

FOURTH REPORT
of the
MICHIGAN STATE UNIVERSITY ADVISORY GROUP
in Public Administration
to the Government of Viet Nam

submitted by
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Saigon, December 31, 1956

TABLE OF CONTENTS

	<u>Page</u>
<u>Introduction</u>	
MSUG Organization	1
Visitors and Consultants	2
Study Missions Abroad	3
<u>Police Division</u>	
Training	5
Studies and Reports	6
General	7
Personnel	8
<u>Field Administration</u>	
Department of Information and Youth	9
Civic Action	9
Education	9
Department of Interior	10
Department of Land Registration and Agrarian Reform	11
Department of National Economy	11
Miscellaneous Activities	11
<u>NLI Program Division</u>	
General	14
Degree Program	15
Evening School	16
Participant Program	16
Research	16
Library	17
Other Activities	18
<u>In-Service Training Division</u>	
Progress	19
Courses	20
<u>Executive Office</u>	
Financial	21
Housing	21
Motor Pool	22
Personnel	22

Appendix 1

MSUG Organization, December 31, 1956

Appendix 2

Report and Academic Materials

Appendix 3

Comparison of General Expenditures for
First Six Months and Second Six Months of 1956

INTRODUCTION

The activities of the Michigan State University Group for the period July 1 to December 31, 1956, were marked by an expansion of training programs, implementation of plans and reports, and consolidation of goals already attained. As in the preceding six months, the trend continued to be one of de-emphasizing emergency programs and of giving greater attention to matters of long-range consequence.

This shift in emphasis has been possible because of the strengthened position of the Government of Viet Nam. The Government has met the series of crises which only last year threatened its existence; its struggle for survival appears to have been successful, with the result that there is less need for ad hoc measures to meet specific crucial situations. Though the Government cannot be complacent nor relax its vigilance, it can begin with confidence to work out lasting arrangements for its administrative system. On the political side, a constitution providing for an elected chief executive and legislative assembly has already been adopted and put into effect.

Notwithstanding its change in program emphasis, the Michigan State University Group has continued to work toward its basic objective, the improvement of governmental administration in Viet Nam. Behind that objective are, of course, the still more fundamental goals of aiding the Vietnamese to achieve greater governmental stability and helping insure that Vietnamese government policies are effectively and efficiently carried out within a democratic framework. Close social and official relations, based on mutual confidence and respect, have continued to characterize associations between MSUG staff and Government officials. USOM and MSUG have cooperated harmoniously on all matters of joint interest. Relations with other American agencies have also been entirely satisfactory during the past six months. In an effort to promote better understanding and cooperation in the American Community (which now numbers nearly 1,500 official personnel), MSUG held a series of briefing sessions at which representatives of the several American agencies explained their work to the entire MSUG staff.

MSUG ORGANIZATION

There have been no major organizational changes since the last semi-annual report. With the exception of the Presidency project, functional programs continue to be carried out by four divisions whose chief is in each case directly responsible to the Chief Advisor. The four divisions are: Police, Field Administration, National Institute, and In-Service Training. Since the departure of Dr. Dorsey, the Presidency project has been under the direct supervision of the Chief Advisor. The Executive Office, the head of which also reports directly to the Chief Advisor, has responsibility for the administrative and housekeeping aspects of the project. The Chief Advisor, Division Chiefs, and Executive Officer comprise a planning group which meets weekly to develop policies and coordinate activities. An organizational chart as of December 31, 1956, is found in Appendix I.

The position of Assistant Chief Advisor, ably filled by Dr. Ralph H. Smuckler until his departure on November 3, is vacant at present. Because of his personality and his capabilities, Dr. Smuckler played a vital role in the

organization. The decision was made not to upset existing programs by burdening any one of the division chiefs with all of the responsibilities formerly performed by Dr. Smuckler. Rather, the central administrative functions have been absorbed by the Chief Advisor or delegated as additional duties to the various division chiefs. It is, however, felt that the position of Assistant Chief Advisor should be filled as soon as possible.

VISITORS AND CONSULTANTS

The MSU Group was privileged to have several distinguished visitors during the period of this report. Outstanding were the visits of Dr. John A. Hannah, President of Michigan State University, and Dr. Glen L. Taggart, its Dean of International Programs. Accompanying President Hannah were Dr. Emory Morris, President of the Kellogg Foundation, and Dr. Howard Piquet, Senate Foreign Relations Committee Aide. During Dr. Hannah's four-day stay in Viet Nam, he acquired a first-hand knowledge of the Group's organization, policies, operations, problems, and working conditions. Dean Taggart was able to remain for a longer period. From December 4 to December 12 he followed a heavy schedule of observing, discussing, and evaluating MSUG programs. As a result of their visit, President Hannah and Dean Taggart gained an understanding indispensable to making future decisions and policies affecting the project.

Another visitor was Mr. G. W. Lawson, Jr., Chief of the Public Administration Division of the International Cooperation Administration. Mr. Lawson, who spent several days in October studying and observing MSUG operations, was able to pass on to the Group the lessons and experiences of other university public administration groups.

Between July 20 and August 9, Dr. Edward W. Weidner, Coordinator of the Viet Nam project in East Lansing and formerly Chief Advisor of the MSU Group, visited Saigon. Dr. Weidner was brought up-to-date on activities here, and he, in turn, apprised the Group of developments in East Lansing and Washington.

Several consultants have completed their work with the MSU Group. On July 2, Mr. Frank Landers, Director of the Budget Division of the State of Michigan, left Viet Nam after analyzing the Vietnamese budget system and submitting proposals for reform. The Vietnamese Government has accepted his proposals in principle, and steps are now being taken to implement his recommendations.

Another consultant, Dr. James W. Fealer of the Department of Government at Yale University, arrived June 19 and spent two months assisting in the formulation and implementation of certain recommendations in the MSUG interior report for field services.

Professor Ralph Turner of the School of Police Administration and Public Safety at MSU served as police consultant from June 30 to September 1. Professor Turner worked principally in the field of laboratory crime detection. His recommendations have since been published and are being studied by the government.

Dr. Lyle Maxwell, head of the Department of Business Education and Secretarial Studies at MSU, assisted the In-Service Training Division during July and August by

conducting a class in office management which was attended by 75 chefs de bureau, and by making studies and recommendations for the improvement of office management in Viet Nam.

The only consultant currently with the MSU Group is Mr. Alfred H. Hausrath, manpower and training specialist, who is attached to the In-Service Training Division. Mr. Hausrath is setting up a program for the training of instructors and administrative supervisors.

STUDY MISSIONS ABROAD

Several important study missions were sent abroad by the Michigan State University Group. The trip involving the greatest number of persons and covering the longest period was a seventeen day visit to Japan and the Philippines (August 24 - September 10). President Ngo Dinh Diem requested MSUG to take ten high ranking officials. Accompanying and advising them in Japan were three MSUG staff members; four of the MSU staff assisted in the Philippines. MSUG also furnished three interpreters, since the group had quite varied professional interests, and because the majority of the officials did not speak English.

The purpose of the mission was to observe and study intergovernmental relations with emphasis on (1) problems of provincial and local administrative organization, (2) local autonomy arrangements, and (3) budgetary and personnel problems. The trip had a noticeably broadening effect on the participants, eight of whom had never previously been out of Viet Nam, by enabling them to study and evaluate new methods and techniques in the fields for which they are responsible in this country. The splendid cooperation received from the Japanese and Philippine Governments was in a large measure responsible for the success of the mission. It is interesting to note that every official who made this trip has since been transferred to a more responsible position.

Also worth noting was a study mission of five ranking members of the Office of the President, who were accompanied to Japan and the Philippines by the Chief Advisor of the MSU Group (December 18 - 31). This group studied the organization and functioning of the Office of the President in Manila and that of the Prime Minister in Tokyo.

Michigan State University Group also sent representatives to the Philippines in late November to attend Public Administration Week meetings which were sponsored by the Philippine Society for Public Administration and the Philippine Institute of Public Administration. Attending the sessions were two American and two Vietnamese members of MSUG's staff and Mr. Tran van Dinh, head of the Research Division at the Institute and Secretary of the newly created Vietnamese Society for Public Administration. In addition to participating in the panel discussions and attending numerous other programs, the group became familiar with the operations of both the Philippine Institute of Public Administration and the Philippine Society for Public Administration, and was privileged to observe in-service training programs.

In October two representatives of MSUG were sent to Bangkok to establish liaison with the University of Indiana group, to study their activities in promoting public

administration in Thailand and to lay the groundwork for a Southeast Asia conference on the role of institutes of administration and professional societies in the betterment of public administration.

On the basis of the results of observations and study tours made thus far, the MSU Group is convinced that such trips, when properly planned and executed, are of immense value in broadening the viewpoints and increasing the technical efficiency of participants and in furnishing them with useful new ideas and information. In countries with conditions or problems somewhat similar to those of Viet Nam, Vietnamese officials have been able to observe the procedures, methods, and programs of comparatively advanced organizations regarding matters they themselves face at home. There is evidence already that the ideas and methods thus learned are beginning to prove helpful in bettering the administrative system of Viet Nam.

POLICE DIVISION
Howard Hoyt, Chief

The last half of the calendar year 1956 was marked by an emphasis on training programs, the development of various manuals of instruction, and the delivery to Vietnamese law enforcement agencies of the first shipment of American aid .38 caliber revolvers, ammunition, and tear gas equipment. A total of 353 MAAG Surplus Lisbon Program vehicles were transferred to the Civil Guard. Some of these vehicles were also distributed to the Saigon-Cholon Police Department, and to the Vietnamese Bureau of Investigation (VBI).

The MSUG Plan for the Overall Reorganization of Civil Police Forces of the Republic of Viet Nam (April 1956), and the Reorganization Plan for the VBI (June 1956) are still under study by the Secretary of the State for Interior, Nguyen-Huu-Chau. A close cooperation continues to exist with all Vietnamese at operational and command levels.

On 16 December 1956, General Nguyen-Ngoc-Le, Director of the VBI, was promoted to Major General in the Vietnamese Army and was transferred to the Ministry of Defense. He was replaced by Colonel Phan-Xuan-Chieu. Military officers assigned to the VBI were returned to the Vietnamese Army. Specialist training and special operations within the VBI have been temporarily halted as a result of the change in command.

TRAINING

1. The National Police Academy, as a result of a faculty meeting held in July 1956, developed and implemented a full eight-week course with a broadened curriculum. Three hundred nineteen officers have been graduated from the Academy during the past six months, making a total of 926 men who have now completed this course. The seventh regular Academy class, consisting of 146 men, is currently in session. Forty-six command officers of the Saigon-Cholon Police Department, Civil Guard, and the VBI have completed a special command course. Twenty more are now enrolled.

2. MSU Group police advisers offered 32 hours of lectures at the National Police Academy, 11 hours at the National Institute of Public Administration, and 24 hours of English language instruction at the Municipal Police Department.

3. A basic revolver course in the use of .38 caliber revolvers supplied by the United States has been completed by 1,112 men of the Saigon-Cholon Police Department. Five hundred copies of a manual in Vietnamese on the use and care of revolvers were printed and distributed to Municipal Police officers and VBI agents.

4. In August 1956, a member of the MSUG police staff accompanied the Director General of the Civil Guard and other high ranking Civil Guard officers on an 8 day inspection trip of training installations in the Federation of Malaya. A complete report was submitted.

5. Training films on traffic direction, traffic laws, and accident investigation, were made and developed by MSUG with the assistance of USIS. Also, a combined training and information documentary film was made, covering the fundamentals in the use of firearms, tear gas projectiles, and grenades.

6. A Manual of Instruction was published dealing with the use and care of tear gas grenades, projectiles, and weapons. Quantities of these manuals were distributed to appropriate agencies.

7. Tear gas demonstrations were given at Quang-Trung for officers of the Saigon-Cholon Municipal Police Department and the Civil Guard, and at Dalat for members of all police and security agencies in the PMS.

8. Ten agents of the Immigration Service of the VBI completed a basic course in fingerprints and are working in connection with a census of foreigners recently ordered by the Vietnamese Government. A basic manual of instructions on the subject of taking fingerprints was developed and will be utilized in courses of this type.

9. Twenty-five officers and sixty NCOs from the Civil Guard were selected to participate in the Malaria Eradication Program. They were given two weeks of malaria training by the Department of Health, and six weeks of Driver Training and Motor Maintenance by military instructors.

10. Classes in repair and maintenance of weapons were conducted at the Vietnamese Military Ordnance Division for Saigon-Cholon police officers.

11. A class in repair and maintenance of police radios was conducted by the Minister of Information for Saigon-Cholon police officers.

12. Training programs were developed for administrative personnel and potential instructor personnel in the VBI.

13. An additional 150 men have been trained and equipped since July 1, 1956, for assignment to the Saigon-Cholon Police Riot Squad. A total of 300 have now been trained for this type of duty. The Riot Squad now has two personnel vans and one equipment truck. It has also been furnished tear-gas guns, projectiles, and grenades.

14. The Civil Guard training program graduated approximately 5,000 officers and men from the various courses at Quang Trung. A total of about 15,000 officers and men have been trained since the beginning of the program.

STUDIES AND REPORTS

1. Vietnamese Municipal Police conducted traffic counts at problem intersections to provide statistical justification for purchase of traffic signal lights.

2. MSUG, at the request of the Municipal Police Director of Traffic, drew up a uniform accident report form, designed for both local and national use.

3. Professor Ralph Turner made a thorough survey of the Crime Detection Laboratory facilities, interviewed personnel, reviewed monthly and annual reports, and studied cases. Upon completion of his survey, Mr. Turner prepared an interim report with recommendations calling for decisions by top Vietnamese officials.

4. A 40-man personnel inventory team was trained; also, a personnel inventory analysis team is being developed at VBI headquarters for the purpose of classifying and filing of all personnel inventory forms as they are received at VBI headquarters.

5. Additional copies of the General Law Enforcement Reorganization Plan and the Proposed Plan for the Reorganization of the VBI were furnished the Director General of Police and Security Forces, who, in turn, submitted them to the Ministry of Interior.

6. A Driver's Manual was prepared and given to the Civil Guard in the month of September 1956.

GENERAL

1. The Fingerprint Section moved into new quarters at Camp Cong Hoa (formerly Camp des Mares). Satisfactory progress has been made by this section. Sufficient office equipment and supplies have been made available by the Vietnamese Government. Remodeling of these quarters will be started in January 1957.

2. Final arrangements were made during October for the transfer of 353 MAAG Surplus, Lisbon Program, vehicles to the Civil Guard through USOM.

Additional Lisbon Program vehicles have been turned over to the Municipal Police of Saigon-Cholon. About one-third of the vehicles turned over to the Municipal Police of Saigon-Cholon have been put into service. The work of repairing the remainder is continuing. All patrol and service vehicles are being painted green and white -- the identifying colors for police vehicles.

3. An ambulance service was inaugurated by the Saigon-Cholon Police Department. Two of the four ambulances assigned to this department from the MAAG vehicle surplus are now in use. A supply of engines, transmissions and parts for the repair of motor-cycles has been secured through USOM and has been turned over to the Police Department.

4. A supply of material has been secured by the Saigon-Cholon Police Department from which new uniforms will be made. Models of American Police uniforms have been provided by MSUG as a guide in the selection of an appropriate and attractive uniform design.

FIELD ADMINISTRATION DIVISION
Walter Mode, Chief

Whereas for this division the earlier report periods were ones of gestation, the past six months have been a period of full activity. In all phases -- research, analysis, report writing, consultation, and general implementation -- substantial progress has been made. In addition to its recorded progress, Field Administration has undertaken many activities which are not readily measurable. For instance, the many informal meetings held with top officials have been in a real sense training sessions. In each of these discussions an effort is made to develop an understanding of basic principles of operation, seeds that will bear fruit in the form of more efficient administration in the future.

DEPARTMENT OF INFORMATION AND YOUTH

1. The study of the Department of Information and Youth was carried out during the past six month period. Eighty-five interviews were conducted in July, August, and September in the central office, in provinces, and in villages throughout the country. Twenty provinces were visited, from Ca Mau and Ha Tien in the South, to Quang Tri at the 17th parallel. Throughout the study, excellent cooperation was received from the Department as well as from USOM Program Support Division and USIS.

2. Although it was found that, on the whole, the Department is well organized, it might also be characterized as "over organized". Several recommendations were made for improvement, such as the reorganization of Radio Viet Nam, more emphasis on field programs, better coordination within the central office, and the separation of the Directorate General of Youth from the Information Department.

CIVIC ACTION

1. In early November study was resumed on the Special Commissariat for Civic Action. This study, originally started during the spring, was postponed because Civic Action underwent extensive reorganizations in May of 1956. Interviews were conducted throughout the central office during the month of November.

2. Upon the completion of the central office study, field research began but was somewhat hampered because of temporary security problems in the southern provinces of South Viet Nam. Accordingly, it was decided to dovetail a pilot study in My Tho Province (see below, Miscellaneous Activities -- provincial study), where Civic Action has recently been in operation. It is believed that after the first of the year Field Administration will be able to enter the provinces where Civic Action is in full operation. Anticipated completion date of the study is 15 April.

EDUCATION

1. Since June, the Report on the Organization of the Department of Education has received satisfying acceptance by both the Department and USOM. Six committees have been established to implement the recommendations considered most important by the Department of Education. In a meeting held with representatives of the Department of Education and the Education Division of USOM, the recommendations were

discussed and a steering committee set up consisting of Mr. Don, the Secretary of State for Education; Dr. Hildreth, Education Division Chief of USCM; and Mr. Mode, Chief of Field Administration Division of MSUG. Six sub-committees were formed: 1. Semi-Official Schools, 2. School Construction, 3. Popular Education, 4. Publications and Textbooks, 5. Organization and Administration, 6. Basic Philosophy of Education in Viet Nam.

2. Representatives of the three agencies (Department of Education, USCM, and MSUG) were named for each committee. During the past six weeks the committees have been meeting and proposing plans for carrying out the recommended changes. Progress has been made by all of the committees and the steering committee has met to evaluate over-all implementation.

DEPARTMENT OF THE INTERIOR

1. A firm basis for substantial progress toward acceptance of MSUG's recommendations for reorganization of the field services of the Government was laid during the course of ten meetings which members of the Field Administration staff held with the President of the Republic during August, 1956. At these sessions which lasted approximately eight hours, MSUG explained its findings and the basic philosophy behind its proposals. In principle, the President agreed with the proposals. However, he pointed out three factors which would limit the speed with which the recommendations could be put into effect.

- (a) Lack of personnel with sufficient administrative ability to handle the more responsible jobs established under the proposals.
- (b) The needs of military and political security.
- (c) The need of technical training for field personnel.

2. Several decrees have been issued during the past six months that indicate that the Government is attempting to move in the recommended direction:

- (a) A number of provinces have been combined (Decree No. 143-NB, 22 October 1956).
- (b) The regional administrative echelon, which was eliminated "in principle" by Decree No. 17 of 24 December 1955, has now almost disappeared as an administrative unit.
- (c) Administrative inspectors have been appointed (Ordinance 57-A, 24 October 1956) who will perform the review function and will obtain uniform application of national programs throughout the country as proposed in Field Administration's report.

3. It is regretted that the three committees established to review the budgetary, personnel and general administrative implications of the recommendations have not met for some time because of the pressure of other duties on government members of the committees. Reestablishment of the committees on a smaller scale

5. A suitable form, questionnaire and Manual of Instruction were prepared for use in a proposed inventory of all VBI personnel throughout the Republic of Viet Nam. A trial run was made in the use of these documents and the results analyzed. Subsequently, 20,000 copies of these forms were ordered by the VBI.

6. The transfer of the Headquarters of the VBI for South Viet Nam has been delayed until March 1957. It is necessary that available buildings at Camp Cong Hoa first be renovated before this transfer is made.

7. The gas and gas weapons previously received were inventoried, allocated and distributed according to plan.

8. A model storage tray for the new revolvers furnished by U.S. aid has been designed by MSUG with the assistance of U.S. MAAG personnel. It has been adopted by the Saigon-Cholon Police Department.

PERSONNEL

1. Mr. Joseph Marlow, Traffic Engineer, was transferred to the United States in July. He has not as yet been replaced.

2. The professional staff of the Police Division of MSUG is at present seven. George Boudrias returned to the U.S. in November, and his replacement, Raymond Babineau, arrived in Saigon 20 December 1956. The staff is supplemented with one American secretary, hired locally, three Vietnamese typists, and five Vietnamese interpreter-translators.

has been proposed so that this work may continue. (See also Miscellaneous - Study Mission.)

DEPARTMENT OF LAND REGISTRATION AND AGRARIAN REFORM

1. A report on agrarian reform was submitted on 30 June 1956 to Mr. Nguyen-Van-Thoi, then Secretary of the Department. No action was taken, however, until the appointment last month of Mr. Do-Van-Cong as Secretary.

2. Within the last 30 days there has been evidence that a vigorous departmental reorganization is taking place which in part follows MSUG's principal recommendation. Recent developments include the following:

- (a) Consolidation of the three agricultural credit agencies was decreed. (Order No. 316-DT/CCDD of 11/27/56).
- (b) A Directorate of Special Projects, to deal with land owned by the Government, was established. Operating with employees detailed to it by other agencies, it is working with a group of ten USOM technicians to define four projects and plan their development. Field Administration is assisting in organization and budget planning.
- (c) At the request of the Department, Field Administration in collaboration with USOM, developed an organization and budget plan for a Directorate of Agrarian Reform which has been presented to the President. As soon as it is approved and the Director appointed, MSUG will begin working with the Director toward execution of the detailed recommendations made in Field Administration's report.

DEPARTMENT OF NATIONAL ECONOMY

1. The research phase and the report-writing phase of the study of the Department of National Economy have been completed during this period. Interviews were conducted at all levels of the Department in Saigon during July and August. Field trips to Hue, Tourane, Dalat, and Nha Trang followed in September. An interim report was submitted to the Secretary of State during September, listing Field Administration's principal recommendations in outline form.

2. In October a study mission was sent to Bangkok to compare the problems of economic administration and the organization of the agencies concerned with those problems in Viet Nam and Thailand. The English version of the report covering that mission was issued November 30, 1956. USOM and the Vietnamese Government actively cooperated in this study. The implementation phase is expected to begin late in January 1957.

MISCELLANEOUS ACTIVITIES

In addition to the regular work program, the work load of Field Administration has developed from special requests of the Government and of American agencies such as USOM, the Embassy and the military.

1. Special Presidential Report --

One of these special requests which required a good deal of time was the work on the Special Report to the President dated October 13, 1956. Field Administration submitted the section of that report dealing with a possible office of an economic coordination in the Presidency.

2. Study Mission --

As part of the implementation of the Department of Interior Report, Field Administration participated in the August-September study tour to Japan and the Philippines. (This study mission is discussed on p. 33.)

3. Provincial Study --

A detailed study of a provincial office was made to increase MSUG's understanding of field problems from the provincial point of view. My Tho Province was selected and work there developed rapidly within the last six weeks of the year. This study will continue until there is an opportunity to test some of the problems of relationship between provincial authorities, field service agents, and departmental central offices.

4. "Montagnard" Administration Study --

MSUG has been requested by the Government to give special attention to the administration of the "les Compatriots de la Haute Region" which is the new official designation for the "Montagnards" or mountain peoples. The organization and administration of the former P.M.S. region as well as of some Central Viet Nam areas have become problems. As part of the study, field interviews previously made in the region are being reviewed. Research has been done on the administration of tribal peoples in bordering Southeast Asian countries of Laos, Cambodia, and Malaya. Experience with the American Indians has also been studied.

5. Refugee Commission --

Contact with the Refugee Commission has become of diminishing importance. The Commission is now facing some of the predicted problems resulting from a curtailment of activities and a reduction of personnel. Although relieved of direct activities upon the completion of our six months report, Field Administration has been requested by the Commissioner to be available for meetings and discussions on refugee problems and the Division has continued to make itself available for advice and consultation.

6. Teaching --

In addition to their other duties, two members of Field Administration's staff have given courses at the National Institute of Administration.

7. Village Administration --

The Administration of government programs at the village level has been of

concern to all government agencies operating field programs and to American aid groups as well. In consequence, the revised work plan for Field Administration provides for a continuation of village level studies in collaboration with the Government and USOM.

NIA PROGRAM DIVISION
Dr. Guy H. Fox, Chief

In spite of delays, hindrances, and frustrations, the National Institute of Administration made substantial progress during the past six months toward the fulfillment of its fundamental aim of becoming a source of leadership and a center for programs designed to improve governmental personnel and administration in Vietnam. Every major program proposed for the NIA in the present MSUG work plan is now in operation. These include the day degree program, the evening certificate program, research and consultation activities, participant program, and several miscellaneous programs.

An expansion and improvement of existing programs characterized NIA activities of the past six months. The number of students in the day degree program was substantially increased, the number of course offerings was expanded, and course content was enriched. The large evening school has continued to function at the full capacity of available staff and facilities. Experiments to devise more effective means of training Vietnamese instructors have been carried out. New, significant research has been performed, including several texts in Vietnamese for Institute courses. Increasing requests from government agencies for consultation and advice have been met. The library has increased its holdings, installed new equipment, and taken the leadership in the formation of a professional association of Vietnamese librarians. Under the participant program twenty fonctionnaires were sent to Michigan State University and other parts of the United States for study and observation tours.

The creation of a professional society in public administration and the establishment of machinery for the publication of a journal in public administration mark the activation of new Institute programs.

GENERAL

1. Facilities. The hope that the construction of buildings on a new Institute site would be under way by the end of 1956 has not been realized. Last June USOM agreed to furnish new American aid funds amounting to 18-1/2 million piastres toward the building and equipping of a new Institute, provided the Government of Vietnam would contribute 13-1/2 million piastres (representing the amount of American aid invested in the present premises) and would furnish the land needed for a new location. It was not until November that final approval was received from the Vietnamese Government for the reimbursement of American aid funds given for the present Institute property. A further delay in starting work on the new Institute has arisen out of a difference in opinion between USOM and the Government over the timing of the release of the 18-1/2 million piastres by USOM.

In the meanwhile an excellent site was found for the new Institute on dry terrain behind the Botanical Gardens on the banks of the Saigon River. The area is quiet and secluded and yet close-in and readily accessible. The Government of Viet Nam already owns the property and has agreed to have the Institute constructed there.

Since the financing of the five quonsets on present Institute property was dependent on the receipt by the Institute of the 18-1/2 million piastres mentioned above, its failure to receive these funds has also resulted in a delay in their

completion. In light of the urgent need for these temporary buildings USOM has recently proposed to make 100,000 piastres available immediately to permit payment for past construction work on the quonsets, and future expenditures will be made on a matching fund basis.

The problem of office space at the Institute has become acute. It has become necessary to place five or six persons in a single small office and to set up offices in the hallways, which have neither fans nor adequate lighting. Moreover, the lack of space has necessitated the assigning of Murphy, Snyder, and Swanson, to the main MSUG office, thus creating a divided division. Various ways of acquiring additional space are now being explored and several possible solutions have been presented to the Institute.

2. Institute Staff. Institute faculty, both Vietnamese and American, has increased in number. Messrs. Murphy and Swanson are two important additions to the professional personnel of the Institute during the past six months; they, as well as Mr. Snyder, are also assigned to the Presidency Project. The NIA Division now comprises ten Americans, including typists and secretaries, and eighteen Vietnamese (five of whom work only part-time). Although the Institute is fortunate in the high quality of its Vietnamese personnel, there exists a shortage of qualified interpreters.

3. Management. That satisfactory progress has been made despite obstacles and setbacks attests to the capable management of NIA affairs. Mr. Vu Quoc Thong has continued to direct Institute affairs with energy and wisdom. The Institute has greatly benefited by the fact that Mr. Thong, after resigning as Secretary of State for Health and Social Welfare, has been able to devote more time to Institute affairs, notwithstanding his continuing duties as Deputy Chairman of the National Assembly.

Mr. Nghiem Dang returned in December after six months of study and observation at MSU and other centers of public administration in the United States, to resume his duties as Assistant Director. Both because of his outstanding managerial qualities and his close, daily working relationships with MSU staff, his absence was keenly felt during his stay abroad. During the absence of Mr. Dang, Mr. Ly Binh Hue, who has now resumed his post as Chief of the Division of Research and Documentation, ably filled the post as Acting Director.

DEGREE PROGRAM

1. Enrollment in the day degree program for the second semester ending in December totaled 230 students as compared with 207 for the previous term. Over 200 qualified applicants took the competitive examinations for admittance to the Institute for the first semester beginning in February 1957, at which time total enrollment is expected to be approximately 280.

2. During the semester completed in December and despite the lack of a public administration specialist to replace Dr. John Dorsey, MSUG personnel taught the following courses in the degree program: Budget and Fiscal Administration, Economics of Finance, Police Administration, and Statistics. MSUG also furnished two English teachers to the Institute.

3. Complete sets of lectures for the courses in Budget and Fiscal Administration, Economics of Finance, and Statistics have been translated into Vietnamese, mimeographed, and bound for classroom and library use. In addition, over 300 pages of reading materials have been prepared for students in the introductory course in public administration.

4. Four faculty seminars were held during the past semester. Informal associations and ties between Vietnamese and MSUG faculty members have become closer during recent months.

EVENING SCHOOL

1. Approximately 700 students were enrolled in the second semester of the evening program concluded in December. As in the first semester, the number of students had to be limited because of physical limitations. Unfortunately, the University of Viet Nam, from which the Institute had borrowed space, reclaimed several of its large classrooms during the semester, making it necessary for the Institute to hold some of its evening classes in undersized rooms in which many students were obliged to stand.

2. MSUG staff taught courses in Personnel Administration and Statistics. For the courses in Money and Banking and in the Introduction to Public Administration, MSUG staff members prepared the lecture outlines and served as advisors to Vietnamese teachers who actually conducted the classes; MSUG intends to encourage this kind of arrangement. MSUG also contributed to the teaching of three English classes in the evening school.

3. The lectures in Money and Banking were translated into Vietnamese, mimeographed, and bound for student and library use (200 pages).

PARTICIPANT PROGRAM

1. Twenty fonctionnaires were sent to MSU in August for the academic year 1956-57.

2. Nine of the 1955-56 group of participants (the tenth is still in the United States) attended a ceremony at the Institute in December at which President John A. Hannah presented certificates to each of the group.

3. MSU is following with interest the careers of the civil servants who studied in East Lansing last year and has sought their advice on ways of improving the participant program. The Vietnamese Government has placed seven of the nine returnees in new positions in which they are able to use the knowledge acquired during their period of study in the United States.

RESEARCH

1. The research functions of the Institute are gradually being integrated with those of MSUG's Field Administration. Personnel from the Research Division are now participating in Field Administration's study of Civic Action and are becoming acquainted with the policies, techniques, and methods used by Field Administration. Representatives from Field Administration are attending meetings of the Research Division.

2. Two research assistants have been added to the staff of the Division and three others have been authorized.

3. Individual research studies completed by MSUG staff include: studies by Mr. Snyder on "Expenditures in Viet Nam from 1955 National Budget Funds" and "Exports and Imports in Viet Nam"; two parts of a three-part study by Mr. Cole entitled "Report on Taxation in the Provinces of South Viet Nam"; and a study by Mr. Murphy entitled "Modern Concepts of the Government Budget Process."

4. MSUG staff research now in process includes: an analysis of the approximately 21 autonomous budgets in Viet Nam by Mr. Snyder; the completion of part three of the study on taxation by Mr. Cole; a study of the financial institutions of Viet Nam and its relevant institutional needs by Dr. Lindholm; a study of the role of the legislature in the budget process by Mr. Murphy. Dr. Fox is working with Mr. Linh in the preparation of a textbook for the course Introduction to Public Administration.

5. Individual research by Vietnamese faculty include: Preparation of a book entitled Modern Political History of Viet Nam, by Mr. Bac, who has completed Part I; "A Study of Price Control", by Professors Tran Dinh Kien and Nguyen Nhu Cuong; a textbook in General Economics by Professor Kien; a textbook entitled Public Works Legislation by Professor Tran Van Dinh; a textbook on criminal law by Professor Ly Binh Hue; and an index to legislative documents by Mr. Tieu. Every faculty member of the Research Division is writing an article for the journal of the new society for public administration. Moreover, seven Vietnamese teachers of Economics are now preparing, and three others have completed, studies to be used in seminar discussions; arrangements have been made with the National Bank of Viet Nam to have the best paper published in its Economic Bulletin.

6. The Research Division is preparing a Vietnamese Government Manual under the supervision of Mr. Nguyen Ngoc Linh. Messrs. Tran Van Dinh and Nguyen Ngoc Nhan are also giving direction to the project and furnishing materials. The manual, which is expected to be completed in March, will be similar to the United States Government Manual.

LIBRARY

1. The library has continued to grow and to become more useful not only to students and faculty at the Institute, but to others interested in the study of governmental administration.

2. The Institute library has continued to take the leadership in promoting cooperation among librarians in the Saigon-Cholon area. A union list of all periodicals in the various libraries has resulted, and a general catalog of all holdings is contemplated.

3. The Institute library with its Dewey decimal system and open shelves has become a model or showroom and is frequently visited by persons interested in library work. Mrs. Alubowicz and Mrs. Hieu spent considerable time in conducting visitors on tours and explaining the system and techniques of the library.

4. The library program received a serious setback because of the prolonged illness and absence and finally the resignation of Mrs. Hieu, the Institute librarian, whom Mrs. Alubowicz had advised and trained for more than a year. On December 20--after a period of more than two months during which Mrs. Alubowicz had the full library responsibility--the Institute appointed a new librarian, Mr. Ton That Tieu, who assumed duties on December 31.

5. New equipment arrived for the library in December, including a sectional card catalog, three dictionary stands, a display rack, a two-section double-face bookcase, a three-section steel pamphlet shelf, and an atlas stand.

6. In July the library prepared a 27-page list of its social science holdings and added a 21-page supplement in December.

7. During the past six months 600 books were ordered and 500 were received. Total number of library books, exclusive of pamphlets and UN documents, is now 3,346. The library is receiving 137 periodicals currently in addition to back numbers.

OTHER ACTIVITIES

1. Under the leadership of the Institute a professional society, called "An Association for Studies in Public Administration," was organized to promote an interest in and knowledge of government administration. Three meetings have been held during which a constitution and temporary organization were approved and a membership drive launched. A provisional executive committee under the presidency of the Director of the Institute are conducting affairs. Approximately 100 members have now joined the association, and a general conference is being planned.

2. With the aid of the Research Division of the Institute, the Society will publish a professional journal. A board of editors has been appointed which is receiving materials to be considered for publication. The first issue of the journal is expected in February.

3. The Institute has continued to sponsor meetings and conferences of groups interested in various phases of government administration.

IN-SERVICE TRAINING DIVISION
Dr. Frederic R. Wickert, Chief

The main efforts of this division have been directed toward encouraging the Vietnamese Government to develop a government-wide, yet decentralized, in-service training program. As a supporting activity the division has done what it could to prepare the government and itself for the event of presidential approval of such a program by (1) developing a small staff of Vietnamese and Americans to do in-service training work; (2) collecting a library of the best in-service training publications and texts from other countries; and (3) translating and adapting the best of these for Vietnamese Government use.

The NIA in-service training section and the MSUG division, both of which work together as a unit, have continued to receive numerous requests from various parts of the Vietnamese Government, USOM, and other MSUG divisions, to organize and conduct specific in-service training programs for government employees. The NIA and the division have met as many of these requests as their limited resources permitted. Emphasis has been on instructing and advising Vietnamese training personnel in each department and separate agency who could in turn organize the training their particular agency needs. Only in this way, it has been felt, could the Vietnamese Government begin to satisfy the tremendous needs for personnel development it now faces.

The division has continued to provide some services for other MSUG divisions. A small audio-visual aids center has become operative. Psychological entrance examinations have continued to be given for the National Police Academy.

PROGRESS TOWARD ORGANIZING A GOVERNMENT-WIDE IN-SERVICE TRAINING PROGRAM

The Inter-Departmental Council on In-Service Training, first organized last January, held its second meeting in September. It listened to reports of training accomplished under the policies set by the January meeting. Discussion of the inadequacies of these policies led to the Council's recommending the following policy revisions:

1. Continuation, with some modification, of government-wide training authorized by the January meeting. This would include training stenographers to type as well as to take dictation, re-training government typists, training typing instructors, training Vietnamese Government executives to use stenographers, etc.
2. The publicizing of in-service training among government employees so that they would more readily take advantage of training opportunities.
3. The establishment of a number of small in-service training organizations to meet the training needs of the various functional parts of the Government. Specifically a proposed arrete was drafted calling for a training organization in each Department and separate agency and in each Province. The NIA in-service training section, soon to be raised to division status and allotted additional personnel, would be the coordinating agency for these training organizations. It

would also be responsible for the proper training of the personnel to go into training work. Mr. A. H. Hausrath, of the Operations Research Office of Johns Hopkins University, served as a consultant who concerned himself principally with the preparations to train training officers and government executives and supervisors. The whole program recommended above still awaits presidential approval.

COURSES

In-service training courses, completed, or still in progress at the end of this report period, included: office management for seventy-five chiefs of departmental mail and filing offices and their senior assistants (Dr. Maxwell, consultant from the MSU campus, made a major contribution to this course); a follow-up course in office management for one hundred executives in the Department of Information and follow-up implementation discussion in office management for twenty executives in the Department of Education; stenographic training for stenographers of the National Assembly; and job instruction training ("J.I.T.") for a group of interested government officials.

EXECUTIVE OFFICE
Homer D. Higbee, Executive Officer

The Staff of the ~~Executive~~ Office appears to have reached optimum with the recent addition of two new members. The office is now in a better position to meet the administrative needs of the Group than at any previous time, and the presence of sufficient personnel has facilitated a reorganization of the staff. The new division of responsibilities permits a closer and continuing inspection of each of the Executive Office activities, and an office handbook is being prepared to help standardize procedures.

Housing continues to be a major concern of the Executive Office. The housing market is tight, and prices on the few available units continue to rise. With the expected influx of new staff members in the near future, the situation is expected to become critical.

The scarcity of supplies and materials on the local market has been a constant source of difficulty for this office. No relief from the shortage is in sight at present.

FINANCIAL

The monthly expenditures for the past six months show a rather substantial increase over the first half of the year. The primary reason, which affected nearly every category of expenditure, was the increase in personnel. This factor brought more overtime, need for a larger quantity of office supplies, additional rental for housing, more housing maintenance costs, greater demands on the motor pool, and need for more office equipment. Also related is the increased number of projects completed, which caused greater costs in printed material and binding.

The second reason for increased costs was the acquiring of the property at 137 Pasteur and the equipping of it to fit the group's needs. This included, in addition to the actual process of moving, a telephone system, office equipment, the furnishing of ten apartments, and the necessary screening. Also, the increased travel to third countries and an augmented number of consultants during that six-month period had their effects.

Expenditures exceeded budgeted amounts in categories "021-Overseas Operational" and "079-Contractual Services". However, in these instances, spending can be controlled so as not to exceed the budgeted amount during the next six months.

HOUSING

The new apartments located in the MSLG office building are primarily for single persons or married couples without children. However, the size of families that have recently joined MSLG in Saigon is such that a need continues for three bedroom houses. During the last thirty days, nearly all efforts to locate family type housing have been unsuccessful because of the extreme scarcity of such units. Housing maintenance cost has continued to be reasonable except for the upkeep of electrical appliances. The lack of a skilled mechanic in this area has added to

our difficulty. However, recently a Vietnamese trained at the New York School for Technology has been added to the staff. It is hoped that his work will result in improved service at lower costs.

MOTOR POOL

There has been a noticeable change in the character of vehicle utilization. In recent months there have been fewer long trips by groups into the interior and more short trips by single individuals within the Saigon area. This change has placed a greater burden on available vehicles in spite of the shorter distances of individual trips. From July 1 through December 31, nine MSUG cars logged 128,000 kilometers. The quality of motor pool service has increased with the passage of time. Many of the drivers have been with MSUG for a year, and their driving skill has improved with their experience. In addition, a short course in English has improved their ability to communicate with American staff members.

Depreciation and maintenance are two fundamental motor pool considerations. The depreciation rate for new vehicles in this area is rapid because of climatic and road conditions. High maintenance standards are essential. MSUG is fortunate to have found a capable man with the car handle more than just first line maintenance. Maintenance costs have decreased noticeably since this man joined the Executive Office staff.

PERSONNEL

MSUG staff is considered to be good. As of December 31, there was a total of 134 employees.

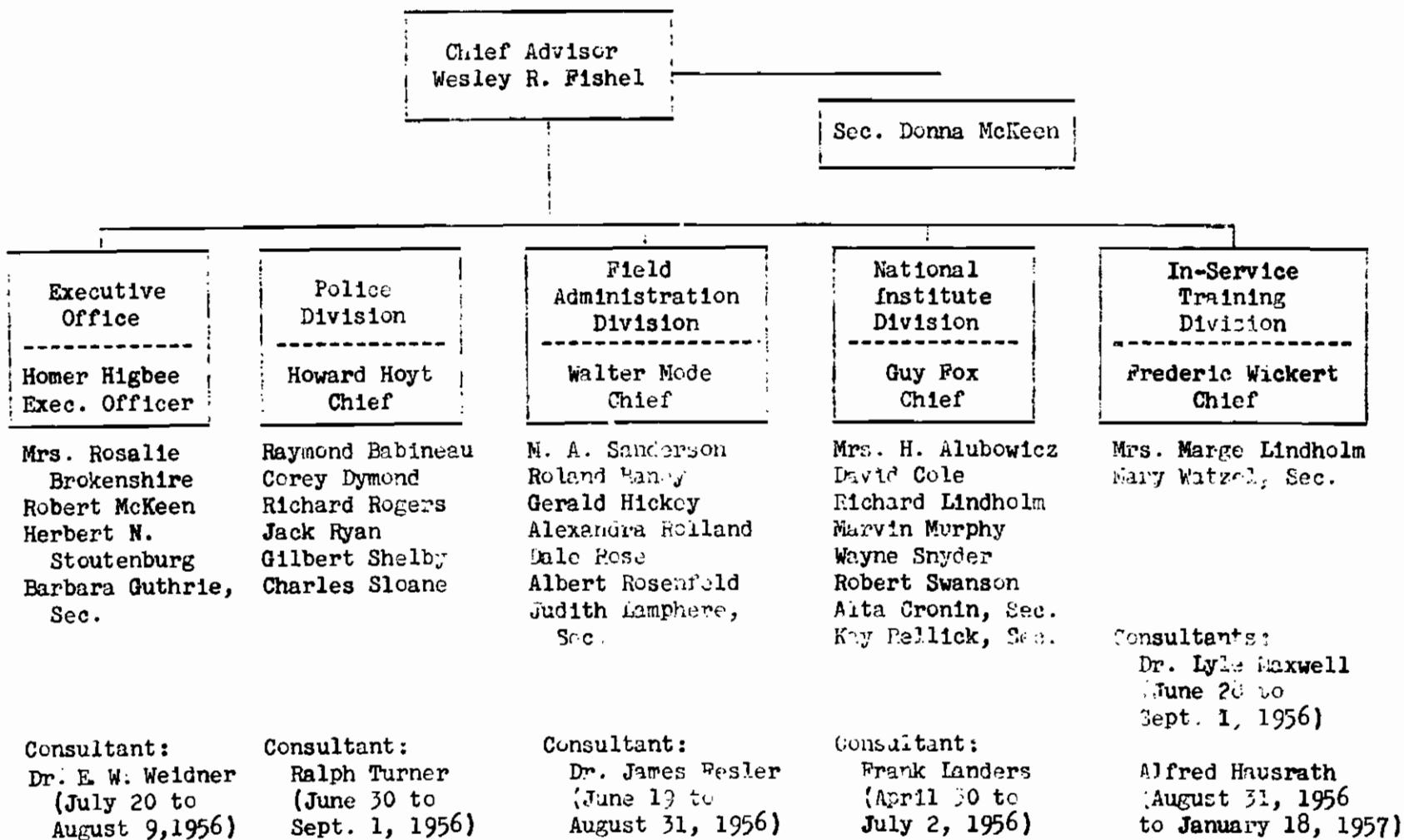
54 American staff members
1 Consultant
5 American piastre contract
74 Local staff

During the past year, 11 American and 22 local employees joined MSUG staff in addition to three short-term consultants. During the same period, eleven local employees resigned or were released. This low percentage of turnover (11%) has helped to maintain a high level of morale and has permitted a high level of continuity in the projects of the program divisions.

MSUG has cooperated with other American personnel sections in Saigon in an intensive study of strengths and weaknesses in personnel policies. The result of this study, including policy (salary, classification, promotion, etc.) has assisted MSUG with its local personnel procedures and policies. The contributions of staff members to various programs have been scored from personnel efficiency reports. An evaluation of improvement and productivity has been made. In line with the results of this study, additional responsibility has been placed on employees as they fulfill their responsibilities in their work, and promotions have been granted for outstanding efforts.

APPENDIX 1

MSUG ORGANIZATION
DECEMBER 31, 1956



APPENDIX 2

Report and Academic Materials
Prepared by
MICHIGAN STATE UNIVERSITY
Viet Nam Advisory Group

General Reports

1. Monthly Reports: Mimeographed monthly reports have been submitted covering the operations from July 1, 1955 through November 31, 1957.
2. Semi-annual Reports:
 - a. First Report, August 19, 1955
 - b. Second Report, December 31, 1955
 - c. Third Report, June 30, 1956
 - d. Fourth Report, December 31, 1956
3. Presidential Lecture Series (in Vietnamese and English; to be published in Vietnamese and English in March 1957).
 - a. The Role of Management in Government, Mr. Walter Mode, May 18, 1956
 - b. Middle Management, Dr. Guy Fox, May 23, 1956
 - c. The Art of Supervision and Leadership, Mr. Howard Hoyt, May 28, 1956
 - d. How to Develop Executives, Dr. Frederic Wickert, June 1, 1956
 - e. Staff Work, Mr. Homer Higbee, June 6, 1956
 - f. What is O & M Work?, Mr. Albert Rosenfeld, June 11, 1956
 - g. Service to the Public, Mr. Gene Gregory, June 15, 1956
 - h. Some Aspects of the Modern Financial Administration, Mr. Frank Landers, June 20, 1956
 - i. The Operating Executive and the Public Personnel System, Mr. David Wood, June 25, 1956
 - j. Responsibility and Accountability of Public Officials, Dr. Ralph Smuckler, June 29, 1956

4. Special Lecture Series

5. Special Reports:

a. Presidency Project Reports:

- (1) Work Plan of the Presidency Project, Edward W. Weidner, second edition, August 18, 1955
- (2) *Report and Recommendations on The Reorganization of the Presidency of Viet Nam, John T. Dorsey, November 15, 1955
- (3) Program for Improving the Vietnamese Budget, Frank Landers, July, 1956
- (4) Modern Concepts of the Governmental Budget Process, Lecture to be given to the National Assembly, Marvin H. Murphy
- (5) Report to the Presidency, A report to the President and Cabinet on MSU proposals for changes in Viet Nam's budget and accounting system, Marvin H. Murphy

b. Report to the President on Price Control and Inflation in Viet Nam (in French only), dated May 10, 1956, by John T. Dorsey, Jr., Gilbert Shelby and John Hunter

Police Project Reports

1. Work Plan, Police Administration, Howard W. Hoyt and Associates, Fourth edition, August 29, 1955
2. Work Schedule for Police Administration Project, Howard W. Hoyt, September 15, 1955
3. Recommendations for American and Vietnamese Action re Civil Security, Memorandum of Chief Advisor, October 11, 1955
4. Report on the Police of Viet Nam, Members of the Police Team and Ralph H. Smuckler, December 1, 1955
5. *Brief History of the Surete in Indochina, January 10, 1956
6. *Civil Guard Report, January 16, 1956
7. Report of Police in Can Tho, February 6, 1956
8. Civil Guard Report for December 1955, February 24, 1956
9. Report on the Proposed Organization of the Law Enforcing Agencies of the Republic of Viet Nam, April 1956

* Also in French

10. General Information on V.B.I., April 17, 1957
11. Report on the V.B.I. in Can Tho, April 23, 1956
12. Report on the Tanan V.B.I., April 23, 1956
13. Reorganization of the Vietnamese Bureau of Investigation, July 1956, by Prof. Jack Ryan
14. Preliminary Report on the Establishment of a Scientific Crime Detection Laboratory, Prof. Ralph F. Turner, August 1956

Field Administration Project Reports

1. Field Administration Work Program, Walter W. Mode, Frederic R. Wickert, and Ralph H. Smuckler, August 16, 1955 (as amended September 27, 1955)
2. Refugee Commission Reports:
 - a. *Recommendations Concerning Proposed Reorganization of the Commissariat for Refugees, Walter W. Mode, Ralph H. Smuckler, Frederic R. Wickert, August 6, 1955
 - b. Research Report, Field Study of Refugee Commission, Ralph H. Smuckler, Walter W. Mode, and Frederic R. Wickert
 - c. *Recommendations Concerning Proposed Field Organization of the Commissariat for Refugees, Walter W. Mode, Frederic R. Wickert, and Ralph H. Smuckler, September 20, 1955
 - d. *Review of Recommendations Concerning Proposed Reorganization of the Commissariat for Refugees, March 24, 1956
 - e. Review of Recommendations Concerning Proposed Field Organization of the Commissariat for Refugees of September 20, 1955, June 29, 1956
3. *Recommendations Concerning the Department of Interior, the Regions and Provinces, and Supplement, January 14, 1956
4. *Report of Comparative Study of Agricultural Administration in Japan, Taiwan, and Viet Nam, May 22 - June 4, 1956
5. Report on the Organization of the Department of Land Registration and Agrarian Reform, June 30, 1956
6. Report on the Organization of the Department of Agriculture, June 30, 1956
7. Report on the Organization of the Department of Education, June 30, 1956
8. Field Administration in Viet Nam: A memorandum to the President, August 21, 1956

* Also in French

9. Report of Study Mission to Thailand - Field Organization and Administration - Economic Planning and Operations, November 30, 1956
10. A Budgetary and Fiscal System for the Proposed Field Administration Program, A report presented to the President's Committee for the Study of Budgetary and Financial Questions, Marvin H. Murphy

Institute Reports

1. Work Plan, Degree or Certificate Program, Guy H. Fox, John T. Dorsey, and John M. Hunter, August 25, 1955
2. Work Plan for Research Coordinator, Ralph H. Smuckler, September 15, 1955
3. Advanced Economics, John M. Hunter, Fall 1955
4. *An Analysis of Government Payments in Viet Nam during 1955, Wayne W. Snyder and Nguyen Van Hoang, October 8, 1956
5. Analysis of Viet Nam's Tax System with Recommendations, Richard W. Lindholm, prepared for USOM, June 1956
6. Taxation in the Provinces of South Viet Nam, David C. Cole, November 1956 (Vietnamese edition in preparation)
7. Lectures in the Economics of Finance (English and Vietnamese), Richard W. Lindholm, Fall 1956
8. Lectures in Money and Banking (English and Vietnamese), Richard W. Lindholm, Fall 1956
9. Budgetary Administration - Twenty-three lectures in Vietnamese and English with Glossary and Bibliography, Marvin H. Murphy, Fall 1956
10. Statistical Methods, (Vietnamese), Wayne W. Snyder, Fall 1956

In-Service Training Reports:

1. Work Plan and Statement of Philosophy for In-Service Training, Frederic R. Wickert, October 3, 1955
2. Phu'o'ng-Phap Dieu Kien va Hu'o'ng Dan Phien-Hop, (translated into Vietnamese from Conference Leadership, U.S. Air Force Manual 50-8, Issued June 1953), February 1956

* Also in French