

Agreement
Mr. D. C. Lavergne, USOM

December 17, 1956

Walter W. Mode, Chief, Field Administration Division
Land Development Projects

Two major organizational units within the Vietnamese Government will have responsibility for transferring land to the now landless: the Agrarian Reform Directorate and the Special Projects Directorate, both part of the Department of Land Registration and Agrarian Reform.

The Agrarian Reform Directorate will be concerned largely with cultivated land located in or near established communities. It will not have to deal with problems of preparing the land for use, establishing living and community facilities, security, etc. The Special Projects Directorate will deal with land that has not been used for agricultural purposes for many years, or has never been so used. It will have to process the soil before it can be used; it will have to provide shelter, community facilities and security for the men employed in working the soil and their families.

In view of the diversity of the work to be done, we believe that the government was correct in establishing two separate organization units for this work, even though the ultimate objectives of the two organizations are roughly identical.

After the selection and the approval of the sites to be developed, the Special Projects Directorate must program the following activities:

1. Plow and otherwise process the soil, including irrigation canals, soil dikes, etc.
2. Provide a communication system of roads and canals.
3. Provide shelter, food, transportation for persons and things and community facilities (including health and educational) for the workers engaged on the project and their families, many of whom will also be settlers or prospective settlers.

4. Provide physical security.
5. Survey the land, subdivide it, and register the resulting plots with the provincial authorities.
6. Arrange for the sale of the land plots.
7. Arrange for financing of sales.

There is general agreement that it would be desirable to have as much as possible of the work to be done under these programs performed by existing government agencies or private contractors in order to use existing facilities and skills. This would certainly include items 2, 4, 5 and 7 above. With respect to item 1, soil preparation, a question exists.

On March 29, 1956 by Decree No. 44, the Government established the National Office of Mechanical Equipment of Agricultural Exploitation. The assigned function of the Office was to perform mechanical services such as plowing, harrowing, water pumping, land clearing, etc... under contract, to landowners, tenant farmers, cooperatives or public and private corporations. Responsibility for direction of the Office is vested in an Administration Committee composed of representatives of various departments of the government and of the public. The management of the day-to-day technical, administrative and financial affairs of the office will be the responsibility of a Director. The Director and two Assistant Directors were appointed simultaneously with the creation of the Office.

It has been proposed that all agricultural machinery that is now or in the future will be available to the government be placed in the custody of the Office and that the Directorate of Special Projects contract with the Office to perform the soil processing operations. It has also been proposed that the Directorate set up its own Operations Service, that such machines as become available be entrusted to this Service, and that the Directorate perform its own soil processing operations. We favor the latter proposal.

1. Since its inception in March 1956, the Office has remained a "paper" organization. We understand that the Director has submitted several budgets to the Administration Committee but has been unable to get agreement on budgetary needs. No organization is therefore in existence.

2. For the next two or three years the operations of the Directorate of Special Projects will require the use of all of the physical resources of the Office. Under these circumstances we will have problems of coordination. Although the Director of Special Projects has also been appointed Director of the Office, and presumably the Administrators of the local projects undertaken by the Directorate will also be designated Chief of the local operations of the Office, the ultimate responsibility for management of the Office lies with the Administration Committee which could direct the diversion of all or part of the resources of the Office to other work if it so desired. Moreover, the inability of the Administration Committee to agree on a budget or organization since its inception in March is not encouraging with respect to future operations.
3. If the Office is set up as a separate organization, it will require its own administrative staff, representing additional expense. Since the Directorate will be its sole client, these additional costs will ultimately come from the operating funds of the Directorate.
4. It is believed that the work done for the Directorate would give the Office data on costs, techniques, etc., that would be valuable to it when the Office begins to work for other clients. We believe that this experience and data can accrue to the organization even if it operates ^{as} part of the Directorate, if proper provisions are made for this purpose.

We propose:

That soil processing operation be made a direct responsibility of the Directorate of Special Projects. It is believed that this function can be so established that upon completion of the Directorate's program, the operation unit of the Directorate can be transferred en bloc, to the Office or a successor organization.

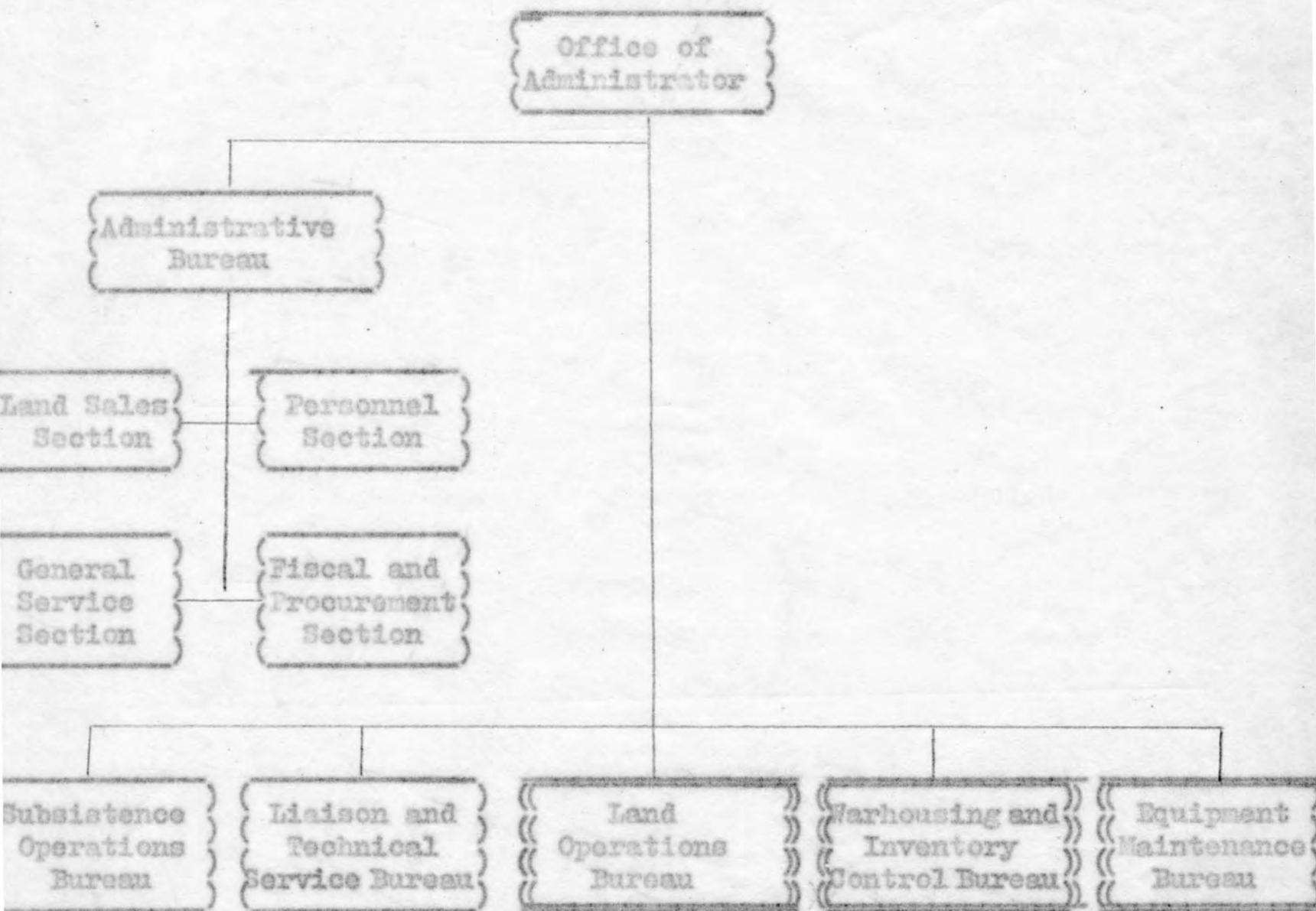
With respect to such community facilities as education, health and technical agricultural assistance, the experience of the Refugee Commission (COMEGAL) in dealing with identical problems indicates that it would be wiser to develop written specifications covering this work and delegate responsibility

for execution to the agencies of government concerned. We propose, therefore, that the Directorate, in cooperation with the agencies concerned, develop these specifications and include them as specific subproject proposals to give assurance to the other agencies that necessary financing of the operations will be available.

With respect to such operations as provision of shelter, food and transportation, since no present agency of the government is prepared to routinely furnish these services, we propose that the directorate perform them with its own staff. The proposed organizations shown on Exhibits 1 and 2 provide for these services.

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DEPARTMENT OF LAND REGISTRATION AND AGRARIAN REFORM
DIRECTORATE OF SPECIAL PROJECTS
LOCAL PROJECTS *

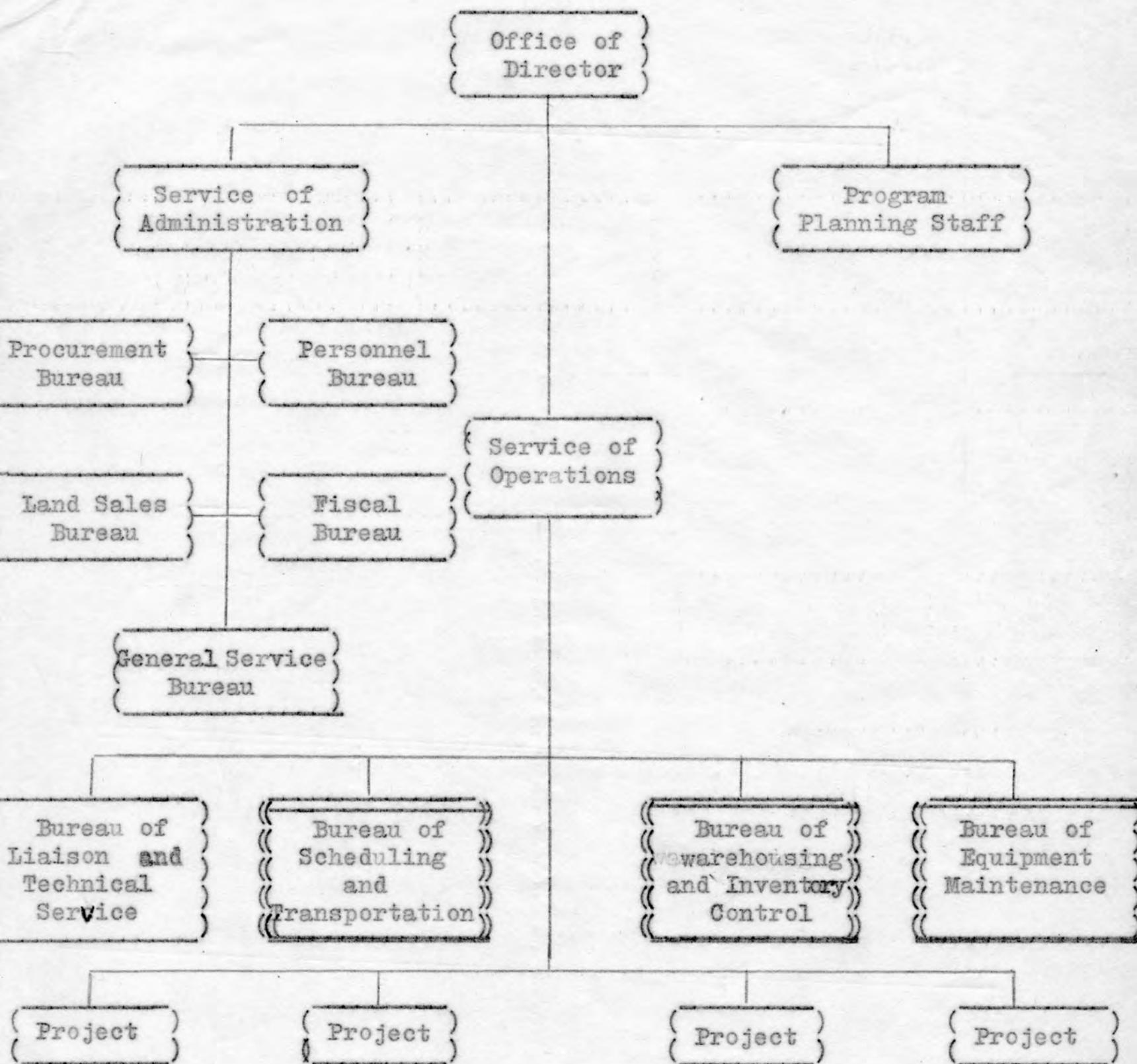


* Will vary from local project to local project

 Functions so marked may be performed by ONEMAM in the future.

DEPARTMENT OF LAND REGISTRATION AND AGRARIAN REFORM

DIRECTORATE OF SPECIAL PROJECTS



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Mr. C. Wesley Haraldson,
Acting Director of USOM
Wesley R. Fishel, Chief Advisor

December 13, 1956

Work of Field Administration with Special Projects Administrator -- Monthly Report of November

In order to give you a full picture of our activities on this project, it may be well to review how we became involved in it.

Mr. Lavergne talked to me and also to Mode about assisting him in making suggestions to the Special Projects Administrator for organization and procedures which would be most effective for this undertaking. In addition to this request, Mr. Cuong requested assistance in suggesting an organizational pattern which would be feasible for this operation.

We have held several meetings with your officials Gitteringer, Cox, Kearney, Mavro, Hackett, Lavergne, et al. As you know, they have been working on the program content and we have merely offered suggestions on procedures and administration.

We are somewhat disturbed as to our role because there has been no general agreement on the program by all USOM divisions. For instance, a query came up as to whether or not the land should be brought back into cultivation to grow more rice. Also it is not clear whether the land is to be made available only to refugees or to the other population. There is some question as to the advisability of reclaiming the particular land area selected by the Vietnamese Government.

At some of the meetings, it appears that Americans think this is a grandiose scheme and at other meetings, the Americans think it is a workable land reclamation project which should be top priority.

A meeting is being called in Mr. Lavergne's office on Friday, December 14 for the purpose of obtaining clear direction on the program. Mode and Rosenfeld will represent our staff at that meeting.

Memo to File

December 14, 1956

Subject: Meeting of Lavergne, Hackett (USOM) and Rosenfeld and Mode re USOM's Point of View on Proposed Development Projects.

1. USOM believes such projects desirable even though they will result in greater rice production. Believes that political and other benefits outweigh fact that rice is at the moment a world surplus commodity. Believe that in long run expanding population and rising standard of living will end rice surplus.
2. No definite commitments have been made by USOM on any specific development. They want the government to get together the facts and figures on each proposed project.
3. USOM's contribution will cover equipment and much of the labor — they expect the government to carry the administrative costs.
4. USOM may decide to give the machines to the projects, turning them over to ONEMAM only when the projects are completed.
5. USOM believes that ONEMAM and the Special Projects Directorate should operate as a single integrated organization.
6. The use of facilities of other government agencies (for road building, for instance) presents administrative problem for which tentative solutions should be found before the projects get underway.

Albert A. Rosenfeld