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SNIE 53-2-63  
10 July 1963

SPECIAL  
NATIONAL INTELLIGENCE ESTIMATE  
NUMBER 53-2-63

# The Situation in South Vietnam

Submitted by the  
DIRECTOR OF CENTRAL INTELLIGENCE  
Concurred in by the  
UNITED STATES INTELLIGENCE BOARD  
As indicated overleaf  
10 JULY 1963

Declassified by 149108

Date 09 FEB 1980

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The Central Intelligence Agency and the intelligence organizations of the Departments of State, Defense, the Army, the Navy, the Air Force, and NSA.

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## THE SITUATION IN SOUTH VIETNAM

### SCOPE NOTE

NIE 53-63, "Prospects in South Vietnam," dated 17 April 1963 was particularly concerned with the progress of the counterinsurgency effort, and with the military and political factors most likely to affect that effort. The primary purpose of the present SNIE is to examine the implications of recent developments in South Vietnam for the stability of the country, the viability of the Diem regime, and its relationship with the US.

### CONCLUSIONS

A. The Buddhist crisis in South Vietnam has highlighted and intensified a widespread and longstanding dissatisfaction with the Diem regime and its style of government. ~~It~~—as is likely—Diem fails to carry out truly and promptly the commitments he has made to the Buddhists, disorders will probably flare again and the chances of a coup or assassination attempts against him will become better than even. (Paras. 4, 14)

B. The Diem regime's underlying uneasiness about the extent of the US involvement in South Vietnam has been sharpened by the Buddhist affair and the firm line taken by the US. This attitude will almost certainly persist and further pressure to reduce the US presence in the country is likely. (Paras. 10-12)

C. Thus far, the Buddhist issue has not been effectively exploited by the Communists, nor does it appear to have had any appreciable effect on the counterinsurgency effort. We do not think Diem is likely to be overthrown by a Communist coup. Nor do we think the Communists would necessarily profit if he were overthrown by some combination of his non-Communist opponents. A non-Communist successor regime might be initially less effective against the Viet Cong, but, given continued support from the US, could provide reasonably effective leadership for the government and the war effort. (Paras. 7, 15-17)

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## DISCUSSION

### I. INTRODUCTION

1. The two chief problems which have faced the Government of South Vietnam (GVN) since its birth in 1954 have been: (a) to forge the institutions and loyalties necessary to Vietnam's survival as an independent nation, and (b) to counter the menace of Hanoi's subversive and aggressive designs—pursued since 1960 by a campaign of widespread guerrilla warfare. In attempting to cope with these problems, the GVN has been hampered by its lack of confidence in and its inability to engage the understanding and support of a considerable portion of the Vietnamese people—including large segments of the educated classes and the peasantry. In recent weeks these inadequacies and tensions in the South Vietnamese body politic have been further revealed and intensified.

### II. THE BUDDHIST AFFAIR

2. President Diem, his family, and a large proportion of the top leaders of the regime are Roman Catholics, in a population that is 70 to 80 percent Buddhist. The regime has clearly accorded preferential treatment to Catholics in its employment practices and has favored the Catholic Church. But there have been no legal restrictions on religious freedom and, until recently, most Buddhists appeared passive in their response to the privileged institutional position occupied by the Catholic Church. There have, however, been various administrative discriminations against the Buddhists, though these may have resulted as much from thoughtlessness or misplaced zeal on the part of minor officials as from conscious GVN policy. These have obviously created an undercurrent of resentment, as is evidenced by the extent and intensity of the recent outbreaks.

3. In April 1963, the GVN ordered its provincial officials to enforce a longstanding but generally ignored edict regulating the public display of religious flags. As it happened, this order was issued just prior to Buddha's birthday (8 May), a major Buddhist festival, and just after Papal flags had been prominently flown during a series of officially encouraged celebrations commemorating the 25th anniversary of the ordination of Ngo Dinh Thuc, Diem's brother, the Archbishop of Hue. A protest demonstration developed in Hue on 8 May, which was dispersed by fire from a Civil Guard unit. In the ensuing melee several persons were killed, including some children. The GVN has blamed the deaths on Viet Cong terrorists despite evidence to the contrary, and its subsequent stiff-necked handling of this incident and its aftermath has sparked a national crisis. The Buddhists, hith-

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erto diory's uz-d and nonprotesting, have shown considerable cohesion and force--enough to elicit a set of "compromise" agreements from President Diem on 16 June. Moreover, the fact that the Buddhist leaders have been able to challenge the government openly without evoking serious government retaliation has, presumably, given them considerable confidence.

4. For the moment, the Buddhist movement remains under the effective control of moderate bonzes who have refused to accept support from or countenance cooperation with any of Diem's political opponents, Communist or non-Communist, and appear to be trying to insure that the Buddhists live up to their part of the bargain. This leadership gave the GVN a period of grace (which expired about the end of June) in which to show that it was moving in good faith to carry out its undertakings, failing which protests would resume. So far there have been no further demonstrations, but the Buddhist leadership is clearly restive.

5. Despite Buddhist restraint in the political exploitation of the affair, it has obvious political overtones. It has apparently aroused widespread popular indignation and could well become a focal point of general disaffection with the Diem government. It provides an issue on which most of Diem's non-Communist opponents (even including some Catholics) can find common ground of agreement. There is considerable evidence that the issue itself and, even more, the Diem family's handling of it to date has occasioned restiveness at virtually all levels of the GVN's military and civil establishments, both of whose lower and middle echelons are largely staffed by Buddhists. In some cases, civil servants seem to have ignored or tempered GVN instructions, superiors have on occasion evaded their assigned task of propounding the official GVN line as their subordinates, and information on impending government actions has obviously leaked to Buddhist leaders. In any case, recent developments are causing many GVN officials to re-examine their relations with and the limits of their loyalty to the Diem regime; there is accumulating evidence of serious disaffection and coup plotting in high military and civilian circles.

6. The Buddhist affair appears to have given considerable heart to the various non-Communist political opposition splinter groups in and out of South Vietnam. There also appears to be a growing feeling among former supporters of the regime that Diem's position may have been permanently and dangerously impaired. Thus far, however, we have no evidence that the diverse opposition groups have been able to form new or effective alliances with one another.

7. The Buddhist issue would appear to be an obvious windfall for the Communists, but so far there is no evidence that they have been

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able to exploit it effectively. They may have penetrated the Buddhist clergy to some extent, but are not presently exerting any discernible influence, despite the suggestions to the contrary in OVN pronouncements. To date the Buddhist crisis does not appear to have had any appreciable effect on the continuing counterinsurgency effort, though the morale and efficiency of the OVN's military and civil forces are likely to be impaired if the issue is prolonged.

8. The Buddhist crisis has also hurt the OVN internationally, with potentially important effects upon the future success of US policy towards southeast Asia. Protests are growing in other predominantly Buddhist countries, with the implication that US action could help resolve the crisis. Cambodia and Ceylon have made representations to the UN and more may be forthcoming. In other countries, including the US, the crisis has given new stimulus to criticism of US policy on the grounds that the US is supporting an oppressive and unrepresentative regime.

9. The future course of the Buddhist affair will be largely determined by the OVN's actions in the near term. It is likely that the issues recently raised can be resolved if the OVN executes its portion of the negotiated bargain. However, politically sophisticated segments of South Vietnamese society, Buddhists included, are mindful of Diem's past practice of often using negotiations as a stall for time and of making promises in order to weather an immediate crisis. The real danger in the present situation is that Diem may be tempted to employ such tactics which have served him well in the past but could prove disastrous if essayed this time. If demonstrations should be resumed, they would probably assume an increasingly political cast, and less moderate Buddhist leadership would be likely to come to the fore. Public order would be threatened. In particular, we cannot be sure how various army or police units would react if ordered to fire on demonstrations headed by Buddhist bonzes.

### III. THE EFFECT OF RECENT DEVELOPMENTS ON US-GVN RELATIONS

10. The GVN has always shown some concern over the implications of US involvement in South Vietnamese affairs and from time to time has felt moved to restrict US activities and presence in South Vietnam. This attitude springs partly from legitimate, if hypersensitive, concern for the appearance as well as the fact of Vietnam's recently acquired sovereignty. To a considerable degree, however, it springs from the Diem government's suspicion of US intentions toward it, and from its belief that the extensive US presence is setting in motion political forces which could eventually threaten Diem's political primacy.

11. The Buddhist affairs erupted at one of these periods of GVN sensitivity, and the strain has been aggravated by subsequent events. The

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GVN's initial handling of the issue gave the US ground for serious embarrassment and concern which, in turn, produced a succession of forceful US *démarches*. The Diem family has bitterly resented these US actions and may well feel that the Buddhist protests were at least indirectly due to the US presence. Under the circumstances, further pressure to reduce that presence is likely.

12. A key role in this regard will be played by Diem's brother, Ngo dinh Nhu. He has always been Diem's chief political lieutenant, but the years since 1954 have witnessed a steady accretion of Nhu's personal power and authority—an accretion due partly to circumstance and primarily to deliberate effort on Nhu's part. Nhu has political ambitions of his own and almost certainly envisages himself as his brother's successor. For a variety of reasons, Nhu has long privately viewed the US with some hostility and suspicion. American criticism of the GVN has especially irritated Nhu, for he is aware that he and his wife are often its primary targets. Above all, Nhu almost certainly doubts whether the support which the US has given to his brother would be transferred to him.

13. In the negotiations with the Buddhists, Nhu urged his brother to take a firm line and is, by his own statement, wholly out of sympathy with the concessions made. On the basis of past performance, we think it unlikely that he will help to implement the settlement; his influence on Diem will be rather in the direction of delaying and hedging on commitments, a tendency to which Diem himself is already disposed. This will be the more likely since not only the Nhus and Diem, but also his brothers Archbishop Thuc and Ngo dinh Can, the political boss of the central provinces, obviously continue to doubt the legitimacy of Buddhist complaints and to underestimate the intensity of the crisis.

#### IV. THE OUTLOOK

14. If the Diem government moves effectively to fulfill its 16 June commitments, much of the resentment aroused by the Buddhist controversy could be allayed. However, even if relations between the GVN and the Buddhists are smoothed over, the general discontent with the Diem regime which the crisis has exacerbated and brought to the fore is likely to persist. Further, if—as is probable—the regime is dilatory, inept, and insincere in handling Buddhist matters, there will probably be renewed demonstrations, and South Vietnam will probably remain in a state of domestic political tension. Under these circumstances, the chances of a non-Communist assassination or coup attempt against Diem will be better than even. We cannot exclude the possibility of an attempted Communist coup, but a Communist attempt will have appreciably less likelihood of success so long as the inajority of the government's opponents and critics remain—as they are now—alert to the Communist peril.

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15. The chances of a non-Communist coup—and of its success—would become greater in the event renewed GVN Buddhist confrontation should lead to large-scale demonstrations in Saigon. More or less prolonged riot and general disorder would probably result—with the security forces confused over which side to support. Under such circumstances, a small group, particularly one with prior contingency plans for such an eventuality, might prove able to topple the government. Conversely, a continued or resumed truce between the GVN and the Buddhists would serve to reduce the likelihood of such an overthrow.

16. Any attempt to remove Diem will almost certainly be directed against Nhu as well, but should Nhu survive Diem, we are virtually certain that he would attempt to gain power—in the first instance probably by manipulating the constitutional machinery. We do not believe that Nhu's bid would succeed, despite the personal political base he has sought to build through the Republican Youth (of which he is the overt, uniformed head), the strategic hamlet program (whose directing Inter-ministerial Committee he chairs), and in the army. He and his wife have become too much the living symbols of all that is disliked in the present regime for Nhu's personal political power to long outlive his brother. There might be a struggle with no little violence, but enough of the army would almost certainly move to take charge of the situation, either rallying behind the constitutional successor to install Vice President Tho or backing another non-Communist civil leader or a military junta.

17. A non-Communist successor regime might prove no more effective than Diem in fighting the Viet Cong. Indeed at least initially it might well prove considerably less effective, and the counterinsurgency effort would probably be temporarily disrupted. However, there is a reasonably large pool of under-utilized but experienced and trained manpower not only within the military and civilian sectors of the present government but also, to some extent, outside. These elements, given continued support from the US, could provide reasonably effective leadership for the government and the war effort.

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