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CENTRAL INTELLIGENCE AGENCY

OFFICE OF NATIONAL ESTIMATES

7 March 1968

MEMORANDUM FOR: The Director

SUBJECT : Thieu-Ky Frictions

- 1. This morning's CIB item on Vietnam raises the possibility of a coup led by Ky to oust President Thieu.
- 2. Ky and his group have already taken some concrete steps to limit the government's ability to act (i.e., Ky's resignation from the emergency task force, and the solid negative vote in the lower house against Thieu's request for special economic powers by the "Democratic Bloc," a group responsive to Loan and Ky.)
- 3. It seems likely that Thieu has probably not tried to reach a real accommodation with Ky, and even more likely that Thieu's followers have helped to exacerbate the situation. At any rate, Thieu is highly suspicious of Ky, and at least part of his time will probably be taken up by "defensive actions."
- 4. Ky's recent statement of his general inclinations may be the only "warning"we get before action is taken. In this respect, what follows may largely depend upon the kind of pressures our Embassy brings to bear in reacting to these reports.
- 5. It is possible that Ky may be talking about ousting Thieu in order to force a "compromise" whereby the constitution is amended, Ky becomes prime minister, and assumes effective control of the government based on an understanding with the United States. Undoubtedly Thieu would fight this kind of an arrangement subtly, and he has proven abilities along these lines.

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- 6. In any event, the outlook is bleak. It certainly seems as if a "moment of truth" must be reached soon on the Thieu-Ky power struggle if the GVN is to have any chance of acting effectively during the next few months.
- 7. A word or two of speculation on a government run clearly by Ky and his supporters might be in order. Ky is energetic and dynamic -- qualities that are badly needed at present. However, he is also a poor administrator known for his inability to concentrate for any length of time. But the fundamental problem facing Ky and those under him is that they are northern refugees in South Vietnam. Northern refugee influence in the government has been strong for some time, but the northerners are not strong enough to go it alone. Ky had enough problems along these lines when he was prime minister and shared power with Thieu, and it is highly unlikely that the Annamese or Cochinchinese would ever support a government clearly led by northerners.

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National Estimates