

TO: RUFUS PHILLIPS

18 Feb 1963

FROM: JOHN C'DONNELL

1. Official who visited Dinh Truong Province (o/a 61) and jacked up Province Chief was MR. NGUYEN VAN VANG - GVN rep for South West Vietnam.

2. Tom Crope reported that Vang told Province Chief that regular provincial budget was too tight to allow province pay share of expenses for improvement of Ben Tranh Hamlet Militia Training Center - that USOM Provincial Rehabilitation budget should cover entire amount - 154,000 VN\$.

3. Previously Province Chief had agreed to put up 54,000 VN\$ and provide better defenses and more weapons for training if USOM Miscellaneous Fund would cover 100,000 VN\$ of improvement expenses.

4. It has been my feeling that province can and should bear portion of cost of new construction or major improvement of facilities for strategic hamlet training programs as such costly items rapidly deplete Miscellaneous Fund. What is your position on use of miscellaneous fund for such expenditures??

1. # 1040 TTP/63/17 - from Tho

6 Dec '63

1. Let it be known that SH program will continue but with new policy. ^{which will be sent soon}
2. Key SH cadre to consolidate comp. SH and to finish those under construction
3. Do all possible to maintain completed hamlets of VC destroy - rebuild immediately.
None of the completed hamlets or those under construction can be eliminated without approval of govt. Increase all activities - especially military to prevent VC sabotage in SH.
4. Stop contribution of money but people may contribute labor for construction or consolidation of SH - especially on defense works.
5. Every weakness or lack of attention to these directives will be severely ^{reprimanded.} ~~corrected~~.
acknowledge