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REPORTS FOR USOM PROVINCIAL REPRESENTATIVES
for the Month ending 31 May 1965

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FROM: Reports Officer, MRCC (Provincial Operations), USOM

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QUANG TRI (1)

The highlight of the month was the local elections. About 70% of the eligible voters turned out to vote. The winners were all people put up by the Buddhist's organization. Part of their victory is credited to their use of the Lotus Flower as their symbol. It should be noted that the Province Chief is very unhappy with election and is of the opinion that far too much power is given to the Province Council. He expressed his opposition to the election even before it took place and stated and that there were no capable people running for office.

Another event worth mentioning is the Dai Viet rally that took place in Quang Tri during the 3rd week of May. This rally was one of a series that took place in I Corps and seemed to be the least successful. The press covered these rallies, but, in the case of Quang Tri, exaggerated the size of the rally. Local observers estimate attendance to have been between 300-500.

The security situation in Quang Tri has definitely worsened. At the time of this writing there are 4 main force battalions operating in the Province.

According to the Province Chief, their objective is to attack the various district headquarters and large towns of Dong Ha and Quang Tri. This has caused unusual concern and tension of the people in the Province.

The security in the country side has also proportionately decreased, hampering USOM activities.

Import of commodities into the province continues to be more and more difficult as the VC cut the railroad bridges between Quang Tri and Hue, and highway bridges between Hue and Danang. This cause scarcities and higher prices of 70%-80% of all commodities in the market place. The rice crop was very good, but will probably not effect prices. Transportation within the province, off of the 2 main highway is also hampered by security.

The morale of the population raised by the bombings of North Vietnam is still high. However, as stated before, there is a definite nervousness and tension caused by increased enemy strength and activity.

Those programs supported from the national level have just gotten under way this month due to the 1965 budget being late in arriving.

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QUANG TRI (cont'd)

However, those projects which the province anticipated to carry out under the provincial development part of the budget and those projects which the province requested to carry out but were not included in 1965 budget outline have still not yet been approved. This has been very discouraging and frustrating for the people on the province level and will tend to discourage local initiative.

The following projects have come to a complete stand still because they were being carried out or planned to be carried out under the Provincial development part of the budget:

1. Pre-Cast-Yard located in the prison and utilizing prison labor and USOM cement to produce well casings, culverts etc.

2. CINVARAM program; probably the most successful individual program of helping individual farmers construct houses of cement block. After building 36 houses in 1964, 600 requests were received for 1965 in one district.

3. Two bridges: one very important bridge leading into a district hq.

4. Several irrigation projects, not really important to anybody except the farmer.

The most critical problem at present is the inability of the Provincial Committee to distribute relocation money. This is because the province received orders from I Corps headquarters which stated that all expenditures of this type had to be approved by I Corps. Although the requests have been submitted for over a month, there has been no approval as yet. This ties the hands of the provincial committee to respond to the urgent needs of the people.

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THUA THIEN (2)

It appears in April and early May that the VC guerilla activity in Thua Thien province was losing ground, but now it appears that we may have seen a period of vacillation preceding a tough new Viet Cong effort. There were thirteen assassinations of ordinary citizens in May; this may reflect an intent to paralyze the will of the populace in conjunction with a training period for assassination teams. Also during the month of May there were a number of acts of sabotage against the Danang-Hue railway line. As mentioned in previous reports, Hue must import large quantities of foodstuffs through the port of Danang and along the rail and highway to Hue, and disruption of these imports can have serious consequences. There are indications that the local Viet Cong command is working hard at studying our situation and softening certain key areas of province as a preliminary to outright military attacks (should the communist leadership so decide). Such attacks, if launched, would be in conjunction with large scale operations elsewhere and would in all likelihood be designed to cut National highway #1, and the railway, between Hue and the American defended area around Phu Bai airport. A 15 kilometer extention of the same penetration would also isolate the city from supplies of fresh fish from the sea.

The general economic situation of the province has been fairly good but marked by shortages and rising prices of commodities toward the end of May.

Rural reconstruction was hesitant during May because of uncertainty about the rural reconstruction budget and because of limited supplies of materials to support new construction. On the other hand, about fifty earlier projects were certified completed during May.

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QUANG NAM (3)

The political situation has been rather stable, especially since Lt. Col. Dong will remain as Province Chief for the time being. He has skillfully dealt with all factions, keeping them in line when necessary and currying their favor as appropriate. The May 30 elections were orderly and well organized. 83.2% of the eligible voters in secure areas voted (84,943 people out of the total population of about 576,000). For the 12-man Council, nine VNQDD members and three Buddhists were elected (some VNQDD are also Buddhist).

Until May 26, the security situation was relatively quiet. Travel was unrestricted along Route #1 and the roads to Hoi An and Duy Xuyen. After May 26, however, the VC unsuccessfully attacked two major bridges along Route #1 near the Quang Tin border. Snipers and mines on the major routes were more in evidence and the VC maintained a roadlock along the southern part of Route #1 for four days. Dien Ban district HQ was mortared twice during late May and Hoi An had one alert. North of Danang, however, at Le My in Hoa Vang District, US Marines evicted the VC from an area held by the VC/Viet Minh for 20 years. As for trends, the strong VC forays throughout the provinces south of Danang have demonstrated their ability to mass large forces and move about at will.

On the economic side, prices edged up slightly during May although the supply of all commodities except cement was regular. All major routes were open until May 27 when the VC established the roadblocks on Route #1. However, if VC sniping and mining continues, prices will probably continue to edge upwards.

Psychologically the people in the major population centers and most of those along Route #1 appear to favor the GVN. In the hinterlands, it's quite another thing, especially when numerous VC are present or when the VC have been able to mount strong attacks. The intensive VC attacks during late May are too recent to guage as to the effect on the populace. On the <u>social</u> side, there may be a ray of light ahead for the numerous refugees who must be resettled. This will first require reducing the overlapping and confusion in the province's handling of refugees and secondly to get the refugees permanently resettled as quickly as possible. It is a wonder that the refugees themselves have not yet agitated for better conditions.

The cadre program needs closer supervision and more motivation. Both the education and agriculture programs have suffered from the departure of the two IVS men, each of whom worked solely on one of those programs. Chieu-Hoi needs a complete overhaul. Only the Self-Help program is making satisfactory progress.

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DANANG (3A)

Present and anticipated political stability is attributable to the efforts and political acumen of the Mayor. A potentially dangerous situation stemming from the irreconcilable differences between Buddhists and Catholics has been effectively neutralized by the creation of a third group which serves as a buffer between the two, and which consists of students and labor recruited from both Buddhists and Catholics.

The security situation continues to be a matter for grave concern due to the likehood of terroristic activity by resident VC infiltrators. Police agencies are unable effectively to cope with the problem and the initiative continues to rest with the enemy, who apparently confines most of his activities to intelligence collection and the distribution of propaganda leaflets.

With the continued improvement of the port, the continuing ability to use NR #1 to distribute consumer goods throughout the corps area, and the increased "American presence" in and around the city, the economic situation is good and portends to become better.

The social/psychological situation is relatively stable and will probably remain so. Some disenchantment with the increased number of marines in the city is, however, discernible. Incidents between U.S. Marines and ARVN troops are becoming noticeably greater, usually in bars and houses of prostitution, because of increased competition for the use of "limited recreation facilities". A need exists, too, to impose a greater degree of discipline on young marines before the situation gets worse. In the past month, drunk marines have tossed fully clothed girls into the river, desecrated a Buddhist shrine, hurt a few children badly by throwing empty beer cans at them, and in general committed random foolish acts which have certainly not gone unnoticed among townspeople. It is unfortunate that these acts are committed apparently by a very small minority which reflects unfavorably upon the majority who are solid citizens.

It appears doubtful that cement will arrive in time to accomplish any significant construction prior to the onset of the rainy season. Other USOM programs are going forward slowly or on promises because of this, and progress generally is considered unsatisfactory because of this fact and because of a shortage of personnel.

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QUANG TIN (4)

The political scene in Quang Tin province for the most part is very quiet. There have been several small, disorganized attempts by women and children inspired by the VC to demonstrate in TamKy and Thanh-Binh Districts. These have been met with swift action by the police. The last TamKy group attempting to demonstrate against the ARVN artillery firing were met with buckets of paint and brushes. Approximate 150 people were dabbed from head to foot with various colors of paint and then sent home. The word has got around and the ardor to be seen and heard has been dampened.

The landing of the U.S. Marines and SeaBee construction battalion has had little or no affect on the TamKy district itself. The usual occasional machine gun burst, rifle firing, grenade, or flare light goes on each and every night. No large scale fire fights have taken place in the area in sometime.

Thanh Binh has been the scene of heavy air strikes for the past several days. Bombs of both the small and the large variety are used as well as Napalm. Although Thanh Binh lies 25 kilometers north of TamKy we have been able to witness the aircraft in operation, the sounds of the explosion and feel the vibrations. Heavy smoke has been observed in and around the base of the hills in that general area.

There is still sniper firing along route #1 both to the north and the south of TamKy. Aircraft approaching the TamKy airfield are still being shot at. The latest being an L-19 observation aircraft which was hit and the pilot wounded. It crashed landed on the field 25 May.

There is much to be said on the economic situation both good and bad. On the good side there appears to be much construction going on. New houses, new shops and a new gas station (Shell). The market place has an abundance of foods of all variety, likewise fish both fresh and salt water. The stores are well stocked with hardware, utensils and other dry goods. The bad side of all this is that wages remain the same, but prices for all commodities have risen drastically in the past two months. The chief reason for the price rise seems due to truckers increasing the cost of ton mileage because of VC harassment and taxes. What goes up must come down but it seems that once a commodity is raised in price it very seldom comes down.

The Ly Tin area where the U.S. Marines have settled is an entirely different problem. Inflation is already evident. The Marines have money, and working in the hot sun makes a man thirsty. When a pleasant little girl came by on her bicycle selling "33" or Bireleys orange (even if it is not cold) what is one little old U.S. dollar? This is not exaggerated. The Marines are paying as much as $2<u>00</u> for a beer. They are buying up all sorts of odd items from the

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QUANG TIN (cont'd)

local inhabitants and rather than ghaggling over the price with the seller are haggling between themselves over who is going to pay how much.

This is a situation that could run amuck. On the other hand it just might run its course in the passing weeks. It is hoped the Marines will soon be established PX and club-wise and that these men will not be forced to make beer and soft drink and ice purchases solely on the local market.

At this writing the U.S. Marines are busy securing their own perimeter and constructing an iairfield. This is an effort that is being done with zest and zeal. The airfield is almost operational.

Upon completion they will turn their efforts in another direction and that will be securing the perimeter around the airfield. Just how deep this perimeter will be remain to be seen but we can plan on it being a deep one. Penetration by the Marines into the piedmont and the mountains beyond will cause an untold number of problems. We are going to have more refugees and more civilians hurt and killed once this gets under way. There will be claims to be settled for injury and death. There will be a segment of the population that will do all they can to harass us not because they are VC or even influenced by them but simply because we are "foreigners" they will see us only as invaders and will come to feel the same way about the Americans as they did about the French.

On May 31st the VC struck at Quang Ngai in force. Although the city was not taken, heavy casualties were inflicted on Vietnamese and Americans alike. Two bridges have been destroyed in Ly Tin district cutting off highway one from TamKy and Chu Lai to the south. From what little information is available at this writing two and possibly even three bridges have been destroyed on highway one to the north. So once again TamKy finds itself cut off from the outside world except by air.

The home of Joseph Vaccaro the former USOM Rep in TamKy was hit by rifle fire on Thursday May 30. It is not known whether the shots were fired by VC or ARVN troops stationed in the area. Again on Thursday a former USOM warehouse taken over by the ARVN forces some 3 months ago was blown up by a bomb carried in by a 15 year old boy. The ware house was leveled.

There are reports of at least four VC battalions in the TamKy district. two within 15 kms. Remanents of the VC attackers from Quang Ngai are reported moving into this area as well as towards Thanh Binh district.

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QUANG NGAI (5)

The political parties were relatively quiet this month. VNQDD, the strongest political party in the province has no reason to grumble: the in-coming Province Chief, Dr. Bui Hoanh, is one of their own. Dr. Bui Hoanh is not well favored by most of the provincial officials -- probably because he is not a native of Quang Ngai but from Quang Nam.

During the early part of the month of the VC activity was limited to small unit attacks and ambushes. Units were observed to be moving fron ome place to another. However, during the last week of May (May 29), a regimental size VC unit laid seige to an ARVN Detachment at Ba Gia. As of the writing of this report the fight is still going on and the outcome appears to be in the VC's favor. The Detachment has been virtually overrun and reinforcements (2 battalions) were pinned down by the VC.

The economic situation has remained fairly stable. Essential commodities from Danang are coming in steadily overland. Prices of commodities have gone down a little bit, however, the price of cement and aluminum roofing has doubled - from 110$VN to 225$VN per bag from 80$VN respectively. Reason: resupply from Danang of these building materials is coming in a very slow trickle since Saigon has been unable to replenish the stock in Danang. By and large the situation is encouraging. People in the districts have enough food; harvest season is going on is some parts of the province, while in other areas harvest season has just been finished. There is no shortage of food or other essential commodities for the present which would have a serious effect on the local economy.

The prevailing social clime is much the same as in other rural towns - one of resignation. They have learned to assume an attitude of unconcern towards the government, and have apparently been inured to coups so that they feel one government is as bad as another. It is only among the small group of educated and informed "elite" (mostly professionals) that a voice of concern could be beard.

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KONTUM (6)

The increased number of visits by the Province Chief boosted the morale of the people in the remote areas. The reoccupation of Mang Buk has increased popular support.

The candidates for Provincial Council positions launched their campaigns. However, no appearances have been made in the remote districts. The voters did not feel that they sufficient knowledge of the qualifications and background of the candidates, so the province distributed biographical sketches of the candidates. In the outlaying areas the people felt that they did not know the candidates well enough to vote for any of them. They stated that the only person they would vote for is the district chief.

There has been a decrease in incidents from 54 to 30 this month. Roads from Daksut to Dak Peck and from Kon Braih to Chuong Nghia are still closed because of bridges damaged by the VC. Other roads in the province are being used.

Prices of commodities are increasing. There is a shortage of basic commodities and hoarding is noted. Expanded construction of building have slowed down due to the lack of cement and roofing.

The rise in prices and the scarcity of basic commodities has lowered the morale of people. The indifference of the Agriculture and Animal Husbandry Chiefs towards the proposed reduction of the salary of the cadres has caused animosity between the Montagnards and the Vietnamese. This adversely affects the efforts of the Province Chief and Deputy Province Chief for Montagnard Affairs to bridge the gap between to Montagnards and Vietnamese.

The late release of the budget has limited progress of supported programs. The lack of critical commodities such as cement and roofing has hindered construction and Self-Help Projects.

31 May 1965

BINH DINH (7)

The people do not seem to be too interested in the coming elections for Representatives to Provincial Council. Of the 25 candidates for election, noee are people of prominence. It is felt that only a small percentage of the people will vote. Three main reasons for lack of candidates : 1) He will receive no pay 2) He will be marked as a prime VC target 3) If present Government fails, he would be arrested by any new Govt. formed. Addionally, there is an undercurrent of dissatisfaction by the people with the present Provincial Govt. Corruption in certain areas (Districts) is one source of discontent.

Security situation is improving slowly. Some areas have been cleared and a few of the refugees have returned to their homes. VC still control population and resources beyond 1 km on either side of Routes 1 and 19. Routes 1 and 19 still open but small harassment activities continue. VC have ambushed and taken rice trucks on route 19, when they travel without convoys.

Although some supllies have been reported as short in province, the province has never had to dip into its reserve stock to keep products on the market. Rice is the only commodity actually stored as reserve (300 MT). Other commodities are alloted to commercial operators through the economic service at controlled prices. Due to improper records and methods of checking, the commercial operators are able to hold back on items and develop a blackmarket price. This practice has been common in Binh Dinh.

There has been no significant change in the social/psychological situation. In general, the people in the refugee centers show support of the GVN. GVN with assistance of USOM is giving material aid, money, foodstuffs to the refugees. Projects are also underway providing wells, schooling, sanitation, information, etc.. to the refugees, all of which is being well received. As the military clear more areas, the people are showing the desire to return to their home areas. These trends indicate that if GVN can maintain control, the people have the desire to support the government.

Because of the military problems, some of the USOM programs are not as yet underway. In the areas in which we can work, progress is satisfactory. Training program are underway. Education and Agriculture programs are in process and Chieu Hoi has made significient studies during May.

31 May 1965

PLEIKU (8)

The abortive coup in Saigon on the 19th of May did not have any repercussions at this province. Elections for the Provincial Council were held on May 30th. A total of thirteen candidates -- four Montagnards and nine Vietnamese--have been nominated for the six positions on the council.

During the past month the number of VC incidents has increased from 21 to 34. Harassment of hamlets on the decrease last month, rose from 4 last month to 15.

Enemy strength is estimated at about 700 main force supported by several thousand local forces and guerrillas who conduct company size operations as well as sabotage and propaganda mission. There have been numerous sightings of battalion sized units throughout the province, but apparently the VC continues to hold these units in the mountainous jungle area while using local company sized forces to harass the hamlets. Reliable sources report that two more companies of VC have moved into the Chu Prong secret base (YA 980.550) from Kontum Province. There are also indications that a battalion sized unit is located in the vicinity of BR 130.420. The VC are recruiting young men 18 to 30 years old to train as guerrillas indicating that the VC are continuing their build up of troops in Pleiku for later use in operations during the rainy season.

After a period of inactivity in harassment along national routes the VC increased activity along route 14 and route 19. On May 8 a civilian bus was ambushed on route 14 killing the driver and wounding 10 civilians. Three tanker trucks transporting fuel were fired upon and a fourth mined on highway 14. On May 10 the VC cut highway 14 near AR 790.225. Propaganda signs were set up warning the people not to use the highway for 5 days as the VC were planning to stop all traffic. Straw dummies were also set up near the propaganda signs.

Due to increased VC activity along the main national highways the local commercial transporters of consumer commodities have become reluctant to import from the coastal regions, resulting in shortages of the basic necessities. The price of rice has increased from 8.41$VN last month to 10.50$VN per kilo. This increase in price will hurt the people of lower income. Sugar and milk are out of stock in the local market. Pleiku is not in a difficult situation as the province reserve supply of rice stands at 3,500 bags and commercial stocks are rather high. The province as well as commercial warehouses were filled soon after route 19 was reopened to traffic last April. At this time it is not expected that any emergency airlifting of rice will be required for Pleiku. This situation may change if the national routes are closed for any great length of time.

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PLEIKU (cont'd)

Gasoline and other petroleum products are presently in very short supply in the province due to the harassment of tanker trucks on the highway 14 to BanMeThuot.

More and more Montagnards aspire for education and self improvement as shown in their interest in attending courses offered in the province Montagnard Agricultural Training Center, the Montagnard Vocational Training Center and in schools opened to them by the local Protestant and Catholic missions. Interest in governmental affairs is evidenced by the candidacy of four Montagnards in the recent elections for members in the Provincial Council.

The commencement of the rainy season is causing many people to wonder when the VC will start their long heralded offensive operations against Pleiku province. When the weather prohibits air action it is expected that the VC will begin cutting the roads into Pleiku and continue their operation of driving a wedge through Central Vietnam at the Binh Dinh, Pleiku Province level. Many feel that this rainy season will make or break the VC operation so they view the coming months with apprehension.

Because of the short supply of cement and roofing almost all USOM supported construction projects are at a standstill. Pleiku apparently is on the low priority list as no supplies of these two items have been received during the last several months.

A meeting was held of all market and village chiefs of Le Trung district on May 26 to explain again the purpose and objectives of the self help program. It is expected that this meeting will stimulate many new applications for projects, especially among the Montagnard villages. Additional meetings at the other two districts are planned for early June.

Construction of schools this year will be concentrated in the secure areas near the main routes and close to district and capital headquarters.

The first phase of this year NACC Corn Pig pen program has been completed. The 1,168 bags of cement supplied to this project has been distributed to the 146 participants and the pig pens have been completed or are nearing completion.

31 May 1965

PHU BON (9)

VC activity within Phu-Bon Province has increased drastically within the last month. No longer do the insurgents stop at burning and destroying hamlets. An attempt was made at destroying a large bridge connecting one of the districts with the Province Capital. Ambushes have prevented movement of any kind along this road (Route 7) to the Southeast. Not only has the activity increased but reliable intelligence sources report an overwhelming increase in the number of VC within the Province.

This increase in activity has not hampered USOM supported projects to any great extent. At present most of the Reconstruction efforts are concentrated within the Provincial Capital and the immediate area surrounding the Capital. Assistance to the refugees is hampered due to the inability to travel the roads.

Due to the increase in VC activity, not only in this Province but in the surrounding Provinces, prices of all basic commodities have risen - thirty percent. The National Police have cooperated tremendously with the economic Chief in controlling the prices on the local market to the extent of arresting merchants who are selling commodities at exorbitant prices.

The local Vietnamese population maintains that the "free" election for the Provincial Council was free. More than 21,000 people voted in the election and this is over 33% of the total population. Phu Bon province is approximately 90% Montagnard and out of thirteen candidates who ran only five were Montagnard. Of the total, six people elected to the Council only two were Montagnard. With only a total of five thousand Vietnamese in the Province, including children, this means that the majority of Montagnard who voted, voted for Vietnamese. This is not only surprising but unbelievable.

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PHU YEN (10)

The political situation has slightly improved during the month. It was observed that : 1) some of the more enlightened citizens of Phu Yen expressed satisfaction and optimism over the persistent attempts of national leaders to make the Saigon Government more stable, 2) there were few VC-instigated demonstrations and those were quickly broken up and, 3) the key officials, particularly the Province Chief, spared no effort to bring the government closer to the people.

No significant change in the security situation was noted. Most VC activity during the month consisted of mining roads and harassing small hamlets. One exception, however, was the May 26th attack by widely scattered VC units on some hamlets, Chop-Chai Airfield at Tuy-Hoa District and the Rehabilitation Center at Hieu-Xuong District. The VC continue to avoid contact with larger GVN forces.

Transportation difficulties brought about by VC-conducted sabotage on roads, bridges and railroads has not helped the economic situation. An on-the-spot investigation of price changes in the local market showed a steady increase in the prices of prime necessities, by about 25% to 75%, including those that are locally produced. Moreover, agricultural production was brought down to an extremely low level since most of the fertile lands cannot be cultivated due to unfavorable security situation.

It was reported that a great majority of the inhabitants of VC-controlled areas have feel resentment against VC policies. This can be backed-up by the increased number of returnees (Quy Chanhs) during the month, who, upon interrogation, have attested to low VC morale.

The people within GVN-controlled areas are hope for favorable developments in the forthcoming national and local elections, though they have not been seriously involved in the latter.

The paralysis of commerce and industry, under-production and transportation problems have caused disturbances in local living conditions. The current increase in the number of refugees (approx 37,000) and unemployment problems, are adding to social instability.

The security problem, coupled with the flood calamity which beheld the province late last year, hindered progress along the civilian aspects of the reconstruction. Project implementation suffered from undue delays; and it took sometime before the 1965 Rural Reconstruction Plan of the province got underway. The Provincial Administration, however, is now a beehive of activity, completing the 1964 projects and/or implementing the newly approved 1965 programs.

31 May 1965

DARLAC (11)

The Government is failing to make itself felt except in the Provincial and District towns and the immediate surrounding areas. In the major portion of the Province the VC can operate at will, conduct harassing and propaganda ops. Cadre and officials are inactive in the hamlets due primarily to the security situation and secondarily to general lethargy. The unstable political situation in Saigon has a general discouraging effect on the Provincial administration. Provincial requests and queries to Directorates in Saigon get no action or slow,, vague general answers due to frequent changes at national level. General lack of initiative and lack of acceptance of responsibility on the part of the provincial official results in province clearing the simplest requirements with Saigon causing delay and inaction. Trends: much of the same, with the rainy season closing in, things will get worse before they get better. On the bright side of the picture, the VC seem to be having their problems as indicated by an encouraging increase in Chieu-Hoi returnees.

In three major engagements in the Province the VC have suffered heavy losses, while friendly losses have been relatively low. In small VC operations such as hamlet attacks and ambushes the VC are having the upper hand. VC have capability of attacking and entering any specific hamlet outside of capital town and or district towns but do not have capability of holding same. All roads ourside a five mile radius of province town and district towns are considered insecure. Trend: With the rainy season closing in and non-receipt of additional troops the security will further deteriorate unless something new is added.

Economic situation has deteriorated in that prices of basic necessities have risen on an average of 20-30 percent. Cement has risen from 120 $VN to 250 $VN. This reflects diffculties transporting goods from Saigon and Nhatrang to the Province. Commercial facilities have been out of gas and diesel for later half of the month. Milk and sugar are non-existent on the market at present. Hoarding is taking place at consumer and retailer level. One thousand tons of USOM fertilizer was issued during the reporting period. There are, at present, approximately 1510 refugee families existing in the immediate vicinity of Districts and Province Capital. No plans exist to make these families self-sufficient but rather the Province plans for these families to be returned to their native hamlets if and when the security situation permits.

Relations between Montagnards and Vietnamese indicate no friction. An excellent boy-scout program exists in BanMeThuot. (150 boy-scouts) Nothing-else of known significance to report.

All programs as outlined in the Provincial Rural Reconstruction budget are in the planning stage or are at stand-still except, as follows:

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DARLAC (cont'd)

a. Hamlet Self-Help: Satisfactory: Four Self-Help Projects are under construction. Release of money from province proving difficult but expect success along this line in near future.

b. Bridge and Road Program: Work is progressing on reconditioning and hard-toping one road of the three planned.

c. Transportation: Completely unsatisfactory. Two of the fourteen trucks are running. Spare parts none available but on order. As Province is starting from zero in this area expect progress in following month (s). TREND: We can't go anywhere but up and expect progress in future.

31 May 1965

KHANH HOA)(12)

The VC are continuing in political agitation Government Officials (particularly in the villages and hamlets) by spreading leaflets to intimate, appealing to cadre and soldiers to defect and by urging non-collaboration with the Government and the Army. The Viet Cong are also inciting the population demonstrate against the shelling of hamlets and villages in order to facilitate their continued infiltration.

Atrocities continued to maintain the same high trends with twelve being recorded during the past month. These actrocities included multiple abductions of hamlet and village officials and other pro-GVN personnel. Indications are that the Viet Cong are trying to establish control of the population in new areas as well as increasing their grip on those areas already under them. The VC have stopped vehicles periodically along Highway 21 on the border of Khanh Hoa and Darlac Provinces. An additional battalion with an estimated strength of two hundred men has been reported, but not confirmed, in Dien Khanh District and also it was reported, but not confirmed, that a military/political school had been established by the VC in the Northern part of Ninh Hoa District. During the past month, however, there were less VC military and propaganda activities and this, propably, id due to their concentration of efforts in strengthening their strongholds in areas already controlled by them--- particularly in the critical District of Dien Khanh.

Blackmarketing is a growing practice throughout the Province. The first price increases began when the road was cut off from Saigon to Nhatrang and was the excuse needed by profiteers to hold back on products creating a demand and higher prices. With commercial transports again operating between Saigon and Nhatrang, the prices remain high. As a result, the cost of living in the province has risen tremendously.

The expansion of the VC controlled zones in the Province has become rather alarming. The entire Popular Forces' defense system such as watch-posts and Watch-towers are vulnerable as long as there is no direct support from the GVN strongholds. A number of remote towns especially the outposts used for launching ambushes, are under an ever-increasing enemy threat. The VC now control a major part of the rural area and have driven the GVN forces into towns and cities linked together by land communications creating islands with only long, tenuous and constantly threatened bridges between them

1965 activities will feel the "pinch" as far as the Rural Reconstruction Efforts are concerned. Because of the security conditions in Van Ninh District as a whole, parts of Ninh Hoa District and most of Dien Khanh District, many of the supported programs will be curtailed.

31 May 1965

NINH THUAN (13)

// Until a stable and permanent Saigon government comes along the people of this province will continue to look more to the provincial government and its leaders as the means of solving their problems and providing them with leadership. Most tend to think that recurring changes in Saigon is a natural phenomenon and nothing to get alarmed about. However, it is also believed that the people feel that a strong central government with a dynamic leader would improve their own situation and would raise the morale of both soldier and the people.

Even though most of the candidates running for election were not so popular or well known, there were indications that the people appreciated the election held on May 20. According to local government thinking the two primary reasons for this are:

1/- It was not compulsory that people vote.
2/- People were free to select any of the candidates that they wished.

No significant increase in the number or seriousness of VC incidents during the month of May. Those that have occurred have confined to one area of the province. The security situation has remained relatively stable over the past few months.

The price of foodstuffs has risen moderately in the province. Both Saigon No.1 and local rice being sold at a price of 4½ to 5 piasters above normal. No.1 rice is presently 12 piasters per kilo while local rice is 10 piasters in the province. There is a total of approximately 600 tons of market rice in the large warehouse sufficient for ten days supply. Other than this, there is still 3,500 tons of flood relief rice in a local warehouse.

The province has also experienced shortage of fuel for vehicles. Presently only small amounts of cement are available for sale through commercial channels, selling at a price of 160 to 170 piasters per bag.

Even though the province chief and other officials are popular and relatively well known, people still lack understanding of government and USOM programs. There is a lack of comprehension as to the real purpose of USOM and as to how it benefits the average person. Many people still believe that USOM is an agency made up of people that they don't really understood Vietnam, its people, and their culture. It is known for sure that the American government gives lots of money to Vietnam. However, it is felt that there are no programs benefitting the middle class or poor person and that the majority of the money goes into the hands of higher government officials.

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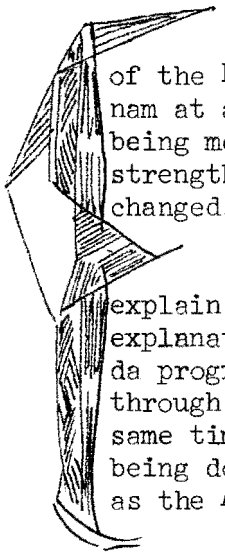

Certainly the American image in Vietnam was improved by the bombings of the North and by the determined stand of President Johnson to support Vietnam at all costs. However, it seems essential that the image of America being merely a powerful giant that can throw its weight around because of its strength, and because the people of Vietnam have no other choice; must be changed.

A powerful, but genuinely truthful propaganda program is needed to explain the American purpose and programs in Vietnam. This includes an explanation of such things as the commercial import program. Such a propaganda program should at the same time reflect as to how the Vietnamese government through its programs utilizes the resources made available to it and at the same time carried out its programs. At least in this province there is enough being done, if information could be properly disseminated, for the GVN as well as the American government to gain considerable credit.

Granted the military power necessary for the maintenance of security is the most important factor necessary for winning the war. However, the basis attitude of the people towards both sides of this fighting (one side includes Americans) will be a strong determining factor as to the physical as well as the moral strength of our side as well as that of our enemy.

Because of the heavy material requirements of both the Da-Nhim irrigation project and the flood resettlement program coupled with the lack of rail and road communications, little support has thus far been given to programs funded under the 1965 reconstruction budget. All 1964 self help and education projects have been completed. These were delayed because of the December flood.

A new Seabee team arrived in the province on May 3 to replace the former team and has completed a number of projects:

The Chinese technicians working with groups of farmers have nearly completed four irrigation systems. These farmers provide labor, and for maintenance of a six horsepower irrigation pump provided by the province. The Chinese technicians provide technical assistance in the planting of crops.

Indications are that GVN-USOM programs in which the individual person can see that he receives direct benefit are the most important. For example, the self help or education program constitute projects benefitting the community. Perhaps the poor person, who cannot afford to send his children to school receives no benefit.

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Nor can he understand how a new road into the hamlets contribute to his betterment. Thus, stronger programs need to be initiated in which the poor person can receive direct help from the GVN, but he however must also contribute either labor, time, or eventually pay back funds. Therefore his improvement depends directly upon his own initiative.

Two programs which have this capability, but now of which are of marginal effectiveness, are the NACO loan program and the Land Reform Program. Both of these should be expanded to the exploitation of every possible means of helping people in every hamlet. NACO needs to ease its stringent procedures so that people can borrow money at time of need instead of having to wait four to five months. More and better trained personnel are needed for the collection of loans. Loans should be paid back by payment in kind or by cash.

31 May 1965

TUYEN DUC (14)

The election of the Dalat City and Provincial Councils dominated the political activities during the month. Despite VC threats, the elections were most impressive and showed the strength of the GVN and local government. Significantly, 85% of the eligible voters in the Province voted whereas only 61% voted in the City election. There has been no appreciable improvement in the political situation but it is more evident that the rural population is developing a keen political awareness.

All populated areas remain under GVN control but small VC units continue to move quite freely in unpopulated areas. VC harassment has decreased but this improvement is due to the lack of VC activity rather than improvement in the hamlet defenses which are relatively still weak.

Economic situation was adversely affected during the month. The Saigon-Dalat road was cut for about two weeks and losses in vegetable export is estimated over one million piasters. Rice stocks were seriously depleted and gasoline was in short supply. Some fears developed and GVN was slow in informing the population. Incident showed that Dalat can be economically isolated. The reaction of the population was against the VC because of the disruption but if the road remained blocked the people would lose confidence in the GVN.

VIS and radio Dalat covered the elections and results quite effectively. The new Chieu Hoi Service is active for the first time and most significantly, a Provincial Psy Ops Committee is functioning. Social Welfare is beginning to be effective. Summer youth group organized and requesting funds. Low cost GE radios now being sold.

The rural reconstruction budget was approved and funds received. All activities received adequate funds, however, technical services are slow in implementing programs. Hiring of technical service cadre is a problem because of low salaries. Montagnard development hurting because of funding problems. Self help continues to be very effective. Rural electrification program progressing as RE Coop now being formed. Generally, program showing progress.

31 May 1965

QUANG DUC (15)

Province elections seemed to be fairly successful with 6 persons being elected for the Province Council. There were 10 Vietn mese and 7 Montagnard running. Of 15,283 voters registered, 86,48% voted.

Security is deteriorating with VC incidents rising. Highway 14 has daily VC blockades consequently traffic is rapidly decreasing. Villages are being attacked or harassed during the daylight hours. VC activity is beginning along Inter-Provincial Highway 8 toward the Nhon Co Airport.

The economic situation continues to be poor as prices are up double that in Saigon and rice is being rationed as trucks are not traveling because of the security situation, if situation continues, it could have a serious effect on the morale of the people.

All programs which require construction have come to a halt due to the lack of cement. Due to efforts of a few individuals, the Montagnard Training Centers remain the only program still operating.

31 May 1965

LAM DONG (16)

Provincial council elections were held during the month with four Catholics and two Montagnard being elected. Several well written leaflets have been circulated accusing certain provincial officials of forming a clique to discriminate against Catholics and also accusing them of certain misuse of funds. The anonumous source of the leaflets is called the National Unification Front.

Although Viet Cong strength remained constant, their activities increased considerably during the month. The incidents started with attacks on two large Montagnard resettlement centers. This and other VC activities resulted in 3,300 refugees coming into Bao Loc and an additional 1,000 into Dilinh. They were given temporary housing in vacant schools and supported with Social Welfare funds. As of the end of the month all except approximately 1,500 refugees have returned to their hamlets. It is hoped that the rest will be able to return within a month.

From the fifth to the twentyfifth of the month, National Highway 20 was cut for a distance of about 25 kilometers in Long Khanh and Lam Dong Provinces. This resulted in shortages of rice, gasoline and other commodities, and the loss of processed tea ready for shipment to Saigon. Control of the sale of rice held prices down to almost normal in most cases. At present supplies are normal and traffic is moving, but during the past week five truckloads of rice were taken by the VC on highway 20. Temporary road blocks have been set up also between Bao Loc and Dalat.

Most of the Rural Reconstruction programs have not yet been started with the exception of Education. The delay is largely due to the security situation during the past month and the refugee problems.

31 May 1965

BINH THUAN (17)

Attention this month in the political field was directed toward the election of nine Provincial Council members. On 30 May the Prov Rep visited 10 Polling stations in three Northern districts of the Province and found them to be well organized and interest among the people to be high. Of the eligible voters in the Province 70% participated in the election. This high percentage of voters reflects the peoples' interest in government and that they do want a say in who is to represent them.

The Security Situation in the Province this month has deteriorated. May has been a month characterized by heavy engagements with the VC, with heavy casualties inflicted on both sides. The VC stepped up incidents, reaching an all time monthly high for the Province. The VC have appeared in greater strength during daylight then ever before and have chosen to remain and engage GVN relief forces. Most of the activity has centered around the periphery of Phan Thiet effectively reducing road travel of GVN officials to less than a 6 kilometer radius. It appears that the VC are making a concerted effort to isolate Phan Thiet as they have effectively stopped movement on Hwy I since May 4th and have cut the railroad twice.

The VC action of cutting Hwy I has caused a 6 - 12% increase in foodstuffs and has prevented the easy marketing of goods as there has been no petroleum products for civilian uses since May 4th. Rice stocks are down, but rice prices appear to remain steady. Employment is up a little due to the start of the fishing season and construction work on the Province Hospital by RMK has provided an additional one hundred jobs.

Popular support for GVN by the people was reflected twice this month. On May 5 the people of An-Hai, Hai-Long District, lined the Hwy to applaud and cheer the troops as they returned from a decisive victory over the VC on 4 May. On 11 May the people of Phu-Long village voluntarily informed the Police of a pending VC attack on the village and the highway bridge. Unfortunately the GVN did not follow up on this information and the attack was opposed only by Popular-Forces - subsequent VC action in this area on 17 May was also reported to the authorities by the people.

VIS Psy-War effort this month was directed toward publicizing the elections on 30 May, VIS success in this endeavor was reflected by the large percentage of voters.

Overall USOM programs for 1965 have been slow to get started. This slowness is due partially to their waiting for the budget and the GVN slowness in the processing of the necessary paper work. Another inhibiting factor is the stepped up VC activity and the cutting of Hwy I which has prevented contractors from receiving material and fuel. Of all the USOM programs Agriculture and Animal Husbandry are the only two showing satisfactory progress.

31 May 1965

BINH TUY (18)*

The change in provincial administration may prove a step backwards for the province. The previous administration had established a close relationship with the local religious and political leaders. There is little evidence that such harmonious relations will continue in the future.

Reports indicate that the aggressive land conquering activities of the Viet Cong have tapered off and they are concentrating on the movement of troops and destruction of communications facilities. More bridges were destroyed during the month than during any previous period. Many of the VC tactics were initiated to lure friendly forces into deadly ambushes but they were unsuccessful as no forces were sent to secure the important communication lines.

The month of May was the worst in provincial history for economic and commercial progress. The inability of friendly forces to provide security for trucks and busses traveling National Route #1 has resulted in a drastic lack of gasoline, diesel fuel, rice, milk and other basic commodities important to the people of Binh Tuy and Binh Thuan provinces. As there is no fuel the 1800 fishermen in Binh Tuy cannot go to sea. Lambrettas and busses have disappeared from provincial roads. Highway 1 has become a "ghost highway" for foot travel only.

Long Khanh Province failed to provide escort for 16 trucks carrying 128 tons of rice from Xuan Loc, capital of Long Khanh province, to the Binh Tuy border. Binh Tuy authorities were not notified that the trucks were coming unescorted. The result was the "Great Rice Robbery" of 1965. Upon arriving at the VC infested jungle area of Rung-La, the 16 trucks were stopped by the VC and driven off the main road for unloading. Binh Tuy authorities were notified a few hours later by a passing truck driver who told police officials. The robbery resulted in a loss of VN$1,050,000 to the rice merchants of Ham Tan. Consequently, many have expressed their intention to transfer their business to other provinces.

The USOM rep is having difficulties in properly executing the USOM supported programs as many of the commodities are being used for military purposes without consultation with the USOM rep. Such misuse has already resulted in a number of schools and pig sties not being built for lack of cement and roofing. Arrangements are being made to store existing materials at Region II and so that requisitions will be coordinated. Another problem has been the misuse of New Life Hamlet trucks. The five new International 5-ton trucks and the Fargo diesel truck have been used for hauling military personnel, supplies and household goods. Some trucks have been damaged but are still operating. Six New Life Hamlet truck drivers have quit in protest over having to drive civilian trucks on military operations. They fear, quite naturally, that eventually they will be wounded or killed while driving for the military. The chances of hiring replacement drivers are quite slim.

* Complete details concerning this report are available in the classified files of Provincial Operations.

31 May 1965

LONG KHANH (19)

There are indications that the attitude of the populace is somewhat less favorable both toward the GVN and toward the Americans: The Catholics which comprise 65 percent of the province's population, have been putting up banners and signs condemning the Quat Government and the Johnson Administration.

The security situation is even less favorable than during the precious month. More are has been lost to the VC. There have been numerous sightings of large VC units. In one ambush 12 vehicles were destroyed and 49 soldiers (including 2 Americans) were killed. Six towers along the electric power line have been sabotaged. The railroad trains have been attacked or mined frequently and several roadblocks have been set sup by the VC on Route 20.

Plantings have been completed for sweet potatoes, cassava, corn, tobacco (nursery plots) and rice. Better seed and improved cultural practices are being used by more farmers, but total agricultural production will be less than last year's because much good farmland has been lost to the VC. Also, many young farm workers have been drafted into military service. Whol sale and retail prices as well as wage rates have remained about the same. Several new business establishments have begun operations. There is very little unemployment in the Province.

The VIS Chief is regularly soliciting news items from the various Services Chiefs and other Province Officials in an effort to include more local news in the province newspaper. Large signs are being prepared to call attention to the various developmental projects sponsored by the government. There has been undue delay in getting funds and commodities released for the 21 self-help projects approved in March and April. Delays also have been experienced in the other programs. The "necessity" of getting approval from a higher authority is an ever-present deterrent to positive action.

31 May 1965

PHUOC THANH (20)

The month of May has been a month of change and confusion. Personnel changes have occurred in Province Administration, USOM, MACV and ARVN. With major military changes, the Province Chief has been exceptionally busy with military matters concerning security for the people, and by the end of the month he was almost full occupied with these matters. It will be several weeks before the transition is complete and the new civilian personnel are oriented.

The most obvious area of intensive and immediate action is in Psychological Operations. This area has been somewhat unproductive and largely ineffective, but a new VIS Chief has arrived so the addition of a full time USIS representative could dramatically change this. Since the USAF bombed a nearby hamlet, there is an increased need for well qualified advice.

The Hop Tac area of Phuoc Thanh is progressing slowly and has mainly had the effect of pulling people working in non-Hop-Tac areas away from existing projects. Thus, instead of Hop Tac contributing to the overall progress of the province and adding to the trained personnel needed, it has only shifted existing provincial personnel to a different area. There is apparently little that can be done at present to import qualified personnel to the province, so this problem will undoubtedly continue to plague Phuoc Thanh and its Hop Tac area.

31 May 1965

PHUOC LONG (21)

The civilian population of this province had no advance warning of the VC attack on the morning of May 11, 1965. Just as well, for there might have been mass panic. The VC moved into the main residential and commercial section of the city and began to set up the mortar and machine gun positions around mid-night. They were in position and controlled this area when the attacked was made on the military section.

The local forces and the air force won the battle of Song Be but the VC were successful in widening the gap between the people and the local government. The people are fleeing the province in fear of another attack. Overland communication to Saigon has been cut. Bridges are out on the Road to Duc Phong District Headquarters and the VC control the road to Don Luan District Headquarters.

The greatest political impact would be to open the road to Saigon. The market has been repaired, lights and water restored but the food supply is short and prices are rising. This province has never been able to feed itself and has always been dependent on the Saigon market. Death benefits have been paid and relief food and clothing given to the people through social welfare. Payment of war damages have been slow and seem to have hit a snag for some unknown reason. The usual excuse is being used, no money.

The VC are distributing rice to the people in Phu Rieng hamlet YT-110898. This is reported to be having a tremendous impact, since the district capital has no rice on hand.

Last month there was twenty-seven pacified hamlets in this province. At the end of May, the pacification office reports nine pacified hamlets. There is a small area of land around each district headquarters and the provincial capitol that is controlled by local forces. There is a narrow ten kilometer strip that is controlled by the local forces in the day time that runs from the Province Capitol, through Phuoc-Binh District Headquarters on past the airfield to Phuoc-Binh A. The road to Duc-Phong is cut and three bridges are out. Two bridges are out from Dong Xoai (Don Luan District Headquarters) to Duc Phong Highway to Saigon is cut in Binh Long Province and I have no reliable information on the extent of the damage. The VC control the road to Don Luan District. It is believed that Bo Duc District Headquarters can be reached by military Convoy. Security is improving. Many troops are being tied down in this province.

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31 May 1965

PHUOC LONG (cont'd)

The influx of a large number of VC combined with the cutting of the overland route to Saigon has caused a food shortage in the Province. The VC confiscated most of the food supplies in the Phuoc Binh A and Song Be markets on May 11 and stole rice and food supplies from many homes in this general area. For several days following the main attack the VC were competing with local residents for the purchase of fresh vegetables in the Phuoc-Binh A market. As the VC drifted south this same thing occurred in Dong Xoai, Don-Luan District Headquarters. (This information has not been authenticated but was picked up as rumors and observation in the Phuoc-Binh and Song Be markets). As a result these two areas are suffering the most from the food shortages.

Immediate action was taken and USOM transported eighty tons of commercial rice for the Ministry of Interior to this Province. The Province Chief has asked GVN for chopper transportation to carry rice to Don Luan District. The price of rice has increased butn not in comparison to other food costs. Economic situation will not improve until road to Saigon is opened.

Fear dominates the mind of each person in Phuoc Long Province with few exceptions. Because of this it has been difficult to motivate any type constructive action. Progress has been made but it has been a slow uphill push. There has been near mob-violence at the airfield with people, with no where to go, striking to get on the aircraft to leave the province. The police were ineffective in their efforts to control the mobs. No one would take the responsiblity to act.

Near the end of the month the Province Chief was persuaded to ask for an aircraft to bring province residents from Saigon to Phuoc-Long. Approval was received and this seems to have brought partial calm to the situation. According to information received these aircraft are to ferry people for fifteen days. Just a slight spark would ignite the entire populace into mass panic.

The primary school Song Be heavily damaged, the primary school Phuoc-Binh burned, the Malaria warehouse burned and all insecticides lost. Many schools are under VC control. There is no building material other than lumber and sheet metal roofing in the Province. Most teachers have left and there no people to recruit from. The Education Chief states that teacher training plans will be completed within a week. The teacher training program will be scheduled for June 15. Provincial officials have agreed to build the fifteen class-rooms out of lumber. Sugar-cane production program to be implemented early June. There should be a clearer picture of USOM supported programs by 1 July.

31 May 1965

BINH LONG (22)

Moral of the local population is quite high after the Provincial Council election. Ninety five per-cent of the voters and the people like the feeling of being represented in the Provincial Council.

Road travel between Con Thanh and Song Be has been reestablished after having been closed for thrity days by VC sabotaged bridges and VC road blocks.

The price of food and other items have gone up as much as thirty per-cent because of the road blockades on routes 13 and 14.

The present food shortage and high prices caused by VC road blocks has had a definite demoralizing effect on both civilians and offical personnel of this province.

Most of the USOM approved projects have not been started or are unable to continue because of road blocks, and shortage of construction materials.

31 May 1965

BINH DUONG (23)

The elections were the center of attraction this past month. Altho the VC launched an extensive propaganda campaign to deter the people from going to the polls 84% of the registered voters voted. Not everything went perfectly, however,. Apparenlty the police, who deliver the voting cards to each registered voter forgot quite a few people. In some cases the registered voter was happy not to have to go out of his home on election day and possibly be a victim of an act of terrorism such as happened the morning before. A grenade was thrown into a crowd of people listening to VIS explain the importance of the elections, killing at least one woman and injuring fifteen.

As always the people are looking to Saigon for some sign of a stable government. The abortive coup in May just taxed the already weary minds of the people a little bit more. However, their main concern is the weather and their crops... along with artillery, napalm and defoliation in the northern regions of the province.

Security has become more of a problem during the past month. VC activities have been aimed more at routes of communication, aside from the routine harassments of hamlets and district capital areas.

Apparently the temporary embargo on the flow of vegetable from Dalat area has affected prices in the markets here in Binh Duong. It is becoming more dangerous or, difficult, for the farmers in the northern regions of this province to bring produce to the capital markets. At the same time, the flow of goods from the capital to Saigon markets has continued to flourish. Building materials have seen a sharp increase in prices. For example, the cost of hollow bricks went up 50%, solid brick 20%, sand 25%, local cement blocks 35% and up 2 to 3 p's for wrought iron (per kg). This has resulted in either renegotiation of contracts and/or work stoppage in some cases.

With the new system of USOM, MACV either "concurring or not concurring" on provincial agreements, the field office may be moving into a new base of responsibility. At present, USOM and province officials have excellent relationship; during off hours as well as duty hours. The new relationship may create a greater temptation to pilfer commodities or funds without the "eye" of USOM looking on. Some feel that it may "make those few who are left that are honest become dishonest."

31 May 1965

TAY NINH (24)

From the results of the elections held 30 May, the political situation in this province can be adjudged as "Excellent". 83.26 per cent of the registered voters cast their votes to elect 12 Council members who are all accepted as good men. No untoward incident occured to mar the elections and the expected enemy harassments failed to materialize. One candidate in Hieu-Thieu District, however, was killed by the VC to discourage others from going through with their candidacy. This unfortunate incident, however, did not discourage the others from continuing with their plans for election. This outstanding result can be greatly attributed to good management by provincial officials concerned.

The coming of early rains is most welcome by farmers who have started to plant their crops. Kenaf growers are most affected.

Travel by road to practically all hamlets is still feasible although security must be provided. Many minor VC incidents occurred during the month but the expected attacks on Tay Ninh City on 1, 7 and 19 May fortunately did not occur.

Much is left to be desired in Social Work due to lack of funds. Much headway had been gained in the psychological situation with the publication of a province newspaper (20,000 copies a month), posters, movies, broadcasts and other activities of the VIS and Psy-War office.

The arrival of some cement have allowed us to continue with our pending projects of which we have many. District Chiefs with their Sub-sector advisors have been responsible for increased projects all over the province. USOM continues to have excellent cooperation with the Special Forces who now have the sector advisory role in Tay Ninh, and with all Province officials.

31 May 1965

HAU NGHIA (25)

Events in Saigon during the last two weeks of the reporting period have caused a noticeable resentment among some provincial and district officials who are Catholic. Outright indignation was expressed at newspaper reports which attempted to link Catholic members of the 19 Feb coup attempt with the Viet Cong in the alleged new plot. Considerable uneasiness and interest exists as a result of the recent top level bickering reported in the papers, with expectations that some significant changes are in the offing. Locally, elections were conducted almost without incident on 30 May. Of approximately 130,000 adults over 18 in the province 47,300 were eligible to vote and 74.5% of these were reported to have voted. Two representatives were elected from Trang Bang District, two from Duc Hoa District, one from Cu Chi District, and one from the capitol, Bao Trai.

There were four major VC attacks within the province during the period, to include the overrunning of two Ranger Companies the night of 9 May, and the mortaring of the provincial and two district capitols. Roadblocks have occurred on all major roads, including a near-record 14 roadblocks one morning between Phuoc Hiep and Trang Bang on Highway 1. Minings have occurred on most roads, however road sweeps usually prevent their use against vehicles. In one stretch of 200 yards on the road from Bao Trai to Hiep Hoa, 20 artillery shells (105's at 10-yd intervals) were discovered that had been electrically wired to go off together. GVN continues to counter primarily with defensive measures plus unobserved artillery fire and air support. The security situation appears to be deteriorating and the VC are consolidating their control of the area outside of District Capitals.

Provincial Service Chief reports that price of rice has jumped 22% (to 770$VN a bag) during the month, and attributes it to: 1) Increased VC taxing and control of movement; 2) a drop of 20 to 30% in production due to land abandonment, adverse weather, and military interference (artillery & air); 3) GVN import controls which prevent use of external rice sources. Sugar cane production is down 10% from 1964; rubber production down 5% - and will continue to drop since replacement trees are not being planted. Peanut and tobacco production is up slightly over '64, and hog, cattle, chicken and duck production is up 10 to 20% over 1964.

On 15 May the Province Chief released 18 political prisoners (on Buddha's birthday), and 28 Chieu Hoi ralliers were released and given presents (to include a USOM food distribution) on 17 May. Routine VIS activities were conducted in all districts to include movies, leaflets (176,000), and lectures. The short duration of propaganda activities, the lack of qualitications of the personnel conducting them, and their unfamiliarity with the people and places they are working, combine to make the government's program relatively ineffective. Moreover, better than 90% of the effort is expended on people who are allegedly pro-government.

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31 May 1965

HAU NGHIA (cont'd)

Cement and construction of pig sty demonstrations were provided to 150 families during the month to get the 1965 pig-corn program underway. With eight bags of cement provided, each family will build a pig sty, and will be given pigs and a NACO loan after inspection of sty. Considerable time and planning effort went into the hamlet school and self help programs to insure 1965 accomplishment, however it will be two to three months before actual construction results will be realized. Extensive support was given in food commodities to PF dependents and to refugees. A 595,000$VN check for relocation payments to 170 refugee families was issued to the Duc Hoa District Chief, but had not been distributed by actual payments to refugees by the close of the period. USOM was given an office in Provincial Headquarters during the month.

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31 May 1965

GIA DINH (26)

There were a number of preliminary discussions concerning elections at which time several questions were raised regarding the selection of candidates. Determination of eligibility by the Minister of Interior appeared to be an unfair process. 52 candidates appeared on the ballot of which 15 were elected. 12 of the km were from Go Vap district, the most populous district of the province. The only other district represented was Tan Binh, the second most populous district. Four other districts remain without representation on the committee. 61.8% of the electorate participated and elections were quiet and orderly.

The VC have increased their activities within the boundaries of the province.

The Ministry of Economics sold to Gia Dinh during the month 350 tons of rice #1 and 350 tons of Java rice. The price per ton has increased 20 piasters but the market prices 100 piasters.

24 resources control mobile teams and 21 land and naval checkpoints appear to be working satisfactorily.

The new province chief, Trung Van An, was appointed on May 31.

USOM supported programs are progressing satisfactorily except that the Thu Duc maternity/dispensary problem still exists. The Ministry of Health has claimed that there are no funds to meet this problem.

31 May 1965

BIEN HOA (27)

On 25 May the Province Chief, Lt.Col Ma Sanh Nhan was replaced without warning by Lt.Col. Tran Van Hai who was formerly assigned to Headquarters III Corps. Col Hai has seen considerable service as an Airborne Battalion Commander and first impressions indicate a good choice for Province Chief. He has already delegated authority and responsibility to his staff and service chiefs - a very refreshing change. The political situation remains stable. Provincial Council Elections were held on 30 May with twelve members elected throughout the Province. The elections were conducted without major disturbances except in Nhon Trach District where three Popular Forces guards were wounded when a grenade was thrown at a voting booth. Province officials estimated a 78% turnout.

VC incidents have slightly increased in the northeast section of the Province and a fair amount of activity continues in Nhon Trach and Long Khanh Districts. A VC buildup has been reported in Binh Duong Province which in turn may indicate more incidents or coordinated attacks in the northwest section of Bien Hoa province. Road security remains unchanged but causion must be exercised during daylight travel and night travel is not recommend. The MAC/V Regional Force Advisor (Capt. Fowler) was killed in action and a Sergeant wounded during an operation in Nhon Trach.

Business and industrial conditions remain firm with considerable building activity and construction projects in evidence. Price increases have been noted in building materials and an average five percent increase in the cost of living has been reported.

Morale of the people appears to be good despite the attempted 20 May coup and change in Province Chiefs. There are some indications that Catholic elements are unhappy with the present Quat government in Saigon but to date no overt actions or demonstrations have been noted. The situation is potentially explosive but not in a violent sense at the present time.

In general, USOM supported programs are progressing very well and gaining a great deal of public support from the people who are now beginning to realize their government is sincerely interested in improving the individuals way of life. All USOM programs are favorably received but the greatest impact on on the most people is achieved by means of self-help projects and the school program.

31 May 1965

PHUOC TUY (28)

Political situation remains unchanged, the majority of the people appear uncommitted. The election for the Provincial Advisory Council did stimulate interest in politics with slightly over 81% eligible voters voting. VC activity on the day of election was negligible with no incidents reported.

Pre-election days showed an increase in VC activity ranging from harassments to murder. The VC had claimed that they would prevent the elections from proceeding, but election day arrived and passed without incident. The security situation remains fairly static, but VC movement has been on the increase.

Economic situation indicates an increase in the price of vegetables and construction materials. With the coming of the rainy season preparations are being made for rice cultivation. The economy in the area appears healthy as indicated by the amount of new houses being constructed and repairs being made.

As a result of the successful election, the people are beginning to hold the GVN in higher regard.

USOM supported programs are moving after a somewhat sluggish start but should be in full swing by the end of June.

31 May 1965

VUNG TAU Special Zone (28A)

Elections were of paramount importance this month and there was considerable enthusiasm. Compaign posters were observed throughout the area and local officials appeared to have clear instructions. Voting was quite active on May 30th with approximately 75% of the eligible population taking part.

As reported in previously the security situation in Vung Tau is very stable and only a few incidents of infiltration for observation have been detected.

Prices on commodities such as cement, roofing, sheeting, wood appeared to be a little higher than previously. This is due to increased construction and shortage of construction items. Local officials stated that the increase in price and shortage of stocks are results of depletion of stocks usually on hand. These problems are expected to be alleviated shortly after the first of the month.

USOM supported activities within the RRP are slow getting started but progress should be shown in another month. During a recent meeting with all service chiefs, the Mayor emphasized that all service should be well along on their programs by the end of June. Self-help should be receiving considerable attention by use of the Mobile Action Cadre.

31 May 1965

GO CONG (29)

Peoples' attitudes toward GVN continued to improve in GVN controlled areas. GVN again extended control over additional people and geography by effecting tenuous pacification linkup between Province Capital and Hoa Dong District town. Province making slow but steady progress in political area (indicators used: info/propaganda effort; efforts/progress to improve GVN admin all levels; relocation; quy chanh rate; observed/reported attitudes of people; and others). Difficulties recruiting competent people adversely affects GVN efforts - such as drafting better officials/cadres, difficulty of inducing good men to participate in rural Govt due security risks involved. In Provincial Council Election, 89.2% of registered 20,000 people from nine of eligible (GVN controlled) thirty one villages voted (people eligible to register and vote unknown).

VC activity again decreased (slightly) during period. Some small increase in willingness of people to inform on VC. Peoples' willingness to resist VC improved to some degree - not measurable. Freedom of circulation improved slightly (expansion of pacification). Resource control still practically non-existent and reports persist of VC pending increase operations in Go Cong; and main roads still must be opened beforehand prior to significant use by GVN elements.

Prices reportedly increased over several month period to some thirty percent. Produce deliveries from countryside increased - perhaps due to Dalat situation (Dalat products again arriving in Province). Building construction on upswing. However, construction costs increased some twenty percent. On balance, economic situation appears reasonably stable - no tangible signs of panic nor hoarding. Government-sponsored projects generally proceeding satisfactorily consistent with manpower/material-capability/availability.

Local officials dissatisfied with support, response, restrictions, etc., from Central level which are definitely hampering local efforts to carry out programs. Social Welfare programs showing definite improvement all categories (help to needy, indemnification, etc). No real problems, as yet, in religious field - however, religions feel they need separate refugee homes rather than community (non-denominational).

USOM-supported programs are, generally speaking, progressing unsatisfactorily. Province has expected problems in areas of health, public works (water, bridges and roads, electrification), psy/war information, education, irrigation, adinfinitum, with no adequate nor prompt response from Saigon.

31 May 1965

LONG AN (30)

The former air of optimism has dissipated somewhat. What was an atmosphere of confidence and optimism can better be classified as one of uneasy caution. This feeling has been expressed in different forms -- in verbal statements from public officials, the increase in the price of gold on the open market, and by the higher black-market exchange rate for the US dollar. The apparent increase in Viet Cong strength in areas to the North of Long An province has been a cause for concern, but the local security situation has not changed significantly.

While there has been no phenomenal improvement in the security situation, it has not deteriorated during the reporting period. There was an increase of mining incidents along Ntl Hwy #4 during the last week of the month. An interesting note is that the VC killed during the month appear to be younger than usual. A roster captured from VC dead indicated a great number of individuals 16 & 17 years of age. Apparently the VC are having difficulty recruiting older men

The planting of rice seedbeds is underway as the rainy season is beginning. Reports have been received that "paddy" rice is being purchased and brought to Long An from Soc Trang, Can Tho and Rach Gia by local rice merchants whose interests is market speculation. Rice in VC dominated areas of Long An province is still being withheld from government controlled markets. No local market prices are currently available.

USOM supported programs are progressing satisfactorily. Worthy of note is that local provincial officials are beginning to do more on their own without requesting added support from USOM, e.g., three beautifully constructed village offices have been built without any "extra cement or roofing" having been requested from USOM.

Numerous other projects are under way as a result of the initiative of provincial officials and without requests for additional USOM support. It would appear that more and more is being accomplished independent of US involvement. This is quite encouraging.

31 May 1965

KIEN TUONG (31)

The recent coup attempt in Saigon appears to have had little or no effect locally. Activity on the part of the Buddhist bonzes seems to be increasing. Complaints have been lodged against the Province Chief as being anti-Buddhist, however, there is nothing to support these charges, in fact, the evidence seems to indicate the opposite. The Provincial Council election in the Province was held on May 30th but no active campaigning was evident during the pre-election period nor during the day of the election itself. USOM tried to assist in providing airlift for poll inspectors to go to the 4 districts of the Province, but was not able to secure airlift support. There were 12 candidates in all for the 6 seats in the Provincial Council and polling places promptly opened at 0800 and closed at 1600 hours. The six candidates who won seats in the order of the highest to the 6th position are the following:

Name of elected Council member	Attainment	Occupation	Religion
1. Nguyen Huu Duc (5,897 votes)	French Primary	Businessman	Buddhist
2. Phan Van Anh (4,959 votes)	Junior High Sch.	Farmer	Confucianist
3. Vo Tan Tuoc (4,914 votes)	French Primary	Farmer	Buddhist
4. Tran Hung Ngu (4,716 votes)	French Primary	Businessman	Catholic
5. Nguyen Trung Hung (4,579 votes)	Junior High Sch. (French)	Farmer	Buddhist
6. Phan Xuan Tung (4,511 votes)	French Primary	Farmer	Confucianist

There are 12,819 registered voters in the province and 10,858 voted (84.7%).

VC activity sharply increased after a relatively quiet period. Minings, harassments and attacks on isolated outposts showed a sharp rise. Among the latest of these atrocities was the case of the three young girls of Bac Chan II hamlet who stepped on a VC booby trap while picking vegetables killing two and wounding the other. The province is doing its best to hold what it has with its limited troop strength. Any expansion is out of the question unless outside support is provided. Air strikes have increased, keeping the VC from massing and having a favorable effect on morale. Increased VC activity on the Long An border has posed as a possible threat to Tuyen Nhon District.

The two primary economic activities in Kien Tuong are rice growing and fishing. With local tractors, a great deal of plowing and harrowing has been done to ready the land. Approximately 1,272 hectares of land has been plowed and 783 hectares of land has been harrowed to date. Fertilizer sales are encouraging and there are hopes for a good harvest. With the approval of funds from CRRC, there is now a Fisheries Section in the Agriculture Service which is proving quite active.

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KIEN TUONG (cont'd)

The opening of new roads budgeted for 1965 will have a profound effect on the economy.

Kenaf, a big export Kien Tuong, is doing well. It is not processed here but a rice mill owner presently engaged as a purchase agent for kenaf has expressed interest in getting machinery and technical aid to establish a basic processing plant in conjunction with his rice mill.

The attitude of the provincial officials is one of cautious optimism. In the villages, there seems to be a growing belief that the government ~~may eventually win. In general, the~~ government with its limited troops is coping with the situation.

~~Provincial~~ Officials from the Province Chief on down are showing concrete support for most USOM programs. Except for the failure of USOM ~~in Public Health,~~ particularly the Surgical Suite, ~~USOM~~ appears to be in a very good position right now. The Province Chief in spite of being informed that the USOM signature is not required on the 1965 Provincial releases has requested us to continue to sign.

31 May 1965

KIEN PHONG (32)

Political and security situations are generally unchanged with the exception of the re-establishment of Tan Thanh and Thong Binh Villages in Hong Ngu District.

There seems to be a wait and see attitude by a large part of the Civil Servants. Many people here hope that the bombings in the North will have some beneficial effect on the local war situation. Because of this attitude which permeates the whole Province the only real gains in Rural Reconstruction has been in the Self Help and the Hamlet Schools areas. The attitude is an unhealthy one and hopefully the "novelty" of the bombings will wear off in a month or two.

Chieu Hoi needs assistance from Saigon with its request for approval of equipment.

The Thanh Binh District Town electrification system has been set up and presently has more than 100 families subscribing. The District Chief informs the Prov Rep that he has applications for an additional 200 families. This system was installed on a local basis has visably improved the lives and morale of the people in that area. The Province has been waiting for ever one year for Saigon to send funds for this and seven other installations. Now because the people have asked and have the desire to do so the province will set up the other sites on a self help basis. They have waited for Saigon action for over one year--now they are ready to do it with local resources. This speak well of the willingness of the local people to work to improve their well being and demonstrates to them that Saigon cares little for the problems of the people in the Provinces. Copies of all documents relating to the Province's requests for funds have been passed to agencies in USOM and still no action has been taken.

31 May 1965

DINH TUONG (33)

The political and social/psychological situation has improved slightly during the past month. There was an all out propaganda effort for the selections which reached many of Dinh Tuong's citizens. With the release of 1965 Provincial Rural Reconstruction Budget funds, the Provincial Government was able to pay re-locatees who have been waiting for their allowances for many months, and also to start on other projects that had been held up.

A significant ARVN victory in the neighboring province of Kien-Hoa was widely publicized and did much to improve the morale of both out military and civilian population. The GVN-US strikes on Viet Cong concentrations both in North and South Vietnam continues to keep morale high, although this euphoria appears to be diminishing now. This upswing is not necessarily an indication of a trend, as now the elections are over and the possibility exists that the rainy season may impede construction projects in the Rural Reconstruction bringing a corresponding drop in morale.

Although there has been an increase in VC activity this month, the security situation has generally remained the same. The economic situation has remained normal with food-stuffs and construction material prices slightly higher, but the farmer's purchasing power is lower because money realized from paddy sales of last month has already been spent.

There has been no significant progress on USOM programs during the past month. Self help projects and relocation allowances had been help up several months awaiting release of the 1965 budget and now action is being taken in these two very important areas. However, the approaching rainy season is expected to slow down construction projects. The various technical services in Dinh Tuong are in the process of formulating definite plans for the 1965 program. The Education Chief is checking with the district Chiefs to verify locations for the 50 new class-rooms.

31 May 1965

KIEN HOA (34)

The political situation remains relatively stable. No minor political religious or preassure groups have been openly active. The attitude of the population towards the GVN has been favorable. With the beginning of the rainy season VC political activity will probably be stepped up along with their military activity. Reports have been received of large VC meetings on several occasions in the districts.

The security situation has regressed slightly. This subjective observation is based on the lack of GVN initiative throughout the province during the month. However several Qui Chanh have come in from hard core units, one armed with a Russian New Family 100 round capacity Automatic Rifle from which some of the markings have been removed. It is estimated that three or possibly four VC Battalions are in Kien Hoa at present.

The farmers are beginning to plow the paddies in preparation to planting their early rice crop.

The province failed to provide adequately for almost 1000 refugee families in Thanh Phu District after a recent GVN operation in the area. The friendly side lost an excellent opportunity to discourage the VC families and other non-committed families from going back into the VC areas by failing to provide adequate support for them.

USOM supported projects are continuing at a steady pace with some 50 projects of one type or another in progress. The lack of a Supplementary Provincial Budget will be a definite handicap in that a number of larger projects outside the scope of Self-Help have been inhibited.

The continual loss of assistant Province Representatives just as they are trained is problem seriously hampering our effectiveness. A good part of USOM's emphasis is now being placed in the support of Para-Military-Forces, representing an improvement in our counter-insurgency effectiveness.

31 May 1965

VINH BINH (35)

During the month VC incidents of terrorism and harassments against hamlet people has increased. At the time or shortly after the VC have attacked a hamlet or a village the people seek out the assistance of GVN for commodities and money. Once the area has been made fairly safe again, the people will return to their homes. One cannot assume that the rural populace is actually being politically won over to the side of GVN--their primary concern is for security.

The overall security situation has remained about the same. The VC continue to control their main base areas in Cang Long and Long Toan. However, during May road travel was quite limited. On the only main route out of the Province, Route #7 to Vinh Long, was blocked by the VC several times during the month. The Regional road going to the District Town of Tra Cu was cutoff to commercial transportation for over two weeks. The main roads in that area were heavily mined during that period.

In April two large scale military operations in the Province were conducted to move some of the 1964-65 rice harvest. As a result, 662 metric tons of rice were exported from the Province. However, in May 787 metric tons of rice were exported from the Province. The interesting point about the increase over last month is that this month there weren't any operations conducted to release the rice. The following reasons explain the sudden influx of exportation of rice:

1. Chinese merchants giving a good price for paddy - April's price for 1 metric ton of paddy = 4250 $VN; May = 1 MT paddy = 4750$VN

2. New growing season to begin, farmers have to start moving old rice.

3. Rainy season has begun, most farmers store their paddy outside during the dry season, but do not have large enough storage areas to shelter the rice when the rains start.

4. A large portion of the rice farmers in this Province are Cambodians. During April the Cambodians celebrated their New Year. Consequently, many of the hamlet farmers spent a lot of money for their holiday. This month they would be in need of funds, therefore, they would be willing to start moving their crop. Especially now that the price is higher than it's been sicne the crop was harvested.

Most USOM supported programs are progressing satisfactorily, including hamlet schools and roads and bridges. Money allocated for the Chieu Hoi center appears insufficient. It was reported that rice and cooking oil set aside for refugees in Tap Ngai was taken either by Regional Forces or ARVN troops in the area. Other problems are misuse and mishandling of USOM trucks and the inferior quality of construction and the misuse of commodities by contractors on such projects as hamlet schools.

31 May 1965

VINH LONG (36)

Political situation has continued to improve steadily. This was highlighted by the Provincial Council elections held at the end of the month. The people showed a great deal of interest and enthusiasm during the pre-election period. The interest was further exhibited on election day when 82% of the eligible voters turned out. This demonstrates that the people want to vote, they want a say in what is going on. This is a bright spot as free elections have always proved to be a thorn in the Communist side. It is felt it would be a good idea to carry this farther and hold elections at village and hamlet level. This could be done in the same secure areas where people voted in Provincial elections. Each Province could start out on a pilot basis with its best district. From these it could spread one district at a time until the Province was covered. It is felt this could be done during the period from now until national elections are held sometime later this year. Surely if these elections were held capable, popular leaders would be elected. Who is elected, however, is not as important as the effect free elections would have on the people. This is the GVN giving the people a choice in who governs their hamlet etc. Something the Viet Cong cannot offer and by interfering can only hurt themselves.

Security situation improved during the month. Where there were losses in an area these were counter balanced by gains in another area. VC incidents consisted mainly of harassments and these were very isolated incidents and in areas that can be predicted beforehand. Security improved on the two main communication routes, No. 4 from Vinh Long to CanTho and No, 8 from Vinh Long through Sadec to An Giang Province.

Prices of building materials have increased considerably. Especially, wood. The price has almost doubled over a year ago, because of transportation difficulties. The price of bricks, sand, gravel and other materials have also increased for the same reason.

These appears to be little change in the attitudes of the people. The Provincial elections had a very positive effect on the people and undoubtedly had served to increase support for the GVN.

Steady improvement is being made on USOM supported programs. People are taking much, more interest in Self-Help, with in 1964 produced some of the best projects (schools, bridges & health stations) the program for USOM support for rehabilitation of Popular Force Dependent Housing can have a real positive impact on the people who are receiving the real brunt of the war effort. At the present time, the majority of Popular Force Dependents live in far worse conditions then the people the PF are fighting to protect. This is a very important and necessary program.

31 May 1965

AN GIANG (37)

The topic of political life during the month was obviously the election of provincial council. For a month long, the Provincial had feverishly prepared for it. Meetings, radio broadcasts, voters' cards, selection of candidates, posters, leaflets, banners, electoral campaign, ... all showed a marked concern of the population towards politics, which was unusual before and has indicated a certain political maturity of the people.

22 candidates ran for 12 seats in the Provincial Council. 174,425 out of 213,351 persons of voting age (81.8%) came to the ballot rooms to express their choice for representative. 10 of the 12 candidates put forth by the Hoa Hao Sect won their election to the Council; one elected candidate is from Social Democrat Party and another elected candidate ran as an independent. The election was carried out smoothly in all the 4 districts comprising the Province reportedly without any incident or disturbance.

The dry season is over. It has started to rain in abundance. Farmers are out to their fields and have started to work on the land for the coming crop. There is a decrease in the sale of paddy from the farmers' storage. During the month, 5,892 tons of paddy were shipped out of province, bringing the total export to date to 58,892 tons.

Trade is at normal rate. Still there is a shortage of cement on the market. A slight rise of rice price was noted during the last part of the month - 440/500 piastres per 100 kgs (4% increase over last month price).

The Province attaches a particular concern to economic development. The great promises of its rich natural resources have not been yet fully exploited.

An Giang has been selected as one of the projected three sites for large scale rural electrification. Study for installation of a high-power generating plant and a province-wide distribution system operating on a 24-hour basis are underway. Following the visits of USOM Rural Electrification experts, a Study Committee and a Founding Committee have been formed as prerequisite steps towards the formation of electric co-ops. The project is highly welcomed by provincial officials and the population. The remaining steps toward forming the co-op as a legal entity are a general meeting after the Founding Committee has met, the election of the Board of Directors and the issuance of a charter. The Co-op will then be able to transact business.

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AN GIANG (cont'd)

Engineering is not complete as yet, however the plans call for a generating station to perhaps be replaced later by transmission lines from the Saigon area. One share of stock in the Co-op will sell for one hundred piasters which entitle the holder to have electricity run to his front door. A small house wiring kit will be sold to enable the house owner to wire his house at low cost. The rate per KW for electricity will be considerably less than the current rate charged in Long Xuyen.

The project is being received enthusiastically and will provide the basis for further economic development. Some thought should be given to utilizing a surplus army or Navy "Power Generating Barge" to establish the initial generating source. This could be used until permanent facilities are available and then moved elsewhere.

31 May 1965

KIEN GIANG (38)

All political activities in this province during the month were directed towards the election of representatives to the Provincial Council. 12 representatives were elected out of 21 candidates. 68,360 votes were cast which represents 53% of the eligible voters in the province. 85% of those eligible voted in Phu Quoc district. The election was considered generally successful.

One problem, however, arose in Kien Tan district which is inhabited primarily with North Vietnamese Catholic refugees. Two weeks before the election, 3 candidates from this district were disqualified on the grounds that their dossiers were incomplete. This drew charges of discrimination from the population. They threatened to boycott the election and to stage a protest march on election day in Rach Gia. The Province Chief, however, intervened and apparently placated the people since no protest march was held. Nevertheless, it was noted that only 41% of the eligible persons voted in this district.

There was little change in the overall security situation during the month. Viet Cong activities were confined to minor harassments and the placing of three mines on route 8 between Rach Gia and Kien Luong. While the VC failed to gain any new territory during the month, the GVN forces also made no progress.

The general economic situation in the Province appears to be improving. Construction of new business and residence buildings continues at a rapid rate. Both supply and demand of consumer goods remains high. However, the frequent minings on route 8 between Rach Gia and Kien Luong and resultant halt of the flow of commercial traffic on this road, has adversely affected the economic growth of the Kien Luong - Ha Tien area.

The Social/Psychological situation remains fairly good in the province with the exception of Kien Tan district. The disqualification of 3 candidates from Kien Tan in the recent election and the resulting charges of discrimination against North Vietnamese Catholics in this predominantly North Vietnamese Catholics district has caused at least a temporary setback in the struggle to win the allegiance of the peolle to the GVN in this area.

The various services have been slow in implementing their projects under the Rural Reconstruction program. However, progress has been satisfactory.

31 May 1965

CHUONG THIEN (39)

GVN political influence is limited to secure areas, i.e., areas where GVN military troops are maintained. The GVN can exert effective political influence only in the areas where a well-organized group is present.

However, the mere presence of GVN military in any locality does not' made it a permanently secured area. The VC still have the capability to conduct operation in any area in this province.

There has been no change in the eocnomic situation and no large change is expected at this time.

USOM supported related to the rural reconstruction effort appear not to be implemented properly with the possible exception of the Agriculture and Animal Husbandry Services. It appears that GVN interest is lacking. The key to success is a strong push from the province level, and this has not been forthcoming.

31 May 1965

PHONG DINH (40)

Observations made at polling places on election day revealed a wide range of voter behavior from near apathy to open enthusiasm. For example, at one polling place in Cai Rang, the district town of Chau Thanh, 1,300 of 1,700 eligible voters had cast their ballot by 1330 hours. Conversely at another station in Can Tho city, less than one half of those eligible had voted at 1500 hours. It is interesting to note that the polling station where a large number of voters turned out early was utilized by citizenry whose ethnic origin is predominantly Chinese.

Easily recognizable symbols were employed by all candidates for use of illiterate voters. A study of symbols selected, particularly with regard to the ethnic religious, sociological and political ties of each candidate might be worthwhile when the election results are known, since symbols were devised by the candidates themselves.

Of the 26 contenders for the 12 council seats, 9 of the candidates elected were members of the Hoa Hao religious sect, 2 are professedly Buddhist, 1 has no religious preference or choose not to indicate his religious affiliation or beliefs. It is also understood that something in excess of 65% of the 111,000 eligible voters cast ballots.

VC LF units continue to avoid contact with Provincial Company or larger size units when contact is not distinctly to their advantage. However, during the reporting period there has been a significant increase in VC initiated incidents. There have been forty-three (43) reported harassing type attacks by platoon size units against government installations. There have been nine (9) incidents of reported VC road block constructions (as compared with three (3) in April) and two (2) reported VC minings of vehicles (as compared with one (1) in April as well as four (4) reported cases of VC mining of culverts (as compared with none in April). There were two (2) incidents of concerted VC attack which resulted in one outpost and one watchtower being overrun.

On 30 May 65, the USOM Rep, Mr. Al Flory (USOM Surg Tm), Mr. Jerry Clay (USIS Cultural Advisor) and 4 Enlist men from the MACV Compound attended a meeting with the "Friendship Club", a local youth organization at the USIS library in Can Tho. They discussed the possibility of community civic action projects which the membership could initiate and complete with some outside assistance. Also mentioned was the possibility of a meeting with leaders of all youth clubs in Can Tho discuss similar activities.

The Provincial Radio Sales Committee sold 499 GE Radios. On 24 May 65, an additional 500 GE radios were received and stored. Distribution is being planned. All programs receiving support from USOM are generally making satisfactory progress.

31 May 1965

BA XUYEN (41)

During the month of May, Viet-Cong assassinations and terror continued to strike home, jarring slightly the relaxing calm which had previously prevailed in Ba Xuyen province. The up tempo beat of continued GVN bombings, (Free Bomb Zones) coupled with rural 'rising expectations' is being directly challenged by active VC infrastructure. Even though the use of terror may sometimes be counter-productive, (April 15th, demonstrations of rural people, Thuan Hoa District, against VC attack on laborers of Thuan Hoa canal). It appears that the discriminating use of assassination by the VC brings them positive results.

Continued VC harassment of village officials in Ba Xuyen province, reflects an increase of this type of terrorism. It demonstrates the highly selective nature of VC targets and their desire to cripple village government the basic communications and governmental link between the GVN and the rural people.

Unfortunately, this month two US "Mohawk", reconnaissance planes sighted a "not too" friendly GVN Cambodian hamlet, Lich-Hoi-Thuong village, Long-Phu District on May 8. Destruction to life and property was considerable; 36 dead, 55 wounded, 54 houses destroyed, and 60 houses damaged. Among those injured five Buddhist Bonzes suffered burns by the incendiary bombs.

It whould always be kept well in mind that even though the political rural people of contested areas have previously been warned many times, that if the VC are able to successfully exploit this situation, the outcome would be serious. The Cambodian hamlets form the backbone to the Rural Reconstruction effort in many districts of Ba Xuyen.

Previous reports from Ba Xuyen have stressed the importance of "Self-Help" projects. Understanbly however, USOM/BX has become pessimistic in its out-look in regards to past of future shortages of commodities. At the present time certain shortages (cement, roofing, reinforcing bars) have been alleviated and past debts paid off. However, it become increasingly serious when we asseverate our intent to the rural Khmer/Cambodian population, and find ourselves in a position of having promised and not being able to deliver.

7

31 May 1965

AN XUYEN (42)

The political situation is healthy in An Xuyen. Although the province Chief has not yet been able to institute his program, administrative routine continues and some reforms are being made.

Security situation has deteriorated considerably. An estimated 3 VC Battalions have been ranging the province with pronounced vigor; an ambush at Thoi-Binh cost two US advisors. Apparently the VC are using their presence to augument a dynamic psychological campaign backed by printed leaflets. In Tan-Hung-Tay (VQ 860 854) the leaflets disclaim. responsibility for the civil population which refuses to move out from designated sectors. Lack of sufficient security could turn the situation into the grim one.

Economic situation remains stable, with VC continuing exploitation of An Xuyen products for sale on the Saigon markets. Economic harassment includes a Camau - Bac-Lieu bridge blown on May 25 but no follow up action. Camau temporarily out of fuel from 26-27 May. This is not unusual.

Residence of the people in province has maintained even psychological balance. However, if the VC propaganda and marauding continue, the situation may deteriorate.

Overall situation of USOM supported programs good. Security difficulties plus plain examples of Murphy's Law (Finagle's postulate) have delayed program in Tan-Hung-Tay. Likewise, in certain cases, inability of Saigon to react to certain requests tends to weaken program position. Although RRC council has been set up in province USOM/MACV/Province Chief committee has been retained.

31 May 1965

BAC LIEU (43)

Bac Lieu is now, as it has been for the last eight months, fairly stable politically. The only event taking place during the last eight months that had any real political content was the change of Province Chief on March 11. This month, as usual, no significant political party activity has been observed in spite of the election to be held on 30 May. Plans for the election were made long ago, and are being carried out. Seventeen local men have been nominated to run in the election. All are from Vinh Loi proper.

There is no campaigning, not even evidence of posters being used to influence the vote. One wonders how the citizens in outlying areas can make their choice of representatives if they are not informed of the qualifications of the contestant. This of course, is the main practical purpose of a campaign. The provincial newspaper, "Bac-Lieu Today" has listed the nominees, and given instructions for registering, voting, etc... This is the only local advertisement of the coming event.

During the reporting period, security has deteriorated considerably when compared to the previous three months. Situation is now back where it was in December 1964. VC actions consisted of the usual tactics of roadblocks, mining roads and bridges, harassment of popular force outposts etc. One major battle was fought in Vinh Chau district which turned out to be a GVN victory. This was the engagement between the Soc Trang regional force VC battalion and ARVN. Later, intelligence indicated that the battalion was on its way to operate in Bac Lieu, with their first objective being an attack on Vinh Chau district town itself.

There is no evidence of main force units located here, and it is believed the District companies and village platoons are responsible for virtually all the increased activity.

The local price of fresh vegetables is increasing due to shortage of Dalat-produced goods. In some instances, certain vegetables such as tomatoes, carrots, and head lettuce have not been available for 3-4 day periods. Secondary crop production here in Bac Lieu cannot fill the gap created by non-supply of Dalat produce.

A nation-wide shortage of cement is producing inflationary trends here. One month ago, the local retail price was 113 $VN per 50 kilo bag. Now, it is very close to 150 $VN per bag. The private individual, and his small construction projects, are suffering somewhat as a result. Government sponsored projects remain unaffected.

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Shipment of surplus rice to Saigon-Cholon continues to be sporadic, as of 15 May, 56.8 metric tons has been shipped, 13.6 tons is in private owned warehouses in Bac-Lieu, and 43.3 tons remains in the hands of farmers. Most of the rice yet to be collected is in VC-controlled areas. The movement of rice to the mills is customarily curtailed at this time of year due to many small canals being dry because of lack of rains. Also, it is entirely possible that the VC are discouraging the transport of rice. The current price of milled rice (#1 grade) is 620 $VN per 100 kilos, compared to 525 $VN for the previous month. According to local GVN economic authorities this time of year always finds the highest price for rice. The current price of paddy is 95 $VN per gia.

According to reports obtained from the USIS local employee, the people in Bac-Lieu are in general impressed and cheered by the success the GVN has had recently, both north and south of the DMZ. According to his interviews with refugees from VC-controlled areas, the people are tired of being heavily taxed, forced to dig air raid shelters for the VC, and forced to participate in "anti-American" indoctrination. Thus, it appears that at the present, the psychological "current", if one may call it that, is running in favor of the GVN.

Since the change of Province Chief on 11 March, USOM supported programs, as well as other programs, have been progressing at a more favorable rate. The trend being observed now is good, and greater improvement should be forthcoming.

The receipt of the Provincial Rural Reconstruction budget in late April has allowed the various ministerial services to proceed with their programs, and things are beginning to move.

A hydrology project underway in Vinh-Trach village of Vinh-Loi district is near completion. This project will greatly improve surface water control in an area of almost 5,000 hectares of paddy-land.

A water-well in Gia-Rai district was completed this month. The pump and equipment for the distribution system has been ordered, but not yet received. A 50,000 liter elevated storage tank is to be constructed to complete the water supply system. Other wells are planned for Bac-Lieu, and approval of these plans by the Ministry of Public Works has been requested by province.

A major problem at present is storage and transportation of USOM commodities. The province does not have a warehouse. One has been leased, but it is inadequate, and the 1965 budget did not include funds for warehouse rental. Both province and USOM has requested that funds be furnished for this purpose, but as yet, the CCEC has taken no action.

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BAC LIEU (cont'd) 3

Plans are being made for/provincial-owned warehouse, and as soon as they are complete, will be submitted through GVN and USOM channel for approval and funding. Trucks are in short supply. The province has two 5-ton cargo trucks. Five more cargo trucks are supposedly planned for Bac-Lieu, but have not yet been released. No explanation for the freeze on truck distribution has been made.

Ten self-help projects were started this month, which is what may be called the inauguration of self-help in Bac-Lieu since it has become a Province.

31 May 1965

CHAU DOC (44)

The election of members to the 12-man Provincial Council on 30 May 1965 was very successful and orderly. Of the more or less 148,000 registered voters in the province, 90% of them went to the polls, the highest percentage voting turn-out in the whole country. And most of the elected officials are non-professionals despite of the fact that there were a number of professionals but who only won in the Capital town. The non-professional elected officials, however, represent most of the grassroots people which is very significant since Chau Doc has multi-racial and multi-religions groups constituting the entire half-a-million population.

Although the VC were operating on small unit scale mostly along the Vietnamese-Cambodian borders, the over-all security situation of the month was relatively well maintained. There have been the continued rumors and unofficial reports, however, that the VC have a grandiose plan to conduct a major operation presumably to take major towns including the Capital town.

The Catholic elements (Sect & People) have continued to register dissatisfaction towards Prime Minister Quat, including the recent revamp of his Cabinet, as they feel they have been less and less represented top national position in the present government. Even with the recent visits last month of the Prime Minister and followed by the Chief of State this month in this province, there have not been much done to alter the Catholics' current impressions and feelings towards the National Government.

The later approval of the 1965 Pacification Program Budget for this province (7 April 1965) and transmittal of basic decuments caused temporary suspension in carrying out pending USOM-supported programs, especially Self-Help. Some fiscal and administrative changes in the manner of initiating and implementing SH projects have entirely affected those already approved. Even the scheduled "Orientation on Rural Development Program" in the two remaining districts of Tri Ton and Tinh Bien had to be postponed for the third time since most of the participating technical agency staffs were administratively preoccupied. However, USOM, though currently involved in all these things during the month, it continued to assist on-going SH and civic action projects in the field, in addition to those 1964 continuing projects jointly undertaken with provincial technical services.