

Vietnam

MICHIGAN STATE UNIVERSITY

VIETNAM ADVISORY GROUP

OFFICE MEMORANDUM

PERSONAL

TO: Dr. Huben V. Austin, Coordinator DATE: September 1, 1960
FROM: Dr. Lloyd D. Minsolf, Chief Advisor
SUBJECT: Review of Vietnamese Administration and Security Situation

In this letter Ralph Turner has included a review of the security situation as he sees it. In this letter, also, you will find a brief review of Vietnamese administration and its relationship to the political and security situation. Actually, my document grew out of a request by Bob Scigliano in his letter to me of June 30. Bob asked if I might send a review of the administrative and political situation for circulation among members of the Political Science Department.

Both Ralph and I are in agreement that our documents, as written, should not be circulated around Campus. I am writing to Bob Scigliano to explain that I felt I could write more candidly if the paper were sent to your office rather than circulated among members of the Department of Political Science. Naturally, I am not implying that the latter cannot be trusted, but I merely want to emphasize that our memoranda contain items that should be treated confidentially.

Ralph and I suggest, therefore, that our two documents be kept in your office but that certain people be invited to come to the office to look at them. Obviously, Deans Maslyn and Taggart should see the papers, and probably members of the Advisory Committee on the Vietnam Project. In addition, I would suggest that Bob Scigliano, Wes Fischel, Joe LaPalombara and Ed Weidner may have an interest in seeing the papers. Please use your discretion about additional persons. In any case, I hope that all of the persons who do see the papers will be cautious about discussing them, because we have phrased our documents quite candidly in order to give persons who have some connection with the Vietnam Project a good look at the current situation.

One other disclaimer should be added: As for my paper, it is highly impressionistic, and I apologize for the extent to which any rumors are reported. Nevertheless, in a situation such as this one, rumors become factors to be reckoned with.

IDM/dw

A REVIEW OF VIETNAMESE ADMINISTRATION

By Lloyd D. Musolf, Chief Advisor
Michigan State University Vietnam Advisory Group
September 1, 1960

A review of Vietnamese administration, no matter how brief, inevitably suffers from a lack of knowledge of details. It is difficult to know the character of various Vietnamese government agencies unless there is a direct advisory relationship. For those agencies with which such a relationship exists, much the same situation obtains as in earlier days; that is to say, the Budget Directorate is still a live-wire agency, eager to complete many projects. Its main fault is that it is over-extended, and, as a result, its plans are not always executed on schedule. In the case of the Poste et Télégraphes Publiques, the stagnant atmosphere previously existing seems to continue. From time to time, particularly when the head of that agency returns from the annual meeting of the International Institute of Administrative Science, noises are heard that resemble activity, but little happens. The closest approximation to action is the personnel census of civil servants. Actually, Budget has pushed this project hard, and any activity in the Civil Service Agency is merely a reflection of the Budget Directorate's drive. In the tax area, the accession of a new director has meant some preliminary activity in the devising of new taxes or the revision of old ones. As yet there is absolutely no direction from the Secretary of State for Finance, and the high hopes held for Mr. Luong when he succeeded Mr. Vuong have not been justified. This has meant, for example, that the Treasury reorganization recommended by MSA has not taken place, even in an attenuated form. Regarding of the Finance Department's situation, however, it is thought that tax reform may come soon because of the Government's need to find revenue to replace American Aid funds, which are now diminishing. Incidentally, I should not be surprised to see the Vice President take over the Finance portfolio. If this does happen, Milt Taylor's tax reports will get a good hearing.

If one were to generalize about the main problems facing Vietnamese administration, one might list overcentralization, the lack of sufficient able personnel, and the failure of governmental administration to capture the imagination of the people.

Overcentralization can perhaps be best described as a great reliance upon presidential decision-making. Thus, it is still true, as it was earlier, that a departmental decision often is not the final decision, and it is also still true that the President may "jump the hierarchy" in making decisions. Province chiefs have an open line to the President and, given the President's great interest in rural programs, he is likely to take decision-making into his own hands in order to keep those programs moving. Of course, as the government is plagued by red tape, this practice has its advantages. A recent incident illustrates both the benefits and disadvantages. Several weeks ago there was an infestation of leaf hoppers which threatened the upland rice crop. Several province chiefs found that the Agriculture Department was not meeting this threat. They got in touch with the President, who ordered that the malaria eradication teams and equipment should go into action against the leaf hoppers. As a result, the infestation was stopped with the loss of 15 to 20 thousand hectares instead of a much greater acreage. However, according to the Project Agreement under which



the malaria eradication program operates, any diversion of men and equipment should get the prior consent of the American government and, if diversion occurs, the sum equal to the expense involved is to be deposited to the credit of that Projg. USOM, having lost out on the first provision, is now attempting to insist that the second one be observed. At first glance, the authority of the province chief seems to be a counter-argument to centralization. After all, various departments with branch organizations in provinces may find the province chief an obstacle to their programs. Here, again, the linkage between province chief and the President is crucial in the picture. In short, province chiefs' attitudes toward programs of national departments and the province chief's own administrative emphases depend upon their estimate of what is important to the President.

The lack of sufficient able personnel, a second leading problem of Vietnamese administration, is again one of long standing. It is reflected in the shortage of top-grade middle-management personnel, and one might hazard a guess that it is also reflected in the absence of top-caliber cabinet personnel. In the provinces the shortage of qualified civilian personnel is probably one factor in the widespread use of army officers as province chiefs. This can be said without denying that the major factor in the use of army personnel is probably the security situation and the construction demands of the various resettlement projects. As to cabinet personnel, the deficiencies of various members have become more obvious as time has gone on, but there are indications that the President feels that his replacement of these personages would reflect upon the caliber of his government at a time when his government is under great pressure.

The failure of governmental administration to capture the imagination of the people is a charge one hears often. In part, it is based upon the historical fact that the peasant has never had much of a sense of the presence of a central government in Vietnam—or, for that matter, in French Indochina. In part, the charge is also based upon persistent rumors that various high personages, including members of the President's immediate family, are enriching themselves at the expense of the populace. There is a widespread feeling that many high officials lack a sense of dedication to match that of the President. The President is said to be aware of the charges of corruption but to feel that he is so busy that he cannot make the kind of investigations which would irrevocably prove or disprove the charges. The lack of greater political and civil freedom is also a criticism widely made.

The effect upon the Diem regime of the concerted Viet Cong drive, on the one hand, and the criticism about corruption and lack of civil liberties, on the other, is curious. Several months ago there was a great deal of talk that the Diem regime would be forced to liberalize its concept of political and civil liberty. More recently less of this talk is heard and the reason seems to be that within the past month Saigon intellectuals have felt the Viet Cong threat more sharply. What has happened recently is that a series of incidents on roads leading out of Saigon has sharply curtailed travel.

outside of the city and probably driven home the point that the Viet Cong offer a considerable threat to the government. It is widely known that the security situation is very delicate. The alternative of the Diem government or the Viet Cong is thus thrown sharply into relief and the so-called opposition groups find it difficult to have themselves considered as a viable alternative. The government, for its part, is watching potential organizers of demonstrations and violence closely, and has made a number of arrests in Saigon. There are rumors that the government is not taking great pains to distinguish communists from opposition party members. If true, the prestige of the government, which has undoubtedly been slipping, will not be helped.

It should be said that the seriousness of the security situation has impelled the Embassy to urge aid technicians to think of ways in which the Diem government's prestige can be bolstered. There is also an injunction to technicians not to associate with opposition groups nor to give any aid or comfort to the idea of greater civil or political freedom at this time.

One caution: A recital of the difficulties of GVN should not obscure the sincere efforts made to build solidly in Vietnam. The agrorilles, for example, are a bold, imaginative idea, even if the President's stubborn refusal to pay daily wages to the peasants who construct them is regarded as a mistake by many observers.



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VIETNAM ADVISORY GROUP

PERSONAL

OFFICE MEMORANDUM

TO : Dr. Ruben V. Austin, Coordinator

DATE: September 1, 1960

FROM : Ralph P. Turner, Chief, PAD/MSU

SUBJECT: Resumé of Current Security Conditions

(NOTE: While none of the information contained in the following report is quoted from classified material, it is requested that this report be handled in a discreet manner to avoid any misunderstanding that classified information is being passed on in an indiscriminate manner to East Lansing.)

Previous notes from Saigon have referred to a general deterioration of the security condition, which also have been supported by comments in both the local and international press. In general, this deterioration has taken the nature of increased activity on the part of the Viet Cong which includes acts of terrorism against individuals and groups, whether peaceful villagers or members of the Vietnamese Government armed services. The stepped-up activity has, of course, been most noticeable in the area south of Saigon, extending all the way to the seacoast; however, it has been reported recently that six Vietnamese medical technicians were killed by the Viet Cong just outside of BanMeThust. In another incident, two American hunters and a French guide were ambushed in Binh Long Province just north of Saigon. The Frenchman was killed and the two Americans returned fire, reportedly killing two Viet Cong. There have also been verified reports of a private car being blown up on the highway north of Saigon, the latest newspaper account reporting this as having occurred 31 kilometers north of Saigon.

On Sunday, August 7, two Vietnamese jeeps were ambushed on the road leading to Cap St. Jacques. Several people were killed. As a result of this incident, many Americans and others who were spending the weekend at the Cap were forced to stay overnight there and were given an escort back to Saigon the next morning. On Hendville's last return from the Cap on August 20, he also was provided with an escort part of the way back to Saigon. Atkins and Nisal have been out in the field during the last two weeks around DaLat, Bia Trang, BanMeThust, and Hue; however, they were not provided with armed escorts because the local Sureté chiefs did not feel it was necessary.

Dr. Austin

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August 19 was one of the days during which QVN anticipated trouble, in view of the fact that this is a North Vietnamese holiday, as is September 2. The local police stepped up their patrol activities from August 17 to August 23, and over that weekend made a number of arrests involving groups of ten and twenty people. These people were armed with grenades, knives, propaganda literature, etc., and according to police were prepared to cause trouble. The police have again stepped up their control activities in anticipation of similar trouble during the September 2 period. October 26 is the next day which is causing some concern for the local police. In reviewing our monthly reports, we notice that there is a gradual increase in the number of political and administrative arrests reported by the Jurists.

As a result of this activity, many aspects of the American aid program have been slowed down, if not halted. While Americans still travel on official business throughout the country, there are many areas in the south where they cannot travel because the local agencies are not able to provide enough security and recommend that they stay away from some of the more remote places. This means that some programs in agriculture, health, malaria control, land reform, canal work, etc., cannot receive as much supervision as they did in the past.

While unofficial travel for pleasure outside of the city of Saigon has not been formally prohibited, all trips, official and otherwise, must be cleared with Embassy Security and the recommendations are such that unofficial travel is virtually discouraged and prohibited if one reads between the lines. Pleasure trips outside the city are permitted on scheduled airlines.

There has not seemed to be any undue concern about the situation in Laos insofar as it may or may not affect Vietnam at this time. However, officials have reported that there is a more notable feeling of unrest and/or insecurity among the Vietnamese at this time, caused principally by the increased activity of the Viet Cong.

RPT:pp

cc: Dr. Musolf

