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With JUSPAO Analysis

"VIETNAMIZATION . . . THE PATH LEADING TO COLLAPSE"

Background

On December 14, 1969, Liberation Radio, the clandestine voice of the Viet Cong, broadcast the first of five installments of a commentary on the Nixon administration's plan for "Vietnamization" of the war. Presented as the work of Nguoi Binh Luan ("Commentator"), succeeding installments were broadcast on December 15, 17, January 3 and 4.

The commentary, predictably, characterizes the plan as tacit acceptance by the United States of its defeat in Viet-Nam, and predicts that it will "certainly lead the United States further into a dead-end tunnel and toward the complete failure of U.S. neo-colonialism in South Viet-Nam."

"Vietnamization", the commentary says in its opening paragraphs, consists of four measures:

1) ". . . replacing U.S. blood with puppet blood, gradually and actively withdrawing U.S. troops and decreasing U.S. casualties."

2) "Maintaining and consolidating the strength of the puppet administration so it can be used as a tool for implementing neo-colonialism in South Viet-Nam."

3) "Co-operating with satellite countries, especially monopolizing Japanese capitalists, in order to penetrate and coerce the South Vietnamese economy . . ."

4) Advancement of "deceitful peace arguments, trying to make people believe in [Nixon's] efforts to quickly settle the Viet-Nam problem through a political solution . . ."

Though it lists the four measures above, installments broadcast up to January 4, 1970 addressed themselves to a discussion of only the first three -- replacement of U.S. military forces with those of the Government of South Viet-Nam; strengthening of President Thieu's administration; and developments in the economy of South Viet-Nam.

On the military side, "the regrouping and consolidation of defense systems by United States troops has not succeeded," the commentary declares; "the dense defense systems have been frequently penetrated" and "the casualty toll under Nixon's rule has increased by 30% over the Johnson era."

Though the "continuously and heavily defeated lackey army is armed to the teeth, its morale will never be high and it will never be strong enough to replace U.S. troops and pursue the war of aggression according to Nixon's calculations."

Those calculations are wrong and the plan is doomed to bankruptcy, the commentary insists, because the White House and the Pentagon "have only taken into account military forces, while failing to realize political forces and the forces of all our people who are closing their ranks and are determined to completely defeat the U.S. war of aggression."

"Nixon also believed", the commentary continues, "that a cabinet reshuffle and a gathering of a handful of reactionary parties and sects in an opportunistic political front could be instrumental in strengthening the lackey's potentials . . . and consolidating the foothold and widening the control of the puppet Saigon administration in the populated and strategic areas" This tactic, and the perfidy of trying to carry out a pacification plan "which is aimed at encroaching upon land and winning over the people" are tricks, the broadcasts say, that "have been frustrated over the past ten years."

"Our people everywhere, from all walks of life, are fiercely struggling against austerity measures which the Thieu-Ky-Khiem clique is applying under U.S. order."

Branding Vietnamization as a scheme whereby Nixon "can achieve the aggressive objective in Viet-Nam", the commentary says: "He nurtures the illusion that with a token, dribbling troop withdrawal, with his efforts to reduce U.S. casualties on the battlefield, with the application of a number of deceitful diplomatic tricks, and with a noisy propaganda campaign for his goodwill for peace, he can soothe American and world opposition to the U.S. war of aggression in Viet-Nam and reduce his domestic difficulties"

To de-escalate the war successfully from the United States point-of-view, the commentary holds, it is necessary to have a strong "puppet" administration, and this, despite "thousands of tricks", remains the "weakest point among all U. S. weak points.... It does not take into account the fierce contradiction between all our people and the U. S. puppets.... Thieu's regime serves only its own purpose -- that is, its country-selling work -- and does not represent anyone."

As for "turning the Southern economy into an economy providing on-the-spot logistic support", the commentary asserts that the condition of Southern economy is a result of the U. S. imperialists' policy of destroying the national economy to prepare the ground to build a neocolonialist one."

To support its arguments and conclusions, the commentary presents numerous isolated and out-of-context quotations from a large number of publications, commentators and public figures including the Associated Press, Baltimore Sun, Le Figaro, Asahi Shimbun, Newsweek, the Los Angeles Times, Walter Lippman, Henry Kissinger, Senator Mansfield and Secretary Laird.

The commentary's analysis of "Vietnamization" is summed up in a statement allegedly attributed by Agence France Presse to a "puppet officer"; "Vietnamization is a dream for the Americans but a nightmare for Saigon."

VIETNAMIZATION OF THE WAR: THE PATH
LEADING TOWARD THE COMPLETE COLLAPSE OF
U.S. NEOCOLONIALISM IN SOUTH VIET-NAM

Our armed forces' and people's great successes in the General Offensive and Simultaneous Uprisings in the Mau Than Spring of 1968 shook the U.S. aggressive spirit and forced Johnson to stop the bombing and strafing throughout the North and to negotiate with us at the Paris Conference for a political solution to the Viet-Nam problem. On 20 January 1969 when Nixon replaced Johnson as President he had to declare that the United States was not looking for a military victory in Viet-Nam, that it wanted to withdraw from the extremely strenuous war in Viet-Nam as soon as possible, and so forth.

However, has Nixon learned Johnson's lesson, thus accepting U.S. defeat in Viet-Nam and halting aggression in South Viet-Nam? What is Nixon's dark design?

Viewing Johnson's failure in Viet-Nam, Nixon's top advisor Kissinger said that the Tet offensive--our armed forces' and people's General Offensive and Simultaneous Uprising in Mau Than Spring--had marked the most intensive U.S. efforts. Since then, no matter how efficient the U.S. activities might be, U.S. strategic aims could not be achieved within a set period of time nor could it maintain its troop strength at a level politically acceptable to Americans--"Foreign Affairs," February 1969. Recently, in his 3 November 1969 speech, Nixon, for the first time, clearly expressed his determination to adopt the Vietnamization policy as an honorable way out of the Viet-Nam. U.S. good will for peace was thus ballyhooed. Moreover, all of Nixon's Viet-Nam policies are not aimed at ending the war, but at de-escalating the fighting and decreasing U.S. casualties and war expenses to a level acceptable to the Americans, in order to continue the war of aggression pending a solution which would facilitate complete or partial withdrawal of U.S. troops while maintaining colonialism in South Viet-Nam and the U.S. presence of power in Southeast Asia and the world.

Nixon is trying to carry out these measures:

1 -- Modernize equipment and step up training of puppet troops so they can assume the major combat role, thus replacing U.S. blood with puppet blood, gradually and actively withdrawing U.S. troops, and decreasing U.S. casualties.

2 -- Maintaining and consolidating the strength of the puppet administration so it can be used as a tool for implementing neo-colonialism in South Viet-Nam.

3 -- Cooperating with satellite countries, especially monopolizing Japanese capitalists in order to penetrate and coerce the South Vietnamese economy, to implement the neo-colonialist economic policies, and to help the Puppets maintain a state of false prosperity for deceiving, gaining, and controlling the masses in areas temporarily under their control, and to pilfer our people's property by increasing war taxes, goods prices, and so on, and by thoroughly exploiting local capabilities to prolong the war of aggression.

4 -- Nixon has advanced deceitful peace arguments, trying to make people believe in his efforts to quickly settle the Viet-Nam problem through a political solution, in order to cope with and soothe U.S. and world public opinion which is vigorously condemning the U.S. imperialists' aggressive crime in Viet-Nam.

But in fact, Nixon has stubbornly stuck fast to the colonialist and country-grabbing stand at the Paris Conference, unreasonably demanding mutual troop withdrawal. This is a cunning plot aimed at confusing the aggressors and their victims, forcing our people to pay a price for U.S. troop withdrawal, weakening the Liberation armed forces, and prolonging the Paris Conference, thus giving the U.S. aggressors time to consolidate the puppet army and puppet administration. Nixon's overall plot is aimed at creating a strong position, the core of which is building a stable puppet administration and army on which the U.S. aggressors will rely to gradually withdraw U.S. troops without abandoning their aggressive design in South Viet-Nam, while trying to surmount the accumulated political, military, economic, financial, social, and other U.S. difficulties as a result of the war of aggression in Viet-Nam, pursuing their intensification of this war, as stated by Vice President Agnew at the conference of U.S. governors in

July 1969. These are the fundamental objectives in Nixon's new Viet-Nam policy. This is the policy of voluntarily de-escalating the war from a strong position, gradually de-Americanizing the war, and finding an honorable way out of the Viet-Nam war.

But realities on the South Vietnamese battlefield during the past 10 months--since the day Nixon replaced Johnson as U.S. President--demonstrate that Nixon's plan to de-Americanize, Vietnamize, or puppetize the war not only cannot help Nixon improve the defeated and stalemated U.S. situation in South Viet-Nam, but has driven the U.S. aggressors farther and farther into an endless tunnel. Nixon believes that by regrouping his troops and consolidating his defense system, he can stabilize the defensive position on the battlefield and rely on this stabilization to exert maximum military pressure in order to weaken his opponents, supply the puppet army with new weapons and equipment, intensify the training of puppet soldiers, use puppet troops as cannonfodder, de-Americanize or puppetize the war step by step, reduce U.S. casualties, and achieve a strong position.

But real facts have run counter to his estimations. During the past 10 months, the dense U.S. defense system was unable to prevent our troops and people from launching strong and continuous attacks everywhere. The U.S. defensive belts--including the most solid ones directly defended by U.S. troops--were penetrated many times and were vigorously shaken. Obviously the U.S. -puppets' defensive position was passive and weak and revealed many weakpoints. U.S. military operations aimed at exerting maximum pressure--the most typical one was the A Bia operation--became suicidal operations. U.S. casualties increased instead of decreasing.

According to figures published in the U.S. press, the U.S. casualty toll under Nixon's rule has increased by 30 percent over the Johnson era. The Americans have poured in much money to provide more weapons and war material for the puppet army and to intensively train it.

But, commenting on the situation of puppet troops, the Baltimore Sun on 10 October said: "The latest U.S. official assessment of the fighting abilities of the South Viet-Nam armed forces is that the Saigon troops' combat efficiency in the second quarter of 1969 was lower than in the second quarter of 1968." AP on 4 October admitted that the Saigon army had suffered an increasingly high casualty toll, especially in the past few months when the U.S. military command was interested in the Vietnamization of the war. Moreover, according to AP on 16 November, a U.S. military source revealed: "Among the puppet combat divisions, the number of deserters has increased to about 50 percent and is now possibly higher as more South Viet-Nam troops are fighting on the battlefields."

Thus it is obvious that although the continuously and heavily defeated lackey army is armed to the teeth, its morale will never be high and it will never be strong enough to replace U.S. troops and pursue the war of aggression according to Nixon's calculations.

Nixon also believed that a cabinet reshuffle and a gathering of a handful of reactionary parties and sects into an opportunistic political front could be instrumental in strengthening the lackeys' potentials, accelerating the pacification program, and consolidating the foothold and widening the control of the puppet Saigon administration in the populated and strategic areas, thus making it possible for the puppet army to become strong enough (word indistinct) to resist and even prevail over the revolutionary forces of our people.

On U.S. masters' orders, the puppet Saigon administration set up an alliance comprising a number of battered lackeys and reshuffled its cabinet. But these farces have actually resulted in further driving the Thieu-Ky-Khiem clique into isolation and making the contradictions in the internal lackey ranks increasingly acute.

The U.S. -puppets have also resorted to the cruellest and most perfidious tricks to carry out their pacification plan which is aimed at encroaching upon land and winning over the people. "However, these tricks are the same old ones which have been

repeatedly frustrated over the past 10 years. No matter what additional talismans Nixon may have, he cannot prevent the bankruptcy of the plan to win over the hearts and minds of the countrysellers and (? countrygrabbers specializing) in convincing people with bayonets, bombs, and ammunition. AP on 26 November reported that "an official U.S. source asserts that although the pacification plan has been intensified, it has not been firmly implemented. Pacification efforts are small. In South Viet-Nam, the Viet Cong is like a fish in water."

Nixon has nurtured the illusion that the mere application of a number of neocolonialist economic policies suffices to reduce the enormous expenses of the war of aggression in Viet-Nam, to seduce, bribe, or deceive our people, and to soothe the Americans' opposition to the Viet-Nam war. But facts have run counter to the White House's calculations. Their land reform program not only has been opposed by our peasants, but its application has been opposed by many Saigon National Assembly deputies and by the majority of landlords. Nixon's hope to use increased taxes and prices, monetary inflation, and so forth to prolong the war of aggression in Viet-Nam and extricate the Americans from economic and financial difficulties is only a mad and desperate calculation.

Our people everywhere, from all walks of life, are fiercely struggling against the austerity measures which the Thieu-Ky-Khiem clique is applying under U.S. order. The subservient and crippled South Vietnamese economy is fully unable to bear the heavy load of war expenses. A number of Saigon National Assembly deputies has admitted that the South Vietnamese economy under the Thieu-Ky-Khiem regime is only a beggar economy, that one cannot hope to draw anything from it, and that one has only to spend more money to make it survive. Former U.S. Vice President Humphrey stated that the Viet-Nam war had frightfully engulfed the resources necessary for satisfying the U.S. needs. Former Defense Secretary Clifford warned Nixon: "to pursue the present policy, the United States will have to sacrifice 10,000 men and spend 30 billion dollars in 1970." These are cut-down figures; but they are sufficient to demonstrate that the plan to Vietnamize the war will

force the Americans to spend an enormous sum of money, and that it is a tightening noose around Nixon's neck. Nixon nurtures the illusion that with a token dribbling troop withdrawal, with his efforts to reduce U.S. casualties on the battlefield, with the application of a number of deceitful diplomatic tricks, and with a noisy propaganda campaign for his good will for peace, he can soothe American and world opposition to the U.S. war of aggression in Viet-Nam and reduce his domestic difficulties so that he can pursue the war of aggression and achieve the aggressive objectives in Viet-Nam. But the real situation has not developed in accordance with his subjective aspirations.

More than half-a-million U.S. troops are using bombs and ammunition to savagely and continually kill our people on a battlefield tens of thousands of kilometers away from the United States. This is eloquent proof of the U.S. aggressive crime. It has completely frustrated the White House's brazen accusation that North Viet-Nam has committed aggression against South Viet-Nam. It has bared the unreasonable and groundless U.S. demand for mutual troop withdrawal. It has caused world people, including Americans, to strongly and widely support our people's just struggle for national independence, peace, and happiness. It has caused public opinion to increasingly severely condemn the unjust struggle which the U.S. imperialists are stubbornly pursuing.

Nixon has tried to justify his actions, saying that he only aims at insuring the South Vietnamese people's self-determination right, insuring that they can decide their own fate, free from foreign intervention. He has acted as if he actually respects the self-determination right of peoples, the self-determination right of the Vietnamese people. Looking into the White House's real action of stubbornly supporting the Saigon puppet administration and using it as a tool to maintain neocolonialism in Viet-Nam, the U.S. and world newspapers have called the Saigon puppet administration a regime set up by Washington, a puppet regime, a regime which has no basis in the masses, and a regime which represents no one.

In the September 1969 issue of the magazine "The Progressive" McGovern wrote: "We--that is Americans--have

continued to erroneously support the Thieu-Ky administration while this administration is jailing its best citizens and is hampering the peace efforts in both Paris and Saigon. So long as we still hold on to our policy of exerting maximum pressure and politically clinging to General Thieu, the Paris Talks will only be a shameless farce." It is obvious that whatever cunning and roundabout arguments he may resort to Nixon is unable to fool American and world public opinion. The slanderous arguments and the make-black-white tricks which the psywar machinery of the White House and the Pentagon consider their strongpoints actually constitute a U.S. weakness both politically and diplomatically. Nixon's Vietnamization plan is one to prolong the war and to maintain the aggressive designs of the warlike and stubborn leaders of the White House and the Pentagon. In Newsweek of November 1969, well-known writer Lippmann commented on Nixon's Vietnamization plan as follows: "The final objective of the U.S. administration is not peace, but the prolongation of the occupation of South Viet-Nam." In its September 1969 issue, the same magazine wrote: "The U.S. administration is still looking for a military victory, and this time through the South Viet-Nam armed forces"--that is the puppet army.

It is obvious that with his Vietnamization plan, Nixon hopes to be able to change the process of carrying on the aggressive war without having to change his aggressive objective, to gradually withdraw U.S. troops from the war, to carry on the policy of using Vietnamese to fight Vietnamese, to reduce U.S. casualties and war expenses, and to solve the difficulties and internal conflicts in the United States, and thus to be able to prolong the desperate aggressive war.

In early August 1969, former Air Force Deputy Secretary (Horker) wrote a book: "The Limits of Intervention," dealing with Nixon's policy. He stated: "The Nixon administration is setting forth proposals which seem to be generous at the Paris Conference, while continuing to exert the maximum pressure in South Viet-Nam, with a view to extending the Saigon administration's control prior to the U.S. pullout. This process of troop withdrawal will never contribute to ending the war. It requires that we--that is the United States--will continue to carry forever the burden of the war in manpower and wealth, because we will have to leave some 100,000 men there, and

sooner or later, the American people will realize that they are bound forever by a commitment toward a handful of people in Saigon who represent no one except themselves, and who will be unable to maintain power even a few months without the U.S. presence there."

Nixon's Vietnamization plan is only the illusion of the stubborn aggressors who are caught in the quagmire. It is a piece-meal strategy of the special war and local war strategies which have been defeated by our people. It is the product of a losing situation, full of contradictions and deadlocks. In this weak and passive situation, whatever more cruel and cunning military, political and diplomatic maneuvers he may resort to, Nixon will certainly be unable to change the situation, or turn failure into success, nor will he be able to find an effective strategy or tactic. He will never be able to enhance the morale of the U.S. and puppet troops, which is sinking seriously, and will certainly be unable to turn the rotten and impotent puppet administration, which is on the brink of collapse, into a sufficiently sound prop for the Americans to maintain their neo-colonialism in South Viet-Nam. Nixon's Vietnamization plan will certainly lead the United States further into a dead-end tunnel and toward the complete failure of U.S. neocolonialism in South Viet-Nam.

In his 3 November speech, Nixon, for the first time, dealt with his policy of Vietnamizing the aggressive war. He stated that all U.S. combat forces will be withdrawn and replaced by the South Vietnamese forces--that is, the puppet army--once the South Vietnamese forces are strong enough to defend their own freedom. Actually there is nothing new in this statement.

In an article published by the magazine "Foreign Affairs", January 1969 issue, Kissinger, Nixon's special advisor, clearly disclosed the U.S. attempts: "If the Paris Conference fails in achieving a bilateral pullout, and if Hanoi does not make any concession thus causing the war to drag on, then we--that is the United States--will have to try to increase strength, to better attain our goals. The United States should apply a strategy of reducing casualties and converging efforts toward protecting the people. The United States must continue to

strengthen the Saigon armed forces so that a number of U.S. troops can be gradually withdrawn. The United States should also encourage Saigon to broaden its basis, so that it may become stronger in the political struggle which Saigon will have to carry on sooner or later against the Communists."

The U.S. critical situation, the repeated defeats of the U.S. aggressive war on the South Viet-Nam battlefields, and the ever more violent struggle of the American and world peoples against the White House's aggressive war in Viet-Nam have forced the Nixon clique to think of withdrawing U.S. troops home. But it is obvious that Nixon is very stubborn and cunning. He plans to withdraw U.S. troops from South Viet-Nam while continuing the war, achieving the U.S. aggressive designs in Viet-Nam and maintaining U.S. neocolonialism in South Viet-Nam.

Japanese paper Asahi of 27 September 1969 bared the aggressive designs of the White House, in saying: "The strengthening of the Saigon administration's military forces--through the so-called Vietnamization plan--is but the replacement of the U.S. war carried out by U.S. troops by the U.S. war carried out by Vietnamese troops."

Nixon's plan is to reduce the U.S. strength along with the strengthening of puppet strength, and primarily to use the puppet army which is equipped with new weapons and war means and supported by an important U.S. strength to continue the aggressive war. Vice President Agnew has voiced his hope that the Vietnamization plan will lead this losing war to a successful issue. To prop up the puppet army becomes a key and most urgent point of Nixon's Vietnamization plan.

According to USIS on 8 October 1969, Defense Secretary Laird stressed that it is necessary to strengthen the puppet army to help it cope with the communist forces, whatever be the results of the Paris Conference. Laird also pretended to show his optimism, voicing his expectation that puppet military strength will double in line with the Vietnamization plan.

This represents absurd calculations by the aggressors who, though stalemated, have remained very stubborn, cherishing very great country-grabbing ambitions.

During the limited-war period, the total U.S. -puppet strength amounted to more than 1.2 million men who were full of vitality and were fully equipped with the most modern U.S. weapons of various types. But they had suffered successive defeats, being definitely incapable of annihilating enemy forces. Now, how can the puppet troops cope with the revolutionary forces by themselves?

The Pentagon has worked out plans to urgently train (Vietnamese--ed) commanding officers. But can a thoroughly trained army which is heavily equipped with good weapons acquire high combat efficiency? Why have the most seasoned U.S. divisions, which possess the most modern war equipment and weapons and are commanded by the best U.S. generals, suffered serious defeats and sustained staggering blows year after year? Why has every U.S. strategy and tactic gone bankrupt?

It is highly obvious that the White House and the Pentagon, though possessing vast amounts of dollars, are so stupid that they have been unable to grasp the basic factors determining victory in the war. They have only taken into account the numerical strength of their army, while failing to realize its quality. They have only taken into account the quantity of weapons, while failing to grasp the human and combat morale factors. They have only taken into account military forces, while failing to realize political forces and the forces of all our people who are closing their ranks and are determined to completely defeat the U.S. war of aggression.

Nixon has devoted substantial human and financial resources to propping up the puppet army. American papers have reported that up to October 1969, the Americans had turned over to South Viet-Nam 85 percent of U.S. equipment for modernization of the puppet army, that the U.S. Navy had turned over one-third of its patrol boats to the Saigon Navy, and that the U.S. advisers have conducted many intensive

officer training courses. But what reforms have the U.S. aggressors effected from their deteriorating position on the battlefield? What have they achieved through their Vietnamization scheme?

In an assessment of the South Viet-Nam situation, published in Newsweek on 10 November 1969, U.S. journalist (? Tecker) said: The U.S. Vietnamization program has turned over 700,000 M-16 rifles and 1,200 armored vehicles to the Republic of Viet-Nam army. But the problem is the latter's combat performance.

Reflecting the combat situation of the puppet 18th Division, a thoroughly trained division which has been equipped with new U.S. weapons, (? Tecker) said: "I have visited the 18th Division at Long Khanh. This is a most deplorable division whose discipline is loose and which fights cautiously and has set a record in desertion. If Vietnamization is to be achieved, it is necessary to take a look at the progress of this unit. But the improvement of the 18th Division is not as satisfactory as it was thought to be. The Viet Cong have given orders to their units to lay low until the Americans are withdrawn in order to topple the 18th Division. It is highly likely that this will prove to be true."

In fact, the 18th Division has sustained painful blows even before the Americans are withdrawn. In October of this year, in their initial operation aimed at testing the Vietnamization-of-the-war trick, units of the 18th Division, moving alongside the U.S. troops, were disastrously defeated by our armed forces and people. The PLAF also have inflicted extensive losses on many other pilot Vietnamization units, namely, the (puppet--ed) Third armored regiment, a number of reverine units, and so forth.

Reporting on the puppet army's salvation, AP on 16 November said: The South Vietnamese army is still plagued by great difficulties. The number of deserters in 1968 was approximately 130,000. A U.S. military intelligence source has put the desertion rate in South Vietnamese combat divisions at approximately 50 percent. This rate may increase, as the

South Vietnamese troops are assuming greater battlefield responsibility.

Reflecting the U.S. officers' opinions regarding Nixon's Vietnamization plan, AP said: Major (? Morer), a senior U.S. adviser in Trang Bang district, has said that any precipitate withdrawal of U.S. troops from such an area as Trang Bang would provide the communist forces with an opportunity to breach the defense shield and, thereby, completely ruin the pacification castle.

Many U.S. aggressors have openly expressed their disappointment with the declining strength and the impotence of the puppet army, regarding the Vietnamization program as an error. American papers, reflecting the concensus of the U.S. military circles, have said that "None of our"--that is, U.S.--"generals can say that the Vietnamese army is capable of taking over combat responsibilities from us."

Vietnamese traitor Nguyen Van Thieu, panicked by U.S. troop withdrawals, has on several occasions lamentably implored his U.S. masters to remain in South Viet-Nam for many more years, so that he can carry on his countryselling undertaking.

Faced with repeated, disastrous defeats on the battlefield, with the growing, comprehensive difficulties created by the Viet-Nam war for the United States, and with the vigorously mounting protest movement of various strata of the American people and of the world's peoples, the Nixon administration has been compelled to bring the U.S. troops home. But it still refuses to renounce its aggressive designs vis-a-vis Viet-Nam.

The Vietnamization policy only represents a cornered bandit's bewildered calculation and a change of words aimed at deceiving public opinion. This policy is only aimed at seeking means to partially replace the U.S. troops with puppet troops and to substitute puppet blood for American blood. Meanwhile, the U.S. aggressors continue to carry on the whole undertaking left by Johnson, that of continuing the unjust war of aggression

in Viet-Nam and maintaining U.S. neocolonialism in South Viet-Nam.

All of Nixon's Viet-Nam lines and policies and all of his words and deeds have clearly revealed to everyone the stubborn stand and perfidious tricks of a pirate who is highly experienced in aggression and is cherishing a great ambition through his aggressive designs vis-a-vis Viet-Nam.

Fully aware of the U.S. imperialists' nature, our people have constantly maintained their vigilance in the face of the imperialists' fake-peace arguments. It is highly obvious that before achieving final victory, our fight in the days ahead will undergo many fierce hardships. But it is also highly obvious that we have acquired increasingly favorable conditions.

Faced with the increasingly serious U.S. defeats on the battlefield, U.S. Senator McGovern had to complain: "In the immediate future, there will be no peace along the path we are taking. There will only be prospects for more deaths and greater waste abroad and more serious crises in this (words indistinct) country of ours"--that is, the United States.

Warning Nixon, American papers said: The public argument that the U.S. troops have become weary, because the long, drawn out war has caused countless deaths, has probably reminded Mr. Nixon of the fact that this war had annoyed General Eisenhower, cast a dark shadow on Kennedy, and driven Johnson into his political grave. Unless Nixon brings the war to an early conclusion, will he be able to solve the other problems at home and abroad? (The Los Angeles Times--Liberation Radio).

The American people have contended that Nixon does not possess more power, more material resources, or more capabilities than did Johnson. Nor has he adopted a viewpoint which is different from Johnson's. Nixon also finds himself in a situation where he cannot mobilize as great a U.S. military force, capability, and resources as did the Johnson administration. Furthermore, the U.S. troops have been driven into a passive combat situation. Their strength is declining and their

morale is sagging. In this situation, even if Nixon leaves a few hundred thousand U.S. troops in South Viet-Nam to support the one million puppet troops, who have been continuously defeated over the past ten years or more, he will certainly be unable to achieve anything. The Americans and puppets will sustain more blows, suffer even more disastrous defeats, and be unable to avoid complete annihilation.

The U.S. plan aimed at partially withdrawing the U.S. troops while strengthening the puppet troops only represents a tragedy reflecting the stalemated situation and the tremendous difficulties of a very stubborn pirate who is squirming helplessly in his impasse.

The French paper Le Figaro on 25 August 1969 said: Nixon himself has proved that the Saigon army can replace the U.S. troops. This only represents a swindle. (As heard--ed)

Clifford warned Nixon that if the present policy (Viet-Namization--ed) is pursued, it would cost 10,000 men and 30 billion dollars in 1970.

Nixon's Vietnamization program, which has sustained disastrous initial setbacks, will certainly sustain even more disastrous setbacks. In the present situation in which the revolutionary forces are developing more vigorously than ever, we will certainly be able to completely frustrate Nixon's Vietnamization scheme, as we had defeated the U.S. imperialists' special and limited wars.

Evaluating the successful situation of our armed forces and people in the early Mau Than Spring general offensive and uprisings, Kissinger, Nixon's special adviser admitted that the Viet Cong had won a victory whose importance exceeded military means and that this offensive had delayed--perhaps for a limitless time--the consolidation of the power of the government, that is, the Saigon puppet administration. And drawing experiences from Johnson's failure, he stressed the need to gain a reasonable time to politically strengthen the Saigon puppet administration.

Nixon's military, political, economic, and diplomatic schemes in his Vietnamization plan are aimed at creating a strong position as a basis for the United States to take the initiative in de-escalating and gradually de-Americanizing or Puppetizing the war. But the key problem is to maintain and consolidate the puppet administrative machinery so that the scheme of invading South Viet-Nam can be continued along with the U. S. troop withdrawal.

In his talk at the National Press Club on 25 September 1969, U. S. Defense Secretary Laird made clear that Vietnamization consisted not only of increasing the Saigon puppet army's combativity, but also of making the Saigon government politically and economically independent.

The United States has striven to consolidate the lackey apparatus and to gather reactionary forces in political parties and religious communities in order to set up a political prop for the puppet administration, stepping up pacification to restore the already smashed rural puppet administrative structures and to extend the power of the Thieu-Ky-Khiem clique now living under the protection of U. S. guns and bayonets, increasing fascist, terroristic activities, and frenziedly attacking the mass movements to weaken the Southern revolutionary forces.

But realities have revealed that the more efforts the U. S. aggressors exert, the more disastrous will be their henchmen's collapse. The United States has staged the farce of founding the so-called Social Democratic National Alliance, with a view to creating a reactionary front or political prop for Thieu. But this is an illusion. The history of the development of Vietnamese revolution firmly proves that U. S. imperialism can never find nor create countryselling lackeys or cliques capable of realizing U. S. neocolonialism.

Before our people's constant, furious, and mounting revolutionary waves, all counterrevolutionary classes have gradually lost their ruling positions. Inherently weakened by the August Revolution and the 9-year anti-French resistance, the landlords' class has become weaker, disintegrated, and

highly divided. The comprador bourgeoisie, making fortune at the expense of other people and trampling upon all sacred sentiments and patriotism of our nation which is endowed with the unyielding 4,000-year anti-invasion tradition, has bared its running-dog and lackey face. As for the national bourgeoisie and other intermediary classes, they have become gradually conscious of national interests and the majority has sided with the revolution and become its allied force.

In such a situation and before the division of southern social classes and our people's brilliant victories in the anti-U.S. national salvation undertaking, the U.S.-created factions and reactionary parties, which absolutely lack a social basis, are but countryselling organizations comprising political opportunists and bloodthirsty butchers who are living on man slaughter and turning our compatriots' blood and bones into blood-smelling dollars.

It is not the first time that the U.S. imperialists have plotted to create a political prop for their henchmen. They have striven to set up several organizations like the Social Democratic National Alliance. What is notable is that the so-called U.S.-puppet-created Social Democratic National Front has been writhing at a moment when the Thieu-Ky clique has been highly isolated and our people's revolutionary movement has been developing by leaps and bounds.

Sparing no effort, the U.S.-puppets have spent millions of dollars in rallying forces around the ruling alliance and even advocated encouraging the setting up of an opposing alliance. But how can they deceive anyone considering the faces of the cruel, diehard landowners, political speculators, well-known countryselling and people-trading individuals, and of Nguyen Van Thieu's and Nguyen Cao Ky's? The Saigon paper Thoi Dai Moi likened this ruling alliance to a tumbling carriage arriving at its station with a few passengers, and it predicted that Thieu's alliance would last no longer than a hibiscus flower. The International Herald Tribune on 28 May also observed that Thieu's alliance was too frail to be regarded as the first step of something in South Viet-Nam beyond further disturbing the situation.

Due to its country-betraying and people-harming nature, the Saigon puppet administration can by no means rally a political force having a social basis to support and enable it to cope with our present offensive. It will certainly become increasingly and pitifully isolated.

The Americans also ordered Thieu to reshuffle his cabinet to give it with a broader political base. After 53 days of protracted cabinet crises, Thieu was obliged to appoint Tran Thien Khiem, a cruel, diehard general under the Ngo Dinh Diem regime, as premier, thus further strengthening the power of Thieu and the military campaign but failing to secure the participation of any political faction or religion. In reality, following the cabinet reshuffle, the Saigon puppet administration has not become stronger but weaker than previously, and its political base, instead of being broadened, has been narrowed.

Enjoying his U.S. masters' favor, Thieu is hoping to monopolize the trade of our people's blood and bones, thus earning gold from their blood. Since the U.S. lackeys in Saigon are all ambitious, it was inevitable that they would kick one another just like a flock of horses being penned in a one-horse stable. For many years, the Saigon puppet administration has been plagued and increasingly weakened by contradictions among the U.S. lackeys, contradictions which have sometimes broken out violently beyond U.S. designs. In addition, the U.S. policies of throwing out a lemon after squeezing its juice, using one lackey to control another, using a reserve card to keep the card in use under control, and so forth have not only deepened the unremitting contradictions among the U.S. lackeys but also embittered those between U.S. masters and puppet lackeys. The U.S. Guardian on 15 August said that through the cabinet reshuffle, its political base--meaning the Saigon puppet administration--became frailer, adding that the present Saigon puppet administration was worse than a bucket of worms. Due to the unjust aggressive nature of the war, every measure and effort taken by the Americans to make a corrupt and reactionary lackey regime, plagued by internal infighting for personal interests, become stable and strong enough to cope with every Viet Cong force means looking for a needle in a haystack.

The U.S. aggressors tried again to pacify the countryside in order to restore the puppet administration at the base and widen and consolidate the Thieu-Ky-Khiem clique's authority particularly over the populous and strategic areas. In reality, this is not a new problem. While criticizing the Johnson administration's errors, Nixon's special adviser Kissinger loudly stated that the United States failed because it had overlooked the main problem of control over the masses and that "it is necessary to encourage Saigon to enlarge its base so as to become stronger in the political struggle with the communists, a struggle which sooner or later Saigon must participate." But the problem of control over the masses is not an outstanding discovery by Kissinger.

In the 15 years of aggression against Viet-Nam, from Eisenhower to Kennedy and Johnson, the White House paid constant attention to the problem of control over the Vietnamese masses; in fact it constantly regarded the repression and imprisonment of the Vietnamese as the most important problem. During the special war, there was the Staley-Taylor plan concerning the building of strategic hamlets.

During the local war, the search-and-destroy problem and pacification problem were closely connected. The U.S. aggressors even ordered their troops to directly participate in pacification operations, to play the role of a shield, thus enabling the puppet troops to play a woman's role as house guardian. Yet U.S.-puppets are completely powerless: the country-grabbers and countrysellers could achieve nothing. This time, Nixon exerted great efforts resorting to the most cunning and cruellest measures to occupy land, win over the people, and carry out the plot of decimating and annihilating our military, political, and economic forces and building the military, political, and economic bases for the Saigon puppet administration. Faced with the enemy's very savage and cruel repressive and murderous measures and very wicked psychological warfare tricks, our compatriots had to live through many great challenges. But it is obvious that the U.S.-puppets have sustained heavy defeats in their frantic efforts to consolidate their footholds and widen the areas under their control. The International Herald Tribune on 19 September 1969 pointed out that the Saigon regime does not have any base in the masses.

AFP on 26 November 1969 reported that a U.S. official, who wished to remain unidentified, revealed that "although the pacification plan has been stepped up, it is still regarded as insecure. Since the day the United States and South Viet-Nam implemented their accelerated pacification plan, 21.2 percent of the Viet Cong infrastructure in South Viet-Nam has been paralyzed. But the remaining 78.8 percent have remained intact. The Viet Cong are like fish in water."

Despite all their efforts, the U.S. -puppets cannot avoid defeat in implementing their tricks to win over the hearts and minds of the masses. Like Johnson in the past, Nixon is resorting to all means to cover up the U.S. imperialists' colonialist and aggressive face; such as distributing relief, building camps for anticommunist refugees, organizing roving medical teams, building camps for war orphans, and so forth.

But the country grabbers can never overcome the contradictions between the colonialist political objectives and the cruel military tricks of their aggressive war. The more the U.S. -puppets concentrate their troops in populous areas and intensify their pacification activities, the fiercer the contradictions between all our people and the U.S. -puppets become.

In fact, they have jumped into the sea of people's war's fire which is burning up their last men. The core problem of the strong position--which Nixon is endeavoring to achieve to take the initiative in de-escalating the war and gradually withdrawing U.S. troops while the puppet troops are strong enough to pursue the war of aggression, in achieving the Vietnamization or puppetization of the war--is the necessity to have a strong puppet administration.

The U.S. aggressors have resorted to thousands of tricks to consolidate the Saigon puppet administration. But all their efforts are fruitless. This is the greatest defeat among all U.S. defeats. This is the weakest point among all U.S. weak points in this war of aggression. Pursuing Johnson's unfortunate path, Nixon is endeavoring to embellish the Thieu-Ky-Khiem clique and maintain its constitutional, lawful, and democratic mask.

It is the traitor Nguyen Van Thieu himself who has the most vehemently opposed the discontinuation of U.S. bombardments against North Viet-Nam, who has ignominiously entreated his U.S. master not to withdraw U.S. troops from South Viet-Nam, who has the most fiercely opposed the proposal to form a provisional coalition government, to hold free general elections throughout South Viet-Nam, and so forth. The Thieu-Ky-Khiem regime has bared its countryselling face so brazenly that the U.S. press has publicly called it "Washington's Regime," "one of our offsprings," and so forth.

The former Assistant to the Johnson administration's Defense Secretary stated that Thieu's regime serves only its own interests--that is, its countryselling work--and does not represent anyone. Dealing with the Saigon puppet administration's weaknesses and corruption, Senator Young stated before the U.S. Senate on 26 September 1969 that "without the support of our troops"--that is, U.S. troops--Thieu and Ky would not survive a week.

Nixon himself is nurturing the illusion of reinforcing the reactionary and corrupt Thieu-Ky-Khiem puppet administration, making it strong enough to implement his Vietnamization program. This is a vain illusion, because right now the U.S. expeditionary troops are tired and powerless and have begun to withdraw from South Viet-Nam, the puppet troops are confused and on the brink of collapse while the offensive and uprising movement of our troops and people is entering a new phase.

In an interview with AFP on 3 November, a puppet officer stated that Vietnamization is a dream for the Americans, but a nightmare for Saigon. According to the Los Angeles Times on 28 May 1969, the Saigon puppet administration cannot hope to remain power, cannot survive for a long time after the withdrawal of U.S. troops. Despite all U.S. efforts to breathe life into the Saigon puppet administration, the latter cannot escape inevitable collapse.

Nixon's Vietnamization program is designed to relieve the White House of the growing political, military, economic, and social difficulties arising from the repeated, serious defeats on

on the Viet-Nam battlefield by the Americans who are continuing their war of aggression. The Vietnamization program is aimed not only at implementing the U.S. policy of using Vietnamese to fight Vietnamese and substituting puppet blood for American blood, while consolidating, clinging to, and using the Saigon puppet administration as a tool, but also at scraping up our people's property and resources, fully exploiting Southern economic resources, and turning the Southern economy into an economy providing on-the-spot logistic support, in order to directly meet the requirements arising from the continued U.S. war of aggression.

Since he replaced Johnson as U.S. President, Nixon has made extensive efforts in this direction, ordering the Saigon puppet administration to formulate programs designed to build a "self-reliant" and "self-sufficient" economy for South Viet-Nam, and to accelerate the implementation of a number of neocolonialist economic policies, namely, accelerating implementation of the deceitful land reform program, the program designed to turn people into property owners, and so forth. But Southern economic realities have emerged at complete variance with the expectations of the leading U.S. capitalist cliques. The Saigon puppet administration's national budget is experiencing an unprecedentedly serious deficit. Inflation is swelling. The Southern currency has been seriously devaluated. Commodity prices are soaring. As a result, the living conditions of every stratum of Southerners have become increasingly miserable and desperate.

Despite the fact that the top Wall Street capitalists have thrown hundreds of billions of dollars and millions of tons of goods into South Viet-Nam, they have been and will certainly be unable to materialize their schemes of implementing neocolonialist economic policies in the South and of shifting the financial burden of the war onto the Southerners. Why is that? As everyone knows, over the past 15 years, complying with their neocolonialist political and economic policies, the White House and the U.S. archcapitalists have turned production in South Viet-Nam into a consumer economy void of any vitality and completely dependent on U.S. aid goods. Under the commercialized aid system, the U.S. archcapitalists have provided

goods for the Saigon puppet administration's war apparatus, creating a falsely prosperous life in South Viet-Nam. The Saigon puppet administration receives U.S. aid goods, levies taxes on them, markets them, and, thereby, collects money for its national budget. The more aid goods it can sell, the more money it obtains for its national budget. It is therefore not surprising that American goods, from luxury to competitive items, have flooded Southern markets, stifling every domestic production activity, including industrial and handicraft production.

Saigon papers have repeatedly and openly exposed the U.S. imperialists' tricks aimed at dominating the South economically. Cong Luan on 12 August 1968 said: "U.S. economic aid is only a way of finding markets for U.S. surplus goods. Over the past two years, the Americans have built their own reserve-goods warehouses in Viet-Nam, dumping their goods on the markets and turning the Vietnamese economy into a mere U.S. open market. American goods are on sale everywhere, in stores and on sidewalks. Domestic production has gradually declined and, two years ago, suddenly came to a standstill. Consequently, we have had to rely on Thai, U.S., and Taiwan rice, which has been procured through U.S. aid, to survive."

It is not coincidental that Southern agricultural production, which previously allowed yearly export of millions of tons of rice, has now been in a declining and precarious situation in which, every year, the Saigon puppet administration has been obliged to import an ever increasing volume of rice--450,000 tons in 1966, one million tons in 1967, 850,000 tons in 1968, and up to one million tons in 1969.

These very heavy setbacks of Southern agriculture have resulted from the neocolonialism of the U.S. imperialists who have adopted many policies and measures aimed at checking and sabotaging our people's rice production and serving the implementation of U.S. military strategies and tactics in their war of aggression. As early as in the first years under the Ngo Dinh Diem puppet administration, Time magazine said flatly in its issue of 13 September 1958: "The policy adopted by the U.S. aid agency is not favorable for rice production in

South Viet-Nam because the United States has become an important rice-exporting country."

The Americans have urged the puppets to carry out a land reform which, in substance, has been a hard blow to agricultural production, grabbing land from peasants, restoring obsolete feudal relations of production, and, at the same time, building a cooperative economy in order to serve as a base for the U.S. neocolonialist economy in rural areas. The U.S. - puppets have intensively conducted ruthless and barbarous "kill all, burn all, and destroy all" operations which are, in substance, maneuvers to completely destroy every production means, annihilate labor strength for agriculture, and drive our people onto the road to poverty, cold, and famine, thus forcing them to serve as their cannon-fodder and to rely on foreign countries for each bowl of rice to survive (Saigon's Cong Luan paper on 12 August 1968--announcer).

Suffering shortages of raw material and being unable to compete with U.S. goods, Southern industry and handicraft have been able to produce only a few consumer goods while mainly making goods under the Gia Cong system and assembling imported machines and equipment in the service of the U.S. - puppet war apparatus. Already crippled previously, Southern rubber plantations were further weakened and declined in production, and have now become battlefields for the U.S. aggressors' troops.

Since the South was turned into an open market flooded with U.S. goods, almost all handicrafts, from textile and sugar-making to the weaving and food-processing branches, have been in agony and proceeded toward bankruptcy. Clearly designed to invade South Viet-Nam and turn it into a new-style U.S. colony, the U.S. -puppet political, military, and economic lines and policies have destroyed and upset its production as a whole and have driven its agricultural production into a deteriorated situation, thus affecting all economic activities in the South, increasingly reducing the production of all branches, and driving them into a deteriorated and deadlocked situation.

In recent years, the South has had almost no goods to export. By contrast, it has been obliged to import not only consumer goods and raw materials, but also food, rice, sugar, meat, and fish. The Southern economy has been sunk into a more seriously deteriorated situation than ever and has been more tightly caught in the U.S. aid noose. U.S. Senator Mansfield once admitted: "One cannot deny the fact that after we have provided enormous aid for South Viet-Nam for many years, this country's dependence on our aid has increased rather than decreased."

This is a result of the U.S. imperialists' policy of destroying the national economy to prepare the ground to build a neocolonialist one. But this policy has also dug a grave for the puppet lackey administration and the U.S. Vietnamization-of-the-war program.

Because the Saigon puppet administration has devoted increasingly great financial resources to supporting the U.S. war of aggression, production in the South has come to a near-complete standstill. The deficit in the puppet administration's budget is growing. In 1966, the first year of the U.S. limited war in the South, the budgetary deficit amounted to 46 billion piasters. This increased to 75 billion in 1967, and to 98 billion in 1969.

The budgetary deficit in the seven-year--1961-67-- period was 81 billion. In 1968, the budgetary deficit amounted to approximately 50 billion. In 1969, the first year of the implementation of the Vietnamization program, the puppet administration's budget soared further. The 1969 budget amounted to 154 billion piasters, including supplementary appropriations, with a deficit of about 70 billion. The draft budget for 1970 is 230 billion.

Explaining this sharp increase in the puppet administration's budget, Saigon paper Chinh Luan on 21 October 1969 said that this is aimed at financing the increase in the (Vietnamese--ed) armed forces from 952,173 to 1,016,077 men and financing the modernization of the armed forces, so that they can gradually replace the U.S. troops.

The Saigon puppet administration's national budget consists mainly of expenditures on maintaining military forces--namely, the civil guard, the security force, the police, spies, and pacification cadres--and other military expenses on construction of strategic communications lines, airfields, strategic hamlets, and so forth, in order to support the U.S. masters' war of aggression.

How can the Saigon puppet administration obtain vast amounts of money to defray these enormous expenses? Inevitably, the countryselling U.S. lackeys have sought every means to scrape up our people's property by taking the two following main measures: inflation and exploitation through taxation. Over the past decade, inflation has constantly developed. This constitutes the main cause of the chaos in the economic life of our compatriots in areas temporarily occupied by the enemy. According to former puppet economy Minister Au Truong Thanh, in 1965, the puppet administration inflated the currency by approximately 28 billion piasters. In late 1966, it was inflated by 75 billion, which equalled the puppet administration's 1967 national budget.

Faced with the appalling 81 billion budgetary deficit in the seven-year--1961-1967--period and with the deficits of approximately 50 billion in 1968 and approximately 72 billion in 1969, the Saigon puppet administration had no alternative but to issue new banknotes, which represent a kind of currency that is not guaranteed by the value of goods nor by gold reserves, in order to bridge the budgetary gap. As a result, the volume of banknotes in circulation had increased so rapidly that, a few years ago, American papers warned that the danger of inflation was threatening to tear the small, weak South Vietnamese society to shreds.

Inflation has seriously devaluated the Southern piaster. Let us take 100 as an index of the value of the piaster in 1966. During the first quarter of 1969, this index rose to 388. This means that the Southern piaster has been devaluated to about one-fourth its former value. The rate of exchange for the piasters as steadily increased from 35 to 118, and to the current rate of 300 or more piasters per U.S. dollar. This clearly

shows that the Southern piaster has been continuously devaluated. Faced with the present deterioration in the Southern economic situation, this devaluation trend will inevitably continue.

Swelling inflation and devaluation of the piaster have inevitably led to soaring market prices and an increasingly high cost of living. The puppet-administration-released statistical data related to the official price indexes--which never fully reflect the truth--have shown very clearly that from the middle of 1965 to early 1969, the prices of all items necessary for our people's daily life--namely, rice, salt, nuoc mam, coal, firewood, cooking oil, fish, meat, and vegetables--had increased by two or three times.

Worse still, the prices of some other items increased by five or six times. Early this year, AP warned that the cost of living in South Viet-Nam, which represent a major factor in the political war in the South, was soaring, and that this situation might become irremediable.

Since early 1969, faced with swelling inflation, serious devaluation of the Southern piaster, and soaring commodity prices, the Thieu-Ky-Khiem clique has resorted to the trick of continuously hiking taxes, intensively scraping up the money of every stratum of our compatriots and shifting the burden of war expenditures onto our people, in order to reduce the economic difficulties encountered by its U.S. masters.

In late 1968, the Saigon puppet administration increased the price of imported rice by an additional 400 piasters per quintal. In the middle of 1969, it hiked taxes on 180 items and levied tax on stored goods. In October 1969, it again hiked taxes on 1,500 imported items. This new tax hike brought about very disastrous consequences, causing the prices of all other items--from sewing needles, thread, meat, and vegetables to rice, gasoline, motor oil, petroleum, and so forth--to skyrocket, according to Saigon paper Tin Dien on 28 October 1969.

Most dangerous for the Saigon puppet administration is that as a result of its tax hikes, it faces the following insurmountable contradiction: if it did not hike taxes, it would be

unable to scrape up money for its war budget; and, conversely, by hiking taxes, it has caused a skyrocketing in the already high prices, further devaluation of the piaster, a decline in the people's purchasing power, and growing volume of unsold goods, and even more rampant inflation.

The Thieu-Ky-Khiem clique has adopted a number of measures allegedly to stabilize market prices, to help families encountering difficulties, and so forth, and has made false promises about maintaining the prices of various necessities. But in fact, the prices of rice, sugar, milk, meat, and fish have constantly soared.

The Thieu-Ky-Khiem clique recently launched a campaign for "eliminating unscrupulous merchants" and "sweeping the black marketeers." But this was only a swindle, because Thieu, Ky, and Khiem themselves are the illegal, dishonest business ringleaders and because the lackey regime itself constitutes the root cause of every social ill.

The Thieu-Ky-Khiem clique advocated distributing rice to the puppet army men and civil servants and uniformly increasing their monthly salaries by 1,000 piasters. In fact, this only represented a transient bribing trick aimed at appeasing the indignation of members of the puppet army and administration. Despite the unsubstantial increase in their salaries, the actual value of their salaries has substantially decreased. While the cost of living has risen by two or three times, the little additional money they obtain does not permit them to buy a greater volume of much-needed goods.

Reflecting the discontent, bewilderment, and worries of every strata of the people in the face of a (? luxurious) and troubled life and in the face of the irremediably deteriorating Southern economy, Saigon paper Tin Som on 26 October 1969 said: "Formerly, the rate of exchange for the Vietnamese piaster was 17 French francs for one piaster and 35 piasters for one U.S. dollar. This has now become a mere dream, which becomes even more traumatic when we think of some day when many of our compatriots will have to carry two baskets full of money to the market without being able to buy enough food for

an average family of five members or less. This precarious life has its root cause.

Another Saigon paper commented: "When we looked at our rice-cooking pot, we found that it had been emptied. We got the impression that the Vietnamese masses' sacrifices only represent a kind of fertilizer contributing to someone else's undertaking. We dare not further explore the bitter truths, especially while the Vietnamization-of-the-war policy is being advocated. But we are concerned about whether these deprivations are part of a long range social reform program or only represent developments in the situation, which originated from beyond the ocean, in Washington."

Our people have seen very clearly the U.S. imperialists' neocolonialist aggressive hands and also the lackey, country-selling, and reactionary character of the Saigon puppet administration, the source of deaths, poverty, and sufferings to them. A newspaper said: "With its austerity policy, the government"--that is the puppet administration--"has requisitioned all national resources and manpower for the war machinery. On cutting down on the people's food and clothing, we cannot blame the economy and finance ministers because the scope of this action is no longer confined to a ministry, but embraces a whole government, a regime."

Faced with the deteriorated and deadlocked Southern economic situation, AP once anxiously said: "It is feared that this economic regressive step could promptly touch off widespread dissatisfaction among the people and lead to open opposition. This was a well-founded anxiety, for what has been said is actually taking place and vigorously developing everywhere in areas under temporary U.S. -puppet occupation. The Southern economic life is facing unprecedented deterioration and chaos, resulting from no other source than the Thieu-Ky-Khiem lackey regime which has sold our country to the Americans, thereby turning the South into a U.S. neocolony completely dependent on them politically, militarily, economically, and diplomatically. To serve the Americans' neocolonialist line and policies. It has led the entire Southern economy into a stagnant, deteriorated, and deadlocked situation, disastrously affecting the life of all strata of Southerners.

Realities of the Southern situation have shown us very clearly that the Americans can by no means turn the Southern economy into an on-the-spot logistic economy to ease their war burden, thus serving Nixon's scheme to prolong the war of aggression in Viet-Nam, for these two main reasons: First, the U.S. neocolonialist economic policy has destroyed our national economy, turning it into an economy dependent on U.S. commercialized aid for survival. Deteriorated and unable to save itself, the Southern economy cannot share the war burden with the White House. The Saigon puppet administration's economy is in agony. How can a snail support anything when it is unable to support itself? Therefore, Nixon's hope to rely on the Thieu-Ky-Khiem regime to prolong the war is just like a drowning man relying on a drowned man to save his life. Second, the U.S. economic line, policies, and measures have harshly impoverished the absolute majority of our people of all strata, further embittering the contradictions between our entire people and the U.S. -puppets and urging the masses to arise to struggle with increasing violence against the Thieu-Ky-Khiem clique for their own interests, for peace, food and clothing, and for a national economy, the basis for genuine political independence. This struggle is taking place more and more widely and violently, transforming the economic crisis into a political crisis and driving the Thieu-Ky-Khiem clique into an unprecedentedly isolated situation. The Americans have failed and are failing to use puppet troops to die in their place. They have failed and are failing to rally reactionary political forces in support of the Thieu-Ky-Khiem clique and to step up the pacification program to broaden the Saigon puppet administration's power.

The deepening confusion in the Southern economic life has proved that the Americans are also impotent. In trying to turn the Southern economy into an on-the-spot logistic economy. However crafty and stubborn he may be, Nixon will certainly fail pitifully in his scheme to throw the burden of war expenditures upon our people's heads, and he will have to continue to pick money from the American people's pockets to put into the open-ended can of the war of aggression in Viet-Nam. The Los Angeles Times called these unmatched-in-the-U.S.-history

expenditures a noose around the U.S. throat. As a result of inevitable failures in the military, political, economic, and diplomatic fields and of the Vietnamization program, this noose will be further tightened closely around Nixon's neck.