

# REVOLUTIONARY DEVELOPMENT IN SOUTH VIETNAM: THE NEXT STEP

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## PART I

We came to South Vietnam at the request of USAID Director MacDonald "to assist the USAID's contribution to revolutionary development". In the four regions and in 17 provinces we traveled through the several different geologic and climatic environments of the country and talked at length with the several different groups of people who inhabit South Vietnam. We interviewed individually 133 farmers and talked with numerous officials of the Government of Vietnam and Free World Forces, mostly, though not entirely, Americans.

Our main purpose was to try to learn how much rural people know about themselves and their local community, their knowledge of existing institutions, their problem-solving ability, the extent to which they believe they exercise some control over the every day activities of their personal lives, and the extent to which they believe they will have the opportunity in the future to improve their lives through their own efforts.

Secondarily, we tried to assess government officials' knowledge of the actual conditions of their country, their understanding of farmers and rural life, and the extent to which they are willing and able to talk to villagers as equals.

We found the people of South Vietnam to possess a willingness to test and adopt technological innovation which is unusual in our experience in developing countries. Similarly, rural people have a love for education, and for new ideas which education implies. Mechanical and craft skills are widespread. We also formed the impression that rural people possess a certain degree of political sophistication. Considering that they have not been able to influence central government policy, this is also unusual. This may be the result of decades of war, throughout which the rural population has been not so much involved as caught between contending forces. Whatever the reason, some capacity in ordinary people to comprehend the politics of development and security is one of the most hopeful aspects of the present situation.

A country's first resource is its people. We concluded that the rural people of South Vietnam are capable of accelerating the pace of development themselves, assuming a solution of the problem of security that is satisfactory to them.

As the security situation has improved, the government has initiated a series of programs intended to neutralize the Viet Cong infrastructure in hamlets and villages and to get local development underway. In talking with farmers throughout the country we sensed among them an awareness that their government cares about them and is trying to help them. But the rural populace realizes -- in fact, several farmers expressed the point specifically -- that the central government has yet to find a way of involving in the affairs of the nation the mass of people whose loyalty it needs and seeks. There is too much government for the people, too little government of and by the people. Nevertheless, we believe the central government, and in a rather short period, has succeeded in establishing a foundation upon which the revolutionary development program can be expanded so that the mass of the people can help to solve the twin problems of South Vietnam--development and security.

### The Present Situation

Herewith is our evaluation of the present situation.

South Vietnam has not yet been able to organize a comprehensive and continuous system for the collection, dissemination, and storage of facts needed for development. Such a system is needed at all levels of the society and in both the public and private sectors. People cannot participate in development unless they know facts and use them to identify and analyze their own problems. Nor can people assess central government policy and the relationship of possible policies to their personal lives unless they know the facts involved.

In the absence of a fact-collecting system it is to be expected that decisions on local development problems are based on fragments of data, or on unsubstantiated opinion, or that the resolution of some problems must be delayed until the facts of the matter are known.

We found that villagers are not in the habit of collecting facts about themselves, their hamlet, their village, their district, their province, and their country. The present program does not require them to collect facts systematically and continuously. Instead, it requires facts only for an isolated project, such as a bridge, or for a problem for which the solution is simple, such as the replacement of a school destroyed by war. The result is that

rural people know too little about themselves and their community. And the size of the world in which they live is small, too small for the concept of citizenship in a modern society.

Of 136 farmers interviewed only 48 knew the amount of rice they produced; 54 said they did not know, 34 evaded the question. Only 8 out of 91 farmers asked knew the approximate amount of their family income and family expenditures in the past year.

Whereas 63 farmers said they knew the number of teachers in their hamlet school, only 10 knew the approximate number of children of primary school age and only 6 thought they knew the number of children who actually attend school. None could answer the same questions for their village.

Nearly all farmers were able to estimate the population of their hamlet, but only 5 had some notion of the population of their village. None was able to estimate the population of their district or province.

Of 111 farmers asked, 28 thought they knew whether there were raw materials in their area that could be processed. Of these, 21 thought they knew about markets where such products might be sold.

Whereas all the farmers interviewed were able to list the symptoms of diseases which afflict their families, only 27 were able to identify diseases by name:

By contrast, 132 of the 136 farmers interviewed have some knowledge of fertilizer and 103 of insecticides. However, only 6 showed some knowledge of improved varieties and improved rice cultural practices such as better seed bed preparation, line sowing, weeding, mulching, spacing, and improved harvesting methods. We would note here that ordering and distributing production supplies is the kind of activity which central governments can undertake without direct contact with the people. Teaching improved cultural practices, however, requires intensive personal contact between extension workers and farmers.

While farmers know how many of their animals have died in recent months, only 7 said they were able to recognize contagious animal diseases. Only 5 had some notion of the incidence of animal deaths in their area.

Farmers sell their produce at local country markets or to middlemen who bring their trucks to the field. For produce which is shipped to the cities,

almost without exception the farmers claimed to know the price paid by the urban consumers. But none knew of possible buyers other than the roadside truck, or any way in which they could receive for themselves a larger share of the retail price without raising that price.

For a few questions, such as population figures or the number of children attending school, farmers identified a particular official as a probable source of information. Government officials, however, also do not know many of the basic facts needed for development. Not, however, because of any inherent incapacity of the central government. Rather, governments around the world are unable to collect information without the cooperation and participation of their citizens.

In spite of the lack of factual information, we found in many instances that good judgment can offset to some extent the difficulty of working with insufficient data. Experience and common sense are also guides to action.

But we also found that schools are being built where there are no teachers. Improved pigs are being introduced in food deficit areas without provision for feedgrains or other animal foods. Some bridges are being underbuilt or overbuilt for lack of traffic data. Certain vegetables are being introduced in areas which may be unsuitable even though field tests have not yet been conducted. For some problems, such as local drainage and irrigation systems, or rural road networks, or an integrated agricultural development plan at the village or district level, project formulation and decision is not now possible for lack of basic data.

We found little evidence of an effective information and communications system for facts which are known; or little evidence of a written and public record that is readily accessible to whomever wishes to use it or inspect it.

For example, we found no member of a Farmers Association or a Cooperative who had ever seen a financial statement or annual report of his<sup>own</sup> organization. A few farmers told us their recent applications for loans had not been acted upon this year but did not know why. Several thought perhaps their hamlet chief or village chief did not want to approve the application. None had been told by the managers of their organization that NACO (National Agricultural Credit Organization) had withheld new credit until prior year delinquencies

had been paid up. None reported any effort by the farmers themselves to persuade their fellow members to pay up their delinquent accounts so that their Association or Cooperative would qualify for new loans from NACO.

Nearly all farmers told us the Farmers Association and Cooperatives were a source of fertilizer and insecticide, and sometimes other commodities, at official prices. A few mentioned credit. Several said they joined because a government man came to their area and told them they ought to. Several farmers told us they purchased supplies from the Associations but had not become members because they had never been asked to join. None regarded the two organizations as institutions for mobilizing savings for investment or as institutions of technological innovation. Both are characteristics of cooperatives in the developed countries.

Factual information being derived from the self-help program is retained in provincial and district offices. It is not made available routinely to village and hamlet chiefs and to the people to help them prepare future project proposals.

Eighty-six of the farmers interviewed reported that at least one member of the several agricultural sections or of the Revolutionary Development Teams had discussed an agricultural problem or held a meeting in his area at least once. However, none could recall more than three such discussions or meetings. Where there had been several contacts made by a member of one of the agricultural cadres, they were several months apart.

No farmer was able to describe a system for transmitting and teaching the use of new knowledge through a planned and scheduled program of instruction, written materials, and demonstrations in the field.

Implicit in the situation just described is a lack of local organizations in which rural people can be organized to plan and carry out their own development activities as their part of a national development plan.

We found a number of local development plans as we traveled about. Some of them are based on considerable study and possess technical merit. In each instance, however, the people, who are the intended beneficiaries and who are supposed to help implement the plans, do not even know they exist. In Puerto Rico, Taiwan, Malaysia and East Pakistan planning is a way of involving large

numbers of ordinary people in wise decision making. In East Pakistan one out of every twelve farmers holds an official, though unpaid, position as a local counselor or as a member of a development committee or sub-committee.

Given the absence of local planning organizations in South Vietnam, we did not expect to find rural people who are involved in collecting facts systematically, analyzing them, and participating in continuous decision making. The closest approximation to local planning is in the self-help and census grievance programs. In both programs and at the hamlet level there are periodic suggestions and discussions of specific projects, such as a road, or a bridge, or a school. But neither program requires continuous, systematic analysis and resolution of the whole of a problem, such as building a rural transportation system, or a marketing system, or a local education system. From the point of view of the villager, the ad hoc approach to planning represents possible improvements in the existing society. Comprehensive and unified local planning can represent a picture of the better society which development is supposed to be creating.

In the absence of organized local planning institutions, we found numerous instances in which individuals have been selected, by officials not their neighbors, to serve as catalytic agents of development in their communities. However, institutions, not individuals, are the element of perpetuity and continuity in society. Among the individuals chosen are model farmers who are to be trained in Taiwan, village or hamlet extension teams, and farmers who are selected to attend short training courses at agricultural schools. We would also include the hamlet and village census grievance agents in this group of people.

Most of these people are paid to do work which they should be willing to do voluntarily, as is the case in the countries mentioned earlier. Can any country afford to pay its people to develop themselves?

We are also uneasy about the unit costs of several programs being built around these selected individuals. The most extreme example is a credit program in one province which would cost twelve million U. S. dollars if it covered all the farmers in the province instead of the one-half of one per cent who will benefit. For the entire country, assuming complete security, the program would cost a half billion U. S. dollars. No country, not even the United States, can afford such high unit costs. On the other hand, over a period of years the farmers themselves can finance the costs of rural modernization from rising personal incomes, as they have in a number of countries which have achieved an agricultural revolution.

After completing our travels and after studying intelligence reports on what is commonly called the Viet Cong infrastructure in those areas which are completely controlled by the communists, we compared the local organizations of the Government of South Vietnam and the Viet Cong. Given the profound differences in political theory between communism and democracy, we were surprised by certain similarities in the two systems. In both there are local governments, local farmers' organizations and a number of standard government services, such as education and health. In both systems, the governing bodies of several of the local organizations are elected by the adult population. But both systems are dominated by government officers. The people are able to suggest or to complain, but few decisions are made at the level of the village or the hamlet. Even if the suggestion is accepted, the people are not always involved in the action taken to implement it. If a decision is made contrary to the peoples' wishes, they have no effective way to seek recourse or redress.

The principal difference between the two systems is benevolence. In contrast to a number of oppressive characteristics in the Viet Cong system, the GVN system is increasingly motivated by concern for the well-being of its people. It is to be expected that a government which is trying to build a democracy would be more benevolent than a communist government. But benevolence, by itself, is not a political doctrine. The idea of benevolence is not, and has not been in history, a big enough idea to guide the organization of societies and governments.

Insofar as development is concerned, we found no problems in South Vietnam that are not common throughout the developing world. We do not intend this part of our report to be read as a criticism of the central government, but as a commentary on a society which is trying to modernize, but which is just beginning to organize those institutions in which people en masse can learn how to use modern technology efficiently. Nor is the problem new to this century. It is the same problem which concerned Locke and Montesquieu and

the other great democratic political thinkers, and the founders of those countries now called the Western democracies. It was once described by John Adams, America's second President, as follows: "The poor man's conscience is clear; yet he is ashamed... He feels himself out of sight of the others, groping in the dark. Mankind takes no notice of him. He rambles and wanders unheeded. In the midst of a crowd, at church, in the market... he is in as much obscurity as he could be in a garret or cellar. He is not disapproved, censored, or reproached; he is only not seen... To be wholly overlooked, and to know it, is intolerable."

Throughout the country we found a tendency among officials, of all nationalities, to think that the war makes the development problem unique. It is the combination of the problems of development and security which make the Vietnamese situation unique. But the fundamental nature of the two problems is not altered because they happen to exist together.

Insofar as development is concerned, we found no solutions which have not been tried in many countries. Perhaps for the reason mentioned in the preceding paragraph, we found little interest among officials in ascertaining the effectiveness of these solutions where they have been tried.

The problem of development has been solved in this century in a few countries --though with a different set of solutions than those being used in South Vietnam. The problem has been solved in countries which are both democratic and authoritarian, which is to say that much of the legal and institutional structure of the modern technological world is non-political.

The analysis of traditional societies in Mao Tse Tung's peasant version of Communism is not unlike the analysis presented here. It is, of course, well known that the Communists believe there is an irreconcilable conflict between the leaders of traditional societies and the mass of ordinary people, and that violent revolution is said to be the necessary and inevitable solution. The democracies, however, have demonstrated that when "progress and prosperity had been continuous in all classes," that when "no one felt himself left out of the Constitution," that when "none of the ancient inhibitions obstructed the adventurous" people en mass have chosen progress through evolution. They have not succumbed to the illusion that revolutionary violence is an all-encompassing panacea for discontent.\*

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\*The quotations are from Winston Churchill's summary statement about the rise of democracy in Britain in the 19th century in his "History of the English Speaking Peoples."



## PART II

### The Next Step

The next step in Revolutionary Development is for the central government to complete the organization of its people for development at all levels of the society, central, provincial, and local; and to vest the power of decision at the level of government where problems can best be solved. The central and provincial governments of South Vietnam are already well organized. The next task is to organize self-government at the local level where the mass of the people can participate in public affairs and gain some understanding of the relationships between different levels of government. "Whatever educative value is rightly attributed to representative government largely depends on the development of local institutions."\*

It is the local institutions which are the weakest in South Vietnam. Most of this section is, therefore, a discussion of the institutions of mass participation in democratic development--local self-government, the cooperative, and voluntary associations. But first, what should be the relationship between local and central governments? Herein lies the formula for modern local self-government.

The formula is a method of reform imposed by central governments upon local governments for the purpose of transforming them into democratic development institutions. For those programs in which local governments participate the central government defines the national policy framework within which the problem, such as universal education or local road networks, is to be solved. The responsibility for implementation of the national policy is delegated to local authorities and supported with financial grants or loans. The central government should also delegate tax powers to the lower levels. Local governments need to assume financial responsibility for some of the investment costs of local development. The central government sets standards of technical and administrative performance and enforces them through inspection and auditing of the accounts, and also by withholding funds when the standards are violated. The central government also supports local programs with technical advice and information and by expanding

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\*Henry Sidgwick, an English political philosopher.

training programs in order to build up a supply of trained people competent to help local councils solve technical problems whenever they request such help.

The role of the local governments is to translate the generalized national policy into specific development activities, to adjust local solution to local circumstance. The local councils make the operational decisions, determine the priorities of investment, and do the work. These require the systematic and continuous collection and analysis of facts and the development of an efficient written and public system of planning and administration at the local level. The instructions, technical assistance, and inspections of the central government, and the facts and reports of the local governments form the beginning of a communications system between the two levels of government, or more specifically, between the central government and its citizens.

Thus, successful modern local development requires that the central government supervise the planning and administrative processes of the local authorities. The local people must understand that they can take advantage of their new opportunities only by exercising their own initiative.

The traditional system of central supervision of local councils in South Vietnam and the people's attitude toward exercising their own initiative in public affairs are almost the reverse of the formula of modern local self-government. Traditionally, the activities of local councils have been supervised in minute detail by the central government. Historically, local solution has not adjusted to local circumstances. Local and individual initiative have been stifled.

This tradition has been reversed by determined central governments, as it was in the West European democracies in the 19th century and is happening now in Taiwan, Puerto Rico, Malaysia, and East Pakistan. At the local level, people begin to identify political leadership with development leadership; to vote into office those who have demonstrated a capacity to organize local development activities. Through personal experience the people begin to comprehend the relationship between levels of government by learning to distinguish the policy of the matter from operational decision. Policy is national and uniform, the responsibility of the central government. Operational decision is local and diverse, the responsibility of the local institutions.

Thus, the people learn that the nature of the problem determines the level at which action is needed, and whether the politician to be influenced is the

members of the local council or the local member of the national Parliament. They learn that if a local problem is widespread it can be translated into a generalized national issue. The other way round, central governments learn that a unified national policy can be implemented in a multitude of ways at the local level.

Thus, in the countries mentioned above ordinary people know that they can influence government action, that their central governments will respond to the peoples' opinions or run the risk of being voted out of office. They have learned that the initiative originally expected of them in public activities is permissible and encouraged in their private activities as well. Also in these countries, the loyalty of ordinary people to their central governments has been tested many times, and not found wanting.

We would not claim to know the most suitable way that local institutions can be strengthened in South Vietnam, for our experience in this country is limited. We do wish to offer a few suggestions and to discuss several issues involved.

Local Government: We recommend that local government be organized as a two-tiered village-district system.\* The Decree "Governing the Reorganization of Village, Hamlet Administration" ( hereafter referred to as "the Decree)\*\* provides for a popularly elected village council, but makes no reference to a district council. Such a council could be created either through a separate election for district councillors or by constituting the village council chairmen as the district council.

Rural people can begin to collect facts and undertake their own development planning through a committee and sub-committee system organized at the village level. The Decree provides for a village administrative committee. This committee should be transformed into a village development committee. The village development committee should organize sub-committees for as many separate activities as the people think are necessary. The sub-committee members should be chosen on the basis of a demonstrated willingness to work on specific problems. The size of these committees should not be limited.

There is no way of predicting in advance those problems which the people will propose to solve through organized group activity. Experience in other countries suggests that the following are possibilities: Rice and other field crops for human consumption; animal husbandry, including animal feeds; horticulture; plant protection; reforestation; marketing; storage; agro-industries; education, especially literacy and vocational training; public health, personal medical care and nutrition; water supplies and sanitation; homemaking and child care; small industries; finance and credit; recreation and other social activities.

The basic data collection and project proposals would be prepared by the sub-committees. The village development committee would be responsible

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\*The village in Vietnam is the equivalent of the township in the United States. The district is similar to the county.  
\*\* No. 138-SL/DUHC, 24 December 1966.

for consolidating a variety of project possibilities into an integrated local development plan. This would bring to an end the excessive compartmentalization of development activities which exists now in the government agencies. However, all proposals originating in this committee system would require the formal approval of the village council before money and manpower resources could be allocated to particular activities.

For those subjects under the jurisdiction of the district, the district council would be empowered to use the village committees and sub-committees as their staff.

Division of Responsibilities between District and Village: As much as possible development should be kept close to the people and therefore handled at the village level. However, there are certain problems which require a larger area of operations or a larger population base. To give several examples: While it is true that primary schools could be administered at the village level, most villages are too small to support secondary and vocational training on an economic basis. We therefore believe the local school system should be placed under the jurisdiction of the district council.

Or, there are certain problems which should be solved in a larger area than the village because of their technical nature. Drainage, irrigation, and flood protection embankments are one example. In fact, in certain areas of South Vietnam it may be necessary for the province (central lowlands) or the central government (the delta) to coordinate district plans for these land improvement projects.

Finally, there are certain problems which require action at all levels of government. The national highway network is one example. Responsibility for the more important highways of the national system is divided between the central and provincial governments. At the lowest level of the economy there need to be an enormous number of simple roads that connect hamlets with each other, with local markets, and village headquarters. These feeder roads, or farm-to-market roads, could be built by the village councils. These local market areas then need to be connected to the national transportation system and the larger population centers. Responsibility for this intermediary link could be assigned to the district councils. Marketing is another function which requires organized and inter-related action at all levels of the economy, beginning with the local agricultural market area, and also between public and private sectors.

Coordination and Supervision of the Several Levels of Government: A certain amount of coordination of the plans of the local governments is necessary in order to achieve integrated development planning. Also, the plans for certain subjects, such as roads and land improvement, will require technical review. We propose that this responsibility be placed at the level of government next above that which prepares the plans. Thus, the district would review and approve the plans of the villages in order to assure, for example, that a group of village road networks can be combined into a rural road network. Similarly, the province would review plans prepared by the districts.

In the event that changes in the plan are necessary the reviewing authority should not substitute its own decision for the decision of the lower council. Rather, the reviewing authority should explain the defect and require the lower council to correct it.

Experience in other countries suggests that the supervision of the planning and administrative processes of the local governments can only be exercised effectively by a central government determined to allow the people to make their own operational decisions. Given the traditions of underdeveloped societies, such as South Vietnam, there is likely to be a tendency for civil servants to try to dominate the new forms of local government. The development of local government is a mutual learning process. Through experience the people and the civil servants can be expected to learn to work together, as they have in other countries. But while people are just beginning to learn how to operate their own institutions, the central government may need to restrain its civil servants from undue interference in the council's activities. (We would also note at this point that if these recommendations are accepted by the Government of South Vietnam, the Articles 14 and 15 of the Decree, relating to the review and approval powers of the province and the Ministry of Revolutionary Development and the Province Chief, will need to be modified in accordance with the formula of modern local self-government.)

We do not think the security situation requires a modification of the proposed district-village structure of local government. Where only part of a district or village is secure, the structure can nevertheless be established and the local councils can begin to function in the secure areas. The remaining hamlets and villages can be brought into the structure as rapidly as the work of the Revolutionary Development cadre teams is completed.

The Problem of Local Security: Our emphasis on local self-government and other local institutions is based on the simple and obvious point that most people live out their lives at the local level of their society. Unless development has meaning in the everyday activities of ordinary people, it has no meaning for them. Local development institutions is a way of bringing development down to where the people live, of offering them opportunities for self-advancement which they have never had.

Can the villagers be expected to take advantage of these opportunities in the existing security situation? The local development program we recommend can succeed only if large numbers of people are willing to assume positions requiring responsible leadership on the local councils and on the development committees and sub-committees. Our proposal could be interpreted as asking people to volunteer themselves as targets for assassination by Viet Cong terrorists.

We can only say this: If it is possible to initiate development on the basis of a wisdom and experience which villagers already possess--and this is the basis of progress in the countries mentioned earlier in this report--then it should also be possible to organize a local defense system in which the people can protect themselves from small groups of Viet Cong terrorists, and a warning system that will enable them to call for help in the event of attack by larger units.

The rural people may be reluctant to respond to the incentives of the proposed local development program unless they are able to exercise some control over their own security. Until they are consulted there is no way of knowing how they might propose to protect themselves, or how much of a local defense system they think they should undertake themselves. We believe the central government and the Vietnamese and Free World Forces military authorities should be prepared to help local councils develop security systems which are satisfactory to the people. Involvement of the people in both development and security was the way in which the central government of Malaysia won the loyalty of its people against the Communist insurrection of the mid-1950's. We commend the same policy to the government of South Vietnam. It could also be that the incentives of a democratic local development program would be the best way of persuading Viet Cong to cease being Viet Cong.

There remain three matters to be discussed, the role of the hamlet in development, the improvement of the several cooperative organizations, and voluntary associations.

The Role of the Hamlet: In South Vietnam the hamlet is the organizational base of rural programs. Apparently it has been assumed here, as in so many of the developing countries, that development should be organized in the hamlet simply because it is the smallest area of group residence. This assumption ignores history and is contrary to spatial and population requirements for the efficient use of modern technology.

Historically, those countries which have successfully modernized their rural societies have used as the base organizational unit an area which is the equivalent of the Vietnamese village. Among the reasons for choosing an area of this size are the following:

The hamlet is too small to support the administrative and overhead costs of modern local self-government and other local institutions. It is too small to be the basis of a local agricultural market area, or to provide sufficient children for a school system, or enough patients to support a doctor, or sufficient users to support certain kinds of modern technology, such as trucks, or certain modern institutions, such as banks. It is too small a geographic area for the planning of rural road networks.

In addition, it is the nature of hamlet-based programs that they tend to be focused inwards rather than outwards, to be concentrated on the population unit of the society which is the smallest and which is the only one the farmer already understands. The traditional suspicion of one hamlet for a neighboring hamlet is not eroded, at least not with any reasonable degree of speed. And there is little in a hamlet-oriented program which brings the farmer closer to the higher levels of society.

Successful development requires that the capacity of one to trust the others be extended until the small world of today's farmer is transformed into the much larger world of his country. The farmer should be required from the beginning to work with others than his friends and relatives. He must learn through personal experience to distinguish between personal programs and institutional programs and to understand the relationships among different levels of the political system and the economy.



The Decree provides for the election of a hamlet chief and the formation of a hamlet management committee. We propose that this portion of the decree be eliminated. If, however, the government should decide to continue the tradition of an elected hamlet chief, we propose that the chiefs be made members of the village development committees. We think all elected officials should be involved in development.

To this discussion of the need to organize development at the level of the village one qualification should be stated. We are not proposing to modify the hamlet orientation of the Revolutionary Development cadre teams. We agree that the security situation requires pacification hamlet by hamlet.

Farmers Organizations. None of the twelve Farmers Associations and Cooperatives we visited meet the standards of a modern cooperative farm organization. Farmers have not been informed about the variety of benefits they can obtain for themselves through cooperatives. They do not feel the organizations belong to them and are under their control. Rather, they believe the FA's and Cooperatives are a part of the government. Similarly, the 64 officers and staff whom we interviewed felt they were servants of the government, not servants of the farmers. Only a few of the farmers we interviewed felt they had any control over the sale of their produce or animals.

We found only one marketing association functioning (there are several more in incipient stages of organization and the beginnings of cooperative consumer buying). Yet around the world marketing cooperatives have been an effective way of introducing competition into the monopoly buyer's situation which commonly exists in the developing countries and which exists here. Marketing associations are also a way of increasing farmers' incomes by adding the profits of marketing to their profits from production without any change in the price paid by consumers. In fact, in many countries efficient marketing associations have been a way of reducing prices paid by consumers by eliminating the excessive and costly number of middlemen transactions.

There are many kinds of rural investments which cooperatives can support by mobilizing the savings of their members. In only several places did we find evidence of planned investment programs.

The structure for effective cooperative organizations already exists, although it is too much dominated by the central government. We also believe the central government should not try to organize cooperatives in advance of farmers' understanding of the benefits they can gain by engaging in commercial and business activity as members of groups. Rather, as farmers begin to analyze and understand their own problems, they can be expected to identify those problems which they want to solve by organizing their own cooperative.

We propose that the organizational base of the multipurpose cooperative should be the same as for local government--the village. This is the point where general agricultural improvement can be achieved by tying credit to approved farm plans. Credit should be denied those farmers who are unwilling to use the whole range of improved agricultural practices. Some savings can be mobilized by requiring village cooperatives to maintain cash reserves at a certain percentage of amounts borrowed, and by requiring them to pay from cash resources a stated percentage of all investments other than production inputs.

Functional, or specialized, cooperatives should be an induced result of progress in general. As farmers begin to master modern agricultural technology some will see the advantage of specialization and commercial farming and also the advantage of investing in agro-industries, such as the telephone pole treating plant, now being built by the three rural electricity cooperatives in Phan Rang. The geographic base of functional cooperatives may be larger than the village--the district, or groups of districts, or the province. The geographic base will also vary with the crop or activity of the specialized cooperative and perhaps also with the farmers' penchant to form federations of cooperatives.

We believe the role of the government, from Saigon down to the level of the district, is to supervise and assist the local cooperatives, but not to dominate them. The formula is the same as for modern local government.

### Voluntary Associations

Of the third set of institutions of democratic development--voluntary associations--much need not be said except that such associations should be encouraged. Where legal action is necessary, as in the case of chartering private schools or health and welfare organizations or professional societies or organizing trade unions, the central government should act accordingly. There is no need to detail the kinds of voluntary organizations that might be organized. They are well known. Many already exist in South Vietnam, though almost entirely in the cities. We found only a handful in the villages and hamlets. We would emphasize that farm clubs or trade unions, or other associations which are organized around a particular sector of development need not be limited to activities connected with just that sector. They can function in many other areas and help speed up the pace of development--literacy, health and nutrition education, credit unions, home management and child care, and others.

There is no way of knowing what inclination for voluntary associations the people of South Vietnam may display, for the kind of society in which these associations prosper is just beginning to be created. We would simply note that voluntary associations are an additional effective way of mobilizing local energies for development.

Our proposal for the next step in Revolutionary Development has never been better expressed than by de Tocqueville, "Local assemblies of citizens constitute the strength of free nations. Town meetings are to liberty what primary schools are to science; they bring it within reach; they teach men how to use it and how to enjoy it. A nation may establish a system of free government, but without the spirit of local institutions it cannot have the spirit of liberty." We believe that democracy is possible in South Vietnam--if democracy and development are combined in the same institutions at all levels of the society. People en masse should be given the opportunity to learn how to "use liberty" to solve the problems of their own development and their own security.

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\*"Democracy in America"

Addendum

Time did not permit us to talk to city people in the manner in which we talked to rural people. However, we believe there can and should be an urban program similar to our proposal for the rural areas.

Persons Contacted

Vietnamese--Officers and men of the Army of the Republic of Vietnam, Regional Forces, and Popular Forces. Representatives of the Ministry of Revolutionary Development, including the training school at Vung Tau, Ministry of Agriculture, including agricultural research stations and training schools, NACO, Province Chiefs and members of their staffs; District Chiefs, 32 Village and Hamlet Chiefs; members of Revolutionary Development cadre teams and Police Field Forces; Montagnards; managers and staffs of the local Farmers' Associations and Cooperatives; Hiep Hoa (Improved Village Program); one poultry farm; and teachers, medical personnel, artisans, merchants and traders; refugee and Chieu Hoi camps and villages; members of hamlet agricultural extension teams.

Non-Vietnamese--representatives of the American Embassy, USAID, MACV, JUSPAO, OSA; U.S. Marines Amphibious Force; U.S. Army 4th Infantry Division; US Army 29th Civil Affairs Company, the Rand Corporation; the Chinese Technical Assistance Mission; International Volunteer Service; World Relief Organization; and a few individuals not otherwise included.

We wish to thank the many individuals who helped us, but most of all, the farmers who patiently answered our questions. We do not know their names, but we hope we have been able to understand what they told us.

Saigon  
January 2, 1967