### Congress of the United States House of Representatives

Washington, D. C.

April 4, 1966

Dear Friends:

Knowing of your interest in international relations, I am enclosing a copy of a "Report on Vietnam," the result of my recent inspection tour in that embattled country.

It is my hope that the report will be of interest and assistance to you. Further copies are available in limited quantities from the House Foreign Affairs Committee, Room 2170, Rayburn House Office Building, Washington, D.C. 20515.

I also wish to call to your attention two other documents dealing with Asian problems which may be obtained upon request from the Committee. They are: Report of the Special Study Mission to the Far East, Southeast Asia, India and Pakistan (House Rept. #1345, 1965) and United States Policy Toward Asia, Hearings before the Subcommittee on the Far East and Pacific, 1966.

If you think these materials would be of interest, you are invited to write for them. By wide dissemination of such information, I believe, the national discussion of foreign policy issues can be better informed and thereby be more valuable in the policy formation process.

With best wishes, I am

Sincerely yours,

CLEMENT J. ABLOCKI

[Enclosure. 1966 Apr 4]

#### HOLD FOR RELEASE A.M. THURSDAY, MARCH 17, 1966

89th Congress }
2d Session

COMMITTEE PRINT

REPORT on VIETNAM

BY

HON. CLEMENT J. ZABLOCKI, Wisconsin

OF THE

COMMITTEE ON FOREIGN AFFAIRS HOUSE OF REPRESENTATIVES

PURSUANT TO

H. Res. 84

A RESOLUTION AUTHORIZING THE COMMITTEE ON FOREIGN AFFAIRS TO CONDUCT THOROUGH STUDIES AND INVESTIGATIONS OF ALL MATTERS COMING WITHIN THE JURISDICTION OF SUCH COMMITTEE



MARCH 17, 1966

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LETTER OF TRANSMITTAL

#### FOREWORD

House of Representatives,
Committee on Foreign Affairs,
Washington, D.C., March 17, 1966.

ite ing for consideration by the

This report has been submitted to the Committee on Foreign Affairs by the Honorable Clement J. Zablocki, who visited Vietnam February 18–22, 1966.

The findings in this report are those of the author and do not necessarily reflect the views of the membership of the full Committee on Foreign Affairs.

my observations alone and does not in any way include the views

CLEMENT J. Zablocki, Representative from Wisconsin

#### LETTER OF TRANSMITTAL

House of Representatives, COMMITTEE ON FOREIGN AFFAIRS, Washington, D.C., March 17, 1966.

Hon. THOMAS E. MORGAN, Chairman, Committee on Foreign Affairs, House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: I am submitting for consideration by the Committee on Foreign Affairs the report resulting from my official

visit to Vietnam February 18-22, 1966.

I made this visit to Vietnam in view of the fact that I was in southeast Asia to participate in the Conference on Philippine-American Relations sponsored by the Philippine-American Assembly in Davao, Philippines, on February 23–26, 1966. The Honorable Olin E. Teague, of Texas, and the Honorable Jeffery Cohelan, of California, also were participants in the Conference and visited Vietnam.

Although our specific and individual interests in Vietnam were not identical, I am convinced that our combined presence there proved of value. However, it should be pointed out that this report reflects my observations alone and does not in any way include the views of my colleagues. Although my observations included the military situation, I gave particular attention to the economic and political situation in Vietnam.

As you know, my last visit to Vietnam was as chairman of the study mission comprised of members of the Subcommittee on the Far East and the Pacific, November 7-December 12, 1965.

I hope that the report will be useful to the committee in its con-

sideration of legislation relating to this area.

CLEMENT J. ZABLOCKI, Representative from Wisconsin. ever, that they are not defecting to the Vietcong); and (2) the riethod used in pursuing the war in the countryside. To overcome this, there should be more accent on political and psychological factors in

# A REPORT ON VIETNAM BY HON. CLEMENT J. ZABLOCKI, OF WISCONSIN

#### Summary of Findings

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While on the military side the tide appears to be turning in our favor, political conditions are still unstable and the economic situation is precarious.

More effort and resources need to be devoted to the remedying of

these conditions.

We must also begin to concentrate to a greater degree than we have in the past on the psychological aspects of the struggle in Vietnam. A sense of national identity, an allegiance to the central government, and a greater will to fight needs to be instilled, or stimulated, among the population.

#### Stores-volume sales.) VIATTE VIATTE TO THE PROPERTY TO THE PRO

On the military side, three problems impressed me as warranting greater effort on our part:

A. Increase the pressure on the Vietcong

Intensified bombing of military targets in North Vietnam (e.g., Mig airfields, power plants, munition dumps, and petroleum, oil, and lubricant storage facilities and refineries in the Haiphong Harbor area) and certain supply routes is necessary to choke off the reinforcements and the supplies moving to the Vietcong. Also, a concentrated effort should be made to deprive the Vietcong of food grown in Vietnam through psychological operations among the Vietnam farmers and provision of greater inducements for the delivery of foodstuffs to supply or market points designated by the central government (e.g., rice price subsidy to farmers).

#### B. Reduce desertion rates

The high desertion rate appears to be a result of two main factors: (1) A lack of motivation on the part of some Vietnamese forces as a result of war weariness and homesickness (it should be noted, however, that they are not defecting to the Vietcong); and (2) the method used in pursuing the war in the countryside. To overcome this, there should be more accent on political and psychological factors in military training programs. Incentives for the fighting men should be increased: promotions should be opened to all capable servicemen (waive the requirement of "secondary education" for official promotion and leadership), increased benefits (e.g., land grants for military service) should be considered, and improved methods devised for using conscripts for both military and civic action programs. It should be noted that desertions are less prevalent in the special forces and the People's Action Teams (PAT) than among the Regular Army of

Vietnam (ARVA). Although the AWOL-desertion statistics during the holiday season of Tet are not typical, it is reported that the rate among the PAT was 2 percent and 40 percent in the Popular Forces.

In addition, nonmilitary warfare (psychological operations, etc.) against the Vietcong should be intensified to bring about a reduction in the high level of civilian casualties resulting from strictly military actions. It has been reported, for example, that some recent search and destroy operations have resulted in six civilian casualties to one Vietcong. On the other hand, over a 6-week period in January and February of this year the 1st Cavalry Division reported a civilian casualty total of 155 (of which 131 were wounded and 24 killed) to over 1,000 Vietcong killed in action. Unfortunately, no reliable statistics are available. In an effort to determine the actual ratio of civilian to Vietcong casualties a close study should be pursued. In the final analysis it appears that a ratio of two civilians to one Vietcong is likely. Nevertheless, even this ratio is excessive. Every effort must be continued to further reduce civilian casualties in combat zones.

C. To the extent possible without jeopardizing their morale

Cash payments to, and PX privileges of, U.S. military personnel should be restricted to help control inflation. (Note.—30,000 hair sprays. Military PX's should not operate as Macy's Department Stores—volume sales.)

#### II. POLITICAL

An elder Vietnamese statesman outlined for me the ideal public image of an Asian leader—particularly in Vietnam. He should be a mature man; a man of culture, educated; a man in no way identified with a minority, therefore noncentral; and, finally, he should be a

man without a taint of corruption.

Strong leadership is needed to bring about the national unity now lacking in that country. This is certainly the greatest weakness of the political situation in Vietnam. However, it is significant to note that the only common denominator among these various factions is their mutual opposition to the communism with which the National Liberation Front is synonymous. In fact there is a fear in Vietnam today that in some quarters in the United States, the NLF is being erroneously recognized as a legitimate political entity. Many Vietnamese cannot understand why there should be any confusion about the true nature and purpose of the NLF. (See app. A.)

In further evaluating the political situation in Vietnam, it should also be noted that there is a shortage of leaders at the province and village level who can effectively generate respect and allegiance for the central government. Unfortunately, the central government does not constitute a symbol which would rally the people to the fight. Until such a central force comes into being, other ways must be found to motivate the population. In this connection, emphasis should be placed on military, government administration, and economic reform

programs.

#### III. ECONOMIC

The problems in this field appear of great urgency and, unless resolved promptly, will jeopardize the success of military operations. They center on:

A. Need to control inflation secures and lo acideral a vino guiloveb

A basic commitment is needed to curb inflation, stabilize the currency, and promote economic viability of the country. To achieve these goals, strict restraints will probably have to be placed on all private, consumer-oriented money transactions. Cash available to U.S. troops, construction contractors, seamen in port, etc., for spending in Vietnam, should be restricted. Penalties for black market operations should be reviewed, stiffened. Methods must be devised to siphon off excess piasters. (Bond issue? Sale of 2-year maturity bonds.) Increase taxes on those most able to pay, those reaping the benefits of war. Improve the custom system and enforcement.

B. Development of hydroelectric power system

The continuing need for developing adequate hydroelectric power is obvious. To the extent that such power can greatly assist the country in developing new industry and thereby expand its economy, its value to Vietnam cannot be overstated. An excellent example of what such power means to Vietnam is the Danhim hydroelectric power system. (See app. B.) This hydroelectric system could supply sufficient electrical power for Saigon and most of South Vietnam. The transmission lines are easy targets for the Vietcong and present a challenging and serious security problem.

C. Commercial import program

The intensified Vietcong activities since 1962 necessitated increased Government of Vietnam expenditures for military purposes. Vietnamese enlarged budget deficit resulted. Further, the disruption and overloading of transportation and distribution of goods, particularly rice, within the country added to the inflationary trend. The landing of major U.S. troop units, the flow of dollars (\$1 million dollars daily) from merchant seamen whose ships had delayed "turn arounds" because of dock congestion all added to the surplus currency.

Commercial import assistance, therefore, is designed to supply needed commodities demanded by the local market to insure against inflation or to combat existing inflation, primarily raw materials for domestic industry, machinery, fertilizer, and foodstuffs. This expansion of market stocks enables a government to undertake expenditures for military, developmental, or emergency relief purposes in which the United States is interested without dangerously up-

setting the balance of supply and demand. (See app. C.)

#### IV. RURAL CONSTRUCTION AND REFUGEES

A. Need to accelerate and extend rural development

The motivation of the Vietnamese troops, and of the rural population, is conditioned by their stake in the victory over the Vietcong. That stake can only be made meaningful by a far-reaching economic and social revolution. Land reforms must therefore be hastened. Fortunately, the importance of the land tenure situation in South Vietnam is receiving serious attention. (See app. D.) New concepts of land tenure should be explored.

Community development programs must be pursued with energy and determination. A program of secondary and vocational schools in strategic rural areas should be established. We are currently devoting only a fraction of the resources and effort that should be devoted to these tasks. This is the real long-range battlefield on which the future of Vietnam will be decided.

A word of caution: To expect "coonskins" by June is unrealistic. Too great a pressure for tangible evidence of progress may result in a mangy, shabby old coonskin produced from past performance. The fate of the strategic hamlet program must be avoided. (Paper

cadres are as useless as paper strategic hamlets.)

B. Need to devise and implement imaginative programs for refugees

There is a lot of manpower which is not being used to advance the economic and political progress of Vietnam. Refugees, military deserters, and other elements who drift to the cities need to be brought into the fight to fashion a viable economy and nation in Vietnam. Relief and welfare must be supplanted or augmented by extensive.

intensive training programs and relocation efforts.

A young Vietnamese lawyer by training has demonstrated his leadership in a self-help project for refugees crowding the city of Saigon. Leading a group of young students, he formed the Saigon Eighth District Development Project. After 4 months of intensive work, this group and the refugees they have assisted have changed the Hung-Phú Cemetery into a housing project for the homeless. They also built a five-room school in 12 days. (See app. E.)

#### The intensified Vietcone a YNAMMUS. V. 1962 necessitated increased

Although this report has concentrated on shortcomings, it is evident that improvement has been made in South Vietnam. The most impressive advances have been made in the field of education. (See app. F.) Moreover, the rural construction program as planned by the Vietnamese Government is an imposing and ambitious one. Implementing the plans as soon as possible is vital in order to attain political stability and economic viability. An encouraging indication of the progress being made to implement these goals is the peoples action team program. (See app. G.)

Although many challenges lie ahead, the obstacles to progress are

Although many challenges lie ahead, the obstacles to progress are not insurmountable. There are many patriotic leaders in South Vietnam who truly want to do what is best for their country. Unfortunately, they are shackled by certain individuals who seek only personal power and gain. But given proper assistance and encouragement, Vietnam can walk to progress—even if the shackles prevent it

and determination. A program of secondary and vocational schools

from running toward that goal.

# "The People's Revolutionary Party has only the appearance of an independent existence; actually our party is nothing but the Lao Dong Party of Vietnam, unified from north to south under the direction of the central executive committee of the party, the chief of which is Irresident Ho.\* \* During there explanations take care to been this strictly seems especially in South Vietnam, so that the depend does not perceive our nurpose. Titing, it should be noted that even the National Liberation From has never amounced fiscile as a process of the explanation of the future of course, it would as a ruse, operated as a pulper, led by non-relationship to Hanoi. Created as a ruse, operated as a pulper, led by non-enthies who countenance forms. Sixth, clearly the Mattheway and Mandalana and Committee of the course of the countenance forms. The National Instrument of Hanoi operating to impose a Committee government or countenant. It bears no operating to impose a Committee government or bearing. It bears no

## OU STRONG II ... MENTELLY AND RECOGNIZING THE NLF

It has been suggested that the United States should recognize the National Liberation Front as a principal party in any subsequent negotiations on Vietnam.

The implication is that our Government may be overlooking an obvious incentive to the Communists to take the conflict off the battlefield and into the conference room. In that regard, the following points seem pertinent:

First, the National Liberation Front will be able to be heard at any negotiations. The NLF representatives could easily be a part of any delegation sent by North Vietnam to talks. The NLF officials have traveled abroad in the past on visas issued by Hanoi; surely this practice could be continued in order to allow NLF representatives to go to Geneva. Our Government has made it clear that NLF representatives to go to Geneva. Our Government has made it clear that we will talk unconditionally with any government—or any persons who are a part of a government's delegation. It is clear, then, that the NLF could be represented and heard.

Second, there is no clear evidence that the NLF is anything more than a Hanoicontrolled front. As Dr. Bernard Fall has pointed out on many occasions, the Vietcong operated for many years simply as an extension of Ho Chi Minh's underground organization. There is no concrete evidence that anything like an independent organization existed before 1960 when the Third National Congress of the Lao Dong Communist Party meeting in Hanoi passed a resolution calling for the establishment of a front group to achieve the unity of Vietnam. That reso-lution stated: "\* \* \* Our people there must strive to establish a united bloc of workers, peasants and soldiers and to bring into being a broad national united front." Less than 3 months later the so-called National Liberation Front made

its appearance in South Vietnam.

Third, the artificial nature of the NLF can be recognized by the fact that until April 1963 the organization had not made public the names of its leaders, although that the Hanoi government had hope of attracting to the banner of its puppet several persons of national stature in Vietnam. Yet this did not happen. When the names of some leaders finally were announced, it became clear that none had ever attained any previous prominence in South Vietnamese political life. Not only were these so-called leaders unknown in 1962, but even today captured Vietcong are often unaware of them and fail to recognize their names. The slim biographical data on these NLF leaders indicates that almost all of them were pre-1954 participants in one or another of the various Communist fronts. The NLF is forced to put forward such men because not a single significant non-Communist leader during the Diem period or since has been willing to associate with the Front. The significance of this fact should indicate the unrepresentative

with the Front. The significance of this fact should indicate the universal and its existence as a pupper of Hanoi.

Fourth, it is clear that the avowedly Communist Party within the NLF is merely the southern arm of the Lao Dong Communist Party, which has head-quarters in Hanoi. This southern extension apparently was set up by Hanoi in 1961 in order to buttress the fiction that the NLF was not under its control. in 1961 in order to buttress the fiction that the NLF was not under its control. It apparently was believed that the existence of a seemingly independent Communist Party acting within the NLF would "prove" that the Front was not an agent of North Vietnam. Although the announcement of the creation of the purported South Vietnamese Communist Party—the People's Revolutionary Party (PRP)—admitted its lineal descent from the Viet Minh, it was phrased to give the impression that the decision to organize the PRP was taken in South Vietnam. Yet captured Vietcong documents have revealed the truth. A circular given to Communist cadres, dated December 7, 1961, stated:

"The People's Revolutionary Party has only the appearance of an independent existence; actually our party is nothing but the Lao Dong Party of Vietnam, unified from north to south under the direction of the central executive committee of the party, the chief of which is President Ho \* \* \*. During these explanations, take care to keep this strictly secret, especially in South Vietnam, so that the

enemy does not perceive our purpose."

Fifth, it should be noted that even the National Liberation Front has never announced itself as a provisional government. Even if it should do so in the future, of course, it would not change the basic nature of the organization or its relationship to Hanoi. Created as a ruse, operated as a puppet, led by nonentities who countenance terror and atrocities, the NLF can claim no right to

independent status at the conference table.

Sixth, clearly the National Liberation Front is a political instrument of Hanoi operating to impose a Communist government on South Vietnam. It bears no resemblance to a true nationalist rebel organization. The fact that genuine South Vietnamese nationalists are undoubtedly members of the NLF does not change the fact that the group is directed and supplied with Communist leader-

ship by Hanoi.

The nature of the NLF has been described by objective observers such as George Chaffard of L'Express. After visiting with NLF groups and talking with their leaders Chaffard concluded that the organs of the NLF are classically those of a national front before a Communist takeover; that the North Vietnamese—Communist—Party coordinates the whole insurrectionary effort, and that as years pass the leaders of the NLF make less and less effort to prove that it is not a Communist organization.

The International Control Commission Legal Committee has stated that the National Liberation Front is "under the leadership" of the North Vietnamese Communist Party.

Dr. Bernard Fall has expressed the belief that the military leaders of the NLF get their orders directly from Hanoi.

These and other facts have demonstrated that the National Liberation Front

is merely a creature of Hanoi.

Seventh, to concede political rights to the NLF-a group which has gained its position through force and terrorism—is to make a sham of the essence of popular self-determination and the democratic process. If the members of the NLF were to put away their guns and agree to live peacefully among the South Vietnamese,

they would, of course, have the same political rights as other groups.

As it is, however, the NLF cannot claim to represent the one-fifth of the South Vietnamese population which they control by force. It is extremely doubtful that

The NLF therefore represents only the 225,000 full- and part-time men who constitute their military and political cadres—a group representing a mere 1½ percent of the South Vietnamese. Certainly this is one of the country's smallest "political interest groups." It would be quite unfair to accept the NLF as an independent partitions which is considered. independent party in negotiations while ignoring much larger and more representative groups such as the different groups of Buddhists, the Catholics, the Dai Viet Party, the Nationalist Party, the labor unions, the refugees from the North, the Cao Dai, the army, the civil service, and many others. At the same time, it would be politically unfeasible to actually represent these groups.

Eighth, Hanoi alone—not the NLF—has the authority to direct an end to the

aggression which it initiated against the South. U.S. interests lie in helping the South Vietnamese to rid their country of outside intervention and maintaining their right to decide their own future, including their right to freely decide the issue of unification with North Vietnam.

Ninth, to recognize the NLF as entitled to participate directly in negotiations would be to imply that the NLF is to have a more important position in the future South Vietnamese Government than much larger and more representative groups such as the Buddhists and the Catholics.

Hanoi has said that the "internal affairs of South Vietnam must be settled by the South Vietnamese people themselves in accordance with the program of the [NLF]," which means that the NLF must be the dominant force in the Government of South Vietnam.

Other reasons cited above strongly indicate that negotiating directly with e National Liberation Front would be extremely unwise. The fact that the National Liberation Front would be extremely unwise. recognizing this terrorist group as a party to negotiations would have the effect of placing them in a position to accomplish their Hanoi-directed goals adds even more validity to this conclusion.

#### As the economy recovered and B XIDNATARA on increased, the volume of U.S.

#### bewenered but The Danhim Hydroelectric Power System o noitsurrolled

The Danhim hydroelectric power system is the greatest one erected in Vietnam. Till now two hydroelectric systems have been established: The Ankroet system at Dalat and the Drayling system at Banmethuot. However, those two are not important and can just satisfy the power needs of the two towns Delat and Banmethuot.

The Danhim hydroelectric power system is so named because the water stored for energy production is furnished by the Danhim River. The Danhim River takes its source about 50 kilometers (31 miles) from the northeast of Dalat, flows down through the Dran district, and ends by flowing into the Dong-

The main idea of the Danhim hydroelectric project is to create a reservoir at Dran site by building an earth dam across the Danhim River. The stored water will be led to the powerhouse at Krong-Pha through a 5-kilometer pressure tunnel and 2.3-kilometer penstock line, thus creating an artificial fall of 800 meters height.

The construction works have been planned to generate 80,000 kilowatts in 1963 and the remaining 80,000 kilowatts in 1965. In total, the maximum output will be 160,000 kilowatts. (At present time, the power available at Saigon is only 60,000 kilowatts).

The total cost of the project is estimated to amount to U.S.\$49,000,000 of which U.S.\$37,000,000 is foreign exchange and the rest is Vietnamese currency. The foreign exchange comes from the Japanese Reparation funds and a loan from

the Export and Import Bank of Japan.

The management of the Danhim hydroelectric project is confided to the Danhim Hydroelectric Project Authority, under the direction of the Ministry of Public Works and Communications. The principal characteristics of the project are as follows:

- 1. Dran earth dam:
  - Damsite: About 1 kilometer upstream from Dran district.

    Type: Homogeneous type rolled earth embankment.

    Height: 38 meters.

    Length at the crest: 1,450 meters.

  - Length at the crest: 1,450 meters.
  - Width: At the crest, 6 meters; at the base, 180 meters.
  - Embankment volume: 3,470,000 cubic meters.
- - Storage capacity: 165,000,000 cubic meters.
  - Reservoir area: 9.7 square kilometers.
- 3. Tunnel:
- 'unnel:
  Type: Circular shape, pressure tunnel.
  - Diameter: 3.4 meters. Length: 4,878 meters.
  - Geological feature: Solid granite.
    enstock line:
- 4. Penstock line:
- restock line:
  Type: Welded steel pipe.
  Number of lanes: Two lanes.
  Diameter: 2 meters and 1 meter.
  Length: 2,340 meters.
  Maximum discharge: 26.4 cubic meters per second.
- 5. Power station:
- Turbine: Four 42,000-kilowatt vertical Pelton turbines.
  Generator: Four 45,000-kilovolt-ampere vertical generators.
  ransmission line:
- 6. Transmission line:
  - Voltage: 230 kilovolts.
    Length: 252 kilometers.

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Industrial machinery and parts.

#### VIETNAM COMMERCIAL IMPORT PROGRAM

A commercial import program was instituted in Vietnam late in 1954, following the signing of the Geneva accords, as the most efficient and effective means of keeping the economy operating and combating the massive inflationary pressures that threatened to destroy the efforts of rehabilitation. The United States provided commercial imports in fiscal year 1955 amounting to \$294.2 million. As the economy recovered and internal production increased, the volume of U.S. commercial imports was reduced more or less correspondingly. However, after the formation of the National Liberation Front at the end of 1960 and the renewed and intensified Vietnamese Communist insurgency activities which followed (particularly after 1962), our economic aid rose to support the Government of Vietnam's resolve to counter the military and civil insurgency and allow the fruits of the remarkable recovery which had taken place to continue apace.

fruits of the remarkable recovery which had taken place to continue apace.

The increased GVN expenditures resulted in enlarged budget deficits, and to forestall possible severe inflation the commercial import program was expanded from \$95 million in fiscal year 1963, to \$113 million in fiscal year 1964, \$150.7 million in fiscal year 1965, and an estimated \$370 million in fiscal year 1966.

This jump during fiscal year 1966 coincides in large measure with the appearance

This jump during fiscal year 1966 coincides in large measure with the appearance of severe inflationary pressures. Prices, which previously had shown remarkable stability, rose more than 40 percent during 1965, reflecting accumulated GVN war deficits. The triggering causes were the disruption and overloading of transportation and distribution of goods within the country and the landing of major U.S. troop units, foreshadowing a long but successful war; both factors stimulated greatly increased demands for goods and services and inventory buildups. By late 1965 there were tightening local labor and supply shortages, with an almost general labor shortage in prospect by the end of 1966.

Commercial import assistance is designed to supply needed commodities demanded by the local market to insure against inflation or to combat existing inflation, primarily raw materials for domestic industry, machinery, fertilizer and foodstuffs. This expansion of market stocks enables a government to undertake expenditures for military, developmental or emergency relief purposes in which the United States is interested without dangerously upsetting the balance of supply and demand.

The AID dollars finance letters of credit bought by local importers. The AID dollars go to the U.S. or other foreign suppliers, not to the aid-receiving country. The importer's local currency payment for the letter of credit goes into a "counterpart" account, jointly controlled by the United States and Vietnamese Government. This account is applied to cover part of the expanded budgetary cost of the Vietnamese Government's military and civil government programs. The customs duties paid by the importer are directly applied by the Vietnamese Government to its budgetary costs.

The AID commercial import program in Vietnam for fiscal year 1966 is estimated at \$370 million, including security stockpiles. The estimated commodity elements are shown in the following table:

#### Estimated distribution, fiscal year 1966, Vietnam commercial import program

[In millions of dollars]	
clitical interest groups." It would be quite users and smooth	Fiscal year 1966 program estimate
Fertilizers	17.0
RiceSugar	35. 3
Sugar	2.8
Other dairy products	1 1
Medicine/pharmaceuticalsChemicals	21. 0
Chemicals	22. 4
Yarn, textiles	7. 5
Yarn, textiles	12.9
Petroleum fuels and petroleum productsCement and clinker	27. 1
Cement and clinker	13. 7
Iron and steel mill products	72. 0
Iron and steel mill products	70. 9
Motor vehicles, tractors, and parts	17. 8
Aircraft and parts	0112 TEX 1117 TO 1 1 5
Motor vehicles, tractors, and parts	4.1
Other	39. 9
Total	370. 0

A commercial import program was instituted in Vietnam lare in 1934, following be significed into the General and entertive means of country the essential committee and committee the massive indiationary pressures but threatened to destroy the effects of refeabilitation. The United States

#### in the city is almost inexisted XICHAPPA well-known individualistic and

#### LAND TENURE SITUATION IN SOUTH VIETNAM

South Vietnam has approximately 3.5 million hectares of agricultural land suited to cultivation purposes. Of this area, 2,326,000 hectares are devoted to rice production. About 1,750,000 hectares of the rice-producing area is concentrated in the delta part of the country and the remainder is located in the lowland of the coastal provinces.

Because of the dominance of rice in the agricultural economy and labor requirements associated with the production of this crop, initial tenure reforms were applied to ricelands. These programs included:

1. Rent control regulations include requiring written contracts between landlords and tenants; limiting annual rentals to between 15 and 25 percent of the principal crop; and other provisions to protect tenants from excessive landlord control (Ordinance No. 2, dated January 8, 1955). Rental contracts covered 3-and 5-year periods. About 660,000 leases covering 1,330,000 hectares were executed. However, since the expiration of these leases, only 52,300 contracts covering 60,000 hectares have been renewed.

2. Regulations governing the cultivation of abandoned ricelands and other agricultural land were adopted (Ordinance No. 28, 1958). These included the taking of a census covering such lands and making Ordinance No. 2 applicable to

the renting of the land.

3. Privately owned ricelands exceeding 100 hectares and 15 hectares for ancestral worship purposes owned by Vietnamese citizens were expropriated under Ordinance No. 57, dated October 22, 1957. Under this program, compensation (3-percent, 12-year, nonnegotiable bonds with an installment paid in cash) was made to 2,270 landlords for 432,000 hectares. Of this area, 247,800 hectares have been distributed to 116,000 small farmers (most by prior tenants). Of this number, 63,000 have received provisional titles. About 26 percent of the amount due from purchasers of these lands has been paid to the Government.

Land reform actions in addition to those listed above taken by the Government

include:

1. Distribution of former French holdings: Recently, the Government decided to sell to tenants and landless persons holdings acquired in 1958 from the French Government totaling 228,700 hectares. These lands must be surveyed for title purposes

2. Village (community) lands: Village-owned lands totaling 276,000 hectares have been leased by villages to farmers. Rents were fixed by competitive bidding procedure. A recent action of the Government prohibits continuance of this practice and makes ordinance No. 2, January 8, 1955, applicable.

3. State-owned lands: It is estimated that about 180,000 families illegally occupy 265,000 hectares of state-owned land as "squatters." The Government

plans to issue titles to these persons.

4. Former land development centers: An estimated 135,000 hectares of these lands are to be subdivided to landless families and made a part of the regular

village system.

5. Cancellation of back rents and taxes: On December 15, 1965, the Government adopted policies to govern the distribution of lands allocated during the period of Vietcong control. This policy cancels unpaid rents and taxes maturing during the time of Vietcong domination.

#### APPENDIX E

#### THE SAIGON EIGHTH DISTRICT DEVELOPMENT PROJECT

Being under foreign domination and at war for more than 100 years, Vietnamese society is so divided and disintegrated that nobody has confidence in one another as well as in the Government. Vietnamese youth now wish to do something truly constructive to bring about an atmosphere of confidence among the people, which is a sine qua non condition for every effort of development.

After serious deliberation, a group of voluntary young men chose the Saigon Eighth district for their pilot area to begin with. The main reason behind this choice is: The Eighth district is the most depressed area in the city with quite a number of refugees coming from all over the country and, besides, collective life in the city is almost inexistent (city folks are well-known individualistic and uprooted people). The project aims at-

Helping the people get closely together for more effective community

Adapting peasant refugees to the new socioeconomic conditions they have to encounter in the city;
Promoting higher standards of civic, technical, and sanitary education and

Introducing young people to more dynamic and rational thinking as well as behavior in order to enable them to run their own community in the best

way that is possible.

In order to carry out this proposed aim all voluntary cadres have to live, to suffer, and to work together with the local people so that they can thoroughly understand the real needs and aspirations of the people and help them to help themselves with maximum of efficiency.

After 4 months of intensive work, the project has come to many positive results,

material as well as moral, namely:

1. Improve the people-government relationship by making civil servants more helpful and serviceable, by more effective coordination between different public agencies and especially by reducing red tape.

2. Get local people organized into groups to promote social and economic development. Twenty-five hamlet development councils have been set up consisting of all voluntaries of the community committed to serve the people in every way possible.

Many other joint committees were organized to run the construction of a market, a day nursery, or to carry out such big projects, as Hung-Phú Cemetery rehabilitation work. All these organizations are giving better mutual understanding

and community spirit among local people.

3. Organize one hog-raiser cooperative at Chanh-Hung quarter for food and

health devices.

4. A five-room school was built in 12 days by 30 student workers to accommodate 600 children in Hung-Phú quarter. Six night classes in home economics and in primary education have been organized since September with the attendance of 100 girls and 150 boys. Activities for schoolchildren were kept up in three primary schools.

5. Three mobile social workers teams help people in zoning, establishing drainage system, repairing roads, and building schools. About 40 local youths have joined these teams on a permanent basis; 20,000 voluntary workdays from the

local people have been counted from numerous community works.

With the accelerated rhythm of above-mentioned achievements, there is ground for hope that with the least of material input but with maximum of moral effort and dedication, Vietnamese youth can play a very important role in uniting people together to push forward the true social revolution from the bottom to the

#### REPORT ON VIETNAM

#### APPENDIX F

# EDUCATION IN VIETNAM ELEMENTARY SCHOOLS

EDEMENTART SCHOOLS						
Number 838	U.S. agenc	1954	1961	1965 addi- tional	1966 addi- tional	1970 addi- tional
1. Students		600, 009 12, 879 11, 845	1, 277, 802 27, 160 24, 335	1, 633, 212 31, 402 26, 786	1, 706, 789 34, 653 31, 286	2, 859, 420 47, 657 45, 650
Health 7,350 Education 5,650 Agriculture 799	SEC	ONDARY	SCHOOLS	onite action)	namiet (or m dministrative ditical	Mobile ac
1. Students	ed-Bonrahan High provid- Land Service Land Service Land Service Land Service	1,900 0 0 0 0 0 0 0 0 0 0 0 0 0	203, 760 3, 880 5, 576 7, 257 4, 082 1 0 3, 200 3 315 1 0	335, 135 5, 915 10, 065 14, 289 4, 863 177 800 8 5, 526 3 1, 000 1 140	350, 635 6, 261 11, 846 21, 038 6, 428 20 1, 200 - 10 7, 150 3 1, 340 200	462, 635 8, 815 18, 634 41, 424 3, 000 14 12, 162 2, 800 600
1. Universities departments (	.mom	HER EDU	CATION	loac	M objetno fe	<del>Jotele B</del>
archeology, dental, ped medical pharmacy) (a) Students 2. National Technical Center	(English)	0 grure (not of under the cond of	13 13,035 1 430 1 158 0 0 4 1,042	23, 907 1 900 1 370 1 1, 450 5 5 2, 444	26,000 1,000 1,000 1,000 1,000 1,500 5,548 1,500 2,548	5, 35, 000 1, 600 1, 600 1, 800 1, 800 7, 3, 567

#### APPENDIX G

#### PACIFICATION PROGRAM

1965 cadre strength—Approximate numbers in various categories of cadres, December 1965, with an indication of GVN and U.S. agencies involved

Political administrative		GVN and U.S. agencies involved	Specialist cadres	
Rural construction cadres of GVN: New life hamlet (or mobile action) Mobile administrative (or GAMO) Rural political.  Total  Special cadre teams: APA (advanced political action). PAT (people's action team) CG (census grievance)  Total  Subtotal available for new RCC pool.	2, 600 13, 000 1, 000	Ministry of Rural Construction and USOM.  Being transferred to MORC from U.S. Embassy's OSA.	Health	
Other cadre: Chieu Hoi. Vietnamese information service. VIS voluntary. Hamlet information. Subtotal outside MORC. Total political.	2, 400 3, 400 1, 800 6, 000 13, 600 36, 250	Social welfare and AID psychological warfare and JUSPAO local government.	Agencies involved, on GVN-side: appropriate ministry, sometimes with certain support from rural construction budget; on U.S. side; U.S. AID division that has the ministry as counterpart.	

<sup>1</sup> Starting in January 1966 all categories above this figure (not necessarily all individuals) are being consolidated into one "rural construction cadre" category under the Ministry of Rural Construction (MORC).

Note.—Among the PAT and APA groups are some 2,700 Montagnard cadres under the Ministry of