

COL De Milt

October 23, 1968

Lawrence M. Flanagan
Economic Office/Reg II

Reopening of Railroad

1. In keeping with our conversation of 23 Oct I have prepared a paper covering what I feel are the main considerations outside of the pure security question concerning opening of the railroad.
2. As I indicated to you earlier I am very much against reopening the railroad and I feel the reasons for not doing so are valid and far out weigh the prestige factor that reopening might give the GVN. The railroad simply is not needed to the extent that it is worth paying the cost involved.
3. You may have anticipated a shorter comment from me but I consider the matter of reopening the railroad far too important an issue to go over lightly.
4. To put all this into a cable or one short paragraph is another matter, and I have not attempted to. If I were replying to CO. Task Force South I would tell him that I agree with him completely and that this headquarters will do everything possible to prevent the reopening of the railroad.

A railroad has a position of key importance in most undeveloped countries because it is usually the primary means of transportation as the road, air and water movement systems are primitive or at best very limited. However, in VN the railroad does not fill the primary spot in the transportation system. VN now has a very decent highway system that is based on two main north-south routes with several east-west laterals which give reasonable access to all parts of the country.

There is an ambitious program of expansion and improvement of the main roads. Part of the RD program is devoted to improving provincial farm to market type roads so overall the country's road network though far from reaching an ideal status is nevertheless well along toward meeting basic requirements for a country seeking to enter a development era.

When the railroad and the two north south highways (routes 1 and 14) were cut in 1965, a crisis of major proportions followed. A crash program was undertaken to develop alternate means of transport. Obviously these alternatives had to be sea and air. Fishing boats were converted to cargo vessels and diverted from fishing to movement of cargo up and down the coast to the many small ports. Construction of small boats (20-100 tons) was expanded and speeded up to provide more small coastal cargo vessels. The fleet created may have been rag-tag but it did a tremendous job in moving cargo and continues to do so and is being improved and expanded further.

Along with the expansion of the fleet of small coastal vessels came the construction, expansion and improvement of port facilities and systems to accommodate the ships. Major work was accomplished at Saigon, Cam Ranh, Nha Trang, Qui Nhon and Danang while several small ports at Phan Thiet, Phan Rang, Phan Ri Cua, Tuy Hoa and Quang Ngai were improved though on a more modest scale. These ports are in population centers and have the greater measure of security that is present at those places.

Existing airfield facilities were expanded and new airfields were constructed so that now every province capital has an airfield of suitable size to accommodate cargo aircraft. Granted that U.S. operated aircraft moved by far the largest amount of cargo where cost was not a prime consideration but where military necessity required airlift of supplies and people. Both VNAF and Air VN have gone through the process of rapid expansion and for a country as small as VN, the aviation capacity is impressive.

It is well known that the U.S. has been mainly responsible for the expansion of the land, sea and air systems and continues to be the only significant factor in the highway improvement program but the fact is that systems now exist and are functioning.

The growth of commercial trucking in VN has been a remarkable thing and has been primarily a Vietnamese accomplishment. It has expanded to such an extent and operates so widespread throughout the country that the railroad has been far surpassed in ability to move cargo and were it to reopen it

would make little headway in retaking ground lost to the truckers. What must be recognized is that the trucking industry has been born of necessity, blossomed in spite of tremendous adversity and now performs wonders for the people and the economy of the nation. It has truly been an amazing thing and the country is years ahead of where they might have been in transportation had they tried to stick to the task of keeping the railroad open.

The railroad was important but never to the extent it would be expected. The bulk of the Vietnamese population was not mobile but quite static. Commerce was not flourishing to the extent that there was a flow of a large volume of goods. A large part of the country was on a subsistence farming basis and all but the delta was a food deficit area so commercial activity and population movement was far less than at present.

In a country at war and with limited resources available both material and manpower it is essential that these resources be utilized in ways that are essential to the successful waging of the war and in achieving the other necessary goals. If the commitment of these resources is to be made toward an activity that is not absolutely essential and where the possibility of success is very much in doubt then the commitment should not be made. The decision to reopen the railroad should be based on an absolute requirement for a service that no system or facility now in use can provide. Certainly the railroad cannot be placed in that category. It is not essential from an economic standpoint even though there are no valid cost data comparisons for the different transport systems.. It would take the commitment of large numbers of personnel and amounts of expensive and difficult to maintain equipment to get the railroad operating and to keep it in operation on a large enough scale to make it worthwhile. These personnel and financial resources can be much better utilized in other ways. It would make far greater sense to use the funds to purchase equipment such as bulldozers, graders and other items to upgrade the capability of Public Works. Trucks and busses and tractors would be of more value now than locomotives.

It was my intention to base my arguments on economic reasons not on security. I don't presume to stand forth as an expert on security though I would be remiss if I failed to comment. I should qualify the coming portion of this paper by citing first hand knowledge of security problems involving the railroad. As a former PSA in Binh Thuan, I was involved in trying to keep a small portion of the railroad in operation of resources. Post war is soon enough to think of the railroad. It was the spur from Phan Thiet connecting with the main line at Muong Man and was less than 15 km long. This short stretch could not be kept in operation. I have traveled the route by air at low level and have been involved in proposals for defoliation along the line. I feel that the manpower required to provide security for the railroad would be a staggering figure and would divert troops from other more essential duties. Anything less than the commitment of large numbers of troops would leave the line vulnerable and would doom the chances of operating the line to failure.

So in summary the situation is that the country has operable road, water and air system. Reopening the railroad is ill advised and does not offer any economic advantages in keeping with the risks and large commitment of resources .

I would advocate the strongest efforts on the part of those in this Region/Corps with the voices of authority to oppose and prevent or delay reopening of the railroad until the end of hostilities.