

SECRET

-2- 624. SEPTEMBER 16, 6 PM (SECTION ONE OF TWO) FROM SAIGON

CENTRALIZED INTELLIGENCE, ETC. THIS MESSAGE THEREFORE DEALS WITH OUR POLITICAL AND ECONOMIC RECOMMENDATIONS. I REALIZE SOME MEASURES I AM RECOMMENDING ARE DRASTIC AND WOULD BE MOST IMPOLITIC FOR AN AMBASSADOR TO MAKE UNDER NORMAL CIRCUMSTANCES. BUT CONDITIONS HERE ARE BY NO MEANS NORMAL. DIEM GOVERNMENT IS IN QUITE SERIOUS DANGER. THEREFORE, IN MY OPINION PROMPT AND EVEN DRASTIC ACTION IS CALLED FOR. I AM WELL AWARE THAT DIEM HAS IN PAST DEMONSTRATED ASTUTE JUDGMENT AND HAS SURVIVED OTHER SERIOUS CRISES. POSSIBLY HIS JUDGMENT WILL PROVE SUPERIOR TO OURS THIS TIME, BUT I BELIEVE NEVERTHELESS WE HAVE NO ALTERNATIVE BUT TO GIVE HIM OUR BEST JUDGMENT OF WHAT WE BELIEVE IS REQUIRED TO PRESERVE HIS GOVERNMENT. WHILE DIEM OBVIOUSLY RESENTED MY FRANK TALKS EARLIER THIS YEAR AND WILL PROBABLY RESENT EVEN MORE SUGGESTIONS OUTLINED BELOW, HE HAS APPARENTLY ACTED ON SOME OF OUR EARLIER SUGGESTIONS AND MIGHT ACT ON AT LEAST SOME OF THE FOLLOWING:

1. I WOULD PROPOSE HAVE FRANK AND FRIENDLY TALK WITH DIEM AND EXPLAIN OUR SERIOUS CONCERN ABOUT PRESENT SITUATION AND HIS POLITICAL POSITION. I WOULD TELL HIM THAT, WHILE MATTERS I AM RAISING DEAL PRIMARILY WITH INTERNAL AFFAIRS, I WOULD LIKE TO TALK TO HIM FRANKLY AND TRY TO BE AS HELPFUL AS I CAN BY GIVING HIM THE CONSIDERED JUDGMENT OF MYSELF AND SOME OF HIS FRIENDS IN WASHINGTON ON APPROPRIATE MEASURES TO ASSIST HIM IN PRESENT SERIOUS SITUATION. (BELIEVE IT BEST NOT INDICATE TALKING UNDER INSTRUCTIONS.) I WOULD PARTICULARLY STRESS DESIRABILITY OF ACTIONS TO BROADEN AND INCREASE HIS POPULAR SUPPORT PRIOR TO 1961 PRESIDENTIAL ELECTIONS REQUIRED BY CONSTITUTION BEFORE END APRIL. I WOULD PROPOSE FOLLOWING ACTIONS TO PRESIDENT:

2. PSYCHOLOGICAL SHOCK EFFECT IS REQUIRED TO TAKE INITIATIVE FROM COMMUNIST PROPAGANDISTS AS WELL AS NON-COMMUNIST OPPOSITIONISTS AND CONVINCE POPULATION GOVERNMENT TAKING EFFECTIVE MEASURES TO DEAL WITH PRESENT SITUATION, OTHERWISE WE FEAR MATTERS COULD GET OUT OF HAND. TO ACHIEVE THAT EFFECT FOLLOWING SUGGESTED:

(A) BECAUSE OF

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