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SUMMARY

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SPECIAL JOINT REPORT ON REVOLUTIONARY DEVELOPMENT - JULY 1966

## I Corps (NPA)

The Revolutionary Development Program in the National Priority Area continues at a slow pace. The security situation in the Phase I area does not allow cadre to remain overnight in many of the hamlets. The Vung Tau trained Cadre Groups have displayed better organization and planning abilities than other cadre groups; however, they are considered to be marginally effective. This rating is attributed to low morale and lack of effective leadership and control. Dr. Chi, Quang Nam Province Chief, is taking action to place stronger emphasis on the RD program within the NPA. Although the USMC has been active in search and clear operations within the NPA, the security situation is a major problem in accomplishing the RD goals.

In the political field, the forthcoming elections maintain the spotlight. Quang Nam Province has been allocated two seats in the constituent assembly. A total of twelve candidates were named on the original list, but due to technicalities in qualifications and background of certain candidates, four candidates were disqualified. One of the candidates disqualified is a well known Roman Catholic. The remaining candidates are predominantly VNQDD.

VC activities along Highway #1 and in the vicinity of Thanh Quit Hamlet increased considerably since 14 July. Incidents included minings, raids and mortar attacks.

USAID commodities continue to arrive in sufficient quantities. Food prices showed a general rise reflecting the piaster devaluation.

## I Corps (-NPA)

The Revolutionary Development Program in I Corps remains far behind schedule. Government officials installed after the "struggle movement" appear to be establishing themselves in their positions; many of the long dormant RD programs are starting to move forward once again. There was a tremendous increase in the size and number of friendly military operations throughout the corps during the month of July. These operations are contributing greatly in providing the required security for the RD programs. RDCG's are not functioning up to expectations. The primary reason appears to be the lack of effective guidance and leadership. USAID commodities are moving well throughout the Corps except in Quang Tri Province where a problem still exists in movement to isolated areas within the province. Slight increases in the prices of certain "short supply" commodities were noted, however, the alarming increase of prices noted in previous reports appears to have subsided.

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Major VC action has been centered in Quang Tri Province where enemy forces have more than doubled during the month due to the infiltration of the 324B NVA Division. Indications are that enemy forces in Quang Ngai are also increasing rapidly. The VC activities in the remaining three provinces reflected very little change from last month's report.

The forthcoming elections for membership in the constituent assembly have aroused very little interest in the countryside. However, political meetings and other activities are in full swing within the larger cities. It is apparent that the election will be decided by the political parties in the cities and that the individual farmer will have very little say in the outcome.

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