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20 December 1954

NSC BRIEFING

VIETNAM

- I. In South, Diem's chances for success appear dimmer than ever.
 - A. Bars able and forthright ex-defense minister Quat from cabinet post, on grounds sects' opposition.
 - B. Meanwhile, sects give only lukewarm support to Diem, fight among themselves.
 - C. Split with army only superficially healed by General Hinh's ouster.
- II. General Collins *(increasingly gloomy, but)* would defer final judgment on Diem until early January.
 - A. If no improvement by then, Collins sees three alternatives:
 1. A government under Quat,
 2. A government under Bao Dai, including Diem and Quat,
 3. US withdrawal from Vietnam.
- III. Meanwhile, increasing indications that French policy for area now aiming toward ensuring salvage French interests in event expected Viet Minh take-over.
- IV. Sainteny's mission in North is major instrument this policy.
 - A. Sainteny accepted by Viet Minh 16 December as official French delegate general to Viet Minh government.
 - B. Viet Minh press (18 Dec) welcomed official French representation, noted Viet Minh must soon reciprocate with official delegate to French government.

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C. Sainteny's aims:

1. Reach modus vivendi with Viet Minh to ensure French cultural, and economic interests in North.
2. Establish basis for similar modus vivendi in South should Viet Minh take over.
3. Break ground for general "coexistence" policy with Orbit.

V. Widespread desire in France for general policy "coexistence."

- A. Sainteny mission gains impetus from strong non-Communist pressure in National Assembly, particularly among Gaullists, Radical Socialists.
- B. Pro-government Le Monde observed (4 Dec) necessary "make US understand our common interest in attempting the coexistence experiment, and Indochina offers the experimental ground."
- C. Further example this thinking--ex-president Auriol (15 Dec): Viet Minh sure to win 1956 elections, hence France's only chance lies in strict application of Geneva agreement. Paris should now try to reach understanding with governments of both North and South Vietnam.

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