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The Thiệu Regime Put to the Test 1973-1975



HANOI — 1975

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The Thiêu Regime Put to the Test

1973–1975

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THE THIEU REGIME PUT TO THE TEST

(1973 – 1975)

I — The war : as always American

March 1975. In great confusion Saigon troops precipitately evacuated the Central Highlands. Kissinger, somber and disillusioned—no longer the superman holding the magic keys—declared that, had he known what was going to happen, he would not have pressed for the signing of the Paris Agreement.

In January 1973, when the Paris Agreement was signed, Kissinger, and of course the White House and the Pentagon, had nursed other projects and were looking forward to a much more cheerful prospect than this debacle of the Thieu troops. The American negotiators had had to agree to clauses which compelled the USA to respect the independence, sovereignty, unity and territorial integrity of Viet Nam, to recognize the existence of the P.R.G. and of the third force in South Viet Nam. Nor could Washington have refused to withdraw American troops from Viet Nam :

neither American public opinion nor the US Congress would have tolerated the use of GIs for indefinite intervention in Indochina.

But this did not mean that Washington had renounced its former designs to annihilate the patriotic and revolutionary South Vietnamese forces and maintain a neo-colonial regime indefinitely in power in Saigon. In the eyes of the men in Washington, this was perfectly feasible. The massive intervention of US forces from 1965 to 1973 had been but an emergency operation to ward off an imminent disaster. The basic neo-colonialist policy remained that of setting up a puppet military and police machine capable of repressing the patriotic and revolutionary forces.

That military and police machine, carefully put together in 1954, had been considerably reinforced since 1969 in anticipation of the GIs' withdrawal. Under the protection of half a million American troops and thousands of American aircraft, the Saigon army, police and administration had seen their numbers more than doubled since 1965. They had been fully re-equipped and trained in new methods. Dozens of billions of dollars had been spent to that effect and the best experts from the American police, advisers with extensive experience in colonial wars such as the Briton Robert Thompson, all the resources of American science and technology including the social sciences — ethnology, sociology, psychology — had been used to set up the archetype of neo-colonial regimes in South Viet Nam.

On the other hand, in the same period, Washington had tried its best to weaken the Vietnamese patriotic

and revolutionary movement. Since 1968, the American high command, which had refused to grant Westmoreland 200,000 reinforcements, had given up trying to reconquer regions liberated by the NFL. Those classical military operations, in which enormous quantities of war material and troops were hurled at an elusive enemy who benefited from the support of the entire people, had proved too much of a drain on the American forces.

The USA could wage another kind of war by relying on its technology. Against general popular resistance it could oppose total warfare by making life impossible over vast areas, by simply destroying all life in the regions under NFL and PRG control. For years, thousands of aircraft, helicopters and heavy guns had poured millions of tons of bombs and shells on the free areas of South Viet Nam. Anything that moved was shot at; toxic chemicals were sprayed wherever food crops were grown. Villages and hamlets were razed, and even places where no traces of habitation could be found were strafed as soon as a thread of smoke was detected.

NFL-controlled zones had thus been made uninhabitable, turned into deserted areas dotted with millions of bomb craters in which water would stagnate and which would soon be teeming with mosquito larvae. It was impossible to find there the least bit of wood, the least brick to build a cottage; impossible to till a plot of ricefield or orchard. In this way millions of rural people in South Viet Nam were "urbanized". The struggle would end because of the lack of combatants, for the NFL would find no reserve from

which to replenish its militants and armed forces. The American command aimed to kill two birds with one stone: those people who lived in the free areas and fought under the banner of the NFL were driven into the towns and concentration camps and, deprived of all livelihood, had to enlist in Thieu's army and police in order to survive. Thus Thieu's army and police had been reinforced as the GIs left, their numbers reaching more than one million for the army and 150,000 for the police.

Washington had taken care to sow destruction also in North Viet Nam, the great rear area of the Vietnamese revolution. Bombing raids, from 1965 to 1968, then again in 1972, destroyed almost all industrial installations in North Viet Nam, many towns and cities, thousands of villages, all bridges, many dams, hundreds of schools, colleges and hospitals. In late 1972, while B.52s savagely attacked North Vietnamese cities, a last effort was made to massively introduce armaments into South Viet Nam for Thieu, who was eventually in possession of nearly 2,000 aircraft — the third air force in the world, topping those of France, Great Britain, Japan and West Germany — and the most up-to-date war equipment.

In the urban and rural areas under American control, already subjected to the most bloody repression, repeated "pacification" drives had ended in the murder of tens of thousands of people suspected of being NFL militants or sympathizers and in the arrest of hundreds of thousands of others. By blood and iron, Washington had tried to impose the Thieu regime on the population of South Viet Nam.

Thus, facing a PRG supposedly weakened by considerable destruction and the forced departure of millions of inhabitants, no longer able to get much aid from a North Viet Nam completely ruined by intensive bombings, stood a Saigon administration with a powerfully-equipped army and police, trained for years by qualified US experts. In the eyes of Washington, the situation looked more favourable than in 1954, after the signing of the Geneva agreements, when the Ngo Dinh Diem regime was still in its beginning and had but a small army and police, when the American hold on South Viet Nam was still incomplete and when the Saigon cadres and functionaries had but little experience.

Since 1954, tens of thousands of officers had been trained and indoctrinated by the Americans. Most of them were adventurers and outcasts thirsty for dollars who had built their fortunes and power thanks to American "aid" and the war. These officers gradually came to hold important political posts — president of the republic, vice-president, provincial governors. They amassed considerable wealth through plunder in the course of military operations, and through trafficking in goods, arms and drugs. They placed their parents and relatives in the most profitable businesses: import-export, hotels, prostitution. It was to this military caste, bureaucratized and trafficking, that Washington entrusted the direction of the Saigon neo-colonial State and society.

As to the agents for doing the dirty work -- torture, massacre, arson, murder — they were recruited by American services among the desperadoes and hooli-

gans of the towns. American experts taught them the latest methods of interrogation as well as physical and psychological torture. In addition, a huge machine for propaganda, for ideological and cultural poisoning, flooded the South Vietnamese population for years with slogans, films and pictures aimed at erasing in people's minds all traces of national, or even simply human, sentiment and creating conditions for turning them into mercenaries ready to execute any orders.



To all appearances, the machine looked well put together and well run in. Now that the GIs had left, it would be enough to feed it with weapons, dollars and supply it with advisers. With much less expenditure than the American forces, it would carry out Washington's policy. Richard Nixon, then Gerald Ford, devoted their efforts to getting the few billion dollars each year necessary for its operation. What did two or three billion dollars mean for the American budget, for the American nation! American public opinion was convinced that after the GIs' retreat the USA was no longer involved in the Indochinese quagmire. To draw a few billions on the quiet without alerting either public opinion or Congress should not prove too difficult for the pros of the White House and the Pentagon.

On 20 February 1974, USAID gave Congresswoman Bella Abzug the following figures concerning military aid to Thieu :

1972	2,382,600,000 dollars
1973	2,270,500,000 —

Thus in 1973, in spite of the Paris Agreement, military aid had not decreased compared with 1972, the peak war year. The armaments supplied clearly surpassed in quantity and also in quality those which could be sent to replace used equipment on a one-for-one basis. Thus ultramodern F.5-E aircraft were given to Thieu to "replace" used F.5A's.

Various tricks were resorted to in order to intensify those arms shipments : stated prices were much lower than real prices ; arms were sent under the cloak of other budgetary chapters. On one occasion the discovery of an "accounting error" made available an "unused" sum of several dozen million dollars which was immediately made available to Thieu.

The salaries of Thieu's soldiers, officers and police were paid through American "economic" aid. The American ambassador in Saigon, Graham Martin, made every effort to ensure an average sum of 700 million dollars for Thieu for the years 1974-75, the same amount as that received by Saigon when half a million GIs were still in South Viet Nam and the war was raging. Although all arms and equipment were freely supplied by the USA, military expenditures still accounted for 60⁰/₀ of Thieu's budget.

Speaking before the Asia and Pacific Affairs Subcommittee of the US House of Representatives, Fred Branfman said :

"In fact, however, only 4⁰/₀ of the Indochina Aid that President Nixon proposed for FY 1974 was actually designated for "reconstruction and rehabili-

tation" or "development" (\$ 124.4 million out of \$ 2.9 billion). And only another 4⁰/₀ was even termed "humanitarian" (\$ 107.4 million out of 2.9 billion).

"Ninety-two percent of the Administration-requested funds for FY 1974 were meant to continue the war — both military funds, which were 72⁰/₀ of the total, and "economic" and "Food for Peace" funds, which were indirectly war-related."

Congressional Record, proceedings and
debates of the 93rd Congress, second
session

Misappropriations of "food for peace" destined for other countries, loans amounting to more than 100 million dollars, so-called multilateral aid through international bodies, were used to prop up the Saigon budget. The Saigon office of USAID confirmed that 83.6⁰/₀ of this budget was financed by American aid.

USAID, which managed this aid, kept its personnel numbering several hundred unchanged in Saigon, while American militarymen and technicians in civilian clothes took care of the maintenance, repair and operation of machines in Thieu's army (aircraft in particular) and took note of its needs as operations were undertaken. The so-called American diplomatic staff in Saigon was strengthened by several hundred agents who were distributed between the four consulates-general set up in the four military regions of South Viet Nam and numerous "consular offices" scattered throughout the country. The American ambassador had 145 assistants following military operations while

the Defense Attaché Office (DAO) was staffed by at least 50 officers. All that "diplomatic" personnel was but a camouflaged military staff which directed and commanded the Saigon armed forces, worked out operations plans, decided on strategy. Thieu's officers only carried out the plans and obeyed the directives of the American advisers. Nothing had changed with regard to both the nature and the conduct of the war. Before and after the Paris Agreement, the so-called Viet Nam war had been and remained an American war. This was noted by American journalists.

According to David Shieler, without reducing in the least its involvement in South Viet Nam, the US simply passed from a climax in the war to a level of aid which remained considerable, not only by supplying colossal quantities of armaments but also by sending a steady stream of American citizens indispensable for supply and intelligence work. (*N.Y. Times*, 25-2-74)

US News and World Report of 4 February 1974 wrote :

"The huge Pentagon East building, once the US military headquarters here, is as busy as ever. It is now occupied mainly by the American embassy's 'defense attaché office' which oversees US military aid and technical support for the South Vietnamese military. Deep inside the building, observers note, there is still a 'defense operations center' that looks a lot like a combat control post left over from the days when Americans were fighting and bombing all over the country. The Center is manned around the clock (...) There is speculation that the center (...) would quickly be expanded into an actual command

headquarters if American warplanes returned to action here."

The Paris Agreement stipulates national concord, the recognition of the existence of a third force, and of two administrations each with its own territory. Yet, well supplied with weapons and dollars and benefiting from Washington's unconditional support, Thieu reaffirmed his policy of the "four noes" : no to communism, no to neutralism, no to an understanding with the Communists, no to a division of the territory. Evidently, while the first three noes were affirmations of principles the fourth did not depend on the will of Thieu, nor even on that of Nixon and Kissinger. The reality of the PRG, of the territory under its control, of its armed forces, was expressed by facts and not only in the text of the Agreement signed. It could not be erased by a stroke of the pen or by a speech.

Even though the US-Saigon command had dotted the country with 250 military sub-sectors and 10,000 posts there remained innumerable localities where the PRG hold control and which — especially in the plains of Trung Bo and the Mekong delta, rich and populous regions — formed large patches on a map of the country, a veritable leopard's skin which prevented Thieu and his American masters from sleeping in peace.

This permanent presence of the PRG, its armed forces, its militants, its social and cultural organizations close to areas still under Thieu's control, was a mortal danger for the Saigon regime.

Immediately after the signing of the Paris Agreement, on 28 January 1973, Thieu declared: "The cease-fire does not at all mean the cessation of the war." And he started hurling his infantry, armour and aircraft at the liberated zones. As early as 29 January 1973 *US News and World Report* stressed that the Saigon forces were "to move into contested areas — even Communist-controlled regions — and reduce the number of people and territory dominated by Reds."

If the American forces were no longer there to give support to the Saigon troops, American air forces stationed in Thailand and the Pacific area (140,000 men) could always serve as a "deterrent", all the more so as American officials did not fail from time to time to threaten the Vietnamese people with renewed action by the American air force (declaration by Schlesinger, US Defense Secretary, on 18 June 1973).

After the signing of the Agreement, not only did Thieu refuse to announce this event to his troops, he also ordered numerous operations against the free areas. On 28 January, his troops attacked the port of Cua Viet and the districts of Hai Lang and Trieu Phong in Quang Tri province near the 17th parallel. Southwest of Hue, Saigon troops tried to recapture Highway 72 linking A Sau to the old capital. In the first quarter of 1973, Thieu troops attacked various regions in Quang Nam province, the port of Sa Huynh, in Quang Ngai province (February 1973), along Highway 4, in My Tho province, and in the early days of March, the area of Tong Le Chan, Rach Bap, in Thu Dau Mot province.

Those sudden attacks launched with considerable mechanized means in the weeks following the cease-fire allowed the Saigon army to recapture a few localities here and there. In a joint communiqué published in April 1973, Nixon and Thieu expressed gratification with the "proficiency" of Saigon armed forces and noted their "effective and courageous performances."

Those initial results encouraged Thieu to enlarge the scope of his operations which came to involve one division and more in a single operation. From June to September 1973, 70 battalions attacked Chuong Thien province ; from May to November two divisions were in action in Ben Cat (Thu Dau Mot province) and one division southwest of Phu Bai (Thua Thien province). Those operations — large-scale encroachments or local nibbling actions — were accompanied by "pacification" operations in regions more or less controlled by Saigon, especially populous ones. 'Pacification', the major element of neo-colonialist strategy since the 'Vietnamization' of the war, was intensified after the signing of the Paris Agreement in order to consolidate the rear of the Saigon army and the bases of the regime.

All localities, including the newly-reconquered ones, were immediately put in the vice of a coercive system which includes :

— A network of posts and military sectors with regular garrisons ;

— local security forces, civil guards ;

- regular and special police forces ;
- a puppet administration ;
- police informers ;
- reactionary political organizations ;

not mentioning a whole series of "humanitarian", "cultural", "religious", "mutual-aid" and other organizations which enmeshed every inhabitant. Twenty years of experience and the mobilization of many experts made it possible for American neo-colonialism to improve its methods of coercion. After assassinating and putting in jail militants and sympathizers of the patriotic movement, or even mere suspects, after cataloguing, putting in police files and terrorizing the people, the Thieu administration sought to forcibly enrol a great part of the population in para-military formations and so-called civilian self-defence, which they used against the patriotic forces. For the Saigon army, this served as a shield during its operations and a reserve from which to draw recruits.

In places where this forcible enlistment could not be done, the population was penned up in concentration camps or sectors. More than 1.5 million people were thus concentrated in 1973-74. Bombing and commando raids were launched against PRG-controlled areas. Washington's neocolonial policy could be imposed only through war ; the Thieu regime could only be maintained through war. The strict implementation of the Paris Agreement would ruin that policy and toll the death knell of the regime.

II — Ruin and decay

The Thiêu regime and American neo-colonial policy faced not only a PRG solidly entrenched in the free areas but also growing popular opposition in the urban and rural areas more or less under Saigon control. The signing of the Paris Agreement, the withdrawal of American forces, the policy of national concord clearly defined by the PRG, the official recognition of the third force by the Agreement, all those factors gave a new impetus to the great movement for peace, independence, democratic freedoms, and the protection of national culture and good morals, which had long existed among the urban masses.

Thieu and his American masters had anticipated all that. In the months preceding the armistice, Thieu had taken a series of measures to reinforce the coercive system already weighing heavily on the population. Successive decrees kept reducing the bits of freedom still surviving in the regime.

In August 1972 a decree abolished the election of village and hamlet chiefs who were now appointed by the administration. Seven thousand army officers were named to those posts and 10,000 others took over security in the villages. Also in August 1972 press decree 007 imposed such draconian conditions that only 18 out of 40 existing journals were able to continue in existence, most of them being in fact financed and controlled by the administration. In September 1972, newspaper editors were ordered to

deposit 20 million piastres each as security money to pay for eventual fines, and any action that displeased the authorities, especially the publication of any piece of information unfavourable to the regime — there was no dearth of that — was punishable by five years' imprisonment and a fine of five million piastres. This was tantamount to ordering the closure of all journals of some honesty. Frequent seizures put press publications in a situation in which they could no longer cover their expenditures unless they resorted to government subsidies.

A decree on local security banned all strikes and demonstrations and authorized the police to open fire on all rallies; decree 090 authorized it to arrest all suspects. Barely a month before the signing of the Agreement, a decree imposed such conditions on the political parties that only four out of 28 survived.

The strict implementation of the Paris Agreement, which stipulated the putting into effect of democratic liberties, would have been deadly for the regime. As early as 28 January 1973, Thieu declared in a televised broadcast: "The ceasefire in place means that the status quo will be maintained. Wherever our administration, army and people are, we are kings. Everything depends on us. We will maintain our laws and administration. Everything will go on as before. Nothing is changed." Neither reconciliation nor national concord; neither understanding with the Communists nor with the neutralists. The "constitution", with anticommunism as its basic principle, and all fascist legislation would remain in force. Washington took care to increase financial and technical

aid to beef up the police force from 120,000 to 150,000. The *Washington Post* of 1 March 1973 observed that the regime had grown even more rigorous since the signing of the Agreement. David Shieler, in the *New York Times* of 19 August 1974 remarked : "...It's much better to release nine or ten suspects instead of condemning one innocent man. But that's the opposite of the present policy." He added that the military courts and the national police were but two sides of the same coin, two elements of the same war effort.

The Paris Agreement stipulated explicitly that all political prisoners should be freed. The first measure taken by Thieu was to kill a number of them before the cease-fire, then to turn the others into common offenders so as to affirm cynically that there were no political prisoners in his jails. In spite of the evidence coming from all quarters — American journalists and representatives, religious people of all nationalities, eminent personalities in the world — which pointed to the existence of about 200,000 political prisoners in Saigon jails and camps, Thieu continued to deny the fact with the support of Washington.

Worse still, he continued to order arrests and tortures not only against PRG partisans but also more and more against the third force. Students, intellectuals, priests and bonzes were savagely clubbed in the streets, arrested in large numbers, deported, tortured. To all comers Thieu declared bluntly : "Anyone with enough courage to proclaim himself a neutralist or pro-communist will not survive five minutes." (12 October 1973).

To serve his purposes, Thieu took new measures to concentrate all power in his hands. As early as 1971, he had done everything to eliminate his only competitor to the presidential elections, Nguyen Cao Ky, the then vice-president, who bitterly complained to an American journalist : "The only voice one can hear in South Viet Nam is that of Nguyen Van Thieu."

The elections to the Saigon "Senate" of August 1973 were the occasion for Thiêu to eliminate his opponents there and to put one of his own men, Tran Van Lam, at the top of a double ticket presented by the "Democratic Party", the "party of the President". The introduction of his agents into both houses of "parliament" made it possible for Thiêu to propose amendments to the "constitution" which allowed him to run for president in 1975 for a term of office of five, instead of four years ; appoint the justices of the Supreme Court (the parliament could only propose names) ; and appoint chiefs of provinces, cities and districts.

In face of that manoeuvre, on 19 January 1974, Nguyen Van Huyên, president of the Senate, declared : "This constitutional amendment kills all hopes for a truly democratic regime. So I formally resign from the Senate to become an ordinary citizen." He was replaced by Tran Van Lam.

In October 1974, Thieu reshuffled his government, created a series of "commissions" under the presidency and a "directorate" presided over by himself. That directorate and those commissions, placed above the Cabinet ministers and even the prime minister who became the puppet's puppets, decided all

important matters in both internal and external policies. "Prime Minister" Tran Thien Khiem could not hide his bitterness. A series of demotions (affecting in particular 17 generals) and promotions (39 officers became generals) allowed Thieu to eliminate all those suspected of opposing his policy and to appoint his most faithful agents to senior posts in the army, the police and the administration. The partisans of Nguyen Cao Ky, and all those who had more or less come under French influence, were cast aside and replaced by men wholly trained in the United States.

★

Besides military aid, the men in Washington strove to support Thieu with substantial economic aid so that he could play his role. The question was to provide him with a sum equivalent to what he had received during the war years including the revenues coming from the spending of the US expeditionary forces in South Viet Nam. It is estimated that 250,000 jobs had been created as a result of the stationing of the US troops whose expenditures provided the Thieu regime with about half of its foreign-exchange revenues (UPI, 27 January 1974). On an average 700-800 million dollars had to be given to the Thieu administration each year, according to the estimate of US ambassador Graham Martin, who tried hard to win the US congress over to his views.

In order to get those aid projects accepted, Washington and Saigon had made a lot of noise about fanciful reconstruction plans. Martin recalled the

Marshall Plan which had made it possible for Europe to recover from the ruins of the Second World War and achieve an economic take-off. For his part Thieu put forward a plan for reconstruction and restoration in six months, then went to Washington to beg for the dollars. Upon his return to Saigon in May 1973, he advertised a plan for post-war reconstruction and economic development in seven years (1973 — 1980) with three major aims : reconstruction and settlement of displaced persons ; intensive exploitation of natural resources, in particular the restoration of agriculture ; investment in industries and services, for which especially advantageous conditions would attract foreign capital.

In March 1973, on the occasion of "Peasants' Day", Thiêu called for the implementation of a five-year agricultural plan, which aimed in particular at putting under cultivation half a million hectares of land left idle because of the war, supplying three million cubic metres of timber for internal consumption and export, and catching a million tons of fish, i.e. double the figure of 1973. The development of agriculture, forestry and fishing would, in his view, provide annual exports to the amount of 400 million dollars, which would cover all the foreign-exchange needs of the country.

Thieu also held out the possibility of convening an international conference which would work out modalities of aid to Saigon for economic development. In the first weeks following the signing of the Paris Agreement, a large number of businessmen — American, British, French, Japanese — visited Saigon. It is true

that South Viet Nam's natural resources are many and varied (rice, rubber timber, fishing products, prospects of oil), that abundant and skilled manpower was available, which, besides, was twice as cheap as in Hongkong or Singapore — a great attraction for foreign capital. The docility of the Saigon regime was also a good guarantee. The infrastructure — roads, ports and docks — was adequate.

One could easily imagine the economic development that would take place in a South Viet Nam to which more economic aid was coming than to any other place in the world. Yet right in the first months of 1973 there were growing signs of economic deterioration. On 21 August 1973 Thieu himself admitted that "it is difficult to find a solution to the economic and social problem." Many symptoms pointed to economic decline :

- a drop in industrial and agricultural production ;
- rapidly rising prices and runaway inflation ;
- worsening unemployment ;
- shortage of rice, fuel and goods.

Up to that time Saigon industry had stagnated, stifled by imported foreign goods, especially American and Japanese. Industrial production accounted for only 10% of total production and many enterprises turned out semi-finished products from imported raw materials. Many of these industries were in French or Taiwanese hands. As early as the first quarter of 1973, the textile mills showed a drop in output of 2,000 tons compared with the same period in the previous year. The same situation prevailed in other sectors : sugar, cigarettes, soft drinks... Local industries, crushed by

the rise in the prices of fuel and imported raw materials and hamstrung by the drop in purchasing power, saw many enterprises driven out of business. By April 1974, about 50% of the enterprises had closed down.

With devaluation adding to the price rises the situation worsened from month to month. In 1973, the Saigon piastre was devalued ten times; from an exchange rate of 35 to the dollar in 1955, it sank to 560 to the dollar by 5 January 1974. In 1973, prices rose by 100–200%, often more for necessities. On 5 August 1973, the Saigon administration decreed a simultaneous rise for three essential products: 55% for rice, 60% for sugar, and 76% for petrol. On 20 November, the petrol price was hiked another 50%. On 23 November the Saigon paper *Doc Lap* wrote: "So as not to lag behind the price of petrol those of other goods, particularly those of primary necessities, have skyrocketed. That of rice, now rare and expensive and the major worry for Saigon folk, is shooting up fast. Close on the heels of petrol, rice now sees its price hiked to 34,000 piastres a quintal (7,600 piastres in late 1972). Price rises affect 900 other items."

The budget was blown up to fantastic figures, the deficit of 116 billion for 1973 having increased by another 78 billion by the end of the financial year. For 1974, revenues amounted to 453 billion and expenditures to 630, resulting in a deficit of 177 billion. The volume of money in circulation, 51,000 million in January 1966, reached more than 202,800 million in January 1973 while foreign exchange reserves, from about 200 million dollars in 1972 dropped to 100 million in 1973. The official rate of inflation, 65% for

the whole of 1973, was already 16⁰/₀ by the end of February 1974. It must have risen to 96⁰/₀ by the end of that year. The official exchange rate was 685 piastres to the dollar in 1974, much more on the black market.

Thieu left no stone unturned in order to extract the greatest possible amount of dollars from Washington. But Nixon, enmeshed in the Watergate affair and in American economic difficulties, was able to extract only 322 million dollars from Congress in the fiscal year 1973-74, as against 500 million in 1972. Thieu made a tour of the Western capitals but to no avail. He sought to sell off the country's resources by offering most advantageous conditions to oil and other companies. From American, French, Japanese and Canadian oil companies he got a mere 51 million dollars and but a few million for other investments.

In order to get revenues, Thieu resorted to taxes. The Saigon paper *Tin Sang* of 21 April 1973 wrote : "Since early 1973, all taxes have increased : licences for stalls and shops and income taxes have trebled. Taxes on transport have increased fifteen times ; others have doubled or quadrupled, like those on printing offices." On 1 July 1973, Thieu decreed a new tax, VAT (value-added tax), which hit all products. According to the Saigon press, within a mere 40 days, 5.2 billion piastres were squeezed from the population. Vehement protests by people of all walks of life compelled the Saigon administration to give up collecting that tax in certain sectors. On 22 November 1973, Thieu increased the equalizing tax on more than 200 imported products. In early 1973, a litre of petrol cost 40 piastres with a special tax of 20 piastres. A year later the price rose

to 240 piastres and the tax to 100 piastres. Sugar, with a 10⁰/₀ tax, cost 200 piastres a kilogram in early 1973, 600 piastres a year later. The same escalation happened with tobacco, beer, cigarettes. Land tax increased by 20⁰/₀ ; that on small traders doubled. For 1974, Thieu planned to collect more from the rural regions which until then had supplied but 10⁰/₀ of the budget.

Severe measures were enacted against any delay in payment or any failure to register. An intelligence service and commando squads for tax-collecting purposes were created which launched veritable "military-fiscal" operations and large-scale house to house searches, in which tax collectors were given a free rein to extort money from firms and individuals. Popular protests were recorded in the Saigon press. The *Dien Tin* of 24 June 1974 wrote, "From time to time a new tax is conjured up by the State. Whatever he does, wherever he goes, the citizen runs into the tax-collector. The latter will call on you even if you shut yourself up at home. Ordinary folk work hard from morning to night without earning enough to feed their children, while idle bigwigs in air-conditioned rooms with a cigar between their lips rack their brains to invent new taxes."

It is easy to understand the nefarious consequences of such an economic situation on the life of the people. By late 1974 official figures showed 2.5 million unemployed—3.5 million according to other estimates. In Trung Bo—Da Nang, Quang Tin, Quang Ngai, Qui Nhon—about 50⁰/₀ of the working population were out of jobs. Hundreds of thousands of waifs and strays roamed the towns where beggary, prostitu-

tion and drug-addiction were more than ever on the rampage. More and more people committed suicide, often by whole families. Saigon society was in full decay.

No great insight was needed to grasp the cause of that ruin and decay. The GIs' withdrawal created a big gap in the regime's revenues, but the pursuit of the war had been and remained the main cause of economic and social deterioration, of the general crisis shaking Saigon society. In South Viet Nam, which formerly had had such abundant reserves of rice, one saw, for the first time, people starving to death. How could one put half a million hectares of land under cultivation, expand forestry, attract foreign investments, develop local industry if Thiệu, at the instigation of Nixon-Kissinger-Ford, persisted in operations aimed at encroachment, "pacification", and concentration of the population? The war was as always American but the burden, both human and financial, now that it had been "Vietnamized", was weighing ever more on the South Vietnamese population.

III. The beginning of the end

Cease-fire, liberation of the political prisoners, freedom to circulate between the two zones, democratic liberties, national reconciliation and concord, recognition of the third force, and of course recognition of the existence of the PRG and the liberated areas —

none of these was admitted by Thieu. As for Nixon, on the very day following the signing of the Paris Agreement, he clamoured that he recognized the Thieu administration as the "only legitimate government of South Viet Nam". With an interval of more than twenty years, these words by Nixon echoed in a sinister fashion similar ones uttered by Eisenhower following the signing of the Geneva agreements on Indochina in 1954.

For Nixon, Ford, Kissinger, the only acceptable solution was that the PRG should be crushed, or at least stifled, and a neo-colonial regime subservient to the US perpetuated in Saigon. One might have been tempted to believe that after the Paris Agreement of 1973 things would move the same way as after the Geneva conference of 1954. But history does not repeat itself. It is true that, in twenty years, Washington had had time to set up a colossal military and police machine in South Viet Nam, but the American leaders were grossly mistaken when they calculated that the destruction, ravages and mourning they had sown on Viet Nam had so exhausted and weakened the Vietnamese people as to render them totally powerless.

In 1954, the Vietnamese resistance had had to evacuate South Viet Nam entirely and regroup its armed forces and cadres in the North, leaving a population without any arms and cadres to confront the imperialist enemy. In 1973, the PRG was there with its own territory and armed forces. The difference with 1954 was a fundamental one. The people in South Viet Nam, as in North Viet Nam, had become battle-

hardened. The threat of American weapons and troops no longer intimidated anybody.

In the months that followed the signing of the Agreement, Saigon troops equipped with modern weapons were able to launch a few surprise attacks and reap some successes which gave rise to illusions. But it was evident that the PRG, the liberation armed forces and the South Vietnamese population would not sit with folded arms in face of those repeated violations of the Paris Agreement which seriously threatened the peace and security of all.

The police control and fascist measures that became worse and worse after January 1973 could not prevent the people in the areas under Thiệu's control from waging a political and social struggle whose strength and scope surpassed those of previous movements. The signing of the Paris Agreement, the withdrawal of the GIs, the presence of the PRG and its armed forces, the policy of national reconciliation and concord—these were so many factors which speeded up the struggle of the urban populations who had terribly suffered from the state of war and Thieu's fascist dictatorship. The sad state of the economy sharpened the combativeness of the masses, who were vigorously stimulated by the defeats sustained by Thieu troops. In defiance of arrests and tortures, demonstrations and strikes succeeded one another, in which all social strata participated. Thieu's functionaries and militarymen often joined in those actions or showed open sympathy with his opponents.

Immediately after the signing of the Agreement and in spite of efforts by the Americans and Thieu to