operations against the Vietcong. One could not repeat not therefore be sure of the reaction of the other side and the possibility could not repeat not be ruled out that, as a result, an issue might arise for SEATO. In this connexion, he said that he had told the South Vietnam Ambassador that if the scale of Communist intervention were to rise, then the character of USA assistance would have to be reviewed in consultation with SEATO allies. He went on to say that Canada would in such case be consulted also, as a close ally and not repeat not just as a member of the International Commission.

2. McConaughy then listed the following as the main steps in USA programme which it was hoped President Diem would invite and approve:

(1) Introduction into South Vietnam of more non-combat USA aircraft-helicopters, light reconnaissance and transport planes, these to be flown by regular USAF personnel to the extent necessary, though in no repeat no case in a combat role.

(2) Assistance with air reconnaissance, including increased photo reconnaissance, both operations in which the South Vietnamese were deficient.

(3) Provision of small craft for patrol duty in internal waters in the Mekong Delta where Vietcong operations were extremely difficult to counter.

(4) Assistance in equipping, training and advising the South Vietnamese civil guard and self defence corps.

(5) Improvement of both tactical and basic intelligence operations, including adoption of more up to date procedures.

(6) Increase in the number of MAAG personnel with the intention particularly of extending guidance at unit levels in the South Vietnamese armed forces.

(7) Increased economic aid both for ordinary civil purposes and for defence support (much of this for rehabilitation of the Mekong Delta in which for a short time only South Vietnamese military engineering facilities might be employed).

(8) Employment of USA civilian advisers at both central and provincial government levels.

(9) Joint USA/South Vietnam survey of civil government relationships in Vietnam both central and provincial, with particular emphasis on the latter as a means of encouraging an improvement in the morale and attitude of the population towards the central government.

3. McConaughy said that in return Diem would be asked to agree that the South Vietnam place itself on a basis of full mobilization for emergency, revitalize certain dormant agencies set up for this purpose and overhaul the military structure of the South Vietnam forces, particularly its command structure (which was too centralized in the hands of Diem). McConaughy said that USA regarded it as inappropriate to spell out in detail to Diem precisely by what means these reforms should be effected but the central purposes were quite clear, i.e. effective reorganization of the civil government.

4. McConaughy then went on to make the following points:

(a) Careful thought had been given as to how the proposed USA programme should be related to the official USA position in respect of the 1954 Geneva accords. It was recognized that the action planned would put USA assistance to Vietnam above the levels contemplated in the agreements. No repeat no effort would be made to justify the scale of USA assistance retaliation for violation by the DRVN. There would be no repeat no dissimulation but USA would make no repeat no public announcement or admission and would be noncommittal as to whether or not repeat not its assistance exceeded the levels provided for in the Geneva Agreements. It would be left to the other side to make what they could of USA actions. This was thought to be less embarrassing than to have USA friends faced with a USA admission that the Geneva Accords had been contravened.