM 7 45

Sent to: Ambmbassy PARIS 5040

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Reference to Indo-China, President said of course we were intent upon doing nothing which in any way might increase France's difficulties there. Instead we wanted to help. As matter of fact, statement was now being prepared within US Government concerning Far East, and Indo-China and Korea would be linked therein. President added that US representatives had been somewhat disappointed in plan which had been outlined by Mr. Letourneau at Pentagon on March 27 a.m., particularly by slowness of its time-table. He wanted to make clear, however, that while there was no US commitment to support this plan likewise there had been no US refusal to do so. Plan required more careful study and President noted that this should be possible as Mr. Letourneau was planning to stay until March 31 p.m.

Re Indo-China plan, Mayer said concerning slowness of its time timetable that while raising forces takes time it might perhaps be possible to accelerate this even if human factors involved might lead to somewhat lower quality of forces. However perhaps more difficult is fact that there exists as yet no agreement concerning military requirements. Mayer suggested that elaboration of this plan could be completed in Saigon with participation of US officers which Pentagon might care to send there for this purpose and that this aspect of problem could thus be covered by further discussions between military technicians.

President said that US technicians will be glad to cooperate with French along above lines.

DULLES

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751G.5/4-753: Top Secret File

OUTGOING TELEGRAM

SENT TO: Amembassy SAIGON 1967 April 7, 1953

During French talks Washington March 27-31, Letourneau outlined strategic concept military operations Indochina looking toward substantial defeat of organized enemy forces by first half 1955. Basis is augmentation National Armies Associated States during calendar years 53-55 so as to relieve French Union and Vietnamese regulars now tied down in static defense duties and increase mobile reserves for offensive operations against enemy regular forces in North. Details will be pouched. Brief resumé follows:

Calendar year '53: No change over 40,000 man increase already announced. End items from presently programmed FY 53 MDAP.

Calendar year '54: Additional 57,000 Viet-Nam; Cambodia-Laos 6,650. Additional end item equipment from US above regular program estimated cost \$81 million. French and Associated States fiscal contribution at same rate calendar '53 would leave deficit approximately \$231 million.

Calendar year '55: Viet-Nam 23,000; Cambodia-Laos 2,000. Equipment from US at cost \$10 million. Fiscal deficit approximately \$299.3 million.

All above in addition QTE regular UNQTE eight division program for Viet-Nam and comparable Cambodian-Laos programs. No formal request that US assume deficits for '54 and '55 but French intent clear that is their plan. Program will be studied further by Department and Defense.

DULLES

FE:PSA:REHoey
PWBonsal

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SECURITY INFORMATION

THE CHANCE FOR PEACE

Address by the President¹

White House press release dated April 16

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Now a new leadership has assumed power in the Soviet Union. Its links to the past, however strong, cannot bind it completely. Its future is, in great part, its own to make.

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...a world that begins to witness the rebirth of trust among nations can find its way to a peace that is neither partial nor punitive.

With all who will work in good faith toward such a peace, we are ready, with renewed resolve, to strive to redeem the near-lost hopes of our day.

The first great step along this way must be the conclusion of an honorable armistice in Korea.

This means the immediate cessation of hostilities and the prompt initiation of political discussions leading to the holding of free elections in a united Korea.

It should mean, no less importantly, an end to the direct and indirect attacks upon the security of Indochina and Malaya. For any armistice in Korea that merely released aggressive armies to attack elsewhere would be a fraud.

We seek, throughout Asia as throughout the world, a peace that is true and total.

Out of this can grow a still wider task--the achieving of just political settlements for the other serious and specific issues between the free world and the Soviet Union.

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¹ Made before the American Society of Newspaper Editors and broadcast to the Nation over radio and television networks on Apr. 16...; Department of State Bulletin, Apr. 27, 1953, pp. 599 and 601./



THE JOINT CHIEFS OF STAFF
WASHINGTON 25, D. C.

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21 April 1953

APR 21 1953

DEF. SEC. HAS SEEN

MEMORANDUM FOR THE SECRETARY OF DEFENSE

Subject: Proposed French Strategic Plan for the
Successful Conclusion of the War in Indochina.

1. With reference to your memorandum, dated 2 April 1953, subject as above, the Joint Chiefs of Staff have considered the proposed French plan for concluding the war in Indochina and submit herewith their comments (Appendix) and recommendations. The Joint Chiefs of Staff point out that the French plan was not presented in writing. The present knowledge of this plan is limited to that obtained through the minutes of oral presentations by M. Letourneau and General Allard, supplemented by questions related thereto during subsequent discussions.

2. While the French plan as presented was lacking in detail, certain weaknesses are indicated which are summarized briefly as follows:

a. It does not appear to be sufficiently aggressive.

b. Excessive effort appears to be devoted to cleaning up Viet Minh pockets without sufficient consideration being given to cutting the enemy's supply lines, particularly in Northern Indochina.

c. It appears that insufficient emphasis is given to placing of responsibility in the hands of the Vietnamese and the training of leaders therefor.

d. The plan appears to rely extensively on small-unit operations.

While the Joint Chiefs of Staff consider that the French plan could be improved in light of the foregoing comments, they feel that the plan is workable. Further, the Joint Chiefs of Staff agree that augmentation of Vietnamese forces will be necessary in order to bring the conflict in Indochina to a successful conclusion.

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20 Sep 56

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[3. In connection with the foregoing and the comments set forth in paragraphs 8 and 9 of the Appendix hereto, attention is invited to the following pertinent documents which are attached as Annexes hereto:

a. A dispatch received from the Chief, Military Assistance Advisory Group (Indochina) (DA IN 257701) (Annex "A");

b. Dispatches requesting General Clark's views on the strategic situation in Indochina (DA 934687) (Annex "B"); his initial views (DA IN 251110) (Annex "C"); his modified views (DA IN 253811) (Annex "D"); and his final recommendations (DA IN 258870) (Annex "E").

c. A dispatch received from Admiral Radford expressing his views on the strategic situation in Indochina (260315Z) (Annex "F").]

It will be noted that General Clark's views are somewhat more optimistic than those expressed in this memorandum. This may be due in part to the fact that General Clark's views are probably based almost entirely on information acquired during his brief visit to Indochina.

4. While reserving further opinion as to the merits of the French plan, the Joint Chiefs of Staff recommend that the proposed augmentation of forces in Indochina be supported subject to the following:

a. There will be no compensating reduction in over-all U.S. armed forces because of fiscal limitations.

b. The specific requests for U.S. support will be processed through normal channels for screening of force requirements and scale and type of equipment.

c. France and the Associated States will contribute to the maximum extent of their capabilities.

d. The additional financial support beyond that for MDAP requirements necessary to assure the successful execution of the plan will be made available by the United States from other than U.S. military or MDAP funds.

e. No financial commitment will be made to France until:

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(1) The cost of the program can be considered in relation to all other MDA needs; and

(2) A decision has been made to authorize adding new requirements generated by the French plan to the regular MDAP for FY 1954 (as presented by the military departments to the Office of the Secretary of Defense and the Bureau of the Budget in the FY 1954 Special Budget Review), and to MDA Programs subsequent to FY 1954.

5. The Joint Chiefs of Staff feel that as much pressure as is feasible should be placed on the French from a political point of view to obtain a clear-cut commitment to:

a. Modernize training methods;

b. Prosecute the proposed plan with redoubled determination and vigor;

c. Expedite the transfer of responsibility to the Government of the Associated States and accelerate the rate of training of indigenous forces with emphasis on leadership training;

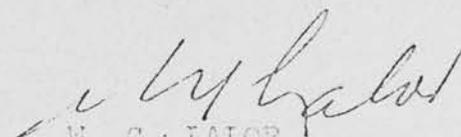
d. Intensify efforts to cut enemy supply lines;

e. Wrest the initiative from the Viet Minh and take more effective steps to insure that recaptured areas are retained under Vietnamese control; and

f. Utilize more extensively, where appropriate, units larger than battalions.

In connection with the requirement for improvement in training methods, the United States would be willing to furnish such specialized assistance as may be desired by the French. ✓

For the Joint Chiefs of Staff:


W. G. LALOR,

Rear Admiral, U.S. Navy (Ret.),
Secretary.

Enclosure

Appendix and Annexes "A" to "F"

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BIPARTITE U.S.-FRENCH CONVERSATIONS¹

First Session--April 22, 1953, 3:30 p.m.--Quai d'Orsay

Present: French -- MM. Bidault, Pleven, Bourges-Maunoury,
Letourneau, Maurice Schumann, Alphand
and adviser

U.S. -- Messrs. Dulles, Wilson, Humphrey,
Stassen, Dillon, Draper and advisers.

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The Secretary believed continuance of substantial economic aid to France will have to take the form of assistance to the prosecution of the Indochina war under some kind of program which our military people can tell our Congress seems to make sense and holds promise of a satisfactory outcome, perhaps in a couple of years.

The JCS had reported that the reaction from French visits to Korea was not very satisfactory, that nothing we were doing there could be used. We were not surprised about that initial reaction because it took our own people in Korea a very long time to realize the capabilities of the South Koreans. There is a tendency to minimize those capabilities. The problem is to some extent political as well as military. For instance, while decisions at a high level are taken in Paris regarding the Associated States, implementation or interpretation in the local light may be in a different spirit, in a community which has so long been in colonial status and where certain relations have been established between white and colored people. For instance, social relations may be lacking and some people not admitted to certain clubs. As far as implementing those decisions in the field is concerned, and the relations with the local people, we realize that we have a similar problem in our south for which we have not always found a solution.

¹Copy held in S/S-R.

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It is not easy, but before the U.S., can give any commitment even as far as the Executive is concerned, we would like to feel that we have answers, or at least observations a) allowing us to picture our help honorably and fairly as not merely economic aid but as aid which has a particular purpose, and b) constituting a program which we could say from the political standpoint is one which has a fair chance of success in changing the rather gloomy aspect of the affair at the present time. With a program for Indochina on a joint political-military basis it is possible to get our Congress to make a substantial contribution. Our own Congress is desperately anxious to reduce taxes. Taxes are being cut in Britain and in Canada and everybody says we should do the same. Cutting down governmental income means a still larger deficit. Any further aid must therefore be presented in an extremely effective and appealing way to get it through. There is a realization of the critically important role that the French play. "You help us to help you." We have explained ways in which that could be done.

MR. WILSON said that we notice in Korea that by training the Koreans we give them confidence and faith, a feeling of unity and competence that they can go on their own, that really gets the people together. Also, he was sure the French look forward to the day when it will not be necessary to have so many troops from France over there. He thought the French wanted them to be strong enough to keep the country free and be part of the spirit of French influence but did not want to have French troops there forever in large numbers. If those people can strengthen themselves they cannot only meet emergency but also take care of themselves.

M. LETOURNEAU recalled the time he had spent at the Pentagon to explain the program and the conditions for its realization. He had said at that time that one cannot seriously doubt -- even though it is being done -- the will of France as regards the freedom of Vietnam and the constitution of national armies since they had been doing it for three years. The plan has

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been pushed so that French troops can be reduced but also to get the states themselves to develop a national sentiment that will allow them to face local difficulties as soon as possible. Complete withdrawal of the French is not involved. General Clark, when he came to Korea, was very proud of his Korean army but said that if the U.S. left Korea it would all disappear. Therefore, he wished to maintain the U.S. effort in Korea just like the French in Indochina. It is true that the Laotian affair involves a singular aggravation. An operational plan had been given to the Pentagon, including certain inevitable risks. Within 2-1/2 years, as President Eisenhower has said, it would allow us to arrive at a situation where the picture would be reversed although it would not mean complete victory. That plan is essentially based on the development of national armies. It requires for its solution finances, cadres and rapid training of units.

The French missions which have been received in Korea were very useful. Marshal Juin himself has brought back information that the French propose to use in the formation of the Vietnam army. But the problem is not the same in Indochina as in Korea. The problems facing the two armies are not comparable, but some lessons can be applied.

M. LETOURNEAU did not believe that Saigon headquarters can be fairly accused of not entirely applying the political policies of Paris. The French have no reason to fear that the Vietnam government would be more demanding when they have an army. Their exigencies are not worrisome since the Vietnam government cannot pursue any other policy. He said he had not many ways of showing good faith and the good faith of his subordinates except perhaps to submit to a lie detector, which would not be customary. As to racial discrimination, the question of clubs, the problem has never arisen in Indochina as in other colonies because there has always been close touch between local and French families. The problem arises even less now that there is a Vietnamese

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government. There may be individual cases, but one cannot draw conclusions from them about the good faith of the French. The French generals are not more stupid than other generals, and they want victories and know that their only hope are the native armies, and the key to that is confidence in and fairness to the Vietnamese.

He had the feeling that the operational plan discussed in Washington seemed convincing to the people he saw there and that not much else could be done. The solution seemed reasonable and if the plan were put into effect the only problem would be financial. It was felt that Congress would find it acceptable. It remains capable of execution even today. The Laos affair is unpleasant but it should not interfere with the development of the Vietnamese forces.

SECRETARY DULLES replying to M. Pleven's second question, said it would be the hope of the Executive Branch of the U.S. government -- we can at the present time speak only of recommendations to Congress -- that if there is a program for Indochina which has the endorsement of our military advisers, which has a chance of success, would propose a figure comparable to \$525 million for this year and there are circumstances where we might possibly increase that a little bit. However, that would have to be a program where we could in effect say to Congress: This program has enough chance of success that if you invest a certain amount for a certain time, it will largely clear up the situation -- not, as M. Letourneau has pointed out, in terms of actual victory but by reducing the dimensions similar to those in Malaya or with the Huks in the Philippines. Then there was the question whether we do that if the French reduce their over-all military expenditure. That would mean that we assume a larger percentage of the total rather than an increase. Some slight adjustment may not be impossible but we felt that it would not be very practicable to do that on a scale that our people felt the French had run out and we were holding the bag.

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DEPARTMENT OF STATE

TOP SECRET SECURITY INFORMATION

April 24, 1953
7:47 p.m.

SFNT TO: Amembassy PARIS TOSFC 9

At State-JCS meeting April 24 JCS in informal discussion made it clear they attach great weight to reservations they have made as to feasibility and prospects of success of military plan for Indo-China presented by French in Washington. It is apparent Chiefs feel that plan might be "workable" but only if French pursue course of action which would in effect remove basis for JCS reservations. JCS described this course of action as including such things as appointment bold and aggressive French military leader to Indo-China Command, revision French strategy in direction more immediate and telling offensive action, use Vietnamese forces in large rather than small units etc.

JCS informally stated belief it was imperative US should forcefully present such ideas to French and that unless French would follow such advice it was possible US aid to French for Indo-China would in fact be wasted.

JCS felt US Government position could only be developed after Secretary's return from NATO meeting and that promptly thereafter it might be wise have joint military and political discussions with French in Paris.

Above JCS views suggest caution in indicating to French now that US approves French military plan.

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TRIPARTITE U.S. -U.K. -FRENCH MEETING¹

Paris, April 25, 1953

Present: U.S. -- Messrs. Dulles, Wilson, Humphrey, Stassen,
Aldrich, Dillon, Draper.

U.K. -- Messrs. Butler, Lloyd, Alexander, Harvey.

French -- MM. Bidault, Pleven, Letourneau, Parodi.

[Secretary Dulles said that President Eisenhower in his recent speech] mentioned the end of direct and indirect attacks on Indochina, so that the armies released in Korea will not strike elsewhere. We must recognize that here we are dealing with a more complicated situation, because the conflict in Indochina has not yet fully received the status of an international war or an international act of aggression. In this connection, the Secretary thought it wise if at some appropriate time the French government were to give consideration to the possibility of a complaint being made by Laos or by France, or jointly by both, in the Security Council, about the invasion of Laos. This would give the conflict more international standing and would make it more readily a subject for international negotiation and settlement, which it is not today.

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With respect to a complaint to the Security Council by Laos or by France or by both, the British government would follow the wishes of the French government. As regards a Korean armistice, Mr. Lloyd felt his government would be completely in agreement with the line the U.S. Government or the UN Command were taking, namely that we cannot have an indefinite prolongation of those talks. However, if there is a possibility of the

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meetings being broken up, we should have a lot of discussion so that the public relations can be properly prepared. We would also get the benefit from the Indian resolution. Mr. Lloyd hoped there would not be an instruction of the U.S. Government to the UN Command of which others would be given very little advance notice. If the talks are going badly, then we want to be very careful how they are broken up.

In conclusion, Mr. Lloyd summarized his position by saying that in his view disarmament should wait, Germany should wait, and that Austria might well be tried. He was most worried, he said, about how Indochina fitted into the picture. It would be very helpful for us to discuss how we see the Indochina campaign developing and what action in the political field we can take to help the French government. He did not quite see how it fits into the picture of how we are to deal with the Soviet Union.

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As regards the question whether Germany or disarmament should first be discussed, let it be supposed that it were Germany. In that case, M. Bidault was not sure whether the influence of public opinion in Germany and in France would not become very strong. There are those who think the German danger as big as the Russian danger. If Germany were then neutralized, we would have a vacuum at the center of the Continent. There would be great difficulty in refusing a proposal which would keep Germany disarmed. On the other hand, if we make disarmament the positive test this difficulty would not exist. M. Bidault was not against other tests, as in the case of Austria. It is not a French expert who has said that Russia might accept the western proposal for free elections. Germany would in effect be put up for auction with both sides bidding for her, and we would be caught in our own trap.

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STATE

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Apr 26, 1953
9 PM

Recd SRE Apr 27 0607

From: Paris
SENT SECSTATE WASHINGTON PRIORITY 5673

STATE pass DMS, MSA, Treasury, Defense....limit distribution

Following is text of memorandum on aid, dated Apr 26,
referred to in immediately preceding telegram:

Begin text.....

1. The U.S. Delegation has given further study to the question of aid to Fr from the MSP, and related matters.

It is understood that the Fr govt will present its financial plans to the Fr Parliament in May of this year. It is understood from the Fr govt that these financial plans as prepared by the Fr govt will include certain reductions in the current 1953 budget, which may entail certain unavoidable reductions in defense expenditures; certain tax reforms designed to bring in some additional revenue; and arrangements for internal financing adequate for the remainder of 1953. It is understood that there is also a need for additional dollar resources to be made available at an early date.

2. In light of the extension of the war in Indo-China by the new aggression in Laos, the US is now prepared to make this one immediate unconditioned commitments to make available to Fr the sum of \$60 million as a grant from the MSP as an advance payment in relation to US FY 1954 aid to Fr. This \$60 million, or such portion as may be required, may be used as a special resource to pay any balances needed in the EPU settlements.

3. Subject to substantial achievement of the financial program contemplated by the Fr govt and described in para 1 above, the US will give favorable

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consideration to a proposal for an Ex-Im Bank loan in the amount of one-half (\$100 million) of the existing \$200 million of offshore procurement contracts, to be repaid by means of one-half of the receipts as they are earned under the contracts, and will give favorable consideration to a request for the use of the franc counterpart of the \$60 million after June 30, 1953, at any time during US FY 1954 and as a part of the US FY 1954 aid program for France.

4. The further FY 1954 MSP is dependent upon:

(a) Congressional action:

(b) a Fr defense contribution from their own resources in CY 1954 in line with NATO discussions as to France's political-economic capabilities; and (c) a Fr mil program for CYs 1953 and 1954 for its NATO forces in line with NATO recommendations, it being understood that the 1954 goals at this time are provisional only and that, as the Fr Min of Def reported to NATO, the air goals would need to be adjusted especially.

5. Subject to the conditions set forth in paras 3 and 4 above, the US will recommend to Congress a FY 1954 MSP for Fr as follows:

(a) The US to provide the funds for a special Fr artillery, automatic weapons, and munitions payment program for Fr metropolitan forces assigned to SACEUR, in the amount of \$100 million.

(b) The US to provide funds up to a maximum of \$460 million, which is estimated to be approximately 40 percent of the current rate of expenditure on the Indo-Chinese war, of which \$60 million will be advanced under para 2 hereof.

(c) Subject further to the adoption by the Fr govt of a satisfactory military program which in all its aspects holds the promise of success in I-C, the US is prepared to provide a portion of a mutually agreed

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additional Fr effort in I-C, involving especially additional trained forces of the Assoc States. This portion would be of a moderate amount of dollars and subject to specific subsequent agreement before it is to be considered a commitment.

6. The US makes these substantial proposals with confidence in the fundamental strength of the Fr economy, and with the belief that if the Fr govt takes the necessary and desirable decisions, Fr will have both economic and military success in these matters.

7. These proposals are apart from the anticipated delivery of certain military end-items and the probable award on a competitive basis of certain offshore procurement contracts, both of which will proceed under normal procedures and conditions.

.....END TEXT

DILLON

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April 27, 1953

MEMORANDUM OF CONVERSATION

I discussed with Foreign Minister Bidault on Saturday April 25 and with Prime Minister Mayer on Sunday April 26, the question of raising in the Security Council the question of the Communist aggression from Viet Nam against Laos. Both indicated a reluctance to take this step, a reluctance born out of fear that this might precipitate a colonial debate.

I expressed the view that the danger of this in the Security Council might not be as great as in the General Assembly and that it would probably be possible to find out in advance what the result would be in the Security Council, recognizing that Soviet Russia would, presumably, interpose a veto.

I pointed out that it was difficult to treat this Indochinese war as an international matter, perhaps to be discussed between the Soviet Union and the Western Powers, if the French and the Associated States themselves treated it as a purely civil war matter.

I said I had not come to any definitive conclusion but that I felt the matter should be explored.

Both Mayer and Bidault agreed to such exploration and to further exchange of views through diplomatic channels.

John Foster Dulles

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April 27, 1953

MEMORANDUM

At a meeting with the President at the White House this afternoon for the purpose of briefing the President on the recent NATO Paris meeting and bilateral talks with the British and the French, the President asked Secretary Dulles what the French views were on the situation in Laos.

The Secretary replied that the French were very gravely concerned about the situation there. He said that when he had met with Prime Minister Rene Mayer last evening just prior to departure from Paris, M. Mayer had stated that the French needed more urgently the loan of some C-119 aircraft to help them get tanks and heavy equipment into Laos to assist in its defense. Having such equipment might mean the difference between holding and losing Laos. M. Mayer had envisaged U.S. Air Force personnel operating the aircraft during the period of the loan.

The Secretary said to the President that such a procedure would mean the sending of U.S. personnel on combat missions in Indochina. This, obviously, was a decision which would have repercussions and would raise many problems. However, there was an alternative, which would be to loan the French the C-119's, which he understood the Department of Defense was willing to do, and have civilian pilots fly them. Following his return to Washington this morning, the Secretary had made inquiry and had ascertained that there were pilots in Formosa who were not members of the U.S. armed forces and who might well be able to carry out these missions. This possibility was being explored on an urgent basis to see whether it would not be possible to have the aircraft loaned and the above-mentioned personnel in Formosa operate them.

Douglas MacArthur II

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APRIL 28, 1953

TO: The Secretary
FROM: FE - Walter S. Robertson
SUBJECT: Flying Boxcars (C-119's) for Indochina

The JCS today approved the immediate loan of up to six C-119's to the French for use in Indochina to be flown by civilian pilots.

Mr. Johnson has informed Allen Dulles and put the CIA in touch with the proper people in the Pentagon to complete this transaction.

The Pentagon desires to have General Trapnell (Chief of the MAAG in Indochina) inform General Salan of this in order to strengthen General Trapnell's position there.

We have agreed and therefore suggest that we do not inform the French Embassy, which has been making inquiry of us, for a day or two.

FE:UAJohnson

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OUTGOING TELEGRAM¹

Sent to: Amembassy PARIS PRIORITY 5655 May 18, 1953
8 pm

You will recall that at the final meeting with Mayer at White House on March 28, President made certain general comments regarding Letourneau plan for bringing hostilities in Indochina to successful conclusion. In reply Mayer in name of French GOVT said that he would welcome our sending US military officers to Indochina in order to pursue evaluation of plan, and President expressed willingness to arrange it. Defense has now completed its study of material furnished by Letourneau and Allard and wishes to take advantage of Mayer's suggestion to send high level military mission to Indochina in order to study situation with General Navarre and explore ways and means through which American assistance can best be fitted into workable plans for aggressive pursuit of hostilities under present circumstances. A principal objective of mission will be to ascertain what military plans and capabilities PAREN manpower, equipment and particularly air force END PAREN will be required so that there will be firm prospect of reversing current military trend by beginning of next fighting season, i.e., OCT 1953. Proposed agenda will of course be submitted in due course.

Please inform Mayer of the above as soon as possible requesting him to indicate (a) his continued readiness to have such a mission visit Indochina and (b) approximate date at which mission could proceed to Indochina.

Department understands General Navarre arrives Saigon about May 19; he will obviously wish to become familiar with the details of the situation before receiving proposed American mission. We have in mind for the arrival of the latter a date such as June 10. The mission would probably stay in Indochina for not more than a month. It will probably include a State Department representative in an

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observer-advisory capacity although the leadership and objectives will be military.

Department believes this mission can represent important forward step so far as Indochina situation is concerned and hopes that Mayer and Navarre will agree. For your information such military evaluation would presumably lead later to talks at political level and to determination of additional American aid for Indochina.

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FE:PSA:PW Bonsal
G:FENolting, Jr.

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OUTGOING TELEGRAM¹

Sent to: Amembassy PARIS 5693 May 21, 1953

Secretary Defense has written Department to following effect:

QTE The present situation in Laos has drained the last bit of reserve out of the French Air Force in Indochina, and the near collapse of the maintenance and pilot capabilities of the French Air Force in Indochina is close at hand.

QTE The Department of Defense has repeatedly advised the French that the current manpower ceiling of ten thousand personnel PAREN including approximately two thousand five hundred guards and ordinary laborers END PAREN was totally inadequate to support the number of aircraft operating in French Indochina, and that more French personnel were needed to effectively employ, efficiently utilize and properly maintain the aircraft on hand. END QUOTE

Secretary's letter concludes with request that Department QTE make appropriate representation to French Government to induce them to provide needed Air Force supply, maintenance and operational personnel. END QUOTE

Further details this whole situation are contained MAAG Saigon telegram 728-A May first passed MAAG Paris and DEPTTEL 5647.

Approach Plevin earliest opportunity indicating to him primary importance attached by US GOVT remedying this situation which is understood to be under study by French Air Ministry. It would be appropriate recall to Plevin that we have on several occasions and at considerable sacrifice to ourselves made planes available on priority basis for use in Indochina but that our air experts consider problem not primarily need for additional planes particularly

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transport types but need for personnel to maintain and operate planes already available.

This might well be one of topics proposed military mission to Indochina will wish discuss but there would be advantage in pursuing problem at technical level earliest since it appears obvious additional allocation French air force manpower in Indochina is required if maximum effective use this all-important weapon is to be made.

If French Government says it requires prior NATO approval to a diversion of personnel from Europe, US would be prepared support such request. You should comment on this only RPT only if French raise issue of NATO approval. Department understands NATO Annual Review indicates surplus French Air Force personnel in Europe in relation available modern aircraft. You may inform Plevin that US Air Force experts available to discuss details this serious situation in Paris, Washington or Saigon. Defense communicating Ridgway this subject.

SMITH
ACTING

FE:PSA:PWBonsal

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751J.00/6-153

DEPARTMENT OF STATE

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SECURITY INFORMATION

June 1, 1953

6:59 p.m.

TO: Aembassy BANGKOK 2297

DEPTL 462 to USUN New York, RPTD Paris 5780, Bangkok 2261.

Secretary today asked Thai Ambassador postpone submission case re Laos invasion to SC this time. Thai Ambassador said he would refer matter to his government but would in any case postpone action which he had planned take tomorrow.

French attitude regarding Thai appeal has been emphatic almost to point of hysteria. In view delicate political situation Paris surrounding formation new government, Secretary felt it desirable avoid any action which might provoke ill-considered French statement. He has therefore deferred to Ambassador Bonnet's urgent request that he ask Thai Government postpone action for present. There are after all some months bad weather before danger to Laos and hence to Thailand can again become acute.

Soon as new French Government formed Secretary intends resume exchange views this subject and will keep close touch with Thai Government whose attitude and cooperation are deeply appreciated here. Thai Ambassador replying to press queries to effect case continues under preparation.

DULLES

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COPY NO. 70
FOR THE ASSISTANT CHIEF OF STAFF, G-2

Doc 216

230,020

NATIONAL INTELLIGENCE ESTIMATE

PROBABLE DEVELOPMENTS IN INDOCHINA THROUGH MID-1954



NIE-91

Published 4 June 1953
(Supersedes NIE-35, 35/1, 35/2)

The following member organizations of the Intelligence Advisory Committee participated with the Central Intelligence Agency in the preparation of this estimate: The intelligence organizations of the Departments of State, the Army, the Navy, the Air Force, and the Joint Staff. The Intelligence Advisory Committee concurred in this estimate on 26 May 1953. The FBI abstained, the subject being outside of its jurisdiction.

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CENTRAL INTELLIGENCE AGENCY

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PROBABLE DEVELOPMENTS IN INDOCHINA THROUGH MID-1954

THE PROBLEM

To estimate French Union and Communist capabilities and probable courses of action with respect to Indochina and the internal situation throughout Indochina through mid-1954.

ASSUMPTION

There is no major expansion of the Korean war.

CONCLUSIONS

1. Unless there is a marked improvement in the French Union military position in Indochina, political stability in the Associated States and popular support of the French Union effort against the Viet Minh will decline. We believe that such marked improvement in the military situation is not likely, though a moderate improvement is possible. The over-all French Union position in Indochina therefore will probably deteriorate during the period of this estimate.
2. The lack of French Union military successes, continuing Indochinese distrust of ultimate French political intentions, and popular apathy will probably continue to prevent a significant increase in Indochinese will and ability to resist the Viet Minh.
3. We cannot estimate the impact of the new French military leadership. However, we believe that the Viet Minh will retain the military initiative and will continue to attack territory in the Tonkin delta and to make incursions into areas outside the delta. The Viet Minh will attempt to consolidate Communist control in "Free Laos" and will build up supplies in northern Laos to support further penetrations and consolidation in that country. The Viet Minh will almost certainly intensify political warfare, including guerrilla activities, in Cambodia.
4. Viet Minh prestige has been increased by the military successes of the past year, and the organizational and administrative effectiveness of the regime will probably continue to grow.
5. The French Government will remain under strong and increasing domestic pressure to reduce the French military commitment in Indochina, and the possibility cannot be excluded that this pressure will be successful. However, we be-

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lieve that the French will continue without enthusiasm to maintain their present levels of troop strength through mid-1954 and will support the planned development of the national armies of the Associated States.

6. We believe that the Chinese Communists will continue and possibly increase their present support of the Viet Minh. However, we believe that whether or not hostilities are concluded in Korea, the Chinese Communists will not invade Indochina during this period.¹ The Chinese Communists will almost certainly retain the capability to intervene so forcefully in Indochina as to overrun most of the Tonkin delta area before ef-

fective assistance could be brought to bear.

7. We believe that the Communist objective to secure control of all Indochina will not be altered by an armistice in Korea or by Communist "peace" tactics. However, the Communists may decide that "peace" maneuvers in Indochina would contribute to the attainment of Communist global objectives, and to the objective of the Viet Minh.

8. If present trends in the Indochinese situation continue through mid-1954, the French Union political and military position may subsequently deteriorate very rapidly.

DISCUSSION

THE CURRENT SITUATION

9. *Military Situation.*² The Viet Minh occupation of the mountainous Thai country of northwestern Tonkin in late 1952 and the follow-up thrust into northern Laos in April 1953 demonstrate that the Viet Minh have retained the military initiative in Indochina. Although the Viet Minh did not defeat any large French Union forces in these operations, they did force the French to withdraw the bulk of their offensive striking power from the Tonkin delta and disperse it in isolated strong points, dependent on air transport for logistic support. At the same time, strong Viet Minh guerrilla elements plus two regular

Viet Minh divisions sufficed to contain the 114,000 regular French Union forces remaining in the Tonkin delta. The Viet Minh now appear to have withdrawn the bulk of their regular forces from Laos. They probably have left behind political cadres, some regular forces, and well-supplied guerrilla units in the areas which they overran in order to consolidate Communist political and military control, to prepare bases for future operations, and to pin down French Union garrisons.

10. The invasion of Laos may have been undertaken as part of a long-range Communist design to develop unrest in Thailand and ultimately gain control of all Southeast Asia. Viewed solely in terms of the Viet Minh objective to win all of Indochina, however, the Viet Minh offensive in Laos is an extension of the 1952 winter's offensive in northwestern Tonkin, and represents a shift in Viet Minh military tactics. This shift in tactics is probably largely explained by the inability to defeat the main French Union forces in the Tonkin delta by direct assault. Faced with this position of strength, the Viet Minh began

¹The Deputy Director for Intelligence, The Joint Staff, believes that the intelligence available is insufficient to permit a conclusion at this time that the Chinese Communists will or will not invade Indochina prior to mid-1954.

²See Annex A for Estimated French Union Strengths and Dispositions;
See Annex B for Estimated Viet Minh Strengths and Dispositions;
See Annex C for French Far Eastern Air Force Strengths and Dispositions; and
See Annex D for French Far Eastern Naval Strengths and Dispositions.

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during 1952 to turn the bulk of their regular forces toward the conquest of northwestern Tonkin and northern Laos, areas lightly held by isolated French Union garrisons.

11. In this manner, the Viet Minh probably hope to retain the military and political initiative and, by dispersing French Union forces, to prevent either a clean-up by the French Union in the Tonkin delta or offensive operations by the French Union against Viet Minh troop concentrations and supply installations outside the delta. The Viet Minh may well believe that by gradually extending their base areas in lightly defended regions of Laos, Cambodia, and central Vietnam they can keep French Union forces dispersed and pinned down indefinitely. In time, they probably expect to sap the morale of the Vietnamese and the French and finally so alter the balance of power as to make possible successful Viet Minh attacks against the key areas of Tonkin and south Vietnam.

12. The deployment of four divisions into Laos by the Viet Minh and the fact that the French did not attack their long and exposed lines of communication typify the over-all situation in Indochina. French Union forces still outweigh the Viet Minh in numbers, firepower, and materiel. French ability to air lift troops and equipment, although strained at the present time, provides the French Union with tactical flexibility in planning defensive and offensive operations. The Viet Minh, however, by their skill in guerrilla war, their ability to move rapidly and to infiltrate and control areas under nominal French occupation, have caused the French to commit large forces throughout Indochina to static defense, thus seriously reducing French ability to take the offensive.

13. Viet Minh regular forces in northern Indochina have continued their gradual evolution from lightly armed guerrilla bands to a regularly organized military force. They have made noticeable advances in the development of field communications, and unit firepower has increased although they still possess only limited amounts of artillery. Viet Minh combat effectiveness is still limited

by a lack of medical supplies and an inability to sustain major military operations.

14. Military aid from the US has enabled the French Union to equip adequately their regular ground forces. The French air forces, with US logistical support, and with no air opposition, have maintained a fair degree of effectiveness in paratroop operations, supply by air drops, and daylight attacks on enemy supply dumps. French naval forces have improved in combat effectiveness and have maintained control of the seacoasts and inland waterways. However, the Viet Minh have the continuing capability to threaten control of the inland waterways by a mining campaign. Some Vietnamese National Army units have performed creditably in combat, but desertion and "missing in action" figures remain high. For the most part, Vietnamese National Guard and other local security forces lack the firepower, discipline, and leadership to hold positions alone against regular Viet Minh units which infiltrate the Tonkin delta.

15. Although French Union military capabilities have improved slightly, the French Union military effort has been inhibited by considerations of domestic French politics, French security in Europe, and fear of involvement in a war with Communist China. These considerations have caused French commanders in Indochina to forego aggressive military operations that would entail heavy casualties and have prevented them from obtaining reinforcements on a scale that might make possible the defeat of the Viet Minh.

16. The development of the Vietnamese National Army, promised by the French in 1949, has been retarded by a shortage of officers and non-commissioned officers, by French lack of faith in the Vietnamese and by French fiscal problems. There has also been an unwillingness among many Vietnamese leaders, not including Premier Tam, to undertake a major mobilization effort until the French grant further political concessions and until the Vietnamese character of the new army is fully guaranteed.

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17. *Political.* Some political progress has been made in Vietnam during the past year. Premier Tam's administration has enlisted the cooperation of the strongly nationalist Dai Viet leader Nguyen Huu Tri, and nationalist concern over Tam's francophilia has to some extent dissipated. Tam has also added to the political vitality of Vietnam by holding local elections in secure areas of Vietnam. Another Vietnamese program, undertaken with US economic assistance, which involves the relocation of scattered villages in the delta into centralized and defensible sites may be an important step toward the eventual "pacification" of heavily infiltrated areas." The decisions of March 1953 to increase the size of the Vietnamese National Army while expanding the area of Vietnamese strategic and operational responsibility, could also be of major political significance.

18. Despite these advances, Vietnam still lacks the degree of political strength essential for the mobilization of the country's resources. Tam's "action" program remains more shadow than substance. Elected local councils have no real power, promised land reform and other social and economic reforms which might generate popular support have not left the planning stage, and the Vietnamese government is handicapped by incompetent cabinet ministers and the lack of competent administrators. While Bao Dai refuses to assume active direction of the affairs of state, he remains hostile toward new leadership and democratic activities.

19. Of more basic importance in the failure of Vietnamese to rally to the Vietnamese government following the French grant of independence within the French Union in 1949 have been the following:

a. Many Vietnamese doubt the ability of French Union forces to defeat the Viet Minh and prefer to remain apart from the struggle.

b. The French Government has not dared to promise complete national independence at some future date, as demanded by the Vietnamese, because of the fear that the French national assembly would then refuse to support a war in a "lost" portion of the French Union.

c. The Vietnamese, despite many evolutionary steps toward complete independence since 1949, are generally inclined to believe that the French intend to retain effective control over the affairs of Vietnam.

d. The nationalist appeal and military prestige of the Viet Minh remains strong among significant numbers of the Vietnamese.

20. In Cambodia, internal political strife has weakened the government, dissident nationalist elements have continued to sap popular loyalty to the throne, and the King is demanding greater independence from the French in order to strengthen his political position at home. Meanwhile, the 9,000 Viet Minh combatants in Cambodia, while under fairly constant attack by French and Cambodian forces, are capable of exploiting disorders which may develop.

21. Laotian stability has been upset by the recent Viet Minh incursion. The Laotians are generally hostile to the Viet Minh but are unable to contribute a great deal to the defense of their homeland. A small group of pro-Communist Laotians returned to Laos with the Viet Minh during the recent incursion. It is led by a disaffected Laotian nobleman, Prince Souphanouvong, and calls itself the "Free Government of Pathet Lao" (Laos).

22. Meanwhile, the Viet Minh leadership, with Chinese Communist material and advisory assistance since 1949, has demonstrated the necessary zeal, ruthlessness, and tenacity to exploit to the maximum the limited resources at their command. The Viet Minh have expanded the area under their complete control and their prestige has probably increased throughout Indochina as a result of military successes in northwest Tonkin and Laos.

23. In the areas of Viet Minh occupation, Viet Minh control is believed to be effective, and minimum food requirements are being met. The Viet Minh have taken on increasingly the conventional characteristics of a "Peoples Republic" and are now engaged in programs to confiscate and redistribute land and to eliminate "traitors" and "reactionaries." Although this departure from national front tactics has increased realization

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that the Viet Minh are under complete Communist domination, the Viet Minh control many villages within areas of nominal French Union occupation through terror, compulsion, and their continued nationalist appeal.

24. The Viet Minh and the Chinese Communists continue to maintain close relations. It is estimated that there are less than a thousand Chinese Communist advisers and technicians with the Viet Minh in Indochina. The Chinese Communists are providing the Viet Minh with military supplies at an estimated average level of 400 to 500 tons per month, and some Viet Minh troops are sent to Communist China for training. Small Chinese Communist units reportedly have entered the mountainous northwest section of Tonkin on several occasions to assist the Viet Minh against French-supported native guerrillas, but no Chinese Communist troops have been identified in forward areas. There was some evidence during the past year that Viet Minh policy statements may be "cleared," if not written, in Peiping. Close Viet Minh relations with Communist China are complemented, superficially at least, by equally warm relations with the Soviet Union, but we are unable to determine whether Peiping or Moscow has ultimate responsibility for Viet Minh policy.

PROBABLE TRENDS IN FRENCH UNION
CAPABILITIES AND COURSES OF ACTION

25. French plans for dealing with the war in Indochina now revolve around the development of national armies in the Associated States, particularly in Vietnam. In March 1953, the Franco-Vietnamese High Military Council approved a new program calling for an increase in Vietnamese strength during the current year of 40,000 men, organized in 54 "commando" battalions.³ A further expansion of 57,000 men has been proposed for

³The 40,000 are to be recruited and will represent a net increase in French Union strength. Planned transfers of native units from the French Army to the Vietnamese Army will also strengthen the Vietnamese Army but will not represent any net increase in French Union strength.

1954 and will probably be undertaken if the initial reinforcement is successful and if equipment is made available by the US. With these additional Vietnamese forces, the French hope to undertake widespread clearing operations and subsequently to organize sufficient mobile groups to begin by early 1955 the destruction of the Viet Minh regular forces in Tonkin.

26. Progress has been made in carrying out the troop reinforcement program thus far, and the Vietnamese may have close to 40,000 reinforcements recruited, trained, and available for combat by early 1954. However, the Viet Minh invasion of Laos and the threat of similar operations will probably keep French mobile reserves deployed outside the Tonkin delta in isolated strong points. The addition of 40,000 untested and lightly armed Vietnamese will not offset the absence of these regular French forces, and effective clearing or offensive operations cannot be undertaken until French Union forces are regrouped. Moreover, the French military leadership has been so dominated by concepts of static defense as to be unable to conduct the planned operations with the vigor necessary for their success. How the new military leadership may alter this we cannot estimate. Finally, unless the French Union forces prove strong enough to provide security for the Vietnamese population, it will not be possible to sweep the guerrillas out of the areas as planned. Not only will the populace fail generally to provide the intelligence required to rout the guerrillas but, as in the past, they will frequently give warning of the presence of the French Union forces, thus permitting the guerrillas to take cover and later to emerge when the danger is past.

27. The French are fearful that they cannot achieve a military decision in Indochina. Unless the French Union military plans achieve great success during the period of this estimate, the conviction will grow in France that the Indochina problem can only be solved through some over-all East-West settlement in the Far East. The difficulties of the French financial position impel the French to seek relief from the mounting costs

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of the Indochina war, and French apprehensions concerning eventual German rearmament not only make them reluctant to increase the military establishment in Indochina but impel them to seek the early return of French troops to Europe. The French Government will therefore remain under strong and increasing domestic pressure to reduce its military commitment in Indochina. On the other hand, the French Government is under strong pressure to maintain its position in Indochina. There is still considerable sentiment against abandoning the heavy investment which France has poured into Indochina. More important, there is great reluctance to accept the adverse effects on the cohesion of the French Union and on French prestige as a world power which would accompany the loss of France's position in Indochina. In these circumstances, we believe that the French will continue without enthusiasm to maintain their present levels of troop strength through mid-1954 and will support the planned development of the National Armies of the Associated States. At the same time, France will probably continue to seek maximum financial and material assistance for the French Union effort while resisting any measures which would impair French pre-eminence among the Associated States, including the making of any commitments concerning the eventual political status of the Associated States.

28. Political strength in Vietnam may grow slightly during 1953 as progress is made toward a stronger national army, as the Vietnamese assume increasing governmental responsibilities, and as Premier Tam's social and political programs serve to decrease distrust of French intentions. There will probably also be a growing understanding, and fear, of the true Communist nature and purpose of the Viet Minh. However, these developments will not bring about a significant increase in Vietnamese will and ability to resist the Viet Minh during the period of this estimate because the Vietnam leadership cannot in this brief period overcome popular apathy and mobilize the energy and resources of the people. Moreover, if events should

persuade Vietnam leaders that no progress toward national independence is possible under the French or that French Union forces cannot defeat the Viet Minh, it is probable that the political strength of Vietnam would decline rapidly. Substantial Viet Minh military victories in the Tonkin delta or elsewhere in Indochina would also produce such a decline.

29. In Cambodia, political stability is likely to decline as the result of tension between the monarchy, the politically divided people, and the French colonial administration. Even if French concessions to the King insure his adherence to the French Union, unrest in Cambodia or a Viet Minh penetration into southern Laos might force the deployment of strong French forces to Cambodia.

30. In Laos, political attitudes will be determined almost entirely by military developments. The Laotians will probably remain loyal to the French Union if they are defended aggressively. They will not, however, offer effective resistance to Communist efforts to consolidate political control if French Union forces retreat from the country or if the French Union forces defend only a few strong points.

PROBABLE TRENDS IN VIET MINH AND
CHINESE COMMUNIST CAPABILITIES
AND COURSES OF ACTION

31. *Viet Minh Capabilities and Probable Courses of Action.* Barring serious Viet Minh military reverses, which could occur if Viet Minh forces should overextend themselves or make frontal attacks on French Union strong points, the Viet Minh regime will probably increase its total strength slightly during the period of this estimate. Viet Minh prestige will be increased by their recent gains in Laos. The organizational and administrative effectiveness of the regime will probably continue to increase with experience and Chinese Communist guidance. The program of expropriation and distribution of lands to tenants now being carried out probably weakens the Viet Minh appeal among some classes, but will

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probably strengthen Viet Minh controls at the village level and thus facilitate the collection of rice.

32. Militarily, the Viet Minh are unlikely to expand greatly their armed forces because they are already experiencing manpower difficulties. Their combat efficiency probably will increase, however, as the result of a modest augmentation of their unit firepower and a steady improvement in staff planning and coordination of forces. The Viet Minh probably will continue to receive a steady flow of material assistance from the Chinese Communists, and the amount may increase at any time. The Viet Minh do not have, and probably cannot develop within the period of this estimate, the capability to make such effective use of heavy equipment — artillery, armor, and aircraft — from the Chinese Communists as to permit successful attacks against strong concentrations of regular French forces. Over a longer period, however, a great increase in Viet Minh capabilities, including the development of an air force, is possible.

33. We believe that during the period of this estimate the Communists in Indochina will probably attempt to avoid combat except where they can achieve surprise or great superiority in numbers. They will attempt to consolidate Communist controls in "Free Laos" and will build up supplies in northern Laos to support further penetrations and consolidation in that country. If they reach the Thai border, they probably will attempt to organize guerrilla forces among the Vietnamese in northeastern Thailand, but we do not believe they will have the capability to provide much material assistance to such forces through mid-1954. The Viet Minh forces in Laos may hope to receive assistance from the Vietnamese population in Thailand. The Viet Minh will almost certainly intensify political warfare, including guerrilla activities in Cambodia.

34. We believe that neither the French Union nor the Viet Minh will be able to win a final military decision in Indochina through mid-1954. The Viet Minh, with their principal striking forces operating from the Tonkin base area, will probably retain the initiative

during the period of this estimate by maintaining attacks against lightly defended French Union territory. The French Union can hold key positions in Laos and may attempt by attacks against Viet Minh lines of communication, to prevent the Viet Minh from moving southward in force towards southern Laos and Cambodia. We believe, however, that Viet Minh guerrillas in southern Laos will develop sufficient strength to control much of the countryside and that guerrilla activities in Cambodia will be intensified. The French Union probably will reduce, but not eliminate, Viet Minh strength in south Vietnam. Viet Minh infiltration of the Tonkin delta will probably be maintained at a high level and the Viet Minh may undertake major attacks against the delta if they can weaken French defenses by drawing French strength elsewhere.

35. Unless there is a marked improvement in the French Union military position in Indochina, political stability in the Associated States and popular support of the French Union effort against the Viet Minh will decline. We believe that such marked improvement in the military situation is not likely, though a moderate improvement is possible. The over-all French Union position in Indochina therefore will probably deteriorate during the period of this estimate.

36. *Chinese Communist Capabilities and Probable Courses of Action.* The Chinese Communists will have the capability during the period of this estimate to improve airfields in south China, to train Viet Minh pilots, to continue improvement of transportation facilities, and to increase their present level of logistic support for the Viet Minh. The Chinese Communists will probably retain their present capability to commit and support logistically 150,000 Chinese Communist troops for an invasion of Indochina. The combat efficiency of this potential invasion force could probably be increased considerably by the use of combat-seasoned troops who have been rotated from Korea in the past year. The ability of Chinese Communist forces to sustain offensive operations in Indochina would probably be increased should logistic requirements in Korea remain at low levels for a prolonged period.

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37. A Chinese Communist force of 150,000, added to Viet Minh forces, would probably be able to overrun the Tonkin delta area before effective assistance could be brought to bear. The Chinese Communists now have, and will probably continue to have during the period of this estimate, sufficient jet and piston aircraft, independent of operations in Korea, for small-scale but damaging attacks against French Union installations in Tonkin. With surprise, they probably could neutralize the French Air Forces in Tonkin. The Chinese Communist air forces do not appear, however, to possess the capability at present of conducting sustained air operations in Indochina because of a lack of improved airfields in south China and stockpiles of supplies. Such preparations would take several months.

38. We believe that whether or not hostilities are concluded in Korea, the Chinese Communists will not invade Indochina during the period of this estimate.⁴ Although they possess the capability, the following considerations militate against intervention by regular Chinese Communist forces or by large numbers of Chinese Communist "volunteers":

⁴The Deputy Director for Intelligence, The Joint Staff, believes that the intelligence available is insufficient to permit a conclusion at this time that the Chinese Communists will or will not invade Indochina prior to mid-1954.

a. The Communists probably consider that their present strategy in Indochina promises success in a prolonged struggle and produces certain immediate advantages. It diverts badly needed French and US resources from Europe at relatively small cost to the Communists. It provides opportunities to advance international Communist interests while preserving the fiction of "autonomous" national liberation movements, and it provides an instrument, the Viet Minh, with which Communist China and the USSR can indirectly exert military and psychological pressures on the peoples and governments of Laos, Cambodia, and Thailand.

b. Communist leadership is aware that the West, and in particular the US, would probably retaliate against Communist China if Chinese Communist forces should invade Indochina. We believe that fear of such retaliation and of the major war which might result are important deterrents to open Chinese Communist intervention in Indochina.

39. We believe that the Communist objective to secure control of all Indochina will not be altered by an armistice in Korea or by Communist "peace" tactics. However, the Communists may decide that "peace" maneuvers in Indochina would contribute to the attainment of Communist global objectives, and to the objective of the Viet Minh.

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ANNEX A

ESTIMATED GROUND FORCE STRENGTHS AND DISPOSITIONS AS OF 1 APRIL 1953¹

INDOCHINA

A. FRENCH UNION FORCES

COMPONENT	TONKIN	ANNAM & PLATEAUX	COCHIN -CHINA	CAMBODIA	LAOS	TOTAL
<i>Regulars²</i>						
French Expeditionary Corps (CEF)	91,000	20,000	45,000	8,000	7,500	171,500 ³
Associated States Armies	27,000	33,000	20,000	8,500	8,000	96,500
Associated States National Guards	6,000	4,000	10,000	4,000	5,500	29,500
<i>Semi-Military</i>						
CEF Auxiliaries	23,000	6,500	18,000	3,300	2,400	53,200
Vietnam Auxiliaries	8,000	10,000	34,000	52,000
Other Semi-Military	27,000	7,000	30,000	9,000	6,500	79,500
TOTALS	182,000	80,500	157,000	32,800	29,900	482,200

¹These strengths and dispositions were effective before the Viet Minh invasion of Laos. Since that time French Expeditionary Corps (CEF) strength in Laos has been increased to 17,500 and CEF strength in Tonkin reduced to 81,000.

²French Union regular forces are organized into a total of 118 CEF battalions and 95 Associated States battalions. The CEF has 83 infantry, 7 parachute, 8 armored, and 19 artillery battalions and 1 AAA battalion. The Associated States have 87 infantry and 4 artillery battalions and 4 parachute battalions.

³Does not include 6,000 French personnel detached for duty with the Associated States forces as cadres and advisers. Composition of the 172,000 is as follows: French — 51,000; Foreign Legion — 19,000; African — 17,000; North African — 30,000; native Indochinese — 55,000.

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ANNEX B

ESTIMATED VIET MINH GROUND FORCE STRENGTHS AND DISPOSITIONS AS OF 1 APRIL 1953¹

B. VIET MINH FORCES

COMPONENT	TONKIN	ANNAM & PLATEAUX	COCHIN -CHINA	CAMBODIA	LAOS	TOTAL
<i>Regulars²</i>						
Army	81,000	25,000	13,000	1,000	3,000	123,000
Regional Forces (Full-time)	35,000	14,500	7,500	3,000	2,000	62,000
<i>Semi-Military</i>						
People's Militia (Armed)	50,000	34,000	25,000	5,000	1,000	115,000
TOTALS	166,000	73,500	45,500	9,000 ³	6,000	300,000

¹These strengths and dispositions changed during the Viet Minh incursion into Laos in April. An estimated 30,000 Viet Minh regulars moved from Tonkin into Laos and an estimated 10,000 moved from Annam. By mid-May, however, it is believed that all but 15,000 of the Viet Minh regulars had returned to their base areas in Tonkin and Annam.

²The Viet Minh are organized into 6 infantry divisions, 1 artillery division, 14 independent regiments, and 15 independent battalions. Regional forces are organized in 44 battalions.

³Some 3,000 dissident Khmer Issaraks are also active in Cambodia.

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ANNEX C

AIR ORDER OF BATTLE—FRENCH AIR FORCE AND NAVAL AIR ARM, FAR EAST

UNIT DESIGNATION	AIRFIELD	NO. AND TYPE AIRCRAFT ASSIGNED
<i>North Tactical Command</i>		
1st/8 Fighter Squadron	Bach Mai, Hanoi	18 F8F
2nd/8 Fighter Squadron	Cat Bi, Haiphong	20 F8F
Detachment, 1st/21 Fighter Squadron	Cat Bi, Haiphong	7 F8F
1st/25 Lt. Bomber Squadron	Cat Bi, Haiphong	15 B-26
Detachment, 1st/19 Lt. Bomber Squadron	Cat Bi, Haiphong	3 B-26, 1 RB-26
80th Photo Recon. Squadron	Bach Mai, Hanoi	11 F8F
Detachment, 2nd/62 Trans. Squadron	Bach Mai, Hanoi	12 C-47
Detachment, 1st/64 Trans. Squadron	Gia Lam, Hanoi	5 C-47, 3 JU-52
Detachment, 2nd/64 Trans. Squadron	Gia Lam, Hanoi	5 C-47
2nd/62 Trans. Squadron	Do Son, Haiphong	6 C-47
<i>Center Tactical Command</i>		
1st/21 Fighter Squadron	Tourane Afd., Tourane	12 F8F
Detachment 2nd/9 Fighter Squadron	Ban Me Thout Afd., Ban Me Thout	5 F8F
1st/19 Lt. Bomber Squadron	Tourane Afd., Tourane	16 B-26, 3 RB-26
Detachment, 1st/64 Trans. Squadron	Tourane Afd., Tourane	2 JU-52
1st/64 Trans. Squadron	Nhatrang Afd., Nhatrang	5 C-47, 6 JU-52
<i>South Tactical Command</i>		
2nd/9 Fighter Squadron	Tan Son Nhut, Saigon	8 F6F, 10 F8F
2nd/64 Trans. Squadron	Tan Son Nhut, Saigon	16 C-47
Detachment, 1st/64 Trans. Squadron	Tan Son Nhut, Saigon	4 JU-52
Miscellaneous light aircraft and helicopters (used throughout the three tactical commands for liaison, reconnaissance, medical evacuation, and flight training)—		152
TOTAL		345
<i>Naval Air Arm</i>		
Carrier based		22 F6F 12 SB2C-5
Miscellaneous other types		28
TOTAL		62
Aircraft (all types) temporarily unoperational because of shortages in personnel and logistics—		179
GRAND TOTAL		586

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ANNEX D

FRENCH NAVAL FORCES IN INDOCHINA

Small Aircraft Carrier (CVL) ¹	1
Gunboat (PG)	2
Escort (PCE)	8
Submarine Chaser (PC)	11
Submarine Chaser (SC)	5
Motor Minesweeper (AMS)	6
Amphibious Vessels:	
LST	4
LSIL	13
LSSL	6
LCU	19
Miscellaneous small landing craft	211
Auxiliary Vessels:	
ARL	1
AG	1
AGS	1
AR	1
AFDL	1
AVP	2
AO	1
Service Craft	54
French Navy Personnel	9,760
Vietnam Navy Personnel	277
Mission Aircraft:	
F6F-5 ²	22
SB2C-5 ²	12
PB4Y-2	8
JRF-5	11
S-51	2
Morane 500 "O"	6
C-47A	1

¹ The French have attempted to keep one of their two carriers in Indochina waters, subject to overhaul and repair schedules. The ARROMANCHES (CVL) and the LAFAYETTE (CVL) departed for France in February and May 1953, respectively, for overhaul and repairs.

² Carrier-based aircraft.

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THE JOINT CHIEFS OF STAFF
WASHINGTON 25, D. C.

10 June 1953

JUN 10 1953



MEMORANDUM FOR THE SECRETARY OF DEFENSE

Subject: Terms of Reference for Military Mission to Indochina

1. As you are aware, the French Government has invited the United States to send a Military Mission to Indochina to make an over-all survey of the military situation, with particular reference to requirements for and utilization of U.S. military aid in relation to French plans for successfully concluding the war in Indochina. Subject to your concurrence, the Joint Chiefs of Staff propose that the Mission operate under the over-all supervision of the Commander in Chief, Pacific, and that Lieutenant General John M. O'Daniel, U.S. Army, be appointed as Chief of the Military Mission.

2. Attached hereto are terms of reference, prepared in collaboration with the State Department, which the Joint Chiefs of Staff propose to issue to General O'Daniel.

3. Your concurrence is requested.

For the Joint Chiefs of Staff:

F. F. EVEREST,
Lieut. General, USAF;
Director, Joint Staff.

Enclosure

Handwritten notes:
CME
091
3334
(initials)

Copy 1 of 14 copies each
of 1 pages

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10 June 1953

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PROPOSED TERMS OF REFERENCE FOR THE CHIEF OF

THE U.S. MILITARY MISSION TO INDOCHINA

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PROPOSED TERMS OF REFERENCE FOR THE CHIEF OF
THE U.S. MILITARY MISSION TO INDOCHINA

1. As Chief of a U.S. Joint Military Mission to Indochina, Lt. Gen. John W. O'Daniel will discuss with General Navarre, Commander in Chief, French Armed Forces, Far East, requirements for and utilization of U.S. military aid in relation to French plans for successfully concluding the war in Indochina.

2. Discussions will, as a point of departure, take up U.S. evaluation of the Letourneau-Allard concept for successfully concluding the war in Indochina, particularly in light of developments since subject concept was formulated, and with a view toward:

a. Gaining sufficient information concerning the development of indigenous forces and strengthening of the French Expeditionary Forces in Indochina to equate the expenditure of U.S. military aid with net return, both current and planned.

b. Gaining sufficient detailed knowledge of French military plans to acquaint U.S. leaders thoroughly with the plan of future conduct of the war in Indochina, the chances for ultimate victory and its timing, and the adequacy of coordination of programmed aid with military planning.

c. Thorough discussion with the French in order to influence them to:

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(1) Expedite revision and aggressive implementation of French military plans for successfully concluding the war in Indochina, including the early initiation of aggressive guerrilla warfare, aimed at knocking the enemy off balance, disrupting enemy supply lines, and gaining the initiative for anticommunist forces.

(2) Expand training facilities and modernize French training methods with a view to more rapid development of loyal, aggressive, and capable indigenous forces.

(3) Expedite the transfer of leadership responsibility to the Associated States and accelerate indigenous military leadership training.

d. Devise ways and means of promoting closer and continuing French-U.S. Military Assistance Advisory Group (MAAG) contact on the plans and operations level without, of course, impinging upon the responsibilities of France and the Associated States for conduct of the war in Indochina.

3. In the course of discussions the Chief of Mission will be guided by the following:

a. The approved U.S. National Policy as contained in NSC 124/2.

b. The appropriate military views regarding Indochina previously expressed by the Joint Chiefs of Staff.

c. Approved Mutual Defense Assistance Programs (MDAP) for Indochina.

d. Views and instructions of CINCPAC.

e. NIE 91 - Probable events in Indochina through mid-1954.

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4. Although the invitation upon which the mission is based was conveyed by the French Prime Minister acting unilaterally for France, it is essential that the military authorities of Vietnam, Laos, and Cambodia be given a maximum sense of participation consistent with security requirements. The Chief of Mission will wish to take a very early opportunity of discussing this aspect of his task with General Navarre.

5. The Chief of Mission will be supported by a carefully selected group of military personnel representing all three Services and with special knowledge of the problems associated with Indochina. The delicate nature of the mission and the difficulty of accommodating a large group in a war area dictates that the party be kept as small as possible consistent with this requirement. The mission will comprise approximately the following personnel, to be designated by their respective Services: Army - Chief of Mission plus two officers; Air Force - two officers; Navy - two officers; State Department - one representative. It is essential that all members of the mission be aware that this is a highly important military mission concerned with reexamination of U.S. military policy toward this area of critical significance to U.S. security.

6. Prior to his departure from Washington, D.C., the Chief of Mission will be briefed by both military and political officers with respect to the U.S. position regarding the situation in Indochina. Enroute to Indochina the Chief of Mission will obtain the views of the Commander in Chief, Pacific.

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7. Coordination of the Mission's activities will also be effected with Chief, MAAG, Indochina. Close collaboration with General Trapnell and his participation in the work of the Mission are essential.

8. Because of the unescapable and highly significant political aspects which cannot be divorced from military operations in Indochina, the mission will include a Department of State representative conversant with problems associated with Indochina who will be available for consultation on political matters. In addition, the U.S. Ambassador in Saigon and his staff will be available to the Chief of Mission. With respect to over-all political considerations closely associated with subject mission, the Chief of Mission may present the following as the general views of the U.S. Government:

a. The achievement of an anti-Communist military victory in Indochina is largely dependent upon the availability of adequate military forces, to be obtained, at least in part, through the development of the National Armies of the Associated States. If the enemy continues to set the pace as he has done during the past six-month dry season, it is not realistic to think that the Vietnamese Government will be able to raise, train and direct necessary reliable native levies at the same time that the Viet Minh Army has the initiative and is straining the resources of the French Union Army. Consequently, early aggressive military action against the Viet Minh is essential in order to develop an atmosphere of military control and progress under which the Vietnamese Government will be able to produce maximum numbers of reliable troops.

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b. Assuming that French aims in Indochina are compatible with, or capable of compromise with, aspirations of the Associated States, the anti-Communist effort in Indochina would gain immeasurably by a clear and well advertised enunciation, at the appropriate time, of the future position of the French in that country. This must of necessity be accompanied by sufficient fundamental detail to explain satisfactorily to the people of the Associated States how that position is being accomplished.

c. Concessions in the military field to give a greater degree of local leadership involving, of course, appointment of more high ranking indigenous military leaders would be of significant psychological value in the political field, provided local leadership were exercised under successful conditions.

9. Target date for completion of the mission is approximately thirty days after arrival in Indochina. Prior to departure, the Chief of Mission should consider the desirability of one or two members of the mission remaining in Indochina to witness early operations of the coming dry season and should make recommendations to the Joint Chiefs of Staff accordingly.

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10. Following completion of his survey and departure from Indochina, the Chief of Mission will submit a written report to the Joint Chiefs of Staff via CINCPAC containing comments and recommendations concerning:

a. The adequacy of present U.S.-French and Associated States efforts and plans to win the war in Indochina including the effectiveness with which the French utilize U.S. military assistance. This will cover changes, if any, in the French strategic concept resulting from the current change in military command in Indochina.

b. The extent to which French military conduct of the war has been and is being hampered by political directives and considerations.

c. The adequacy and scope of U.S. end-use supervision of U.S. military assistance.

d. The desirability of direct United States participation in advising, training and/or planning for the operation of the National Armies of the Associated States.

e. Whether or not the indigenous military potential, including manpower and leaders, is being effectively and sufficiently developed for National Armies of the Associated States.

f. Whether Korean military training lessons may be utilized advantageously by the forces in Indochina.

g. Whether or not the scheduled build-up of Associated States forces during 1953 and 1954 will take place as planned and, together with existing French forces, will be sufficient to accomplish a decisive defeat of the Viet Minh by 1955. This will include, in particular, views concerning any deficit of force.

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h. Prospects for the French wresting the initiative from the Viet Minh in the near future and retaining the initiative thereafter.

i. What measures should be taken to improve utilization of air potential, particularly air transport potential.

j. What additional measures, if any, should be taken by the French and the Vietnamese in order properly to administer and protect liberated areas.

11. Chief, MAAG, Indochina will be directed to furnish necessary stenographic assistance to the Mission during its stay in Indochina.

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DEPARTMENT OF STATE

June 19, 1953

FOR THE PRESS

No. 329

FOR RELEASE AT 7:00 A.M., E.D.T., SATURDAY, JUNE 20, 1953....

In response to an invitation from the French Prime Minister, when he visited Washington last March, a United States Military Mission headed by Lt. General John W. O'Daniel presently commander United States Army Pacific will arrive Saigon June 20. Its purpose will be to pursue discussions with General Henri Navarre, Commander in Chief Indochina, on the manner in which United States material and financial support of the effort of the French and Associated States armed forces in Indochina may best contribute to the advancement of the objective of defeating the Communist forces there and of bringing peace and security to Viet-Nam, Cambodia and Laos. It is believed essential to insure an increasingly close integration of United States assistance with the plans developed by the authorities of France and of the Associated States.

Arrangements are being made for the military leaders of the Associated States to participate in these discussions. The vital role of the national armies of Viet-Nam, Cambodia and Laos and the increasingly important assumption of high military responsibilities by the Associated States will make these discussions of particular interest.

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Security Information

14 July 1953

SUBJECT: Report of U. S. Joint Military Mission to Indochina

TO: The Joint Chiefs of Staff
(Thru Commander-in-Chief, Pacific)

1. The attached Report of the U. S. Joint Military Mission to Indochina is submitted as directed by paragraph 10 of the "Terms of Reference for the Chief of the U. S. Military Mission to Indochina". (Appendix to JCS 1992/224, page 1971).

2. In summarizing the subject report I wish to emphasize the following:

a. General Navarre, Commander-in-Chief, French Forces, Far East, submitted to me in writing a new aggressive concept for the conduct of operations in Indochina which, in brief, calls for (a) taking the initiative immediately with local offensives, emphasizing guerrilla warfare, (b) initiating an offensive (utilizing the equivalent of three (3) divisions) in Tonkin by 15 September 1953, (c) recovering a maximum number of units from areas not directly involved in the war, (d) reorganizing battalions into regiments and regiments into divisions, with necessary support units and (e) developing the Armies of the Associated States and giving them greater leadership responsibility in the conduct of operations.

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b. General Gambiez, Chief of Staff to General Navarre, presented a discussion of operations to take place during the balance of the current rainy season. These operations include four (4) offensive operations outside the Tonkin perimeter aimed at destroying enemy personnel and existent enemy supply dumps, a clearing operation in North Annam, and an offensive operation in South Annam aimed at linking the Phan Thiet beachhead with Plateau forces and thus permanently severing the principal enemy supply line to Cochin China. These operations are to be followed by a large scale offensive in Tonkin on or about 15 September 1953.

c. General Navarre agreed to establish a French MAAG organization to supervise all training of the military forces of the Associated States and to include three (3) U. S. officers. This will provide an excellent opportunity for indirect U. S. participation in the training of indigenous forces and for exercising follow up action on matters already agreed upon with the French and the Associated States.

d. General Navarre agreed to cooperate wholeheartedly in (1) providing the U. S. with increased intelligence and (2) the stationing of one or two military attaches in Hanoi for this purpose.

e. General Navarre agreed to keep the Chief, MAAG, Indochina informed of French plans and stated that he will invite MAAG officers to attend all operations.

f. General Lauzin, Commander-in-Chief, French Air Force, Indochina agreed to (1) the removal of the six (6) C-119's from Indochina, (2) request C-119's in the future on a temporary basis only, (3 or 4 days) to support airborne operations requiring the simultaneous drop of forces in excess of two battalions, (3) step-up pilot and mechanic training and (4) organize a Vietnamese National Air Force.

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g. Admiral Auboyneau agreed to a reorganization of French Naval Forces to include a Joint Amphibious Command for the purpose of (1) attaining increased amphibious effectiveness and (2) delegating increased responsibility to Vietnamese leaders and units.

h. Once the French became convinced of the soundness of our initial proposals they became increasingly receptive to our subsequent recommendations.

i. As evidence of French sincerity in carrying out actions designed to improve the status of anti-communist military forces in Indochina, General Navarre and other French officers repeatedly invited me to return in a few months "to witness the progress we will have made".

3. I recommend that the Joint Chiefs of Staff:

a. Note the contents of the attached report and take appropriate action where required.

b. Propose to the Secretary of Defense that he recommend to the Secretary of State the sending of a small group of qualified experts to Indochina to study the desirability of the U. S. assisting in the development of Associated States small industry capable of producing certain military items or military-support items such as small arms, batteries or recap tires.

c. Approve an increase in artillery units in the force basis for Indochina if MAAG and Department of the Army screening indicates such increase is necessary for a balance of forces in the new divisional organization.

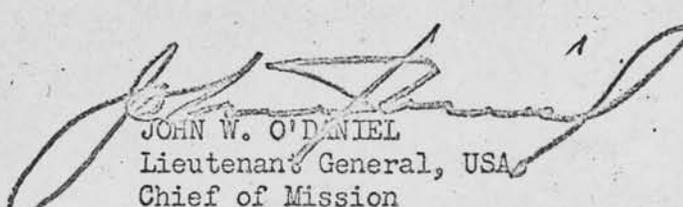
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d. Approve my return to Indochina in 3 or 4 months for a follow-up of the mission's activities, and

e. Insure that the Chief, MAAG, Indochina, receives copies of the approved report for his guidance and that he be instructed to take follow-up action where appropriate.

4. I recommend that the Chiefs of the individual Services approve necessary personnel augmentations of the MAAG, Indochina to allow for three (3) U. S. officers (one from each Service) for attachment to the French Training Command, and that the Chief of Staff, U. S. Army assign two (2) additional U. S. Assistant Army Attaches to be used for collecting combat intelligence in conjunction with the French G-2 in the Hanoi area.



JOHN W. O'DANIEL
Lieutenant General, USA
Chief of Mission

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Security Information

REPORT OF
THE JOINT MILITARY MISSION
TO INDOCHINA

1. General: In furtherance of the desires of interested agencies of the Government of the United States (see Annex "A"-Background) and in conformance with the "Terms of Reference for the Chief of the U.S. Military Mission to Indochina" (Appendix A to JCS 1992/224, copy attached as Annex "B"), approved by the Secretary of Defense on 12 June 1953, my party (see Annex "C") and I arrived in Saigon, Vietnam on 20 June 1953 to conduct a survey of the military situation in Indochina.

2. Throughout our stay in the Associated States we were most cordially received by officials of the French, Vietnamese, Cambodian and Laotian Governments. Our first two days were taken up in briefings by the American Embassy, MAAG, and French and Vietnamese military headquarters and by staff discussions. Thereafter we returned to Saigon from time to time to conduct discussions with French headquarters, the American Embassy and MAAG, Indochina.

3. In order to facilitate our mission my party split into three, and sometimes four, groups and traveled throughout Indochina. We were given complete freedom in selecting our itineraries and on all occasions were supplied with ample transportation and accommodations by either Chief MAAG, Indochina, or the French Armed Forces. This allowed for "on the ground" familiarization with all objects of military interest in those areas controlled by non-Communist forces. (See Annex "D" for detailed chronological presentation of the mission's activities in Indochina)

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4. Our discussions with the French and Associated States military authorities were on all occasions conducted in an atmosphere of frankness and military comradeship. I myself was particularly frank in my discussions with General Navarre, and his deputy, General Bodet, as well as the Commanding Generals of North, Central and South Vietnam and the French Naval and Air Commander, in which discussions I stressed the need for: (a) wresting the military initiative from the enemy now, (b) immediately initiating the reorganization of French and Associated States Armies on a divisional basis, (c) reorganizing and improving the training of the Armies of the Associated States, (d) hastening the turnover of leadership and staff responsibilities, particularly on the divisional and regimental levels, to officers of the Associated States, and (e) improving the utilization of air and navy potential in Indochina. Prior to his departure from Paris (2 Jul 53), General Navarre presented me with a written plan of action, henceforth referred to as the "Navarre Plan" (see Annex "E"), and expressed himself orally along lines which assured me that he intends to take conclusive action toward achieving his goal.

5. Adequacy of Present Efforts and Plans to Win the War in Indochina: I feel confident that the anti-Communist military forces now in Indochina, with competent ^{leadership} and effective reorganization into regiments and divisions, are capable of achieving military victory against the forces currently arrayed against them. (See Annex "F" for discussion of opposing military forces) However, this would require a complete change in French military psychology associated with Indochina and would entail some risk, both military and political, in the redistribution of forces, which the French are unwilling to take.

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6. Currently, French and Associated States military forces are not only scattered throughout the provinces of Tonkin, Annam, and Cochin-China, as well as in Cambodia and Laos, but within these areas anti-Communist forces are holed up in small forts, towers, and fortified areas. Most of these forts have never been subjected to attack. The French have contended these forts are necessary to guard lines of communication and control the countryside. I feel that a striking force of at least 5 divisions could be mobilized from these forces and mobile reserves by 1 October 1953 for employment as a striking force in the north, and so informed General Navarre in the nature of a suggested plan (see Annex "G") for offensive action in Tonkin during the coming dry season (Oct 53 - May 54). This would not denude any area. General Navarre is somewhat cautious with respect to reducing troops in inactive areas but intends (and so stated in the Navarre Plan) to mobilize a 3 division striking force for employment in Tonkin by 15 September 1953.

7. Though the new French High Command is prepared to take certain essential and highly desirable steps in the right direction, they will not, and perhaps cannot in view of political considerations, consider undertaking military campaigns designed to achieve total victory with the forces now available. Consequently, complete military victory will await the further development of the military forces of the Associated States or the addition of French divisions from outside Indochina.

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8. General Navarre intends, during his current visit to France, to urgently request that the French Government authorize him the loan of the equivalent of at least 2 divisions from French forces outside Indochina. In view of the French conviction that they do not have sufficient forces in Indochina to win an early victory there, and the fact that the shipment of French divisions to Indochina would go far toward convincing the fence-sitters that France can and will see this war through to victory, I believe that the United States should support General Navarre's request.

9. I can readily understand SHAPE's initial concern over the shipment of French divisions to Indochina. However, considering that these divisions would be on loan only, that they would be returned at an early date followed by the dividend of thousands of additional battle-hardened and victorious French military veterans, and the great strength which would accrue to France from a successful settlement of the war in Indochina,

I believe the action concerned would be to SHAPE's great advantage.

10. Though the addition of 2 divisions, endowed with a divisional concept of teamwork, continuity, impetus, and employment of artillery, could provide the military balance to assure an early victory, I feel that any addition other than in divisional organization would be in error since it is the divisional team, with its combat proven effectiveness, which is sorely needed in Indochina.

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11. Effectiveness of French Utilization of U.S. Military Assistance:

Inasmuch as U.S. military aid has prevented a Viet Minh victory in Indochina, it may be said that this aid has been effectively used. To date, French use differs from U.S. use because the overall war effort has been dominated by purely French military thinking. By U.S. standards some equipment is not used in the most effective manner, such as the use of artillery by single gun or battery in fixed positions, the employment of equipment in static forts, and the dispersion of fire power among a number of small independent units rather than concentration in a powerful striking force. However, General Navarre has informed me orally, and so stated in writing (see paragraph 3 of Annex "E") that he intends the early recovery of a maximum number of units from areas not directly involved in the battle, and the reorganization of these units into regiments and divisions for offensive employment in force.

12. In the past, the military aid programs have filled screened deficiencies for units included in the Phased Force Basis, as approved by the Joint Chiefs of Staff. No activation of units has been delayed due to nondelivery of MDAP equipment. The aid program has been thoroughly coordinated with so much of military planning as relates to the build-up of force.

13. The Chief, MAAG Indochina has, in general, not received sufficient information on long range operational plans to determine whether the forces we are supporting are required for planned operations. The Chief, MAAG

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stated the opinion that this was not because of any unwillingness of the French to confide in him, but rather because long range operational planning in general has not been done in the past.

14. In my discussion with General Navarre, I emphasized the need for coordination of military aid with operational plans as well as force build-up plans. General Navarre informed me that henceforth General Trapnell would be kept informed of operational plans and be invited to send observers on actual operations. As evidence of French intentions along this line, General Gambiez, Chief of Staff to General Navarre, disclosed French operational plans for the coming months in some detail (see Annex "H"). General Trapnell has been informed.

15. Political Considerations: General Navarre informed me that he has complete authority with respect to the conduct of military operations in Indochina and is unhampered by political considerations. Statements to the same effect were made by his subordinates. However, it is realized that this is an oversimplification of the problem. It goes without saying that declarations made in France, reference the war in Indochina, affect the "will to win" of General Navarre's command, if not the actual conduct of the war. Furthermore, it is believed that certain French military operations in the past, such as the movement of large French forces to Nason and Luang Prabang, have responded more to political considerations than military requirements. These same political considerations may very probably continue to receive attention in the future.

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It is also pointed out that military forces in Indochina include the national armies of 3 different Associated States in addition to the French Expeditionary Force. These units of the National Armies of the Associated States cannot be moved between the states without specific permission of the heads of the Associated States involved. (See Annex "I" on Political Considerations)

16. Adequacy and Scope of U.S. End-Item Supervision of U.S. Military Assistance: MAAG end-item supervision includes receipt of equipment at ports, inspection of units in the field and schools, observation of the use of equipment in operations and inspections of warehousing and higher echelon maintenance facilities. Until General Navarre took command, the number of field inspections was limited and excessive advance notice of intended visits was required. This problem has been resolved satisfactorily. For example, the Army Section is now authorized 30 visits a month to field units, representing a 100% increase over previous authorization. The present schedule allows approximately the maximum number of inspections within the Army Section capabilities and permits adequate supervision under present circumstances. Similarly, supervision of Navy and Air Force equipment is currently considered satisfactory.

17. U.S. Participation in the Training of the National Armies of the Associated States: My staff and I visited a large number of schools and training centers engaged in training officers, specialists, cadres, and basics for the National Armies of the Associated States. (Detailed discussion of training to include the school system is contained in

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Annex "I") With 2 exceptions the training was good, with American methods such as the "committee system" frequently used. The training witnessed in several training installations indicated outstanding aggressiveness and imagination on the part of installation commanders. However, many training centers were operating at less than 50% capacity and suffered from lack of uniformity of instruction, lack of or failure to use necessary training aids, poor organization of instruction and lack of central command supervision.

18. Responsibility with respect to the training of the armies of the Associated States is poorly defined and I feel that the key to the training problem lies in reorganization to achieve real command supervision. This can be accomplished through the organization of a French MAAG, to supervise all training—Army, Navy, and Air, for the military forces of the Associated States, along the lines of our KAMAG in Korea. General Navarre has agreed to this concept. Furthermore, General Navarre has agreed to the inclusion of 3 U. S. officers in the French MAAG, with 2 French officers in turn working with General Trapnell's organization. This will allow for indirect U. S. participation in the training of the National Armies of the Associated States. I do not believe that direct U. S. participation in the training of the Armies of the Associated States is either desirable or feasible, primarily because it is unnecessary, manpower requirements would be very large and the French would object most strenuously.

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19. In discussions on all levels my party and I strongly urged the French to utilize their present school and training center plant facility to capacity for the training of indigenous personnel and establish additional facilities where necessary in order to expedite the development of the indigenous armies. The French accepted this concept with the reservation that inasmuch as no additional qualified students may be available, following utilization of the present large training plant facility to capacity, the need for further expansion may be eliminated. Furthermore, I strongly believe that U. S. schools should be utilized, not only to train Vietnamese instructors, but also to acquaint the Vietnamese with U. S. training methods.

20. Employment of Associated States Military Potential: Manpower resources available in the Associated States are capable of supporting considerable expansion beyond currently programmed increases in the Armies of the Associated States. Bao Dai stated that Vietnamese forces alone are capable of expansion to 500,000 men. Other Vietnamese officials reiterated that their army could and should be expanded to at least double current plans. This is a commendable attitude but pay, equipment and training are the limiting factors.

21. Although a considerable increase in Vietnamese support of the war has been made during the past year (Vietnam has reportedly increased its defense budget by 300% since President Tam took office), Vietnam remains capable of increased financial support of the war effort, as does Cambodia. This does not hold true for Laos, with its primitive economy and present complete dependence on France for budgetary support. It is the opinion of Ambassador Heath and his staff that the Associated States

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should be able to increase military expenditures in view of additional financial contributions from outside Indochina (measured in piasters), which should result in increased incomes and permit increased tax receipts. The amount of taxes collected is also capable of expansion through improved tax collection. Doctor Sumberg, an American financial expert, is currently in Indochina conducting a 3 month study of the tax systems of the Associated States prior to making appropriate recommendations.

22. Currently, little or no industrial support of the war exists in Indochina. The adaptability of the indigenous population to specialist requirements and the existent support, with very little means, of a large and complex civilian transportation system in the larger cities of the Associated States, emphasize the existence of a technical knowhow, a fundamental requirement for any industrial base. Capital is either non-existent or carries prohibitive interest rates. The advisability of U.S. support of a small arms industry, tire factories, battery factories, garment factories, etc. becomes one of weighing comparative costs of local production against outside procurement. On a short term basis importation appears most economical for the majority of items, but detailed studies must and should be made by qualified experts to assure that this is correct. With respect to certain items of military support, such as battery production or tire recapping, local production appears most economical. Currently, a large proportion of batteries received

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in the Associated States are unfit for use, and the remainder have a relatively short life. Raw rubber is available in Indochina for recapping of tires. Commercial control is in the hands of the French, who not only control the very little industry which now exists in the Associated States, but also make reportedly large profits through the importation of French products. Any plans for the development of Vietnamese industry will encounter the opposition of these French commercial interests.

23. The French have been very tardy in the turnover of military leadership responsibility to officers of the Associated States. However, there has been some noteworthy progress recently. I was informed by the Vietnamese Chief of Staff that forty-odd battalions are now commanded by Vietnamese officers. His Majesty, Bao Dai, has signed a decree establishing a "National War College", site not yet selected, to train division commanders and other general officers. In my discussions with General Navarre and his staff, I repeatedly emphasized the need for expansion, to include regimental and division commanders, of a system already initiated on the battalion level in the Associated States and proven on all levels in Korea, that of attaching French advisers to indigenous commanded units of the National Armies of the Associated States. General Navarre has agreed to expedite the turnover of command to native leaders of the Armies of the Associated States as well as giving those armies a "more and more extensive place as well as more and more autonomy in the conduct of operations".

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24. Utilization of Korean Military Training Lessons in Indochina:

Korean military training methods can be employed advantageously in the training of the Armies of the Associated States. Although the French, naturally proud of their own military heritage and partially justified in their claims that the war in Indochina is different from that in Korea, have verbally minimized the benefits which may accrue to the Armies of the Associated States from training lessons learned in Korea, the Associated States have already benefited from Korean training. This was particularly evident at the Officers' Candidate School in Dalat. Here MAAG officers emphasized the considerable improvement, not only in training methods but also in utilization of plant capacity, since the visit to Korea by members of the Dalat staff. Shortly before our departure we noted increased interest on the part of senior French commanders in making visits to training centers in Korea. More visits to KAMAG training centers in Korea are planned. These visits should include visits by officers of the Hanoi Tactical School (which trains battalion and regimental commanders and staff officers) and the new "National War College", when established, to similar training centers in Korea. This is one of the most desirable means by which Korean military training methods may be applied to the training of the Armies of the Associated States.

25. Development of Associated States Military Forces: With respect to numbers, the indigenous forces of the Associated States are developing according to plan (see Annex "J"). Monsieur Quat, Vietnamese Minister of Defense, informed me that 31 of the 54 Vietnamese commando battalions scheduled for organization this year will be operational by 1 October 1953. My observations at training camps confirmed Monsieur Quat's remark.

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26. The primary deficiencies in the development of indigenous armies lies in the training of leaders, staff officers and, in a lesser degree, specialists (see Annex "K", Training and Schools in Indochina). The "Letourneau Plan" calls for the augmentation of an organization already overwhelmingly preponderant in independent battalions by activating a large number of additional battalions. The "Navarre Plan" will "build up progressively a battle corps by grouping battalions into regiments and regiments into divisions and by giving units thus created the necessary support (artillery, engineers, armor, communications) taking into account the very special character of the war in Indochina". Organization of regular forces along these lines will begin immediately (see Annex "I", Reorganization of French Union Forces). Commando battalions will initially be employed as independent organizations in the pacification program wherein they will get some battle indoctrination and organized into regiments and divisions at a later date. General Navarre stated that he proposed to keep these battalions on pacification duty 3 or 4 months.

27. Taking into account the current and planned development of Associated States Military Forces, there is no deficit of force in Indochina. The new command in Indochina will, in my opinion, accomplish the decisive defeat of the Viet Minh by 1955. The addition of 2 or more French divisions from outside Indochina would expedite the defeat of the Viet Minh. Greatly increased participation of China in the war in Indochina would require a reappraisal.

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28. Prospects for Wresting the Military Initiative from the Viet

Minh: General Navarre's plan of action calls for "retaking the initiative immediately through the carrying out, beginning this summer, of local offensives and by pushing to the utmost commando and guerrilla actions" and "to take the offensive in the north beginning September 15, in order to forestall the enemy attack". These planned operations, previously discussed (and covered in greater detail in Annexes "E" and "H"), together with guerrilla action and the pacification program, should assure the wresting and retaining of the military initiative from the Viet Minh. The timing of the major fall offensive is particularly important. Last dry season's campaign was scheduled to begin about 1 November 1952. The Viet Minh campaign against the Thai country, followed by their Laotian campaign, was initiated on 10 October 1952. Thereafter, the French merely reacted to Viet Minh attacks, thus precluding the initiating of French planned dry-season operations.

29. Guerrilla Warfare: General Navarre has a strong memory of the French Resistance movement in WW II, in which he was active, and told me that he intended to expand guerrilla activities as one of his immediate means of retaking the initiative. At the present time, French-Associated States guerrilla operations are loosely organized at command levels and utilize minor tribal groups in Laos and in Northern and Central Vietnam. They form a thin defensive harrassment line on the outer perimeter of Viet Minh influence in the mountains. French estimates of their strength vary from 3,000 to 20,000.

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30. French and Associated States forces are capable of expanding guerrilla forces immediately, as defenders of their home areas, by increasing the arming of tribal groups now used as guerrillas. Trained cadres are in being in these areas and the tribal people will fight the Viet Minh. Effective harrassment of Viet Minh communications lines from the Chinese border and flanking the Delta perimeter will require stronger and better trained guerrilla units than now exist, with political convictions to at least match those of the Viet Minh so that these units can recruit local partisans in their area of operations. Concrete suggestions for mounting guerrilla operations prior to 15 September, particularly harrassing the Viet Minh communication line flanking the northern Delta perimeter, were made to General Navarre and General Cogy who expressed favorable reaction.

31. Guerrilla training facilities were inspected and talks were held with commanders to encourage expansion of training and aggressive action. Present training facilities for guerrilla training will be expanded (see Annex "M" on Guerrilla Warfare).

32. Utilization of Air Potential: The air mission in Indochina is executed almost in its entirety by the French. The Vietnamese contribute a token participation by liaison-observer type aircraft, flown by Vietnamese pilots under French operational control.

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33. The French Tactical Air Force, including F8F fighters and B-26 light bombers, appears well organized and employed. The problem--very much parallel with Korea--is lack of well defined targets. With an aggressive ground offensive this picture should change for the better. It is adequate in the absence of counter air (see Annex "N").

34. The Air Transport and Troop Carrier Force is fairly well organized, but could employ more efficient techniques, which have been agreed to by the French. The limiting factor, with one reservation, is the lack of sufficient maintenance personnel. This shortage of personnel limits operations of all types of aircraft employed in the theater. The exception referred to is lack of numbers of aircraft to airdrop more than two battalions at one time. This latter fact was the basis for the request by the French for a squadron of C-119's. The French state, however, they are entirely in accord with our recommendation that C-119's are not feasible for continued operational use in Indochina and, accordingly, are recommending the withdrawal of their request for the squadron, as well as agreeing to the immediate removal of the six presently on loan from FEAF.

35. The requirement still exists, however, for more aircraft if three infantry battalions are to be airdropped simultaneously. It was recommended to the French, and they agreed, that in the event a three-battalion drop is projected, enough C-119's to make up the lift deficiency be loaned to them, subject to high level U.S. approval, for the three or four days necessary, and that French crews previously checked out in Germany or elsewhere be on hand in Indochina to make the drop. These same pilots would supplement the present C-47 crews

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when not otherwise engaged. The probable number of C-119's to be required is twenty-two (22). This plan would save the United States several million dollars in MDAP aircraft and at the same time give the French the capability of launching a large-scale airborne offensive. (See Annex "O" for detailed discussion of Air Transport and Troop Carrier Operations).

36. The Air Logistics picture is the brightest air aspect in Vietnam from the standpoint of improvement shown during the past eight months. Here again, personnel are badly needed. The French have agreed to request Paris for additional mechanics and supply personnel as well as to train additional indigenous personnel to alleviate this condition (see Annex "P").

37. The Air Training School for the Vietnamese Air Force at Nha Trang is well set up but too limited in numbers of trainees. The French have promised to expand the training of Vietnamese air personnel (see Annex "Q").

38. In summary, the French Air Force can support an offensive operation with its present equipment, augmented by additional personnel. The loan of C-119's for the limited period of a specific operation will give them the capability for a three-battalion airdrop.

39. Utilization of Naval Potential: Both the Tonkin Delta area in North Indochina and the Mekong River Delta area in South Indochina are interlaced with a series of canals and interconnecting rivers that form the country's main transportation system. This river and canal system provides means for surprise amphibious assaults in both Delta areas. The enemy offers no resistance to French ships at sea. The French naval forces have sustained greatest damage from mines and ambushes in narrow

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inland waterways. Blockade running is on a small scale. Small arms and ammunition is seldom found; rice and salt are the usual articles confiscated from Viet Minh junks and sampans (for details of Naval Warfare see Annex "R").

40. The training of Vietnamese naval officers and recruits was initiated in 1952 and the National Vietnamese Navy was officially established in January 1953. Training of enlisted men is satisfactory and can be expanded but training of officers is lagging due to the larger training cycle required. It was recommended that some temporary officers be appointed from the group of several hundred enlisted men who have served in the French Navy. The French were not receptive. French naval officers appear to hold the Vietnamese in low esteem and are reluctant to turn over responsibility to them. The mission feels that the Associated States personnel can be developed into satisfactory leaders (see Annex "S" for further details on Vietnamese Naval Training).

41. Amphibious Operations: French Union amphibious operations have heretofore amounted to little more than patrol operations on the inland waterways and coastal raids. Both the Army and the Navy have river patrol forces which are not coordinated in the higher command structure. The French concept of amphibious operations makes an absolute distinction between operations conducted on the coastline and those conducted on the inland waterways. The U.S. concepts of the amphibious command structure; tactical integrity; and observance of the principles of choice of the objective and concentration of forces; and the adaptability of these concepts in Indochina were presented to the Commander-in-Chief, Naval Forces, Far East (Admiral Auboyneau). These concepts, while not wholly

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agreed to by lower echelons within the French Navy, were accepted by Admiral Auboyneau. In his concurrence with the presentations made by the members of this Mission, Admiral Auboyneau stated that he intended to reorganize present French Union naval forces and to plan the development of expanded forces with the purpose of attaining increased amphibious effectiveness and at the same time delegating increased responsibility to Vietnamese leaders and units. (See Annex "T")

42. Administration and Protection of Liberated Areas: One pressing aspect of the war in Indochina is the current insecurity of rear areas. For example, the enemy holds or controls large areas inside the Delta perimeter with military units up to regiments. Much of the lack of a more aggressive spirit on the part of French commanders appears to be based on their concern for security of rear areas.

43. In North Vietnam, particularly within the Delta, political action is being coordinated with military action to pacify the rear areas. At French Headquarters, North Vietnam, a G-5 has been created as a Bureau of Pacification, working closely with Governor Tri's Civil Committee for Pacification. In conjunction with military action, pacification teams establish village and provincial governments, as well as organize and arm village militia for defense against the Viet Minh. G-5 is new and small, there are political questions reference Governor Tri's growing strength, and militia are poorly armed to resist Viet Minh attacks on villages. The French are capable of supplying ^{necessary additional arms} ~~this extra~~ equipment from reserve stocks.

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44. Success of the Dong Quan project (a plan for regrouping many small villages into large fortified villages similar to the Templar Plan in Malaya in concept) is questionable in the opinion of the STEM officials who are supporting this project. Dong Quan has been the target of repeated Viet Minh attacks, which signifies enemy concern over this plan, and consequently villagers are currently quite unwilling to move into Dong Quan. Because of the tremendous scope of the village relocation project, if carried through to completion (even if restricted to the Tonkin Delta), and the existent static commitment of a great number of troops in Indochina, it is imperative that local militia only be ultimately employed in defense of this type village. The impression received was that the Dong Quan project was losing popularity, however the effort is a new one for Indochina and further developments will be watched.

45. The mission of the 54 Commando Battalions to be added to the Vietnamese Army by 1954 is primarily for pacification. As of 30 June 1953 9 battalions had been activated, with 3 operational. 31 battalions will have been organized and trained by 1 October 1953. The 3 battalions operational are being employed near Bui Chu, in the southwestern part of the Tonkin Delta. Commando battalions are being trained for political, propaganda, and counter-guerrilla warfare.

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46. In pacifying areas the French and Associated States intend employing the following general plan. Units already stationed in a selected area will initiate clean-up operations in that area. As they progress in their clean-up operations, commando battalions will move in behind the regular battalions, assuring the continued pacification of the area by countering guerrilla activities, screening occupants, and employing psychological warfare to assure the political allegiance of the inhabitants. As the area of operations expands, regular troops from adjacent areas will join in the operation and additional commando battalions will likewise be utilized in a single unified operation. Gradually, as the operation expands with regular troops operating on the perimeter and commando battalions within, certain regular units will become excess and will be transferred to the battle corps in Tonkin. In general, the French plan on utilizing two to three commando battalions to replace one regular battalion (see Annex "U" on Pacification).

47. Psychological Warfare: General Navarre, General Hinh, and President Tam are in favor of waging more aggressive psychological warfare and are hopeful of obtaining a political answer to the Viet Minh propaganda theme of immediate and complete independence for Vietnam. Psychological warfare is barely started in the Associated States. There is practically no combat psychological warfare, training is neither uniform nor effective, and enemy weaknesses are not being exploited. Behavior of French Union and Vietnamese forces in occupying villages is such that it negates much of the present psychological warfare effort. A further handicap is that President Tam and General Hinh are both French citizens who could be accused of biased feelings.

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48. Suggestions were given to psychological warfare officers on the adoption of combat techniques, exploitation of enemy weaknesses, and more uniform training. Both French Union and Vietnamese forces have ambitious plans for expansion of psychological warfare. General Navarre was receptive to my recommendation that the two French and three Vietnamese officers who completed the psychological warfare course at Ft. Bragg this June be used to organize and supervise a psychological warfare training program. The addition of a psychological warfare officer to the MAAG staff in the near future_x should benefit the initiation of a comprehensive program (see Annex "V").

49. Prisoners of War: French officers estimated they held about 30,000 Viet Minh PW's in camps throughout Vietnam. French Union forces have the responsibility for holding PW's since the Vietnamese government has not signed the Geneva Convention. Separate camps have been established for what the French term "de-intoxication" of selected PW's, stating they obtained the idea from our "de-nazification" camps in Germany. Ten "de-intoxicated" Viet Minh are now cadets at Dalat.

50. Employment of a U.S. Intelligence Personnel in Tonkin: I discussed the subject of employing a team of U.S. intelligence personnel, to work with the French G-2 in Northern Vietnam, with General Navarre at considerable length. In our conversation, I stressed the fact that cessation of the war in Korea would eliminate an existent source of U.S. intelligence on Chinese military forces and that some of the slack might be taken up by increased intelligence on these forces to be obtained from French sources in Indochina, particularly through the

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interrogation of Viet Minh prisoners. General Navarre replied that he would cooperate wholeheartedly in this respect and, although unreceptive to a large team of U.S. intelligence personnel in Hanoi, agreed to the stationing of one or two U.S. attaches in Hanoi to increase U.S. intelligence in that area. In view of the implications of U.S. participation in the war in Indochina associated with the employment of a combat intelligence team in Hanoi, I believe that the solution agreed to by General Navarre is best. The existent availability of a hotel room, eating facilities, and an automobile in Hanoi to accommodate U.S. attaches when visiting there, should preclude any major administrative problem associated with the stationing of U.S. attaches in Hanoi.

51. On 12 July 1953 while at USARPAC, the mission received an information copy of a cable (OEF 943670) requesting MAAG Indochina to provide certain data for inclusion in an NSC report, and to develop this data as part of the MAAG work for the mission. Based on information available to the mission and additional data provided by the MAAG, a report (Annex "W") furnishing the required data, was prepared.

52. Participation of Associated States Representatives in the Activities of the Mission: It was disappointing that Associated States representatives were not present at all briefings by the French. However, officials of the Associated States appeared satisfied with their participation in the activities of the mission. A lengthy briefing at Vietnamese Army Headquarters in Saigon the third day of our visit was followed by discussions between myself and the Vietnamese Minister of Defense and

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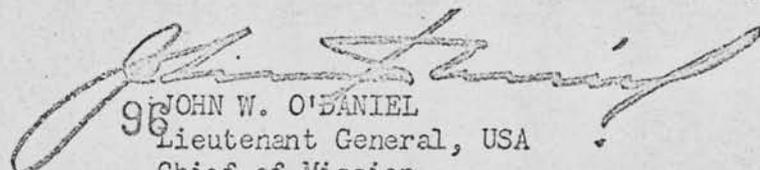
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Chief of Staff as well as staff discussions between Vietnamese officers and members of my mission. Discussions were also held with both political and military representatives of Cambodia and Laos. At training centers visited, representatives of the Associated States were playing a prominent part and participated extensively in the activities of my mission.

53. Participation of MAAG Indochina in Activities of the Mission:

General Trapnell, in addition to supervising all administrative arrangements concerning our activities in Indochina, worked in close coordination with the mission at all times. Members of MAAG accompanied the mission on all trips and briefings. General Trapnell was informed of his responsibilities in following up actions of the mission.

54. Attitude of New French Command in Indochina: During my stay in Indochina I became more and more impressed with the sincerity of General Navarre and his top commanders to see this war through to success at an early date. Progress in offensive planning and increased aggressiveness in attitude and follow-through were noted even during our brief stay. Once the French became convinced of the soundness of our original recommendations they were not only very receptive to all subsequent recommendations which we advanced but actually appeared to be groping for any new ideas which might contribute toward winning the war in Indochina. Furthermore, their repeated invitations for me to come back in a few months "to witness the progress we will have made" is, in my opinion, concrete evidence that the new command has brought a new, aggressive psychology to the war in Indochina. As a closing thought I propose that henceforth we think in terms of the "Navarre concept" in association with the war in Indochina.


96 JOHN W. O'DANIEL
Lieutenant General, USA
Chief of Mission

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396.1-WA/7-1553: Top Secret File

OUTGOING TELEGRAM

SENT TO: . Amembassy PARIS 180 July 15, 1953
7:29 PM

Franco-US Bilateral afternoon July 12 devoted exclusively Indochina.

I. Political:

During lengthy presentation Bidault made it clear French intended interpret their Note July 3 to Associated States most liberally, Quote they could write their own ticket Unquote concerning Agenda in all fields and they would obtain what they ask for. Only sine qua non is continued membership French Union as without this concept Bidault positive French Parliament and public would not continue support war 12,000 kilometers from home. Negotiations will take form three separate bilaterals presumably in Paris although this location not absolute condition, except perhaps case Cambodia where question prestige involved.

Secretary expressed deep gratification these far-sighted liberal political plans. Referring French Union concept he said he understood it was not precise juridical concept but rather broad idea and we favored such concepts which hold different people together in different parts of world in security and fellowship, as no nation can be totally independent under present conditions.

II. Military:

Letourneau-Allard plan outlined to us in March progressing on schedule and only French desire is to accelerate its implementation. Referring to Navarre plan he defined it as:

a) Structural reorganization to create units better adapted for local war conditions and for offensive operations.

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b) Increase in total forces available to create substantial strategic reserve permit French initiative. These additional forces include 12 battalions from France with 50 helicopters, 3 LSTs and 2 Pocket (repeat Pocket) Liberty ships, 30 C-47s, and 6 Beavers (repeat Beavers).

Obviously most serious problem relates to 12 infantry battalions. Politically raises grave problem sending conscripts to Indochina and this at very time when popular sentiment against war crystalizing in France. Militarily it would mean sharp reduction in French strength in Europe and North Africa. He estimated following units would have to be deactivated as result cadre and support requirements of 12 battalion force for Indochina: 8 or 9 artillery groups, 6 or 7 engineer battalions, 4 armored regiments, 3 or 4 signal companies and 8 or 9 ordnance companies.

All this has serious financial implications. Bidault stated that provisional French 1954 budget now includes 482 billion francs for Indochina and implementation Navarre plan would result in additional 20 billion francs. At same time Bidault understood US requesting \$400 million to aid Indochina war and \$40 million for direct assistance to Associated States (Stassen corrected this last figure to \$25 million and pointed out both \$400 million and \$25 million amounts were only illustrative). While Bidault did not make any precise request of US he clearly indicated because France's financial condition these amounts of aid would not adequate permit above French expenditures.

Referring all aspects Indochina war in France Bidault pointed to basic and delicate political problem in Parliament where generally speaking those who support Indo-Chinese war (i.e., more Quote national Unquote element) oppose EDC and vice versa. This crisscross of political sentiment complicated his over-all task immeasurably.

Secretary expressed understanding for French difficulties and said outline Navarre plan had impressed us favorably because of its offensive features. General O'Daniel was now preparing his full report and upon completion it would be given urgent and careful consideration with view determining what financial aid could be given, which of course would depend on Congress.

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III. Negotiations:

This phase conversation took up more time than any other. Decision not to mention this aspect to Press respected so far and obviously should continue be carefully observed in view possible rapid snowball effect.

Bidault at great length developed reasons why negotiating activity in Korea should be paralleled for Indochina. Quote Peace is contagious Unquote. French people would never understand why negotiating was fit and honorable for Korea and not so re Indochina. In particular should there be cease fire in Korea and nothing similar in prospect for Indochina present French Government's situation would become absolutely impossible. Bidault said of course he was not considering any kind negotiation which would result Quote stabbing in back Unquote 530,000 French and Associated States' soldiers now fighting Indochina and spoke vaguely terms of plebiscite after cease fire. In self-defense he said he had given little thought subject as his main preoccupation has been counter those who are advocating negotiations.

While again expressing understanding for French problem Secretary stressed negotiations with no other alternative usually end in capitulation. If Korean negotiations succeed it will probably be because Communists realize we have Quote other and unpleasant measures Unquote available. Therefore he urged French adopt Navarre plan not only for military reasons but because it would improve French negotiating position. He made clear for variety reasons inscription Indo-Chinese item on agenda of a post-Korean armistice political conference would be not only difficult but also inadvisable. Secretary made point of referring fact Korean political talks would be under UN auspices and France had consistently and strongly opposed moves bring up Indochina in UN forum. He did say however if in course of such political talks ways and means develop to contribute toward honorable political settlement Indochina US would of course do so and we would that time keep in mind possibility negotiations re Indochina in some other form. However Secretary placed his emphasis extreme perils negotiating when no alternative available.

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Secretary again assured French along lines President's April 16 speech and Hayer Communique to effect we would consider it a fraud should ending war in Korea merely be means releasing assets for aggressive use elsewhere. French were assured we would seek UK concurrence include something this effect in final communique. Other significant statement by Secretary connection Indochina negotiations problem was when he discounted French fears Chinese volunteers might openly intervene in Indochina and/or Chinese aviation. Secretary said seemed reasonable to him make plans in Indochina basis there would be no such developments because probable and Communists know it possible such operation would lead to rather general war Pacific area and sea and air force from US might be brought bear in areas other than Indochina.

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ANNEX 2

Text of the French Memorandum

1. One of the essential aims of the free world is the containment of Communist expansion in the Far East. France is not defending her own interests alone in Indo-China any more than the United States is defending solely its own interests in Korea.
2. From the juridicial point of view, there is no connection between the Korean War waged by the United Nations and the war in Indo-China waged by France and the Associated States. But on the Allied side it has often been ascertained by the highest military and political authorities, that the Far East, on a line stretching from Korea to Malaya through Indo-China, constitutes a single front, divided into several theatres of operations.
3. It is therefore logical that nations which have waged or which continue to wage the same battle separately be united in the pursuit of peace, just as they have helped and still help one another in war.
4. Conversely, it would be absurd that the conclusion of an armistice in Korea, fervently desired by the French Government as well as by all other members of the United Nations, should have as a consequence an increase in the support lent by Communist China to the Vietminh. The mission of the United Nations would not be fulfilled if the cease-fire in North Asia should result in an intensification of the war in South Asia.
5. Without being in a position to state that the prospect of a truce in Korea is the cause, the French Government notes at this very moment, with great concern, that the supply of war material and articles of all sorts to the Vietminh by Communist China has considerably increased during the past three months. It is to be feared that this state of affairs is going to deteriorate further during the months to come.

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6. In accordance with the decisions taken by the United Nations, a political conference is to convene within a maximum period of ninety days after the signing of the truce. It is clear that this conference will consider primarily problems relating directly to Korea, which it is specifically instructed to resolve. Nevertheless, the success of its mission, though greatly to be desired, should not result first of all in a worsening of the conflict in Indo-China.

7. As was found by the three Ministers of Foreign Affairs in Washington, it may be difficult, for procedural reasons, to place the Indo-Chinese question on the agenda of the political conference. It should surely not be impossible, however, to see to it that Indo-China profits, at least indirectly, from a meeting which is intended to re-establish peace in an area of the Far East, should such an undertaking meet with success.

8. We shall doubtless soon be in a position to sense the attitude of Communist China during the political conference, as the representatives of the United Nations certainly do not intend to allow the meeting to drag on indefinitely without results.

If this attitude, as is possible, is entirely negative, it would obviously be out of the question to expect the conference to have any beneficial effect upon the situation in Indo-China.

If, on the contrary, the climate of the conference becomes more favorable, the opportunity may arise--without jeopardizing in any way a successful solution of the Korean problem--to explain to the Communist representative, unofficially as well as at the conference table itself perhaps, that his conciliatory attitude could not limit itself to regions lying north of the 38th parallel, and that he would be assuming an undeniable risk if he sought to localize his peaceful intentions in such a manner.

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9. How could such a maneuver be undertaken? Once more it would be logical to see to it that the work of the conference progresses pari passu with a cease-fire in Indo-China.

In any case, it is only fair that the work of the political conference should, at the very least, be conducted in such a manner that Communist China:

- (a) can not consider any result as secured (in particular with regard to the evacuation of military forces) as long as she has not given tangible proof of her general goodwill in Southeast Asia.
- (b) receives the impression that the situation in the Far East as a whole is kept constantly under review by the Three Powers jointly and therefore has a direct influence on negotiations which are limited to Korea in principle.
- (c) arrives gradually at the conclusion that her best interest is to cut down her support of the Vietminh, in order to enjoy the benefits which she might expect to derive from a prolonged or final cessation of hostilities on the 38th parallel.

10. At the same time, the French Government would continue its efforts to obtain a satisfactory adjustment of the situation in Indo-China, which has just been undertaken both on the political and on the military level. Such an adjustment should enable us to regain the initiative in military operations just as we have regained it with respect to 'relations' between France and the Associated States.

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11. Such an effort by France and Vietnam coupled with the political maneuver already outlined might lead the Government of Communist China to reflect whether the policy of supporting the Vietminh is still justified, and whether it would not be, in the last analysis, more costly to her than the abandonment of an ally who is unreliable except for a common Communist ideology.

12. The French Government is fully aware that the foregoing observations are of necessity still indefinite and represent only a first attempt to find the best method of hastening the re-establishment of peace not only in Korea but also in the Far East as a whole. The intention of the French Government has been only to indicate the direction in which it believes that an effort should be made, in a spirit of equity justified by a war of seven years duration, the essential purpose of which is the defense of freedom as well as the protection of all of Southeast Asia. The French Government would be happy to obtain the views on this question

of the Government of the United States
and the Government of the United Kingdom

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DEPARTMENT OF STATE

FOR THE PRESS

JULY 17, 1953

NO. 387

REPORT TO THE NATION BY THE HONORABLE JOHN FOSTER DULLES, SECRETARY OF STATE, AND THE HONORABLE WALTER S. ROBERTSON, ASSISTANT SECRETARY OF STATE, FRIDAY, JULY 17, 1953

...Last Tuesday night we finished a five-day meeting of the Foreign Ministers of Britain, France, and the United States....

In the past, there has been some criticism of the French Republic for failing to promise liberty and independence to the three Associated States of Indochina, -- Vietnam, Laos and Cambodia. It was felt that the peoples of these countries needed something of their own for which to fight. The basis for that criticism should now be removed. The French Government has given assurance that it stands ready to grant complete sovereignty and independence to the three Associated States. Negotiations on this matter will start in the near future.

Last Monday, Mr. Bidault, the French Foreign Minister, and I invited the representatives of these three States to meet with us. We found that they looked forward eagerly to working out arrangements with the French Government to complete their sovereignty and independence. It seemed that they do not want to be wholly divorced from France. They have, with France, strong bonds of a cultural, economic and military nature. These can be preserved, consistent with full independence, within the French Union, which, like the British Commonwealth, offers a possibility of free association of wholly independent and sovereign nations.

This action of the French Government makes clear the distinction between those who would grant independence and those who would destroy it. It should make it easier to stop Communist aggression in that part of the world.

We discussed plans for military operations in Indochina. These are being developed by the French General Navarre who has recently gone there. Our Government sent General O'Daniel to confer with him. We believe that the new French plans are vigorous and deserve to be implemented in that spirit. The United States has a large interest in the matters because our position in the Western Pacific could be put in jeopardy if Communists were allowed to overrun the Southeast Asian peninsula of which Indochina forms a major part. We are already helping there with material aid. This involves the second largest cost item of our Mutual Security Program, participation in the NATO Army being first. I believe we should help effective resistance to Communist aggressors everywhere, and in Indochina it may save us from having to spend much more money to protect our vital interests in the Pacific.

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We also agreed that an armistice in Korea must not result in jeopardizing the restoration of peace in other parts of Asia. In this connection we thought particularly of Indochina.

As President Eisenhower said in his April 16 address, an armistice in Korea that merely released aggressive armies to attack elsewhere would be a fraud. We are on our guard against that.

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2. Our program for Europe and Asia is a program for peace and for the liberty and justice which are necessary if peace is to be durable. Repression can give the illusion of peace, but it is only illusion. For sooner or later the repression becomes unbearable and human emotions explode with violence....That is why we seek peace in Indochina on the basis of freedom and independence which the French Government now promises the peoples.

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to carry on in Indochina, the only alternative is eventual withdrawal, the only question being the exact method and date on which the withdrawal will take place. He has instructed General Navarre to prepare a new plan on the assumption that no funds will become available, and this plan will be ready shortly and will be available for our information.

Thus, in conclusion, Laniel pointed out that not only the whole question of Indochina, but also the whole problem of balancing the French budget and putting France back into a position where she could make a strong contribution to the European and Atlantic communities, depended on whether or not approximately 150 billion francs additional could be made available for Indochina in calendar 1954.

DILLON

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FW 795.00/8-753: Confidential File

[French Embassy]
Washington, July 31, 1953

AIDE-MEMOIRE

1. The armistice in Korea having come into force, it seems indispensable to the French Government to review at this time the exchange of views at Washington between the Foreign Minister, Mr. Foster Dulles and Lord Salisbury, concerning the raising of the question of Indochina in the course of political negotiations which are to follow the armistice.

The Foreign Minister on July 14 submitted to his American and British colleagues a memorandum on this question. The present aide-memoire is intended to spell out certain points contained in that memorandum.

2. The interdependence of the two conflicts in Korea and Indochina is acknowledged, since it has been emphasized at different times in the communiques of the three Powers, and has been affirmed by President Eisenhower and Mr. Foster Dulles. As is recalled in the Declaration of the Sixteen Powers, it will be inconceivable that the armistice in Korea might result in preventing the establishment or the maintenance of peace in another part of Asia, in increasing the support given by China to the Viet Minh, and in aiding in this manner the spread of Communism. It will be incomprehensible if anything is overlooked in trying to extend to Southeast Asia, and in particular to Indochina, the benefits of the relaxation that it is hoped will arise from the end of hostilities in Korea.

The question thus arises of knowing by what means and with what immediate objectives one might associate a solution of the Indochina conflict with the settlement of problems with which the Political Conference, called for by the armistice agreement, will deal.

3. With regard to the means, Article 60 of the armistice agreement, by means of the phrase "etc." does not rule out, in principle, that the Indochina question (a) might be formally included, as such, in the agenda of the Conference, (b) or might be taken up in the

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examination of the general problem of Communist aggression elsewhere than in Korea, (c) or might be included in a general discussion of Far Eastern questions.

In any case, it is essential that the interdependence of the different theaters where Communist aggression is taking place not be lost sight of by the Allied negotiators and be clearly affirmed.

4. On the assumption that it proves impossible for any of the three formulas, indicated above, to be carried out, the matter could be taken up on the fringes of the Political Conference. It could, in effect, be studied, after the appropriate contacts--official and restricted--had been established with the Chinese representatives, in a parallel conference which might be held at the same time, but which need not be of the same nature or the same composition.

This parallel conference could be limited to the question of Indochina alone, or deal equally with other Far Eastern problems other than Korea. It would have the advantage of not having any tie, legally or otherwise, with the United Nations since the latter would have no part in the establishment or in the program of its work. It would allow for more flexibility and for more possibilities in the conversations. The parties could, in this parallel conference consider themselves uninhibited by any previous positions taken at the time of the working out of the articles of the armistice regarding the calling of the Political Conference.

5. In any event, the French Government considers it important that the following consideration guide the conduct of the Allies: that no non-Korean problems of interest particularly to China--viz., admission of its representative to the United Nations, raising the embargo, and the question of Formosa--will be the object of discussions or of more or less long-range promises until the Indochina problem has been discussed. The French Government could not agree that the Political Conference take up the non-Korean questions if among them is not included--in fact as a priority item--the question of Indochina.

6. The objective we would wish to attain, when this question in one way or another is seriously discussed,

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would be the end of all Chinese aid to the Viet Minh and the end of hostilities.

The effective implementation of such measures would allow, after a certain interval and if the opposing side gives evidence of a true spirit of conciliation, for the preparation and the opening of negotiations for a political settlement of the problem.

The French Government reserves the right to consider far more thoroughly this last aspect of the question, together with the Associated States, and in particular with VietnNam, when these exchanges of views with the American and British governments will have sufficiently established the ways and means most appropriate to the circumstances and to the purpose in mind.

7. The foregoing views have also been brought to the attention of the British Government.

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MEMORANDUM FOR EXECUTIVE SECRETARY
NATIONAL SECURITY COUNCIL

SUBJECT: Progress Report on NSC 124/2 -- United States Objectives
and Courses of Action with Respect to Southeast Asia.

REF: NSC 124/2 and Note by Executive Secretary to the
National Security Council dated 25 July 1952 which
instructed the National Security Council that the
President had directed implementation of NSC 124/2
by all appropriate Executive Departments and
Agencies of the United States Government under the
coordination of the Secretaries of State and Defense.

In accordance with the President's directive on the implemen-
tation of NSC 124/2 and the above reference memorandum, there is
submitted herewith a progress report on NSC 124/2. It is requested
that this be circulated to the Council members for their information.

WALTER B. SMITH

AUG 5 1953

ok
WB/EB



BURMA
THAILAND
I.C.
MALAYA
INDONESIA } S.E. ASIA

Secretary of State

Secretary of Defense

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MEMORANDUM FOR EXECUTIVE SECRETARY
NATIONAL SECURITY COUNCIL

SUBJECT: Progress Report on NSC 124/2 -- "United States Objectives and the Courses of Action with Respect to Southeast Asia".

NSC 124/2 was approved by the President on June 25, 1952. He directed that implementation of NSC 124/2 would be by all appropriate Executive Departments and Agencies of the United States Government, under the coordination of the Secretaries of State and Defense. It is requested that this first progress report, submitted in accordance with the directive of the President, as of June 15, 1953 be circulated to members of the Council for their information.

OBJECTIVES AND COURSES OF ACTION

The main objectives of the United States are to prevent the countries of Southeast Asia from passing into the Communist orbit and to assist them to develop the will and ability to resist Communism from within and without and to contribute to the strengthening of the free world.

The general considerations to be taken into account in determining courses of action (Sections 2-6 of NSC 124/2) continue applicable without change of emphasis or addition except for the reference to rice exports in subparagraph g of Section 2. Indochina should have been included as a rice exporter along with Burma and Thailand. The rice exports from these areas are of great importance to other rice deficient Asian countries including especially Indonesia, Ceylon, India, Malaya, Hong Kong and Japan. By offering rice and a high price for rubber Communist China has been enabled to secure rubber from Ceylon and thus to diminish the effectiveness of the UN attempt to embargo rubber going to Communist China. Communist China is making a serious effort to secure rubber from Indonesia; the success or failure of this effort will depend in part on the degree to which the United States shows a practical understanding of the economic, social and political problems of the rubber producing countries and of the impact of low rubber prices on the stability of these countries.

Southeast Asia

(7a) United States Information Services continued to utilize the media of press, radio, motion pictures, and utilize information centers to explain United States objectives and actions and to counter Communist propaganda. Information centers and libraries and exchanges

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of visits by leaders, teachers, and students provided means of development and maintaining cultural relations with the people of the area. In November public affairs officers of posts in Southeast Asia met in Hanoi, reviewed informational and cultural programs and made suggestions for improving them which are now receiving the attention of the officers in the Department of State concerned with directing and coordinating the programs.

(7b) As of July 1, administration of economic and technical assistance in Burma and Indonesia was transferred in accordance with statutory requirements from the Mutual Security Agency to the Technical Cooperation Administration. In Indochina and Thailand, USA continues to administer the economic aid programs. Amounts allocated for economic and technical assistance programs in FY 1953 and tentatively for FY 1954 were as follows:

	<u>FY 1953</u>	<u>Proposed</u> <u>FY 1954</u>	
Indochina	\$24.0 million	\$25.0 million	
Indonesia	3.8 "	4.0 "	
Thailand	6.2 "	5.0 "	plus 2.0 for the Northeast
Burma	1.2 "	0	

*Not including \$30.5 million for direct military support (common use) items.

Burma gave notice of a desire to terminate the technical assistance agreement as of June 30, 1953. (For a discussion of this situation see below under Burma.)

(7c) The projects which make up the economic aid programs of the United States were adopted after careful review of possible consequences and benefits and their contribution towards United States objectives including that of encouraging restoration and expansion of commerce in countries of Southeast Asia with each other and with the rest of the free world. While internal production and domestic and foreign trade are moving slowly back toward prewar levels it is too early to expect an expansion as compared with the volume before and during the war. Efforts to stimulate the flow of raw material resources must await solution of problems of increasing the production of actual and potential farm lands, forests, and mines. A number of economic aid projects aim either to develop the power necessary for exploitation of these resources or initiate action necessary for exploiting unused resources on an

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economical basis or improve the soil to allow more planting and achieve greater output per acre.

(7d) The issuance of a warning to Communist China regarding the grave consequences of Chinese aggression against Southeast Asia is contingent upon prior agreement with France and the United Kingdom to participate in courses of action set forth in other paragraphs of the NSC paper and on agreement with Australia and New Zealand as well that such a warning should be given. Efforts to reach understandings on the action to be taken if Communist China invades Southeast Asia have made progress at the military level. On October 6, 1952, military representatives of the United States, Great Britain, France, Australia, and New Zealand met in Washington, D. C., to consider purely military aspects of the defense of Southeast Asia in event of Chinese Communist aggression. It had been considered previously that the possible advantages of a Five Power Military Conference justified its being held despite the fact that firmly agreed upon joint political guidance had not been obtained.

The representatives concluded that:

- a. Air, ground and naval action limited only to the areas of aggression and contiguous areas of China offers little prospect of causing Communist China to cease its aggression.
- b. The imposition of a total sea blockade, in conjunction with the actions limited to the areas of aggression and contiguous areas of Communist China would offer little assurance of forcing the Chinese Communists to cease aggression.
- c. A combination of all coercive measures including the defense of the areas of aggression, interdiction of the lines of communication, a full sea blockade and air attacks on all suitable targets of military significance in China, in so far as they are within the Allied capabilities, plus such reinforcements in time and scale as may be practicable in the immediate area, offers the best prospect of causing Communist China to cease an aggression.

These conclusions, however, must be considered as purely military views. The British endeavored to limit the course of action to the area of aggression by contending that expanded air and naval action would be ineffective and beyond Allied capabilities. The French were primarily concerned with action related to the defense of Tonkin. The foreign delegates also stressed the necessity for additional direct military support in Tonkin and Hong Kong both before, as a deterrent, and after an aggression. It was obvious that the other powers expected

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the United States to provide the bulk of this support. However, the United States military representatives, while recognizing the need for land reinforcements held that the subject of deterrent action was outside the terms of reference.

At a meeting of military representatives of the Commanders in Chief of the five powers on April 6 at Honolulu the representatives agreed on measures for coordinating individual plans of each of the five countries for action in the event of Chinese Communist aggression in Southeast Asia, including Hong Kong and Formosa, and for undertaking special planning studies. The representatives of the United States have not been authorized to participate in development of a combined plan. The representatives agreed that they should meet and exchange information on an on-call need-to-know basis and that they would appoint representatives to maintain continuing liaison. It was agreed that no formal organization or secretariat should be set up and that representatives should meet at different places in the area according to the need.

(7e) At the military conversations in October referred to above the forces that would be required for a naval blockade and the probable effectiveness and possible consequences of blockade measures were studied. Agreement with the United Kingdom and France that a naval blockade should be included in the minimum courses of action in the event of Chinese Communist intervention has not been reached.

(7f) To encourage cooperation among Southeast Asian countries and between these countries and the West the United States has continued to support the Economic Commission for Asia and the Far East (ECAFE), the regional office of the International Labor Organization, the regional organization of the World Health Organization; the Rice Consultative Committee, the Rubber Study Group, and the Consultative Committee of the Colombo Plan.

(7g) Although it is the policy set forth in the paper to strengthen covert operations designed to assist in the achievement of the objectives in Southeast Asia, it is not believed that this is the place for comment on progress in this respect.

(7h) Chinese language officers assigned to posts in Southeast Asia have developed contacts with influential Chinese, including editors and business leaders and assisted in distribution of U.S. Chinese language publications to key individuals and organizations of the Chinese community. These activities have assisted in countering Communist propaganda and encouraging influential leaders in Chinese communities who have opposed, often successfully, extension of the power of Chinese Communists in organizations of the Chinese community.

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(7i) The United States continues to take the position on regional defense coordination that the initiative on any movement for regional defense understandings or pacts must come from countries of the area and that the United States would be ready to lend appropriate assistance and advice if it is requested by the countries of the area and there is reason to believe that such action would meet their needs and desires and promote the collective security of the free world. There is reason to believe that if the United States were to take the initiative and press for a regional defense organization it would be misinterpreted as outside interference and pressure and could fail to achieve the objectives.

(7j) The Department of State's public affairs officers have emphasized on suitable occasions as opportunities have offered the importance to the security of the United States which the United States Government attaches to preservation of countries in Southeast Asia from Communist domination. Although there is growing realization among the American people as to the importance of Southeast Asia to the free world, there is as yet no indication that public opinion would support a contribution to the struggle in Indochina, for example, other than that currently being made in military end-items and in financial aid, i.e., direct U.S. military participation would not be acceptable under present conditions.

Indochina

(8a) The United States supported the applications of Cambodia, Laos, and Viet-Nam for membership in the United Nations, and, after the applications were vetoed by the Soviet Union in the Security Council, supported the resolutions passed by the General Assembly in favor of membership for the three states. The three states were recognized by Canada on December 29, 1952 and by Turkey on March 3, 1953, bringing the number of countries which have extended recognition to 35. Nevertheless, progress toward recognition by other Asian states (of these only Thailand and the Republic of Korea have recognized) has been very slow; even the Philippines, in spite of a number of official assurances, has been reluctant to act.

(8b) Official public affirmation to France that the United States regards the French effort in Indochina as important in the general international interest and essential to the free world's security was given when the United States joined in the NATO Council resolution of December 17, 1952, which recognized the common security interest and declared it deserving of continuing support from the NATO Governments. This affirmation was reiterated at the time of Prime Minister Mayer's visit to Washington in March 1953.

(8c) The

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(8c) The Executive Branch has requested the Congress for approval of end item military aid for Indochina for FY 1954 in the amount of \$460 million, a common use program of \$30 million and economic aid in the amount of \$25 million. These proposed amounts have not yet been approved by the Congress. In FY 1953 military end-item assistance was authorized in the amount of \$263.8 million and economic and technical assistance in the amount of \$25 million, with a further sum of \$30.5 million for common-use items.

(8d) The United States continues to cultivate friendly and cooperative relations with the Governments of the Associated States and France and has received in Washington the first Ambassador of Viet-Nam. A Laotian Legation is to be opened shortly. Cambodia has been represented in Washington since 1951.

(8e) This section of NSC 124/2 lists eight elements of positive political, military, economic and social policies considered especially important among positive policies to promote which the United States should use its influence with France and the Associated States. The "use of influence" in terms of action may be assumed to fall short of pressure of any type where such pressure might be self-defeating. In addition to the opportunities which the American Ambassadors in Paris and Saigon have had to set forth the views of the United States, there have been a number of special occasions which have permitted the fullest and frankest exchanges with the French regarding military, political, and economic aspects of the Indochina situation. Such occasions were the military talks in Washington in October 1952, NATO Council sessions in December 1952, the visit of the Secretary of State and the Director of Mutual Security to Paris in February 1953, the visit of Premier Loyer and Cabinet colleagues to Washington in March 1953, the permanent session of NATO in April 1953, visits of General Clark in March and Admiral Radford in April 1953, and, finally, the study undertaken in Indochina at the invitation of the French by the American military mission headed by General O'Daniel.

A review of developments and considerations relating to specific elements of policy outlined in Section 8(e) of NSC 124/2 follows:

(1) In the face of criticisms of Socialist and Radical Socialist opponents in the French National Assembly, the French Government restated in the latter part of 1952 its acceptance of primary responsibility for the defense of Indochina. The military portion of the French budget placed

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before the National Assembly in January 1953 makes provision for continuing support of the French military effort in Indochina on a level commensurate with this responsibility.

(2) The presence of French forces and French leadership in the military struggle preserves the territorial integrity of the Associated States without which their evolution toward full independence would be impossible. At the same time military considerations make it necessary to proceed cautiously along the path of evolutionary development. France has facilitated arrangement for consultations among the Associated States for regulation of their own economic affairs, including tariffs. Elections to councils at the municipal level as the first step in election of a National Assembly were held in Viet-Nam in January 1953. Considerable elements of opinion within the Associated States were dissatisfied with the rate of evolution or persisted in their attitude of scepticism toward French intentions. The French are aware of this attitude and are considering what further steps may be taken.

(3) France has instituted a new system of representation in Indochina by which France is represented by a Commissioner General and in each of the three Associated States by a High Commissioner.

(4) Supplies furnished as part of the United States military aid program have helped equip new infantry, artillery, and paratroop units of the armies of the Associated States. As of June 1953, the number of regular troops in the national armies of these States had grown to about 100,000 in Viet-Nam, 12,000 in Laos, and 13,000 in Cambodia. These figures do not include auxiliaries. In Viet-Nam the auxiliaries number approximately 50,000. The development of independent logistical and administrative services in the armies of these states can only be achieved by degrees.

(5) The development of more effective and stable governments in the Associated States is likely to be a gradual process to which United States military and economic aid programs can continue to contribute. Some progress has been made but before the stability necessary for effective administration can be achieved an end must be brought to the Viet Minh rebellion and the authority of government must be extended over areas where it has not been exercised or recognized. The French Government has thus far played the principal role in advising the Associated States on public administration but the United States economic aid mission has reviewed possible means of contributing to fiscal and other administrative reforms and facilities for training young officials in government administration.

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This is a field in which the French have a continuing interest and are perhaps best qualified by tradition, experience, and language to assist. The extent to which technical advice and assistance will be welcomed and can be effectively rendered by other nations is not entirely clear. The accords between France and the Associated States provide that first preference in the selection of technicians from abroad shall be given to citizens of the French Union. In Viet-Nam elections to municipal councils in January 1953 were a hopeful first step toward establishment of democratic institutions. Later elections to district offices and eventually a National Assembly are expected to take place in the not distant future but there may be justifiable delays owing to the desirability of careful preparations in a country unfamiliar with the electoral process where there are no political parties in the usually accepted sense.

The campaign of the King of Cambodia for independence within the French Union equal to that of India or Pakistan within the British Commonwealth has aggravated political difficulties which began early in 1953 when the King dissolved the National Assembly.

In Laos pockets of territory remain in Viet Minh hands or under control of dissidents supported by the Viet Minh as a result of the Viet Minh invasion in April 1953. Threats to political stability in that country have therefore not diminished.

(6) The Vietnamese Government has acquired about 30,000 hectares of agricultural estates from landowners for resale to small farmers, and on June 4 a new agrarian reform bill came into effect, limiting rents, and improving land ownership conditions. Regional governors have been asked to take a census of vacant national lands suitable for farming which could be allocated in small lots to landless peasants. The financial burden of the war limits the funds which the Vietnamese Government can make available for carrying out land reforms. The Vietnamese Government has established a fund for advances against the season's crops for items such as tools, seed and fertilizer.

Questions of land redistribution and tenancy have not raised serious problems in Laos or Cambodia.

It is unlikely that such progress can be made in meeting needs for industrial credit, sounder rice marketing systems or capital formation until after peace is restored. A labor code has been adopted and legislation enacted which authorizes existing trade unions to carry on their activities and new ones to be organized.

(7) Military,

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(7) Military, political, psychological measures which should be taken in addition to those which have already been adopted to defeat the Viet Minh forces are under continuous study. The military discussions which were held with military representatives of France, the United Kingdom, Australia and New Zealand are referred to in paragraph (7e) above. In the field of psychological warfare the United States helped in the preparation of pamphlets and the Air Force loaned an aircraft specially equipped to make low altitude broadcasts. The French have very recently tried this out over Viet Minh controlled areas with results which they felt justified them in asking for a further loan of the aircraft.

(8) In conversations in Washington in June 1952 representatives of the Department of State discussed with the French Minister for the Associated States the desirability of bringing about a better understanding of what had been done to bring independence to the Associated States. The American representatives suggested that the French draw up and publicize a sort of balance sheet which would show what had been done and what progress was being made. No definite decisions on means of cooperating with the French in publicizing developments were reached. As a general rule it has seemed appropriate for publicity regarding Indochina to emanate from French sources or from representatives of the Associated States. The Information Services of the United States Government have been able to give some publicity to developments by giving wider distribution to statements of responsible French political leaders regarding progress and future plans. The Minister of the Associated States pointed to the difficulty of convincing leaders and their people in certain countries of Asia such as India, where there is a strong feeling that European nations should withdraw from any countries of Asia no matter what the circumstances. Throughout these conversations he reiterated his conviction that the solution to the problem of Indochina was as much political as military.

(9a) The implementation of this paragraph of NSC 124/2 has been of constant concern to the Departments of Defense and State. To furnish urgently needed aid for the campaign against the Viet Minh at the outset of the dry season in October 1952, the United States continued delivery on a priority basis second only to Korea of arms, equipment and material for the forces of the French Union including those of the Associated States. The United States cooperated in arrangements which made possible the doubling of the transport aircraft available to the French High Command at that time in order that parachute drops at an increased tempo and size might be possible as a part of a general scheme of offensive action. Nevertheless, the enemy seized the initiative in October 1952. The planes which had been furnished for offensive purposes proved invaluable in ensuring airlift to the beleaguered post of Na San. The brilliant defense of that improvised fortress afforded an opportunity

to deal heavy blows to the enemy. In early April 1953, the Viet Minh launched an attack against Laos which although described by the Communist radio as being a "liberation" of that area by Lao Nationalists aided by "Vietnamese volunteers" was in fact unprovoked and clear aggression by the Viet Minh with practically no Laotian support. The establishment of a strong point at the Plaines des Jarres near Xieng Khouang by the French Union-Lao forces was accomplished and reinforcements were rapidly deployed at Luang Prabang and Vientiane, the two capital cities. The Viet Minh did not attack either capital nor the Plaines des Jarres strong point, but withdrew the main body of invading troops at the end of April leaving some irregular elements behind. Under Communist auspices a "Pathet Lao Government" was established under a Lao leader, but no rallying of the people took place toward this puppet regime and in fact the invasion caused a stiffening of Lao Nationalists in support of the Royal Government. The aged King and Crown Prince had bravely refused to leave Luang Prabang when it was threatened and by example heartened the Lao people against the foreign invaders.

As a result of this new trend in Viet Minh tactics, the Government of Thailand announced its intention to raise in the United Nations a resolution of consideration against the threat to the security of Thailand posed by an invasion of Laos which brought the Viet Minh to within a short distance of Thai territory.

The United States responded to the emergency and quickly supplied six C-119 aircraft with United States civilian crews to aid in the airlift to the beleaguered garrisons in Laos. This prompt action, together with the immediate arousal of interest by the press of the Free World in covering the blatant attack, may have been one of the causes for the withdrawal of the Viet Minh in Laos.

These developments made it clear that if military progress is to be achieved in Indochina and if the power of the enemy is to be reduced, additional forces and concentration of regular forces will be required. In December of 1952 and February of 1953 French Ministers informed the U.S. Secretary of State that France believed that an additional share of the burden in Indochina would have to be borne by the United States. In reply, the U.S. position, in line with the reference paragraph of NSC 124/2, has been one of willingness to examine sympathetically French requirements while at the same time stressing the need for an over-all strategic plan or concept which would give promise of a substantial reduction of enemy strength within a stated period.

When the French Ministers visited Washington in March of 1953, the President and the Secretary of State reiterated the U.S. appreciation

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of the importance of Indochina to the free world and our admiration for the efforts and sacrifices of the French and of the Vietnamese and the other Associated States. In turn, the French particularly through M. Letourneau, the Minister for Associated States set forth the strategic concept or plan by means of which it is hoped to break the back of organized enemy resistance.

The French plan, which comprises the elements listed below, is based on the assumptions that there will be no direct Chinese Communist or new massive Viet Minh intervention, and that the Vietnamese forces will be increased by the numbers requested.

(1) The raising in 1953, 1954 and 1955 of some 117,000 additional Vietnamese troops to be organized into light Commando-type battalions and security forces officered by Vietnamese and increasingly under Vietnamese military authority; of some 2750 additional Laotian troops similarly organized; of some 3900 additional Cambodian troops similarly organized. In addition, the Vietnamese Navy and Air Force will be augmented to a force in 1955 of 3596 Air Force and 2700 Navy. The total over-all augmentation of Associated States native forces as outlined in the plan is 129,946.

(2) The use of these battalions as they become available and in conjunction with French Union and with regular Vietnamese troops to clear the south and center of the country of the enemy. The light Vietnamese battalions would remain in these areas to guarantee territorial security while the regular units (French Union and Vietnamese) would be moved to Tonkin to increase the forces available there for operations against the bulk of the enemy forces.

(3) Late in 1954 or early 1955 it is anticipated that the striking force available to the French would be sufficient to permit extensive operations in the North against the Viet Minh. In the opinion of the French High Command, the Viet Minh would be forced to engage in what is hoped to be a decisive action or to be driven into the barren hill regions where he could not survive as an organized force along present lines.

M. Letourneau furnished information regarding the estimated additional cost of the plan over and above the present costs being borne by the French and Vietnamese treasuries and on the assumption that U.S. assistance, both budget-supporting and NDAP would continue at present levels. M. Letourneau expects that the French and the Vietnamese will be able to finance the additional cost in calendar year 1953 of the new levies provided some 10 billion francs or 128.6 million in U.S. aid expected by the French but not yet provided by us is received. So far as end-items are concerned, arrangements have been made within

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FY 1953 MDAP appropriations, to furnish items of an estimated value of \$19.3 million.

For calendar 1954, M. Letourneau estimates a "deficit" of \$231 million covered neither by the French nor the Vietnamese budgets and for which U.S. assistance will presumably be requested. End-item assistance from MDAP of a value of some \$81.3 million is also estimated.

For calendar 1955, the estimate on the same basis as above includes a "deficit" of approximately \$299.3 million and additional end-items worth about \$10 million.

It should be emphasized that the above are preliminary figures subject to careful screening and to scrutiny as to whether in part at least some of the financial deficits could not be made up through increased Vietnamese contributions. (There seems to be little prospect--especially in calendar 1954--that the French will be able to increase their contribution.)

(9b) In continuation of the conversations which have been held at intervals with the British and French for planning action in the event of aggression in the Pacific area, military representatives of the United States, France, the United Kingdom, Australia and New Zealand held discussions to consider possible military action in the event of Chinese Communist aggression in Southeast Asia. These conversations are referred to in paragraph (7d) above.

(9c) This paragraph appears adequately covered by the discussion above particularly under (7d) and (9a).

10-13 Action projected in paragraphs 10 to 13 is to take place in the event Chinese Communist forces intervene overtly in the conflict in Indochina. The proposed courses of action are believed adequate but must be kept under constant review in the light of the outcome of further military talks and over-all commitments and capabilities not only of the United States but of friendly nations, chiefly the United Kingdom and France.

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EXECUTIVE OFFICE OF THE PRESIDENT
NATIONAL SECURITY COUNCIL
WASHINGTON

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COPY NO. 1

August 5, 1953

MEMORANDUM FOR THE NATIONAL SECURITY COUNCIL

SUBJECT: Further United States Support for France
and the Associated States of Indochina

REFERENCES: A. NSC 124/2
B. NSC Action Nos. 758, 773 and 780
C. NIE-63 and NIE-91

The enclosed report by the Department of State on the subject is transmitted herewith for consideration by the National Security Council of the recommendation contained in paragraph 9 thereof at its meeting on Thursday, August 6, 1953.

James S. Lay, Jr.
JAMES S. LAY, Jr.
Executive Secretary

cc: The Secretary of the Treasury
The Chairman, Joint Chiefs of Staff
The Director of Central Intelligence

SecDef Cont. No. 483

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The winding up of the Indochina war is a necessary condition to enable France to check both these trends and reassume a more confident and positive role on the continent.

4. The lack of success so far in Indochina is traceable largely to French failure:

a. by timely grants of sovereignty and impressive military success, to win a sufficient native support to permit more rapid development of larger and more effective native armies, and to frustrate nationalist appeal of the Viet Minh.

b. to plan and execute aggressive military operations.

5. The present French government is the first in seven years which seems prepared to do what needs to be done to wind up the war in Indochina. Its plans offer the United States at last an opportunity to attack the major Indochinese and Metropolitan French problems as a whole. The French Premier has assured our representatives that his government is anxious to continue the struggle and to press on to win, but he can carry through his program against political opposition only if he offers a "package" solution, not only of Indochina but of the related French weakness in Europe and at home. For this purpose the new government has developed the following program:

a. Military Initiative. A new commander, General Navarre, has taken over in Indochina and is determined to assume the offensive. The initial operations under his command testify to this resolve. He has revised the plan originally presented in outline to us by M. Letourneau in March 1953 for breaking the back of Viet Minh resistance during the campaign season of 1954-55. His plans include an increase in the native armies by approximately the following figures: 59,600 in 1953; 76,000 in 1954, and 20,000 in 1955 for a total of 331,650 by January 1956. At his request, the French government is prepared, despite popular opposition, to send nine more regular infantry battalions plus ancillary units from France, if the rest of the program is agreed on. The Navarre operational plans drawn up on Indochina were approved by Lt. Gen. O'Daniel, USA, in his report on his recent mission.

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b. Political Program. Pursuant to the French declaration of July 3, M. Laniel has assured U. S. representatives of his determination to grant genuine independence to the Associated States without the strings which have marked the previous grants of "independence". He apparently envisages something very much like Dominion status, retaining only such French authority and privileges as may be agreed.

c. Fiscal Rehabilitation. Laniel conceives his project for Indochina as an integral part of a new and supreme effort by France to "put its house in order". He plans to approach a balanced budget during CY 1954. This will involve a cut in French military as well as civil expense for that year. At the same time he contemplates a greater effort in Indochina. To do this he asks the U. S. for additional assistance amounting to about \$400 million for FY 1954.

6. a. Attached are two tables showing (1) the financing of the Indochina war in CY 1953 and as proposed for CY 1954; and (2) U. S. aid for France and Indochina under 1953 program and 1954 appropriations. They contain tentative figures for 1954.

b. As the first table makes clear, under the proposed program, the United States would assume about 50 per cent of the 1954 budgetary expenditures (\$829 million out of \$1,676 million) and, if end-item aid is included, would be carrying about 61 per cent of the total financing. This would represent about two and one-third times the amount of U. S. aid for CY 1953.

c. As shown by the second table, this program would entail an increase of \$403 million over the assistance now planned for France (\$1,286 million). Of the total French military budget for both Indochina and NATO, the presently planned U. S. aid, including end items, would be 26 per cent; if the aid were increased as requested, such U. S. assistance, including end items, would be 34 per cent of the total.

d. Finally, as the first table indicates, under the program, the total expenditures for Indochina for 1954, including end items, would be \$2,160 million as compared with \$1,700 for CY 1953.

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7. The program presents substantial risks. Under it, the French build-up in Europe would be slowed down in some degree, both by the limited troop diversion and the cut in the French military budget. Moreover, in the best of circumstances, the Indo-Chinese war cannot be successfully closed out before the 1954-55 fighting season. Consequently, in addition to any supplemental aid furnished now, we would have to contemplate a comparable further contribution a year from now to assure a satisfactory conclusion. Furthermore, there is the risk that the French Union forces in Indo-China might suffer reverses before the projected additional effort can be brought to bear.

8. Despite these risks and uncertainties it is believed that the U. S. should agree, in its own security interests, to furnish the additional \$400 million of aid to France. Various factors lead to this conclusion:

a. The Laniel government is almost certainly the last French government which would undertake to continue the war in Indo-China. If it fails, it will almost certainly be succeeded by a government committed to seek a settlement on terms dangerous to the security of the U. S. and the Free World. The negotiation of a truce in Korea, added to the frustrations and weariness of the seven years' war, has markedly increased the sentiment in France for some kind of negotiated peace in Indo-China. In the recent protracted French governmental crisis, every leading candidate bid for popular support with some kind of promise to reduce the Indo-China commitment in some way. For the first time in seven years, latent defeatist impulses emerged into real efforts by political and parliamentary leaders to "pull out".

b. Under present conditions any negotiated settlement would mean the eventual loss to Communism not only of Indo-China but of the whole of Southeast Asia.

c. The loss of Indo-China would be critical to the security of the U. S. Communist control of Indo-China would endanger vital raw material sources; it would weaken the confidence of other Southeast Asian states in Western leadership; it would make more difficult and more expensive the defense of Japan, Formosa and the Philippines; and complicate the creation of viable Japanese economy. If the French actually decided to withdraw, the U. S. would have to consider most seriously whether to take over in this area.

d. On the other hand, if the proposed program does succeed, and the French are able to achieve victory in Indo-

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China within two years, the effect will be to strengthen the Free World and our coalition in Europe as well as Southeast Asia. France will be enabled to adopt in Europe the active role which her weakness has undermined in the preceding period.

Recommendation

9. Accordingly it is recommended that the National Security Council agree to an increase in aid to France in the current fiscal year by an amount not exceeding \$400 million above that already committed, provided only that (a) the Joint Chiefs of Staff inform the National Security Council that in their view the French plan holds the promise of military success; and (b) the Director of the Foreign Operations Administration ascertain the available sources within currently appropriated funds and, the extent to which a special supplementary appropriation will be necessary when Congress reconvenes in January 1954.

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TAB A

FINANCING THE WAR IN INDOCHINA
 (millions of dollars)

	<u>1953</u>	<u>1954</u>
<u>Present estimate of requirements</u>		
French Expeditionary Corps	866	866
Reinforcements under Navarre plan	0	54
French Air Force and Navy	<u>137</u>	<u>137</u>
Total French forces	1003	1057
Associated States forces		
Regular Armies	335	400
Light battalions and support troops	43	196
Air and naval forces	9	23
Total	<u>387</u>	<u>619</u>
Total budgetary requirement	<u>1390</u>	<u>1676</u>
<u>Financing of requirements</u>		
French budget or equivalent		
French fiscal resources	975	690
U. S. financial assistance		
Presently available	258	426
Requirement yet to be financed	0	403
Total	<u>258</u>	<u>829</u>
Total French budget or equivalent including U. S. financial assistance	<u>1233</u>	<u>1519</u>
Associated States fiscal resources	<u>157</u>	<u>157</u>
Total budgetary resources	1390	1676
<u>Total U. S. aid for Indochina</u>		
Financial assistance (as above)	258	829
Military end-item program	255	429
Common-use program	30	30
Economic aid to Associated States	25	25
Total	<u>568</u>	<u>1313</u>
<u>Total financing by France, Associated States and the U. S.</u>		
Budgetary	1390	1676
Other	310	484
Total	<u>1700</u>	<u>2160</u>
<u>Total U. S. financing as percent of total program</u>	33%	61%

NOTE: U. S. fiscal year 1954 aid program is related to French calendar year 1954 budget program.

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TAB B

U. S. AID TO FRANCE AND INDOCHINA
 (millions of dollars)

	Program <u>1953</u>	Proposed <u>1954</u>	Appropriated <u>1954</u>
I. <u>Aid related to April memorandum*</u>			
Mutual defense financing			
Attributed French NATO budget	169	100	85
Attributed Indochina budget	<u>48</u>	<u>400</u>	<u>400</u>
Total	217	500	485
Defense support assistance			
Attributed French NATO budget	158	0	0
Attributed Indochina budget	<u>210^a</u>	<u>0</u>	<u>0</u>
Total	<u>368</u>	<u>0</u>	<u>0</u>
"Kitty" to cover partial costs of expansion Indochina forces	0	100	26 ^b
Total aid related to April memorandum	<u>585</u>	<u>600</u>	<u>511</u>
II. <u>Laniel request for aid to finance proposed Indochina program</u>			829
Total U. S. aid now available for Indochina in relation to April memorandum			<u>426</u>
Requirement yet to be financed.			403

*Memorandum on aid prepared by U. S. delegation to the North Atlantic Council meeting in Paris and handed to the French Government by the U. S. delegation on April 26, 1953.

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TAB B (Cont'd)

	<u>Program 1953</u>	<u>Proposed 1954</u>	<u>Appropriated 1954</u>
III. <u>U. S. aid in addition to April memorandum</u>			
Military end-item program: France	0 ^d	364	291 ^c
Military end-item program: Indochina	255	429	429
Common-use program for Indochina	30	30	30
Economic aid to Associated States	25	25	25
Total	<u>310</u>	<u>848</u>	<u>775</u>
IV. <u>Total U. S. aid for France and Indochina</u>			
Presently available funds	895	1448	1286
Requirement yet to be financed			403
Total			<u>1689</u>
V. <u>Total military program of France and the Associated States, including U. S. assistance in all forms French military budget</u>			
NATO and other areas	2730		2444
Indochina Present French budget plan	1233		1090
Additional U. S. financing requested	0		429
Total	<u>1233</u>		<u>1519</u>
Total French budget with U. S. support	<u>3963</u>		<u>3963</u>
Associated States military budgets	157		157
U. S. aid outside April memorandum	310		775
Total program with U. S. aid	4430		4895

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TAB B (Cont'd)

	Program <u>1953</u>	Proposed <u>1954</u>	Appropriated <u>1954</u>
VI. <u>Total U. S. aid as percent total programs financed by U. S. , France and Associated States</u>			
Presently available funds	20%		26%
Including requirement yet to be financed			34%

NOTES:

U. S. fiscal 1954 aid program is related to French calendar 1954 budget program.

- a. Figure arbitrary since attribution has not yet taken place: figure based upon 1952 experience, and also includes counterpart of \$60 million provided out of fiscal 1953 appropriation, under April memorandum.
- b. Available from unprogrammed portion of carry-over into fiscal 1954 of unobligated fiscal 1953 appropriations for Far East military aid.
- c. Arbitrarily reduced 20 percent to reflect proportionate reduction in European military aid appropriation below figures proposed to Congress.
- d. This figure shown as zero because of reprogramming which took place in course of the year, because of over-programming for France for the period FY 1950-1953; in effect, no net additional funds were therefore necessary for the French end-item program out of the 1953 appropriations.

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THE JOINT CHIEFS OF STAFF
WASHINGTON 25, D. C.

11 August 1953

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MEMORANDUM FOR THE SECRETARY OF DEFENSE

Subject: The Navarre Concept for Operations
in Indochina.

1. In a memorandum for you, dated 21 April 1953, subject: "Proposed French Strategic Plan for the Successful Conclusion of the War in Indochina," the Joint Chiefs of Staff pointed out certain weaknesses in the LeTourneau-Allard plan, but felt that it was workable. During the visit of the U.S. Joint Military Mission to Indochina, Lieutenant General Navarre submitted in writing to Lieutenant General O'Daniel, Chief of the Mission, a paper entitled, "Principles for the Conduct of the War in Indochina" appended hereto, which appears to correct these weaknesses and which presents a marked improvement in French military thinking concerning operations in Indochina.

2. In his report Lieutenant General O'Daniel stated that, in his opinion, the new French command in Indochina will accomplish under the Navarre concept the decisive defeat of the Viet Minh by 1955 and that the addition of two or more French divisions from outside of Indochina would expedite this defeat. Additions other than in divisional organization would be in error since it is the divisional team, with its combat proven effectiveness, which is sorely needed in Indochina. Lieutenant General O'Daniel further reported that French military leaders were most cooperative with the mission, that several agreements were accomplished to improve the effectiveness of the proposed military operations, and that repeated invitations were extended to the U.S. mission to return in a few months to witness the progress the French will have made.

3. Based on past performances by the French, the Joint Chiefs of Staff have reservations in predicting actual results which can be expected pending additional proof by demonstration of continued French support and by further French performance in Indochina. However, if vigorously pursued militarily in Indochina and supported politically in France, the Navarre concept offers a promise of success sufficient to warrant appropriate additional U.S. aid required for implementation. Such aid to France and the Associated States resulting from U.S. support of the Navarre

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concept should be based on needs of the French Union Forces in Indochina for additional equipment necessary to implement the organization of the "Battle Corps" envisaged by the Navarre concept and necessary support of the planned expansion of indigenous forces, such needs to be screened by the Military Assistance Advisory Group in Indochina. In addition, to improve the chances of success, this support should include continued close liaison and coordination with French military authorities together with friendly but firm encouragement and advice where indicated.

4. Accordingly, the Joint Chiefs of Staff believe that the necessary support should be provided to permit full and vigorous implementation of the Navarre concept, conditioned upon continued implementation of French support, demonstration of French intent by actual performance in Indochina, and continued French willingness to receive and act upon U.S. military advice. Further, the French should be urged at all levels to support and vigorously prosecute the Navarre concept to the maximum extent of their capabilities.

For the Joint Chiefs of Staff:

Omar N Bradley

OMAR N. BRADLEY,
Chairman,
Joint Chiefs of Staff.

Enclosure
Appendix

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A P P E N D I X

PRINCIPLES AS STATED BY GENERAL NAVARRE FOR THE
CONDUCT OF THE WAR IN INDOCHINA

I. - To retake the initiative immediately through the carrying out, beginning this summer, of local offensives and by pushing to the utmost commando and guerrilla actions.

II. - To take the offensive in the north beginning September 15, in order to forestall the enemy attack. To conduct the battle which will take place during the fall and winter of 1953-1954 in an offensive manner by attacking the flanks and the rear of the enemy.

III. - To recover from areas not directly involved in the battle a maximum number of units. To pacify these regions progressively.

IV. - To build up progressively a battle corps by grouping battalions into regiments and regiments into divisions and by giving to the units thus created the necessary support (artillery, engineers, armor, communications) taking into account the very special character of the war in Indochina (the terrain, the enemy). To bring about a maximum of cooperation with the Air Force and the Navy.

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V. -- To maintain a reserve of special type units (armor, commando, light battalions, etc.) for attachment to groups and divisions in accordance with requirements of terrain and mission.

VI. -- To continue the effort of instructing and organizing the Army of the Associated States so as to give them more and more participation as well as more and more autonomy in the conduct of operations.

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Appendix

(This document consists of 1 page. Copy No. 3 of 17 copies Series B).

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THE JOINT CHIEFS OF STAFF
WASHINGTON 25, D. C.

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SECURITY INFORMATION

28 August 1953

MEMORANDUM FOR THE SECRETARY OF DEFENSE

Subject: The Navarre Concept for Operations
in Indochina.

1. In a memorandum for you, dated 11 August 1953, subject: "The Navarre Concept for Operations in Indochina," the Joint Chiefs of Staff commented on the Navarre concept and its "promise of success". It is understood that the Secretary of Defense contemplates sending a copy of the reference memorandum to the Secretary of State in the immediate future under cover of a memorandum (Enclosure) which was passed informally to the Chairman, Joint Chiefs of Staff, for comment by the Joint Chiefs of Staff.

2. Though the Joint Chiefs of Staff remain in general agreement with the memorandum of 11 August, it is believed that certain changes therein are appropriate prior to forwarding it to the Secretary of State. The Joint Chiefs of Staff consider the second sentence of paragraph 3 to be overly optimistic with respect to the "promise of success" offered by the Navarre concept. Though vigorous military prosecution in Indochina and political support of the Navarre concept in France are fundamental, it is believed a basic requirement for military success in Indochina is one of creating a political climate in that country which will provide the incentive for natives to wholeheartedly support the French and supply them with adequate intelligence vital to the successful conduct of military operations in that country.

3. In furtherance of the O'Daniel Mission the Joint Chiefs of Staff are receiving Progress Reports from Indochina. A report dated 24 August 1953 states that the French are not in fact pursuing agreements reached between General O'Daniel and General Navarre (including the Navarre concept) as vigorously as expected by General O'Daniel and contemplated by him in his report. Specifically, General Trapnell, in his 24 August Progress Report, states that (a) the French have "no plans for a general fall offensive beyond limited objective

CD 091.3 (Shirley O'Daniel)

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Serial Cont. No.

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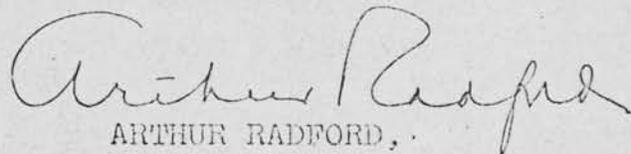
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operations designed to keep the enemy off balance", (b) re-organization into regiments and division-size units "is still in the planning stages", (c) there is "no sense of urgency in the training of senior Vietnamese commanders and staff officers", (d) the organization of a training command is awaiting the solution of "political problems" and (e) the "organization of the amphibious command has not gone beyond the planning stages".

4. In order to accurately present current views of the Joint Chiefs of Staff to the Secretary of State, it is suggested that a new memorandum dated 28 August 1953, which is being forwarded separately and which reflects the views expressed in the above paragraphs, be substituted for the memorandum of 11 August as an enclosure to your proposed memorandum to the Secretary of State. In addition, in order to point out more clearly that military success in Indochina is dependent upon the manner in which operations are conducted, it is recommended that the last paragraph of the draft letter to the Secretary of State (Enclosure) be changed as follows (changes indicated in the usual manner):

"There is attached for your information a memorandum to me from the Joint Chiefs of Staff, dated ~~11 August 1953~~ 28 August 1953, which ~~stated~~ states that the present Navarre concept appears to correct the previously indicated weaknesses and from their viewpoint presents a marked improvement in French military thinking concerning operations in Indochina. Of course, the actual success of the operations in Indochina will be dependent upon the aggressiveness and skill with which the French and Vietnamese forces conduct their future operations. Accordingly Nevertheless, the Joint Chiefs of Staff believe, as do I, that the necessary support should be provided to permit full and vigorous implementation of the Navarre concept, conditioned upon continued implementation of French support, demonstration of French intent by actual performance in Indochina, and continued French willingness to receive and act upon U.S. military advice. Further, the French should be urged at all levels to support and vigorously prosecute the Navarre concept to the maximum extent of their capabilities."

For the Joint Chiefs of Staff:



ARTHUR RADFORD,
Chairman,
Joint Chiefs of Staff.

Enclosure

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THE JOINT CHIEFS OF STAFF
WASHINGTON 25, D. C.

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SECURITY INFORMATION

28 August 1953

MEMORANDUM FOR THE SECRETARY OF DEFENSE ✓

Subject: The Navarre Concept for Operations
in Indochina.

1. In a memorandum for you, dated 21 April 1953, subject: "Proposed French Strategic Plan for the Successful Conclusion of the War in Indochina," the Joint Chiefs of Staff pointed out certain weaknesses in the LeTourneau-Allard plan, but felt that it was workable. During the visit of the U.S. Joint Military Mission to Indochina, Lieutenant General Navarre submitted in writing to Lieutenant General O'Daniel, Chief of the Mission, a paper entitled "Principles for the Conduct of the War in Indochina" appended hereto, which appears to correct these weaknesses and which presents a marked improvement in French military thinking concerning operations in Indochina.

2. In his report Lieutenant General O'Daniel stated that, in his opinion, the new French command in Indochina will accomplish under the Navarre concept the decisive defeat of the Viet Minh by 1955 and that the addition of two or more French divisions from outside of Indochina would expedite this defeat. Additions other than in divisional organization would be in error since it is the divisional team, with its combat proven effectiveness, which is sorely needed in Indochina. Lieutenant General O'Daniel further reported that French military leaders were most cooperative with the mission, that several agreements were accomplished to improve the effectiveness of the proposed military operations, and that repeated invitations were extended to the U.S. mission to return in a few months to witness the progress the French will have made.

3. Based on past performances by the French, the Joint Chiefs of Staff have reservations in predicting actual results which can be expected pending additional proof by demonstration of continued French support and by further French performance in Indochina. The Joint Chiefs of Staff are of the opinion that a basic requirement for military success in Indochina is one of creating a political climate in that country which will provide the incentive for natives to support the French and supply

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them with adequate intelligence which is vital to the successful conduct of operations in Indochina. If this is accomplished and if the Navarre concept is vigorously pursued militarily in Indochina and given wholehearted political support in France, it does offer a promise of military success sufficient to warrant appropriate additional U.S. aid required to assist. U.S. support of the Navarre concept should be based on needs of the French Union Forces in Indochina for additional equipment necessary to implement the organization of the "Battle Corps" envisaged by the Navarre concept and necessary support of the planned expansion of indigenous forces, such needs to be screened by the Military Assistance Advisory Group in Indochina. In addition, to improve the chances of success, this support should include continued close liaison and coordination with French military authorities together with friendly but firm encouragement and advice where indicated.

4. In furtherance of the O'Daniel Mission the Joint Chiefs of Staff are receiving Progress Reports from Indochina. Information received from Indochina indicates the French are not pursuing agreements reached between General O'Daniel and General Navarre (including the Navarre concept) as vigorously as expected by General O'Daniel and as contemplated by him in his report. Progress reports state that (a) the French have "no plans for a general fall offensive beyond limited objective operations designed to keep the enemy off balance", (b) reorganization into regiments and division-size units "is still in the planning stages", (c) there is "no sense of urgency in the training of senior Vietnamese commanders and staff officers", (d) the organization of a training command is awaiting the solution of "political problems" and (e) the "organization of the amphibious plan has not gone beyond the planning stages".

5. In light of the apparent slowness of the French in following up the Navarre concept and other agreements reached between General Navarre and General O'Daniel, the Joint Chiefs of Staff believe that additional U.S. support should be conditioned upon continued implementation of French support, demonstration of French intent by actual performance in Indochina, and continued French willingness to receive and act upon U.S. military advice. Further, the French should be urged at all levels to support and vigorously prosecute the Navarre concept to the maximum extent of their capabilities.

For the Joint Chiefs of Staff:

SIGNED

ARTHUR RADFORD,
Chairman,
Joint Chiefs of Staff.

Enclosure

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SECURITY INFORMATION

DEPARTMENT OF STATE

FOR THE PRESS

SEPTEMBER 1, 1953

NO. 469

FOR RELEASE AT 12:30 P.M., (11:30 A.M., C.D.T.),
WEDNESDAY, SEPTEMBER 2, 1953....

ADDRESS BY
THE HONORABLE JOHN FOSTER DULLES
SECRETARY OF STATE
BEFORE THE AMERICAN LEGION
AT KIEL AUDITORIUM, ST. LOUIS, MISSOURI
at 11:30 a.m., CENTRAL DAYLIGHT TIME
(12:30 p.m., EASTERN DAYLIGHT TIME)
Wednesday, September 2, 1953

The War in Indochina

We do not make the mistake of treating Korea as an isolated affair. The Korean war forms one part of the world-wide effort of Communism to conquer freedom. More immediately it is part of that effort in Asia.

A single Chinese Communist aggressive front extends from Korea on the north to Indochina in the south. The armistice in Korea, even if it leads to a political settlement in Korea, does not end United States concern in the Western Pacific area. As President Eisenhower said in his April 16th speech, a Korean armistice would be a fraud if it merely release Communist forces for attack elsewhere.

In Indochina a desperate struggle is in its eighth year. The outcome affects our own vital interests in the Western Pacific, and we are already contributing largely in material and money to the combined efforts of the French and of Vietnam, Laos and Cambodia.

We Americans have too little appreciated the magnitude of the effort and sacrifices which France has made in defense of an area which is no longer a French colony but where complete independence is now in the making. This independence program is along lines which the United States has encouraged and justifies increased United States aid, provided that will assure an effort there that is vigorous and decisive.

Communist China has been and now is training, equipping and supplying the Communist forces in Indochina. There is the risk that, as in Korea, Red China might send its own army into Indochina. The Chinese Communist regime should realize that such a second aggression could not occur without grave consequences which might not be confined to Indochina. I say this soberly in the interest of peace and in the hope of preventing another aggressor miscalculation.

We want peace in Indochina, as well as in Korea. The political conference about to be held relates in the first instance to Korea. But growing out of that conference could come, if Red China wants it, an end of aggression and restoration of peace in Indochina. The United States would welcome such a development.

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NSC 161 Meeting
September 9, 1953

ITEM 2

(For Consideration)

FURTHER U.S. SUPPORT FOR OPERATIONS IN INDOCHINA

SUMMARY AND COMMENTS

1. This very important and complex matter is being rushed to such an extent that there remain a number of questions which are not completely answered at this time. However, a successful termination to the Indochina problem is so desirable with respect to all our Far Eastern policies, and the pressure of time so great due to the approaching end of the rainy season there (about October 1 -- after which major operations by the Viet Minh may recommence), that action in principle if felt to be essential by the Secretary of State is warranted at this time. The State Department asserts that if this French government which proposes reinforcing Indochina with our aid, is not supported by us at this time, it may be the last such government prepared to make a real effort to win in Indochina. (This may be somewhat over-pessimistic.)

2. This brief is written without having available the final papers upon which the NSC will be asked to act. These are still (7 September) in process of being drafted by the State Department. However, we are aware generally of their probable content.

3. As you remember, General Bedell Smith presented to the NSC on 6 August the proposals of the Daniel government to finish up the Indochina situation. This involved a request for about \$400 million additional U.S. aid (now \$385 million), and Daniel's statement that his program for Indochina would have to be paralleled by a program to balance the French budget or it would not be politically acceptable to the French Assembly. The NSC (see Tab "A", Action No. 874) agreed at this time that State, FCA and the JCS should proceed promptly with further exploration with the French and that if these agencies felt the French program held promise of success, they should submit detailed recommendations to the NSC. This has now been done and the recommendations will be considered at Wednesday's meeting.

4. At the 6 August NSC meeting, the President commented on the Daniel proposals, saying he thought we should support the French proposals only under the following conditions (see Tab "B", Brief of NSC Meeting, 6 August.):

a. We must get the French to commit themselves publicly to a program which will insure the support and cooperation of the native Indochinese. The later increments of our

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increased aid should be provided only if the French have made real progress in giving the natives greater independence.

b. If we are to give greatly increased support, the French must invite our close military advice in the conduct of the war in Indochina.

c. The French should give us renewed assurances regarding passage of the EDC.

d. He, the President, would not propose to call Congress back for an extra session to vote any additional funds for Indochina.

e. We might invite Daniel to visit the United States and be prepared to make a conditional commitment regarding further support for Indochina operations.

5. Action on this matter was somewhat delayed by the general strikes in France, but on 1 September the State Department received further, more detailed information from the French (paragraph 7 below), and the Joint Chiefs of Staff have reviewed the French program, which is based on the "Navarre Plan" described to General O'Daniel when he visited Indochina some months ago. The JCS state (see Tab "C"), Memorandum for the Secretary of Defense, 28 August 1953).

a. "... a basic requirement for military success in Indochina is one of creating a political climate in that country which will provide the incentive for natives to support the French and supply them with adequate intelligence which is vital to the successful conduct of operations ... If this is accomplished and the Navarre concept is vigorously pursued militarily in Indochina and given wholehearted political support in France, it does offer a promise of military success sufficient to warrant appropriate additional U.S. aid required to assist."

b. That information from Indochina indicates the French are not pursuing agreements reached between General O'Daniel and General Navarre as vigorously as expected. (Even more recent information from Saigon indicates some slight improvement, however,)

c. In light of the French slowness in following up the Navarre concept, additional U.S. support "should be conditioned upon continued implementation of French support, demonstration of French intent by actual performance in Indochina, and continued French willingness to receive and act upon U.S. military advice."

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6. On Friday, 4 September, at the joint State - JCS meeting, the JCS further stated they believed the necessary financial support should be granted, conditioned upon the French assurance of expanded effort. They felt this financial support should not be doled out in a bargaining fashion but should be made available, with such savings as possible, for the stated purposes. We should leave the French no loop-hole in this regard to consider that we were showing lack of intent to support the Indochina operation and hence give them an excuse for insufficient action.

7. On 1 September, the French presented to the United States a memorandum, in answer to the U.S. questionnaires, which gave fairly detailed information on their programs. This memorandum states that even if France's financial situation requires a reduction of her military budget, the French government nevertheless intends to carry out General Navarre's recommendations, and implementation has already begun. Complete execution remains subject, however, to U.S. aid amounting to \$385 million up to the end of 1954. It goes on to say: "In the event this aid could not be granted, a complete reconsideration of the plan of operations in Indochina would be unavoidable." The memo then gives further information on plans and requirements. The French have indicated 9 additional infantry battalions of French Union forces can be in Indochina by 1 November, that they are increasing the build-up of the native forces, that they are offering independence to the Associated States and that they will remove "colonial-minded" French officials.

8. The FOA has considered the legality of providing the funds required to meet the French program. They state that by use of the President's powers to transfer funds within "Titles" of the MSP Act, plus money already appropriated for additional support for Indochina, the requirements can be met. However, this may require a transfer of up to \$285 million from "Title I", the NATO area, and we have not yet fully worked out what the impact of this transfer would be on NATO programs and on "offshore procurement" in the NATO area.

9. Mr. Dulles, at the NATO Council meeting in April of this year told the NATO countries he expected offshore procurement contracts in Europe during our fiscal year 1954 to amount to \$1.5 billion, subject to appropriations by Congress. This was important for helping meet the European balance of payments. Congress seriously cut appropriations, and the transfer to Indochina of an additional \$285 million from available funds will further reduce opportunities for offshore procurement in Europe (although some of the Indochina funds may be expended in France for OSP). However, the military services have been reviewing world-wide overall MDAP end-item programs during the past month against the foreign military units, in being or clearly to be created, which would receive the end-items. This review is scheduled to be complete in about a week, but very rough preliminary indications seem to show up lessened requirements to meet priority programs due to slowness in the creation of

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foreign military units. Therefore, in a very tentative way, it seems that the transfer of \$285 million from NATO requirements to Indochina will not have a disastrously bad impact on NATO. It would be highly desirable to complete this review before acting finally on the Indochina proposal, in order to permit a better understanding of the impact on NATO and how to deal with it, but delay is not essential if the urgency of acting in Indochina is great enough in the eyes of the Secretary of State.

10. FOA points out the high desirability of consulting with Congressional leaders concerning the Executive's intention to provide additional aid to Indochina. The hearings on this year's MSA programs brought out Congressional worries over the degree of U.S. involvement in financial support for Indochina. Such consultation, which we hear may be undertaken by the President himself, will require some time and may thus permit the better evaluation of the impact of the proposals on NATO and offshore procurement (per paragraph 9 above).

11. It is not yet known precisely what the State Department will recommend to the NSC for consideration. (Mr. Dulles is taking this matter up with the President and is not expected back in Washington until late on Monday, September 7). However, they may recommend NSC approval in principle for the provision of aid required to meet the French request, subject to:

a. French agreement to the following conditions:

(1) French to make every effort to achieve the elimination of the regular enemy forces.

(2) French to promptly increase native and French Union forces in Indochina, and agree to carry on the campaign under the Navarre concept.

(3) French to continue to pursue policy of generously and freely negotiating with the Associated States re their independence.

(4) French to welcome continuing exchange of information and views with U.S. military, especially re intelligence and training.

(5) The Indochina program will not entail any basic or permanent alteration of France's NATO plans and programs

(6) End-item assistance required will be agreed upon in Saigon.

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(7) Not to exceed \$385 million will be all the U.S. will provide for "mutual defense financing" up to 1 January 1955, realizing that additional funds may be needed thereafter. (Source of the \$385 million need not be disclosed to French but it may be desirable to make certain savings in FY 54 end item programs for France and Indo-China.)

(8) Any savings accruing from more detailed planning and screening will reduce the U.S. aid required.

(Note that the President's suggestion re EDC is left out of the above. This is because opponents of either program may join forces in the French Assembly to defeat the Indo-China program. However, it should be made clear to French that failure to include ratification of EDC as a condition of aid does not indicate that our assumption that she will ratify has changed in any respect.)

b. Consultation with Congressional leaders.

c. Aid agreement with French will be reduced to clear written detail in a classified Note or Aide Memoire to avoid the frequent and divisive controversies surrounding this subject in the past.

RECOMENDATIONS:

12. It is recommended that you:

a. Ask for full discussion of the impact of the transfer of funds from aid to NATO on NATO force levels and offshore procurement, and the likely political results on the other NATO government. (Mr. Dulles, Mr. Stassen and Admiral Radford may comment thereon.)

b. Ask if the Secretary of State believed it essential for the NSC to act in principle at this meeting:

If the Secretary of State replies that the NSC should act at once, then we recommend you approve the proposal in principle to be followed by the immediate conduct of through discussions with appropriate Congressional leaders and subject to French acceptance of the conditions listed in paragraph 11 a, above.

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If the Secretary of State believes it is possible to delay action until a later meeting, we recommend you suggest this be done so that you may give the NSC a better evaluation of the impact of the proposal on NATO and offshore procurement before the NSC takes final action.

c. That you agree with the State Department in not conditioning U.S. support for this Indochina program with French ratification of the EDC.

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DEPARTMENT OF STATE

TOP SECRET SECURITY INFORMATION

September 9, 1953
8:06 p.m.

SENT TO: Amembassy Paris 868

1. Subject to our receiving necessary assurances from French, NSC today approved additional aid proposed for Indochina based on substance DEFTTEL 827, with Presidential approval expected tomorrow. Comments URTELS 939, 940, 941 fully taken into account in presentation to NSC.

2. On most confidential basis you should therefore now informally advise Laniel and Bidault above action and indicate assurances desired are to effect that French Government is determined:

a. put promptly into effect program of action set forth its memorandum Sept 1;

b. carry this program forward vigorously with object of eliminating regular enemy forces in Indochina;

c. continue pursue policy of perfecting independence of Associated States in conformity with July 3 declaration;

d. facilitate exchange information with American military authorities and take into account their views in developing and carrying out French military plans Indochina;

e. assure that no basic or permanent alteration of plans and programs for NATO forces will be made as result of additional effort Indochina;

f. provide appropriate info to US Govt of amount of expenditures for military program set forth in memo of Sept 1.

3. We would expect these assurances be embodied in note which US in reply would acknowledge. US reply would go on to make clear that:

a. appropriately established financial requirements for military program as indicated in Sept 1 memo from French Govt, not rpt not to exceed \$385 million or its equivalent in Calendar Year 1954, will be met by US Govt (see para 8 below);

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b. amount of \$385 million or its equivalent in francs or piasters is deemed to satisfy in full request made by French memo of Sept 1;

c. no further financial assistance may be expected for Calendar Year 1954;

d. US Govt retains right to terminate this additional assistance should for any reason French Govt plan as outlined in memo of Sept 1 prove incapable of execution or should other unforeseen circumstances arise which negate the understandings arrived at between the two govts.

4. You should immediately begin informally to work out language with French covering paragraph 2 above. (We will cable soonest new draft of US reply.) It should be made crystal clear to French that final US Govt agreement will be given only when satisfactory language for exchange notes has been obtained.

5. During time you are working out exchange with French, Administration will inform interested leaders both houses Congress since new program involves important change in orientation foreign aid program as enacted by Congress. We have begun and will continue work on this phase of matter with greatest urgency and hope have it completed by time you wind up negotiations with French. Please impress on your French colleagues overriding necessity maintain complete secrecy on all aspects this matter until Congressional leaders informed and negotiations actually completed and notes exchanged between two govts.

6. It was agreed by FSC there should also be assurances from French Govt re intention move ahead on EDC, but that for various reasons such assurances need not necessarily be contained in formal notes exchanged between govts. Would like your current views on how most satisfactory assurances can best be obtained.

7. While procedures whereby payments to French or Associated States will be made will have to be worked out, it is important that French understand clearly our basic approach to this additional aid-- US is agreeing to finance a specific action program up to an agreed dollar figure. Consequently, we will pay or reimburse French or Associated States on basis of agreed franc and/or piaster expenditures as they occur at rates of exchange then current. US should receive benefit any reduced costs resulting from screening, devaluation, or other causes. Appropriate safeguards will be included in US note. FOA will forward details of suggested procedures shortly.

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8. We have very serious problem finding \$385 million and unless there are compelling reasons to contrary we would plan to release counterpart accruing Calendar Year 1954 (now estimated \$70-80 million) to help meet total. Realize French may be counting on this counterpart for other purposes but trust you will be able reach agreement along these lines. This connection, would like to know lines French thinking on how they would present US aid figures to parliament, whether as separate amount outside regular French budget for 1954 or as item only on resources side as shown heretofore.

9. Will expect you keep us currently informed regarding negotiations on language of note.

10. Copy memo submitted NSC being pouched FYI. Copy NSC action paper will follow soonest. Will inform Heath separately of developments. FYI, current planning envisages following MSP sources for \$385 million:

1. \$70-80 million NSA counterpart accruing in Calendar Year 1954;
2. Rescreening of Fiscal Year 1954 French MDAP program;
3. Rescreening of Fiscal Year 1954 Indochina MDAP program;
4. Transfer of Title I and possibly II MDAP funds from Defense to FOA (thereby possibly reducing amount of regular OSP that NATO countries including France could otherwise have received).

DULLES

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EXECUTIVE OFFICE OF THE PRESIDENT
NATIONAL SECURITY COUNCIL
WASHINGTON

SECURITY INFORMATION

COPY NO. 4

September 11, 1953

MEMORANDUM FOR THE NATIONAL SECURITY COUNCIL

SUBJECT: Further United States Support for France and the Associated States of Indochina

REFERENCES: A. Memos for NSC from Executive Secretary, same subject, dated August 5 and September 8, 1953
B. NSC Action No. 897

The following actions on the subject by the National Security Council, the Secretary of the Treasury, and the Acting Director, Bureau of the Budget, at the Council meeting on September 9, 1953, (NSC Action No. 897) as subsequently approved by the President, are transmitted herewith for the information of the Council. The recommendation in b below has been referred to the Secretaries of State and Defense and the Director of the Foreign Operations Administration for appropriate action.

- a. Noted and discussed the memorandum from the Department of State on the subject enclosed with the reference memorandum of September 8, 1953, including the September 1 memorandum from the French Government and the report that the Secretaries of State and Defense, the Director of the Foreign Operations Administration, and the Joint Chiefs of Staff, concur in the opinion that the proposed French program holds promise of success and can be implemented effectively.
- b. Agreed to recommend to the President:
 - (1) The granting of additional assistance, not to exceed \$385 million or its equivalent in local currency, as requested by the French, on the following basis:
 - (a) The United States Government should obtain assurances to the effect that the French Government is determined:

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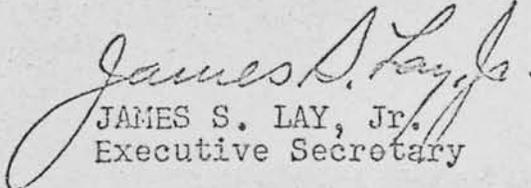
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- (i) To put promptly into effect the program of action set forth in its memorandum of September 1.
 - (ii) To carry this program forward vigorously with the object of eliminating regular enemy forces in Indochina.
 - (iii) To continue to pursue the policy of perfecting independence of the Associated States, in conformity with the July 3 announcement.
 - (iv) To facilitate exchange of information with American military authorities and to take into account their views in developing and carrying out French military plans in Indochina.
 - (v) To assure that no basic or permanent alteration of plans and programs for NATO forces will be made as a result of the additional effort in Indochina.
 - (vi) To provide appropriate information to the United States Government of the amounts of the expenditures for the military program indicated in the September 1 memorandum from the French Government.
- (b) The United States Government should make clear to the French Government that:
- (i) The appropriately established financial requirements for the military program as indicated in the September 1 memorandum from the French Government, not to exceed \$385 million in Calendar Year 1954, will be provided by the United States Government.

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- (ii) The amount of \$385 million is deemed to satisfy in full the request made by the French memorandum of September 1.
 - (iii) No further financial assistance may be expected for Calendar Year 1954.
 - (iv) The United States Government retains the right to terminate this additional assistance should for any reason the French Government plan as outlined in the memorandum of September 1 prove incapable of execution or should other unforeseen circumstances arise which negate the understandings arrived at between the two governments based on paragraphs (a) and (b) herein.
- (2) The provision of this additional assistance, to the extent necessary through the use of the President's transfer powers, in conformity with Annex B of the enclosure to the reference memorandum of September 8, 1953, or otherwise.


JAMES S. LAY, Jr.
Executive Secretary

cc: The Secretary of the Treasury
The Chairman, Joint Chiefs of Staff
The Director of Central Intelligence

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US-FRENCH SUPPLEMENTARY AID AGREEMENT ON INDOCHINA¹

The agreement consists of six letters exchanged between Bidault and Ambassador Dillon on September 29, 1953. The three letters attached cover the full text of the agreement:

1. French letter setting forth the political and military undertakings of the French Government in Indochina ("Step 1")
2. US letter setting forth the amount, terms and conditions of supplementary aid ("Step 3")
3. US letter acknowledging a French letter which sets forth procedures to verify expenditures on the war in Indochina ("Step 6")

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English Translation French Letter "Step 1"

MINISTERE DES
AFFAIRES ETRANGERES

LIBERTE-EGALITE-FRATERNITE
REPUBLIQUE FRANCAISE

PARIS, 29 September 1953

My dear Mr. Ambassador:

With reference to the exchange of views which has taken place during recent weeks between the Government of the United States and the Government of the French Republic concerning the additional aid necessary for the financing of the military operations in Indochina, I have the honor to confirm to your Excellency the information contained in the memorandum of September 3, 1953 of the French Government which indicated the plans, programs and policies of the French Government for the intensified prosecution of the war against the Vietminh by the forces of France, Cambodia, Laos and Vietnam.

At the moment when the Government of the United States is considering the possibility of such additional aid, I consider it equally useful to state briefly the intentions of the French Government as follows:

1. France is firmly resolved to apply fully its declaration of July 3, 1953, by which it announced its intention of perfecting the independence of the three Associated States of Indo-China.
2. In the view of the French Government, the purpose of the additional aid in question is to enable it to put into effect the strategic and tactical principles of a military action program in Indo-China, the terms and timing of which are set forth in Annex No. 4 of the memorandum of September 3. As outlined in the aforementioned document, the strategic plan of the French Command consists essentially of retaking the offensive with a view to breaking up and destroying the

His Excellency

The Honorable Douglas Dillon
Ambassador Extraordinary and Plenipotentiary
of the United States of America
at Paris

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regular enemy forces. Convinced that the military problem in Indo-China can be settled only in conformity with such a plan, the French Government confirms that it intends to carry forward vigorously and promptly the execution thereof. In accordance with the basic strategic concepts of the Navarre Plan, the French Government has already commenced to build up the Associated States forces and is proceeding to despatch French reinforcements to General Navarre.

3. The French Government will continue to facilitate exchanges of information and views on a continuing basis between French and United States military authorities and will take into consideration the views expressed by the latter with respect to the development and carrying out of the French strategic plans without in any way, of course, detracting from exclusive French responsibility for adoption and execution thereof.

4. The French Government is prepared to provide to the United States Government all appropriate information regarding the type and amount of expenditures necessitated by the military program.

5. The French Government considers that the increased effort which it intends to make in Indo-China under the conditions set forth in the memorandum of September 3 will not entail any basic or permanent alteration of its plans and programs concerning those of its forces which are placed under the command of the North Atlantic Treaty Organization.

I avail myself of this occasion to renew, my dear Ambassador, the assurances of my highest consideration.

(s) Bidault

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COPY

American Embassy

Paris, September 29, 1953

Excellency:

I have the honor to refer to Your Excellency's letter of September 29, 1953, to my reply thereto of the same date, and to the memorandum of the French Government of September 3, 1953. This memorandum, together with its annexes, outlines the plans, programs and policies of the French Government for the intensified prosecution of the war against the Viet Minh by the forces of France, Cambodia, Laos, and Vietnam.

I. In accordance with the request of the French Government, the United States Government has carefully considered these documents with a view to determining the contribution which it could make in support of the additional military effort, with a view to helping to bring the hostilities in Indo-China to a satisfactory conclusion within the foreseeable future. In consequence of this consideration and in light of the request of the French Government and of the understandings set forth in our exchange of letters under reference, as well as in the following paragraphs of this letter, the United States Government will make available, prior to December 31, 1954, additional financial resources not to exceed \$385 million, or its equivalent in French francs, in support of the additional military effort of the French Union in Indo-China.

His Excellency
Monsieur Georges Bidault,
Minister for Foreign Affairs,
Paris.

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This amount is additional to: (1) the \$460 million in aid described in the memorandum handed to the French Government by representatives of the United States Government in Paris on April 26, 1953; (2) the economic aid program to the Associated States; (3) the item of \$85 million appropriated by Congress for the United States fiscal year 1953/54 for artillery, ammunition and semi-automatic weapons for the French forces under the command of the North Atlantic Treaty Organization; (4) any dollar funds that may be made available to France from United States fiscal year 1953/54 appropriations for basic materials development, overseas territories development, and technical assistance; and (5) it is likewise additional to the end-item assistance to the French Government and the Associated States out of past or currently available United States appropriations, after the adjustments required by Congressional action and by the present augmentation of financial aid to France have been made. The end-item assistance to be made available for Indo-China operations and referred to above has been discussed and will be determined by the United States Government in the near future.

II. This commitment of the United States Government is made upon the understandings derived from the above-mentioned exchange of letters, dated September 29, 1953, and from the memorandum of September 3, 1953.

III. It is understood that the total amount of United States assistance described in paragraph I of this letter is the full extent of assistance which the United States Government will be able to make available to the French Government and to the Associated States for the calendar year 1954 from the United States fiscal year 1953/54 appropriations. It is further understood that there will be counted as a part of the additional United States assistance described in this letter (\$385 million or its equivalent in French francs) releases of counterpart (except for the counterpart of any of the types of special assistance described in paragraph I (4) above) accruing during the calendar year 1954 in the Special Account of the Crédit National from dollar aid allotments to France from United States fiscal year 1952/53 and prior appropriations, to

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the extent that such releases increase the total of counter-value receipts in support of the French military budgets for the calendar years 1953 and 1954 above a franc amount equivalent, at the rate of exchange current at the time described below in this paragraph which has been or is to be made available in support of the French military budgets for the calendar years 1953 and 1954 from United States fiscal year 1952/53 and 1953/54 appropriations. The amount of this aid is \$1,070 million, made up as follows:

(a) \$485 million of assistance from United States fiscal year 1953/54 appropriations, composed of \$400 million for Indo-China and \$85 million for French forces under the command of the North Atlantic Treaty Organization

(b) \$217.5 million of budget-supporting offshore procurement already effected from United States fiscal year 1952/53 appropriations;

(c) \$367.5 million of defense support aid from United States fiscal year 1952/53 appropriations. The franc resources to be realized from this latter amount of aid will, of course, be net of the 10 percent counterpart set aside for the use of the United States Government. This net amount is calculated at \$330.75 million. Thus when counterpart withdrawals for military purposes from the Special Account of the Crédit National in the two calendar years 1953 and 1954 taken together exceed the franc equivalent of \$330.75 million computed at the rate of exchange at which the counterpart is deposited, additional accruals during the calendar year 1954 will be counted as a part of the amount of 135 billion francs of additional assistance described in this letter.

IV. In its memorandum of September 3, the French Government has estimated that during the calendar year 1954 the plans outlined in the aforementioned memorandum for increasing the forces of the Associated States will cost a total of 195 billion francs, of which it is planned that the Governments of the Associated States will finance 60 billion francs (the equivalent of 6 billion piasters at the present rate of exchange). On these assumptions

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the sum of \$385 million referred to above, or its equivalent in French francs, is considered by the United States Government to represent the full amount of 135 billion francs requested in the memorandum of September 3, which stated that the complete execution of the recommendations of General Navarre was subject to the grant of this additional aid. It is of course understood that in the review in detail of the cost of financing the various components of these plans, savings might be developed which would reduce the amount of additional aid required. Any savings developed would be applied first to reimburse the French Government for any expenditures it may have to make in order to meet any shortfall in the proposed contribution by the Associated States of the equivalent of 60 billion francs, and thereafter to reduce the ceiling figure of \$385 million in additional aid described in this letter.

V. The United States Government concurs in the proposal made by the French representatives that the process of refining the estimate of costs, together with the development of procedures for determining the requirements for funds and for making the additional aid available, should be worked out in detail between representatives of the Governments concerned, and should be carried on continuously throughout the calendar year 1954. It is understood that the procedures to be worked out will be based upon the principle that the United States Government will provide the financing for agreed franc and/or piaster expenditures (outside the 60 billion francs referred to in paragraph IV above) relating to the National Armies of the Associated States, as such expenditures actually arise, up to the aforementioned maximum of \$385 million computed at the rates of exchange current at the time when the expenditures are made. Any changes in costs which may result from any adjustments in the rates of exchange will of course be taken into account in determining the amount of United States financing to be made available, provided, however, that the total amount of the additional United States assistance described in this letter will in no case exceed \$385 million.

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VI. Should, for any reason, the French Government's plan, as outlined in the memorandum of September 3 and Your Excellency's letter of September 29 referred to above, prove incapable of execution or should other unforeseen circumstances arise which negate the above assumptions or understandings, the United States Government would not consider itself, insofar as the additional aid referred to above is concerned, committed beyond the amounts it had theretofore made available to the French Government, and it would desire to consult urgently with the French Government as to the future course of action.

VII. The United States Government has reached its decision to increase its assistance for Indo-China in the conviction that the heroic efforts and sacrifices of France and the Associated States to prevent the engulfment of Southeast Asia by the forces of international Communism, and to permit thereby the emergence of the free and independent states of Cambodia, Laos and Vietnam, are in the interest of the entire free world. It is also confident of the ability of France, with the ever-increasing assistance of the Associated States, to bring this long struggle to an early and victorious conclusion.

I avail myself of this occasion to renew to Your Excellency the assurances of my highest consideration.

Douglas Dillon

BELTimmons/DJMcGrew

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STEP 6¹

COPY

American Embassy

Paris, September 29, 1953

My dear Mr. Ambassador:

I have the honor to refer to your letter of September 29, 1953, which reads as follows:

"I have the honor to refer to the letters which are being exchanged under today's date between the Minister for Foreign Affairs and yourself concerning the plans of the French Government with respect to its military effort in Indo-China and the contribution to be made by the United States Government in support thereof.

"During the conversations leading up to the afore-mentioned exchanges of letters, representatives of our two Governments undertook an exchange of views regarding the procedures for making the assistance available and for accounting for the utilization thereof, with particular reference to the requirement which must be met by the United States Government under its foreign aid legislation of establishing a clear and precise record concerning the uses to which the assistance has been put.

"In this respect, the French Government, after having examined carefully the problem raised by the United States Government during those conversations, is prepared:

Monsieur Alexandre Parodi,
Ambassadeur de France,
Secretary General,
Ministry for Foreign Affairs,
Paris.

¹Copy held in S/S-R

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"1. To provide to the United States Government all appropriate information regarding the type and amount of expenditures financed by the assistance for Indo-China. It is understood that this information will relate not only to the costing of the program but also to the expenditures actually effected. Representatives of the two Governments will consult with respect to the degree of detail necessary to enable the United States Government to meet the requirements of its foreign aid legislation and agree upon the details to be furnished.

"2. To designate qualified representatives, who would work together with the designated representatives of the United States Government in examining from time to time all relevant French documents for the purpose of confirming the reports rendered with respect to the utilization of the assistance made available by the United States Government.

"3. To receive in Indo-China the designated representatives of the United States Government for the purpose of observing and reviewing from time to time the utilization of United States assistance. The French Government is also prepared to provide other information and facilities as heretofore provided under Article IX (3) of the Economic Cooperation Agreement between the United States and France, dated June 28, 1948, as amended.

"It is understood that the procedures to be worked out in accordance with the principles set forth in this letter will be applicable to the total amount of assistance to be made available by the United States Government for Indo-China during the calendar year 1954."

The United States Government has taken note of the position of the French Government as set forth in your letter quoted above. With particular regard to paragraph 5 thereof, the United States Government wishes to confirm to the

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French Government that any examination of French documents made pursuant to the terms thereof will be for the purpose of enabling the United States Government to satisfy the requirements of its foreign aid legislation. It goes without saying that there is no intention on the part of the United States Government to question the effectiveness of the French Government's procedures for the payment and auditing of public expenditures.

I avail myself of this occasion to renew, my dear Mr. Ambassador, the assurances of my highest consideration.

Douglas Dillon

BELTimmons/DJMcGrew

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DEPARTMENT OF STATE

FOR THE PRESS

SEPTEMBER 30, 1953

No. 529

FOR RELEASE AT 12:00 NOON, E.S.T., WEDNESDAY, September 30,
1953.....

JOINT COMMUNIQUE ISSUED BY THE GOVERNMENTS OF THE
UNITED STATES AND FRANCE

The forces of France and the Associated States in Indochina have for 8 years been engaged in a bitter struggle to prevent the engulfment of Southeast Asia by the forces of international communism. The heroic efforts and sacrifices of those French union allies in assuring the liberty of the new and independent states of Cambodia, Laos and Vietnam has earned the admiration and support of the free world. In recognition of the French union effort the United States Government has in the past furnished aid of various kinds to the Governments of France and the Associated States to assist in bringing the long struggle to an early and victorious conclusion.

The French Government is firmly resolved to carry out in full its declaration of July 3, 1953 by which is announced its intention of perfecting the independence of the three Associated States in Indochina, through negotiations with the Associated States.

The Governments of France and the United States have now agreed that, in support of plans of the French Government for the intensified prosecution of the war against the Viet Minh, the United States will make available to the French Government prior to December 31, 1954 additional financial resources not to exceed \$385 million. This aid is in addition to funds already earmarked by the United States for aid to France and the Associated States.

The French Government is determined to make every effort to break up and destroy the regular enemy forces in Indochina. Toward this end the government intends to carry through, in close cooperation with the Cambodian, Laotian and Vietnamese Governments, the plans for increasing the Associated States forces while increasing temporarily French forces to levels considered necessary to assure the success of existing military plans. The additional United States aid is designed to help make it possible to achieve these objectives with maximum speed and effectiveness.

The increased French effort in Indochina will not entail any basic or permanent alteration of the French Government's plans and programs for its NATO forces.

DEPARTMENT OF STATE

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Oct. 21, 1953
6:58 p.m.

SENT TO: Amembassy SAIGON 695

Department continues much concerned at repercussions in France and elsewhere of illconsidered action Vietnamese National Congress Oct. 16. Although Department hopes and believes that statesmanlike action and utterances of Bao Dai, Tam on one hand and Laniel, Bidault on other will prevent damage from becoming irreparable, Department believes essential find ways revitalize concept mutuality of interest between France and Vietnam. Your continuing views and comments would be appreciated.

Department deplores atmosphere prevailing at National Congress, utterances and resolutions of which have jeopardized war effort upon successful outcome of which lives and property most members of Congress in effect depend. Failure of Congress to express appreciation of efforts and sacrifices of 300,000 Vietnamese fighting Viet Minh appears even more extraordinary than failure to express similar sentiments regarding essential French sacrifices and effort. Bao Dai statements have helped but insufficiently.

Mutuality of interest in outcome of struggle is major present factor which needs emphasis and Department confident everything possible being done Saigon and Paris.

In addition however there is problem of reconstruction which will arise when war is won PAREN if it is lost, neither French nor we will have any such problem ENDPAREN. That problem will include necessity for providing reconstruction of country devastated by eight years of war, restoration of communications and reintegration into national life of several hundred thousand soldiers. Vietnam will need French help for this purpose and France will perhaps continue to need our assistance. PAREN There is obviously no commitment which can be made on our behalf at this time. ENDPAREN. Department wonders however whether establishment of high level planning authority for purpose of laying foundations of reconstruction-rehabilitation effort might not be useful. Perhaps this authority should spring from Vietnamese initiative with French invited to participate. Prospect of fruitful cooperation in constructive work after war is won might have sobering effect

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on political dreamers and doctrinaires. It might divert attention from constitutional verbiage and empty demagoguery and start people thinking of and perhaps developing vested interest in the practical problems which will face the new Vietnam made possible by current expenditure of Franco-Vietnamese blood and US-French-Vietnamese treasure.

Department advances above purely tentatively and would appreciate your comment and comments derived your continuing discussion with French and Vietnamese contacts.

DULLES

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NSC 162/2

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October 30, 1953

NOTE BY THE EXECUTIVE SECRETARY

to the

NATIONAL SECURITY COUNCIL

on

BASIC NATIONAL SECURITY POLICY

- References:
- A. NSC 162 and NSC 162/1
 - B. NSC Action Nos. 853, 868, 886, 926 and 944
 - C. Memo for NSC from Executive Secretary, subject, "Review of Basic National Security Policy", dated October 28, 1953
 - D. NSC 153/1
 - E. Memo for NSC from Executive Secretary, subject, "Project Solarium", dated July 23, 1953

The National Security Council, the Secretary of the Treasury, the Attorney General, the Director, Bureau of the Budget, the Chairman, Council of Economic Advisers, and the Chairman, Atomic Energy Commission, at the 168th Council meeting on October 29, 1953, adopted the statement of policy contained in NSC 162/1 subject to the changes which are set forth in NSC Action No. 944-a.

In connection with this action the Council also noted:

- a. The President's statement that if the Department of Defense hereafter finds that the provisions of subparagraph 9-a-(1), when read in the context of the total policy statement, operate to the disadvantage of the national security, the Secretary of Defense should bring this finding before the Council for reconsideration.
- b. That action should be promptly taken to conform existing arrangements regarding atomic weapons to subparagraph 39-b.
- c. That the policy in NSC 162/1 does not contemplate any fixed date for D-Day readiness.

NSC 162/2

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- d. That the Planning Board would submit for Council consideration a revision of "U. S. Objectives vis-a-vis the USSR in the Event of War", as presently stated in the Annex, in the light of the provisions of NSC 162/1, as amended.

The President has this date approved the statement of policy contained in NSC 162/1, as amended and adopted by the Council and enclosed herewith, and directs its implementation by all appropriate executive departments and agencies of the U. S. Government. As basic policy, this paper has not been referred to any single department or agency for special coordination.

Accordingly, NSC 153/1 is hereby superseded.

It is requested that special security precautions be observed in the handling of the enclosure and that access to it be very strictly limited on an absolute need-to-know basis.

JAMES S. LAY, Jr.
Executive Secretary

cc: The Secretary of the Treasury
The Attorney General
The Director, Bureau of the Budget
The Chairman, Council of Economic Advisers
The Chairman, Atomic Energy Commission
The Federal Civil Defense Administrator
The Chairman, Joint Chiefs of Staff
The Director of Central Intelligence

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REVIEW OF BASIC NATIONAL SECURITY POLICY

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STATEMENT OF POLICY
by the
NATIONAL SECURITY COUNCIL

on

BASIC NATIONAL SECURITY POLICY

GENERAL CONSIDERATIONS

Basic Problems of National Security Policy

1. a. To meet the Soviet threat to U. S. security.
 - b. In doing so, to avoid seriously weakening the U. S. economy or undermining our fundamental values and institutions.

The Soviet Threat to the United States

2. The primary threat to the security, free institutions, and fundamental values of the United States is posed by the combination of:

- a. Basic Soviet hostility to the non-communist world, particularly to the United States.
- b. Great Soviet military power.
- c. Soviet control of the international communist apparatus and other means of subversion or division of the free world.

3. a. The authority of the Soviet regime does not appear to have been impaired by the events since Stalin's death, or to be likely to be appreciably weakened during the next few years. The transfer of power may cause some uncertainty in Soviet and satellite tactics for some time, but will probably not impair the basic economic and military strength of the Soviet bloc. The Soviet rulers can be expected to continue to base their policy on the conviction of irreconcilable hostility between the bloc and the non-communist world. This conviction is the compound product of Marxist belief in their historically determined conflict with, and inevitable triumph over, "world capitalism" led by the United States, of fear

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for the security of the regime and the USSR, especially in the face of a hostile coalition, of distrust of U. S. aims and intentions, and of long-established reliance on techniques of conspiracy and subversion. Accordingly, the basic Soviet objectives continue to be consolidation and expansion of their own sphere of power and the eventual domination of the non-communist world.

b. Soviet strategy has been flexible and will probably continue so, allowing for retreats and delays as well as advances. The various "peace gestures" so far have cost the Soviets very little in actual concessions and could be merely designed to divide the West by raising false hopes and seeking to make the United States appear unyielding. It is possible, however, that the USSR, for internal and other reasons, may desire a settlement of specific issues or a relaxation of tensions and military preparations for a substantial period. Thus far, there are no convincing signs of readiness to make important concessions to this end.

4. a. The capability of the USSR to attack the United States with atomic weapons has been continuously growing and will be materially enhanced by hydrogen weapons. The USSR has sufficient bombs and aircraft, using one-way missions, to inflict serious damage on the United States, especially by surprise attack. The USSR soon may have the capability of dealing a crippling blow to our industrial base and our continued ability to prosecute a war. Effective defense could reduce the likelihood and intensity of a hostile attack but not eliminate the chance of a crippling blow.

b. The USSR now devotes about one-sixth of its gross national product to military outlays and is expected to continue this level. It has and will continue to have large conventional military forces capable of aggression against countries of the free world. Within the next two years, the Soviet bloc is not expected to increase the size of its forces, but will strengthen them with improved equipment and training and the larger atomic stockpile.

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c. The Soviet bloc now has the capability of strong defense against air attack on critical targets within the USSR under favorable weather conditions, and is likely to continue to strengthen its all-weather air defenses.

5. a. The recent uprisings in East Germany and the unrest in other European satellites evidence the failure of the Soviets fully to subjugate these peoples or to destroy their desire for freedom; the dependence of these satellite governments on Soviet armed forces; and the relative unreliability of satellite armed forces (especially if popular resistance in the satellites should increase). These events necessarily have placed internal and psychological strains upon the Soviet leadership. Nevertheless, the ability of the USSR to exercise effective control over, and to exploit the resources of, the European satellites has not been appreciably reduced and is not likely to be so long as the USSR maintains adequate military forces in the area.

b. The detachment of any major European satellite from the Soviet bloc does not now appear feasible except by Soviet acquiescence or by war. Such a detachment would not decisively affect the Soviet military capability either in delivery of weapons of mass destruction or in conventional forces, but would be a considerable blow to Soviet prestige and would impair in some degree Soviet conventional military capabilities in Europe.

c. The Chinese Communist regime is firmly in control and is unlikely to be shaken in the foreseeable future by domestic forces or rival regimes, short of the occurrence of a major war. The alliance between the regimes of Communist China and the USSR is based on common ideology and current community of interests. With the death of Stalin and the Korean truce, Communist China may tend more to emphasize its own interests, though limited by its present economic and military dependence on the USSR, and, in the long run, basic differences may strain or break the alliance. At present, however, it appears to be firmly established and adds

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strategic territory and vast reserves of military manpower to the Soviet bloc.

6. a. The USSR does not seem likely deliberately to launch a general war against the United States during the period covered by current estimates (through mid-1955). The uncertain prospects for Soviet victory in a general war, the change in leadership, satellite unrest, and the U. S. capability to retaliate massively, make such a course improbable. Similarly, an attack on NATO countries or other areas which would be almost certain to bring on general war in view of U. S. commitments or intentions would be unlikely. The Soviets will not, however, be deterred by fear of general war from taking the measures they consider necessary to counter Western actions which they view as a serious threat to their security.

b. When both the USSR and the United States reach a stage of atomic plenty and ample means of delivery, each will have the probable capacity to inflict critical damage on the other, but is not likely to be able to prevent major atomic retaliations. This could create a stalemate, with both sides reluctant to initiate general warfare; although if the Soviets believed that initial surprise held the prospect of destroying the capacity for retaliation, they might be tempted into attacking.

c. Although Soviet fear of atomic reaction should still inhibit local aggression, increasing Soviet atomic capability may tend to diminish the deterrent effect of U. S. atomic power against peripheral Soviet aggression. It may also sharpen the reaction of the USSR to what it considers provocative acts of the United States. If either side should miscalculate the strength of the other's reaction, such local conflicts could grow into general war, even though neither seeks nor desires it. To avoid this, it will in general be desirable for the United States to make clear to the USSR the kind of actions which will be almost certain to lead to this result, recognizing, however, that as general war becomes more devastating for both sides the threat to

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resort to it becomes less available as a sanction against local aggression.

7. The USSR will continue to rely heavily on tactics of division and subversion to weaken the free world alliances and will resist the Soviet power. Using both the fear of atomic warfare and the hope of peace, such political warfare will seek to exploit differences among members of the free world, neutralist attitudes, and anti-colonial and nationalist sentiments in underdeveloped areas. For these purposes, communist parties and other cooperating elements will be used to manipulate opinion and control governments wherever possible. This aspect of the Soviet threat is likely to continue indefinitely and to grow in intensity.

8. Over time, changes in the outlook and policies of the leadership of the USSR may result from such factors as the slackening of revolutionary zeal, the growth of vested managerial and bureaucratic interests, and popular pressures for consumption goods. Such changes, combined with the growing strength of the free world and the failure to break its cohesion, and possible aggravation of weaknesses within the Soviet bloc through U. S. or allied action or otherwise, might induce a willingness to negotiate. The Soviet leadership might find it desirable and even essential to reach agreements acceptable to the United States and its allies, without necessarily abandoning its basic hostility to the non-Soviet world.

Defense Against the Soviet Threat

9. In the face of the Soviet threat, the security of the United States requires:

a. Development and maintenance of:

(1) A strong military posture, with emphasis on the capability of inflicting massive retaliatory damage by offensive striking power;

(2) U. S. and allied forces in readiness to move rapidly initially to counter aggression by Soviet bloc forces and to hold vital areas and lines of communication; and

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(3) A mobilization base, and its protection against crippling damage, adequate to insure victory in the event of general war. ✓

b. Maintenance of a sound, strong and growing economy, capable of providing through the operation of free institutions, the strength described in a above over the long pull and of rapidly and effectively changing to full mobilization.

c. Maintenance of morale and free institutions and the willingness of the U. S. people to support the measures necessary for national security.

10. In support of these basic security requirements, it is necessary that the United States:

a. Develop and maintain an intelligence system capable of: ||

(1) Collecting and analyzing indications of hostile intentions that would give maximum prior warning of possible aggression or subversion in any area of the world.

(2) Accurately evaluating the capabilities of foreign countries, friendly and neutral as well as enemy, to undertake military, political, economic, and subversive courses of action affecting U. S. security.

(3) Forecasting potential foreign developments having a bearing on U. S. national security.

b. Develop an adequate manpower program designed to:

(1) Expand scientific and technical training. ||

(2) Provide an equitable military training system.

(3) Strike a feasible balance between the needs of an expanding peacetime economy and defense requirements. ||

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(4) Provide for an appropriate distribution of services and skills in the event of national emergency.

g. Conduct and foster scientific research and development so as to insure superiority in quantity and quality of weapons systems, with attendant continuing review of the level and composition of forces and of the industrial base required for adequate defense and for successful prosecution of general war.

d. Continue, for as long as necessary, a state of limited defense mobilization to develop military readiness by:

(1) Developing and maintaining production plant capacity, dispersed with a view to minimizing destruction by enemy attack and capable of rapid expansion or prompt conversion to essential wartime output.

(2) Creating and maintaining minimum essential reserve stocks of selected end-items, so located as to support promptly and effectively the war effort in areas of probable commitment until war production and shipping capacity reaches the required wartime levels.

(3) Maintaining stockpiling programs, and providing additional production facilities, for those materials the shortage of which would affect critically essential defense programs; meanwhile reducing the rates of other stockpile materials.

e. Provide reasonable internal security against covert attack, sabotage, subversion, and espionage, particularly against the clandestine introduction and detonation of atomic weapons.

11. Within the free world, only the United States can provide and maintain, for a period of years to come, the atomic capability to counterbalance Soviet atomic power. Thus, sufficient atomic weapons and effective means of delivery are indispensable for U. S. security. Moreover, in the face of Soviet atomic power, defense of the continental United States becomes

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vital to effective security: to protect our striking force, our mobilization base, and our people. Such atomic capability is also a major contribution to the security of our allies, as well as of this country.

12. The United States cannot, however, meet its defense needs, even at exorbitant cost, without the support of allies.

a. The effective use of U. S. strategic air power against the USSR will require overseas bases on foreign territory for some years to come. Such bases will continue indefinitely to be an important additional element of U. S. strategic air capability and to be essential to the conduct of the military operations on the Eurasian continent in case of general war. The availability of such bases and their use by the United States in case of need will depend, in most cases, on the consent and cooperation of the nations where they are located. Such nations will assume the risks entailed only if convinced that their own security will thereby be best served.

b. The United States needs to have aligned on its side in the world struggle, in peace and in war, the armed forces and economic resources and materials of the major highly-industrialized non-communist states. Progressive loss to the Soviet bloc of these states would so isolate the United States and alter the world balance as to endanger the capacity of the United States to win in the event of general war or to maintain an adequate defense without undermining its fundamental institutions.

c. U. S. strategy including the use of atomic weapons, therefore, can be successfully carried out only if our essential allies are convinced that it is conceived and will be implemented for the purpose of mutual security and defense against the Soviet threat. U. S. leadership in this regard, however, does not imply the necessity to meet all desires of our allies.

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d. Our allies are, in turn, dependent on the United States for their security: (1) they lack that atomic capability which is the major deterrent to Soviet aggression; (2) most lack political and economic stability sufficient to support their military forces. The United States should be able for the foreseeable future to provide military aid, in more limited amounts than heretofore, to our essential allies. It should be possible in the near future, however, generally to eliminate most grant economic aid, if coupled with appropriate U. S. economic and trade policies.

13. a. Under existing treaties or policies, an attack on the NATO countries, Western Germany, Berlin, Japan, the Philippines, Australia, New Zealand, and the American Republics, or on the Republic of Korea, would involve the United States in war with the USSR, or at least with Communist China if the aggression were Chinese alone.

b. Certain other countries, such as Indo-China or Formosa, are of such strategic importance to the United States that an attack on them probably would compel the United States to react with military force either locally at the point of attack or generally against the military power of the aggressor. Moreover, the principle of collective security through the United Nations, if it is to continue to survive as a deterrent to continued piecemeal aggression and a promise of an eventual effective world security system, should be upheld even in areas not of vital strategic importance.

c. The assumption by the United States, as the leader of the free world, of a substantial degree of responsibility for the freedom and security of the free nations is a direct and essential contribution to the maintenance of its own freedom and security.

14. a. The United States should keep open the possibility of settlements with the USSR, compatible with basic U. S. security interests, which would resolve specific conflicts or reduce the magnitude of the Soviet threat. Moreover, to maintain the continued support of its allies,

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the United States must seek to convince them of its desire to reach such settlements. But, in doing so, we must not allow the possibility of such settlements to delay or reduce efforts to develop and maintain adequate free world strength, and thus enable the Soviets to increase their relative strength.

b. It must be recognized, however, that the prospects for acceptable negotiated settlements are not encouraging. There is no evidence that the Soviet leadership is prepared to modify its basic attitudes and accept any permanent settlement with the United States, although it may be prepared for a modus vivendi on certain issues. Atomic and other major weapons can be controlled only by adequate and enforceable safeguards which would involve some form of international inspection and supervision. Acceptance of such serious restrictions by either side would be extremely difficult under existing conditions of suspicion and distrust. The chances for such disarmament would perhaps be improved by agreements on other conflicts either beforehand or at the same time, or by possible realization by the Soviets, in time, that armament limitation will serve their own interests and security.

c. The United States should promptly determine what it would accept as an adequate system of armament control which would effectively remove or reduce the Soviet atomic and military threat, and on what basis the United States would be prepared to negotiate to obtain it.

Present State of the Coalition*

15. a. The effort of the United States, especially since 1950, to build up the strength, cohesion and common determination of the free world has succeeded in increasing its relative strength and may well have prevented overt military aggression since Korea.

*The term "coalition" refers to those states which are parties to the network of security treaties and regional alliances of which the United States is a member (NATO, OAS, ANZUS, Japan, etc.), or are otherwise actively associated in the defense of the free world.

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b. In Western Europe the build-up of military strength and the progress of economic recovery has, at least partially, remedied a situation of glaring weakness in a vital area. NATO and associated forces are now sufficient to make aggressive action in Europe costly for the USSR and to create a greater feeling of confidence and security among the Western European peoples. However, even though significant progress has been made in building up these forces, the military strength in Western Europe is presently not sufficient to prevent a full-scale Soviet attack from overrunning Western Europe. Even with the availability of those German forces presently planned within the framework of EDC, present rates of defense spending by European Nations and present rates of U. S. Military Assistance certainly could not be expected to produce forces adequate to prevent the initial loss of a considerable portion of the territory of Western Europe in the event of a full-scale Soviet attack. Therefore, since U. S. Military Assistance must eventually be reduced, it is essential that the Western European states, including West Germany, build and maintain maximum feasible defensive strength. The major deterrent to aggression against Western Europe is the manifest determination of the United States to use its atomic capability and massive retaliatory striking power if the area is attacked. However, the presence of U. S. forces in Western Europe makes a contribution other than military to the strength and cohesion of the free world coalition.

c. In the Far East, the military strength of the coalition now rests largely on U. S. military power plus that of France in Indochina, the UK in Malaya and Hong Kong, and the indigenous forces of the Republic of Korea, Vietnam, and Nationalist China. Any material increase will require the revival of the economic and military strength of Japan.

d. The strength and cohesion of the coalition depends, and will continue to depend, on the continuing strength and will of the United States as its leader, and upon the assumption by each coalition member of a proper share of responsibility.

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16. While the coalition is founded on common interest and remains basically sound, certain factors tend to weaken its cohesion and to slow down the necessary build-up of strength.

a. Some of these factors are inherent in the nature of a coalition led by one strong power. The economic and military recovery by our NATO allies from their low point of a few years ago, and the revival of Germany and Japan, has given them a greater sense of independence from U. S. guidance and direction. Specific sources of irritation are trade with the Soviet bloc, the level of the defense effort, use of bases and other facilities, and the prospect of discontinuance of U. S. economic aid without a corresponding change in U. S. trade policies.

b. The coalition also suffers from certain other weaknesses and dilemmas. A major weakness is the instability of the governments of certain NATO partners, such as Italy and France. The colonial issue in Asia and Africa, for example, has not only weakened our European allies but has left those areas in a state of ferment which weakens the whole free world. Efforts by the United States to encourage orderly settlements tend to leave both sides dissatisfied and to create friction within the alliance. Age-old issues such as divide France and Germany, or Italy and Yugoslavia, still impede creation of a solid basis of cooperation against the Soviet threat.

c. Moreover, allied opinion, especially in Europe, has become less willing to follow U. S. leadership. Many Europeans fear that American policies, particularly in the Far East, may involve Europe in general war, or will indefinitely prolong cold-war tensions. Many consider U. S. attitudes toward the Soviets as too rigid and unyielding and, at the same time, as unstable, holding risks ranging from preventive war and "liberation" to withdrawal into isolation. Many consider that these policies fail to reflect the perspective and confidence expected in the leadership of a great nation, and reflect too great a pre-occupation with anti-communism. Important

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sectors of allied opinion are also concerned over developments within the United States which seem to them inconsistent with our assumed role of leader in the cause of freedom. These allied attitudes materially impair cooperation and, if not overcome, could imperil the coalition.

d. Fear of what a general war will mean for them is deeply rooted and widespread among our allies. They tend to see the actual danger of Soviet aggression as less imminent than the United States does, and some have a fatalistic feeling that if it is coming they will not be able to do much about it. In the NATO countries, many have serious doubts whether the defense requirements can be met without intolerable political and economic strains. Certain of our allies fear the rearmament of Germany and Japan on any large scale, and in Germany and Japan themselves strong currents of opinion oppose it as unnecessary or dangerous. Moreover, in certain countries, particularly France and Italy, grave domestic problems have called into question not only the authority of the governments, but also the basic foreign policies and alignments which they have followed. All these factors lead to allied pressure in favor of new major efforts to negotiate with the USSR, as the only hope of ending the present tension, fear and frustration. This pressure has increased with recent "peace gestures" of the new Soviet leadership, which has made every endeavor to exploit it. Whether these hopes are illusory or well-founded, they must be taken into consideration by the United States. ✓

The Uncommitted Areas of the World

17. Despite the Soviet threat, many nations and societies outside the Soviet bloc, mostly in the underdeveloped areas, are so unsure of their national interests, or so preoccupied with other pressing problems, that they are presently unwilling to align themselves actively with the United States and its allies. Although largely undeveloped, their vast manpower, their essential raw materials and their potential for growth are such that their absorption within the Soviet system would greatly, perhaps decisively, alter the world balance of power to our detriment. Conversely, their orderly development into more stable and responsible nations, able and willing to participate in defense of the free world, can increasingly add to its strength.

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18. In many of these uncommitted areas, forces of unrest and of resentment against the West are strong. Among these sources are racial feelings, anti-colonialism, rising nationalism, popular demand for rapid social and economic progress, over-population, the breakdown of static social patterns, and, in many cases, the conflict of local religious and social philosophies with those of the West. The general unreliability of the governments of these states and the volatility of their political life complicate the task of building firm ties with them, of counteracting neutralism and, where appropriate and feasible, of responding to requests for assistance in solving their problems. Outside economic assistance alone cannot be counted on either to solve their basic problems or to win their cooperation and support. Constructive political and other measures will be required to create a sense of mutuality of interest with the free world and to counter the communist appeals.

U. S. Ability to Support Security Expenditures

19. The United States must maintain a sound economy based on free private enterprise as a basis both for high defense productivity and for the maintenance of its living standards and free institutions. Not only the world position of the United States, but the security of the whole free world, is dependent on the avoidance of recession and on the long-term expansion of the U. S. economy. Threats to its stability or growth, therefore, constitute a danger to the security of the United States and of the coalition which it leads. Expenditures for national security, in fact all federal, state and local governmental expenditures, must be carefully scrutinized with a view to measuring their impact on the national economy.

20. The economy of the country has a potential for long-term economic growth. Over the years an expanding national income can provide the basis for higher standards of living and for a substantial military program. But economic growth is not automatic and requires fiscal and other policies which will foster and not hamper the potential for long-term growth and which will operate to reduce cyclical fluctuations.

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X 21. Excessive government spending leads to inflationary deficits or to repressive taxation, or to both. Persistent inflation is a barrier to long-term growth because it undermines confidence in the currency, reduces savings, and makes restrictive economic controls necessary. Repressive taxation weakens the incentives for efficiency, effort, and investment on which economic growth depends.

22. In spite of the reimposition of tax rates at approximately the peak levels of World War II, expenditures have risen faster than tax receipts, with a resulting deficit of \$9.4 billion in fiscal year 1953. Despite anticipated larger receipts, without the imposition of new taxes, and assuming substantially unchanged world conditions, a deficit of \$3.8 billion is estimated for fiscal year 1954.

23. a. Under existing law, tax reductions of \$5 billion a year will become effective next January. A proposal to impose substitute taxes therefor would be a reversal of policy.

b. Additional revenue losses of \$3 billion a year are due to occur on April 1, 1954. Congress has not acted on the President's recommendation that these reductions be rescinded. Even if the \$3 billion reduction is rescinded, or offset by revenue from new sources, large deficits would occur in FY 1955 and FY 1956 at present levels of expenditures.

c. The economic problem is made more difficult by the need to reform the tax system in the interests of long-term economic growth. Inevitably, many of the changes necessary to reduce the barriers to growth will lead to a loss of revenue in the years immediately following their adoption.

24. Any additional revenue will have to be secured by new taxation on a broad base.

25. The present high level of the Government debt further complicates the financial and economic problems of the country. Substantial additional borrowing could come only from sources which would be inflationary.

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26. There is no precise level or duration of government expenditures which can be determined in advance, at which an economic system will be seriously damaged from inflationary borrowing on the one hand or from repressive taxation on the other. The higher the level of expenditures, the greater is the need for sound policies and the greater are the dangers of miscalculations and mischance. These dangers are now substantial.

27. The requirements for funds to maintain our national security must thus be considered in the light of these dangers to our economic system, including the danger to industrial productivity necessary to support military programs, arising from excessive levels of total Government spending, taxing and borrowing.

28. Modifications of the foregoing fiscal policies to promote long-term growth may be necessitated for a limited period: (1) to deal with short-term cyclical problems or (2) to achieve overriding national objectives that justify departure from sound fiscal policies.

The Situation as to U. S. Manpower

29. a. The national security programs of the United States rest upon the manpower to operate them, the economy to produce the material for them, and the financial resources to pay for them.

b. The qualified manpower annually coming of military age is adequate to carry out our existing military programs. However, the continuing development of more complicated weapons, machines, and devices used by the military greatly increases the need for military manpower possessed of higher skills, and for their better utilization, and emphasizes the need for expanded technical training and retention of technically trained personnel.

c. Any considerable increase in the need for military manpower would require consideration of:

(1) Broadening the present criteria governing draft eligibility.

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(2) Broadening the physical requirements for enlistment, particularly to secure technicians.

(3) Extension of the average length of military service, including increased incentives for re-enlistment.

(4) Increased recruitment of long-term volunteers and of women.

(5) Greater use of civilians for technical maintenance work.

(6) Leadership to develop a national response to increased needs, including steps to make military service a matter of patriotic pride and to increase the attractiveness of a military career.

d. Any decisions on these matters should be made in the light of a comprehensive study, to be submitted to the President by the Office of Defense Mobilization by December 1, on manpower availability under varying assumptions as to the degree and nature of mobilization requirements.

Morale

30. Support for the necessary security programs, based upon a sound productive system, is ultimately dependent also upon the soundness of the national morale and the political willingness of the country to support a government which it feels is holding the proper balance between the necessary sacrifices and the necessary defense. Accordingly, the American people must be informed of the nature of the Soviet-Communist threat, in particular the danger inherent in the increasing Soviet atomic capability; of the basic community of interest among the nations of the free world; and of the need for mobilizing the spiritual and material resources necessary to meet the Soviet threat.

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POLICY CONCLUSIONS

Basic Problems of National Security Policy

31. a. To meet the Soviet threat to U. S. security.

b. In doing so, to avoid seriously weakening the U. S. economy or undermining our fundamental values and institutions.

Nature of the Soviet Threat

32. a. With increasing atomic power, the Soviets have a mounting capability of inflicting very serious and possibly crippling damage on the United States. The USSR will also continue to have large military forces capable of aggressive action against countries of the free world. Present estimates are, however, that the USSR will not deliberately initiate general war during the next several years, although general war might result from miscalculation. In the absence of general war, a prolonged period of tension may ensue, during which each side increases its armaments, reaches atomic plenty and seeks to improve its relative power position.

b. In any case, the Soviets will continue to seek to divide and weaken the free world coalition, to absorb or win the allegiance of the presently uncommitted areas of the world, and to isolate the United States, using cold war tactics and the communist apparatus. Their capacity for political warfare against the United States as well as its allies will be enhanced by their increased atomic capability.

33. a. A sound, strong, and growing U. S. economy is necessary to support over the long pull a satisfactory posture of defense in the free world and a U. S. capability rapidly and effectively to change to full mobilization. The United States should not weaken its capacity for high productivity for defense, its free institutions, and the incentives on which its long-term economic growth depends.

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b. A recession in the level of U. S. economic activity could seriously prejudice the security of the free world.

Defense Against Soviet Power and Action

34. In the face of these threats, the United States must develop and maintain, at the lowest feasible cost, requisite military and non-military strength to deter and, if necessary, to counter Soviet military aggression against the United States or other areas vital to its security.

a. The risk of Soviet aggression will be minimized by maintaining a strong security posture, with emphasis on adequate offensive retaliatory strength and defensive strength. This must be based on massive atomic capability, including necessary bases; an integrated and effective continental defense system; ready forces of the United States and its allies suitably deployed and adequate to deter or initially to counter aggression, and to discharge required initial tasks in the event of a general war; and an adequate mobilization base; all supported by the determined spirit of the U. S. people.

b. This strong security posture must also be supported by an effective U. S. intelligence system, an adequate manpower program, superior scientific research and development, a program of limited defense mobilization, reasonable internal security, and an informed American people.

c. Such a strong security posture is essential to counter the Soviet divisive tactics and hold together the coalition. If our allies were uncertain about our ability or will to counter Soviet aggression, they would be strongly tempted to adopt a neutralist position, especially in the face of the atomic threat.

35. In the interest of its own security, the United States must have the support of allies.

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a. The military striking power necessary to retaliate depends for the foreseeable future on having bases in allied countries. Furthermore, the ground forces required to counter local aggressions must be supplied largely by our allies.

b. The loss of major allies by subversion, divisive tactics, or the growth of neutralist attitudes, would seriously affect the security of the United States.

36. United States policies must, therefore, be designed to retain the cooperation of our allies, to seek to win the friendship and cooperation of the presently uncommitted areas of the world, and thereby to strengthen the cohesion of the free world.

a. Our allies must be genuinely convinced that our strategy is one of collective security. The alliance must be rooted in a strong feeling of a community of interest and firm confidence in the steadiness and wisdom of U. S. leadership.

b. Cooperative efforts, including equitable contributions by our allies, will continue to be necessary to build the military, economic and political strength of the coalition and the stability of the free world.

c. Constructive U. S. policies, not related solely to anti-communism, are needed to persuade uncommitted countries that their best interests lie in greater cooperation and stronger affiliations with the rest of the free world.

d. To enhance the capacity of free world nations for self-support and defense, and to reduce progressively their need for U. S. aid, the United States should assist in stimulating international trade, freer access to markets and raw materials, and the healthy growth of underdeveloped areas. In this connection, it should consider a modification of its tariff and trade policies.

e. In subsequent fiscal years economic grant aid and loans by the United States to other nations of the free world should be based on the best interests of the United States.

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37. a. In Western Europe, a position of strength must be based mainly on British, French, and German cooperation in the defense of the continent. To achieve a stronger Europe, the United States should support, as long as there is hope of early success, the building of an integrated European Community (including West Germany and if possible a united Germany), linked to the United States through NATO. The United States should press for a strong, united stable Germany, oriented to the free world and militarily capable of overcoming internal subversion and disorder and also of taking a major part in the collective defense of the free world against aggression. The United States must continue to assist in creating and maintaining mutually agreed European forces, but should reduce such assistance as rapidly as United States interests permit.

b. In the Far East, strength must be built on existing bilateral and multilateral security arrangements until more comprehensive regional arrangements become feasible. The United States should stress assistance in developing Japan as a major element of strength. The United States should maintain the security of the off-shore island chain and continue to develop the defensive capacity of Korea and Southeast Asia in accordance with existing commitments.

c. In the Middle East, a strong regional grouping is not now feasible. In order to assure during peace time for the United States and its allies the resources (especially oil) and the strategic positions of the area and their denial to the Soviet bloc, the United States should build on Turkey, Pakistan and, if possible, Iran, and assist in achieving stability in the Middle East by political actions and limited military and economic assistance, and technical assistance, to other countries in the area.

d. In other areas of the free world the United States should furnish limited military aid, and limited technical and economic assistance, to other free nations, according to the calculated advantage of such aid to the U. S. world position.

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38. a. As presently deployed in support of our commitments, the armed forces of the United States are over-extended, thereby depriving us of mobility and initiative for future military action in defense of the free world.

b. Under present conditions, however, any major withdrawal of U. S. forces from Europe or the Far East would be interpreted as a diminution of U. S. interest in the defense of these areas and would seriously undermine the strength and cohesion of the coalition. ✓

c. Our diplomacy must concentrate upon clarifying to our allies in parts of the world not gripped by war conditions that the best defense of the free world rests upon a deployment of U. S. forces which permits initiative, flexibility and support; upon our political commitment to strike back hard directly against any aggressor who attacks such allies; and upon such allies' own indigenous security efforts. ✓

39. a. In specific situations where a warning appears desirable and feasible as an added deterrent, the United States should make clear to the USSR and Communist China, in general terms or with reference to specific areas as the situation requires, its intention to react with military force against any aggression by Soviet bloc armed forces. ✓

b. (1) In the event of hostilities, the United States will consider nuclear weapons to be as available for use as other munitions. Where the consent of an ally is required for the use of these weapons from U. S. bases on the territory of such ally, the United States should promptly obtain the advance consent of such ally for such use. The United States should also seek, as and when feasible, the understanding and approval of this policy by free nations. ✓

(2) This policy should not be made public without further consideration by the National Security Council.

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Defense Against the Threat to the U. S. Economy and
Institutions

40. a. A strong, healthy and expanding U. S. economy is essential to the security and stability of the free world. In the interest of both the United States and its allies, it is vital that the support of defense expenditures should not seriously impair the basic soundness of the U. S. economy by undermining incentives or by inflation.

b. The United States must, however, meet the necessary costs of the policies essential for its security. The actual level of such costs cannot be estimated until further study, but should be kept to the minimum consistent with the carrying out of these policies.

c. Barring basic change in the world situation, the Federal Government should continue to make a determined effort to bring its total annual expenditures into balance, or into substantial balance with its total annual revenues and should maintain over-all credit and fiscal policies designed to assist in stabilizing the economy.

d. Every effort should be made to eliminate waste, duplication, and unnecessary overhead in the Federal Government, and to minimize Federal expenditures for programs that are not essential to the national security.

e. The United States should seek to maintain a higher and expanding rate of economic activity at relatively stable price levels.

f. The economic potential of private enterprise should be maximized by minimizing governmental controls and regulations, and by encouraging private enterprise to develop natural and technological resources (e.g. nuclear power).

41. To support the necessarily heavy burdens for national security, the morale of the citizens of the United States must be based both on responsibility and freedom for the individual. The dangers from Soviet subversion and espionage require strong and effective

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security measures. Eternal vigilance, however, is needed in their exercise to prevent the intimidation of free criticism. It is essential that necessary measures of protection should not be so used as to destroy the national unity based on freedom, not on fear.

Reduction of the Soviet Threat

42. a. The United States must seek to improve the power position of itself and the rest of the free world in relation to the Soviet bloc.

b. The United States must also keep open the possibility of negotiating with the USSR and Communist China acceptable and enforceable agreements, whether limited to individual issues now outstanding or involving a general settlement of major issues, including control of armaments.

c. The willingness of the Soviet leadership to negotiate acceptable settlements, without necessarily abandoning hostility to the non-Soviet world, may tend to increase over time, if the United States and its allies develop and increase their own strength, determination and cohesion, maintain retaliatory power sufficient to insure unacceptable damage to the Soviet system should the USSR resort to general war, and prove that the free world can prosper despite Soviet pressures, or if for any reason Soviet stability and influence are reduced.

d. The policy of the United States is to prevent Soviet aggression and continuing domination of other nations, and to establish an effective control of armaments under proper safeguards; but is not to dictate the internal political and economic organization of the USSR.*

43. As a means of reducing Soviet capabilities for extending control and influence in the free world, the United States should:

* This paragraph does not establish policy guidance for our propaganda or informational activities.

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a. Take overt and covert measures to discredit Soviet prestige and ideology as effective instruments of Soviet power, and to reduce the strength of communist parties and other pro-Soviet elements.

b. Take all feasible diplomatic, political, economic and covert measures to counter any threat of a party or individuals directly or indirectly responsive to Soviet control to achieve dominant power in a free world country.

c. Undertake selective, positive actions to eliminate Soviet-Communist control over any areas of the free world.

44. a. Measures to impose pressures on the Soviet bloc should take into account the desirability of creating conditions which will induce the Soviet leadership to be more receptive to acceptable negotiated settlements.

b. Accordingly, the United States should take feasible political, economic, propaganda and covert measures designed to create and exploit troublesome problems for the USSR, impair Soviet relations with Communist China, complicate control in the satellites, and retard the growth of the military and economic potential of the Soviet bloc.

45. In the face of the developing Soviet threat, the broad aim of U. S. security policies must be to create, prior to the achievement of mutual atomic plenty, conditions under which the United States and the free world coalition are prepared to meet the Soviet-Communist threat with resolution and to negotiate for its alleviation under proper safeguards. The United States and its allies must always seek to create and sustain the hope and confidence of the free world in the ability of its basic ideas and institutions not merely to oppose the communist threat, but to provide a way of life superior to Communism.

46. The foregoing conclusions are valid only so long as the United States maintains a retaliatory capability that cannot be neutralized by a surprise Soviet attack. Therefore, there must be continuing examination and periodic report to the National Security Council in regard to the likelihood of such neutralization of U. S. retaliatory capability.

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ANNEX

U. S. OBJECTIVES VIS-A-VIS THE USSR IN THE EVENT OF WAR
(The following paragraphs are taken verbatim from NSC 20/4, approved in November, 1948. They also formed an annex to NSC 153/1, approved in June, 1953. This subject is currently under review by the NSC Planning Board.)

1. In the event of war with the USSR we should endeavor by successful military and other operations to create conditions which would permit satisfactory accomplishment of U. S. objectives without a predetermined requirement for unconditional surrender. War aims supplemental to our peace-time aims should include:

a. Eliminating Soviet Russian domination in areas outside the borders of any Russian state allowed to exist after the war.

b. Destroying the structure of relationships by which leaders of the All-Union Communist Party have been able to exert moral and disciplinary authority over individual citizens, or groups of citizens, in countries not under communist control.

c. Assuring that any regime or regimes which may exist on traditional Russian territory in the aftermath of a war:

(1) Do not have sufficient military power to wage aggressive war.

(2) Impose nothing resembling the present iron curtain over contacts with the outside world.

d. In addition, if any bolshevik regime is left in any part of the Soviet Union, insuring that it does not control enough of the military-industrial potential of the Soviet Union to enable it to wage war on comparable terms with any other regime or regimes which may exist on traditional Russian territory.

e. Seeking to create postwar conditions which will:

(1) Prevent the development of power relationships dangerous to the security of the United States and international peace.

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(2) Be conducive to the successful development of an effective world organization based upon the purposes and principles of the United Nations.

(3) Permit the earliest practicable discontinuance within the United States of wartime controls.

2. In pursuing the above war aims, we should avoid making irrevocable or premature decisions or commitments respecting border rearrangements, administration of government within enemy territory, independence for national minorities, or post-war responsibility for the readjustment of the inevitable political, economic, and social dislocations resulting from the war.

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OUTGOING TELEGRAM
DEPARTMENT OF STATE
SECRET

6:17 P.M.
NOV 23, 1953

Amembassy PARIS PRIORITY 1930

Amembassy SAIGON PRIORITY 920

Please convey following personal message to Bidault QUOTE I wanted you and Prime Minister Laniel to know that following your urgent request for early delivery of 25 additional C-47 aircraft for Indochina the President and I have looked into this matter carefully. It gives us great pleasure to tell you that we are now able to give you an affirmative answer to this request the importance of which we fully realize UNQUOTE.

FYI. Admiral Radford will inform General Valluy of this decision tomorrow. Planes expected to be ready to depart not later than December 12.

DULLES
(JWJ)

SECRET

EUR:WE:RHMcbride

751G.00/11-3053:SECRET FILE

Rec'd: November 30, 1953
6:23 p.m.

FROM: PARIS

TO: Secretary of State

NO: 2110, November 30, 7 p.m.

FOR THE SECRETARY

Laniel asks me to assure you and the President that Ho Chi Minh interview will not (repeat not), of itself, and certainly not (repeat not) pending full consultation at Bermuda, be permitted to affect in any way Indochina policy which he has followed since he became Prime Minister. He and Vidal consider interview 98 percent propaganda and recognize that it has already had great effect both in France and Indochina and will make continuation of their policy considerably more difficult. Laniel is nevertheless confident that he can keep his governments support without going further in direction of negotiations than he did in his November 24 statement (Embassy's telegram 2055, November 25). He did not (repeat not), speculate as to what situation might be under another government in January. Navarre has reported belief that in six months he should be able to achieve major improvement in military situation, including particularly clearing up south. I reminded them of very long time which had elapsed between first hint and actual opening of Korean truce negotiations and of importance to any eventual negotiations of first obtaining best possible military position.

As indicative of pressure here Vidal subsequently told me that President Auriol had summoned Laniel at 3:00 this morning and told him to consult representatives of three Associated States immediately with view to seeking earliest possible opening of negotiations with representatives of Ho Chi Minh. Laniel had flatly refused and said that he had no (repeat no), intention of changing his policy, at least until he had consulted US and UK at Bermuda and then Associated States.

Despite Laniel's unquestioned sincerity on this, his November 24 statement left considerable latitude for negotiations and we must remember both the very heavy pressure which the Ho interview will unquestionably stimulate and the fact that Laniel government must constitutionally resign in mid-January.

JEF:MEJ/15

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Letter No. 405/EMIPT/EGP
dtd 7 December 1953

To: Major General TRAPNELL, Chief MAAG
From: General Navarre, Cinc French Forces, Indo China
Subject: M.D.A.P. FY-54
Reference: Letter 548/EMIPT/4/US/S dated 24 October 1953.

1. In my above referred letter, I imparted to you the great concern which I felt on the matter of methods of planning the American Aid Program for 1954 as applied to the Expeditionary Corps in Indochina.

1.1. My letter stressed two main points:

- the necessity of avoiding any modification of requests as submitted to your command. Such requests conform to the norms in the Indochina war based on several years of experience.

- the desirability of having deliveries expedited in order to enable me to complete, at the earliest possible date, the Battle Corps upon which I am counting for a decisive improvement in the military situation.

1.2. For the past month, nothing has intervened to lessen my concern. To the contrary, it seems to be evident that my requests have been subject to important reductions which might well prevent realization of a dependable logistical system at the very time that the Battle Corps will be most actively engaged.

In particular, the Aid Program for the Far East Naval Forces has just been forwarded to me. I have noted that there is a great difference existing between the requests of the FMEO Admiralty and Washington approving agencies, a fact that should immediately be stressed.

2. This fact brings me to the realization that disagreement exists between the intentions of the highly placed American civilian and Military Authorities, (which whom I have personally come into contact on frequent occasions) and the various American Organizations of implementation which play a part in the planning of Military Aid Programs.

All highly placed American Authorities who have come to Indochina have asserted to me that the United States were decided to undertake an extensive effort. These assurances have brought me to levy a considerable increase in the personnel concerned from France and from the Associated States. This increase is in the process of being realized.

I cannot understand, then, the reductions which are considered concerning American Aid. Should these reductions be retained, they would result in an obvious discrepancy between the means in personnel and the means in material which I have at my disposal. Without any

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doubt, I would be forced to reconsider the operational plan anticipated for the year 1954, which, then, would appear too ambitious an undertaking. Concerning the supplementary DAKOTA Squadron which I had requested as soon as I assumed my Command, and which was only granted a few days ago, the delay occurring before this decision was made, has already placed me in a difficult operational situation.

3. With respect to the Ground Forces, I again wish to emphasize the following point:

Formulation of allocations of equipment based upon the regular tables of equipment of the American Army (which are known to be insufficient in Indochina) will bring about the reduction of the number of units for which activation was anticipated. It will bring about the neglect of all the territorial ground installations for organic units, not authorized in the tables of equipment. These ground installations are, however, essential to the implanted units in view of their Mission of "pacification". It will bring about a handicap to the Ground Forces in the dual mission they have to accomplish: destruction of the rebels' Battle Corps and "pacification".

4. With respect to the Naval Forces, I note in particular reductions involving landing craft of all types. However, expressly as a result of insistent suggestions on the part of General O'DANIEL, I have decided to develop amphibious facilities, coastal as well as river, and to contemplate amphibious operations the scope of which I should find myself forced to reduce.

5. I remind you also that, though I have requested helicopters for development of my facilities of manoeuvre and of action on the enemy rear, your command has proposed to fill my needs only under the conditions that I give up (in an equal dollar value) a quantity of equipment on supply to be taken from the initial requests made for the three services.

I cannot accept having my potential whittled away in such a manner, due to the fact that I have requested these helicopters for the specific purpose of extending and improving conditions under which this potential is to be utilized.

6. In resume, I have no indication which will enable me to feel assured that I could have at my disposal sufficient equipment to take care of the commitments which will periodically mature as planned in development of the French and Associated States Forces during the first half of 1954.

It is essential, then, in the highest order, that I have firm information with regard to the disposition which my requests concerning Ground and Air Forces will receive.

I most earnestly request that the reductions made by Washington be reconsidered insofar as they affect the three Services.

It is indispensable that I obtain information as to how soon I can count on receiving the first FY 1954 equipment and the balance for previous programs.

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I would like to have assurances to the effect that, within the next three months, an actual effort will be made taking the form of extensive deliveries.

I would be grateful if you would please get in touch with Washington Authorities again in view of their realizing how strongly I emphasize this matter, and I hope that your mediation will effect a solution which will prove to be efficacious as well as satisfying.

Signed: General NAVARRE

Copy furnished:

- Ambassador HEATH

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SPECIAL ESTIMATE

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PROBABLE COMMUNIST REACTIONS TO CERTAIN
POSSIBLE US COURSES OF ACTION IN
INDOCHINA THROUGH 1954



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LIMITED DISTRIBUTION

The Intelligence Advisory Committee concurred in this estimate on 15 December 1953. The FBI abstained, the subject being outside of its jurisdiction.

The following member organizations of the Intelligence Advisory Committee participated with the Central Intelligence Agency in the preparation of this estimate: The intelligence organizations of the Departments of State, the Army, the Navy, the Air Force, and The Joint Staff.

CENTRAL INTELLIGENCE AGENCY

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PROBABLE COMMUNIST REACTIONS TO CERTAIN POSSIBLE US COURSES OF ACTION IN INDOCHINA THROUGH 1954

THE PROBLEM¹

To estimate the probable reactions of Communist China and the USSR to:

- a. The commitment in Indochina, before the end of 1954, of US ground, air, and naval forces on a scale sufficient to defeat decisively the field forces of the Viet Minh.
- b. The commitment in Indochina, before the end of 1954, of US ground, air, and naval forces on a scale sufficient to hold the Viet Minh in check until such time as US-developed Vietnamese forces could decisively defeat the field forces of the Viet Minh.

ASSUMPTIONS¹

For both a. and b. above:

1. No Chinese Communist intervention in force in Indochina had taken place.
2. Commitment of US forces had been publicly requested by the French and Vietnamese governments.
3. At the time of the US commitment French Union forces still retained essentially their present position in the Tonkin Delta.
4. Communist China and the USSR would have prior knowledge of the US intent to commit its forces in Indochina.
5. Following the US commitment, there would be a phased withdrawal of French forces from Indochina.
6. The US will warn the Chinese Communists that if they openly intervene² in the fighting in Indochina, the US will not limit its military action to Indochina.

ESTIMATE

1. We believe that the Communists would assume that the purpose of committing US forces in Indochina was the decisive defeat of the Viet Minh. Consequently, we believe that Communist reactions to such a US commitment would be substantially the same whether

it were designed to defeat the Viet Minh with US forces (Problem a.) or eventually with US-trained Vietnam forces (Problem b.).

In the Event of a Pending US Commitment

2. We do not believe that Communist China, upon learning of a forthcoming commitment by the US, would immediately intervene openly with substantial forces in Indochina. The acceptance by Communist China of an armistice in Korea, its policies to date with respect to Indochina, and its present emphasis on

¹The Problem and the Assumptions have been provided to the intelligence community as a basis for the estimate.

²For the purposes of this estimate, open intervention is defined as the commitment of substantial Chinese Communist combat forces, under any guise.

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domestic problems seem to indicate a desire at this time to avoid open intervention in the Indochina war or expansion of the conflict to Communist China. US warnings against Chinese Communist intervention in force³ probably would have a strong deterrent effect. Moreover, the political advantage to be gained by portraying the US as an "aggressor" would probably appear both to Communist China and the USSR to outweigh the military advantage of moving large Chinese Communist forces into Indochina before the arrival of US forces.

3. In addition, Communist leadership would probably estimate that they would have time to take a number of steps which, without a serious risk of expanding the war to China, might deter a US military commitment or seriously impair its effectiveness. Such steps might include:

a. Increasing logistic and rear area support to the Viet Minh.

b. Covertly committing Chinese troops to operate as "Viet Minh guerrillas."

c. Encouraging intensified Viet Minh guerrilla and sabotage operations in Indochina, particularly in and around the Tonkin Delta, designed to inflict such damage on the French Union position as to increase the difficulties of the US operation.

d. Building up Chinese Communist strength in south China, including Hainan.

e. Seeking by diplomatic and propaganda means in the UN and elsewhere to forestall US action, to gain the support of non-Communist countries, and to exploit differences between the US and its allies over preparations for this operation.

³Such warnings would reinforce the warning already given by Secretary of State Dulles, in his American Legion Speech at St. Louis, 2 September 1953:

"Communist China has been and now is training, equipping and supplying the Communist forces in Indochina. There is the risk that, as in Korea, Red China might send its own army into Indochina. The Chinese Communist regime should realize that such a second aggression could not occur without grave consequences which might not be confined in Indochina. I say this soberly in the interest of peace and in the hope of preventing another aggressor miscalculation."

f. Concluding a defense pact with the Viet Minh.

Although, in response to a US military commitment in Indochina, the Communists might threaten to renew hostilities in Korea, we believe that they would not actually take such action as they probably estimate that renewed aggression in Korea would result in expanding the conflict to Communist China itself.

Actual US Commitment

4. In the initial stages of an actual US military commitment, the Communists might not feel compelled to intervene openly in force immediately. They would recognize the difficulties which the US forces would face in operating in the Indochina climate and terrain. They would also realize that the xenophobia of the indigenous population of Indochina might be effectively exploited to the disadvantage of US forces by Communist propaganda; the Chinese Communists would therefore prefer that the US rather than themselves be confronted with this antiforeign attitude. They might estimate that, with increased aid from Communist China, the Viet Minh forces, by employing harassing and infiltrating tactics and avoiding major engagements, could make any US advance at the least slow and difficult. It is probable, therefore, that the Chinese Communists would initially follow a cautious military policy while they assessed the scale, nature, and probable success of the US action, the effect of such action on Vietnamese national morale and military capabilities, the subsequent military and political moves of the French, the temper of US opinion, the reactions of US allies and the neutralist states, and the position of the UN. Even at this early stage, however, the Chinese Communists would probably take strong actions short of open intervention in an effort to prevent the US from destroying the Viet Minh armed forces.⁴

⁴The Special Assistant, Intelligence, Department of State, believes that the timing of the Communist reaction to the commitment of US forces in Indochina cannot be estimated with any degree of assurance. He therefore believes that a decision by the Communists to follow a cautious policy in the initial stages of the US action should be presented as a possibility, rather than as a probability.

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5. In addition to the steps outlined in paragraph 3 above, the Chinese Communists, at this early stage of US commitment, would probably provide an increased number of military advisors, possibly including commanders for major Viet Minh units. Moreover, Peiping might covertly furnish limited air support for Viet Minh ground forces, but would be unlikely to undertake air operations which it estimated would provoke US retaliation against Communist China itself other than retaliation against those airfields from which such air attacks were launched.

6. If the leaders of Communist China and the USSR came to believe that a protracted stalemate in Indochina was likely, they would probably not openly commit Chinese Communist ground, naval, or air forces to an intervention in force in Indochina, nor would they renew hostilities in Korea or commit new acts of armed aggression elsewhere in the Far East. Peiping and Moscow would probably believe that a long and indecisive war in Indochina could be exploited politically and that, in time, US and Vietnamese will to fight might be worn down.

7. If at any time, however, the leaders of Communist China and the USSR came to believe that a decisive defeat of the Viet Minh armed forces was likely, they would be faced with the decision whether Communist China should intervene openly in force in order to avert this development.

8. The following considerations might induce the Communists to decide in favor of open intervention in force:

a. Decisive defeat of the Viet Minh armed forces would be a grave blow to Communist prestige throughout the world and would seriously diminish prospects for the expansion of Communism in Asia.

b. A US military commitment in Indochina might form part of a larger plan, possibly involving, in the minds of the Communists, the resurgence of Chinese Nationalist strength, aimed at the destruction of the Chinese Communist regime. In any case, decisive defeat of the Viet Minh armed forces would bring US power to the borders of China.

c. Whatever the initial intention, successful US military action in Indochina might encourage the US to increase pressure on other points of the Communist periphery.

d. Many observers, particularly in the Asian neutralist states, would consider the US in the wrong in Indochina and would condone Chinese Communist intervention as a move to "liberate Indochina from American imperialism." These sentiments could be effectively exploited by Communist propaganda.

e. The US, despite its warnings, might not retaliate strongly against Communist China, because it would fear that such retaliation would alienate its NATO allies, result in wider military deployment of US forces, cause Peiping to invoke the Sino-Soviet treaty, and thereby increase the danger of general war.

f. By intervening openly in force the Chinese Communists might be able to prevent indefinitely both the successful accomplishment of the US mission and the disengagement of substantial US forces from Indochina.

9. On the other hand, the following considerations might deter the Communists from deciding to intervene openly in force:

a. It would be more important to concentrate upon domestic problems including strengthening of Communist China's economy.

b. There would be a grave risk of US reprisals against Communist China and possibly of general war.

c. Indochina is remote from the USSR and the centers of power in Communist China. Accordingly, the establishment of a strong US position in Indochina would not constitute, to the same degree as in Korea, a threat to Chinese Communist and Soviet power in the Far East.

d. Short of actual intervention, the Chinese Communists could acquire a position of strength by reinforcing and rehabilitating the military facilities on Hainan. This position would dominate the Gulf of Tonkin, and pose a distinct threat to sea-air lines of communications of US forces in Indochina and to rear bases.

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e. The loss in prestige involved in the defeat of the Viet Minh armed forces could in part be offset by depicting the Viet Minh as an indigenous liberation movement. Moreover, the Viet Minh Government and its armed forces could be preserved on Chinese soil where they could exercise constant military and political pressure on the forces of the US and the Associated States.

f. The military and political nature of the Indochina war is such that even if the US defeated the Viet Minh field forces, guerrilla action could probably be continued indefinitely and preclude the establishment of complete non-Communist control over that area.

g. Under such circumstances, the US might have to maintain a military commitment in Indochina for years to come. Heavy US commitments in Indochina over the long run might cause concern to US allies and might create divergences between the US and neutralist states.

10. The Director of Central Intelligence and the Deputy Director for Intelligence, The Joint Staff, believe that the Communist reaction to commitment of US forces in Indochina would largely depend upon US posture prior to, and at the same time of, such commitment. If the US posture made manifest to the Communists that US naval and air retaliatory power would be fully applied to Communist China, then Peiping and Moscow would seek to avoid courses of action which would bring about such retaliation. In such circumstances, the chances are better than even that the Chinese Communists would not openly intervene in Indochina, even if they believed that failure to intervene would mean the defeat at that time of the Viet Minh field forces in Indochina. Therefore the Director of Central Intelligence and the Deputy Director for Intelligence, The Joint Staff, believe that in weighing the arguments set forth in paragraphs 8 and 9 Chinese Communist leaders, in such circumstances, would estimate that it was more advantageous to them to support a guerrilla action in Indochina and tie down large US forces in such a war, than to risk US retaliatory action against China itself which open intervention would involve. However, the Communists would almost certainly continue to support the rem-

nants of the Viet Minh, including re-equipping these remnant forces on the Chinese side of the border and possibly augmenting them with Chinese "volunteers" so that Viet Minh resistance could be continued indefinitely. Moreover, they would pursue their objectives in the rest of Southeast Asia by all means short of open military intervention.

11. The Special Assistant, Intelligence, Department of State, the Director of Naval Intelligence, the Assistant Chief of Staff, G-2, Intelligence, Department of the Army, and the Director of Intelligence, USAF, believe that the condition of "decisive defeat of the field forces of the Viet Minh" prescribed for considering this problem would necessarily result in such a serious setback to Communist prestige, security, and expansionism as to lead to the following conclusions. In weighing the arguments presented in paragraphs 8 and 9, the Communist leaders in both Peiping and Moscow would probably give greatest consideration to: (a) the loss of prestige, the threat to Bloc security, and the setback to Communist expansionism in Southeast Asia involved in a decisive defeat of the Viet Minh armed forces and, (b) the risk of direct US action against Communist China. To the Communists, the consequences of the decisive defeat of the Viet Minh armed forces would be both certain and far reaching. In appraising the possible nature and scale of direct US action against the China mainland, the Communists would weigh any US warnings of probable consequences of intervention, the temper of US and free world opinion, and the probable US desire not to expand a local action. It is unlikely that the Communists' appraisal would lead them to the conviction that the US reaction to their intervention in Indochina would take the form of extensive and intense warfare against Communist China. In any case, their overriding suspicion of the ultimate motive of US forces in strength on or near the borders of Communist China would strongly influence their courses of action. Thus, the thought foremost in their minds would most probably be that failure to dislodge US military forces from the Chinese border would lead to increasing challenges to Communist power elsewhere. We

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therefore believe that the chances are probably better than even that the Communists would accept the risk involved and that the

Chinese Communists would intervene openly and in force in an effort to save the Communist position in Indochina.

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