
James M. Carter has written a thorough account of American attempts to build a new nation state in South Vietnam, spanning the critical years of 1954 to 1968. His central argument—and the book’s main strength—leaves no doubt that the contention of some contemporary conservative historians, who assert that the war in Vietnam was won by American military forces in the field, but lost by the liberal press and hippie protestors at home, is pure fantasy. Studying the massive efforts of state building in South Vietnam right up to the eve of the Tet Offensive in 1968, Carter presents a portrait of a fledgling South Vietnamese nation state so wrought with insoluble political and economic problems, and so dependent upon American support, that it was and would remain unable to exist on its own without continued American intervention. Carter contends that key American policy makers, like Lyndon Johnson and Robert McNamara, accepted this reality but stubbornly fought on, fearing that American Cold War credibility would be hopelessly compromised should they withdraw. Carter presents a convincing case that no matter how many resources the United States may have committed to winning this war, there was no proverbial “light at the end of the tunnel” due to the woeful inadequacies of the governments it supported in South Vietnam.

Carter summarizes numerous political problems which developed in South Vietnam during the rule of the Diem Regime. Diem failed to establish his base of support, and quickly became corrupt and oppressive. After making gains between 1954 and 1957 by taking action against notorious sects such as the Binh Xuyen, Diem became more and more obsessed with militarizing his regime and less concerned with democratizing his country. American planners, led largely by the Michigan State University Vietnam Advisory Group, relentlessly struggled, and haplessly failed, to establish political and economic modernization. These efforts were steadily transformed into attempts to improve Diem’s policing and military capacities. Increased visibility of American aid only created a vicious cycle of diminishing returns of political support. Whereas this is not a new observation, Carter has shed new light on how grandiose and ultimately impractical were the schemes of American planners. Diem’s assassination left South Vietnam in a state of political chaos from which it never recovered, and subsequent regimes succumbed to the same process.

Carter’s analysis of economic problems is impressive. From the beginning, South Vietnam had an unhealthy economy, and American aid, followed by the Americanization of the war, only made it less viable as an independent nation state. Lack of infrastructure and trade deficits ensured problems. But war only made things worse, as projects that helped the American war
effort were given priority over ones the nation really needed. Carter argues that the vast scope and magnitude of American economic efforts left little unattended: money was lavished into highways, airfields, ports, warehouses, bridges, telecommunications, electrical power, government bureaucracies and facilities. Yet, all these attempts eventually failed to create desired results, as the country only became more and more dependent on American cash flow, and spiraling inflation took hold. Military campaigns literally scorched rural regions, creating an endless stream of refugee and public health crises. Displaced people poured into cities, only to be placed in refugee camps, further undermining the ability of the central government to extend its support and successfully integrate the country.

Finally, corruption in various guises ensured that the entire nation-state building effort was a failure beyond redemption by 1968. Strategic hamlet and land reform policies took little notice of persistent traditionalism in Vietnamese rural life. Favouritism polluted import and war boom industries. Political insiders secured special deals, becoming wealthy profiteers who took their money out of the country for investment elsewhere. Bribery, graft and theft were commonplace. Few South Vietnamese reaped the benefits of millions of American dollars pouring into their country. Black markets and local shadow economies strangulated efforts to stabilize things and, worst of all, hyperinflation set in.

Why did American policies fail so miserably? Carter effectively argues that increased militarization only served to undermine and sabotage efforts to build political and economic infrastructure at every point along the way. War only increased pressures, and created unforeseen obstacles to achieving stabilization. Ironically, American planners turned to war because they were unable to achieve their goals without it. War, Johnson hoped in 1965, might create the opportunity to achieve the desired goal of nation-state building, but, Carter concludes, in reality it did the opposite. Carter’s work is required reading for anyone interested not only in understanding which specific American policies failed during the Vietnam era, but also in assessing recent American state-building efforts in Iraq and Afghanistan, where similar difficulties have often been encountered.

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Among the wars during the Cold War era, the Vietnam War is unique with its very name. In Asia, one may hear the war described as the US War in Vietnam,