Richard Verrone: This is Richard Verrone and I’m continuing my oral history interview with Ambassador Nguyen Phong. Today is May 22, 2003. We are in the Special Collections Library interview room once again and sir, we left off, oh by the way about 9:15 AM Central Standard Time. Sir, we left off with you in 1980, you’re back in Saigon, let’s pick up from there and I have some questions just about what Saigon was like in general in 1980 when you get out of prison and you come back to your home. What were the people’s attitudes in 1980? How difficult was it to find employment? What did it look like to you in general once, we talked about you staying in your home for a while and eating with your family but then when you could look outside and see the city, what did you see?

Nguyen Xuan Phong: Well, the very first impression when I found myself back in Saigon after five years of imprisonment was of course great joy to see again the old parents and the family and so I was not really affected by the changes which occurred during my imprisonment but very soon then I noticed that even my parents had changed a lot.

RV: How had they changed?

NXP: Much older and not in very good health and I then understood that they didn’t have much to eat during those five years between 1975 and 1980. The situation was really bad, you know.
RV: Was that typical, that people in Saigon were having difficulty with finding enough to eat, sustenance?

NXP: It was really hard after the fall of Saigon when the old stocks ran out then they found themselves with an acute shortage of foodstuff, especially rice mainly. The countryside was not yet able to go back to production and of course South Vietnam was sustaining thanks to American aid for many years, including supplies of rice from California.

RV: That’s interesting. It’s ironic; Vietnam is being supplied rice from the outside.

NXP: So not only was an acute shortage of staples in those years of the 1970s, after the fall of Saigon but there was also difficulties to find even beef, pork, chicken and so they were relying mostly on vegetables rather than on meat and there was of course no production whatsoever in cloth, textile, and so people tried to do with what they had before in clothes, so that was the situation. What happened after the fall of Saigon in April 1975 was that the country was reunified very quickly, in the next year, in July 1976 and became a socialist country as soon as that. It was also the discovery of the NLF people, the Southerners who joined the North Vietnamese in fighting the Americans and the Saigon troop, they also discovered very quickly that they wouldn’t be able to, sorry [coughing] to have power and the North Vietnamese from the North came in to take over the key jobs and key positions, so that was also the beginning of mounting discontent among the former, shall we say VC ranks.

RV: Okay, go ahead.

NXP: So the situation had been really bad, especially between 1975 and 1978, even up to 1979 but by that time I think the authorities became aware that they had to do something. So from the foodstuff viewpoint they came up with the bright idea of exchanging a kilo of rice for three kilo of oatmeal, something like that, from the Soviet Union, which was some kind of a cattle feed thing, which digested very badly. I had that experience in jail, we were fed by that kind of oats, but the situation improved al title bit by the end of the 1970s, so when I returned to Saigon in 1980 there were the beginning of improvement already, but the situation was still very bad. The houses of course became very dirty, unkempt and there were very few cars of course in the streets and you see lots
of bicycles, which were very hard to get, very expensive, that is to say that bicycle would
be the equivalent of something like two years salary of civil servant, so just a bicycle. So
I very quickly realized that life was very hard, that you must get a job, the family was
selling one thing after another at the flea market and they didn’t have any income
whateoever so they lasted for five years by themselves selling things and that was the
general situation for most of the people in Saigon, particularly the former Saigon
officials, so they had to sell their furniture, most of their houses were completely empty
by that time, but they survived.

RV: What did they city look like, was the city dirty or was it kept clean?
NXP: Yes it was, it was really dirty because the people could not have the means
to keep them clean or to refurbish them or even to clean up properly and that was the
same now on family house and you have the walls cracking and the roof leaking and
things like that, then your plumbing is completely out of service, so you have to do with
whatever you managed to fix up yourself.

RV: Why do you think that the new government, you know almost there was a
reluctance to maintain city services, cleanliness, make sure that citizens were okay, why
didn’t this happen? Why was it in such a sad state in 1980?
NXP: It was very clear that when the took over South Vietnam and for the first
time had the role of administrating a country they didn’t have any experience whatsoever
and it was in fact the former Saigon people who were able to help them maintain the
utilities, electricity, phone and all those things, but I mean the supplies ran out. I mean
the Americans move out and that was it, they were left with a whole setup and did not
have the logistics for it and on top of it did not have any experience to run the country
particularly in the south of Vietnam and all the experience they had was the kind of
administration which was imposed in the north of Vietnam, completely different than the
south of Vietnam. So, to say the administration was really ineffective, it was rather the
people who tried to take care of themselves rather than expecting from the government,
from the administration, any help whatsoever.

RV: How much was there a chance for the people to actually improve their lives?
NXP: So when they set up their system down there, the socialist system, there was only one employer, you don’t have anything else, you can’t even work privately for anybody, the one who would you employ you would consider as a slave the owner.

RV: So there was very little chance to improve your own personal life.

NXP: There was not even, they were not even allowed to open a small coffee shop, only the very few old people with lots of merits or decorations in the war would allowed to open a small shop by the side of the road to sell tea or just banana and things like that, it was not even able to sell coffee of course, the production of coffee was completely flat. So that was the kind of set up, everything was governmental and the only employer was the state and that’s it. And of course not everybody got a job with the state, and so, and those who got a job with the state and then didn’t have much to do anyway, so it was rather filing papers most of the time. So that was the situation and I had the impression that they did not have a clue what they were doing from the administration viewpoint and they were, on the one hand they were blind by the kind of socialist thinking and system and on the other hand they were facing nearly impossible realities. For example you could not, for example carry a bag of one kilo of rice from one district to another, from one hamlet to another, from one province to another, its forbidden, you cannot move products. You were not allowed for example to cross the street and stay overnight with your parents there because you have a family book, you are registered at a certain address and you had to sleep there and if you are to sleep somewhere else you have to ask permission of the local authorities with a good reason that you had to go and take care of your old parents who’s dying or something, then you have slip of paper allowing you to go there for the night. If not then during the night they had raids, they could verify your family book and they searched even your cupboards to see whether you have hidden somebody in there, so that was the situation, unbelievable. And in the street of course the landscape was completely different. People did not have colorful clothes, they were wearing very drab kind of colors and clothes and many of them just put on their army uniforms or they go for the Mao style of things and that was the mentality, the mentality.

RV: How did you feel about the city being renamed Ho Chi Minh City?
NXP: Oh, we felt very bad about it and even still now people don’t have any, shall we say, understanding or justification because Ho Chi Minh didn’t have much to do with Saigon anyway. He went down there and took the boat to France and that was it. He was not known in Saigon and in south of Vietnam at all, so we thought so that if it were like the United States you know the capitol of the country would be Washington so why they didn’t give the name to Hanoi rather than to Saigon [laughing] and even now people just use Saigon rather than Ho Chi Minh City which is too long.

RV: Well when I was in Vietnam both times, in ’98 and in 2000, people still referred to it as Saigon, even in Hanoi.

NXP: Yes, and even in the written form on the envelopes when you have to write Ho Chi Minh City they write in Vietnamese, TP which means city and HCH, that’s all, don’t have to write the whole name which was too long. But anyway in 1980 the situation was very hard and the family, my family was in a very difficult situation too, especially the old parents. We had to take care of them, one way or another and my sister was by that time about sixty years old and with a husband was about eighty-five at that time, and she very quickly let me know that she was no longer able to hold the line and that we have to go to France. She had also made the application for the whole family to go to France because she had two daughters there who went to France in the early 1960s and were married there and had a good living conditions. But the papers track on and on of course, but after my return I was able to expedite the papers through various channels and especially the French and.

RV: What did you do, what could you do?

NXP: I contacted the French authorities in Paris, the big right wing guys that I knew there and I explained the situation and of course my father was awarded the legion the highest national honor of France and he had all kinds of French medals, which gave him the priority and all kinds of rights in France. And so they were, through the French government they processed the family paper very quickly, including the papers of my brother who was still in jail in that time in North Vietnam. And that was the decision so that the we could take care of the parents, of the old parents. I then tried to find out whether I can get a job and very luckily I ran into a group, which was, set up to take care of the former Saigon officials and they were there in a kind of an organization which was
called the Patriotic Intellectuals, so most of them didn’t like the name of the organization anyway. So we all opted to join another group, which was set up by the control, and information department of Ho Chi Minh City to take care of translation work, so we joined there and the idea came up that we can give foreign languages lesson and it was really bad. Everybody was destined to find something to do to earn some kind of living. Well, after my return from North Vietnam I was supposed to report to the local police and they told me to present myself every Saturday and the local police station.

RV: Why?
NXP: That was the regulation?
RV: For everybody or for just the former Saigon?
NXP: Well, all the returnees from re-education, everybody and most of them returnees were sent outside the city because they were not allowed to remain. I was one of the few exceptions who were able to remain in the city temporarily.

RV: Why were you allowed to remain?
NXP: Because I was legally there, in residence, since 1960, all the papers, so they had in the records that I was legally in residence there and my parents were there, the family was there and so on. So it was clear cut, so security wise it was a clear cut case and most of the other people were sent to the new economic zones which went into effect very soon after ’75, you know it was a kind of just parting for those Saigon people outside, mostly the military, they were sent to those zones, which also became a big fiasco because many of them just slip back into town and illegally stayed in Saigon. So I went to the city hall and tried to see someone there to explain the situation, which I considered as, desperate for the former Saigon people, government people and at that time it was Mr. Lin, Nguyen Wan Lin who was the Party Secretary unfortunately and Mr. My Cy Tho, the younger brother of Le Duc Tho, in Paris with Kissinger and considering my past with the Saigon government I was able to talk to them. They were quite open and I explained the whole situation, so they said, “Well, what can all of you do?” I said, “Well we can teach foreign languages in the evening, if we can rent the day schools that we could set up those foreign languages evening courses.” They said, “that’s very good” and I said, “Good earnings but we have to pay taxes.” “No, you keep all” so they work out the papers, sign, stamp it, seal it and gave us the authorization to do it and we were
about eleven in our group to try and push that idea and I did my marketing study and I said the best thing for us to do would be to open our first course in Chinatown, Cholon, there the Chinese they have the money and those young little girls and boys were very eager to learn English so that were the reason why we went into the Cholon area and open at the school of Dan Cy Win our first course in foreign languages. At the first instruction we had two thousand.

RV: Two thousand?

NXP: Right away. So we took two thousand.

RV: Where did you teach, in what facility?

NXP: That is the Don Cy Win day school, and old high school and we rented and I work out the negotiations with the headmaster there. I said, “I don’t know how much I would earn from the tuition fees, but suggest we do it on a percentage basis, whatever we got in, I pay you fifteen percent.

RV: Fifteen?

NXP: Yes, he asked for twenty so in the end we settled for seventeen, so that’s the rent. Then with the overhead cost we ran up to thirty in the end with the rent so we were left with about seventy percent for the teachers, completely back to the teachers. So that was very good because we were able to teach at least four hours an evening.

RV: Did the students pay per hour or did they pay just a flat fee?

NXP: They paid per term, which we worked out to be about two and a half months. So we run there with a little bit of holiday we would be on a three-month term, we just rolled like that. And each evening one class of two sessions of forty-five minutes each, at least two hours but then for each evening you have two classes per room, so we were able then to get two thousand students right away.

RV: What was your average student like, was it someone, a teenager or a businessman.

NXP: More or less twenty years old.

RV: Twenty years old.

NXP: And mostly Chinese of course, we were in Chinatown and they were then preparing themselves to go to Taiwan because as you know the Chinese did not fall under United Nations definition of refugees, they were with International Red Cross because
Taipei, Taiwan was not in the United Nations and so to prepare themselves to go out and work during the great hours, so they went in for the English lessons. And of course there were also Vietnamese but you know the Vietnamese that had to have try and find money, even the very little money that we charged. We charged something like, at that time it would be twenty dollars for three months and it was big sum, big sum, I mean relatively speaking it was a big sum. And the average salary of a civil servant was about ten dollars per the month at that time.

RV: So they had to have some savings.

NXP: So twenty dollars for three months. But we had two thousand there right away. So after the first term, three months, the headmaster of the Con Nguyen high school thought that that he could run those classes himself, so he stopped renting us his high school, so we have to pick up. He started his own evening courses but failed completely, nobody ever registered, except for a few.

RV: Why?

NXP: He didn’t have the teachers, you know, and the teachers that he had for his day classes you know have no interest anyway because they were mainly having Russian as the first foreign language and it was compulsory and so the English teachers were nil completely. So that was also fate and destiny and a bit of good luck for us because we went to another school, which was a teachers’ school in the colonial days and it was the fraternity school, very plush, high class school that the wealthy Chinese in Chinatown built with the French authorities for the Chinese wealthy family, Chinese and so it was an enormous school, very impressive. It can house about nine thousand students at one go. So we were lucky and the headmaster there understood much better and he saw the necessity to have the former Saigon government people to run those classes because they would be in a position to do that, so I applied the same formula and we started at that teachers’ school during the day teach the, they train teachers for the high schools all over the country and we started that and of course in no time we had all the rooms filled.

RV: Nine thousand?

NXP: Nine thousand every evening.

RV: Wow. How many teachers did you have teaching English?
NXP: By that time then we were over a hundred, over a hundred and we brought in also the girls, you know the wives who knew also a little bit of English of French you know, so not only the former Saigon government guy was able to find a job but his wife could also teach a little bit as well so they have two wage earners right away, so it was a big thing.

RV: What was your position, were you kind of overseeing the whole thing?

NXP: Oh, we taught all of us because we earned the money through the teaching and we did all administrative work on top of it.

RV: The original eleven?

NXP: Yes.

RV: You all continued to run it.

NXP: No, we just named one guy to be a full time administrator but he was not even eager to have that job because he wanted to teach and we earn on an hourly basis, you know our money comes from the teaching. As for the administrative work, if you think that you pay anything more than ten dollars a month you would have objections from the administration somewhere.

RV: How many, well how much did you charge the students this time around for the three months?

NXP: Only about twenty dollars.

RV: The same thing, twenty dollars and did you still pay the seventeen percent rent, same formula?

NXP: Yes, but we also had to agree that the day teachers should also be given the opportunity to teach if they were effective, if they know enough English to teach. That’s one thing, very few. So the headmaster of the teachers’ school also wanted to share in the profit. So I managed to find a very lucrative thing for him to do with his staff, that is to guard the bicycles of the students so they have nine thousand of them and they make a fortune out of that. So teachers bringing their papers with the tall selem trying to correct the papers and guarding the bicycles and of course pocketing the money you know because they don’t report all, you know.

RV: Right, right, they’ll report the tips. So the students would pay them a little bit of money to watch the bicycles.
NXP: Oh, yes they had to pay anywhere in town.

RV: Did you pay them to watch the bicycles as well?

NXP: Yes.

RV: So they made money off the students and a regular payment from you.

NXP: Oh, no they just from the students, we don’t pay them anything. And it is for them to organize themselves because we didn’t want to get into the mafia and so they took turns.

RV: The mafia?

NXP: Yes, because that was you know a big source of income and it was very amazing because under the socialist system you know banks did not exist at all, they had banks but it was just a treasury, printing, distributing bank notes and then when we were able to be, to have those nine thousand students at the teachers’ school we opened them other centers too. The second largest school was the Le Wen Dong that was the chestle of our school during the French day when and I and my father attended and that school had about the capacity of about seven thousand. And then we also took other schools, high schools in other areas of Saigon and Gia Dinh, a smaller day school and we started altogether fourteen centers like that in the first year.

RV: First year?

NXP: Yes.

RV: That’s incredible. How many total students in the first year?

NXP: Over twenty thousand each night, each evening and we were able to provide jobs for over three hundred people.

RV: Now did the government want its cut of this money?

NXP: No, no they didn’t say it because their word to me.

RV: Tax-free.

NXP: You know that tax-free and of course they had no nothing in Saigon to tax anyway. It was not a practice to tax people.

RV: No apparatus to do that. What about kickbacks, they didn’t want any kind of cash?

NXP: That’s not the thing that they dare accept at that time, I don’t know, now would be different but at that time they were still very pure. But anyway, we had those
fifteen centers with over three hundred teachers and we had to train and my biggest
concern was to train the teachers.
RV: Was it difficult finding teachers who could speak English and teach
English?
NXP: Well we knew almost one another you see so we knew who could do what,
so we gathered them very fast and they heard the possibility to earn some money and it
was big money at that time. The amazing thing was that we became the largest source of
cash in Ho Chi Minh City, more money than the banks.
RV: In the first year?
NXP: Yes, and they had very limited amount of cash to distribute to various the
agencies and it was a bit more set up to let the so-called government banks there, when
various agencies went to get their cash for their operations they had to bribe those clerks,
you know because if not its not enough cash to go to everybody and when you arrive at
the bank they said its all gone so you have to bribe from the bank to get some cash.
RV: Right. What was your annual income, how much were you making if you
don’t mind me asking?
NXP: I can’t remember, but you can multiply and we had about twenty thousand
a night which are owned like this continuously, every three months.
RV: So there were four three-month periods?
NXP: So you have four, three months of twenty thousand and you multiply by
twenty dollars, that’s it.
RV: And you split that among three hundred teachers.
NXP: Well the seventy percent, the thirty percent is for the other costs. So that
was also good income for the school too. And of course we had all the regulations from
the Education Department of Ho Chi Minh City and we had the inspectors regularly,
continuously coming to check whether we were doing a good job or we respected the
rules and so on.
RV: Did you have to put a bust of Ho Chi Minh in your classrooms?
NXP: Bust?
RV: A bust, a portrait or a sculpture of Ho Chi Minh?
NXP: Oh they already have that in every school.
RV: Already had that, okay.

NXP: We had to put in the lights because they were completely day school, they were not interested to have any light at all and so we had to install the lights. Eventually we get the electricity in and we had the audiovisual going and that was a very big thing at that time. It was a big success, unbelievable so I sad we were the ready source of cash and the authorities then suggested that we bring that cash back to the banks so that they can have cash to use. We tried to resist that a lot, we preferred to keep the cash ourselves, we did not very much trust the banks but we helped them a little bit.

RV: Obviously this improved your living conditions, your parents living conditions.

NXP: Oh, yes, very, very substantially.

RV: What was the healthcare like, in 1980, '81?

NXP: Nothing at all, completely zero, you take care of yourself. Most of the people then rely on the traditional medicine because there was no medicine that was, and all the doctors worked in the hospital, you were not allowed to open a practice in Saigon. Of course you had no pharmacy except the ones that you expend by the authorities at the hospitals so everything was tight and the foreign languages those were a big hit and my concern was to train the teachers so I was able through contacts outside to get hold of a friend in Sydney and we got in touch with the metropolitan business colleges there, MBC they called it, been there for a hundred years and they were what I thought was just the right time that we needed, that is they were more into vocational training I think, that is from the tenth grade to the first or second year of the university and they teach direct skills, crafts and for a hundred years they had practiced, got jobs right away at the rate of about ninety-seven percent each year, so they, with that kind of diploma from the MBC you should do well.

RV: So you set up a partnership?

NXP: So I asked the head of the English studies to come, the faculty of the English to come, Mrs. Long Arpedia, has devoted all her life to English studies in Sydney, they also had thousands of foreign students there and they were teaching special English. So I got over and then work out an arrangement with them and they helped unparily to take charge of everything and they were happy to give a hand and she
devised the curriculum and the teachers’ training courses, she came to Vietnam regularly, three or four times a year and by that time I was also able to get a group in Hanoi and in Haiphong to start the same thing through the Federation of the Scientific and Technical Associations of Vietnam, I was working with them in Hanoi and they were very interested with the carrying of foreign languages courses at Saigon.

RV: What about the plan to move your family to France?

NXP: So very quickly we got the approval from the French and from the Vietnamese authorities but by that time I was doing rather well, really well.

RV: Yes, I can see by the math you were doing quite well.

NXP: So I said to my old parents whether they were really set to go to France and live as a refugee probably in kind of a one-room studio or something like that and be there with my sister’s family. So my old parents said that they would very much prefer to live in their own home and stay in Vietnam rather than go to France so that was decided.

My sister and all her kids in the house left the home and my brother who came out of jail after this, just a few months also went to France right away because he daughter was.

RV: So everybody else left?

NXP: Yes, except the two old parents and me, yes.

RV: When was your brother released?

NXP: Eight, nine years I think, ’75 to ’84.

RV: How did you, when you first saw him again after so long what was your?

NXP: He was really traumatized and the poor guy, he was not even in the government. He was, you know nominally the head of the Air Vietnam and he stayed there I don't know why for nine, ten years and so he tried very hard to get out of the country right away and I had all his papers ready and waiting. So he just presented himself, went to the French consulates, got the papers processed and then he left France, and never returned.

RV: Never returned, is he still alive?

NXP: He’s still alive, he’s now what, seventy-one now, living in France with his daughter and sons but he’s very traumatized.

RV: Still is?

NXP: Yes, still is.
RV: Did he talk to you much about his experiences?
NXP: Not very much, very much but he had a good time, he had a good time.
RV: A good time?
NXP: Yes, because my mother and the family in general we tried to send him lots
of things when we has in jail, full of medicine, clothes and lots of money too, relatively
speaking. I was making good money and he was able to bribe the guards and then he was
designated to be the coach of the soccer team of the prison and so he financed everything.
He bought the balls and the clothes for the football team and so he was given the job of
training the soccer team of the prison, which did very well, they won lots of games and so
on.
RV: Did they play other prison teams?
NXP: Yes and also the teams outside, you know, in the village, in the towns and
other provinces. They moved around to those contest games and that was the kind of life
that he had. So he would have to fry eggs for breakfast, good lunch and dinner, they had
bribed the guards.
RV: Everybody is on his payroll, or on your payroll basically.
NXP: Yes, and my mother was really you know angry when he first reacted to the
meals she prepared at home and we didn’t have much of course in the old days so she
prepared very simple meals. He said, “I ate better in jail than at home.”
RV: She didn’t like that.
NXP: Yes. So that was the very amazing thing that we were able to do, those
from language courses.
RV: How long did that go on?
NXP: Then until now, but then you know by 1990 it began to now other people
from outside to move into Vietnam so other organizations have started those English
schools so the twenty, even at one time was nearly twenty-five thousand went down and
before I left Vietnam I had a meeting with the board of that school. They still have about
thirty thousand there in spite of all the competition, big crowd teaching English now but
with twenty years of experience they represent probably the best teachers.
RV: How did you enjoy teaching personally?
NXP: Oh, I enjoyed it very much and was a big laugh too because I was not very familiar with that kind of work but I found out that I managed to do it in a rather different way, that is the inspectors came very often to check on us and administratively by the rules you were not allowed to have more than forty students by class, it's too big but then they all insist to attend my class of Teacher Phong and my class was over a hundred all the time, sometimes 120. They said they don’t care, they said they didn’t care; just allow them to sit on the floor.

RV: The inspectors did not care.

NXP: Yes, and then in the end they managed to get the inspector to allow just for my class and it was really, I’d say odd, strange, so one day.

RV: Why, in what way, how was it odd?

NXP: I said, “Why do you insist come and sit even on the floor in my class?” They said, “Well, its better than going to the movies.” Because I make them laugh all the time.

RV: Yes, what was your teaching smile, you were obviously very popular.

NXP: What we decided was that I’d talk about fifteen minutes to explain to them sentence structures, vocabulary meanings and then after that the remaining half an hour it for them. I said, “Don’t worry about grammar, about anything with whatever you have as vocabulary and how you manage to order your words to make yourself understood, just try, do it.

RV: Talk, speak English.

NXP: Yes, and I told them the story that I went to England with a chap at that time and we eventually end up in the universities and our studies. The guy then preferred to go the way of becoming a cook and so he went to work in the restaurant beginning with washing dishes and peeling potatoes but eventually he rose to assistant chef and of the nearly ten years that we were studying there, he was also having a career in the catering business and he became a very good cook, did not study English at all he picked it up in his kitchen you see and he managed to make himself understood, that’s the type you see. And I said that most of the people don’t know grammar or even you know Vietnamese language and if in the street now you stop people had asked about grammar, they wouldn't understand what you are talking about. So they came to my class and I
made them work really hard. The other teachers liked to teach most of the time but with me I, I asked them to get up and have debates, talk, and do there and practice.

RV: Practice using English.

NXP: Practice and it was also, there was also a very funny case. One day the inspectors of the Education Department came and I was also having the kinds of discussion with the students there and there was one guy and two girls in their late teens and that was the fourth class each term, three month, they move up and so that would be one year already and they inspectors were really amazed because that little guy and the two little girls spoke fluent English, you know fluent and they said, “Is this the fourth class, Mr. Phong’s fourth class.” And they said, “Yes, that’s Phong class” and so they stay there for a half an hour listening to those three kids arguing, discussing whether women were superior to men, so they had things like.

RV: Classic debate.

NXP: Yes there was also is, is true friendship between a man and woman, things like that and so they were very excited to discuss those things all the time, wherever they at in knowledge of the English language. When the inspectors left, three of them would have a big laugh because the guy, the little guy, he was the son of a former Saigon professor in literature and then his father was invited by a university in Pennsylvania to teach there for four years so he went to the States where he was [????] and grew up as a small Yankee but he was fluent in English.

RV: He was already fluent.

NXP: Yes but he was completely how you call illiterate, he couldn’t write it anyway, he couldn’t read, he couldn’t write, he could speak only. He was about what, fourteen, sixteen, but he was fluent of course, perfect.

RV: So when the inspectors you put him on stage.

NXP: Yes, he was there with the two other little girls and then two other little girls, they were Chinese girls from Hong Kong, grew up in Hong Kong spoke completely fluently English but got stuck after the fall of Saigon. They came to visit their relative in Chinatown and got stuck there and so they also couldn’t read or write but they spoke fluently English, Hong Kong English but fluently and so fourth grade in Mr. Phong’s English class and they all speak fluent English.
RV: You staged this for the inspectors?
NXP: No, I did not. They came in.
RV: That just happened to be how it worked out.
NXP: Yes, it happened to be those three kids were there arguing among themselves. So the rumors went out so that’s how I got a class of 120, because it’s better than going to the movie. But we did a good job because before I went here two years ago and we tried to find out how many have we trained because English is not only foreign language buts it’s a professional, it’s a skill, you have limited English you can get a job with the foreign companies and you make lots of money, knowing a little bit of English now can earn you anything between a hundred to three hundred dollars without any skill, just to know English as errands for the foreign companies, things like that. And also at the beginning, in 1981, '82 when we started foreign languages courses we didn't know that we were going to prepare them for the opening of Vietnam and so by the late 1980s we had trained only half a million by that time, they were ready when the country opened up at that time.
RV: It helped Vietnam grew.
NXP: Really helped and before I left they said that for the last twenty years probably one million went through those evening courses with us, of that group, about a million people.
RV: This went on from 1980 for you, 1980 to 1990?
NXP: Yes, 1989, 1980 to '89. It was at that time that we opened up with the foreign investment law and then I move into the economic development project.
RV: Okay, before we got there, were you ever tempted to leave, could you have left Vietnam if you wanted to leave? I know your parents were there and so you’re not going to leave your parents?
NXP: Well, I must mention to you an incident because about two years later, that is to say by 1982 one day I was called to be at the headquarters of the police of Ho Chi Minh City and I was received very nicely by a gentleman there who I discovered later is a brigadier general of the security, two-stars and head of kind of migration, INS, and he informed me that the government and Party were agreeable to let me go to France and they gave me a passport. I said, “I didn’t ask to go.” Anyway, that was the decision, so I
discussed with the parents and my sister was still there, all the kids and other family members and I said, “Well, if they gave me the opportunity to go, I would go and try and solve a number of problems in France because my wife was there, I haven’t seen her for years and a lots of papers to sign and so on and so forth, so that was definitely needed too. So big feast, you know all the relatives, my communist uncles and so on and they escorted me to the airport. I walked in, I found the head of the Air France company there, but before that I went to Air France, asked for air ticket and I said, “But I have not used the return ticket,” you know in ’75 when I came here first class, so they said “Okay, no problem, we’ll re-validate it because you were prevented to go against your will” but of course they cabled to Paris and Paris was able to give me the thing, so I was able to have a first class ticket from Saigon to Paris. So when Legee was his name, the head of the Air France station there took care of me waited my luggage and with my passport got in and went through immigration. I was in the waiting area there for the place, for boarding the plane, so about half an hour and so a big group comes in their military uniform with a few in their suits, came, salute and everything and the civilian guy said, “Phong, Mr. Phong, we regret that we just received instructions to delay, postpone, your flight out of Saigon.” I said, “Well, I didn’t ask to go, you tell me to go and now you tell me that I cannot go all right.” Legee, the French guy was very far to come, tell him all right, now I’ll get out. So he pick up the luggage, which were already registered, so we went out. And I saw my relatives there wondering at the airport because it was very rare that you could be allowed to go to the airport at that time, 1982. I said, “I’m not going so let us go home.” My mother was really happy that I was not allowed to go.

RV: How about your father?

NXP: The same.

RV: How did you feel, were you upset?

NXP: No. I didn’t ask to go and by that time I didn’t want to go and it was for the family to go except my parents and so that was it. I was a bit apprehensive that they may not allow me to return to Vietnam but that was a chance I took. So I came back and the next day I was also asked to appear before the Dat Ming again, so he was very apologetic. He said he was very sorry but he was at the last minute he received
instructions from Hanoi to postpone my flight and ask me to surrender my passport to
him. I said, “okay.”

RV: You gave it to him.
NXP: And he was sorry, that’s all.
RV: Did you ever find out why Hanoi?
NXP: Eventually, many years later.
RV: What was the reason?
NXP: Well to begin with.

RV: Let’s take a break for a second; I need to change the disk. Okay, go ahead sir.
NXP: So, the English and evening courses went very well and by that time of
1981, ’82 it was also beginning of the opening up of Vietnam in order to overcome the
great problems of the improving the living conditions of the people and here I found out
that very surprisingly the man who push Vietnam to open up to the capitalist world was
Jong Tin, he was the thinker for Vietnam communist party, he was not Ho Chi Minh was
the thinker but Jong Tin was rather more pro-Chinese than pro-Soviet, he was a very high
flying guy, but the case of Jong Tin is very, was very typical of the Vietnamese
mentality. Those communist leaders were much less I would say doctrinaire compared to
Mao in China and the Vietnamese attitude towards life has always been very pragmatic,
practical, rather than curious or ideology and I was told that Jong Tin was probably
among the very early and first communist leaders in Hanoi to come to the conclusion that
the Soviet Union was coming down, you should not expect much from the Soviet Union
in the coming years, in the years to come. So he was the one who tried to convince the
others to open up and join the capitalist world. So by the early 1980s because of the
needs, the very urgent needs of the population, in the north it was even worse than in the
south, they were completely flat and they had to do something and that was the beginning
of opening up and I was invited to attend a big seminar out in Ho Chi Minh City, headed
by Nguyen Man Ling who was their Party Secretary and member of the Politburo and My
Cy Tao was the Chairman of the People’s Committee there and we had I think two weeks
of discussion at the time in Ho to find out how we are going to do business with the
capitalist world, to move from what they call sector one to sector two. Sector one is the
Comintern. So they decided to start training and open up, trying to sell and buy without
anything else. And of course there was also the idea of selling scraps left by the U.S. in
the war there, lots of scrap everywhere and they even sold all the things which were not
scraps but they broke it to be the scraps. So they decided to begin trading and in order to
trade I think they relied on the Chinese in Chinatown for commerce trading.

RV: For commerce training?

NXP: Trading.

RV: Trading, okay.

NXP: And you know for a hundred years the natural markets of Saigon, I don’t
mean Vietnam, but Saigon had always been Singapore and Hong Kong and the trading
was done by Chinese among themselves and all relatives and so they started to set up
those import/export state owned government companies and the most dynamic one was
the Cholimex, Cholon import/export and another one in Saigon called IMEXCO, very
Soviet style organization but then they were completely in the hands of the Chinese
traders there and through their relatives in Hong Kong and Singapore started the
import/export business for Saigon. Right away, during that first year of 1982, if I
remember correctly they were able to sell about eight million dollars and I also attended a
subsequent workshop there to promote the economic development of Vietnam.

RV: Were you able to speak out freely at these seminars?

NXP: Yes, yes. It was very technical. It was restricted to about I would say fifteen
people in the meeting room and we were asked to give our views how to promote
import/export trading and because to do that you have to promote production too in
various fields.

RV: What did you say, what were your suggestions?

NXP: I was rather awed because I was the only, probably only shall we say non-
communist guy there but with my background in training in economics and so on and
working with the oil company they thought that I would know how to do business, so that
was strictly at the beginning the business guy. And I was also asked to be a founding
member, was the vice chairman of the founding committee to set up the very first
import/export stake company of Ho Chi Minh for agricultural products. I concocted the
name for it, called AGRIMEXCO, Agricultural Import/Export Company, AGRIMEXCO
now still working, that is the import/export of agricultural products for Ho Chi Minh
City. And we started to sell the old castle beans and return we try and bring in machinery, chemicals and also a bit of rice to feed the people. So it went rather well thanks to the Chinese, so from ’81, ’82 to at least ’84, ’85 I also had that AGRIMEXCO company to take care of, selling and buying.

RV: You didn’t get paid for that right, that was free.

NXP: Nothing at all.

RV: Purely for the State.

NXP: Yes, purely for the State, it was a state owned company. And it was mainly through the Chinese channels. Very soon the Ho Chi Minh City authorities thought that whatever the Chinese could do, they could do even better and so they took back the business from the Chinese and it flopped completely of course. The didn’t have the relations and they didn’t have the know-how and CHOLIMEX began to run into debts, things like that and that was the beginning of the up and up, everything over the country. And here I must also mention by ’86 I think, it was ’86 or ’87 I was also in country, representative of Georgetown University through President For Ma Long, who was then and still in Washington DC, in Georgetown. He was my successor as labor minister and he had lots of relatives in the North, high ranking too and he was able to return and we were successful in convincing the authorities to have the very first seminar by ’86, by sometimes to have the trading going on about business management. I was also one of the founding members of the University of Da Lat in the 1960 and when I joined the government I passed all that kind of the For Ma Long who was with me at So company and then eventually I asked the generals to name him as my successor at the Labor Ministry. And we organized the first seminar on the business management at Da Lat University because we had a faculty of business management, MBA course over there and that was the very first time in Vietnam, north and south that you have that kind of seminar and there were about six hundred state owned company directors who were there for the seminar, it was amazing thing. I was there almost to chair the seminar with Tac Bac Den; I think he came to the Vietnam Center some years ago. He was a former Hanoi minister many years and eventually a southerner was even in Saigon, in Ho Chi Minh City at that time. So we went to Da Lat for about ten days. There were about six hundred of those state owned company directors and it was really a pathetic show. They
were not there to give their views. There was a guy who was there as director general of
the import/export of Long Binh province. He said “I have fought the French and the
Americans almost all my life, Colonel in the Army bureau, they now make me director
general of the import/export state owned company of Long Binh, how can I do that job, I
don’t know anything now. I tried to get guidance and instructions from my superior,
obody gave me any clear instructions at all and eventually I forced the door of the
Politburo in order to get clear instructions what to do and then there I found out that those
guys knew even less than I do because they hardly finished their junior high school.”

RV: He said this openly at the conference?

NXP: Yes, at the seminar. So I think that it’s hopeless. Another chap went up
there and said, “I have forty years of seniority in the communist party and what I do
today is very simple. Here, my party card,” torn to pieces, threw it away.

RV: His party card?

NXP: Yes, his party card. Forty years. He said that, “I don’t believe in the Party in
those guys any more.”

RV: What happened?

NXP: What happened was that he couldn’t run his company, his business, he was
hopeless. That went on for days like that and by the close of the seminar they came to the
conclusion because I was asked to speak before last, Tac Bac Den was the last speaker
and they came to the consensus that they didn’t know how to run the company, how to do
business you see and you need to bring in people who know how to do that. But I said
before you can do that. The Party and the leaders now must appear before the people and
acknowledge their errors and mistakes and make the people understand what was wrong,
so that we can learn the lessons and do better but now everything is, you know said to be
very good, very well, everything is going well, everything is going well.

RV: You said this?

NXP: No, they say this.

RV: This is what they say, okay.

NXP: And the, in the end when my turn came I said, “Well, it is very difficult for
you to understand. I don’t know your kind of economic principle their ways because I
didn’t go through your books but from my books you see to begin with we have to get
production up you see” and I said, “in my books production only comes from consumption, so if you don’t have consumption there’s no reason why they should have production, I mean in the countryside they can’t even buy a pound of sugar, they can’t even buy a pencil for the kids to go to school or an exercise book even a kind of carton so why should they produce, you see. And so at that point the only way for you to get them to produce anything is to allow them the opportunity to consume, to meet their needs and if you through a few radio, cassette and TV into the countryside you would see them plow their lots of land twenty-five hours a day and that is what I can tell you. And right now we, I insist very much that you have to organize your financial aspects and have a proper working banking system, we don’t have a good banking system at all.”

RV: You’re talking about today?

NXP: Yes, at that time they had only the treasury, they didn’t have even banks you see so it was just the printing and the issuing of bank notes according to the budget of the state. And poor Tac Bac Den, he had to talk in the end. He tried much but somehow he said that there were lots of mistakes, but he did not dare to go as far as to say the party made mistakes and so of course right away, by the end of the seminar the director of Da Lat University lost his job right away. He went in a sack and brought back to Ministry of Education in Hanoi to do nothing there.

RV: I’m sorry, how were your comments received by the people there at the seminar?

NXP: They just listened but I think most of them did not understand much of it and in fact the guy who was the director general of the populace part of Long Binh, the former colonel, Hero of the Army and so on, its unbelievable thing because he came to see me on the very day my father died. That morning very early he asked to see me by eight o’clock, so it was on that day, it was kind of holiday and he came and said, “I am in very bad trouble. I am, I have a big hole of about two million U.S. dollars, I don’t know how it happened, those my little guys closed, I can’t understand why. I didn’t do anything to provoke that” but when in a selling environment they noticed the price went down, things like that and then we had lots of clothes to transport thing, they lose about twenty percent of the goods when they transport from one point to another because everybody tried help himself. And he said, “you try and help me” and he knew that I was
helping other, the companies practically with the fertilizers to bring back to farmers in
exchange of the export. He said, “Can you try and get me more fertilizers,” that would be
about two million dollars. I said, “Sure I can try because they have credit, you know they
give you another credit of about six months before you pay for that fertilizer.” I said,
“Yes, but that will take me at least two months before I can whip up that kind of deal for
them to advance you the fertilizers and then you will send back goods to pay later on.”
He was shaking his head and said, “Two months is too late” and things like that. So after
he left my father called me, I went up there that morning my father passed away, but the
guy went home that day and choked himself in the evening, committed suicide. That was
that chap that I remember, very good guy but he was given a job, which he didn’t know
anything about and that was the very first seminar. But then eventually in Saigon they
became wiser and again back the business to the Chinese rummagers, so they set up all
kinds of companies and so on and that was opening up so eventually leading to the
RV: Was there any resentment for the Chinese because they were the ones who
were successfully running a lot of the country’s business?
NXP: Resentment, no because they were used to all those things, you know,
during the whole of the French colonial period for more than a hundred years, they also
had to put up a fight. There was always a rivalry between the Saigon import/export
people, the Vietnamese and the Chinese import/export business in Cholon and even
during the time of President Diem or the time of President Thieu was at that fight and
then the Vietnamese in the Saigon business circles tried to used their political power to
compete against the Chinese for them to use their financial superiority and know-how in
trading to overcome the Vietnamese in the Saigon business circles and it’s same right
now.
RV: I was going to say, is it true now, today?
NXP: It’s still true now and as you can see Singapore, mainly Chinese, is not the
number one investor and trading partner of Vietnam with over seven billion U.S. dollars.
RV: Seven billion?
NXP: Billion, compared to one million of the United States, one billion, 1.1
million of the United States and then Hong Kong too because Hong Kong would be
something like five million U.S. dollars. But since it became part of China, China has about two hundred million investment in Vietnam but now it listed under China and mainly is Hong Kong. And so there the Chinese are still dominating trading in the whole of Southeast Asia, it is not only in Vietnam, it has always been like that for centuries. And so the, and the Chinese, they were also very sharp in their business practices too and they also swindled the Vietnamese a lot. That’s trading, you cannot teach trading to the Chinese and that is very interesting too because the Chinese community in Saigon is much smaller than what it used to be. That community in Cholon used to be about two million people. I was in one time in 1966 the co-chairman of the China-Vietnam friendship association with General Wan Nam Pung who was general of Jiang Kai-shek but of Vietnamese descent. He went to China when he was just a little boy and then grows up to be one of the top generals of Jiang Kai-shek. I had lots of connections with the Chinese, which helped a lot later in other things.

RV: Did you use them at all in the 1980s?

NXP: At the Paris Peace Talks.

RV: Right, how about in the 1980s with your schools and everything, did you use your Chinese connections there?

NXP: Yes, but I tried to avoid very much anything which maybe incriminating and so it was rather social but I regularly received good intelligence from the Chinese community.

RV: How so?

NXP: Well they were able to pass on to me lots of things about what the Chinese were doing in Taiwanese in China, and also the mainland China because many of them worked together, very surprisingly and the point of contact of those two group of Chinese was Shanghai, Macao, you know lots of those contacts and eventually later when I was in Hong Kong I was also able to re-establish those contacts with the Shanghai people, that way it never stopped.

RV: Okay, so this is mainly economic information or was it?

NXP: Yes, economic information mainly, but clearly for the city people who are based in Shanghai, specifically is the investment arm of the People’s Republic of China and they are the Shanghai crowd at the time of Deng Xiaoping and Zhu Rongji who
became prime minister back then, they were all in the same group of the Shanghai, what we call the Shanghai crowd and they divided themselves, a group to go political, another group take care of the economic problems, Zhu Rongji who was the prime minister up recently, a few weeks ago was the head of the citic, you know investment arm of China and now other colleges have entered the group in the world, not only in China. And I brought them back to Vietnam too, in 1980, 1992.

RV: For a visit or a task?

NXP: For a visit because they said that they try and help us set up a kind of a Vietnam citic there, C-I-T-I-C, and after the visit there I had a meeting with them in Hong Kong, I said, “You cannot do it because there’s no boss in Vietnam” and I said “Here I can call on Deng Xiaoping and I get things done but in Vietnam you cannot do that yet.”

RV: They said this and so they did not.

NXP: Crisis of leadership.

RV: Crisis of leadership, right. This seems to be a continuing theme, in your opinion.

NXP: Even worse, even worse. Now with Mr. Don Luc Man and the montanier as head of the country. You had to live the day to see that.

RV: Let me ask you about Chinese foreign relations with Vietnam, especially 1980, ’81 and the relationship with Hanoi and Beijing, what’s your opinion on it?

NXP: It was of course very tense because after the 1979, you know the lesson that the Chinese gave because Vietnam invaded Cambodia then it was tense but I think they came to terms very fast, rapidly because by that time I would say that it was clear to the Vietnamese that they should not expect from then on with this opportunity, so they had to come to terms with the Chinese. And it was also at that time that the Old Guards, the pro-Chinese shall we say, as a way of speaking but they were trained in China rather than in Soviet Union and I had the opportunity to know a number of them in Hanoi. They were sent to Beijing to renew the contacts and to develop better relations with Beijing.

So, Beijing is moving up very carefully, very carefully, slowly, but moving up to improve the relations with Vietnam always with the aim to placate the influence of the Soviet Union or the Russians in that area still right now. So with the collapse of the Soviet...
Union you see, they had less threat from the North Vietnamese. That was reason also that the North Vietnamese was pressured against them with the Russians in the North and the border with China that you had the phenomenon called the Khmer Rouge was the creature of Beijing completely. And when that threat was then there was no longer even reason for the Khmer Rouge to exist.

RV: What, in your opinion, were the Vietnamese trained in Moscow or the Vietnamese trained in Beijing more realistic, more appropriate, more realistic for Vietnam?

NXP: Oh, I think that more appropriate would be the Soviet training in care of the size and technology and also economic outlook but then they tried to cling shall we say, if I may say ideologically to Beijing now because there is nothing left for them, so it’s a kind of lip service because they are all very concerned about economic problems and the Chinese have been successful really economically, very successful in spite of all their other shortcomings but they have been very successful and the Vietnamese would really love to be like the Chinese who has it.

RV: Economically.

NXP: Very economically, socially, organization-wise and how to run the so-called companies party to, you see. What the security in Vietnam has been very apprehensive and very sensitive that I found out is that the role that China can play to destabilize Vietnam, to destabilize Vietnam because the Chinese community still has quite a say in the running of the trading, the economic and now you know with all the Singaporeans the Taiwanese and all these people in there, and in the same crowd of those Chinese you also have the Korean and the Japanese, the Thai and the Malaysian, Indonesian, Philippine, they all formed group in there but it seems that Japan apart because it has its own ways but the rest follow mainly Singapore and Taiwan, which are the two largest investors and business groups in Vietnam right now. Security wise I managed to discover that the security people in Vietnam, they have always been very apprehensive of a kind of coalition first by the former Saigon regime, relatively well indicated. Then you have the two religious fighting groups of the war now, Buddhist way in the Mekong and the Cao Dai, they are fighters and then with that you have also
substantial number of dissatisfied VC elements. All that put together financed by the
Chinese, it’s a very big threat to their security.

RV: Today?

NXP: Today. So we have those religious problems that would be the excuse for
them to stir up passions and emotions and then get in the war how and come down and
join in, those two sects, religious sects fought the French for a hundred years and even
now in the Mekong River along the Dong Xi area the so the Sikh of the Maha Buddhists
even now, the Party, the communist, Vietnamese communist party, official they are not
much in those areas, even right now, very entrenched in their ways of life. And so with
the communist authorities just made them keep them keep it cool there and don’t provoke
them too much so that’s the way. But it’s not difficult to stir up passions.

RV: It sounds like you’re describing that China, then and now, especially has a
stranglehold on Vietnam in a sense.

NXP: Always, always. I think that that was from the Soviet days they continue.
They think they have a natural claim, that Vietnam is a kind of a district of China.

RV: Right, right a southern province.

NXP: Yes, that’s the historical tradition.

RV: How do the Vietnamese overcome that, or is it even possible to overcome
that?

NXP: Well you know in the population they don’t feel it. It is rather the in the
inner circles of the authorities in Hanoi, not even in Saigon because the southern
Vietnamese, they are quite open. They are not very, they do not discriminate, it has
always been like that. We have absorbed the Chinese, the Indian, the Cham, the Mare,
quite easily. I think a kind of racial discrimination would be much more in the north than
in the south, can feel that right away. And right now I think unless there is something
which would affect your dignity or honor you’re on the path of the Chinese, I think the
Vietnamese would accept the Chinese you know presence, especially in the training, in
the business. They seem to trust the Chinese doing business much more than you trust
another Vietnamese. That has always been like that in business. You can take the word
of a Chinese in trading but you have to be careful with the word given by the Vietnamese
businessman. So there is also another aspect which I have noticed then and that is, that
was what came to me at the beginning of the 1990s because after my release from prison
the message was passed me that Nguyen Ca Ty, who then became the deputy prime
minister and foreign minister wanted to have opportunities to meet me so each time I
got to Hanoi I had a meeting with him. And he made it very, very official, me, an ex-
convict from however Paris Talks days and he always received me at the foreign ministry
or at the government guest house there, always with someone present to take notes and
there was also an assistant by the name of Yu Quang who was there with him and who is
now the prime minister, right now, who did a very good job as a trade minister with the
U.S.-Vietnam bilateral trade agreement and so he has just replaced Mr. Nhu Man Cao, he
came in, he accepted that and Yu Quang he is a foreign affairs expert on Korea and the
foreign ministry. So it became also clearer by the late 1980s and the beginning of 1990s
that Vietnam had to go the capitalist way and that was why Nguyen Ca Ty try very hard
to renew relations with the United States at the time of James Baker. To the U.S. he was
an impossible telapiter but to the Vietnamese communists he was too pro-American and
so he lost his job. The Chinese kept with their influence quite strongly in Hanoi and so it
was clear that the Vietnamese communist party was not ready yet to have relations with
the American states and opted to go the indirect way through the ASEAN organization.
So I think that the United States had not really made the Vietnamese, help the
Vietnamese understand what kind of Vietnam that the U.S. would like to see a little bit
clearer, much more forcefully, it seems that you go along with the Vietnam communist
party, the U.S. wouldn’t like to do anything there to upset the Chinese in Beijing and so it
is almost a kind of accommodating Vietnam through your China policy rather than
making the Vietnamese understand what you were to be in the region and in the world
would be prepared, the U.S. would be prepared to help you do that.
RV: How much influence does the United States have to do that?
NXP: Not yet you see but I think that the Vietnamese now more than eager to do
the American way and that would you know try to help them get off the hook of Beijing a
little bit and also to improve their economy you see. But as you can see its very good to
have the U.S.-Vietnam BTA, but you know the American investments in Vietnam is 1.1
million compared to seven million, five millions of the others in the region and so they
don’t really know, they are still waiting. They are very afraid.
RV: They, Hanoi?

NXP: There in Hanoi you see, very afraid, but you have to let them understand that it would be to their advantage. If not then more and more they go the Beijing way, ideologically and then politically and so on and China is not in a position to help Vietnam very much economically, very little.

RV: What about the Taiwanese, what kind of role are they playing in the U.S. and Vietnam relations?

NXP: Oh they are very active in Vietnam, in investment, mainly trading but as you know they don’t go very much for the long term. They just go there to make the fast buck and Vietnam offers the possibility to have very quick returns at high risk but the Taiwanese are prepared to play that game. And I think the Vietnamese now are eager to reach the United States, Europe, to other places more than to depend too much on the Southeast Asian powers, especially after 1997 the financial crisis which happened there.

RV: They’re ready to reach more to the west versus locally, regionally.

NXP: Yes, and the best hope that they have now would be Europe, easier than the United States but they would prefer to go the American way much more than the European way because you have credit potential with the U.S. than with the E.U.

RV: Do you it will happen?

NXP: I’m sure it will happen.

RV: Why are you so sure?

NXP: That is once you clear up the way, get better transparency, better legislation and better conditions to do business because the American business concerns are very careful, its not like Taiwanese or Singaporean, once you establish I think it will you know, promote greater participation by the American companies. But Vietnam is still very interesting emerging market, you know eighty million people, even for the telecommunication I think its an enormous market because I think right now in Southeast Asia the market for even the mobile phones, cell phones and so on there its about five billion a year, U.S. dollars and Vietnam is having more than fifty percent of that share because of its population, but the number of phones per head in Vietnam is about three and five times less than in other Southeast Asian countries. The potential is enormous
there. That is Vietnam can offer a telecomm market of five to seven would be in U.S. dollars to the American firms, easy and everybody is trying to get in.

RV: Okay, why don’t we stop for today?

NXP: Okay.

RV: Thank you sir.
Richard Verrone: This is Richard Verrone, I’m continuing my oral history interview with Ambassador Nguyen Phong. Today is June 11, 2003, its 9:10 AM Central Standard Time, we are again in the Special Collections Library interview room. Ambassador Phong we talked a little bit last time about you setting up the English language schools and you detail that, let’s talk about the transition for Vietnam in the 1980s and that important period in the country’s history, what were your thoughts about what was happening to the country at that time?

Nguyen Xuan Phong: Well, the country at that time was in a very difficult situation because the help and the assistance from the Soviet Union began to drop drastically and I think a few people in the Vietnam Communist Party, especially Xe Jon Chen who was also at one time the Secretary General Party and the Old Guards with Ho Chi Minh. I think everybody agreed he was the very first one who saw the crumbling down of the Soviet Union and he was the one who sound the alarm and tried to find out a way to deal with that situation and that was the beginning of that train in the early 1980s as I mentioned to you that they had to open themselves to the capitalist world and they began in 1981, ’82, first with trading and trading of course came naturally with Vietnam, especially Saigon, from Hong Kong and Singapore, so the Chinese in Chinatown, Cholon of Saigon were the ones who started the whole business with the capitalist world at this time and this proceeded very well because it was a kind of trading traditionally among
relatives and friends in the Chinese community. So they started and that was the
beginning of an improvement you know to bring more goods to the people and to be able
to sell a few things that they had, of course that might be nuts, they didn’t have much rice
to sell yet, but there were other things, you know pepper, peanuts, chili and those little
things, but it brought in some kind of income for the Vietnamese. And they were still
trying very hard to pay the debts, the war debts to the Soviet Union, millions of U.S.
dollars and still right now they continue to pay those debts because the Soviet Union
different from the United States with Saigon, the Soviet Union did not give anything into
Hanoi but put it in the books and then the Vietnam Communist Party had to find ways to
repay those debts and it may be of interest to you, if I mention that right after the fall of
Saigon whatever remained in the banks, in the vaults of the banks, foreign and
Vietnamese banks, the Saigon banks were confiscated as the victory bounties and they
were used, the jewels, the foreign currencies and whatever that the Saigonese put in their
banks were taken by the Vietnamese government of Hanoi to pay the Soviet Union and
that’s how you very soon discovered in Moscow lots of Vietnamese jewelry and golden
gloves from Saigon on the market.

RV: How much money do you think was taken and confiscated?
NXP: Well I would say easily about two million U.S. dollars.
RVP: Wow.
NXP: Yes. But if you estimate all the wealth left behind by the United States
government in South Vietnam including factories the equipment and all the kinds of
things, even the war supplies, old tanks and planes and so on, it was estimated to be
something in the order of twenty billion U.S. dollars which Ho Chi Minh before he died
sold that kind of assets and advised his disciples to maintain some kind of autonomy in
the south of Vietnam in order to take advantage of that enormous assets left by the United
States. So that was the beginning and of course they didn’t know how to do that, to get
capitalist but there was a very clear push and need and that’s how we also managed to
have our English courses, evening courses there to help people and to help ourselves to
begin with.

RV: So you slowly saw the economy and what people actually had to begin to rise
and pick up?
NXP: Yes, very slowly because the earnings from the foreign trade went of course into the government funds because there was nothing private, all the trading was done by the Chinese who took their margins but the bulk of the income from foreign trade went into the government books and so not the people who benefited directly but there was an improvement because there was only one entrepreneur, the state, and the state was then a little bit more able to pay the wages. So that was the time when you had two great thinkers of the Vietnam Communist Party that was To Ho and Dung Fu. They were completely Soviet trained and they tried to introduce those reforms and it was called the period of what they labeled to be the formula of wages, prices and money, so this is how a very Marxist-Leninist government tried to manage the country through the manipulation of wages, prices and money. Of course they failed completely because they didn’t have the experience or the knowledge especially with the capitalist world to deal with those problems. And so those two great thinkers of the Vietnam Communist Party were eliminated very quickly although they were very, probably among the top ranking officials of the Vietnam Communist Party. There was also an interesting case of Mr. Tran Sun Bac who’s also among the leading members in the Politburo and he was a kind of reformist and he was rightly or wrongly labeled the kind of you know Gorbachev or Yen Sing type of the Vietnamese situation. He was very rapidly eliminated of course but that started the trains of reforms and that is how in 1986 at the sixth plenum of the Vietnam Communist party you had the election of Mr. Nguyen Van Linh to be the Secretary General after the death of Le Duan who was the chosen successor of Ho Chi Minh. So they have to deal with a very shall we say Stalinist kind of thinking, very centralized, you know police state, very hard and the people had a hard time but the reforms introduced by To Ho and Dung Fu provoked a traumatic situation that is for Marxist-Leninist type of government to play with capitalist business and you saw in that period of time by the mid-1980s soaring inflation, there was one year 600% inflation and so it was very hard on the people and ugly the urban dwellers had to bear the blunt of that situation, while the farmers in the countryside they just survived with what they had, you so they had a little bit of rice, a little bit of fish and chicken and so they were not really in a traumatic situation but in the towns is was traumatic and everybody was a state
employee. And especially the retirees and the veterans they really were in a desperate
situation.

RV: Were you considered a state employee with your English language schools?
NXP: Indirectly because we were not a state entity you see the group of former
Saigon officials teaching foreign languages but administratively we had to have, what do
you call it, a mother organization and we were put under the service of culture and
information, Cultural and Information Affairs of Ho Chi Minh City but we were rather
autonomous because they did not really worry about what we were doing, we were just
teaching English. So that organization, body of the Vietnam Communist Party in Ho Chi
Minh City was concerned with the purity of the political lines, so teaching English we
only had the responsibility to show them the courses, the content of the courses that we
used the English and they would send books of course so not much of a problem there.
And so by 1986 Mr. Linh who came up rather unexpectedly because he was not among
the very powerful personalities in the Vietnam Communist Party, his background was
rather in the worker’s union but he had lots of experience in the affairs of South Vietnam
during the whole period of the war with workers’ unions and he was open enough and by
that time the Hanoi people also wanted to have someone much more from the south to
have the support of the southerners and so on because there was already and continued to
be a kind of conflict between north and south until to this day. So Mr. Linh came up and
Mr. Vo Van Kiet became prime minister but the real great eminence that showed the
thinker behind that group of reformers you can say was Nguyen Ca That who that was the
foreign minister and deputy prime minister and also member of the Politburo. The
official line that he took was rather to have an opening with the west where the capitalists
where but he was prudent enough to claim that he would maintain and he advocated,
proposed a kind of a balance between the west and the Communist Bloc, the free world
and the Communist Bloc and concretely at that time, by the mid-80s, it would be to play
some kind of balance between the PRC and the United States but even then the Vietnam
Communist Party leadership considered it to be too dangerous and adventurous and
probably the Soviet Union was not very happy too but they didn’t have much to day
because by that time Gorbachev was then taking over so there was that train.

RV: What was your opinion of Gorbachev?
NXP: Well at that time we didn’t know much what he had in mind. It was only afterwards, you know by I would say late ‘80s that we’d realized what was happening really in the Soviet Union and we also had the impression at that time that the Vietnamese must also follow the same path, that is the old system was not working very well and you had to find new formulas to survive. So they did try to liberalize economic activities at the very beginning but what was important was to return the land to the farmers that was instead of having the co-ops they gave the opportunity and the ability of the farmers to cultivate their own small piece of land and then be able to sell freely the products.

RV: On the open market?

NXP: On the open market. While before that, it was strictly controlled. You couldn’t even move you know the essential goods like rice you know even from one village to another. So that was the beginning and it was an improvement of course and it was also the time when the Vietnamese government re-established relations and contacts with the west and so that was also the opportunity for Nguyen Ca That at that time to let me know that he may find a good reason to convince the authorities to let me go.

RV: So you were in touch with him?

NXP: Oh, yes I saw him many, many times after my release from prison. I was asked to see him and I began with my English courses to have relations with a very good group in Hanoi, that was VUSTA, the Vietnam Union of Science and Technology Associations under Professor Ho Da, he was a well known scientist, he was in the Cambridge who and who and an expert in energy, Soviet trained of course but a very nice guy. He was in, a member of the Central Committee of the Vietnam Communist Party as a scientist since the time of Ho Chi Minh, very respected guy, not political at all and I managed to get a kind of friendship with him and work, and started also the same thing in Hanoi what we were doing in Saigon so we started the unit within his organization, VUSTA, the Vietnam Union of Science and Technology Associations, to teach English and what we call applied English, so I was also able to teaching the union like that in Hanoi, but it didn’t catch on very well as we had in Saigon because there was less money in Hanoi and most of the people there were civil servants, you don’t have many private people who could afford to have those English lessons.
RV: Would you discuss economic policy and the future of Vietnam when you met with them?

NXP: With Nguyen Ca That, yes and in fact I think the purpose first is to re-establish the contacts we had before at the Paris Peace Talks and so on but he was very friendly and as I may have mentioned to you we were very surprised at the signing of the International Act following the signing of the Paris Agreement and at that international conference, just exactly one month after the signing of the Paris Agreement we have that international conference in Paris to sign the international act and right after the signing of that document That stood up in the meeting room and walk across the meeting hall and went to shake hands with me while we were still in our seats even, so that was a big surprise to everybody but I think he was very personable, it was not something political I think. But we discussed mainly two things that is the deterioration of the economic activities of Vietnam and the other thing that he raised with me was how to renew the relations with the United States and that was the tem of James Baker who was Secretary of State then.

RV: He was interested in re-establishing official relations with the United States?

NXP: Oh, yes. In fact he began to have meetings with James Baker and Le My who had the contacts with the U.S. side for many years re-established those meetings.

RV: Who made first contact?

NXP: I think they weren’t directly because they were able to get the contacts at the United Nations headquarters because Vietnam was already a member there and with the participation of the foreign ministers each year by October of the General Assembly of United Nations they had opportunities to establish direct discussion between James Baker and Nguyen Ca That. Of course the U.S. side found him very hard of course and doctrinaire and so on but that was the best he could do at that time for the Vietnam Communist Party leadership thought went too far too fast already.

RV: They thought he was going too far, too fast?

NXP: Too far, too fast and especially the Chinese were not very happy of those trends and he tracked, he got into trouble of course because Nguyen Up Ling, Linh Gan Ling, Vop An Kiet were also at the four week plenum of the Vietnam Communist Party in the early 1990s, but he continued to try and help and push the reforms. There is
something, which outsiders may not understand, but living those years there, it was clear
that there was a vital, essential need to open up to reform and to be more liberal.
RV: Why was it clear, was it become of the economic position?
NXP: Economic pressures. And by the end of the eighties there were great
improvements with Nguyen Up Ling, Van Linh and Vo Van Kiet and Nguyen Ca That to
liberalize the economy although it was supposed to be a state owned everything but they
began to make business and began to pocket the money and also the beginning of a
parallel market as in any you know totalitarian state, you have a parallel market coming
up right away with the selling and buying and so the people were able to do something
for themselves, not to expect much from the authorities, but they were able to move
around, to sell and buy and to begin the Black Market activities, until now which you
know may be even more interesting and more dynamic than the government. But then by
that time although they were under tremendous pressure to go capitalist they must
somehow within the party say that they are still pure and that they continue to safeguard
the Marxist-Leninist and you must get scapegoats to do those things. And of course the
one who replaced Nguyen Van Linh were much more doctrinaire and much more shall
we say technocrat, that was Mr. Do Moui and you can ask now anybody in Vietnam he’s
just a blockhead.
RV: A blockhead?
NXP: Yes, completely unable to understand anything, anything at all and so he is
not the subject of very funny songs in Vietnam. He was the one who mess up everything
and so that was true, but the country went into you know drastic chances and any kind of
change is disturbing, was disturbing and they were also very afraid of the problems
within the Army because they were no longer in the position to feed them, it was about a
million men you know and they have to reduce and the Army then claimed its right to so
business because the national budget could not feed them and so they put those question
to their leadership say if you cannot feed us, you have to feed ourselves, that was also the
beginning, why, how the Army and also the police you know, that is to say the Ministry
of Defense and the Ministry of Interior, of Security, then began to get into business, until
now.
RV: What kind of business did they get into?
NXP: In everything so the Army then obtained the decision of the Vietnam Communist Party to let them go into business like other ministries you see and of course big deals were in the Ministry of Construction, Ministry of Transport and things like that, trade and so on. But then also the Ministry of Defense said well, okay we are now allowed to do business but we don’t have any funds, any capital to do this and that was also the beginning of what we call now the lend-capital factor and they were given almost probably half of the land area of the military bases to go into business so that was an enormous capital until now. And even now the Ministry of Defense with probably about 250 companies, business companies under the Ministry of Defense, they are now active in all fields but mainly construction because they have the power there that also the equipment they use. And they are in agriculture because they control the countryside, particularly the bomb and the airplanes and they claim to have the monopolies of those hamlets, nobody else can go in there to do anything except the Army. But in the construction business and then in all kinds of things with their land capital, so they are in the joint ventures with foreign partners who set up all kinds of hotels, apartment buildings and all these things.

RV: Is that the reason why today the Army, the Vietnamese military is so powerful in the country?

NXP: Yes, you can say that they are powerful even economically.

RV: Have influence.

NXP: Yes, they have influence and they have leverages and even the international organizations and specialized agencies of the United Nations there sound the alarm because it seems that the Ministry of Defense now with all those hundreds of business entities are controlling almost half of Vietnam’s GDP right now and so whatever you may say, you know they stick to their interest and they would continue with the regime as long as they have those privileges.

RV: They are very unwilling to give up those privileges because a change in regime would mean they lose that.

NXP: And so that is the concrete problems that you have, is not to say we liberalized the economy, you know we promote private business, so on and so forth but then you would see that the whole system under the pressure of the international
community and also for economic reasons in international business they would duplicate
that organization under the Ministry of Defense or other ministries, keep the Ministry of
Security, they are also business into a parallel organization supposedly to be in the
private sector but that would be the same thing, you know those same guys will move
into now so-called private companies.

RV: So that’s a way for a transition to happen?

NXP: That is the only transition which can happen because the real private
enterprise does not have the muscle yet to do anything, they don’t have the capital, they
have the initiative, the determination and they work hard but they don’t have science and
technology, don’t have capital and they will begin with a small and medium size
businesses but the big businesses now, building roads and bridges airports and ports and
so on will continue to be in the hands of those people who may claim to be in the Party
but they are moving more and more outside the Party and they will rely on those shall we
say monopolies in the power and abilities and will set up like in Russia or now in China
too that you will have no other state-owned enterprises but so-called joint stock
enterprises. Then you have that thing moving on but at least another two decades.

RV: So it all started in the 1980s is when this process started?

NXP: By the late 1980s.

RV: Okay. For you personally, 1989, 1990, ’91 was a traumatic period in your life
because both of your parents passed away, can you talk about that, what happened, first
your father?

NXP: Well, first of all by 1988, ’89 it was a big opening up and the most say
helpful contacts for the Vietnamese leadership was to contact the French for many
reasons. The French tried because the French embassy in Saigon and in Hanoi advertised
that they were there, they didn’t run away and they continued, they had to continue to
provide reparations and of course the French always dreamed of replacing their medicals
in South Vietnam. So that was the thing I mentioned a few minutes earlier that Nguyen
Ca That told me that maybe we had then a good reason and justification to get me a
passport and a visa to get out of Vietnam.

RV: Get out permanently or go visit and help establish relationships?
NXP: It was not say but at least it was a necessity for me to get out you know after fourteen years there because I told Nguyen Ca That that I had lots of unfinished business, family affairs and papers to sign in Paris.

RV: Your wife was there?

NXP: Yes, my wife was still there and so that’s why by December 1988 I was given the second passport, you know, issued at that time, the first one was given to General Big Minh with the serial number 001 and I had the 002 so I was able to go there and it was also a very confusing situation because when I arrived at the Charles de Gaulle airport about five in the morning, there was an old, old lady who was there with cardboard piece with my name on it.

RV: A sign.

NXP: A sign and so I went to her, she said she’s from the high commissioner of refugees of United Nations welcoming me if need be to be a refugee here. I said, “Not at all, I have my passport, I didn’t come here as a refugee you see and I just return to Paris and my wife French national and I have lived in Paris for years” so she said, “If someone had told me that because I had to wake up very early, get a car, come here by five in the morning.” I said, “I’m very sorry but thank you very much.” So I arrive and landed in France not as a refugee at all.

RV: Right. How did it feel being back in Paris for you?

NXP: Oh, tremendous thing, you know tremendous thing that my wife was there, I didn't know it was already my ex-wife; my wife was there so it was December 1988.

RV: You did not know she had divorced you?

NXP: I didn’t know at all and so when we arrived home and she told me that I was divorced by her in April, that is to say just a few months. She had watched that for years because I was away for fourteen years and so the lady judge there passed the verdict in abstentia saying that I was kept there in prison and so on and so forth and even awarded me three hundred franks a month to be paid by my wife, to keep me, to help me in Vietnam. So I had then the next few days go to the Paris for citizen’s court of justice to sign the papers of my divorce when I was there.

RV: How did you feel about that?
NXP: Well I didn’t feel really and very much because considering the circumstances and in my mind you see I said well a piece of paper wouldn’t change anything at all, I mean what matters was the feelings and so on and then I thought that it was fair enough that after waiting for fourteen years that she asked for that, only she had other reasons.

RV: Did she know you were in prison?

NXP: Oh, yes sure.

RV: She knew all along?

NXP: She was kept there for three years, she only went back to Paris in ‘77 or ‘78 I think and so that was it, but I had to return to Saigon because my old parents were there by themselves, you know there was nobody left. I did say to my mother and my father that I had to go to Paris and now with opportunity given to me you see “but I will back within four months” latest you see, so that’s what happened. I went there and then I got in tough with friends there who were in the business circle and particularly Jacque Ricque who became vice president of Reneau car manufacturer, state owned and then I attended meetings that Nguyen Ca That had with the association of the French employers but I was there as representative of the Reneau car manufacturer of the Vietnamese government of course.

RV: Really?

NXP: Yes. He named me right away the representative in Vietnam.

RV: Were you paid a salary?

NXP: No, I didn’t ask for any really, I said well you know in order for me to attend the meetings and so on and so forth but that was very helpful because with that I was given an air ticket to return to Saigon, business class by Reneau so that was helpful. It cost a lot to buy an air ticket and so things work out quite well but with Elizabeth we did not discuss those things very much and I told her that and she understood very well that I have to go back and I didn’t have the heart to ask her to go back with me of course, you know divorce or no divorce.

RV: Did she want to continue, or try to rebuild a marriage; did you want to do this as well?
NXP: It was not really said outright you see but I had in my mind impression that she must have other plans too after waiting so long but I didn’t ask because I respected for her private life, so I did not ask. But later on I found out that she had left so she must have. So no hard feelings but it was a sad situation, it was a sad situation but I had to hurry back and I returned four months later I think. And it was very difficult, how for me to return also because at that time it was not very easy to get in and out of Vietnam you see, it was very hard for a foreigner to get a visa back there and even for the overseas Vietnamese, even more for an overseas Vietnamese because they were very suspicious and so on and so forth.

RV: But you’d demonstrated good will by leaving, and coming back, right.

NXP: Oh, yes but the security people didn’t know and there was not the sharing of the same views in the security, from the security people too, even Nguyen Ca That had problems with the security people.

RV: What did they do?

NXP: Oh, they follow you to see whether you are reactionary or not.

RV: Follow you in Paris or in Saigon.

NXP: Intercept everybody you meet.

RV: Everywhere?

NXP: Everywhere you see and so that’s why with the Vietnamese ambassador in Paris and Nguyen Ca That, the three of us had some discussion by ourselves and I raised the issue, I said “Well, how can I get back to Vietnam Now? Although I have a Vietnamese passport but even then I had to get a visa from the Vietnamese embassy in Paris to go back home and then of course once home I may never be able to get out again, so on and so forth. And I probably, I was the only soul and the first case of a so-called overseas Vietnamese with a Vietnamese passport, not a French or American or Australian passport, to go back to Vietnam. And the Vietnamese ambassador there said it is a new situation but I extend you a visa back to Vietnam. No mention was put in the passport but it implied that you are some kind of overseas Vietnamese, only with an overseas passport you would not be an overseas Vietnamese, but that went okay. You just extend here a visa for him to go back and we are claim that you are kind of a Vietnamese overseas. So the next time he will be granted a visa to get out of Vietnam to get back and that’s what
happened to me. I was given the very peculiar status and the security people didn’t know what to do with me. They couldn’t, they were at a loss because if you were a Vietnamese overseas then at that time you must have French passport or American passport or so and you would be given a form to fill in as a foreigner because an overseas Vietnamese but then with the French passport you would be considered as a foreigner. So each time I arrived at Tan Son Nhut airport they didn’t know which form to give me to fill, whether form for Vietnamese nationals or the form for Vietnamese nationals or the form for the foreign national of Vietnamese descent you see and so all mixed up there all the time. But I was able in that case to return and then to continue with what I was doing there and I began to get the foreign cooperation and that’s how in the early ‘90s I was even able to bring back a Lockheed aircraft.

RV: Why don’t we take a break and talk about that when we pick up?

RV: Okay, continuing let’s talk about your, you said you were bringing in foreign companies when you returned to Saigon or Ho Chi Minh City what did you do, what kind of business did you do?

NXP: So you see the first time that I was able to get out of the country it was to France and Nguyen Ca That also went to France to get those French corporations to come to Vietnam and so it was the time when many people saw me with Nguyen Ca That in Paris in meetings and so on and they thought that I was with the Hanoi government but at that time I was with the French corporations, so the main problems which appeared to me at that time was first of all to have transportation, you know to move people and things you know and that’s why I got hold of the Reneau people, which was state owned although it is considered as a business corporation like any other corporations and then also the problem of banking and finance and that was the reason why I got hold also of another old friend who was also a vice president responsible for international affairs of the Gray Agricol Bank and as you the Gray Agricol is a kind of co-op for the French farmers or agriculture section in the past and is listed even nowadays about the sixth or the seventh largest banks in the world in terms of consolidating its assets and I also managed to get hold of a French group, the largest one in the bottling business, the plastic bottles and the guy was the one who invented that plastic bottle, you know for the first
time in the world and I think now that most of all the plastic bottles manufactured in U.S.
is under his license and tried to get him back, he was willing to go back to Vietnam.

RV: This was a French?

NXP: Yes, it was a French group but quite interesting I was able to bring back the
garment group. It was a French Swedish joint venture, Gustamolienel it is called and it
happened to be the second largest European manufacture of what we call industrial
clothes, is not the normal clothes of high class, so they get contracts for example with Air
France, with all the large companies, the butchers, Vermeer butchers for example in
Europe, they also got contracts for the French police and things like that. So I managed
to get that back and it was in fact the very first concrete corporation project, which
materialized in Vietnam. I brought them back to be incorporation with the Fung Fu
textile company, state owned completely and right now they have about two thousand
workers there working to make industrial clothes, work clothes.

RV: How did you get the companies, what did you say to them in Paris to
convince them to come back?

NXP: I said it is, you know the enormous potential, it is a good country and now
they badly need help from outside because the reforms that they introduce in the mid-
1980s almost, it was then as you cane imagine without any help from the outside and then
with the rate of things in the inside and no more help, not much help from the China or
the Soviet Union.

RV: This is the so-called Do Muoi policy?

NXP: Yes, the Do Muoi policy at that time with the sixth plenum and with very
little things, with the tremendous need to change things but with very little needs and also
you must say big reluctance, resistance from the leadership of the Vietnamese
Communist Party to use those changes that is they more or less abandon the Marxist-
Leninist line and they had to go capitalist. So that was a very big thing for them. So I
was able to bring back those French corporations and I still remember that was very new
to the Vietnamese authorities and the first French group that I managed to gather and
bring back to Vietnam landed in Tan Son Nhut airport with me and it took us exactly
seven hours you know from the time we landed to reach to Caravel hotel, that is the wait
for the reparations, for the customs and for the transportation seven hours from the airport
to the hotel.

RV: What did you tell the group?

NXP: I said that is the first time they do it, they must know what to do, find out
what to do you see. I must also mention that I was also able to bring back the French
group in the petroleum business and it was for a refinery and when I was in Paris I was
able to get a hold of the old SO people that I worked with and so the guy by the name of
Lon Se who was a technical director of SO put me in contact with the group which had a
refinery all packed up and ready to go, you see and so we look at the characteristics of
that refinery, we find out that it was very appropriate for the Vietnamese crude with high
sulfur contents and it was ordered for Iran. The refinery you know in the crates were in
Belgium because it was manufactured there, but it belonged to a lady, an Iranian lady,
very wealthy who lives in San Francisco but of American citizenship. So it was a
problem because there was then an embargo on both Iran and Vietnam at that time but the
Iranians work out very fast the problem, its Belgium proper, still in Belgium and it will
be shipped from Belgium to Vietnam so there was no problem so they set up a phony
company in Belgium to do that and it didn’t cost very much. It could be set up in eighteen
months you see, so I brought that group back to Hanoi too and it was so new to the
Vietnamese people they didn’t know what to do.

RV: How did the government react when you told them?

NXP: They wanted very much that Nguyen Ca That understood the problem to
have a refinery because the oil was there but he did not, he was not able to convince the
technicians to understand a thing. It was not a very big refinery and I think at that time it
didn’t cost very much, it was in the order about three or five hundred million U.S. dollars
for a refinery which would usually cost a billion or a billion and a half you see, but it was
all packed there ready to go. So the corporations kept on in the following months but it
didn’t reach anything because they were not able to comprehend a thing and they still
have the Russians you know with their Vietsopetrol joint venture and they were thinking
of just selling crude. So these were the corporations that I managed to bring back.

RV: Were you compensated by these corporations?
NXP: No, I didn’t ask for anything. They wanted to I think but it was on bona fide completely because that was for my safety, my security, as soon as you have a little bit of money you can run into problems with those people down there, even for coffee money you have you know endless problems, so it was done but they paid for my air ticket so that was the possibility for me to get in and out of country at their expense but I didn’t take any money at all. The four months that I was in Paris of course with my sister and brother and so on, I was able to gather about a couple thousands of dollars to take back to the parents and take care of them, which helped me then to bury them because my father passed away in 1990 and my mother 1991, it was about a year after I was able to get out of country and return.

RV: How did that affect you, when your parents died?

NXP: Well, its rather, I must say very honestly with a bit of mixed feelings because they were so old, so weak already and I spent most of my time taking care of them, even feeding them. And my father was ninety-four when he died and my mother a year later was eighty-eight, eighty-nine by then. So it was in a way you know a time for them because they were so weak all ready and I think they also did not want to track on and on and on and I think that in my family we always managed to live to the eighties and nineties, most of the people in both sides of the family but I was able to bury them you know properly and its also an amazing thing that one month before the death of my father they celebrated their seventieth wedding anniversary, seventy years and I took them for a pedi-cab ride downtown Saigon, so they were able to have a look at all those things there. At the place, the small cubicle that they used to live when they got married. My father was about twenty-four and my mother barely eighteen at that time, so they started their life there. They were able after seventy years to have a look at the same place. Lots of the, most of the houses around there were rebuilt but that cubicle remained there exactly the same for seventy years.

RV: How did they react, what?

NXP: And so they were very touched of course and they didn’t say much but you know they started their life their barehanded and they returned seventy years later you know barehanded too after all the war and so on. And my father even less than a month later, about three weeks later so after seventy years together I was able to bury them and
respecting their last wishes they both asked to be buried at the foot of their respective mothers, that is two hundred miles apart on the maternal at their mother’s side and so it’s amazing, its really amazing.

RV: And you were able to do that for them.

NXP: Yes, I was able and I must mention here because my parents were very keen on having you know proper coffin for their burial, they were obsessed by that all their lives and they used to make, to have those coffins already made for them and kept you know the houses years before but when the war came and everything we had to run away and so by the end of their life they did not have any coffin ready and they insisted so much especially my mother to have a proper coffin so it was a race for me when my father had died to have the coffin made. Its my mother insists we have kind of a very hard wood, always semi-precious you know kind of oak thing that you have here but you have fragrance coming out of that wood, smells very nice, its very hard wood. I managed through my contacts to get a piece of that timber and we tried to make that coffin in two days because we were allowed to keep the funeral for three days and so I managed to finish the coffin in time, bury my father at the percapitus of a mother of course, then later on with her a year later I was also able to do the same thing, even nicer coffin.

RV: Did she know you had, were going to get a very nice coffin for her?

NXP: I dare not mention it to her, so the last few days before she died I tried to finish that coffin too and that coffin cost two pieces of gold, two tiles of gold, that is about six hundred dollars, enormous fortune, very few people can afford it. But thanks to the things I got from Paris I was able to afford that and gave them proper funerals so that’s probably a good thing that happened to me.

RV: Were your family members from Paris able to come?

NXP: No, they were not.

RV: Did they want to?

NXP: It was very difficult, it was very difficult. On the one had for example my brother who had about eight or nine years of re-education, he was very reluctant even until now he has never returned. My sister was too old not in a hurry to travel and of course they were with us in spirit but it was just a long day. But for those funerals it was also quite exceptional because I had all those relatives from both sides and then also long
time friends for example General Pham Su Han, very well known super spy of Hanoi
during all those war years, people like that also came to the funeral and that impressed
very much because there we can see that we can get together and we forgot about the
past, two different sides and in fact the family ties and that kind of affectionate
relationship were instrumental to help us get together, but if you start arguing about the
war then you have fights again so that really impressed my very much. And probably
that is probably one day away until we get all the Vietnamese together again with the
fashions they have.

RV: To use the family ties, use the family nation.
NXP: Yes, and most of the Vietnamese families had people on both sides during
the war. So I was able to bring back those foreign corporations and in fact I brought back
about a hundred and as I mentioned to you even Lockheed aircraft, because I was just.

RV: Explain how you could do that.
NXP: It was just, with Nguyen Co That. He even advanced me in the early ‘90s,
if I tell you now this oral history in order to renew the relationship with the United States.
He mentioned to me that I should try and get the Americans back. I said very concretely
what so you do, its not just declaration of policies, you see and at one time I think I push
him really hard to go concrete, he said, “Okay, we give back Cam Ranh Bay to them I
guess.”

RV: Really?
NXP: Yes, but he said that confidentially, pass the word but it would be for non-
military use because I said that the rear area of Cam Ranh Bay can be a very valuable
economic area and that is going on now. And so I just passed the message but of course
at that time the Soviet Union was still very apprehensive of the fall of the Soviet Union
and the Chinese of course was not very hot on that.

RV: When was this, 1991?
NXP: ‘91, ’92, during that period. And also, and that was the time that I also saw
Phil Habib again, you know he came to Paris, especially to see me, just four hours. I
got to Charles De Gaulle airport to meet him, took him to Fuquats for breakfast and then
four hours later took him back to the airport but he was very good.

RV: Now is this on a second trip, the following trip?
NXP: Second trip, yes.
RV: Okay, to Paris.
NXP: Yes I go because we had to find out the proper time to get together there.
RV: Right. How many times did you go back and forth?
NXP: Well, probably two or three times a year, at that moment. Later on much
less after left the government I was not allowed to move as freely as during this time.
RV: When you said, he mentioned giving Cam Ranh Bay to the Americans you
meant kind of renting it to them or allowing them access?
NXP: All open, you know and found out.
RV: Just open port?
NXP: No, that is to say for the Vietnamese and the Americans to find out most
appropriate the foreign, and I said that it would be for non-military use. It was also
mentioned to me that probably the Americans could help somehow, could help Hanoi to
have a better navy.
RV: You mentioned this or?
NXP: Yes, yes because that was the big headache of the Hanoi people due to the
Chinese navy there, their navy, the Vietnamese Navy was nil compared to the Chinese
and it was a big need. And so I work out all those things, he said well not the Americans
to move in their Navy to help you but probably the French so I talked with the French on
that issue, the French think that we cannot do anything militarily.
RV: Who did you talk to, someone in the Defense Ministry from Paris?
NXP: Yes, but rather the foreign affairs you see and people in the Parliament, in
the National Assembly, I had old contacts there and lots of them were generals of the
French Army that we knew who we were in Indochina in the war before so we did, I did
bring back a formula for Nguyen Co That. I said that I know a group who would be able
to start small you know with small vessels only made of the kind of composite thing,
plastic composite thing, they said that they can make of any size, they can do that, under
the label its for commercial use but once you have that you can arm it with anything you
like, you know your own affair but the French did answer that they would not be able to
openly and officially help the Vietnamese get a Navy for military purposes but they can
provide all the things that the Vietnamese would need and in the end they can turn into a
military use, that is their right so we just produce the vessel so that was put also to
Nguyen Co That. That did not lead to anything after he was ousted from the government
but I was successful to negotiate the joint venture, cooperation, contract for the textile,
garment and it was very successful, it was a unique experience for me too. It has grown
into a very big success even right now so we have duplicated that unit from Ho Chi Minh
City to Hanoi and as I said have two thousand workers. So their turnover every year is
about twenty million U.S. dollars so they make quite big margin out of it because out of
twenty million U.S. dollars turnover they are able to make more or less five millions
dollars net each year, not bad.

RV: Now did you, again were you compensated by this textile industry?
NXP: No, no I refused.
RV: How did you make your living?
NXP: Well I continued to do my translation work and the family members did
odd jobs, you know, delivery thing and some of the youngsters who worked at the kunta
docks carrying goods and the girls were in the what they have as saloons and things. We
were able to manage because we did not have very big needs you see and I decided not to
go in the money thing just for myself. I did say that a couple times, I said I will do all
those things bona fide.

RV: Tell me about Lockheed Martin.
NXP: Well Lockheed Martin I was able to renew contacts with a chap called Com
Dung Cheng and he was a kind of a sergeant in the Vietnam War, he’s a Taiwanese
American, so fully American but he was the regional vice president of Lockheed for Asia
Pacific, his base in Hong Kong. And then I saw him together with Tom West who was
the technical director of Lockheed Martin and he is the father of the C-130 you know,
that carrier, marvelous thing. We had also Jim Eckes who later got his own aviation
company called the Swiss Aviation based in Hong Kong too but I brought Can Wy Chen
back to Vietnam, but with the Lockheed banner he was very sensitive, touchy, so I used
the VUSTA flag in Hanoi, the Vietnam Union of Science and Technology Association of
Professor Jag to invite Lockheed for a scientific corporation, I change off high tech things
like that and it was under the label you see and the press play up the idea that it is for and
concretely we declared that Lockheed would be interested in building the Saigon airport,
Tan Son Nhut airport you see because Lockheed is also very good at airports, besides the airplanes. I think they have about forty-seven airports built all over the world and they are number one probably in the management of airports. We found out of course that it was not very economical because the number of passengers through just the airport is so small that it would not even be able to fit the airport and would have to clean the airport. But it was the game that we played, but Lockheed was also interested in developing the Phu Quoc Island for their reasons and we did propose to the Vietnamese government at that time to contract out about half of Fugut Island to Lockheed who would put in international airport there, water, electricity and so on and call in the big hotels to set up a tourist center there which we called the golden triangle with Phu Quoc, Fuquet and Bali, that is it because Vietnam by itself cannot attract enough tourists but if you link you know in the tour line that Lockheed formed that would be very successful. But we had resistance from the provincial authorities because that is the project so bad managed completely by the Saigon government so that didn’t get anywhere but that was the idea too.

RV: It did lead anywhere?
NXP: Oh, no now it is a big chaos down there in Phu Quoc because the provincial authorities prefer to contract all to little groups, mostly French and some set up all kinds of little things up there, so it is kind of allowed its own state, you know.

RV: Were there other reasons why Lockheed wanted Phu Quoc Island?
NXP: Oh, yes it’s a good aircraft carrier.

RV: That never leaves port, stays right there.
NXP: [Laughing] Oh, yes. Even better than Cam Ranh because strategically much better than Cam Ranh at the crossroads of everything and Nguyen Co that knew it very well, he tried to push it, Vo Van Kiep pushed it very hard.

RV: And knowing that it could be used as American base?
NXP: Of course because that was the idea, I mean you have to have some protection now that the Soviet Union is nil. It has always been the obsession of the Vietnamese in Hanoi to placate the little bit of the Chinese influence that has been for thousands of years and that was probably the reason why Ho Chi Minh opted for the Soviet Union instead of going Mao completely in the 1940s.
RV: So this was an effort to balance the Chinese power in the region with a presence of the Americans?

NXP: And that’s what I said, you know, whether communist or not that is the basic problem that any Vietnamese would have to deal with as always, even now. And that was the reason why very quietly meetings with the Hanoi Ministry of Defense took place with Lockheed Martin and we had many days of discussion together, how to bring Lockheed first of all offered what it was already doing in China, in the PRC, that is to have maintenance on the aircrafts, but they didn’t have any maintenance at all you see and so that was the proposal that we passed to the Vietnamese government at that time, that is to set up workshops and particularly at the airports to maintain the aircraft so that we can even offer the business and maintain aircrafts of other countries going through Vietnam you see, so that was a very concrete proposal.

RV: What was the mood between the American representatives and Hanoi?

NXP: Oh, the Vietnamese generals were very open and then they were completely flat so any proposal was very welcome but they were a bit you know apprehensive but by that time there was not much antagonism left from the Vietnamese generals. They knew because they were faced with technical problems that they had to deal with those things.

RV: This is in ’92, ’93?

NXP: Yes, ’92, ’93 and it lasted until ’94, ’95 because I worked with Lockheed for four or five years. But then you see the French move in with their condition but as soon as they knew that Lockheed wanted to do the Tan Son Nhut airport again, the ADF ADP, Airport of Paris, of the Charles De Gaulle and the French could move in also to propose to build a new Tan Son Nhut airport so that was the beginning of the rush from the front companies and the competition began there very fiercely. And so in the end the U.S. concerns were not moving in, it was not ready yet, Americans were not very interested yet in Vietnam. It was just the beginning of an opening up and the French were much more active so this is why you know even now the United States ranks about twelve in investors in Vietnam, about half of the investments are France. The French have more than two million U.S. dollars there while the U.S. has about 1.1 million right now.

RV: So the United States lost out early because they weren’t as aggressive early?
NXP: Yes, but in a way just a but of a little chicken feet so we always say to ourselves in Vietnam that when the U.S. they decide to move in they will come in with their robber than will roll us, you know because you have an enormous you know amount of work to be done there, simply roads, transportation, and so on.

RV: Tell me, can you describe the contracts that were set up, this was with the Hanoi government and a foreign corporation, everything was state owned in Vietnam, so what percentages?

NXP: The big achievement of that time Vo Van Kiet and Nguyen Van Linh at that time of the Do Moui innovation was the 1987 Investment Law was promulgated in December 1987, so that is why 1988 I was able to get out of the country for the first time, then try to bring back those things. It was, you know not very effective foreign investment law but that was big thing at that time.

RV: It was a start.

NXP: A start and a big start too because they allowed so mainly at that time they were obsesses with joint ventures in order so that they control things so there was no idea at that time of a one hundred percent foreign company operating in Vietnam so the best thing for you would be to have a joint venture, so everybody went in for joint ventures at that time. It was also the attitude of the foreign corporations because they didn’t know much about Vietnam, didn’t know how to do things and the regulations and so on, so they also opted for the joint venture but that was a bad thing in fact because right at the beginning I did tell them too, the joint ventures eventually you would lose, if the half and half, you would lose half of the country to thin thing, so that was also the beginning of the BOT, farmland pushed by the United Nations and so because they sold that too, you know build, operate and transfer, BOT, and so the foreign company would come you know and they’d build a road and then you allowed them to escort that road, take the toll money for a certain time to get back their investment and profits, no reasonable profit margin any day turn the ownership back to the, turn the road back to the Vietnamese government and I even suggest something the BOT is not very negligible on the money markets you see because you don’t own that road really or that bridge or anything see but the building. You cannot pawn it to the banks or you can never sell it you see because you don’t own it and so I even suggest which may remain a catchall now in the years to
come, I called it the BOOT, which is very you know unique, that is to say build, operate, own and then transfer. So while you were on that road, on that bridge you own it until the day you have agreed to turn it over to the Vietnamese government, you turn over the ownership but then while you have the BOOT you can pawn it to the bank, you have more money to do other things and in fact you own it but that was a very difficult thing to convince Vietnamese authorities because you know a foreigner to own anything in Vietnam.

RV: Right, so that was rejected flat out.

NXP: It was rejected at the beginning but in the end as the shall we say modus vivendi and Operation Meta they accepted the idea of BOOT.

RV: So that’s happening now.

NXP: And so by that time and now the last two or three years during the foreign corporations which were attractive to my idea of the BOOT also found out now that they can outright own the whole thing by themselves so we have now one hundred percent foreign owned companies in Vietnam, right now. And much better for your management, you don’t have to wait for the other side to agree. But that was a big thing, that was a big thing for the Vietnamese authorities, to lose control of their ownership and that is again the Marxist-Leninist theory.

RV: It seems like they were moving toward that that they saw that that was inevitable, that they needed to do this in order to work with the west and open up.

NXP: Oh, yes so now that’s not what is happening now and they are moving now to the latest and most sensitive thing is the ownership of the land, they refuse until now but they give you what the British would call a lease on not a free on, you see that is to say you don’t own that piece of land forever, you have the title of ownership but you have a lease hold that is for even fifty, seventy year you can own that piece of land, do something, own it and borrow money, sell your lease, the remaining lease to anybody who is willing to but so they are more and more to private ownership but they would not admit it but in practice they have because one of the largest sectors of the Vietnamese economy which is now completely wrecking the government is the real estate market, they don't have a real estate market because everything is owned by the state, the land is owned by the state so that is the stopping block. But they will like other things in the past
ten years, they will find a practical way to go about it and save face, claim that they still
have the Marxist-Leninist set up.

RV: So what did you do, continuing into the ‘90s, you continued to bring in
foreign countries, work as the middleman and not be paid?

NXP: Not the middle man, I was, I decided to, first of all is to get contacts, get
them together and secondly I work on the feasibility studies, you see so I have both sides
to work out and feasibility studies, whether its viable economically, financially or not and
the biggest case was the Honda Bank, its called the Honda Bank, it’s a Swiss corporation
but they are the number one cement producer in the world. They have about seven or
eight cement plants in the United States, they have about four in Russia and so I brought
the Honda Bank to Vietnam and by itself the Honda Bank which began with investment
of about 190 million, now its over three hundred million U.S. dollars of investment and
they have put out a cement called the Buffalo Brand good with the Morning Star brand,
they use the buffalo system, that’s from Honda Bank. I also helped Honda Bank to get
back another cement plant in Phnom Penh, Cambodia and tried to set up another in
Myanmar, Burma.

RV: You tried or are trying?

NXP: I have in contacts, I knew a guy who was a cabinet minister in Myanmar
and all this with the Burmese, I was on contact a lot with the Burmese and get my
channels with the Chinese and then I was too busy, I didn’t follow up with the Burmese
project. But cement is basically that’s why I brought back the cement maker and you
have only now about a dozen foreign corporations that making cement in Vietnam and
we need more cement, I mean rocks and bridges and houses and so on and so forth, all
kinds of buildings and dams and so on and so cement is one of the basic things. I tried to
resolve those problems as much as I could at that time, I was finance, transport,
construction and textile and probably the textile in the projects were the most enjoyable,
the most enjoyable because you know any poor country, very poor country in the world,
when they tried to start something, its almost like you know sewing, making clothes, you
open a small window, you repair clothes and things like that and that was the same thing
with Vietnam, it went into a boom right away and as you can see right now you know the
export of Vietnamese guards to the United States about four times more than what the
United States but in crude oil from Vietnam and the United States is now the second buyer of Vietnamese crude oil about forty percent is taken by the United States. And so textile is very good because it provides work, you know, lots of, thousands and thousand of job and they got swindled a lot by the Taiwanese and by the Koreans, the South Koreans and so on, but that’s the visitors, that’s the visitors.

RV: Did you still live in your parents house during this time?
NXP: Yes, during all this time.
RV: Okay, and how long were you doing this?
NXP: Well probably another eight years after the death of your parents.
RV: Until, okay, so until.
NXP: Until I went to the States at the invitation of a group in New York.
RV: Okay, and when was that?
NXP: That was by the end of 2000.
RV: End of 2000, okay.
NXP: But that was an interesting period because I was much freer after the death of my parents but then also with Nguyen Ca That I was sent,
RV: What happened to him?
NXP: They eliminated that group because of the Chinese pressure and I was there at the Seventh Congress and the Eighth Congress in Hanoi and then there was Chinese prime minister Li Peng was there that was the time they asked for Nguyen Ca That’s head, he was then made into an advisor but I saw him many times and we discussed all those things but he was also influential in his knowledge to help the Vietnamese economy.
RV: Is he still alive?
NXP: No, he died in 1996, 7.
RV: What did you think of the 1995 opening of official diplomatic ties between the United States and Vietnam?
NXP: It was coming but the thing is how and how soon you see and that they saw it coming too but the problems of time because of the in the early 1990s we discussed that with him but we used to discuss the little things, the liberalization of the Vietnamese economy and the resumption of the relations of the United States, he said that is the only
way out he told me and he tried to adopt officially the position to balance the influence of China and the U.S., concrete term, that was even too much, too early to be accepted in Hanoi but he saw that coming and at one point he said “well, if we know that sooner or later you have to end up with the American economy, I’m talking about politics, you have to end up with an American economy. They are the engine of the train for the whole world” and you cannot do directly and I said it only because of psychological reasons I said, you have to go indirectly to them and that is the ASEAN way, that is the organization of Southeast Asian countries, ASEAN and we even laughed because I said the ASEAN countries, they are little Yankees too.

RV: So the ASEAN?

NXP: Yes, that’s it. So had a big laugh about it but that is what the process is going on right now. You play with ASEAN but eventually you end up with the United States, you cannot avoid that.

RV: You think they know this in Hanoi now, they realize this?

NXP: Oh, they know it very well. The thing is for them to find ways which would not create too much upheaval but eventually they just welcome you know cooperation with the United States, that is the only way out. But as you can see they have depended so much on their neighboring countries, you know Thailand, Malaysia, Singapore, Hong Kong, Taiwan, Japan even, the largest contribution of the eight to Vietnam and then they tried to reach the Europeans but the Europeans they move in at each of the different countries actively but they don’t have much means to do anything, you see. And the Vietnamese authorities that the big things would come from the United States. Not only that but in order to re-create a kind of safety net and equilibrium they must reach more to other countries than their neighboring, you see because the 1997 financial crisis showed them how vulnerable it could be and disastrous it could be if they depend so much on their neighboring countries and now the foreign trade of Vietnam is much dependent too much on their neighboring countries, more than half of their foreign trade with the neighboring countries and their largest market of course would be United States and so they are not trying very hard to reach in the United States market.

RV: What about the VTA, tell me what your opinion is on that?
NXP: Well they wanted Soash but it was also very touchy for Beijing, so whatever they did with the Americans was also very much with the green light with Beijing and I am sure that the Americans also kept an eye on the reactions of the Chinese when they go into those things with the Vietnamese. But when that VTA came into effect in December of 2001 you can see that trade between Vietnam and United States soar up, it increased by over one hundred percent and of the trading between United States and Vietnam U.S. exports to Vietnam also increase a lot, nearly forty percent, nearly six hundred million U.S. dollars but the export from Vietnam to United States reached something like 2.4 million U.S. dollars of which about 1.7 in garments you see, tremendous thing and they expect that in the year 2003 it would easily reach three million U.S. dollars and of which 2.2 or 2.4millions would be in garments again. So recently the negotiate the quota systems to put on the Vietnamese garments coming into the United States but even then for the remaining nine months of the year 2003 they expect something like 1.7 million U.S. dollars of Vietnamese garment going to United States so big business. There’s no reason why you see we should not be able to push some Texan cotton back to Vietnam.

RV: What is the VTA mean politically for the United States and Vietnam?

NXP: It’s a rather long shot. I think that it is also a very effective way to push those very much needed reforms you see, they must try and loosen the government hold on business in the economic affairs, promote more the private sector and have clearer legislation, understandable legislation, transferencey, that’s what they call it which is another term to say less corruption and things like that. Also the liberalization of the whole society and I said its very long shot because it seems that the United States is not pushing very hard on those things to make it much quicker for example human rights, you know the political control of organizations and so on.

RV: Why do you think the United States is not pushing right now?

NXP: Well, I don’t know. If you push in Vietnam why not push it in China too you see so you have double standards then, if you don’t push everywhere.

RV: So you think the United States is really listening and watching Beijing’s reaction to what their doing in, to what the United States is doing in Vietnam?
NXP: Only if you consider the remaining four communist countries, are you pushing things in Cuba, you are not pushing much in Cuba and in terms of human rights and other political liberties, you are not pushing at all in North Korea, not very much in China and so probably you are pushing much more in Vietnam than in the other three, the other communist countries and so that’s why the American ambassador in Hanoi, Mr. Washet say that there are improvements.

RV: Do you believe that?

NXP: Very slowly, there are improvements of course, that is to say its inversely proportional to security measures that is applied by the Hanoi government but I think that they want to liberalize, but they don’t want to lose the monopoly you see of political power and so if you try and show them that they should not be so apprehensive, touchy and sensitive on those things because they are very afraid to lose their monopoly of power but as soon as they can assure that they are much more than willing to open up for business because that is the only way for them to get up economically.

RV: So they’re reluctant to give up their power and their ownership right now, but that will change you think?

NXP: They change it slowly you see and they’re here, then we come in the very end to the big heartbreaking debates of anybody concerned with the future of Vietnam and very much the overseas Vietnamese, the very many Vietnamese Americans. Some claim that you have to introduce political reforms right away, others say that much more realistic to try and have the economic development because the people are so low economically that talking politics just to take advantage of them as the Vietnamese Communist Party has been doing with the people with about four hundred U.S. dollars per capita GDP you can make it and do anything you want. And so to me economic and political liberties are exactly the same thing, synonymous, you cannot have political freedom without some economic normal subsistence level but that is the big debate right now. Whether we will push hard on the political reforms right away which would then allow the people to get up and then of better things or at least try to bring the economic subsistence level a bit higher in order to make people become conscious of their political rights and so that is the heart of the political rights and so that is the heartbreaking, but in practical terms, concrete terms, the main problem is that whether you like it or not it
would be very difficult to say, for any group or anybody to say or even any government
to say that you have a kind of a spare wheel to fill if you were to bring down the
communist rule, from the grass root village level to the center level. The needs probably
first in personnel to manage that country, you cannot have on top of the rise of
communist rule and then be able to manage the country, it would be chaotic that nobody
would come there for business anyway. So it would be very hard for them.

RV: Is it something similar to what Russia has gone through?
NXP: Yes, very much, very much. So.
RV: This is the power vacuum you’ve spoken about.
NXP: Yes, yes.
RV: The leadership vacuum.
NXP: Yes, you have that crisis of leadership since the death of Ho Chi Minh and
it would be chaotic I think if we are to use any passive change.

RV: How do you resolve that problem, do you bring in outsiders?
NXP: It’s very painful for the anti-communist who say that you have to wait and
wait and wait, you see, but there are reforms going on in Vietnam thanks to the foreign
governments and the United Nations specialized agencies and so on and so forth, and
then the people also, are also very conscious of their rights and as soon as you know they
are given a little bit of liberties, I mean they jump on them you see and they multiply it
right away. But it is a difficult problem and I think that you know whatever may happen
in Vietnam for the better would not be possible without outside help and the outside help
then we are looking much more to the United States, whatever the United States is done
moving in directly and prefer to leave it to the Japanese to move in or to, not the
Europeans I think, but the Japanese, the Taiwanese and people like that to do the work. It
is all right too, but when they went it would be more appropriate to the U.S. were
moving more forcefully and we all expect that to happen sometimes and that would make
a big change.

RV: I’ve heard when I was in Hanoi and speaking with people privately they said
that no changes will happen in Hanoi, in the government in Vietnam until there’s a
change in the Chinese government in Beijing, how do you feel about that?
NXP: Well at first I would say that the U.S. government has not really put out a very clear cut policy for Vietnam and it seems to me that the American policy on Vietnam has been more or less the tail of the American policy on China, that is to accommodate you know the Vietnamese somehow win the big game with the set up with Beijing regime. The more you do that on the part of the United States government, the more you do that, the more you push the Vietnamese into the hands of the Chinese and with the crisis of leadership with all the problems within the party, the communist party of Vietnam and the lack of any meaningful support any more from the former Soviet Union, now Russia she is also trying to maintain a presence in Vietnam but do not have the means to do it any more, the more those people in Hanoi rely on their Chinese support. But then you must say that the Chinese have had at least two decades of events in even socialist management, the communist regime in China and the Chinese economy is coming up very fast and it is very capitalistic you know in nature now although you still have the monopoly of power by the Chinese Communist Party, but I think it is liberalizing, you know Chinese economy and political life there much faster than the Vietnamese, they are much more liberal now, the Chinese, you know compared to the Vietnamese in terms of communist rule and then the Vietnamese may feel that if whatever the Chinese can do you know they can do too, safely which may not be true because China can afford to do those things, its strong enough, but not quite the Vietnamese. But I mean the Vietnamese they are also cautious and they will find ways but then whatever the Chinese can do to liberalize the economy and the economy and the Chinese society as a whole, the Vietnamese can always claim oh, yes, you know our Chinese communists comrade can do that, we can do that too, so that would help.

RV: So they’re kind of waiting on Beijing to continue to move forward.

NXP: That is a problem among themselves rather, you see.

RV: In Hanoi, amongst the leaders.

NXP: in order to move faster, but they will move in the lines of Beijing I’m sure. And those things happening in China have been quite successful, relatively speaking quite successful. There is no reason why and that was the reason also that another friend of mine from Shanghai whose at the CITIC group, which is an investment firm, largest, most powerful investment organization of China, the CITIC group in Shanghai tried to
also help us in the early 1990s to set up a kind of Vietnamese CITIC, C-I-T-I-C, and then
after a few days, three or four days of staying in Hanoi and in Ho Chi Minh City, the old
man told me that you cannot do your CITIC in Vietnam, even if we help you. I said,
“why?” He said, “Because you don’t have a Deng Xiaopeng.”

RV: Meaning.

NXP: That is no one can give an order to anybody.

RV: Right, right.

NXP: That was it; I tried very hard, anyway.

RV: Why don’t we take a break for today, today’s session? Thank, you sir.

NXP: Thanks a lot.