

May 4, 1963

Mr. Seymour Janow
Assistant Administrator for the Far East
Agency for International Development
Washington 25, D. C.

Dear Mr. Janow:

As you can see from the paper carried by Mr. Brent, we, in Rural Affairs, feel very strongly that the proposed funding procedures will not provide a mechanism capable of adequately supporting the counterinsurgency effort.

I would like to return to Washington to explain, in person, this position and the probable consequences of ineffective U. S. support. Also, I feel that I need to receive some personal assurance from you and from Mr. Bell that, should these procedures not work out within a relatively brief period of time (i. e., three months or less), AID/Washington will provide the necessary piastres, by some means, to keep this operation alive. I realize that the Ambassador believes that President Diem would never again accept any arrangement which would decentralize control over spending to a joint committee in the provinces, even if U. S. owned funds were made available. I do not agree with his assessment. On the contrary, I am sure that a confirmation of the existing system could be engineered, using our own funds, without adversely affecting GVN-US relationships.

Unless I have some assurances that we will get strong support if the proposed procedures do not work out, I do not see how I can in good conscience continue to accept responsibility for this program. None of us here are "summer soldiers or sunshine patriots," nor do we hesitate to fight an uphill battle. We shall, therefore, do our utmost to make the proposed system work. Should, however, we be asked to discharge our duties under circumstances which become clearly impossible, I shall have no choice but to resign. Without attempting to influence them in any way, I believe I am also expressing the sentiments of the majority of the highly motivated representatives we now have in the Office for Rural Affairs.

Sincerely,

Rufus C. Phillips

cc: Mr. Brent, Director