

NSC BRIEFING

26 October 1954

SITUATION IN SOUTH VIETNAM

- I. Government paralysis continues.
 - A. Diem stays in only because opposition fear remove him physically.
 - B. Coup rumors recur but plotters lack necessary assurance of French non-interference.
 - C. Army attache believes Hinh supported by majority of army; but troop morale low.
 - D. Trip to Manila arranged for two Hinh henchmen.
- II. Diem resisting opposition demands.
 - A. Awaiting arrival brother with word from Bao Dai. *(Friday)*
 - B. Bao Dai's entourage deep in intrigue involving premiership.

~~TOP SECRET~~

III. French still hold key.

- A. They can keep Hinh under wraps through control of his troops' pay, supply.
- B. French agreed support Diem only to please us, according Deputy Commissioner General.
- C. He sees French future in a disguised Cochinchina protectorate.
- D. Mendes-France refers to plan for Bao Dai to send "viceroy" to Saigon with "no power to interfere."
- E. But Bao Dai's cousins Buu Hoi and Buu Loc likely candidates for job, have been intriguing against Diem.

~~TOP SECRET~~

IV. Crisis in Saigon gives Viet Minh
virtually free hand elsewhere.

A. Army attaché estimates under
present trend by late 1955
they will dominate coalition
government or have completely
taken over all but cities.

B. Chau doc* fighting between
Cao Dai and Hoa Hao
sect armies (several hundred
involved) evidence of
general anarchy

* 100 mi W of Saigon