establish $50 million development fund in return for their purchase of 300 thousand tons of rice on a 100% US use basis and repayment of $25 million ICA loan. 48/

From Komer, now back in Washington, came this reply,

There is in my view no doubt whatever that Hanh, and for that matter Ky, understood full well that we did not agree to the $50 million GVN Development Fund as part of interim package. Nor do I regard our credibility as enhanced if we now retreat even more on this issue. Finally, I regard the Development Fund as a sweetener so clearly wanted by the GVN that we need not give it away too cheaply.

While in one sense we have little immediate leverage to use on the GVN, so long as we do not choose to withhold aid in one form or another, in another sense we clearly have the GVN worried. I believe that, either through a definitive solution this June or more likely via Salami tactics, we can keep GVN reserves from rising too far. 49/

In mid-March Komer reached another "Interim Agreement" with GVN on foreign exchange. 50/ It provided that:

(1) The United States would supply at least an additional 100,000 tons of PL 480 rice and a further 300,000 tons of rice under terms providing for 100% USG use of proceeds.

(2) GVN would make available up to $120 million of foreign exchange for financing commodities previously imported under the CIP.

(3) The United States would make available for economic development projects the balance of FY 67 funds unused as a result of the reduction of the CIP program and would proceed to initiate and make grants for several interim projects.

(4) The United States agreed to the establishment by GVN of a $50 million development fund for purchase of US goods and services, such fund to be considered as use of Vietnamese foreign exchange resources under the November 4, 1966 agreement.

(5) GVN would repay US loans totalling $53 million. 51/
Closely related on the economic front was the GVN budget. Estimates of the CY 1967 inflationary gap grew during the quarter from 14 to 20 billion piasters. The United States exercised only spotty influence on their budget, specifically on those items receiving direct American support; and general persuasion was used to hold down the overall limit. Governor Khanh tried to transfer all US counterpart funds to the military budget with the explanation that only the US military could adequately control the South Vietnamese military, but the guessing was that this might also be his way of freeing GVN civilian agencies from any American interference.

Washington efforts to get more information on the GVN budget only brought educated guesses and a reminder that the Mission did not participate in a review of the GVN civil budget as was the practice for the military part. The CY 1967 budget of 75 billion piasters was issued without prior discussion with AID. It was unsatisfactory. USAID had the leverage to negotiate because of counterpart funds and PL 480 receipts, but the major problem was how to provide AID the necessary funding mechanics to implement programs at levels sufficient to meet established requirements.

10. The Saigon Port Again

Severe congestion continued to plague the Port of Saigon. A drop in CIP/GVN cargo discharged in December brought queries from Washington. Saigon replied that the drop was due to the GVN port director's abortive great barge experiment and listed a number of corrective steps taken. In fact all were peripheral to the central problem, the failure of commercial importers to remove their goods from crowded warehouses. Saigon warned,

Any additional actions...would require high-level government to government agreements which in our estimation would not be appropriate at this time.

Highest authorities in Washington remained concerned and pressed for a complete military takeover or at least a comprehensive alternate plan which would demonstrably meet the problem. Saigon held back with the view that progress was being made, that Ky was persuaded of the need to eliminate port congestion and that he was doing his utmost to solve the problem. A US takeover was once again viewed as neither politically possible nor desirable. CINCPAC chimed in to support strongly the Saigon position, and at the end of the quarter Washington was still peppering Saigon with comment:

We here do not take same relaxed view of barge situation as Saigon. Highest authorities have been consistently concerned.
At the same time an overlooked aspect of the earlier extension of US control of the port was being bounced back and forth. MACV clearance of AID financed project and procured commodities was estimated to have made AID liable for one billion piasters for port clearance costs previously financed by GVN. Nobody was quite certain how to approach GVN on the matter or how the US should pay the bill within existing dollar and piaster ceilings. 61/

II. Minor But Prickly Problems, January - March 1967

The clearance costs problem was an example of several minor matters which arose between the governments, problems that were often difficult to handle because prestige and sovereignty were involved. GVN National Bank Governor Hạnh and the Embassy tangled over GVN issuance of instructions to commercial banks operating facilities for US military forces. 62/

The Embassy became concerned because American civilians, tried and punished in GVN courts on the basis of American-supplied evidence, were subjected to extortion. The ticklish part of the problem was how to investigate the practice without jeopardizing those in the midst of buying their way out. 63/ Soon there were ill-considered remarks to the press by Brigadier General Loan who said that GVN had sole jurisdiction over civilians. 64/ State instructed Saigon to keep mum on the subject. 65/ Finally, in March it was publicly announced that the United States would exercise court martial jurisdiction over civilians but "only rarely, in exceptional cases." The US did not question, as a matter of law, the existence of a basis for court martial jurisdiction over civilians and indicated that our policy would be to handle the problem of civilians in other ways. The statement was careful to reaffirm US respect for GVN sovereignty, so as to avoid the issue of a formal status of forces agreement. 66/

Whether GVN could levy requirements for reports and payments upon US contract airlines caused bantam-like stances on each side. 67/ GVN demanded that contract flights pay landing charges. Porter replied that was improper and offered GVN notification of flights as a sop. Ky's retort was a demand for copies of contracts and schedules, restrictions on in-country flights and limitation of loads to personnel end equipment strictly military. We rejected those terms and the military nature of the problem probably saved a contract flight from becoming the "example" later in January when one plane-load of Pan American passengers baked in tropical heat for several hours while GVN refused them permission to disembark at Tan Son Nhut.

Premier Ky's implied intention in February to accept an invitation to speak in the United States produced an apprehensive reaction from Washington. Ambassador Lodge cautioned, "We have twice headed him off and to object a third time might create strain." 68/ Eventually Ky was able to publicly postpone his visit on the grounds that his presence was needed to insure a free and fair election.
Diversion of MAP material remained a closet skeleton to be rattled periodically. In February, MACV performed estimative gymnastics to suggest that no more than 3.3% of MAP material had been so lost. 69/ CINCPAC quickly suggested that valid data did not exist and would be hard to compile. He said that the differences between manifests and the material actually received should be otherwise identified, and his thoughts seemed for the moment to take care of a potentially embarrassing need to explain a $5 million problem without even bothering GVN. 70/

Throughout the quarter there were periodic flurries of talks about negotiations with North Vietnam. U Thant was especially active and these maneuvers caused uneasiness in US/GVN relations because Saigon was never completely certain what role it would have in such discussions. 71/

12. The Other War

Top levels in Washington realized that not much progress was being made in Revolutionary Development and exhorted Saigon to integrated, detailed civil/military planning. 72/ COMUSMACV waffled once again on whether ARVN battalions supporting RD should actually be retained under the operational control of the province chief. 73/ US Army units continued their work in the densely populated Delta provinces. On one occasion Premier Ky called Colonel Sam Wilson in for his view of progress there as well as to ask for an evaluation of the ARVN 46th Regiment. Wilson was able to say plainly that the unit was poor and that its commander was ineffective and, without a doubt, corrupt. Ky explained that the commander in question was a close friend of the division commander who was a close friend of Ky. That seemed to explain the matter. 74/

The US continued to press national reconciliation upon the Saigon government. Unger and CAS assets worked with the Constituent Assembly to get RD into the constitution. The lack of enthusiasm was alleged to be fear of unilateral US peace action. 75/ The present GVN continued, as they had so often before, to agree readily in conversations with us to the principle of national reconciliation; yet any concrete implementation remained illusive even through another top level meeting with the President. 76/


President Johnson announced that his purpose in calling the Conference at Guam was to introduce the newly appointed US team to the leaders of GVN. The shift of personnel represented the largest shake-up in US leadership in South Vietnam since August 1965. Ambassador Bunker was designated as the replacement for Lodge, and Locke took Porter’s place. In a move to resolve the controversy over military versus civil control of Revolutionary Development, Robert Komer took charge with the rank of Ambassador under the COMUSMACV organizational structure with czar powers and a strong mandate to produce progress.
Most happily, the Constituent Assembly completed its work on the constitution just in time to permit Premier Ky to present a copy to President Johnson at Guam. As had been the case on the two previous occasions of top US/GVN talks, the communique which resulted from the 2-day meeting lay primary emphasis on political, economic, and social matters. The military picture was presumed to be so encouraging and improving as to need no special attention.

14. Routine Matters, April - September 1967

Most of the previous problems persisted during this period. By June the rate of inflation was predicted to be 45 - 50 percent per year, and the plasater gap was to be 17.3 billion greater than projected. Hanh, now GVN Economic Minister, scheduled a September trip to Washington and the list of expected topics read very much the same as agendas for many previous such meetings. Hanh could upon occasion get very excited, as in the case where a suit by a Greek shipping line froze the GVN account in a New York City bank; but despite repeated urging from Washington, nobody in Saigon could get up courage enough to approach GVN on those retroactive port clearing charges.

On April 18, GVN finally issued a National Reconciliation Proclamation which stated that "All citizens who rally to the national cause can be employed by the government in accordance with their ability," but the decree proved to be a mirage. It used the Vietnamese words for solidarity rather than those for reconciliation and the program proceeded in consonance with that distinction. Saigon reminded State that Premier Ky had recently told the Ambassador that meaningful progress on national reconciliation could only come after a constitutional government was established.

On the MACV side, Ambassador Komer was getting organized. In response to a Washington query on land reform he recalled his consistent position but pointed out that it was not an important issue in Vietnam. Far more important was the matter of security in the countryside.

The US continued to deliver material assistance to improve the morale of ARVN troops. A $2.83 million program for 913 ARVN dependent houses was upgraded to provide more modern structures with utilities. USAID helped the RVNAF commissary system for RVNAF and dependents. Although rice was eliminated to avoid lowering its open market price, GVN sought compensating increases in the meat and fish supplied. MACV programmed over $3 million to the RVNAF Quartermaster Corps which supplied field and garrison rations.

But there were continuing signs that ARVN as a fighting force needed propping up. Sporadic efforts at encadrement appeared. The USMC Combined Action Companies in I Corps were well publicized. In April, the US 25th Division completed studies, and transmitted to General Chinh, still CG...
ARVN 25th Division, the Combined Lighting Concept. It brought together in one outpost a US squad, an ARVN squad, and a PF squad.

In response to Washington inquiries, General Westmoreland reported by message in May, 1967, "A command project was initiated on January 26, 1967, to review the performance of RVN AF units and to identify those considered ineffective and non-productive. Units so identified are being evaluated with a view to withdrawal or reduction of military assistance support unless improvement in these units is possible. The evaluation will be conducted every six months resulting in a final determination each June and December..."

The methodology for evaluation includes:

(1) Identification of units judged ineffective or nonproductive.
(2) Evaluation of credibility or feasibility of present plans to guarantee increased effectiveness.
(3) Study of unit performance trends during the past six months.
(4) Determination of the availability of plans to train personnel.
(5) Evaluation of command interest at all levels for improvement.

Units will be classified as Improvement Probable, Improvement Doubtful, and Improvement Unlikely. Those in the latter two groups must justify continued military assistance or action will be initiated to reduce FY 68 support.

Current Status: All VNAF and VNJC units are effective and productive. Support to VN reduced by $7800 which reflects discontinuance of support for two fishing boats which are not configured to support any role assigned to VN. The evaluation of ARVN is only partially completed."

In July, the MACV staff briefed Secretary McNamara in Saigon and touched again on the subject of encadrement. One concept considered was VATUSA (Vietnamese Augmentation to US Army) whereby two or three Vietnamese would be assigned to each squad in US combat battalions. While this scheme offered the advantages of improving ARVN skills and of utilizing additional ARVN troops without further strains on already limited ARVN leadership, the only real gain for the US was viewed to be a possible reduction in US strength. The disadvantages pointed out were the political climate, the language barrier, the danger to US unit security, the administrative and disciplinary difficulties and the probable irritation between VATUSA and regular ARVN unit soldiers. These, it was judged, dictated against its adoption.
A second concept considered was salting ARVN forces with US leadership in command positions. The analysis indicated that for political and psychological reasons, it would probably be best to put two US officers and three US NCO's in an instructor's role with each RF company rather than in a command role. Command would be exercised by the RF company commander but he would be required to follow the directions of the US training team leaders.

The conclusion reached was to continue the "salting" experiment with expansion in view if the initial results were good. There is no evidence that anything became of the experiment. 89/

None of this seriously worried top RVNAF leadership; so they indulged in more interesting international activities.

The occasion was planning for barrier extension westward, but Washington realized at once that there was little the US could do to limit the contacts to that subject. 90/

1/ In September, MACV reported that GVN had occupied Pattle Island in the Crescent Group about 170 miles south of Hainan with the intention of constructing an airfield there. Because these islands are already claimed by Communist and Nationalist Chinas and the Philippines as well, MACV advised against US cooperation in the adventure. 92/

15. The GVN Presidential Election

Pre-nomination maneuvering and legitimacy of the Presidential campaign were the subjects which occupied American attention above all else. The first task facing Ambassador Bunker as he arrived on station in April was to oversee the delicate transition of GVN to a government based upon a popular election recognized by the world to be fair.

Premier Ky was already openly acting like a Presidential candidate in April. General Thieu was informed that the generals had endorsed Ky while Thieu was absent from the scene recovering from an appendectomy. 93/ That was not sufficient to scare Thieu from the race; so the US Mission became increasingly worried that the Thieu-Ky competition threatened the indispensable unity of the military. 94/ Dickereng remained behind the scenes until Ky formally announced his candidacy on May 12. 95/
This served only to intensify the rivalry. By mid-June, the Thieu-Ky confrontation showed no signs of moving toward satisfactory resolution. 26/ Basically, Ambassador Bunker believed in an indirect approach. He did not hesitate to approach Ky and Thieu individually on the broader issues of arbitrary press censorship, questionable tactics being pursued by Ky supporters six weeks before it was legal to campaign, or unity of the Armed Forces. 27/ But, on the confrontation between the two candidates, Bunker's ploy was to hold an informal luncheon to which the two principals were invited. In the end they had to work out their own solution. 28/ They did. At the end of June the 50-60 officers of the Armed Forces Council met in a 2-day, continuous session at which both Thieu and Ky performed histrionics. The surprising result was that Ky agreed to run for the Vice-Presidency on Thieu's ticket. 29/ The Mission sighed in relief and agreed that Bunker's approach had worked. The Ambassador congratulated the candidates, and Thieu obligingly announced that if elected he would appoint a civilian as Premier. Ky agreed. The RVNAF chief of staff had earlier announced that there would be no officially endorsed military candidate; yet the Constituent Assembly conveniently approved a draft article which permitted Thieu and Ky to run without resigning from the Armed Forces. By mid-July, the Assembly had voted acceptance of the Thieu-Ky ticket while disallowing one headed by Big Minh who remained in nearby Bangkok as a potential threat to the younger pair. 100/ With only a few hitches, the campaigning proceeded so as to satisfy American observers that it was acceptably fair; and the resultant Thieu-Ky victory was a surprise only in its smaller-than-expected plurality.
State suggested that completion of the election process was a proper occasion upon which to consider several proposals, including increased leverage, for advancing the total American effort in South Vietnam. Bunker also mentioned this when he transmitted the paper, "Blueprint for Viet-Nam." The "Blueprint" ranged widely over all topics and struck a consistently optimistic note.

Progress in the war has been steady on all fronts. We can defeat the enemy by patient, continued, and concerted effort. The way to do this is for the GVN and its allies (a) to reinforce and accelerate the progress already made; (b) to markedly improve the interdiction of infiltration of North Vietnamese troops and supplies; (c) to upgrade, accelerate, and coordinate the pacification program in the countryside; and (d) to maintain political and economic stability and support the development of the constitutional process.

... We still have a long way to go. Much of the country is still in VC hands, the enemy can still shell our bases and commit acts of terrorism in the securest areas, VC units still mount large scale attacks, most of the populace has not actively committed itself to the Government, and a VC infrastructure still exists throughout the country. Nevertheless, the situation has steadily improved since the spring of 1965...

Now, that the initiative is ours and the enemy is beginning to hurt, maximum pressure must be maintained on him by (a) intensifying military activity in the South; (b) developing new methods of interdicting infiltration; (c) bombing all targets in the North connected with the enemy's war effort that do not result in unacceptable risk of uncontrolled escalation; (d) accelerating the program of pacification (including better security more effective attacks on the infrastructure, stepped up National Reconciliation and Chieu Hoi programs, a greater involvement of the people in solving their own problems at the village and hamlet level); (e) encouraging reforms in the government structure and continued improvement in the armed forces; (f) attacking the problem of corruption; (g) using influence to effect a strong, freely elected government with political stability; and (h) taking actions necessary to the continued growth and stability of the economy...

In a subsequent message Ambassador Bunker stated more specifically that the United States should use its influence to get GVN to do the following:

A. Seek broad based popular support.
(1) Appoint prominent civilians, including some leading opposition candidates, in new government.

(2) Use appointments to insure association of a new government with various religious and political groups.

(3) Adopt a program and identify it with that of a former national hero, "so as to give the new government an idealistic appeal or philosophy which will compete with that declared by the VC." Bunker suggested Nguyen Hue.

B. Work on a more continuous, although informal basis with US Mission. Bunker suggests regular weekly or semi-monthly lunches.

C. Adopt a program to include the following:

(1) Public recognition of the
   (a) Necessity for every Vietnamese to contribute to the war effort.
   (b) Need to change draft laws.

(2) Reaffirm on-going programs relating to RVNAF, including
   (a) MACV program of ARVN improvement through merit promotions and a military inspectorate.
   (b) Elimination of corrupt, inefficient leaders.
   (c) Expansion of RF/FF and adoption of the MACV recommended system of US advisory teams operating with RF/FF for 6-month period.
   (d) Greater integration of US forces or Joint operations.
   (e) Reorientation of the concept of the Pacification Role of ARVN, RF, and FF in accordance with MACV suggestions -- from static support to mobile, area security with night patrolling and a system of inspection and grading to insure implementation.

(3) Make the Province Chief the "key" man in pacification -- giving him operational control over all military and paramilitary forces engaged in pacification. He should appoint district chiefs. He should report to Corps commander on military matters and to central government on civil matters. An inspection, training, and rates system should be established.
(4) Centralize all rural development efforts in non-RD hamlets under one coordinated control in some manner as is now done in the Ministry of Revolutionary Development for RD hamlets.

(5) Construct an adequate number of processing and detention centers in provinces and permanent prisons on islands on priority basis together with passing of laws that it is a crime to be a VC civilian cadre.

(6) Pay higher salaries to selected GVN officials, including the military, particularly those officials able to control corruption or in a position to be tempted by corruption.

(7) Reaffirm National Reconciliation and Chieu Hoi programs.

(8) Grant villages the power to enforce land rental laws.

(9) Adopt the whole of the "operation Take-off" pacification program prepared by MACCORDS.

(10) Establish joint council procedures over expenditure of counterpart piasters by reinstituting sign-off by US advisory at province level.

(11) Revitalize the veteran's program.

(12) Increase receipts from domestic taxes and tariffs, and revise monetary policies.

17. The Leverage Study

On August 31 State transmitted a study by Hans Heymann and Col. Volney Warner on the subject of leverage. It reviewed the rationale for leverage and considered a whole array of possible techniques:

... In anticipating the US/GVN relationship in the post-election period, it is generally agreed that the US should find ways to exercise leverage with the Vietnamese government which are more commensurate in degree with the importance of the US effort to South Vietnam's survival and which reflect the climate of growing restiveness in the US... In its impatience to get results and make progress, the US has increasingly resorted to unilateral programs and action with inadequate consultation with the Vietnamese. On the other hand, the indiscriminate and careless exercise of US leverage could undermine the self-respect of the Vietnamese government in its own eyes and in the eyes of the South Vietnamese people.

... To be effective, US leverage must be exercised in the context of a relationship of mutual respect and confidence, and in ways
commensurate with the objective sought. It must also be backed by credible sanctions.

The various tools of leverage available to us are described below. It is not proposed that all of these tools be used at any given time or that some of them be used at all. However, they represent a selection of arrows that might be placed in the US Mission quiver for use as the Mission Council deems appropriate. It will be particularly important to construct a credible and effective system of US leverage for use as necessary and appropriate in connection with the list of priority program objectives which we shall be seeking to achieve with the newly elected government in the immediate post-election period.

Tools of Leverage

A wide range of possible techniques and forms of influence is available at each level of the American presence in Vietnam. A few of these leverage devices are now in use, mostly at the initiative of individual Americans on the spot, but not as part of an organized framework of influence. Other devices have been instituted in the past, only to be subsequently abandoned because of fear of their misuse, actual misuse, or inadequate understanding of their value.

In the following list we array a range of possible instruments of influence that the US might employ, with some indication of their applicability.

A. Rapport...
B. Joint Planning and Evaluation...
C. Joint Inspection and Audit...
D. Joint Secretariats...
E. The JCRR approach: Establishing a joint, autonomous, dually-staffed, foundation-like organization headed by a board of commissioners appointed by the two heads of state, to administer all forms of non-military AID...
F. Contingency Funds and Special Resources...
G. Control Over Expenditure of Counterpart Piasters...
H. Retention of Resources in US Channels...
I. Joint Personnel Management -- to institute career incentive, selection, and removal policies...

J. Joint Command...

K. Policy-level Monitoring System -- to monitor the exercise of authority of key officials of the GVN...

L. Withholding US Support -- at levels below Saigon, the authority of US senior advisors to cut off or withdraw US civil and military support from Vietnamese activities or operations within their area of responsibility would constitute powerful leverage...

At the Saigon level, a range of extremely tough options is available, encompassing selective withdrawal of US support for Vietnam persuading the GVN that these are in fact available requires the will to use them and the political ability to follow through if our hand is called. Options would include halting further troop deployments, standing down US unit operations, suspending CIP and MAP assistance, and so forth. 

Ambassador Komer replied on September 19. He recalled his deep interest in this subject and discussed at length both present and potential techniques. His views seemed considerably mitigated by his several months in Saigon, for "rapport" and "persuasion with implied pressure" headed the list of what was presently being done. He concluded by saying, "All of the above forms of leverage, and yet others, could be useful at the proper time and in an appropriate way. But they must be applied with discretion, and always in such manner as to keep the GVN foremost in the picture presented to its own people and the world at large. The exercise of leverage in a personal manner and hidden from the public view is likely to be most effective, while of the more operational means establishment of combined organization under a JCRR-type concept, to include joint control of resources, would be most desirable. In sum, we're gradually applying more leverage in Pacification, but wish to do so in ways that least risk creating more trouble than constructive results." 

18. Postlogue

New plans and new hopes marked the immediate post-election period. The story of US-GVN relations continues, but this narrative must end. In conclusion it seems appropriate to quote from the MACCORDS report covering Bien Hoa province for the period ending December 31, 1967.

1. Status for the RD Plan:

The GVN in Bien Hoa Province has not met with any measure of success in furthering the pacification effort during 1967.
Those areas that do represent advances (such as road openings or repairs or construction, breaking up of main line VC units, etc.) have all been the result of unilateral US actions. It was perhaps naively thought that these US accomplishments would stand as an inspiring example to the GVN and would prompt them to not only continue their efforts but, further, to expand and intensify the fight. However, during 1967 in Bien Hoa Province, this has not been the case. The GVN at all levels has grown weaker, become more corrupt and, today, displays even less vitality and will than it did one year ago...

Advisory Leverage: This subject has been an extremely sensitive and controversial issue in both GVN and US circles. However, as painful as it must be to address, the harsh truth is that given a showdown situation or an intolerable divergence between GVN and US methods, the US advisor will lose. CORDS, Bien Hoa has gone to extraordinary lengths in reporting on both corrupt and incompetent officials and practices. The reason for these efforts has been to illustrate clearly to higher US authorities, the enormity of the problems facing the advisor on the province/District level. CORDS Bien Hoa, as perhaps all other echelons of US advisors, is ultimately powerless to rectify or even significantly alter the GVN intentions and performance. The Vietnamese in the street is firmly convinced that the US totally dominates the GVN and dictates exactly what course shall be followed. However, the bitter and tragic truth is that the US has been kept at such a distance from GVN circles and power that in joint councils or plans our views may be heard, some portions of our logic may be endorsed but with confrontations or matters that represent any truly revolutionary departure from existing GVN practices etc, we are light weights and presently do not possess the leverage or power to carry the day.

ARVN Performance: There are presently two ARVN battalions (3/43 and 2/48) who are directly assigned to support RD in Bien Hoa. With the exception of the 1st Bn, 48th Regt which served in the Phu HoI Campaign area earlier in the year, ARVN performance has been less than satisfactory. The units have demonstrated the same age-old ills that have collectively led to our present commitment of US forces...

GVN Officials Interests: The primary interest of GVN officials in Bien Hoa Province is money. The lucrative US presence with all the various service trades that cater to the soldier, have created a virtual gold mine of wealth which is directly or indirectly syphoned off and pocketed by the officials. Thus, revolutionary development with all the ultimate implications of broadening the governing base of this society, is viewed
as some sort of necessary device that needs to be propped up and nominally catered to by the GVN in order to keep US and Free World's interest and faith intact. However, any serious or meaningful gesture in support of a program which ultimately is designed to displace the powers-to-be (or at least force them to become accountable or share in the power) is not forthcoming. Infrastructure is not attacked even though the target is known; budgets are not spent although the funds are available; GVN officials steadfastly refuse to visit their districts or villages or hamlets although it is there that most immediate problems exist. The list of limpid, half-hearted efforts to prosecute the war is endless.

Material Cutoffs and Shortages: In August after several months of negotiation, CORDS, Bien Hoa was forced to cut off further shipment of replenishment stocks into province. The reasons for this action were many but could be reduced to sloppy, shoddy and highly questionable logistical practices and procedures on the part of the GVN. After eleven weeks, the Provincial GVN finally agreed to carry out the reforms and renovations as suggested by CORDS. However, that eleven-week gap in the flow of materials (particularly during a period most noted for its relatively high degree of GVN action) had a significant effect on curbing construction programs and causing even more delays. Then, as soon as this issue was resolved, it was learned that cement and roofing weren't in supply and rationed quotes for the remainder of the year further compounded the damage caused by earlier material shortages.

To compensate, in part, for these factors, CORDS has had to increasingly rely on the resources, skills and capabilities of resident US military units. These units have, without exception, effectively filled the gaps and their efforts have succeeded in reducing the critical road situation that has been worsening throughout the years. Their action in many other areas has been highly commendable and CORDS Bien Hoa (as well as the GVN itself) owes a great deal to these units and their commanders who have unselfishly devoted themselves to furthering pacification. However, for all their efforts, for all the resources either expended or on hand, the disturbing truth in Bien Hoa is that it still remains for the government, with forceful and meaningful direction from above, to begin to assume the responsibility for prosecuting this war and the pacification effort. Thus far, the GVN has not done this and it is the considered opinion of CORDS Bien Hoa that unless major revisions are brought about in the factors raised here, there is only to be a continuation of the same ordeal with the accompanying frustrations, inaction, corruption and incompetence. A continuation of this does not
connotate stability or even maintenance of the status quo; it spells regression and an ever widening gap of distrust, dis­taste and disillusionment between the people and the GVN. 106/