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SUMMARY LIST

RECENT ACTIONS OF VIETNAMESE GOVERNMENT, NATIONAL
ASSEMBLY, AND POLITICAL ORGANIZATIONS

Reducing corruption: The Vietnamese Government has taken action on two fronts -- against specific violations and violators, and against situations and procedures that have allowed corruption to flourish. These measures have already begun to reduce the corruption problem and should have a greater effect in the future.

- On September 6, the GVN announced that Premier Huong, with the President's approval, had dismissed 3 province chiefs in the campaign against corruption and maladministration. Two of the officers will be prosecuted, it was announced. On December 11, the GVN announced a third ex-province chief would be tried on charges of corruption and abuse of authority.
- Since the advent of constitutional government in November 1967, some 40 military and civilian officials have been tried and found guilty of corruption. On August 29 it was announced Premier Huong was either bringing to trial or disciplining 13 additional military men and civil servants. Additional cases are being investigated.
- On August 14 Premier Huong signed a decree establishing anti-corruption committees at all levels of government down through province. The central committee in Saigon is headed by the Minister in Huong's own office. In the provinces, the committees are led by the chairmen of the popularly-elected provincial councils.
- Enabling legislation for the Inspectorate, the independent anti-corruption agency specifically provided by the Constitution, was passed by the Assembly in October. The Inspectorate has been formed and is now beginning to function.
- Such moves as placing fertilizer programs and sales on the commercial market, relieving port congestion, and changing import license procedures have greatly reduced opportunities for corruption in these areas.
- On August 22 the Prime Minister's office issued a directive requiring all GVN personnel to list their personal property. The directive prescribed punishment for false declaration.

- The Prime Minister has just issued new guidelines to government agencies to include preventive as well as curative measures for eliminating corruption and improving the administrative services. These include: mandatory declarations of income and property by government officials, prohibitions on "conflict of interest" activities and on acceptance of gifts, closer control of funds, and simplified procedures for services provided citizens.

Strengthening Political Institutions: The new constitutional system has been in full effect for little more than a year, yet it has continued to develop steadily despite difficult wartime conditions.

- The system itself withstood the shock of the Tet and May/June communist offensives and emerged intact. It has already accommodated one major political change -- the replacement of the Loc cabinet with that of Huong in May -- without violence, upheaval, or any significant political disruption.
- The Assembly has established its independence and its role as a forum for free and vigorous debate. It has supported the government on most major questions, but it turned down the government's request for blanket emergency economic powers after Tet.
- Enabling legislation for the Supreme Court was passed by the Assembly and was promulgated by President Thieu on September 3. The Court has been formed and is already functioning.
- The Assembly has also passed four major bills directly relating to the war effort: the national budget, general mobilization, a 20% tax surcharge, and war risk insurance.
- A political party law, including specific provisions for a legal opposition, has been considered in both houses of the Assembly and now awaits final Assembly action.
- A new national political organization was formed July 4. It combines the strength of several organizations and leaders, including the largest labor confederation and major elements of other parties and religious groupings. It has begun a practical social welfare and organizational program and has the support of the government leadership.
- Press censorship was abolished May 31, and the press has enjoyed considerable freedom of expression including publication of material critical of the government. (Some newspapers have since been closed for specific violations

- of existing press regulations.) A new press law, called for in the constitution, has passed the Lower House.

Strengthening the Economy: Despite the severe strains imposed by the war, the Vietnamese have taken a number of recent steps -- particularly in agriculture -- to maintain and develop their economy.

- In the past year, the Vietnamese Government has undertaken a program for introducing new high-yield rice seed on a scale unsurpassed by any other country in so short a time. By the end of the harvest year in February 1969, Viet-Nam will have harvested more than 96,000 acres of the new variety. Yields are more than double those of traditional varieties.
- The government established a new agricultural credit bank in January 1967. In its first year, the bank made three times as many loans to farmers and fishermen as its predecessor agency. In the first 10 months of 1968 it has already loaned some 3.9 billion piasters (about \$33 million), more than twice as much as it loaned in all of 1967.
- Under government-sponsored programs, fertilizer usage in Viet-Nam is now, proportionately, as high as any country in Southeast Asia and higher than most. Fertilizer imports were 450,000 metric tons during 1968, a 25% increase over 1967.
- For the first 10 months of 1968, internal tax collections were 9% higher than for the same period in 1967. This improved tax administration, including application of new tax rates in April, was carried out in the face of serious business and commercial disruption caused by the heavy attacks earlier this year.
- While still a serious problem, inflation has been held to about 30% in 1968. This is about the same as last year's rate but better than the 67% in 1966. This record compares quite favorably to the Korean experience, when prices rose some 2700% in the 3-year period of communist aggression there.

Assumption of Increased Responsibility: Vietnamese efforts in this regard include, first of all, the rapid buildup of their military and defense capability. In addition, they have assumed greater responsibilities in various non-military fields.

- The mobilization law signed June 15 made all male citizens 16 to 50 years old subject to service in either the armed forces or self-defense forces.

- By the end of June Vietnamese armed forces had been brought to some 765,000, some 48,000 more than the original goal for this date. The total is expected to exceed 800,000 by the end of 1968.
- From January 1 to June 30 more than 36,000 men were drafted into the armed forces. Three times as many, or some 110,000, volunteered during the same period.
- The induction of 19-year-olds began March 1, and of 18-year-olds May 1. More than a quarter of the above inductees and volunteers were in the 18-19 age bracket.
- The government has established a "People's Self-Defense" force to help provide security in the villages and urban districts and to assist the military in intelligence and relief work. Some 200,000 people are reported to have joined already.
- From July through November, Vietnamese battle deaths exceeded those of U.S. forces by about 28%. In the January-June 1968 period, the figure was about 5%.
- New taxes, including the April 1 austerity tax on imports and the July 1 domestic tax surcharge (20%) passed by the Assembly, should increase the government's revenues by about 30 percent in the next year.
- The government is paying for a much larger proportion of imports from its own foreign exchange resources. Government licensing increased from \$149 million in FY 1966 to \$306 million in FY 1967. The figure for FY 1968 is estimated at \$250 million. USAID licensing has decreased from \$344 million in FY 1966 to \$155 million in FY 1967, with FY 1968 estimated at about \$90 million.
- In 1967, nearly \$120 million of rice imports were financed by the U.S. under PL 480. In May 1968 the Vietnamese government spent \$12 million of its own funds on rice, and further such purchases are expected over the next year.
- From mid-July to November 1967 the U.S. Army handled USAID-sponsored bulk cargo coming into the port of Saigon. Since then, the Vietnamese Government has successfully handled these commodities.
- Operation of the port of Saigon has improved dramatically. In December 1966 there were 350,000 tons of cargo on ships in the harbor. Since June 1967 this backlog has been kept down to a normal 50,000 tons. The number of U.S. advisers on port operations has decreased from more than 150 to about 20.

- Two years ago foreign flag coastal vessels were being chartered by USAID to move cargo between Vietnamese ports. Since November, the Vietnamese Government has been able to provide this service completely.
- Significant progress has been made in the agricultural field. It has been possible to reduce the number of U.S. agricultural advisers in Viet-Nam by nearly half.
- The successful takeover of these increased management and technical responsibilities has been done concurrently with the increased mobilization of Vietnamese manpower for the armed forces.

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