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CABLEGRAM

DEPARTMENT OF EXTERNAL AFFAIRS

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From: Australian Embassy, Washington

TO: Department of External Affairs

Reference: 563

563. I was able to see Dulles alone privately at his home last evening and had a long discussion with him on the matters dealt with in your cable.

2. I acquainted him fully with the views set out therein.

3. The following represents the substance of his observations:

(a) He believed that some settlement at Geneva was a fifty-fifty chance.

(b) It had been his purpose to keep somewhat concealed United States real intentions. We had thought little enough negotiating strength at Geneva. It was, therefore, essential to keep Communists guessing on what United States was likely to do. Communists were fully aware that there had been major differences on our side. It was his belief that the United States had to keep them in the doubt that if they overplayed their hand they might find themselves in armed conflict with United States. This uncertainty as to what United States might do was one of the few factors which would impel the Communists to agree upon some settlement in Geneva.

(c) In conversation he had had with Molotov, he had urged upon him the need to exercise a restraining influence on Chinese if possibilities which could lead to war were to be avoided.

(d) The French had not been prepared to ask for United States armed intervention in Indo-China. They were seeking "to use" United States to strengthen their bargaining position at Geneva. He had no objection to that if it helped them as they had little else to bargain with. What the French wanted above all else was the best settlement they could obtain and the possible sanction of United States armed intervention, was one of the few cards they had to play with. (See paragraph 1(c) of my 560).
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(e) For my "very private information the prospect of any armed intervention" in Indo-China was becoming less likely day by day. What was possible when I had discussed this matter with Mr. Kung and myself two months ago was irrelevant now. (See paragraph 1(A) of my 560). If any armed intervention were to be of any purpose at all it would need to be taken within the next week or two. He did not see much prospect of that. (My own feeling is that there is little if any) United States had indicated the conditions which would need to be satisfied before United States could consider any such intervention. He did not think these could be satisfied. He said United States would not engage in unilateral interventions. Indeed it would not do so "without the support of Australia and New Zealand". It became reasonably clear to me from his answers to my queries that any question of armed intervention in Indo-China at this stage is unlikely.

(f) Dulles was desirous, however, that this unlikelihood should not be revealed. He said he had been under great criticism because of the alleged "uncertainties" of United States policy. If the Communists learned that United States thought that possibilities of intervention had diminished it would increase the former bargaining strength.

(g) He thought that French would in the end be unlikely to hold the Tonkin delta and that they were aware of this whatever face they might present. He had no great faith in Ely. The French had no alternative than to seek the best possible, terms they could at Geneva.

(h) The morale of people in Tonkin delta was, however, much better than in South Vietnam where there was no indigenous leadership and no real French control. The French had been obliged to withdraw troops from South Vietnam to strengthen their Tonkin delta defences. Police control in South Vietnam had been given by Bao Dai to a "gangster". He doubted whether Bao Dai had any intention of returning.

(i) It was not much use speculating now what the position at Geneva would have been had 10 powers sat down together. His belief was that it would have greatly aided us in the negotiations. He thought that it remains essential that they should do so not because such a meeting would bear greatly at this stage on Geneva negotiations. It was hardly midnight but because the Communists would not be satisfied with their initial proposals. Whatever promised, they would exploit the position further in the absence of some concerted stand by powers interested and evidence of a determination on their part to combat Communist aggressive tactics. He was anxious to see such talks started as quickly as possible.

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The question of "armed intervention" however, less likely it was becoming with passage of time, was a matter quite distinct from the subject of my cable 669 where United States in the event postulated would not alone if necessary.

Dealing with specific paragraphs of your 399-5/6 which may not be sufficiently covered by the above.

Para. 2.

Last sentence "the lack of precision" in United States thinking became I think more understandable in the light of the above. Compare his remarks made to me Friday last (in my 560) which were made in the presence of Merchant Raynor and Allen with his personal talk with me last evening.

Para. 4.

See paragraph 3 (e) above.

Paragraphs 6 and 7. Dulles made it clear that he placed great emphasis upon the need to preserve empire unity. He did not see how this would be affected by Nations vitally concerned and who were prepared to do so, sitting down together to determine how they should deal with a common problem in which they had a common interest. The longer we delayed in doing this the more difficult he thought the problems would become.

Paragraph 9. The military and political objectives of intervention were, because of the considerations referred to in paragraph 3, becoming Dulles said "largely academic". In any event, to the extent they were relevant they could only be determined in the course of joint consultation and discussion.

United States had no preconceived ideas.

Paragraph 13. He hoped it was possible to save Laos and Cambodia from the settlement, but they would in that event still be vulnerable as there was no central control in either place to defend anything. This was one reason among many others why there should be joint consultation as early as possible unless these countries if they remained in time being free, were supported by economic and technical assistance etc. They would only provide a temporary buffer between Communists and Thailand. He thought in particular was becoming more aware of the dangers in which Chinese Communists presented to their own security. He understood the need to obtain the support of Asian opinion but we should not allow ourselves to be "paralysed" from acting because we had not the support of any particular Asian country for everything we did. He had referred to this in his testimony at the end of this week before congress on the Committee when he spoke of the cumulative veto. (I assume these remarks have already been reported in the Australian press).

Paragraphs 15 and 16. Dulles spoke again in the sense of paragraph 1 (F) of my 669. He said that United States was desirous of achieving a settlement which while dividing authority did not divide the people. I asked him whether he did not think that French would be obliged to accept some form of partition if they were to obtain an armistice. He again referred to his belief that Vietminh and Vietman would not accept partition. He said United States was anxious to help French at Geneva "save what they can from the mess". I would speculate from what he said in reply to questions I put that United States opposition to partition is less based upon principle and more upon the mechanics of negotiation to get the best deal they can. He admitted French would have to accept whatever terms they could get if they were to obtain a cease-fire and they had to obtain one. I feel satisfied that in his own mind he has about written off Vietnam as lost but is hopeful of saving Laos and Cambodia.
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Paragraph 17. I am satisfied from my discussion that there is no real likelihood of any active military intervention on part of the United States unless there were overt aggression on part of Communist China. Indeed I think the danger period of any such intervention on part of United States forces is now past.

Paragraph 18. Whilst Dulles still hopes that in the negotiations at Geneva, French and Vietnamese will be able to hold Tonkin delta, I found him pessimistic as to their chances. He said that delta was only position of strength left in Vietnam or indeed in Indo-China. I have the firm impression he is reconciling himself to the possibility that Tonkin delta will be lost to Communists.

7th June, 1954.
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