



United States AID Mission To LAOS

USAID Staff Notice

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VIENTIANE, LAOS

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SUBJECT: Refugees in Laos (Subject Index 800)

Attached are two important statements, one by Ambassador Sullivan, Deputy Assistant Secretary of State, and one by Mr. Meinecke, Deputy Assistant Administrator of AID, before the Kennedy Subcommittee and dealing with the subject of refugees in Laos.

The Director asks that these statements be made available for reading by all American employees and to such others as may be interested.

A handwritten signature in black ink, appearing to read "H. Carr", is positioned above the typed name of the Assistant Director for Management.

Harry L. Carr
Assistant Director for Management

Attachment: Statement by Ambassador Sullivan
Statement by Mr. Willard Meinecke

DISTRIBUTION: B, E

SUBCOMMITTEE ON REFUGEES AND ESCAPEES
OF THE
SENATE COMMITTEE ON THE JUDICIARY

STATEMENT OF
WILLIAM H. SULLIVAN
DEPUTY ASSISTANT SECRETARY OF STATE
FOR EAST ASIAN AND PACIFIC AFFAIRS

April 22, 1971

Mr. Chairman and Members of the Committee:

My name is William H. Sullivan. I am currently Deputy Assistant Secretary of State for East Asian and Pacific Affairs. I have been asked to appear before this Subcommittee today to discuss the problems of the refugees in Laos and Cambodia.

Appearing with me as witnesses are Mr. Dennis J. Doolin, Deputy Assistant Secretary of Defense for International Security Affairs and Mr. Willard H. Meinecke, Deputy Assistant Administrator, Bureau for East Asia, Agency for International Development. Also accompanying me are several experts who have particular knowledge concerning matters of interest to your Subcommittee. Among them are Mr. Monteagle Stearns, Deputy Chief of our diplomatic mission in Laos, Mr. Thomas J. Corcoran, Mr. Jack Williamson, Dr. Patricia McCreedy, and Mr. Edward Archer.

With your permission I would like to read a brief prepared statement covering both Laos and Cambodia on behalf of all the witnesses present. We are then prepared to answer questions. I should like to start with a discussion of Laos, where the refugee problem is heavier and where the United States plays a direct role in support of refugee activities. I will end with several paragraphs devoted to the refugee situation as best we know it in Cambodia.

LAOS

It has often been stated that Laos is a victim of its geography. The assumption is made that Lao territory has been the scene of military activity because North Viet-Nam sends its logistics and its manpower down the Ho Chi Minh Trail in Laos in order to attack South Viet-Nam and Cambodia. This is partly true and it is a fact that the heaviest concentration of North Vietnamese forces in Laos is located in the southeastern panhandle region of Laos where the Ho Chi Minh Trail runs.

This is also the locus of most United States military activity in Laos. About 80 percent of the air sorties flown by United States air power are concentrated in this area.

However, this is not a populated area of Laos. Even before military activity began there our information indicates that no more than eight or nine thousand hill tribe people lived in the area which is traversed by the Ho Chi Minh Trail and affected by our bombing operations against that trail. Almost all of these original residents have long since left the area and it is today, for all practical purposes, unpopulated except by the North Vietnamese military forces, their engineering and logistics auxiliaries, and the porters whom they use in the operation of the Ho Chi Minh Trail. Therefore the area of Laos which is subjected to the most intense military activity is not an area which is of direct concern to us in examining the question of refugees.

The refugees in Laos are those whose lives have been disrupted by the other war in Laos, which has nothing to do with military operations in South Viet-Nam or Cambodia. This other war is a war which represents the ambitions of the North Vietnamese to extend their control over their peaceful Lao neighbors. The North Vietnamese have fought this war over the years at a pace and priority which is clearly secondary to their principal focus in South Viet-Nam. However, they have committed a significant number of their own forces to this effort and have been aided by tribal people from northern and south-central Laos in association with a very small number of ethnic Lao who are political dissidents. There is very little ideological content to this war and to most of those who are caught up in it on both sides, it does not represent political or social issues; but rather a continuation of the age-old expansionist tendencies of the North Vietnamese against their Lao neighbors.

This war has been fought through most of its years along the hills and ridge-lines of north and northeastern Laos. Until about three years ago it had a seasonal seesaw pattern which was governed largely by the monsoons. North Vietnamese units usually entered as shock troops in the dry season, pushing the Lao and Meo defenders westward. The North Vietnamese generally retired back to their own territory during the rains and much of the terrain they held at the end of the dry season was usually recaptured, mostly by Meo guerrilla activity. In the dry season fighting the North Vietnamese forces, who were operating on unfamiliar terrain, usually operated in conventional pattern along the road network and in the valleys, attacking hill outposts from which Meo defenders generally melted

away when they were outmanned and outgunned. So long as this pattern obtained and there was a buffer of land between the North Vietnamese and the population, casualties were relatively light and displacements of civilian populations limited.

Nevertheless, as early as 1962 there were approximately 125 thousand refugees who had moved south westward out of the areas of Sam Neua and eastern Xieng Khouang province which were controlled by the North Vietnamese and their Pathet Lao auxiliaries. Depending upon the thrust and parry of military operations in northern Laos over the next six years, there were seasonal increases to the refugee population and an inexorable displacement of population gradually westward. However, by the end of the rainy season in 1968 the total number of refugees stood at about 128 thousand, of whom the largest number were the Meo whose men formed the forward defense screen in northeast Laos and whose families had to be cared for by the Royal Lao Government and supported by the United States.

Beginning with the dry season in the fall of 1968 the North Vietnamese significantly stepped up their military activities in Laos. They increased sharply the number of shock troops that they sent into the country that year and began a campaign to press all the local population out of eastern Sam Neua province and northern Xieng Khouang province. By spring of 1969 they had succeeded in eliminating almost all the Meo outposts north and east of the Plaine des Jarres. They began reinforcing their positions in the Plaine and prepared for an attack across Route 7 to Muong Soui to cut the central highway of Laos which connects the administrative capital of Vientiane and the royal capital of Luang Prabang.

In order to forestall this action and to turn the cutting edge of the North Vietnamese forces, the Commander of Laotian Military Region II launched attacks in the late spring of 1969 against the logistics bases and the marshalling grounds of the North Vietnamese forces on the Plaine des Jarres. By fall of 1969 his units had swept over the Plaine and had succeeded in capturing a vast quantity of enemy supplies. Nearly six million rounds of ammunition, over six thousand weapons, 25 tanks, 113 vehicles, and more than two hundred thousand gallons of fuel were captured in these forays. The net result was to frustrate North Vietnamese offensive against Route 13.

Another result of this action was, however, to convert the Plaine des Jarres into a battlefield for the first time since 1964. Approximately 20,000 civilians lived in the towns and villages in and around the Plaine des Jarres. Many of them were caught up in the fighting that swirled around them during the last nine months of 1969.

As the dry season began in the last months of 1969, the North Vietnamese resumed their attacks throughout Laos. Their efforts were not confined merely to northeast Laos, but extended also into southern and central Laos, where they laid seige to the provincial capitals of Attapeu and Saravane. In early 1970, the Royal Lao forces were pushed back from the Plaine des Jarres, and approximately 17,000 refugees were moved out with them in February and March of 1970. The North Vietnamese attacks on Attapeu and Saravane reached their climax in April through June, and another 15,000 civilians were displaced in those areas.

By the time the dry season had ended in the early summer of 1970, the North Vietnamese and their Fathet Lao auxiliaries stood in control of a broad new band of territory stretching from the entire Plaine des Jarres in the north to the Bolovens Plateau in the south of Laos. During the course of this military campaign, a total of about 150 thousand persons were displaced by this North Vietnamese offensive and moved westward as charges of the Royal Lao Government, supported by the Government of the United States.

In the 1970-71 dry season, North Vietnamese military pressure began again. This year their offensive has been directed not only against Lao Government positions south of the Plaine des Jarres, but against the royal capital of Luang Prabang in the north. Once again the North Vietnamese have augmented their forces in Laos. They brought back the 312th Division and both the 312th and the 316th Divisions are fighting in northern Laos at the present time. They have enhanced their firepower and have kept a steady artillery and rocket pressure on the forward outposts and ridge lines held by the Meo defenders. Once again these actions have caused the westward movement of civilian populations and have created new refugee communities.

In this long, unhappy history of North Vietnamese aggression against Laos from 1962 until the present time, over seven hundred thousand residents of Laos have been displaced at least once, and at some time or other, have been on the refugee rolls. There are currently approximately 309 thousand residents of Laos who receive refugee assistance of one sort or another. Of these 309,000 people, 120,000 are the families of Lao Government forces (most of whom are Meo), 169,000 come from friendly areas from which they were pushed westward by the North Vietnamese, and 20,000 come from areas controlled by the North Vietnamese and Pathet Lao.

It is therefore very clear that the prime cause of these refugee movements to the west has been the constant military pressure of the

North Vietnamese. By an examination of the numbers of refugees listed on the rolls at any one time it can be seen that there is a very close correlation between military activity and the generation of refugees. We will submit for the record a map showing the current location of refugee centers, the population in each, and an indication of the areas from which they have been driven. Again the correlation between displacement and North Vietnamese military activity will be clear.

There has been much concern expressed about the exact causes for refugee movements. In some instances the cause is quite clear and quite simple; the North Vietnamese, not trusting the civilian population, drive them out ahead of their forces rather than attempting to capture and control them. This has been particularly true of the Meo population north and east of the Plaine des Jarres. In other instances the civilian population themselves, having experienced or knowing the reputation of life under the North Vietnamese and the Pathet Lao, have chosen to flee rather than submit to that sort of regime. In still other instances the constant pressure and menace of warfare have caused the people to move from their homes and accept refugee status. And finally, in a small number of cases, the Lao Government has moved the civilian population as a result of its own decision, in order to remove them from the path of battle.

I believe I should say something about the role which air attacks have played in this whole tragic picture. It has been suggested that air attacks have been the primary cause of refugee movement, or even that air attacks have been deliberately mounted in order to create refugee movement and to deprive the North Vietnamese and the Pathet Lao of human resources represented by the refugees. It has, for example, been suggested that, as a result of the cessation of United States bombing over North Viet-Nam in November, 1968, a vast increase of air power was applied to northern Laos and resulted in the increase of refugee movements in that part of the country.

The facts do not bear this out. There was a significant shift of United States air power from North Viet-Nam to Laos after the cessation of bombing in November, 1968. However, this shift was almost exclusively to the area of the Ho Chi Minh Trail where sortie rates were very significantly and sharply increased immediately after the cessation in North Viet-Nam. As I have indicated previously, there is no Lao population along the Ho Chi Minh Trail and therefore this augmentation of sorties in that area had no relationship to the generation of refugees. As a matter of fact in North Laos the sortie level continued almost exactly as it was from November 1968 through February and early March of 1969.

It was only in late March of 1969 and subsequently through the military campaigns which rolled over the Plaine des Jarres from then until early 1970 that there was an augmentation of air activity in northern Laos. This air activity was directly associated with the ground operations that had erupted on the Plaine des Jarres. As I previously indicated, this lengthy struggle for the Plaine des Jarres which eventually resulted in its control by the North Vietnamese, resulted in the westward movement of some 17,000 people out of the total of approximately 150,000 people who were forced to move westward during that North Vietnamese offensive in the same period. These 17,000 were unfortunately caught up in the very center of major military activity, both ground and air. This sort of fighting was an unusual exception to the normal pattern of military activity which has prevailed over the past several years in the north of Laos.

The normal activity in northern Laos, as I have earlier indicated, consists largely of small units sparring for control of logistics routes and terrain features. The function of air activity in this type of warfare has been quite specialized. The greatest number of United States air sorties on a daily basis in north Laos have been flown on route reconnaissance and interdiction missions. They have expended their ordnance either against moving vehicles on the roads or against choke points and known military storage areas. Because these roads run in the valleys away from hill settlements, the greatest proportion of these sorties do not impinge upon areas of civilian population.

Similarly, in the south along the Ho Chi Minh Trail where the greatest proportion of United States daily sorties are flown, there are no inhabited areas in the zone of operations.

In normal circumstances there are only a few United States aircraft a day that operate in areas of Laos where there is a danger of impinging upon inhabited locations. Whenever there is a request, from whatever source, for sorties of this type, they are carefully examined in advance by the Embassy in Vientiane, and the strike has to be personally approved by the Ambassador. These rules of engagement, which are designed to protect the civilian population, have been in effect since 1965 and, with respect to this safety feature, have not been altered.

I go into this detail, not because I am trying to suggest that no civilian casualties have ever resulted from United States air operations, but in an effort to demonstrate the care that is taken to minimize the effect of United States air operations upon civilians. It is true that certain civilians have been caught up in military operations in which United States air power was

a component part. We have 17,000 refugees from the fighting in the Flaine des Jarres in 1969 and 1970 as testimony to that fact. They are, however, a decidedly exceptional group in the overall total of 700,000 refugees who have moved westward in the face of North Vietnamese pressure over the past ten years.

I know that you and your staff are most interested in hearing about the assistance which the United States has been providing to the refugees in Laos and the arrangements for their welfare. Mr. Meinecke, Mr. Williamson, and Dr. McCreedy are prepared to answer your questions on this subject. However, before turning to them I would like to finish my testimony with a few comments on the refugee situation as we know it in Cambodia.

CAMBODIA

Perhaps the most important points to be made about the refugee situation in Cambodia are the things that have not happened:

-- There has been no massive destruction of urban or heavily populated areas.

-- There are no large refugee camps.

-- There is no sweeping program of U.S. assistance, advice, and involvement.

-- There has been no need for large-scale government programs of resettlement and relief.

-- There has been no conspicuous overcrowding or squalor in Fhnom Fenh.

Because of the rather modest dimensions of the problem, and the lack of any involvement of Americans, detailed figures are few and not always reliable. I should like, therefore, to present a general overview of what has happened in Cambodia since March 1970, and its effect on population movements, before entering upon those figures which are available to throw light on the current situation.

You will recall that Prince Sihanouk was deposed as chief of state on March 18, 1970, by a unanimous vote of the Cambodian parliament, and that thereafter the North Vietnamese and Viet Cong rejected efforts of the Cambodian government to negotiate a peaceful withdrawal of the

Vietnamese Communist forces in Cambodia. Although there had been skirmishes and local military action between Cambodian and Vietnamese Communist forces earlier, at least since the summer of 1969, the VC/NVA did not begin a general offensive against Cambodian forces, along much of the border and in the southern and eastern provinces, until the last few days of March and the first week of April.

The Cambodian forces, hopelessly outnumbered and outgunned, fell back before this enemy offensive. Here and there, discovering or suspecting that local ethnic Vietnamese residents were joining the invading enemy, they turned on and killed groups of ethnic Vietnamese civilians. The Cambodian Government, to which we and other friendly nations had expressed our shock and concern over these incidents, quickly took measures to prevent their recurrence. At the same time, and in cooperation with the Government of Viet-Nam, it began bringing its urban Vietnamese population together in resettlement camps, partly for their own safety, partly because it was clear that elements of the Vietnamese community, exposed for many years to North Vietnamese and Viet Cong organizational and propaganda efforts, were aiding the Vietnamese Communist invaders with supplies, information, and acts of terrorism.

The Cambodian and Vietnamese Governments agreed on the repatriation of most of this ethnic Vietnamese population, which was carried out during the summer of 1970. About 200,000 Vietnamese returned to the Republic of Viet-Nam, some on their own, but most by an air and seairlift organized by the two governments on their own. They did not ask for, nor did they need, American help in this task.

Not all the ethnic Vietnamese, of course, left Cambodia. The 1962 census had shown an ethnic Vietnamese population of some 217,000, and this number had undoubtedly grown considerably in seven years. Some three to ten thousand Vietnamese remain in Phnom Penh, of whom fewer than a thousand are being housed in a resettlement camp and may still return to Viet-Nam. Another eight thousand or so Vietnamese are still living normally in western Cambodia and along the Tonle Sap. Some of them may wish to return to South Viet-Nam, but no facilities for their doing so have been available yet. Still other Vietnamese remain in villages along the border, where in some cases they may represent a source of supplies and recruits for the VC/NVA. Finally, an unknown but probably large number of Cambodians are wholly or partly Vietnamese by adopted Cambodian manners and customs, in many cases intermarried with Cambodians, and are thought of as Cambodians. They have not been subjected to the suspicion of cooperating with the enemy which has fallen on other ethnic Vietnamese in Cambodia.

In the meantime, and as the Vietnamese Communists were on the verge of consolidating their control over southern Cambodia with a secure road link to the port of Kompong Som (formerly Sihanoukville), U.S. and GVN began their cross-border operations on April 30. These operations ended on June 30.

One of the last significant US/RVNAF operations before June 30 involved the extrication from the northeasternmost province of Ratanakiri some 5,000 Cambodian troops, their dependents, and civilians. The North Vietnamese offensive in April had cut off and surrounded their force but had failed to overrun it. The troops were subsequently trained in Viet-Nam and both they and the civilians have returned to Phnom Penh. They constitute a major part of the few thousand people housed in refugee camps in and around Phnom Penh.

With the exception of this group from Ratanakiri, we do not believe that the U.S. operations in Cambodia generated any large number of refugees or caused a significant number of civilian casualties.

Many Cambodians, however, fled as their homes fell under the control of the VC/NVA, who occupied much of eastern and northern Cambodia. Fortunately, this area is sparsely settled; the four eastern provinces in which NVA/VC control is complete, although they represent 26 percent of Cambodia's territory, contained less than 5 percent of the country's population. It is in this area, and adjoining regions to the west and south, that the enemy has been attempting ever since last summer to rebuild base areas and supply depots, and it is on this lightly-populated area that U.S. air operations to interdict the flow of enemy supplies and troops have been focussed.

The flow of refugees from Communist-controlled and threatened areas has continued, though at a manageable rate. There is considerable agreement among Cambodian Government reports, the results of our Embassy's contacts in the field, and even press reports, on the reasons which motivate these people to leave their homes and seek safety in government-controlled areas:

First, people are afraid of the VC/NVA and of their Cambodian puppet forces. It does not take very many executions to terrorize a village.

Secondly, there is strong resentment against the invaders, not simply as Communists but as Vietnamese.

Third, living conditions have quickly deteriorated in the areas which have fallen under enemy control. The cut-off of trade with the cities and areas under government control, and the VC/NVA demands for food and other supplies, have imposed a heavy burden.

Fourth, there is strong distaste for the controls and regulations which the Communists have sought to impose. Travel controls, for instance, are much resented, even by villagers who have no immediate plans to travel and who might do so only once or twice in a lifetime.

Other refugees have left areas of heavy fighting between Cambodian and VC/NVA forces. Such movements have kept civilian casualties from the fighting to a relatively low level. Cambodian government figures show some 450 civilians killed since the beginning of hostilities, and about a thousand wounded. Probably these figures are incomplete, but they do suggest that physical destruction in some of the villages and small towns where there have been sharp engagements has fortunately not been matched by civilian casualties.

Typically, individuals and families move into the towns from insecure areas or areas of combat, and move out again as soon as they can safely recover their plots of land. The villagers tend to follow Cambodian armed forces and, where government control is re-established, try very quickly to resume their normal lives, rebuild their houses, and cultivate their fields. While they are in the towns or cities, these refugees typically live with relatives or friends. In a country where food supplies are ample, and where family ties are extensive or widespread, it is thus possible for sizeable population movements to take place with relatively little distress and without much government involvement.

At present, some 50,000 families, or about 250,000 persons, are believed to be taking refuge in Phnom Penh. Of these, no more than about 5,000 are located in the five refugee camps now in existence in and around the capital. About 6,500 are dependents of military personnel whom they are unable to accompany, and are being cared for by government aid. Outside Phnom Penh, the available information indicates that some 12,000 families - say 60,000 people - are refugees in provincial towns.

Much of the burden of assistance to those refugees who need help has been borne by Cambodian private organizations, with help from abroad. The Khmer Red Cross plays a leading role in distributing food and relief supplies and in providing medical care. It is also the principal channel for contributions from abroad, which up to the present have totalled some

\$2.5 million from at least 17 countries. The Association of Khmer Women, and relief agencies of the Catholic and Protestant churches of Cambodia, have also been active in relief efforts.

Relief activities of the Government of the Khmer Republic are carried out by two agencies, the Ministry of Social Welfare and the Commissariat General for War Victims, a new sub-cabinet agency established last July. The Ministry of Social Welfare is concerned primarily with continuing or permanent programs, such as the operation of an orphanage and the construction of housing for refugees. The Commissariat General is responsible for supplementing and coordinating the efforts of voluntary agencies to provide essentially temporary aid in cash or in kind, tiding over refugees until they can find employment in town or return to their land.

Like many aspects of the Cambodian nationalist struggle against external aggression, the performance of the Government of the Khmer Republic and of individual Cambodians in caring for war victims has been impressive. Our assistance has not been sought, and there has been no need for it. Unless there is some unexpected change in the situation, we have no plans to involve ourselves in the Cambodian refugee program or to assume new responsibilities with regard to it.

Mr. Chairman, this completes my testimony.

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5/4/71

STATEMENT OF

VILLARD H. MEINECKE

Deputy Assistant Administrator, Bureau for East Asia
Agency for International Development

In February of this year, Mr. Chairman, you sent to Dr. Hannah, AID, three GAO reports on Laos and two on Vietnam and requested comments on them. In his acknowledgement, Dr. Hannah said we would comment on these reports as soon as our review had been completed. You will receive our comments in writing very soon. May I summarize them for you now?

Your letter stressed particularly your concern regarding the GAO findings on A.I.D. "assistance to military, paramilitary forces and their dependents in Laos."

As the GAO report shows, most of the assistance in this area had been shifted to non-A.I.D. financing prior to the GAO report. During this fiscal year, our Mission and we have evaluated the program in order to identify any remaining costs which could reasonably be considered to fall in this area and shift them to non-A.I.D. financing as soon as practicable. I can report to you now that with one shift made during FY 1971 and others that will be effective at the beginning of FY 1972, all of the A.I.D. financing with which you have been concerned will be terminated. Our written comments to you will show the specifics.

Your letter expressed the apprehension that our program showed a "lack of priority to . . . basically humanitarian concerns." I would like to stress, however, that nothing in our A.I.D. program has a higher priority than helping refugees and civilian war casualties. To illustrate this aspect, I would like to spend a few minutes on the question of conditions on Lao refugee centers and health facilities. You will recall this is one of the matters you mentioned in your press release on the GAO reports.

It is, of course, humanly impossible to have good and health living conditions in an area into which large numbers of refugees have to be moved suddenly or to avoid inadequate medical facilities in the face of a sudden influx of people needing emergency health care. Our Mission, however, does all it can, with the cooperation of the Lao Government, to remedy unsatisfactory conditions as quickly as possible.

Let us take as an example the situation at Luang Prabang, the Royal Capital, which experienced a rocket attack on March 21 and around which there has since been vigorous military action by enemy forces. There had been almost 20,000 refugees in the area. As a result of the enemy action, Luang Prabang -- normal population about 20,000 -- experienced an influx of about 12,000 refugees -- about 8,000 people who were already in refugee status and about 4,000 newly created refugees. Our Mission immediately provided the refugees with food, clothing, and blankets, and began inoculation and sanitation programs. By April 8 all the refugees in the city had been inoculated against cholera. Further, a program to inoculate the regular population had been initiated, disinfectant had been sprayed around all refugee areas, and new latrines had been constructed at the schools containing refugees. Plans to move these refugees to relocation areas or where possible back to their home villages have now been made.

I believe those who have seen relocation and resettlement centers established with A.I.D. assistance and unaffected by enemy action, can attest to the accomplishments of our Mission in making such sites satisfactory in all respects within only minimal periods.

In this connection, I might cite this passage from page 8 of the report by the General Accounting Office: "Given the wartime conditions in Laos and the general lack of economic and technical resources, General Accounting Office believes that the contributions of the public health program represents a substantial achievement. Comments in this report are not intended to detract from these accomplishments. General Accounting Office's observations at field medical facilities were those seen through Western eyes and what might appear to be shortcomings may not be so considered by the Laotian standards."

Your letter and the GAO reports show a third area of major concern -- Mission management in the refugee and health fields.

Within this general area one of the concerns expressed is that management is too often of a contingency nature, that there is insufficient long-range planning.

That problem is unfortunately not possible to solve with any amount of planning on our side because the Lao situation has for a long time been fluid and unpredictable. We can't tell where the communists will move next and in what force. One of the reasons for existence of our refugee and health programs is primarily to react to contingencies, and I believe this has been done very well. And forward planning takes place to the extent it is possible. As an example, in the latter part of 1970, the Mission embarked upon a

program to increase the hospital bed capacity at three points in Military Region II from 50 beds to 250. This was done in anticipation of additional refugee requirements which did materialize as a result of communist actions.

In the refugee field, the Mission constantly considers where it might locate new refugees who might be created. But it cannot actually prepare centers for new refugees until it is clear where new refugees may be created and to where it may be possible to relocate them. Enemy military action can generally not be predicted far enough in advance to permit the pre-development of new refugee centers.

The second area of management with which the GAO and you, Mr. Chairman, have been concerned is the control of refugee relief commodities.

The GAO team, while still in Laos, brought to the attention of the Mission certain weaknesses in the accounting and control procedures applied to refugee relief commodities. As shown in the GAO report, the Acting Mission Director ordered an immediate examination of the problem. One result was a USAID/Laos Action Memo, incorporated in the GAO report, providing for improvement in the Mission's organization and procedures in the fields covered by the GAO report. The Mission has since then made further improvements of this sort. Investigation by the Mission revealed that most of the losses cited by the GAO were not losses of the commodities themselves but reflected mis-filing or non-arrival of documents at the time the GAO report was made. Nevertheless, we attach high importance to the proper documentary control over the receipt of refugee relief commodities, and appreciate the constructive criticisms made by the GAO. As a result of the GAO visit, improvements in our Mission's organization and procedures for the control of refugee commodities have been effected.

Mr. Chairman, I believe you will find our written response to you on these GAO reports comprehensive and responsive. I am glad to have had this opportunity to give you these main points. I want to add that we are always glad to have constructive criticism of our program, because it is a broad and complex one and an outside perspective frequently helps us achieve the objective you and we share -- an A.I.D. program for Laos as helpful to that unfortunate country and as efficient as we can possibly make it. All we ask is that in fairness the very difficult conditions of AID's operating in Laos be taken into account in judging our performance.

5/4/71