NEW YORK--FOLLOWING IS THE TEXT OF AN ADDRESS PREPARED FOR DELIVERY BY ELLSWORTH BUNKER, U.N. AMBASSADOR TO VIETNAM, AT THE OVERSEAS PRESS CLUB NOVEMBER 17:

(REPORT ON VIET-NAM)

THE OPPORTUNITY TO ADDRESS YOU TODAY -- AND THROUGH YOU THE AMERICAN PEOPLE -- IS AN OPPORTUNITY WHICH I WELCOME.

THE SITUATION IN VIETNAM IS CENTRAL TO ALL OF OUR CONCERNS. IT SPARKS MUCH DISCUSSION, MANY OPINIONS AND SOME THOUGHTFUL DISSENT.

WE AMERICANS ARE A SECURE PEOPLE, LIVING IN FREEDOM AND RELATIVE AFFLUENCE. YET WE ARE CONTINUALLY CALLED BY THE PACE OF EVENTS TO RECKON WITH OUR POSITION OF INTERNATIONAL PROMINENCE. WE HAVE MANY QUESTIONS AND WE HAVE A LEGITIMATE NEED TO KNOW.

THUS TODAY, I WANT TO ADDRESS THE QUESTION I KNOW IS FOREMOST IN YOUR MINDS: HOW ARE THINGS GOING IN VIET-NAM? ARE THERE ANY SIGNS OF PROGRESS IN THE STRUGGLE AGAINST AGGRESSION? WHAT REALISTIC HOPE IS THERE OF A PEACE NOT TOO FAR DOWN THE ROAD?

RESPONDING TO THESE QUESTIONS IS NECESSARILY DIFFICULT. THE PROBLEMS IN VIET-NAM ARE DIFFICULT. VIETNAM IS MANY THINGS: A COMBINATION OF MAJOR MILITARY ACTIONS AND ISOLATED INCIDENTS OF TERRORISM; A MIXTURE OF POLITICAL SUBVERSION AND THE CREATION OF REPRESENTATIVE INSTITUTIONS; A BLEND OF APATHY AND PROUD
NATIONALISM; AND A CONFRONTATION BETWEEN THE BURGEONING ASPIRATIONS
OF A NEW NATION AND THE STRESSES AND STRAINS ASSOCIATED WITH ITS
DEVELOPMENT.

FURTHER THE SIFTING AND SORTING NECESSARY TO ARRIVE AT AN
ASSESSMENT OF THE CURRENT SITUATION IN VIETNAM INVOLVES QUESTIONS
OF JUDGMENT ON THE MANY IMPOUNDERABLES ASSOCIATED WITH THE
COMMITMENT OF OUR OWN MEN TO A CONFLICT MILES FROM OUR SHORES.

IT CANNOT BE SAID THE AMERICAN PEOPLE SUFFER FOR WANT OF INFOR-
MATION. IF ANYTHING, INFORMATION POURS FORTH IN SUCH ABUNDANCE
THAT IT IS FREQUENTLY CONFLICTING AND SELDOM DIGESTED INTO AN
INTEGRATED ASSESSMENT OF THE WHOLE RANGE OF PROBLEMS WE FACE.

OUR OWN MISSION IN SAIGON SPARES NO EFFORT TO OBTAIN AND
PROVIDE AS COMPLETE A PICTURE AS POSSIBLE. LIKE OUR OFFICES IN
WASHINGTON, A VAST AMOUNT OF INFORMATION IS MADE AVAILABLE TO THE
PUBLIC THROUGH BRIEFINGS AND APPEARANCES OF LEADING PUBLIC FIGURES.

AT THE OUTSET, LET US CLEARLY STATE OUR OBJECTIVES--
WHAT IT IS WE ARE TRYING TO ACHIEVE BY OUR PRESENCE IN VIETNAM.
-- OUR IMMEDIATE OBJECTIVE IS THE INDEPENDENCE OF SOUTH VIETNAM
AND ITS FREEDOM FROM ATTACK.
-- IN A BROADER FRAME, WE AIM TO REINFORCE THE GROWING CLIMATE
OF CONFIDENCE IN SOUTHEAST ASIA -- A CONFIDENCE BORNE OF AN
AFFIRMATION OF THE RIGHT TO FREEDOM FROM ATTACK FOR OTHER NATIONS IN
THE AREA, SOME OF WHICH ALREADY ARE THREATENED BY EXTERNALLY-
SUPPORTED COMMUNIST INSURRECTIONS.
-- WE ARE AFFIRMING OUR COMMITMENT TO RESIST AGGRESSION -- A
COMMITMENT UNDER THE CHARTER OF THE UNITED NATIONS AND OUR
OBLIGATION AS A MEMBER OF SEATO. THE CREDIBILITY OF THIS COMMITMENT
MUST BE BEYOND THE DOUBT OF FRIEND AND FOE ALIKE.
-- WE SEEK EARLY NEGOTIATIONS TO ARRIVE AT A JUST AND HONORABLE
PEACE BASED ON THE PRINCIPLE OF SELF-DETERMINATION.
-- WITHIN THIS OVERALL CONTEXT, WE ARE WORKING TO HELP THE
VIETNAMESE HELP THEMSELVES IN BUILDING NEW POLITICAL INSTITUTIONS
AND DEVELOPING A VAILABLE ECONOMY.

I BELIEVE THAT IN THE PAST TWO YEARS WE HAVE COME A LONG WAY
TOWARD THE FULFILLMENT OF THESE OBJECTIVES. THIS JUDGMENT IS NOT
Mine alone. It is generally shared by my colleagues on the spot and those here in Washington following developments closely. But let me be more specific. Let me address myself to four interrelated aspects of the struggle in Vietnam:

-- The military situation
-- The pacification program
-- Political development within South Vietnam
-- The economic situation

The military situation

In early 1965 the military tide was with the Viet Cong and the North Vietnamese were emboldened to move regular units into the south in the expectation of major victories. Today the initiative is ours. The Viet Cong are under heavy pressure. Viet Cong recruitment was declined since early 1966 by nearly one-half. They are being forced to rely on impressing younger people into their ranks. In some of the Viet Cong main force units there are an increasing number of North Vietnamese replacements. Despite continued infiltration from the north total enemy military strength has probably declined slightly during the last year. The Viet Cong have been progressively denied access to food with the result that in areas under their control they have extorted higher and higher taxes and consequently alienated the population. Defections under the Chiêu Ho program this year are running nearly 50 percent ahead of last year's rate.

We believe that the National Liberation Front is today even less representative as a southern nationalist insurgency than it was in 1965. The political and military control of the National Liberation Front remains as it was in the hands of northern generals in the COSVN (Central Office for South Vietnam). The People's Revolutionary Party, which is nothing more or less than an extension of the North Vietnamese Lao Dong (Worker's) party continues to dominate the Front.

Indicative of the pressures under which the Viet Cong operates is a section from a notebook kept by a Viet Cong official that was captured last January. I quote --
"A COMPARISON WITH THE EARLY PART OF THE 1965 SHOWS A DECREASE OF 1,000,000 PEOPLE IN THE RURAL AREAS DUE TO THE PRESENCE OF U.S. TROOPS ... THIS REFLECTS POOR LEADERSHIP ON OUR PART ... WE HAVE FAILED TO WIN MANY PEOPLE OVER TO OUR SIDE ... THE RECRUITMENT OF PERSONNEL TO FILL IN VACANCIES IN UNITS ... PRESENTS A SERIOUS PROBLEM."

IN A SERIES OF WELL EXECUTED ALLIED OFFENSIVE OPERATIONS SINCE LAST APRIL THE ENEMY HAS SUFFERED VERY HEAVY CASUALTIES. HE HAS BEEN KEPT OFF BALANCE AND HIS TIME SCHEDULE DISRUPTED. THE NORTH VIETNAMESE ARMY HAS NOT WON A SINGLE MAJOR VICTORY IN THE SOUTH, ON THE CONTRARY IT HAS LOST MAJOR ENGAGEMENTS. IN THE NORTH MUCH OF THEIR WAR-MAKING POTENTIAL HAS BEEN DAMAGED OR DESTROYED, AN ESTIMATED HALF MILLION PEOPLE HAVE BEEN DIVERTED TO REPAIR OF WAR DAMAGE, AND THE MOVEMENT OF MEN AND SUPPLIES HAS BEEN MADE INFINITELY MORE DIFFICULT.

CRITICAL TO THIS TURN OF EVENTS HAS BEEN GROWING EVIDENCE OF THE EFFECTIVENESS OF THE VIETNAMESE ARMED FORCES.

IN NUMEROUS ENGAGEMENTS THROUGHOUT THE COUNTRY UNITS OF THE VIETNAMESE ARMED FORCES HAVE TURNED IN FIRST RATE PERFORMANCES. THEY CONTRIBUTED MATERIALLY TO THE SUCCESS OF THE INITIAL OPERATIONS IN THE DMZ; IN THE II CORPS AREA THEY ALSO HAVE GIVEN A GOOD ACCOUNT OF THEMSELVES AND RECENTLY IN III CORPS AND THE DELTA AREA OF IV CORPS THEY HAVE CONDUCTED SOME HIGHLY SUCCESSFUL OPERATIONS.

FOR EXAMPLE, A FEW WEEKS AGO A NORTH VIETNAMESE ARMY REGIMENT, THE EIGHTY-EIGHTH, ATTACKED THE BASE CAMP OF A SOUTH VIETNAMESE INFANTRY BATTALION IN PHUOC LONG PROVINCE 70 MILES NORTH OF SAIGON. THOUGH FIGHTING AT BETTER THAN FOUR TO ONE ODDS, THE SOUTH VIETNAMESE UNIT SENT THE NORTH VIETNAMESE REELING BACK WITH HEAVY LOSSES.

LAST AUGUST A REGIMENTAL-SIZE FORCE OF SOUTH VIETNAMESE SOLDIERS CAME TO THE RESCUE OF A BELEAGUERED AMERICAN SPECIAL FORCES CAMP AT DAK SEANG IN THE CENTRAL HIGHLANDS SOME 300 MILES NORTH OF SAIGON. DRIVING UPHILL IN A FIVE-DAY BATTLE THROUGH THICK JUNGLE TERRAIN, THE SOUTH VIETNAMESE FORCE KILLED 181 NORTH VIETNAMESE, CAPTURED AN ELABORATE COMPLEX OF BUNKERS, COMPLETE WITH BIG STOCKS OF AMMUNITION,
SUPPLIES AND WEAPONS.

SOMETIMES WHEN I HEAR CRITICISM OF THE VIETNAMESE MILITARY I RECALL SOME OF THE THINGS THAT WERE SAID ABOUT THE SOUTH KOREAN ARMY IN 1950 AND 1951. WE WERE TOLD THAT THE SOUTH KOREANS WOULD NOT FIGHT, THAT THEIR GENERALS WERE CORRUPT, AND THAT THEY HAD NO CAPABILITY OF GOVERNING THEMSELVES AND COULD NEVER DEVELOP A VIABLE ECONOMY. NOT ONLY DID THE TEST OF TIME PROVE ALL OF THESE JUDGMENTS TO BE FALSE. BUT NOW WE HAVE 48,000 SUPERB KOREAN SOLDIERS FIGHTING TO HELP A FELLOW ASIAN NATION DEFEND ITSELF AGAINST AGGRESSION.

THERE IS STILL ROOM FOR IMPROVEMENT IN THE SOUTH VIETNAMESE ARMED FORCES. A COMPREHENSIVE PROGRAM OF REORIENTATION, MOTIVATION AND IMPROVEMENT OF QUALITY AND PERFORMANCE OF THE FORCES IS UNDERWAY AND THE RESULTS ARE EVIDENT IN MANY AREAS:

A. EXPERIMENTATION WITH VARIOUS FORMS OF INTEGRATED U.S. AND VIETNAMESE ARMED FORCES OPERATIONS IS BEING CARRIED OUT WITH THE INTENT OF RAISING THE LEVEL OF TRAINING AND EFFECTIVENESS OF THE VIETNAMESE UNITS AND TO PRACTICE THE PRINCIPLES OF ECONOMY OF FORCES FOR THE U.S. UNITS. EXCELLENT RESULTS HAVE ALREADY BEEN OBTAINED AND I BELIEVE THERE IS GREAT PROMISE ON BOTH COUNTS.

B. THE NUMBER OF DESERTIONS HAS DROPPED TO A LITTLE OVER ONE-THIRD OF WHAT IT WAS A YEAR AGO.

C. THE NUMBER OF MISSING IN ACTION HAS DROPPED TO ONE-HALF OF WHAT IT WAS IN EARLY 1966.

D. THE TREND OF WEAPONS LOST HAS BEEN REVERSED. IN EARLY 1966 COMBINED SOUTH VIETNAMESE FORCES LOST MORE THAN TWICE THE NUMBER CAPTURED. THE RATIO IS NOW THE EXACT OPPOSITE.

E. IN LARGE UNIT OPERATIONS THE VIETNAMESE ARMY IS MAKING MORE ENEMY CONTACTS ALTHOUGH FEWER TOTAL OPERATIONS ARE RUN.

F. IN SMALL UNIT OPERATIONS THE RATE OF SOUTH VIETNAMESE CONTACT WITH THE ENEMY HAS Risen BY THIRTY PERCENT. SPEAKING MILITARILY, THEN, WE ARE NOT CONFRONTING A STALEMATE IN VIETNAM. MUCH IS YET AHEAD OF US, BUT WITH THE INITIATIVE IN OUR POSSESSION THE OPPORTUNITY FOR CONTINUED PROGRESS IS UNFOLDING.
THE PACIFICATION PROGRAM

In a war with as many faces as that in Vietnam, one of the best indications of how things are progressing is the degree of security in the countryside.

The Vietnamese armed forces are carrying the major burden in providing such security -- so vital to the success of the many pacification programs designed to improve the well-being of the people and to enable them to manage their own affairs free from Viet Cong terrorism.

Obtaining a definitive assessment of the extent of security is an extremely complex task. It is our judgment that the proportion of the population under the reasonable secure protection of the government of Vietnam has increased to more than two-thirds of the 17 million people in South Vietnam. Just over two years ago, it is estimated the proportion was about one-half. Of the one-third not under government protection today, about half are under Viet Cong control and half in contested areas.

Another important indication of progress is the increased number of people who registered and voted in the elections last year and this year, despite Viet Cong efforts to disrupt the balloting with threats and actual acts of terrorism. Registration increased from 5,288,572 in 1966 to 5,853,251 in 1967. Voting increased from 4,274,872 to 4,863,266 or 80.8 percent versus 83 percent respectively of those registered. The number of voters registered in the September, 1967 elections represented about 70 percent of the total population of voting age.

Political Development within South Vietnam

The trends in pacification lead me to the recent political developments in South Vietnam which could not have occurred except for growing security from intimidation and assassination.

I refer, of course, to the affirmative steps South Vietnam has taken toward viable representative government. In the past two years a constituent assembly was elected; a constitution was promulgated on April first of this year; village and hamlet elections were held in large sections of the country; and two
NATIONAL ELECTIONS WERE HELD THIS FALL IN WHICH A PRESIDENT AND VICE-PRESIDENT, A SENATE AND A LOWER HOUSE WERE ELECTED.

AN IMPORTANT ADJUNCT TO THIS POLITICAL DEVELOPMENT IS A CHANGE IN THE NATURE OF THE POLITICAL OPPOSITION. IN THE PAST ABOUT THE ONLY MEANS FOR CHANGING THE GOVERNMENT, OR EVEN EFFECTIVELY INFLUENCING ITS POLICIES, WERE TOO OFTEN VIOLENT. DEMONSTRATIONS AND COUPS WERE THE NATURAL THOUGHTS OF MOST "OUT" POLITICIANS.

WITH THE MOVE TOWARD CONSTITUTIONAL GOVERNMENT, IT HAS BECOME POSSIBLE TO EXPRESS OPPOSITION IN NON-VIOLENT WAYS. MUCH OF IT HAS BEEN CHANNELED INTO LEGAL AND CONSTRUCTIVE EFFORTS.

THE NEW GOVERNMENT HAS BEEN INAUGURATED, PROMISING VIGOROUS ACTION AND CALLING ON THE PEOPLE FOR GREATER EFFORTS AND SACRIFICES. IT HAS ALREADY TAKEN TWO IMPORTANT STEPS:

A. A DECREE PROVIDING FOR PARTIAL MOBILIZATION EXPANDING THE DRAFT AGES TO INCLUDE MEN FROM 18 TO 33, REQUISITIONING OF SPECIALISTS AND TECHNICIANS FROM 34 TO 45 YEARS OF AGE AND RECALLING TO SERVICE MEN WITHIN THE DRAFT AGE GROUPS PREVIOUSLY DEMOBILIZED; AND

B. A DECREE LAW TO BECOME EFFECTIVE JANUARY 1, 1968 PROVIDING THAT ALL LANDS AND PROPERTY TAXES WILL BE ADMINISTERED BY LOCAL AUTHORITIES AND ALL REVENUES COLLECTED FOR LOCAL GOVERNMENTS -- NAMELY VILLAGES, PROVINCES, MUNICIPALITIES, AND PREFECTURES. THE DECREE VIRTUALLY TRANSFERS ALL LAND TAX AUTHORITY TO LOCAL UNITS OF GOVERNMENT, AND THIS REPRESENTS A GIANT STEP FORWARD.

THE PRIME MINISTER OF THE NEW GOVERNMENT, NGUYEN VAN LOC, SPOKE TO THE LAND REFORM PROBLEM A FEW DAYS AGO WHEN TAKING OFFICE. HE SAID THE GOVERNMENT WOULD DISTRIBUTE PUBLIC LANDS TO PEASANTS, RE-ESTABLISH 500,000 EXPIRED LAND LEASES AND ISSUE OWNERSHIP CERTIFICATES TO 110,500 PEASANTS WHO HAVE PURCHASE EXPROPRIATED RICE FIELDS. PRIME MINISTER LOC SAID, FURTHER, THAT FARM IMPROVEMENT CENTERS WOULD BE SET UP TO TEACH FARMERS MODERN TECHNIQUES OF CULTIVATION AND IRRIGATION.

HE ALSO ANNOUNCED THAT THE GOVERNMENT WOULD FOUND AN AGRICULTURAL DEVELOPMENT BANK FOR FARMERS AND FISHERMEN. IT WILL HAVE TWO BILLION PIASTERS OF WORKING CAPITAL.
AWARE OF THE MANY PROBLEMS WHICH LIE IN NEED OF URGENT ATTENTION, THE PRIME MINISTER INDICATED THE NEW GOVERNMENT WOULD TAKE MEASURES TO:

1. STABILIZE FARM PRICES.
2. INCREASE FACILITIES FOR TRAINING IN FARMING SKILLS, ANIMAL HUSBANDRY AND FORESTRY AS WELL AS IN INDUSTRIAL TECHNIQUES.
3. INCREASE THE NUMBER OF SCHOOLROOMS AND TEACHER TRAINING TO WIPE OUT ILLITERACY.
4. STREAMLINE THE COURTS, NOW HAMPERED BY RED TAPE AND UNWIELDY BUREAUCRACY.
5. ELIMINATE INJUSTICE, CORRUPTION AND FAVORITISM IN THE MILITARY THROUGH A RE-ORGANIZATION OF THE CHAIN OF COMMAND.
6. IMPROVED CARE FOR THE NATION'S TWO MILLION REFUGEES AS WELL AS STRENGTHENED SOCIAL WELFARE PROGRAMS FOR WAR WIDOWS AND ORPHANS.

THE PRIME MINISTER URGED THE NEW NATIONAL ASSEMBLY TO ACT TO PASS A PRESS LAW AND A STATUTE FOR THE FORMATION OF POLITICAL PARTIES AS PART OF BUILDING REPRESENTATIVE INSTITUTIONS FOR THE NATION'S NEW CONSTITUTIONAL GOVERNMENT.

IF MUCH REMAINS TO BE DONE, AS THE PRIME MINISTER MADE CLEAR, MORE HAS BEEN DONE THAN THE GOVERNMENT HAS BEEN GENERALLY GIVEN CREDIT FOR.

THE ECONOMIC SITUATION

THE ECONOMIC SITUATION IN SOUTH VIETNAM IS COMPLICATED NOT ONLY BY THE ECONOMICS OF DEVELOPMENT BUT ALSO BY THE MASSIVE U.S. PRESENCE AND THE BACKDROP OF ARMED CONFLICT.

IN SPITE OF THIS, HOWEVER, A PICTURE OF THE ECONOMY APPEARS THAT IS NOT ENCOURAGING:

THE THREAT OF RUN-AWAY INFLATION IN THE SPRING OF 1966 HAS BEEN CHECKED. WHILE INFLATIONARY PRESSURES ARE SEVERE, THEY HAVE BEEN KEPT UNDER TOLERABLE CONTROL. PRICES HAVE GONE UP, BUT FOOD SUPPLIES ARE AMPLE.

TODAY THERE IS FULL EMPLOYMENT, INDEED IN MANY CASES A LABOR SHORTAGE. WHILE THIS MAKES THE ECONOMY PRONE TO INFLATIONARY PRESSURES IT ALSO MEANS A FUNDAMENTAL CHANGE IN THE CONDITIONS OF LIFE FOR MILLIONS OF VIETNAMESE WORKERS AND PEASANTS. IN PACIFIED
Areas, and even in some that are contested, the standard of living is probably higher now than it has ever been in the past. The means by which economic betterment is coming to the countryside area clear enough. Farm prices have increased because of war-generated urban demand. Roads and canals have been secured so that the farmer can move his produce to market. Jobs are available in local towns and cities for all who want them. This combination is producing something akin to a rural boom in many areas in rural Vietnamam.

This then, is the picture in Vietnam as I see it. Steady but not spectacular progress is being made militarily and in nation-building. The development of representative institutions and vigorous political life is encouraging. But, quite frankly, I can't answer the big question that I know is on your minds. "How long will it take."

I think that the enemy's attempt to impose a solution by force has run into a stone wall. As you know Hanoi continues to refuse to come to the negotiating table even though they could do so without any prior commitment whatsoever. They have also refused to engage in any kind of dialogue about the possibility of peace talks. But the door remains open and we hope that at one point or another they will see fit to walk through it.

I would be less than candid were I to imply that once negotiations were underway the going would be easy. The going would no doubt be tough--long and arduous. But our central objective is peace and we, the south Vietnamese, and our allies are surely prepared. We would much prefer the most difficult of negotiations to the least difficult of battles.

If Hanoi persists in its aggression, we are determined to fulfill our commitment to resist it. But try for peace we must; and try for peace we shall.

Thank you very much.

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