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REPORTS OF JUSPAO FIELD REPRESENTATIVES
for the month ending November 30, 1965

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From : Brig. Gen. J. F. Freund, Assistant Director, Field Services, JUSPAO

This document contains portions of November, 1965, reports submitted by JUSPAO Field Representatives. Administrative and parochial matters have been eliminated, as well as some details, so that the portions, while presenting the main elements of the Field Representatives' presentation, are relatively concise.

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I CORPS HEADQUARTERS

QUANG NAM

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GENERAL SITUATION

At I Corps Headquarters, General Thi and his staff seem to be taking greater initiative in planning in the areas of pacification and PsyWar/Civic Action. He has asked for detailed 1966 pacification plans from his five province chiefs and seems to wish to merge these with American resources in I Corps.

The biggest problem in I Corps is that of coordinating the activities of the various American elements - civilian and military - with each other and with Vietnamese efforts.

The most serious concern of the average Vietnamese in the Danang area is that of steadily rising prices. There is no overt animosity toward Americans as yet but there is a feeling expressed among many of them that rising prices are the result of the American presence. The accompanying prosperity of American spending in the area seems to reach a comparatively small percentage of the population. In other areas of I Corps, prices are not rising as yet at any alarming rate.

In Hue, university students who were producing an anti-American weekly newspaper have been told to cease publication by General Thi.

VC PROPAGANDA THEMES

The Viet Cong continue to press the themes of Americans as colonialists who have replaced the French and are attempting to rule South Vietnam in a similar fashion. They continue to attempt to inspire demonstrations against Americans but generally have not succeeded since General Thi's execution of three VC leaders of a demonstration in Da Nang last month.

VIS ACTIVITIES

The VIS program in DaNang and Quang Nam lacks leadership and material resources. An attempt is underway to coordinate VIS programs in the city of Da Nang through the VAA and progress has been made.

CHIEU HOI ACTIVITY

Since January 1 of this year, there have been 772 returnees in I Corps. In Quang Nam, the returnees live under conditions which can only be described as miserable. The local Vietnamese JUSPAO Rep has done as much as possible to provide them with reading matter, an occasional movie, and inspirational chats but until the matter of decent housing for these people can be arranged they will remain nothing more than unhappy wards of the local community.

STATE OF MEDIA

Leaflets continue to be the most conspicuous PsyWar effort in I Corps. At the moment, however, they are being produced and disseminated in a very uncoordinated fashion.

PSYOPS COMMITTEES

The I Corps Mixed PsyOps Committee has been meeting regularly every two weeks since August.

Its most conspicuous accomplishment to date has been the hammering out of the details for **the** formation of an I Corps Joint PsyWar/Civic Action Center to be established at the 3rd PsyWar Battalion Headquarters. This staff, to be composed of ARVN, USMC and MACV officers serving jointly with daily input from JUSPAO, USOM and VIS, would provide a Center where all PsyWar/Civic Action project reports would be centralized and would direct and coordinate all PsyWar/Civic Action projects in I Corps.

QUESTIONS OFTEN ASKED

1. How many more American soldiers will be coming to Da Nang?
2. Is there anything the Americans can do to prevent further rising prices?
3. Do Americans receive lectures on Vietnamese culture and customs before coming here?

QUANG TRI - THUA THIEN

GENERAL SITUATION

There is increased concern with the rise in the cost of living and the inflationary trend. Hue University students have expressed opposition to a certain program involving American participation but a personal explanation by the Province Chief appears to have satisfied the students' apparent misunderstanding of the situation. In addition to the local issue, the students continue to express hostility to what they term a "military dictatorship" government in Saigon, the lack of free elections to choose a new government from both civilian and military candidates -- including the present incumbents -- and what appears to them as a unilateral attitude on the part of the United States to speak publicly on negotiations and peace proposals and military activities without consulting the Government of South Vietnam or jointly announcing such decisions to at least place the GVN in an equal position of authority.

VIET CONG PROPAGANDA THEMES

On the evening of November 18 and 19 in Hue city and the Phu Bai area, the VC entered the areas and distributed some 50 leaflets and ran up the VC flag at one school in the Citadel. The hand-written leaflets covered three points (1) Revenge for the terrorist Nguyen-van-Troi; (2) Fight against the U.S. and do not surrender; (3) The U.S. is trying to enslave the Vietnamese should take advantage of the Liberation Front's "Freedom Policy."

The points raised in this leaflet reflect a continuing VC line of thought:

- (1) "More than 150,000 U.S. soldiers are now occupying our coastal zones, airfields, big cities..";
- (2) "More arrogant and unruly than the French soldiers before, the U.S. soldiers are giving you their orders, disdaining and dishonoring you... They are burning our villages and killing our people";
- (3) The U.S. soldiers are enjoying life in the cities while the ARVN sets up defensive forces to protect them;
- (4) "... you have utilized your own bodies as shields and the U.S. soldiers hide themselves behind you in order to be protected;
- (5) "You are taken advantage of You kill your people to help the U.S. take over our country... Bring your weapons and return to the people, to your relatives and get united with them to defeat the U.S. imperialists."

VIS ACTIVITIES

Thua Thien: Four special teams of 20 men each were organized to work with the Chieu Hoi, S-5, Police, the PATs, and Rural construction progra as part of an overall plan of pacification in the districts of Phong Dien, Phu Thu, Phu Vang, and Huong Tuy. The teams were mainly concerned with word-of-mouth propaganda but also showed films and made loudspeaker broadcasts.

Quang Tri: The VIS joined with cadre from the Rural Construction, Social Welfare, Provincial Health Service, Police, Office of Education, Chieu Hoi, and province officials in a concerted campaign to visit refugee sites throughout the province and provide food, blankets, and an information program. Publicity for Operation Harelip, the project that brought two American doctors and one Vietnamese doctor together for a series of 28 operations for the removal of harelip affliction, was supplied by the VIS, and with JUSPAO's assistance, a poster on the successful program will be developed.

CHIEU HOI

Thua Thien: The one-room Chieu Hoi center continues to be overcrowded with 108 ralliers living there while the prospect of occupying the four additional buildings given by the Province Chief fades into another month of delay.

Quang Tri: Eight Returnees were reported for November bringing the total in the Center to 77. Two addition rooms have been added to increase the living space but quarters are still cramped. Films are shown regularly and VIS and JUSPAO publications are distributed.

STATE OF MEDIA

The VIS in both provinces have submitted cost estimates for publication of province newspapers but both estimates are on the high side and will have to be reduced before JUSPAO can assist. The VIS in both provinces currently prints by mimeograph a daily newspaper in Thua Thien and a weekly in Quang Tri.

PSYOPS COMMITTEES, S-5 ACTIVITIES, ETC.

The G-5 continues to hold monthly meetings with representatives of all the services from the two provinces. The S-5 has been quick to pick up suggested improvements in his JUSPAO-supported leaflets and the coordination continues smoothly. PsyOps annexes were used in recent Thua Thien operations and in Division plans.

QUESTION ASKED

1. Why doesn't a status of forces agreement exist between the U.S. and Vietnamese governments?
2. Why does the American rice cost more than the Vietnamese rice and isn't this an indication that the Americans are profiting from the inflation?

3. Why doesn't the U.S. Government consult with the Government of Vietnam before making statements regarding negotiations and terms for settlement of the Vietnamese war?

4. Why doesn't the U.S. attack North Vietnam and try to end the war through that means?

5. Under what agreement does the U.S. continue to expand its forces in Vietnam and why does it not receive permission from the Government of Vietnam to increase the number of military man in this country?

GENERAL SITUATION

Determined efforts by the VC to break up the pattern of peace and progress that was beginning to emerge in Quang Ngai Province plus continuing VC efforts to keep Quang Tin a depressed area have paid off well since this field rep's last report.

It is speculated here that pressure on the VC in II Corps has resulted in an exodus of VC units from II Corps into Quang Ngai Province, the theory being that the VC consider Quang Ngai and Quang Tin to be fields more ripe for harvesting.

VC PROPAGANDA THEMES

The VC have been working with particular diligence in an effort to stimulate protests against American air strikes and naval and artillery bombardment of villages.

One can't help but feel that the demonstrators, though reluctant protestors, must certainly be expressing some conviction with their protests. And, because there is little or no concerted effort to take care of the resulting casualties on the part of the GVN, there must certainly be some bitterness on the part of the villagers clobbered as a result of these air and big gun bombardments, very likely creating more VC where they, perhaps, did not exist before. One gets the clear feeling that little consideration -- **if any -- is being given to the psychological consequences of air strikes and artillery and naval gun bombardments in many cases.**

VIS ACTIVITIES

VIS has been just rocking along during the reporting period covered here. Energy expended goes largely in the direction of publicizing mainly routine events. Also, there seems to be little co-ordination between VIS and the ARVN S-5 and G-5 who also have offices in Quang Ngai. It is my hope that I can generate interest in the establishment of a regional PsyWar center which would physically integrate all PsyWar elements, thus promoting closer working relationships and a co-ordinated effort. This for the future.

CHIEU HOI ACTIVITY

Chieu Hoi activity in Quang Ngai is very modest. A total of 545 Chieu Hoi have come in during the first 11 months of this year. The projected figure for the coming year is no more than that, indicating the amount of support the Chieu Hoi chief in Quang Ngai expects to get.

STATE OF MEDIA

Radio Quang Ngai has not yet started its 10 KW output, despite hopes it would. It is my understanding that necessary parts for the generator were lacking, in order for the greater power to become a reality. Hopefully, the station will go on the air with 10 k.w. by the end of December, but it will meantime maintain its 1 k.w. output. It is to be hoped, that a U.S.

Army printing detachment will be physically located in Quang Ngai within the next six weeks. This should solve some urgent printing problems. At present we have to rely on the local commercial press, or send printing orders to Saigon or the First (U.S. Army) PsyOps Detachment in Danang.

PSYOPS COMMITTEE AND RELATED ACTIVITIES

There is no operating PsyOps committee in either Quang Ngai or Quang Tin Province. However, there is a need for such, in the view of this Field Rep., particularly in Quang Ngai Province where there is more hope of accomplishing something in the near future.

MISCELLANEOUS

As a result of some missionary work done by this Field Rep. between the PAI trainers and the Marines, some 30 PAI's are now working with U.S. Marine units along the Chu Lai perimeter, helping the "grunts" ferret out VC and get better communications with villagers. This use of the PAI's followed a suggestion I made to the Marine commanders and the PAI trainers that they might want to get together and work out such a program.

II CORPS HEADQUARTERS

PLEIKU - KONTUM

GENERAL SITUATION

There could be little doubt that the situation in the highlands was dominated by the fierce post-Plei Me fighting in Pleiku province. While the Plei Me follow-up operations were at the center of interest of the military, there was a disquieting lack of interest in these victorious operations on the part of the general population.

Despite continuous prodding by JUSPAO, VIS sat on its hands, waiting to be called with information. Hence, the only information reaching the population was by radio, and that when the JUSPAO representative literally carried information from the military to VIS and needled it into using loudspeakers to announce the news.

Economically, there was little change compared to the previous month. Despite the fighting, the task of resettling refugees continued and it was primarily thanks to the efforts and supplies of USOM, that the refugees' minimum requirements for subsistence have been met. Prices continued to hold at about the same level as during the previous month.

EVIDENCE OF EFFECTIVENESS

Better than 40 hard-core PAVN troops surrendered, the majority of them carrying our surrender leaflets and using them as safe conduct passes. On many PAVN killed, leaflets were found. Prisoners also confirmed hearing loudspeaker missions calling on them to "return to the cause." The prisoners in turn were used to cut tapes for further appeals and to write statements to their still fighting comrades.

The 24th PsyOps Detachment, blessed with resourceful and energetic personnel, went into full swing, and in the process swept their ARVN

counterparts along with them. Both in joint ground teams attached to each (U.S.) battalion, and in their newly established production center, they worked side by side with their ARVN counterparts. When the JUSPAO rep suggested a three shift operation for the press (new repaired) the PsyOps Detachment, instead of manning one or two shifts, joined the Vietnamese and together they worked all three shifts.

VIS ACTIVITIES

VIS in Pleiku province went through its routine motions without much regard to the daily realities. However, since VIS has been able to obtain gasoline for its lambrettas, movie showings were given to refugees, Chieu Hoi, several outlying villages, and in Pleiku city.

CHIEU HOI

Information programs have been largely confined to VIS movie showings, and in including these groups in distribution of (mostly JUSPAO supplied) posters and literature.

Kontum VIS has a more aggressive Chieu Hoi and refugee program which includes twice weekly classes at the refugee center just outside the Kontum city limits. These classes are being "fortified" by the VIS "drama" entertainment team.

Pleiku's Montagnard entertainment team, operated by the Montagnard Training Center, has increased its activities and averaged 4 nights a week in the field. They are well received, I am told.

STATE OF MEDIA

The newspaper Ching has temporarily come to a standstill.

Pleiku Tien has ground to halt, as VIS claims it has lost its writer and a translator to the army. Despite many prods by JUSPAO, especially for a full reportage on Plei Me and the follow-up action, suggestions for an interview with General Vinh Loc which the latter is quite willing to give, VIS has not moved a finger.

DARLAC - QUANG DUC

GENERAL SITUATION

Although there was no discernable dramatic change in the general situations in Darlac and Quang Duc provinces during the reporting period, the position of the GVN appeared to be somewhat less favorable than in the two preceding reporting periods.

The economic situation in both provinces continued to deteriorate -- but the situation remained a matter for serious concern rather than for alarm. Part of the difficulty is that there have been no new civilian supply convoys to Ban Me Thuot since the temporary reopening of Route 21 from August 27 to September 1. The population is not starving and is not faced with the prospect of starvation in the future, but many people are unhappy about high prices, shortages, and the unavailability of certain commodities.

My opinion is that morale has slumped in both provinces, with morale now ranging from fair to good in Darlac and from poor to fair in Quang Duc.

VIS ACTIVITIES

The VIS program in Darlac province, which had previously been pedestrian, came to an almost complete standstill in the last few days of the reporting period, amid persistant talk that the VIS chief was being replaced. And, in fact he was replaced.

The VIS program in Quang Duc is severely handicapped by an assortment of problems, not least of which is security. Due to the isolation of the province, there are also severe problems of supply and maintenance. In the circumstances, VIS is probably doing well to do anything at all. Actually the VIS program in Quang Duc is showing signs of improvement, mainly because the new province chief recognizes that VIS could be useful to him and is attempting to use VIS to publicize his activities and the accomplishments of

his new administration.

CHIEU HOI ACTIVITY

The most astonishing development of the past month in Darlac province was that there was Chieu Hoi activity. In the information field, the Chieu Hoi Service in Darlac is now operating a small reading room for Quy Chanh and has inaugurated, finally and as a result of considerable JUSPAO encouragement and assistance, a program of projecting films for the Quy Chanh.

BINH DINH - PHU YEN

GENERAL SITUATION

Some friction does exist between friendly forces and the local population but it is no different than the friction that exists anywar in the world where large troop movements occur. These incidents are basically traffic accidents and barroom events.

VIET CONG PROPAGANDA THEMES

Binh Dinh Province - Principal VC themes are still against US airstrikes and artillery. This was particularly evident when simultaneous demonstrations were held on 11 November in An Nhon, Hoai Nhon, Phu Cat, Phu My, and Ben Khe.

Following the attack on the RF/PF company on highway 1 VC safe conduct passes were found in the area. Obviously the VC are trying to copy our successes in the Chieu Hoi program.

Phu Yen Province - These VC themes were vividly illustrated when "spontaneous" demonstrations were conducted by the people on 9 November. The themes were against US airstrikes, and US artillery and that ARVN soldiers not to fight beside US soldiers.

VIS ACTIVITIES

This section should be more appropriately titled, VIS INACTIVITIES. The II Corps PsyOps Conference in Dalat so inspired the head of the Photo Service and, I believe, the Head of the Radio Station that they went from Dalat to Saigon and have not as yet returned. The VIS reading room in Qui Nhon has reopened although with little to read except JUSPAO publications.

By comparison to Binh Dinh I am impressed with VIS activity in Phu Yen. Two bulletin boards were observed in Tuy Hoa with up to date news written in chalk upon them. This was on Sunday, too. A VIS team was dispatched to Tuy An on 29 November when 4,200 refugees came in.

CHIEU HOI ACTIVITY

Binh-Dinh Province leads the country in Chieu Hoi's with 899. 43 were received during the week of 11-17 Nov and a new record of 84 the week of 17-24 Nov. Latest Chieu Hoi returnees indicate that lack of VC medical treatment is the primary reason for coming in to GVN control.

The province faces a serious problem with this large number of returnees as facilities do not exist to handle this number properly. At one camp at An Nhon 208 Chieu Hoi's are in residence with normally only two cadre present. There are about 20 rice bowls and only eight wooden beds.

The Chieu Hoi program is less productive in Phu Yen, 20 this month for grand total of 267.

STATE OF MEDIA

Binh Dinh does not have a province newspaper as such. There is a publication, supervised mainly by the Deputy Province Chief, which presumably appears monthly. This is a high class editorial publication rather than a newspaper. There are District news sheets in Binh Khe and An Nhon. Discussions have been started with the province and districts about each district publishing a news sheet.

The local VIS in Tuy Hoa at least tries to do something.

PSYOPS COMMITTEES

Binh Dinh Province held its first PsyOps Committee meeting in sometime at my request. The objective of the meeting was to start planning the 1966 PsyOps Province Plan.

GENERAL SITUATION

The Plei Me battle dominated all events.

Although the confusion as to which section is responsible for tactical PsyWar planning has still not been completely resolved, PsyWar operations for the biggest battle yet in the war were skillfully carried out, thanks to the close coordination between II Corps HQ, the 25th PsyWar Detachment, the Second PsyWar Battalion, and the senior JUSPAO representative for II Corps.

The success of the PsyWar campaign -- close to 100 PAVN soldiers turned themselves in with safe-conduct passes, and leaflets were found on many more dead bodies -- would suggest that even where no overall plan exists the potentiality for PsyWar is such that no American tactical unit can afford to ignore it.

This is not to say that the 1st Cav. has ever intentionally ignored PsyWar since taking over its TAOR in late September. What has been missing, however, is a clear cut assignment of responsibility for tactical PsyWar planning and a full-time plans officer responsible for long range and contingency PsyWar programs.

ATTITUDES: An Khe

The American presence in An Khe means the 1st Cav. and, for the majority of Vietnamese in the area the 1st Cav. means mainly security, employment and a captive clientele. Hence the influx of laborers, petty merchants, bar girls, restaurateurs and launderers as well as the growing pains of a boom town that refuses to conform to the pattern prescribed by provincial planners of the An Khe Development Project.

A problem still unresolved is the indemnification of farmers for rice crops within the 1st Cav. inner barrier that they are not allowed to harvest. Although army officials are willing to negotiate, the total indemnification figure has not yet been fixed. Minor rumblings have also been heard from farmers whose fields have been partially covered by defoliation chemicals the wind has carried from other target areas. VIS cadres, however, have explained the reason for, and harmlessness to the crops of, the spray and been largely successful in their explanation.

Despite the above described irritants, the consensus among Vietnamese officials who have sounded public opinion is that the 1st Cav has not only presented fewer problems than were anticipated, but it has been instrumental in creating an atmosphere of confidence and providing a much needed steady stream of income to a large number of people.

VIS - 1ST CAV. ACTIVITIES

With a 3-man HQ team at its disposal -- jeepster with projector, speaker and tape recorder -- the G-5 Section has been sponsoring movie showings in the An Khe circumference. Most of the films, if not all, have come from JUSPAO Qui-Nhon either directly or through the VIS District Headquarters.

The most recent film showing was a joint venture of the 1st Cav, VIS An Khe and JUSPAO held in the "model" refugee residential zone for an estimated audience of 350. Overcoming the handicap of a broken sound circuit, VIS provided its own sound truck and JUSPAO its Mr. Khoi from Qui-Nhon, whose intimate knowledge of USLA's film library was put to practical use in a running commentary. During the changing of reels, two types of leaflets were distributed by VIS (one explaining the American Presence, the other giving a run-down of nefarious V.C. activities)

VC PROPAGANDA

Leaflets (with a Pleiku imprint) urging the people to rise up against the American imperialists, recently turned in northeast of An Khe, are the most typical kind of V.C. propaganda. The 1st Cav. has so far encountered.

KHANH HOA

GENERAL SITUATION

Morale is steady, although inflation continues to concern citizens at all levels. Problems related to the American build-up at Cam Ranh Bay take a lot of people's time and tax their ingenuity. The fishing curfew will affect many lives in the Province, although it is not known yet how many pocketbooks will be thinner. On the positive side, the November 1 National Day ceremonies were well attended, and the reaction of the population appeared positive.

VIET CONG PROPAGANDA THEMES

Viet Cong themes continued to work along the lines of countering the Chieu Hoi program and distorting the National Revolutionary Movement; anti-American and support for its own cause.

VIS ACTIVITIES

Aside from its on-going activities with leaflets and posters, newspapers and the radio station, movie showings and loudspeaker missions, PsyOps cadres and cultural teams, the VIS during November concentrated on the November 1 ceremonies and in a hygiene program for Cam Ranh village. The latter project unfortunately backfired.

CHIEU HOI ACTIVITY

There were 17 Chieu Hois during the period. USOM plans for sprucing up the inadequate Chieu Hoi Center have been postponed, the general consensus now being that it would be cheaper and more practical to find other quarters.

STATE OF MEDIA

JUSPAO support continues for the monthly Province newspaper and the radio station.

The VIS drama team performed six times during the month, and political orientation lectures or study courses were given six times before civil servants, 53 times before general audiences and three times for returnees.

PSYOPS COMMITTEE

There was no PsyOps Committee meetings.

BINH THUAN - NINH THUAN

GENERAL SITUATION

Although the secure-area perimeter has not been perceptibly expanded, nonetheless VC morale is significantly affected by the continued pounding as shown by (1) the continued increase in Quy-Chanh (2) the return to their villages of 30 - 40% of those peasants who three months ago had followed the Viet Cong into the jungle, and (3) indications increased emphasis on acts of terrorism in compensation for failure on the battlefield.

Indications also point to a future of increased friction between elements of the Vietnamese and the foreign community as Americans flow into these two provinces and the spectre of total collapse disappears. In Phan Rang the rise in the cost of non-food items is attributed by many city-dwellers to the presence of 4,000 Americans of the 101st Airborne.

VIET CONG PROPAGANDA THEMES

One pamphlet picked up in Ninh Thuan sang the praises of hero Nguyen-van-Troi, executed in the Saigon market place for his attempted assassination of Secretary of Defense McNamara. Out of the new presence of the American Airborne brigade (appearing on the Ninh-Thuan scene unexpectedly the first week of this month), an American engineer battalion, and the Seabees, has come a sordid rumor about a young and innocent lass who was carried off to the engineer battalion garrison, ravished by scores of men, and buried secretly in the compound at night. The source of this little chiller is not known, but the Ninh Thuan Vietnamese Field Representative states that it has all the earmarks of a Viet Cong original.

VIS ACTIVITIES (AND INACTIVITIES)

VIS Binh Thuan continues to have good ideas very poorly executed by incompetent personnel. For example, the VIS chief wishes to inaugurate a team of five to ten young ladies to visit hamlets for the purpose of dispensing medicine (a la Medcap) and also acting as a cultural team. But, as a creation of VIS, any such program runs a grave risk of suffering from the VIS touch and becoming just another body of cadre slouching arrogantly and ineffectually about the hamlets.

VIS activities remain largely outside our grasp and maddeningly immune to persuasion and/or pressure.

CHIEU HOI ACTIVITY

Chieu Hoi's director for Binh Thuan, though continuously weak, timid, and incompetent, nonetheless has been spurred to some activity by two factors: (1) the Dalat Conference, which pointed out the Chieu Hoi program as one of three major themes for II Corps, and (2) concerted -- and premeditated -- pressure from the American representatives from JUSPAO, USOM, and MACV.

The Binh Thuan Chieu Hoi Chief, has come out this month with a bi-monthly single sheet, two page, mimeographed newspaper entitled "Chieu Hoi", which he distributes (in 5,000 copies) to district Chieu Hoi directors for further distribution to the families of Viet Cong soldiers. It is a worthy endeavor, containing news of the center, Quy Chanh testimonials, and propaganda appeals.

The Chieu Hoi director of Ninh Thuan has been very active in utilizing alumni of his Chieu Hoi program to travel with himself and the JUSPAO local Field Representative to explain the Chieu Hoi program to peasants and VC families.

STATE OF MEDIA

VIS Binh Thuan announced this month that they would increase production of the provincial newspaper from 5,200 copies per month to 9,200, assuring me that a sufficient number of papers would be set aside for distribution to every refugee family. VIS Ninh Thuan, professes to be ready to launch itself into the newspaper game.

There is nothing new to report on the drama cultural teams of either province: neither produce drama, in fact the Ninh Thuan team is completely dormant. The Ninh Thuan team is endowed with skill and musical talent, proving its capabilities at a farewell party for the departing MACV Sector Advisor. In the field, however, it lapses into its dull repetition of poker-faced singing, now, at last, performing in the open, but still huddled together for mutual protection against the masses.

The S-5 Advisor in Binh Thuan is doing an excellent job of both making effective use of resources at his disposal and of training the Vietnamese S-5 section in the essentials of Psychological Warfare. His leaflet-drop program is carefully planned out in advance after consultations with S-2 for locations of units and with JUSPAO for selection of leaflets.

PSYOPS COMMITTEES AND PROVINCE COMMITTEES

Since the Dalat conference endorsing of the rejuvenation of PsyOps Committees, both Binh Thuan and Ninh Thuan have seen a burst of renewed interest in PsyOps Committees. Both provinces are putting the Deputy Province Chief for Security back into the Chairman's seat, and both -- after more than two months of dormancy -- suddenly scheduled PsyOps meetings within days after the termination of the Dalat conference. Both, however, subsequently post-poned their meetings.

In anticipation of a large influx of American Airborne troops into Binh Thuan province at the end of November, the USOM Representative and I have drafted a memorandum to the Province Chief calling for a fair-price list to be issued to all Americans, the establishment of a sort of Better Business Bureau to receive complaints from Vietnamese and Americans regarding excessive prices, official government "encouragement" to businesses to concentrate on volume rather than high-margin trading, and the convening of a joint Vietnamese American friendship council to air grievances and discuss problem areas resulting from the increased American presence. In addition, JUSPAO proposed to the advance survey group from the 101st that on the day of their landing they distribute simple mimeographed sheets explaining to the people in the immediate vicinity of their encampment who they are and why they are here. We have had some difficulty trying to persuade the planners, who anticipate bulldozing a road from the sea through an extensive Vietnamese cemetery to the airstrip, not to take a few burial mounds with them. To date the results of my concern remain uncertain.

QUESTIONS ASKED

"Can you get for me a?" No other significant questions asked this month.

TUYEN DUC - LAM DONG

**

GENERAL SITUATION

A general aura of apathy on the part of the population seems reflected in the curtailed productive work of VIS in both provinces this reporting period. The only noticeable change is that of heightened anti-American feelings in Tuyen Duc due to higher costs and increased incidents involving American military personnel.

VIET CONG PROPAGANDA THEMES

All variations of the Anti-American themes.

VIS ACTIVITIES

The major effort in both provinces was taken up in helping organize public manifestations, conferences-and in Tuyen-Duc -the graduation ceremony of the National Military Academy. What might be termed more meaningful and basic PsyWar efforts noticeably diminished during the reporting period.

CHIEU HOI ACTIVITY

The Tuyen Duc Chieu Hoi Center shows some signs of life. Lacking the burden of having to handle large groups of returnees they went into some VIS activities such as distribution of materials, putting up posters (photos enlargements done for them by the Field Rep) broadcasts and visits to VC related families.

STATE OF MEDIA

Tuyen Duc Province: The first issue of the province newspaper finally came off the presses. The local VIS Chief won the concession from M.O.I. to raise the production level interesting for a Saigon printer to publish at the low unit

price given by M.O.I. The quality of the paper however, after a long struggle to get into print, makes me wonder if it was worth the effort.

A greatly stepped up distribution of materials was quickly noted in Lam Dong due to the opening of our JUSPAO office and the transfer of many leaflets, pamphlets and magazines from Dalat to Blao was completed.

III CORPS HEADQUARTERS : BIENHOA

With government victories and VC defeats in focus, gray areas still blur the general picture. The backbone of VC strength throughout the Corps has not yet been broken -- nor has the GVN been able to demonstrate the clear-cut ability to administer government programs once pacification begins. During this hiatus, the self-confidence of the average Vietnamese has not yet emerged. Scratch any villager or province official and you will find just under the surface his conviction that salvation will be borne only through U.S. destruction of Hanoi, Hai Phong, and Peking. He will at the same time recite the parable that American Brigades should not take part in pacification activities, but rather concentrate on big victories in the North and South.

MOI/VIS ACTIVITIES

VIS activities were dominated this month by Mr. Hong, Corps Director for the Ministry of Information, who has replaced 6 provincial VIS Chiefs.

This month a two-week training seminar for seventy Corps Mobile Action Cadre was conducted at Bien Hoa. Mr. Hong and this reporter planned an itinerary for the political and technical training sessions.

Several oft' mentioned needs for reform loomed high on the horizons this month. Province newspapers are in need of more imagination by VIS editors and their JUSPAO Vietnamese advisors. Seldom seen is the district news scoop, gossip column, or the local success stories indispensable to the development of local news into something beyond mere propaganda.

S-5 ACTIVITIES

General Tri's Corps's PsyOps Committee got off to a running start this month. Formally blessed by Mr. Chinh, Minister of Information, the organization has begun meetings on a daily basis. While most discussions to date have avoided meeting problems head-on, we at least are provided with daily contact between officials directing MOI, G-5, and Rural Reconstruction activities. A similar PsyOps Committee of American advisors has been inaugurated by this reporter.

The concept of Tactical PsyWar passed from shibboleth to reality this month. Leaflets summarizing Viet Cong defeats were prepared for air-drop throughout the Corps. Radio tapes by JUSPAO with the same message interspaced between battle sounds were broadcast over VC lairs. While the

Q-761 Regiment was burying its dead (as a result of contact with the First Battalion of the Airborne Brigade), aerial loudspeakers reminded VC soldiers of the futility of continuing the war.

CHIEU HOI ACTIVITIES

Country team coordination, plus local initiative, has paid dividends in the Chieu Hoi centers in Long Khanh and Binh Long. Persistence by the S-5 advisor, USOM Rep, and JUSPAO has led to a one thousand per cent improvement in the quartering of Qui Chanh in Long Khanh. In Binh Long, however, the most remarkable transformation has taken place. Reacting to American suggestions, Mr. Tri, Chieu Hoi Chief, has developed what is perhaps the most outstanding returnee location in Viet Nam. On a visit to Binh Long this month I discovered ex-Viet Cong buoyantly tending their USOM experimental gardens and flocks of livestock, while others churned out bricks from two CINVA RAM machines to be used in the construction of local schools and dispensaries.

MISCELLANEOUS NOTES

Through the coordination of the USOM Secondary Education Specialist in Saigon, several hundred of JUSPAO's translations e.g., American History; Famous Historic Documents; Secondary Education in the United States, etc., were collected to be presented to key primary and elementary school principals throughout Vietnam.

QUESTIONS ASKED DURING FIELD VISITS:

1. Why doesn't the United States end the war rapidly by bombing Hanoi and Peking?
2. Isn't it possible for American advisors to assist the Vietnamese Government in preventing the rise in price of consumer goods?
3. Has the United States passed through a period in history similar to the one which Vietnam is now experiencing?
4. Why doesn't the United States invite high school students to study its institutions, similar to the manner in which Fidel Castro has brought students to Cuba?
5. Why isn't the United States helping to build more high schools in Vietnam?
6. Isn't it possible for the United States to assist in the development of farmer's saving associations and rural cooperatives?

LONG KHANH - BIEN HOA

GENERAL SITUATION

In Bien Hoa Province the increased security, furnished by the large quantity of troops in this area, has become increasingly evident by the growing number of people on the streets and roads after dark.

In Long Khanh province it is generally agreed by all the officials with whom the author talked that people are feeling more secure and are more willing to support the GVN. However the subject of inflation is also dominating most of the market place and parlor talk in this province.

VC PROPAGANDA THEMES

VC propaganda efforts are aimed at the Americans; labelling them as imperialists and accusing the GVN as being a tool of the U.S. The VC also emphasized the benefits of rejoining the people of North and South Vietnam as one country again.

VIS ACTIVITIES

The VIS activities for this period of time were performed in their routine manner. Leaflets and reading materials were distributed throughout both provinces as they became available. Movies were presented in the outlying districts in both provinces at least twice and in many cases three times each week. The film libraries at both provinces were inventoried and additional films requested from JUSPAO where necessary.

CHIEU HOI PROGRAM

The Chieu Hoi Center in Long Khanh was quite adequately described by one of its members when he said that prisoners of the VC unit of which he was a member lived much better than he was living in the Chieu Hoi Center at Xuan Loc during the first week of November. With the arrival of a new Chieu Hoi Chief, and the help of the sector S-5 Advisor and JUSPAO representative the one room building has 33 smiling faces in it of present. However the Chieu Hoi Center is still far below standard. Construction of a new center will begin during the month of December.

In Bien Hoa the overall conditions are a little better with more facilities, but with inadequate sleeping quarters, three people in one

bunk bed.

STATE OF MEDIA

Both Bien Hoa and Long Khanh produce provincial newspapers on a bi-weekly basis. Many of the districts prepare a district newspaper on a weekly or twice a week basis. Efforts are being made to have all districts prepare a newspaper at least once a week. In addition the 10th Infantry Division intends to prepare a section to be inserted in the provincial newspapers of these provinces within the division tactical zone, commencing in December.

The VIS cultural teams in both provinces have been very active.

Loudspeaker broadcast from the VIS Tri-Lambretta continue to be throughout both provinces. The dearth of aircraft for aerial loudspeaker missions has put this type of media in an elite status.

PSYOPS COMMITTEES

The PsyOps Committee meets every two weeks in Long Khanh. I have attended two meetings. The first was a dismal failure with only three members appearing.

The second was a little better with everyone except a representative of the province chief being present.

In Bien Hoa the character of the PsyOps meeting is much more dynamic than that at Long Khanh. The new VIS Chief insists that a meeting once a week is necessary and all members will be there and on time -- which they are. Moreover these meetings seem to be a real melting pot of ideas. The chiefs of the various services talk freely about the psychological merits and needs of their constituents and ways to meet these needs. It was through one of these meetings that it was decided that a new Chieu Hoi building should be built to house the overflow from the present structure.

BINH TUY - PHUOC TUY

GENERAL SITUATION

The two highlights of the month were the joint operation of the 173rd Brigade (assisted by the Australians) and the 10th Division in Binh Tuy's "rice bowl" and the 11 November battle in Phuoc Tuy in which an estimated 300 hard-core VC were killed.

After talking to a number of persons in Binh Tuy's rice bowl, it seems clear that in the largely Catholic areas near Vo Dat the VC did not make any great inroads with the people during the better part of the year in which they have controlled this area. On the other hand it seems likely that the VC have some propaganda successes with the people around Tanh Linh.

ATTITUDES TOWARDS U.S. AND G.V.N.

A Catholic priest in Tanh Linh who travels in a large part of the eastern half of the rice bowl was of the opinion that nearly one-half of the people there believe the VC line that "Americans are imperialists and the Government is a puppet of the Americans." He included Catholics who he said were largely recent converts, in this description. The Province Chief generally concurred in this view, although he was of the opinion that the figure is not that high.

I also talked to a number of persons (bonzes, several priests, a high school principal and government officials) in the coastal area around the provincial capital of Binh Tuy. There the attitude of the masses to the U.S. is positive, largely due to the good behavior of Americans they have seen. As late as 1962, said the Superintendent of Binh Tuy's high school, people believed the VC line that the Americans were the successors of the French, and that we were imperialists who desired to subjugate Vietnam. However, people came to realize that "you take nothing nor do you want anything."

These same persons indicated that, by and large, the masses in coastal areas are not pro-Government, even though they largely dislike the Viet Cong. It seems clear that most people feel the Government does little for the people. Until recently province officials were rarely, if ever, seen in the hamlets except to participate in ceremonies.

VIET CONG PROPAGANDA THEMES

The anti-American theme continues to be emphasized in both Phuoc Tuy and Binh Tuy. On November 11 a banner proclaiming "Americans must pay with their blood for the bloodletting of Vietnamese" and a booklet (purportedly written by a U.S. soldier) asking Americans to stop this "unjust" war of aggression was found in Phuoc Tuy.

VIS ACTIVITIES

VIS activities in Binh Tuy continued to be limited to secure coastal areas and to district capitals. However, "Operation Rice Bowl" promised to give VIS greater latitude during the month of December.

In Phuoc Tuy it is often difficult to induce VIS personnel to carry out program suggestions made by JUSPAO reps. However, the November 11 battle offered an opportunity which we seized. VIS prodded by the Province Chief immediately printed several thousand "news bulletins" concerning the victory.

CHIEU HOI ACTIVITY

Just at month's end twenty-three Qui Chanh returned to the "just cause" in the 173rd operational area in the Binh Tuy "rice bowl". Among them were ten members of the VC infra-structure of a hamlet which had been under VC control. At our suggestion a Chieu Hoi appeal citing the defectors was prepared and was used on three air broadcasts over VC areas nearby.

PSYOPS COMMITTEE

A new attempt was made to organize a viable PsyOps Committee in Binh Tuy, but as before the committee was too unwieldy (more than twenty attended) to accomplish anything. Sole result was a resolution to encourage 1954 North Vietnamese refugees to write friends and relatives in North Vietnam regarding conditions in South Vietnam.

QUESTIONS ASKED

Other Americans report they are not asked any questions. I have been asked "Why don't you Americans bomb Hanoi?"

LONG AN - HAU NGHIA - TAY NINH

GENERAL BACKGROUND

As is true in other areas of Viet Nam, there is general concern in my area over the cost of living, as the price of food, especially milk and sugar, rose higher and higher. Some people have spoken almost nostalgically of the days of the French when, so they claim, at least the government kept the prices down. Others hope that the US government will bring its experience and influence to bear to forestall the inflationary trend.

On the positive side, the morale of the area seems to be markedly higher.

In Long An the improvement in morale is directly related to the general state of security which has been improved by search and destroy operations conducted during the month by sector.

In Tay Ninh the greatest improvement in morale is among the various GVN military units, including the PF, RF, and CIDG.

VC PROPAGANDA THEMES

VC propaganda in the area continues to attack the US presence and elicit support for the NLF.

As a reaction to Prime Minister Ky's recent recognition of the Cao Dai religion, there seems to be a general shift of Cao Dai support in the province to the GVN. The VC seem to have recognized this shift to the extent that their propaganda now asks for Cao Dai neutrality in the war instead of soliciting active support for the NLF.

VIS ACTIVITIES

There has been a certain lull in VIS activities in the whole

area as VIS Chiefs in all three provinces have been or are about to be changed.

In both Tay Ninh and Long An there seems to be an encouraging rapport between the military and VIS, so that in both cases VIS is brought into the planning and initiating of PsyWar activities related to upcoming military operations. In this regard, VIS staffs in these provinces have been working in preparation for a rice harvest operation in Tay Ninh and defoliation in Long An, the success of both of which will depend upon the cooperation of the civilians living in the area.

CHIEU HOI ACTIVITY

The Chieu Hoi organizations in both Tay Ninh and Long An appear very active, both in encouraging "ralliers" to come in -- through leaflet drops, speaker missions, and Chieu Hoi platoons -- and in taking care of and setting up indoctrination for the Quy Chanh once they arrive.

In both provinces, the Chieu Hoi centers have made plans for expansion.

STATE OF MEDIA

Provincial newspapers are appearing regularly in Tay Ninh and Hau Nghia and one is scheduled to appear in December in Long An.

In addition, all the districts in both Long An and Tay Ninh have their own mimeographed newsheets, most of which come out weekly and one of which appears three times a week.

A new 25th Division newsheet designed to be inserted in the three provincial papers is now in the planning stages.

PSYOPS COMMITTEES

PsyOps Committees seem to exist in this area more on an informal ad hoc basis than anything else. That is, when occasion arises which requires the cooperation of the PsyWar community, a meeting is called

QUESTIONS ASKED

Besides the question always asked of any newly arrived representative of any agency, "What can you get for me?", the questions most frequently asked me concerned the economics of rising prices and fixed wages and varied in wording from

"Why doesn't the government do something about the price of rice (or milk, or sugar?)"

to

"Is it true that high prices are caused by the presence of so many Americans in Viet-Nam?"

IV CORPS HEADQUARTERS - PHONG DINH

GENERAL SITUATION

Despite the fact that VNAF/USAF air strikes have been on the increase, with the inevitable side effects of property destruction and loss of life in the villages, this has not turned village people either against the GVN or the U.S. This can largely be explained by the fact that the VC have been turning the screws tighter on the people -- high and even confiscatory taxation, drafting and kidnapping of villagers (many of whom have been sent to fight in the north), restrictions they have put on the movement of people in the areas they control, and terror methods: murders, road minings and destruction of installations which serve the rural people. Some credit also should go to the stepped-up propaganda efforts conducted by the GVN with US assistance. More often than ever before, the people have been warned of bombings beforehand, and have both received leaflets as well, whenever feasible, relief supplies following air strikes. Finally, it should be noted that pilots take extreme care in bombing to do a minimum of damage to the life and property of innocent civilians.

VIET CONG PROPAGANDA THEMES

These continued to emphasize anti-Americanism with particular accent on bombings, although this month VNAF began to come in for heavier VC calumny. One new one: a VC leaflet, dated November 20, and picked up in Vinh Long, put the blame for the rise in prices on the Americans. The VC in Go Cong have been using a reverse Chieu Hoi appeal, urging families to ask their relatives serving ARVN to desert. VC propaganda also boasted of VC victories both in the IV Corps area and further north. Radio Hanoi has attacked the Victory Campaign.

VIS ACTIVITIES

The momentum of the Victory Campaign was kept up throughout the month with letters written to ARVN and Allied troops, with the production of over 5,000,000 leaflets with Chieu Hoi appeals, with messages exploiting tactical operations and others urging the people in secure areas to cooperate with the police in population and resources control. Plans also were formulated for a new effort, to be called the Peaceful Spring Campaign, scheduled to be launched Dec. 10. VIS initiated the first of three area seminars in Soc Trang Nov. 26. This four day meeting included all VIS officers and cadres

from the five provinces of 21st Division. This will be followed by area seminars to be conducted at My Tho and at Vinh Long. These are general motivational and training sessions with representatives of MOIP and Gen. Quang addressing the groups, but also are in preparation for the Peaceful Spring Campaign. These seminars were initiated by the VIS Regional Director, who, it was reported yesterday, has been confirmed as the permanent VIS area chief. VIS, regional, issued the first of its monthly magazines for all cadres, printed with JUSPAO financial assistance and some editorial advice. Several provincial VIS offices, particularly those of Bac Lieu, Ba Xuyen and Phong Dinh, still are weak and graft-ridden.

CHIEU HOI ACTIVITY

The rate of Chieu Hoi ralliers for November, more than 250, is high and would have been still higher were it not for the stringent restrictions the VC has put on the movements of its troops -- leaves cancelled, men more closely watched, etc.

STATE OF MEDIA

The provincial newspapers continue to be published. The MOIP has sent out a notice saying that it will absorb the one third share of the cost which, up to now has been borne by JUSPAO.

The drama troupe put on 25 performances during the month in Camau, Phong Dinh, Vinh Long, Kien Phong and Ba Xuyen Provinces. The 21st Division, using the Rural Spirit Troupe as its model, is setting up a drama troupe of its own.

MEETINGS

The Phong Dinh PsyOps Committee met Nov. 23 with most of the discussion build around plans for implementing the Peaceful Spring Campaign and around the idea that VIS should report more on the results of its work, rather than on statistics as to the number of movie shows given and the number of leaflets distributed. It was urged that more emphasis be put on positive propaganda -- and informational program built around what the GVN is doing to help the people etc. There was no Corps PsyOps Committee meeting in November. The G-5 Advisory shop at IV Corps received a shot in the arm in the form of several new officers, including a full-time advisor to the PsyWar Battalion which never before had one and needed it badly. PsyWar support of tactical operations was stepped up during the month and promises to becomes even more effective in the coming month.

GENERAL SITUATION

Despite an increasing level of VC harassments, confidence in eventual GVN victory seems to be growing in both Ba Xuyen and Chuong Thien provinces. There have been significant ARVN, RF and PF successes over the VC during the last month without corresponding wins by the other side.

However, local officials are worried about the rise in incidents on the roads and the sharp increase in the number of VC instigated small unit actions.

Allowing for a considerable amount of personal guesswork, it seems to me that the average peasant in this part of the Delta is apathetic towards the central government in Saigon, vaguely aware of his provincial administration, directly responsive to the quality of district officials and almost uniformly abusive in his attitude towards village and hamlet cadre. He is afraid of the VC and fully conscious of their ability to do him harm; he is frightened by artillery and air strikes; he is tenaciously devoted to his land. The current struggle washes back and forth over him and he feels little freedom to choose sides nor does he feel that his choice could have any influence.

VC PROPAGANDA THEMES

This month VC PsyWar motifs seem about the same as last month, shrilly anti-American and heavily doctrinaire. In Long Phu District, Ba Xuyen the VC passed the word that American and ARVN medicine was poisonous or had fishhook embedded in it. MEDCAP in contested areas was ineffective until corpsmen started breaking up pills to show people that our medicine was completely unadulterated. In the same area the VC have ripped up people's GVN identification cards and told them that they would be punished if they tried to have them replaced by the District officials. They have also spread rumors that the local government is totally corrupt and does nothing for the people, which in this case is untrue. In both Ba Xuyen and Chuong Thien they appear to direct most of their abuse towards honest and effective officials and leave the rest alone.

VIS ACTIVITIES

VIS throughout IV Corps began the first week of this reporting period with a week of intensified activity preceding National Day. Although this project suffered from hasty preparation, diffuse aims and inadequate funding, it appeared to have been relatively successful in Chuong Thien; much less so in Ba Xuyen.

VIS Chuong Thien has begun to prepare a mimeographed newsheet identical in title and format to a VC publication made in Can Tho and distributed in Chuong Thien. Only the contents have been changed to counter various VC propaganda themes.

VIS Chuong Thien continues to suffer from transportation and equipment difficulties; VIS Ba Xuyen form lack of effective leadership.

CHIEU HOI ACTIVITIES

Although both provinces Chieu Hoi program appear to be improving, they both have a long way to go before they could be considered as effectively performing their mission. The Chieu Hoi chief in Chuong Thien has paid considerable attention to the PsyWar part of his program and has developed leaflets, posters and billboards on his own out of his funds.

Chieu Hoi platoons in both provinces are ready for training as soon as the Vung Tau center is prepared to receive them.

STATE OF MEDIA

The Chuong Thien newspaper has been expanded to six pages and will present a special twelve page edition for Tet. A newspaper committee meets each week to discuss possible items for inclusion in the next edition of the paper. The committee includes all the working members of the PsyOps committee and representatives from various agencies in the provincial government.

The Ba Xuyen newspaper press run has been expanded to 20,000 copies. We are trying to work with VIS to improve the quality of the paper and to widen the contributions to it in line with what has been accomplished in Chuong Thien.

Some leaflets have been produced in both provinces locally by VIS and the Chieu Hoi Center. Neither sector S-5 has come up with any leaflets on his own during the last month.

The Soc Trang radio station continues to perform effectively. They expect to add an additional hour and a half of broadcast time in 1966 and to place their scheduling on a biweekly basis. We hope to be able to put a radio schedule in provincial newspapers in this area.

PSYOPS COMMITTEES

PsyOps committee meetings have been placed on a formal basis in Chuong Thien with periodic sessions under the chairmanship of the province chief. An agenda is published beforehand and ample notice given all committee members. The first such meeting held was quite productive and led to much increased cooperation between various departments on the province newspaper.

The Province Chief in Ba Xuyen had called for weekly meetings of the PsyOps committee prior to his departure. There have been no meetings since he left and the entire question, just as many others, will be up in the air until the new Province Chief has had time to adjust to his new surroundings.

BAC LIEU - AN XUYEN

GENERAL SITUATION

Military: Sharp escalation in VC incidents continues, with increases in road minings, harassments kidnappings and assassinations.

Division has in recent weeks given more attention to getting at VC local units. American advisors are pleased with the results - a kill ratio of 6-1, and a weapons capture ratio far in excess of larger unit actions (the last figure I heard was 104 weapons for 131 KIA). But more important, if these tactics continue successful, will be real disruption of VC military infrastructure and destruction of VC morale in the VC hamlets.

Economic: Prices of hard goods continue to climb. I saw a shopowner, for instance, pull a sign for \$2600 p's off and electric fan and put one on for \$2700 p's. The psychology of road harassment is not lost on the merchants. Prices of food bring complaints in the district towns, where VC pressures and merchant-official monopolies (in all probability), drive prices up. But though there is complaint about prices in the provincial capitals, people are not basically disturbed, comparisons with other areas (especially Saigon) being a matter of conversation, and supply being plentiful.

VIET CONG PROPAGANDA THEMES

Agents have reported that VC village committees were instructed at the end of last month to set up political meetings which are to included special concentration on families of GVN soldiers. Families are to carry out the following, under warning that they will not be forgiven by the Front if they do not fully comply:

- a. Call on their family members to desert to the VC.
- b. Call on soldiers to stay in but work for the VC.
- c. Call on the soldiers to communicate to them information for the VC.
- d. Call on the soldiers to desert.

The main overt theme continues to be anti-American. There have been demonstrations in a number of areas of Bac Lieu, including two which got to the suburbs of the provincial city.

The worst possible thing we can do in the Delta, with its very low level of Americans in the first place, is to engage the VC on the propaganda battlefield they have selected: that is, to run an overt defense of Americans and their presence here. The VC would like nothing better since it would submerge other, better issues for us, and keep this theme uppermost in the minds of a xenophobic people. Also, the French were no slouches at protesting their innocence, and trapping themselves as the Communist propagandists intended. We would only fall into the same trap and identify ourselves further with the French to boot.

VIS ACTIVITY

VIS activity in Bac Lieu is confined to cloth-banner slogan campaigns, aside from the standard town-amplifier and JUSPAO magazine and Province newspaper distribution. There have also been mimeo'd leaflet distributions immediately after VC terror incidents, but only because my Vietnamese assistant, Mr. Truong, and I took over and organized this action each time.

In An Xuyen activity is at a high level, comparatively. We

cooperate in every way, and there is no problem aside from the lethargy of the total An Xuyen GVN operation. One problem coming up is the GVN military take over of the large VIS building in Ca Mau, in which JUSPAO warehouse-office is also located. VIS is being moved to a too-small reading room location, and JUSPAO is looking for a place.

CHIEU HOI ACTIVITY

New Chieu Hoi Chief in Bac Lieu is active and cooperative. He put on a province-wide campaign Nov. 20, with banners and loud-speaker trucks, and distributions of leaflets. He has rented a house to shelter Chieu Hoi returnees while they await processing, and shipment to the center at Ba Xuyen.

STATE OF MEDIA

Both papers (An Xuyen and Bac Lieu) have gone over to full MOI financing at 1.1 ps per copy reportedly. Content remains dull, and their improvement is still a task that is ahead.

We have been successful in getting posters on walls and public places. We are going to put bulletin boards at bus stops, army pay lines etc.

Movie program is going well, except there is a shortage of new titles, and we are having difficulties getting film into the outposts causes of helicopter priorities.

PSYOPS COMMITTEES

Inactive, both provinces.

GENERAL SITUATION

In Chau Doc and Kien Giang provinces, as expected, there has been a marked increase in VC harassment activity this month. No noticeable shift has been reported in attitudes in their favor because of it however. To the contrary, increased resentment is detected to paying their high rate of taxes, compulsory contributions to their "rice pot" program and abductions of children to fill their depleting ranks.

VIET CONG PROPAGANDA THEMES

A new touch to the regular anti-American theme appearing in VC leaflets is the equating of U.S. forces here with the French Foreign Legion, whom they claim delight in burning homes, killing children and violating women.

In Ha Tien they are spreading the story that American supplied medicines are really harmful drugs. However they are encouraging the people to fake being sick and get all kinds of medicines so they (the VCs) can take them for checking and making antidotes.

There is an increased drive to recruit children as young as 13 years old, promising them a hectare of land each. Also they are pressing their local guerrillas to sign up for 3 year re-enlistments to serve in the Northern Highlands.

In addition to dropping leaflets
they
have been giving out Cambodian cigarettes.

VIS ACTIVITIES

The activity revolving around the Nov. 1st commemorations occupied most of the attention of the VIS offices in all three provinces.

Three drama and dance shows with political overtones were mounted during this period in Kien Giang. An Giang is circulating 2-man district inspection teams to visit every hamlet and village information cadre, reading room, poster board and information station. Drives are on right now to get school children to write letters of appreciation and encouragement to the GVN services.

Drier weather has brought a marked increase in movie showings in more remote areas. Our newly received films are timely and a great help.

In Chau Doc the VIS cadre are joining with the Med-cap team, rural reconstruction team and local security forces to run systematic and large operations. Its coverage is programmed out so that within a short time all the secure areas will be on a regular visitation schedule. Initial success has brought with it much enthusiasm.

CHIEU HOI ACTIVITY

In Kieng Giang an "Armed Proselytizing Committee" of 30 past Qui Chan has been formed. They are awaiting being sent for a special training course which is scheduled to start December 1st.

The three week re-education course, previously given to the KKKs returnees in ~~Tinh~~ Bien, Chau Doc, is now being given to the Tri Ton group. A report just received from Ha Tien, Kien Giang Province, claims that 51KKKs have come in to that district headquarters. More are expected but the total figure is not expected to go over 100.

STATUS OF MEDIA

In the three provinces the following number of newspapers are being turned out:

An Giang	32,000	(8 pages each)
Chau Doc	20,000	
Kien Giang	40,000	

District weekly papers are still going well in districts where the mimeograph machines are working. Currently we have two out of order. The standard of their art work in these amazes me. In addition each province turns out a monthly magazine (mimeographed) of between one and two thousand copies. Rach Gia has a Cambodian version of this also.

PSYOPS COMMITTEES

No formal PsyOps committees have been called in these provinces but armed with the new directive of the Division Commander, Col. Phi, may be something can be achieved now.

QUESTIONS BEING ASKED

a. Why are the American students demonstration against your efforts here in Vietnam?

b. Why has the cost of living gone so high? Are the Americans eating up all our food? Relative to this are the questions concerning formation of farmers co-operatives to get foods at a more stable price.

GO CONG - KIEN HOA

GENERAL SITUATION

Go Cong: There has been an increase in small-scale VC activity -- assassinations, harassing fire, mines -- which, though difficult to deal with, confirms the GVN's military superiority in the province and suggests a deliberate VC decision to revert to an earlier stage of guerrilla warfare.

Kien Hoa: The VC continue to hold the initiative in Kien Hoa, both psychologically and militarily. They are not making major gains, but neither is the GVN,

VIET CONG PROPAGANDA

In addition to its usual themes of anti-Americanism and opposition to air and artillery strikes, VC propaganda during the month has emphasized threats of future military action. This has been particularly marked in Huong My district (Kien Hoa), where the VC have spread rumors and distributed leaflets warning of an attempt (which never took place) to overrun the district town before November 23. This campaign was effective in inducing some of the richer inhabitants to leave the town, and in adversely affecting the morale of GVN civilian employees.

In Ba Tri district (Kien Hoa), the customary VC tactic of sending villagers to the district town to demonstrate against air and artillery strikes was improved upon when nearly 3,000 refugees presented themselves over a ten-day period to ask for help, following an air attack on Bao Thank village November 6.

Another major VC effort in both provinces was the economic blockade of GVN areas. However, the VC have had only sporadic success in attempts to prevent people from coming to GVN markets (e.g., in Hoa Binh district, Go Cong, and Thanh Phu district, Kien Hoa).

VIS ACTIVITIES

Go Cong: A training course for district, village, and hamlet VIS cadres opened in the province town November 25. About 145 cadres are attending, and some sessions are also being attended by province mobile administrative cadres.

VIS organized a week of concentrated face-to-face propaganda in six hamlets of Hoa Lac district beginning November 11, with ten cadres visiting a total of 297 families to distribute newspapers, magazines, leaflets, candy, and vitamins.

The Go Cong VIS has continued to react quickly to GVN victories in the province, producing mimeographed leaflets for distribution by hand and Tri-Lambretta.

Kien Hoa: The influx of refugees in Ba Tri and Thanh Phu presented opportunities for VIS which at first were largely missed by the weak VIS district organizations. After a few days, however, with some outside productivity began in each location under the supervision of the deputy district chiefs. It included face-to-face contact, a few movie showings, and distribution of leaflets. Additional entertainment for the Thanh Phu refugees was provided by a local theatrical troupe.

A team of Chinese-speaking VIS cadres arrived November 18 in Kien Hoa for temporary work among the Chinese community.

CHIEU HOI

Go Cong: The Chieu Hoi program continues to be well managed and successful. The provincial Chieu Hoi center is still overcrowded; as of November 24 there were 110 Quy Chanh and 17 families in the center.

Reactions to the Chieu Hoi program vary widely among districts. In Thanh Phu, an incident in which two Quy Chanh attempted to redefect to the VC after killing and wounding several civilians with a grenade confirmed the district chief in his conviction that most Quy Chanh are VC plants and are forever untrustworthy. It is unknown whether the two involved in this incident were in fact VC agents or whether they were provoked to redefect by the district chief's refusal to permit them to enlist in the PF and his conspicuous distrust, of which a third Quy Chanh in the district had complained to the provincial Chieu Hoi service and to USOM a few weeks before the grenade throwing. In Binh Dai, on the other hand, the district chief is sufficiently enthusiastic about the Chieu Hoi program to be reluctant to turn over his returnees to the provincial Chieu Hoi center for training -- a reluctance which the state of the center makes understandable.

MEDIA

Newspapers: The Ministry of Information increased to 14,000\$ a month the amount of support for the Kien Hoa newspaper, which is currently

appearing once a month in 18,000 copies. The reporting officer has agreed to a VIS proposal to shift to publication twice a month, with a press run of 13,000 copies.

PSYOPS COMMITTEES

Three meetings of the Kien Hoa provincial PsyOps committee were held during the month, to discuss organization of a private committee to support the war effort, Chieu Hoi programs, and plans for observances of Christmas, as well as other business.

GIA DINH - CAPITAL MILITARY REGION

GENERAL SITUATION

Government stability and the absence of political ferment provided a healthy atmosphere in Gia Dinh Province this month. However, sustained VC terrorism and small unit actions or ambushes wiped out the fiction that Gia Dinh, the land around the capital, is fully under control.

VC PROPAGANDA THEMES

The main direction of VC propaganda the past month has been toward pressuring, terrorizing, threatening or persuading regional and popular forces and low level soldiers and government workers to defect from the GVN. This is done through VC letters leaflets, informal talks or overt terrorism. Two of the province's best hamlet information chiefs were assassinated the last week of November. Otherwise, VC propaganda during the past month took few new turns. It continued to lash out at American imperialism, but refrained from any attacks on personalities in the Saigon government by name. A recent VC twist was the distribution of new leaflets in English designed to separate the troops from the Secretary of Defense with phrases such as "it won't be McNamara that goes home in a box."

VIS ACTIVITIES

The appointment of a new and capable VIS Chief has resulted in a noticeable upswing in informational activities in the province.

At hamlet level, VIS faces difficulty in recruiting capable workers. They are often the target of VC propaganda or terrorism.

The Second Anniversary of the November Revolution was the subject of considerable VIS effort throughout the Province in early November.

VIS rural cadre morale, never especially high, took an upswing with the news that salaries were increased from 1,500 ps. monthly to 2,500 ps. plus allowances of 500 ps for a wife and 450 ps for each child. Once the cadres are given civil service status and protection, this is expected to be a further step in attracting better candidates to MOI.

CHIEU HOI ACTIVITY

Perhaps the most noticeable Chieu Hoi activity in the past month was a large rally organized Sunday Oct. 31 in a Go Vap District theatre.

Close to 2,000 persons packed the

hall for a morning long program, many of them brought by special bus from rural parts of the district. Chieu Hoi returnees and families with known VC ties were specially invited. The program featured talks by three high ranking former VC. Surprisingly, their talks held the audience more than anything else on the four-hour program, prompting the question: Why not organize a national Chieu Hoi speaking team for provincial tours?

STATE OF MEDIA

Since three quarters of the GMR is Saigon city, the usual provincial VIS force is generally dwarfed in competition with the metropolitan press and radio. However, the Province Chief has approved a weekly province newspaper for rural areas, with a press run of 20,000 copies each issue. Posters have been printed on food distribution and some constructive aid projects. Leaflet are infrequently used because most of the province is a metropolitan area, as the VIS Chief regard leaflets as a peripheral form of communication, favoring the use of meetings and face-to-face propaganda by cadres.

PSYOPS COMMITTEES

The Province Chief has agreed to convoke a province PsyOps Committee, but this was delayed by a change in VIS chiefs last month. Hopefully the committee will organize within the next two weeks.

UNCLASSIFIED

MONTHLY REPORT ON STATUS OF RURAL CONSTRUCTION PROGRAM
for the Month Ending November 30, 1965

TO: Distribution List Below

FROM: Reports Officer, MRCC (Provincial Operations) USOM

This document contains the Unclassified reports of Provincial Operational Project Managers for the Month Ending 30 November. The reports are based on the summaries of the monthly reports submitted by USOM Provincial Representatives concerning items listed in the Rural Construction Budget.

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PUBLIC ADMINISTRATION -

In numerous provinces civil administration seems improved. Procedures to release funds, which were revised recently, have reduced time lags between requests and payments in some provinces.

Discussions of the Rural Construction Budget for FY 1966 seem more effective and appear to involve more joint (GVN-US) decisions and discussions and less authoritative decisions than in preceding years.

In a number of provinces, the Provincial Councils are working satisfactorily, representing various groups' points of view to the Province Chief.

In a number of provinces, training is going on to prepare replacements for persons drafted or otherwise lost to local government service.

Provinces continue to be short of trained personnel, having lost many to the military draft. Training of replacements is going on, but in some cases it is inadequate.

Accounting procedures still restrict and slow the uses of money for rural construction, although new procedures for authorizing releases of money reduce this.

CADRE -

A slight upturn occurred during November in the proportion of Provincial Representatives reporting cadre progress as "satisfactory". The picture remained quite spotty, however, ranging from very bright in some provinces (e. g., Quang Nam, Phu Yen, Kien Hoa) to quite dismal in others (e. g., Pleiku, An Giang).

Reasons for the differences are understood to some degree but not as fully as we realize they must be. For instance, from Phong Dinh comes the observation that relationships between local officials and cadre are too distant, but the reasons are not yet understood. "More effort will be made to determine the underlying causes for the apparent laxity in supervision by district chiefs and the low morale of team members".

Other Prov Reps also recognize the key role of district chiefs; for example, "the Mobile Action Cadre are as effective as the district chief in most cases" (Tuyen Duc). "District chiefs have been requested to keep better supervision over the cadre and utilize them to the maximum. If the district chief will accept these cadres as a part of his own organization, then we can expect better results". (Tay Ninh).

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CADRE (cont'd)

Seminars for district chiefs are among the several activities on the GVN agenda for cadre improvement. Much of the agenda is still in the planning phase but during November there were three decisions of great potential which will affect cadre:

- 1) The anticipated general statute on cadre personnel policy was issued (Decree #1900). It sets minimum standards of eligibility, pay, benefits and treatment for all cadre to be brought into the system by various ministries through special decrees.
- 2) The decision to consolidate the heterogeneous categories of rural construction cadre was made. It was announced informally by the Minister in the course of regional budget hearings on the Rural Construction Program.
- 3) It was decided that the Ministry's Rural Operations Directorate, which includes responsibility for cadre, will be headed by one of the more dynamic and experienced Province Chiefs. As the month ended, his arrival was awaited with eagerness by US advisors.

SUPPLEMENTARY PROVINCIAL DEVELOPMENT -

In the small number of provinces that have 1965 provincial development projects progress was generally satisfactory during November. A sewage system was completed in Long An and two more are under construction; contracts were let for six docks, and construction should begin in December. All of Long An's supplementary provincial development funds have now been obligated. Vinh Long completed a ferry boat and is constructing a bridge and municipal markets. Ninh Thuan completed a land-clearing project (this will be a separate item in the 1966 Rural Construction Budget). Chuong Thien has a dock and a market under construction. Vung Tau is building two markets and funds are obligated for another market and a bridge. Two bridges are under construction in Ba Xuyen; soaring prices have caused the province to request an additional \$VN100,000 for three more bridge projects that had been approved earlier by Central.

Only Gia Dinh and Quang Duc report serious problems in their supplementary provincial development programs. Gia Dinh was informed by Central that funds for the program have been suspended temporarily due to duplication with regular ministry programs. (This has been the basic attitude of the GVN toward supplementary provincial development since the item was removed from the provincial Rural Construction Program at the beginning of 1965. This attitude is still manifest under the new Minister of Rural Construction, (General Thang). Quang Duc has been obligated to retrench on provincial development because of serious deterioration in the security of the province.

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TRANSPORTATION SUPPORT -

This program continued to move well in November. Thirty four Provincial Representatives reported general satisfaction with the program; only nine were dissatisfied. Kontum welcomed new trucks, and Thua Thien a new plastic assault boat. Chuong Thien is now receiving supplies by air from Saigon. The VC destroyed trucks in Quang Duc and Quang Nam during the reporting period. Gia Dinh has been having difficulty retaining drivers due to low salaries (the province was authorized to increase the salaries of drivers from 2000VN\$ to 3000VN\$ per month in its 1968 budget approved last week). Ba Xuyen is still waiting for four Chevrolet trucks which were allocated a year ago; the missing motor mounts for these vehicles finally arrived in Saigon this month, so the vehicles should be assembled and delivered to the province shortly. The POL shortage continues in Phu Bon. Tires are becoming a serious problem in several provinces (Ba Xuyen, Kien Phong, Hau Nghia, Quang Tri). Since most of the trucks were new at the beginning of 1965, GVN did not budget for tire replacement during the year and required the provinces to secure Saigon approval before purchasing tires. Such approval has caused trucks to be laid up for varying periods. Surprisingly little reaction was reported to the recent decision by Central to require Regions III and IV provinces to get advance approval from Saigon before sending trucks here to pick up commodities. Only Phong Dinh commented on the decision, and it indicated understanding and even grudging approval.

CHIEU HOI -

Many provinces report progress in the improvement and/or construction of provincial Chieu Hoi centers. Two new buildings were started at the center in Ba Xuyen; a dormitory begun November 10 at Dinh Tuong is 30% complete; the new center in Kien Tuong is almost completed and will open in January, 1968; a new kitchen-dining room at the Binh Duong center is 90% complete; bids were called on November 20 for a new center in Gia Dinh; the site for a center in Long Khanh has been approved and clearing of land begun; land clearing has begun on the site for a new center in Phuoc Long; the Ninh Thuan center is 49% complete. USOM provided fifty bags of cement for additional construction at the Binh Dinh center. A site has been selected for a new center in Darlac. In Pleiku the refugees have been removed from the center and it is now being used exclusively for Quy Chanh. Slow progress is reported on renovation of additional buildings for the center in Thua Thien.

A cinvaram brick making course has been initiated in Dinh Tuong. A daily training schedule is now being followed in Kien Phong center. Also two sewing machines have been loaned for training purposes. Bien Hoa reports improved political training sessions. Vocational training on a small scale has been initiated at the Binh Tuy center.

CHIEU HOI (cont'd)

Many provinces report a step-up in propaganda activities. The armed propaganda platoons were reported to be very effective. The majority of reports indicate that the personal approach to VC families seems to get the best results, although one province (Kien Hoa) reports that loudspeaker broadcasts from low flying aircraft are the most effective.

This month's number of returnees (1,482) was the highest for any reporting period. Most reports indicate that this is directly attributable to favorable military operations in their areas.

A shortage of typewriters continue to exist throughout the country. Shortages of office supplies also exist in a few provinces.

Although progress is being made in improving existing centers and building new ones in other provinces, lack of adequate space and training facilities continues to exist in many areas. This is particularly true for those provinces, such as Binh Dinh, which are receiving a large influx of returnees in a short period of time.

A shortage of cadre continues in many provinces, primarily at the district level and resulting from low salaries and slowness in administrative processing of new applicants.

Overall, Province Representative reports for the month of November reflect continued progress in the Chieu Hoi area. This is particularly true in the improvement and construction of provincial centers. Specific problem areas will be taken up with Vietnamese Chieu Hoi officials in Saigon with reports of results furnished Prov Reps where appropriate.

PROVINCIAL SELF-HELP -

The trend indicating improvement in the self-help program, as reported by Provincial Representatives in October, continued into November. Twenty-seven Provincial Representatives reported satisfactory progress in self-help during the month. A total of 224 projects were completed, including 48 bridges, 47 classrooms, 28 wells, 12 roads, 7 markets, and 7 information stations. Construction has started on 40 recently-approved self-help projects in Quang Tin (which has had no program until now); Phu Bon has completed nine projects, the first since the national self-help program was started in 1962. Hau Nghia judged the progress of its program "satisfactory" for the first time, with 6 projects completed during the month. Funding difficulties were overcome in Long Khanh and Bien Hoa, and Long An reported very satisfactory progress in November. In Region IV, Kien Phong has already exhausted its self-help funds for the year and Ba Xuyen expects to reach its authorized project total by the end of the year. Chau Doc approved an additional 103 projects in November, mostly out of the savings from the original 1965 self-help program funds.

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SELF-HELP (cont'd)

Provinces in Region I report flood conditions slowed their self-help programs in November; Thua Thien noted flood damage to self-help road and bridge projects. Cement shortages were reported, particularly from Region II (Ninh Thuan, Tuyen Duc, Binh Dinh). Basic misunderstanding of the program is evident in some reports. Pleiku has "planned" that seven meeting/information halls be built in the hamlets comprising Pleiku City under the 1965 self-help program (apparently ignoring the desires of the hamlet residents). The Vung Tau public works service chief seems to regard self-help projects as part of the regular program of his service (again ignoring the wishes of local residents). The Minister of Rural Construction, General Thang, apparently intends not to allow self-help projects in areas that are already pacified next year. Using this criterion, he approved only 150 projects in 1966 for Gia Dinh, which had 282 this year. If the policy is actually applied nationwide, it will be a serious blow to the self-help program.

SUMMER YOUTH PROGRAM -

Summer Youth Program activities have come to a complete halt in the provinces owing to the program's termination. USOM/Vinh Long reports, however, that province Summer Youth Program leaders presented to the Provincial Representative a 33-page yearbook of the summer's activities. He notes "local intellectuals report the literary quality is surprisingly high, the sentiments obviously sincere, and that in addition to preserving the solid accomplishments and comradeship of this year's activities, it should be a terrific piece of recruiting literature for next year".

Certain provinces, such as Tuyen Duc, Dinh Tuong, Ninh Thuan, Chau Doc and Kien Tuong, report on either local youth groups or the National Voluntary Services teams being engaged in constructive social welfare type activities. Seven other provinces report on sports activities attempts to construct playing grounds and promote local games which are being initiated.

Headquarters Overview

Although there is no formal program, youth activities are still taking place in Saigon and the provinces. It is a hopeful sign. Moreover, largely owing to the Summer Youth Program, Provincial Representatives are more tuned into the youth sector and many are taking an active interest in promoting local level activities, whether building a volley-ball court or helping out in a refugee camp.

SOCIAL WELFARE -

Increased efforts to relocate or resettle refugees during the month showed considerable success in many provinces. Although statistical summaries for the month have not been prepared, it appears that the number of refugee families being granted their relocation allowances (between 2,000\$VN and

SOCIAL WELFARE (cont'd)

3,500\$VN) from the Ministry of Rural Construction, and being resettled, is increasing considerably. Coordination between various elements involved in the resettlement process (Social Welfare, Rural Construction, Public Works, certain military elements such as Psy War, etc.) has been steadily improving. Refugee figures being reported by the Ministry of Social Welfare, however, differ considerably from those reported by our Provincial Representatives in many cases, and do not yet reflect the increased resettlement trend apparent from the Prov Rep reports. Provinces in which relocation is proceeding well include Quang Nam, Long Khanh, Phuoc Long, Binh Duong, Gia Dinh, Bien Hoa, Phuoc Tuy, Go Cong, Long An, Kien Tuong, Kien Phong, Dinh Tuong, Kien Hoa, Kien Giang, Phong Dinh, and Binh Dinh.

The problem of misdirected or erroneous bombardments by friendly forces continues to rear its head from time to time. The adverse effect on the morale of refugees and other GVN-supporters or sympathizers is probably greater than the physical damage involved, (e. g., Binh Dinh and Quang Tri).

As a result of an apparent increase in VC activity in Region IV, a considerable number of new refugees were reported in the Delta provinces during the month. It remains to be seen whether this is a continuing trend, but if it is, it may require a redirection of attention and emphasis of USOM activities and operations concerning the refugees.

Some provinces still report inefficiencies and delays in the processing of refugee documentation and the payment of refugee subsistence and relocation allowances (e. g., Tay Ninh and Kontum). Quang Tri notes that one-fourth of the refugees have received no payments of the seven-piaster subsistence allowance. The Prov Rep in Hau-Nghia decries the lack of long-term planning for refugees, although throughout the areas of high refugee concentration it might be observed that immediate needs and requirements of the refugees demand all possible attention at the present time.

There is a continuing need for ever greater assistance to other poor and destitute people, besides refugees, including orphans, blind, old people, etc. Assistance is made more difficult in some areas by the lack of access to refugees in remote districts cut off from ground communications by the VC. Allocations of the limited assistance available to other needy groups and institutions must be made on the basis of some sort of priority system. There is always the problem in Saigon of knowing which requests for assistance from what institutions are most needed and will do the most good if fulfilled.

The refugee problem continues to occupy the bulk of the time, energy, and resources of the Ministry of Social Welfare. Important in recent weeks have been the Ministry's efforts to expedite, with financial assistance from USOM, the construction of a substantially increased number of temporary

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SOCIAL WELFARE

Headquarters Overview (cont'd)

refugee shelters throughout the country. Coordination with the Ministry of Rural Construction seems to be improving, although the lack of a central directorate for the handling of refugee affairs in all phases continues to be felt. The Ministry of Social Welfare and the USOM Advisor have on more than one occasion recommended the establishment of such a directorate, but considerations of such recommendations within the GVN have as yet proved inconclusive. The lack of coordination which such a directorate would provide is also felt in the field, when refugees ready for relocation have in various instances gone several weeks or even months after the termination of their allowance from the Ministry of Social Welfare before receiving their MRC resettlement allowance of 3,500\$VN maximum.

Assistance to victims of erroneous bombardments by friendly forces has, with occasional exceptions (e. g., Thua Thien) been rendered reasonably promptly by the Ministry of Social Welfare. Inefficiencies in processing and handling refugees will doubtless never be eliminated completely, but the Minister of Social Welfare and other officers of the Ministry are making frequent trips to the provinces to improve field operations to the greatest extent possible. Long term planning for refugees is receiving more attention, and while not yet agreed completely upon certain objectives and techniques for the long-term, officials of USOM and the Ministry have been in close consultation on this subject.

Realizing the need for developing priority needs for the most effective use of Ministry of Social Welfare resources, the Minister has been recommending the establishment of Provincial Social Welfare Committees consisting of leading citizens knowledgeable of local problems and needs. Such committees would make their recommendations to the Province Chief through the Social Welfare team leader, and would assist in the development and stimulation of local welfare organizations. The committees have already been established in some provinces, (e. g., Quang Tri, Tuyen Duc).

Emergency needs for refugees in isolated areas (e. g., Kien Hoa) have upon occasion been supplied by air drop of relief supplies. Such a procedure has its shortcomings and obviously cannot be used on an extensive scale, but for immediate response and propaganda value it can be very effective.

POPULAR FORCE, Hau Bi Quan and Civic Action -

Popular Force. Of the thirty-nine provinces reporting, seventeen indicated that progress in dependent housing and training centers continues. Most progress reported was on a modest scale with the exception of Tay Ninh, where eight housing units, a canteen, dispensary and barbershop were completed.

Popular Force, Hau Bi Quan and Civic Action (cont'd)

Home Guard. Nine provinces reported progress in the formation of the Home Guard. However, most reports indicate that the program is just starting and that current efforts are being directed toward recruiting and organization. Few provinces were able to provide statistics on numbers involved. Kontum and Pleiku indicated that Home Guard personnel at those locations continue to be active. Pleiku plans to incorporate their Home Guard personnel into the 1966 pacification program, with the specific mission of reorganizing the New Life Hamlets surrounding Pleiku City.

Civic Action. Seventeen provinces reported progress in the civic action area. Significant achievements resulted in Binh Duong, Bien Hoa, Pleiku, Phu Bon and Ninh Thuan.

Binh Duong - 1st DIVARTY adopted Phu Hoa village and are holding daily sick call there. The Korean Engineer Task Force medics are making regular visits to the Lai Thieu District infirmary and maternity dispensary.

Bien Hoa - 173rd Airborne undertook the construction of a classroom and the 2nd Bde, 1st Division is building two. The 173rd Airborne had as many as fifty villagers working with them.

Pleiku - 52nd Aviation Battalion has assisted in raising approximately 250,000\$VN for construction of an orphanage. The 20th Engr Group (ARVN) assisted by grading/levelling grounds for the public high school.

Phu Bon - MACV Team 31 completed construction of playground equipment.

Ninh Thuan - Seabee team completed the levelling of the campus for the Montagnard training school and constructed a bridge, school, and market place. Popular Force units are working on two projects and Regional Force medics are participating in medical services to villagers.

The most pressing problem continues to be a shortage of commodities. This, of course, can be attributed to the logistical situation and little can be done at this time. Most Provincial Representatives continue to feel that once this barrier is eliminated their programs will progress at a significantly increased rate. Kien Phong and Phu Bon report inadequate response to requests for indemnification under the MILCAP program. Almost without exception, the Prov Reps desire increased USOM support to PF dependent housing and continuation of the Sub-Sector Advisory Fund.

In spite of limited resources and logistical difficulties, the status of dependent housing and training centers improves and is encouraging. Definitive guidance to the field in these areas, as well as continuation of the Sub-Sector Fund, is contingent upon program approval for 1966. The problems encountered

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Popular Force, Hau Bi Quan and Civic Action (cont'd)

Headquarters Overview (cont'd)

with MILCAP funds in Kien Phong and Phu Bon provinces will be discussed with MACV Civic Action advisors in an effort to determine specific difficulties and initiate remedial action.

Monthly reports indicated an increased awareness of the value of civic action on the part of US units. This has resulted in increased participation and it is hoped that this trend will continue.

HAMLET SCHOOLS (Hop Tac Area)

"Satisfactory progress" is the only rating given to the Hamlet School Program from the officials of Hop Tac provinces and the Special Zone in the November monthly reports.

It appears that as a total area, construction on the program will be about 70% complete at the end of FY 1965, which theoretically would indicate that the program is not satisfactory but rather that it is behind schedule. Considering the fact that the provinces were not authorized to begin implementation until May 1 and the subsequent inflation of the economy, a "satisfactory progress" rating should be changed to that of "outstanding progress".

The education advisor has suggested to a few reps that their respective education chiefs should be urged to review their FY 1965 hamlet school budgets closely and obligate any unobligated funds before the end of the fiscal year. According to the agreement, up to 20% of hamlet school funds can be transferred from one line item to another. For example, if a province has VN\$500 remaining from the line item "allowances for teaching staff at training center", this amount can now be spent for line item "basic pupil supplies" if the Provincial Committee so desires.

In general, textbook distribution to provincial capitals is excellent, however, a few Hop Tac provinces are having some difficulty with provincial distribution.

One province (Gia Dinh) suggested a raise for HSTs. We will hear more and more of this until the economy stabilizes. The education advisor suggests that provincial representatives consider issuing AIK - PL-480 commodities to teachers if they threaten to quit because of salary reasons. It will require GVN considerable time to effect a salary increase.

HAMLET SCHOOLS (Region I)

a. 96% of the teachers allocated for training in 1965, have been trained. Quang Tin and Quang Nam construction of classroom progressing satisfactorily.

HAMLET SCHOOLS (Region I) cont'd

b. Classroom construction -

Quang Tri:- Finance officer not releasing funds for classroom construction, Thua Thien and Quang Ngai classroom construction progressing but completion depends on shipment of cement and roofing.

Danang city:- Contractors are not interested in 50,000\$VN per classroom since they can get more lucrative U. S. military contracts.

c. Action to overcome shortcomings -

- 1) It is expected that the Quang Tri Finance will release funds in December.
- 2) Logistics in Danang is making every effort to furnish cement and roofing to provinces. Over crowded harbor and security hamper shipment in I Corps.
- 3) Danang city's problems in classroom construction is being sorted-out. Arrangements have been made for larger expenditure in classroom construction. Contracts are being signed for constructing 35 classrooms.

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MONTHLY REPORTS OF USOM PROVINCIAL REPRESENTATIVES
for the Month Ending 30 November 1965 (Region IV)

TO: Distribution List Below

FROM: Reports Officer, MFCC (Provincial Operations) USOM

This document contains the Unclassified reports of USOM Provincial Representatives for the Month Ending 30 November. The reports are summaries of the monthly reports ~~submitted~~ by each province and listed in order from north to south.

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November 3, 1965

GO CONG (29)

Progress in support of GVN by the populace still continues slowly, but steady. Increased refugees and Quy Chanh support this trend. The newly appointed Province Chief is contributing greatly to the programs which benefit the people. Now that he is no longer saddled with regimental duties, in addition to his responsibilities as Province Chief, he expects to place greater emphasis on civilian programs. There is still no change in effective actions by the present incumbents of the Provincial Citizens Council. Province administrators are continuing their effective contributions to municipal government in Go Cong. This more than compensates for the total ineffectiveness of the Citizens Council. There is still much to be done in Go-Cong, but all concerned feel strongly that as a province we are on the right path and the general trend should improve with time.

VC activity showed a moderate increase over the past month. Confirmed reports indicate that this trend will continue with VC emphasis being placed on hamlet harassment, road and communications interdiction, and increased activity against the air strip. As previously reported, the Province Chief has made security within the province his top priority mission. Much has been accomplished in a very short period to improve the security in Go-Cong.

Prices, in general, continue to spiral upward. It is believed that this is representative of most of the Delta and Saigon. Inability to make maximum use of the road networks in and out of province to the markets is the main cause for most of the continued price increases. An attempt to provide some protection for shipment of goods by waterway has been undertaken, but cannot be evaluated at this time. The Cho Gao ferry site at present is like something out of a Dante novel.

This area remains strong and continues to improve each month. The psychological attitude of the people is good and the attitude of the provincial administrators continue to improve. The Province Chief continues his people-to-people program in the country side and it is felt that the presence of USOM/MACV personnel in the countryside along with GVN representatives contributes greatly to the success of the overall program and general situation. The joint USOM/MACV/JUSPAO program of English language instruction is over-subscribed and enthusiastically received by the participants. It is felt that in the area of social/psychological trends we show the greatest continued improvement.

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GO CONG (cont'd)

Progress is still very slow. A general feeling, at times, that Central "could care less" prevails; otherwise they could not adopt the attitude or requirements we come in contact with on a province level. As previously suggested, there must be greater flexibility in the thinking at Central level in order that province can take immediate and necessary action when conditions warrant. Unconfirmed reports received in province indicate that the Province Budget for 1963 has been reduced some 3,000,000\$VN from the 1965 figure. If this is true, it will handicap the overall pacification plan for the coming year and surely reflect in reduced morale and program effectiveness of province officials.

November 30, 1965

KIEN TUONG (31)

Major Tan, Province Chief since October 15, continues to show improvement, making frequent trips throughout the province. Many service chiefs and the USOM Representative are invited on these trips, and projects have been examined and approved on the spot. He has been most receptive to advise on how to expedite the use of the remaining 1965 budget funds and has implemented the same,

It is hoped that the proposal to use the Provincial Council for a Self-Help Committee will be implemented in 1966. Life finally seems to be coming to this too long dormant body.

Security is about the same as last month. GVN-initiated actions are on the increase due to success of the Tuyen Nhon USSF camp and the aggressiveness of the new Province Chief. There has been some deterioration in road security (mining, etc.). Poor security on the Dinh Tuong portion of Route No. 29 continues to hamper the flow of supplies. A recent example was the holding up of USOM trucks for sixteen days in Dinh Tuong because to Division's failure to clear that section of road.

Construction of the proposed camp at Kinh Quan II on the precarious La Grange still has not begun and hopes are waning; it appears that no equipment will be supplied. Recent operations in province have yielded a good number of small arms factories, VC supply bases, etc. Information on locations of these bases is becoming more readily available with increased VC defections.

Non-availability of basic construction materials continues to hamper all construction. Unless central control of these commodities is exercised quickly, complete stagnation in this vital industry will result.

The attitude of the people toward the GVN is generally favorable. Intelligence is more readily available. However, both military and civilian successes have not been exploited to the GVN's favor.

In order to utilize 1965 budget funds as much as possible, a proposal to send a lumber-purchasing committee to Saigon has been accepted by the Province Chief. This proposal was based on the recent Saigon Directive easing price restrictions. The committee will go to Saigon on December 3.

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Scarcity of basic construction materials as mentioned many times before continues to hamper all progress. Again centralized control must be exercised in this vital field.

Complete lack of appropriate channels, both GVN and US, for the requisition of heavy equipment for projects funded under the Pacification Budget makes implementation of the road section of the Public Work's portion of the budget impossible. This province has no National Ministry programs under construction. Since heavy equipment can only be requested for National Ministry projects and all Public Work's activities are under the Pacification Program, we are not then allowed to even request equipment for our projects, no less actually receive some.

As of November 25, over 50% of total 1965 Budget has been spent.

November 30, 1965

KIEN PHONG (32)

There are no organized political parties in Kien Phong Province. Religious groups, Buddhist (20%), Hoa Hao (28%), Cao Dai (11%), Catholic(5%), Protestant (1%) and ancestor worship (35%) work in harmony, with only occasional disputes over title to land. Although they are not in the majority, the Hoa Hao influence is the most powerful, and three of the five District Chiefs in addition to the Province Chief, represent this religious sect.

During the reporting period, there were no large-scale VC attacks within the province, although the rate of VC activity remained at a high level. The most significant VC attack occurred on November 22 in Kien-Van District when an estimated company of VC overran an eleven man Popular Force out-post. GVN operations have increased in tempo and recent results have been encouraging. The VC continue their harassing activities and have the capability/overrun small outposts of their choosing.

Economically, the outlook is much brighter this year than last. The rice crop should exceed last year's crop by 15,000 tons. The export of pigs is up from 10,000 in 1964 to 17,000 thus far in 1965.

On November 25 the Economic Chief will attend a meeting in Saigon in an effort to freeze prices at the national level. Should Saigon be unsuccessful in stopping the spiralling of prices, the end result may be a freeze on exports from Kien-Phong.

All self-help money for this calendar year has been exhausted. The Province Chief has requested CRCC to transfer money from another item in the budget to support the successful self-help program, but so far he has not received a reply.

This month the province experienced an unexpected influx of refugees. Since the first of the year, only 138 families had been relocated; thus far in November, the Provincial Committee has handled over 600 claims. Indications are that there will be a need for small scale refugee centers at district level. This recent increase in refugees is attributed to recent GVN successes and an effort by the District Chief, inspired by the Province Chief, to get all refugees paid by the end of the year. Otherwise, province will lose this money.

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KIEN PHONG (cont'd)

Province has initiated planning for the 1966 budget. The Province Representative notes that all of projects for next year appear to be sound, except for the road building plan. For 1966, province has requested 63 classrooms and 137 hamlet teachers under the education program, and 63 self-help schools. Of the 216 hamlets in the province, there are 131 hamlets with schools, and 85 hamlets without schools. By year's end, 80 of 90 self-help projects and 33 of 47 classrooms should be completed. The remainder should be completed in the first quarter of 1966.

The electrification program has stalled due to contractor difficulties in Saigon. Money for the building of three docks and a market place under Supplemental Provincial Development has been initiated and should be completed by the end of January. A bid for 8,800,000\$VN was recently approved for the construction of 51 canals astride the Dong-Tien canal. This contract exhausts the agriculture/hydraulic program for 1965. The fishery program showed some signs of renewed activity, however, this program has no office or chief assigned to it. As an interim measure, the Economic Chief has been assigned responsibility to coordinate the program.

November 30, 1965

DINH TUONG (33)

During the past thirty days there appear to have been no political changes or developments of undercurrents which affected the provincial government or the people. The Deputy Province Chief for Administration, Mr. Le-Van Hoi, continued to consolidate and strengthen his position through better coordination of his staff. He has made frequent trips to district headquarters where he talked with employees individually and encouraged them to do better work, and give of their time to help the people in their areas. His talks appeared to be well received. The provincial staff continues to operate with only one deputy province chief, although it is understood the popular and energetic Capt. Dang Ngoc Lan, presently the National Police Chief, will be assigned as Deputy Chief for Security. Everyone believes this to be of considerable significance and will strengthen the provincial staff.

During the reporting period there was a decided increase in the number of VC incidents, i. e., road blocks, mining of vehicles and bridges, and the VC main force attack on Tan Hiep air strip on November 18, which resulted in 33 KIA and 55 WIA. Also five US Air Force planes were destroyed. It was noted that there were friendly initiated actions; however, the end results were much better than those of previous months. There was also a considerable increase in the number of weapons, ammunition and documents captured.

There has been a great deal of interest expressed by the 7th Division Commander and the Province Chief in raising pork production and increasing fish hatcheries. While the general trend of consumer prices has been upward, there appears to be less concern than in the previous reporting periods. The rice harvest began in early November; slightly less than normal production is now expected by the farmers. There have been scattered reports of some VC taxation of rice. The former risk of planting a rice crop during the dry season should be lessened by the introduction of a high yield, disease-resistant, hybrid strain of rice which is expected to produce a 10% to 20% increase in rice production.

In Ben Tranh and Cai Lay districts, canals for irrigation should be completed within the next six months. The province has now acquired twenty-two water pumps which will be used by farmers for irrigation during the dry season.

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DINH TUONG (33) (cont'd)

There is a growing evidence, with increased VC activity, the people are becoming more and more anti-VC and have indicated a willingness to cooperate more fully with hamlet survey cadres in furnishing information. However, there is no indication at this time that there is a corresponding trend by the people to turn to the government. One of the reasons given is that the GVN is still incapable of providing security.

On balance, rural construction is not progressing satisfactorily in this province. Reasons given include inadequate planning and supervised execution of programs; also available funds are obligated but released too slowly.

November 30, 1965

KIEN HOA (34)

The VC continue to intensify their population control efforts and attempts to isolate outlying district towns. Two bridges were blown up on the Mo Cay road, one post lost, and the road itself is being systematically destroyed. Two watchtowers in Binh Dai were lost and increased interdiction of waterways and roads is noted. Provincial forces lack aggressiveness and initiative in seeking out and destroying the VC.

The 41st Ranger Battalion was again hit unawares by the VC and retreated in disorder, leaving weapons and equipment behind, although most of the weapons were later recovered.

The small three or four platoon-size operations held daily generally have negative contact, and when contact is made, usually fail to achieve their objectives. Success with air strikes and artillery is difficult to evaluate but whatever it does achieve is more than is done on the ground. Any decrease in security continues to be due to VC initiative and not a decrease in GVN forces or a weakening in these forces. The kill ratio on the ground remains at best one to one.

Adequate rains in September and November have more than compensated for early deficiencies as far as the second rice crop is concerned. While one hectare normally produces 100 gia, this year most areas report a possible yield of 120 to 140 gia per hectare. However, it is still felt that a large part of this rice will move through illegal channels due to a lack of effective resource control measures. Inflation remains a problem with prices up in all areas.

GVN efforts to win the strong allegiance of the most productive and capable portions of the population are usually marginal, because most of these efforts are in defense of the existing social system, a system which continues to contain most of the evils which helped generate the Viet Cong revolution. It is still virtually impossible for a child born in a poor rural family to obtain a baccalaureate degree, without which he is permanently relegated to an inferior social position. Great strides have been made in building primary schools through USOM self-help projects and Rural Reconstruction Budget funds. Now almost all hamlets have schools, and there are over 54,000 primary school students. But there are less than 6,000 students in all the high schools in Kien Hoa. Each year only 130 students

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KIEN HOA (cont'd)

receive the first baccalaureate degree from among the 300 who present themselves, and only about 60 receive the second baccalaureate. Phu Hung Village school, only four kilometers from Kien Hoa's capital town, for example, has 1,150 students in the five primary grades. About 150 graduate each year from the primary school. Of this number about twelve go the province town for commercial studies, and about twelve enter the high school. Of this number only two or three will receive any kind of Baccalaureate. These twelve are from families who have enough money to board them in the capital city. With USOM materials, local initiative and usually local funds, high schools have been started in four district capitals. The school in Binh Dai is an example. Built entirely with USOM funds, and money raised by local subscription, it has two sections each of class 7, 6, 5, and next year 4, for which the Ministry has still not provided three needed teachers. Yet of all the one hundred students now entering class seven, only sixteen come from areas outside the immediate vicinity of Binh Dai District town.

Those rural children who have real leadership potential have no opportunity to express this leadership in government-controlled society. They cannot be officers, or administrators, or section chiefs. Primary education by itself only increases their frustration by encouraging appetite. For them the Viet Cong offers the only real outlet for their energies.

The Vietnamese Government continues to support this exclusive educational system in a revolutionary war for the allegiance of men and leadership. All this is the preservation of privilege. It is madness, and until it is changed into an American type egalitarian educational system, most of our other efforts can only be marginal.

Generally USOM programs are progressing satisfactorily as indicated last month. In anticipation of a large refugee influx following B-52 raids, eight plane loads of emergency refugee supplies were dropped into Thanh Phu District and a prefabricated forty-room building carried by helicopter from Ben Tre where it had been designed and the angle iron cut under USOM direction. Later a third of this material was carried by helicopter to neighboring Ba Tri District to meet a sudden influx of several hundred refugees within twenty four hours.

USOM's new rural technician, a former Viet Cong lieutenant, helps program a regular thirty minute broadcast by Kien Hoa's radio station of Qui Chanh broadcasts interspersed with traditional music and Chieu Hoi appeals. USOM helped to initiate this program.

November 30, 1965

VINH BINH (35)

There were no significant political changes or events to be reported in Vinh Binh during this month.

The security in the province roads continued to be questionable. Mining and road blocks increased, making travelling and transportation risky and dangerous. Road #7 from Vinh Binh to Vinh Long was heavily mined during November 3, 15, 17, 22, and 29. Despite this situation, Province and District Chiefs believe that this year the situation, as compared to last year, has greatly improved.

The month of November reflects a continuous tendency of price increases in most important commodities. Cement, for example, is not found in the local market. A bag of cement is sold at VN\$220. This inflation helps speculators to take advantage of the black market.

Since October 29 to November 24, 1965, 1132 tons 700 kgs of rice were exported from the province. The economic inflation process, rather than contributing to a positive mental attitude in the population, brings about bitterness and resentment toward governmental administration. This socio-economic dilemma is the best weapon used daily by the VC to fight the GVN.

Supervision by USOM personnel of a great number of USOM Self-Help projects is very difficult due to the insecurity of certain areas. We have to rely on information submitted without being able to inspect on the ground the quality of all completed projects. Self-Help projects, for example, in many cases are held on a contract basis. This fact in many instances is denied by the District Chiefs, but is a reality. After six months of learning experience, analysis and observation, the true spirit of Self-Help could be clearly observed in the faces of hamlet people. However, we could also see the business type of contractor erecting second or third class construction, which instead of creating in the people ideas and institutions, promote dependency, insecurity and frustration. The contract system in Self-Help projects is part of the existing corruption. People, however, respect and like USOM because it is one of the contributing factors for the improvement of the community.

The social/psychological situation during the reporting period remained unchanged. After six months of working in the province, the USOM Representative believes that there has been no progress or overall improvement. The frustration of the Vietnamese needy people is so great and corruption is so widely spread, that an effective change in the social and economic development of this country is prevented.

November 30, 1965

VINH LONG (36)

The political highlight of the month in Vinh Long was a village stump speech by a member of the Provincial Council (a body heretofore mainly noteworthy for its eloquent silence on almost every issue) in Hoa Hao-heavy Duc Thanh District, promising no less than a complete housecleaning of the entire district administration, from the lowliest Hamlet Chiefs on up to the District Chief himself (also a Hoa Hao)! Phase I, turning half of the rascals out, was to be accomplished presumably within a year, and the other half to follow thereafter. Unfortunately, it was not reported just how he proposed to do this.

The other item of political interest was the recrudescence of the off-again-on-again movement for separate provincial status for Sadec and its neighboring districts. The latest spasm took the form of a letter from "the people of Sadec" addressed to the Ministry of Interior through the Province Chief, pleading that the only way that Sadec could realize its full potential for development was through again being granted full status as a province.

U. S. observers find these two developments on the whole rather encouraging; first, because political activities are apparently beginning to feel confident that within the present regime there is scope for honest political dissent somewhere this side of picking up a rifle and joining the VC; and second, because the Province Chief's handling of these two incidents showed considerable maturity and political finesse. In the case of the disestablishmentarian Provincial Councillor, the Province Chief, despite howls for blood from the understandably annoyed District Chief, prudently ordered a fact-finding investigation before taking concrete action. (The investigation is still going on). The petition from Sadec he merely forwarded (reportedly without comment) to the MOI, where provincial pundits predict it will die a natural death in someone's hold basket.

Granted these are fairly fragile straws in the wind; nevertheless, imagining how these two incidents might have been handled in the bad old days of 1963 and earlier, it is possible to conclude in a tentative sort of way that there may after all have been some slight progress toward establishing a workable set of political machinery in the province.

The security situation remains in the same generally stalemated position it has occupied for several months. Friendly forces are thinly spread, occupying mostly static defense positions, and holding considerable territory at the occasional cost of an entire outpost detachment. Enemy forces, frustrated by friendly air and artillery from coalescing to try anything larger,

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VINH LONG (cont'd)

are settling for a stepped-up campaign of small unit outpost harassments and road minings/interdictions. What could break this stalemate is an increase of forces on either side. The Province Chief has asked for a bare minimum of ten new RF companies to realize the 1966 Pacification Plan. If these are granted the new troops would still not be recruited, trained and deployed until the end of June. In the intervening seven months it appears that the security tune will be pretty much orchestrated by the Viet Cong.

The spectre of inflation continues to haunt the Vinh Long economic scene. An interesting feature of this is that what appears to be happening at least in Vinh Long city, is not just one inflation but three--separate, distinct, and arising from different causes. The first, and by far most dramatic, is the inflation in building material costs. Caused principally by reduced supply and increased demand, this inflation is a continuing problem for government construction projects and has tended severely to curtail private construction. (Building permit issuances in Vinh Long City up to November's end were less than half 1964's all-time record, and will probably mark a five year low). The second inflation centers on semi-luxury items such as the better grades of cloth and nuoc mam, the fancier cuts of meat and poultry. Price rises in this class of commodities, on the order of 30-40% over six months, may represent the effects of a principally urban, war-born prosperity: fully, lucrative employment at the airfield, a mild boom in service industries, and a general tendency to "trade up" in quality by people with increased disposable income. Worst hit by this inflation are the civil servants and others on fixed incomes. The third inflation, that affecting the predominant peasant population and therefore potentially the most worrisome, is fortunately of considerably lesser magnitude. Peasant cloth and ordinary nuoc mam are up only 15% or so for the year, and most significant of all, rice, even of the best quality, has held steady at about ten piasters per kilo for almost six months.

Turning to USOM programs, Self-Help continues to be the brightest star in the USOM firmament here, with 100 completions so far out of 241 project starts. (The VC dynamiting of a partially constructed self-help school in November served to emphasize that GVN "pacification" is sometimes pretty theoretical and needs independent appraisal before committing USOM support). Other USOM stars shining with slightly lesser but on the whole satisfactory brilliance include Hamlet Schools, Civic Action, Fisheries, Sericulture and Youth. Chieu Hoi, which has long held out the promise of one day becoming a super-nova, stubbornly remains at about the fourth magnitude and NACO, at least for this crop year, must reluctantly be written off as so much cosmic dust.

November 30, 1965

AN GIANG (37)

Political progress and a citizen's consciousness of national government continue to be hindered by old habits difficult to eradicate, such as the reticence of lesser officials in apprising superiors of problems and trust in their eventual solution.

The impressive beginning of the Hoa Hao in establishing its political and juridical personality in this area continues to be enhanced by outstandingly efficient participation in civic action ceremonies and acts of commemoration--in sharp contrast to similar events without Hoa Hao participation and characterized by poor management.

The Provincial Council, now firmly entrenched as a consultative body regularly utilized by the provincial administration on major civic action decisions, appears to be playing an increasingly important role along the path leading to the establishment of a political base. Its members are getting around the countryside displaying interest and encouragement in economic and social development and rural construction, engendering more trust in the government as personified in the provincial administration. The Council is represented at village events and ceremonies and is alert to opportunities to gain and hold the confidence of the people--apparently in a semi-official liaison capacity.

Insofar as can be judged from observation of a generally impassive, undemonstrative people whose reluctance to discuss politics and personages is an ingrained habit from generations of fear of harmful repercussions, there appears to be relative contentment with the present state of affairs. This attitude might also, with equal logic, be construed as complacency toward the efforts of the central Government coupled with the assumption that the Viet Cong ^{will} eventually be defeated with consequent betterment in the standard and cost of living.

Tangible and dynamic support of the war effort is conspicuous by its absence among the general populace and is, for all practical purposes, limited to the key officials, military leaders and the Hoa Hao Buddhist sect. Draft dodgers are increasingly noticeable.

The small boom in private construction has continued, with more licenses granted and new buildings begun, both for dwellings and commercial use in the city of Long Xuyen. The biggest percentage of this construction activity is by provincial officials with bank credit.

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AN GIANG (cont'd)

While farmers continue to be exploited by money-lenders, well-established merchants and businessmen are enjoying ready credit under favorable terms from the local branch of the Commercial Credit Bank of Vietnam.

General harvesting of the rice crop in the area is imminent and the prediction is for a better crop than last year, with a probable production increase due to more favorable conditions---the decrease in planted area notwithstanding. The rising cost of living continues to be the main worry.

Rural Self-Help projects moved at a good pace during the reporting period with the completion of one school, ten classrooms and fourteen bridges. With the detail of the assistant province representative to the district town of Hue Duc, the anticipated acceleration of project selection and the formulation of comprehensive, properly documented requests was achieved, and demonstrated the value of thus bringing USOM guidance closer to the people.

With USOM support an effort is being made by the Industrial Development Center of the Ministry of Economy to stimulate private industry with loan conditions with which banks cannot compete, i. e., five year loans of up to 80% of the equipment value. In the USOM office in Long Xuyen the first introductory and orientation meeting was conducted by two representatives of the IDC and was well attended by local businessmen. Proposed industries included brick kilns, sand dredging, quarrying with crushers, borers and dredges, soy bean oil plant, fish meal plant, electric bakery, waster paper plant, rice mills and an ice plant. The attitude of provincial administration to this preliminary step looking to the stimulation of private enterprise was distinctly reserved.

Harassing incidents decreased and there was no reported sighting of any company size enemy unit--although an operation patrol of Regional Forces reported being attacked by "100 VC". Three hamlets were secured, leaving the count 249 hamlets secured out of a total of 257, with five hamlets left in the process of being secured. Thus, 97% of the province population of 425,934 is secured.

The atmosphere continues to be conducive to success in civic action and psychological warfare activities by agencies charged with that responsibility. The use of indemnity funds appears to have a particularly favorable impact.

November 30, 1965

KIEN GIANG (38)

There was no noticeable increase in Viet Cong activity during the reporting period. At the time of this report, an outpost in Kien Binh District is under heavy harassment. There were two attacks on outposts, resulting in over one hundred deaths and over one hundred wounded, mostly civilians. More than two hundred homes were destroyed. There were twenty-eight separate harassments of outposts and hamlets, six engagements between GVN and Viet Cong forces. A hand grenade was thrown into the Rach Gia-Ha Tien bus terminal in Rach Gia, a hamlet in Kien Luong was invaded by the Viet Cong and one person (suspected of being an ARVN informant) was killed. A military truck was mined on the Rach Gia-Ha Tien highway, resulting in one death and six injured. Two attempts to kidnap and possibly assassinate hamlet officials were stopped by local military forces. The local security situation is not as good as it was one month ago.

There has been little change in the economic situation since the last report. The price of lumber increased from 9200VN\$ to 9700VN\$, but prices of other commodities remain relatively unchanged. Unskilled labor wages remained the same. Even though wages and price of commodities are much higher than they were three months ago, the local market has adjusted sufficiently and the economic situation could currently be considered stable.

The social/psychological situation is not as good as during the previous reporting period. The people of at least three areas have been aroused to voice objections against operations conducted in their respective areas. In two of these instances, a direct verbal assault was made against GVN policy with respect to the current conflict. Some restitution has been made for civilians killed and property destroyed in Kien Binh district and more assistance has been requested from Saigon, but it is obvious that GVN and local officials will enjoy very little support for a long period of time from the people who suffered recent losses in the Kien Binh engagement.

In general, it is felt that USOM-supported programs in the field are not progressing satisfactorily. There are many factors which contribute to this. Travel in the province reveals many areas in which improvements could be made but progress is slow because (1) the people do not have any interest in improvement or (2) they are confined as to how much improvement can be made in one given area. For example, a hamlet may want to build bridges,

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KIEN GIANG (cont'd)

schools, maternities, etc., to develop the area up to the level they want but we can give only so much financial assistance. This hamlet, even though we have many people who are willing to give their time on self-help projects, will enjoy only a minimum number of projects in one year. In a neighboring area, the people do not want to progress and will not volunteer their time for any project. It is felt that if we could give unlimited assistance to those areas which want to build, sooner or later the neighboring hamlets will see the benefit of development and start making requests of their own. We must also find a way to arouse in the minds of a sufficient number of people in all the hamlets a desire to build projects which will improve their social and financial way of life. When one considers the amount of work to be done in this province, the one-hundred plus projects approved for this year is quite small. It should be mentioned that even this minimum number of projects have been slow in "getting off of the ground" because (1) reluctance on the part of province to release funds and (2) lack of commodities. The current program has been bottlenecked considerably during the past three weeks because of lack of commodities, especially rebar. The prov rep believes that our program would show great progress if we first, publicized extensively the advantages of having certain improvements; second, allow those areas that want to build many projects to proceed with less limitations; and last, insure that money and commodities will be released within a minimum period of time after a project has been approved by the Provincial Council.

November 30, 1965

CHUONG THIEN (39)

The political situation in Chuong Thien remains unchanged. VC activity has decreased somewhat and there has been no major military offensive. Road minings and minor harassments continue, however.

On the economic scene, the inflationary trend continues. USOM is beginning to receive supplies by air from Saigon. USOM-supported programs are moving as well as can be expected, considering the security situation in the province. There are thirteen classrooms presently under construction and seven of them are 80% completed, and should be finished by the end of the year.

Sixteen Quy Chanh came in, bringing with them individual weapons, grenades, and ammunition.

November 30, 1965

PHONG DINH (40)

There were no significant political developments during the reporting period; however, comments made in previous months are still valid.

Traffic on Highways 4 and 27 were prime targets for VC interdiction. On November 10, a PF soldier was shot and killed while riding a civilian bus. On November 12, an IVS representative, Peter Hunting, was killed while travelling on Route 4. On November 15, a civilian was kidnapped from a bus and killed in the vicinity. ARVN vehicles were mined and damaged on four occasions on Route 4. November 18, along Interprovincial Road #3, O'Mon to Thoi Lai, a Public Works vehicle was mine and destroyed, resulting in two persons killed and twelve wounded. On November 19, a US occupied billet and adjacent Vietnamese were heavily damaged by what was believed to be a satchel charge, resulting in five wounded, none seriously. Rumors are rampant that more installations are earmarked for destruction.

Local provincial operations are continuing; however, it would appear that results are doubtful. VC local forces roam freely, especially in the vicinity of the provincial capital. GVN forces' insufficient strength to contain and reduce these intrusions are not available. What troop strength that exists is primarily tied down to static defense of installations. All in all, the security situation in the province leaves much to be desired. Unless there is a change in the top military echelon, Phong Dinh will succumb to increasing VC political and economic stratagems.

Intelligence received indicates the VC are encouraging rice farmers in Thoi An Dong village, Phong Phu district to convert to extensive double-cropping to increase production. This trend further indicates the importance the VC attach to this year's harvest and continuation of their policy of economic warfare. On the GVN side, this practice has been in effect for the past two years with excellent results. During the harvest now in progress the yield from 3,500 hectares is expected to be an estimated 4,500 tons of milled rice.

Estimated stocks of paddy and rice in the province are 16,135 tons and 1,925 tons respectively. The annual rice harvest is estimated at 205,000 tons of paddy from 100,000 hectares. As far as can be determined no plans are being formulated at any level on the military side to assure that the preponderance of the annual harvest will remain under GVN control. The continued exodus of farmers from VC to GVN controlled areas is causing VC tax collections to be more stringent than ever before. However, there is no evidence of an increase in taxation rates as of this date.

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PHONG DINH (cont'd)

Wholesale pork prices at the local abattoir are now fluctuating between 5200-5600 VN\$ per 100 kilos. No significant increase in the slaughter of pigs for local consumption has been noted.

Pig farmers, heretofore, operating on a small scale with limited profits, are beginning to display an interest in medium to large scale development of this most essential element of the national diet. The recent visit of a USOM agricultural advisor, who provided valuable advice and technique assistance, has aroused considerable interest and hopefully should exert an influence on expansion and improvement of existing facilities.

Lumber is priced at 10,000\$VN for first class material; second class is 9,000VN\$ per cubic meter.

A CARE representative, Mr. Woodfield, reported to the provincial capital, CanTho, in mid-November. The USOM furnished necessary logistical assistance. It is believed the addition of this voluntary agency to the present inventory of participating agencies will contribute to the furtherance of the civilian pacification effort, notwithstanding the fact that Mr. Woodfield's support mission is regional rather than provincial.

The provincial warehouse is down to zero balances in bulgur, oil and other necessities. The absolutely deplorable supply situation existent from Saigon level is a blight upon the reputation of USOM. In the opinion of the Prov Rep observer, who incidentally has had extensive supply experience in both military and civilian life, good supply technicians and logisticians are in short supply. Basically, the job of the logistical expert is to determine the source and acquire the means to get a needed or required item to the base of supply. The supply advisor, among other things, is responsible for expediting supplies and assuring proper end item usage. The creed of any good logistian or supply officer should be the same as that famous statement alluded to Bedford Forrest, "Get there fustest, with the mostest". Supply personnel are not "fustest with the mostest" instead. In order for any modern army to exist in the field today, it must have a well planned flexible logistical support system. The weapons that are necessary to the USOM man in the field are in short supply, "due to transportation difficulties". We certainly cannot succeed in winning the hearts and minds of the rural population by using SAC (send a cable) procedures. In the final analysis, commodity supported joint programs have been curtailed due to the continuing shortage of basic working tools.

November 30, 1965

BA XUYEN (41)

The major political event of the month, and in fact of the year in Ba Xuyen to date, was the removal on November 11, on a few hours notice of the former Province Chief, Lt. Col. Nguyen Ngoc Diep. He was replaced by Lt. Col. Huynh Thao Luoc. The old Province Chief had been here only 4 months but was active and well-liked by the Americans. (See classified supplement for additional comment).

Prospects are for a good rice crop in Ba Xuyen, and hopefully this year the Government will help the merchants with adequate financing to bring the crop in early. Official prices to farmers for rice were established on November 26 at a meeting in Saigon, and although they do not seem to have much to do with the present market price for paddy (le prix pratique), we hope they will not impede the gathering of the crop. The price of pork, like the price of rice, has risen recently, and the November 26 meeting in Saigon also sought to push this price down.

The major long-term economic problem in the province is employment. Very many ~~fairly~~¹ well-educated people and seeking jobs with the MILPHAP team which arrive soon, and from discussions with these people it is apparent that staying unemployed for months, and even years, is standard practice. In this context, the airbase jobs are a boon, and the army and RF/PF provide an enormous job source, but they do not change the basic situation.

The brick mill at Dai Ngai is beginning production and should have machinery to make the improved hollow bricks in two or three months. This may create jobs for twenty to thirty people. The loan from the Industrial Development Center for the brick mill will probably go through, as will a similar loan to expand the local ice plant, but these two projects are only a very small beginning of the effort which must be made to create jobs. Of particular interest is the possibility of opening a small port at Dai Ngai to ship rice directly to the center of Vietnam, by-passing the Saigon bottleneck. A thorough study of the feasibility of this project should be undertaken immediately.

Morale in Ba Xuyen remains satisfactory.

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BA XUYEN (cont'd)

Progress on USOM-supported projects is difficult to judge as the year draws to a close. Although a certain crisis atmosphere has existed concerning the possibility of having to return unexpended funds in January, it is not clear how extensive this problem really is. The preferred building season is late January, February and March (during the dry season and after the rice harvest) and the Public Works Chief is probably planning his work accordingly. It is difficult to believe that after buying firewood for his steamrollers, etc., he is going to be put in the position of having to return millions of piastres for the big Long Phu road projects, and in fact we have just learned that gravel for the road is being delivered and that the project will begin on December 1.

The building of the 29 schools in the Education Program is another question, since there are many more bureaucratic problems, and the word is also out that next year the ceiling of \$VN50,000 per classroom will probably be raised. Some District Chiefs may be inclined to go slow with this in mind, although all year long perfectly adequate self-help schools have been built for only \$VN30,000 per classroom. At any rate, ten schools are on their way to completion.

The irrigation projects approved in the budget are being carried out. A large number of pigs for the animal husbandry program have recently arrived and are being distributed.

November 30, 1965

AN XUYEN (42)

The political situation remains steady, with no major incidents or demonstrations during the month. The peak of the anti-province-chief propaganda seems to have passed without any lasting damage.

For the first time in six months ARVN and US vehicles are encountering sniper fire along National Route #4 to Bac Lieu. Intelligence gathered in town indicates the VC are concentrating on cutting this road to GVN travel. Province officials are riding cyclos rather than their cars to Quan Long. A mine was also found along the road, and was detonated by the VC as the detonator wires were being traced. Camau security is still good, but GVN officials seem extremely jumpy.

The economic situation remains steady, and the social and psychological situation 'feels' good. In the long run, belief in final victory of the GVN is shown by the steady and rapid economic development of Camau. There has not only been phenomenal increase of small business establishments but also a continuing improvement in the appearance of these establishments. Camau is also undergoing a mild construction boom; many houses are of cement construction.

The battle between USOM and the Finance Committee has been rejoined in an effort to get a final heightened utilization of the 1965 budget. Generally, however, USOM programs are developing satisfactorily in view of transport and security difficulties. Final arrangements have been made for the Vietnamese supervised and ^{with} controlled sea-transport of an hydro jet rig from Binh-Hung to Song Ong Doc and drilling commence in mid-December.

Thoi Binh is beginning to grade its own airport before the promise of USOM - MACV help can be realized. This effort must be supported not only to show Thoi Binh that we are with them but also to show that major spontaneous efforts are rewarded. The opening of the airfield would negate a VC blockade imposed as a punitive measure against the town, which now numbers 7,000 people. The possibility of the airport being operational in three months is very real.

November 30, 1965

BAC LIEU (43)

The improved morale of the members of the provincial government continued this month, with noticeable effect particularly in staff coordination among service agencies. This province is fourteen months old, but still is adolescent in terms of public administration and other directly related areas. We still find ourselves spending a great deal of time wrestling with problems that are the direct result of faulty administrative technique. This, coupled with inexperience, produces problems which often seem epidemic in that they spread from one service to another. The situation at present, however, is much improved over that of a year ago, and it appears now that the patient will live. Politically, our most encouraging activity is the Provincial Citizen's Council (Hoi-Dong Tinh). They have met with success in fostering certain civic improvements and have excellent rapport with the provincial government officials. We have yet to realize the full benefit of their representative powers, however.

During the month there were 29 reported incidents of harassing fire on outposts, 28 road blocks, 7 minings, 7 kidnappings, 2 assassinations, 1 ambush and 3 bombings in the provincial capital. The general security situation is continuing to indicate trends away from large unit actions toward an increase of terrorist activities of all types.

As of November 20, 90% of the 100,000-ton paddy surplus from the '64-65 rice harvest was exported. The remaining 10% will probably never be recorded on the books, since it is in VC controlled areas and probably has long since left the province. This year's crop is predicted by the GVN to be 247,000 tons, with 163,300 tons of exportable surplus. This figure is based on "expanded areas of cultivation" and is probably over-optimistic. A 36% increase in our export product, with no increase in local consumption, a 30% drop in fertilizer sales, plus late rains, doesn't seem compatible. It is almost certain that the local authorities will stick with this 247,000 tons figure regardless of the actual harvest, since no one can prove them wrong, and any export deficit can always be blamed on VC taxes and interdiction of rice movements by the VC. The USOM Representative predicts an export "shortfall" of as much as 20-30% of this year's crop compared to the 10% figure for last year's crop--all because of the statistical guessing game being engaged in by the local authorities.

Prices continue to be variable with some increases in construction materials and vegetables made scarce by interrupted commercial traffic. Cement is 170\$VN/50kg bag, sand is 400\$VN/m³, gravel 1,000\$VN/m³, rock 600\$VN/m³, sawn lumber 10,500\$VN/m³, and #1 grade milled rice (25% broken) is 680\$VN/100kgs. The enforcement of official prices for meat

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BAC LIEU (cont'd)

is creating a black market here. For example, pork tenderloin sells officially for 80\$VN/kg, but it is purposely withheld from the market to create a demand which will pay 110\$VN/kg on the black market. The same result is being felt in other commodities. Commodities in short supply, such as ice and beer, are being hoarded and sold at high prices. Some red dollars have been seen in circulation, but a firm exchange rate cannot be established.

The Social Welfare Service in the province expanded 300% in strength this month with three new men sent from Saigon. The effectiveness of this agency has similarly increased, and there is evidence that our handling of refugees will be greatly improved. We are still about eleven men short; thus we are not getting our psychological piasters' worth from this important activity. Plans are essentially complete for refugee centers in Bac Lieu yet no contracts have been let. A particularly intense anti-American campaign was made during the month, with signs, banners and posters being used to decorate road blocks built by the PLF. A series of demonstrations took place in Gia-Rai district following air strikes in that area. The demonstrators revealed during interrogation that VC cadres had come, detained the youngsters in certain houses, and forced the old people to demonstrate against American air strikes.

A 200-ton capacity warehouse for PL-480 commodities is nearing completion, and will greatly alleviate the province's critical warehousing problem. Two trucks were lost during the month, one in an accident which will cost 100,000\$VN to repair; the other was mined and moderately damaged while carrying commodities to Long-Thanh village. The pig-corn program is going along well, with all pigs distributed, pig-pens built, and innoculation programs underway. A fourth deep well is being completed now, and materials are being received for the expansion of the Bac-Lieu water distribution system. Chieu-Hoi returnee training is being conducted for the first time, and that office now has a new Tri-Lambretta for transportation. Fisheries is not moving at all; no service is assigned. We still lack a Treasury Service, which inconveniences financial operations. Social welfare is picking up, with more personnel assigned, but relocation still lags due to inefficiency in the Rural Reconstruction Office, which has a newly assigned Chief. Generally, speaking, things are moving satisfactorily, with little change from last month.

November 30, 1965

CHAU DOC (44)

Political stability remained unchanged this month, and the general trend for the succeeding months appears to be maintained with slight progression, especially in the area of public administration. This is a result of the initiative and willingness of both province officials and the members of the Provincial Council to work together in promoting better public administration and in sustaining political stability. For the past four months no major agreements among the Council's members have been reached, it is noteworthy that the members are making efforts in deliberating on important issues. The Province Chief has started "bringing his government closer to the people" by periodically scheduling meetings with district, village and hamlet officials in every district, with the participation of the rural people and key provincial officials and US advisors. So far, these attempts have created very favorable impressions on the rural people and local officials.

There was no major change in the security situation in this province from that of October report. VC harassments continued, especially in Tri-Ton and Tinh-Bien districts, where the Seven Mountain area is in large part a VC-base area. The GVN, on the other hand, continued to conduct small and large scale operations which were coordinated with air-strike support and which, in most cases, prevented increased VC activities. In general, the province maintained a degree of relative security.

Agricultural and commercial activities accelerated during the month. Commodity and food prices rose, though food supplies are still abundant. It appears that the government cannot control the situation, since there is always a discrepancy between official and the "lip-marketing" prices. The Provincial Government, on the other hand, found difficulty in properly phasing the implementation of Rural Reconstruction programs because of Saigon's delay in the timely remittance of Rural Construction funds. Only 13% of the approved budget for 1965 has been received by the province so far.

The social/psychological situation in Chau Doc remained undisturbed. The people seem to be content with the prevailing conditions with the exception of the steady increase of market prices in consumer goods and other daily necessities.

All USOM-supported programs maintained the lead in the overall socio-economic development of the province. The Self-Help program, totalling 228 projects (with 103 approved this month), is ahead of the 1963-4 program in number of projects implemented, and the Hamlet School Program is 100% completed. Next year's program plan has already been completed and will be submitted for approval in December during the regional conference slated for the IV Corps.

UNCLASSIFIED

MONTHLY REPORTS OF USOM PROVINCIAL REPRESENTATIVE
for the Month Ending 30 November 1965 (Region III)

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FROM: Reports Officer, MRCC (Provincial Operations) USOM

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November 30, 1965

BINH TUY (18)

The political situation in the province appears to be more stable, mainly because of the re-establishment of USOM operation. It is claimed that the local officials and segments of the population tried to organize a mass demonstration of protest against the Province Chief. The Province Chief has to promise the people that he would do his best to get USOM representation back into the province as soon as possible in order to ease the tension.

Both Lt. Col. Chi and Major Henslick, MACV Senior Advisor, indicated that they were very glad to see USOM back in the province and both stated that it was not possible to operate without USOM.

A new Deputy Chief for Administration has been assigned to this province. No one has seen him attend any meetings held in the provincial headquarters, even though the meetings were concerned mostly with administrative problems.

On Thursday, November 25, it was announced in the newspapers and over the radio that a new Province Chief, Major Canh, was being assigned to Binh-Tuy Province. Lt. Colonel Cai is now waiting for his replacement to come. Lt. Colonel Chi and Kiem will turn over the province by ceremony as soon as the new Province Chief arrives; Major Kiem has already turned in his resignation.

Lt. Colonel Chi stated that he would like to leave the province now; however, he thinks that General Lan will probably want him to stay in the province until the new Province Chief understands the responsibilities of his position.

Security within the province is gradually being improved as Operation Rice Bowl progresses.

On November 19, 1965, at Hiep-Nghia, at 06:00 hours in the morning one VC platoon started fighting with one platoon of Popular Forces. One Popular Force soldier was killed and one was wounded; no VC were wounded or killed.

Due to the fact that Highway 1 remains unopened, commercial traffic between Binh-Tuy and other provinces is both limited and expensive. While goods and commodities are transported by boat, prices remain high because of sea damage and higher transportation charges.

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BINH TUY (cont'd)

Rice and gasoline supplies from Saigon are relatively sufficient. Seafood production is an important resource of the province. If Highway 1 is opened by military operations, it is certain that there will be economic progress within the province.

The political psy-war team in the province is doing an excellent job. By coordinating with the MACV G-5 Advisor, many psy-war plans have been programmed. Two hundred and fifty thousand leaflets were dropped in VC areas during the month. Distribution of 400 magazines, 5650 newsletters, 9 mosquito nets, 54 meters of cloth, 1,000 notebooks, 600 pencils, 60 boxes of chalk has been made in areas where mobile teams were assigned to work. Also 100,000\$VN was distributed to people who had houses at Tan Hiep and Hiep Hoa Villages which had been bombed early this year.

USOM supported programs are now mostly in the planning stages and geared to positive support of Operation Rice Bowl. However, many specific projects and requests are now being studied and requests for additional USOM supplies have been submitted to Saigon in order to support positive programs. Provincial meetings have been held and are scheduled in order to determine provincial USOM requirements.

November 30, 1965

LONG KHANH (19)

The increase in living costs continues to be a serious problem. It has been reported from a reliable source that workers on French rubber plantations are planning a demonstration in order to obtain higher wages. The attitude of the populace is very favorable toward the GVN. ARVN victories as well as the stability of the war cabinet are important factors contributing to high morale.

The security situation has improved. Many operations have been carried out by the sector in collaboration with the 10th Division; six hamlets were freed from VC control: Trung Tin, Trung Luong, Trung Nghia, Bao Chanh, Suoi Cat, and On Cung. At the beginning of the month, the VC attacked Dong-Hiep village. About three hundred families have left this village and were relocated temporarily in Bien Hoa Province about twelve kilometers from the Long Khanh/Bien Hoa border.

The price of essential goods continues to rise. The Provincial Economic Service estimates the cost of living has increased at least 30% in the past two months. Recently a special provincial committee approved a 60% increase in construction costs for RC-budgeted classrooms.

The VIS distributed 75,000 copies of its provincial newspaper and 85,000 propaganda leaflets throughout the province. When Gia Ray was liberated from the VC, food, clothing, newspapers and magazines were distributed to all the families. In the province's regular food distribution program, bulgur, cooking oil and powdered milk were distributed to 1,670 families in seventeen hamlets.

Funds were finally released for six of the Self-Help projects that were approved in April. The districts are now collecting a tax of 81/2% of the Self-Help funds that go to the hamlets.

November 30, 1965

PHUOC LONG (21)

Within the secured areas Phuoc Long is politically more stable than it has been for a long time. During the month of November, the Province Chief organized many events, ceremonies and celebrations for the people. The celebration period of 1-11 November was the high spot for all of the people. There was a formal parade on November 1 at which a number of soldiers and police were decorated (two Americans were included). A campout on the sports field was organized and most of the people in the Song Be area participated. There were many sporting events with appropriate prizes awarded to the champions. A huge bonfire with a running flow of entertainment, including Montagnard dancers, highlighted the camp-out. The Province Chief, his Deputy for Administration and other officials circulated among the people, talking to them freely, at virtually all gatherings during the month. The theme of "winning the peoples' hearts through love" is paying off for the GVN in this area. At present most of the people seem to be solidly behind the province and the GVN.

The security situation is about the same. The VC control most of the province except for small areas around the province and district capitals. The Province Chief does as much as he can with the forces available to him. During the month, the road from Song Be to Bu Dop was opened by local military forces. Shortly thereafter, some civilian traffic made the trip all the way from Saigon to Song Be without being stopped by the VC. However, this is regarded as more or less just luck. Almost all of the VC incidents resulted when GVN forces went out looking for the VC. There have been reports of large VC units moving in and out of the area, but they did not stage any operations. At present, it seems that unless large friendly forces move into the area, the improvement of the security situation will be a slow process, and if the VC should take the initiative with some of their large units the situation could become bad very quickly.

The economic situation seems to be improving, as several new shops have opened in Song Be and Phuoc Binh. This is an indication of confidence on the part of the people. Goods arrive in short spurts over the roads - not enough to sustain the economy but enough to hearten the people. Prices on these goods tend to run high because of VC taxes. On the whole, however, the situation is much better than last month. Price of rice is 10.80, 9.30 and 8.40 for the three grades in Phuoc Long.

The Province Chief takes every opportunity to transmit to the people the feeling that their government is interested in them. He requires his

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PHUOC LONG (cont'd)

subordinates to take an interest in the welfare of the people and the people seem to recognize that interest and respond readily to all activities. The new VIS Chief is very active in spreading the word of the government at every opportunity.

Refugee support is the biggest USOM activity at the present. During the month, much was done by the province on behalf of the refugees. 326 families were each given three hectares of land in a planned new life hamlet. It is really more of a village in size as people from six hamlets are involved. They drew lots for their land, so the hamlet people are all mixed together, thus tending to break through inbred attitudes and broaden interest in GVN affairs. The Province Chief held two open meetings on the setting up of this hamlet. The heads of families (and anyone else that wanted to) were permitted to stand up and state opinions on various ways of organizing and setting up the hamlet. At least nine issues were voted on by a show of hands, with a simple majority carrying the vote. Many people spoke and they seemed to enjoy "town hall" democracy. There was some indication of interest in keeping the Catholics and Buddhists separate but the Province Chief held out for a random mixture and got it. This is important in broadening the base of the people's interests and culture. USOM supplied tools were issued for land clearance and some commodity food support was given. The refugees moved onto their land and it is virtually all cleared with some house frames (including roof) already up. To assist older refugees and women who had no young men to work, the Province Chief organized a Sunday outing that included troops from the 31st Rangers, 1st Bn 9th Inf and RF/PF; also, school teachers, high school students and civil service workers were out in full force. The refugees got a great deal of help and seemed to appreciate it very much. The Congressional party headed by Congressman Rodino visited the area while the refugees were starting their land clearance. When the program was explained to them, they indicated that they were favorably impressed and greatly pleased with the approach taken here.

November 30, 1965

BINH LONG (22)

There were no demonstrations against government policy in Binh Long during the month, and morale is high among the people. Security is good, but VC activities have been in evidence in all sectors. Refugees in Loc Ninh and Chon Thanh were given 80,000\$VN, as well as milk, cooking oil, and soap.

Road blocks on the highway to Saigon make transportation in the province very difficult, and have contributed to the rise in food prices. Aircraft have not been available for USOM supported programs. Situation will probably become worse for military aircraft.

USOM supported programs are progressing satisfactorily. The hamlet school program is on schedule, and two self-help schools are presently under construction.

November 30, 1965

BINH DUONG (23)

There have been no significant changes in the political, security, economic, and social/psychological situations reported from the province.

USOM-supported programs are somewhat less than satisfactory. Of the 45 schoolrooms allocated for 1965, only four have been completed. Seven are presently under construction by the Korean Task Force in Lai Thieu District. Only one kilometer of provincial road was surfaced with laterite during November. Only projects using laterite can be carried out this year because of the very high cost of crushed rock. The Chieu Hoi facilities are not adequate and much remains to be done. There is evident need for recreational facilities for the Quy Chanh.

The refugee construction program is moving very slowly. A problem is the shortage of galvanized roofing for the construction of living quarters. Asbestos roofing is too heavy.

The Catholic Relief Service has provided rice, corn meal, and cooking oil for refugees in Lai Thieu, Chau Thanh and Tri Tan Districts. Tri Tan has approximately 2,000 refugees and 3,000 more are expected to come in from the Michelin rubber plantation, the site of very heavy military activity. The success of the refugee program in the province depends upon close coordination between the various elements present. USOM functions as the coordinating office, the Sector S-5 secures the foodstuffs, Public Works performs construction, and the Social Welfare Division makes distribution of the food.

The Philippine Surgical Team has been doing a superior job in the province. They are not being utilized to the maximum extent as yet but it is hoped a base of operations can be established for them in the recently pacified area of Lai Thieu District.

November 30, 1965

TAY NINH (24)

If the November 1 rites and the visit of Prime Minister Ky to Tay Ninh on November 17 could be used as gauges of the Province Chief's effectiveness, he could be considered as being fully established as the head of the province. Full cooperation was extended to him by the people, which included the provincial and district officials, the religious, and the military. It is worth noted that the Catholics, the CaoDais, and the Buddhists mingled harmoniously to celebrate the two events.

The province was relatively quiet during the month and except for a few minor actions involving few troops the province never enjoyed a more secure period.

Construction programs go on unabated, despite the rise in prices of building materials. Fifty-eight of the 109 constructed hamlets in the province are pacified; many more should be pacified before the end of the year.

The cost of goods and foodstuffs is increasing daily. Although rice was stabilized by provincial action, and since it is harvest time in most parts of the province, the price of this important staple will eventually rise, despite all safeguards, to cause dissention in many quarters, especially from among the civil servants and the very poor. Spiraling costs of building materials are starting to create problems, but nevertheless, many projects are completed with much assistance from the townspeople themselves. Cement disappeared from local markets; if it is available, it sells for VN\$170 per bag. Labor is beginning to be more expensive also, and will continue to do so as prices of commodities rise correspondingly.

Most of the provincial funds included in the 1965 budget will be expended before the year is ended. There is no doubt that the province will be unable to spend the funds in the road construction budget (about seven million piasters) if crushed rock from Nui Ba Den cannot be secured. If security is provided by contractors, there is still a chance that sufficient rocks can be acquired to get the road-building going. The military is looking into this possibility.

Many commodities are in arrears and are waiting for transportation from Saigon. The USOM warehouse in Tay Ninh is empty, except for cement which is already committed to the school construction program. When requisitioned supplies arrive, more programs and projects will progress.

November 30, 1965

HAU NGHIA (25)

Taking the month as a whole, the political situation showed no significant change. The overall drift appeared to be very slightly downward. GVN political influence reached a two-year nadir in the immediate vicinity of the capital, Bao Trai, during the first two weeks of the reporting period. This was primarily a result of the October 27 multi-battalion VC attack on nearby Duc Lap and the precipitate GVN abandonment of the Ranger position there—despite the fact that it was the VC and not the GVN forces who had suffered a serious military defeat. Evidence of GVN political slippage included physical abandonment of part of Duc Lap by the population and the shut-down of all but one business establishment, despite GVN pleas for residents to remain calm and in place. In addition, VC leaflets were passed out inside the village headquarters area and along the road to Bao Trai during daylight hours. During the latter part of the month, however, partial GVN recovery was noted; the school and some businesses reopened, and part of the population moved back in. There are indications that much of the exodus was prompted less by fear of the VC or dislike of distrust of GVN as by anticipation of the future results of continued air and artillery strikes in support of a friendly position, an awesome demonstration of which they had just witnessed. In Cu Chi, the lowest point for the year was reached during the third week of November, following the mortaring of the pilot district capital and a series of attacks and ambushes on or near Route #1, involving extensive VC troop movements and temporary daytime occupancy of theoretically GVN-controlled areas. Again, following temporary flight by small segments of the affected population, the situation has improved. The number of GVN hamlet chiefs has risen to 40 (for 201 hamlets) but only 15 give evidence of being able to function effectively. No evidence of serious anti-American has yet appeared, but numerous complaints are voiced by provincial officials over the US role in elevating the cost of living.

The security situation remained essentially unchanged. While there were no large-scale VC attacks such as those at Duc Lap during September and October, two serious ambushes occurred, both involving GVN tactical failures. Communications sabotage (roadblocks, trenches, bridge-blowings, etc.) nearly doubled. Weapons losses stayed roughly the same, as did total friendly casualties, while VC losses probably dropped. One offsetting improvement has been the at least temporary addition of elements of another Ranger battalion to forces in and around the province capital, plus employment of these forces in a more mobile and random, and consequently less

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vulnerable, fashion. This has resulted in a partial restoration of the GVN military position in the Duc Lap Village area and the immediate vicinity of Bao Trai. In addition, Sector has been able for almost the first time to partially jell the activities of Mobile Action, APA, VIS, and other civilian and paramilitary pacification cadres into a team effort in the Duc Lap village complex, and in turn to mesh this with military operations. Results to date certainly have been far from ideal, but if this unified approach is maintained, it could represent a significant turning point in methods of operation and ultimate likelihood of success.

Agriculture, except for rubber and sugar cane production, continued to be little affected by military operations within the province. The rice harvest is still expected to hit 90,000 tons of paddy--a third above average--and GVN cannot hope to control the flow of much of it; 15,000 tons are believed to have been harvested already. Lesser crops are also doing well. Although the number of water buffalo and cattle may have decreased since last year, pig, chicken, and duck output appears to be up; however, so many livestock transactions occur without benefit of GVN control or even knowledge that it is difficult to make more than broad generalizations based on observations of relative quantities marketed and going through check points in major towns, and on price levels.

The price of good, second-grade rice (white) has dropped from the 820-850\$VN per-100-kilo range to 780-800\$VN in slightly more than a month. The price of common labor remains unchanged. Costs of imported construction materials are up alarmingly (sand: 20%; laterite: 8%; brick and tile: 12-15%). VC roadblocks still constitute more of a nuisance than a serious obstacle to commerce; the fault for the continued price rise lies elsewhere.

Little change was noticed in a bad situation. On the plus side, the mixed-nation psywar battalion would up its operations after three-week stay. It was generally well-received - particularly the MEDCAP and entertainment efforts. On the other hand, fear and apprehension remained high in the Bao Trai and Cu Chi areas. Increased random firing by friendly troops provided ample evidence of this. The sound of 50 cal. machine-gun fire (friendly) from two kilometers away--directed away from Bao Trai and apparently firing at nothing at all--was sufficient to create rapid mass flight from the provincial headquarters compound (where a psywar show was being held on National Day), despite the province chief's presence and personal attempts to stop the exodus. Earlier the same day, the bodies of two military passengers shot out of a moving jeep near Duc Hanh B on the road between Bao Trai and Cu

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Chi in the late afternoon had been left lying unrecovered--one apparently bled to death--for more than three hours, because no one dared to go back there and troops refused orders to do so until the Province Chief sent armored vehicles, which in turn loudly advertised their impending arrival (and revealed the state of their occupant's minds) by firing at random near a populated area while still kilometers from their target. An upswing in popular and GVN troop morale appeared to take place during the latter part of the month, but repeated VC propaganda threats to overrun Bao Trai itself have been very effective and there is still considerable apprehension.

The tie-up at the docks has continued to severely curtail USOM food distributions and inability of GVN to procure tires on a timely basis, coupled with dearth of commercial delivery to this province, is hampering internal transportation of other materials. However, most programs continue to show progress. Fifty elementary classrooms have been completed, seven are under construction, and only two are not yet started. The six secondary classrooms also are underway. Self-help continues to gain momentum. The province claims 100% obligation of funds--which is somewhat exaggerated--but actual expenditures are at the 50% mark and are expected to double last year's figure by the end of December. The biggest single obstacle to fulfillment of Rural Construction Budget projects is failure of the contractor to deliver rock for road construction.

November 30, 1965

GIA DINH (26)

There were no significant political trends noted during the month, but as reported last month, the traffic situation is becoming critical.

The security situation is worsening. The Thu Duc District Chief and his assistant were killed on November 29. Four key bridges were blown along Highway 33. An estimated two tons of demolition were used by the VC. A hamlet chief of Binh Hung hamlet was assassinated. Several clashes between the VN marines and VC at An Lac village occurred.

Gia Dinh Province has taken administrative control over two districts in the Rung Sat area; however, military control remains unchanged.

During the month, 21 permits were issued to merchants by the province for different kinds of enterprises, among which there are some important industries producing latrine equipment and electric bulbs at Hoc Mon district and a pig raising center at Tan Binh district. Based upon a notice from the Department for Economy, Gia Dinh Province will have 400 motorbikes and 43 scooters for sale to consumers within the province. For the month of November, the rice ration distributed to Gia Dinh Province consisted of 2,200 metric tons, in which there were 800 tons of Thailand rice, 434 tons of red java and others. The Thailand rice is not liked by merchants because to its expensiveness and its poor quality compared with the Vietnamese rice. The price per one 100 kilo bag of Thailand rice is 830\$, and 630\$ for Java. Condensed milk distribution in Gia Dinh consisted of 2,500 cases for the month. Official price is 16.50\$ per can but people could only obtain milk at the price of 22\$ per can at black market prices. Food prices are relatively stable.

The Psy War Service has approval from the Gia Dinh Province Chief to publish a weekly magazine named "GIA DINH".

Leaflets distributed during the month consisted of 135,000 sheets appealing for the return of Qui Chanh to the GVN cause.

USOM supported programs, such as school construction, etc., are reported progressing satisfactorily. It is hoped that all school construction projects throughout the province will be completed by the end of 1965.

November 30, 1965

BIEN HOA (27)

The political milieu of the province is increasingly enhanced by the effectiveness of the Province Chief and the Deputy of Administration. During the month, for example, the Province Chief began weekly visits to remote areas of the province, staying overnight and thoroughly reviewing and responding to the problems of the villagers. Accompanied by the Deputy for Administration, appropriate service chiefs and representatives from USOM and MACV, he mingled and talked with large numbers of villagers who had never been catered to before by any governmental authority. Sizable quantities of foodstuffs, literature, candy, medical supplies, etc., were distributed in forays into the back muddy waters of Quang Xuyen and Nhon Trach Districts. Requests for dispensaries and classrooms, increased pig-chicken programs and other problems were treated favorably on the spot, if the circumstances so warranted. These trips were impressive evidence of the province's increasing sophistication and understanding of the pacification effort.

The security situation is unchanged. The number of incidents remained at previous levels and areas of Viet Cong activity again centered in Long Thanh District, south of the district town, near Route 15. The road was cut, taxes collected and bridges blown. In adjacent Nhon Trach District, previous patterns of harassment continued and to a lesser degree, in Di An District. The railroad was cut twice during the month in Duc Tu, this being the first time in recent months that it has been sabotaged. Elsewhere, the province was quiet.

The cost of food remained essentially stable. Rice prices range from 9\$VN to 12\$VN per kilo, with a lowering of the price of top grades. Pork prices remained constant, while chicken prices increased. The price of nuoc mam dropped and salt remained at previous levels, 6\$VN per kilo. Charcoal advanced from 6.5 to 8\$VN per kilo, paralleling the spiraling cost of building materials.

The funding procedures which have hindered the self-help program were overcome, reinvigorating that USOM program. American military units are building four of the province's funded classrooms. This stimulus found two contractors who have agreed to build the remaining thirty-seven. Education and agricultural programs and even public health have made headway. Overall, USOM supported programs are advancing well at the present.

November 30, 1965

PHUOC TUY (28)

The political situation in the province remained stable during the month. The success of GVN forces at Kim Hai, with an estimated 300 VC killed, has increased the balance in favor of the GVN. However, most of the population appears to be non-committal.

The security situation also remains unchanged as a whole. Although certain sections along Route #15 are insecure the presence of the 33rd Ranger Battalion has a positive, off-setting influence.

The economic situation indicates an increased inflationary trend. The price of rice and vegetables remained stable but a sharp increase in pork prices was noted. Rice harvesting is not yet in full swing but some is underway. Controlled harvesting is being planned by district chiefs and will be effective to a small degree; however, lack of troops and/or police are limiting factors.

Increased GVN successes, especially at Kim Hai, improved the GVN psychological image. Control of the rice crop will be an extremely important factor in maintaining the improved psychological situation in the province.

USOM-supported programs are progressing very satisfactorily, and as of mid-November approximately half of the Rural Reconstruction Budget was obligated.

November 30, 1965

VUNG TAU (SZ) (28A)

The political, security, and psychological situations remain unchanged. The economy continues to improve due to the high rate of construction. The cost of living for the Vietnamese is inflationary and the trend continues upward. There is a need to alleviate this problem, not only in Vung Tau but nationally. Food prices continue to rise as nearly all food consumed must be imported into the area.

November 30, 1965

LONG AN (30)

Electrical detonated mining incidents, outpost harassments, terror tactics and VC activities have increased over the previous month. A minor, ineffective road block was set up on Route 4, in front of the My Yen school, November 22. There are indications of increased activity for the coming months.

Notice of the 1966 Budget meeting held at III Corps was received by both MACV and the province. USOM/Long An received no notice of the meeting. The only budget guidelines received at this date are the Chieu Hoi guidelines and they were received after the provincial review of the 1966 Chieu Hoi budget.

Overall progress in USOM supported programs is very satisfactory. The November Provincial Budget shows over fifty per cent of the 1965 budget has been spent and all but three million piasters of the 1965 program has been obligated.

There has been no discernible change in the overall political situation. Two small demonstrations against bombings and artillery firings were held, one at Cau Voi, Thu Thua District and the other at Tan Tru District Town. Both were easily dispersed and were reported to be VC-inspired. The Province Chief is aware of the political implications of the military operations, especially bombings, and is doing everything possible to avert serious problems in this area.

The Provincial Council continues their impressive role as advisors to the Province Chief and sub-ordinate officials on administrative and economic problems. The Council sponsored a very successful fund raising campaign this month for the widows and orphans of soldiers killed in action.

Long An Province is enjoying one of its greatest economic booms. Jobs are plentiful, salaries have increased, farm production is on the increase, and farmers are receiving more for their products than ever before. The province is suffering little from the recent increase in living costs: those profiting far outnumber those who are suffering.

UNCLASSIFIED

MONTHLY REPORTS OF USOM PROVINCIAL REPRESENTATIVES
for the Month Ending 30 November 1935 Region II)

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FROM: Reports Officer, MRCC (Provincial Operations) USOM

This document contains the Unclassified reports of USOM Provincial Representatives for the Month Ending November 30. The reports are summaries of the monthly reports submitted by each province and listed in order from north to south.

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Nov3mber 30, 1965

KONTUM (3)

Major Nguyen Hop Doan became the new Province Chief of Kontum on November 15. He appears to have solid political backing from General Vinh Loc and Colonel Phuoc, of the 24th Special Zone. His first week of work revealed a strong interest in improving Kontum's economic and military posture.

The security situation remains similar to that of September and October -- little Viet Cong activity and considerable aggressive patrolling action by ARVN and province troops.

Lack of air transportation plagues the economic program. While the roads to Pleiku and Route 19 are opened occasionally, only a modest amount of vital supplies manages to get through. At the moment badly needed gasoline, diesel oil, and rice are being stockpiled in Pleiku for shipment to Kontum in the near future. This will only partially alleviate the power and food shortage. Continuous movement of supplies is the only cure to the economic ills in Kontum.

The rice harvest is nearing completion and has been most satisfactory. Large yields have resulted, giving most families a reserve food supply for the coming months. Vegetable growing is being encouraged wherever possible as supplemental food for the populace. With no relief in sight to the transportation shortage, supplemental food production is essential.

The movement of commercial trucks and buses between Pleiku and DakTo enables small merchants to keep a fairly good supply of goods on hand in their shops -- cloth, food, drinks, hardware items, and paper goods. These vehicles, however, must pay a Viet Cong tax to enjoy this privilege. It is accepted as part of life in this area -- there is little grumbling about it.

The population, both rural and urban, appears to support the provincial government. The intensity of support and friendliness is directly proportional to the proximity of the people to Kontum City, DakTo, and the outlying outposts of Dak Pek and Plateau Gi. There is no evidence of a general fear of the Viet Cong as long as ARVN and province units are stationed in the area. This gives support to USOM's contention that the provincial government -- though not strong-- is fairly effective in holding the confidence of the populace. The difference in the outlook of the populace, from the fearful days of July to the present confidence in the security, is

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KONTUM (cont'd)

pronounced. The province, however, should not relax as it is felt a few significant aggressive actions by the Viet Cong could quickly wipe away this shallow sense of security.

USOM programs are being hurt by the lack of logistical support and by ineffectiveness of the technical service cadre and chiefs. The new Province Chief, in his initial trips to outlying areas, detected the lack of determined work by his cadres and criticized it strongly. The USOM Province Representative and Sector Advisor were heartened by this attitude. (USOM/Kontum is proposing to the Province Chief to call into Kontum City all of its cadre and service chiefs for a conference. At this conference it is the plan to deliver lectures and hold discussion sessions wherein important speakers, such as the Province Chief, Province Representative, Sector Advisor, Region II technical advisors, and possibly Saigon personalities, can instill in the cadre a greater awareness of their mission and also acquaint them with the vast resources available to them through USOM and its personnel).

While USOM is attempting to construct a refugee center at DakTo, twelve classrooms in various locations, and also keep vital programs such as the agriculture, animal husbandry, education, and health program going, the effort will not succeed unless more supplies to support these activities are moved into Kontum. To date USOM/Kontum has not been able to even procure the required list of goods which were to be shipped for refugees. Unless this movement of goods improves, USOM work will be limited severely.

November 30, 1965

BINH DINH (7)

The long simmering friction between provincial officials and the Catholic hierarchy was greatly reduced following a series of meetings chaired by the USOM Representative. The major factor in the problem had been over handling and distribution of refugee commodities. A Catholic group calling themselves "Twenty Thousand Qui Nhon Refugees" recently released two different leaflets denouncing the provincial government for corruption and mismanagement. The problem was climaxed by the visit to Qui Nhon of two Catholic Relief Service officials. Henceforth, CRS will not send refugee relief supplies to Binh Dinh; instead USOM will provide appropriate supplies. If other sources send supplies, their distribution will be coordinated through a Refugee Committee which includes the Province Chief, USOM Representative, Sector Advisor, leader of Catholic, Buddhist and protestant groups. USOM is executive agent of the committee. A new program under which CRS is providing food to RF/PF dependents will be handled by a second special committee which includes the Province Chief, USOM Representative, MACV Sector Advisors and leaders of Catholic, Buddhist, Protestant, ARVN and RF/PF elements. The USOM Provincial Representative will again be executive officer and handle receipt, storage and distribution in accordance with the special committee distribution plan. CRS will continue to supply Catholic activities, such as the leprosarium, convents, orphanages, etc. This will be handled entirely by Church officials.

There has been a rapid buildup of VC forces, especially during the latter part of this reporting period. Reports indicate the presence of new northern Viet Cong units with Chicom advisors. There has been a considerable increase in VC attacks in company and battalion sized units. Highway 1 between Phu My and Hoai Nhon has been cut by the VC most of the month and between Phu Cat and Phu My frequently for periods of one to two days. It appears that the VC will launch the long-awaited monsoon attack soon, concentrating on Hoai Nhon and Hoai An in the north, and sending major forces against Binh Khe, Phu Cat and Phu My via routes of attack along the north-south mountain axis.

The economy continues to flourish, shops are full of commodities and job opportunities continue to provide employment for all who want to work. Inflation continues to be a problem, increasing at approximately 3%. High wages and the increased demand for labor by US military units are creating problems for local government. For example, province cannot get drivers

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BINH DINH (cont'd)

to work for 2,500\$VN per month because they can make more working for the US military on less skilled jobs. The price rice is down approximately 30\$VN per 100 kilo bag from last month's reported price. Over 5,000 bags of provincial imported rice is **aboard** ship in Qui Nhon harbour, but unloading is being delayed for several weeks because of the shortage of lightering vessels.

Meetings between the Province Chief, the USOM Representative and the MACV Sector Advisor with Catholic and Buddhist leaders indicate that resettlement of Qui Nhon refugees into GVN secured areas will be expedited. The key to the problem is security. However, refugees are indicating an increasing interest in going back to their native villages.

A major factor in USOM-supported programs has been the reapproval of the Self Help fund to support resettlement and civic action activities. A major effort has been the receipt and distribution of 14,000 bags of bulgur and a large volume of tools and equipment to district/headquarters and refugee centers. Max Sinkler (IVS) has been actively coordinating on the pig-corn program and seed development projects. Closer coordination is being implemented with ROK units and a large quantity of supplies, including tools, equipment and materials, have been turned over to the ROK/G-5.

November 30, 1965

PLEIKU (8)

There have been no significant political events in Pleiku Province during the month, and no noticeable changes in popular attitudes. The heavy losses inflicted on the VC by elements of the US First (Airmobile) Cavalry Division and ARVN troops have certainly demonstrated the Government's capability in dealing with massive VC forces, but have not essentially, changed the security situation or related popular attitudes.

The military operations which began at Plei Me in October, and which later saw the US First (Airmobile) Cavalry Division and elements of the ARVN Airborne and Marines in action throughout the western portion of the province have now terminated. The results of the operation were an estimated total of 3,500 to 4,000 VC killed in action. Despite these great losses, the PAVN infiltration is now so great (estimated at 2,500 per month) that it is generally considered that no fundamental change in the security situation has occurred. Indeed, Pleiku Province must still expect large-scale attacks on CIDG camps, district headquarters and even the province capital itself.

Route 19 was militarily secured from November 9-30. Unfortunately, Pleiku was only able to take partial advantage of the situation. Rice brought up during this period totalled 860 tons, or little, over one month's requirement; two months' supply was the greatest amount brought in. The problem was one of insufficient supplies in QuiNhon, or, in the case of rice, delays in off-loading a ship already in the harbor. If Route 19 is to be opened more frequently in the future, as is expected, Pleiku must arrange for a steady buildup of supplies in QuiNhon so that maximum use may be made of the clearing operations.

Figures on this month's rice harvest are not yet available. While it is not expected that much, if any, of the rice will reach the market, a good harvest should reduce the number of people dependent upon commercial stocks for the next several months.

Although the number of refugees increased to a cumulative total of 13,904, 835 of these received their first resettlement benefits and are now beginning to construct their new homes. If resettlement plans (1,000 families in 1965 budget; 1,000 families submitted for 1966 budget) advance at a rapid rate, this major social problem confronting the province will be well on its way to solution.

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PLEIKU (cont'd)

Additional delays to the 1965 hamlet school program were caused in the first part of the month due to the impossibility of finding a contractor able to work within the 50, 000\$VN limit. The arrival of USOM Operational Memorandum 137-65 on November 18 provided a solution to that problem. Bids for all 35 schools will be opened on December 1, with the stipulation that work be completed by the February 28.

With the beginnings of refugee resettlement this month, USOM hopes to gradually reduce its role on refugee relief to the benefit of refugee relocation which is expected to be a major activity in the coming months.

The speedy adoption of the 1966 pacification budget, if carried out, will mean USOM can anticipate an active program from the very start of next year.

November 30, 1965

PHU BON (9)

The formation of the Provincial Council in 1965 has proven to be a big step in strengthening the provincial government. The Chairman of the Council is an elderly citizen who is highly respected, and he maintains close contact with the population. The Province Chief realizes this and utilizes the Chairman in a wise manner. However, the Provincial Council could be more effective if the Montagnard members of the Council took an active part in the meetings. Thus far the Montagnard members exist in name only. Although most of the provincial officials are Buddhists, there is no indication of political favoritism extended to the Buddhists, and because of the small population, there is no observable evidence of political maneuvering between religious groups. There are no large organized groups of students within the province that could create or cause political disturbances.

During the latter half of the reporting period there was an increase in the number of VC incidents. Trucks traveling Inter-Provincial Route 7 have been hijacked of all goods and in one case of total of 39,000VN\$ was taken from passengers and a bus driver. Two civilians were severely wounded wounded by sniper fire traveling in an area that is classified as secure. Military operations resulted in insignificant gains of areas previously lost of the VC.

During the month of November sixteen percent more goods arrived in the province as compared to the previous month. However, during the last week of November Route 7 was cut off again by the VC and any attempt to bring goods in was prevented by the VC. If this condition prevails in December the economic crisis will deepen. There is still no commercial intercourse between the province capital and Phu-Tuc District. All shops in this area are closed and the aircraft allotted to resupply this district are highly inadequate. Phu-Tuc should receive a minimum requirement of forty tons of food supplies per month but have been averaging only ten to fifteen tons per month. From all indications it looks as though the local rice harvest has been very favorable. However, with the Montagnard maintaining a self subsistence type of economy very little, if any, of this rice will be sold. This will result in continuing the air shipments of rice into the province. Overall, the prices in the local market decreased to a point lower than they have been in the last five months. However, unless Routes 7 and 14 are reopened the situation for next month will show an exceptional rise in prices.

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PHU BON (cont'd)

The provincial playground continues to be the focal point for social events. Generated from these events is the needed competitive spirit which the Vietnamese lack. The Province Chief has used the playground as a psychological instrument to get the various military groups in the province to work together. In short, it is believed that "more is being accomplished than just playing the game". Also during the reporting period a group of girls came in from Pleiku to entertain the local troops. It was the first show of this type and all performances were met with enthusiastic responses. In addition a group of military youth came from Pleiku and put on demonstrations at the playground.

All school construction should be completed by December 11. This is the third year in a row that all programmed schools were completed. The addition to the provincial hospital and the construction of a new MEDCAP dispensary is held up due to the lack of cement. USOM/Public Works technicians visited the province during the reporting period and attempted to move some equipment that has been inoperative for three years. Assistance from USOM/Agriculture and Health Divisions has been negligible.

November 30, 1965

PHU YEN (10)

There has been no significant change in the political situation. The VC organized demonstrations against ARVN's artillery shooting and air strikes, but the demonstrators were mostly children and women; and, in all cases, the local Friendly Forces successfully dispersed these demonstrators peacefully. The GVN, on the other hand, gave priority assistance to refugees and wounded victims of military operations. In addition, programmed activities under the Rural Reconstruction Plan have been pursued in secure areas of the province.

The security situation has continuously deteriorated due to increased VC activities. Hieu-Xuong District Headquarters is the only district headquarters freely accessible by road. Moreover, the PAVN units operating in the province have made additional cuts in roads that were already impassable and have destroyed additional spans of previously damaged bridges; thus, road travel has become increasingly hazardous. During the current reporting period, for instance, a two-battalion ARVN force had to fight its way through a multi-battalion VC force to reach Tuy-An. Then, on November 22, the downtown area of the provincial capital (Tuy-Hoa) was subjected to mortar attack by the VC for the first time. This incident killed five and wounded ten non-combatant civilians.

There has been an additional increase in the prices of consumer goods due to interdicted roads and unfavorable sea travel. Although the recent rice harvest has contributed a lot in enabling the average citizen maintain a modest means of livelihood, it is feared that the prolonged strife between the VC and ARVN, for very obvious reasons, would adversely affect the economic stability of the province.

The persistent increase in the number of refugees might be interpreted as an index of people's growing dissatisfaction over VC domination. Moreover, a reliable source disclosed that the VC imposed heavy taxes on rice crops and forced the youth to engage in active military service. Considering these developments, therefore, it appears that the socio-psychological situation has favored RVN.

It has been observed that progress was rather slow in the implementation of the USOM-supported programs. This may be attributed to the following reasons: (1) unfavorable weather conditions, (2) increased VC activities and (3) inadequacy of construction materials. In spite of these limitations, however, no effort was spared to marshall all available resources on hand and utilize same in carrying out the objectives of the program.

November 30, 1965

DARLAC (11)

The FULRO problem continues to represent a challenge to GVN political effort within the province. An accelerated psychological warfare effort was directed this past month against the Montagnard ethnic group in an attempt to win back the allegiance of FULRO supporters.

The continued shortage of government rice in province along with the high prices of locally grown rice is causing some dissension among the people and a feeling of less confidence in the GVN.

There have been no definite changes in the security situation over last month. All main routes in and out the province still continue to be subjected to VC taxation and interdiction. During this reporting period, due to the lack of military operations, no commodities came into the province via road.

During the reporting period, 453 tons of rice were received via USOM aircraft for the Ministry of Economics. This rice is to be sold at the controlled price of 10.02 per kilo. At present locally grown rice is selling for 30VN\$ per kilo. This, of course, is relatively high. The Province Chief would like to stop its sale at such an inflated price, but fears local growers will discontinue bringing rice to market, thereby making the rice situation more critical. The province uses approximately 40 tons of rice a day. USOM has airlifted between 18 and 30 tons every day for the past three weeks, but this still does not meet the basic requirements.

No USOM commodities were received during the month either by air or road. Shortages of gasoline, kerosene and oil still exist.

There has been a deterioration of morale due to high prices of commodities and lack of rice. Mr. De Cou of JUSPAO reports numerous leaflet drops directed towards the enemy resulting in 36 Quy Chanh (returnees) for the month of November. An information program with movies and reading rooms also was started at the Chieu-Hoi center.

During this period sixteen of twenty classrooms allotted for fiscal year 1965 were started. By the end of the year, all twenty will have been started and all will be completed within a ninety day period. The first class from the Montagnard Agriculture Training Center was graduated and the second class will graduate December 6, 1965. The provincial warehouse and provincial garage should be started by the end of the year. Numerous cinva-ram bricks have been made in preparation of these two projects.

KHANH HOA (12)

November 30, 1965

The GVN has advanced its cause during this reporting period. Two villages were retaken and the population was resettled. This was due primarily to the strong leadership of Major Hung, the Province Chief. He personally issued commodities to the families that were resettled.

Generally, the security situation remained unchanged during November. Minor VC activities are a problem. A bridge was blown one kilometer from Nha Trang and there was a platoon-sized attack on a hamlet in Ninh Hoa District. The VC scored very well in this attack, due primarily to the poor reaction of friendly forces.

The Vietnamese are blaming the rise in the cost of living on the presence of the Americans in the area. The USOM Representative concurs that US Forces are contributing to this problem by renting houses at ten times the normal cost, by the soldier's spending his money on the local market, and RMK hiring labors at twice the normal rate; however, it is felt that the heart of the problem lies in the fact that the population of Nha Trang has increased by 15,000 in the last four months without any increase in the amount of food entering the city. An information program will be started advising the people of the problem and what action the GVN intends to take.

The morale of the people appears to be improving daily. Two factors are involved: first, the lack of VC activities, and second, the improvement in provincial leadership. There is still the normal fear of the VC that anyone has for a thief or a bandit.

There was an increase in the issue of most USOM commodities during November. The hamlet school program has started and it is expected to be completed by 28 February with thirty school classrooms. Things are moving in this province and the Prov Rep is certain that the trend will continue.

November 30, 1965

NINH THUAN (13)

There is very little political feeling reflected by the people in the province, nor will there be much until one of the present leaders becomes better known, or a strong dynamic leader emerges on a national basis.

The 101st Air Brigade recently arrived in the province, with one of their functions the provision of security for airport construction. No change in security has yet been noted; however USCM and GVN personnel now travel the roads at greater risk when without escort. The Korean Battalion has left the province.

The price of all commodities has risen. There are no real shortages, but Americans are paying higher prices for both food and non-food commodities. In addition, the cost of labor has risen sharply because many people have been employed for airport construction for much higher wages than normal.

Flood and drought during the past year hurt economic progress in this province, especially in the agricultural field. Economic setbacks have been particularly acute in the Cham district of An Phuoc and in Montagnard hamlets. A recent serious disease outbreak on rice, coupled with some flooding, reduced the rice yield to approximately one-half in some of the hamlets south and west of Phan Rang, most of which are Cham. However, the potential is present for tremendous agricultural production and development and farmers now possess greater technical knowledge in regard to such things as the use of fertilizers and insecticides. Providing there are no serious natural calamities, and with the completion of the Phan Rang irrigation project, considerable hope is held for 1966.

There is gradual but steady progress in the people's attitude in favor of the GVN, coupled by optimism in winning the war. There is also a growing consciousness on the part of the rural population of the concerted GVN and Allied effort to better living conditions and to establish rural security. This is attributed to the sincere attention demonstrated by the Province Chief towards the rural population, especially the very poor and VC victims, in his regular hamlets visits and social welfare activities; increased capability and effectiveness (even though limited by strict government controls and out-of-date programs and procedures,) of the district chiefs and majority of the services in solving problems in rural areas; on a concerted rural reconstruction/civic/action/psywar program; and increased military success out of province along with increased US military strength in province.

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NINH THUAN (cont'd)

On the negative side is the demoralizing effect higher prices have had on many people, especially government employees. There also appears to be concern for the high number of people (Vietnamese) being killed in the war, which has to be attributed to the increased American effort in the war.

Cement shortages have hurt the progress of USOM supported programs during the past month, particularly the Self-Help Program. Also construction was stopped on the 48,000,000\$VN irrigation project by the Japanese contractor because of no cement.

Several requests have been made for pipe for drinking water systems, but there has been little response. At least four projects could be implemented if pipe could be made available.

November 30, 1965

TUYEN DUC (14)

Little political disturbance has rippled the surface recently. The increased prices of the general spectrum of commodities is causing some comment among the people, but it is neither organized nor of present significant political importance.

Although a GVN plane has reported that it was fired upon near Cam Ly airport this past weekend, Viet Cong incidents still are minor in both number and effect. Travel is still unrestricted and all but an estimated one per cent of the population is under GVN control. The intention of reported large groupings of VC near province borders, however, has not yet been discovered.

The cost of living rise is the cause of the only verbalized, yet moderate, complaint heard here of recent date. Americans don't seem too much the target of this except regarding housing prices. Rice is definitely no problem now nor is gasoline, if purchased from Shell dealers. Vegetables still continue down Route 20 to Saigon.

Dalat, like many provincial cities, is relatively untouched by the war, although the Viet Cong still make their presence felt in the province itself. Potentially negating effects such as bombings, terrorism, and growing presence of Vietnamese and regular American troops (to counter Viet Cong troops) have not yet been felt. Thus, the general disposition is to continue and pursue the war. The small numbers of R&R American soldiers who have begun to come here recently find the climate excellent (during the dry season) but little else to occupy their time in sufficient and appropriate facilities. There have been some difficulties but these are controlled largely because of their present small numbers.

Self Help, Rural Construction, and the beginning civic action projects are handicapped again by the lack of cement being delivered throughout the month. Public Works is developing a promising plan to extend roads and thus populate and secure areas of the province -- to be introduced, it is hoped, in the 1966 budget. The U. S. STAT Team seems to be taking hold again after the recent team exchange. The DamPao Hospital is moving beds and awaiting equipment. Social Service is not as active now as in prior weeks, perhaps until the new chief becomes acclimated to his new position. There are now only approximately 3,000 people on official refugee rolls. NACO shipped fertilizer from the docks of Phan Rang to Dalat.

November 30, 1965

QUANG DUC (15)

Increased VC harassment, local ethnic squabbles, removal of security forces, additional flow of refugees and an intensified program executed by VC economic and psychological warfare teams, plus a weak VIS program all contributed to a profound weakening of GVN political stability.

The trend in the security situation in the province is for local population to move where they can be assured of troop security. All land routes of transportation were disrupted during the month. A mine planted on Route 8 killed 8 and wounded 23 ARVN, narrowly missing the new Province Chief. An ambush on Route 14 killed 7 and wounded 14 ARVN. Nine civilians were killed and 11 wounded by VC mortar fire. VC movements were reported on all roads. Forward air controllers observed and plotted the infiltration of four separate PAVN battalions along the province infiltration routes.

A reduction in air cargo traffic and reduced civilian bus traffic from BanMeThuot produced a scarcity of several items on the local market. Price stabilization and economic controls continue to be strictly enforced. An unknown tonnage of rice has been lost in the Dau Nghia land development complex. This loss resulted from the voluntary evacuation of refugees when local security was removed. The center has been retaken but the position is tentative.

The province hospital staff was sorely pressed in the treatment of military and civilian battle casualties. MACV medical personnel and the USOM Rep and assistants provided emergency treatment and transportation for civilian wounded. The JUSPAO Representative has been in the province a total of three days since his assignment in October. Although his programs are regarded as successful in Province, the VIS program in Quang Duc is extremely poor. Psychological exploitation of social gains is lost as a result of poor management and lack of immediate imagination.

The Province Chief has supported completely the USOM-CARE project, a Montagnard-Vietnamese high school dormitory. One USOM provided International stake body truck was destroyed and two others severely damaged in a VC ambush on Route 14. Two civilian drivers were killed. The trucks were being used to haul military troops; thus no mercy could be expected of the VC. The Pacification Plan for 1966 is now being staffed and should be completed by mid-December. An ultra-conservative approach is being taken. An expected trend is for peripheral villages to be moved nearer protected population centers, and for PF squads and platoons to be reorganized for more combat effectiveness.

November 30, 1965

BINH THUAN (17)

During the month a perceptible improvement in support of the provincial government was noted, and showed itself in the attitudes and aspirations of the people in Phu Long village, which is successfully being developed under the Rural Construction program. The people are beginning to feel that there is a government, at least at the provincial level. Intelligence information is coming in, and contacts between government cadre and the population are more frequent. Over the past month the Province Chief has travelled more and is able to create a good impression on the people.

The most significant aspect of the security picture has been the movement of VC military elements from the three southern districts to the four northern districts of the province. This movement will allow the pacification programs in Hai Long, Ham Thuan and Thien Giao districts to be more easily implemented and the richest land can be brought under government control. Conversely, the VC troop shift will mean greater difficulty for rural development in the four northern districts.

There has been no significant shortage of consumer goods. An average of 300 M/T of consumer goods enter Binh Thuan through the Phan-Thiet port each day. In addition, about 20 M/T come into the capital over Highway 1 from Saigon. Daily exports average 200 M/T by sea and none by road.

There has been no notable improvement in the psywar team's personal contact with the people. It is still pretty much of an impersonal mass contact using loud speakers and pamphlets. In one situation, the team was performing in one area of a hamlet and the people at the other end of the hamlet did not know of the team's presence.

Where security is established, social and economic programs are carried out with participation by both the people and the government. This, so far, is the extent of popular support for the government by the people but it is a trend away from the "wait and see" attitude previously reported.

The last desperate attempt to spend all Rural Construction funds programmed for 1965 is taking place. About 47% of the budget has been expended. In some cases, this only means that the papers have been signed by the province committee.

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BINH THUAN (cont'd)

The least effective have been the Montagnard training center and fisheries programs. The most effective program under the Rural Construction budget has been rural elementary education. The Mobile Action Cadre and Chieu Hoi services have shown the greatest improvement. The remaining programs, including agricultural hydraulics, animal husbandry, public works, and funded self-help and relocation were mediocre in performance due to various reasons, including late funding by the central government.

The contracting security situation which prevailed during the first half of the year created many difficulties which have now begun to be corrected. It is hoped that the Rural Construction programs will be able to maintain this momentum into the CY 1966.

UNCLASSIFIED

MONTHLY REPORTS OF USOM PROVINCIAL REPRESENTATIVES
for the Month Ending 30 November 1965 (Region I)

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FROM: Reports Officer, MRCC (Provincial Operations) USOM

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November 30, 1965

QUANG TRI (1)

After a brief "Indian Summer", the rains returned in a fury and so did the Viet Cong. Fortunately, the government forces have thus far been able to contain the enemy's counteroffensive, but there are indications that small, fresh, well-equipped PAVN units are joining the battered, hungry Quang Tri communists in enough numbers to challenge much of the gains of the previous months. The initiative is clearly with the other side, and it looks like a long hard winter.

On November 20, Mr. Nguyen Trung Thoai assumed the office of Province Chief. He has spent most of his first week quietly studying the files and conversing with aides and advisors. Mr. Thoai confided that three times he refused this new job because he is not a politician and he believes one is needed to run this province. General Thi's dogged insistence, however, finally persuaded him to take the job.

With the sharp rise in Viet Cong activity and the consequent deterioration of security, the morale of the people has been noticeably lower. This depression is also attributable to a rash of stupid bombing errors by friendly aircraft this month. One of these was the fourth attack by our planes on the small community on the south side of the Ben Hai River Bridge in the Demilitarized Zone. The people there in the area of government control are loyal citizens of the Republic; they are men of good will, but they simply do not believe any more that there is either intention or ability to protect them from constant repetition of the same "error". There has been absolutely no guidance from the Embassy or from MACV as to how these people should be approached. We read in the Saigon papers that apologies have been offered at the Saigon level or that an investigation is being conducted, but nothing ever filters down from Saigon to those of us in the field who work with the people every day. Resentment against the Americans, which was surprisingly light after the big raid of September 17 in which 21 people were killed, has increased considerably even though, "only" one more person was killed in the raid of November 13.

Food prices have increased a bit this past month except for fish and vegetables, which have become more plentiful and cheaper. This is a busy time of the year for farmers who have planted their rice seed beds and their vegetables and are now readying the paddies for the late December transplanting of the principal rice crop.

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QUANG TRI (cont'd)

Some USOM supported programs made good progress during the reporting period--specifically, refugee relief, agriculture, and self help, Chieu Hoi failed to sustain its impressive successes of the past few months. Education continues on the verge of getting started. Public Works will probably succeed in getting through the entire year without doing a thing. Two excellent gains were made by USOM/PHD. The US Navy MILPHAP team arrived during the month and is hard at work "augmenting" the provincial hospital. Over the weekend of November 20-21, a USOM plastic surgery team visited here and in one a half days performed operations on 28 cleft lipped children from the countryside. The psychological impact of this effort has been satisfactorily positive.

November 30, 1965

THUA THIEN (2)

The past six months have seen little overt action on the part of the Viet Cong in Thua Thien Province. Autumn came to the province with relative peace and calm and remained so until mid-November. It was a different story on the night of November 13 when the VC attacked Nam Hoa District Headquarters, about six kilometers from Hue city, with mortars and small arms. Before they withdrew with the daylight, the VC lost eight KIA (body count). The losses of ARVN were only several wounded. On November 17 excellent intelligence work pinpointed two North Vietnamese battalions, identified as 802 and 804, in Phong Dien District. Their apparent intent was to attack an outpost fort. Contact was established and heavy fighting followed for about five days over a considerable area. The action was unusual in that (1) the VC elected to fight in daylight; (2) the VC remained in exposed position in daylight, (3) the VC apparently made deliberate all-out attempts to destroy tanks and weapons carriers, which they usually avoid. The results were 131 VC KIA, (body count) an estimated 100 bodies carried away and 11 captured. ARVN casualties were moderate. The USOM Province Representative visited this battleground with Brigadier General Nguyen-Van-Chuan, 1st Division Commander, and the MACV Division Advisor, when their helicopter was diverted from a scheduled gift presentation ceremony of USOM commodities to the more urgent business of the battle. The USOM Representative was particularly impressed with the excellent physical condition of the deceased and captured VC, who appeared to have been in far better condition than the usual guerrilla bodies and captured seen in other battle areas. They were well fed and each carried a substantial food supply. Their equipment was in excellent condition and of high quantity and quality. VC telephone wire was strung all over the battlefield and five radios were captured (which is unusual), together with many light and heavy weapons. If North Vietnam can continue to send such well-equipped troops in increasing numbers they will indeed be a force to be reckoned with.

ARVN and MACV Advisors presently have a most successful "clear and hold" pacification operation under way in Huong Thuy District. After three days, this operation has resulted in 23 KIA (body count), 26 WIA, and 38 suspects with no, repeat no friendly casualties reported. The Political Action Teams are reported working well with the operation, and the attitude of rural population is surprisingly friendly and cooperative.

The past fifteen days have seen the VC most active against the train from Danang to Hue. They have blown the track six times, and once blew

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the engine off the tracks, killing two operators, but the train continues to operate and has never remained out of operation for more than twelve hours. On November 12 the VC attempted two unsuccessful road blocks on Highway 1 between Danang and Hue. Small incidents of kidnappings, grenades, snipers, etc., have considerably increased in the rural areas during November.

For reasons which have caused much speculation and are difficult to reconcile, Hue city remains free of acts of violence on the part of the VC. Political activity in Hue during November has been at a standstill. The Catholic and Buddhist students at Hue University stand on unusual common ground in that both groups are bitterly vocal, along with the entire population, against the current inflation and apparent lack of the GVN to cope with it. Buddhist students appear to be somewhat more disgruntled over what they term "military dictatorship", lack of democratic elective process on a national level, and the US role and position in Vietnam. It is reported the weekly Hue student newspaper (Sinh Vien Hue) is not currently being published. Comment on this by students is so far being strangely hushed. While the students are presently quiet it cannot be expected they will remain so for any extended period of time. They have a most popular (or unpopular) issue with inflation and unless there is deceleration and lowering of prices they can well use this as a whipping boy to cause General Ky's Government serious problems.

Both the Province Chief, Lt. Col Phan-Van-Khoa, and the 1st Division Commander, Brigadier General Nguyen Van Chuan, appear to be very highly qualified and effective officers. They are from Hue, appear to have the genuine interest of the rural people at heart, and have a political touch with the civilian, which is rare with a hardened soldier. They have both stated it is their desire and policy to give the US effort more publicity and recognition, particularly with the rural people, to whom the VC have so long been lying about the intent of the "American capitalists to rob and enslave the people of Vietnam". General Chuan and Province Chief Khoa are on every possible occasion favorably identifying MACV advisors and USOM officers with most or all Vietnamese official efforts. These officers form an excellent team and it is believed their dedicated work and guidance will show good results in the 1st Division provinces.

There was one small flare-up of a political nature in a coastal district in November between two factions of the VNQDD in a sort of localized village power struggle. The Province Chief immediately flew by helicopter to the district, got the parties together, and had them at least momentarily reconcile their differences. He is indeed a military man of action with a rare diplomatic touch.

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Inflation that was felt in Saigon several months ago is now making serious impact on the rural areas of Thua Thien and Hue city. There is bitter vocal comment against the GVN on every quarter over inflation. Cost of living has risen generally across the board by an estimated 30% to 40% during the past six months, while the cost of some imported articles (e. g., condensed milk) are reported up as much as 75% to 100% and are scarce or unobtainable on the market at any price. Civil servants, teachers and military people with fixed incomes have been hardest hit and it is with considerable bitterness that they point out the current economic status of cyclo drivers, snack bar girls and others who are riding high on the wings of inflation, while they, who carry the important function of government, suffer.

Rice is available at the government control price of VN\$10.96 per kilo but there is complaint that the twelve kilos per month allotted does not fill the requirements of a working adult. First grade rice is now VN\$14 per kilo on the open market as against VN\$13 in January of 1965.

The fish supply has suffered since the curfew closed the coast from 8 pm. to 5 a. m., thereby causing the price to rise while the supply has diminished. Since January 1965, the cost of fish has risen from VN\$45 to VN\$70 per kilo.

The price of common (coolie) labor has risen to about VN\$100 per day for hire by Americans and VN\$60 to VN\$75 for Vietnamese. With the draft and immigration to cities of cyclo drivers, etc., common laborers are becoming more difficult to find and are subject to price bargaining.

Transport from Danang port has been moving on the Highway but the VC appear to be concentrating on disrupting the railway, which would cause further economic pressure.

New curfew regulations went into effect this month affecting all water traffic in Thua Thien Province. Curfew hours are from 2000 hrs to 0500 hrs. No fishing or movement is permitted on waters during these hours except two kilometers or more off shore. The curfew applies to 20 kilometers off shore.

Leaflet and loudspeaker operations continued with satisfying results showing an increase of ralliers over last month. Financial assistance was rendered by the JUSPAO Representative for the local printing of 150,000 leaflets and 100,000 medicine envelopes. One of the leaflets described a

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local recent VC atrocity. Immediate action in getting it printed and distributed will make a solid impact. The nonavailability of NV funds to the Sector S-5 during this period would otherwise have seriously affected leaflet operations. A program is being initiated to forecast leaflet needs and corresponding orders placed at the Danang printing facility. The majority of propaganda incidents by the VC as reported were predominantly anti-American, as contrasted to a mixture of themes during October. The Book-Mobile unit of JUSPAO has been active in visiting high schools throughout the Province and in distributing books to schools. The USIS library is active and popular and November saw about 16,000 persons visit the cultural center library. Film loan and projectors have long waiting lists for available equipment.

November 30, 1965

QUANG NAM (3)

Major General Thi has been most active in Quang Nam, as has Colonel Yeu, the Quang-Nam Special Sector Commander. Brig. General Nguyen-Duc-Thang, newly appointed Minister of Rural Construction, visited the province on November 4 and 5 in connection with Operation Ngu-Hanh-Son, which commenced November 3 in five villages of Hoa-Vang district. This is a deliberate, well-planned effort to pacify nine villages within the USMC TAOR in Hoa-Vang South from Da-Nang. The first phase will continue in five villages west of Highway 1, followed by a focus of efforts on the area east of Highway 1. Coordinated operations by US/GVN elements have been effective to date. USOM support is provided through the Deputy Province Chief for Security, Major Giai. To date, USOM has been responsive to his requests and seeks areas of support to improve the operation. Much political importance is attached to the Hoa-Vang operation. Provided the operation is a genuine success, GVN officials will be heartened and similar operations will continue in Quang-Nam. Therefore, it is most essential that all necessary US support and GVN support be provided in order to ensure success of Ngu-Hanh-Son in Hoa-Vang district.

General Thi has emphasized his desire to promote appreciation of American assistance by inviting Mr. Marcus Gordon, the USOM Region I Director, JUSPAO Representatives and USOM Provincial Representative to numerous dedications and ceremonies during which US aid has been given its full share of credit.

GVN officials report that the anti-GVN demonstrations held in all nine districts on November 8 and 9 were organized by the Viet Cong, with the usual protests against artillery and bombing, the call-up of young men for duty with RVNAF, and inflation. GVN reported that PF and the police handled the crowds with restraint, even in Que-Son, where 3,000 demonstrated. In some districts the VC forced the demonstrations by herding the people into the district towns, using rifle fire to keep them moving.

Viet Cong strength is accepted as being nearly 5,900, with the addition during November of battalions reported moving into southern Quang-Nam from Quang-Tin. It is believed that especially within the area south of the USMC TAOF, VC units are moving in populated areas with more freedom and do not rely so heavily on the western portion of the sector for assembly.

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QUANG NAM (cont'd)

There is also evidence of increased VC activity within the TAOE; witness the attacks on Da-Nang East air facility on October 28. Five incidents on November 14-15 near Thanh-Quit on Highway 1, operations three kilometers west of Highway 1 on November 16-19 near the Dien-Ban Hoa-Vang boundary, and a company attack on an RF platoon one kilometer from Hoi-An on November 20 demonstrated the continuing ability of the VC to attack at will. The majority of VC initiated incidents were harassing activities throughout the province, including activity within the Marine TAOE. As of the beginning of November, the G-2 of Quang-Nam Special Sector reported the following concerning VC/GVN control of the 115 villages in Quang-Nam:

VC Control	- 43	GVN Control	- 36
VC Influence	- 27	GVN Influence	- 3
VC Overt government	- 6		
VC Covert government	28		

No target date can be established for completion of operation Ngu-Hanh-Son. Its success is largely dependent upon effective PAT and cadre operations behind the Marine security and the takeover of security by Popular Forces, which as of November 20 had not been recruited.

The interaction of a continuing inflationary trend and rising wages in Danang, Hoi-An, and district towns combines to put the squeeze on the farmers and other rural people. They do not enjoy increased wages unless working away from their homes, but just pay higher prices.

The USOM Representative, having been in province for a short time only, is unaware of an significant change in the psychological situation, except in the Hoa-Vang operational area, where influence of continued security is causing some information on VC to be volunteered.

USOM-supported programs show overall progress, with the acceptance or dedication of various self help projects, refugee centers, hamlet schools, wells, bridges and the delivery of commodities to numerous locations and projects. Some setbacks retard progress. For example, for a brief period there were refugees from refugee centers as the flood of November 22-23 hit refugee centers near Hoi-An. The Province Chief evacuated 1,000 persons to higher ground in Hoi-An. Support of USOM/Quang Nam by Region I and USOM Saigon appears to be excellent.

November 30, 1965

CITY OF DANANG (3A)

Tranquility prevailed in the City of Danang during the entire reporting period, with no demonstrations or the like taking place. The Mayor, Colonel Nguyen Van Thien, assiduously maintained his contacts and continued to make frequent public appearances, which ran the gamut from the opening of a new Hamlet Information Center to a dinner he hosted for the team of athletes who so capably represented Danang in recent tournaments. In every instance, he insisted on being accompanied by the USOM Representative. Some slight unrest is surfacing in the refugee camps as a result of the delays in building the three new relocation centers.

There are political overtones to the port expansion program of the US Navy Support Activity(NSA) in Danang. In order to accelerate the unloading of military cargo, NSA is in effect becoming a third stevedoring company in the Port of Danang. The two existing stevedoring firms have been unable to cope with the tremendous increase in tonnage resulting from the build-up of American military forces in the area. NSA will install modern dock facilities and equally modern cargo-handling techniques, leaving behind a most valuable asset following the cessation of hostilities.

The success of this endeavor will in large part depend upon the degree and quality of cooperation received from the Dock Workers' Union. At NSA's request, USOM/Danang helped arrange a meeting, chaired by the Mayor and attended by representatives of the Port Authority, union, stevedoring companies, Ministry of Labor, NSA and USOM, at which time NSA generally made known its plans and needs. In addition to pledging full cooperation, the union agreed that 25% of all "gangs" supplied to NSA would be recruited from among refugees. Inherent in NSA's approach to the situation is recognition of the need to leave behind sound labor relations practices as well as the physical plant. Also understood is the desirability of developing and strengthening democratic institutions, such as trade unions.

Several meetings between the principals have since taken place, the union has made certain proposals, and collective bargaining is going on. The program has the wholehearted support of the GVN, both locally and in Saigon.

Buddhist-Catholic relations continued to be quiet; assuming a continuance of the current situation, no change is anticipated in the forthcoming months.

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The incidents at the US Marine Air Base at Danang East at the beginning of this reporting period, although beyond the city limits, created an air of uneasiness from the political as well as the security point of view. However, as the month progressed without further incident, there was a gradual return to normality. No deviation is anticipated, again assuming the continuation of current conditions.

The aforementioned attacks on Danang East, plus the explosion of mines on the road to Hoi-An, all occurred outside the city limits, and as previously noted, there were no incidents within the city. The possibility of future isolated attacks should not, however, be overlooked. The fact that no U. S. military personnel have been authorized liberty in the city for the past month indicates anticipation of VC activity in the area, if not in the city.

Prices of consumer items remained fairly steady during the month, with lower prices noted in second quality rice (12\$VN --down 3\$VN) and cigarettes, Ruby Queen brand (250\$VN per carton--down 50\$VN). Price increases were noted for sugar (40\$VN/kilo -- up 4\$VN) and beer, 33 brand (470\$VN/24 bottle case -- up 10\$VN).

Building commodities such as cement, gravel, crushed rock and lumber continued to be in short supply and generally commanded premium prices.

Black marketing of MPC was practically non-existent during November due to various factors, not the least of which was securing of liberty for all military personnel since October 30. This was extended to the crews of all American flag freighters, which in turn lessened the trafficking in US currency. The current black market rate for dollars (not MPC) is approximately 180/1, a clear indication of their scarcity, according to military spokesmen.

New regulations concerning the issuance of US postal money orders at APOs are expected to remove the principal means by which black marketers have been able to convert those funds to dollars. In the past, they have persuaded a few military personnel to purchase dollar orders for them; these of course are negotiable. Under the new system, purchasers of money orders must first fill out an application, stating the amount, the name of the recipient, and the name, rank and serial number of the purchaser. This information is then entered on the money order at the time of issuance, with the application placed on file. Additionally, no one may purchase money orders for larger

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amount of MPC than he receives regularly on pay day. Enforcement officials, both American and Vietnamese, are optimistic that this, plus additional facilities at which military personnel can legally convert MPC to piasters, will greatly reduce illegal transactions after the restriction on liberty is lifted. Current MPC to piaster black market rate, according to military sources, is 80/1, which in itself would appear to be a deterrent. This exchange rate is at odds with that secured by other Americans in controlled-test purchases as recently as November 25, when the average was 100/1.

Payment during this reporting period of almost 41 million piasters for indemnification of the 315 families relocated due to the expansion of the Danang Air Base has greatly improved the morale of those concerned. To date, 61,806,869\$VN of the 64 million appropriated for that purpose have been paid. The balance will be disbursed early in December.

The Community Relations Council, comprised of representatives of the City of Danang, all American and ARVN military elements, JUSPAO and USOM, continues to function well. Chaired by the Mayor, the Council meets an average of twice a month and provides an opportunity for all elements to air their complaints openly and frankly and, more importantly, to rectify the causes. Incidents involving US personnel and the Vietnamese population still take place, but the number of them has been greatly reduced. Part of the reduction in November is of course due to the fact that US military personnel have been allowed in town on official business only.

An increase in the number of traffic accidents involving US personnel is causing concern. Joint motorized patrols, with an American and ARVN MP, plus a National Policeman in each vehicle, are cracking down on all traffic violators.

The future of the FY'65 Rural Construction program at the moment appears to be bleak. A combination of factors, not the least of which has been the recurrent, interminable delays in Saigon in approving projects, must share the responsibility. By the time authority to exceed the unrealistic fixed limitation of 50,000\$VN for Hamlet Schools was, for instance, finally received, the monsoon season had set in. Compounding that problem is the reluctance of area contractors to take on such "small" jobs. They prefer to work on US military projects or for American firms as sub-contractors, where the contracts are larger and more lucrative. There are others who are simply fully booked for some time to come.

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On the brighter side, the pig-corn program finally began to move with the release of 225,000\$VN by NACO for the construction of pig sties, in support of which 1,500 bags of cement were contributed. The labor housing project is also progressing satisfactorily; during the month, 4,500 bags of cement and 2,348 sheets of fibrc-cement roofing were released for this activity.

The long-dormant Self-Help program was dealt a further blow as 750,000\$VN of the 1,500,000\$VN appropriated for that purpose was transferred to the Hamlet School account to meet the increased construction costs of that program. A number of unfunded Self-Help projects were nonetheless approved during the month and various commodities supplied in support of them. In this respect, it should be noted that the Danang City record on Self-Help appears to be more dismal than actually is. During the first ten months of the year, many projects for which commodities were provided were incorrectly reported as Provincial Development when in fact they were unfunded Self-Help projects. That error is rectified beginning with this report.

During the month, one blanket each was distributed to the 988 families in four refugee camps within the city. They continued to receive subsistence payments --- 93,640\$VN in November. The number of refugees increased by 213 this month, now totalling 5,466. An additional five to six thousand more are estimated to be in the city, "uncontrolled" and fending for themselves.

Discussions were held on the proposed GVN FY'66 Rural Construction Budget during the final week of the reporting period. Substantial increases over FY'65 allocations will be requested in Self Help, Agriculture, Education, and Public Works. The total proposed budget is in excess of 64 million piasters as opposed to the 56 million piasters suggested by Saigon, so something will have to give. However, unless the "approval machinery" in Saigon is substantially simplified and made more responsive to the needs of the provinces, it will all have been another futile exercise.

November 30, 1965

QUANG TIN (4)

November was a month of local demonstrations. A small demonstration took place around Thanh Binh District Headquarters on November 3. People came in from surrounding rural areas with letters imploring their relatives in Thang Binh to return to VC controlled territory. No known injuries occurred.

On November 9, another demonstration took place at Thang Binh (twenty five kilometers north of TamKy on Highway 1), but this one was much larger, totalling some 1,300 people, the largest number massed for a demonstration yet in Quang Tin (previous groups averaged around 200). Also, this mob was made up primarily of younger men and women. There were the usual complaints about bombs and artillery, plus one new slogan, "Americans Go Home". VC snipers at the rear kept the group from disbanding when they were confronted by PF. When some of the demonstrators tried to grab PF weapons, one civilian was killed and five wounded before the demonstration was finally broken up.

Two smaller demonstrations with no injuries took place the same day in areas, near Thang Binh. Two other small demonstrations occurred in other parts of the province about the same time, one in TamKy district, the other in Ly Tin (Chu Lai) District.

The VC have been more active in this area this past month. On November 17, the VC attacked a PAT platoon spending the night at the recently secured village of Ky My. In a night of fierce fighting, six PAT members were killed, and eight were wounded by mortars or weapons fire. An additional four PAT were wounded the same day in a clash with VC near TamKy airstrip.

On November 18, the district town of Hiep Duc was overrun. Extensive numbers of GVN troops were dropped in the area (by Marine choppers), but the VC held the district headquarters for two days before fading back into the jungle. No accurate casualty count is yet available although at this time, about 150 to 200 GVN troops or officials are dead or missing, while about 50 VC bodies and 100 weapons have been found so far. A total of 50 to 60 civilians were wounded or killed in this action, either by the VC or by air strikes.

General Thi has announced that Hiep Duc will be abandoned. Approximately this month, but the magnitude of VC activities has definitely been

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stepped up. A mining just one kilometer off the road to the TamKy airport took the lives of three Vietnamese and wounded one on November 19. There was no specific VC action within TamKy proper this month.

Prices continued to increase slightly. No. 1 rice (25% broken) is now at 14VN\$ per kilo; nuoc mam (1 litre) is selling for 25VN\$. La Rue beer continues at 30VN\$. Four hundred tons of rice arrived in province during November to be sold through authorized dealers; so the supply is adequate at this time.

From all outward appearances business is booming in TamKy despite transportation difficulties. No major stores have closed, and a few new restaurants, plus one new gas station, have been opened. Stores seem to be well stocked.

There have been no significant wage changes, and with the new influx of refugees from Hiep Duc, there is little hope that there will be any increase in low level wages.

November 1, 1965 was declared a national holiday in celebration of the overthrow of the Diem regime. Quang Tin displayed enormous civilian volunteers from provincial workers, civilian reserve forces, local youth organizations and a splendid military display of force of jet aircraft, small aircraft, many weapons, artillery, armored vehicles, etc.

Onlookers from remote hamlets, districts, and TamKy numbered close to 8,000, who cheered enthusiastically as each group of paraders passed by the reviewing stand. General Lam was the reviewing officer and presented medals for valor and credit to both military and civilian provincial officers. A company of the 5th Regiment was honored with special decorations by Province Chief Major Nghia. The GVN of Quang Tin gained much ground with this excellent parade and reception.

MEDCAP teams are functioning well, visiting hamlets on a daily basis. More corpsmen are being trained at this time.

The mood of TamKy has been dampened somewhat this month but it is hard to tell whether it's just the weather or whether it was the Hiep Duc affair which has sombered the townspeople.

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There have been no significant changes in actual program, but several new procedures have been introduced in the USOM office which gives us both better control over commodities and a better platform from which USOM can interject ideas into province thinking. This is something that has been greatly lacking in the province, and we will comment further as their success or failure becomes clearer.

In November 1965, the Chief of Social Welfare selected a committee from the TamKy businessmen, labor union, and charity associations to determine how to organize a feeding program for the poor people and laborers in TamKy because of the high cost of food locally.

On November 24, 1965 at TamKy, the 'Popular' mass restaurant was formally opened to the poor people. Cost of one meal is 10VN\$ compared to 30VN\$ in TamKy proper. The restaurant is situated across from the bus and cyclo station. USOM provided twenty gallons of cooking oil, twenty bags of rice and ten bags of bulgur for the opening day in support of the great event.

On November 25, all provincial offices in TamKy were closed in order that all employees could participate in the crash building of quarters for the 2,000 refugees expected here as a result of the Hiep Duc operation. Bamboo was purchased with provincial funds and contributions collected in TamKy. USOM roofing, salad oil, blankets, and bulgur is being distributed. This drain will seriously deplete USOM stocks in this province. If another LST load of goods were sent immediately, we would then be able to meet the next crisis.

November 30, 1965

QUANG NGAI (5)

During the latter part of the month the province pacification and resettlement program, "Return to the Native Village" was seriously threatened by strong VC attacks. Some 10,000 to 15,000 resettled or returned persons fled temporarily from fringe areas to those deeper inside GVN control. The GVN-USG riposte was notably effective and most of these people have returned home again. The VC are still numerous and powerful and we anticipate continuing strong efforts to destroy the "Return to the Village Campaign", which has already laid the groundwork for solving half of the refugee problem by returning 50,000 refugees to their home villages. We have not been able to furnish much reconstruction support thus far, which could result in eventual failure of the program due to lack of support. We note that this is the most successful pacification/ resettlement program effected in Vietnam in recent times -- and one of the few having any real success. The Prov Rep therefore urges more massive and rapid exploitation of this breakthrough -- especially since it was master-minded and effected almost entirely by Vietnamese initiative.

The province continues to seek to encourage resettlement and return to homes in liberated areas by ensuring that GVN-USG support there is at least comparable to that accorded to refugees.

At Duc-Hai, most of the population fled over to GVN protected areas when the VC attacked two weeks ago. This, despite a long residence under VC control and only a brief period under GVN control and reconstruction. In the same area, of two hundred prisoners who had been VC only seven did not flee to the GVN side for protection when the VC attacked.

No signs of anti-American trends were observed for the reporting period.

Five districts can be reached only by air and neither province nor USOM have any independent airlift capability. Consequently province receives inadequate information from districts and the districts receive little guidance except by radio from province, and negligible material support. What air transport can be scrounged is infrequent, unscheduled, and minimal. Additionally there more lowland provinces are cut off from time to time by surface, when floods or VC sabotage destroy bridges or blocks roads. Adequate direction, guidance and support for the district and lower echelons of administration will be unattainable until more adequate transport of officials

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GUANG NGAI (cont'd)

and material is arranged. As an interim measure, the Embassy representative has recently provided considerable personnel air transport to isolated districts -- most of whom do not see an official from province for months on end. Accordingly District officials tend to be uninformed and ineffective.

Regular visits, coupled with the arrival of the MILPHAP Team, and co-operation of MACV Civil Affairs Team and MACV Sector, Division and District Medics has resulted in a vastly improved and very promising health and medical situation in the province. Continuing action is needed to spur results in several areas: construction of medical warehouse, and construction of additional wards to care for the overflow.

More PHD activity is needed in province in the rural health field, particularly along the lines of extended visits and work at the district and the village levels instead of the current policy of frequent lighting visits, which seems to have served its purpose. TDY work here of at least a week's duration on a repetitive basis seems a promising first step in increasing the effectiveness of the Rural Health Service.