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CENTRAL INTELLIGENCE AGENCY

2 June 1955

MEMORANDUM FOR: Mr. Allan Evans (OIR)
Colonel Paul S. Reinecke, USA (G-2)
Captain B. E. Wiggin, USN (ONI)
Colonel Willis B. Sawyer, USAF (AFOIN-2B2)
Colonel Floyd E. Dunn, USA (JIG)

SUBJECT : NIE 63.1-3-55: Prospects for Vietnam Through
July 1956

1. The attached terms of reference were agreed on at the meeting of the IAC representatives on Wednesday, 1 June.
2. All agencies are invited to contribute to any section within their competence to do so.
3. It is requested that contributions be received in this office by the close of business on Monday, 1 August.

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PAUL A. BOREL
Acting Assistant Director
National Estimates

Distribution "B"

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CENTRAL INTELLIGENCE AGENCY

2 June 1955

SUBJECT: TERMS OF REFERENCE: NIE 63.1-3-55: PROSPECTS FOR VIETNAM*
THROUGH JULY 1956

THE PROBLEM

To estimate the prospects for the development of a Vietnamese government with the capability to defend itself against internal subversion and uprisings, with sufficient authority and administrative and to deal adequately with the many problems facing it, and with sufficient political appeal to risk national elections in mid-1956.

QUESTIONS BEARING ON THE PROBLEM

I. PRESENT SITUATION

1. In what manner have events of the past several months affected the strength, stability, effectiveness, and popular appeal of the Vietnamese government? To what extent, if any, have

* The area south of the 17th Parallel will be referred to herein as Vietnam.

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these events fundamentally changed the political situation in Vietnam?

- a. What are the major non-Communist Vietnamese political groups at the present time? What are their strengths and sources of support; objectives; policies; principal leaders; potential for national appeal; cleavages within themselves; relations with one another, and relations with the Viet Minh? For whom or what do they speak other than themselves and their particular interests? To what extent and in what manner, if any, have events of the past several months increased political awareness and participation among previously inert social groups?
- b. To what extent do these groups presently support or oppose Premier Diem? What is the constancy of this support or opposition? What is Diem's resulting political strength and nationalist appeal at present?
- c. What is the present situation with respect to ad hoc political bodies such as the "People's National Revolutionary

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Assembly"? What are their relationships with Diem and their status with respect to the government? What differences exist in aims and tactics between these bodies and Diem? Who are their dominant leaders? Whom do they represent? What Communist influence exists within these bodies?

- d. What are Diem's present aims and policies toward France and the French in Vietnam? Bao Dai? The sects? The Viet Minh in Vietnam?

- e. In what manner (as appropriate) and how effectively is the present government of Premier Diem: (1) developing a sense of national unity and purpose among the people; (2) imposing its will and authority and establishing order and security throughout Vietnam; (3) performing the normal functions of civil government; (4) overcoming such problems as inefficiency, corruption, and lack of trained leadership and civil servants; (5) dealing with the problems created by the refugees;

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(6) reducing, by political means, the position of the sects; and (7) fostering an awareness among Vietnamese of the course of events in North Vietnam under Communist rule?

f. Who are possible successors to Diem as Premier?

What are their respective abilities, political complexions, and followings?

2. What is the present situation with respect to internal security?

a. What, briefly, is the present situation with respect to hostilities between the VNA and dissident armed groups, in particular the Binh Xuyen and dissident Hoa Hao forces? What is the present strength, leadership, effectiveness, morale and loyalties, and general dispositions of the semimilitary forces opposed to the government? What are their relations with the French? What Communist influence, if any, exists in these groups? What are current VNA capabilities for dealing with these groups?

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- b. What are the present identity, strength, location and influence of Communist and pro-Communist groups in Vietnam? What are the identity and strength of individual leaders of these groups? What are their relations with the French? To what extent are they organized for and capable of subversive activity against the local government? In particular what is their capacity to infiltrate present influential political groups and important institutions of government? To infiltrate the army? What are the possibilities that such groups or individuals would rally to a strongly nationalistic anti-Communist government?
- c. What are the present strength, leadership, effectiveness, general dispositions, and morale of the Vietnamese armed forces, including police and militia? The semimilitary forces which have rallied but are not entirely under national control?
- d. To what extent is the VNA loyal to Diem as an individual? To the legally constituted government?

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To Bao Dai? To specific military leaders? To
present
what extent do/VNA leaders have political ambitions?

Do these leaders have any significant following
in the VNA or among political groups?

e. What are the plans and prospects of the Vietnamese
government for improvement and development of the armed
forces? For the successful integration or dissolution
of sect armies?

3. To what extent and in what manner are political developments
within Vietnam affected and influenced by the following
external forces?

a. Bao Dai? What is the extent and nature of his remaining
legal powers? His remaining political influence and
following?

b. The French? What are the current attitudes and policies
and short and long term objectives in Vietnam of the
French, both official and unofficial? Towards Diem?
Towards the sects? Towards the development of a truly
nationalist and independent Vietnam?

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What is the impact of the French presence, attitudes, and actions in Vietnam on the Vietnamese political situation? What is the nature, extent, and importance to France of its economic interests in Vietnam? Of developments in French domestic and international policy?

c. The US? To what extent and in what manner are Vietnamese internal political developments influenced by US policies in Vietnam and elsewhere in Asia? What are Vietnamese attitudes toward the US, with particular respect to technical and economic aid; military assistance; and advice and suggestions with respect to political, economic, and military developments?

d. Others?

- (1) DRV (Viet Minh) policies?
- (2) Chinese Communist policies and activities in Asia?
- (3) Developments in the Taiwan Straits area?
- (4) The attitudes and policies of Cambodia and Laos?
Of other South and Southeast Asian countries?

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- (5) The Manila Pact?
 - (6) The Overseas Chinese in Vietnam?
 - (7) The attitudes and policies of the UK toward Vietnam?
Toward other Asian countries?
4. What is the general economic situation in Vietnam? What effect does the economic situation have upon political stability, domestic security, and determination to resist Communist pressures and inducements? What progress, if any, has the present government taken towards solving its major economic problems?

II. PROBABLE DEVELOPMENTS

- a. What is the outlook for the creation of a national determination to resist the Viet Minh?
- b. What is the likelihood that Premier Diem will retain and strengthen his control of the government? Will he control the Revolutionary Assembly and other such nationalist groups?

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- c. Between now and mid-1956, what is the outlook for the strength, appeal, and collective threat to the government of the various sects and other non-Communist groups?
- d. What trends in the policies of Diem can be expected in the next year with respect to: (1) broadening the base of his government; (2) integrating the sects; (3) holding elections in Vietnam for a representative assembly; (4) dealing with the refugee problem; (5) major economic problems; (6) Viet Minh in Vietnam; (7) relations with Bao Dai; and (8) relations with France and the French in Vietnam?
- e. What degree of success will Diem meet in these policies? To what extent will his government be able to exercise its authority throughout Vietnam? What is the prospect that he will administer government more effectively, by Vietnamese standards, than he has in the past?
- f. What is the outlook for the strength, effectiveness, loyalty, and morale of the Vietnamese national forces?

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- g. What developments are likely in Vietnam's foreign relations and international position? To what extent will developments in Vietnam be affected by events elsewhere in Asia? In the world?
- h. What effect would Diem's replacement as Premier have upon political stability? What line-up of forces would compose the government most likely to succeed Diem? What would be the probable strength, orientation, policies, and attitudes of such a government? How would these developments differ with the manner of Diem's removal, as for example, assassination, replacement by a representative assembly, etc?
- i. What courses of action are the French (official and unofficial in Vietnam and in France) likely to follow, particularly with respect to:
- (1) Relations with the Diem government? The VNA?
Support of US policies in general?

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- (2) The revolutionary movement? The position of Bao Dai?
 - (3) The sects?
 - (4) Military and economic assistance to Vietnam?
Joint US-French training of Vietnamese troops?
 - (5) The position of the FEC and the ultimate withdrawal
of French military and civilian official from Vietnam?
The withdrawal of private French citizens?
 - (6) The Viet Minh?
- j. What is the outlook for US influence in Vietnam?
- k. What is the outlook for Communist political appeal and
influence in Vietnam? For Viet Minh capabilities
for subversion and guerrilla warfare? What is the
likelihood that the Viet Minh will seize power in Vietnam
by infiltration and subversion? What courses of action
are the Viet Minh likely to follow in Vietnam, particularly
with respect to:
- (1) Economic relations with Vietnam?
 - (2) The development of military and political base
in rural areas of Vietnam?

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- (3) The continued flight of refugees to Vietnam?
1. What are the prospects that general elections will be held in North and South Vietnam by mid-1956?
 - (1) What are the probable desires and plans with respect to the holding of the elections, and to the organization and character of elections, of:
The Vietnamese government? Other Vietnamese leaders or groups? The Viet Minh? The French government? The UK government?
 - (2) What would be the outcome if relatively honest elections were held in mid-1956 for a unified North and South Vietnam government?
 - (3) If at any time within the next year these elections should for any reason be delayed or denounced by the Vietnamese government or the Viet Minh, what would be the likely political or military reaction, if any of: the other party; Communist China; the French; the ICC; other Geneva signatories?
 - m. What would be the general outlook in Vietnam if elections should not be held in mid-1956?

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