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19 October 1966

MEMORANDUM

SUBJECT: Comments on the Vietnamese Cabinet Crisis

1. It is doubtful that any action which KY may take will resolve the current political crisis before the Manila conference. Although some or all of the threatened cabinet resignations may be effected, the hiatus will be publicized and almost certainly will lead to further turbulence both within and outside the Constitutional Assembly. Any punitive action against the dissidents that the GVN may take will add fuel to this fire.

2. Premier KY will be very reluctant to remove General LOAN, despite any misgivings KY may have about LOAN's heavy-handedness. KY has confidence in LOAN, whose firmness and determination played a major role in upholding the GVN during the recent struggle movement. KY may feel his government cannot survive against its current opposition without the stiffening provided by LOAN in his capacity as director of the two principal internal security services.

3. Any concession by KY in the form of removing LOAN or reducing his powers will only temporarily appease the opposition elements. LOAN is probably only an interim target of the opposition, whose ultimate aim is the replacement of the current northern-dominated military government. The opposition -- a loose amalgam of southern civilians -- is probably counting on KY's inability to find a man with LOAN's loyalty to KY and his determination and ability to support the government.

4. The current crisis is not a new development, but merely the first significant, post-election manifestation of fundamental maladies infecting the Vietnamese body politic. It is a new demonstration that basic divisive factors -- regionalism and military versus civilian control -- still pre-dominate over the few unifying factors. (To these may be added a third divisive element -- religion -- which is not yet openly involved in this crisis, but which may soon come again into play.) Regionalism is evident in the southern resentment over the fact that northern "carpet-baggers" dominate the KY government.

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The question of civilian versus military control is involved in the fear of continued military control bordering on dictatorship.

5. KY has sought in recent months to ameliorate these latent criticisms by broadening the directorate to include civilian members, by holding elections for the constitutional assembly, and by adding a number of southerners (mostly civilians) to his cabinet. These moves have not assuaged the opposition; it claims that civilians have not been consulted on vital decisions; it accuses the GVN of using police-state methods to suppress its opponents; and it suspects the military of plotting to renege on the promised transition to civilian government.

6. At the moment, KY appears determined to retain LOAN and to accept the resignations of the dissident cabinet members. He has planned to replace these with other southern civilians. He has shown some skill and adroitness in resolving confrontations with other opposition groups in the past, and may somehow temporarily patch over this crisis. Nevertheless, he probably will not soon be able to find a formula for resolving the fundamental divisive factors contributing to political instability. The principal hope for long-term development of stability would appear to be the evolution of some political mechanism which insures predominant military influence, but which also provides some means of civilian participation. The GVN is working in this direction, basing its approach in part on the Korean pattern. Whether the GVN succeeds in finding this formula will depend on a large part on the sympathy and/or support he receives from the U. S.

GEORGE W. ALLEN  
Vietnamese Affairs Staff

cc - D/OCI  
D/ONE  
C/FE

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VIETNAM AFFAIRS STAFF  
O/DCI

DATE: 19 Oct. 66

TO: D/ONE

FROM: George W. Allen

SUBJECT:

REMARKS:

The attached was prepared to provide our initial reaction to the current crisis to the Director. He asked that these comments be passed to the addressees.

cc - D/OCI  
C/FE

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