

6. We are disturbed by McConaughy's statement that in view of persistent contraventions by North, USA no longer feels bound to adhere literally to terms of Vietnam agreement. This attitude will not repeat not make it easier to narrow Delhi-Washington gap as set out in Washington telegram 1502 May 10† along lines suggested in paragraph 5 of our telegram Y-274 May 16.† We agree with Americans that situation in South Vietnam is serious and that steps should be taken to check subversion and increase popular support for the régime. We recognize, of course, that because of its stand in 1954, U.S.A. is not bound by the Geneva Agreement. Nevertheless we find it difficult to understand how McConaughy can reconcile observance and respect for the agreement with his view that literal adherence of its terms is no longer justified. Canada, as a member of the Commission, is in a different position and must insist on respect and observance of the Agreement.

7. In view of recent steps towards stabilizing situation in Laos and commencement of Geneva Conference, which we hope will contribute to restoring situation in Indo-China on basis of Geneva principles, timing of new move is most unfortunate. As Indians have made clear in recent weeks over questions of Gia Lam Airport control and subversion, they are not disposed to cooperate in measures which might compromise their neutral position while the situation in South East Asia is in its present unsettled state.

8. While strong legal arguments can be used in Commission to justify further expansion of MAAG by 100, we would regard it as important to success of operation that (a) it be deferred until after conclusion of Geneva Conference, and (b) Indians be fully consulted in advance. Without their cooperation in Commission, it is by no means certain that present Chairman would adhere to precedent established just over a year ago. In circumstances you may think it useful to speak to Mr. Rusk along above lines. In doing so you may wish to draw on paragraphs 1 and 2 of Woodsworth's telegram 113 of May 12.†

*For Washington*

9. We agree with your statements to Anderson and McConaughy about our responsibilities on Vietnam Commission and importance of explaining USA position to Indians. Subject to Minister's concurrence, we should be glad if you would take an early opportunity to speak to State Department along lines of paragraphs 6, 7 and 8 above.

[N.A.] ROBERTSON

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DEA/50052-A-40

*Note de la Direction de l'Extrême-Orient*

*Memorandum by Far Eastern Division*

SECRET

[Ottawa], May 19, 1961

VIETNAM

I understand that President Kennedy expressed to Mr. Diefenbaker the hope that the Vietnam Commission could be made more effective as a means of controlling guerrilla infiltration into the South. He invited Canadian comments as to how the procedures of the Commission could be improved, and said that after receiving our comments he would propose to communicate United States views to Mr. Nehru with a view to enlisting India's cooperation.

2. Mr. Diefenbaker agreed to provide Canadian comments or suggestions.

J.M. TEAKLES