

THE WHITE HOUSE
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per sec 1.4(c)

February 25, 1970

MEMORANDUM FOR THE PRESIDENT

FROM: Tom Charles Huston

SUBJECT: Vietnam Bombing Halt -- The Chennault Affair

Attached is a report on the contacts between Mrs. Clare Chennault and South Vietnamese Ambassador Bui Diem during October and November 1968 as they related to the bombing halt negotiations and as seen from the perspective of the Johnson White House.

The Chennault Affair strikes me as important for three reasons: (1) for the light it sheds on the state of relations between Saigon and Washington during this critical period; (2) for the insight it provides into the seriousness with which President Johnson viewed the situation; and (3) for the questions it raises about the methods which LBJ employed to gather information of a sensitive political nature.

While there are a few gaps in the record, I believe I have been able to dig up nearly all the relevant information. My sources in the FBI were very cooperative, perhaps because they resented the way President Johnson used the Bureau without regard to the propriety of the actions which he directed be undertaken. Other Federal agencies having information were less cooperative, perhaps because they have a vested interest in maintaining the iron curtain which has descended over all pre-January 20, 1969 activities of the Federal Government.

I am continuing my efforts to dig out the facts surrounding the negotiations for a bombing halt. Unfortunately, it is likely that there will be many more gaps in that report since the resistance within the bureaucracy to divulging information on the subject is rather great. I hope to have a interim report on the Sovietophilia of Ambassador Harriman ready for you shortly.

Tom
Tom Charles Huston

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E.O. 13526, Section 3.5
NLN 10-96/9653, per sec. 1.4(c); ltr. 4/27/12
By: MLH, NARA Date: 1/7/15
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THE CHENNAULT AFFAIRI. Summary

In late October, 1968, when negotiations with Hanoi for a bombing halt had reached a crucial stage and intensive efforts were underway to enlist the cooperation of President Thieu, the White House learned that individuals purporting to represent candidate Nixon were involved in contacts with the South Vietnamese Government. The details were difficult to piece together, but available evidence suggested that an overt Republican attempt was being made to convince GVN to hold out against a bombing halt until after the elections.

The existence of GOP contacts with GVN aroused great concern among high level Administration officials and angered President Johnson. He personally directed the effort to determine who was involved and what they were attempting to accomplish. The full resources of the intelligence community were employed to ascertain this information. Mrs. Clare Chennault became the focus of attention, but the activities of Ambassador Bui Diem in Washington and Vice President Ky in Saigon were also scrutinized in an effort to determine the role they were playing in the affair.

In terms of policy formulation, the existence of such contacts added an additional strain to Washington-Saigon relations. President Johnson appeared to believe that double-dealing was involved and he was insensed.

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He regarded himself as "the best friend" which Saigon had, and he could not understand why President Thieu and his colleagues hesitated to go along with him when his feet were to the fire in Paris.

II. Early Signs of GOP-Saigon Contacts

When the anticipated bombing halt agreement failed to be realized on October 15, a two-front negotiating effort was launched: in Paris to bring the DRV around on largely procedural questions and in Saigon to ameliorate GVN fears over the implications of NLF participation in post-bombing talks.

Unlike Secretary Stimson, President Johnson did not hesitate to read other people's mail and technical surveillance of the South Vietnamese Embassy was intensified in order to keep him posted on Saigon's attitude toward developments in Paris.



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On October 26, Vice President Ky had met with the Korean Chief of Staff in Saigon. A few days later, the White House learned that Ky expressed the opinion to his Korean guest that "although the US wants a bombing halt in the interest of the number of votes of Vice President Humphrey, it is impossible without the concurrence of the Vietnamese Government, and there cannot be the ruination of (numerous) persons for the sake of one person, Vice President Humphrey."

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By the end of October several facts were obvious to the White House: (1) Bui Diem was in contact with representatives of the Nixon campaign; (2) these representatives were anxious to have Saigon hold out against a bombing

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cessation prior to the elections; and (3) Vice President Ky was not favorably disposed toward a pre-election bombing halt which, he thought, was designed to enhance the election prospects of Vice President Humphrey.

III. LBJ Orders Surveillance of Mrs. Chennault

That these activities were causing concern at the top level of the Government is clear from a cable Secretary Rusk sent Ambassador Bunker on October 29. The Secretary of State reported that he had "disturbing information" that "certain political elements" in the United States had attempted to intervene in Saigon. He also added cryptically that he had information that the same political circles had given indications to Hanoi that would be disastrous for South Vietnam. The Secretary concluded that if these facts became known, the American people "would react furiously and our joint effort with South Vietnam would be completely undermined." Rusk reminded Bunker that President Johnson was the best friend GVN had in the world and the President expected Thieu's "understanding and full cooperation in the present situation." At this point, Thieu was balking and LBJ was determined to halt the bombing, hopefully with the South Vietnamese President's blessing, but without it if necessary.

Comment: I have been unable to turn up any information which sheds light on what Rusk had in mind when he referred to overtures to Hanoi by the same political circles which had been in contact with Saigon.

On October 29, a concerted effort began to determine more precisely what Bui Diem and his GOP contacts were about. On that date, Attorney General

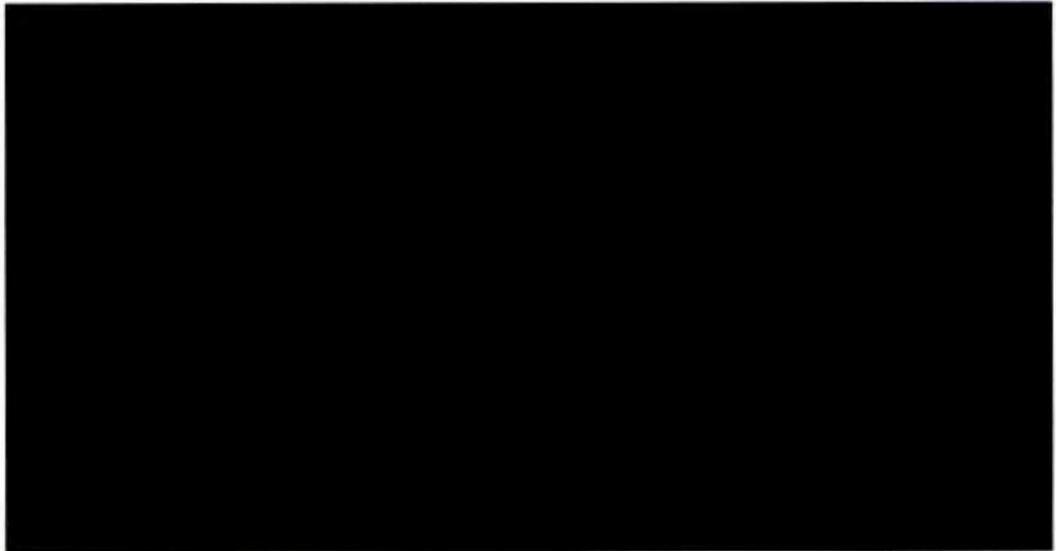
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Clark approved a phone tap on the SVN Embassy and the following day a tap on the residence of Bui Diem. On October 30, President Johnson ordered the FBI to initiate physical and technical surveillance on Mrs. Chennault. A 24-hour physical surveillance was immediately established, but the wiretap was not installed. Her residence phone at the Watergate was routed through a switchboard, and the FBI determined that it would be too risky to attempt to install a tap in view of the political sensitivity of the coverage effort. Physical surveillance of the SVN Embassy was also initiated on October 30, so that by that date full coverage of visitors and phone calls into and out of the Embassy was established.



For the week prior to the elections, Mrs. Chennault was a frequent visitor to the SVN Embassy and placed periodic phone calls to Bui Diem.

On November 2, she placed a particularly important call. She told Ambassador Diem that she had received a message from her "boss" (not further identified) which he wanted her to give personally to Diem. She said the

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message was that he was to "hold on, we're going to win" and that her boss had also said, "hold on, he understands all of it."

She repeated that this was the only message, "he said please tell your boss (apparently President Thieu) to hold on." Mrs. Chennault advised that her boss had just called from New Mexico.

Comment: This message prompted an interesting response from President Johnson. On November 11, the White House asked the FBI for the exact arrival and departure times for then Vice Presidential candidate Agnew's visit to Albuquerque on November 2. This information was promptly provided and the next day President Johnson requested the FBI to make a careful check of all out-going phone calls made by Agnew and his staff from Albuquerque.

The FBI checked out all calls placed from the phones aboard Agnew's plane and from pay phones at the airport. Six long distance calls turned up: one from Agnew to Dean Rusk and five calls placed by Kent Crane, two of which were to Bob Hitt at the Nixon-Agnew Headquarters in Washington while the others were to individuals apparently not associated with the campaign.

On November 13, President Johnson personally called C. D. DeLoach at the FBI (the LBJ-DeLoach relationship would make an interesting study in itself). He requested the results of the investigation and was given the information about the phone calls. LBJ instructed that the calls from Crane to Bob Hitt be checked to determine if Mrs. Chennault could have been reached at the Nixon-Agnew Hdqrs. He also requested that a check be made to determine if any phone calls were placed on November 2nd by Mrs. Chennault or the SNV Embassy to New Mexico, Texas, or Los Angeles. The FBI made a check and determined that there was no record of any such calls having been made; moreover, Mrs. Chennault had been at home until late afternoon when she departed for Baltimore and could not have been reached at the Nixon-Agnew Headquarters. Of course, there was no way to determine if Bob Hitt had served as a conduit for the transmission of a message from Albuquerque.

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After this intensive investigation into the activities of the Vice President-Elect, LBJ had to conclude that there was no hard information available to identify Agnew as Mrs. Chennault's "boss".

IV. The Chennault Affair Threatens to Blow the Roof Off

On November 4, Saville Davis called the SVN Embassy and asked for an appointment with Bui Diem. He said he wanted to check out a report received from a correspondent in Saigon. When told that the Ambassador was not available, Davis replied that the story he was checking out contained the elements of a major scandal which involved the South Vietnamese Ambassador and which would affect Nixon if the Monitor published it. He speculated that if the story were printed, it would create a great deal of excitement.

Davis went to the Embassy where he remained for 45 minutes before leaving for the White House. It is not known whether he saw Diem and it is not clear that he had wind of the Chennault affair, although it appears likely that he did.

Later in the day, Bromley Smith of the White House staff called DeLoach and stated that LBJ had instructed him to request that all copies of messages being forwarded to the White House in connection with the coverage of the SVN Embassy and Mrs. Chennault be treated in the strictest confidence and that all precautions be taken to protect these communications. Smith said that the situation might very well "blow the roof off of the political race yet."

Comment: Another unanswered question is why Davis did not write the story of the Chennault affair

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and where his information came from. It is possible that he was turned off at the White House for fear that release of the story would backfire against Humphrey or that it would further complicate discussions with Saigon. It is also possible that Davis simply couldn't turn up enough hard information to make a credible story.

V. Surveillance Terminated

The day before the election, Mrs. Chennault visited the Embassy for 30 minutes, after which she went to 1701 Pennsylvania Avenue, Room 205 (identified as a Nixon office). Later in the day she received a phone call from the Embassy saying that Bui Diem would like to see her in 15 minutes. She left the office and returned to the Embassy. There is no record of the substance of her conversations with Diem.

On November 7, Bromley Smith called DeLoach and told him that he had discussed the investigation with LBJ and the President now wanted the FBI to abandon its physical surveillance of Mrs. Chennault as well as the physical surveillance of the South Vietnamese Embassy. However, the President wanted to keep the wiretap on the Embassy (the tap was continued until January 6, 1969, when it was removed at the direction of the White House).

Smith also told DeLoach that President Johnson was of the opinion that the intelligence obtained by the FBI in the Chennault affair was of the highest order. He stated that the facts furnished by the FBI were exactly what had been needed by the White House, and he and the President were grateful.

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The facts provided by the FBI [REDACTED] were sufficient to justify the President's concern that some Republicans purporting to speak for candidate Nixon were involved with South Vietnamese officials in an apparent effort to stall a bombing-halt until after the elections. They were not sufficient to prove that these representatives were, in fact, authorized spokesmen, nor was it ever exactly clear what the precise purpose of the contacts was and what influence they had on the actions of the South Vietnamese Government.

The November 2nd phone call from Mrs. Chennault to Ambassador Diem was the most incriminating evidence which the investigation turned up. It certainly suggested that officials high in the campaign (perhaps the candidate himself or his running mate) were attempting to convince the South Vietnamese to hold out against a bombing halt until after the election. The fact that Mrs. Chennault said the call came from her "boss" who was in New Mexico and the fact that Vice Presidential candidate Agnew was in Albuquerque, New Mexico, the day of the call prompted LBJ to suspect that he had finally located the culprit, but the FBI was unable to turn up sufficient hard information to make the indictment stick.

Vice President Ky's role in the consultations in Saigon lent credence to the statement attributed to him that he thought all LBJ was trying to do with a bombing halt was secure the election of Vice President Humphrey. That this attitude appears to have been wide-spread in South Vietnamese circles is indicated by a conversation between an unidentified man and Major Bui Cong Minh, Assistant Armed Forces Aide at the Vietnam Embassy in Washington. On November 7, Major Minh expressed the opinion to a caller that the move by Saigon to delay

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the talks was made "to help Nixon, and had Saigon gone to the conference table, Humphrey would probably have won." There is some evidence to suggest that within Saigon political circles opposition to participation in the expanded talks by GVN was clearly linked to US political factors, but that is beyond the scope of this report and will be covered in detail in another paper. It is sufficient to say, however, that the foreign policy implications of the Chennault affair are directly related to Saigon's refusal to go to Paris and President Johnson had good reason to be concerned about the ramifications of the efforts which he thought Mrs. Chennault and Bui Diem were undertaking.

The most sensitive -- and perhaps most troubling -- aspect of the Chennault affair was the use of Federal investigatory and intelligence agencies in an operation which had highly political domestic implications. While technical and physical surveillance of a foreign embassy is a legitimate action, it may be that a fine line was crossed when the full investigatory powers of the Federal Government were brought to bear on the private activities of a private citizen. At no point was there any evidence that Mrs. Chennault was engaged in illegal or subversive activities. While her contacts were undoubtedly related to the conduct of foreign affairs, they were essentially political in nature. Civil libertarians -- and many less sensitive people -- might correctly believe that private contacts between a private citizen and an ambassador of an allied government do not merit 24-hour physical surveillance and wiretapping (which would have been initiated if it could have been done discretely).

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The most interesting aspect of the affair, however, was the personal interest of President Johnson in whether Agnew was involved. At the time LBJ ordered the FBI to check on all phone calls placed by Agnew in Albuquerque, Angew was Vice President-Elect of the United States. One might ask what possible purpose could have been served at this late date by such an investigation, assuming even that some substantial evidence had been turned up. More important, if such an investigation can be ordered into the activities of the Vice President-Elect, what protection does a private citizen have against governmental surveillance? However, those familiar with LBJ's use of the FBI as a personal Pinkerton agency during the 1964 campaign can't really be surprised at anything the former President did: he was not a man to leave stones unturned when some tool was available to do the digging.

TCH