PD-ACC-644

VIETNAM

OPTIONAL FORM NO. 10

UNITED STATES GOVERNMENT

Memorandum

TO : Mr. J. L. Roush, PROG

DATE: September 20, 1968

FROM : W. L. Davis, PROG

SUBJECT: Director's Review of Public Administration

A. General

1. Mr. Johnson (ADLD) opened the review by summarizing the Public Administration strategy. Two major programs directed at reform within Central Government and Local Government and five supporting projects, Fiscal Admin, Statistical Services, Development Planning, Improvement of Training Institutions and Technical Support.

2. General discussions were then held on the projects which had a heavy emphasis on the Public Administration field input, or the lack of it. The discusssions covered the need for regional training officers; the recent provincial training courses; the the provincial training courses presently being developed; the need to improve the financial and budgeting situation at the local level; the President's Administrative Reform Council; and other subjects.

B. Action Items

1. The Director stated that GVN Village Budget reform is Priority I and that an internal USAID task force should be set up to develop a USAID position. (Responsibility assigned to Johnson and Roush)

2. PAD should develop a 1st Draft of a training course on the operation of local budgets and present it to MOI.

3. The Director expressed concern about the inability of An Giang Province to support it's self. PAD should tackel this problem.

C. Unresolved Issues

1. The Director expressed concern over the lack of a USAID position in relation to the activities of the President's Administrative Reforms Council (PARC).

2. The Director stated that there should be further consultation on the USAID approach to assisting the PARC. He seemed to feel that TDY and D/H assistance might serve USAID purposes better than contract assistance.

BEST AVAILABLE

deferred.

3. The Director stated that a decision as to which Project Urban Planning would be funded under would be differed. (The funds requested for Urban Planning under the Support of Local Government Project remain in the approved funding level).

4. The Director stated that a USAID task force should be developed to tackel the question of USAID involvement in Urban Planning. (He did not indicate responsibility for the development of the task force).

5. General concern was expressed by all four regions, over the withdrawal of permiately stationed PA Advisors, especially the training Advisors. It was generally agreed that USAID may have made a mistake in eliminating the Regional Training Advisors after Tet.

permanently

6. The Director expressed concern over the D & R contract and the Joint Development Group, but stated that he would have discussions relating to D & R at another time.

D. Resolved Issues

1. The Director stated that funds would not be included in the statistical Services Project for operating supplies, but that if Mr. Porter would push for a GVN contingency fund, that Mr. Roush would maintain a contingency fund for emergency procurement of operating supplies.

2. The Director stated that PAD should hold up negotiations on the NIA Contract. (The next day an action memorandum was presented to the Director on this subject and he approved the go-ahead on negotiations.

ROUSH

PUBLIC ADMINISTRATION

Director's Review of FY 1969 and 1970 Program

12 September 1968

A. Program summarized by Mr. Johnson (ADLD):

main parts -
central government
local government
resource mobilization (finances)

supporting areas -
statistics
training

B. Discussion of relative need for regional training officers; recent course for local officials in CTZ IV; present lack of incentive for villages to raise funds locally and lack of autonomy generally; need for training in local government; present status of President's Administrative Reform Council; and other subjects. expand

C. Conclusions - Directives - Suggestions:

1. Roush: We should focus on trying to get the ministries themselves to come up with a statement of priorities and objectives. in lieu of trying for program budgeting system at this time.

2. MacDonald: We should catalog the critical institutional reforms of this sort (the disincentive to generate revenue in the field because villages lose government support if they make more than a certain amount). It should be the opposite, that there would be matching funds if they raise some money. We need to instill a sense of very impatient urgency into this, as we did four years ago in establishing MORD. We Americans wrote the processes and rules, took them to the government, and said this is the way we think it should be done.

3. Roush: I suggest a task force on our side to focus on priorities and make sure that we have worked out an action plan with a time frame upon which we and CORDS agree (I would like to suggest that local government be the first priority). Then we could try to sell the plan to DGBFA.

MacDonald: That's a good idea to pull together all our resources and thoughts. Roush and ~~Mossler~~ should discuss this further.

Johnson

4. MacDonald: We need to think a little more about the allocation of problems among -

a. Ministry of Interior directly
b. CRDC (Central Revolutionary Development Council)
c. President's Administrative Reform Council

5. MacDonald: We have a task force job within the Mission of addressing the problem of heavy concentration of people and their needs in the form of city facilities. PROG should consider further a short-range task force to examine several issues kicking around here.

6. MacDonald: Let's not have commodities in this project (STATISTICAL SERVICES). The Program Office will have some contingency.

7. Roush: We will get a grip on DEVELOPMENT PLANNING at another time. I'm concerned about the amount of money and how we are going to keep on top of it.

8. MacDonald: I would like to reserve on the matter of a university contract for the NATIONAL INSTITUTE OF ADMINISTRATION until a further discussion.

9. MacDonald: Re CENTRAL GOVERNMENT ADMINISTRATION, let's hold up on this contract and consider a couple of direct-hire technicians or the individual contract idea. Let's have the discussion first re the relative merits of talking to government through the (a) CRDS, (b) Reform Council, or (3) Ministries, then come back to this problem.

10. Roush: Re Civil Service backing by contract - if you have a discussion about the study of Wilhelm, see if you need to keep on cobbling for another year or two (rather than ~~going directly to contract now~~). try major overhaul now.

11. MacDonald: Re participants in project 371, CENTRAL GOVERNMENT ADMIN - let's live by the agreement delineating the area that the Asia Foundation would handle and not send participants ourselves that fall in its area of responsibility.

Prog/PF:mw

1120: Village w/elected officials, 980 of which elected in initial elections.

PUBLIC ADMINISTRATION

(Bob Johnson making opening statements)

PA: Program structured in three main parts:
1. Central government area
2. local government area
3. resource mobilization (finances)

supporting areas are:
4. statistics
5. training

1. O&M technician working in Ministries and Prime Minister's Office. ~~xxx~~ ~~xxx~~ On ~~xxx~~ GVN spec. admin. reform effort, No legislative action still needed, but President's approval of heads of 3 task forces, etc.

(Administrative Reform Council)

2. Local Govt - supplied advisors for provincial, city, and other activities going on in the field. One advisor supplied to each CORDS Dep. Backstopping in Saigon in dealing with central government. Would try to stimulate local interest in reform. Dropped from 23 to 11 positions.

Agreement that there would be a sharing of labor between USAID and CORDS.

Central PA effort would supply very solid backstop to local efforts and influence technical content of what was going on in the field. Have vacancies in the central group.

MacD: Reiterated that was the role of backstopping in any area.

PA: Trying to pin down Min of Int to becoming a more effective group through this same central group. Wanted to get ProAg with the MinInt ~~xxxxxxxxxx~~ to gear in at the central level some of the things that are already being done ~~xx~~ in the field. Staff~~ing~~ in the Ministry now seems to be genuinely interested in going ahead with some of these things.

Anything that involves training or work behavior process is probably the most important area we can be in in local development. Made a slight miscalculation last year. Had a training man ~~xxxxx~~ per se at each level. During ~~the~~ post-Tet these people couldn't get around the countryside and their activities slowed down. Would not necessarily want to go back to that system.

Training man assigned to local development training has heavy duties. Train in the field has moved ahead again.

CORDS: ~~(Colner)~~ This training is one of the major foci we would like to think over. Make them technically better and make them a more effective proponent of government efforts. Especially important in our contest after the cease fire.

PA: Training activities has been one of the most effective things we have been doing. Training programs for hamlets and village officials now probably will not meet the original targets, but is most important. If we can influence the quality, content, etc. . . .

MacD: Three manifestations of government in local communities:
1. Public functions to be carried out by the newly organized village council committees, etc.
2. Activity of central ministry agents, i.e., technical cadres. Need to function more efficiently. (MAC was created to handle a lot of things these cadres ~~xxxxx~~ were not doing effectively.)
3. Problem of reassessing existing division of labor, responsibility, tax authority, revenue administration between local and central govt.

Are PA people addressing these three or just the first mentioned above?

~~PA:~~ We are plowing new ground to see if we can get at it in another way. Have tactical problems in that we must get the GVN involved and doing it themselves.

Trying to get MRD and M of I people talking and working together. Trying to get RD budget items transferred back to Min Interior budget. We have got something lined up where the govt itself is trying to work out the answer.

MacD: An Giang -- can't cut off federal help.

PA: integrating central with local
(a) thru local units
(b) thru trg

MacD: (a) last year there was a decree issued that all revenues from land taxes would accrue to the village. Rates are still based on central standards.
(b) Told of heavy citizen participation in East Pakistan. Ferguson has demonstrated in seven villages this is happening in fisheries committees etc. In Pakistan more private money was pulled than public or govt money to accomplish local projects.

PA: Local assessments are made here, frequently of labor.

McManaway: Suggested looking at priority pieces and try taking it piece by piece.

PA: We don't have the manpower to do it any way but slice by slice.

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Resource Mobilization

Last year saw that govt was not going to proceed as quickly on budget reform so we backed away from attack on Min Fin per se.

What we are trying to get at in local effort will involve considerable local finance, etc. There have been feelers about dealing with tax, etc. Now we have only one person scheduled for that. Will try to build in some participant training in this area.

MacD: What is your time frame? Will it have anything to do with winning the war?

PA: Most selectively pick things now and not head for general reform.

MacD: What is a reasonable expectation of results? Re CRDC -- can we be helpful in the process of getting funds transferred and procedures worked out?

McManaway: They have been very helpful with this already re the self-help.

Colby: Bob's talkin about a general program and reforming the whole budget situation. This is what he thinks should be deferred now.

McManaway: Anything of a budget nature in the village must come to Saigon for approval. It would help if this could be simplified.

Roush: We should focus on trying to get the ministries themselves to come up with a statement of priority and objectives. We may be able to get DGBFA ask for a narrative statement from the ministries which may start them to thinking about priorities. I think this could be done on an informal basis.

McManaway: If there is only one man, could he concentrate on the financial relationship between the village and the government?

PA: We have provided for a man working specifically on the local relations and he would be tied in closely with that. The other man we are talking about is our liaison --

CTZ II: Tax collections are not effective now in the villages. Officers that are not being trained and don't know how to use the tax source there and know they will be bailed out by central govt. The village must build its revenue base or potential so it can carry on its own role.

PA: Task Force group is going to work on this. The actual training on tax records, collecting money, etc. is one of the principle targets we are shooting for.

MacD: What is the time frame?

PA: Trying to institutionalize things down in the field through CORDS through Min of Int.

MacD: Need to instill a sense of very impatient urgency into this. As we did 4 years ago in establishing MORD. We Americans wrote the processes and rules, took them to the Govt and said this is the way we think it should be done.

We should catalog the critical institutional reforms of this sort (the disincentive to generate revenue in the field because they lose govt support if they make more than a certain amount). It should be the opposite, that there would be ~~xxxxxxxx~~ matching funds if they raise some money. There should be a sense of urgency about this.

PA: In finance - tax project and customs project

Central govt training effort - probably the most important - through NIA, Natl Defense College, Civil Service Agency

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Roush: Wish we could focus on priorities. Would like to suggest that local govt be first. We talk about local budgets. I have a meeting with DGBFA at least once a week. If I could know in advance ---
Suggest a task force on our side which would make sure that we do have worked out an action plan which we and CORDS agree on with a time frame. To try to sell it to DGBFA.

MacD: Good idea. To pull together all our resources and thoughts. You and Bob discuss it further.

McManaway: What do you do in a political contest? What are our resources? The admin structure of the govt, The local officers are going to determine on our side the outcome of the political contest. Would like to suggest that training and motivational --- be the second priority.

Roush: ~~Wxxxxx~~ What does the field see as short-fall of local training? How adequate are the programs? Do we need more US input?

IV: Loss of training officer was greatest loss. We have just completed two-day training course with local officers. We would say restore the training officer to IV. Efforts could have been quadrupled with him there. Asst Dev Officers being trained out there are in their early 20's. Inadequate but ---- Training Officer primarily worked with GVN people and their training programs. Our development officers work at the district level. We need the training officer to keep pushing it. To the district chief, etc., it is not important. It is the lowest service chief in the hierarchy. Village hamlet training course is an initial orientation. Training officer needs to follow through on ~~xxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxx~~ implementation after the course. Staffing by NLD is very recent - in the past four months. Now with Asst Area Dev Officers being assigned to one or two districts we can concentrate much more on this.

After initial elections GVN had 40,000 elected officials that needed training. Had a one or two-week general training course. 80 hours - little material.

Jan 1, 1969 is date for beginning of following specialized training programs nationwide:

1. taxation
2. other finance
3. taxation

PA advises that this be tried on a pilot basis this year before going directly into the nationwide attempt.

III - Trying to get across basic village training course. Will take at least until next July to finish for the ones elected in '67.

Include in summary

III - Written material is essential but cannot be used exclusively because of the literacy problem. Think more giveaway will be defeating. What we are trying to do is to make the villages more self-sufficient. It is self-help.

McManaway: Don't want this. We are working now on procedures which will turn this into an incentive. Will be required have a certain percentage of contribution. Those villages that have participated most will qualify for more help than the others.

To the CTZ Rep's: While you are here look at the procedures we have written up and see what you think of them. Also participate with us in the session on RD.

IV - This has been another gap in communication.

What is the development of village government? Can they handle money like this or would it lead to further corruption?

McManaway: The decision as to which village should participate and to what extent will be decided at the province level. It would be very helpful if you fellows could be here when we discuss RD Tuesday afternoon.

Colby: Have been giving thought to cross-training among the various cadres. Use American officers in a generalist role with training as one of his major roles. The fact that you don't have a training officer doesn't mean that we spend less time on training. I would hope that you spend more time on training.

Regions and provinces frequently get ahead of GVN on training and matters like this. We often expand on what has been started locally and find that better than starting from scratch with American instructions.

Roush: When things are in a hurry it often helps if we draft something. The CRDC badly needs to be made operational again and it seems to me this is where we throw these ideas in and say we need more training out there and what can you do about it?

Johnson agreed.

MacD: Let's use that forum then.

There is an old village and hamlet booklet that needs updating. Joint project now with RD, PA, Erlick working with an NIA team.

(Crain came in)

Roush: Don't sense that we have consciously arrived at a decision of "these are the things we want to push."

MacD: We and the GVN have been spinning our wheels a little bit. Do they (Reform Com) have an agenda or priority work plan?

Johnson: They have their own idea of what they want to do. When they start should give them a position paper and say this is what we think should be

McManaway: Is this reform council situated where it is an action agency? Or do we need to, in addition, focus on making the same position [illegible] agency, like the Ministry of Interior itself?

Johnson: Your point is well made. We went ahead to the Min of Int because it was so long getting established. I think this group will be important and influential.

MacD: Let me be the devil's advocate and ask if we shouldn't recommend that these task forces be disbanded and deal directly with the ministries.

Johnson: We have done a lot of fast action stuff around here where long range implications persisted. We must keep up this immediate prodding. On the other hand, some of these larger issues must be considered and they must

study these and come up with proposed solutions on their own.

We really have a two- pronged attack. Establish some sort of a base where the government can reform itself.

Crain: Original concept was for these task forces to last 90 days and come up with policy changes not operations.

No time limitation on Presidential Council itself.

Colby: Let Reform Council go on with general policy. Deal with CRDC on operational matters.

McAnaway: Is Council going to be a deterrant to action by the Ministries?

Johnson: I don't think so. I am wondering how much the Reform Council has been a reaction to the American prodding to do something about reform.

MacDonald: Need to think a little more about the allocation of problems among:

Interior directly
CRDC
Reform Council

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339 ~~[illegible]~~ LOCAL GOVERNMENT

4 field people - others in Saigon

Engr thinks it should keep urban planning. Prog thinks it should have broader look than just Engr. As long as GVN has it tied up there, he doesn't feel it should be yanked out. Depends on our thrust. Grant said econ would be main emphasis. Cannot overlook planning aspects. Engr has its hands full.

MacD: We have an immediate task of looking at this population build-up in urban areas. We have concentrated on Saigon, seaports, etc. We have a task force in within the Mission of addressing this problem of heavy concentration of people and their needs in the form of city facilities.

Johnson: When we rack up all the things we are to do with cities and the overlap, my recommendation was that we needed to bring out a development specialist to look at this and recommend the things we need to pull back from. Task force could work concurrently with him on this. Should have economics, finance, urban background to serve as policy advisor to you and to us.
Pull back from everything except the basics. Get someone in to focus.

MacD: With 2000 of us, we don't have someone who could do that?

Colby: Referred to James approach on Saigon:
1. Basic community unit and organization (political approach)
2. details re garbage collection, etc (merely mechanical sort)

Be it task force or individual, it should be approached (1) from political and organizational point of view and (2) from mechanical point.

Johnson: Four original PA men work with mayors, etc. Interest in I and IV CORPS in getting city or village local support. Then they come in to us and ask for help on special things. We needed backup.

MacD: Program should consider further a short-range task force to examine several issues kicking around here.

Rouch: It may come in when we start working on local government. Part of this getting a structure for the cities which gives them greater autonomy and responsibility on budgeting and taxation. This should be of more priority than getting garbage picked up.

Johnson: Local group has submitted a first paper on a super village to Min

MacD: What about the five participants?

PA: 5-6 week tour of Hawaii or Malaysia. To stimulate interest in urban autonomous cities, or Dep Province Chiefs, where have big de facto cities; one from GVN
Believe local govt can be handled by in-country training. Have already sent out quite a few.

MacD: Might be useful to take the man who is going to carry the mobile training group, not the chief or section head. If we recommend mobilizing national training teams you might want to reconsider.

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340 FISCAL ADMINISTRATION

11 - Customs PASA
6 - IRS PASA
17

Should be 16 PASA in each year.

Termination date - two years for complete functionalization of Directorate, then we start phasing down. Drop at least one next year.

Participants - Japan or Taipei on tax. Just heard Japan is out, so it's probably Taipei. This is all on tax procedures, not policy.

UN is working on policy (Mr. Ronald Gettys, British) has written an entire income tax code. Harmonious relationship with him.

MacD: I would like the Economics side to address the area of tax policy.

Customs participants - 9
3 mos. in U.S. Six in commodity specialization (in chemicals, heavy equipment, etc.); three in law enforcement.

The six are lined up; the 3 are not firmly identified.

341 - STATISTICAL SERVICES

Roush: Office equipment and supplies, esp the statistical project - and ADP operations need many. We have taken the position in '68 there wouldn't be any further operational supplies. In one or two cases we agreed to fund half of what was requested to assure continuation of pipeline, telling DAEFA.

PA: USAID requests come in for information, manpower, etc., which PA did not anticipate when making out the budget. Also 13 other ministries that might request statistical services. I am asking for $20,000.

MacD: Our first interest is to make progress in getting them to pick up the needs and run with it, not just to save money.

PA: They have picked up what we know about. I am sure there will be other requests, but we don't know what now. I would like to be prepared to give support. (Natl Inst of Statistics)

MacD: NIS needs to seek budgetary support for itself.

PA: We have built the confidence level up but they are not ready to run by themselves.

MacD: They can't ask for a contingency fund?

PA (Porter): Give me one more year, Sir, and they can do it.

Roush: There are contingencies available within the GVN budgeting process. May need to know what they are in order to get the ministries to take advant of them. If you budget for it, you know damn well they won't do it. We do various ways of bailing people out.

MacD: Wouldn't it be helpful to you to be able to go back and say I am sorry, I couldn't ---- promise me to go back and try to get them to put in a cont

Porter Wilhoit: I'll try.

CIVIL SERVICE

It is very difficult to go back for operational funds unless USAID gives an order of priority.

MacD: If we feed them diets that are too rich for them to digest, we have given too much. Let's not have commodities in this project. The Program Office will have some contingency.

Roush: On the general point of DGBFA budgeting, we have taken up several points to see if they were in one budget or another. You have to convince us and we have to convince DGBFA. We can raise it and push it if it is a serious problem. We have had a fair batting average so far.

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341 STATISTICAL SERVICES

Asked where participants were going -- OK

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342 DEVELOPMENT PLANNING

Will get a grip on this at another time. Concerned about the amount of money and how we are going to keep on top of it.

PA: Indication of additional needs
$2.2 million in '69
1.6 million in '70

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345(NIA) DEVELOPMENT OF TRAINING INSTITUTIONS

Roush: Spoke of "changing names and playing ~~xxxxxx~~ games" per Congressional critics.

Roush acknowledged logic of new name.

PA: Negotiating with Univ of Tennessee now to work at NIA. New York, Utah, and Tenn were the most responsive of those approached.

Roush: Earlier suggested a post-Tet review as to whether we should go ahead with it. Decided to go ahead but recast the work. This is not the time to be focusing on development of graduate programs ~~from~~ NIA but probably how to cut 3-yr down to 2-yr program and develop intensive short programs.

PA: $90 for '69 is for a contract for trainers of trainers, similar to the Westinghouse contract in '67.

MacD: I agree that we should be slow to move into graduate work at this time. National Defense College?

PA: Direct-hire working part time with this to develop the curriculum.

MacD: How much activity can we burden this little country down with in the middle of a war? Is this what we want now? Does this need our participation?

PA: There is prior funding for the university contract.

Mossler: Do you want to follow through on this or let the money lapse?

Johnson: Thought we had support on the idea that the NIA did affect the people drifting out to the field. They have worked up to a plateau and are just coasting around.

MacD: The best I have seen around the world in terms of the contribution it is making to this government. Surprised that they need another contract.

Johnson: They are getting arteriosclerosis. Need revitalization and gearing to current needs.

MacDonald: I would like to reserve on this one.

PA: It is a reconnaissance team that is to come from the University.

MacD: A longer one would be foreordained. I would like to reserve until a further discussion.

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371 [illegible]

MacD: Felt better here for it to be direct hire rather than contract.

Let's hold up on this contract and consider a couple of direct hire.

Talked with Grant on this. May be go to personal service contract and get a senior official as an individual, not a contract with a firm itself. The advisors will be going in high offices and making written reports and recommendations. It might be better not to have a commercial firm's name on these recommendations.

Johnson: I would like a flexible process.

Roush: We would like to have a contract and bring only one person out here at a time. Grant raised the problem of security clearance. May need to call on other government agencies for TDY.

MacD: Wanted to examine again the relative merits of talking to government through CRDC, Council, or ministries. Let's have that discussion first and then come back to this problem. I through out the individual contract idea as a thought.

PA: Legal [illegible] work toward developing a National Bar Assoc, etc.

Roush: Part of contract was to back Civil Service too. If you have a discussion re the study of Wilhelm, see if you need to keep on cobbling for another year two.

TAF in Other Costs means The Asia Foundation (to differentiate from Air France

Participants - short, 3-4 mos in US. Not categorically selected - surplus often being considered - have several in legal area, some in Civil Service.

This travel should provide exposure to the participant - choose him because he in a key spot or is blocking something we need.

Roush: Can the Asia Foundation use our money or their own to finance participant training? The participant list seems to be lapping over in the area we had agreed the Asia Foundation would handle.

MacDonald: Let's [illegible] that delineation.

PA: Tech Spt - 3 vacancies.

adjourned at 13[illegible]

OPTIONAL FORM NO. 10

UNITED STATES GOVERNMENT

Memorandum

TO : James L. Roush, PROG

DATE: September 20, 1968

THRU : William L. Davis, PROG/ID

FROM : Julius E. Coles, PROG/ID

SUBJECT: Summary of the Director's Review Meeting on Public Health.

I. Public Health Introductory Presentation of their Program.

Major Thrust: They are: 1) to assist the GVN in sustaining the extraordinary burdens imposed by the war, including significant attention to civilian war casualties and the health of refugees; 2) to improve the capability of the GVN delivery of health services by increasing the quality of health personnel, by improving administrative practices and by upgrading hospital and health care facilities; and 3) to assist the GVN to contain epidemic disease and concurrently develop, with increasing emphasis, the basis for good health in the population.

War Casualties: Since the month of May, the total number of patients admitted to hospitals has increased. Out of the established target of providing 1, 100 beds for Vietnamese patients in DOD Hospitals, there are approximately 680 beds now occupied. The meeting of this target will depend upon how rapid the patient turn over takes place and the rapport developed between the Medicine Chiefs and DOD hospital commanders. All of the patients in these hospitals are not civilian war casualties, but include seriously ill Vietnamese which are referred from Vietnamese hospitals that are not capable of handling the patients' medical problems. The referral system has been simplified and improved tremendously. There are some double accounting problems involved in the statistics on civilian war casualties, but it is estimated that only 3% of the civilian casualties are affected by double accounting. Col. Coppedge could not provide the Director with a reliable estimate on the number of civilian casualties that did not reach hospitals. The Director stated he wanted a more reliable reporting system on Civilian War Casualties. The Director requested Mr. Roush and Col. Coppedge to set up a meeting with PH, PROG, MID, and CORDS-Management people to discuss the establishment of a more reliable reporting system.

Manpower Problems within the MOH System: The Ministry of Health is further behind in providing trained people in relation to the needs of the population in the categories of Dentist, X-ray Technicians, and Sanitarians. The target for the number of Doctors trained each year is 200.

Long-Range Provincial Hospital Survey: The scope of the survey included only civilian provincial hospitals. The Director requested that before we begin to make any investments in long-range construction, we take a look at the ARVN facilities and DOD facilities that could be turned over to the MOH in a post-hostilities situation. There are the following beds presently available: 16,000 MOH; 10,000 MOD; and 7,000 DOD. Many of the MOH, MOD structures are not considered to be sound structures.

Impact Hospitals: Most of these hospitals should be completed in CY 68; however, some of them will slip over into CY 69. All of these hospitals, except the ones in Region I which are being done by Seabees, are being handled by OICC. We do not have firm control over the construction of these hospitals at the Regional level. The Director felt that the whole reporting system on the construction of these facilities is unclear and requested PROG, Engineering and Public Health to develop a reporting system.

Phap Teams: There are PHAP teams in each of the 44 provinces and in 25 provinces there are one or more teams at the district level. There is a study presently underway to determine the requirements and needs for PHAP teams on a province by province basis, This study has already resulted in a proposed reduction of approximately 100 MILPHAP personnel. The Director requested a report on the current deployment of Vietnamese civilian and military medical personnel.

II. Discussion of Project Issues and Questions

150 - Medical and Dental Education: Teaching Hospital - It was decided that USAID would program $650,000 for the A & E services for the 500 bed Teaching Hospital in FY 69 and that we would program $2.5 million for construction of this facility in FY 70 with the understanding that the construction would be done as a joint venture with another government or other governments. Col. Coppedge identified the Rep. of Korea as a possibility for joint financing.

Language Laboratory - There was agreement on the need for constructing a language laboratory; however, Program has requested Public Health to furnish a letter from the Dean of the Faculty of Medicine that this facility will be used and maintained.

ADA Contract: This contract is behind schedule at the present time.

AMA Contract: As result of the audit report done on this contract, it was decided that the contract would be improved if we could get the professors brought out under the contract to stay longer. AMA has professors working in six or seven of the medical departments at the present time. There are approximately 25 American Universities participating in this project.

Participants - Public Health is going to furnish a training plan for the participants funded under this project.

313 - Malaria Control: The biggest problem with this program is the security situation. Until the security situation improves, the program will remain a control program instead of an eradication program. It was decided that USAID would not fund the participants to the Manila Malaria Eradication Center, and that we would try to get WHO to fund all of the participants going to this Center.

347 - Provincial Health Assistance: There were no substantive funding problems involved with this project. On the other hand, there are some new directions being taken with regard to the PHAP Teams. A study is under way to review the requirements for these teams on a province by province basis. Public Health is recommending that the MILPHAP program be reduced by 100 people. The PHAP teams are presently serving in 42 hospitals, and by the end of this year they will be serving in 45 hospitals. The Deputy Director requested a chart showing where the 147 direct-hire people under this project are assigned.

348 - Public Health Services:

Survey on Picture Dominated Learning - It was decided that this survey be eliminated.

Priorities for the Rural Health/Preventive Medicine Program - The first priority for this project in Regions I, II and III is Plague. Plague is not a major problem in Region IV.

Heavy Equipment for the Environmental Sanitation Program - It was decided that the heavy equipment for this program not be funded by USAID. Public Health is going to explore the possibilities of contracting with Vietnamese private firms for sanitary services such as garbage collection. The Deputy Director asked the Program Office to check and see if the audio-visual equipment requested under their project could be obtained from JUSPAO.

349 - Health Logistic Support:

Equiping of Hospitals - It was decided that Public Health should give a look at the possibilities of the GVN picking up an additional share of burden of supplying and equipping these hospitals.

Contract for Reflooring the Phu Tho Warehouse - It was agreed that this contract should be a piaster contract rather than a dollar one. The Program Office will earmark piasters to cover the cost of this contract.

351 - National Rehabilitation Institute: There was agreement reached that we should not fund a new program for the rehabilitation of the blind. It was also decided that the funds needed for the World Rehabilitation Fund Contract in FY 70 would be funded in FY 69. Therefore, the project will be shown as a terminating project in FY 70.

373 - National Health Advisory Services: This project will be combined with project number 348 - Public Health Services in FY 70. The population dynamics program will be shown as a part of this project in FY 69 and combined with project number 348 in FY 70. The number participants for the population program was left for later discussion. Public Health has been requested to furnish a Participant Training Plan so that their participant request can be reviewed.

375 - Public Health Services: There was no discussion of this project.

PUBLIC HEALTH - Notes From Director's Review Meetings September 18, 1968

Coppedge: The objectives of our program are mentioned in the summary strategy. Very briefly they are; (1) assist the GVN in sustaining the burden in the health field because of the war (casualties and refugees); (2) improve the quality and quantity of personnel to improve administration practices and up grade health facilities. Improve capability of the GVN in health services; (3) assist in the containment of diseases and development of certain bases of health, done with other divisions.

First, war casualties, by month (use of chart). Since May total number of patients has increased. Total number of beds occupied by Vietnamese is what is important. About 680 now, goal is to provide 1,100 beds.

MacDonald: 1,100 beds is for the three hospitals?

Coppedge: Yes, we have continued monthly meetings with MACV, MOH and have made field trips with representatives of each agency to talk with regional health officers, etc. The delay in reaching 1,100 beds will rest on the rapidity or rapport, reached between the medicine chief and hospital commanders.

MacDonald: About the winter of 66-67 there was a great pressure to do more for war casualties. We faced the fact that we wouldn't have greater resources and capabilities and tried to improve hospitals. That was changed and this system obtained. Is there a cut off on beds available?

Coppedge: No, we have no cut off. No Vietnamese are put out of beds because of Americans. Americans in the military will be moved out of the country first.

MacDonald: The focus on the 1,100 bed target in the three hospitals was to be exclusively for the use of civilian war injuries?

Coppedge: That is unrealistic because the MOH is increasing their capacity. If a patient is seriously injured he shouldn't be moved. This is beds available, not beds occupied which is 680.

MacDonald: Is this a valid target? Original was 1,100 for civilian war injuries, not just civilians.

Coppedge: It would be very unreasonable to assume that. Accute patients are referred from MOH.

Admissions, by month, (used chart). There is some referral of both Americans and Vietnamese. In our counting system, Americans are only counted once, Vietnamese are counted at first hospital and again when they are transferred.

MacDonald: Can we keep track of this duplicate count and discount?

Coppedge: It only affects about 3% but we can try. It would take a good deal of paper work.

Mossler: How many civilian war casualties are not entered into hospitals?

Coppedge: Don't think we should go into that. It doesn't fall into our program.

Mossler: But are we taking care of them. Are they getting help?

Coppedge: In the February and May offensives, casualties were easy to get to and were taken into hospitals and were counted.

MacDonald: We assume that a year ago the annual admission of injured was 4,800 and by a rule of the thumb, was that number also those that did not get into hospitals because of the rural issue? Those injured in May didn't have far to go. I am uneasy, and want a better way of totalling casualties. We said two years ago we would provide statistical system.

Coppedge: I think we are getting good reports from the provincial hospitals for casualties.

MacDonald: Not in estimation of casualties. How about throwing it to the field representatives. Are there means available to develop statistical estimations? Realize you can't depend on the provincial hospitals. Are there any measures?

Comment: Are you talking about Vietnamese or what?

MacDonald: Anything.

IV: You have to set up one system and this would result in a duplication. This is what happened during the Tet offensive. The way to get an accurate figure was to go through and eliminate the duplication of names. Would have to set up a system on the American or Vietnamese side.

MacDonald: Are there as many Vietnamese civilian war casualties that don't come to the hospitals? Is it 3 times as many, $\frac{1}{2}$ as many?

IV: I wouldn't say that it is $\frac{1}{2}$ as many that don't receive some treatment. A lot in the village don't get counted because we differ on Vietnamese counting.

III: During the past offensive, patients were sent out as fast as possible and weren't counted. Also, there are not enough trained in the medical field.

MacDonald: Do you realize my question? In emergencies I know your count going into hospitals is difficult. But can you estimate how many additional war casualties that don't get to the hospital?

III: Can't come up with a figure, it is too difficult.

MacDonald: Two to one?

III: It is a guess, maybe not that high.

Adams:I: No valid way of making an estimate. From my own point of view I feel there are n ot very many, and not a great % of the civilian

war casualties who are not receiving some treatment. Maybe not in hospitals, but they may not need hospital treatment.

MacDonald: Do we keep track of those who get help and don't go to hospitals?

Coppedge: We do have means at the out-patient clinics. How are you describing war casualties? Those that do or don't go to hospitals? When we guess at 100,000 casualties, someone else can guess at any figure.

MacDonald: Can I come along and say I am not guessing?

Coppedge: No.

Baron: In our regular monthly report. Each of the sub-sector advisors fill out everything under the sun. Maybe we could include a judgement by the sector advisors -- i.e., is there any evidence that a large portion of civilian casualties are not receiving treatment.

Coppedge: You might pass along a judgement, but you can't rely on it too much. You have got many people who's judgement varies and you are going to get duplication.

Roush: Can you look at it not from a separate list but a cross section? In all how many got treatment but how many also were hurt in a time period?

MacDonald: I shouldn't be putting these questions to you I realize, that it is your job to help those in the hospitals, not those that don't make it to the hospitals.

Baron: Just wonder if we couldn't ask our MID people to look at this problem with you and comeup with something?

Coppedge: OK, we'll talk about it.

IV: The provinces vary so much, MILPHAP team knows what is getting

reported, in other provinces I don't trust the figures at all. If you set up a system you might be able to trust only a portion, but you can project from this.

MacDonald: OK, your point is well taken. I realize you can't count for certainity what you can't count. But can we try to make estimates? It wouldn't be a desirable thing and there are others who should do this, but we might be subject to some questioning.

Coppedge: With respect to refugees, we have in the past month provided a liaison officer to CORDS (John Thomas) to help. We are also attempting to provide with AMA or IRC, a contract for physicians in each region. This brings refugees and health people together. There are doctors on-board in Reg. I and III. Hope to have one in Region II shortly. They are exclusively for refugees.

(Use of chart) Towards a second objective: better care and greater number of people, the lead time for each category varies greatly.

MacDonald: What happens to the total numbers available by categories. Are we going up or down.

Coppedge: Going up. Very few dropping out.

MacDonald: This just adds to the total number of MDs in the nation. Do they go directly into the military?

Coppedge: We will say something about this in a moment.

Pharmacists are used in a differant way in this country. They may run the clinical labs and/or blood banks.

MacDonald: What about the dentists, do they go into the military?

Coppedge: I think so.

Roush: What % of these in relation to each other, nurses to drs.?

Coppedge: I do think we have something.

Roush: Are we running behind?

Coppedge: In dentists and lab techs, xray tech, sanitarians we are.

MacDonald: What is the relation to military and civil? How many drs. does this country need and when are they going to realize their needs.

Coppedge: This is a ten year problem. If we can get to 200 a year, and we should be able to.

MacDonald: Would assume 10 years isn't for every category. I would like to see a chart for each, showing targets, magnitudes, assumptions? Want comparative data.

Coppedge: Don't have right now. Can work up, but it will take sometime. Very briefly I would like to say that we are making a survey of pharmists to see how they are used, and also of hospital management.

MacDonald: Are we going to talk about the facilities?

Coppedge: Don't have anything, main thing is A&E, we aren't planning much construction.

MacDonald: What about the ARVN forces? Are they more durable? Did Whiting and other contractors start by looking at existing hospitals?

Comment: No, they just started.

MacDonald: Suggest you look at the availability of substantial facilities of ARVN, DOD, etc.

Coppedge: We have been looking at these with the MOD, MOH and DOD.

MacDonald: How many beds in the MOH?

Coppedge: It goes as follows: 16,000 MOH, 10,000 MOD, 7,000 DOD Many of the structures which the MOH has constructed are not considered sound. Some sites should be raised both in MOH and DOD.

MacDonald: Is this a long range plan or immediate?

Coppedge: Both long range and immediate.

I should say the major achievement in PH has been bringing the MOD and MOH together.

MacDonald: Can you bring us back to the present? Does OICC handle these?

Comment: More in I Corps were done by the Seabees.

Comment: As far as impact, we feel it may be done this year. A group will slop over to next year. Contractor, Saigon representative, is reluctant to proceed. But would move forward if we could get pressure from Saigon. Need movement of local materials.

MacDonald: We have to look at OICC. Must be a US determination, not a military based one. What is the nature of the hold up in the field in regard of impact hospitals?

II: Impact hospitals are to be provided by OICC. But there is no regional control. Nothing is happening, commodities are not available, wrong things are being used, etc.

MacDonald: How does the reporting flow?

Comment: Not covered in the field report. Are trying to straighten this out. Control of hospitals comes from OICC at the Saigon level. OICC man on the spot reports to OICC Saigon.

MacDonald: Every two or three months we report to Senator Kennedy and President Johnson that these hospitals are going to be build. Then not only are they not built but we don't know why. The whole reporting system seems to be unclear.

Comment: This seems to be a problem for Public Works not for Public Health.

MacDonald: Jim, I think we should cable, getting task force on this. We have to do something.

Mossler: While we are on personnel, how many Vietnamese do you have in technical divisions?

Comment: About 750, contract, direct-hire, free world, etc.

Coppedge: (Another chart) MILPHAP teams do cover some districts. 25 provinces with one or more districts with US or free world staffing. This is an effort to get into the rural area. Nurses trained at Philippines serve as counterparts to the rural health facilities in the province.

I want to maintain the emphasis we are placing on the national plague problem. Over 27,400 cases of plague in Vietnam last year. It is a serious problem politically, and economically. It is spread throughout the country. We may never control it, but we try to combat it.

MacDonald: I would like to turn to where you find plague most?

Coppedge: Can't predict where it will come up. Whereever you have grain. Emphasis is in market places, transportation facilities and grain warehouses. This is why health education, garbage, etc. is important.

Malaria control is deteriorating. 220,000 houses to be sprayed this year.

MacDonald: I want a better picture of deployment of health personnel in the country as between civilian and military. This you can do by arranging meetings with the MOH and MOD. Are you making progress?

Coppedge: Yes, I think we are. At least we are discussing it.

MacDonald: How many of the 209 are in Saigon?

Coppedge: Have about 100 in Saigon.

MacDonald: How many MDs are abroad studying?

Coppedge: That is a good question. We are discussing it this afternoon with MACV.

MacDonald: No point to draft in the military if they are sending them abroad. Why would you react to policy proposal that there should be no training until war is over?

Coppedge: I couldn't support it. I am concerned about desire of the military to start an institution of their own.

Comment: MACV and faculty of medicine has agreed considering technical and professionals who are going to be utilized in a teaching role not for service functions. We are encouraging the overseas training of individuals who are going to be used in this teaching role.

Coppedge: (Chart) Willingness of Vietnam to commit resources to health. % of total budget has increased. Still falls short of the accepted standard of 6%.

MacDonald: If you did some discount for the inflated budget would it come a little closer? I assume components are inflated. In terms of gross national consumption it could go over 6%? Health wise you are at the level of 6%. Most of the resources are going into the care of patients?

What about 10 years from now? If you run the curves through will it reach 6%?

Coppedge: Haven't really attempted this.

Roush: Do you have the health budget of ARVN?

Coppedge: No, I don't

Ten minute break

Mossler: (Assume chair in MacDonald's absence) Let's start with the projects. For the 500 bed hospital, does A&E work postpone construction?

Roush: We have discussed the original 5 million and decided we should get assistance from others. Figure is now 2½ million. We were already

rehabilitating three other hospitals and shouldn't have to fund all of this. Should be showing A&E and be in a position to move forward.

Mossler: I come down to the fact that we should, but would like comments.

Coppedge: We agree with Jim that other agencies should contribute to this. If we can get A&E started.

Mossler: Jim said we shouldn't show money in 70. I lean toward his views.

Coppedge: It is a very excellent idea in medical education and we have to provide facilities for our training. We are at the point where we need it now.

Mossler: You need it now in terms of winning the war or to upgrade facilities?

Coppedge: You can't postpone all planning.

Pratt: It was my understanding when I was agreeing so quickly that we would ask Koreans to participate and it would be for next year.

Roush: I apologize, my staff agrees with you. I think you may want to put some in the 70 budget anyway. This is an issue and should be considered by top management.

Mossler: Anything to lead us to believe we would have success in getting outside assistance?

Coppedge: MOH is in Seoul now discussing Korean help in building a hospital in Saigon.

Roush: If Koreans might pick up, we could pick up equipment.

Coppedge: We both agree that design of hospital was most important, then blank in A&E and anyone can build it.

Mossler: Would they be put on resources not on this activity?

Comment: In terms of renovation $3\frac{1}{2}$ million piasters is being input.

Mossler: How about ADA contract?

Comment: Fine until incident of February. We have recovered and are working very well.

Mossler: With ADA and AMA what was the time for the contracting?

Comment: We talked in terms of 5 years. The don't want to talk 1 year. Three year contract with right of renewal was decided. Two on AMA, $1\frac{1}{2}$ on ADA (years completed), but they are behind right now. In the course of 3 years exactly we have completed the entire facility and we have been able to support every science department. This is quite a remarkable record.

Roush: I think there was and has been findings in an audit report that a number of people coming out under the AMA come out for a very short time. AMA's field director is quoted as saying the shorttimer in unproductive and getting long term personnel has been fruitless. It seems to me that we need to take another look at structuring the contract or revise our schedule.

Comment: I talked with the auditors and everything was open to them. They were auditing the original period of the contract and the record of July 66 and December 66 was the time when the surveys were being done. The teaching personnel actually started in Jan. 67 so that for most of the period Jan. 67 to Sept 68 was not covered. In the period of 20 months I have counted up 175 man months by 30 individuals. This is an acceptable level.

Mossler: One of the possible ways of improving is doing something about the contract to get families in safehaven posts.

Comment: It would help a great deal. It might be improved if we can

get people to stay longer.

Roush: How many departments do we how have relative full time teaching support?

Comment: About 6 or 7 departments.

Roush: So we have a couple to go?

Comment: Yes.

Mossler: How many US universities participating in this effort.

Comment: By the end of this school year there will be 25 American universities involved.

Mossler: Although it is not an issue, what about the number of participants?

Comment: We have a pretty good return on those going out for study and having them return.

Mossler: For two years graduate training?

Comment: Depends, we have short term and long term.

Mossler: Of this 41 for 69 how many are you sending for PHD training?

Comment: Probably 10%, we also have residence training.

Roush: This came up in part because we don't really have a training plan. 40 were trained and an additional 80 seemed high. I assume there are repeat visitors? I think that we did discuss and PH agreed they would work up a training plan probably through AMA. Will give us a better basis to justify things. Therefore we can go along with this.

Coppedge: I agree.

Roush: Getting the divisions to focus on a training plan has been one problem.

Mossler: Any further questions or ~~objections~~ observations on this problem?

Comment: Have you been able to resolve the sale of text books as far as funding?

Coppedge: Being funding in separate account through counterpart.

Mossler: Turning to Malaria, are you doing enough on this?

Coppedge: Biggest thing is security, we lost a team last week through kidnapping. We have a lack of available manpower.

Mossler: What bothers me is we have put a lot of money in malaria eradication. is there a danger with this amount? Can you keep it under control?

Coppedge: I am not at all sure we can. VC moving through country spread malaria -- this is creating a large problem.

Dr. Mooney: This was a political and military decire of 63 and 64. We should stick and not let the VC and North Vietnamese prove that they can beat us at the game of controlling malaria. We should do something even though we have to start from scratch.

Coppedge: One of the biggest problems is the GVN.

Roush: You will agree that security is a real problem and this recognition of constraints and that it is better to try and hold the line where we can instead of getting out.

Baron: I would like to ask if now that this year we are planning to put the RD cadre on a village rather than hamlet level, could we use these cadre for spraying or at least helping us on this problem? The National Training center at Vung Tau trains several thousand cadre at every class and it might be that we have provided an input for their training. It seems it should be very useful. Also it is possible that you might improve provincial operations if guidelines were sent down through PSAS on what you are trying to do.

Comment: The matter of the RD cadre is planned for next year. They however are not in an area where malaris is high. PSAS have incorporated

this in their plans, GVN has received a lot of support from this bilateral planning.

Baron: There is an annual pacification plan exercise. But wonder if something might be included in the kind of benefits planned and programmed, to include malaria control, etc.

Roush: How about having malaria people compare prior to those of pacification. If there is any overlap.

Coppedge: I agree.

Roush: Isn't the Highlands.....

Comment: the most important, hardest hit, most difficult to get to and the least priority as far as pacification.

Roush: How about the Truong Song training center. Can we try it?

Comment: We are dealing with the Montgnards and they are many years behing on why they die, etc. But, we are making some use of Truong Song teams.

Mossler: If the regions feel this is a problem it should be identified with the resouces we have, especially in priority areas.

Coppedge: We will review our program.

Mossler: There is a minor different on participant training?

Roush: Since WHO is sending some why should be send them?

Coppedge: Can check this out and explore if WHO can send all of them.

Roush: There is no funding problems with provincial health assistance, but should discuss a few sectors.

Coppedge: We have discussed with MOH the numbers of people and types of people. For MILPHAP we ask for recommendations from three surveys. We are recommending the reduction of MILPHAP by 100.

Comment: How many hospitals are they covering?

Coppedge: 42 today, two more in a month, one more by the end of this year.

Mossler: Money shown for contract in 70 is for what?

Comment: For medical teams.

Mossler: Who pays?

Roush: We pay 100%.

Mossler: How about trying to get money from other countries?

Comment: We tried with Philippines and they are no longer here.

Mossler: What about feelings from the field? Is there progress?

Comments: Work very well without. Korean medical teams don't work. They are doing a good job.

Roush: Three or four contracts were forwarded to 68. That is why the figure is so high.

Baron: This is a good time to solve one problem with the RD program. Maternity dispensary construction program. For 69 we are working on the assumption that there should be no new construction except to that involving self-help. Would not provide any funds in the RD program for this. There is a feeling that a lot of these are not being used or staffed.

Comments: Nothing in this budget.

Coppedge: Should CORDS provide anything in the RD budget?

Baron: We are planning to, is that the right decision?

Comment: It was a joint operation.

Coppedge: We should have a report from MDs (maternity dispensaries) within a few weeks.

Reg III: We don't know where are MDs are.

Reg II: Same thing true in II corps. Have had coopération between MOH and RD. Have 4 dispensaries that are not staffed because of security. One staffed last month.

Reg IV: Just finished a survey. Figures of GVN and ours don't match.

Coppedge: Many were built in insecure areas. This is the fault of the GVN who picked the spots. We should use them if we can. I would emphasize expansion of existing facilities that are now working.

Baron: One other point -- In 69 there will be a provincial development fund under the RD program. Question: Should provinces be given guidelines that would permit the use of funds for development of Maternity dispensaries as MOH provides fund for this?

Coppedge: No, there is a central fund.

Roush: Is it possible for health, from AAC, to come up with the figure. It is on a contingency basis.

Mossler: I am amazed by the pipeline at the end of 67 funds. A lot of things aren't moving. Why? What is the problem?

Roush: There are two problems: (1) hospital renovation has been delayed, and (2) OICC is very deliguent in billing us.

Mossler: Of the 147 direct-hire people, all located in provinces or in headquarters?

Coppedge: Some are in Saigon prefecture.

Mossler: I would like just for my own information, a chart of positions, where they are in relation to provinces, etc.

Roush: Believe the Director indicated that we would have a personnel meeting later. Manpower annex provides this. We just did a summary.

Coppedge: This information is not our weekly report.

Mossler: In public health services: (1) agreed to go forward (2) can our programs be expanded in the next fiscal year. Let's discuss this and the rest of the issues.

Coppedge: I can't answer these questions cold. Lynch should speak

for Reg II. Possible for expanding rural health preventive medicine, and village water.

Lynch: We have snatitation projects, water systems, food control, health education projects that are expanding, nursing, maternity dispensaries, family planning, immunization, etc. We have a lot of projects.

Mossler: Funding comes from where?

Lynch: MOH

Mossler: Any health funding?

Lynch: Very little

Mossler: What about commodities?

Lynch: That goes into MOH and PW.

IV: Have more MILPHAH teams than any other region. Trying to get as many of them working as possible. Trying to get school health and immunizations programs started as soon as possible.

Coppedge: Biggest limitation in PH is inadequacy of our staff. We can't get ~~physicians~~ physicians trained in PH.

Roush: I saw this in the summary. We had been lead to believe that constrainst were on the Vietnamese. I am surprised to hear this. Just wonder if there are priorities. What are they? Are these not real constraints on the side of the Vietnamese?

Comment: Big thrust is the plague program which we hope to get going this year.

Roush: Do they know in the field that this is a priority.

Coppedge: Yes, it is a priority in I, II and III, but not in IV. There is a limitation on the Vietnamese side and on our side.

Roush: At the February review in Washington this is one of the things Grant picked up and felt there wasn't enough concentration on priorities in the health program. He was concerned. There was no idea of focus and where the problem really was. There are a large variety of things you can do.

Coppedge: We can't focus on very much, we are trying to focus on existing capacities.

Mossler: How about question of trucks, etc. Perhaps this is something that can be done through other means.

Coppedge: Have discussed this. I think it is a good idea. We have to examine this.

Comment: the principle objective of contract service program is that we are not developing our government capabilities in most areas. It is being operated by PH units or PH services.

Roush: I challenge this. It doesn't matter who does the managing, so long as the people are being trained. Someone has to say where and how.

Coppedge: It seems to be in the basic objective, because you have to have someone to supervise.

Comment: The main problem is writing the contract in the first place.

Roush: I agree, the administrative people and the administration problem needs to be worked on. The big problem is in getting the people.

Coppedge: GSA maybe able to help us.

Mossler: How about the audio visual?

JUSPAO seems to be in a position to do more then they are doing.

Coppedge: What has JUSPAO done? Where were they when we needed help?

Comment: One of the big obstacles (Reg I) in carrying out a program is the lack of equipment and materials. It has not been available from JUSPAO.

Coppedge: It is not working.

Roush: Problems like on the VIS. They prepared last year what should be available at the provinces. They audited a considerable amount last year and they cut back because of lack of maitenance.

Mossler: Could I suggest that you follow through on this. Explore in-house capabilities on participants, who and what kind of people are you sending?

Coppedge: Among these are participants for PH nursing, who are oriented to nursing in Thailand (a lot of 3rd country training).

Roush: There is a discrepency in training. A number who have been sent (women) to the U.S. for training have come back and are not being utilized in their fields.

Coppedge: Point well taken. We have made a mistake when we sent girls to US for college training. The proposals to send nurses is as follows: four are available. Of this four 2 are male, 3 of them occupy responsible positions now and one is at the Ban Me Thuot center. We can justify sending them.

Mossler: Does this mean that there is other training?

Coppedge: 60 people who should have training. There are now 20-25 getting trainied.

Roush: Are the rest one-month trainees.

Coppedge: Yes, the go to Taiwan for training. Half are in training now the other half are in service programs. Not vital to our program but would be useful to see how an efficient hospital runs.

Mossler: How many nursing schools do we have in Vietnam?

Coppedge: There are three in operation and seven 1-year nursing schools in operation, Five in the last 2 or 3 years.

Mossler: Does this complete what you have in mind for the total plan?

Coppedge: I'm not certain about that. Some are needing expansion of schools already operating.

Mossler: Is there anything on the dollar side involved?

Roush: piasters.

Mossler: Last project is health logistics support

Coppedge: This was not discussed at all before today. Serious misapprehensio by PROG. This hospital is an MOH hospital also used for teaching. It is like that 200-400 beds will be re-built ($\frac{1}{2}$ of hospital was destroyed by Tet offensive). I don't see any difficulties in equiping this hospital then equipping any other hospital.

Roush: (1) Our understanding of that was that we were constructing a new facility. I didn't see a lot of damage to the hospital.

(2) More basic is the point that we are providing such a bulk of items and even if we are not financing the hospital we are financing the equipment. Will be part of the commodities.

Coppedge: MOH can equip that hospital, it is their responsibility.

Roush: I am not saying they shouldn't. We are not about to do all the equipping for them. Right? This is what Grant was hitting on, especially in terms of post-war.

Mossler: Unconsumable supplies and equipment, are we taking care of that?

Comment: 50% by DOD

Mossler: What is GVN doing?

Coppedge: MOH buys medicine we don't provide.

Roush: Thought we were providing over 90%.

MacDonald: Would we get out of financing certain line items in the MOH inputs?

Roush: Main things they were doing was producing vaccines in country.

MacDonald: Jim's point is very simple, we are financing completely the dollar cost of facilities for equipment and for consumables. We have to keep in mind 'are we building something they are going to be able to take over.' We should flag this.

Roush: Basic point is that across the board we have been making progress in getting the GVN to pick up additional share and clear this area where they are not. We should be moving toward ways in which they can become able to pick it up.

Coppedge: We have to realize that many of the medical supply items (drugs) are required by Free World people not by the Vietnamese.

MacDonald: Don't close the door that tight.

Roush: This is related to three.

MacDonald: Do you need another meeting to take care of this?

Roush: I think we can skip a lot of this. They know they have problems and we can discuss it with them. The GVN is having problems in finding people to train. We have had one case (logistics let a contract with American firm of TCNs shift to Vietnamese). Will you need, post-war, quite as big a logistics system?

Coppedge: Still have a terrible problem in distribution.

MacDonald: What about the other projects, Jim?

Roush: Questioned going into teaching the blind. No political problems. Terminating WRF contract in 70.

Roush: On the National Health Advisory Services, they have a number of advisors working in different areas. Suggest this be combined at the end of this fiscal year and become part of tech support. Know of no major effort or activity to be undertaken. We are planning to have some people come out and take a look at the pharmaists activity to advise the GVN on curriculum. And our hope was that this wouldn't relate to any further U.S. participation.

Coppedge: No requirements as to having a different program for Population Dynamics. We are not giving up space or money.

Roush: Question on the funding. No appropriation for Title IX. Funds are right out of the program. It is not needed for a new program at this time. And GVN has on its books that we are doing this. The other point is on the number of participants.

Dr. Glenn: We are trying to combine participant training. I know our participant list looks tremendous, 40 people are being trained for double jobs. At the same time they will be trained in Saigon. Then go into intensive training in community health and population. This is where our population problem is working in political areas. It isn't as large as it appears. People will come back and collect urban area statistics. They will come to Saigon. Would like to point out that I am in a position to create a leeway.

MacDonald: How long would they be in Taiwan?

Glenn: From 2 to 3 weeks for technical training.

MacDonald: NIS couldn't do this for them?

Glenn: Chinese have a world wide family planning program.

MacDonald: Is it agreed with MOH. You have a program of reporting.

Glenn: After NIS training the would be good census takers, but would not help in the family planning program.

MacDonald: But since you are not going to do it all in one year can't you narrow your sights and then next year up it?

We never really exploited the training provided in the past in regard to participant training. Let's come back to it in a day or two.

SUMMARY

FY 1969 - 1970

Director's PBS Review

PUBLIC SAFETY SECTOR

Major thrust of the Sector is to contribute to pacification by up-rooting the Viet Cong Infrastructure; provide support to war effort through control of human and material resources; and engage in nation-building by creation of efficient police force. FY 1969-1970 course of action will, be to concentrate on training, establishing personnel reforms and enhancing the "professionalism" of police. New DGNP show concern in quality and not quantity as his predecessor did.

Personnel Service Employees

I. Direct-Hire

Discussion turned on PSD's programming 249 direct hire employees, exceeding PROG's recommendation level of 225. Increases were all in Public Safety Support project. PSD request 241 PROG recommends 217. Director expressed thought some employee's were serving in jobs of minor value to total program: asked PSD to take "hard look". No decision made.

2. Direct-Hire TCNs

No change save to observe that increase from 84 to 101 TCN employees FY 69 to FY 70 represents conversion of contract to direct hire.

3. PASA - None

4. Contract, Personnel Service

No unresolved issues. CORDS/PSD and PROG received Director's assent to assume continuing contracts and provide one-year funding. PROG to make adjustments.

Participants

Discussion in which Mr. Manopoli explained role of participant training program in total scheme. Saw attending International Police Academy as strengthening middle echelon - weak element in GVN police structure. No decision made to make any change in submission.

Commodities

General discussion on the magnitude of PSD commodity submission. Major element ammunition which appears incontroversial. Next significant item cement, rebar and roofing. Discussion of turning over to private sector with contractor procurement, following earlier governmental announcements, was mentioned. Director's decision was to turn matter over to Task Force

to explore ramifications of dropping items from CIprogram dollars.

Agreed between PROG and CORDS/PSD that project commodities would be reviewed with an eye to downward adjustment.

Other Costs

Not discussed. Largely A&E and construction contracts. Pre-hearing discussion between PSD and PROG resolved all issues.

Outstanding Issues

Major Considerations

1. Commodities - cement, rebar and roofing - awaiting report of Task Force. establishing procedures for effecting piaster purchase.

2. Size of PSD direct-hire staff.

REFUGEES

SUMMARY

FY 1969-1970

DIRECTOR's REVIEW

After the Directors opening remarks Mr. Thomas gave a general presentation of his program. He pointed out the difficulty of attacking a problem of the magnitude of over 1,000,000 people in refugee status with the funds available. He gave a region by region breakout of the components of the problem stressing I Corps as the particular problem area and expanded VC harassment of camps as another. He spoke to the difficulties of even getting a firm grasp of the statistics.

Mr. Thomas next described the Direct Hire personnel ceiling increase from 96 to 116 and defended the distribution of these new positions. The added emphasis reflects a "Winding up" of save Refugee projects in III and IV Corps and a consequent ability to provide in the traditional areas of Social Welfare. He described his effort to keep Headquarters and Regional staffs to a minimum and pointed out the necessity to center Vol Ag, and Social Welfare personnel in Saigon.

Mr. Thomas called on Mr. Firnstahl who gave a description of a proposed ADP report which would consolidate the various field inputs providing a detailed picture of the status of all camps in the country.

Mr. Thomas stressed his emphasis on cooperation with and support of the GVN. He pointed out the other war related needs of the Vietnamese which should be attended to, and described his intent to blend from Refugee Relief into more typical social welfare problem areas, thereby strengthening GVN social welfare institutions. They had proposed some 16 projects, reduced these to 5 and felt they were typical social welfare problem areas, thereby strengthening GVN social welfare institutions. They had proposed some 16 projects, reduced these to 5 and felt they were proceding slovely and carefully in moving into the social welfare field.

Turning to Voluntary Agencies, Mr. Thomas described how Vol Ags have played a major role in this type of operation everywhere in the world. They provide a less expensive way to acquire professional know-how and experience and are good for Public Relations. Of 32 in country, we have contracts with only 9. He stressed that development of local VolAgs as a must, and mentioned the important role which women can play in this regard (thereby justifying need for two women's social welfare advisors).

Dr. Lu Y has a full understanding of social welfare concepts, and has set up of VolAg liaison branch within the Ministry with the goal of having all VolAgs marking in harness with and reporting to the Ministry.

Finally VolAgs bring in a lot of money. Between $ 8-10 million last year.

There followed discussion.

McD. What contributions are made by other countries?

Th. Agreat deal thru FWA.

McD. What progress made on implementing Dumpson report?

Th. Regards Dumpson and Kennedy reports as Bebles. Dumpson would like to see faster, larger and deeper projects, but Thomas recognizes need for quality rather than quantity and the need to move within GVN capability. Thomas and Dumpson recommend a National Advisory Committee.

McD. What is status of UN school?

Th. Land and money available.

Roush. We are making admirable progress on implementation of Dumpson report. Pointed out no AAC money now in budget for UN school. Must reasses AAC for Social Welfare. Dumpson recognized limitations on speed of implementation of recommendations. Placed emphasis on training of GVN personnel. (Summarized recommendations). On institutions, i.e. day camps, hostels, can GVN operate them. If so, we would prefer to support construction costs rather than subsidies. What is status of hostels for which 68 money made available.

Revis. 4 in II Corps. Have trouble getting people out.

McD. <u>Wants recap of progress on Dumpson recommendations</u>

Colhy (before leaving). Complement Thomas on accomplishments and proposals. Agrees with his concept for future plans. Must expand program from merely "keeping the wolf from the door."

Th. (In response to question of technicians i.e. Agriculture Vocational Education, on Refugee staff). To conduct liaison with technical branches in order to bring attention to specific refugee problems in these areas. Technical divisions don't have time.

Roush. Need for USAID Tech Divisions to respond to Refugee needs.

<u>Vocational Training</u>

Th. Refugees don't get into the schools. Until other satisfactory arrangements made, must procede independently.

Roush. Attempt to restructure old Edcon contract to fit all needs. New contract for bids.

Th. : Edcon not providing the kind of program refugees need. Only in one camp. Interested in centralized proposal and will have Firnstahl talk with Manpower and Labor people to put forward refugee requirement.

Thomas : (On contracts). C.A.R.E. Director aware of problem. Solvation Army- at GVN request a small demonstration project.

WRC - expand excellent program in Hue.

World Vision - A one year demonstration project utilizing modular steel building.

(A discussion on procurement of pre fabs followed with Mr. Wild pointing out interest of US firms in supplying. Discussion concluded where Mr. Crownver pointed out that source waiver had been approved).

Goodwill - whereas World Rehabilitation provides prasthetic devices, Goodwill would provide skills training to handicapped with pilot project.

McD. : Seems worth a try.

Mossler: Questions the priority of projects in these specialized areas. What are magnitudes of problems?

Th. : Part and parcel of pacification. Create an image of a benevolent government. Good public relations. (Concurrence from Reg Advisors). There are 50,000 disabled in Saigon, 30,000 amputees, and 150,000 mental cases registered with MHSWR - probably much higher. MHSWR has no background in dealing with these problems. Need assistance of pilot project.

Roush: Expansion of projects, US personnel, VolAgs will create large management problem for CORDS/REF, but particularly for GVN. The Dumpson report recognized constraints on moving into these areas. Criteria should be not what we would like to do, but what is a realistic undertaking.

Th. : We are looking ahead these things area must the GVN must be urged and prodded to take on these responsibilities. Provide pilot demonstrations.

McMan. The family is breaking down as an institution. Given this, GVN must develop a professional capability deal with problems once taken care of by family.

McD. : Return to hostels. Should provide socialogical laboratory, for teaching and learning.

Th. : Not clear on status of these facilities.

Roush : Does the GVN have the capability to man and operate these hostels?

McD. : We have two types of projects. We do it or they do it. In this case we seem to be doing it where intention was otherwise. We seem to have missed the boat on institution development concept.

Beecher: Difficulties with Ministerial changes. Lu Y will give more emphasis.

Roush : Parker raising lab on exposure of PIO/T's. Are VolAgs perhaps different? VolAg Liaison allow VolAgs to write their own. How do we get 83 Vietnamese in proposed CRS contract renewal back into GVN or private sector?

Th. : On VolAgs. We go to them. They don't to come to us. We have a problem what can you do to help us. What can you supply? What do require from us? Give us a proposal. We work it over and submit PIO/T. A year later still no contract.

McD. : Concerned about our paying for locals without plan for absorption by GVN or private sector. Need to discuss further.

Closing remarks.

REFUGEES/SOCIAL WELFARE - Notes From Director's Review Meetings

September 17, 1968

Thomas: Brief review of components of our pattern for meeting the problem of over a million refugees in South Vietnam.

Biggest problem is in Region I - 50%, 600,000; next is in Reg II - 340,000; other two regions are smaller in number but because of military operations we have a larger problem on a day-to-day basis. We hope to improve on our statistics, and we are trying to work with the GVN.

The personnel situation as we see it: In April 68 we had a ceiling of 96, 70 persons on-baord. We re-examined and asked for 20 more, from 96 to 116. Was granted. We tried to bring in people from classes and institutions. We are now at 100 and before this week or next we will be over 100. In May we inherited three lines of ~~Saigon~~ Social ~~Development~~ Welfare from ~~Agriculture~~ A.I.D. Have been looking closely at Headquarters and regions. We need smaller ~~units~~ NUMBER OF BRANCHES in Headquarters and have reduced to three in Refugee Division. We have 32 volags headquartered in Saigon.

The Social Welfare branch takes a lot of work in headquarters. Two people placed in field. One in I Corps and one in II Corps. Social Welfare becomes aligned with GVN and Volags and therefore work must be done in headquarters. We have some 30 out of the 100 in Headquarters for Refugees.

MacDonald: How many people nation-wide?

Thomas: One in I Corps and one in II Corps. Have established 13 positions. (Social Welfare)

I would like to take a moment to demonstrate the basic element in the Refugee problem. Shifting to an ADP system should pay

off in management of program, and could prove the answer for us.

Comment: We are trying to start with refugees. Our present system consists of three elements. Purpose is to get good data and consolidate into one system. Then try to develop the system so GVN and us could live with it. We came up with the following consolidated GVN reporting system, refugee reporting system and made new one. Comes from refugee center through region into Saigon. Now have one set of data for Saigon, region and provincial level, which is sent out monthly.

Thomas: We are working together with the GVN on this. Along the first of the year or by February we can turn the reporting over to them.

A word about a couple of other things. In social welfare, as we see the whole situation, there is no doubt that if peace came tomorrow we would not have a refugee problem. We see our program moving and building into a true ~~refugee~~ SW program. We are taking it slowly and catiously. Have five projects we think are realistic and important to move forward on.

VolAgs -- great deal of contention on how they should be handled. Have always been a great part of any program. They are used in partnership with other work and we have put a great deal of support and have used them in a great many ways to approaching problems through public relations, etc. Have had a strong support with regard to Congressional problems. In 65 I understood why they were trying to get VolAgs, trying to get them in to show Free World was in support of Vietnam. We would be happier with fewer Agencies, but we are trying to make use of them. Have only 9 contracts with 32 agencies.

MacDonald: You say 9 contracts, any non-American volags?

Thomas: At present we are trying to get them in, but I think all are American.

What I think is so important is that we can go through the country for the people. American public opinion, especially with the press is great. VolAgs have a long history of being helpful. We as Americans no longer chalange this. Must get this point across to the Vietnamese. It has been a hit and miss activity with us, but with the ADP system we should be able to move forward.

The problem with the GVN is that they don't understand this. The new Minister is being helpful. He is trying to get across to his people our ideas, that the VolAgs are here for the Vietnamese not for the U.S. Government or Americans. VolAgs bring quite a bit of money here, $62 million last year. Large part was from VolAgs.

MacDonald: Are there other Free World resources being used?

Thomas: Yes, a great deal of contributions being taken in.

MacDonald: When I was last in Washington Gaud wanted to know what was done with the recommendation of the Dumpson Report. What progress are we making towards the implementation of those recommendations?

Thomas: We read it consistently. When in New York in June I had a meetint with Dumpson. He wants us to move more quickly, to move more in depth, get into more projects. I pleaded we must have quality rather than quantity. Many of the recommendations are valid but felt we didn't want to move that quickly. Want to work a little more before a task force comes in. We are moving towards his goal.

MacDonald: One recommendation was for a training school referring to UN.

Thomas: Yes, Minister has set aside the land and have some money and National Institute will soon come into being.

Roush: I have been going over some of the recommendations and we have nothing to be ashamed of. As far as the training center, we have funds in the American Aid Chapter. Had indicated in discussions with DGBFA that we would have funds in 69 budget. Also would like to mention that Mr. Dumpson recognizes that there was a limited effort to how fast we can go. He has put considerable emphasis on training. Criticizes the Americans for taking over too much. On staffing he said seven (7) people. We now have up to 11 or 13.

Improved care of refugees in camps was a recommendation. Some of these have been done. Day care centers have been set up. Basic question is if GVN can operate. Would suggest putting money in construction rather than in commodities.

MacDonald: Where do we stand on creation of ~~village hospitals~~ hostels at hospitals?

II: Four established in II Corps. Difficulty is that families move in for periods of patients hospitalization. We then have trouble getting them out again. We are planning more ~~hospitals.~~ hostels.

I: Total of five.

MacDonald: I would like to have a copy of what has been done in regard to Dumpson recommendations to take to Washington with me. Before turning to specific issues, Mr. Colby do you have any statement?

Colby: I commend John for bringing some fresh air into this situation. Where to go in the future has been stated very clearly. We in MACV feel this program is a very high priority in context of winning the war and the American public's attitude toward the war. It is an opportunity for a positive pacification. Think we can engage the people actively in the war through this program. Should give John all the support we can. He has outlined a modest program and the

program pays very high returns.

Roush: I would like to second what Mr. Colby just said. There are things on the issues paper that I didn't get a chance to go over with them. We have conflicts.

MacDonald: As an honest issue to see if we can find any savings let's look at the issues and specifics of the program.

First at refugee relief under manpower -- move refugee project into technical area. What is being done under this?

Thomas: We have experienced in other refugee programs that there are a few areas where it is good to have a technically competent person on the staff. It is better for a Dr. to talk to a Dr. than for me as a layman to do so. We are trying to resolve this program of getting technical people on our staff.

MacDonald: How many technical people do you have?

Thomas: Three vocational training people, 1 agricultureal and we hope to get 1 forestry.

MacDonald: You have some in Logistics?

Thomas: Yes, but these I call technical services.

Roush: I think certainly that in the vocational education field if they ~~denii~~ didn't have it they wouldn't be where they are. I think we need some sort of mechanism to see that USAID is making some contributions to the effort. It is a hit or miss affair. USAID people need to get together with the refugee people. If we can get this arrangement we can provide better support.

MacDonald: Is it really necessary to have 6-10 advisors at each level?

Thomas: This is the kind of approach we talked about in headquarters. We would like to keep the staff as low as possible. Hope to have about

five officers out in the field. Must have regional officer and other people in Saigon to counterpart those VolAgs out in the field. Isn't necessary to have as high as 10. Another factor is that we suffer because of SMA, RR, home leave, finished tours, etc. People keep moving in and out.

MacDonald: We are trying here not to reach any conclusions on staffing because we will turn to this later. Just try to get a feel of the sense of need. Again to the VolAgs. You said we have 9 contracts and are processing additional contracts. Where and how many?

Roush: Have indicated Good Will, Salvation Army, CARE, etc.

Thomas: We have seven now. Are planning to go into a contract with CARE (480 food). Recently had a very refreshing experience with the Salvation Army. They helped furing the Tet offensive with their own funds. It is possible we will have a contract with them. Salvation Army also helped with the prostitution problem. Old people living alone is also a big problem -- Salvation Army can help train the GVN in this area.

World Relief Committee is another agency we have talked to. They want to engage in services and we have talked about a contract with them.

World Vision Relief has been here for sometime. They bring in a number of commodities. Discussion about the possibility of model housing center project. We became interested in this as did the Vietnamese. Will use the VolAg with management know how to set up a model community near Saigon to experiment with the management of a settlement center. One near Bien Hoa, another in the north (cite not yet selected). It is a one year concept.

Also have another problem in which we hope to do some work --

vocational rehabilitation field. Quakers are working on this also, but there is a lot to do on the training side. One of the world wide agencies is the Good Will Agency. Talking about a pilot demonstration project for the Vietnamese.

Mossler: On these contracts, I have trouble sorting them out. On refugees I see a couple of contracts. How are all of these being put together? Are we getting in the problems of administration?

Thomas: Our vocational training concerns those going into the normal schools in support of handy crafts, etc. Some are an appendage to a multi purpose teams.

MacDonald: On that point I think it would be useful to us to take a snapshot of all our resources. Would be helpful to drawout the large picture. Was Ambassador Komer's references to the 60 million being made available to refugee relief to private agencies?

Thomas: Yes.

MacDonald: Are there other military issues?

Thomas: Something in the neighborhood of 2 million, man hours and Food for Freedom.

MacDonald: Are large resources being sought?

Thomas: Yes.

MacDonald: Don't need great deal but for projects.

Wild: What relationship do they have with EDCON? Is it possible for contracts to take over this activity?

Roush: EDCON has been used in only one major refugee area. Until could be used more. PIO/T in draft for a new contract to focus more on this problem. Proposes with the Director that we make a ~~xxxx~~ strong

effort to use jr. techniaal schools for this training. We will need some contract system to carry this out.

MacDonald: Hasn't worked out as we hoped. Do we need more services or or what?

Thomas: Labor contract as I understand it is doing a good job. But do we have that kind of money for one camp?

Roush: This is part of the revised contract to bring in on the job training for Hoi Chanh. Has been successful in some places. While this was helpful it was what they were supposed to be doing.

MacDonald: Just the other day I was given a recommendation to extend the particular contract that was to elapse. Everything would collapse if the contract wasn't extended. We are renegotiating this contract. But, we should figure out a scope of work and rethink about it later. We should have one major competent contract.

Wild: We somewhere down the line on the procurement of prefab housing need a waiver from Singapore for 1,000 houses. Is this necessary?

MacDonald: How did this get so high.

Thomas: Started with 100,000, got down to 1,000.

Wild: If we have the material in the US must we go to Singapore?

Thomas: This is part of a demonstration project. We did go to the original contractor -- 9,000 and 50,000.

MacDonald: Help.

Thomas: We have topped some and have looked at other ways of financing; even open competition.

McManaway: I think the interesting part of this is the second phase. If the demonstration works the prospect is for ~~additional produce~~ local production.

1 - 2 million in piasters in the bank to back a company in this project.

MacDonald: The only question I have to face up to is the numbers. As far as the project is concerned, but the difficult problem is placing in dollar financing and balances of payments.

Roush: You have another problem: Americans who say they can do it.

MacDonald: Are these steel companies?

Wild: Some are. There is an interest in the US.

Thomas: To move into a large interest we would have to go into a bidding process.

MacDonald: As it is going to be a 1,000 maybe we can get the GVN to finance.

Mossler: Why 1,000?

Thomas: This is the way the contract reads. Some for private housing, some for schools.

Roush: Is the land question settled to begin?

Thomas: Yes, arrangements are being made to clear the land now.

MacDonald: Have American suppliers gotten wind of this?

Wild: I'm not sure, it was just brought to my attention.

Comment: (CROWNOVER) We have the waiver and PIO/T is in process.

MacDonald: But we are ~~xxxxx~~ over the balance of payments and what about the steel problem?

Mossler: Again to the contracts not yet settled, Good Will, Unknown Contractor and Salvation Army, how severe a problem is this? Do they get a high priority in terms of people, etc?

Thomas: Taking care of people is fundamental in selling demonstration process, especially with the GVN. It is a terrific problem in the rehabilitation area. It is a GVN problem but we are trying to help them get set up and in their programs. The Minister doesn't have any background in this.

Mossler: What bothers me is ~~our~~ are the resources around for the GVN to do the job that has to be done? What are the advantages to us to help them?

Thomas: One think about the Dumpson Report, it said we were spending a lot of money. We can't stop the problem, but we can help them.

Roush: The Dumpson Report stressed getting them to take over the program. I am pleased at how you are trying to get this under control. It is a problem and maybe too much for the GVN to take over. I think we have nothing to be ashamed of. We are moving ahead quite well and faster then they thought we would, particularly on the GVN side. We are doing not what we would like but what is realistic for the GVN to handle.

Thomas: In our refugee program we have outlined the pattern and we think we can resolve the problems. But in Social Welfare we are doing little or nothing. For the 1st time we are ~~and~~ attempting to mount a program through a couple of areas.

MacDonald: I hesitate to follow John, when he is talking about his field. But, if I understand, I think the main point is we have a situation where in the past the society had a built in mechanism called the family and what we are seeing today is a breaking down of the family. The capability of the society is going down. There has been no development

on the government side to fill this void. In a small way John is beginning to fill this void.

John, I would like to give our visitors from the field the opportunity to comment on anything.

Comment: Reg. III-- On the point of Social Welfare I would like to embellish the point of psyops payoff involved. If we can get to the people it will be a big help to the GVN in winning the people over.

Reg. II -- We have 2nd largest number of refugees and we try harder. We have a VolAg that is interested in building a prostetic center. But we need some direction.

Roush: You have World Rehabilitation funds, aren't they helping?

Reg. II: They are in Quinh Nhon, not in the area where we need them.

Reg. IV: USAID/GVN has no mechanism to reach any of the VolAgs in the field. Nobody to help. Need more learned personnel. In field of refugee relief vocational education is very important. EDCON works exclusively with Chieu Hoi. Need more VolAgs in to help.

MacDonald: Who do we have on our side administering in the hospitals?

Thomas: We don't have anyone. Some of the Agencies like Catholic Relief Services are there, but we get in it in only a limited way.

MacDonald: I mean family hostils?

Thomas: Haven't been able to do much. Don't have the components on our side to handle this.

MacDonald: The reason I am pursuing this is because you have a tremendous program. It basically doesn't trouble me about the variety and extension of the program, but I'm looking ahead. Something has got to be done through creation as well as care of people. Are we doing enough looking ahead to get the Vietnamese in the act?

Thomas: I am troubled, because when I came here after talking with the Dumpson Committee I became convinced of the strong connection between refugees and social welfare. When I look at the total program I feel if we can just do a little better toward moving forward that we will be doing a lot. The management side doesn't both me at all. We can call on other people. I am ~~mek~~ More concerned with the people in the Ministry, getting an understanding of what they have to face up to and get done. We are at least making a move on the social welfare side.

Roush: I hope when you talk to Dumpson you will let him know of the GVN capabilities also. The ~~hostiles~~ hostels bothered me. There are some real problems being overlooked especially the capabilities of the GVN.

MacDonald: Two tests must be passed: (1) is it the humanitarian thing to do (we do it) and (2) is it building for the future (more prevalent)?

Mossler: What sources of piasters appropriate, if any, and employment of Vietnamese persons?

Roush: Comes up in terms of approach. Need mechanism to give them over to the GVN.

Thomas: The VolAgs seldom come to us, we seek them out for whatever they may be able to offer us.

MacDonald: Question is still on the table for GVN to pick up the people.

Thomas: I hope we won't do anything that we can't see the GVN wants and can pick up. Should never think in terms of more than one fiscal year.

MacDonald: We need a little more time on this, but will take it up at a later date.

Baron: Just wanted to make a point about social welfare. I have a feeling that the Vietnamese are basically very responsive to welfare.

Tet proved this. I miss on this one page summary that we or the GVN are calling more for mobilizing the efforts.

Thomas: We are trying to get standards set up with the Vietnamese. Can't put everything in the CAP. The people must want it.

MacDonald: This has been a long and useful discussion. Would like to express hope that we are helping where we should. It seems we are at a plateau in resources requirements and from now on we should increase productiveness. Don't know how to conclude in respect to all the issues raised. Would like to pursue the GVN finances responsibility for VolAgs and get Vietnamese tied in in the future.

Mossler: John did an excellent job and I thank him for the enlightening discussion.

MacDonald: I thank you, John, and the field representatives for coming here.

SUMMARY

FY 1969 - 1970

Director's PBS Review

REVOLUTIONARY DEVELOPMENT SECTOR

General acceptance of the new approach centering on the villages and making maximum use of self-help activity. RD Cadres to be stationed permanently in villages, mobile teams of PAD advisors to up-grade quality of hamlet and village officials. Village self-defense will be implemented.

On national level emphasising role of Central Revolutinary Development Council (CRDC), shifting field responsibility of old line ministries to begin and transfer of budget support to National budget from AAC to to commence.

Cost Categories

US and TCN Personnel Service

No discussion on level of direct hire employees, ~~personnel~~ presumed acceptable. Same for DOD, PASA personnel. No mention of direct-hire TCN. Seabee's also in PASA category.no discussion. PROG and RDS work out funding schedule.

Role of contract TCN employees, whose services are procured through ECCOI contract, was explained - they provide communication services at provincial, regional and Saigon level, No discussion of contract funding requirement.

Particpants

RDD had programmed 35 participants for $31 thousand FY 1969 and 32 participants for $29 thousand in FY 1970. RDD had programmed observational training programs in Agriculture Credit, Educational Methods, Land ~~Reform~~ Reform, and Community Development at Taiwan and the Phillipines. Director expressed strong skepticism on proposal, expressed thought that training could be carried on in-country and recommended proposal be dropped.

Commodities

Submission was for $1,500 thousand, $600 thousand for rebar, $900 thousand for roofing. Discussion turned on best means of procurement - on local market with piasters or with program funds utilizing CI dollars, possibility of buying items in FY 69 with dollars, giving notice of phase out to businesses community, and going local purchase by GVN in 1970 was mentioned. No decision made.

Other Costs

RDD had programmed $100 thousand to finance contract for printing and publication services. This proposal deleted by Director, alternative course of action to finance through piasters.

MAJOR ISSUES

Major Considerations

1. Decision of commodities rebar and roofing necessary.

SUMMARY
Highlander Affairs
Director's PBS Review

The objective is to assist the intergration of the Montagnards into Vietnamese society, gain the support of the Montagnards to GVN-Free World War effort and improve the lot of the Montagnard people.

PERSONNEL SERVICES

Direct-hire Technicians

Question arose as to whether we have proper inputs in this project. Perhaps too much or too little. If important given extensive program and political important possibly too few direct-hire employees (2). Mr. Colby said that other elements of USG were making significant contributions. Decision: to leave number of direct-hire technicians unchanged.

PASA - None

Contract Personnel Services - None

Participants

No decision made. Director concerned that getting down too low with village chiefs, ~~favored~~ service chiefs and middle-level officials.

COMMODITIES

No explicit decision was made to alter programmed commodities request. However, commodities were programmed for ~~Pleilsu~~ Pleiku Montagnard Training Center. This opened up a discussion on the institution. Currently it is supported by OSA and is turning out personnel for the Truong Son Cadre. At the end of CY 1968 OSA support terminates. Ethnic Affairs proposes that the facilities be taken over and used as a training center for Montagnards. They will be trained in simple skills, improved agriculture practices, and community development. Support required would be largely piasters.

Director's discussion: staff it out. Perhaps in December piasters to keep essential staff and provide building upkeep can come from ~~DM~~ PMS Special Fund. Will reconsider for incorporation in FY 1970 program following staff report.

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OTHER COSTS

Highlanders proposed $35 thousand contract for party to study land title problem in Highlander area. Mr. Watson observed there was a specialist in this matter serving in CORDS II. Director's decision MacManaway - Keith Sherper - Jim Roush to develop an action plan utilizing services of CORDS II specialist.

Major Issues

Major Considerations

1. Support of Pheilsu Montagnard Training Center - to be staffed out exploring advisability of USAID picking up support.

2. Land REform - Action plan to be developed utilizing specialist in CORDS II.

Minor Consideration

1. Review of composition of Participant Training Program

REVOLUTIONARY DEVELOPMENT - Notes From Director's Review Meetings

September 17, 19[illegible]

McManaway: We have this afternoon Highlanders.

Ely: The objectives of the project are (1) political development to arm the majority of the Montgnards to the Government of Vietnam. (2) integrate Montgnards educational and social lives. (3) help Montgnards through refugee and welfare assistance through some form of emergency programs.

To carry out this program and its objectives we stress (1) construction program to equip schools, houses, etc. (2) welfare assistance. (3) literacy training. (4) participant training.

MacDonald: How many boarding houses and guest houses last year? Same amount?

Ely: No about a 10% addition from last year.

Rousb: No, in 1969 they were completed.

Ely: Two problems about excessive amount of cooperation in regard to the construction program. It has landed to the Ministry of Public Works. Another problem is in regard to objective of arming Montgnards participants in the war effort. In the course of recent events the Montgnards are not the limiting factor, rather the GVN is reluctant to arm the Montgnards. We do have a Ministry and a significant amount of Montgnards in the Ministry who can do a good job if we can free them of the impediment.

This year we are taking a more political approach in the construction program. In CY 1969 we have retrenched the budget. We are on the construction leadership question. We are putting on pressure through CORDS. Have indicated dissatisfaction. We are holding up on

(File 6.)

the 68 ProAg to bring about a change in the Ministry. We have reduced the 69 American Aid Chapter, and are instituting new procedures and controls. We must have them report to us on a monthly basis. We have requested an audit of the Ministry of Ethnic Minorities. Roush suggested we set up a trust fund.

On the Montgnard military forces question, CORDS is investigating this. When Montgnards move toward Vietnamese, GVN hopefully will move to ~~gek~~ meet them. We do hope for a return of the Philco organization. The last measure and only really major item in our sector analysis is the Pleiku/Montgnard training center. Want to use it to recruit the village leadership and selected cadre and send them to the training center for education, in agriculture, village vocational training, etc.

Colby: I must be excused for half an hour, but wanted to set the record straight. Are we giving enough management effort? Need to have reorganization to bring this management into the picture? We don't know that we are.

Roush: (1) difficulties you had in getting things going, we know of, (2) it is also implicit that Montgnards are brought into the social and other particular activities whether they are the right activities or not.

Ely: I have revisions to the schedule. There has been a good deal going on with these activities and we are trying to handle them all at once.

The objectives of the Pleiku/Montgnard training center

are to provide a facility and a place for training in different areas. The facility is a fine one. Agricultural possibilities are unlimited. The problem is security which we hope to have better results in this year. We intend for the center to provide its own food.

I have odds and ends of management operations center, but will break off for questions.

Roush: For those of you who have the fact sheet like this I can give the figure changes (which he did).

MacDonald: As I understand it, you are sort of damping your program. Tell me about the system that you are engaged in drawing the people from the villages, what kind of people, assumptions, etc? What is the framework?

Ely: New to pacification have been achievements in areas of ethnic cohesion. The method used to achieve this, with full agreement of RD division, is that the cadre will go into a village, carry out the program, initiate the election, etc. The objective is to have responsive people. The elected leadership should be elected to two shifts. Montgnards will receive about three months training.

MacDonald: How long a period of time would you blanket the area?

Ely: In groups of 10 out of 500 per hamlet.

MacDonald: What would you teach them?

Ely: In order of priority: agriculture is primary. As a percentage we are talking about 5% of the Montgnards. If we can pick this cycle, bring them in and give them the political message, the remainder will not be a problem.

MacDonald: Would you use the same people as in RD?

Ely: 9 Philco TCNs.

MacDonald: This is a turning point in your program.

Ely: At the back of the submission are two costs relating to the RD cadre people.

MacDonald: Your underlining proposition is that there should be a program to bring out of the hamlets elected leadership and train them up in a number of technical specialities and send them back in the hope they will be put to use. Is there anything in your program for a follow up?

Ely: Yes, particularly in the agricultural area. Centers are also meant for agr. extension.

Roush: Relevent to success of the training center is the Truong Song center of any help? What is their role?

Peart: The Truong Song program is going to change focus between now and the end of the year, toward the village concept. Will be an upgrade in care and training of the cadre to do more for the government. In certain parts of the central highlands there is an admission that the village is a disolute political unit. The program should be flexible enough to shape up this activity. In the past the Truong Song has done more. Since Tet they have done more towards security.

MacDonald: How many teams are there?

Peart: 108 teams.

Roush: How many people are you 108 getting to?

Peart: 100,000 is a rough guess.

Rough: Roughly 1/7 or 1/9 of the population of the area?

Peart: Leveling off to 108 and will bring them up in the event of peace the teams can be brought into 20 man units.

McManaway: Is it correct that DOD support will continue for the training center through 69?

Peart: Yes, I have a meeting with them this afternoon. Suggest we

try to develop a program in more detail, look at this. The Truong Song cadre program was part of the RD cadre program which is now being funded by DOD. Pleiku/Montgnard center will be provided through 69 by DOD funds. (The cost of the centers is what it costs to training people.)

Ely: Arrangements are being made with regard to the support of the TCNs.

Roush: Piaster costs on our side?

McManaway: May I suggest that we need more work on this. We have a few months to do it in. Should develop a proposal for using this facility until we can get into a regular budget.

MacDonald: Before we leave this completely, any one have a comment?

Ely: Might add we are in touch with Mr. Letts and others.

MacDonald: What about the land tenure study? Better to do in-house? What is purpose of study?

Ely: Would be much better to have a man in-house rather than GRA contract trying to do it.

Keith: The nature of the problem in highlanders is related to the political situation in the highlands with respect to land. The primary emphasis is on the political aspects. Certainly when the time comes that peace and postwar or any conditions where the Vietnamese will be able to populate the highlands. There is friction now between the montghards and ethnic Vietnamese. It is felt that this should be worked on now because last year they started a decree provinding ownership and ownership titles. But this won't solve the problem completely.

MacDonald: At the moment the land is owned by the Vietnamese, right?

Keith: It is a legal problem. Lands belong mainly to the government.

According to Vietnamese law, ~~French~~ Levin reserves couldn't be cultivated. Montgnards are now cultivating this land. It requires a lot of determination and investigation, legal and administrative investigation.

MacDonald: Do we need a land tenure study?

Keith: As it stands it is to delinate the Montgnards and highlanders. They need a legal basis on which to give titles. Without that it will cause a lot of problems.

Ely: I find there is no system. As, if you start a case you must know what system you are going to use to handle it. I can't find one.

Keith: SRI didn't get into the highlands and only touched on it a little.

MacDonald: And they wrote all that?

II: In II Corps we have a dr. to work on it (laws and land tenure). We don't need any studies.

Roush: What is he doing now?

II: NLD Chief.

MacDonald: I recall. Sounds great if this fellow is competent. I think we may be creating a problem. Most of the land on which the Montgnards are farming on are foreign reserves.

Keith: Yes, over half.

MacDonald: What about the other half? Is there foreign reserve, does it belong to the people?

Keith: Foreign reserves and state owned land and private land.

MacDonald: Sounds like the land is substantially statedowned or state preserved land. Just wonder how much study that may take.

Roush: This is in a real political problem?

Ely: Yes, it is a political problem. This is a perpetual problem. We have had waves of 2,000 Vietnamese moved into the lands that by tribal laws belong to Montgnards. Since that time we have had

resettlement of Vietnamese and Montgnards. Around the lines of communications in the cities -- area of concentration around the cities.

MacDonald: This is confused tenure?

Keith: Yes this is very political.

I think there is a misunderstanding. It is not in a sense of a formal study by an action project. To delinate plot in one or two areas the hamlet and or village boundaries, check with the Ministry of Labor and Agriculture to get the land identification work started. We feel that this, rather than elsewhere, could be handled by one direct hire personnel.

MacDonald: Where could you get such an educated man? Especially from the ones you have there? What if we were to borrow him? It has to be talked out in Saigon.

Keith: A lot of work must be done in Saigon. Training necessary and coordinating in Saigon.

MacDonald: Have we pursued this quite enough? Should develop a proposal to involve this man's services.

Roush: When I said political I meant a willingness on the part of the government to recognize the problem.

Keith: Our director is now working up a proposal for the land tenure problem.

Roush: I raised two points, whether or not the type of things we are doing (facilities, schools, training centers) are making a substantative impact on the Montgnards and are able to arm the Montgnards?

MacDonald: We are going to get an action program started on this. Let's look quickly at the revised schedule. What are you going to do with the 21 participants?

Ely: Of the 21, most will go for three months training in the Philippines, agriculture trainings and training in the U.S.

MacDonald: What kinds of people are you going to send to the Philippines?

Ely: Propose several chiefs and village chiefs. We have had some Ministry people go this year. It is not necessary for the upper groups to go first. We are now ready for the lower people at the levels of village chiefs.

Coles: The first group of people that went to the Philippines have now all moved up to the Ministry level.

MacDonald: What I am questioning is sending village or hamlet chiefs to the Philippines.

Ely: Roush suggested that we send them around Vietnam. It is our intention to find one site that can best train them.

MacDonald: Do you want to get down to that level?

McManaway: I assume you mean the province chiefs, he is a part of the bureaucracy.

MacDonald: I suggest you reconsider very carefully the people you propose to send. It is one thing to send the higher ups to see for themselves, and it is quite another thing to send the little people from villages. Do we need to do that?

Ely: I confess I have not seen the training centers and don't really know if this is going to work.

MacDonald: How many are you sending to the U.S.?

Ely: We have one there now, one more in 69 and one in 70.

MacDonald: What is the object to sending a Montgnard to 4 years of training? Is the purpose that there should be some educated Montgnards? Please look over the participant thing again.

Comment: What about the statement of agr. training centers? Should they be included in the highlanders program?

Roush: The agr. main list was mentioned, also includes education, should hear from both of them.

Ely: In regard to education they are moving somewhat.

MacDonald: Comments from field representatives?

Comment: The Montgnards are not attending the schools, are not being teached. Instructors should be mixed between Montgnards and Vietnamese.

OPTIONAL FORM NO. 10

UNITED STATES GOVERNMENT

Memorandum

TO : J. L. Roush, PROG DATE: September 20, 1968

FROM : A. Westwood, PROG

SUBJECT: Director's Review, September 1968 - Saigon Sector

Saigon Metro Area Development

1. Bus system: SCAG and Program to explore feasibility of turning bus system over to private operation. $607,000 requested for bus maintenance facility held in abeyance pending resolution of future of bus system. SCAG skeptical that private operator can in fact be found. Program doubts that bus system can be run well by GVN and sees future of continuing subsidy by GVN and by AID.

2. General stress on need to focus on precise targets within the general administrative problems set forth by SCAG; vis; pick one or a few aspects of city financial problems and try to improve it, rather than try to improve all aspects of city financial procedures.

3. Fire protection equipment and commodities funds left in. But SCAG agreed to do as much as possible here through local procurement.

Saigon Action Program

1. SCAG plan to recruit 690 community development specialists appeared ambitious, as prospects for draft exemptions were not bright. SCAG stressed that key to success lay in quality of recruitment. Director stressed that SCAG should go forward so far as quality allowed; not to try to reach some target figure at the expense of quality.

2. Self-help housing: Director's stress, with SCAG agreement, that these were not to be quotas to be reached. Emphasis was to be on Vietnamese involvement, on actual self-help, rather than on numbers built.

3. This miscellaney of "High Impact" items included at the end of the E-1 were judged peripheral. But no clear decision was made to cut out the funds.

Major Issue Not Discussed

1. Saigon city streets: This was included by Engineering at $1,427,000 in FY 69 and $1,392,000 in FY 70, although it had been part of Saigon Metro Area Development in FY 68. Program's current rack-up carries it as a $3 million separate project under the Saigon Sector. It should be an activity under Saigon Metro Area Development, rather than a separate project. SCAG agrees that $1.4 million rather than $3.0 million, is a

good figure. Should we reduce to $1.4 million to carry $3.0 million against contingencies elsewhere in Saigon Sector?

Issues Still Unresolved

Saigon Bus System: SCAG proposal for $607,000 for maintenance facility not agreed by PROG. Bus system would also require (1) VN$ 120 million for land, (2) $200,000 in grant spare parts, substantial capital investmento to bring system from present operating fleet of 81 to 400 buses. Considering this large assistance for spares and advisory assistance plus outlay, subsidy by GVN in the past, large backlog of deadline vehicles, indicates poor maintenance and the question that large buses are even appropriate for Saigon streets leads PROG to conclusion that reliance on private sources for transportation in Saigon is the only practical and really feasible operation for the future. An added factor which would make this difficult to defend is the GVN rejection of a W. German offer of assistance in 1967.

Saigon City Streets

As explained above.

James: City of Saigon covers 61 square kilometers, has 9 districts, 56 villages, 711 hamlets. Official census is 1.69 million, but it's probably between 2.0 and 2.5 million since Tet. The population intensity is over 500 persons per square hectare. Average family dwelling measures 4x5 meters. It is the most densely populated city in the entire world, with over half the density of Tokyo. Various ethnic groups - various religious groups - constantly moving, fluid population - squatting - paying little attention to the rights of others.

The problems of education, health, welfare, employment, security cannot be separated. It is these people which we must win to the side of the Government if the Government is going to be victorious.

Has received neither organized nor priority ~~items~~ attention with respect to goals, objectives, etc. Self-help programs have been limited and uncoordinated. Efforts in the field to improve the administration's efficiency have not been paralleled here in Saigon.
Because there are streets, lights, water, etc., there are apparently unified grids of services. It is an illusion that it is an entity not requiring coordinated efforts.

During Tet there were 23,000 homes lost; dispossession of some 10% of the people. Youth groups have found that housing is the greatest felt need in Saigon today. Raised desire of people to participate in their own self-defense.

Presence of widespread poverty -- neglect of city services in wide areas of the city - lack of any substantial political leadership - raise grave danger in the future of a communist movement. Overall objective is to produce material, social, and security benefits through defense and self-help programs.

This is our initial submission. It for the first time really identifies the assistance that is being asked for for Saigon - as a management tool and a way to measure progress. Each was reporting to his own respective division before.

SCAG hopes to give unity and direction to the work. The program submitted today has been done in a very short period of time. I wish I could sit here and tell you we have all the answers. As information is received and developed, we will modify the programs as needed. It is designed to give an image to the Saigon Government that it hasn't had before.

At all levels it stresses community participation.

Dollar for dollar, we can match the organization of any group in this country today. You are getting a lot of mileage for your dollars. Four million people benefit directly or indirectly from the program we are giving you today. That is one-fourth of the population of the entire nation. In comparing this with other elements required to submit a CAP, you will find it just as broadly covered and all of the areas identified. We must have these ongoing programs. We have a slim organization, but can cover all of these through management and good organization techniques.

(James displayed the organization chart.)

We presently have 9 districts - soon to be 11. Two new ones will be carved from 3, 5, and 6, which are overcrowded.

Macdonald: Thank you for a good opening statement to get us started well here. I would like to make one point and then ask Mr. Colby -----

This is the first time we have had under unified command all of the resources that support the Prefecture of Saigon. But we haven't really broken up all of Saigon in relation to SCAG. There are many activities that go on within the GVN itself that accommodate the citizenry of the Saigon area even though these activities do not fall under the command of the Prefecture itself. Also, there are very substantial inputs by the U.S. Government itself -- water, power, telecom, education, public health, and various others -- that need also to be related to our effort as we administer it through the SCAG area. It is an obvious point, but some people haven't thought of it in these terms.

Colby: I would like to compliment Hatcher on an excellent projection of this program, I call particular attention to his emphasis on people rather than things. He has closely picked up the priority that we all feel severally - that we must work on the cohesion and spirit of loyalty and contribution. We think your priority on self-help and self-defense and self-government is very much along the line of our thinking.

I would think that actually those programs are not a very heavy demander in the way of finances. They do not take support from some of the other programs. We did set up SCAG to try to get the focus on those things rather than just the technical ones.

Mossler: Are these positions or people?

James: Most of them are full now - they are bodies.

MacDonald: Some of the people at that moment of time were scheduled for departure and not to be renewed, right?

James: Only one was so identified to me.

MacDonald: This is your ceiling, right?

James: With one exception. We missed one person working on OURD and I would like to pick him up.

MacDonald: Do you have the Advisor on Urban Planning?

James: No, sir. We talked with PAD and since this deals with all cities and works with the Ministry of Public Works, we concluded it didn't apply only to Saigon.

MacDonald: What about Roush's first issue here?

Roush: I would like to suggest that possibly one activity that they inherited could be shucked -- the bus company. I don't think we should be investing $600,000 more in this, and we would be doing much better to get the government to put it on a private basis and get out of this business. Hatch has indicated that he is focusing on people and I heartily support this. There are a large number of things involved. There is a question of whether or not he may find himself trying to keep too many ----- under the city and some may not be crucial to the effect he is talking about. I think it is worth reviewing.

MacDonald: I agree. Taking a different tack, I would like to hear more about Civic Action on your chart.

James: This is a military group. It may involve us to a limited extent in commodities and possibly AIK funds.

MacDonald: How are we trying to relate this to Community Development?

James: This is USIHAC - I am not in command of all of this.

Colby: We have this problem in every province. A U.S. military unit has some excess time and energy and rushes out to do something for the community. Without coordination.

MacDonald: I wanted to turn my people over to someone who had overall control.

James: Military units still have authority to go out and help with schools, etc.

MacDonald: Couldn't you talk to their commanding officer and ask them not to authorize it without checking with you?

James: We are doing that. It is working.

Vietnamese: In the 7, 8, 9th Districts there has been no military or USIHAC aid since May.

Colby: We don't have it all wrapped up in print right now, but USIHAC is not taking a subordinate position to Hatch. The command position is in MACV.

Discussion of individual projects --

Colby: Re the bus company, we should consider the degree to which it affects a lot of people - what it symbolizes in terms of what has been done to date. You aren't starting from scratch. We are associated with the busses. Some of the busses were originally bought under USAID contributions.

Komer: Didn't someone tell us Saturday afternoon that he intended to move the whole bus thing over to the private sector?

James: The new mayor has given us his priority attention since taking office. A change in management will be effective on October 1. The last two months they have actually shown a profit for the first time in many years.
In 1966 they were 35 million piasters in the red;
in 1967 they were 60 million piasters in the red;
in 1968 only 7 million piasters in the red and showing a profit the last two months.

The problem facing us is traffic. There's only one way to get rid of it - provide better bus service to the people.
In 1966 the busses handled 20,000 passengers daily. In 1968 they handle 75,000 passengers daily.

It is big business. The main thing is that capital investment is not too interested in a bus company today the way it sometimes is - with Saigon now coming under enemy attack. If we are to assist in the alleviation of traffic problems, the expenditure which we are requesting is necessary. You could put it on a loan basis maybe, but we do need this money today. So far as the advisors are concerned, I think this is just as material to the issue as it is for the people to get the service.

MacDonald: It is gratifying to see some management there.

Wild: Whatever happened to the German proposal of two years ago?

-- : As far as I know, they are completely withdrawn from it - per the German Embassy and the Vietnamese Ambassador, as of May 1967.

James: This was for a much larger contribution than just the bus company. First the bus part was withdrawn, then all of it.

MacDonald: Was that checked with Pierre Sales?

Komer: I think it was definitely dead or the Vietnamese would not agree to do several things they have agreed to do now.

McManaway: At that time it was tied up with the previous government - there was corruption - some on the inside were importing Trilambrettas and didn't want an efficient bus company.

MacDonald: You should check this once again with Pierre Sales. Jonnes or I should check with the Ministry of Economy re this Private Cost(?) Co.

Jonnes: He has been worrying about Hondas.

MacDonald: That is because you keep trying to get him to increase the POL taxes.

Komer: I am not challenging the need for busses in Saigon at all, but I think there are various ways of doing it. The past has not been too satisfactory. There is going to be a change of leadership. We don't know how good it will be or how long it will last. It is the kind of business that does better under a private company.

The request is for $600,000 to build a facility for the maintenance of the vehicles. It will require piasters to buy the land. Plans call for building up to over 200. They would probably want us to purchase 100 busses.

Jones: It is not a matter of our buying busses. They are doing that. Maintenance is a key to any operation.

MacDonald: Is it Program's view that if we cannot get this into private hands, we should do nothing on it?

Roush: I am questioning the need to go into a major investment for it. I think we should take an active role in getting it into the private sector. Otherwise do not put grant funds into it. There are a lot of resources that have gone down the drain. Take the depreciation, etc. and we are not really showing a profit. There's a subsidy going to this from the city besides our help. We give them spare parts.

--- : Have given no subsidy. Just rebuilt the busses that went to pot that we gave them in 1963. We have given them no spare parts -- just for rehabilitation.

James: I have confidence in the bus system. If we could put it on a loan basis, I think this would be a good point of departure.

MacDonald: We could grant money to the government under conditions that they would lend to the entity. Something of that sort could be worked out.

Roush: They could do it for themselves. They don't have to have anything from us at all.

MacDonald: Are we or not, as a matter of U.S. policy, anxious to see bus improvement in Saigon? You are challenging that we should give further aid to an enterprise that hasn't proven itself.

Roush: I think priority should be given to a bus company that can operate on its own.

McManaway: Has there been any expression of interest from the private sector with regard to the bus company?

--- : We have tried to interest them for two years. It will not happen. You have no security.

McManaway: I wish we could go in and really get it to work or skip it.

James: I would recommend that we get this thing on a paying basis. Small loans are troublesome. Private ownership is only good if it is unified. There is no protection for their investment under current conditions. The government has protection. This can be turned into a high impact program, especially if we can advertise on the busses.

MacDonald: How crucial a problem is it?

James: Management - advertising - maintenance education.

MacDonald: We have the issue clearly poised. I suggest we go ahead.

Roush: Saigon Development Activities -- In Prefecture Organization, is one guy enough? You might want to get additional people in.

James: One man is in the Mayor's office. We will use PAD people where they are needed. From time to time we will ask for specialists to come in and help to identify our problems.

Roush: Saigon Finance -- Probably broader than Saigon. Do you need a permanent full-time position?

Johnson: Based upon our past experience, what is needed to be done is for them to pick out a particular target activity within this field. One man assigned to each could make some very useful contributions, but there might be times when you want to bring in a special advisor. I don't think we need one advisor to hold hands with the Mayor, etc.

We can only help on a certain amount of it. On the finance part of it, we don't have anybody to help him out with now. I support this only in the context I indicated. We have got to get away from hand-holding.

McManaway: Saigon was operating pretty well on its own budget -- at least, before Tet.

MacDonald: It troubles me that we take what we have done in the past as "hand-holding."

Johnson: It is at a day-to-day thing where the yor may have a problem on this or that. You don't have anything residual left. Through our tax group we are supporting the effort in building up tax capabilities in the Saigon - Gia Dinh area.

MacDonald: Fire Protection -- How many advisors?

James: One for one year -- a contract.

Roush: $109,000 in 1969 and $23,000 in 1970. Some should be shifted to piaster funding if they wanted to get an impact soon? There might be some scaling down on this.

James: Many of the items available locally don't meet the specifications. We would like to leave that as is, and then if we can change it later on to piasters, fine.

MacDonald: Why do we need an advisor in this particular area?

James: This is a short-term advisor. One year is not very long to come in and assist on the building codes, fire codes, getting an education program going among all levels of the society. I did not think this up, but I certainly support it. I think he is needed.

MacDonald: I can see that as Saigon becomes a target of rockets, we are going to have fires and need to be able to put them out quickly. Can we get fire codes changed in the short range?

James: The short-range impact is organization of volunteer fire departments. Use equipment already in the pipeline. Redistribute or establish stations in other parts of the city. Public information programs -- very important psychologically. Extend into the schools and go across the board.

MacDonald: Couldn't we wait until after the war to go into that?

James: We have it now. We have a contract and the man is working.

McManaway: What happened to the demonstration on the helibucket? They used helicopters -- six buckets were left behind.

James: The buckets are still in the hands of the Army. They made the procurement. They tried to get the U.S. to be on a standby/to fly the 'copters. I think the Vietnamese should fly these. We will utilize this and will utilize this type of aerial delivery of water.

McManaway: I had a feeling nothing would ever come of it unless a major job of coordination was done.

Roush: What about garden hose and plastic helmets?

John Burnham (the contract advisor): My business is to act as advisor to the Fire Brigade Chief. We will develop fire training programs for volunteer firemen. Last Saturday's fire took a toll of 70 homes and made homeless 500 people. Thirty minutes after the alarm came in, the brigade got over there to start getting water on it. With two trained men out there I would argue that they could have held that down to three of the cottages at most. This volunteer fire organization would be a very necessary thing here until the Saigon fire brigade can be decentralized. In the U.S. we would quickly organize on a block warden plan. I feel very strongly we can do some good. The Los Angeles City Fire Department gives backstopping.

MacDonald: How long have we been making this effort to develop two-man teams?

Burnham: We have not trained any yet. I have been in country for six weeks. We need some material to train them with.

MacDonald: What administrative apparatus is it tied in to?

James: (When asked about the 3,000 sections of garden hose) There are certain areas in the City of Saigon which you ge cannot get into except with a garden hose or you snake a hose into them. This is particularly true in Cholon and the area of the recent fire.

We're asking $109,000 in 1969 and $23,000 in 1970.

Roush: The total amount is not so much the significant point but (1) in terms of the Congressional Presentation and (2) the sense of urgency -- do you think we could get it faster on another basis?

MacDonald: I assume we automatically do whatever we can to get things faster. The Congressional thing doesn't trouble me. I assume we know what we are doing here, professionally and technically. My greatest concern was whether we were going to try to develop from scratch the administrative concern to run this. How long will it take?

Burnham: I would expect they could be trained within a few months.

MacDonald: Assuming, Sir, your time was limited -- would you agree with my prejudice that that would be the most important thing for you to work on rather than working on the longer-range thing of building codes and materials?

Burnham: I think they can be done concurrently. This was pinpointed as the most important thing.

MacDonald: We must have a sense of urgency. Without knowing about it, I would urge that you forget about everything else. Is that a tenable position for me to take?

Burnham: It is tenable for you, but I have to meet the contract requirements. It is sensible.

MacDonald: We can always revise the contract. Let's tend to this.

James: Should we change to piaster purchase?

MacDonald: If we can get it faster.

Messler: What has the City of Saigon put into this?

James: 34,260,000 piasters in salaries and 8,220,000 piasters in equipment.

MacDonald: Guidance here is to focus and get things going. If piasters work faster, then use them.

McManaway: Keep in mind that whenever we talk about piasters we are presumably talking about the Saigon budget itself. None budgeted in the American Aid Chapter or elsewhere. We are not just talking about switching from U.S. dollars to piasters but switching from U.S. support to Vietnamese support.

Roush: We have supported the City through the Special Fund. There is also some money left in the Local Procurement Fund.

MacDonald: Find out how much money would be involved in switching to piasters. Let's have a little bit of staff work on this.

Roush: We are talking about 10-15 million piasters here.

MacDonald: We could probably handle that with the President's Special Fund. TRAFFIC - How many people? What do they do? How much for commodities?

James: Contract for three advisors. Arrived in July, staying through January 31, 1969, to conduct a traffic survey. We're not asking for any commodities.

MacDonald: PUBLIC WORKS - Is this vehicle maintenance garage similar to the provincial setups we were talking about in the Logistics presentation the other day?

Roush: This is the City's own and not a Log project. However, one of the Log projects finances some of the TCN's here.

James: There are two Direct-Hire -- Marian Norton and an assistant from Public Works assigned to USAG to work across the board.

Roush: How much support do we propose over what period of time? We continue to

provide paint - did it before under a Public Safety project. But we continue to provide that as well as the machines to lay it down.

MacDonald: Is the diet we provide a little too rich? Why do we make it as sophisticated as we do?

Roush: The paint itself is an operating cost and should be picked up by them.

MacDonald: I would like to apply the principle that we not continue to provide supplies indefinitely. Hatch, could you press them on that point? We are not trying so much to save money as to establish procedures under which they do it themselves and press for the achievement of our objectives.

James: I didn't know about what was bought before. I do think we need it. We are working in a vacuum now as to what the city will have this year in the way of collections. If I don't have some way of identifying and getting it on the board --- will push them to do it.

MacDonald: If they are lagging, we should find if they are doing it from lack of finances, lethargy, or what. Have your people work with someone in Program and go over these things. See what we have given them in the past.

James: The city itself, in the Public Works Department, has produced a lot of this through its own revenue. They say the priority is on other equipment and they only have so much money. They have got quite a few trucks. If they have to maintain the kilometers of streets, sewer lines, canals, etc., it takes a lot and they have done a lot so far as using their own funds.

Wild: They have had a lot of help too from DOD, AID, etc.

Roush: Reflective tape -- don't think we need to get that and if we did they wouldn't use it.

MacDonald: That was a good distinction on the garden hose. Short-range impact - will it help win the war - will it really affect the lives of the people in the next few months? Take another look at all your commodities in here against that simple rule.

NEW ACTION PROGRAM

Roush: Question of housing -- how do you work it out? We had a little trouble understanding just how they are going to fit into the scheme of things. Will you make them part of the city structure? I can see where getting birth certificates recorded would be important to people. In the training program I wondered if we had explored the possibility of getting students on weekends to get some of these things done more quickly and also doing a better job in terms of the organization.

James: There has been a great reliance placed on the rural areas of Vietnam. This has not kept pace in Saigon. We need this type of organization and assistance to help the people. It is all interrelated -- self-defense, self-help commodity aspects. I felt if the country and rural areas are deserving of that type of attention, then surely the people of Saigon are deserving of it. This is not tied in with the Cadre.

Roush: While we sent RD Cadre out, we have also undertaken an intensive training of people in village councils. We are not doing that here.

James: Yes we are. This is a part of it. This gives you a man on the ground to follow this and follow the progress of it and assist them. This phuong chief is paid 5400 piasters a month to administer to a population that is greater in many instances than many of your provinces.

McManaway: Many people are not aware of just what the structure looks like. The khom chief gets 400 piasters a month. Has no office unless he uses his home. Has no elected village councils in the city to work with.

MacDonald: Whose idea is this -- ours or the Vietnamese?

James: It is the idea of the District Chief in District 7, Mr. Duc. We are not thinking in terms of 1 or 2 khoms. There are 275 in the city that need special

attention. We want to upgrade the general administration of the city and have budgeted funds for training courses. However, when we speak of the khom chief we must remember that we are upgrading zero. Also need some supplies and community development type skills put in on those koms that need special attention now. It might spread to others and perhaps to other parts of the country. Districts needing special attention are 7,8,9,4,3,6.

MacDonald: No security cadre, just technical services cadre?

James: Colonel Nhu is all for extending the administrative responsibility to the lowest village of the country or city. It has been our premise all along that this program, if it succeeds at all, will succeed because of the recruiting processes.

Colby: Doubt that you will get draft exemption for this and several of your people will probably be women.

McManaway: It is useful to underline that one of the reasons there is this development of interest in the depth of government presence in the city is not just the result of having a U.S. organization focus in Saigon . It is primarily the focus of the new mayor. One of the first things he did was decentralize the marriage certificates, etc.

MacDonald: To what would these 40 people be tied?

James: There would be 40 CDO's and 650 CD Specialists directly responsible to the Mayor of Saigon. The Mayor would form an office for this. The Mayor is asking assistants in to do this now. If there is such a time coming where we, i.e., GVN, will be legalizing Communism as such, we would like to have someone in a position capable of arguing the point with the people.

Colby: The basic thrust of this is just down the right line.

MacDonald: I should think the Mayor would want Mr. Lien(?) as part of his kitchen cabinet.

Roush: We haven't discussed several questions. The basic organization has been done on this. Firefighting could be brought into this. Clay's favorite activity, adult education, could be tied in there - and I would recommend that it be so for presentation purposes rather than being stuck here as one more item in what does appear to be a very ambitious program. It is necessary to really focus if one is going to really meet objectives.

You have a basic organization going without the CDO's. If we did it without them, what are they going to contribute now? Day centers, etc. - seems to be getting a little bit random. There are good reasons for all of them, but do they focus on the basic thrust?

Colby: We are after organizational structure. Let garden hose, etc. drag in on the end. This is the most important part of the presentation.

Roush: The other does take administrative time. The more you get spread out, the less you have to concentrate on important things.

Colby: With self-defense you stand up with a gun for four or five nights and then get bored. You need other things to keep them busy.

MacDonald: To what extent can the administrative apparatus be used to hang these other things on it?

Colby: I think the concept is to tie it all into the khom hue(?) pattern as they do in the village in order to concentrate on the government apparatus.

McManaway: I would hope this self-help would involve the same people that are involved in self-defense.

James: We have not programmed projects for self-help to be done by self-defense organizations, but if they are eligible .....

McManaway: How did they get the self-defense thing going? It was an ad

hoc thing, but Colonel Nhu got people who were on vacation, pulled some off jobs, etc. It was not an institutional thing that could then be turned to other activities or that could even continue.

James: It is run through the village system and advisors from here go out and check on it to see that it is still operating.

MacDonald: I would tend to accept completely the advice from Lieu(?) as to quality and pace. The best work done in these areas has been Vietnamese work and I would hope that this would be wholly Vietnamese ingenuity.

James: It cannot work without them. It is all theirs. We are only trying to assist them.

MacDonald: So we reach for 450, knowing we may not get it.

James: It is true that the housing may be related to RD, but I think it is different enough that it should be discussed here if I could.

SELF-HELP HOUSING

James: The main difference in this from any other housing is that basically it is capitalizing on the success of the New Life Construction groups in building low-cost housing. They must volunteer and go along with the NLC method. The idea provides for 30 bags of cement, 127 kilos of rebar, 10 sheets of roofing. People must put in or borrow the cash that goes into their loan. We are trying to take these people out of the hands of money lenders and provide them with a source of low-cost funds which they pay back. It goes into a development council for their own area. We are going from the present method to Plan 1 as an interim method, and then to Plan 2 as the ultimate method.

We propose to have 2500 housing units under Plan 1 -- we are guessing it will take us that long to get to Plan 2.

In District 8, Mr. Duc thinks he can do 3,000 units; 6 and 7 estimate 3,000; Minh Mang 1,500.

Over 23,000 houses were destroyed in Districts 6,7,8 during Tet. District 8 would now have been self-sufficient if it weren't for Tet. NLC is experienced in raising money. It is a matter of people wanting it and a matter of trust.

Plan 1: 15,000 piasters repaid into a phuong development bank; 37.5 million p's could be collected for self-sufficiency in CY 1970.

Plan 2: 30,000 piasters additional expenditure per family; 15,000 U.S. commodities; if grant could be made to family it would be a type of no-interest loan at the local level.

Will councils be able to handle this? What about the integrity of the funds?

The target is 4,000 houses under Plan 2. Don't want to force households to partake of the project. Maximum of 7,500 homes can be built, and we have programmed commodities for 7,500 houses.

Plan 2 is an extension of Plan 1 as a safeguard method. I think it is good and if the people really want it, the Mission could phase itself out within two years.

James: Plan 2 would have to be negotiated out with GVN. We do know we want a certain amount of the funds put into a development bank. Plan 1 can go ahead without any negotiation.

The budget is for commodities for all 7,500 units, with the expectation and the hope that half of these would not be required and Plan 2 would have been adopted about half way through. Need to block out piasters that could be put into it -- 200 million p's under Plan 2 or 4,000 units at 50,000 p's loan per unit.

Leach: I'm not sure whether all of this can be organized and worked out. If there is a chance of getting that much construction, we should program for all the commodities and block out piasters for possible later use. This is considerably preferable that for orders on an as-needed basis.

DIRECTOR'S REVIEW OF USAID TECHNICAL SUPPORT - 9/18/68

Wild: This is a new experience for me to be trying to defend something that I am usually trying to hack away at. Due to the work of the staff and my predecessor, Mr. Kidston, there has been a substantial improvement. We are coming to the end of the pipe where we can see some real progress, some light. Our goal of reduction, which Mr. Kidston set out to achieve, has been achieved. There has been a 37% reduction overall.

Question - Is that just commodities?

Wild: That's everything. In FY 69 commodities will be reduced $8 million. This represents a reduction of 57% compared to the FY 68 commodity input. Although a considerable reduction in the Technical Support Budget has been achieved, we will continue to maintain our present level of support functions. There will not be a cut in the services. I hope they will be improved.

The importance of the Technical Support functions to the efficient operation of USAID and the inherent difficulties of these support activities can be readily seen by their nature and magnitude. The various facets of these functions are primarily of a personnel and commodity nature. These two areas, therefore, comprise the major portion of the funding. You can see in the write-up before you the different services covered by Tech Spt.

Last year we were asked to build a new office building. Now that's out and we are down to 140 residential quarters comprised of 39 apartment buildings and 101 houses to accommodate Mission personnel. We're in the middle of revising the leasing and housing business and will try to make it more equitable. Will get people moved from hotels into apartments or houses. We will do this on a formal and fair basis that will be equitable to all. Hope to have something out on this in the next two weeks.

MacDonald: How many do we have in hotels now?

Wild: We have two kinds of people. About 100 are waiting for permanent housing. We also have transients. Have more than 100 apartments coming in line that are not acceptable for some reason. When I get the building next door we will be able to take most of the people out of the hotel.

MacDonald: After six months you can no longer be a transient - you are a delinquent. There are many who don't want to move into a two-bedroom apartment with someone else. I can well understand it, but I can't continue to finance empty apartments.

Wild: A lot of the apartments we were asking people to go into were substandard. Many of these are being given up. Also, we are no longer squatting in exorbitant-rent places.

MacDonald: You have our support in regularizing this situation. We are ready to pass on your word of assurance that there is equity in assigning quarters.

Discussion of Trust Fund --

Condas: We have word that some positions will be switched from Admin to Program funds. This will include some in ADEM. This will save Admin money (dollars) and will use more Trust Fund piasters.

Issues -

Wild: We say amen to the first issue. We would like some guidelines.

MacDonald: What are you thinking of in speaking of guidelines?

Rush: The second item gives some indication of the trouble we sometimes have. If piasters are needed strictly to support the contracts or people, it should be Trust Fund. If it is just to take care of their own housekeeping, it would be Trust Fund. If it is carrying out their project activity, it should be GAC or Ministry. This tends to inflate our requirements.

Condas: It simply inflates the expenditures.

Roush: Even when funds are actually in the AAC, it is an involved procedure getting the money. In the case of OICC they won't even begin to do anything until the Controller says I have the money.

Condas: In some cases we have advanced our own Trust Fund to get the money, particularly when DGBFA is slow in getting the money.

Condas: Once Jim gets the releases from DGBFA, I have no trouble getting OICC the amount.

Roush: Since it is counterpart in both cases, it is largely irrelevant.

Condas: We should account for it and show it separately to show what are the operating costs of the Mission.

Roush: One thing might be to get a separate agreement with DGBFA saying this is our money to use for this purpose.

MacDonald: What about this third issue? Did Washington tell us to terminate the contract? (M.I.D System Devel Corp)

Butler: The original contract was designed to carry us through the work that was in process that was to be accomplished on or around December 1. The objective was also to provide at the end of 1968 and the beginning of 1969 a transition into direct hire. Subsequent to signing of the contract, many additional needs have arisen and we have fallen behind in setting up the systems originally planned.

MacDonald: Does Washington know that we have fallen behind?

Roush: I don't think they feel strongly at this time.

Butler: They are open to discussion about it.

Roush: There was a question of how soon one converts to direct hire. When they were here in June we did discuss whether we converted as soon as possible or extended the contract.

- Robbie last fall thought we should keep under contract and provide more flexibility.

MacDonald: I would wish to consider whether we shift over to direct hire at the time all systems were developed.

Wild: We have a ceiling problem now. If these positions are converted, they will be counted against our ceiling.

MacDonald: Let's just tell Washington that we haven't finished the design and installation business and wish to extend the contract longer. However, we would discipline ourselves about the length of it.

Roush: The other factor here is that there is a recommendation to go from 17 to 30 positions in the contract itself.

MacDonald: Is this part of the plan? Are we just coming to realize how many we need?

Roush: This got a slow start. We have acquainted our people with the capabilities of the ADP and there are many more things proposed now.

MacDonald: My prejudice is to get going on the things we planned to do two years ago. I told the government, the press, everybody we would be automated by June 1967. At this rate it will be well into 1970 and we will have the war over before it happens.

Condas: The dollar accounts are now in ADP. We even had a party to celebrate it. There is a problem, though. Once we destroy the records and somebody throws a grenade into that room, we have no more records. Might start having duplicate tapes and storing them elsewhere. ... What are the 1980 locals in the footnote? How does this tie in with the 6,600 figure on the first page of the narrative?

Wild: The 6600 covers those in the field, CORDS, TCN employees, etc. The 1980 are USAID employees.

Condas: Has this budget been adjusted downward to adjust the reduced costs when ..., ... We will reduce our expenditures by about one billion piasters a year. ... We will advance Trust Fund to the military beginning next week until the AIK budget gets going, which theoretically will be January 1.

Roush: I think Nick's point is well taken. It should be less. I think it has not been adjusted.

Discussion of personnel ceilings.

Wild: We will probably have to have another personnel review before this gets settled.

McMahon: CORDS had 980 spaces last year, Now area development officers have been shifted to Tech Spt from RD, Tech Spt is much larger than shown on the chart for last year. We show 625 U.S. positions on the summary table. After our review with Mr. Roush, that is now down to 586. Of these 586, little better than 50% are in the field.

Roush: Of USAID Tech Spt, only 2 or 3 ecohomist types are in the field, and about 5 FM.

Discussion of contracts.

MacDonald: Why couldn't we have local contract rather than De Gill for trucking and labor?

Wild: The DeGill contract was cancelled today. We were running out of funds and this was an appropriate time to accede to the military request that we withhold payment.

MacDonald: Did the Legal Advisor hold your hand when you did it?

Wild: Yes, sir, and the Controller. I never do anything alone.

MacDonald: What kind of offers did we get in the previous offer for bids?

Leo -- : Majority of local contractors don't have the heavy or specialized equipment really needed. Have to go to American companies and they insist on part of their pay in dollars.

Roush: I was reflecting on having gone to the railroad for a similar contract. Maybe they have used up their capacity on the other job.

MacDonald: Hang Yang couldn't pick it up?

Leo -- : This is really a misnomer. They have the technicians but not the equipment.

Wild: It will take us a good three months to renegotiate a contract and we will look all the possibilities. We do have to finish up getting equipment of about $500,000.

Condas: Most of these contractors hire TCNs. We give the contractors the full dollar amount. How much they give the TCNs in local currency is something we ought to look into.

Wild: When we get a little time in Contract Services I will attack this.

MacDonald: There is another problem and that is the process by which the contractor takes the dollars and puts them into the piasters he needs.

Condas: It is put in the contract that all local currency must be acquired through the USDO. Bill put out a strong memorandum to that effect just the other day.

Wild: We are making arrangements for our Filipinos to deposit dollars in the local band and they will get credit in the Philippines in pesos. That way the dollars won't find their way back here and be illegally converted.

MacDonald: I should think it would be fairly easy to write into each contract "thou shalt purchase piasters only from the USDO."

Condas: If the contractor paid his people all in dollars, then the people could go down the street and change them. Bill has already written his Contract Division to look into this and come up with a system.

Wild: John Wilhelm is very optimistic that within a few weeks GVN is going to come up with a law .....

Macalen: IVS -- is there a chance of projectizing this?

Roush: It cuts across four different areas and it would be very difficult to have four contracts, etc.

MacDonald: This is really an accounting problem. We have taken a pretty close look at IVS. This doesn't trouble me. You might arbitrarily charge it against the project that uses most of its services. Check and see if you have 70% or even 60 % concentrated in one project area ---

Wild: I think you will find most of it comes under Refugees and Welfare now. I would like to go back to IASA support for this year. We will be making money on this agreement. It won't be used here, but the U.S. Treasury will be getting $150,000 a year.

MacDonald: Any problems on the CORDS side? Your only issue deals with Air America. Is that really an issue?

Condas: I understand a couple of days ago a cable came in suggesting that some costs be paid out of counterpart or a piaster fund. Would that affect the DOD share?

Roush: It shouldn't. It is for civilian programs and it should be our contribution. That is why our dollar funding has been reduced.

Colby: Nick's point is that the piaster funding might go up.

Condas: I think our present piasters are not adequate for that if the transfer is made. -- This is a shift in funding.

McMahon: I think this was for a small job to repave part of the parking area at Tan Son Nhut. We had asked for an adjustment in the PIO/T, but it had no effect on AID's total fund -- just switched some dollars to piasters. It would be a part of AID's 25% funding, under which a major share is piasters.

Condas: Look into it, because I don't think we have anough piasters to absorb it.

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MacDonald: Now for vehicles. It says 2121 vehicles and we have about that many people. Do we indeed have one for every person in USAID?

Leo -- : If you are comparing the number of vehicles to direct hire, it appears that way. However, we are also providing for the voluntary agencies and contractors who are here. They are not all passenger vehicles either.

MacDonald: Does this provide mobility for the 700+ free world military?

Leo -- : No, except for some stashed out around the CORDS.

MacDonald: We ought to get that figure and know officially the number of people that the 2100 relate to.

Wild: I asked for that four or five weeks ago. We had a query from Congress (2).

McMahon: We have the figures for the field and will be glad to give them to you. Generally speaking, there are many more than the direct hire who use them -- medical teams, contractors, etc.

Condas: When we assign 50 cars to a region, does the DepCORDS use them as he wishes? He might have some military driving them?

McMahon: There are about 700-800 vehicles distributed about the country.

MacDonald: How many MACV vehicles are made available to the field?

McMahon: There are only about 200/military titled vehicles in the field, but most of our people get their support from AirVN vehicles. I don't think there are many Army people driving around in AID vehicles. Sometimes it is really an advantage to have one driving. When you are visiting a province, they might send some enlisted man out to get you. It's better to use his time than that of the officials.

MacDonald: I'm trying to get an idea of what we furnish, what MACV furnishes -- and whether their vehicles are furnished directly or indirectly through AirVN .

McMahon: We get a report from the field about use of vehicles.

Wild: We have a Congressional inquiry and are working on that. Province advisor takes it upon himself if there is an emergency to utilize anything there. I feel

MacDonald: I have no trouble over the deployment, unless we contribute 999 cars and DAD furnishes 1.

Wild: I am trying to get some of that in our reply to Congress.

Gomez: At a recent meeting it was generally acknowledged that AID vehicles input into CORDS is substantially higher than that of the other side.

MacDonald: I noticed that there were some vehicles in other projects. ...

Wild: Other than Public Safety I don't know of any where the ministry is supplying vehicles. During availability of recent excess property, we brought in some vehicles in the GVN's name - but I don't want to say here how many.

Roush: Most of our technicians are not using GVN vehicles. They are using the Tech Spt vehicles rather than the ones charged to the project. In other countries we don't countenance that, but it would be a little hard to change here.

MacDonald: We will have a personnel review later in the year. Bill, I do want to express again the importance of regularizing this housing situation. I want the people to know they are going to get a fair shake and a system that will run with no pressure from individuals.

CTOR MACV/CORDS

. PROJECT NO. & TITLE 11-990-381 MACV/CORDS Technical Support (USAID portion)
(see next page for DOD portion)

USAID/VIETNAM
PROGRAM REVIEW WORKSHEET
DATE 9/18/68

(DOLLARS IN THOUSANDS, PIASTERS IN MILLIONS)

Revised - Retyped 9/20/68

FISCAL YEAR	TOTAL $	Contract (Non-Add)	Personnel Services — U. S. and TCN: AID — DH $	AID — DH No.U.S.	AID — DH No. TCN	PASA $	PASA No.	CONTRACT $	CONTRACT No.U.S.	CONTRACT No. TCN	Participants $	Participants No.	Commodities $ Dir.	Commodities $ Cont.	Other Costs $ Dir.	Other Costs $ Cont.	AAC or Other CP (note) VN $
Y 1968 Obligations																	
Unliq. Bal. 6/30/68																	
FY 1969 Estimates	17,021	621	16,400	586	93			621		86							
Y 1970 Estimates	19,821	3,321	16,500	586	93			621		86						2,700	

[illegible] Obligations [illegible]

[illegible] Contract Services [illegible] Landis Contract 900

[illegible] Tech. Costs 2[illegible]

[illegible]

[illegible] personnel [illegible] this project have [illegible] from [illegible] in FY 68 to [illegible] 75 [illegible] positions were transferred from USAID to [illegible] and [illegible] additional staffing change [illegible] support spaces from the RD Project to [illegible] Tech. Support.

a/ [illegible] of counterpart funds

PASA & [illegible] CONTRACTS WITH:
Air America and Landis Bros. for [illegible]

SUMMARY
MACV/CORDS TECH SUPPORT
FY 1969-1970 PBS REVIEW

The project provides the civilian personnel assigned to the pacification effort in Saigon and the field; air and communications requirements within country for pacification; and, assist in meeting logistical requirements.

Program had no issues and discussion of this specific project never developed. Jim MacMahon said a readjustment of total MACV/CORDS personnel has just been completed keeping it within the established ceiling, as directed by Ambassador Komer.

Major Issues - None

OPTIONAL FORM NO. 10
5010-104
UNITED STATES GOVERNMENT

Memorandum

TO : Mr. James L. Roush, PROG

DATE: September 20, 1968

FROM : James E. Hill, PROG JHill

SUBJECT: Summary - Director's Review FY 69/70 CAP - Village Local Development

GENERAL

Mr. Ferguson, ADLD, explained the concept of Village Development as proposed under his project. This includes training for selected province, district and village officials followed by the formation of a Village Administration sub-committee under the Village Council which will develop plans for village improvement on a self-help basis. A time-phased plan was explained wherein the program will be expanded from the current pilot province - Dinh Tuong - to 5 provinces by December 31, 1968, 20 provinces by June 30, 1969 and all provinces by the end of CY 69. On the U.S. side, CORDS Area Development and Community Development officers would be trained in order to provide training for their provincial officials. Commodity funding for village improvement projects would be budgeted under the CRDC Self-Help project.

Mr. Colby, AC of S, CORDS, supported the concept but has some reservations about the use of CORDS personnel to support the project on a full-time basis.

The Director's comments were that he supports the plan as stated and requested CORDS and ADLD to work out a plan for personnel utilization.

PROJECT ACTIONS PENDING

As stated above

UNRESOLVED ISSUES

None

RESOLVED ISSUES

Not applicable

VILLAGE AND LOCAL DEVELOPMENT - Notes From Director's Review Meeting

September 17, 1968

Peart: I am very enthusiastic about our program. (Refering to chart: 40,000 RD cadre, 700 armed trained teams, 5,000 at Vung Tau, 6,600 in 108 teams, 140 American advisors prepared to provide direct management, national training center staffed with 1,800, Pleiku training center with 100.)

School for provincial translators and interpreters --we train typists. Joint operation in the field is strong (Vietnamese and English language center). Liaison staff in Ministry for consolitation. Great deal of integration of cadre.

The side to which we address ourselves today can be expressed by Jim Watson in more detail. Perhaps Clay would like to speak on CRDC.

McManaway: Central to this whole new look is the focus in the village and location of the CRDC down to the province. The village concept will determine just what we mean and it is full range of implication.

Provincial development annex will explain how the 18 and 19 line items in the budget will be handled under this concept. Not a full transfer of funds to the technical Ministries but a transitional period.

Self-help concept is well down the road to increasing village authority and leading to greater village autonomy. We have been working very closely with Ben Ferguson and his program and we see this as a body guard to his program. The way this will be done is that guidelines go out as before, provinces will develop its own plans, teams will go out from a point in Saigon, review the plans and approve them. We will pick up the items once approved and will be funded. Except at the

(Tab 7)

province level there will be a great amount of responsibility.

Comment: What is conclusion in economic revisal?

McManaway: For us it is an emphasis. In a program in that sense of the word, what we can do to support the broad national programs.

MacDonald: It is a post-Tet program. Security to LOC, etc.

Comment: What about MACV planning 144.

McManaway: It was limited in its scope -- purely military support (Chieu Hoi). Next years plan will include emphasis.

We have got the agreement to have the province chief prepare province planning. Still to be negotiated with the Vietnamese. Trying to compare by cross reference both documents.

Comment: Provincial development is only line item left where we are trying to have the Ministry run on ~~and~~ their own budget, only outside RD areas, those areas secured or worked before and this seems still to be the biggest gap. Mainly because they don't have the money. MORD development has been the most successful.

McManaway: This is our first step in the new direction. To get at what you are describing to give the money to CRDC, instructions will go out from Minister to provincial level.

Roush: Two things as far as using the central RD council to begin to get a province plan. Some As far as the Ministry themselves we haven't been very successful. Discussed with DGBFA to get provincial annex in their budget. The Ministry had to re do their budget. Once revised budgets are in I am going to try to get DGBFA to go put this to the Ministry and find out how much ~~there~~ will be spent in the provinces.

McManaway: A couple of more comments. It is our intention to write the guidlines to provide sufficient detail and yet leave enough gap for the GVN to pick up.

MacDonald: Let's turn to the costing sheet. On the 4 or 5 issues we may have. (By pass one) We are in aperiod of transition. Mank I raise the same question as to the number of participants. 35 this year and 32 next? What sort of people are you going to send?

Watson: Primarily the training people at the higher level. At Vung Tau we want to make better teachers, to up grade the present teaching staff that we have. When dealing with 8,000 students you have a large base to work on. Very little to draw from when looking for teachers.

MacDonald: Upgrading skills of teachers or substituting knowledge?

Comment: Credit organizations, training agriculturally. Want to send them to Taiwan.

MacDonald: I can't imagine what a Taiwanese can tell a teacher at Vung Tau that he doesn't already know about credit. I just don't understand this.

Watson: (1) There isn't a man who hasn't benefited by education, (2) They are using a course that we can use, (3) the school has been developed to direct their next attention to the matter that they are not doing a good job in teaching, and could do better.

Roush: Why not bring in someone from the ADB to teach them?

MacDonald: Might be better students of credit but when the come back they will lecture about how those teams are going to advise those villagers.

Peart: General Loc is interested because the Taiwanese have been able to solve some of the Vietnamese problems. It is a problem solving area. I have seen the training center, it is good.

MacDonald: Another example, rice cultivation. Is there anything an instructor can learn in Taiwan that he can't learn here?

Watson: Yes, the Taiwan are looked up to for their training, they have showed us many things.

MacDonald: I have shown my skepticism and it's greater now.

McManaway: I understand you skepticism and wonder whether this is really important to the program.

Peart: We have a massive training problem.

McManaway: I think the real question is what benefit comes from the trip to Taiwan that couldn't be gotten here. We even have people here from Taiwan that could be used. It must be weighted against the cost.

McDonald: Money is the last thing to worry about. The first is will they benefit by being in these Chinese schools to teach the Vietnamese in the few simple things that they need to know in order to go back to the village. I recommend that you reconsider.

Issue 4-program office recommends cut back.

Roush: We do not have the assurance from the Navy to meet the 69 figure so will fund for 6 months.

Cement has been cut out.

McManaway: Getting close on cement.

McDonald: Concerns only rebar and roofing.

Mossler: Should get together with CIP, logistics, etc. so that procedures don't get bogged down in transfer.

Roush: We can go ahead and ~~xxxxx~~ leave this in. But we do need to get a policy and that needs to be announced.

Comment: We have enough cement through 69.

McDonald: One other question marked down in the program recommendation to PASA, number of people.

Roush: That is the seabee question.

Mossler: Is that entire element seabees? What else is involved?

Peart: They are phasing out as of February of next year.

MacDonald: What are the cadre quotos? How many do you have?

Peart: 714 groups in the field now, 6,000 in training, 10 recruit classes. Need 1,200 a year just to keep up to peak.

Roush: We have 100,000 we would like to scratch. Develop and maintain until they have external training. Maybe piaster funding needed but not dollar.

MacDonald: Sure he is right on this one.

Colby: What is the experience factor on that?

Watson: Seems to be improving.

MacDonald: They can make this up?

Roush: Yes, seems piasters are working, and if there is a demand we can program and provide the money.

McManaway: Your people in the field who are concerned about self-help, we have got a lot of help.

Peart: The massive training problem is in conversion to the village.

McManaway: It will be selected by the province. We have reserved the provincial development aspect of the program. We do have the RD teams trained to assist the village. We would consult with you again, and it should be soon because we have a deadline.

Colby: It is an objective we can't show. But we are trying to launch a new effort and we should keep our eye on that objective, of getting villagers to live and work together. We hope we have an over all concept and that we are trying to work out techniques and concepts and push as much as they will bear. I don't think we can allot the next year to training village officials for 1970. We should define the techniques of giving training to the village and then follow up. This is a continuing process and program.

MacDonald: It seems some concern is expressed. Have to do not just with the scale and pay of efforts but with the quality of effort and relationship to which villagers made contributions and the need to add and enhance this process of contributions from local sources.

Colby: The end is institutions in schools, etc.

McManaway: No one thinks you can make this kind of change without a slippage. Taking all into consideration we are willing to take this on.

Roush: Moving towards this you maybe achieving the broad objectives you are after.

Colby: Our emphasis is on the self-help.

McManaway: Our whole purpose is to get back into programs for the people and at that level to develop local government. We maintain the provincial development so we won't have too much slippage.

Ben Ferguson started a discussion of training plans.

MacDonald: Can you describe the training plans? What specfic plans are:

Ferguson: From September 20 to December 31 we have trained 5 provinces, set up new 5 priority provinces, plus 10 additional at end of December 31 we will have completed 5 probinces. This is day to day field work. Vietnamese are trained along with the Americans. Starting January and April the 5 principle VDO ~~xx~~ will spend 25% of their time in the 5 pilot projects.

MacDonald: Have you worked out with CORDS arrangements for the selection of American training?

Ferguson: We have talked it over. It is still under proposal.

McManaway: What we haven't done is the actual selection.

McDonald: It has been thrashed through. This is something over and above our self-help.

Colby: No.

Ferguson: We are trying to incorporate it in with self-help.

Colby: In principle I am all for it. But where are we going to find the people.

MacDonald: To qualify one thing Clay, we don't have to go all over the country to find people. But we will designate self-help people.

Johnson: We would like to see this hit all 26 priorities within the timeframe of July. This is a point we need to talk about further. But it represent a major target for us.

Ferguson: Might have to change this to look at the provinces.

Roush: Wouldn't be over two weeks would it?

Ferguson: This means only 5 men will move.

Comment: Could we train Vietnamese to do this?

Ferguson: You would be training hundreds of Vietnamese every day once you are out there. That is what we are trying to do.

Comment: Can the Vietnamese better train the Vietnamese?

Colby: In concept CORDS is all for doing this. There will be problems on the availability side. May be some modification in the pattern you have here which could still solve some of our problems.

MacDonald: What we now need to do is develop. Getting personnel list.

Ferguson: One more thing in this training between now and the 1st of January, it involves 159 Americans and Philippinos.

MacDonald: Let's see you are trying to get 8 direct hire positions?

Johnson: A Vietnamese woman might be helpful.

Discussions started between several people, and meeting ended.

OPTIONAL FORM NO. 10

UNITED STATES GOVERNMENT

Memorandum

TO : James L. Roush, PROG DATE: September 20, 1968

FROM : James E. Hill, PROG/ID JEHill

SUBJECT: Summary - Director's Review FY 69/70 CAP - Youth.

GENERAL

Mr. Ried, Chief - Youth Affairs Branch, summarized the program in which he highlighted a few new thrusts; the establishment of a Junior RD Cadre based on Region II pilot activity, the initiation of a forum called "The President's Conference on Youth", and the establishment of a Youth Foundation which would provide financial support to private youth groups. Next, the discussion turned to matters involving the continuation of the CPS (Chuong-Trinh Phat-Trien Sinh-Hoat, Development of School Youth Activities) program whereby high school teachers involve students in extra-curricular activities designed to identify leaders. The District 8 youth initiative was mentioned as one of the most successful youth programs in the nation. V.C. programs were discussed in light of the GVN capability to launch programs to overcome or counteract them. Questions concerning the political content of current youth program were addressed by Mr. Ried who feels that three ingredients are necessary - more psyop effort, more youth participation and the youths' knowledge that the GVN is doing something for them. Finally, the New Life Construction Directorate's efforts were discussed in terms of its applicability to other communities in rural areas.

Mr. Maynard from CORDS stated that the need is for youth involvement with the society, not the GVN, to which there was general agreement.

After further general discussion, the Director made the following comments: (1) there are too many uncertainties about the RD Cadre program for initiating a Junior RD Cadre program, rather, attention should be given to youth coordination by sub-committees of Village Councils under the Village Development Program; (2) the establishment of a Youth Foundation should be the outgrowth of the President's Conference on Youth; (3) the President's Conference on Youth is a good idea and should proceed deliberately and be practically 100% Vietnamese; (4) community development activities should be emphasized over 4-T activities; and (5) commodity support should be worked out with the CRDC for rural areas and under the Saigon Development project for Saigon.

ACTIVITY ACTIONS PENDING

1. Development of youth programs which can be coordinated by the Village Council.

2. Development of a program which will lead to the establishment of a President's Conference on Youth which will be the culmination of a series of conferences held at village, province and regional levels.

3. Submission of commodity requests for the support youth projects to the CRDC and the Prefecture of Saigon.

UNRESOLVED ISSUES

None.

RESOLVED ISSUES

Not applicable.

Jan. 13 1969

YOUTH AFFAIRS Director's Review Meetings

Reed: As a result of work done in the past month or two we are faced with political issues: (1) whether or not to have a number of separate divisions or one big effort. AID/W wants a great big youth force to point to in pride. But with discussions we are becoming more convinced that it would not be a good idea.

MacDonald: When did this view start in Washington?

Reed: About four months ago.

Roush: Grant took the view that the program was either too little or too much. Felt no priority was being given to youth.

Reed: Too little has been done in proportion to the other fields in Vietnam.

Brief look at an overall picture of youth in this nation. At most 2/3 are getting a couple of years of schooling. This is the age group 13-17, of which 1 out of 5 are in school. Approximately 1/3 are in public high schools, 2/3 are in private high schools. It is not possible for them to expand rapidly enough to make a dent in the teenage population that is coming of age.

MacDonald: It is better than 2/3 and a little less than 19% in secondary schools. Is it true the 12 year olds can't do it through the Ministry's program?

Reed: Yes, the majority would not be able to get an education. The GVN is using French oriented schools. But they are beginning to realize something must be done for those not in school.

Biggest concern is what can be done to help those out of school. That is why a big youth program will not work. We need programs that will reach all groups.

MacDonald: Do you agree that we don't assume that the 19% are immune to Communist influence?

Reed: No, we don't assume that at all, or imply that we are not trying to work with them. CPS (High school program aimed at doing more than typical high school does). 60-70 in typical high schools. No participants in terms of student body elections. CPS worked two years ago, but had problems of physical dishonesty. It stopped and there are now 8million piasters in that program. As planned in 21 provinces they will carry on extracurricula activities, i.e., social welfare activities, weekend activities, etc.

We are concerned again about the physical dishonesty. Will try to get money alocated on a province by province level and both Vietnamese and Americans will know how much money there is. We want to have elections and have them publicized. We want to show democracy at the "grass-roots" level. Hope to greatly influence their activities.

MacDonald: Would like more specifics on the CPS area. Where it operates, how extensively, How many schools operating now, how many do you intend to operate?

Reed: First official meeting will be tomorrow morning. Actually the head is Dr. Tau . There is an executive committee of ten teachers working here in Saigon, plus a small controller's committee. They intend to develop books, guidelines, and activities in 21 provinces. It is conducted in each of the major high schools within the province. 1/2 of the high schools were hit through the CY in this program. In terms of money, a great deal was spent on physical needs, i.e., uniforms, programs, banners, charts, etc.

MacDonald: Where is the money shown on the chart?

Hill: It was a special allocation in previous years?

Reed: Issues: (1) urban vs. rural, (2) multi vs. single approach, (3) How best to help private groups.

The matter of a foundation has been discussed for a year and through it we feel we will get some help, but have taken no action. The foundation has been supported and resisted by the GVN. But a non-profit youth group could receive funds from such a source for its programs.

MacDonald: Won't the groups accept money from the GVN?

Reed: Some do some don't.

MacDonald: I inferred that since we can't get the private groups to agree to GVN as it was to raise the number, we should establish the foundation to raise the number.

Reed: No.

MacDonald: Sorry wrong inference.

Reed: They want help and money but not from the GVN. They don't want to end up being controlled later by the GVN. I would like to discuss another program. The kinds of programs helpful and effective in the rural areas. We and the GVN are concerned about the youth in the rural areas . One program is boy scouts. The American military is pushing hard and has jumped this membership of 5,000 to 13,000. Another program is 4-T, which has met with relative success. A third program was started in II Corps, the Jr. RD Cadre, this spring. With the help of Americans, youth were called in to see what need there were, what their interests were and what they wanted to do. This gives support to the GVN and still carries on social welfare activities. The success was so great, that a group of them were brought to Saigon as a special treat. The program is something that costs very little (training books and uniforms) and has a wide appeal. It could be an opening wedge to get into the hamlets. We could possibly reach 1/4 of the youth.

MacDonald: In II Corps, what do the RD cadre do?

Maj. Erkelens: The program basically is the same as 4/T, agriculture oriented programs in raising piglets, teaching sewing, etc. Two afternoons a week we have games, led by a member of the RD cadre team. The trip to Saigon was a special activity. Two children from each hamlet were chosen for it.

MacDonald: What is the age group?

Maj. Erkelens: 11-18. Medium age of group is 14-15.

Reed: Another program is carried out by IVS. IVS young people work for limited pay, who live with the people and have a strong influence on the young. Our only tie with them is on an informal basis. We work with four of their technical men. We have put money into the summer employment program for three years. College students are paid to work on worthwhile projects for IVS. I think the cut back of IVS could be considered and I hope you could encourage more IVS to come into the country to work more directly on youth affairs.

MacDonald: Didn't most of those who left work in the refugee areas?

Roush: Thought it was more in language areas.

MacDonald: In any case, you do find them helpful and want more?

Reed: Yes, but one final point. The GVN has raised emotions to young. They try to clamp down when they get out of hand. Not many concerned about the value of each as an individual. How can we get the GVN and public to take more concern in what happens to young people as individuals. In the CAP exercise we propose something similar to the White House conferences on youth. Local, regional, and national level of mature people who are interested in and concerned with youth, would be brought together to discuss the needs, etc. of youth. If organized, they would move towards what the best programs

would be. And from that to the nature of program budgeting of what it would cost. There has been nothing like this done. What are the needs and objectives. This would serve a number of purposes, i.e., stimulate the Vietnamese, and secure some military help. Any questions.

Regional Comment: Main role we have to play is that of providing a catylst and extra amount needed to get programs going. The amount involved assisting youth in Vietnam we find is four or three times the amount the Vietnamese are doing to what we want to do. There is an awareness of the GVN to help and with the experience our people have had in the field we could provide a lot of help. Security needs strengthening but we should start setting up the criteria for youth.

Mossler: Where do you stand on the White House conference. What is the time table?

Reed: This is a proposal, submitted today for the first time. Needs at least six months to prepare and two years to work out. It should definitely not be done rapidly.

MacDonald: There was apaper that President Tu took to Hawaii, or was supposed to take to Hawaii, that was on a nation-wide youth program ready for starting. Was delayed because there was a fear of lossing the war after which peace came. It was one of three major recommendations for post-war planning. Does your White House conference idea relate to President Tu's.

Reed: I was concerned with the monolithic approach and I believe he agrees with the conference.

Mossler: (TO MacDonald) Is there any way it can be stepped up or is it better to take more time?

Reed: There isn't a man here that is working with youth that was here 8 months ago. There are other issues more pressing. But I am

just laying the ground work. Rather not do it at all than halfway.

MacDonald: Priorities need to be established. Assuming it could be like the land reform conference I suggest you go ahead with it. It is important and I encourage it.

Roush: What is the goal -- expect to move the government or try to get central government to motivate the people to take interest in the program?

Reed: Publicity, involvement, and out of that changes in programming their post-war planning.

MacDonald: Value of a conference is it attempts to gain knowledge. To find out what they want, ideas, etc., before we go to far down the road. And there are some general questions we should ask ourselves. Isn't a considerable emphasis of a youth program on the young? To involve the young people, or does it affect people other than the young?

Reed: Correct definition of youth -- no age groups. It pertains not only to the young, but to those working with the young. Very flexible. Their ages vary, but they are our potential leaders of tomorrow and we must reach them.

(Speaking of New Life Construction)

Bob Gee: Many Americans ask why call it a youth program./ Because they to have the respect and following of many of the private youth groups in Saigon and have a liaison with others. Leader of NLC is involved with youth conferences in regard to giving guidance and involving youth in reconstruction.

MacDonald: If you can get the old-young and medium-aged involved in community development you don't have a problem. You mentioned the NLC leader travelling, has his area been bought?

Gee: No, just by reputation and asking for his advice.

MacDonald: (TO Johnson) Did the Youth Council in East Pakistan have subcommittees on youth?

Johnson: No, but through agriculture extension program they tried to get people out through the building and construction program. They did not focus on youth.

MacDonald: USAID and CORDS has been trying to work together on this. They would like to develop a structure underneath the bureaucracy made up of private citizens patterned after East Pakistan's. They had more in school outside the Ministry then in the Ministry through this village project, and they were all made up of the citizenery.

But again, my point is total involvement of the population throughout the AID structure with emphasis on capturing the interest of the youth.

One final question to Mr. Reed: Do the VC have youth programs in areas that they control? What do we know about their approach to this problem?

Major Erkelens: Probably more than we do. The NLF recognize the need of involving the youth in the program of subversion. In the offensive the age of those involved was very young. They mainly use propaganda. Some idea of the extension of the Communist feeling towards the youth is shown in their "robin hood" program. In Soviet Russia, to the NVA and from there to the NLF, is a program starting with the age group of 3-4 years. This is a home oriented program. Once they reach the age of 6-7 the program changes accordingly. (This is what is happening in the villages controlled by the VC.) Their program is more politically based. The main effort in South Vietnam is preparing the youth to shoot and kill. Their army is ranging from the ages of 12-15.

Comment
Reg I: Lots of abducting going on how.

MacDonald: The reason I ask is what can we do to counteract this?

Maj. Erkelens: We had some of the province parents that fought the VC off, who sent their children to provincial capitals for protection. This is at least one step.

MacDonald: We must provide an immunization for them against the VC.

Reed: How about I Corps Combat Youth?

Reg.I: You have in each province a representative who is involved entirely with this program. 7,500 people are involved in I Corps. It is a good GVN program and doesn't need much U.S. advisory effort. We should stay out, except to help expand some activities, and encourage civic action programs. They have certain responsibilities. They stand watch one out of three nights. Their being armed helps benefit the military effort. They are involved in civic action work, cleaning up the site after attacks, and other similar type work.

MacDonald: Just busy work?

Mossler: Is this the same as defense work?

Maynard: Whole idea is not new. Projects too broadly this idea of people's self defense. the new activity is the youth defense. Effort now is to take all the old programs and get them into self defense groups.

Roush: The VC have a political oriented program. Where do we get political? In reconstruction projects? In terms of youth programs and having them commited to the government. Can they not support the program and still get their political orientation from the VC? It doesn't automatically bring them around. But, you need the psyops job.

Maynard: They do seep into a government structure.

Roush: I can understand that. It is the others I can't understand. The NLC activity I can understand, but in terms of youth programs per se I don't. It isn't getting them politically involved and keeping them

from VC influence.

Reed: What we really need is: (1) a psyops program, (2) participation, and working together (because when you are a part of a team, you feel good), (3) GVN interest...(the GVN must show they are doing something for the youth.).

MacDonald: You really believe that?

Reed: Yes, I really do.

Maynard: I think a slight case of faith is necessary. There does have to be a direct contact made by the government.

MacDonald: (TO Reed) You are over-emphasizing the importance of the government.

Gee: The question does NLC become involved in the politics. Yes, they use the reconstruction work and community development as a means to political ends. They believe the only solution to the problem is a coalition government and are not to be intimidated by the VC.

Roush: Nothing against NLC, but I don't think it is geared to the right age group. It is a broad community development program, politically oriented. Propose we do more of the same, i.e., 4-T is one. What have we really got to get to the rural youth? Is the piglet program working right?

Johnson: In piglets giving--creates a certain amount of social action.

MacDonald: Let's narrow the focus to see what you are asking for.

Reed: In non-specific ways: 4-T-- I can't answer or discuss it intelligently, but I think participation is very important and psychological propaganda is important, but also that the youth's idea of the government's role is important.

MacDonald: I agree with that. (Discussion with Reed on the ideas of youths with thoughts towards the government.)

Reed: By giving the Jr. RD cadre enough to push the program we could reach a large number of people. How many would you like us to reach? Now we are reaching 200,000 out of 2 million. Can you set some realistic goals for us and then come up with the amount of money?

MacDonald: Jim, can we turn to the sheet and look at it and come back to this?

How many people do you now have? Present ceiling is 10 and you propose to keep 10. How many IVSers do you have parttime? How many engaged in youth affairs?

Reed: 11 -- Reg. III

12 -- Reg. IV

1 -- Reg. I

MacDonald: Ten are U.S. direct hire, where are they?

Reed: 6 are in Saigon, 4 in the field (one per region). Those based in Saigon spend most of their time travelling.

MacDonald: Two contract?

Hill: Money was spent last year to terminate the contract of 1 man.

MacDonald: It even takes money to fire people. Why don't you have a proposal for participant training?

Reed: We would like to have participants, but haven't had an opportunity to discuss it.

MacDonald: No commodity money?

Reed: Yes, giving piasters instead of commodities.

MacDonald: Americans should stop this. GVN should budget funds and we will help arrange it.

Hill: As to the background for commodities allocated to the field for projects carried on in the field, we raise the question as to whether it should be funded by piasters and hopefully the field commodities will

then be budgeted.

Roush: Would it be feasible to use AIK?

Comment: It would be better if it were a part of the GVN system, but the problem is not getting the funds to the areas to support the project, because when cement is requested, it is not always available. But with a reasonable source of funding, the project could be supported.

Roush: Why can we not go out through the province?

Discussion of where funds should come from in terms of funding arrangements, from GVN or other sources?

MacDonald: You are asking for very little, the discussion has been very useful and I am very favorable to the National Conference, so long as it is done quietly and low keyed. I question the foundation at this point and urge that you go slowly in examination of it. The Conference could proceed additional organization arrangements in this area.

Roush: The indication would be that we use special funds and I want to be sure the youth committee thinks about indirect assistance. There should be no obvious U.S. or GVN connection.

Reed: Don't like the idea of using Asia Foundation, but if they offered we would accept a small amount of money.

We feel the jr. RD cardre has some significant value. We need to have some idea of the results you want.

MacDonald: RD is not nation-wide. Why are you focusing on one category? All RD thinking is in a state of flux. I can't answer because of the uncertainty of this situation. You ought to explore, maybe change the program, cut RD in half, use in more hamlets, consider it with the Ben Ferguson hamlet development program (about to be unveiled). I can't give you an answer as relates to RD.

Maynard: The Jr. RD is appealing, but I suggest you sit down with the RD people in Saigon and see what kind of guidance they can put out, making them aware of this potential, so we can promote this activity. We must treat the program with the flexibility it deserves.

Reed: But we need money to support the program.

Rouch: It seem to me that it could be carried out as a part of the RD program. Make their teams aware of it.

MacDonald: It just takes some more discussion. I am very interested in this idea because it was a spontaneous thing and we should examine it a little further. The RD structure, size and distribution is in a state of change and you should familarize yourself with those changes. Then come back and we will talk about it.

Rouch: Also RD has plenty of money.

Maj. Erkelens: That isn't what they say. We have a built in leadership factor that is presently in existence. We do know how much it does cost, but we are trying to determine how many you, generally, you want to reach, in numbers, through 4-T, boy/girl schouts, etc. For rural youth it would cost between $5 and $7 a head.

Maynard: You have statistics and you come out with $5 or $7. U.S. military action?

Maj. Erkelens: It takes that to equip a youth and provide for the program materials. Doesn't include things like a stadium.

MacDonald: I can't give you a figure.

Reed: We don't know what money is available to USAID or the demands of other departments. We get jealous and want more money.

MacDonald: If there needs to be more attention given to this part of the program, let's have more discussion. But we are not equipped to have

more discussions now. We don't have cost figures or statistics on how many we are reaching. You must be concerned on your programs but you also must find your focus and center on it.

Reed: We do use other people and other people's money.

MacDonald: You come back when you are ready to have further discussions. We should talk about it, but at a later date, when we have numbers and figures, etc.