

AID Program in Thailand

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The attached recently-prepared papers relating to the AID Program in Thailand are submitted at this time for their use in the preparation of the Congressional Presentation and for other purposes where up-to-date material on the philosophy and content of the program would be useful.

1. The first is entitled, "The US AID Program in Thailand: Context and Emphasis." This paper serves as an unclassified summary of the program. It is also available in printed form with additional statistical material on the Thai economy and the USOM program included. Copies of the printed version have been sent separately and additional copies are available on request. It is being given widespread distribution for briefing and orientation purposes.

2. The second paper, "Report to the Staff of USOM/Thailand," by Minister-Director Howard L. Parsons, January 15, 1968, sets forth the overall philosophy of the program and the broad lines of action being undertaken.

3. Thirdly, there is a collection of statements indicating for each USOM project the purpose, description, major quantitative goals, total dollar and baht costs, and major cost elements.

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**THE US AID PROGRAM IN THAILAND:
CONTEXT AND EMPHASIS**

A. THAILAND'S RECORD OF DEVELOPMENT

The U.S. AID program in Thailand is concentrated upon a single objective: supporting the Royal Thai Government in its efforts to contain, control, and eliminate the Communist insurgency in rural areas.

American assistance is, in addition, concentrated primarily in the Northeastern region. Soil and water conditions there are worse than in other regions. Until a decade ago, the Northeast had no satisfactory road connection with the Central region, and communications remain inadequate. Government expenditures in the Northeast are rising, but are still less per capita than in other regions.

The Communists are attempting to take advantage of these problems, and the villages of the Northeast have been the focus of the Communist's efforts. Terrorists, supported openly by Peking and Hanoi, have carried on a campaign of assassination and intimidation since 1965.

The Royal Thai Government is taking increasingly active and effective steps to meet this challenge. It bases its effort upon a record of steady economic development which surpasses all but a few of the less-developed countries. The rate of growth of GNP has been high and sustained; exports -- mainly agricultural -- have almost doubled since 1960 and become more diversified; the stability of the currency has been maintained.

Considerable foreign assistance has been provided to Thailand, and the Thai have used it wisely. Total U.S. economic aid since 1949 has been somewhat more than \$400 million. Other governments, the World Bank, and other international organizations have also provided substantial assistance: a total of \$270 million from 1961 through 1966, mainly in loans, compared with U.S. economic assistance during those years of \$150 million.

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Thai initiative, Thai abilities and Thai investment have been the keys to these economic achievements: foreign help has played a relatively minor role in the overall growth of the economy.

Within a decade, the energies of the Thai have transformed Bangkok from a quiet capital into a major commercial center with rapidly-growing industries. The Thai have concentrated investment where it would bring the greatest economic return: in roads, power, and other basic infrastructure; and in Bangkok and the fertile Central Plains.

Since 1964, Thai Government appropriations have more than doubled, and over half of government expenditures are devoted to economic and social services.

B. CONCENTRATION ON THE VILLAGES

The Thai Government is placing increasing emphasis on the rural areas, applying there the energies and talent which have brought such growth to Bangkok. It faces many problems which Thailand shares with other Asian economies. Throughout the countryside of Thailand, agricultural productivity, per capita income, and educational levels are low. Rural roads are poor or non-existent, and many villages are isolated -- at least during the rainy season.

Despite advances in education and stepped-up government recruitment, there are still not enough administrators, teachers, medical personnel, agricultural specialists, and police to meet the needs of the villagers. These problems, common to all rural Thailand, are far more acute in the Northeast.

The Thai rural population has a great potential for development. The rapid expansion of corn, jute, cotton, and other new crops shows that villagers are willing to adapt. They will work for their own improvement -- demonstrated by the large number of simple, small-scale local projects carried out each year through village initiative. Imagination and understanding are required to tap this potential. Like villagers everywhere, rural Thai tend to regard outsiders -- anyone not a member of that specific village -- with skepticism.

The solution of these problems -- found in any developing rural society -- is made more difficult, as well as more vital, because another dimension is present in rural Thailand: the need for protection against Communist threats and terrorism.

The Thai Government is focussing upon the villages, and especially upon the present generation of rural youths and young adults. In order to defeat the insurgency, it must be demonstrated to this generation that there is an alternative to poverty -- and an alternative to terrorist threats.

Thus the effort has two basic objectives: better protection for villagers against insurgent threats; and wider opportunities for villagers to improve their livelihood by increasing production.

The Thai Government's response covers a wide range, involving established Ministries and new entities formed especially to deal with rural problems and the insurgency. Thai efforts in education, agriculture, road construction, irrigation, health, public safety, and many other fields relate to these objectives. The vast majority of funds for these activities come from Thai Government appropriations.

U.S. assistance is provided for only a part of the total range of Thai activities in the countryside. USOM's purpose is to provide selective support for the Thai Government's response -- to make available technical advice and commodities which help the Thai to apply more quickly and more effectively the solutions which the Thai develop.

C. MAJOR USOM-SUPPORTED THAI GOVERNMENT PROGRAMS

1. Protection: Assistance to the Thai National Police Department (TNPd) is USOM's single greatest area of concentration, accounting for over \$19 million in FY 1967 -- close to 40% of the total USOM program.

The TNPd is increasing sharply the number of police stations at the tambol level. (A tambol is an administrative unit grouping a number of villages -- usually five to ten). The purpose is to establish a continuous police presence in the countryside, with units of eight to 20 police at each station carrying out constant patrols in the villages. 250 tambol stations have been built, and another 500 are to be constructed during the next two years. This program, concentrated in the Northeast, is receiving USOM assistance.

In addition to the tambol station program, the TNPD is improving its overall strength and effectiveness. It is building backup forces -- units equipped and trained to come to the assistance of tambol stations and local security units, and to exploit opportunities for action against terrorist bands. In addition to its regular police activities, the Border Patrol Police continues to carry on its program of teaching, health services, and small-scale development projects in rural areas, aimed at improving security by developing closer contacts with the people. USOM is supporting these activities with technical advice, communications equipment, vehicles and helicopters to improve TNPD mobility, weapons, and other equipment.

The TNPD is increasing its manpower in order to man the tambol stations and carry out its other programs. Close to 12,000 additional men are to be added to the TNPD strength by the end of calendar 1968. USOM is supporting this increase with equipment and technical advice.

Effective village self-defense is an important aspect of local security. The TNPD and other agencies of the Thai Government are carrying out a number of programs aimed toward this objective. Radios are being installed in critical rural areas, so that village chiefs can maintain contact with the police and local officials and call for help if threatened by terrorists.

The RTG has tested several approaches to the problem of organizing village self-defense forces. Drawing on this experience, the RTG is now developing the concept of a Village Security Force. Its members will serve in their own villages and be given training in basic developmental skills as well as defensive tactics. Thus VSF units will be able to serve as catalysts for the improvement of the villagers' livelihood as well as to provide better protection. The RTG is now preparing to put this concept into practice in selected areas, and USOM is providing assistance with equipment, weapons, communications systems, and technical advice.

2. Production: The Accelerated Rural Development program, inaugurated by the Thai Government in 1964, provides the Governors of selected provinces with a capability to plan and construct roads and village-level projects. It now operates in 133 districts in 18 provinces -- 14 provinces in the Northeast and four border provinces in the North.

In FY 1967, USOM assistance to the ARD program totalled over \$14 million, more than 28% of the overall USOM program. U.S. support includes construction equipment, vehicles, assistance in training equipment operators and technicians, and technical advice.

Initially, ARD concentrated upon roads and other infrastructural projects. Over 300 kilometers of all-weather and pioneer roads have been built, and approximately 400 kilometers of local service tracks. The recent arrival of equipment ordered in FY 1966 will almost double construction capacity.

Now, ARD is focussing increasingly upon simple water-supply projects, local service tracks, and other village-level activities. Its amphur farmers group program, with 17,500 members in 14 Northeastern districts, groups together village farmers clubs to provide credit, agricultural equipment, and marketing services.

In addition, the ARD program has helped provincial authorities to plan and carry out programs responsive to immediate local needs. ARD provinces are now drawing up road-building plans, setting forth priorities for construction during the next five years.

ARD also makes a significant contribution to Thailand's stock of trained manpower. In 1967, over 700 operators and technicians were trained, and more than 1,500 are receiving additional on-the-job training in the ARD provinces.

Thai Government studies have shown that it is possible to double the return from Northeastern farms by applying techniques tested at Government experiment stations. USOM is supporting RTG programs to broaden agricultural extension, improve agricultural credit institutions, increase the coordination of agricultural research, and assist farmers to make better use of their land.

The Thai National Security Command's Mobile Development Units bring a construction capability and technical services to specific rural areas where the threat of insurgency is especially acute. The MDUs are also inaugurating programs to train village youth in basic skills. Nineteen MDUs are now in the field, and USOM is providing equipment and other support.

3. Development of Human Potential: The human energies of the rural areas must be tapped if production is to be increased and rural youth are to be convinced that they have a positive future. The Ministry of Education has seven Mobile Trade Training Units in the field, providing basic vocational training for village youth. About fourteen thousand youths have been trained in carpentry, electricity, auto mechanics, and other skills, and eleven more MTTUs are to be added during the coming year. USOM assists this program with instructional equipment.

The RTG is also considering other training programs for rural areas. One of the most promising will give training in simple agricultural skills to conscripts during their last months of military service.

Better textbooks are being provided to rural schools: 1,500,000 texts have been produced, with USOM funding the paper.

The RTG's Community Development and Developing Democracy programs train village leaders in development concepts and problem-solving. The Community Development program operates in 91 districts in 27 provinces, and well over 20,000 villagers have received training. Over 4,000 village leaders have participated in Developing Democracy training during the past year. USOM assists both programs with equipment and technical advice.

Advanced training for Thai specialists in the USA and neighboring countries has long been an integral part of the USOM program. Over 5,000 Thai have been sent abroad for participant training since 1949.

Health in the rural areas must be improved if the people are to be productive. With ARD support, the Ministry of Health and other Thai medical bodies have contributed personnel to 26 Mobile Medical Teams which supplement medical services in the countryside. These teams are treating about one million persons per year. The number of MMTs is to be increased during the coming year, and USOM will continue to provide support.

The RTG is also improving medical facilities in the rural areas, constructing and staffing about 275 rural health centers each year. Over 750 Thai paramedical personnel are being trained for village service annually. USOM is providing support to this effort and to the RTG's

continuing program to control and eradicate malaria -- an important cause of debilitation in the countryside. The death rate from malaria has declined from 2.7 per thousand per year in 1950 to 0.2 per thousand in 1960-1965. USOM is also supporting RTG research and training of medical personnel for family planning.

Planning for the future development of the Northeast is being carried out by the RTG's Northeast Development Committee. USOM is providing technical advice to the Committee, which is bringing together officials of various Ministries to consider systematically the Northeast's requirements and plan a comprehensive RTG response.

USIS/USOM Liaison Office
January 1968

REPORT TO THE STAFF OF USOM/THAILAND

Howard L. Parsons
Minister-Director

January 15, 1968

NOTE

The designation "Limited Official Use" has been applied to this document because portions might be misunderstood or distorted if taken out of context. It should not be shown or given to persons outside the official American community. The information in this report is, however, not classified, and the concepts are basic to the USOM program. Using appropriate discretion, you may draw upon its contents in discussions with Thai officials and non-official Americans.

LIMITED OFFICIAL USE

To My Colleagues in the USOM:

As the new year begins, I would like to review with you what we have accomplished, and what we should look toward in the years to come. In this paper I have dealt with all principal aspects of the USOM program, so that each American in the Mission can bear in mind the relation between his own specialty and the overall effort.

We must constantly bear in mind that the task of developing Thailand is a Thai responsibility. Especially in an atmosphere of special urgency, Americans are tempted frequently to do things themselves. This is emphatically not our job. Our job is to provide support, assistance, and technical skills. Our job is to help the Thai to apply their resources more efficiently and concentrate their efforts where they are most needed. No American in this Mission should ever forget that he is here as a guest, to assist the Royal Thai Government, and then only in ways our hosts desire our assistance and deem it helpful.

In the pages which follow I have set forth my own views, but I am acutely aware that I cannot, in any personal sense, claim to be the originator. This Mission's past programs and its projects for the future have arisen from a constant broad dialogue with our counterparts and colleagues in the Thai Government and Thai society, and within the U.S. Diplomatic Mission. The solutions which are developed cannot be American solutions. They are Thai solutions.

Our programs are being shaped by the thoughts and work of hundreds of men and women, Thai and American. These programs should, moreover, be responsive to the problems and potentials of Thailand and its people. Our constant aim must be to sharpen and improve this responsiveness.

The realism and imagination which we devote to this process will determine how effectively we concentrate our resources. This paper is a contribution to this dialogue. I hope that these thoughts will help each of us to work more fully and more effectively with

his Thai and American colleagues in the future. I hope that this will in turn enable this Mission to make a more valuable contribution to the security and prosperity of Thailand.

Sincerely,

/s/ Howard L. Parsons
Minister-Director

A. THE PROBLEM OF THE COUNTRYSIDE

The people and government of Thailand have made impressive strides in economic development. International organizations and other governments, including our own, have helped with capital and technical expertise. The real achievement has, however, been Thai. Thailand has every right to take deep pride in its accomplishments and in this continuing progress.

Now the need is to extend this progress into the rural areas of the nation. This need is not unique or in any way surprising. Throughout the history of economic development, in America and Europe as well as in Japan and other Asian economies, the farmer has been the last to benefit. The farmer has been the last to receive adequate education, the last to have good roads and electric power, the last to see a real rise in his income.

Thailand is no exception. Resources have been concentrated where the results would be greatest: in Bangkok, in the Central Plains; in roads, electric power, and other major improvements to the economic infrastructure. In terms of stimulating the overall economy, this has been a wise concentration. Now, however, the village is the focus for the RTG's effort.

The availability of government services in the countryside is being broadened. This requirement has deep historical roots. For centuries, rural administration in Thailand -- as in many other Asian societies -- has been based upon a limited government presence, overseeing village populations which were largely self-administering and self-policing.

Impressive progress has been made in expanding agricultural extension, health services, police protection, and education into rural areas. The gap to be bridged is, however, still wide. A few officials in each amphur are responsible for tens of thousands of people, scattered over tens of square kilometers of countryside. Police protection is often a day or two away, and many villages are still visited by government officials only once or twice a year. Future effectiveness of officials in the provinces calls for more and better roads, adequate transport, and greater funds and supplies to carry on their work.

This system has proved workable for generations, but the RTG recognizes the need for change. Villagers are aware of the possibilities of a better life and are becoming conscious that the cities are more prosperous than their own communities. They are looking toward better opportunities, for themselves and for their children.

The Thai government has made great progress toward reaching the rural areas, but much remains to be done.

B. THE ACUTE NEEDS OF THE NORTHEAST

These requirements are most acute in the Northeast. There the natural problems are greatest: the soil is poorer and the water supply less satisfactory than in other regions. Yet this harsh environment must support ten million people.

Per capita income in the Northeast is less than half the national average, and rice yields are only two-thirds the average for all Thailand. Cash income per year in the Northeast is only \$20 per capita, and it is growing at the rate of only \$1.25 per year. In recent years, the RTG has increased sharply its concentration on the Northeast, but overall RTG expenditures and capital appropriations by the Government remain lower per capita than in other regions.

Overcoming this shortage of resources in the Northeast will require major expenditures within a short span of years. All rural areas of Thailand are calling for more resources and greater support. The Northeast's needs are simply much more acute.

<u>SOME INDICATORS</u>	<u>Average for the Northeast</u>	<u>Average for Central Plains</u>	<u>National Average</u>
Total Annual Income Per Capita	\$63	\$200 (North: \$80; South \$130)	\$120
*Rice Yields (Tons per Hectare)	1.16	-	1.6
Per Cent of Cultivated Land Irrigated	3%	43%	18%
Percentage of Students Who Continue Beyond 4th Grade	13%	-	28%
Ratio of Doctors to Population	1:20,000	(Bangkok 1:940)	1:7,000
Government Capital Expenditures Per Capita			
In 1960	\$0.50	\$2.80	\$1.80
In 1965	\$3.00	\$6.00	\$4.50
Total Government Ex- penditures Per Capita			
In 1960	\$4.75	\$12.00	\$8.00
In 1965	\$8.00	\$21.00	\$14.00
Total Public & Private Expenditure Per Capita for Education & Health			
In 1960	\$1.80	\$3.40 (North: \$2.00; South \$2.00)	\$2.40
In 1965	\$2.10	\$4.40 (North: \$2.45; South: \$2.80)	\$3.05

* Rice yields in other countries: India, 1.61; Taiwan, 3.6; Japan, 5.15.

The Northeast, which has 34% of the total population, received 22% of RTG appropriations in 1965; the Central Plains, with 32% of the population, received 48% of RTG appropriations. In 1963, the Northeast produced 17.8% of the gross domestic product; the Central Plains, 53.7%. Analyses of regional statistics for more recent years have not yet been made, but available information indicates a greater concentration of RTG resources in the Northeast since 1965.

C. SOME MAGNITUDES

Total Population of Northeast:	Est. 10.5 Million People
No. of Farm Households in NE:	Est. 1.5 Million Households
No. of Tambols in NE:	1,273
No. of Villages in NE:	15,148

(In the 18 ARD provinces, which include 4 in the Northern region, there are 1,399 tambols and 15,776 villages).

If this Kingdom were an island located in a quiet corner of the world, it might be possible to wait for a generation while the normal diffusion of economic development reached the Northeast and other rural areas. This long-term alternative has been closed. Thailand is in the center of a peninsula which has been a constant focus of conflict for over twenty years, and Thailand itself now faces an immediate and dangerous threat.

USOM is confronted by a central requirement: assisting the RTG to arrest, contain, and eliminate Communist insurgency in the rural areas, especially in the Northeast. This requirement is central for two reasons. The Communist insurgency constitutes an immediate and growing danger to Thai society, stability, and development, and to Thailand's independence. This insurgent threat is concentrated in the villages of the Northeast.

D. THE COMMUNIST BASE IN THE VILLAGES

The Communists began years ago to build a secret organization in the villages of the Northeast. They selected young people for training in North Vietnam and Communist China and established a basic subversive network in key areas in the Northeast. Hanoi and Peking have expressed clearly their support of this insurgency. Since 1965, the rate of assassinations, armed propaganda sessions, and armed encounters with RTG security forces have increased sharply. These incidents

are a reflection of the fundamental threat: the penetration and organization of villages to establish a Communist base in the rural society of the Northeast.

The Communists have exploited two vulnerabilities which are common in free societies: i. e., the lack of a heavy framework of security and police forces in the rural areas, and the wants of people whose aspirations are whetted by development and expanding knowledge.

Thus the battlefield is in the villages. The Communists must obtain food and supplies, recruits and intelligence from villagers. As long as they have a base in the villages, the Communists will be able to expand their influence among the people and strengthen their armed bands. The longer this process continues, the more costly it will become -- in human as well as financial terms -- to dislodge the Communists from their footholds in rural society and end the insurgency.

The Royal Thai Government, supported and assisted by the United States, has taken increasingly active and effective measures to defeat the Communist insurgents. The RTC has moved to provide better protection against insurgent threats to the villagers. It has moved to provide the villagers with greater opportunities for a better life. The problems are great, however, and the Communists had time to lay wide-reaching foundations for their effort. Consequently, it is not surprising that the insurgent threat remains. Success in counter-insurgency cannot be expected quickly or easily.

This threat is immediate and acute. It makes it impossible to wait until the normal course of economic development reaches the countryside. It calls for advances which would otherwise require a generation to be compressed into a decade or less. It begs that the Thai talents and resources which have brought such progress to Bangkok now be concentrated with equal vigor upon the rural Northeast.

E. THE VILLAGES

The village is not an abstraction. It means specific, real people. People who vary. People whose environments and opportunities vary extremely widely even within the general context of the Northeast. Above all, it means the present population of youth and adults. They are concerned about their children's future, but programs which will

demonstrate their value only for their children are not sufficient to curb the Communist insurgency. The Communists look to this present generation for support and manpower.

The Thai Government is seeking to demonstrate to this present generation that there is an alternative to poverty, an alternative to terrorist threats to their lives -- an alternative which will bring peace of mind. They must be convinced that their own village society and the wider Thai community offer growing opportunities.

A great store of energy exists in the villages, largely untapped. The people in the countryside of the Northeast have demonstrated their adaptability. Farmers whose fathers and forefathers grew only rice and a few vegetables have turned to corn, kenaf, cotton, and other crops. They transformed habits fixed over the centuries -- because they were convinced that it was worth their while to do so.

Village society is not static, and villagers are not passive. In village after village, even in the poorest areas, the people will refer with pride to something they have done for themselves: a pond deepened, a school constructed, or improvements to a temple building. These were things they wanted; these were things they accomplished. In hundreds of villages, moreover, the people will articulate clearly and spontaneously their village's specific needs for outside help -- for things which they consider important, and toward which they are willing to contribute their own resources.

Outsiders may point out that the wishes of the people in a specific village do not always coincide with their greatest developmental needs or an ideal use of resources. This may be true -- although often this reaction really means that the villagers' wishes do not coincide with some pre-conceived plan drawn up hundreds of miles away. The value of releasing village initiative is, in any case, usually far more important than the direct economic significance of a separate project.

Villagers learn through their own acts that a new idea is one they can use and benefit from. Any external aid must be provided so as to permit the villagers themselves to release their own under-utilized energies and mental capabilities. Programs should not impose solutions on the villagers; on the contrary, programs should provide the training, funds and materials which will enable villagers to carry through their own solutions.

Through many programs -- the Accelerated Rural Development Program, the Village Security Force, the Northeast Development Committee, and the activities of a number of Ministries, the RTG is concentrating upon village problems. USOM must be ready to respond to RTG requests and provide support for these efforts.

F. OPERATIONAL RESPONSIVENESS

How do we translate into operational reality our objective of supporting the efforts of the Thai Government to reach rural areas? This is one of the most difficult tasks confronting the personnel of this Mission.

We cannot afford to diffuse our efforts. The needs of the Northeast are great, but our resources are limited, relative to the scope of the requirements, and time is short. It would be possible to embark upon a broad range of projects, each of them directed toward a praiseworthy goal, without helping to bring about any significant change in the rural areas for many years to come. It is necessary to concentrate our efforts on programs which can begin to produce, within a very few years, the results which are needed.

We must always bear in mind also that a solution which seems ideal in the abstract cannot succeed unless the pertinent Thai institutions, as expressed in personnel, organization, and availability of funds, are geared and committed to make it work.

The review of USOM programs which follows suggests that the emphasis has been fundamentally sound, and substantial accomplishments are being made.

It is clear, however, that we must be alert to new approaches and fresh opportunities. In our continuing dialogue with our Thai colleagues, we must search continually for better ways to accomplish our objectives. We must look for ways to adapt and improve existing programs. We must be ready to explore new ones. We must remain sensitive to emerging Thai solutions which are reaching the villagers, and see how we can apply our resources to support the effective application of Thai solutions.

Throughout this process, we must bear three basic questions in mind:

- Will this project or proposal meet real village needs?
- Will it make full use of the village potential for initiative?
- Will it harmonize with the goals of the RTG?

With these considerations in the forefront, I would like to look briefly at our programs: what we have accomplished, and what should be accomplished in the future.

G. PROTECTION

No other effort to develop rural areas can hope for success unless villagers have adequate protection. The people cannot be expected to cooperate with government representatives if they anticipate harassment or assassination by terrorists the next evening. Local projects may be completed and considered a success, but this cannot stimulate effective support from the villagers as long as they are subject to Communist intimidation.

The fundamental importance of protection has long been reflected in USOM programs. In fiscal 1967, over 19 million dollars -- close to 40 per cent of the total -- were devoted to support for the Thai National Police Department and related activities, such as radio communications for villagers.

A large part of our support has been devoted to projects aimed at increasing the manpower of the Thai National Police Department and assisting the improvement of its overall effectiveness. Manpower is crucial, because the limited number of policemen available for rural service has been a central aspect of the problems in the countryside. USOM has already helped to make possible a substantial growth in the police force, and its support will assist in the addition of another 12,000 men to the force by the end of 1968.

Weapons and equipment have been made available by USOM to support the TNPD. Equipment has been concentrated in two areas: communications, basic to law enforcement and essential to the fast-moving requirements of counterinsurgency; and mobility, in the air as well as on the ground, to improve the ability of the police to respond promptly and exploit opportunities.

USOM is also assisting with training and equipment for police reaction forces. These need to be in sufficient strength to deal with insurgent bands too strong for local security units and be able to respond quickly.

In addition, USOM technicians and commodities have been made available at many other points within the Thai National Police Department to support the Department's efforts to become more modern, better-trained, and more efficient.

At the same time, the Police Department has begun to carry out programs which bring protection closer to the villages. Police stations are being established at the tambol level. 250 have been completed, more than half in the Northeast. 500 more, also concentrated in the Northeast, are to be built by the end of 1968. These stations are now being manned, and as police manpower grows the tambol stations will be brought toward the goal of twenty policemen at each site in provinces where insurgency is acute. These men will be permanently resident at the station, able to patrol and provide protection for a number of villages. Some tambol stations have already established close, friendly relationships with surrounding villages, serving as focal points for government services as well as protective units. Radios to assure prompt communication between villages, the police, and amphur authorities are another contribution to village security. Knowledge that help can be summoned quickly can give much greater confidence to villagers threatened daily by the Communists. 1,241 radios have been installed in villages, primarily in the Northeast, and another 825 will be installed within the next few months.

It is clear that energetic execution of the tambol police station program is of crucial importance, and this will continue to receive USOM's active support. Sufficient concentration in sensitive areas will require that hundreds of additional tambol stations be constructed and manned each year.

Adequate reaction forces, with sufficient ground and air transportation, will be needed so that prompt help can be brought to every village in the provinces affected most directly by insurgency. Police units guarding the frontiers -- in the mountains and along the Mekong and the sea -- will require added strength.

Meeting these requirements will require additional increases in police manpower. Manning tambol stations and providing adequate reaction forces will mean doubling the strength of the Provincial Police and Border Patrol Police by 1972.

The Royal Thai Government is actively developing the concept of a Village Security Force. Current thinking within the RTG provides for the members of these units to be drawn from their villages, trained, and returned for service in their own communities. In addition to the basic military training required for local self-defense, the members of the VSF will be trained in simple development skills. Thus, they will be able to act as catalysts in improving the life of their villages as well as improving protection for their neighbors.

This concept will soon be put into practice in selected areas of the Northeast. Adequate local self-defense is one of the most pressing requirements for the defeat of Communist insurgency; the VSF program will receive high priority from USOM. The Thai are facing and overcoming the many problems involved in establishing effective village security, and we must be ready to give full support to this key RTG effort.

H. PRODUCTION

Our approach to the problems of production must not be limited to building things. Statistics on the kilometers of roads built, the number of schools constructed, and increases in average income can be fatally misleading. In the last analysis, we are dealing with intangibles -- how villagers feel about their present and their future. The Communists seek to use this fact. Our support must help the Thai government to insure that the realities of the present are more attractive than in the past. We cannot neglect the concrete. Results must be real and evident. But we must remember that our final concern is the feelings, hopes, and actions of rural people.

For the past several years, the greater part of USOM's support to production has been concentrated on the Accelerated Rural Development Program of the RTG. It now includes 18 provinces, all but four of which are in the Northeast. Equipment, training, and other support for the ARD program totalled more than \$14 million in fiscal 1967, over 28% of USOM's overall program.

This program is making a significant and growing contribution to the infrastructure of the Northeast. Especially in those provinces where the program has had time to become well established, its road construction is making it possible to reach more villages with existing

governmental services and new programs -- as well as providing better access to markets. Increased staffs in the provincial capitals are developing a capability to bring projects to the village level -- local service tracks, simple water-supply projects, and the like.

Equally important, the ARD program is making possible the development of more local initiative and better responsiveness to village requirements. The Governors of ARD provinces have been given the staff and resources to carry out programs fitted to local needs. This experience is helping the Governors and their staffs to plan their actions in the countryside more comprehensively. In Bangkok as well as in the provinces, the ARD program has been an increasingly valuable source of stimuli and a mechanism for improved coordination.

USOM has also supported other Thai Government programs which relate directly to rural productivity and the well-being of villagers.

Help is being provided to improve agricultural extension and establish more farmer's clubs. In selected amphurs in Northeastern provinces, these clubs are being organized into Amphur Farmer's Groups, which provide credit, marketing facilities, commodities, and technical knowledge for farmers. Chemicals and equipment have been made available to improve control of insects and pests.

USOM also provides part of the support for the National Security Command's Mobile Development Units, which bring a construction capability, technical advice, and training for youth to specific areas where the threat of insurgency is especially marked.

Thai officials already on duty in provinces and districts are frequently hampered by lack of transportation. In many amphurs, only one or two vehicles are available for the entire official staff, of all departments, and officials must travel by bus or on foot -- or stay in their offices. To help reduce this waste of trained talent, USOM is providing additional vehicles for local officials.

These Thai Government programs are useful. They should continue to receive our help. The requirements of the Northeast for roads and other basic infrastructure are far from satisfied. All amphurs and tambols should be reached with roads, and all villages should be no more than a few kilometers from the nearest road or service track.

LIMITED OFFICIAL USE

The Thai authorities are establishing realistic -- but ambitious -- goals for road construction in the Northeast during the next five years.

It must be recognized, however, that these programs as they now exist are still not reaching the villagers adequately.

Techniques which could bring about sharp increases in agricultural productivity have been tested and proven at Thai research and experiment stations. USOM should support RTG programs to improve the channels for bringing these techniques to the farmer, so that he understands them, applies them, and benefits.

Farmer's Clubs and Amphur Farmer's Groups offer one promising channel. USOM support can help to bring about a steady and substantial increase in their membership and efficiency. The RTG's efforts to bring about coordinated and sharply-focused action by agricultural technicians and extension workers already in the provinces should be encouraged. Information media -- radio, films, and others -- can help to bring to the farmers the technical knowledge which they need.

USOM can assist the RTG to back up this increased flow of information with improved farm credit, wider availability of fertilizer and pesticides, and better marketing. Farmer's organizations can be valuable in these areas, and private enterprise can also make an important contribution.

Farm management studies have shown that it is possible to double the return from Northeastern farms. This is the potential: it should also be the goal -- to double the cash income of Northeastern farmers by 1972.

The RTG recognizes that local water supply is crucial in the Northeast. The first need in many villages is for a supply of water for the people and their animals during the dry season. Pure water, and water for irrigation, require a longer time to develop. The goal is a year-round source of water -- from a dug well, drilled well, pond, or small reservoir -- available to each village. USOM can assist the RTG to achieve this goal.

I. HUMAN POTENTIAL

The impressive development of Bangkok has been due to the application of human talent, skills, and energy. This is also needed in the Northeast. Over the years, improved education will help to bring this about. Education alone will not, however, have sufficient impact on the present generation.

Young people in the rural areas represent a human potential which is far from making its full contribution to Thai society. These village youths, from their middle 'teens through their middle or late 20's, are the most likely to have unfulfilled aspirations. All but a few have only four years of education -- or less. They lack skills which can be applied to improving their village environment, or which can be used to secure a city job above the level of laborer or samlor man. The RTG is exploring ways to help these young people to bring their full energies to bear upon the problems of the countryside. USOM must support this effort. Rural youth can play an important role in village security as well as village development, but they will need more and better training.

Training has a multiple benefit. It develops skills which help the individual as well as the economy. It is also a clear demonstration that the Government recognizes the dignity and value of the villager and wishes to help him.

The Ministry of Education's Mobile Trade Training Units are an imaginative means for accomplishing these ends. Seven of these units, providing training in practical skills for village youth who have only fourth grade educations, are now in the field, most of them in the Northeast. These teams have already trained 8,500 young people, and eleven more are to be formed within the next year. This program should, and will, continue to receive active support from USOM.

Another training program now under consideration would involve young men completing their terms of military service. They constitute a reservoir of human talent which has already begun to be transformed into agents of change, and which can be more effective if they are instructed in basic agricultural techniques and other skills needed in their villages.

Short courses for rural youth at vocational agricultural schools and other centers are also being developed by the RTG. USOM should support RTG efforts to explore every prospect for extending training as broadly as possible.

Training is also done in the village itself. USOM has been supporting the work of the Community Development Department and the Department of Local Administration's Developing Democracy Program. Both aim at training local leaders to define their problems and aspirations and work out solutions. Leaders of nearly 9,000 villages in 91 amphurs have had Community Development training, and the Developing Democracy Program has trained about 9,000 council members in 316 tambols. Villagers who have received this training have demonstrated an impressive ability to use wisely the modest funds made available to them -- often applying their own labor and resources to double or triple the government's contribution. These programs will receive continuing USOM support.

Another under-utilized source of human potential lies in the private sector. Private businessmen have made a great contribution to the development of Bangkok, but their impact has not reached sufficiently into the villages. RTG programs which apply the private sector's capital, skills, and energy in rural areas will receive our encouragement.

Good health is essential to the full use of human potential. USOM assistance has been given to the Mobile Medical Teams, which bring qualified medical treatment to rural areas. Twenty-six such teams are now in the field, treating nearly one million persons each year, and the RTG plans to increase their number. USOM has also supported medical installations in the provinces with training, drugs and equipment, and it is assisting in the training of Thai paramedical personnel for village service. The RTG's long-term effort to control and eradicate malaria -- an important cause of debilitation in the countryside -- is continuing to receive USOM support.

Thai government personnel in the provinces are of prime importance to every aspect of the RTG's programs. Over the years, USOM has helped with a wide variety of training, sending officials to the United States and other countries for study and observation. We have supported inservice training, like the Nai Amphur Academy. We have provided vehicles and supplies to help improve the officials'

effectiveness. USOM will continue this support, but much remains to be done. These talents are still not making their fullest contribution to the needs of the countryside. USOM can help with technical advice regarding better coordination of activities in the field.

J. ASSESSMENT AND PLANNING

The RTG is moving to secure more information about the Northeast and its needs. It is clear that more resources must be concentrated in the Northeast, but it is not clear exactly how much are required, or how the Northeast's requirements fit into the National Economic Development Plan. Programs have often been conceived and executed in isolation from one another, and the RTG is acting to reduce such duplication and lack of coordination.

The Northeast Development Committee is one of the RTG's principal mechanisms for dealing with these problems. USOM is doing all it can to assist its work. The Committee's assessment may very well determine that even greater concentration of resources is required. We must be ready to respond to the Committee's proposals, and to support new programs which are essential to the security and development of the Northeast.

K. CONCLUSION

The staff of USOM has every right to take pride in its work during the past year -- and in earlier years. We are fortunate to have the opportunity to work for the development of a country which has such potential, and to be responsive to colleagues as able as the Thai. Cooperation and understanding between our staff and their counterparts have been close and satisfactory, and I am confident that this will continue.

I congratulate you on your accomplishments, and I express my own appreciation for all you have done. Many challenges remain, and I am sure that you will overcome them in the same spirit.

III. USOM/THAILAND PROJECTS

A. PROTECTION

VILLAGE SECURITY

(Millions of Dollars)
FY 67 FY 68 FY 69

VILLAGE SECURITY FORCE (VSF) 0.1 1.5 3.0

A. PURPOSE

The Villages of much of Northeastern Thailand are subjected to the threat of harrassment by communist terrorists. The CTs are taking advantage of the historic neglect and isolation of the villages.

The purpose of the Village Security Force (VSF) project is to assist the RTC to form indigenous village protection and self-help development groups, primarily in the "pink" areas of Northeast Thailand. The project's long range objective is to promote the socio-economic and psychological integration of these areas into the national.

The project is being undertaken to continue the momentum gained for RTG attention to village level security by the former Village Security Officers (VSO), Peoples Assistance Teams (PAT) and the Census Aspiration Teams (CAT) projects; it is also designed to overcome serious problems encountered in these pilot projects, i. e., non-indigenous volunteers, insufficient political motivational training, low firepower weaponry, incorrect emphasis on civic action rather than stimulating self-help, inadequate external support. Two important purposes of the project are to release the developmental energy of the villagers and to serve as a geographic and conceptual focus for other government services to the village.

The project will be implemented in a manner aimed at overcoming the bureaucratic vertical orientation of most projects, to demonstrate the reinforcing inter-ministerial support so essential to countering insurgency. It is especially important that the project draw the Thai National Police Department (TNPd) and the Department of Local Administration (DOLA) into a more cooperative relationship on rural security. U.S. advisory work towards inter-ministerial support is the key to this objective. U.S. commodity support is essential to RTG acceptance of the tremendous financial burden of providing full time village protection and development, at the pace dictated by the threat and the shortages of training facilities and instructors.

B. DESCRIPTION

The VSF project represents a modification of, and draws heavily on the lessons learned from, the pilot VSO, PAT and CAT projects. The VSF program will start in every village of selected tambol chosen in 10 amphoe located in 4 changwats. Each village council will be asked to nominate approximately 20 volunteer candidates. Amphur authorities (including police) will screen the 10 best-suited candidates for training as VSF. They will attend a central VSF training center for approximately eight weeks of intensive instruction in: light weaponry, village protection tactics, CI or counter CT tactics, establishment of a low level intelligence system, Thai "civics" and patriotism, methods of motivating village self-help activities, and some specific training in related vocational skills.

The VSF will be full-time, paid, non-uniformed local protectors and developers. They will receive appropriate arms and self-help tools. Their radio will provide village-to-tambol communications, including the means to call on RTC security forces for help.

After training and returning to their village, the VSF will organize village protection and efforts to identify CT supporters among their fellow villagers. Concurrently, the VSF will assist the village council to select an improvement project of genuine concern to the villagers which can be accomplished largely through their own self-help efforts (e.g., a well, simple roads and buildings, an agriculture project). The VSF, with village help, will spearhead the activity. When the project surpasses village resources the VSF will guide the village request to specific pre-determined and agreed external assistance from the appropriate RTG technical services (including ARD) at the tambol or amphur level.

The RTG will communicate the location of VSF villages to all RTG ministries. They will be instructed by the Cabinet to give the highest priority to providing complementary technical and logistic services to these same areas (e.g., tambol police stations, CD workers, second class health centers, agriculture extension workers, etc.).

C. MAJOR QUANTITATIVE GOALS

Recruit and train 115 instructors by	30 March
Train 400 VSF by	30 June
Train 4,000 additional VSF by	15 September
Train 1,000 additional VSF by	15 November
Establish 242 village-to-tambol radios by	15 November
Establish 25 tambol police stations in VSF tambols by	15 November
Establish 25 2nd class health centers in VSF tambols by	1 July
Establish 5 Amphur Farmer Groups in 9 VSF amphur by	31 December
Complete construction of a national VSF training center by	1 Feb., 1969

D. TOTAL DOLLAR AND BAHT COSTS (In Thousands)

	<u>FY 67</u>	<u>FY 68</u>	<u>FY 69</u>
Dollars	109	1,500	3,000
Baht-Counterpart	-	6,000	15,000
Baht-Min. Budget	-	28,000	39,000

E. MAJOR COST ELEMENTS (In Thousands of Dollars)

Technicians (40 man/mos.)	86,500
Contract Services (5)	150,000
Participants (14)	30,000
Commodities	<u>(1,227,500)</u>
Arms and Ammo (Carbines (M-1 & 2), SMG)	450,000
Radios (964 FM/1-5s)	313,000
Vehicles (Camp/office-27)	130,000
Select Equipment	50,000
Self-help Commodities	125,000
Assoc. Charges and Shipping	143,000
Other	<u>10,500</u>
	<u><u>1,500,000</u></u>

	(Millions of Dollars)		
	<u>FY 67</u>	<u>FY 68</u>	<u>FY 69</u>
<u>VILLAGE RADIO</u>	0.8	0.9	0.8

A. PURPOSE

The Village Radio System has two objectives: (1) to provide a constant, reliable communications link at the amphur and tambol level between civil government officials and to furnish an "as-needed" means of communication for intelligence reports and calls for assistance to amphur-level police by security forces in the area; and (2) for use by the VSF and the local officials for routine administrative traffic to the tambol civil official and to make routine contact with tambol police stations.

In a broader sense, the objective of this project is to provide the communications necessary to support the RTC's extension of government protection and other services into the rural areas. In addition to serving the administrative needs of local government, the Village Radio System provides better internal security as a warning and information forwarding medium.

B. DESCRIPTION

The focus of this program now becomes the installation of two-way radios down to the village (Muban). The communication links will therefore be extended down from the tambol to the muban in selected areas. The 1,200 sets which will be installed in FY-68 directly under this project, plus about 700 funded from the VSF Project, will provide coverage commensurate with the scheduled rate of VSF and tambol stations expansions.

C. <u>MAJOR QUANTITATIVE GOALS</u>	<u>FY-67</u>	<u>FY-68</u>	<u>FY-69</u>
Tambol, Nai Amphur and Amphur Stations radio equipped, extending down from Amphur to Muban level.	1,125	1,200	1,000
Village Security Force Radios - Muban to tambol level (Funded under VSF Project).	-	704	-
Amphur-to-amphur single sideband communications across changwat boundaries (NE only)	-	35	-

D. TOTAL DOLLAR AND BAHT COSTS (In Thousands)

	<u>FY-67</u>	<u>FY-68</u>	<u>FY-69</u>
Dollars	781	860	800
Baht	2,335	5,135	5,000

E. MAJOR DOLLAR COST ELEMENTS (In Thousands of Dollars)

Technicians	150	30	200
Participants	0	0	0
Commodities	<u>631</u>	<u>830</u>	<u>600</u>
	781	860	800

POLICE AND OTHER

(Millions of Dollars)

FY 67 FY 68 FY 69CIVIL POLICE ADMINISTRATION

17.0 13.3 17.5

A. PURPOSE

The principal target of the communist terrorists are the villagers of rural Thailand, especially in the Northeast. It is these villagers throughout the Kingdom who will ultimately decide the success or failure of the communist threat. If they support the communists with food, supplies, intelligence and recruits the terrorists will be able to expand; if they refuse help, the communists will be weakened greatly.

The RTG must provide the villagers concrete economic and social alternatives which are more attractive than those claimed by the terrorists. The RTG must also provide security so that the villagers have a realistic opportunity to choose to cooperate with the Government. Villagers cannot be expected to support RTG programs if they expect terrorist harassment or assassination. Thus, no economic and social development program -- the RTG alternatives to the communist appeals -- can succeed if the villagers lack adequate protection.

This project is aimed at assisting the RTG in meeting this threat by developing a strong, efficient, counterinsurgency-conscious police force capable of providing internal protection and security for the Kingdom and its people and acting effectively against the Communist insurgents.

Formerly, this project emphasized conventional law enforcement. It is now concentrated specifically on developing an expanded and improved TNPD capability for CI operations in areas of greatest sensitivity, making full use of all available manpower and other resources with primary efforts concentrated on rural security and border control operations; protection of vital facilities, installations and lines of communications; intelligence activities; police management and support activities. As a result, the nature of the requirements and the speed with which they must be met have been altered significantly.

Civil Police Administration (Continued)

The RTG accepts the greater part of the financial burden for counter-insurgency as well as normal law enforcement activities. The counter-insurgency requirement is, however, of such magnitude that if U.S. assistance were not available the TNPD would face two alternatives: other essential police functions -- needed for overall security and order of Thailand -- would have to be curtailed drastically, or the response to the counterinsurgency challenge would be excessively slow and could be inadequate.

The TNPD demonstrates growing understanding of the nature of the insurgency threat and appreciates the extent of the effort required to combat it. The TNPD, long organized, equipped and trained for conventional law enforcement is rapidly accomplishing the transition into a counterinsurgency force. Progress has been gratifying, and there is every reason to expect a continued sharpening focus by the police upon the terrorist threat. USOM's concentration of support upon counterinsurgency helps to encourage and accelerate this process.

While the TNPD is continuing the refocusing toward CI operations, its capacity to expand in size is subject to several limitations including current availabilities of RTG funding and recruit school training capacities. In this regard, it is pointed out that the TNPD recruit training capability has increased from the 1965 level of 2520 men annually to a 1968 target of 12,000 men annually. USOM inputs are about as much as can be utilized effectively. Approximately 85% of the USOM funds allocated to this project in FY 68 are counterinsurgency oriented, i.e., in support of the Provincial Police (PP) and Border Patrol Police (BPP) -- principally vehicles, weapons and ammunition, and communications equipment -- and in support of those other police units (especially Aviation Division, Signal Division, Education Bureau, and Quartermaster) which directly assist and service the needs of the PP and BPP.

B. DESCRIPTION

In order to promote the protection and security which are fundamental to all other RTG and U.S. efforts, USOM assistance will concentrate on providing the TNPD with technical advisory services; modern weapons, equipment and training; greater land, air and inland waterway mobility; and improved communications. Primarily USOM assistance will go to

Civil Police Administration (continued)

the PP and BPP forces serving the sensitive areas of the 25 "security" changwads (provinces) and those backstopping support elements essential to their increased rural security and border control counterinsurgency missions.

Construction and staffing of police tambol stations in security sensitive areas of the country is continuing under high priority. Of the 250 tambol stations planned in FY 66, 240 have been completed and 10 remain under construction. Of the 125 tambol stations planned in FY 67, 14 have been completed (1 was destroyed by fire and will be rebuilt), 31 are under construction, and contracts have been awarded for construction of the remainder. Three hundred and seventy-five tambol stations are included in the FY 68 program and 400 more are planned for FY 69.

Leadership and in-service training will be provided at all levels of the force to improve personnel effectiveness in operations and administration.

C. <u>MAJOR QUANTITATIVE GOALS</u>		<u>FY 67</u>	<u>FY 68</u>	<u>FY 69</u>
Establishment of tambol stations				
(year funded)	(unit)	125	375	400
Recruits trained (actual year)	(man)	3,900	11,500	12,000
			(by 12/68)	(by 12/69)
POL furnished (year funded)	(000)	735	-	1,000
BPP manpower increases	(man)	1,200	1,200	1,200
BPP mobile reserve platoons, mobile line platoons, line platoons formed	(platoon)	32	32	32
PP manpower increase	(man)	1,450	9,425	10,000
Other manpower increases	(man)	100	875	800
PP special action forces	(unit)	14	7	5
Helicopter pilots trained				
(year funded)	(man)	25	24	24
		(in U.S.)	(locally)	(locally)
Helicopter mechanics trained				
(year funded)	(man)	43	25	25
Helicopters, utility, purchased	(unit)	11	-	5
Light stol aircraft purchased		-	2	2
Patrol boats (various sizes)	(unit)	14	13	14
			(6 U.S. - 7 local)	

LIMITED OFFICIAL USE

Civil Police Administration (continued)

D. <u>TOTAL DOLLARS AND BAHT COSTS</u>	(In thousands)		
	<u>FY 67</u>	<u>FY 68</u>	<u>FY 69</u>
Dollars	17,286	13,330	17,525
Baht	101,676	150,000	180,000

E. <u>MAJOR DOLLAR COST ELEMENTS</u>	(In thousands of dollars)		
	<u>FY 67</u>	<u>FY 68</u>	<u>FY 69</u>
Technicians (Direct Hire)	1,197	1,650	2,000
Participants	749	472	500
Commodities	14,585	9,828	13,925
Contract Services	<u>755(a)</u>	<u>1,385(b)</u>	<u>1,100(c)</u>
	17,286	13,335	17,525

(a) airlift and maintenance

(b) airlift and maintenance 815, signal 410, management info system 160

(c) airlift and maintenance 800, signal 300

<u>REMOTE AREA SECURITY (RAS)</u>	(Millions of Dollars)		
	<u>FY 67</u>	<u>FY 68</u>	<u>FY 69</u>
A. <u>PURPOSE</u>	1.4	.4	.4

The growing communist insurgency in Thailand is targeted at the villagers in the rural areas. The Border Patrol Police (BPP) responsibility is to thwart and to counter the communist efforts in the border areas by the creation of a friendly, cooperative, local populace in the hill tribe and border areas, firmly committed to Thailand and willing to support the RTG in identifying, locating and eliminating communist subversives in the border regions.

The Remote Area Security (RAS) program brings the BPP into otherwise isolated villages in the border areas to stimulate positive and rapid improvements in the villagers' living conditions and daily lives, as well as to create improved prospects for future progress. The RAS projects, the BPP's explanations of them, and the relations between the villagers and the BPP are intended to develop within the villager a willingness to risk his life and property for a responsive and helpful government which for him had previously been politically, geographically, and socially distant.

This BPP effort attempts to involve the villager in his own development and to use his latent energies in constructive projects which can be assisted, seen, and appreciated by the villagers as easily identified examples of genuine RTG concern for their well-being. RAS projects, while limited in scope, are directed toward those villages which have the most impact on the local security situation.

The RAS program is the second prong of the BPP effort in that it supports and facilitates its first and primary responsibility to secure the border from external threat and to provide protection to the local population, including searching out and destroying the communist terrorists.

While BPP interest in this project is high, their skills are not equal to the task. Therefore, USOM has undertaken to provide aid which consists primarily of technical advice and assistance in the planning

and implementation of village projects. Commodity inputs from dollar funds are steadily decreasing proportionately to RTC inputs, because the RTC provides the budget to purchase all of the local supplies, materials and labor which are the heart of the RAS program.

Efforts are now underway to transfer the responsibility for increasing portions of this modest program to the appropriate RTC ministries. According to present plans, over the next four years 25 BPP schools per year will be turned over to the Ministry of Interior for complete operation and support. As the Ministry of Public Health becomes capable of expanding its medical services to remote villages, the BPP will phase out its civic action medical program in these areas. These and other Ministries, particularly Agriculture, must be encouraged and influenced to increase their efforts in the remote areas now served only on a limited basis by the willing but limited efforts of the BPP.

B. DESCRIPTION

To achieve the objectives described above, USOM support of this project includes provision of technical advisory services, training (including training of BPP developmental platoons by Seabee teams), and selected commodities. The RAS program directly assists the villager through training BPP personnel and supporting such BPP activities as the following:

Creating hilltribes school "systems", with BPP teachers, books, supplies, uniforms, etc., and conscious displays of the Thai flag, RTC symbols, and Royal Family position and interest.

Providing medical programs by BPP patrols, schoolteachers, hilltribes medical stations, platoon dispensaries, and development platoons.

Developing trading centers and buying/marketing cooperatives for villages formerly dependent upon one or two money lenders and markets.

Constructing basic water supplies: sanitary well, pump, water storage, catch basin.

Building small earthen dams for irrigation or water storage.

Clearing and plowing fields.

Breeding animals for local consumption and cash income.

Developing handicrafts, using unique tribal talents such as metalwork, needlework or pottery for local consumption and cash sales.

C. MAJOR QUANTITATIVE GOALS	FY 67	FY 68	FY 69
Development teams trained (team)	6	3	0
Civic action medics trained (man)	50	100	100
BPP school teachers retrained (man)	400	400	400
Roads pioneered (km)	200	100	0
Children taught (man)	12,000	12,000	14,000
Patients treated (man)	200,000	300,000	400,000
Dispensaries constructed (unit)	7	20	20
Wells dug (unit)	60	100	200
Development centers opened	-	20	20

D. TOTAL DOLLAR AND BAHT COSTS
(In thousands)

Dollar	1,437	380	400
Baht	5,967	12,230	14,000

E. MAJOR DOLLAR COST ELEMENTS (In thousands of dollars)

U.S. technicians (contract)	75	237	305
PASA -SEABEES	400	0	0
Air Services Contract	400	0	0
Commodities	562	137	95
Medicine	(400)	0	0
Radios	(54)	(50)	(40)
Vehicles	(78)	(40)	(40)
Misc.	(24)	(47)	(15)
Participants	6	6	-

(Millions of Dollars)

<u>FY67</u>	<u>FY 68</u>	<u>FY 69</u>
0.3	0.1	0.1

50 KW RADIO TRANSMITTERA. PURPOSE

The 50 KW radio transmitter was established at Sakol Nakorn to cover an area in which Radio Peking, Radio Hanoi and the Voice of the People of Thailand (a clandestine station in Laos) provided the strongest signals in NE Thailand. The station provides a government voice in the critically sensitive Northeast to counter communist propoganda, to inform villagers of government activity on their behalf, and to provide educational services to the people.

B. DESCRIPTION

The transmitter is installed and operating. Our aid may be able to be withdrawn at the end of this year if current progress in training RTG technical and programming staff continues as at present.

C. MAJOR QUANTITATIVE GOALS

Now that the transmitter is installed and in operation, our goal is to transfer title to the RTG as soon as they have sufficient technical and programming competence to carry on its operation without our support. A study is now underway to determine whether we can withdraw in FY68 or need to carry on a while longer, i. e. , into part of FY69.

D. TOTAL DOLLAR AND BAHT COSTS (In Thousands)

Dollars	286	50	50
Baht-Counterpart	700	500	500
Baht-Other	1,082	1,000	1,000

E. MAJOR DOLLAR COST ELEMENTS (In thousands of dollars)

Technicians	216	50	50
POL	50	-	-
Spare Parts	20	-	-
	<u>286</u>	<u>50</u>	<u>50</u>

	(Millions of Dollars)		
	<u>FY 67</u>	<u>FY 68</u>	<u>FY 69</u>
<u>COUNTERINSURGENCY OPERATIONS AND PLANNING CENTER</u>	.0	.250	.250

A. PURPOSE

The purpose of this project is to provide the commodity and advisory assistance necessary to assist the RTG establish a Counterinsurgency Operations and Planning Center at the national level.

The RTG does not presently have a national coordinating civil-police-military planning capability. They have established such facilities at the provincial level, but they are not backstopped with similar capabilities at the national level. We would also use the project to draw closer together those RTG ministries and departments which have key roles in counterinsurgency. The contributions of this project would be increased quantity and quality of information available to CI program planners and operators.

B. DESCRIPTION

We are interested in making the RTG representatives in contact with the villagers and the communist terrorists more effective. That is the relationship we would try to influence through this project.

would be the increased quantity and quality of information available to CI program planners and operators. This information would include a wide variety of important knowledge common to all programs. It would range from up-to-date threat analysis for as small administrative units as possible (tambols) to data on other "friendly representatives" working in the same area.

We do not expect coordinated planning and implementation to improve automatically as a result of the RTG center. It will require people to stimulate this coordination as an integral part of making the project more than an expensive briefing facility. We have in mind having a U.S. contractor on the project devote a good deal of time working with the RTG CI operators, their program planners, the U.S. advisors to these programs and to the Center itself. They will be training in what the center is, what it has to offer, and how these can be effectively applied to the individual CI programs. They must also train these same four

Counterinsurgency Operations and Planning Center (continued)

levels in information in-put, as well as the out-put/ utilization function described above.

The substance of the Operations Center and the information processing system which makes it meaningful must be based on a detailed analysis of the information requirements at several levels. Given the omnipresent character of counterinsurgency operations, the possible requirements for information are almost infinite. It will require a great deal of CI skill, as well as adequate manpower on the part of the contractor to develop these requirements in a "possible" set of priorities.

After an agreed set of information requirements is established, the U.S. contractor would be required to survey the existing information sources and existing systems to see how well these meet the identified needs. Where gaps exist, and we almost instinctively know that these are fathomless, new systems will need to be developed. These new systems could serve the dual purpose of (1) feeding the RTG Operations Center and (2) involving and improving the line/functional ministries, reporting planning and operations - if they were designed by the contractor in the context of present patterns. What should evolve would be a re-structuring of existing reporting and planning. A comprehensive in-put/out-put information system must be designed.

The central physical facility in this project would be a Counterinsurgency Operations and Planning Center available to all RTG and U.S. agencies having responsibilities in the CI field.

Present Thai interest is focused on meeting an immediate need for a better briefing/planning facility. It may be necessary to move on this phase of the project first to generate interest in the more intangible phases of analysis, systems design and interministerial planning/ implementations.

<u>PRODUCTION</u> <u>SPECIAL AGENCIES AND PROGRAMS</u>	(Millions of Dollars)		
	<u>FY 67</u>	<u>FY 68</u>	<u>FY 69</u>
<u>NORTHEAST ECONOMIC DEVELOPMENT PLAN (NEED)</u>	0	3.0	0.0

A. PURPOSE

When the RTG announced its intention to undertake a regional five-year economic development plan for NE Thailand, within the framework of the national five-year plan, we indicated that we were prepared to provide U.S. assistance. Our purpose is to maximize the impact of the plan on social and economic development at the village level. The Plan, with its high level RTG support, provides ... with an opportunity to promote RTG concentration upon production and security in the rural NE and encourage the RTG to assign higher priorities to that region. The facts and requirements determined by the RTG in this process will also help USCM to examine and, if necessary, modify USOM projects in the NE so that U.S. inputs will have the greatest possible impact on the NE villages. The Northeast Economic Development Plan (NEED) will, therefore, affect all USOM projects in the NE. In the process of conducting the program planning on a socio-economic basis, the RTG will attain a greater degree of ministerial coordination. Furthermore, when U.S. assistance terminates, we expect to leave the RTG with a capacity to carry out regional economic planning in other parts of the Kingdom.

The Thai are willing to carry out this task themselves to the extent of their capabilities, but they lack the advanced technical knowledge in planning and systems analysis to carry out an overall coordinated government effort of this nature. The assistance they have requested of us can help them to accomplish the NEED task and thereby promote our own objectives.

B. DESCRIPTION

Initial U.S. support will provide contractual technical services for two years to assist in the formulation, development, and preliminary implementation of the plan. The second phase will consist of the provision of commodities and technical services to support projects to be developed as work on the plan progresses.

Progress on the RTG side has already been rapid. The RTG's Northeast Development Committee, chaired by the Deputy Prime Minister, has established a Northeast Economic Development Sub-Committee to implement the plan. This body, with high-level inter-Ministerial and USOM participation has already met three times to refine the plan's structure. It is now planned to have an overall planning group and five sectoral working groups in the areas of agriculture, manpower, agribusiness, transportation, and water resources. These groups, to which U.S. technical assistance will be provided began meeting in January 1968. In addition, a special sub-committee on local planning, designed to make the plan responsive to village needs, has been meeting regularly and will meet again early in February.

C. MAJOR QUANTITATIVE GOALS

The primary quantitative objective of the plan is the doubling of per capita income in NE Thailand within five years. In this process, a basic social and economic infrastructure will be built up which will sustain the momentum to be developed under the plan. The goals of this infrastructure include: (1) completion of all weather roads to every ARD amphur seat by 1972; (2) construction of service tracks to or within five kilometers of every ARD village by 1972; (3) drilling 6,300 wells by 1972; (4) providing seventh-grade education to every child by 1972; and (5) training 4,500 more rural health workers.

D. <u>TOTAL DOLLARS AND BAHT COSTS</u>	(In thousands)		
	<u>FY 67</u>	<u>FY 68</u>	<u>FY 69</u>
Dollars	0	3,000	6,000
Baht Counterpart	0	2,800	3,000
Baht - Other	0	20,000	40,000

E. <u>MAJOR DOLLAR COST ELEMENTS</u>	(On thousands of dollars)		
	<u>FY 67</u>	<u>FY 68</u>	<u>FY 69</u>
Contract Team	0	1,000	0
Support to Future NEED Projects	0	2,000	6,000
	0	3,000	6,000

	(Millions of Dollars)		
	<u>FY 67</u>	<u>FY 68</u>	<u>FY 69</u>
<u>ACCELERATED RURAL DEVELOPMENT (ARD)</u>	12.0	8.9	9.3

A. PURPOSE

This project was inaugurated by the RTG in FY 64 in order to establish a new Thai agency, the Accelerated Rural Development (ARD) Office, through which resources could be concentrated in the most critical rural areas of the country on road construction, irrigation, agriculture and other widespread needs in the villages. The objective is to demonstrate to the present generation of rural youths and young adults that there is an alternative to poverty.

Chief among the reasons for starting a new project for this purpose were: (1) the need to escape the inhibitions of tradition-bound Bangkok technical ministries if the program were to move ahead rapidly; and (2) the desire to place the new resources directly in the hands of the provincial governors of the affected areas. This expands the Governor's role from that of mere administrator of central government decisions. ARD provides the planning and construction capability required to carry on development activities which respond to the locally-identified needs of each province.

ARD roads have opened hitherto inaccessible areas to motor transport, and thus to markets and vital government services. In addition ARD develops sources of water for people and crops, another critical rural need. It also develops the ability to conceive and execute local plans to meet needs determined locally. A variety of agricultural projects, designed to demonstrate ways by which farmers incomes can be increased are also being carried out.

ARD is related closely to all other projects directed toward improving production in the rural areas. Its own activities span a number of technical areas such as agriculture in all aspects, water resources, highways, health, community development, education, etc. In many respects it serves as an innovator, breaking ground in new areas and developing new approaches to old problems.

Accelerated Rural Development (continued)

The RTG's ability to carry out a project of this magnitude and urgency is limited by inadequate technical expertise and lack of trained manpower; also conceptualization, understanding of and skill in cooperation, coordination, and planning.

The RTG also needs advice in executing a development effort of this scale within a few years. Accordingly, USOM is providing technical advice on the scene in the ARD provinces as well as to the ARD Office in Bangkok. USOM inputs for construction equipment, vehicles, and training of technicians and operators make it possible for the RTG to concentrate personnel and funds effectively upon these activities much more rapidly than would be the case if external resources were not available. ARD and the governors are responding with growing effectiveness, devoting an increasing proportion of attention and resources to village-level activities.

B. DESCRIPTION

This program concentrates on road construction, construction equipment maintenance and repair, engineering backstop services, training of mechanics and operators for heavy construction equipment, water development projects, youth activities, public information and the establishment of an effective mechanism for conducting and coordinating the planning of all rural development projects in the ARD provinces, including the preparation of Annual Changwad Development Plans. U.S. support consists primarily of the provision of commodities and technical advisors.

C. <u>MAJOR QUANTITATIVE GOALS</u>		<u>FY 67</u>	<u>FY 68</u>	<u>FY 69</u>
All-weather Road	(Km)	198	560	900
Dry weather Road (Service Track)	(Km)	395	1,100	1,500
Road Maintenance	(Km)	398	1,300	2,420
Deep Wells	(ea)	0	0	240
Equipment Overhaul	(ea)	60	165	180
Supervisory Training	(man)	30	150	160
Basic Skill Training	(man)	0	175	350
Youth Training	(man)	0	200	400

Accelerated Rural Development (continued)D. TOTAL DOLLARS AND BAHT COSTS (In thousands)

	<u>FY 67</u>	<u>FY 68</u>	<u>FY 69</u>
Dollars	12,052	8,900	9,290
Baht-Counterpart	0	0	0
Baht - Other National Budget	171,000	221,000	616,000

E. MAJOR DOLLAR COST ELEMENTS (In thousands of dollars)

	<u>FY 67</u>	<u>FY 68</u>	<u>FY 69</u>
DH Technicians	793	1,200(48)	1,450(58)
Contract Technicians	594	1,790(69)	1,820(73)
Participants	28	140(85)	150
Commodities	10,807	5,770	5,870

<u>MOBILE DEVELOPMENT UNITS (MDU)</u>	(Millions of Dollars)		
	<u>FY 67</u>	<u>FY 68</u>	<u>FY 69</u>
A. <u>PURPOSE</u>	0.8	0.6	0.7

The Mobile Development Units (MDU) program brings a government presence into specific remote areas previously neglected in large measure by all agencies. It mobilizes the technical personnel resources of line ministries around a nucleus of military leadership and coordinates them with the resources of the province to improve the government's image with the villagers by providing essential services. Personnel deployed to MDU's actually reside in strategically selected remote villages.

The program shares common purposes with ARD, Agricultural Development, Community Development, Rural Health, and other projects. MDU road construction in ARD provinces is coordinated through the governors' ARD staffs. The Ministries of Agriculture, Health, National Development (Mineral Resources, Highways, Cooperatives), Interior (DOLA, CD, Public Welfare), and Education are participants in the National Security Command and coordinate policy at the central government level, while their representatives plan programs for an individual MDU at the local level in concert with the provincial staff. Ministry budgets are supplemented in new MDU's by the National Security Command (NSC) using the Prime Minister's Special Operating Fund.

The RTC has been unable to sustain the level of activity USOM regards as necessary in the older MDU operational areas, primarily because of insufficient technical personnel to support the number of MDU's now needed. Launching new operations has necessitated drawing personnel and equipment from the older MDU's.

USOM assistance will help the NSC to expand and expend resources in the older MDU's to maintain a level of activity commensurate with the need. By supplementing NSC's procurement of equipment so that all existing and planned MDU's have a complete set of village project machinery, USOM gives the NSC justification for hiring operators, mechanics, and staff to give every MDU the capability of responding to villager requests on self-help projects. USOM has influenced

the NSC to initiate a pilot project to engage the youth of sensitive areas in creative learning-working-earning programs. DTEC has agreed in principle to provide counterpart support to any new youth projects.

The hardware inputs by USOM have created a demand for increased NSC budget for operation of equipment. The rate of growth of the budget has included the increased demand. USOM's POL support to the MDU's had the effect of freeing baht within the NSC budget to support expansion of youth projects and creation of new MDU's. There has not yet been a demonstrated need for additional machinery over that which has been scheduled for procurement under existing Project Agreements, but such a need may well develop.

B. DESCRIPTION

MDU's carry out psychological (public information, i.e. propaganda films, etc.) operations, civic action and development programs designed to improve the standard of living and gain the cooperation of the people. MDU's provide film showings, medical clinics, agricultural demonstrations; and they construct health centers, midwiferies, and schools among other things. To support MDU field operations a special construction company improves or develops overland roads into new MDU areas. The U.S. is providing construction equipment and technical advisors.

C. <u>MAJOR QUANTITATIVE GOALS</u>	<u>FY67</u>	<u>FY68</u>	<u>FY 69</u>
Operational MDU's (cumulative)	17	20	23
Construction Co. Platoons	3	-	-
Youth Projects	4	8	20
Rural Highways by Constr. Co. -Km	60	80	90
Service Tracks by MDU's -Km	21	100	200

D. TOTAL DOLLAR AND BAHT COSTS (In thousands)

Dollars	783	600	700
Baht-Counterpart	1,310	1,668	2,000
Baht-National Budget	100,000	100,000	200,000

E.	<u>MAJOR DOLLAR COST ELEMENTS</u>	<u>FY 67</u>	<u>FY 68</u>	<u>FY 69</u>
	(In thousands of dollars)			
	Technicians	52	50	50
	Participants	10	10	10
	Commodities	721	540	640
	(POL)	(200)	28	(250)
	(Tractors)	(195)	(122)	(70)
	(Mach & Equip)	(151)	(341)	(290)
	(Vehicles)	(166)	(17)	(30)
	(Miscellaneous)	(9)	(32)	-

LIMITED OFFICIAL USE

	(Millions of Dollars)		
	<u>FY 67</u>	<u>FY 68</u>	<u>FY 69</u>
<u>COMMUNITY DEVELOPMENT (CD)</u>	0.7	0.7	0.7

A. PURPOSE

Villagers in rural Thailand must improve their living conditions in large part by self-help and community effort. To help mobilize and harness local human potential for these efforts they need help in learning the use of group procedures for the analysis of community problems. They also need assistance in planning and implementation of cooperative, self-help, community improvement activities.

Community Development (CD) activities are interrelated with other projects in the Human Potential cluster as well as to many of the projects of the Production cluster, especially NEED, ARD, and Agriculture projects.

The Thais need and have requested our help in training staff to carry out their CD efforts. With this assistance Thais are greatly expanding the number of their staff each year. Our support of CD activities has further value in that it also encourages RTG concentration in the more sensitive rural areas.

B. DESCRIPTION

Stress is placed upon voluntary participation in training sessions in the villages. The primary objective is to develop leaders who have interest, self-confidence, and the know-how to guide their fellow villagers in implementing community solutions to their problems. Training is provided to a minimum of five active leaders per village where there is a CD training program. U.S. support includes U.S. and third country participant training, commodities, and advisory services.

Community Development (continued)

C. <u>MAJOR QUANTITATIVE GOALS</u>	<u>FY 67</u>	<u>FY 68</u>	<u>FY 69</u>
Training for professional staff (No. of people)	1,100	940	900
Training of local leaders (village leaders)	26,000	30,800	35,000
Pre-vocational training centers for youth (pilot)	0	2	5
Area coverage projects established	21	20	20
Baht support for village self-help improvement projects	16 million	17 million	25 million
Number of self-help projects	2,170	3,000	4,500
Technical advisory services (number of technicians)	8	11	11
D. <u>TOTAL DOLLAR AND BAHT COSTS</u>	(In thousands)		
	<u>FY 67</u>	<u>FY 68</u>	<u>FY 69</u>
Dollars	660	710	700
Baht - Counterpart	2,302	4,097	5,000
Baht - National Budget	70,095	74,083	80,000
E. <u>MAJOR COST ELEMENTS</u>	(In thousands of dollars)		
	<u>FY 67</u>	<u>FY 68</u>	<u>FY 69</u>
Technicians	128	275	260
Participants	90	92	90
Commodities	442	350	350
	660	710	700

<u>LABOR INTENSIVE ROAD CONSTRUCTION</u>		(Millions of Dollars)		
<u>LABOR INTENSIVE WATER STORAGE</u>		<u>FY 67</u>	<u>FY 68</u>	<u>FY 69</u>
Roads	0	0.3	0.2	
Water	0	0.05	0.1	

A. PURPOSE

These two new projects are being developed to provide supplemental employment benefits to villagers in the security sensitive NE through labor intensive methods of construction. "Side benefits" will include additional road and water storage capacity, both critical needs in the NE.

These projects are an attempt to supplement the regular programs of the Highway and Irrigation Departments in order to show the villagers, through provision of badly needed supplemental income, that the RTG is interested in their well being. The projects have a direct impact value of great value in the immediate, counterinsurgency context. They do not, of course, substitute for the long range goals of significant economic opportunity for the inhabitants of the Northeast.

B. DESCRIPTION

Road and water storage projects are being identified which can be primarily constructed through labor intensive methods. Dollar funding will consist entirely of commodity procurement such as hand tools, rollers, graders, and trucks.

C. MAJOR QUANTITATIVE GOALS

Villagers employed:
Kms. of road constructed
Tanks, canals constructed:

The targets will depend on the outcome of discussions which are being undertaken with the RTG to determine what funds can be made available for local employment, either through augmentation of the regular budgets of the Highway & Irrigation Departments, or through re-appropriating of funds already available.

D. <u>TOTAL DOLLARS AND BAHT COSTS</u>	(In thousands)		
	<u>FY 67</u>	<u>FY 68</u>	<u>FY 69</u>
Road Construction	0	300	150
Water Storage	0	50	100

Baht UNDETERMINED

E. <u>MAJOR DOLLAR COST ELEMENTS</u>	(In thousands of dollars)		
	<u>FY 67</u>	<u>FY 68</u>	<u>FY 69</u>
Total in commodities	0	350	250

LIMITED OFFICIAL USE

AGRICULTURAL DEVELOPMENT

(Millions of Dollars)

	<u>FY 67</u>	<u>FY 68</u>	<u>FY 69</u>
<u>AGRICULTURAL EXTENSION</u>	0.7	1.0	1.2

A. PURPOSE

Extension is the most acute need of Thai agriculture.

The Thai farmer is willing to adopt new practices but will not do so until he is convinced that the risk of change is worth taking. Government efforts at providing information and demonstrations have been hampered by insufficient numbers of trained extension workers, and the training has been inadequate, particularly for extension workers going into such problem areas as the NE. Furthermore, poor roads and shortages of vehicles makes it difficult to reach the farmer.

ARD has helped to solve these problems. NEED, VSF and other USOM supported projects will also help. The RTG has now taken a significant step within the field of extension itself. It is establishing a unified agricultural extension service bringing together extension employees of the Ministry of Agriculture's various departments, - Rice, Livestock, Fisheries, etc. This will utilize existing resources more efficiently, especially the scarce resources of manpower deployed in the rural areas.

USOM is providing support to this effort, and through this bureaucratic change gives support to a more dynamic and aggressive extension effort, both in terms of agricultural information programs and in the numbers and quality of field personnel.

Our assistance is helping the Thai to reorganize extension, and is especially significant in helping to concentrate resource inputs on the critical geographic areas such as the NE. Furthermore, the U.S. action-oriented philosophy is crucial in encouraging the Thai to carry out large-scale "campaigns" such as pest control. Once their effectiveness is demonstrated the Thai will be expected to carry on the activity by themselves.

Agricultural Extension (continued)**B. DESCRIPTION**

We are assisting the RTG in: (1) improving the administration of extension programs and establishment of a Northeast Extension Office at Tha Phra; (2) planning and developing demonstration programs; (3) training extension workers at all levels; (4) building a firm linkage of research and extension; (5) expanding crop protection activities; (6) expanding the number of 4-H and Home Economics Clubs, and (7) expanding information activities. U.S. assistance consists of participant training, technical advisors, and commodities, including support for a large pest control program.

C. <u>MAJOR QUANTIFIABLE GOALS</u>		<u>FY 67</u>	<u>FY 68</u>	<u>FY 69</u>
Pest & Insect Control in NE	Rai	700,000	1,200,000	1,200,000
Large Farm Demonstration	Ea	93	93	200
Organize New Farmer Clubs	Ea	326	1,692	3,184
Tambol Rice Production				
Demonstration	Ea	18	70	170
Farm Leader Pest Control Training	Ea	18	110	170
Field Crop Demonstration				
1-Rai Plot	Ea	665	665	665
Vegetable Crop Demonstration				
1/4-Rai Plot	Ea	665	665	665
Fruit Tree Demonstration				
1-Rai Plots	Ea	665	665	665

D. <u>TOTAL DOLLAR AND BAHT COSTS</u>	(In thousands)		
	<u>FY 67</u>	<u>FY 68</u>	<u>FY 69</u>
Dollars	686	1,065	1,200
Baht - CP	3,711	10,200	14,000
Baht - Cther	10,000	18,200	22,000

E. <u>MAJOR DOLLAR COST ELEMENTS</u>	(In thousands of dollars)		
	<u>FY67</u>	<u>FY68</u>	<u>FY 69</u>
DH Technicians	45	170	240
Participants	30	75	100
Pest Control Commodities	350	500	500
Extension Program Development			
Commodities (vehicles, busses, trailers, pumps, tractors, etc.)	261	320	360

LIMITED OFFICIAL USE

(Millions of Dollars)

FY 67 FY 68 FY 69AGRICULTURAL CREDIT

0.0

0.1

0

A. PURPOSE

Credit is one of the principal keys to modernization of Thai agriculture. The Thai need to be encouraged to provide low-cost institutional agricultural credit, for both production and marketing, on more flexible terms than have prevailed in Thailand before. To meet this need the advice of a senior level expert who has had experience in countries where rural credit has been used dynamically, - as it has not heretofore in Thailand, has been requested. USOM's contribution will be the provision of the senior advisory services the RTG Bank for Agricultural Credit needs to achieve these aims, with the direct impact of the project targeted at RTG national level institutional policy.

B. DESCRIPTION

The advisor to the Bank for Agricultural Credit will arrive shortly. Discussions re the Credit Union aspect are in an early stage.

C. MAJOR QUANTITATIVE GOALS

Abundant low-cost institutional agricultural production and marketing credit.

D. TOTAL DOLLAR AND BAHT COSTS (In thousands)

	<u>FY 67</u>	<u>FY 68</u>	<u>FY 69</u>
Dollars	0	65	45
Baht	0	116	116

Agricultural Credit (continued)

E. MAJOR DOLLAR COST ELEMENTS	(In thousands of dollars)		
	<u>FY 67</u>	<u>FY 68</u>	<u>FY 69</u>
Technicians	0	0	0
Participants	0	0	15
Commodities	0	0	0
Contract Services	28	65	30

LIMITED OFFICIAL USE

	(Millions of Dollars)		
	<u>FY 67</u>	<u>FY 68</u>	<u>FY 69</u>
<u>SOIL & WATER DEVELOPMENT</u>	0.4	0.4	0.3

A. PURPOSE

Knowledge of soil types as well as techniques of soil and water management, conservation and utilization is an essential first step in improving agricultural productivity in rural Thailand. Effective use of extension information, credit, irrigation and a host of other inputs depends on efficient use of the soil. These basic tools for helping farmers are in extremely short supply.

This project provides services which will enable farmers to appraise the quality of their land and improve it by applying recommended practices for soil and water management, conservation and utilization. The project is, therefore, an important link in the chain of USOM supported agricultural projects which reinforce and increase the value of each of the others to help improve agriculture productivity in the less well developed regions, particularly the Northeast.

B. DESCRIPTION

U.S. support includes participant training, advisory services under PASA with the U.S. Soil Conservation Service, and commodities. Through this assistance we are supporting a Thai program which is helping:

- a. village development committees with technical advice on the development, improvement and protection of their land and water resources;
- b. provide villages with on-site technical services to enable them to develop soil and water conservation plans;
- c. provide villages with on-site technical assistance on those portions of the conservation plan upon which they are ready to take action;
- d. provide training to Land Development Department (LDD) teams, CD workers, AFG leaders and village leaders on how to make use of soil surveys and the soil conservation plans;

B. DESCRIPTION (continued)

e. provide cost-benefit information on value of using land according to its capabilities and treating land according to its needs for sustained high agricultural production, without soil depletion;

f. provide soil survey interpretation data to changwad staffs and to Ministries on all major soils of the North and Northeast; and

g. provide a basic land inventory of soil data and land use that can be utilized for effective planning and development of land and water resources for the Kingdom.

As in other agricultural projects, RTG expenditures exceed USOM inputs by a large margin. The U.S. contribution essentially consists of technical advice.

C. MAJOR QUANTITATIVE GOALS FY 67 FY 68 FY 69

Mobile Soil & Water Conservation Units -
complete village soil & water conservation plans, incl. on-site technical assistance -

No. of NE Villages	50	92	120
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Soil Surveys - complete detailed reconnaissance surveys in ARD area -

No. of NE Changwads	6	6	6
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Soil Interpretation - publish handbook

No. of Changwad Teams at Work	2	3	6
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D. TOTAL DOLLAR AND BAHT COSTS (In thousands)

Dollars	445	390	300
Baht - CP	3,804	12,233	14,000
Baht - Other	N.A.	N.A.	N.A.

E. MAJOR DOLLAR COST ELEMENTS (In thousands of dollars)

U.S. Technicians (PASA)	100	165	165
Participants	172	100	50
Commodities	173	125	85

(Millions of Dollars)

	<u>FY 67</u>	<u>FY 68</u>	<u>FY 69</u>
<u>AGRICULTURAL RESEARCH</u>	0.6	0.7	1.0

A. PURPOSE

The depressed condition of agriculture in NE Thailand is a major cause of its vulnerability to the Communists. For the most part, the problems of agriculture in NE Thailand are peculiar to that region. Therefore, research on new ways to improve agriculture in that region is vital to the success of efforts in extension, credit and other agricultural activities.

The Thais lack the expertise required for the rapid establishment of a wholly new institution which is capable of meeting quickly the needs for applied agricultural research in the NE. To meet this need, USOM is assisting at the RTG's request, in the establishment of a new Regional Agricultural Development Center at Tha Phra. At this Center applied research and agricultural extension will be integrated into a closely related program. Applied research on plants, animals, inland fisheries, forests, soils, etc., will be conducted.

B. DESCRIPTION

U.S. advisory services are provided under contract with the University of Kentucky. Participant training and commodities are also made available.

<u>C. MAJOR QUANTIFIABLE GOALS</u>		<u>FY 67</u>	<u>FY 68</u>	<u>FY 69</u>
Research projects under way	No.	6	10	20
Laboratories equipped	No.	-	4	6
Land prepared for research	Acres	-	50	100
Library vol.	Added	-	500	3,000
Men trained, M.S.	Men	5	10	10
Men trained Ph.D.	Men	-	1	5

LIMITED OFFICIAL USE

Agricultural Research (continued)

D. <u>TOTAL DOLLAR AND BAHT COSTS</u>	(In thousands)		
	<u>FY 67</u>	<u>FY 68</u>	<u>FY 69</u>
Dollars	658	650	1,050
Baht - CP	3,957	5,600	9,000
Baht - Other Nat. Budget	NA	NA	NA

E. <u>MAJOR DOLLAR COST ELEMENTS</u>	(In thousands of dollars)		
	<u>FY 67</u>	<u>FY 68</u>	<u>FY 69</u>
Technicians	170	200	630
Participants	157	170	210
Equipment	331	280	210

	(Millions of Dollars)		
	<u>FY 67</u>	<u>FY 68</u>	<u>FY 69</u>
<u>AMPHUR FARMER GROUPS (AFG)</u>	0.3	0.9	0.8

The objective of this project is to encourage Thai farmers to organize themselves so that they can obtain, through organization and numbers, benefits which would be beyond their reach as individual farmers, for example, the provision of fertilizer and pesticides through the AFG's production credit program. It is also to help farmers develop and assume leadership responsibility, stimulate their initiative, and develop their capabilities of operating AFGs and other local organizations which will increase their production and raise their net incomes.

This project was started by the ARD Office to create business institutions controlled by farmers through which government technical and financial assistance could be channeled. The project is interrelated with the Agricultural Credit Project, which seeks to influence broad RTG credit policies. The project also relates to the aims of the Agricultural Package Program project, which will bring to farmers inputs needed to increase production.

The Thai lack experience with locally-controlled farmer business groupings. They therefore need advice and support to encourage experimentation with a new form of organization. USOM is attempting, through its support of this project, to develop in the elected Boards of Directors of these AFGs a genuine sense of responsibility that would replace the commonly held feeling that they must execute centrally derived instructions from Bangkok - a general weakness of cooperatives and other local organizations in Thailand.

B. DESCRIPTION

We are assisting the RTG in organizing village level farmer clubs into AFGs to bring to farmers: (1) production credit from commercial banks, (2) supplies of agricultural production commodities, (3) facilities for processing and marketing farm products, and (4) custom services such as plowing and water pumping.

Amphur Farmer Groups (Contd)

C.	<u>MAJOR QUANTITATIVE GOALS</u>	<u>FY 67</u>	<u>FY 68</u>	<u>FY 69</u>			
	Establish AFGs	14	14	24			
	Village Farm Clubs Organized into AFGs	280	280	340			
	Members Trained and Supplied with Production Credit, Agricultural Production Commodities, and Marketing Services	11,200	11,200	13,600			
D.	<u>TOTAL DOLLAR & BAHT COSTS</u>	<u>(In Thousands)</u>					
	Dollars	328	920	790			
	Baht - CP	5,400	11,500	11,000			
	Baht - Other - National Budget	2,100	3,500	4,000			
E.	<u>MAJOR DOLLAR COST ELEMENTS</u>	<u>(In Thousands of Dollars)</u>					
		<u>No.</u>	<u>Cost</u>	<u>No.</u>	<u>Cost</u>	<u>No.</u>	<u>Cost</u>
	Contract Technicians	2	67	3	90	4	120
	Vehicles	39	170	80	325	50	217
	Pumps - Irrigation - Each	112	67	320	134	260	116
	Tractors				271		247
	Other equipment				80		30
	Participants		24		20		20

(Millions of Dollars)

<u>FY 67</u>	<u>FY 68</u>	<u>FY 69</u>
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LIVESTOCK DEVELOPMENT

0.0

0.5

0.4

A. PURPOSE

The vulnerability of the farmers in the NE to insurgency is due in part to their very low income. Although livestock is an important source of such income as they have and livestock has great potential for development, it is poor in quality, disease ridden and often only marginally economical, particularly in the remote areas.

One immediate means of uplifting farmers in the threatened rural areas is by decreasing their losses of livestock and poultry through an adequate vaccination program. In the somewhat longer run, the health and quality of their animals can be improved through better breeding and pasture improvements.

This is a new agriculture sub-project, still under negotiation, to provide commodity support to the Ministry of Agriculture's Livestock Department. Such assistance will help it carry out "Production Scale" livestock and poultry vaccination campaigns in the ARD areas. The impact of such a program is great in terms of increasing villagers' income, in that it serves to preserve what already exists.

In this project the U.S. will provide technical assistance and commodity support for breeding and pasture improvement programs. These will promote changes in methods which, although slower to be effected, will also lead to increased income.

This project is most closely related to the Agricultural Extension Project, but will also be closely related to ARD, Community Development and the other USOM supported projects focused on the problems of the villagers in the NE.

The level of input is still under negotiation. The strategy is to get the Thai moving in another element of agricultural development which can contribute significantly to the overall goal of increasing rural income.

LIMITED OFFICIAL USE

Livestock Development (continued)B. DESCRIPTION

Technicians, participants and commodities will be provided for.

C. <u>MAJOR QUANTITATIVE GOALS</u>	<u>FY 67</u>	<u>FY 68</u>	<u>FY 69</u>
"Production-Scale" Vaccination Campaign			
Poultry Vaccinated	-	10 Mil.	10 Mil.
Livestock Vaccinated	-	2 Mil.	2 Mil.
Breeding Stock Improvement Programs	-	18	18
Pasture Improvement Programs	-	18	18

D. <u>TOTAL DOLLAR AND BAHT COSTS</u>	(In thousands)		
	<u>FY 67</u>	<u>FY 68</u>	<u>FY 69</u>
Dollars	-	485	400
Baht - CP	-	1,000	2,000
Baht - Other	-	7,400	7,500

E. <u>MAJOR COST ELEMENTS</u>	(In thousands of dollars)		
	<u>FY 67</u>	<u>FY 68</u>	<u>FY 69</u>
DH Tech.	-	75	75
Participants	-	25	25
Commodities	-	385	300

(Millions of Dollars)

FY 67 FY 68 FY 69

<u>AGRICULTURAL ECONOMICS</u>	0.1	0.2	0.1
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A. PURPOSE

Data on agriculture production, marketing and farm management are inadequate for RTG economic and agriculture planning and decision making. This project assists the Department of Agricultural Economics of the Ministry of Agriculture in the development of institutional approaches to planning and agricultural policy. It is directed at increasing farm production and income. In addition, the project is expected to have an important effect on villagers through farm management demonstrations and through Market Newsletters.

JSCM technical advice is concentrated in this project at the highest levels of the Ministry of Agriculture. NEDB has specifically requested, for national policy planning purposes, the data on agriculture production, marketing and farm management which will be collected in this project.

B. DESCRIPTION

Through this project we are assisting the RTG in developing economic data on farm management, marketing, and production for use in agricultural policy planning and decision making by all groups working with the farmers, particularly in the N.E., e.g., NEED, ARD, NEDB, BCB, all D.G.s in the Ministry of Agriculture.

Another important element will be the production and distribution of "Market Newsletters". Most farmers being functionally illiterate the Newsletters will not be sent to them, but to RTG officials down to the Amphur level who are concerned with rural agricultural problems. They will also be sent to the JSCM supported S.W. radio station for its use. The newsletters will be for them to use as continuous sources of new ideas and information they will pass on to farmers.

Agricultural Economics (continued)C. MAJOR QUANTITATIVE GOALS

Creation of an adequate RTG capability for development of economic data for use in agricultural policy planning and decision making.

Development and demonstration of farm management practices which optimize use of the factors of production, for use through various extension agencies.

Continuing research and analysis of major economic problems of the Northeast region.

Production and distribution of "Market Newsletters".

D. TOTAL DOLLAR AND BAHT COSTS (In thousands)

	<u>FY 67</u>	<u>FY 68</u>	<u>FY 69</u>
Dollars	127	175	140
Baht	1,244	2,890	3,000
Baht - Nat. Budget	3,000	9,000	10,000

E. MAJOR DOLLAR COST ELEMENTS (In thousands of dollars)

	<u>FY 67</u>	<u>FY 68</u>	<u>FY 69</u>
Technicians	77	25	25
Participants	12	25	20
Commodities	43	125	95

(Millions of Dollars)

	<u>FY 67</u>	<u>FY 68</u>	<u>FY 69</u>
<u>FORESTRY DEVELOPMENT</u>	0.0	0.1	0.1

A. PURPOSE

RTG forestry regulations, especially regarding the cutting of trees by villagers, are largely unenforceable and constitute a constant source of irritation to, and often harassment of, villagers. In large part the problem is due to lack of understanding. Information activities need to be conducted in rural areas to discourage needless wastage of forest resources by indiscriminate cutting - which also is destructive of agricultural land. At the same time, some modifications in RTG regulations need to be promoted.

This is a new project still under negotiation. We conceive of it as assisting the Forestry Department in improving its informational activities and also the facilities of its outpost stations to carry out services such as seedling distribution, experimental tree planting and the promotion of lac for export.

B. DESCRIPTION

Advisory services, limited participant training, and a small amount of commodity support is foreseen.

C. <u>MAJOR QUANTITATIVE GOALS</u>	<u>FY 67</u>	<u>FY 68</u>	<u>FY 69</u>
Participants in training	0	2	2 (US)
Seedling propagation centers	0	2	10
Reforestation demonstrations	0	5	25
Demonstration (experimental) plots	0	2	10
Lac production demonstrations	0	0	5

D. <u>TOTAL DOLLAR AND BAHT COSTS</u>	(In thousands)		
	<u>FY 67</u>	<u>FY 68</u>	<u>FY 69</u>
Dollars	0	75	75
Baht - CP	0	400,000	400,000
Baht - Other	NA	NA	NA

LIMITED OFFICIAL USE

Forestry Development (continued)

E. <u>MAJOR DOLLAR COST ELEMENTS</u>	(In thousands of dollars)		
	<u>FY 67</u>	<u>FY 68</u>	<u>FY 69</u>
Direct hire technicians	0	25	25
Participants	0	10	10
Commodities	0	40	40

LIMITED OFFICIAL USE

(Millions of Dollars)

FY 67 FY 68 FY 69AGRICULTURAL PACKAGE PROGRAM (APP) 0.0 0.1 0.3A. PURPOSE

Increasing farm income requires action on a number of fronts, including credit, supply, market development and agricultural extension. The first step is basically that of assessing the needs of farmers for extension information necessary to prepare them to take full advantage of supplies and opportunities provided by the RTC. The next step is to experiment in providing an "optimum balance" of inputs and opportunities in pilot areas.

This project is most closely related to the AFC Project, and would operate in the same areas. But it also bears a very close relation to work in such other projects as the USOM supported Extension and Credit Projects - activities which influence as well as mutually re-inforce each other.

This approach has not been tried in Thailand. Many elements in the RTC wish to move ahead with the project, but they lack the experience, concepts and financial support needed to accomplish this by themselves. USOM can add stimulus and support with dollar commodities and ideas for an approach which has succeeded in the U.S. but is new to the Thai. The ARD office wishes to take the lead in such a demonstration, in cooperation with the Ministry of Agriculture, the Land Development Department and the Community Development Department.

B. DESCRIPTION

This project will assist the RTC in: a. surveying existing situations; b. designing a model amphur agribusiness system to be pilot tested in 56 villages of 8 ARD amphurs in which credit, supply, marketing, and extension can be closely integrated; c. developing the curriculum and training materials needed for the education-training component of the system; and, after the above has been accomplished, d. supervising

LIMITED OFFICIAL USE

the actual training of program instructors, farm leaders, and changwad and amphur officials, as well as assisting in the conduct of the program. Technical advisory services will be supplied by the U.S.

C. MAJOR QUANTITATIVE GOALS FY 67 FY 68 FY 69

Produce-In-depth survey of requirements; -			
develop plan, recommend training		X	
programs; Pilot test system in 8 amphurs			X
(56 villages)			

D. TOTAL DOLLAR AND BAHT COSTS (In Thousands)

Dollars	-	105	300
Baht-Counterpart	-	600	2,000
Baht-Other National Budget	-	-	-

E. MAJOR DOLLAR COST ELEMENTS (In Thousands)

Contract Technicians	-	105	200
Vehicles and Misc.	-	-	100

PRIVATE ENTERPRISE

(Millions of Dollars)

PRIVATE SECTOR DEVELOPMENT

<u>FY 67</u>	<u>FY 68</u>	<u>FY 69</u>
0.2	0.5	1.0

A. PURPOSE

Although the major thrust of our program is and must remain focused on the counter-insurgency threat in the rural Northeast, a robust and expanding economy is essential to the well being of the country. Private Enterprise has a crucial role to play in mobilizing resources, in improving distribution, producing what the farmers need, and providing employment. Government alone simply cannot provide the financial resources essential for a rate of growth which will enable Thailand to correct the conditions of rural poverty now being exploited by the insurgents. The provision of more public services to the countryside is dependent upon an expanding revenue base.

USOM's modest private enterprise program is designed to enhance RTC recognition of the need to promote private investment, both foreign and domestic, and to weld rural and urban areas into a single economic unit. In pursuing these objectives, USOM concentrates its advisory efforts on the Board of Investment, the Ministry of Industry, the National Economic Development Board, and the Industrial Finance Corporation of Thailand.

B. DESCRIPTION

1. To support and increase impact on Thai government agencies responsible for promoting expansion of private industrial and agri-business activity in Thailand.
2. To assist Thai government agencies and private financial institutions to develop a capital market and otherwise facilitate the mobilization of medium and long term capital for industrial development.
3. To attract and assist Thai, U.S. and other firms to invest in business enterprises in Thailand and to administer A. I. D. Investment Guaranty and Investment Survey Programs in Thailand.

LIMITED OFFICIAL USE

4. To provide up to \$150,000 financial assistance on grant basis in FY 68 to defray extraordinary expenses for agriculture extension work incurred by private U.S./Thai consortium undertaking investment in large scale farm development project in Northeast Thailand. (This item, previously included under the IFC/T Loan Project, is contingent upon the successful completion of discussions and negotiations currently being undertaken by EA/CDF and USOM.)

C. TOTAL DOLLAR AND BAHT COSTS FY 67 FY 68 FY 69
(In thousands)

Dollars	223	525	950
Baht	1,273	1,300	1,300

D. MAJOR DOLLAR COST ELEMENTS
(In thousands of dollars)

U.S. Personnel - Direct Hire	119	130	150
Contract	47	195	125
Participants	57	35	60
Agricultural Extension Grant*	0	150	550
Other	0	15	15
	<u>223</u>	<u>525</u>	<u>950</u>

* See paragraph "4" on preceding page.

(Millions of Dollars)
FY 67 FY 68 FY 69

INDUSTRIAL FINANCE CORPORATION OF
THAILAND LOAN (IFC/T)

0 0 2.0

A. PURPOSE

The provision of a low-interest loan to the Industrial Finance Corporation of Thailand (IFC/T) will have a dual purpose:

1. It will channel low-cost capital into productive private investments in Northeast Thailand where there is a shortage of medium and long term investment capital available.

2. Of even greater long range significance, we intend to use this loan to stimulate IFC/T to become more intimately involved in financing projects to the Northeast. Terms of the loan will require IFC/T to aggressively seek out investment opportunities in this neglected area and exploit them. Through implementing these preconditions we anticipate that IFC/T will develop the operational philosophy and machinery to make such a program a part of its regular program.

B. DESCRIPTION

A \$2.0 million SA loan will be made to the IFC/T in FY 69 for relending for high priority industrial or agri-business projects in specified areas of Northeast Thailand. The loan will be at a concessionary rate of interest to enable IFC/T to charge concessionary rates for the sub-loans. Eligibility requirements for sub-loans will be spelled out in the loan agreement. In general, projects must be of a developmental character and have a positive effect on villagers' incomes.

D. TOTAL DOLLAR AND BAHT COSTS (In thousands)

	<u>FY 67</u>	<u>FY 68</u>	<u>FY 69</u>
Dollars	-	-	2,000
Baht			

Dollar funds will be used to cover borrowers' foreign exchange costs. Other IFC/T resources will be used to cover local currency requirements.

LIMITED OFFICIAL USE

<u>DEVELOPMENT OF HUMAN POTENTIAL</u>	<u>(Millions of Dollars)</u>		
	<u>FY 67</u>	<u>FY 68</u>	<u>FY 69</u>
<u>TRAINING</u>			
<u>RURAL TRAINING</u>	1.2	1.7	1.2

A. PURPOSE

This project provides training and other educational opportunities to isolated, functionally-illiterate villagers of the NE in order to give them wider economic opportunities and reduce their vulnerability to Communist appeals. The project is also designed to improve the total manpower base in the NE; consequently, it has a direct relationship with other projects such as ARD, Technical Training for Accelerated Development, and IBRD Vocational Education -- all of which are aimed at developing human potential in the rural areas.

The RTG is making broad and generally effective efforts in education, but educational levels in the countryside remain low, especially in the NE. The RTG needs assistance with technical advice and resources in order to solve these problems within the brief span imposed by insurgency. USOM support is also aimed toward a second objective: influencing long-range educational policies of the RTG. To achieve this long-term objective, USOM provides advisors to assist the RTG in developing sound educational policies for all educational levels.

The strategy for achieving these objectives was outlined in a strategy paper in March 1967. The strategy involves sensitizing the Ministry of Education (MOE) officials to the nature and seriousness of the problems in the NE, spurring them to allocate adequate funds, encouraging meetings and briefings to promote a dialogue between the MOE and other concerned agencies of the RTG, taking key MOE officials to visit the NE, meeting on a regular basis with the Rural Training Committee of the MOE, assisting supervisors in the NE to make systematic trips to remote rural areas, and involving provincial officials in the actual planning of educational programs.

The RTG has focused upon educational deficiencies in the NE and is developing a capability to solve this problem, but without external assistance this would take considerable time, much longer than can safely be contemplated in the face of Communist insurgency. The proposed U.S. assistance for FY 68 is not sufficient to assist the RTG to meet the educational needs of all NE villagers, but it will

enable the RTG to reach significant numbers of Thai in the most sensitive areas. The RTG is devoting more funds to these objectives, and the present level of dollar input will encourage greater RTG concentration.

B. DESCRIPTION

This project has three major sub-activities. One is the Mobile Trade Training Unit (MTTU) program. Each MTTU offers five-month training courses in practical subjects such as sewing and tailoring, barbering, auto mechanics, and radio and television repair. The program has been a striking success. A second component of the project is the Textbook Printing program, which provides basic textbooks for remote rural primary schools. A new feature is "Programmed Learning", which is valuable in schools where teachers are spread thinly and many have low qualifications. The third major sub-activity is the Changwad Educational Development program, which includes in-service training for rural teachers and administrators; assistance in strengthening the educational supervisory units, upper elementary demonstration schools, comprehensive high schools, and amphur technical schools; the promotion of vocational agriculture, industrial arts, and home economics; a program for out-of-school youth and adults at the Thai UNESCO Fundamental Education Center in Ubol; and a radio education program.

C. <u>MAJOR QUANTITATIVE GOALS</u>	<u>FY 67</u>	<u>FY 68</u>	<u>FY 69</u>
Mobile training units in operation	11	12	12
Mobile unit instructors trained	40	106	100
Persons receiving skills training	8,400	12,500	18,000
Textbooks printed	500,000	4,000,000	2,000,000
Demonstration schools established	20	22	30
Consolidated high schools established	1	1	1
Supervisory units upgraded	18	18	18
Teachers receiving in-service training	1,260	1,350	1,500
Amphur schools upgraded	0	8	7

D. TOTAL DOLLAR AND BAHT COSTS (In thousands)

Dollars	1,220	1,695	1,200
Baht - Counterpart	6,000	12,000	12,000

E. MAJOR COST ELEMENTS

	(In thousands of dollars)		
	<u>FY 67</u>	<u>FY 68</u>	<u>FY 69</u>
U.S. Technicians	87	125	175
Contract Services	0	40	40
Participants	253	280	200
Commodities	880	1,250	785
	<hr/>	<hr/>	<hr/>
	1,220	1,695	1,200

(Millions of Dollars)
FY 67 FY 68 FY 69

TECHNICAL TRAINING FOR ACCELERATED
 DEVELOPMENT

1.6 1.4 0.9

A. PURPOSE

This project is fundamental to the whole ARD program, for it is designed to train the number of workers in the construction trades which that program requires. As such, it is a major element in the ARD operation and essential to its success.

The Thai educational system does not produce an adequate supply of engineers or skilled craftsmen. Skilled workers for the construction trades are no exception. The RTG does not have sufficient experience to conduct a training program of the magnitude required by ARD, and U. S. assistance has been requested. Both the MOE and the ARD Office are developing an adequate training capability. Thus within two to four years USOM training support should no longer be required.

The present program is designed to meet the training requirements levied upon it by ARD. However, it also assists the Northeastern Technical Institute (NETI) in training skilled craftsmen for other rural development programs in the NE in addition to those required for the ARD program.

B. DESCRIPTION

The training has centered in and around Korat at the NETI with primary emphasis on training heavy construction operators, mechanics, and engineering aides for ARD. Classroom training will continue at NETI, after which trainees will receive on-the-job training in the provinces. The Philco-Ford contract team presently assists with this classroom training at NETI, while U.S. military personnel are providing training both at NETI and at the changwad level in equipment operation and maintenance.

C. <u>MAJOR QUANTITATIVE GOALS</u>	<u>FY 67</u>	<u>FY 68</u>	<u>FY 69</u>
Persons trained	1,400	1,400	1,400

D. <u>TOTAL DOLLAR AND BAHT COSTS</u>	(In thousands)		
	<u>FY 67</u>	<u>FY 68</u>	<u>FY 69</u>
Dollars	1,611	1,400	900
Baht	15,000	33,000	26,000

E. <u>MAJOR COST ELEMENTS</u>	(In thousands of dollars)		
U.S. Technicians	75	90	75
PASA	225	195	100
Contract Services	758	650	600
Commodities	553	465	125
	<u>1,611</u>	<u>1,400</u>	<u>900</u>

	(Millions of Dollars)		
	<u>FY 67</u>	<u>FY 68</u>	<u>FY 69</u>
<u>ROYAL THAI ARMY (RTA)</u>			
<u>AGRICULTURAL TRAINING</u>	0	0.6	0.4

A. PURPOSE

Most conscripts in the Royal Thai Army (RTA) come from rural areas, and 90 percent of these return to their villages after military service. They have been exposed to new attitudes, but few return with skills which can be applied in their villages.

The objective is to encourage the RTA, with help from the Ministry of Agriculture and the Ministry of Education, to provide agricultural training to RTA conscripts. Once they have been trained and return to the village, they can contribute to increased agricultural productivity and could also play a key role -- as villagers who have had military training -- in voluntary village security. It is anticipated that these veterans will contribute significantly to the new VSF program.

The long and short-range potentials of this program justify the modest USOM support which would be required. Once underway, the RTG should be able to continue the program with little or no U.S. assistance. The proposed financial assistance for FY 68 appears to be adequate for both advisory and commodity assistance.

B. DESCRIPTION

An RTA-wide training program in modern agricultural techniques and related fields will be developed for all conscripts from rural areas. Training will be given during the last months of military service. USOM will provide a contract team to develop the curriculum and teaching materials and to set up a program for training the trainers, who will be RTA non-commissioned officers, or civilians as the RTA may desire.

C. MAJOR QUANTITATIVE GOALS

Provide modern agricultural techniques and related fields of study to all RTG conscripts from rural areas.

D.	<u>TOTAL DOLLAR AND BAHT COSTS</u>	(In thousands)		
		<u>FY 67</u>	<u>FY 68</u>	<u>FY 69</u>
	Dollars	0	550	400
	Baht - Counterpart	0	1,000	1,000
	Baht - National Budget	0	2,000	3,000
E.	<u>MAJOR COST ELEMENTS</u>	(In thousands of dollars)		
	U.S. Technicians	0	400	300
	Commodities	<u>0</u>	<u>150</u>	<u>100</u>
		0	550	400

(Millions of Dollars)

<u>FY 67</u>	<u>FY 68</u>	<u>FY 69</u>
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IBRD VOCATIONAL EDUCATION

0.1

0.5

0.7

A. PURPOSE

The IBRD Vocational Education project grew directly out of a Thai request that USOM support with technical advisory assistance the development of a \$22 million project for the improvement of vocational education in Thailand. The International Bank agreed to a \$6 million loan for the purchase of equipment, and the RTG agreed to provide another \$16 million for buildings and equipment for vocational education development. It was the Bank's strong opinion that the RTG could not handle this project most effectively without foreign advice. The RTG requested the assistance of USOM to provide only the technical advisors. USOM agreed.

B. DESCRIPTION

This project assists the MOE in implementing a \$22 million project for the improvement of vocational education in Thailand. Twenty-five schools will receive primary support, including new and improved facilities and modern equipment. USOM is providing the advisory services of four direct-hire technicians and of two contract teams from California State Polytechnic College and Oklahoma State University.

C. MAJOR QUANTITATIVE GOALSFY 67FY 68FY 69

U.S. advisors provided

7

7

18

Institutions benefitted

25

25

25

Teachers receiving in-service training

449

500

550

Students receiving instruction

8,203

9,000

9,500

Persons receiving participant training

7

8

7

(U.S. financed)

Persons receiving participant training abroad

0

45

51

(RTG financed)

LIMITED OFFICIAL USE

D.	<u>TOTAL DOLLAR AND BAHT COSTS</u>	(In thousands)		
		<u>FY 67</u>	<u>FY 68</u>	<u>FY 69</u>
	Dollars	98	480	700
	Baht	260	1,200	1,500
E.	<u>MAJOR DOLLAR COST ELEMENTS</u>	(In thousands of dollars)		
	U.S. technicians	56	100	100
	Contract services	0	300	515
	Participants	42	80	85
		<hr/>	<hr/>	<hr/>
		98	480	700

(Millions of Dollars)

	<u>FY 67</u>	<u>FY 68</u>	<u>FY 69</u>
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MANPOWER AND EDUCATIONAL
DEVELOPMENT

	0.3	0.1	--
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A. PURPOSE

This project is designed to strengthen the educational planning capacity of the RTG, with the focus being on higher education. The fact that the project resides in the Office of the Prime Minister indicates that it is of high interest to be at that level, and as such, it provides selected bargaining power on occasions. It also contributes to a strengthened educational program at the university level, which is vitally important to overall national development.

B. DESCRIPTION

Through a contract with Michigan State University, U.S. educational advisors are currently working with the National Education Council, the Education Planning Office, and the Thai University Development Commission further to develop the education planning capability of the RTG at all educational levels.

C. MAJOR QUANTITATIVE GOALS

	<u>FY 67</u>	<u>FY 68</u>	<u>FY 69</u>
Persons given participant training	23	14	0

To help develop the educational planning capability of the RTG at all educational levels to the place where no further U.S. assistance will be required.

D. TOTAL DOLLAR AND BAHT COSTS (In thousands)

Dollars	256	75	0
Baht - Counterpart	800	300	0

LIMITED OFFICIAL USE

E. MAJOR DOLLAR COST ELEMENTS	(In thousands of dollars)		
	<u>FY 67</u>	<u>FY 68</u>	<u>FY 69</u>
Contract Services	8	0	0
Participants	132	75	0
Commodities	100	0	0
Direct-Hire	16	0	0
	<hr/>	<hr/>	<hr/>
	256	75	0

LIMITED OFFICIAL USE

(Millions of Dollars)

	<u>FY 67</u>	<u>FY 68</u>	<u>FY 69</u>
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<u>EDUCATIONAL TELEVISION (ETV)</u>	0	0.5	0.6
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A. PURPOSE

This activity is one of several to bring education and instruction in basic skills to NE villagers. It is a new TV pilot-research project to help the RTG determine the wisdom of providing education, vocational, and how-to-do-it television programs to remote rural areas, with the intent of improving villagers' livelihoods and demonstrating RTG interest in their problems. The project will be centered in some of the most security-sensitive areas of Thailand.

Programs on modern agricultural techniques, health education, and numerous other pertinent topics will be developed for showing. In this regard, the new project is closely related to other USOM supported projects for the NE, such as ARD, NEED, VSF, all Agricultural and Health projects, etc.

B. DESCRIPTION

The project is designed to collect precise information on the problems involved in programming, in the distribution and maintenance of sets, and on the requirements of providing villagers with goods and services necessary to put into practice what educational TV programs will advise them to do.

C. MAJOR QUANTITATIVE GOALS

	<u>FY 67</u>	<u>FY 68</u>	<u>FY 69</u>
Relay stations built	0	1	0
TV sets furnished	0	0	100
Provide solutions (and/or answers) to the problems as stated in "B" above.			

D. TOTAL DOLLAR AND BAHT COSTS (In thousands)

Dollar	0	490	600
Baht - Counterpart	0	3,000	4,000

E. <u>MAJOR DOLLAR COST ELEMENTS</u>	(In thousands of dollars)		
	<u>FY 67</u>	<u>FY 68</u>	<u>FY 69</u>
U.S. Technicians	0	150	175
Commodities	0	340	425

LIMITED OFFICIAL USE

(Millions of Dollars)

<u>FY 67</u>	<u>FY 68</u>	<u>FY 69</u>
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FARM SHORT COURSE TRAINING

0	0.1	0.2
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A. PURPOSE

The purpose of this new project is to provide short course training and extension programs for youth in rural areas of the North and NE who have dropped out of school and who normally live and work on farms. Their age ranges from 13 to 20 years. There is currently little or no opportunity for them to learn more modern farming methods by which they can improve their economic situation. Both the need and the urgency of reaching rural youth who are in constant danger of being propagandized by the Communist insurgents are the bases for USOM assisting the RTG in initiating this potentially-beneficial program.

There appears to be great receptivity in the Department of Vocational Education to this project, and it is believed that with minimum USOM assistance over a two-year period that the Department will assume full responsibility for the program, expanding it throughout rural areas.

The proposed magnitude is sufficient only to get the program started but will have to be expanded by the RTG at a later date.

B. DESCRIPTION

The program will be centered in vocational agriculture schools, which will provide administrative and teaching staff, under the direction of the MOE. Specifically, the project will provide short course training for rural youth who are not currently enrolled in a school program, strengthen the extension capability of project schools through the provision of minimum equipment training, provide training to rural youth in their village setting, and assist with the formation of an organization of young farmers who will be associated with the training program to be named "The Young Farmer Development Program".

C.	<u>MAJOR QUANTITATIVE GOALS</u>	<u>FY 67</u>	<u>FY 68</u>	<u>FY 69</u>
	Young Farmer Clubs Established	0	30	60
	Persons Receiving Participant Training	0	51	35
	Youth Receiving Training	0	900	1,500
	Villages Served	0	100	250
D.	<u>TOTAL DOLLAR AND BAHT COSTS</u>		(In Thousands)	
	Dollars	0	100	165
	Baht - Counterpart	0	1,000	1,000
E.	<u>MAJOR COST ELEMENTS</u>		(In Thousands of Dollars)	
	Commodities	0	100	135
	Participants	<u>0</u>	<u>0</u>	<u>30</u>
		0	100	165

(Millions of Dollars)

FY 67 FY 68 FY 69APTITUDE RESEARCH

- 0.1 0.1

A. PURPOSE

This project is important to Thailand, as it is designed to develop a refined testing capability for school and industry use. A refined testing program would contribute greatly to better selection processes, better placement, and better measures of achievement, all considered to be of utmost importance to sound educational development. Such a program would obviously contribute directly to more effective and efficient solutions of the NE educational problems.

The project indirectly relates to other USOM-RTG educational projects in that it will ultimately provide testing for all students entering any one of the project schools or activities and theoretically provide a better basis for program development.

B. DESCRIPTION

Formerly an AID/W (TCR) funded project, this activity is designed to develop a testing unit which will serve various RTG Ministries and non-government agencies. The emphasis is upon developing an aptitude testing capability to serve the needs of the MOE, but it is anticipated that the project will be broadened to serve a wider national purpose.

C. MAJOR QUANTITATIVE GOALS

1. The administration of 23,167 experimental tests to 3,753 students in 30 major testing sessions at 24 different institutions.

2. Preparation and trial of 18 different tests, 6 of them in four different versions.

3. The conducting of a research study with Pratom 7 students to determine the most appropriate form of test administration to obtain suitable prediction tests for selection.

4. The conducting of a research study with Pratom 7 students to determine the effects of different home languages upon aptitude tests performance.

5. A continuing program of test scoring and analysis, leading to rejection of particular tests (three, so far), acceptance of others as operational (six, so far), and the decision to do further work on other tests.

D.	<u>TOTAL DOLLAR AND BAHT COSTS</u>	(In thousands)		
		<u>FY 67</u>	<u>FY 68</u>	<u>FY 69</u>
	Dollars	-	100	100
	Baht - Counterpart	316	468	400
E.	<u>MAJOR DOLLAR COST ELEMENTS</u>	(In thousands of dollars)		
	Contract Services	-	80	80
	Participants	-	20	20
		-	100	100

	(Millions of Dollars)		
	<u>FY 67</u>	<u>FY 68</u>	<u>FY 69</u>
<u>SPECIAL PARTICIPANT PROJECT</u>	0.2	0.1	0.1

A. PURPOSE

Thailand is short of skilled personnel. In order to solve this problem USOM has sponsored a participant training program. Participants have usually been placed under specific projects. However, the Agency does receive requests from various branches of the RTG, and occasionally from the private sector, for training of individuals who do not fit into any one project. This is the reason for the Special Participant Project.

B. DESCRIPTION

This project has only one component - participant training, usually in the U.S. The project was created because USOM had many calls for specialized training for RTG officials who could contribute to Thailand's development and could not be fitted into any on-going project. The project is guided by a bilateral committee which consists of representatives from USOM and DTEC.

C. MAJOR QUANTITATIVE GOALS

The training of at least 25 RTG officials per fiscal year in fields from oyster culture to personnel management.

D. <u>TOTAL DOLLAR AND BAHT COSTS</u>	(In thousands)		
	<u>FY 67</u>	<u>FY 68</u>	<u>FY 69</u>
Dollars	162	100	100
Baht	1,000	600	600

E. MAJOR COST ELEMENTS

Participant training costs (about \$5,000 per man) are the only components of this project.

HEALTH

(Millions of Dollars)

FY 67 FY 68 FY 69RURAL HEALTH

1.2 0.9 0.8

A. PURPOSE

USOM support for RTG health programs has brought about a greater concentration upon the health problems of the sensitive rural areas, and USOM is now seeking further to intensify this concentration.

USOM is helping the RTG to develop improved medical programs focused primarily upon the most sensitive provinces of the NE by expanding the use of Mobile Medical Teams. Support is also being given to improve and expand the permanent health infrastructure so that the regular services of the Ministry of Public Health (MOPH) will eventually assume the responsibility for services now being provided on an emergency basis. Great emphasis is being placed upon training in simple medical care, focused on training health workers for provincial and village level health services. This goal can be reached by training paramedics, retraining health workers such as midwives and sanitarians and by concentrating participant training upon persons who would return to rural areas in the NE upon completion of training abroad. Greater support will be given to family planning activities, which key elements in RTG now recognize as important. The problem of protein deficiencies in the diets of rural villagers will receive increasing attention.

The strategy adapted for implementing these objectives is:

- (1) Fully support present progressive leadership not only at the level of the Under-Secretary of State for Public Health, but also support leadership in the Prime Minister's Office and the University of Medical Sciences, including the School of Public Health, so as to make these leaders who are responsible for all professional level training more responsive to the problems and needs of rural areas.
- (2) Make numerous field trips with Bangkok-based MOPH officials, attempting to improve their awareness of the seriousness of the problems in sensitive areas, and make field trips with Regional and provincial health officials using USOM Rural Health Division field staff for this purpose.

Rural Health (continued)

- (3) Encourage MOPH officials to work closely with, coordinate with, and support ARD, VSF, NEED, and other RTG agencies in the execution of medical programs.
- (4) Assist the MOPH in all ways possible, including ARD and NEED support, to get more funds to expand its operations in sensitive rural areas.
- (5) Work to get Ministry officials to: (a) adopt a "service" rather than an "official" attitude in their relations with villagers; (b) remold concepts based on preventive services to concepts of medical care coupled with preventive services; and (c) influence change in the MOPH organizational structure in order to make health programs more acceptable to villagers.
- (6) Encourage the integration of curative and preventive health services by persuasion, participant training and by creating the mechanisms by which officials of both disciplines can jointly participate in health programs - e. g., mobile medical teams, comprehensive field training areas, and community health research projects.
- (7) Encourage private foundations and other international agencies involved in health activities in Thailand to make full use of their expertise to support our objectives, where practicable.
- (8) Use U.S. -financed commodities and participant training as leverage to encourage the MOPH to embrace the objectives desired by USOM.

The MOPH does not have sufficient funds and lacks the political strength to accomplish all the objectives quickly. It also lacks technical expertise in depth, has little or no control over higher level professional training, is administratively ^{still} weak, and has cultural and traditional problems in communication and coordination.

As a result, continued assistance from USOM is needed until the MOPH reaches an adequate budget level and overcomes these other stated deficiencies. By concentrating on the strategy as outlined above, emphasis on training, and the application of dollar inputs in the critical areas, USOM can promote and accelerate the accomplishment of these objectives.

Rural Health (continued)

The Rural Health project in particular is designed to assist the RTG MCPH in improving and expanding basic health services to villagers. It is in direct support of the RTG second Five Year Plan, which stipulates that 86 per cent of the health budget will be expended in rural areas. The MOPH is committed, as is USOM, to support specific program activities aimed at villagers in sensitive areas of the NE, North and South. This project reinforces and accelerates MOPH efforts to provide the right kind of facilities, material, and manpower to counteract insurgent activity.

B. DESCRIPTION

The objectives are pursued through the development of a well-integrated health program for rural areas. Support for specific activities includes in-country training for health workers, sanitarians, nurses, and midwives; basic commodity assistance for improving rural health services; and participant training abroad for selected RTG personnel. Also included is the development of action by Thai villagers to promote their own health through organized efforts to bring about community participation for health improvements.

C. <u>MAJOR QUANTITATIVE GOALS</u>	<u>FY 67</u>	<u>FY 68</u>	<u>FY 69</u>
Mobile health education units fielded	3	6	6
Health centers supplied with drugs	1,200	1,200	1,200
Midwifery training centers equipped	1	1	1
Tuberculosis centers equipped	2	1	1
Sanitarian training schools equipped	3	0	0
Dental hygiene clinics equipped	25	25	25
Hospitals equipped	3	15	15
Participants trained	59	55	40
RTG health personnel trained	1,675	1,500	1,500

D. <u>TOTAL DOLLAR AND BAHT COSTS</u>	(In thousands)		
	<u>FY 67</u>	<u>FY 68</u>	<u>FY 69</u>
Dollars	1,150	900	800
Baht - Counterpart	7,000	10,000	10,000

LIMITED OFFICIAL USE

Rural Health (continued)E. MAJOR COST ELEMENTS

	(In thousands of dollars)		
	<u>FY 67</u>	<u>FY 68</u>	<u>FY 69</u>
U. S. technicians	247	215	200
Participants	286	185	150
Commodities	<u>617</u>	<u>500</u>	<u>450</u>
	1,150	900	800

	(Millions of Dollars)		
	<u>FY 67</u>	<u>FY 68</u>	<u>FY 69</u>
<u>MOBILE MEDICAL TEAMS</u>	0.5	0.8	0.6

A. PURPOSE (See the Rural Health Strategy Statement)

This is a short-range impact project to assist the RTG in providing medical services to remote rural areas. Concentrated in the sensitive-security provinces of the North and NE, the Mobile Medical Teams demonstrate the RTG's interest in the people's welfare and reduce vulnerabilities to insurgency.

B. DESCRIPTION

These special teams provide basic medical care and preventive services to remote areas not yet adequately covered by permanent health facilities. Teams of Thai doctors and nurses serve one month or more on rotational tours at rural health centers and on rural medical teams. Paramedics serve with the teams on a permanent basis. U.S. medical technicians help provide logistical support, while U.S. medics are temporarily assigned to selected health centers at the amphur level in especially sensitive areas to assist in training paramedics and other team members and to provide other services which support the overall operation.

The ARD Office and the MOPH cooperate in the joint planning and implementation of the project.

C. <u>MAJOR QUANTITATIVE GOALS</u>	<u>FY 67</u>	<u>FY 68</u>	<u>FY 69</u>
Teams fielded	27	56	56
Villages served	1,500	4,000	4,000
Patients treated	2,000,000	3,000,000	3,500,000
Paramedics trained	500	608	500
Hospitals equipped	3	0	0
Wells dug	40	30	30
Privies installed	201	250	250

Mobile Medical Teams(continued)

D. <u>TOTAL DOLLAR AND BAHT COSTS</u>	(In thousands)		
	<u>FY 67</u>	<u>FY 68</u>	<u>FY 69</u>
Dollar	450	800	600
Baht - Counterpart	380	700	800
Baht - National Budget (ARD)	47,000	50,000	50,000

E. <u>MAJOR COST ELEMENTS</u>	(In thousands of dollars)		
	<u>FY 67</u>	<u>FY 68</u>	<u>FY 69</u>
U.S. Technicians	125	300	300
Commodities	325	500	300

	(Millions of Dollars)		
	<u>FY 67</u>	<u>FY 68</u>	<u>FY 69</u>
<u>FAMILY HEALTH</u>	-	0.5	1.0

A. PURPOSE

Thailand's population growth rate, 3.3 per cent per year, is one of the highest in the world. Thailand is not now experiencing acute problems as a result of this high rate, but it will undoubtedly encounter problems soon if the birthrate is not lowered.

Areas of low income and high birthrate generate pressures and dissatisfactions which increase vulnerabilities and invite insurgency. Realizing this, the Ministry of Public Health, with the support of USOM and private and international organizations, has embarked on a three-year project of research and services to reduce the population growth trend of Thailand by integrating this family health service with maternal and child health.

Some high level Thai leaders still oppose such a program, inhibiting large-scale RTG funding. The present project is designed to operate through existing health facilities as a family health service with limited publicity and low RTG budget expenditures. USOM has agreed to assist with selected commodities, including 500,000 cycles of birth control pills. The MOPH's acceptance of a program of this scale represents a significant advance.

B. DESCRIPTION

During the first year emphasis will be placed upon the training of health personnel and the development of infrastructure and organization. Provincial hospitals and health centers at Changwad, Amphur and Tambol levels will be equipped to provide a variety of family health services, and advice and administration of the pill will be extended down to the village level through midwifery stations. These family health services will be offered in 16 sensitive provinces in FY 68 and will be extended to 15 additional provinces in FY 69.

Family Health (continued)

C. <u>MAJOR QUANTITATIVE GOALS</u>	<u>FY 67</u>	<u>FY 68</u>	<u>FY 69</u>
Physicians trained	15	100	100
Nurses trained	0	120	150
Midwives trained	0	700	700
IUD clinics established	40	94	95
Oral contraceptives provided (cycles)	0	500,000	1,200,000
Women served	0	50,000	120,000
Persons receiving participant training	0	33	40
Number of provinces served	0	16	15

D. <u>TOTAL DOLLARS AND BAHT COSTS</u>	<u>(In thousands)</u>		
	<u>FY 67</u>	<u>FY 68</u>	<u>FY 69</u>
Dollars	0	450	700
Baht	0	450	700

E. <u>MAJOR COST ELEMENTS</u>	<u>(In thousands of dollars)</u>		
	<u>FY 67</u>	<u>FY 68</u>	<u>FY 69</u>
U.S. technicians	0	9	25
Participants	0	24	30
Commodities	0	417	645
	0	450	700

	(Millions of Dollars)		
	<u>FY 67</u>	<u>FY 68</u>	<u>FY 69</u>
<u>MALARIA ERADICATION</u>	2.6	2.6	2.6

A. PURPOSE

As recently as 1951, when malaria control activities began, malaria ranked first as the cause of death and illness. It is predominantly a disease of rural areas and has in the past been a major factor in inhibiting rural development and the opening of new land for settlement. So long as malaria exists, it remains a potential threat to health and continuing development, as well as posing a hazard to the nation's security forces.

Since 1951, the RTG and U.S. assistance to the extent of approximately \$21,000,000 (in baht) and \$13,000,000 respectively have reduced malaria incidence tenfold to a rank of tenth as a cause of death and morbidity.

In 1963, the RTG, USAID and World Health Organization embarked on a full eradication program, with implementation beginning in 1965. Under its phased and time-limited program, U.S. assistance would diminish after a peak in 1967-1968 and phase out in 1972. The discovery of some areas previously considered non-malarious, the rising costs of DDT and of labor and other operating expenses, and certain areas of continuing transmission despite usual measures have led to some increase in the projection for funds and an estimate that U.S. assistance will be required into FY 1973.

Continuing U.S. technical and commodity assistance is required because of insufficient MOPH technical and financial resources to carry out such a large-scale, time-limited program. Aside from the benefits to health and rural development to be achieved by eradication it is considered more economical and appropriate in the long run than a continuing, open-ended control program where the focus is primarily urban.

Additional fringe benefits from the project are the large cadre of health workers who are being trained and the strengthening of the health infrastructure in the rural areas.

Malaria Eradication(continued)**B. DESCRIPTION**

The USOM objective is to provide technical and commodity assistance to the RTG MOPH to eliminate malaria from Thailand to the point where its own public health services will be able to contain its threat and achieve eradication. Primary activities of the project include DDT residual house spraying and surveillance (case finding, treatment and other measures) accompanied by technical surveys, technical training, and health education.

Probably no other USOM supported program has such a direct impact upon so many Thai in the rural areas. During FY 1968, for example, the project will reach into 38,000 of 42,000 villages in Thailand with a population of 24,000,000 out of a national population of 32,000,000. Each dwelling in these villages is sprayed once or twice a year and/or visited by a malaria surveillance worker each month, depending upon the particular phase of the area in which it is located.

A special research program is being instituted in FY 68 for investigation of the technical factors in the process of continuing transmission and to develop appropriate remedial measures.

C. <u>MAJOR QUANTITATIVE GOALS</u>	<u>FY 67</u>	<u>FY 68</u>	<u>FY 69</u>
Villages served	38,000	38,000	38,000
Houses sprayed and/or surveillance in villages served	All	All	All
Persons directly affected	23,000,000	29,000,000	30,000,000
Malaria workers trained	7,000	10,000	11,000

D. <u>TOTAL DOLLAR AND BAHT COSTS</u>	(In thousands)		
	<u>FY 67</u>	<u>FY 68</u>	<u>FY 69</u>
Dollars	2,600	2,600	2,600
Baht Counterpart	82,500	85,000	83,000

Malaria Eradication (continued)

E. <u>MAJOR DOLLAR COST ELEMENTS</u>	(In thousands of dollars)		
	<u>FY 67</u>	<u>FY 68</u>	<u>FY 69</u>
U.S. Technicians	135	400	400
Participants	4	10	10
Commodities	2,461	2,190	2,190

	(Millions of Dollars)		
	<u>FY 67</u>	<u>FY 68</u>	<u>FY 69</u>
<u>CHIENGMAI MEDICAL SCHOOL</u>	0.5	0.1	0.4

A. PURPOSE

Over a decade ago, USOM agreed to assist the RTG to develop and strengthen the Faculty of Medicine of Chieng Mai University into a modern medical school, capable of providing basic medical training oriented to serving the medical needs of rural Thailand and emphasizing preventive medicine and community health services. With only one doctor for every 25 to 50,000 people in the north and NE, the need for doctors oriented to the needs of integrated health services in rural areas is especially acute.

Agreement has been reached that by August 1970, the Faculty of Medicine will have attained sufficient strength in the basic and clinical sciences to warrant termination of the University of Illinois contract. Further assistance and technical guidance in the fields of public health and community health services may be required in order to qualify and orient doctor and nurse graduates for service in rural areas of the country. USOM's direct support beyond 1970 would be based on continuous evaluation of the usefulness and need of such support in view of overall Mission policies and priorities.

Training to date has been traditional medical graduate education in the basic and clinical sciences. After five years of such advisory assistance the institution is capable of graduating approximately 50 doctors and 50 nurses annually. Emphasis is now being also placed upon training of the student in provision of community health services through classroom instruction and field experience. A rural training and demonstration area is being developed near Chieng Mai which will incorporate the integration of curative and preventive medicine and expose the student to rural health problems.

Chiang Mai Medical School (continued)**B. DESCRIPTION**

Through a contract with the University of Illinois, USOM provides technical assistance to the Medical School of Chiangmai University for upgrading the institution. After five years of such advisory assistance, the institution is capable of graduating ^{approximately} 50 doctors and 50 nurses annually.

U.S. supervisory assistance only is provided for the construction of the new Chiangmai Hospital.

C. <u>MAJOR QUANTITATIVE GOALS</u>	<u>FY 67</u>	<u>FY 68</u>	<u>FY 69</u>
Doctors graduated	50	50	50
Nurses graduated	50	50	50
Stories of new hospital completed	0	3	4

D. <u>TOTAL DOLLAR AND BAHT COSTS</u>	(In thousands)		
	<u>FY 67</u>	<u>FY 68</u>	<u>FY 69</u>
Dollars	458	80	350
Baht - Counterpart	2,600	18,600	2,400
Baht - National Budget	-	15,000	-

E. <u>MAJOR DOLLAR COST ELEMENTS</u>	(In thousands of dollars)		
	<u>FY 67</u>	<u>FY 68</u>	<u>FY 69</u>
Direct hire	3	-	-
Contract services	400	35	310
Participants	40	30	40
PASA	15	15	-
	<u>458</u>	<u>80</u>	<u>350</u>

(Millions of Dollars)

FY 67 FY 68 FY 69

	<u>FY 67</u>	<u>FY 68</u>	<u>FY 69</u>
<u>PROTEIN FOOD DEVELOPMENT</u>	0	0.1	0.1

A. PURPOSE

This is a new project to assist the RTG in upgrading its nutrition program through the MCPH and in developing a family of high protein food supplements from indigenous food sources. Although Thailand is a major rice producer, the diets of most Thai villagers, particularly in the North and NE, are deficient in protein. In the rural areas 84 per cent of the total calories in the villagers' diet is derived from rice. Nutritional anemia and avitaminosis A, B, and B₂ are common throughout most of the NE. The most vulnerable groups are pregnant and lactating women and infants. Protein malnutrition causes impaired physical and mental development of the children and limits the productivity and drive of the adult villagers.

The RTG has made little progress, thus far, in correcting this situation, both because of apathy on the part of public officials and innate educational, cultural and economic problems involved. The RTG also has very limited human capability in food technology. In 1967, however, the Prime Minister sponsored a First National Seminar on Food and Nutrition to stimulate a concerted effort and national planning in this field. The conference identified protein-malnutrition as one of the most important health problems of the countryside and urged that a multi-Ministry effort be aimed at the problem. With USOM assistance, the RTG has determined to try to correct this situation. The development testing and increased use of new high protein foods is also a priority goal of AID/W in executing U.S. commitment to the world-wide War on Hunger.

B. DESCRIPTION

One direct-hire USOM advisor will be provided to the MCPH and an AID/W financed high-protein research project is anticipated.

Protein Food Development (continued)C. MAJOR QUANTITATIVE GOALS

Over a two-year period:

- (1) An evaluation of nutritional deficiencies and coordination of program development.
- (2) The establishment of adequate research and development facilities in food technology in Thailand.
- (3) The development of a family of inexpensive high-protein foods to correct protein malnutrition, particularly in pre-school children.
- (4) Field testing of prototype food supplements in villages for acceptability and nutritional value.
- (5) Obtaining the interest of private industry in the production and marketing of acceptable food products on a commercial basis.

D. TOTAL DOLLAR AND BAHT COSTS (In thousands)

	<u>FY 67</u>	<u>FY 68</u>	<u>FY 69</u>
Dollars	0	70	100
Baht	0	500	500

E. MAJOR COST ELEMENTS (In thousands of dollars)

	<u>FY 67</u>	<u>FY 68</u>	<u>FY 69</u>
Direct Hire	0	15	25
Commodities	0	55	60
Participants	<u>0</u>	<u>0</u>	<u>15</u>
	0	70	100

	(Millions of Dollars)		
	<u>FY 67</u>	<u>FY 68</u>	<u>FY 69</u>
<u>POTABLE WATER</u>	0.5	0.4	0.7

A. PURPOSE

Water development is one of the most important needs of the Northeast villager. One aspect of the total problem is potable water which can have a major impact on the general health of rural communities in an area where over ninety per cent of the population has water-borne intestinal parasites.

USOM is assisting the Ministry of Public Health to develop a potable water program in the 19 sensitive ARD provinces through the construction of systems in 660 communities. Concentrating the MCPH's efforts in the ARD provinces over the project's five-year period will provide a direct impact on approximately 1.8 million villagers in the insurgent-threatened area. Although the RTG and AID bear the majority of the capital costs, active villager participation is required, both through a token contribution (8 - 15%) of the capital costs, and through village organization to raise funds on a continuing basis to operate and maintain the system. Each community system is an excellent example of Government-village cooperation.

The MCPH also has an ambitious plan for a national rural community water program which is already in operation with limited resources. This ARD oriented project will greatly enhance the Ministry's ability to carry forward its overall program.

B. DESCRIPTION

The project contractor has developed standard designs for potable water systems of various sizes, and systems are being constructed at an increasing rate. Emphasis is being placed on villager interest as shown by willingness for self-help. (In addition to contributing to the original cost, the villagers are expected to bear all operating and replacement costs). Both participants and in-service training are helping to develop the capability of the RTG engineers. Village plant operators are being trained to run the completed systems.

C. <u>MAJOR QUANTITATIVE GOALS</u>	<u>FY 67</u>	<u>FY 68</u>	<u>FY 69</u>
Treatment plants constructed	16	80	100
Elevated tanks constructed	18	85	100
Distribution systems	3	77	95
Villagers served (cumulative)	38,000	280,000	700,000
Systems operator trained	0	90	150

D. <u>TOTAL DOLLAR AND BAHT</u>	(In thousands)		
	<u>FY 67</u>	<u>FY 68</u>	<u>FY 69</u>
Dollar	616	390	700
Baht - Counterpart	7,142	15,000	15,000
Baht - MOPH	11,500	8,000	15,000

E. <u>MAJOR COST ELEMENTS</u>	(In thousands of dollars)		
	<u>FY 67</u>	<u>FY 68</u>	<u>FY 69</u>
U.S. Direct Hire	21	25	25
FASA	22	25	25
Participants	23	20	40
Contract services	-	160	300
Commodities	550	160	310

LOCAL GOVERNMENT AND BACKUP

(Millions of Dollars)

LOCAL GOVERNMENT IN-SERVICETRAININGFY 67 FY 68 FY 69

0.1 0.2 0.3

A. PURPOSE

Traditionally the RTG has been less concerned with the remote rural areas. The major interests of the central government have been the enforcement of government decrees, laws, and regulations throughout the Kingdom. Until recently, there has been little effort to determine local attitudes or needs. The population has long accepted this traditional approach, but now villagers are beginning to expect better performance and more service from the government.

The insurgents call attention to the discrepancies and inadequacies which had not greatly disturbed villagers. Recently, however, the government has become more aware of the need to improve its image and its relationship with the people.

The Local Government In-Service Training project is playing a role in changing traditional, paternalistic attitudes among government officials. The project was originally created at the request of the RTG to establish and develop a departmental in-service training capability by which to infuse modern management and administrative concepts into the administrative corps of the RTG within the Department of Local Administration (DOLA) and at all levels of field administration. Subsequently, this purpose was broadened to include the development of training methods and techniques by which to bring about a rapport between the central government personnel and the villagers and to develop self-governing capabilities within the villages. This latter purpose makes a marked contribution to the overall counter-insurgency effort.

The project has endeavored to create a training corps first through intensive in-service training and from a long-range viewpoint by providing U.S. training to selected staff members.

The project has a direct relation to the Local Government Administration and CD projects and indirectly to other projects with training

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components. Various individuals associated with the project, both on the Thai and American sides, have made regular and heavy inputs into the planning for the new VSF program.

B. DESCRIPTION

The project covers a spate of quality training programs such as the Developing Democracy Program (DDP) and the course for new Nai Amphur at the Nai Amphur Academy. Training programs are aimed at countering insurgency by upgrading the responsiveness of government officials to the people. The importance of government-villager relationships is emphasized and related to new and better skills. The learning goal of each program is a demonstratable change in behavior. Through DDP the villagers are brought into active participation in their own affairs and given proof of government interest in them. Through these means a positive counter to insurgency is built.

C. MAJOR QUANTITATIVE GOALS FY 67 FY 68 FY 69

Persons receiving participant training	50	69	65
Tambols receiving developing democracy program (DDP) training	141	200	200
Persons receiving local training	4,230	6,000	6,000

D. TOTAL DOLLAR AND BAHT COSTS (In thousands)

Dollars	126	225	275
Baht - Counterpart	4,855	6,000	4,000

E. MAJOR DOLLAR COST ELEMENTS (In thousands of dollars)

U.S. Technicians	28	33	35
Participants	58	114	115
Commodities	40	78	125
	<u>126</u>	<u>225</u>	<u>275</u>

	(Millions of Dollars)		
	<u>FY 67</u>	<u>FY 68</u>	<u>FY 69</u>
LOCAL GOVERNMENT ADMINISTRATION	0.3	0.2	0.2

A. PURPOSE

This project, like the Local Government In-Service Training project, strives to improve local government services throughout the Kingdom, and in this manner does make a contribution to the overall counter-insurgency effort. The project was initiated originally at the request of the Ministry of Interior for USOM to provide a general organization and methods advisor for two purposes: (1) to act as management advisor for the Deputy Under Secretary and to the Director General of the DOLA to enable both officials to review and to revise ministerial management and organization and to extend such review and revisions to the field operations; and (2) to establish a division within DOLA to provide management services. Neither of these functions existed prior to the request and although an Institution of Public Administration had been established to provide academic training in the field of political science and administrative management, sufficient personnel was difficult to obtain; and the government lacked adequate guidelines for the effective utilization of such personnel which were available.

The project now assists the DOLA primarily, but other departments in the Ministry of Interior as well, in improving the government's capability to administer counter-insurgency and regular government programs, including national, provincial and municipal elections, at the provincial and local levels to deal with local governmental needs as well as those involved in expanding economic and social development. It also seeks to strengthen governing bodies at the provincial and local levels.

B. DESCRIPTION

Advisory assistance is provided to the DOLA in establishing and/or improving government capability at the provincial and rural levels to facilitate the initiation and conduct of developmental work in the rural areas in response to the needs of villagers. To this end, the project has reviewed the organization and functions of the amphurs and changwads throughout the Kingdom and has provided the Depart-

ment with detailed recommendations which call for simplification of administrative and financial activities, for the improvement of personnel administration, and for the creation of new organization elements intended to deal particularly with the development activities, the involvement of villages in local government, and the discharge of self-protection responsibilities at the village level. The implementation of these recommendations is the next major target of the project.

C.	<u>MAJOR QUANTITATIVE GOALS</u>	<u>FY 67</u>	<u>FY 68</u>	<u>FY 69</u>
	Persons receiving participant training	64	52	50
D.	<u>TOTAL DOLLAR AND BAHT COSTS</u> (In thousands)			
	Dollars	319	250	250
	Baht - Counterpart	825	800	800
E.	<u>MAJOR DOLLAR COST ELEMENTS</u> (In thousands of dollars)			
	U.S. Technicians	28	35	45
	Participants	97	75	75
	Commodities	194	140	130
		<u>319</u>	<u>250</u>	<u>250</u>

	(Millions of Dollars)		
	<u>FY 67</u>	<u>FY 68</u>	<u>FY 69</u>
<u>CIVIL SERVICE DEVELOPMENT</u>	0.2	0	0.2

A. PURPOSE

Upon request of the RTG, USOM has provided since 1962 technical advisory services to enable the updating and modernization of the Civil Service Commission. In particular, the RTG wished to revise its personnel classification system, to undertake modern personnel management, and to establish a basis for reviewing the payment of allowances and retirement procedures.

As presently conceived, this project is designed to improve the operation of the Thai Civil Service Commission as the central government personnel agency with responsibility for formulating and controlling personnel policies, procedures, and standards. It seeks to upgrade the Commission by means of better selection and placement processes; equitable compensation practices, and improved manpower utilization; to install personnel techniques and procedures which facilitate efficient organization planning, budgeting, and work management; to open up the civil service to the general population on the basis of merit; and to place the focus and rewards of government service on job performance. The project especially concentrates on accomplishing the above goals in the sensitive-security areas.

Another important objective of the project is to explore with the Thai Civil Service Commission the possibility of modifying certain government employment regulations for personnel to be used in sensitive areas in Thailand. Of particular interest is the lowering of educational qualifications for certain personnel and in securing hardship and hazardous duty pay and other incentives for persons serving in the NE. We seek to modify those regulations which currently impede recruitment and to create new ones which would help attract competent individuals to the area. Members of the project are investigating specific regulations to be recommended and changed, as well as new ones to be adopted. In this respect, the project could possibly have an impact on a number of projects which concentrate in the NE.

Civil Service Development (continued)**B. DESCRIPTION**

Through a contract with the California State Personnel Board the project will complete a survey of positions in the special, first, second and third grades in all of the ministries and departments prior to June 1968. At that time, the results of the survey will be reviewed with the Prime Minister and Council of Ministers, and subject to their approval the institution of a classification system will commence. First emphasis will be given to those ministries concerned with development activities in NE Thailand. At the same time, a survey of positions in the fourth grade will be undertaken; and tests and techniques for testing will be introduced into the personnel administration system for the selection and placement of employees. It is also expected that the existing Civil Service Law will be revised and presented for legislative approval sometime during 1968.

C. MAJOR QUANTITATIVE GOALS

	<u>FY 67</u>	<u>FY 68</u>	<u>FY 69</u>
Persons receiving participant training	6	8	8

Better selection and placement processes
 Equitable compensation practices
 Improved manpower utilization
 Installation of personnel techniques and procedures which facilitate efficient organization planning, budgeting and work management
 Opening of the Civil Service to the general population on the basis of merit
 Placement of the focus and rewards of government service on job performance

(Concentration of these accomplishments is in the sensitive-security areas)

D. <u>TOTAL DOLLAR AND BAHT COSTS</u>	(In thousands)		
	<u>FY 67</u>	<u>FY 68</u>	<u>FY 69</u>
Dollars	201	45	210
Baht - Counterpart	687	990	1,000

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Civil Service Development (continued)

E. <u>MAJOR COST ELEMENTS</u>	(In thousands of dollars)		
	<u>FY 67</u>	<u>FY 68</u>	<u>FY 69</u>
Contract services	183	0	165
Participants	<u>18</u>	<u>45</u>	<u>45</u>
	201	45	210

(Millions of Dollars)
FY 67 FY 68 FY 69

LABOR DEPARTMENT ADMINISTRATION 0.1 0.1 0.1

A. PURPOSE

This project was established at the request of the RTG to assist the Labor Department (which was established two years ago) in resolving problems of organization and in providing regulatory capability and manpower planning. The RTG has not had much experience in the field of labor regulation, and only a few of its officers in the labor field have had the opportunity to study labor management and manpower planning in western countries. As a consequence, USOM agreed to provide advisors to assist the department, pending the completion of specific training by a corps of labor administrative personnel.

The project seeks to aid the Department of Labor in the organization of its responsibilities, especially in the employment services field. The project provides a national base from which needed government services in the labor field can be administered, decentralized, and spread throughout rural and village areas, as well as urban centers.

B. DESCRIPTION

Through experienced U.S. technical advisors, the project provides the Department of Labor with employment, conciliation, labor standards, and labor relations advisory services. It strengthens the Department's participation in manpower planning and policy determination in conjunction with the National Economic Development Board and in the vocational training activities of the MOE. Five regional employment centers now provide labor information services to the rural areas, especially the NE.

C. MAJOR QUANTITATIVE GOALS FY 67 FY 68 FY 69

Persons receiving participant training 5 10 12

Labor Department Administration (continued)

D. <u>TOTAL DOLLAR AND BAHT COSTS</u>	(In thousands)		
	<u>FY 67</u>	<u>FY 68</u>	<u>FY 69</u>
Dollars	48	100	135
Baht - Counterpart	105	280	250

E. <u>MAJOR DOLLAR COST ELEMENTS</u>	(In thousands of dollars)		
	<u>FY 67</u>	<u>FY 68</u>	<u>FY 69</u>
PASA	28	56	65
Participants	20	42	60
Commodities	0	2	10

(Millions of Dollars)
FY 67 FY 68 FY 69

MANAGEMENT IMPROVEMENT 0.3 0 0.2

A. PURPOSE

This project was conceived more than a decade ago to establish within the Office of the Prime Minister a high level budget and management service. The initial project led to the creation of the National Economic Development Board (NEDB), the Department of Technical and Economic Cooperation (DTEC), and the Bureau of the Budget (BOB). Initial experience underscored the shortage of officials available to the government to institute and implement modern techniques of budget administration and revisions in the general structure of the government to meet requirements of modernizing technical activities in fields such as agriculture, education, and auditing.

Although the government increased the supply of technically-trained management personnel, the involvement of Thailand in the insurgency conflict coupled with the country's rapid economic expansion, has created an unmet demand for skilled personnel. Therefore the project continues to concentrate on the production of management personnel in the O & M field and in budget administration. At the present time, maximum effort is directed toward improving budget administration, which indirectly affects almost all RTG-USOM projects.

B. DESCRIPTION

Through a contract with the Public Administration Service of Chicago, the project seeks to develop a permanent and active organization and management capability within the Bureau of the Budget and to serve as the central source and reference point from which the ministries and departments of the government can obtain assistance for reorganization procedural reviews, organization studies and recommendations, audit procedures, personnel administration, and supply management and stock controls. The project also strives to improve budgets and procedures to permit a more timely and flexible fiscal response to village project needs.

Management Improvement (continued)

C. <u>MAJOR QUANTITATIVE GOALS</u>	<u>FY 67</u>	<u>FY 68</u>	<u>FY 69</u>
Persons receiving participant training	5	10	10

(See B above)

D. <u>TOTAL DOLLAR AND BAHT COSTS</u>	(In thousands)		
	<u>FY 67</u>	<u>FY 68</u>	<u>FY 69</u>
Dollars	282	45	250
Baht - Counterpart	1,550	1,500	1,500

E. <u>MAJOR COST ELEMENTS</u>	(In thousands of dollars)		
	<u>FY 67</u>	<u>FY 68</u>	<u>FY 69</u>
Contract services	245	0	205
Participants	<u>37</u>	<u>45</u>	<u>45</u>
	282	45	250

(Millions of Dollars)

	<u>FY 67</u>	<u>FY 68</u>	<u>FY 69</u>
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STATISTICAL SERVICES

0.2

0.2

0.2

A. PURPOSE

This project was initially established to create a statistical capability in the RTG. Since the RTG lacked sufficient trained manpower, USOM agreed to provide limited advisory services. The project has evolved into a sophisticated program with a dual purpose: (1) the utilization of the broad statistical capability to provide statistical standards and services through the National Statistics Office (NSO) to all agencies of the RTG; and (2) the establishment and operation of an up-to-date sophisticated data processing center. Within both of these purposes are such subsidiary activities as the conduct of population and other types of censuses, surveys of popular opinion, surveys of crop cuttings and crop potential, and the utilization of sampling techniques to measure economic and social development and/or change.

More and more data and analysis of data will be required on various activities to be implemented under the NEED plan. The subject project will not only play an increasingly important role in the NEED project, but also others focused on problems of the NE.

	<u>FY 67</u>	<u>FY 68</u>	<u>FY 69</u>
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Persons receiving participant training	19	11	8
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Provide data and analysis for high priority programs such as those supported by USOM and focused particularly on the NE.

	(In thousands)		
	<u>FY 67</u>	<u>FY 68</u>	<u>FY 69</u>

Dollars

240

225

200

Baht - Counterpart

592

624

600

Statistical Services (continued)E. MAJOR COST ELEMENTS

(In thousands of dollars)

	<u>FY 67</u>	<u>FY 68</u>	<u>FY 69</u>
PASA	111	125	100
Participants	<u>129</u>	<u>100</u>	<u>100</u>
	240	225	200

LIMITED OFFICIAL USE

TECHNICAL SUPPORT AND OTHER

LIMITED OFFICIAL USE

(Millions of Dollars)

	<u>FY 67</u>	<u>FY 68</u>	<u>FY 69</u>
<u>TECHNICAL SUPPORT</u>	2.2	2.8	3.4

A. PURPOSE

To support USCM activities by providing logistic and other services in areas not funded by specific projects.

B. DESCRIPTION

Provides funds for operating the Mission which cannot be attributed to a specific project or activity such as: office rentals, supplies and office equipment, salaries for U.S. technicians and local employees, motor pool operators and the like.

C. MAJOR QUANTITATIVE GOALS

In FY 67 an average of 392 U.S. personnel, including Direct Hire, PASA and Contract were employed and 493 locals. In FY 68 it is estimated that averages will be 465 U.S. personnel and 600 locals. No increase in U.S. personnel is estimated for FY 69.

D. <u>TOTAL DOLLAR AND BAHT COSTS</u>	(In thousands)		
	<u>FY 67</u>	<u>FY 68</u>	<u>FY 69</u>
Dollars	2,211	2,800	3,400
Baht	50,000	50,000	55,000

E. <u>MAJOR COST ELEMENTS</u>	(In thousands of dollars)		
	<u>FY 67</u>	<u>FY 68</u>	<u>FY 69</u>
U.S. Technicians	1,370	1,860	2,100
Commodities	746	340	500
Other costs	95	600	800

(Millions of Dollars)

	<u>FY 67</u>	<u>FY 68</u>	<u>FY 69</u>
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<u>AERO GROUND SERVICES</u>	0.2	0.4	0.3
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A. PURPOSE

The improvement of the RTG aviation system is imperative to meet the expanding military and civilian air traffic requirements caused by the escalation of political unrest in SE Asia. This project has been closely coordinated with both the Thai and American military so that duplications are eliminated where possible, many facilities are jointly used, and capital investment in ground facilities is kept to the minimum necessary for both civil and military aviation. A new project element in FY 68 is the provision of FAA air traffic coordinators on an interim basis until Thai controllers can be trained. These technicians will control through surveillance radar, all instrument aircraft, civil and military, within a 200 mile radius of Bangkok. This will enable U.S. fighter aircraft to take more direct routes between their bases in Thailand and target sites without endangering civilian aircraft.

B. DESCRIPTION

Project activities include the upgrading of the aviation system through installment of communications, navigational aid equipment, and airport lighting; advising in all aspects of air traffic and control; interim control of instrument air traffic pending training of Thai controllers; and coordinating with adjacent countries so that all systems are compatible. U.S. assistance includes training and advisory services. The commodity element of this project, grant funded through FY 67, is now fully funded by the RTG.

C. MAJOR QUANTIFIABLE GOALS

	<u>FY 67</u>	<u>FY 68</u>	<u>FY 69</u>
Installation of VOR		Chainat	
Installation of VORTAC		Rangsit	
Bang Ping Receiver Equipment		0	
Complete last 2 Flight Service Station installation		Mae Hongson	Mae Sod
Don Muang Instrument Landing System	0		
		Construct	Install

LIMITED OFFICIAL USE

FY 67FY 68FY 69**C. MAJOR QUANTIFIABLE GOALS (Continued)**

Hua Hin Flight Check Calibration Laboratory	Construct	Install	
Non-Directional Radio Beacon		<u>Equip.</u>	
Bang Pla Remote Transmitter Site - construction, power, microwave tower, relocate TX equipment		Surat	0
Remote Communication Air/Ground Stations construct access roads, buildings, install equipment		Chiang Mai	Phuket KhonKaen
Installation VOR/DME (including construction access roads, buildings power line; equipment		Pitsanuloke	Haadyai
HF Log Periodic Antenna (3 TX & 3 RX)		<u>Phuket</u>	<u>Korat</u>
Terminal Signaling Equipment		Chiang Mai	Haadyai
		Ubol	
			Ubol, Haadyai, Pitsanuloke, Chiang Mai
Airport Improvement at 21 upcountry Airports			
Runway lights		2	4
Rotating beacon		4	3
HF SSB Transceivers		4	0
HF Air/Ground		4	5
VHF X X Transceivers		2	1
Miscellaneous		11	10

D. TOTAL DOLLAR AND BAHT COSTS (In thousands)

DOLLAR	216	370	335
BAHT - Counterpart	2,134	8,287	11,820
BAHT - Dept. of Aviation	0	10,284	19,920

E. MAJOR DOLLAR COST ELEMENTS (In thousands of dollars)

U.S. Technicians (PASA)	138	330	310
Participants	38	40	25
Commodities	40	0	0

(Millions of Dollars)

<u>FY 67</u>	<u>FY 68</u>	<u>FY 69</u>
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WATER DEVELOPMENT OF
MUN & CHEE RIVER BASINS

0.3	1.4	0.8
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A. PURPOSE

Water development in the Northeast is one of the highest priorities of the region. This project will provide feasibility studies for the construction of three sub-projects in the Mun & Chee River basins in the Northeast. Positive results will enable the RTG to construct dams and irrigation systems enabling increased and diversified agricultural production. The Royal Irrigation Department is actively participating in this project, but requires technical guidance and assistance in developing feasibility studies of the quality required by international lending institutions.

B. DESCRIPTION

Advisory services are provided through a FASA with the USBR and subsequent contracts with U.S. engineering firms to work with the RID on project investigations and preparations of first quality feasibility reports on the three sub-projects.

It is anticipated that, if feasibility studies prove these projects both economically and technically feasible, the RTG will request a loan from AID to finance the foreign currency requirements.

C. MAJOR QUANTITATIVE GOALS

- FY 67: Obtain basic data (topography, geology, hydrology, etc.)
- FY 68: Provide with investigations; let contracts to private U.S. firms.
- FY 69: Proceed with project investigations
- FY 70: Complete project investigations
- FY 71: Complete preparation of feasibility reports

Water Development of Mun & Chee River Basins (continued)

D. <u>TOTAL DOLLAR AND BAHT COSTS</u>	(In thousands)		
	<u>FY 67</u>	<u>FY 68</u>	<u>FY 69</u>
Dollar	293	1,355	805
Baht - Counterpart	1,190	4,740	4,440
Baht - RID Budget	11,164	10,755	15,300

E. <u>MAJOR DOLLAR COST ELEMENTS</u>	(In thousands of dollars)		
	<u>FY 67</u>	<u>FY 68</u>	<u>FY 69</u>
U.S. Direct Hire	0	25	0
PASA	189	300	356
Geology Contract	64	0	0
Gen. Engineering Contract	0	970	430
Commodities	40	60	19

(Millions of Dollars)
FY 67 FY 68 FY 69

ENGINEERING STUDIES

0.6

0.2

0.2

A. PURPOSE

An adequate infrastructure is essential for economic development. Over the past several years AID has financed studies to assist the RTG in identifying capital projects suitable for financing by the U.S. or other foreign donors in such areas as highways, irrigation and flood control, telecommunications, and ports and harbors. Two surveys, financed with FY 67 funds, will commence this year, i.e., the Langsuan-Phattalung Feasibility Study and the Transportation Coordination Study.

We expect the RTG will self-finance the A&E design for Don Muang Airport expansion rather than accept an offered Supporting Assistance loan for this purpose. Although no other feasibility studies are currently contemplated, we stand ready to consider projects which are directly security-related and which could not otherwise be financed.

Advisory services are now the most important element of the project. Its project engineers are USOM's point of contact with critical agencies such as the Highway Department and Irrigation Department which play a crucial role in Northeast development. The proposed labor-intensive construction projects as well as the major AID-financed water development surveys in the Northeast are coordinated by these advisors.

The USG association in advisory engineering services with the various RTG agencies offers the opportunity to exhibit U.S. interest in various infrastructure construction projects financed by RTG resources. Such association further gives the opportunity to advise and guide U.S. engineering and consultant firms on investment and job opportunities in Thailand.

B. DESCRIPTION

The following studies were financed in FY 67:

Sattahip Regional Development (Phase I)
 Lam Nam Con Feasibility Review
 Friendship Highway Load Bearing Study
 Second Seaport Review Study
 Langsuan-Phattalung Feasibility Study) work commencing in
 Transportation Coordination Study) FY 68

In addition to monitoring on-going studies (including the Man-Chee feasibility investigation funded as a separate project), direct hire advisors provide advisory services to the RTG in the fields of transportation and water resources. Engineering supervision of the three Irrigation Projects loan and the Lam Nam Con loan is also provided. Particular attention is paid to advice and assistance regarding maintenance and repair problems of previous U.S. funded projects (e.g., Friendship Highway, East-West Highway, Bangkok-Saraburi Highway).

D. TOTAL DOLLAR AND BAHT COSTS (In thousands)

	<u>FY 67</u>	<u>FY 68</u>	<u>FY 69</u>
Dollars	635	180	150
Baht	4,088	1,400	700

E. MAJOR DOLLAR COST ELEMENTS (In thousands of dollars)

U.S. Technicians	126	150	150
PASA	16	30	-
Contract Services	493	-	-

	(Millions of Dollars)		
	<u>FY 67</u>	<u>FY 68</u>	<u>FY 69</u>
<u>RESEARCH ACTIVITIES PROJECT</u>	0.1	0.2	0.3

A. PURPOSE

This project is to give USOM an in-house capability to conduct research, utilize existing information, and provide analyses that are useful in allocating USOM resources effectively. It is also the purpose of this project to work with the Thai and demonstrate the usefulness of systematic analyses for decision-making.

The total USOM Program in Thailand is geared to assist and induce the Royal Thai Government to focus resources on the problems of remote rural areas, particularly in the Northeast. The information requirements of both governments concern:

- The nature and extent of rural problems.
- The courses of action promising maximum effectiveness and the cost of these actions.
- The future adjustments and developments required for changing conditions and in light of program evaluations.

The information required takes the form of basic data on rural socio-economic life that will provide the basis for estimating alternative program impacts. It includes evaluation of ongoing programs to contribute to program reviews and changes.

Current research activities are specifically focused on developing information regarding:

- The relation of a mix of RTG-USOM programs on counter-insurgency variables: the attitudes and behavior of rural people.
- The adequacy of the administrative-governmental institutions at the local rural level to address the basic problems of rural Thai people.
- The economic structure and conditions of the rural areas, and the implication of these circumstances for resources needed and ability and willingness of the society to absorb and utilize new inputs.

B. BRIEF DESCRIPTION

Research Activities are organized around four basic questions.

1. Do socio-economic development programs in an under-developed area contribute to the state of security?
2. Does the local system of government and administration in rural Northeast Thailand represent a viable set of institutions which can expand and upon which can be built programs for security and development?
3. Is the most effective means of counter-insurgency a concentration of USOM developmental and suppression resources in the Northeast Section of Thailand?
4. Is it true that the rural situation in Northeast Thailand - in terms of land ownership, land availability, and farmer responses to incentive - is as favorable for inducing economic change as assumed?

A second objective is to facilitate, as a part of the Research Activities Project, Thai interest, skills, and participation in research and the use of research material in decision-making.

C. MAJOR QUANTITATIVE GOALS

Completion of:

1. Behavioral-Attitudinal Survey
Area: Northeast Thailand
Sample: 6 changwads
12 amphurs
1,500 respondents
2. Amphur-Tambol-Muban Administration
Area: Northeast Thailand/South Thailand
Sample: 7 changwads (6 Northeast and 1 South Thailand)
9 amphurs (8 Northeast and 1 South Thailand)
18 tambol
36 villages
3. Villager Participation and Attitude Survey:
(Part of the ARPA evaluation of Security Programs)

LIMITED OFFICIAL USE

4. See Bee Evaluation
(Limited Research Division Participation)

5. Analysis of Existing Data Social-Cultural factors promoting or impeding farmer acceptance of modern irrigation facilities.

Initiation of:

1. A market area study in Northeast Thailand.
2. Two projects jointly conducted by two U.S. Ph.D. candidates and two Thai degree candidates on problems agreeable to USAID/Thailand, the Ph.D. candidate, and the Thai institution involved.

These Research Programs will provide:

1. Data on the impact of socio-economic development programs - combined with security efforts - on counter-insurgency.
2. Specific recommendations for programming for counter-insurgency. (RD's part in the ARPA evaluation of existing security arrangements will provide data for VSF planning.)
3. Forwarding planning and future administration necessary for successful irrigation projects.
4. Data on and recommendations for enhanced amphur administration and enhanced amphur-tambol-muban capacity to identify and solve local problems.
5. Description of a Northeast market-area economy in input-output terms. Analysis of the capacity of the public-private sector to develop, and development requirements.

D. TOTAL DOLLAR AND BAHT COSTS (In thousands)

	<u>FY 67</u>	<u>FY 68</u>	<u>FY 69</u>
Dollars	62	200	250
Baht	341	887	1,100

LIMITED OFFICIAL USE

F. MAJOR DOLLAR COST ELEMENTS (In thousands of dollars)

1. U.S. Technicians	None
2. Commodities	None
3. Contract Services:	
Philco-Ford	21,000
AACT	80,000
Ph.D. Candidates	15,000
Market Area Study	84,000
	<hr/>
	200,000
4. Participants	None

LIMITED OFFICIAL USE

(Millions of Dollars)

<u>FY 67</u>	<u>FY 68</u>	<u>FY 69</u>
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SPECIAL DEVELOPMENT ACTIVITIES

- 0.1 -

A. PURPOSE

The purpose of Special Development Activities is to provide rapid, flexible support in small amounts to projects of special merit in terms of total program objectives.

B. DESCRIPTION

During FY 68 thus far the following activities have been supported under this project:

Operating costs of the McKean Leprosy Hospital in Chiang Mai	\$4,000.
Hybrid seed corn and fertilizer for 2,000 agricultural students	\$2,000.
Support for the youth program of Nai Amphur Saisit of Loeng Nok Tha	\$1,000.

C. TOTAL DOLLAR COSTS (In thousands)

FY 68 obligations to date total \$7,000. The estimate for the fiscal year as a whole is \$50,000.

No funds are provided for FY 69 as this is not an item that is programmed in advance. Funds are taken from other projects as needed.

LIMITED OFFICIAL USE