20 June 1967

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MEMORANDUM FOR: The Director

SUBJECT:

Bunker's 19 June Message to Rusk (Saigon 8185, IN 92906)

Approved for Release: 2024/08/05 C05009770

1. Precis: This message is of such importance that you should read it in its entirety. Its principal points are:

a. Bunker is concerned at the deteriorating political situation which, he says, results from several causes "one of these ... is General Thieu's announcement of his candidacy for President..." Of much greater seriousness, however, are the rather blatant election-rigging tactics of General Loan.

b. Ky is virtually sure to win the election, by hook or crook, and on balance is the best available candidate. However, to preserve his image and overall credence in the elections, Loan must be removed from his positions and sent out of the country.

c. Bunker is "actively investigating" ways to pressure Thieu to withdraw.

d. Bunker recommends that, through CAS, a special relationship be established with Ky to advise and guide him. He analyzes the pros and cons of this and outlines the CAS assets which could be brought to bear.

2. Comment

a. Bunker is right in saying the problem is serious but has his priorities wrong. Loan's activities are a symptom rather than a cause and, at best, a tertiary rather than the primary issue.

b. The most serious danger is a split in the unity of the military establishment and the principal cause of this immediate danger is Thieu's insistence on running -- or, rather, his and Ky's inability and unwillingness to live up to their joint commitment to the President that there would only be one military candidate. Approved for Release: 2024/08/05 C05009770

c. It is unrealistic to be irritated at Ky for exploiting the full advantages of his office in seeking election (as do incumbent office seekers everywhere else in the world).

d. One of the great risks of a dual military candidacy is that Ky will run scared and allow his subordinates to transcend the rather fuzzy bounds of propriety in an attempt to ensure his victory. This, in fact, is what is now happening.

e. Urging, or forcing, Ky to get rid of Loan will not get at the root problem (dual military candidacy) and raises many risks? Loan is Ky's right arm and protector. He will be most loath to part with Loan, could flatly refuse, and would certainly be resentful even if he acquiesced. Furthermore, if Ky sacked Loan under U.S. pressure, he would be viewed by his restless military colleagues (Khang, Tri, et al) as an American puppet.

f. Rather than trying to get Ky to sack Loan, we should urge him to keep Loan in bounds. (This tack worked well during the struggle movement last year and, in my opinion, would work again.)

g. We should also, Bunker recommends, try more time to persuade Thieu to withdraw.

h. We should also establish a working relationship and covert channel through which we can give Ky continuing political advice.

i. One final point, with Bill Colby I am concerned at the extent to which what purports to be Bunker's message to Rusk may reflect little besides Hart's personal distaste for and dislike of Loan.

> George A. Carver, Jr. Special Assistant for Vietnamese Affairs

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