

CONFIDENTIAL

MEMO IN SUPPORT OF 3 FEBRUARY 1955

Presents: CAPT. J. D. COLLETT, USN
MORSE V. J. GROIZAT, USMC
Mr. E. K. ACKERY
Colonel Ruder
MAJOR Kuret

MAAG
MAAG
USCM Rep. Haiphong
French Army Chief Bureau of Civil Affairs,
FTN
F. A. Chief of Communications FTN

Subject: Discussion of Evacuation of Civilian and U.S. Air Material.

1. The conference took place in an informal manner. The primary purpose of the discussion was to firm up procedures for the evacuation of remaining American Aid Equipment and to determine what steps were being taken by the French to evacuate civilian goods of strategic importance. The results of the conference are summarized hereunder.

a. Procedures for Evacuation of American Aid Material not U.S. Property

(1) The USCM representative submits a list of material to be evacuated to Colonel Ruder.

(2) Col. Ruder issues a letter to USCM representative authorizing evacuation.

(3) A period of 5 days is then required to permit ICS verification of the material in question.

(4) USCM representative contacts Col. Ruder and fixes date for loading.

(5) Col. Ruder provides military escort and arranges for delivery to U.S. Ship.

COMMENT: Note that no U.S. personnel is involved in actually moving the material. The French feel it essential to provide military guards to minimize possible disturbances incident to the removal of equipment. They assume responsibility for actually bringing the material to the dock.

b. Procedures for Evacuation of U.S. Government Property

(1) No written authorization is required.

(2) U.S. Government property may be loaded on U.S. ships at any time.

c. Status of Evacuation of Civilian Goods of Strategic Importance

(1) On 27 January a letter was forwarded to Gen. Ely listing 44 business establishments within the perimeter which had equipment or raw materials of strategic value.

(2) Col. Ruder presumes this list was forwarded to Paris where discussions are supposedly underway between the French, British and U.S. Government representatives on the evacuation.

CONFIDENTIAL

(3) At the moment Gen. Gagny has not authorized the sale to the Communists by private concerns, of any equipment of strategic value. However, some concerns will not evacuate certain goods because such evacuation is uneconomical from their point of view.

(4) Col. Baizer asked Mr. de Bressan to have a decision by 15 Feb. as to whether or not the French will evacuate, gratuitously the strategic equipment which private concerns will not evacuate at own expense.

(5) A number of concerns, among them S.A.G.B.I.C., are willing to sell some of their equipment to communist representatives, but so far no authority to do so has been granted by the French at Haiphong.

(6) There are some 24,000 metric tons of equipment to evacuate. This does not include the coal mines but includes the cement works.

COMMENT: The French authorities at Haiphong are apparently moving towards a showdown with Saigon as what steps the French will take to prevent the falling into communist hands of materiel of strategic value. Any preemptive buying by U.S. interested parties of strategic goods should thus be held in abeyance until the French have indicated which way they will move. In this connection it should be emphasized that the actual cost of transportation is not the major expense which is involved in the evacuation; at least from the view of the businessman. Where the evacuation costs pile up is in dismantling equipment, crating, moving to pier and loading on ships. The decision to enter into preemptive buying must be made only after all other possibilities (i.e. French action) have been exhausted and then only after a detailed and careful analysis of all the factors involved. It is not impossible to visualize a situation where equipment purchased by the U.S. cannot be moved because of lack of labor or even communist agents inciting local inhabitants to demonstrate. The whole question is most delicate and policies regard such actions on the part of the U.S. government should be determined at the highest level.

NOTE: The comments express only the views of the MAAG representatives at the conference.

V. J. CROIZAT