

OFFICIAL USE ONLY**Office Memorandum • UNITED STATES GOVERNMENT**C O P Y

TO : Mr. M.H.B. Adler, Chief, Field Service
 FROM : John P. Thelen
 SUBJECT : Resettlement Problem

DATE: May 7, 1956

FIELD REPORT NO. FS - 1087

I had two long telephone conversations today, the first with Mr. Phong, and the second with Mr. Ton that Hoi.

I told the former of the decisions taken in Banmethuot, last Friday, and he was extremely upset over the fact that Krong Ana was being abandoned - he claimed that he had initiated that Project and that he was being "sabotaged", and that he would make a strong protest. He stated that it had been approved by the Mission, as well as the Dalat Projects - I mentioned that we were taking a last "hard look" on all Projects before making final commitments - on direct instructions from our Director - and that I had singled out to him certain Camps which had made a bad impression with Mr. Barrows. No one could be infallible, and it was wiser to correct errors than to persist with them - there was nothing personal involved, and no question of "sabotage".

He insisted that all Camps could be made to go, even Du Sinh - still talking about Artisanats - I reminded him that my role was limited to reporting trouble spots, and to request for Surveys of those locations by a team of competent technicians. We let it go at that.

When I spoke to the Delegate, I reported the Banmethuot decisions and Phong's reaction to them - he mentioned that he had had a stormy three days with the President, who was furious with the way the refugees were despoiling the forests around Dalat - that his plan was to build up this place, once again, as a Tourist Center for the Far East - that he wanted the majority removed to either Pleiku or Kontum - and that he would so instruct Minister Luong.

The priests in charge of the Camps had been called in, and while at first trying to deny it, they finally had to admit that their people would be better off somewhere else.

The Delegate is leaving tomorrow morning, to arrange for the President's visit to Pleiku/Kontum, and he hopes that on his return a Meeting can be arranged here with Mr. Luong, and a joint USOM/Comigal Group to discuss the problem.

Mr. Phong has...

OFFICIAL USE ONLY

OFFICIAL USE ONLY

-2-

Mr. Phong has been severely criticized by the President, and ordered off to Banmethuot, to relinquish his remaining responsibilities there.

His disappearance from the scene - completely - would certainly be an improvement, but replacements are hard to find.

↑ Told Mr. Adler
that his remark was
out of order and reflected
poorly on the entire report
Mlandin
May 14, 56

copy:vsk
5-12-56

OFFICIAL USE ONLY