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From SAIGON

Certain recommendations have already been discussed with the Government of Viet-Nam (GVN). Some of these actions have already been agreed to by the GVN (e.g., transfer of the Civil Guard to the GVN Department of Defense and creation of a national Internal Security Council), and others are under study by the GVN (e.g., establishment of a military operational command for counter-insurgency operations, reorganization of military regions, and implementation of a firm military chain of command). In addition there are other actions which will shortly be taken up with the GVN such as establishment of internal security councils at every governmental level, implementation of proposals for the establishment of the National Intelligence Coordinating Agency (previously discussed several times with the GVN, but to be pushed again) and creation of a village level communications system.

There are, however, certain actions which involve major expenditures and will not be discussed with the GVN prior to Washington approval. The most important of these latter actions is the proposed 20,000 man increase in the size of the RVNAF which was presented for Washington consideration in Embassy telegram 1151, December 4. I maintain reservations concerning the proposal to increase the force level up to 20,000 additional RVNAF troops, purely to meet the threat in Viet-Nam and still believe more calculated risks should be taken by using more of the forces in being to meet the immediate and serious guerrilla terrorist threat. I recognize, however, that additional well-trained forces in being in this area are probably now justified from purely US interest point of view in order to meet growing bloc threat SEA represented by the Soviet airlift in Laos. (See Embassy Telegram 1231, December 29.)*

*MAAG Comments:

The MAAG position on the need for a 20,000 force increase continues as reported in MAAG telegrams to CINCPAC (CHMAAG 1579, 27 Dec 60 and CHMAAG 1620, 29 Dec 60) which were also forwarded to Washington.

a. The military requirement for this force increase to accomplish the current mission had been demonstrated in MAAG considered opinion as early as August 1960. This force increase was badly needed before the beginning of the Soviet airlift in Laos. The recent Viet Minh overt aggression against Laos merely reinforces this requirement.

b. The four divisions in the North in I and II Corps areas are committed in anti-guerrilla and static guard duty to an extent which not only cuts down their capability to resist overt attack and thus magnifies the risk to a militarily unacceptable degree, but also prohibits required training to adequately

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