NATIONAL SECURITY COUNCIL WASHINGTON, D.C. 20506

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October 22, 1974

National Security Study Memorandum 213

TO:

The Secretary of Defense

The Deputy Secretary of State

The Director of Central Intelligence

The Administrator, Agency for International Development

SUBJECT:

Review of U.S. Assistance Policy and Programs for the

Republic of Vietnam

The President has directed a comprehensive review of U.S. assistance policy and programs for the Republic of Vietnam. The study should examine current assistance policy and programs and possible alternative programs that could be pursued over the next five years.

The study should be accomplished in two parts.

Part I - Intelligence Appraisal

An intelligence appraisal of the internal and external military and political factors that may be major influences on the Republic of Vietnam during the next five years should be prepared. This appraisal should analyze anticipated enemy military, political and economic capabilities, objectives, and strategy in the Republic of Vietnam and the impact of other nations' probable actions toward Vietnam. The appraisal is intended to serve as the basis for a review of U.S. assistance policy and programs, their effectiveness and possible alternate courses of action.

This portion of the study should be performed by the intelligence community under the direction of the Director of Central Intelligence and be completed by November 5, 1974.

Part II - Assistance Programs Review

Drawing on the analysis prepared in Part I, the study should (a) identify GVN capabilities to meet the threat to its security, (b) identify U.S.

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military and economic assistance objectives, (c) assess the effectiveness of current U.S. assistance programs, (d) identify options for achieving U.S. assistance objectives over the next five years and (e) examine alternate sources of external assistance, where required. This portion of the study should include, but not necessarily be limited to, consideration of the following:

- -- Projected alternative South Vietnamese force levels required to meet the threat identified in Part I and the impact of these levels on the viability of the Vietnamese economy and prospects for its development.
- -- An assessment of the GVN's ability to counter anticipated enemy strategy at various possible levels of military and economic assistance.
- -- The extent to which changes in GVN domestic economic policy or military strategy can make up for resource shortfalls in the face of the threat.
- -- Alternative organizational structures for administering U.S. economic and military assistance.

The study should present options for GVN economic policies and U.S. assistance policies which would complement each other and alternative aid flows from U.S. and third country sources to support those policies over the five year period. These options should be stated in sufficient detail to form the basis for appropriate programs to secure legislative approval and the support of other nations.

Part II of the study should be prepared on a closehold, need-to-know basis by an Ad Hoc Group comprising representatives of the addressees and the NSC Staff, and chaired by the representative of the Secretary of State.

The completed study should be submitted by November 29, 1974 for review by the NSC Senior Review Group prior to its consideration by the President.

Henry A. Kissinger

cc: Chairman, Joint Chiefs of Staff
Director, Office of Management and Budget

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