

TOP SECRET

MEETING IN THE SITUATION ROOM (Without the President)
October 3, 1963, 6:00 PM -- Subject: Vietnam

Present: Secretary McNamara, Secretary Dillon, Under Secretary Ball, Director McCone, Administrator Bell, Acting Director Wilson, Under Secretary Harriman, General Krulak, Deputy Secretary Gilpatric, Assistant Secretary Hilsman, Deputy Assistant Secretary William Bundy, Mr. Janow (AID), Mr. McGeorge Bundy, General Clifton, Mr. Forrestal, Mr. Bromley Smith

The group working on Vietnam met without the President to work on the recommendations growing out of the McNamara/Taylor trip to Vietnam.

Secretary McNamara said we cannot stay in the middle much longer. The program outlined in his report will push us toward a reconciliation with Diem or toward a coup to overthrow Diem. The program will have no major effect on the war effort for a period of from two to four months. Ambassador Lodge, on the basis of conversations in Saigon, would undoubtedly welcome this program as well as instructions to implement it. The question still remains, however, as to what Lodge's bargaining position is. What should Lodge ask Diem to do? We should draw up a list for Lodge and have him find out how many of our recommendations Diem would accept. This list would include the military recommendations contained in the report. As to political actions, there are several things we want Diem to do which we think would halt the erosion of public support of the government, and, hence, the resulting effect on the war effort in Vietnam. One of the important actions would be to reopen Saigon University after conversations with the school authorities. The purpose would be to reassure the students that they need not fear arrest. In return, they would not carry out further riots in Saigon.

Mr. Ball said that if we go down this road it will become known that we are using our aid as pressure on Diem. What position will we be in if we cut off aid, Diem does not do what we want him to do, and then we face a decision to resume aid because, if we do not, the effort against the Viet Cong will cease?

Secretary McNamara believed that Diem would respond to our pressure by moving part way toward a position which will improve the political situation in Vietnam and therefore improve the military effort.

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By [signature]

NARS, Date 10/32/81

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The group agreed that Administrator Bell of AID should tell Congress that we are not suspending aid but were putting Diem on a shorter leash, which would mean that we have greater flexibility to deal with the developing situation in Vietnam.

Bromley Smith