

SECRET

TO : WASHINGTON HONOLULU

FROM : SAIGON 0966, 17 SEPTEMBER 1963

1. AFTER MAKING AND BREAKING FOUR APPOINTMENTS WITH CAS OFFICER, **GEN TRAN TU OAI** SENT MESSAGE ON 5 SEPT VIA **LE TRUNG THANH** THAT HE CONSIDERED IT BEST IN PRESENT CLIMATE THAT CAS OFFICER NOT COME TO **GEN OAI'S HQS** OWING HEAVY SURVEILLANCE. TRANSPARENCY THIS EXCUSE INDICATED BY ASSURANCES THAT **GEN OAI** THOUGHT IT PERFECTLY IN ORDER TO CONTINUE VISIT HIS **HQS SO-CALLED CLANDESTINE ENCLOSURE, GATE TO WHICH** NOT MORE THAN FIFTY FEET FROM MAIN GATE. ONE SURVEILLANCE WOULD COVER BOTH.

2. IN HOUR CONVERSATION **THANH** AND CAS OFFICER WENT OVER VARIOUS SUBJECTS, FIRST BEING ARTICLE ON CAS IN VIETNAM TIMES, AND CAS OFFICER ASKED **THANH** TO GIVE **GEN OAI** FULL ACCOUNT OF CONVERSATION. CAS OFFICER POINTED OUT THAT LIKE MOST EXPOSES THIS WAS MISHMASH OF FACT AND FANCY, THAT TO EXTENT IT WAS ACCURATE THE WRITER DISCUSSED **JOINT PROJECTS** WHICH HAD BEEN APPROVED BY U.S. AND GVN, IN MOST CASES BY **COUNSELLOR NHU HIMSELF**. IT WOULD THEREFORE BE HEIGHT OF ILLOGIC FOR U.S. TO SPEND LARGE SUMS AND EFFORTS ON BEHALF GOVERNMENT WHICH WE SIMULTANEOUSLY ATTEMPTING OVERTHROW. CAS OFFICER TOLD **THANH** TO TELL **OAI** THAT IN SUCH CIRCUMSTANCES CAS HAD NO CHOICE BUT REVIEW ALL PROJECTS.

3. **THANH** BROUGHT VARIOUS MESSAGES ON WHICH **OAI** ASKED FOR CAS OFFICER'S OPINION. FIRST WAS QUERY WHETHER CAS OFFICER AGREED WITH **GEN OAI** THAT PRES KENNEDY ERRED IN STATING GVN OUT OF TOUCH WITH PEOPLE AND ALSO THAT BUDDHISTS BEING REPRESSED. CAS OFFICER SAID HE DISAGREED **WITH OAI** ON BOTH COUNTS AND CONCURRED

SECRET

(1)

SECRET

COMPLETELY WITH PRES KENNEDY, CITING IN BOTH CASES EARLIER AND FAIRLY DETAILED CONVERSATIONS WITH **OAI**, WHO HAD SPOKEN STRONGLY AGAINST GVN FOR HANDLING OF BUDDHISTS AND ALSO DENOUNCED DIEM AND NHU BY NAME FOR MOUTHING THEORIES WHICH WERE MEANINGLESS TO POPULATION, WHO **OAI SAID** HAD LOST 150,000 KILLED IN PAST TEN YEARS. IT DISAPPOINTING TO SEE SUCH CRAVEN, **OBVIOUSLY PARTY-LINE** CHANGE OF HEART ON PART OF SENIOR AND INTELLIGENT OFFICER, AND NOT SURPRISING HE EMBARRASSED DELIVER SUCH OPINIONS PERSONALLY. STATION HAS HAD NO FURTHER CONTACT WITH **GEN OAI'S** OFFICER SINCE 5 SEPTEMBER.

4. APART FROM FOREGOING, STATION IS TAKING GOOD LOOK AT **GEN OAI'S OPS** FOR ANOTHER REASON, NAMELY POSSIBLE **DOUBLE PAYMENT** BY MACV AND STATION FOR SOME OF SAME PROJECTS. MACV IS CURRENTLY BUDGETING ABOUT 140,000,000 PIASTERS ANNUALLY FOR THIS OP, SUM WHICH VASTLY SURPASSES OUR HELP. UNFORTUNATELY MACV SIMPLY HANDS OUT MONEY AND REQUIRES NO ACCOUNTINGS WHATEVER. **GEN OAI'S** HAS ALWAYS PROVIDED **DETAILED ACCOUNTINGS** TO STATION PER OUR SPECIFICATIONS, BUT THEY COULD OBVIOUSLY BE MEANINGLESS SINCE **OPS SUBSIDIZED BY MACV** CANNOT BE CHECKED. REQUEST HQS RESERVE JUDGMENT UNTIL STATION **AND MACV** HAVE HAD CHANCE TO PIN DOWN. NEXT STEPS INCLUDE CONSULTATION **WITH MACV** (NOTE: THIS HANDLED WITH MAJOR JAMES RICHARDSON, WHO HAS FULL CAS CLEARANCE), FOLLOWED BY JOINT MEETING WITH **GEN OAI'S HQS** AND REQUEST FOR EXPLANATIONS WHERE NECESSARY. REGARDLESS OF WHETHER **DUPLICATION** CAN BE PROVED, STATION **AND MACV** HAVE TENTATIVELY AND INFORMALLY CONCLUDED THAT BEST GENERAL GROUND RULES WILL BE FOR **MACV TO**

SECRET

(2)

SECRET

SUPPORT GEN OAI'S ACTIVITIES DIRECTED AT SVN TARGETS (EXCEPT
BLACK RADIO), CAS TO SUPPORT ONLY PROJECTS TARGETED AT DRV.

ALTHOUGH THIS SOLUTION MAY BE TOO PAT BECAUSE OF POSSIBLE
INJUNCTIONS RE USING DOD MONEY AGAINST CIVILIAN TARGET, AT LEAST
THIS PROBLEM HAS NOT ARISEN YET. EFFECT OF THIS TYPE ARRANGEMENT
WILL BE FOR STATION TO CONCENTRATE ON LEAFLETS AND BLACK RADIOS
(WHETHER TARGETED AT NORTH OR SOUTH), MACV ON ALL ELSE. STATION
WILL ADVISE SOONEST, PROBABLY WITHIN WEEK.

END OF MESSAGE

SECRET