

## U.S. aid to South Vietnam (a small price to pay):

1955	1956	1957	1958	1959	1960
\$322.4	\$377.3	\$392.7	\$242.3	\$249.3	\$253.9 (million)

(More aid than any country except Korea)

Covered entire cost of army and 80% of other government expenses AND annual trade deficit of \$178 million

His early successes led to view of Diem as a "miracle man" and Asia's George Washington -- and South Vietnam as a "showcase" and a "spunky Asian country" that was "back on its own feet, thanks to a 'mandarin in a sharkskin suit who's upsetting the Red timetable.'"

Economically, "American aid . . . built a castle on sand."

"The only government that can succeed there is a government which is independent of foreign controls and which is really operating on a national basis." (Sec. of State John Foster Dulles)

"[T]he government has tended to treat the population with suspicion or to coerce it and has been rewarded with apathy and resentment. . . . The people have not identified themselves with the Government." (U.S. Embassy, 1960)

2.5% owned 50% of land; by 1960, only 23% owned land in delta (a majority farmed 2 acres, 1 of which they rented)

20,000 political prisoners

Some American observers saw enough progress/stability by 1960 that a phased American withdrawal would soon be possible.