

THIRD REPORT
of the
MICHIGAN STATE UNIVERSITY VIETNAM ADVISORY GROUP
in Public Administration
to the Government of Vietnam

submitted by
Wesley R. Fishel, Chief Advisor

Saigon, June 30, 1956

TABLE OF CONTENTS

	<u>Page</u>
<u>Summary</u>	1
<u>Introduction</u>	
MSUG Organization	1
General Program Observations	2
Planned Integration Within NIA	2
Trend from "Crash" Emphasis	2
Presidential Lecture Series	3
Arrival of Consultants	3
Several Administrative Problems Solved	4
<u>Police Division</u>	
Training	5
Reorganization	6
Equipment	6
General	6
<u>Field Administration Division</u>	
Refugee Commission	8
Department of Interior	9
Education, Agriculture, Agrarian Reform, and Civic Action	9
Departments of Information and National Economy	10
Other Activities	10
<u>National Institute Division</u>	
Degree Program	11
Evening Certificate Program	12
Participant Program	12
Library	12
Research	13
<u>In-Service Training Division</u>	
In-Service Training Courses	14
<u>Executive Office</u>	
Personnel	16
Housing	16
Motor Pool	17
General	17

Page

The Months Ahead

Contract Amendments	18
Work on the Budget	18
Increased Field Administration Implementation	18
In-Service Expansion	18

Appendix 1

MSUG Organization, July 1, 1956

Appendix 2

Reports of Michigan State University Vietnam Advisory Group

Appendix 3

Summary of General Expenditures for the period January to
June 1956

SUMMARY

During the past six months the Michigan State University Group has developed a definite organizational structure and a continuing program. The trend has been away from the "crash" emphasis of the first months and toward a series of longer range goals in recognition of the attainment of relative security and stability throughout the country. While the emergency aspects of the MSUG operation have not completely disappeared, the work of the coming months should put more emphasis on implementation of reports, expansion of training efforts, and consolidation of goals achieved.

In the police field, training programs initiated last Fall have now produced an increasingly large number of trained police officers. Specialized courses have been introduced and training beyond the basic instruction of the Academy and Quang-Trung is in evidence. After lengthy research, re-organization proposals have been submitted at the request of the Government. The flow of new police equipment which to date has been slow should increase during the coming months due to the joint efforts of the Government, MSUG, and USOM. Equipment lists have been prepared, orders placed, and equipment maintenance courses have begun. Throughout these police activities, the MSUG police specialists have developed and maintained a close association with the Vietnamese police at the operating and staff levels.

Field Administration has had something more than superficial contact with a total of eight Departments of the Government. During the past six months this division has conducted research in the Departments of Agriculture, Agrarian Reform and Land Registration, Education, and in the Commission of Civic Action. Implementation has progressed satisfactorily in the Refugee Commission and has been started in the Department of Interior as a follow-up to the January report. Work has now begun with the Departments of Information and Youth, and National Economy. Continuing its three-fold program of research, analysis and reporting, and implementation, the division is beginning to shift its emphasis toward implementation as an ever-larger proportion of its research has been accomplished.

The National Institute of Administration has grown so rapidly that it now needs larger and permanent quarters. Present facilities have become inadequate as a result of the increase in enrollment, the expanded course offerings, and the new night school program. The Government has designated a new site and formulated plans for a major expansion to be undertaken with the assistance of American aid. It is believed that this program will meet the needs of a three-year development plan prepared by the Institute. Closely related to the general growth of the NIA is the in-service training activity of MSUG and the Government. A new division has been created within the Michigan State Group to meet the needs of this developing program, and is working closely with the Institute in-service training section.

The activities of the past six months have resulted in an increased amount of administrative independence for MSUG. The thorny problem of disbursement of MSUG piaster funds has been temporarily settled, with the Government assuming the administrative support formerly given by USOM.

Though administrative problems still exist, the Executive Office of MSUG has been able to provide necessary services and should be able to adjust to the new demands of increasing staff who will begin to arrive in July.

These accomplishments and occasional setbacks have been but a part of the total progress made by the Government of Vietnam during the past six months. Advances have been made in many fields. The work of the Michigan State University team, which shared in the achievements of these months, has been a consequence of the cooperative and enthusiastic efforts of the Government to improve its administration. The warm relations that have existed between the Government and MSUG have constituted the foundation for all Michigan State activity. The receptiveness of the Government, USOM, and other American agencies has been most encouraging and foretells another year of cooperative accomplishment.

INTRODUCTION

The Michigan State University Group in Vietnam is now more than one year old. For members of MSUG this has been a year of challenge, of continually interesting experience, and of satisfaction. For the Government of Vietnam this has been a year of regeneration and progress. After months of obvious insecurity, relative stability and security have been established throughout the country. A national referendum has assured the legal and popular base of the Government. A national constituent body has been elected and assembled in Saigon and will soon produce a constitution for Vietnam. The problem of refugee resettlement, which was so grave one year ago, now gives evidence of satisfactory solution, with massive resettlement occurring at Cai San and normal integration proceeding gradually elsewhere. In almost every field of governmental operation, reform and development have been apparent.

An accurate report of MSUG activities over the past six months must contain the story of setbacks as well as of accomplishments. A technical assistance team of this scope necessarily meets frequent delays in its various programs which, unless put into proper perspective, can cause impatience and frustration. On the whole, however, MSUG operations have moved along smoothly and rapidly. Perhaps the indication of accomplishment to which Group members can point with greatest pride has been the continually warm relations that have prevailed between the MSUG staff and the Vietnamese with whom they have worked or come into contact. Certainly this friendly relationship and the fine cooperation it denotes have been largely responsible for MSUG success during the past year.

Relations with USOM have also been good. With but a few exceptions, work with USOM and other American officials has resulted in cooperative effort and mutually satisfactory agreement. While some administrative problems have been bothersome, they are now solved and should cause no further disagreement.

MSUG ORGANIZATION

On March 12, Dr. Wesley R. Fishel arrived in Saigon and took over the leadership of the Michigan State team. Dr. Fishel replaced Dr. Edward W. Weidner who left Saigon in December 1955. (From December to March, Dr. Ralph H. Smuckler had served as Acting Chief Advisor.)

Several months after Dr. Fishel's arrival, a number of organizational changes were put into effect. Dr. Smuckler was named Assistant Chief Advisor, and four program divisions were established in addition to the Executive Office. (See Appendix 1, MSUG Organization chart.) The four divisions--Police, Field Administration, Institute, and In-Service Training--while continuing the same basic program as before the reorganization, represent an integration and consolidation into fewer projects.

At present the MSU team has a total personnel strength of 109, of which 27 are regular American employees, 76 are Vietnamese, and 6 are special contract employees. In addition, four short-term consultants were with MSUG as of June 30. As has been the case with most other organizations operating abroad, it has not always been possible to maintain the full complement of 30 Americans in Saigon. For health and other reasons, several members of the staff departed Saigon ahead of schedule, and they have not been easily replaced. The departures of Dr. John Hunter and Dr. John Dorsey were in this category, and their replacements are not expected in Saigon until August. Mrs. Joyce Bell left the project in January due to serious illness at home. Mr. Royce Williams of the Police Division was evacuated from Saigon in December due to serious illness which later proved fatal. In spite of these serious setbacks, MSUG has continuously maintained an American staff averaging about 27 persons.

GENERAL PROGRAM OBSERVATIONS

During the past six months the MSU program has progressed along the same general pattern described in the last semi-annual report. Major efforts have been made in the police field and in field administration. The National Institute program has continued along the same lines as before. A major change has occurred, however, in the in-service training program. Early in the year, in-service training was given a new emphasis and a separate division was created under Dr. Frederic Wickert. This division, which operates out of the National Institute and is closely tied to Institute activities, is now developing its program in response to a series of urgent requests from the Vietnamese Government.

PLANNED INTEGRATION WITHIN NIA

The close relationship of the in-service training activity to the NIA is but one indication of a general trend within MSUG. During MSUG's first six months in Saigon, it was not possible to work closely with the Institute on all phases of the general program. However, to an increasing extent, the Michigan State program is being integrated into the National Institute of Administration. This is evidenced by the movement of personnel to the Institute, by the dissolution of the separate Economics section, by the growth of In-Service Training, and by the administrative integration of the Presidency and Participant programs with the Institute Division staff. This trend will continue. Plans are now being developed to expedite integration administratively and in the field administration project. It does not appear desirable or practical to integrate the police program into the NIA because the specialized nature of the police activity falls outside the academic interests of the Institute faculty. With this one major exception, however, MSU plans to tie its future activities more and more closely to the Institute.

TREND FROM "CRASH" EMPHASIS

This trend toward integration into the NIA program is indicative of the development of the Institute, but it also reflects a general change in the nature of the MSU program. While the activities of the group are still

urgent, the emergency has lessened, and the "crash" emphasis has somewhat diminished. The program is now a continuing one with a renewed look at longer range goals. This does not mean that some aspects of the program--for example, police and field administration--do not receive priority treatment, for the urgent need for realizing the goals of these projects is still felt. It does mean that there has been a general leveling off and planning for longer range development as exemplified by both the In-Service Training and Institute Divisions.

PRESIDENTIAL LECTURE SERIES

While the work of the various divisions is discussed below, one broad aspect of MSUG activity during April, May, and June requires special mention because it involved members of the entire staff. In response to a specific request from President Ngo Dinh Diem, MSUG, with the cooperation of the National Institute of Administration, presented a series of ten lectures on administrative matters to a large group of high and middle level civil servants. The "Presidential Lecture Series" included lectures and discussions by members of the Michigan State staff on such subjects as budgeting, management, personnel, executive development, staff work, leadership, and administrative responsibility. This was viewed as an in-service training activity though it was considerably different in scope and means of presentation than other in-service work. Attendance was good, and rarely did the audience fall below 250. Audience participation was included through written and oral questions and, in several cases, other means of audience participation was attempted. The lectures which ended on June 29 will be collected and printed in Vietnamese for future use by the civil servants.

ARRIVAL OF CONSULTANTS

Deans Milton Muelder and Clifford Erickson of Michigan State University spent ten days with MSUG early in February. During their visit they served as consultants and inspecting officers and were in contact with all members of the staff as well as with many of the Vietnamese and American officials with whom MSUG works. They were able to learn much about the MSUG program and their analysis and comments have been very helpful in planning future activities of the Group.

The first specific program consultant, Mr. Frank Landers, arrived in Saigon early in May. During May and June he worked with Vietnamese and Americans on matters related to improvement of the budget process. Mr. Landers, who is Budget Director for the State of Michigan, will depart Saigon early in July, but he leaves behind him suggestions for immediate implementation as well as a longer range budget program for MSUG to develop with Vietnamese budget officials.

Other consultants began to arrive late in June, including Professors Ralph Turner and Lyle Maxwell of Michigan State University, who will work in the police and in-service training fields respectively, and Professor James Fesler of Yale who will work with the Field Administration Division in implementing the Ministry of the Interior Report.

The arrival of these consultants reflects another phase of MSUG development. The program of the Group has now advanced to the point where specific tasks are spelled out sufficiently to justify bringing over qualified personnel for short-terms to supplement the general work of MSUG in specialized fields. For example, the work of police laboratory specialist Ralph Turner will be to provide expertise essential to the revamping of local criminological laboratory facilities and the training of Vietnamese forensic scientists.

SEVERAL ADMINISTRATIVE PROBLEMS SOLVED

Several problems which disturbed the smooth functioning of the MSU Group have been satisfactorily resolved during the past six months. Perhaps the most disturbing of these has been the question of administrative support for the MSUG operation by USOM/Saigon. While the decision to establish an independent administrative support system for MSUG was made soon after the arrival of the first members of the Group, this has not been possible in the financial field for various reasons. USOM has been the certifying agent for MSU piastre expenditures, and this has caused various administrative complications which at times have been annoying to both USOM and MSUG. During the past six months alternative methods of certifying and disbursing funds have been explored, and in June a solution acceptable to both organizations was adopted. With the beginning of July, MSU will certify its own expenditures, and the Government will disburse funds for the Group against an account made available by USOM.

During the first months of operation, it became abundantly clear that if the MSUG was to be effective it needed a group of capable interpreters, assistants, and local professional staff to supplement efforts of American personnel. The National Institute and other Government channels were unable to fill these needs in spite of contract provisions, and it became necessary to begin an intensive independent recruitment campaign. As a result, MSUG now has a group of well qualified Vietnamese employees. While the last six months has seen the solution to this serious personnel bottleneck, the Group is still searching for capable mature people for the various activities of the Divisions. In order to attract the professional level of employees needed in MSU course work at the Institute and in other projects, the Group has experimented with a system of special pay categories which should aid considerably in this quest.

A third very difficult problem has been the secretarial shortage, which has slowed down the operations of the Group. Contrary to expectations, it has not been possible to recruit enough secretaries in Saigon to fill the needs. The solution to this problem has been found in a contract amendment which will enable MSU to hire secretaries in Saigon on the dollar payroll, subject to certain limitations, and to send over additional secretaries recruited in East Lansing above the personnel limit of thirty.

POLICE DIVISION
Howard Hoyt, Chief

One of the major sources of satisfaction during the past six months has been the steady progress made by the police forces of Vietnam. This has been a reflection of the enthusiasm of the Vietnamese police leaders as well as the close cooperative relationship established between MSUG Police Division and the police forces. Both groups have assigned a high priority to these tasks, and the results have been encouraging.

The various police training programs reported on in the last semi-annual report have continued with the result being an increasingly large number of trained municipal and special police officers and civil guardsmen. These basic training programs have been augmented by additional training courses started during the past six months.

Police training represents the brightest side of the police activity. Reorganization and equipment have progressed more slowly. MSUG submitted a major organizational report in April at the request of the Government. Related to organizational advance was the opening up of Camp des Mares in Saigon as a central police headquarters. During the past month, the police offices have started to occupy the Camp, and a plan for overall assignment of space has been accepted.

While some new police equipment has arrived in Vietnam and orders have been placed for much more, the equipment problem has in general been frustrating. The months ahead should offer some relief, however, and provide some return for the many hours spent in determining and evaluating equipment needs.

TRAINING

1. The National Police Academy, which was established in October 1955, has now trained 606 police officers. Graduates have been from all but three of the 40 provinces and represent every municipal police force as well as Surete officers from all parts of the Republic. The upper 25% of the graduates of each class have been recommended to their chiefs as instructors, and in many cases they are conducting training in their respective departments.
2. The Police Academy has become the base for additional training. An evening school for top police officials meets regularly at the Academy. MSUG staff members have joined Vietnamese judges and police officials to provide lectures and lead discussions on law enforcement subjects.
3. Civil Guard training is continuing at Quang-Trung after a brief interruption. About 12,000 civil guardsmen have received this six-weeks basic training, and about 1,500 are now in training at Quang-Trung. It is interesting to note that the Civil Guard platoon that captured Ba Cut, the last major rebel leader, had undergone training at Quang-Trung and the Captain in charge had attended the Command School.
4. The past six months have seen the development of specialized training. With MSUG cooperation, the Saigon-Cholon police have developed a school for

traffic officers and training course in riot control and related subjects. The Civil Guard has received training in leadership, driver training, communications, motor vehicle maintenance and operation, social action, and health and sanitation. Another specialized course is being provided by the Ministry of Information in radio maintenance and operation. Twenty Saigon-Cholon police officers are receiving special training from the National Army in weapon repair and maintenance. These specialized courses, which supplement the basic training of the Academy and Quang-Trung, have been an encouraging and necessary development of the past six months. While MSUG has served as liaison, stimulant, and occasional coordinator for these activities, the real achievement is that of the Vietnamese police themselves.

REORGANIZATION

1. In April MSUG submitted a major report to the Director of Police on the reorganization of the police forces of Vietnam. This represented the conclusion of months of observation and experience with police agencies in Saigon and throughout the country. This report, which was submitted at the request of the Government, is now being studied, and implementation is being planned. In addition to the general report, several more detailed studies of the Surete (V.B.I.) have been submitted.

2. A major development toward improved organization occurred when Camp des Mares was assigned to the civil police of Vietnam for use as a central headquarters. Camp des Mares, which is located in the center of Saigon-Cholon, is a former military establishment with sufficient area to permit unification of the many police functions in one location. In the past, they have been spread throughout the city and outlying provincial areas in a manner hampering coordination and complicating communications.

EQUIPMENT

1. Seven land-rovers were turned over to the Prefectoral Police in April. These vehicles, which are now being used in Saigon-Cholon, represent the first major equipment improvement provided by USOM with MSUG advice.

2. Much time has been spent in the preparation of up-to-date equipment lists for the various police forces and the tabulation of needs. This has been done in close cooperation with both the Vietnamese police leaders and USOM. These lists have been used as the basis of orders being placed by USOM for transportation equipment, ammunition, weapons, communications, and training materials and other equipment for use by the civil police forces.

GENERAL

1. A modern fingerprint bureau is now in operation with training completed and former trainees actually classifying and handling prints. The problem of integrating the old system with the new is being resolved and will be implemented during the coming months.

2. With the assistance of MSUG, the Saigon-Cholon police have experimented with traffic laning. A demonstration area has been set up, and the system has been well received. As a result, the Government has purchased a mechanized paint machine and a quantity of paint to continue the laning program. MSUG and USOM have ordered equipment which will assist in studying the traffic conditions.

FIELD ADMINISTRATION DIVISION

Walter Mode, Chief

The Field Administration Division has been active in both research and implementation during the past six months. Work has progressed along the lines originally set forth in the plan for Field Administration, although the order of priority of the various Departments has been changed at the request of the Government. Research, analysis, consultation, and general implementation have been conducted simultaneously in eight Departments and Commissariats of the Government during this period.

With the arrival of several more American staff members in March, Field Administration activities were broadened considerably. The pattern has been to use teams of capable young Vietnamese staff members along with one or two American personnel in the approach to each Department. Vietnamese staff has been particularly useful in the research and analysis phases. Because of the nature of the Field Administration staff, individual staff members have been called upon from time to time to assist in other MSUG programs. While this flexible arrangement has added greatly to the general progress of the Group and broadened the experiences of the personnel involved, it has tended to slow work of the Division somewhat. In spite of this, however, considerable progress can be noted.

The "crash" emphasis of the first six months has been partially replaced by a general leveling out of work toward longer range goals and more detailed analysis of the individual Ministries.

REFUGEE COMMISSION

1. Implementation and evaluation have replaced the first research phase of work with the Commissariat General for Refugees. Working closely with Commission personnel and the USOM Resettlement Division, MSUG has assisted in the establishment of an improved field organization in the provinces along lines suggested in the reports of last Fall. The Commission has decentralized its operations and established field offices in provinces with large refugee populations. One American member of the Division staff has been assigned full-time to this activity, and he has been assisted by other staff members from time to time as the situation required. The Refugee Commission has welcomed these efforts and demonstrated a sincere desire to adjust its organization to its new resettlement goals.

2. In recent months, a review of the Fall reports for central office and field organization was undertaken. In both cases it was found that the Commission had implemented a substantial portion of MSUG recommendations. When informed that these six-month reviews concluded our work with the Refugee Commission Administration, the Commissioner General requested that the Division continue its efforts during the next year. As a result, Field Administration will continue to work with the Commission although on a somewhat curtailed basis.

DEPARTMENT OF INTERIOR

1. The Formal written report to the Secretary of State for Interior was submitted in January. Although the report was well received and, in fact, major recommendations had been adopted by the Government even before general distribution of the Report, implementation has been slow. This has not been due to unwillingness on the part of the Government but to change in the top leadership of the Department. With the appointment of a new Secretary of State for Interior, efforts were renewed and three commissions within the Department are now working to implement the changes of last December. These changes, which put an end to regional administration and began the establishment of a series of prefects or areas combining several provincial administrations, will be put into operation over the coming months.

2. Implementation of the Interior Report has been given renewed attention by the Division with the arrival in June of Dr. James Fesler as a consultant. Dr. Fesler will devote his time to this effort. A series of conferences within the Ministry late in June indicated that his services will be put to good use.

3. It should be emphasized that recommendations to the Government in the Interior Report rested very heavily on the experience and views of Government officials themselves. During the research last Fall, these views, as well as many facts about provincial and regional administration throughout the country, were collected and analyzed by the Field Administration staff which then presented its report to the Government. Even though the recommendations for change are very broad, to a large extent they represent the thinking of leading officials, and for this reason implementation by the Government, while posing many problems, should proceed with determination. The Department of Interior is in many ways the most important aspect of Field Administration efforts since it is through this Department that provincial and district administrations are coordinated and controlled.

4. The Report of the Division was well received by other American agencies in Saigon. This was particularly true of the Supplement on Financial Administration which received general praise from USOM. Several talks on this subject were presented by MSUG staff members to USOM at the request of the Director, Mr. Leland Barrows.

EDUCATION, AGRICULTURE, AGRARIAN REFORM, AND CIVIC ACTION

1. In January, February, and March an extensive four-department survey of province, district, and village organization was undertaken by Field Administration. Twenty-five provinces, 45 districts, and 77 villages were visited, and contacts were made with province chiefs, provincial chiefs of service, district officials, village council members, village schoolmasters, tenant farmers, and other villagers. More than 485 interviews were conducted throughout the country. Questions were asked about the administration of programs of the Departments of Agriculture, Education, Agrarian Reform, and the Commission for Civic Action. Central office studies were conducted in Saigon on each of these organizations.

2. Reports on the Departments of Agriculture, Education, and Agrarian Reform were nearing completion at the end of June. However, during the study the Commissioner of Civil Action made a complete reorganization of the internal structure of the Commission, and as a result further action was deferred by MSUG until the new organization would be functioning normally.

DEPARTMENTS OF INFORMATION AND NATIONAL ECONOMY

1. Work has begun in the Department of Information and Youth. The Department has been very cooperative, and the Secretary has assigned his Secretary General as liaison with Field Administration. About half of the central office interviews have been completed, and a field study will begin in July.

2. Preliminary work has been started in the Department of National Economy in response to a direct request from the Secretary of State. Discussions have been held with members of the Department concerning the organization, functions, and staffing of the Department. A detailed study will be undertaken in July.

OTHER ACTIVITIES

1. Several trips were made by Field Administration staff and Vietnamese counterparts which have proved to be of great value. In April, one member of the Division visited the ICA-sponsored project in Manila which assists the Government Survey and Reorganization Commission for the Philippines. In May, a party of five, including two agriculture officials, traveled to Japan and Taiwan to study and observe the organization of the Ministries of Agriculture and Agrarian Reform in these countries. Their conclusions, embodied in a Report of Comparative Study of Agricultural Administration in Japan, Taiwan, and Vietnam, have been submitted to the President and other interested officials.

NATIONAL INSTITUTE DIVISION

Dr. Guy Fox, Chief

During the past six months, the National Institute of Administration has become increasingly recognized as a center and a source of leadership for the improvement of public administration in Vietnam. The President of the Republic has taken an active interest in Institute affairs, and its Director, Vu Quoc Thong, and Assistant Director, Nghiem Dang, have commanded general respect through their capable management. This has been reflected in the broad role assigned to the NIA in the Presidential Lecture Series, in the Government-wide, in-service training program, and in the work of the inter-ministerial research conference. In May formal dedication ceremonies were held at the Institute which were attended by the President, Vietnamese Government officials, and members of the Diplomatic Corps.

In order to keep pace with its expanded activities, the Institute will soon begin construction of new enlarged physical facilities. The Vietnamese Government is providing a suitable site and is helping to defray building costs by furnishing an amount equal to that of the American aid invested in present premises. New American aid will provide the remaining funds necessary for erecting a classroom-office building, a library, and students' dormitory. Pending completion of the new buildings within approximately 18 months, some measure of relief will be afforded by the erection, now in progress, of five quonset huts at the present location.

The construction program is part of a comprehensive plan for the Institute's development over a three-year period. The Director of the Institute and the MSU Chief Advisor have agreed upon Institute goals to be accomplished within the next three years, the time schedule for their realization, and for the roles, respectively, of Vietnamese contributions and American assistance in a three-year development plan.

DEGREE PROGRAM

1. Enrollment in the day degree program for the semester completed in June totaled 207 as compared with 138 for the preceding semester. Two new courses in public administration were offered for the first time at the Institute during the past semester, namely, Personnel Administration and Organization and Methods. These two courses were taught by MSU personnel as were courses on Introduction to Public Administration and National Income and Problems of Capital Formation. Two teachers of English were also furnished by MSU.

2. During the past year, well over 1,000 pages of student readings and outlines were prepared in mimeographed form by MSU personnel. Outstanding was a 200 page manual of Economics problems written by Dr. John Hunter and translated into both Vietnamese and French; the manual will soon be printed and published in Vietnamese.

EVENING CERTIFICATE PROGRAM

1. The evening school, which began on January 9, was successful beyond expectations. There were 1,500 applicants, of whom only 650 could be admitted because of physical limitations. Classroom space at the Faculty of Law and Faculty of Medicine at the University of Vietnam was borrowed.

2. MSU contributed to the teaching by taking three large sections of the introductory course in Public Administration and a course in Statistics; MSU was partly responsible for furnishing teachers of English for three sections.

PARTICIPANT PROGRAM

1. Twenty candidates, all functionaries, have been selected for study at MSU during the coming academic year and are expected to leave for East Lansing before the end of August.

2. Two members of the Institute faculty--the Assistant Director, Mr. Nghiem Dang, and Mr. Vuong Van Bac--left in June for several months of conferences, observations, and research at MSU and other places in the United States. A third faculty member, Mr. Tran Tan Thanh, is scheduled to leave for MSU in August.

LIBRARY

1. As the library continues to grow in quantity of holdings and general usefulness, it is gradually realizing its aim of becoming the center for public administrative materials in Vietnam. The various ministries have agreed to cooperate by furnishing copies of their documents to the library. The total number of books is now approximately 2,500, exclusive of sheet U.N. publications, as compared with approximately 1,500 in January. Forty-two American periodicals are now being received as compared with 11 at the end of 1955. Approximately 500 books have been ordered but not yet received. The library has been placed on several exchange lists and is receiving U.N. documents as gifts and purchases. The use of the Dewey decimal system has continued to evoke favorable comment and has brought requests for in-service training courses in the system by Mrs. Alubowicz. The use of open shelves has proved popular with both faculty and students.

2. A microfilm reader, humidified microfilm cabinet, reproduction machine, air conditioner, and other equipment have been ordered for the library.

3. The Institute has taken the initiative in promoting cooperation among librarians in the Saigon area. Several meetings have been held, and an exchange of periodical lists is now in process. A union catalog of all holdings in the various libraries is contemplated.

RESEARCH

1. The Research Division has been hampered by several administrative developments beyond its control. First, the appointment of Mr. Hue as Research Division Chief was delayed. Second, shortly after Mr. Hue's appointment, the MSU Research Coordinator was made Acting Chief Advisor. Third, with the departure of Mr. Dang for the United States in June, Mr. Hue was named Acting Assistant Director of the Institute.

2. In recent months, the Research Division has undertaken an experiment with survey methods. Members of the Division developed a questionnaire, coded the results, and became familiar with the use of IBM machines for processing data. Division personnel are enthusiastic over the survey method and plan to use 20 students during the summer months for a more extended survey. The Research Division has participated regularly in the weekly meetings of the Inter-Ministerial Council on Research which has been considering problems of Civil Service in Vietnam.

Several other developments of general interest include the drafting of a constitution for a professional society in public administration for which Presidential approval is being awaited. The Society will work with the Institute in publishing a journal and in other ways promoting research in governmental administration. The Publications Research Sub-division, composed of four Vietnamese and two MSU representatives, have agreed on financing and general policies of publication, including the types and kinds of books and documents to be published. At the request of the President, a study of the problems of price control and means of repressing inflationary forces was prepared by several MSUG Institute faculty members and a member of the Police Division.

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

In the reorganization of MSUG which took place in April, new emphasis was placed on in-service training. This was partially a result of the rapid action taken by the Vietnamese Government after the first meetings of the Inter-Departmental Council on In-Service Training in January and partially a reflection of the trend away from a "crash" program and toward a longer range, regularized MSUG program. In this program, in-service training is viewed as an increasing activity, and while the efforts to date have not been large, the plan is to develop this division into a more fully staffed, central unit for encouraging and assisting the in-service training activities throughout the Government. Dr. Frederic Wickert, formerly coordinator for training throughout the various substantive programs of MSUG, has moved his operations to the National Institute where the activity is centered and has devoted an increasing amount of his time as Chief of the new division.

1. The Government has placed control of in-service training in the Inter-Departmental Council under the chairmanship of the NIA. The chief of the in-service training section of the NIA, Mr. Vu Uyen Van, acts as ex-officio secretary to the Council. The purpose of the Council is to formulate in-service training policies as well as to evaluate accomplishments. It assigns specific Government-wide training programs to be carried out by designated Departments. A Department, with the help of the in-service training section of the NIA, is expected to provide funds, instructors, and space for the programs allotted to it.

At its first meeting the Council divided in-service training into three broad areas, namely, "executant," specialist, and leadership training. MSUG has had to restrict its efforts within these very broad areas because of lack of sufficient qualified personnel.

Obviously, a Government-wide program such as this represents a major effort and one to which MSUG can provide only advice, a limited amount of instruction, and general assistance at this time. As personnel become available, however, the role of MSUG will increase. Several consultants have been recruited for work with the In-Service Training Division. With the arrival of the first of these, Dr. Lyle Maxwell, new impetus has been given to secretarial skills and office management training.

In-service training in the Vietnamese Government is viewed as a continuing effort. Over the months ahead, MSUG and the National Institute will have the opportunity and the personnel to play an increasing role. The new Division of In-Service Training represents the first step in this direction.

IN-SERVICE TRAINING COURSES

1. EXECUTANT TRAINING. (1) The Department of Finance and the NIA organized two courses in governmental accounting, one for 51 employees of central Departments and one for 43 provincial level employees. (2) The Department of Interior, the Central Personnel Office (Fonction Publique),

The NIA, the Shorthand Association of Vietnam, and MSUG surveyed the shorthand training situation and have set up training to begin July 2 for 16 relatively slow stenographers from various sections of the Government. A course for 15 relatively fast stenographers is to begin as soon as the current session of the National Assembly, where they work, closes. (3) The Department of Education (which includes the national archives office) has begun preparation of a records management training manual. (4) The NIA, MSUG, USOM, and several Vietnamese Government Departments have been working toward the development of an office procedures, equipment, and training building on the NIA grounds.

2. SPECIALIST TRAINING. The Department of Finance conducted a course for 35 provincial tax-collector chiefs. MSUG personnel conducted several of the sessions. It is known that many other departments conducted a wide variety of conferences and courses that could have been considered specialist training, but they have not been reported as such. For example, the course given by the Refugee Commission to refugee center leaders at Cu Chi in February with the cooperation of MSUG was in fact specialist training as defined by the Council.

3. LEADERSHIP TRAINING. Training in this area has been comparatively slow in getting started for various reasons. One broad contribution, however, was made through the Presidential Lecture Series discussed above. The Government is considering plans for continuing this series using Vietnamese Government supervisors instead of MSUG lecturers. To complement lectures, the Government is also considering small group leadership training to be given by NIA and MSUG-trained training officers within each Department.

To summarize the activity of the new In-Service Training Division, the past months have witnessed a rapid growth in the interest and activity of the Government in in-service training. A surprising number of courses have been conducted, and plans have been developed. The Division has played an important role in these plans from their beginning, and over the months ahead the contribution of MSUG should increase as the Government's own program grows.

EXECUTIVE OFFICE
Homer Higbee, Executive Officer

In general, the activities of the Executive Office have become more organized and more routine during the past six months. This has been possible because of the growing familiarity with the various duties on the part of both American and Vietnamese personnel. The past month has seen the solution to the major problem of disbursement of MSUG funds. This and several other measures taken during the period have about completed the goal of administrative independence established one year ago.

However, administrative problems still exist. One of these is the lack of a well trained accountant who would be able to keep more adequate financial records for the Group. Again, a sufficient number of trained maintenance people have not been found. This has made household maintenance unnecessarily difficult. A third problem has resulted from the general scarcity of supplies and materials on the local market. None of these problems has proved insurmountable, however, and MSUG has managed temporarily to adjust to them.

PERSONNEL

The total number of local personnel has increased from 36 on January 1 to 76 as of June 30. In January, when Mr. Robert McKeen arrived as an assistant to the Executive Officer, Mrs. Rosalie Brokenshire began to concentrate most of her time and effort on personnel functions of the office. This has made it possible to formalize personnel procedures and provide a stabilized personnel program in the office.

Recruitment of adequately trained personnel has been a major problem because of the technical and professional activities carried on by this staff. The Personnel Officer has utilized personal contact, newspaper advertisement, and the American Embassy Personnel Section to secure required personnel. This has not always produced the people needed, and the various divisions of the office have utilized their own special contacts to supplement these efforts.

On-the-job training has played a major part in bringing the level of performance up to desirable standards. This training has at the same time resulted in developing high morale and a low turnover rate.

HOUSING

Having had very few new arrivals during the past six months, MSUG has had no major housing problems. All staff members have been adequately housed, and living units have been improved to include screening where requested and one air-conditioned bedroom.

During this reporting period, a new housing policy was established at the request of the American Embassy which limited the amount of advance rent paid and the monthly rent per living unit. This restriction, along with a

growing shortage of adequate well located residential houses is making it difficult to secure suitable quarters for expected new arrivals. MSUG has complied with the new policy, however, as have other American organizations in Saigon.

MOTOR POOL

The use of the motor pool has increased so that most vehicles are being driven between 3 and 4 thousand kilometers per month. Although there are peak periods when we do not have adequate transportation, the 9 vehicles are normally sufficient for transportation. One three-wheel Japanese truck has been added to our motor pool for maintenance uses, thereby releasing one sedan to full-time transportation of personnel.

MSU now completely dispatches its vehicles from the MSU office. This has required the addition of another dispatcher for night duty and the addition of several extra drivers.

Gasoline for the vehicles is being secured from the USOM pump on an inter-account arrangement which has reduced the cost of gasoline by the amount of the import duty.

GENERAL

1. An unusual proportion of administrative time has been expended in locating required supplies and materials both for the office and for our housing units. Availability changes almost from week to week with some items such as dinnerware, silverware, and glassware remaining in short supply. Quality office equipment is also in short supply with the price gradually increasing to unusual levels.

2. The assistance to staff members and consultants in arranging travel in and out of Saigon is becoming an increasingly frequent function of the Executive Office. It is anticipated that one person may well expended one-third of his time performing travel service during the next six-month period.

3. Present office space is totally inadequate for the needs of the organization. Negotiations are underway for a larger building which will provide space for the offices as well as 10 apartments for staff members. If negotiations for this building are successful, a move is planned in July.

4. During the past six-month period, MSUG has expended an average of 1,250,000\$VN per month for general operation. A tabular breakdown of the categories of expenditures is appended.

THE MONTHS AHEAD

Several developments of the past months have broad implications for the MSUG program of the next six months. Notable among these is the forthcoming expansion of the Group to a total of fifty-four Americans.

CONTRACT AMENDMENTS

As was mentioned in the last semi-annual report, agreement has been reached to expand the Michigan State Group. During the past six months, negotiations have been conducted which set the new MSUG personnel ceiling at 54 Americans. The police program will be considerably broadened as a result of the amendment. It will include new areas of work and extend more evenly throughout the country.

A move into larger quarters will be necessary. As reported above, the Government has located a suitable building and will make it available for MSUG occupancy during July.

WORK ON THE BUDGET

The visit of budget consultant Frank Landers has resulted in a plan for improving the Vietnamese budget process. This important area of the Presidency has been given priority by the Government. To implement the report of Mr. Landers and work with Government budget personnel during the months ahead, MSUG will have the services of a full-time budget specialist who will arrive in early August.

Work on budget administration is an outgrowth of the Presidency Report of Dr. John Dorsey, which was issued last Fall. Work on implementing the Presidency Report generally has been assumed by the Chief Advisor since the unexpected departure of Dr. Dorsey.

INCREASED FIELD ADMINISTRATION IMPLEMENTATION

During the months ahead the Field Administration Division will increase its attention to the implementation of its reports to the Government. While implementation has been in progress for several months in the Refugee Commission, such work with the Department of Interior is just beginning. A sufficient amount of research work has been completed by the Division during the first year so that research emphasis can be diminished. While work on additional Departments will be undertaken, the Division will gradually shift its emphasis to overall implementation.

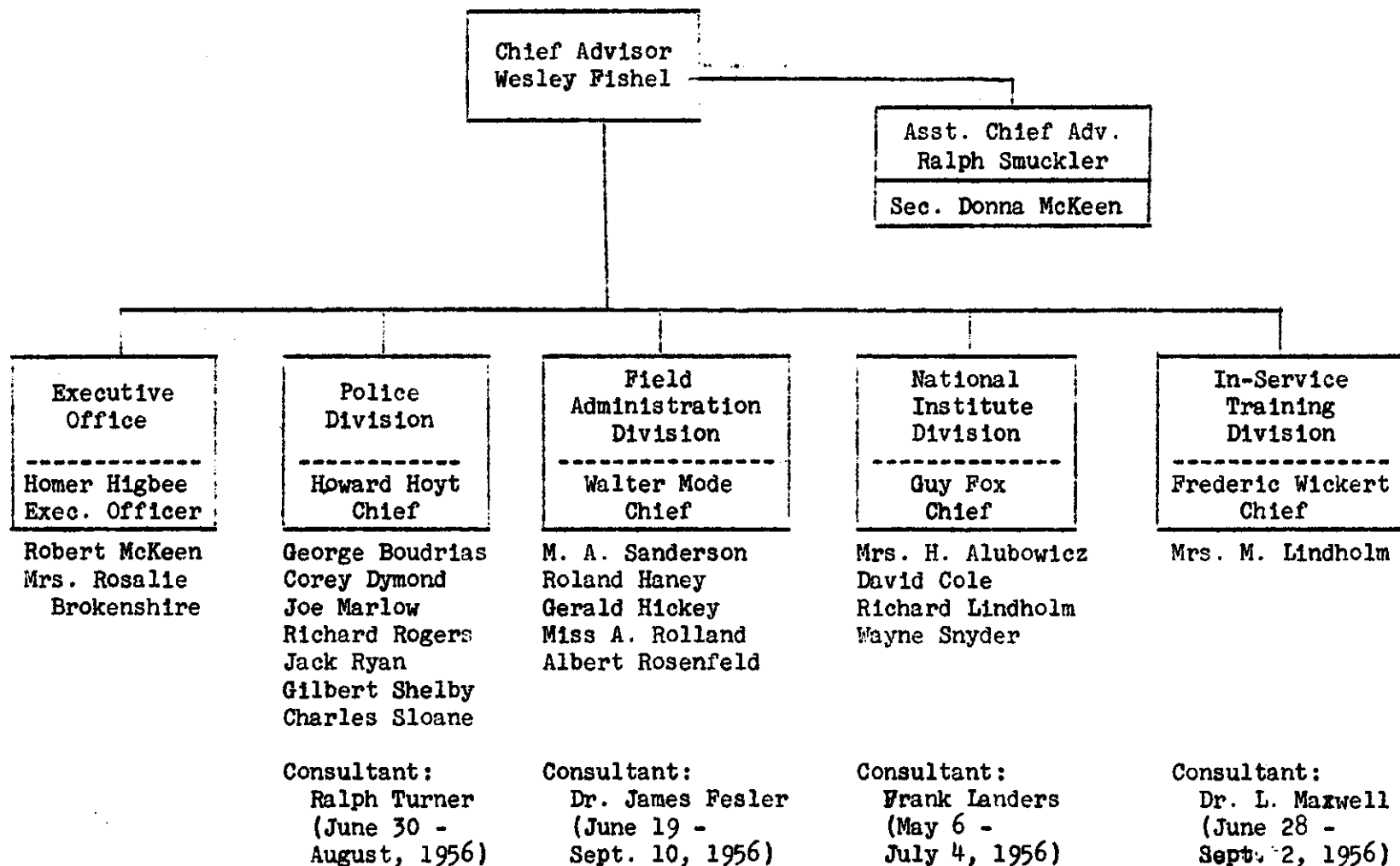
IN-SERVICE EXPANSION

As discussed above, the in-service training work of MSUG is just beginning and will be expanded over the coming months. In a sense, this is closely related to the general shift toward implementation throughout the MSU program.

APPENDIX 1

MSUG ORGANIZATION

JULY 1, 1956



APPENDIX 2

Reports of MICHIGAN STATE UNIVERSITY Vietnam Advisory Group

General Reports

1. Monthly Reports: Mimeographed monthly reports have been submitted covering the operations from July 1, 1955 through May 31, 1956.
2. Semi-annual Reports:
 - a. First Report, August 19, 1955
 - b. Second Report, December 31, 1955
 - c. Third Report, June 30, 1956
3. Presidential Lecture Series (in Vietnamese and English; to be published in Vietnamese):
 - 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 Reports:
 - a. Presidency Project Reports:
 - (1) *Work Plan of the Presidency Project, Edward W. Weidner, second edition, August 18, 1955

Appendix 2

*(2) Report and Recommendations on The Reorganization of the Presidency of Vietnam, John T. Dorsey, November 15, 1955

- b. Report to the President on Price Control and Inflation in Vietnam (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 Vietnam, 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 Vietnam, April 1956
10. General Information on V.B.I., April 17, 1956
11. Report on the V.B.I. in Can Tho, April 23, 1956
12. Report on the Tanan V.B.I., April 23, 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 Smuckler, Frederic Wickert, August 6, 1955

* Also in French

Appendix 2

- 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 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 Vietnam, May 22-June 4, 1956

Institute Reports

1. Work Plan, Degree or Certificate Program, Guy H. Fox and Associates, August 25, 1955
2. Work Plan for Research Coordinator, Ralph H. Smuckler, September 15, 1955

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-Pháp Dieu Khien và Hu'o'ng Dan Phiên-Hop, (translated into Vietnamese from Conference Leadership, U.S. Air Force Manual 50-8, issued June 1953), February 1956

APPENDIX 3

GENERAL EXPENDITURES FOR PERIOD OF SIX MONTHS
JANUARY THROUGH JUNE 1956

<u>Object Code</u>	<u>Description</u>	<u>Amount in Piasters</u>	<u>Amount in US\$ @ 34.78</u>
01	<u>Personal Services</u>	2,215,815.50	63,708.03
012	Non-American	1,656,336.00	47,622.95
013	Overtime	165,461.00	4,756.20
014	American Post Allowance	394,018.50	11,328.88
02	<u>Travel</u>	696,348.50	20,020.08
020	Local Operational	236,275.00	6,793.41
021	Overseas Operational	460,073.50	13,226.67
03	<u>Transportation of Things</u>	57,500.50	1,653.25
030	Personal Effects	57,500.50	1,653.25
04	<u>Communications</u>	61,867.10	1,778.80
040	Postage, cable, telephones, etc.	61,867.10	1,778.80
05	<u>Rents</u>	1,739,430.90	50,011.75
050	Rent-Office	251,903.60	7,242.77
051	Rental of Equipment	12,230.00	351.63
055	Utilities	565,664.80	16,264.02
056	Rents-Residential	909,632.50	26,153.33
06	<u>Printing & Reproduction</u>	50,286.00	1,445.85
062	Commercial	50,286.00	1,445.85
07	<u>Contractual Services</u>	1,733,189.90	49,832.93
072	Representation Allowance	5,686.00	163.48
079	Contractual Services	1,727,503.90	49,669.45
08	<u>Materials & Supplies</u>	498,460.90	14,331.82
080	Materials & Supplies	498,460.90	14,331.82
09	<u>Equipment</u>	872,060.00	24,786.06
090	Office Furnishings	209,685.00	6,028.88
091	Office Machines	144,310.00	4,149.23
092	Automobile	61,500.00	1,768.25
099	Other Equipment	456,565.00	12,839.70
	<u>Grand Total</u>	<u>7,915,959.30</u>	<u>227,568.57</u>