

INCOMING TELEGRAM

DEPARTMENT OF STATE

SECRET

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FROM: SAIGON

TO: Secretary of State

NO: 1216, DECEMBER 24, 6 PM

SENT DEPARTMENT 1216, REPEATED INFORMATION CINCPAC
POLAD 252.

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RE DEPTTEL 898

DIEM DIDN'T RECEIVE ME UNTIL 23RD.

I WROTE OUT INSTRUCTIONS AND TRANSLATED THEM IN FRENCH AND LEFT ENGLISH AND FRENCH COPIES (TEXTS BY POUCH). MY REMARKS COVERED MOST POINTS DEPT'S SUGGESTIONS ALTHOUGH IN VIEW CURRENT INDICATIONS LIBERALIZATION PROGRAMS MAY NOT BE TOO PROFOUND, ONLY HINTED DEPT WOULD BE PREPARED PUBLICIZE ANNOUNCEMENT SUCH PROGRAMS. SINCE MY OCTOBER 14TH REMARKS INCLUDED SUGGESTION TRANSFER NHU, I DID NOT SPECIFICALLY REFER TO THAT DATE ALTHOUGH REFERRED TO PREVIOUS SUGGESTIONS WE HAD MADE. SINCE GVN HAS ALREADY INSTITUTED PLAN TO INCREASE AND STABILIZE PADDY PRICES, I MERELY STATED WE PLEASED LEARN THIS AND THEN URGED GRANTING BROADER CREDIT FACILITIES PEASANTS. BEFORE GOING INTO DETAILS, I REMINDED DIEM OF STEPS WE HAVE TAKEN TO STRENGTHEN GVN AGAINST VIET CONG SUCH AS DELIVERY OF AD-6 PLANES, STEPPED-UP DELIVERIES OF ELECTRONIC EQUIPMENT, AND TOLD HIM I INSTRUCTED GARDINER TO RE-EXAMINE WITH VICE PRESIDENT AND THUAN WAYS AND MEANS TO OVERCOME PLASTER SHORTAGE. SINCE I DID NOT RECEIVE DEPTTEL 917 UNTIL AFTER TRANSLATION TYPED, I TOLD HIM ORALLY OF APPROVAL TO GIVE HIM ELEVEN H-34'S SOONEST. (HE MADE NO COMMENT.)

WHILE DIEM WAS PLEASANT DURING HOUR AND THREE QUARTERS OF

SECRET

1348