

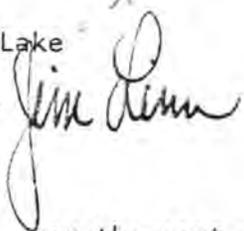
DIRECTOR IVS

June 12, 1975

*Ken for info. no to what
IVS thought of no thinking
to Pix back yet?
regards
Larry W*

Memo to: Tony Lake

From: Jim Linn



Re: Laos

Events in Laos over the past month or six weeks have developed so fast that it became impossible adequately to plan any sort of development program along the lines we had begun to follow after your visit last fall, since any such plans were outdated almost by the time they were written down. IVS/Laos got caught up in uncharacteristically Lao tumult of recent times, and now finds itself embalmed and all-but-buried. I am convinced that withdrawal from Laos under the present circumstances was the only sensible alternative for IVS. The purpose of this report is to describe some of the events that led up to the withdrawal, and to explain how those events entered into our decisions.

The fall of the US-supported governments in Cambodia and South Vietnam sent ripples through Vientiane, but did not immediately cause any grave concern, at least in the circles in which IVS travels. Commercial life went on more or less as usual, and there were no immediate changes in the attitudes of the government officials with whom we were working. But the exchange rate for the kip began to widen, and prices in the market started to rise, putting Lao people at a distinct economic disadvantage.

Economic pressures seemed to be the major cause for strikes by students and some workers in several towns, particularly in the South. By early May, schools in Pakse had ceased to function for the second time during the school year. As economic pressures increased, the situation became more and more volatile, with blame for the worsening economy most frequently placed on the US and the rightists in the coalition government. While the effects of the fall of Cambodia and Vietnam were not immediately dramatic, they were continuous - the prices kept rising and the exchange rate kept widening; at the time of the evacuations of Phnom Penh and Saigon, a dollar would buy about 1400-1500 kip; two weeks later, a dollar was buying 2400-2500 kip, and the prices in the market had risen accordingly. Consequently, many Lao people suddenly found themselves in a bad financial bind, and a series of strikes/demonstrations began. A large demonstration on May 9 of about 2-3000 people was held at the monument, and progressed from there to the stadium. As it moved along, some of the demonstrators broke off to go and demonstrate in front of the US Embassy. They were there for about 25-30 minutes, and managed to remove the flag for a short while before moving on to the stadium. The major focus of the whole demonstration was the removal of most of the rightists in the coalition government, with minor emphasis on anti-US feelings.

Apparently, the people in the government whose ouster was being demanded took the demands seriously, since they all turned in their resignations and left the country over the weekend. By May 12, the coalition government was coalition in name only, since all of the most powerful rightists had left.

On Sunday morning, May 11, I was asked by Gordon Ramsey, acting USAID/L director, which of the IVS positions were absolutely essential. I responded that none of them was, but that if we pulled out of Laos entirely, it would result in considerable chaos in some Lao schools, particularly those with large TEFL programs. We discussed how to minimize the chaos, and still trim the numbers of IVS people in Laos down to essentials, and I suggested that we could probably make do with a team of 10 or 12 volunteers plus a staff person or two. That afternoon, I met with Stephen Ford, Larry Olsen, and two volunteers, and we discussed specifically which positions we felt were essential, and how to minimize personal disruption in choosing people to fill these positions. We came up with a list of 14 jobs, which we submitted to Ramsey the following day. A copy of this memo was sent to IVS/W, and approved.

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Jim Linn - Laos

On Tuesday, May 13, a demonstration took place in Luang Prabang in which the USAID offices there were ransacked, and all of the Americans, including IVSer Frank Welsh, were hastily evacuated to Vientiane. Walter Irvine, a Mexican IVSer teaching at the FaNgum school in LP, chose to stay behind at his school; he came down to Vientiane at the end of the week. Frank's impression of the demonstration in LP was that it was of sufficient seriousness that he would probably not be able to return to LP at all. He busied himself over the next few days with trying to find out where his personal belongings were (they were in LP) and if there was going to be any chance of his recovering them. When he left Laos on May 25, the belongings were still in LP; there is practically no chance of his recovering them.

At the end of the week, an IVS team meeting was held in the office. I tried to explain to everyone the reason (security) for reducing to essential numbers, and went over the list of "essential" jobs that had been drawn up the previous weekend. There was general acceptance of the need for proceeding in this fashion. By the time of this meeting, Gordon Ramsey had given his verbal approval of the list of positions, and we were beginning to work with the USAID contract representative on the administrative details of extending the IVS contract into FY76.

All of this was communicated to IVS/W by phone on May 9 and again on May 11; you approved this course of action; copies of correspondence relating to the proposed changes were also sent to Washington. During one of these phone calls, you suggested that we pursue with USAID/L the possibility of paying some sort of resettlement allowance to those personnel who would have to be terminated early. We went through several different formulae before settling on one which we thought was fair, and which stood a reasonable chance of being approved by USAID. It was: \$150 per month remaining on a volunteer's Service Agreement, up to a maximum of 6 months (\$900), plus \$50 per dependent per remaining month, up to 6 months. Approval for this allowance has since been granted.

On the evening of May 20, I was at a small dinner at Mr. Ramsey's house, and he asked me to please try to get people out of the country as quickly as possible. He was then involved with negotiations regarding the future of the US aid program to Laos, and he said that he felt that there was going to be a lot more harassment of Americans in the very near future. He asked that all of those people who did not need to remain to finish the school year leave immediately. I said that I thought some people could leave almost immediately, but that, with IVSers, money was a problem, and I wanted to be able to (1) pay all salary & allowances through June 30, which would mean having people either stay in Laos until then or putting them on some kind of TDY status until then, and (2) pay a resettlement allowance to those people who would have to be terminated early. Mr. Ramsey, who was very helpful to us throughout, gave his verbal approval to both of these requests, and I said that I would do whatever I could to encourage people to leave the country just as quickly as possible.

That same night, the USAID compound was seized by students and the KM6 residential compound was sealed off. Commercial activity in town, which had been slowly decreasing since the start of demonstrations a week or ten days earlier, now slowed further as more merchants decided to close up shop. The major demand of the students in the compound was that USAID leave Laos. Other student demonstrators sealed the entrance to the American residential compound at Km-6 and refused to allow people to enter or to exit. Both groups of students had the support of PL soldiers and policemen. The Embassy, naturally, protested to the Lao Government about the lack of protection afforded people and property, but the response of the government was not too active, to say the least. A mass demonstration, for everyone who wished to attend, was called for Friday, May 23 at the stadium. The Foreign Minister, Phoumi Vongvichit, a PL leader, was to address this rally,

and it was to be considered a "closing ceremony" - to mark the end of the corrupt parts of the coalition government. It was also to be the last demonstration that would be permitted. After it was over, all demonstrations were to stop, and people were to go back to work at rebuilding the country. The demonstration was held, Phoumi spoke, but the demonstrations not only did not stop, they intensified. The USAID compound was not released, and the students holding it said that they had no intention of releasing it until their demands were met.

All during this time, starting about when the rightist faction of the coalition government dissolved, the Lao National Radio was broadcasting continuous vilification of the US Imperialists and their lackeys. The radio had formerly been very mild, with the bulk of its daily programming consisting of Lao songs, and occasional renditions of Western songs. Even reasonably objective observers reported that the radio had become little more than a propaganda tool of the PL, and that it was playing a major role in stirring up anti-US sentiments.

On the day before the USAID compound in Vientiane was seized, there was a demonstration in the southern town of Savannakhet, in which students took over the USAID offices there, and prohibited Americans from entering the offices or from moving around town freely. We did not have direct contact with Chris Nottingham and Mike Clark, the IVSers in Savannakhet; we were told by Mr. Ramsey that they were not in any danger, but were not being permitted to leave town. We sent a cable and a letter through the Lao Post Office in an effort to find out directly from the volunteers what their situation was, but neither the cable nor the letter was ever received. Occasional messages from the senior USAID official in Savannakhet to USAID/Vientiane were permitted by the students, and through these, we were informed that Chris & Mike were in no danger. We were informed by Mr. Ramsey on May 22 that all of the Americans had been evacuated from Savannakhet to Udorn, Thailand. He told me that the evacuation flight had been hastily arranged in the late afternoon, and had not been able to wait on the ground long enough for all of the possible evacuees to be notified; consequently, some people who might have wanted to be on the flight had been left behind. Chris and Mike had both been on the flight, but had volunteered to return to Savannakhet the following day to locate those people who had been left behind and to get them to the evacuation plane if they wished to go.

On the following morning, I talked by phone to Chris, and he said that (1) the second flight had been cancelled temporarily because the Thai government had impounded the plane and (2) he and Mike had changed their minds about being willing to return, since the reports coming from Savannakhet indicated that the town was in chaos, with no one in charge. The people who had been left behind by the first flight were, I believe, able to leave later, since commercial air traffic between Savannakhet and Vientiane was resumed in a few days. Chris and Mike did not come back to Laos from Udorn, but instead went to Bangkok and thence to their homes. (Mike is still travelling.)

On the day after the USAID compound in Vientiane was seized, I was told by the USAID Director's secretary that serious consideration was being given to arranging charter flights for all dependents from Vientiane to Bangkok, where further travel arrangements back to the US would be made. I was also told that these flights would probably begin in a matter of days, and that I should plan on my wife, Andrea, and our three children being booked on one of the first flights, possibly leaving on Friday, May 23. Andrea and the children made departure preparations, and I tried to clarify whether or not USAID had plans for evacuating other dependents of IVSers. There was some confusion regarding the evacuation flights, since several IVSers

did not wish to be manifested on them for various personal reasons, and others with dependents were not even in town. In the end, the charter flights arranged by USAID on the 23rd, 24th, and 25th of May carried 14 people affiliated with IVS. Even after the last of the first batch of charter flights had left, we were still urged to have everyone else leave the country by commercial means as soon as possible; I passed this urging on to all of the IVSers remaining in the country, and people began to make preparations to leave during the week of the 26th.

There was not any specific time during all of the confusion that I can pinpoint as the time when the necessity to fold up our current program in Laos became clear. Rather, the situation regarding Americans in general, and USAID specifically, deteriorated so rapidly that we simply started telling people that it would be wise to try to leave as quickly as possible. As you suggested, we tried early in the whole affair to determine whether or not IVS was going to continue to be acceptable to the Lao government by talking with Dr. Somphou Ouomvilay, Secretary of State in the Ministry of Economy and Planning, and to Sanan Southisak, the resident representative of the Neo Lao Hak Sat, the political wing of the PL. Dr. Somphou was pessimistic about IVS' chances for remaining long in Laos and Sanan was completely non-committal, refusing even to comment on the matter. Consequently, on about the 22nd or the 23rd, Stephen Ford started making arrangements to pay June COLA to everyone and to get travel vouchers made for everyone to pay transportation allowances. We were informed by USAID on the 21st that everyone should begin to plan for departure, though there was still not any forced evacuation planned. We were also told to pack personal belongings, label them, and gather them together in a few locations. I passed all of this information on to the IVSers, and many of them began to make immediate departure plans and to pack belongings and bring them to my house. When the Friday demonstration came and went without changing the situation very much, I began to get more insistent in my suggestions that people leave asap.

On the evening of May 27, I was informed by USAID Deputy Director Homer Stutsman that all the remaining USAID personnel in Laos except for a very small contingent of essential people would be leaving on a charter flight on the morning of the 28th. He also told me that the U. S. Embassy would be unable to offer protection to any Americans still in Laos after the 28th.

I passed this information on to those people who were still in the country, and made arrangements to leave myself on the afternoon of the 28th. We paid our local employees that morning, and moved all of the personal effects that had been stored in my house to Wyn James' UN house in the afternoon. I left at about 5:30 that afternoon, and went to Udorn.

By the 31st, all of the IVS people who planned to leave Laos had left. The Americans who remained behind were Larry Olsen, Jerry Porter, and Mike Starratt and his son Aron. They were all prepared to leave if they were forced to do so by the Lao government, but wished to stay until it came to that. Jerry and Mike have families in Vientiane, and Larry has close personal friends in Laos. Non-Americans who stayed behind were Peter Royle, Ian Marvin, Chris Atkinson, and Walter Irvine. All of these volunteers registered with the British Embassy for security purposes; Chris and Walter plan to leave during the course of the

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next month or two for the UK and Ian and Peter plan to stay until they have to leave. All of the IVS people who remain in Laos are aware that their affiliation with IVS will formally end on June 30.

During the week of the 26th, the tempo of demonstrations picked up considerably. There were local demonstrations at the Ministry of Public Health, at Mahosot hospital, at the Directorate of Agriculture, at the Ministry of Plan, at the Ministry of Veteran's Affairs, at Royal Air Lao, at the Lao Air Force, at the Ministry of Public Works, at the Ministry of Education, and very likely at several other places. Most of these local demonstrations were aimed at purging the middle ranks of the bureaucracy of people who (1) were corrupt, (2) were incompetent, (3) were disliked by someone, or (4) some combination of the above. In some cases, officials whose ouster was demanded simply resigned. In other cases, everyone seemed to go back to work even though no resignations had been submitted. In any event, the government appeared to be going through some sort of convulsions; even though I neither saw nor heard of any violence, it certainly looked as though the Lao government was not in charge of the country, and a sort of non-violent anarchy reigned.

IVS no longer exists in Laos as an active development organization. For the immediate future, some assessment needs to be made of what would be the wisest course for IVS to follow in Laos. Since Larry Olsen was one of the people who elected to stay in Laos, then he will be in a position to maintain some contact with the Lao government and to determine the government's feelings toward IVS. While the officials of the Lao government with whom we discussed IVS during the last few weeks in Laos were not necessarily encouraging, no one specifically said that IVS was no longer needed in Laos and would have to go.

Larry is now functioning in a semi-official capacity; he is arranging for turning over most of the IVS office equipment to the National Teacher Training School at Dong Dok, is also staying in contact with all of the IVS people who are still in Laos, and is occasionally consulting with the USAID people who are engaged in closing their mission in Vientiane. There has been essentially no discussion with USAID regarding the possibility of continued funding for IVS beyond June 30, since USAID's sole concern over IVS at the moment is that the remaining volunteers should leave. This concern, though understandable, is academic, since the people involved cannot be forced out, and they have already chosen to stay for personal reasons.

A decision is now needed on what course IVS will pursue regarding possible involvement in Laos after June 30, 1975. Reduced to the simplest terms, the choice is whether to maintain a presence or to officially leave. If a presence is to be maintained, then the purpose of such a presence must be to investigate, and possibly to implement, development programs performed by IVSers. If IVS is to officially terminate its contact with Laos, then this would not mean that the IVS people who have chosen to remain in Laos would have to leave; IVS cannot force them out -- it can only stop paying them, and they have been informed that it will do so as of June 30 this year.

There are, I believe, advantages to officially breaking IVS contact with the Lao government at the present time.

1. While IVS has achieved a large degree of independence from USAID over the past few years, and has even been successful to some degree in convincing the Lao Government of our independence, there is still a taint attached to IVS in Laos. A complete withdrawal now would permit IVS to more easily establish its independence of USAID in a future visit.
2. In my opinion, the Lao government is embarking on a development path that is long overdue; they are attempting to make better use of Laos' own resources and to decrease dependence on imported goods and foreign assistance. This is probably going to require some major changes in the lifestyle of the Lao cities, since Laos does not have the resources to support the level of consumerism that has been possible with such large dollops of foreign assistance, especially the aid that has gone into FEOF. A complete withdrawal of IVS now would allow IVS to wait until some of the transition had taken place before making any program overtures, and would put IVS in a better position to determine if and when volunteers would be useful.
3. Program investigations made later, after there has been some political and social re-shuffling, are more likely to result in a positive, or at least definitive, response from the Lao government. The present position of the government is likely to be badly clouded by internal events in Laos during the last month or so, as well as by IVS' association with USAID. On the other hand, Larry's presence in Laos makes it convenient to maintain contact with the Lao government right now, and possibly to respond quickly if the government should decide that it wishes to have IVS continue its work in education or to begin new projects. I believe that such action by the government is extremely unlikely, and I therefore recommend that IVS officially terminate its contact with Laos as of June 30, 1975. While making this recommendation, I recognize that there is likely to be divergent opinions on the matter, and so I also recommend that other opinions be solicited before a final decision is made. I would specifically suggest that recommendations be sought from Larry Olsen, Walt Haney, Gordon Ramsey, and the Lao Embassy in Washington.

It is naturally with mixed emotions that I leave Laos and IVS. It will undoubtedly be some time before I am able to sort out objectively the personal significance of all that has happened during the last few months or even during the last few years. Nevertheless, I am fully aware of the continuous and continuing support that you and the rest of the IVS/Washington staff have given to IVS/Laos and to each of the IVSers there. For the team, as well as for myself and my family, I offer my very sincere thanks. You have certainly helped to make difficult times much more bearable.