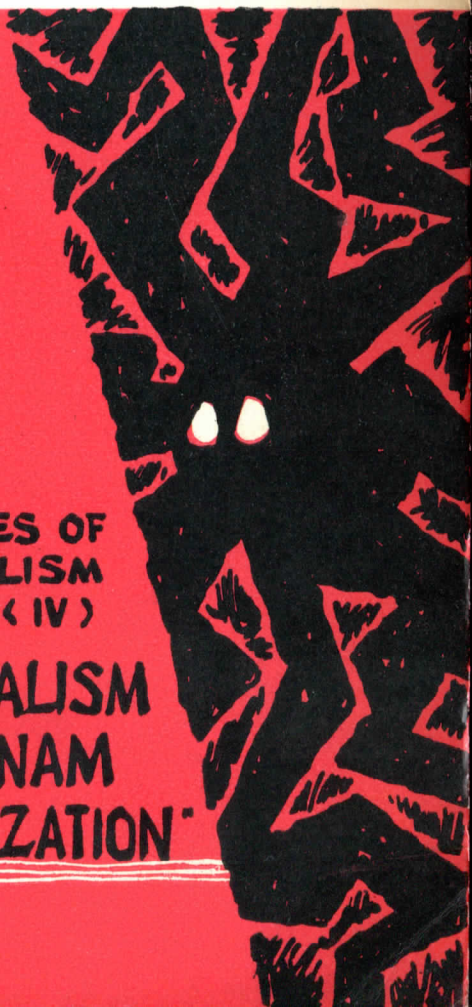


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Vietnamese **S**tudies

**GLIMPSES OF
U.S. NEO-COLONIALISM
(IV)**

**U.S. NEO-COLONIALISM
IN SOUTH VIET NAM
THE "VIETNAMIZATION"
OF THE WAR**



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Before and after the Paris
Agreement on Viet Nam

The Nixon Doctrine and the Viet Nam Problem

HUONG NAM

"The Viet Nam war has given rise to a state of grave tension in the United States not only in the military and economic fields but also in the social field, and to grave dissensions which have fissured the moral life of Americans. Whatever the outcome of the war it will take time to heal the divisions". (Nixon, "Asia after Viet Nam," *Foreign Affairs*, October 1967).

While conducting his race to the White House Nixon had already worked out the policy of the future President of the United States. He was already aware that "in the future, the role of international gendarme of the United States would be limited."

A year later, Henry Kissinger, then not yet a member of the Nixon administration, wrote in the same review: "The Tet offensive marked the watershed of the American effort. Henceforth, no matter how effective our action, the prevalent strategy could no longer achieve its objectives in a period or with

force levels politically acceptable to the American people." ("The Viet Nam Negotiations," *Foreign Affairs*, January 1969).

The two American statesmen had arrived at the same bitter conclusion: in Viet Nam as in the world the power of the United States was no longer in proportion to its ambitions. There was a contradiction between its will to lay hold on South Viet Nam and the military efforts it could put into it. The great losses suffered by the US in the Viet Nam war undermined the position of American imperialism within the United States itself and throughout the world. This deepened the contradiction between its will to world domination and its capacity to play the role of international gendarme. Admiral Thomas H. Moorer had the same opinion: "Our relative military control of the world has passed its peak and is now declining. We no longer possess the enormous strategic superiority which gave us a military power so great that we could easily protect our interests all over the world. From now on we must take a more precise view of the situation and reckon the risks with more caution." (Senate Finance Committee Hearings, 1973).

Four main factors were at the origin of this situation:

In relation to the domestic situation in the United States

For more than a quarter of a century the United States has met with serious economic, financial and

social difficulties due to its efforts to play the role of international gendarme, intensify the arms race, encircle the socialist system and practise a policy of interference and aggression vis-à-vis the nationalist countries. The Viet Nam war aggravated these difficulties. It awakened the conscience of many Americans, undermined their confidence in the American government and exacerbated the contradictions among the ruling groups. A new readjustment of world strategy was necessary, which led to the creation of the Nixon doctrine. It was necessary to take into account the domestic situation, appease the American people's indignation and combat the tendency to neo-isolationism of a part of the opposition forces.

In relation to the balance of forces between the two world camps

The relation of forces is changing more and more in a way unfavourable to the imperialist camp headed by the American imperialists. The share of world industrial production turned out by the socialist camp has constantly increased and is already more than 40%. The relative share of industrial production of the imperialist camp, in the first place that of the United States, is in continuous regression, even if the scientific and technical revolution which started in the developed capitalist countries helped them make a few steps forward. Since 1967 serious and prolonged economic and financial crises have shaken the capitalist world. The United States has lost its atomic monopoly. While it got bogged down in Viet Nam the socialist

system, especially the Soviet Union, has developed its military potential. Some US strategists admitted that the Soviet Union has surpassed the United States in the fields of aviation, intercontinental ballistic missiles and atomic submarines. American territory is no longer inviolable. Nixon himself complained that "an inescapable fact of the 1970's is the possession by the Soviet Union of powerful and sophisticated strategic forces approaching and in some categories, exceeding ours in numbers and capability." (February 18, 1970 message: *US Foreign Policy for the 1970's. A New Strategy for Peace*). China has become an atomic power and "we must consider, too, that communist China will deploy her own intercontinental missiles during the coming decade." (Nixon message, *ibid*). In Viet Nam, the United States used all kinds of means of war, except atomic weapons, on a large scale, without being able to defeat an adversary who was moreover not an essential one. The socialist camp, despite dissensions, remains the spearhead of the world people's front of support for Viet Nam. The myth of the "unimaginable power" of the United States has collapsed.

Within the imperialist camp

The US role as leader is decreasing. Japan and the German Federal Republic have obtained a rate of economic development higher than the United States. Though they join hands with it against the socialist system, the national liberation movement and the democratic movement within their own borders, they

are tending to free themselves from its grip and to become formidable economic adversaries of the Americans. From being the number one creditor in the world, the United States has become the biggest debtor. Its military alliances have broken up or lost their effectiveness. Other imperialist countries, far from letting themselves be drawn by Washington into its military adventures, have made use of its predicament in Viet Nam to enrich themselves. It has never been so isolated as in the Viet Nam war.

The colonial system of imperialism has crumbled and American neo-colonialism has been dealt staggering blows in strategic regions

Latin America, the "backyard" of the United States, has witnessed a surging national liberation movement since Cuba — a US neo-colony become an outpost of the socialist system — raised the banner of revolution in the Western hemisphere. In Southeast Asia, the peoples of Viet Nam, Laos and Cambodia have defeated the war escalation which was launched by the US imperialists to smother the national democratic revolution in Indochina and check the influence of socialism in this part of the world.

The Viet Nam war, "the longest and most difficult war" of the United States, as Nixon admitted in his inauguration speech on January 20, 1973, had a great impact on the four above factors. This is due to the fact that "Viet Nam and the Indochinese peninsula have become the region where the fundamental

contradictions of human society in our era are concentrated." (1)

"The resistance against American aggression of the Vietnamese people and the other Indochinese peoples is not only a test of strength between them and the US imperialists and their lackeys; it also reflects the struggle between the socialist countries and the warlike imperialists, between the forces of national liberation and the aggressive imperialist forces, between the forces of peace and the forces of war headed by the US imperialists." (Truong Chinh: "The Front's Work at Present". Speech to the Third Congress of the Viet Nam Fatherland Front, 1972).

Nixon was forced to readjust US global strategy to seek a solution to the Viet Nam problem. This readjustment would be effective only to the extent that it contributed to the solution of this problem.

* * *

For this adjustment, at the Guam Conference in July 1967, Nixon advanced three principles which

(1) These contradictions are:

- the contradictions between the socialist and imperialist camps;
- the contradictions between the working class and the bourgeoisie in the capitalist countries;
- the contradictions between the oppressed peoples and imperialism and colonialism;
- the contradictions between various imperialisms and between monopoly groups in the imperialist countries.

(Resolution of the 9th plenum of the Viet Nam Workers' Party Central Committee, 1963).

were so many "directives for the future Asian policy of the United States" (November 3, 1969 speech):

1. "The United States will respect its treaty commitments." "This clearly means that it will not abandon its will to world hegemony. In Asia, it will maintain its commitments vis-à-vis the neo-colonialist regimes it has set up in different countries.

2. "We (the United States) will provide a shield if an atomic power menaces the freedom of one of our allies or a country whose survival is considered essential to our security." This is the main content of the military strategy of "realistic deterrent" aimed at "dissuading" and "containing" the socialist camp.

3. "As regards other kinds of aggression, we shall grant military and economic aid, when asked for, in accordance with the pledges made in the treaties. But we hope that the country which is directly threatened will assume the main responsibility for supplying the human resources for its defence." These cases are nothing but people's uprisings sprung from the national liberation movement.

The Guam theses, sometimes called "The Nixon doctrine for Asia," completed and expanded on a world scale, have become the "Nixon doctrine", a new strategy exposed by Nixon in his January 18, 1970 speech.

"The Nixon strategy mainly consists in:

1. Stabilizing and strengthening the economic and military power of the United States in order to win

superiority over the socialist countries, chiefly to intimidate and corrupt some countries or wage war in certain places.

2. Easing the differences and contradictions between the United States and its allies for a 'sharing of responsibilities', using these allies as shock forces on behalf of the Americans in each zone; maintaining and utilizing satellites to combat and sabotage the peoples' revolutionary movement, waging war in the interests of the United States at the price of the blood of others.

3. On these bases, they show themselves 'disposed to negotiate' with certain countries, especially the Soviet Union and China, in order to 'dissuade' and 'contain' these two biggest socialist countries, thoroughly taking advantage of their contradictions, provoking contradictions among the socialist countries in general to create favourable situations for the United States and turn them to account, creating a state of 'detente' among the 'great powers' and continuing to intimidate the small countries." (Truong Chinh: "The Front's Work at Present").

These three points, which Nixon regarded as a triptych, in fact reveal the state of weakness of American imperialism. The time is gone when it could get its way with the big stick; now it must combine military power with political and diplomatic manoeuvres, turn to account the contradictions of the so-called multi-polar world, resort to double-dealing, intimidation and falsification.

In Viet Nam, keeping one's commitments means nothing more than continuing to use Thieu to implant American neo-colonialism. In applying his doctrine, Nixon used the formula "Vietnamization" of the war along with negotiations from a position of strength.

Thanks to "Vietnamization" military expenditures were reduced, US troops gradually withdrawn and replaced by reinforced local troops. While still possessing an expeditionary corps more than half a million strong, the United States used its "power" as a shield behind which the Saigon army built its forces, improved its armaments and carried out training activities. It grew constantly more able to "share responsibilities." Mr. Laird, ex-chieftain of the Pentagon, declared on September 26, 1969: "Vietnamization is of much wider importance than the modernization of the Saigon armed forces to permit them to assume greater responsibility in the military field. It is the gradual transfer of responsibility to the South Vietnamese in all aspects of the war and in the management of their affairs, ensuring that they have a stronger government, economy and police." Thus the "sharing of responsibilities" not only facilitated American military disengagement but also aimed at enabling Thieu to take political control, and create a state of sham independence and false economic prosperity in a neo-colonialist regime.

At the same time, Washington negotiated to placate opposition to the war in the United States and

the world and to carry out Vietnamization under the cover of negotiations. From a position of strength hopefully conferred on it by Vietnamization, it negotiated with the aim of forcing the adversary to submit to its diktat: "The two parties must withdraw their troops," and hold "general elections" under the control of the Saigon administration. Negotiations were not limited to Viet Nam; they were held in a wider framework, with other countries, in order to limit, even to stop the granting of international support and aid to Viet Nam. Behind the smokescreen of negotiations Washington tried to weaken the revolutionary forces by different means, and strengthen the puppet army. Nixon put his greatest hopes in Vietnamization which, in his opinion, was a "plan for putting an end to the war whatever may happen at the negotiating table." (Nixon, November 3, 1969).

During his first mandate he resorted to all possible means to activate Vietnamization: launching uninterrupted bloody "pacification" campaigns to "destroy the Viet Cong infrastructure," destroying vast populous regions, creating "free-fire zones" where US pilots could fire at everything that moved, setting up vast "refugee" camps, carrying out "forced urbanization" by pushing millions of peasants into the cities in order to isolate the revolutionary forces, and at the same time, allowing the Saigon authorities to recruit young men and replenish the mercenary troops.

Once these troops were reinforced both in numbers and weaponry and were well trained, the Americans

sent them to "share the burden" and bear the brunt of the bloodshed in their invasion of Cambodia, Highway 9 and Lower Laos. These military adventures, far from isolating the South Vietnamese resistance and weakening the Lao and Cambodian revolutions, made it possible for the Cambodian revolution to take a leap forward and gave rise to the founding of the Indochinese peoples' front against American aggression. The debacle of Saigon's most seasoned troops proved that this army had failed to assume the burden that the Pentagon wished to entrust to it in application of the Nixon doctrine.

However through certain superficial phenomena Vietnamization created many illusions in late 1971. The Saigon army numbered more than a million men. By virtue of atrocious "pacification" campaigns, it seemed to be able to control large regions previously thought to be far from secure. Opposition in the cities was momentarily slowed down by fascist repression. Vietnamization of the Saigon land and naval forces was completed; that of the air force required more time. After Kissinger's "global diplomacy," Nixon could say that the neo-colonialist regime was well established in South Viet Nam, the revolutionary forces were running out of steam, external aid was ceasing and the war was "gradually dying out." He could carry on the repatriation of US troops and with some thousands of "advisers" remaining on the spot maintain

South Viet Nam through the agency of the Thieu administration within the orbit of the new American global strategy.

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The strategic offensive by the People's Liberation Armed Forces in early 1972 upset all those calculations.

The strong enemy defence lines around Quang Tri, Kontum, Loc Ninh, etc. were broken. So-called pacified regions were liberated. The Nixon administration was forced to "re-Americanize" the war. US troops were used to defend the "bolts" so as to allow battle-hardened Saigon units to cope with the adversary's attacks. Big US air and naval forces were mobilized to support them on the battlefields. Nixon pushed Saigon to seize the liberated zones, resumed bombing raids against North Viet Nam and mined her coast and ports. At the end of 1972 he threw his B52s into unprecedentedly violent bombing raids against Hanoi and Haiphong.

All his efforts were in vain. He could not reverse the situation in South Viet Nam, where there existed two zones under the control of two administrations, with two armies, and where the overall balance of forces was no longer favourable to the Americans and their mercenaries. Nixon had to abandon the two objectives he had set for himself at the Paris Conference. No longer able to demand the simultaneous withdrawal of the armed forces of the two parties, he undertook the unilateral withdrawal of US troops. Nor

could he demand a political solution within the framework of the Saigon regime but had to adhere to the principle of national reconciliation and concord between the three political forces, and of peaceful reunification of Viet Nam on the basis of discussions and agreements between North and South Viet Nam.

The full implementation of the Paris Agreement would be the complete negation of the Nixon doctrine in Viet Nam.

In Chapter 1 of the Agreement, the United States implicitly acknowledging its interference and aggression, undertakes to "respect the independence, sovereignty and territorial integrity of Viet Nam." (Article 1 of the Agreement). It also undertakes to respect the right to self-determination of the South Vietnamese people and "not to continue its military involvement or intervene in the internal affairs of South Viet Nam." As regards North Viet Nam, it "will contribute to healing the wounds of war and to postwar reconstruction of the Democratic Republic of Viet Nam and throughout Indochina." (Art. 21). This is a mitigated admission of crimes committed against North Viet Nam. American neo-colonialism, evicted from the liberated zone, would have been pushed back in the Saigon-controlled regions as well if other clauses of the Agreement had been respected: the insurance of democratic liberties, the setting up of the National Council of National Reconciliation and Concord, the holding of free and democratic general elections.

Thus, with the signing of the Paris Agreement, the Vietnamese people's resistance imposed a setback on the Nixon doctrine in Viet Nam. Truong Chinh underlined the world impact of this event in his speech cited above: "This resistance (of the Vietnamese people and the other Indochinese peoples, *Ed.*) is not only aimed at defending the fundamental national rights of these peoples but is also of great international significance. It actively contributes to defeating the counter-revolutionary global strategy of US imperialism and the cruel Nixon doctrine, defending the socialist system at the cost of its blood, pushing ahead the national liberation movement of the peoples in Asia, Africa, Latin America and Oceania, and safeguarding peace and democracy in the world."

It is clear that the Nixon administration would not permit the situation in South Viet Nam to evolve in a way conforming to the prescriptions of the Paris Agreement without reacting.

Asked by a journalist about the impact of the withdrawal of US troops from Viet Nam, Nixon declared on April 16, 1973: "This does not mean that our interests have changed, but that the means used to contribute to the realization of these interests have changed. Here there emerges what is called the Nixon doctrine."

Thus, he by no means gave up the idea of maintaining South Viet Nam under the yoke of American neo-colonialism. Only the way of applying the principles of the Nixon doctrine changed so as to undermine the Paris Agreement.

How to discharge the obligation of withdrawing US troops under the terms of the Paris Agreement while Saigon troops had proved themselves to be incapable of standing up to the 1972 trial of strength? To solve this contradiction, Nixon hastened, before the signing of the Agreement, to reinforce these troops and leave camouflaged US military personnel on the spot. This made it possible for him to carry on American military involvement in a disguised form.

In the period between November 1972 and January 1973, while he was putting off the signing of the Agreement, he tried his utmost to weaken his adversary by ordering constant bombing raids against both North Viet Nam and the liberated areas in South Viet Nam. He re-organized the US military apparatus in South Viet Nam. And thanks to an airlift — the biggest in the history of the Indochina war — he sent tens of thousands of tons of armaments worth about five billion dollars to South Viet Nam. According to the June 11, 1973 report of the Senate Foreign Relations Committee, 600 aircraft including 230 fighters were introduced, bringing the number of aircraft of the Saigon Air Force to 1,800. As a result, it became the third largest air force in the world.

Immediately after the signing of the Agreement, the Military Assistance Command in Viet Nam (MACV) of General Abrams became the Defense Attache Office (DAO) dependent on the US ambassador in Saigon and led by General John Murray. No

military attaché ever has a greater number of personnel under his command: no fewer than 6,750. Also dependent on this ambassador are the Special Assistant to the Ambassador for Field Operations (SAAFO) and the Directorate for Resettlement and Reconstruction which employ 1,000 Americans assigned to put into practice "pacification" plans and launch police operations.

Under the leadership of a corps of 24,000 US military advisers disguised as civilians, the forces of the Saigon Army were raised to more than a million men. This "power" was bolstered by a "realistic deterrent" force: on the 7th Fleet and at bases in Thailand, large air and naval forces stood ready to give support to the Saigon troops and to resume massive air raids against both zones of Viet Nam. The American strategy laid stress on the reinforcement of striking power by air and naval forces. In particular, seasoned Marine units equipped with ultra-modern weapons could intervene and withdraw rapidly without becoming bogged down. Commenting on the threats uttered by Nixon at a press conference held on March 15, 1973, against the DRVN, UPI said on March 16, 1973: "The US President recalled in veiled terms that American aircraft were still maintained in Thailand and US aircraft-carriers could still enter the Tonkin Gulf."

While the PRG and the government of the DRVN affirmed their will to seriously implement the Paris Agreement, the American imperialists and their henchmen, by virtue of this fact and with the new

deployment of their "powers", thought they could weaken and eliminate their adversary in South Viet Nam. Over the past years, the Saigon troops have tried without let-up to encroach upon the PRG-controlled zones, encircle the liberated zones in the mountain regions and wipe out the liberated enclaves in the plain. On the other hand, under the pretext of this systematically maintained state of war, the Saigon administration tightened its grip on the zone under its control. Pacification operations have been launched in the countryside to recruit young people and "destroy the Viet Cong infrastructure". In the towns fascist laws have been maintained and democratic liberties trampled underfoot. The third force, composed largely of the middle strata of people who are in favour of peace and national concord, has been subject to fierce repression.

Washington and its henchmen have carried out negotiations at different conferences in order to hide their ever more serious violations of the Paris Agreement, fool public opinion and try to divide the revolutionary forces: negotiations between the Saigon administration and the PRG on a political solution to the South Viet Nam problem; negotiations between the USA and the DRVN on the American contribution to healing the wounds of war; negotiations at a world level concerning Viet Nam. These negotiations have been combined with US "global diplomacy" in Asia and the world.

As ex-assistant Secretary of State, Kenneth Rush declared on January 21, 1974, Nixon's Asia policy was composed of two points:

The first was to establish relations of mutual understanding and moderation among the Asian powers: Japan, China, the Soviet Union and the United States (AFP, January 21, 1974). Rush added: "The treaties we are trying to sign with the two countries (the Soviet Union and China, *Ed*) are aimed to serve the interests of the United States and its allies no matter what has driven our adversaries to conclude them." (AP, January 22, 1974).

The second was to "shoulder with the small countries the responsibility of economic development and defence." (AFP, January 21, 1974) under the pretext that "nationalism constitutes the most powerful force in most countries and the peoples will be better off if they assume a more complete responsibility vis-à-vis their destiny." (Marshall Green, Assistant Secretary of State in a speech delivered at the National Press Club in Canberra, Australia, June 14, 1973).

Therefore while adapting the methods of application of the Nixon doctrine in Viet Nam to the situation after the signing of the Paris Agreement, the American government thought it could maintain US neo-colonialism in South Viet Nam and at the same time facilitate the implementation of the doctrine throughout the world.

In spite of its obvious weakening after the Viet Nam war, the United States, the most powerful imperialist country, still has great military and economic

potential and can concentrate considerable forces at a given moment in a given place. So, according to Fred Branfman, co-director of the Indochina Resource Centre, it was able, for the fiscal year 1974, to grant Thieu 874 million dollars' worth of economic "aid", i.e. 150% of the total US aid to all African and Latin American countries. In applying the Nixon doctrine to Viet Nam and pursuing brutal and treacherous manoeuvres, the American imperialists can still support the Thieu administration and perpetrate many new crimes against the South Vietnamese people.

There is nothing new in the means used by American imperialism at present in South Viet Nam. The nationalism vaunted by Mr. Green was used long ago as a façade for neocolonialist regimes in the pay of the United States, particularly in South Viet Nam with Ngo Dinh Diem. But this kind of "nationalism" was denounced and Diem paid for it with his life. The true national forces are gathered around the banner of the NFL. Against these forces in revolt, the United States had to muster an unprecedentedly great military force. With this deployment of force proving to be ineffective, it once again resorted to Thieu's "nationalism" which was paired with American "dissuasive power". However, the military and political capabilities of the US imperialists and their henchmen no longer correspond to their neo-colonialist appetites. It is clear that after the withdrawal of US troops, the balance of forces is no longer in their favour. In the political field, for the battle-hardened

South Vietnamese people, Thieu's "nationalism" is but a weathered signboard. On the other hand, the global diplomacy of the US in line with the Nixon doctrine, and its ever more developed relations with the communist world drain of their content the anti-communist themes elaborated decades ago by the US for the benefit of the Saigon propaganda apparatus.

The genuine nationalism of the NFL and the Vietnamese Communists has roused the consciousness of the middle classes. Faced with American interference and aggression, and the impasse into which the Saigon regime is being driven, they are tending more and more toward peace, national reconciliation and concord as advocated by the NFL. The more the Thieu junta is politically isolated, the more it resorts to fascism and uses its military and police apparatus to sabotage the Paris Agreement, launch encroachment operations against the liberated zone and carry out repression in the regions under its control. As a result of the US troop withdrawal, the economic situation is deteriorating in spite of a fairly substantial American "aid". Hundreds of thousands of persons who formerly worked in the US war machine are now thrown onto the street. The state of war and the herding of peasants into concentration camps hinder production. Insecurity does not encourage foreign investment. The people of all social strata including civil functionaries and military personnel see their living conditions deteriorate. The hope for peace, democracy, well-being, and national concord nurtured by the Paris Agreement vanishes. Contradictions within the junta in power are becoming exacerbated.

On the other hand the liberated region has been maintained and consolidated. Comprising more than half of South Viet Nam's territory it forms a single stretch of land from the 17th parallel to the point of Ca Mau and joins the DRVN and the other socialist countries. The PRG, which maintains fraternal links with the DRVN government, has established diplomatic relations with all the socialist countries and 30 other countries. Under the leadership of the NFL and the PRG the people of the liberated region who benefit from the support and aid granted by North Viet Nam and all their friends in the world are building a new life and wiping out the legacy of neo-colonialism.

In the other half of South Viet Nam, that under Saigon control, US neo-colonialism can no longer raise the banner of peace and freedom. It is no longer in a position to create a state of even artificial prosperity there. The unending war, the Thieu fascist regime, the financial and economic collapse weigh heavily on the life of the people. US neo-colonialism is being shown in its true colours. A broad movement demanding the resignation of Thieu and the correct implementation of the Paris Agreement is expressing the aspiration of the masses for peace, independence, democracy, well-being and national concord. The growth and strength of the movement toll the death knell of the Nixon doctrine in Viet Nam.

All this has affected the application of the Nixon doctrine in other parts of the world. By signing the

Paris Agreement, Nixon thought of appeasing opposition in the United States. But as James Reston wrote on November 25, 1973 in the International Herald Tribune: "The United States has come out of Viet Nam after its longest war which has divided the country more than any war since the war of Secession, but Viet Nam has not withdrawn from the United States, because the impact of the war will mark American life for many years ahead." The crisis of confidence of which the Watergate affair was a manifestation sharpens the contradictions among the US monopoly groups and leads to a crisis of power which is without precedent. Nixon had to leave the White House and, for the first time, an American President came to power without being voted in by the people.

The allies and satellites with whom the United States wishes to "share responsibilities" have the tendency rather to share interests and get loose from the American grip. The "nationalism" which is so much prized by the Nixon doctrine pushes these States to compete with the United States or seek support elsewhere; because they know that a close dependence on the Americans will lead them into such adventures as the Viet Nam war.

In the Third World countries which are struggling to win back or defend national independence, genuine nationalism is greatly stimulated by the Vietnamese people's victory and the American defeat.

The fundamental weaknesses of American imperialism have been laid bare by the anti-imperialist

spirit which animated the Summit Conference of the non-aligned countries held in Algiers, the recognition of the PRG and the Royal Government of National Union of Cambodia by these countries, and the solidarity of the Arab countries in the oil question.

Throughout 1973, the year that Washington wished to turn into a "Year of Europe", the United States, tangled up in its internal and external difficulties, could not work out a "new Atlantic Charter". On the contrary, contradictions and dissensions within the North Atlantic alliance have become aggravated. Faced with the Americans' efforts to line up a common policy vis-à-vis the Arab oil-producing countries, many countries (including France and Japan) have preferred dealing with the latter separately.

The authors of the Nixon doctrine counted on the cessation of the Viet Nam war and on the Paris Agreement to enable them to apply it to other countries in an effective way. Viet Nam was a test. And a confirmation of failure.

Nearly two years after the signing of the Paris Agreement, the failure of the new US strategy is obvious and foreshadows nothing good for the application of the Nixon doctrine in Indochina and other parts of the world.

From Diem to Thieu : Neo-Colonialist Political Structure and Apparatus

LINH VIEN

"I am accordingly instructing the American ambassador to Viet Nam to examine with you in your capacity as chief of government, how an intelligent program of American aid directly to your government can serve to assist Viet Nam in its present hour of trial. The purpose of this offer is to assist the government of Viet Nam in developing and maintaining a strong, viable state... endowed with a strong government."

This letter sent to Ngo Dinh Diem by Eisenhower on October 23, 1954 clearly showed the interest of Washington in setting up in South Viet Nam a state and a government capable of serving as an efficient tool of the U.S. neo-colonialist policy.

I — The US-Diem Regime

I. Bases of the Regime

From the outset, the South Vietnamese population joined the two words "US-Diem" to designate the regime set up in South Viet Nam after the Geneva

Agreements in 1954 and to express its true nature. While continuing to run the old apparatus set up by the French and to enjoy the protection of French troops for the first two years, the Ngo Dinh Diem administration, a product of French defeat and US intervention was, from the beginning, a docile tool of the Americans.

On the domestic front, the Saigon regime gathered all the reactionary elements in the country. Coming from the North, the mandarins, notables, landlords dispossessed of their land and their authority by land reform and radical democratic measures, the overzealous ex-agents of the colonial administration, the compradore bourgeois, went South in the wake of the French troops to meet their counterparts there, all eager to take revenge on the revolution.

Since the beginning of French colonial conquest, the feudalists — landlords, mandarins, notables — had practised a policy first of capitulation, then of outright collaboration with the enemy. The agrarian crisis of the old regime had deepened to the point of triggering off constant peasant revolts and the feudalists preferred to betray the national cause in order to defend the privileges of their class. Now French bayonets protected them against the rebellious peasants while the French colonial administration made use of the feudal apparatus to levy taxes and maintain security and order in the villages. National liberation could not be carried out without overthrowing feudalism and wiping out the age-old feudal administration.

That feudal bloc, ubiquitous in the country, was joined by a new stratum of compradore bourgeois who lived on the crumbs of colonial exploitation, following in the wake of the big French companies. Feudalists and compradores ended by merging, the ones shifting from farming to commercial and financial activities, the others by buying land while continuing to do trading.

The French safeguarded the feudal apparatus but made very little concession in so far as the appearances of power were concerned. French Governors and Residents directly ruled the country, the Vietnamese mandarins and notables playing publicly and obviously the role of simple subordinates.

After the big victories won by the national movement in 1950, and hard-pressed by Washington, the French were compelled to rig up a "national government" headed by Bao Dai. A "national" army was created and reactionary rural councils set up to help French troops carry out pacification operations. But the French grudgingly granted to the so-called national administration only an appearance of power, Bao Dai's army remained an "auxiliary force" of the French expeditionary corps, while the Bao Dai government was but a shadow, its head spending most of his time on the Côte d'Azur. However, at the instigation of Washington, a new apparatus was set up in 1950.

Besides the traditional reactionary elements, there appeared little by little in that administrative, military and police apparatus a new category born from the war, that of adventurers and declassed elements

who had no particular ideology, belonged to no well-defined social class, but were picked up by the colonial administration and French command to do such dirty work as torture, spying and massacre of the population... They were found chiefly in special formations: paratroops and special police. They were attracted by money and pleasure and little by little lost all national consciousness, being turned into mere tools.

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Particular mention should be made of the Catholic community in North Viet Nam. In the 17th and 18th centuries, the Western missionaries—Portuguese, Spanish, French—recruited their flocks among the outcasts of feudal society to found Catholic villages essentially in newly cleared lands. Traditionally tolerant, Vietnamese society allowed these villages to be set up and to thrive without suspecting that the Church nursed a high ambition, which was to convert the whole nation through the installation of a Catholic prince in power. Little by little these villages became isolated islets where all forms of cult, even the traditional cultural life, were abolished and the missionaries gained control over the temporal as well as the spiritual life of the inhabitants.

In the 19th century, when the threat of conquest by the Western powers, particularly France, was looming large, the Catholic villages became a danger for the country; the Western missionaries who ruled

the roost there encouraged colonial conquest, supplied political and strategic information to the French troops, and promised to the French command the backing of the Catholic community. The royal administration replied by persecution, and non-Catholic villages by a growing hostility as the colonial conquest advanced. The missionaries recruited carriers and mercenaries from Catholic villages for the French troops.

After its installation, the colonial administration promoted the expansion of Catholicism; whenever a Catholic village was at odds with a non-Catholic village on some issue, chiefly on the allotment of land, the colonial administration would solve the problem in favour of the Catholics. The political hostility which surrounded in these Catholic villages (turned against their will into tools of foreigners) was aggravated by a cultural hostility due to the fact that, under the impulse of the Western missionaries, the Catholics adopted a form of social life quite different from those of others regarding cults, marriages, funerals... These villages became truly alien bodies within the country.

For the poor and illiterate Catholic peasants, religion was their only consolation. All inhabitants of Catholic villages went to church not only on Sundays but every day. In the families, prayers were said at sunrise and in the evening before going to bed. The orders of the parish priest and chiefly of the missionary, who went about in a palanquin like a kinglet, were gospel, and obeyed to the letter. Patriotic

Catholics were torn asunder; their national sentiments directly clashed with the orders of the hierarchy, and they were impotent to change the course of events, the Church being much more powerful than they.

It is understandable that the Catholics hierarchy strongly opposed the national and revolutionary movement. In the first resistance war it could not prevent a small number of patriotic Catholics from joining the national movement but succeeded in keeping a major part of Catholic away from the resistance. In some regions, Catholics militiamen organized by the hierarchy collaborated with the French troops.

In 1954, as French defeat was imminent, a large-scale propaganda campaign financed by French and American services was conducted in Catholic villages to force the population to go South. "God has left the North". "The Americans will drop atomic bombs once the French troops have evacuated the North", were the two principal slogans, not including the promise of the US to give aid in cash and land to the refugees. Thus hundreds of thousands of Catholics, who were mostly illiterate peasants, followed their parish priest and bishops to the South. The Americans thought that they would turn that community into a basis for the Diem regime and henceforth create an army of fanatical believers whom they would be able to use in a crusade against the North.

2 - Political Apparatus

Washington relied on that political basis and supplied it with the necessary technical and financial

means, which were much more substantial than those of the French, and American "advisers" in Saigon helped Ngo Dinh Diem to rig up an efficient and loyal political and governmental apparatus.

The problem consisted in setting up at the same time :

- Grass-roots political structures, mass organizations and parties while taking measures to strengthen reactionary classes and strata ; and

- A government, administrative, police and military machinery strong enough to cope with the national and popular movement.

After 1954, the Americans embarked much more radically on the neo-colonialist road than had the French. Lansdale of the CIA, Diem's top adviser from the outset, set these urgent tasks :

- To set up a single "national" army by including all the puppet armed forces created by the French, and strengthening equipment, personnel, structures.

- To gather "national" political forces and use them as a prop for the government (1).

The central political apparatus rested on the Diem family, related to the family of Tran Le Xuan, wife of Ngo Dinh Nhu, Diem's brother and adviser. The key posts in the government were held by members of these two families. Nepotism was one of the characteristics of feudal oligarchies. The Ngo and

(1) Lansdale, *In the Midst of War*, Harper and Row, 1972.

Tran families were two big mandarinal clans which had long collaborated with the French : Diem distinguished himself, when he was still a young mandarin, in the repression of the national movement. A fervent Catholic, he was, for the Americans, the protégé groomed by Cardinal Spellman, and, for the Vietnamese reaction, the choice of the Catholic hierarchy which thought that it was time to bring Catholic "prince" to power, and with US money, to turn Viet Nam into a Catholic nation and "the eldest member" of the Church in the Far East.

All the mass media were immediately mobilized, on Diem's investiture, to fabricate the legend of an upright pure and intransigent patriot who had fought "body and soul" to oust the French and crush communism, a "satanic" creation.

Diem concentrated all powers in his hands : he was Chief of State, Prime Minister, Commander-in-Chief of the Armed Forces, and had under his control many departments and committees which ruled over the heads of the ministers and their ministries. Even Vice-President Nguyen Ngoc Tho was appointed only as a symbolic representative of the big landlords in Nam Bo. One of Diem's brothers, Nhu, and Nhu's wife, Le Xuan, were the *eminences grises* who manipulated the various political and police apparatuses. Can, another brother of Diem's, ruled the roost in the northern provinces with Hue as his residence and fiefdom. The two families controlled highly profitable businesses.

Around the two ruling families, gravitated a stratum of compradores, composed of those already influential under French rule and parvenus who had proliferated on American aid. Ministers, high-ranking officials, provincial governors, army officers, ambassadors, counsellors of all kinds, "deputies", "senators", a whole new "political class" mushroomed after the withdrawal of the French, and were generously financed by Washington. Most of them were Catholics and many opportunists became converts in order to have a share in the profits.

Lansdale suggested to Diem to set up a nationalist party with a social and philosophical tinge, the *Can lao nhan vi* (Personalist Labour Party) which, led by Nhu, tightly controlled the administration, army, police and economic services(1). All other parties and groups, particularly pro-French groups, were eliminated, some by corruption, others by force. The French in Saigon did their best to prop up the pro-French sects; but Paris and Washington had agreed on their liquidation in order to set up a strong government capable of carrying through the counter-revolutionary task assigned to it. Many politicians had to emigrate abroad.

In order to keep a façade of "democracy", some groups were allowed to subsist as "opposition parties". A referendum, elections, a series of masquerades were staged under the aegis of an all-powerful and merciless police, the scenarios for which were prepared by

(1) Lansdale, op. cit p.228

American advisers (most of them from Michigan State University) in order to give the regime the democratic façade necessary to justify in the eyes of American public opinion the legitimacy of large-scale aid.

Organizations of women and youth were set up to provide the regime with a popular base. All the mass media worked (financed of course by greenbacks) to sing the praise of Diem, to incite hatred of communism, of the North, not forgetting the neutralists and liberals.

3 - Counter-Insurgency in Action

Thanks to American dollars and chiefly to drastic police measures, the Diem regime could be set up without much difficulty in the towns and cities; but the situation was quite different in the countryside. Millions of peasants had taken part in the patriotic war of resistance against the French and for many years had known a democratic regime. A great number of landlords and notables had fled the countryside to live in the towns under the protection of French troops.

The American specialists knew that the country would be well in hand only when the villages were closely controlled, and against a revolutionary movement which had spread to the peasantry as widely as it had done in Viet Nam, the only possible policy was to:

— set up a very strong administrative, military and police apparatus in the countryside;

— strip the toiling peasants of all economic advantages and democratic rights acquired during the resistance war ;

— physically eliminate revolutionary cadres and militants, and terrorize the population.

By decree, Diem suppressed the elections of village chiefs and rural councillors and replaced them with former notables and his own henchmen. The Saigon army and police intervened immediately to help these newly established organs to dictate their law to the peasants. The work was facilitated at the outset by the departure to the North of the revolutionary armed forces and resistance cadres. Strictly implementing the Geneva Agreements, at the beginning, the inhabitants waged only political struggle against the actions of the Diem army and police.

Diem decreed an "agrarian reform" which was in fact designed to strip the toiling peasants of all that they had acquired during the resistance war ; protesters were shot, arrested en masse or deported. "Denounce communists" sessions were held in villages in which the crowd, manipulated by the police, had to denounce those who had taken any part, however small, in the anti-French resistance. Those who did not denounce anybody were immediately accused of being "communists" themselves and were beaten before the eyes of the public and jailed. The wives of ex-resistance members and of cadres regrouped to the North were forced to apply for divorce and were closely watched. Soldiers and policemen

shot at crowds, torturers grilled and tortured suspects on the slightest pretext. Former resistance members and sympathizers were constantly chased from one village to another. Villages were forcibly turned into "prosperity zones" surrounded by barbed wire entanglements. Never had the countryside of South Viet Nam lived through such dark days.

4 - The Crisis of the US-Diem Regime

The Diem regime gave an appearance of stability so long as, respecting the Geneva Agreements, the population did not resort to arms. But with the beginning of the armed struggle in 1959, the foundation of the National Front for Liberation in 1960 and the launching of concerted insurrections spreading from one village to another, the Diem regime was shaken to its foundations.

Washington had thought that facing an unarmed population a strong government, army and police could without great risk launch large-scale repressive operations. These operations had only a police character, that is they were conducted under civilian control, the armed forces being only a tool serving the political power and the military having to obey orders given by the civilian authorities, in this case by Diem and members of his family, chiefly his brother Nhu.

With the launching of the "special war" in 1961, the operations took on a truly military character ; the Saigon army was considerably strengthened in

numbers and equipped with the most modern weapons and up-to-date detection and intelligence devices. It was in fact experimenting with a new strategy and tactics elaborately worked out by Pentagon experts. The number of American advisers rapidly increased to 25,000 in 1964. They commanded the Saigon units. American technical units and an American operational command were set up. The "Pentagon Papers" reveal that even the eventuality of direct intervention by American troops in South Viet Nam was under consideration at that time.

With this new strategic and political orientation there was an urgent problem to be resolved : did the Diem regime as it had been constituted since 1954, remain an efficient tool for the carrying out of American plans? On the political level, it was obvious that Diem could not muster all the reactionary forces, let alone enlist any measure of popular support. American propaganda compared Diem to Churchill ; but nobody was fooled.

The crucial problem for Washington was : could the war be won with Diem? At the White House and the Pentagon there were two contending theses. While some affirmed that "we cannot win with Diem" (1) others thought that only weaponry mattered and not the person of Diem. The year 1962 seemed to confirm the second assumption. In fact, helicopters, amphibious vehicles and electronic devices proved to be powerful trump cards against guerilla warfare.

(1) Taylor: *Swords and Plowshares* (p. 233.)

But the shortcomings of Diem's machine were constantly thwarting American schemes. Orders given by the U.S. command did not reach the troop commanders at various fronts and units. The CIA complained that "all important and many minor decisions are referred to him (Diem)" (1), the general staff playing only a secondary role. It was not until the end of 1960 that Diem agreed to set up the "National Security Council" composed of members of the general staff, the minister of defence, the minister of the interior and other personalities. But Nhu as supreme adviser manipulated the council at will.

On a trip to South Viet Nam, Taylor pointed out: "The lack of return on the military investment was the result of many of the factors already mentioned : lack of intelligence, a defensive outlook, a bad civil — military relationship in the provinces and Diem's style of over-centralized government" (2).

The civilian apparatus, from Diem to the provincial governors who were entirely his creatures, encroached upon the prerogatives of the military, a factor which seriously hampered the execution of US military plans. Diem sought to tightly control the activities of Saigon units wherever they might be. The military commanders had to submit themselves to two differing leaderships : they received orders from the provincial governors who depended on the ministry of the

(1) *The Pentagon Papers*, p. 70

(2) Taylor, *op. cit.* p. 242.

interior, and also on the general staff and the ministry of defence. Regional troops and local paramilitary forces depended only on the provincial governors, that is, on the ministry of the interior.

Coordination between the various arms and categories of troops was bad, clashes being frequent between the two parallel hierarchies, civilian and military. All these contradictions only went from bad to worse with the development of the war. During one of his many missions to Saigon, Taylor had to make a personal appeal to Diem to end this situation (1). The US command set up in Saigon could not fully play its role. "The military mission suffered a complex of frustrations as the role of advisers does not imply the power of commanding." (2)

5 - Diem's Downfall

In January 1963, a small PLAF unit besieged by a Saigon force ten times superior in strength succeeded in breaking away and inflicting heavy losses on the enemy, destroying six helicopters and three amphibious cars. This battle of Ap Bac laid bare two serious facts for the U.S. command:

— the PLAF had found the means to cope with helicopters and amphibious cars, the two main technical trumps of the Saigon army;

— there was a total lack of coordination between the orders of the American advisers and those of the

(1) Taylor *op. cit.* p. 227.

(2) Schlesinger "One Thousand Days" p. 495.

Saigon military commanders. Diem was sharply criticized by the Americans who demanded an immediate end to interference in military operations.

With the uprisings of the Buddhists and the successive defeats of the Saigon army in the following months, Diem's prestige was rapidly on the wane in the eyes of the White House. To consolidate their authority, Diem and Nhu created three sectors in the government: security, economy, and cultural and social affairs, placed under the direction of loyal men topping the ministries.

For their part, the Saigon military became restless; the abortive coup of November 1960 had been a warning shot for Diem. Encouraged by the American services, the Saigon military plotted to overthrow him. The "Pentagon Papers" recognize that "beginning in August of 1963, we variously authorized, sanctioned and encouraged the coup efforts of the Vietnamese generals and offered full support for a successor government" (1). Later Nguyen Cao Ky disclosed: "The armed forces could not support Diem because he used them as a tool while he was on the wane." (2)

Towards mid-1963, Washington was completely convinced that Diem was of no more use. His fate was sealed and his overthrow was only a question of time. Other men, and above all another political and

(1) *Pentagon Papers*, p. 162.

(2) J. Dancanson: *Government and Revolution in Vietnam*, (French edition), p. 230.

military machine, had to take the place of the US-Diem regime, now becoming ineffective. The Saigon generals were given the green light to overthrow Diem, to liquidate him and his brother Nhu. We will not recount the stages of that overthrow, as many other documents have dwelt sufficiently on the subject.

II - Military Dictatorship and War Machine

The overthrow of Ngo Dinh Diem did not only mean the end of a personal reign; it also represented a radical change in American strategy which had to find new instruments to carry out Washington's plans and projects. To cope with a battle-hardened revolutionary civilian apparatus was no longer effective. The tasks were essentially military. The war came first. The massive landing of US troops was an urgent measure to meet a catastrophic situation and the bombing of North Viet Nam could momentarily ward off the danger of a total demoralization of the Saigon troops. But the main question remained the creation of strong and stable structures and apparatuses, of efficient means to wage a neo-colonialist war after the liquidation of the Diem regime.

I - A Society in Turmoil

The massive intervention of the US in the economic and military field little by little radically upset the traditional structure of Vietnamese society. A great

number of villages were destroyed, millions of peasants were compelled to leave all their possessions to be herded into strategic hamlets or into the cities. This destruction of villages where life had become impossible and this forcible massive exodus towards urban centres led to

- the liquidation of the feudal class of landlords and former notables who, like the peasants they exploited, were driven into the cities;

- the creation of a huge reserve of manpower in urban centres, a mass of refugees who depended closely on US aid for survival and where considerations of profession, social class, political and moral tradition, were obliterated in face of the pressing need for survival.

The massive injection of dollars amounting to dozens of billions also blurred all traditional criteria of social status. A landlord who settled in town made profits from shady business dealings which were much greater than he had got from antiquated agricultural exploitation. A prostitute serving the Yanks earned much more than a university professor and naturally a brothel keeper earned very much more. Whereas in former times big bourgeois families could be counted on the fingers of two hands, they were now as nothing compared with the number of parvenus who thrived on the US intervention. Trafficking of all kinds became the big affair and people eager to make as much profit as possible in order to gratify their thirst for money and pleasure lost all political, moral and ideological perspectives.

Feudalists and bourgeois no longer existed. The intelligentsia, though swollen in numbers, remained mostly passive, retaining a keen national spirit but overwhelmed and intimidated by the scope and savagery of American intervention.

The feudalists were decisively ousted from the historical arena by the peasant revolution and by foreign intervention and the traffickers were unable to form a bourgeois class. It is understandable that in these conditions the reactionary political parties which could efficiently serve American policy lacked all consistency.

Furthermore, since the failure of the Quoc Dan Dang (Nationalist Party) in 1930, the leadership of the national movement had shifted entirely to the Communist Party. The genuine patriots in the nationalist parties and groups in the end joined either the Communist Party or the mass organizations led by it. During the first resistance war, all truly national elements fought in the various organs of the resistance.

Former leaders of the Quoc Dan Dang who had fled to China returned to the country in the baggage trains of the Chiang Kai-shek troops, then remained in the French-controlled towns and cities, finally to be regrouped in Saigon where they formed the pro-Japanese Dai Viet party. As the Americans were desperately looking for men or groups to rig up a "pluralist democracy" in South Viet Nam, all the small groups which were set up received generous subsidies. This enabled the American services to

present to public opinion in the US the picture of a "democracy" in which a dozen parties were contending. In 1964, twenty two parties were set up, while the foundation of twelve others was under consideration. This also made it possible for the American secret services to have henchmen to be pitchforked into power when they felt it necessary to replace a worn-out quisling.

Debates in the Saigon "Lower House" and in the "Senate" frequently ended in quarrels and brawls in which personal interests counted for much more than public interests. Now and then, one of the members of these small groups or parties was thrust into the premiership or vice presidency; but a Nguyen Ton Hoan, a Phan Huy Quat or a Tran Van Huong represented nobody.

In 1954, with Ngo Dinh Diem, the Americans had nursed the illusion of being able to set up in South Viet Nam a "national" government having a definite political and social basis which could be made viable by the huge technical and financial means put at its disposal, and by bloody repression of all opposition. With the downfall of Diem, all hopes of preserving such a basis were dashed. Everything had fallen to pieces and there remained only factions who were cutting one another's throats for personal ambitions. L.B. Johnson complained bitterly: "The South Vietnamese often seemed to have a strong impulse toward political suicide... They had great trouble trying to get together to govern themselves... I had moments of deep discouragement, times when I felt

the South Vietnamese were their own worst enemies." (1)

In South Viet Nam, as in any colonial and feudal country, the only organizations which had a popular basis were either revolutionary or religious. The catholic church remained the only popular basis of a pro-US government in Saigon. With the fall of Ngo Dinh Diem, the church lowered its tone and its triumphalist manifestations, but behind the scenes, the Catholics continued to hold key posts in the army and administration and had a great influence on educational establishments and social organs. The Catholic organizations received the lion's share of American aid granted to this effect. Nevertheless, with the development of the war and the intensification of atrocities committed by the American troops, the Catholic community began to be stirred by various currents. A large number of Catholics were nationally minded and did not blindly obey the hierarchy, and the Vatican anxious for the future pushed for a more subtle policy.

With regard to the Buddhists, they were much more heterogenous. For many centuries Buddhism has not been the official religion of the country, but part of the population went to the pagoda now and then. Normally in filling civil documents, most Vietnamese would describe themselves as without a religion. But under the Saigon regime, such a self-description could draw the suspicions of the police and cause trouble,

(1) Lyndon B. Johnson, *Vantage Point*, p. 65.

as an atheist is not far from becoming a revolutionary. For safety's sake, many people declared that they were Buddhists, and this considerably swelled the statistics.

As a patriotic reaction against the influence of Catholicism, which had become a state religion under the Diem regime, and also as a solace amidst the atrocities of repression and war, many people turned to Buddhism and considered it a national religion, in opposition to Catholicism coming from the West.

The Buddhist movement rapidly became the sole opposition force capable of showing itself demonstratively in urban centres without being exposed too much to police persecution. When by their combined political and military action the revolutionary forces had vigorously shaken the Diem regime, when Washington itself was about to put an end to this regime, in 1963 the Buddhist movement in the towns was in a position to give it the coup de grace.

But the movement never succeeded in closing its ranks. It tried in vain to modernize its organization on the pattern of the Catholic church but Buddhism would not become a monolithically organized religion like Catholicism. On the political level, whereas the Buddhist were prompted by national sentiment, their leaders were very heterogeneous, some acting out of faith, others out of political ambition. The American services were soon able to sneak their men into the leading groups.

The crumbling of Buddhism into opposing tendencies was fatal. What cemented the Buddhist movement

was national sentiment, what gave it its strength in 1963 was the conjunction of its slogans of opposition to Diem with those of the revolutionary movement. The fall of Ngo Dinh Diem created in some Buddhist circles the illusion that they constituted the only truly powerful political force in the country. But in 1966, when the Buddhists in Hue and Da Nang wanted to oppose the Saigon regime alone, they were soon crushed.

For the Americans, the Buddhist movement or at least its leading circles could serve their political manoeuvres in a given conjuncture; it could never become a mass movement serving as the basis for a systematically reactionary policy to provide a true socio-political basis for the Saigon regime.

With regard to the Cao Dai and Hoa Hao sects, their political allegiance remained unstable; the majority of their followers were patriotically-minded people, whereas their leaders frequently had a political attitude which wavered according to events. Their regional character considerably limited their possibility of action on a nation-wide scale.

All hopes of creating a popular political basis, reviving a decaying feudal class, strengthening a virtually non-existent bourgeoisie and forming a consistent political organization to back U.S. policy were vain. Even by providing large quantities of dollars, agricultural machinery, fertilizers and new rice strains to the rural regions under their control, the Americans could not create a stratum of rich peasants, of capitalist-type farmers: the war quickly

swept away all that could be established. Nothing stable could be set up so long as the country was not pacified. What needed to be reinforced was the war machine and the pacification apparatus.

2. The Military-Bureaucratic-Trafficker Caste

As early as 1954, Washington had set up a military and police apparatus capable of covering all of South Viet Nam; it was the trump card of US policy in Viet Nam (See article on the Saigon Armed Forces). The intensification of the war increased the number of people evacuating the villages destroyed by American bombs and toxic chemicals; this mass of refugees was the main reserve force for the Saigon army and police.

Able-bodied refugees had no other means of living and raising their families than joining the army and the police; it was not possible for them to desert as their villages and crops had been completely destroyed. Thus the Saigon army—regular, regional and local forces—increased in numbers from 150,000 men in 1954 to over half a million in 1965 and over one million in 1972. By dint of bombing, spraying chemicals and completely controlling the Saigon economy, Washington was thus able to build a huge military and police machine. All these forces were scattered in 5,000 posts which literally chequered the country.

The main effort was then to supply that army with a body of completely trustworthy officers who were

ready to carry out all tasks. While employing local troops, the French had not given the Vietnamese access to the ranks of officers; commissioned rank was reserved for those who had French citizenship and whose families had proved their loyalty. The establishment of the Bao Dai army led to the formation of a body of officers recruited among the sons of well-to-do families who were sent to French military schools for a conventional training.

Very few of these officers trained after 1950 could become field officers; only a very small number of officers stemming from very rich Saigon families closely bound to the colonial regime, and Frenchified in their mode of life, could hold such ranks.

Besides these officers who were mostly of bourgeois stock, there emerged little by little a new generation of men born from the war itself. As said above, as the war went on, it took on less and less the character of a conventional war and more and more that of a total war against the population. The French and the Americans were more and more in need of Vietnamese commanders capable of carrying out operations which were far from conventional: massacre of the population, destruction of villages, torture of prisoners, round-ups, wholesale arrests, concentrations of population, all of them mixed in with some demagogic measures. In a society utterly disrupted by a protracted war, it was not difficult to find declassed men, adventurers ready to do the vilest jobs provided they satisfied their baser instincts. The French could only work on a small scale, while

the Americans who had enormous financial means and elaborately developed psychological and social methods of action were able to step up the recruitment and training of these new officers to turn them into a new social stratum.

The Saigon armed forces number at present more than 70,000 officers including 10,000 field officers and over one hundred general officers. The administrative apparatus is militarized: commanders of army corps, of military sectors at provincial level, and of sub-sectors at district level, were also province and district chiefs who concurrently assumed administrative functions. In the provincial and municipal councils, military men form the majority, each commune is covered by a network of military posts and police stations, the civil authorities having to obey the military commanders' orders in all matters. In Saigon the leading posts in the government and administration are in the hands of officers, including the function of president of the republic. On top of the government is a "revolutionary military council" which takes all important political decisions.

Thus, the orders given by the US command had no longer to go through the agency of a civilian administration to be forwarded to the Saigon armed forces and, in the field, at provincial or district level, the US military advisers could conduct operations without paying any attention to the reactions of civilians.

Holding military as well as political posts, the officers laid hands also on the economic machinery

and used it to grow rich as quickly as possible. At the lower echelons, they made sizeable fortunes by looting in the course of military operations, by extorting money from suspects or prisoners, by petty theft of goods, materials and equipment, which were supplied in abundance by the U.S. The Americans also received pay lists of phantom units: a few hundred soldiers fed up with the war could leave a battalion for a few months while the commander continued to pocket their pay. Two or three times more lorries and other vehicles were declared destroyed in ambushes than was actually the case and the surplus was sold. As the distribution of American economic aid went through their hands, the officers also feathered their own nests in this way.

At higher levels, big operations were the rule: import-export licences, trafficking in foreign currencies, in drugs, construction of buildings, of big hotels, banking operations, large scale plunder such as that of the French rubber plantations during the invasion of Cambodia in 1970. With their families and associates, the senior officers now form a new class of compradores in Saigon much richer than the pro-French compradores of yore. Their fortunes amount today to several billion piastres with considerable investments abroad. There is less genuinely industrial or commercial activity than trafficking, which proliferates in often monstrous fashion under the influence of US intervention.

Supply of weapons, import of luxury goods, of fertilizers, medicines, drugs, distribution of land during

the agrarian reform, granting of exemptions from military service and of exit visas, prostitution, promotion to civilian or military posts — all serve as pretext and opportunity for self-enrichment. Corruption, an integral part of the regime, is the true motivation.

We are witnessing the formation of a military-bureaucratic - trafficking caste whose interests and mode of life and thinking are closely bound to US policy. Contrary to old colonialism which based itself on a feudal class born from traditional Vietnamese society, a society which was most certainly on the wane but was deeply rooted in the country, US neo-colonialism has created, out of nothing, so to speak, by virtue of its technical and financial power, a new caste which serves as its mainstay, a caste which draws its strength from US strength but which is afflicted with an incurable congenital defect, since it could not subsist once deprived of US aid. It is the "Khaki party", as it is nicknamed in Saigon, which has replaced the mandarins and notables of the past.

3 The Irresistible Rise of Nguyen Van Thieu

In the beginning, the Americans could only make use of the tools left by the French, and the November 1963 coup was engineered with Washington's consent, by the "old generals" who held the key posts in the "revolutionary military council" headed by Duong Van Minh.

These "old generals" such as Minh, Don, Kim, Xuan born of well-off pro-French families, educated

from childhood in French schools, and having adopted French nationality, did not have the full confidence of the American services. They had had a classical military training in which little attention was given to "counter-insurgency" methods and tactics as elaborated by the Pentagon experts. And above all their political loyalty to Washington remained doubtful as they were so tied to France that they were unavoidably subject to the more or less direct influence of their former "protectors."

But, as de Gaulle loudly affirmed in 1961, France was leaning towards a neutralist solution; neutralism was also spreading among the middle classes of Saigonese society which were closely linked to these "old generals". In his January 1, 1964 message to the Saigon government, shortly after Diem's downfall, Johnson warned it against all neutralist velleities. McNamara about the same time sent a report to Johnson in which he pointed out: "The situation is very disturbing. Current trends unless reversed in the next two or three months, will lead to neutralization at best and more likely to a communist-controlled state. The new government is the greatest source of concern. It is indecisive and drifting." (1)

As the military situation worsened, after the successive defeats of the Saigon army and the heavy demolition of strategic hamlets by the rebellious population, Washington had to find more resolute men to pursue its policy. Younger men were showing their

(1) *The Pentagon Papers*, p. 271.

impatience and were ready to relieve the old ones. On January 31, 1964, General Nguyen Khanh, with the help of General Tran Thien Khiem overthrew Duong Van Minh in a quiet putsch; the operation was carried out by Nguyen Khanh without much fuss as CIA had already given the green light. Nguyen Khanh, 37, had served with the French and then attended courses at Fort Leavenworth, in the USA. He was later promoted to a post on the general staff of the Saigon army and commanded a division operating in the Mekong delta. In particular, he had the confidence of General Harkins and was appreciated by McNamara as "having proved his deep knowledge of the psychological, political and economic elements necessary to win victory." (1)

Nguyen Khanh stepped up warlike measures, outlawed the neutralists and publicly approved the bombing of North Viet Nam. A Vietnamese-American command was set up (a union of horse and horseman) to lead the operations. A civilian quisling, Nguyen Ton Hoan of the Dai Viet party, was attached to him to avoid showing too much of the new government's militarist character. The opposition of the masses was strongly shaking the new administration and the pushing forward of civilian puppets such as Nguyen Ton Hoan, Tran Van Huong or Phan Huy Quat, was to no avail. Powerless, Nguyen Khanh was sacrificed and went into exile in France.

(1) Theodore Draper, *Abuse of Power* (French translation), p. 59.

In August 1964, at a session of the "revolutionary military council" held at Vung Tau, 57 officers adopted a "charter" affirming that "the army was entrusted with the task of guiding the people". That charter, regarded as "having the value of a constitution" placed legislative, executive and judicial power in the hands of the military. The "young Turks" had triumphed. In fact behind these newly-promoted young officers was the US policy which held that to win the war, it was necessary to have a powerful and well-structured military dictatorship. Washington sought to avoid at all costs a collapse of the Saigon government, and official reports sent to the White House spoke of the "aggravation of dissensions and impotence in Saigon, the defeatism and re-orientation of GVN officials, who are admitting the possibility of the entry of leftwing elements into government and even the emergence of a popular front regime." (1)

Personal rivalries, individual ambitions, and settlements of accounts between the military and civilians and inside the caste of senior officers could only be harmful to the prosecution of the war. At a memorable meeting with the Saigon generals Taylor let it be known that the time of personal quarrels had to end and that the US would not allow any more conspiracies.

A "State Leading Committee" was set up with 10 generals, headed by Nguyen Van Thieu, a war cabinet

(1) *The Pentagon Papers*, p. 433

was formed with Thieu as head of state and Nguyen Cao Ky as prime minister. The state of war was immediately proclaimed, a scaffold was erected in a large square in Saigon as a warning to all opponents. Diplomatic relations with France were severed. Saigon officially asked the US to strengthen its expeditionary forces by 200,000 men.

The Thieu-Ky tandem grasped all powers in their hands, purged the army and administration, stepped up their warlike declarations and clamoured for intensive bombing of North Viet Nam. In February 1966, at Honolulu, Johnson personally met Thieu and Ky to publicly give the assurance that Washington continued to support them. Vice-President Humphrey was then sent to Saigon to reaffirm that position. Johnson thus wanted to make it clear that the White House wanted to have in Saigon a stable government capable of efficiently helping the US expeditionary forces and that all attempts at a putsch would be ruthlessly suppressed.

For the military dictatorship so installed was meeting with strong opposition from the broad masses, even in areas under the control of the US and Saigon troops. Personal rivalries continued among the generals, colonels and politicians. Profiting from a Buddhist protest movement, Nguyen Chanh Thi, commander of the First Army Corps stationed in the northernmost provinces, seceded with part of his troops touching off a very serious crisis in April 1966. The rebellion was crushed by Thieu and Ky with American support. Their harsh repression exploded

the illusion nursed by some who believed that the Buddhist movement by itself could lead the country to its liberation. Another general, Nguyen Huu Co, who plotted to overthrow Thieu and Ky was sent as ambassador to Taiwan. The time had gone when the US secret services back putsches from behind the scenes in the hope of finding the best horse. At the conference of satellite countries held in Guam in March 1967, Johnson sang anew the praise of the two men who had been installed in power. Legislative elections on the Saigon pattern, that is, under the aegis of an ubiquitous police force ever ready to crack down on the population and a so-called broadening of the "State Leading Committee" through the addition of powerless civilians, gave the regime a democratic façade to reassure an ill-informed public opinion in the U.S.

All this did not prevent the rivalry between the two men — Thieu and Ky — from growing more acute.

The exercise of supreme power guaranteed such incomes as to make it difficult to share it with another man. For its part, Washington advocated the election, at least for form's sake of "president of the republic", which sharpened the existing rivalries. There was a real settling of accounts between Thieu and Ky during the presidential elections of September 1967. The White House was anxious: "A split in the military forces caused by conflicting loyalties to the two men could have disastrous consequences". (1)

(1). Johnson, *op. cit.* p. 262

Bunker, the US ambassador in Saigon, had to intervene. He summoned the Saigon generals and said that Washington wanted only a single ticket for the army with Thieu topping the list. Ky bowed to this injunction. However, in March 1968, when the People's Liberation Armed Forces were storming the urban centres, he plotted to overthrow Thieu, who was alerted by Bunker and the CIA. And as if by accident, an American helicopter fired a rocket at a building where important men of the regime, including Nguyen Ngoc Loan, the police director-general, were meeting: it was revealed that they were all Ky's men. Nguyen Van Loc, a civilian appointed prime minister, a protégé of Ky, was dismissed and replaced by Tran Van Huong, more pliant to the will of Nguyen Van Thieu.

Thieu and Ky, trained at the same school, came from the same ranks and were both completely unscrupulous. But Ky was not sufficiently "politically-minded" and often used offensive language in public; his praise of Hitler and his "cowboy" manner were unbecoming to a head of state whose job it was of course to help prosecute a war but also to cover up some too blatant aspects of US colonial policy.

Thieu was born into a small landowner's family in southern Trung Bo; he enlisted in the French army very young to fight against the national liberation movement. Aide-de-camp of the French general Vanuxem known for his atrocities against the Vietnamese people, Thieu always showed great admiration and loyalty towards his superiors. He became converted to Catholicism as he saw in that religion a useful

stepping-stone to the realization of his ambitions. He earned the confidence of Ngo Dinh Diem who appointed him director of the Dalat military school. Upon his return from a visit to the USA he was given the post of deputy-chief of staff and attracted the attention of Maxwell Taylor by proposing in 1960 a plan to bolster up the rightist faction in Vientiane. He was promoted commander of the First Army Corps stationed near the 17th parallel and faithfully served Diem's brother, Ngo Dinh Can, who then ruled the roost in the region.

In 1963, when the Diem regime was tottering, he was one of the plotting generals just as he was one of them when Nguyen Khanh overthrew Duong Van Minh. He was appreciated by the Americans less for his martial qualities than for his "political qualities" and for his capacity to serve Washington's neo-colonialist designs, in disregard of all national or moral considerations. It should not be forgotten that like all the chieftains of the "Khaki party", Thieu, through the agency of his wife and associates, was running many trafficking affairs and had a large fortune, most of it deposited in foreign banks.

In 1967, Washington found in Thieu the man it wanted. Just like the Diem regime in the period from 1954 to 1963, the Thieu regime was steadied by the firm support of the US which was anxious to avoid at all costs any political instability in Saigon in the midst of a difficult war.

4. An Alien Body

Though massively deploying its military power, the US could not wipe out the revolutionary armed forces and recapture the whole of South Viet Nam's territory, and the GIs could not stay indefinitely and in such great numbers in Viet Nam. With Richard Nixon's advent to power, it employed a new strategy which, after 1968, was to

- destroy by bombs and chemicals all material and human resources in the PRG controlled areas. The resistance would come to an end for lack of resisters. If the Americans lacked the military means to reoccupy these regions, at least they had the means to make all life there impossible. For many years, several thousand aircraft daily dumped bombs and chemicals on vast regions of South Viet Nam;

- considerably strengthen the Saigon army and police, the GIs staying on long enough to protect them during this accelerated growth;

- by bloody pacification operations, destroy completely the revolutionary and popular infrastructure in the areas Saigon still managed to control. Once the population was well in hand they would be obliged to join counter-revolutionary organizations and to turn their weapons against the PRG's armed forces.

The huge military and police apparatus formerly set up was greatly strengthened from Saigon down to the smallest hamlets. Heads of hamlet were no longer elected by the population but appointed by

the central administration. Public security and the press were ruled by a host of decrees which literally tied up the population. The most moderate elements—bonzes, priests, well-known intellectuals—were arrested and deported.

In 1972, a last-ditch effort was made to strengthen the power and position of this neo-colonial machinery before the pull-out of US troops. Large-scale and prolonged bombings were carried out against North Viet Nam causing heavy damage, and aid amounting to five billion dollars was granted in the last months of 1972 alone enabling the Saigon army to secure large quantities of ultra-modern war material just before the signing of the Paris Agreement.

After March 28, 1973, when the last GIs left South Viet Nam, there remained behind 25,000 American advisers and above all the enormous military and police machine—1,100,000 men in the armed forces and 130,000 policemen—entirely maintained by Washington. In two years, the aid granted by the US to the pro-US regimes in Southeast Asia was revealed by US Senator Aspin as amounting to eight billion dollars of which Thieu received the lion's share.

Gerald Ford and Kissinger left no stone unturned to wrench from a reluctant Congress as many dollars in aid as possible for Thieu. This aid still amounts to 1.3 billion annually according to official figures. If one recalls that one billion dollars represents about one-third of the national income of a country like South Viet Nam, one can imagine what could be

maintained by that sum, especially since the military and police machine had been set up as early as 1954. It was the same machine, serving as always Washington's policy.

If Thieu is able to launch large-scale military operations, practise a bloody dictatorship against the population under his control, and systematically torpedo the Paris Agreement, it is because he continues to receive the sinews of war from the U.S. His regime is an alien body, a cancer implanted in the bosom of the Vietnamese nation by a foreign power. He is linked to Washington by an umbilical cord through which he draw his life and which allows him to do his evil work.

The Thieu regime must be overthrown and liquidated at any cost; it must be replaced by a genuinely national government ready to strictly implement the Paris Agreement so that Viet Nam may recover peace and national independence.

The Saigon Armed Forces

HOANG NGUYEN

I — From the "National Army" to the "Republican Army"

When peace was concluded at Geneva in 1954, the "National Army of Viet Nam" was not exactly awe-inspiring in appearance. It was almost entirely composed of infantrymen since the air force, navy and heavy artillery were practically non-existent. The biggest constituted unit was the battalion. There were also five MG's, or mobile groups, of several battalions each. Troops received inadequate training—from two to four months only. This "National Army" was placed under French command as it was only a "supplementary force" to the French Expeditionary Corps with which it had of course to share the bitterness of the defeat at Dien Bien Phu. That defeat had had a strong impact on the morale of the puppet troops who had been almost all pressganged into the army, and was the reason behind the large-scale disintegration within those 170,000-man armed forces in July 1954.

The responsibility for revamping this dilapidated force lay with the Americans whose Military Aid Advisory Group (MAAG) had been installed in Saigon

THE SAIGON ARMED FORCES

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as early as 1951. The transfer of power from French to American hands was legalized by a February 1955 agreement, signed between General Ely on the one hand and Ngo Dinh Diem and his Yankee protectors on the other, which entrusted the Pentagon with the task of organizing and training the Saigon Army. French influence was further weakened by the crushing of the Binh Xuyen bandits in April 1955, and more especially by the removal of Bao Dai. He was replaced by Ngo Dinh Diem who became President of a newly-founded Republic towards the end of the same year. The father of this reconstituted army, renamed "Army of the Republic of Viet Nam" (ARVN), was indisputably General O'Daniel, Head of MAAG. The membership of his "advisory group" rapidly rose from 200 at the 1954 armistice to 391 in September 1955, and 699 in February 1959. Seventy-one percent of them were high-ranking officers, their total number almost equalling that of high-ranking officers in Diem's army at the end of 1957.

Washington thus lost no time in devoting its efforts to the establishment of the puppet army. Under-secretary of State Robertson in a speech to the "American Friends of Viet Nam" on June 1, 1956 declared:

"Our efforts are directed first of all towards helping to sustain the internal security through a regular army of about 150,000 men, a mobile civil guard of some 45,000 and local defence units which are being formed to give protection against subversion at village level..."

While infantry remained the main element of the regular army, more importance was attached to the creation of an air force and a navy, of 4,500 men each, in addition to marines and paratroopers. The Formosan and South Korean armies were taken as models for the Saigon army whose officers and troopers were now subjected to intensive training in military schools at Da Lat, Thu Duc, Nha Trang and at the Quang Trung base in Saigon. The first divisions soon came into being to be followed by army corps. This was "to transform the ARVN into a modern army capable of meeting the requirements of a modern war". (*Times of Viet Nam*, March 1, 1958).

Stress was also laid on the setting up of "security forces" (*bao an*) with equipment similar to the regular infantry plus some elements of artillery, and of "civil guards" (*dan ve*) in villages.

By 1960, the Saigon armed forces consisted of :

— Regular army	175,000 men
— Security forces	60,000
— Civil guards	100,000
— Police	45,000

Meanwhile a military infrastructure was built up with a whole network of roads and military, air (Tan Son Nhat in the first place), naval (Saigon, Da Nang, Cam Ranh) and logistical bases capable of eventually receiving GIs and preparing for the "March on the North".

The 1960 concerted uprising however provided ample proof of the inefficiency of the classical neo-colonialist methods of repression which were being

applied by the puppet army. The "special war" was consequently unleashed, using this same army as its main instrument with an adjoining body of US advisers — 2,000 in 1961 and 30,000 in 1965. New war materials were supplied to it, making possible the application of new tactics especially the use of helicopter forces.

Saigon troops reached at that time (1965) the 237,000 mark, for the regular army alone, or 560,000 if all categories, including the newly created "special forces", are taken into account.

The failure of the "special war" compelled the Americans to start the "local war" as from 1965 with the massive introduction of US troops — 180,000 in late 1965 rising to over half a million in late 1968. The badly shaken puppet army was rebuilt again and maintained at the level of 1965. At the moment of the fiasco of the "local war", the Yankee aggressors thus disposed in South Viet Nam of more than one million men (US and satellite troops, and the Saigon regular army).

Under the Signboard of "Vietnamization"

Replacing Johnson and applying the doctrine which bears his name, Nixon "Vietnamized" the war, replacing US soldiers by indigenous troops, at the rate of one American for two Saigonese.

This building up of the puppet army was undertaken with the assistance of an abundant body of US advisers present at all echelons, from the General

Staff down to the battalion, from the tactical region down to military sub-sector. Each infantry division was allotted 50 advisers, among them eight were high-ranking officers and 15 junior ones. The number of advisers was much higher for "marine" and "para-troop divisions". At the seat of the General Staff, there was one four-star US General, two three-star generals (for Operation and Pacification) and some dozen two-star generals, not counting numerous colonels, majors, etc. In all, for the regular army only, the US sent 3,500 officers to South Viet Nam among whom were 31 generals.

The withdrawal of US troops starting from 1968 was phased out in such a way that no sudden change should be felt in the transitional period, and the presence of US troops beside Saigonese soldiers during the remaining years was to be fully exploited to train the latter. The transfer of bases took place gradually; the transfer of responsibility for ground operations into the hands of the Saigon army was completed in 1971; in March 1972, Melvin Laird, then Defence Secretary, could announce that Thieu's Army was about to take on responsibility for naval operations and the greater part of air support flights. All this was designed to make it possible to reduce the number of US military advisers. In 1969, a special aid amounting to 258 million dollars was granted by Nixon for the modernization of the Saigon Army (Reuter, March 19, 1969).

A frantic pressganging campaign resulted in rapidly raising the effective forces of the puppet army

to nearly one million men together with an equal number of paramilitary elements in rural and urban militias. Following is the break-down for all the Saigon armed forces at the time of the signing of the Paris Agreement in January 1973:

Regular forces	340,000 men
including:	
— Infantry	220,000
— Navy	39,000
— Air Force	41,000
Security forces and civil guards	350,000
Police	125,000
Popular defence	more than a million (300,000 with arms)

Let us now examine each of these categories.

The *regular forces*' mission is to deal mainly with regular units of the Liberation Army. They conduct conventional-type operations, coordinating various services and arms, but when necessary resort also to guerilla methods and counter-insurgency tactics, particularly in pacification operations. The ARVN comprises 13 divisions in all, and South Viet Nam is divided by the Saigon administration into four tactical regions corresponding to four army corps.

Regional forces are to oppose the armed people's patriotic movement. Faced with the various popular forces, American strategists must find enough men to keep a tight control over the population in both town and countryside. Among the regional forces, those closest to the regular army are the security forces,

grouped into 380 battalions, and a number of multi-battalion units; they are well equipped and designed to deal with the PLAF regional forces. Border *rangers* numbering about twenty battalions operate in border regions which are mostly mountainous. The *Civil guards* (dan ve), whose principal tasks is to fight against guerillas or revolutionary self-defence formations, are active at the grass-roots level where they provide support to puppet administrative authorities. There are about 4,000 platoons of civil guards who are in fact professional militarymen. Members of the *people's self-defence force* (phong ve dan su) on the other hand, are civilians. All able-bodied men and women, from 15 to 50, are forcibly enrolled into such groups. While continuing their daily work, they must devote part of their time to mounting guard, patrolling, gathering intelligence related to revolutionary bases or to ordinary citizens living in their villages or streets. They constitute a large reserve for the other kinds of puppet armed forces. Out of a million members of the people's self-defence force, some 300,000 are equipped with guns, grenades, etc. Thus in South Viet Nam an experiment in "arming the people" in a counter-revolutionary sense is being conducted by the US imperialists.

The *Special Forces* merit this title by their organization, leadership, training and operating methods. They were born from a conception of J. F. Kennedy applied first to the US "Green Berets" — who were, by the way, the first special forces instructors in both South Viet Nam and Laos — and were under

direct US command. Subjected to a meticulous training and operating in commando teams, carefully indoctrinated with ultra-reactionary political theories, they are mostly grouped in companies and, in some rare cases, in battalions.

Some are specialized in carrying out border activities, others work exclusively with the Central Highlands minorities and still others are trained for spying activities against the liberated zone and North Viet Nam. Following the withdrawal of the GIs the command of the special forces, whose total effective forces are more than 10,000, was transferred to the Saigon military junta.

Police forces receive special attention from Washington. They constitute an important element of the puppet armed forces, the "first line of defence" against the patriotic movement, in the eyes of US strategists. The Saigon police is the recipient of special aid, its members are trained in special schools, either in the United States (at the International Police Academy in Washington among other places) or on the spot. There are three branches of the police: the police proper, responsible for maintaining law and security, the field police — a mobile force of about 30,000 men with armoured cars and helicopters very active in pacification operations, and, finally, the special police, or secret police, controlled by Thieu's trusted agents and enjoying large powers over the people's lives. The total number of policemen of all kinds is 125,000. Besides this, a network of "people's intelligence" has been set up to compel everybody to serve the police in one way or the other.

II - The Formation of the Saigon Armed Forces: Ways and Means

The Pentagon's objective was to set up puppet armed forces powerful enough to confront and finally crush the patriotic armed forces whose resolve and capabilities had been demonstrated in the course of the fight against French colonialism.

Material and moral means were used to this end.

Modern Equipment

US imperialism has not been in any way stingy in its provision of war materials to the Saigon troops. The best products of US war technology are put into the hands of the ARVN which is now ranked first among US client countries in more than one respect: air force (1,800 aircraft of all kinds), navy (1,600 ships of all sorts), artillery, tanks and armoured vehicles. Saigon possesses F5, F104 aircraft, M48 tanks, 155mm. and 175mm. artillery and the latest models of electronic tele-communications and information devices.

Here is one example among thousands which shows the amount of effort expended by the Pentagon in favour of its Saigon mercenaries. In the beginning the mercenaries were given the standard GI rifle which was too big for their physical stature. A first innovation produced the colt AR-15, already of the ultra-rapid type and better suited to the Vietnamese stature. But Kennedy's brain trust made a further

improvement. Selecting Viet Nam as a laboratory for experimenting with "counter-insurgency war", it entrusted American scientists — "scientific mercenaries" as they were called by certain authors — with the task of preparing a so-called "Project Agile" which sent a Research and Development Field Unit — Viet Nam (in short RDFU-V) to South Viet Nam. This unit succeeded in considerably improving the Colt AR-15 and turned it into the famous M.16 which is now to be found almost everywhere in South Viet Nam. It is to be noted that the M16 has the same effects as the dum-dum bullets prohibited by international law (1).

The "Political War"

But the Americans know better than anyone else that what makes the strength of an army is above all its morale and that the war in South Viet Nam cannot be won solely by military means. Hence the special importance attached by them to what is called by Saigon authorities the "political war."

Within the Saigon Army under the French, there existed an embryo organization in the High Command, named the "Moral Action Department" which was transformed by a decision taken in February 1954 into the "Psywar Department." It was only after the transfer of power into the Pentagon's hands

(1) See Michael Klare: *War without End*, First Vintage Books, 1972 Edition, pp. 219-220.

that that rather narrow concept was widened, and the General Department for Political War was created — psywar being only one aspect of political war — with agencies in all the lower echelons of the army.

This General Department, under Nguyen Van Thieu, receives directives from the "President of the Republic" himself. Its head is, of course, a high-ranking general enjoying Thieu's confidence. Let us listen to this general Tran Van Trung expounding his own work.

"We have to deal with a revolutionary war — a war in which two different ideals confront each other. In this war the moral element — confidence in our political regime — is a decisive factor. Therefore we have the duty to highlight our good cause among our soldiers as well as among the people, so as to unite them in a platform of anti-communist, anti-feudal (i.e. against Bao Dai — HN), anti-colonial (i.e. against the French — HN) struggle." "This war is of a special kind," added Tran Van Trung, "the enemy has the same skin colour, is of the same race as we, and is often linked to us by family ties."

Trung went on to criticize, "Those officers who pay no heed to political war, who are interested only in giving tactical leadership, who say: 'I want to hear no more of political war! Let me conduct operations and bring back trophies and war booty'."

In any unit of the ARVN, the second in command directs the "political war." Each battalion has 25 men responsible for this war. A network of specialized officers was set up: young graduates of third-level

general education schools coming from good families (that is, with no ties with the Communists) are recruited and put into "political war" schools where they are taught about political theory, law, the press, propaganda, etc. All officers on the active list must follow "political war" courses; colonels and generals are not excused and special courses are conducted for them in the National Defence College. The aim is to instil a strong political motivation into all army officers so that they may in turn indoctrinate their soldiers.

For the rank and file, political education sessions are organized. Handbooks teach them how to arrange collective life in their units (company, platoon, etc.), how to conduct a meeting, select "outstanding fighters," organize elections, feasts, holidays, parties, etc. The objective is, as was stressed in one handbook published in 1966, to "raise good qualities, forge the soul, strengthen unity, improve the morale of our fighters, inculcate in them the sense of nationalism, responsibility, honour, make them understand where the right cause lies and where the wrong cause..." It is easy to notice, through the pages of that handbook, a barely veiled imitation of the methods used in the liberation army, but now put to the service of Yankee neo-colonialism. The "political war" takes as its targets not only the puppet troops, but also the troops of the other side (that is the Liberation Army) and the population at large.

It borrows methods from all sources: experiences of pacification and encouragement of desertion acquired

by Magsaysay in his campaign against the Huks, ways of controlling the people and separating them from guerillas used by the British in Malaysia (it is to be recalled that Sir Robert Thompson became Nixon's adviser in counter-insurgency warfare and visited South Viet Nam more than once) Goebbels' propaganda principles, organization of "political war" in Chiang Kai-shek's Taiwan Army, etc.

Falsification of facts, sheer lies, appeals to base instincts, seduction by the dollar,... everything was mobilized to serve "political war". To generate hatred of the communists among young officers, films are projected showing so-called Viet Cong beheading or disembowelling people — in fact the butchers are Saigon *ac on* (torturers) ill-treating guerillas who have fallen into their hands. The spectator can see only their backs.

But propaganda is where most efforts are directed. All technical means, all artistic and literary forms, are exploited: leaflets with faked photos; radio transmissions by the "Republican Army" and other radios hiding under the cover of political parties or groupings; loud-speakers attached to helicopters flying by night over areas thought to be encampments of liberation army units and broadcasting romantic songs designed to create homesickness; spreading of false rumours by "mouth to mouth" methods; even the capture of North Vietnamese fishermen on the high seas to be later set free so that they should carry back insidious propaganda on the "benevolence"

of the Saigon authorities and the US way of life in the South. Writers, artists, poets and dramatists are forcibly enrolled in the ARVN to serve this psywar propaganda effort.

In all "cleaning-up" and pacification operations "political war" teams have a role to play: combining demagogy and repression, they classify the inhabitants in accordance with their political behaviour, track down members of the Resistance and patriots and recruit new agents for the Saigon regime by dangling their dollars to buy up some individuals, or brandishing their pistols to frighten others. Sharing responsibilities with "pacification teams" trained at Vung Tau, these detachments of the ARVN also try to "neutralize" suspected militants of the Revolution. The essential aim is not to win them over to the Saigon cause, but to render them ineffective in the eyes of the local people and even of their higher authorities. A letter sent to one of those militants thanking him for a service rendered to the "government", an invitation for him to attend a dinner at the residence of the head of a "pacified" village, or simply the inscription of his name, without his consent, on the membership list of a pro-government organization — these are enough for the intentions of those concerned to be questioned by everybody.

Quite subtle methods are sometimes used to recruit, in the most normal manner, young men into regional paramilitary formations: a young man, for instance, is invited to join one of these organizations. He refuses. No coercion is carried out, he is only requested

to keep a gun with a few cartridges in his house. The young man takes care not to touch the weapon, but a few weeks later, he is tempted by curiosity to have a try — to shoot a wild animal with the gun for instance; he must confess his deed to the local paramilitary chief. The latter does not blame him, instead he gives him new cartridges and invites him to a hunting party. In this way, the young man is step by step taken into the system: starting with hunting beasts, he will end up with hunting men — the Viet Cong, and becoming a member of the security forces...

The Puppet Soldier

The new soldier, generally recruited by force, has to go through intensive military training for quite a long period if he is to join specialized services, paratroops or marines... At the same time he is given political indoctrination.

This "brain-washing" is not without producing certain effects on the puppet soldiers... They are in general of a low cultural standard: 10 percent of soldiers and NCOs are illiterate according to statistics taken in a number of Saigon military units. They are moreover very young: 60 percent of them are between 17 and 25. Their class origin, in most cases, is not the labouring peasantry or the working class. They are rather the city poor, former peasants driven off their land as a result of US bombing, then accustomed to earn their living in town in casual jobs (more than 50 percent of them). All this explains the

impact of the Saigon propaganda on their minds. Some of them are finally intoxicated by it owing to their mode of living and their intellectual standards. They are moreover kept almost totally in the dark as to the policy of the NFL and PRG and either have no idea of what the Liberation Army is or believe the ideas forced on them by their superiors: that it is a gang of murderers, killers, etc. The most obtuse among them sincerely believe that they are fighting for independence and freedom against "anti-national and totalitarian communism", and do not know who is the aggressor and who is the victim of aggression. Others think that Thieu is, at worst, "too dependent" on the Americans without being their agent, and that in the present-day world, "dependence" upon a big power is something quite normal. Many of the rank and file are simply indifferent to all political problems.

But the bulk of soldiers and NCOs remain immune to the propaganda carried on by their commanders, since scenes of daily life in South Viet Nam's army and society reveal to them so much of the truth.

Financial measures, of which only rich America is capable, also exert a considerable effect on the puppet soldier. Whole rural areas are ploughed up by bombs, defoliated by toxic chemicals, millions of peasants are driven out of their villages to take refuge in the towns, and this "forced urbanization" is more often than not accompanied by prolonged unemployment. In such circumstances, the Army offers one means for survival, a salary which is not too

low in comparison with what one used to earn, not counting other economic advantages!

Each soldier is paid 8,000 piastres a month, with an extra allowance of 1,200 piastres for his wife and 1,000 piastres for each of his children up to the fourth one. Each month the Quartermaster General's department supplies him with a quantity of rice, meat, sugar and cigarettes, either free of charge, or at half price (1). According to one investigation, more than half of the soldiers admitted they lived better in the Army than they would, wandering on the streets of Saigon or working in fields ploughed up by bombs. A number of families said they received money sent by family members who were soldiers in the ARVN.

The Saigon military authorities encourage their soldiers to take their families with them. "Soldiers' Families' Quarters" are often set up near garrisons. This system helps to strengthen the ties linking the soldier to his Army and lessens the possibilities of desertion or of crossing over to the other side.

The Saigon administration moreover applies a policy of distributing land and vehicles (at a low price) to some categories of soldiers within the framework of a campaign designed to turn them into "property owners".

But the major role in attaching the Saigon soldiers to their military organization is played by disciplinary sanctions which may strike them at any moment.

(1) A single person needs 4,000 piastres per month to live in Thua Thien (Central Viet Nam) and 6,000 in Nam Bo (1973 figures).

For instance, if ever a soldier expresses some sympathy for the Revolution, he is at once thrown into an isolation cell and may even be shot in the presence of his family. Curfews and banning of leave are common occurrences among the military, and any soldier violating these rules may be killed on the spot. If a platoon has up to five deserters, its chief has to answer with his own life. On the other hand, saturation bombings of the liberated zone, where all life is destroyed, also contributes to the soldier's hesitation if he should have a desire to desert — where would he live?

Fascist discipline, ideological poisoning — the Saigon soldier is caught in a network of ties — including economic ties — which keep him in the ranks of the army.

The Officers and the "Khaki Party"

If the puppet army counted only 6,500 officers under the French, it now possesses some 70,000 — among them 10,000 high-ranking officers. They form the backbone of the neo-colonialist regime in South Viet Nam.

Born in general from the upper strata of society (land-owners, bourgeois, high-ranking civil servants) (1), the officers are, so to speak, the "pampered

(1) According to John Prados of the Indochina Resource Center (see *Generals and Politics*, Indochina Chronicle, July 17, 1973), an investigation on 60 Saigon generals gives the following figures concerning their class origins: Land-owner: 32.5%, government official 24.3%, army 11.3%, urban middle and upper classes 8.1%.

sons" of the regime. Every encouragement is given those who select a military career. Thus a student who graduates from a military academy with distinction is entitled to choose the unit he wishes to serve in. This is a considerable privilege, since some units are more exposed to danger (for instance those stationed in the northernmost provinces before the Paris Agreement) while some others are in much safer places (for instance the General Staff). After a period of probation the new officer finds himself facing a new choice: whether to become a career officer or simply remain a reserve officer — and, ranks being equal the career officer is the commander. Graduated from school as an 'warrant officer' he will climb up the ranks. If he is born of a "good" family and has an influential protector, he will be promoted second-lieutenant in 18 months and lieutenant two years later. From the moment he is a lieutenant in the Saigon Army, he may start making money from his position and become a member of the class of exploiters.

The first four weeks in military school are devoted to a radical psychological conditioning of the student. He must go through the "trial of dishonour"; he is treated like an animal, insulted, abused, so that he loses his sense of honour and shame and is ready to give servile obedience to his commanders. Then, along with lessons on military strategy and tactics, he is crammed with reactionary political doctrines to turn him into a good knight of the anti-communist crusade. To further impress him, the graduation ceremony

takes on an almost religious character: a piece of ground preferably elevated and clear is selected, where the new graduates assemble at dawn. After receiving a bow and arrow they kneel down, take their oath of honour and shoot the arrow, a symbolic gesture which, according to Vietnamese traditions, means that the young man is now ready to go and fight for a "noble cause"!

Of course all this is sheer show. What is essential for the Saigon officer is how to enrich himself. This can be done in a thousand ways — to the detriment of the soldiers, the people, and of US aid: Here we will not dwell on the "war booty" which is actually looted from the people in the course of operations. But special mention should be made of the large powers usually wielded by the officer which opens the door to all sorts of lucrative professions and trades, all kinds of abuse and robbery... The Saigon officer does not rely on his salary to live. If he is a colonel, his wife may own a dancing hall catering for GIs; the wife of a lieutenant in the Quartermaster General's department may run a small trade in stolen cigarettes. Military vehicles are largely used for individual commercial purposes. Is an officer in need of a few million piastres? He will order his unit to fire some ten thousand shells at random and he will have enough high-quality copper to sell to a contractor and recoup the needed sum of money. The prevailing Saigon system is to give the governorship of provinces to colonels and majors, that of districts to captains and lieutenants, that of lower administrative divisions to police

officers and NCOs. It can be easily realized how in this way the monopoly of some services and for the sale of some commodities (agricultural machines, fertilizers, oil and lubricants...) will necessarily fall into the hands of the relatives of the high or middle-ranking officers.

The biggest fortunes belong to some 100 generals in Saigon. According to some estimates 29% of them possess at least one billion Saigon piastres.

They are the holders of the most important monopolies in the chemical industries, in imports and exports and in deals involving forest products and timber from the Central Highlands, cinnamon bark and resin from Quang Nam and Lam Dong, fish and other sea products from Phan Thiet and Phu Quoc, frozen shrimps from Vung Tau, etc...

Admirals and air force generals use their naval and air flotillas to carry on a profitable trade in heroin and marijuana, gold and diamonds. High officials of the Quartermaster General's department even take to trading military cars and war material supplied by US aid.

A classification of generals in Saigon according to the size of their fortunes gave the first place to Do Cao Tri, commander of the Saigon troops invading Cambodia in 1970. From this campaign he took back some 4,000 buffaloes and oxen and 200 lorries fully loaded with raw rubber. The second place was held by Dang Van Quang, Thieu's adviser on national security affairs, who has boasted that he is even richer

than General Nguyen Huu Co, well known to be the owner of six million US dollars. The third place belongs to Lu Lan, notorious for his embezzlement of relief money earmarked for typhoon victims; and the fourth to Dam Van Quang who has acquired a reputation for his trafficking in dollars (1).

Generals and other high-ranking officers in Saigon form what is known as the "Khaki Party" which, though without any premises or political program, controls practically all the key posts in the central government, in the regional administrations, and in the economy as well. The head of this party is unquestionably Nguyen Van Thieu. Enlisting as a paratrooper in the French colonial army, he became in 1963 a member of the military junta which eliminated Ngo Dinh Diem. He later pushed aside all his political and economic rivals and ruled as a dictator. He was assisted by General Dang Van Quang in the handling of his personal affairs, notably in drug trafficking and in the management of his Rome and Berne bank accounts.

Besides his "Khaki Party", Nguyen Van Thieu leads another party duly registered at the Ministry for Home Affairs -- the Democratic Party. Built on the pattern of Ngo Dinh Diem's *Can lao nhan vi* (Personalist Party) whose methods of clandestine work within political and military organizations it imitates, the Democratic Party constitutes a network through which

(1) For more details on how Saigon officers enrich themselves, see "Thieu and Co" in *Viet Nam Courier*, Sept. 1972 issue.

Thieu controls all aspects of political and economic life.

Saigon generals can enrich themselves as they like. But woe betide them if one day they nurture any plans to dispute power with Thieu or, *a fortiori*, if they have pacifist or progressive tendencies. Secret services within the Army under Thieu's trusted agents, all members of the Democratic Party keep a regular record of all financial manipulations, acts of corruption and infractions of the law by these officers. These actions, to which Thieu would willingly turn a blind eye so long as their authors remain loyal to him, will be taken as pretexts for eventual "purges".

The constitution of a caste of generals and field-grade officers to whom the reins of the neo-colonialist states are entrusted, is probably a characteristic feature of US policy in nations under its tutelage "In the 20th century in particular", wrote the Indochina Resource Center in its pamphlet on *Generals and Politics in South Viet Nam* (Indochina Chronicle, July 17, 1973), "the United States has shown a special affinity for military heads of state, most obviously in Latin America, but also in such places as Spain, Turkey, Greece, Pakistan, Thailand, Indonesia and South Korea."

In South Viet Nam, the pamphlet went on, "the United States admittedly supported a civilian leader in Saigon, Ngo Dinh Diem. However, during that same period, we brought the bulk of the field-grade officers (majors and colonels) over for intensive training and indoctrination at such places as Fort Sill,

Fort Leavenworth and Fort Benning. Dossiers were started on each officer. Then, as the US stepped up its direct "advisory assistance" inside Viet Nam, American officers were ordered to submit regular secret evaluations of their Vietnamese 'counterparts'. In 1962-63, as the Kennedy administration became increasingly dissatisfied with President Diem, this web of personal judgments and inter-officer contacts became more and more important. On the one hand ranking American advisers began singling out certain Vietnamese officers for higher responsibilities while also building a blacklist of those who appeared "uncooperative". On the other hand, ambitious, unscrupulous Vietnamese officers saw the writing on the wall and eagerly cultivated their American counterparts studying English furiously, developing a taste for Scotch whiskey, and even perfecting a special boisterous 'forceful' command personality which seemed to catch the American eye.

"The inner circle of South Vietnamese general officers who, with American knowledge and complicity, proceeded to assassinate Ngo Dinh Diem in November 1963 were not ideal material for longer-term US manipulation and control. They had received all their formative training, indoctrination and field experience under French colonial jurisdiction. Rumours constantly circulated that they maintained close contacts with France and with French intelligence. Besides, their English was broken or non-existent. By the end of January 1964 they had been

overthrown by another cabal, again with US knowledge if not direct involvement".

So "young Turks" were substituted for the "old generals" of the Duong Van Minh type, paving the way for the massive commitment of GIs to South Viet Nam. After some wavering, the Americans decided to select two "Young Turks"; Nguyen Van Thieu and Nguyen Cao Ky in 1965, and finally Thieu only (since 1967 and more particularly since 1969 when Ky was definitively removed from the political stage).

That the US imperialists were compelled to lay all their hopes in the Saigon Army headed by this "Khaki Party" composed of some 10,000 general and field grade officers, — a purely American creation — speaks volumes for their complete inability to find any existing social base for this rule. In South Viet Nam, national and democratic feelings were so strong that, in face of the popular movement, the feudal and bourgeois classes which had formerly served as props for French domination soon disintegrated. Attempts to set up political parties on a class basis proved entirely futile. Therefore Washington could count only on the puppet army to impose its rule. It tried to transform the leading strata of this army into a new, politico-military-trafficking caste. It matters little to them whether members of this caste indulge in immoral or illegal doings, even at the expense of US aid, provided they serve Yankee interests against the South Vietnamese patriotic movement!

All this was made easier by the prosecution of the war of aggression. But then the Paris Agreement was signed in January 1973. What was to be the reaction of the puppet army and its generals?

III - The Saigon Armed Forces after the Paris Agreement

The Paris Agreement was desired neither by Washington nor Saigon. Both were forced to sign it. For Nguyen Van Thieu in particular, the Agreement was a sword of Damocles hanging over his head. A correct implementation of its clauses would mean that this agent of the US would be left alone to face the struggle of the masses. Peace would mean the end of all emergency laws, the return to a civilian government, the application of democratic freedoms, the cessation of the military operations so beneficial to the Army leaders. Peace would also mean in accordance with the provisions of the Agreement, the promotion of national reconciliation and concord, hence a fraternization between the armed forces of the two sides, which would not fail to lead to a complete disorganization of the Saigon army.

Of all these dangers Washington and Saigon were fully aware. From the end of October 1972 to the end of January 1973 — an interval used by Nixon to get over the elections and to try out his principal trump-card, B52 aircraft, on Hanoi — an air lift was frantically built up to introduce war material into

South Viet Nam at top speed to boost the Thieu Army. The introduction of arms and ammunition has never been discontinued, even after the Paris Agreement came into effect, and it is often accompanied by some provocative announcement — for instance, the substitution of the more modern F5E for the obsolete F5A since February 1974. This is not a case of replacement “on the basis of piece-for-piece, of the same characteristics and properties, under the supervision of the joint Military Commission of the two South Vietnamese parties and of the International Commission of Control and Supervision”, as stipulated by Article 8, Chapter II, of the Paris Agreement.

The number of US military advisers in civilian clothes who stayed on or were newly introduced into South Viet Nam, is also well known: there are 24,000 of them working in such services as DAO, SAAFO and in US Consulates-general and Consulates. (1)

If GIs have been on the whole withdrawn from South Viet Nam, an important deterrent force is still maintained in the neighbouring area, ready to intervene at any moment: 35,000 US troops, a whole armada of B52s and General John Vogt's Headquarters in Thailand while the Yankee Station and the Seventh Fleet is not far away...

(1) See *White Book* of the Ministry for Foreign Affairs of the Democratic Republic of Viet Nam on “One year of Implementation of the Paris Agreement on Viet Nam”, January 1974.

Relying on this protection by its masters beyond the Pacific, Thieu's army is making all-out efforts to be in a position to relieve the US Expeditionary Corps.

Military and Ideological Reinforcement

Both numbers and equipment are to be increased while the training and mobility of the regular forces and the combativeness of regional elements and of the police are to be heightened.

The vacuum left in each branch by losses and desertions is to be filled, and more modern equipment supplied to the specialized arms and services.

The number of warships will be raised from 1,600 to 1,800, that of air units from 53 squadrons to 60-62, infantry units from 66 battalions to 68-70 and armoured units from 22 regiments to 24-25.

Special importance will be attached to regional forces whose total will be 50% higher than at present in terms of men and units. The security forces (*bao an*), will have 159 new battalions or units of equivalent value added to them. Each battalion will be increased to a total of 550 men as prescribed by Army regulations. In Western Nam Bo *bao an* brigades have been set up. Equipment for the security force is by no means inferior to that of regular units. Security forces will all have M.16s, M79 individual mortars, anti-tank weapons... They will enjoy the support of 105-mm. artillery units and of armoured regiments.

The police forces from a figure of 125,000 at present will reach 150,000 men. Thieu has ruled that communes of more than 4,000 inhabitants will be under the control of a police captain, and his deputy will be a lieutenant, whereas those of fewer than 4,000 inhabitants will be placed under a police lieutenant and a second lieutenant. In each commune there will be from 10 to 15 policemen, and in Saigon alone 20,000. The equipment for police forces will be greatly improved; they will be provided with M16 rifles, M72 anti-tank weapons and other counter-insurgency facilities such as tear-gas grenades and gas masks. They will also receive computers and ultra-modern telecommunications apparatuses.

Police and security forces (*hao an*) will combine action in mopping-up operations. Their role will be considerably extended so as to release regular units from tasks of a regional character and give them a maximum mobility. It is even planned that regional and police forces will be made up of conscripts only, and that the regular army will be composed solely of volunteers, which would increase its combativeness and turn it into a powerful instrument of Yankee neo-colonialism.

Para-military forces will become much larger in size. From one million now, they will be doubled to two million through stepped-up recruitment. The aim is to cut all links between the Revolution and the masses and to enlarge reserves for the puppet armed forces.

A new programme of intensive training is under way for both officers and troops with new military schools and courses being opened. Refresher courses are compulsory for those who have formerly received military training, while battalions follow each other in training centres where, for 20 days, they are taught the fundamental elements of military art which are regarded as common to all types of force — central, regional or paramilitary. In this way it is easier to raise troops from a lower to a higher force. A training program for city civil guards has also been announced.

In spite of his regime's financial difficulties, Thieu has decided on an increase in pay for the Saigon troops. The rise will be 21 per cent in general but it will be more substantial for regional troops, so as to stimulate their activity against revolutionary bases. Family allowances will also be up, as well as the supply of foodstuffs and other staple goods at reduced prices: "Camps for married soldiers" are to be improved, with the building of new houses and the laying of water-mains.

Special measures of "clemency" are taken in favour of deserters and ex-prisoners of war. Those who return to the Saigon army after spending time in the camps of the adversary — either through desertion or capture — will receive all their back pay. These measures, of course, are conceived to cope with the return of captured and detained military personnel, and the disintegration that took place during the 1972 offensive by the popular forces.

On the other hand Thieu shows his iron fist through the application of various fascist measures :

- rumours of imminent attacks by Communist troops are regularly spread and supply a pretext for the proclamation of alerts and banning of all leave outside the camp area.

- any battalion or even company commander is entitled to shoot on the spot soldiers who mutiny or oppose the war or refuse to carry out orders to join land-grabbing or mopping-up operations.

- military commanders who show sympathy for revolutionary forces or hesitation in carrying out orders to stage land-grabbing or mopping-up operations are either incarcerated or transferred to other posts. Units sympathizing with liberation forces are also transferred.

- study sessions are organized to immunize troops against attempts at desertion and opposition to the war, or at fraternization with Liberation Forces.

- the system of political war officers is extended to companies. Psywar agents intensify their control over the rank and file to discover and smash at once any opposition to the policy of prolongation of the war and sabotage of the Paris Agreement.

A State of Half-War, Half-Peace

Realizing that it is impossible to totally hide the Paris Agreement from his troops, Thieu prefers to make its text only partially public and to add falsifying comments on it. Thus the signing of the Agreement

is presented as a "defeat for the communists" who could not bear the B.52 bombing, while some of its stipulations are interpreted as recognizing the Thieu regime as the "sole legitimate government" of South Viet Nam, as meaning that "North Vietnamese troops" should be withdrawn from the South, etc...

What Thieu fears most is contact between his own troops and the PRG forces: as a matter of fact in certain places such contacts did take place following the cease-fire proclamation of January 1973: in scenes of fraternization, troops who had only the day before been enemies were seen jointly celebrating the return of peace, and discussing together how to organize their peaceful coexistence in mutual respect and respect for the interests of the local people. Clubs and "concord houses" were built by the PLAF where meetings and joint cultural shows were held for troops of both sides.

Thieu soon realized the meaning and effects of such contacts. At the central level, he started putting forward the principle that discussions could take place only between division commanders — which runs completely counter to the spirit of the Paris Agreement and is consequently unacceptable to the PRG. At the regional level, orders were given to cut off contacts; however in sectors where Saigon forces are in a disadvantageous position and need cooperation from Liberation troops, for instance to secure passage for their men or supplies, they were more flexible, and contacts were maintained, but those commanders and units who had shown any sympathy towards

the "communists" were replaced by more "immunized" elements or psywar agents. Meetings were used not to promote mutual understanding and concord, but for purposes of provocation and the collection of intelligence.

Thieu's strategy since the signing of the Paris Agreement has been to keep a state of half-war, half peace. The theme was given by Thieu himself: "Don't say that with peace, we are brothers of the same race and blood", he declared on the day the Agreement was initialled — denying any reconciliation and concord. "There will be no change after the cease-fire... The present stage is that of police action..." The big artillery pieces may be silent, but not the small arms..." And he called upon his troops to "increase pacification operations tenfold."

Conscious of their weakness, especially after the departure of the GIs, the Saigon rulers dare not, at least for the time being, mount large-scale attacks in depth against the free zone. Moreover, attempts to re-occupy, on the day following the cease-fire, Cua Viet port for instance (in Quang Tri province) by Marine Brigade 147 supported by tanks and armoured cars — in all a full division with air cover — ended in bitter losses for the Saigon side. Attacks in depth against the liberated areas have since September-October 1973 been carried out almost exclusively by the air force. Infantry divisions, artillery, tank and armoured units were mobilized to gnaw at disputed territories or districts on the fringes of the free zone. They were also used against the "leopard skin spots" —

the free areas in the midst of Saigon-controlled territories, especially in the Mekong delta and the Central Plains. At the same time, unending pacification activity was carried on against the Saigon-controlled sectors to keep the population breathless and prevent any uprisings. The following watchword was given by Thieu to his troops: "It is essential to ensure the control of population, territorial occupation is only of second-rate importance."

Such is the face of the war that Nguyen Van Thieu, on US orders, wanted to impose on South Viet Nam. It would be a war kept within certain limits, enough to maintain tension and justify both the prolongation of the exceptional measures without which the militarist and dictatorial regime in Saigon cannot survive and the refusal by the same regime to implement the Paris Agreement. Thieu hoped to erase the "leopard skin spots" inside the zone under his control and to nibble at the PRG zone: finally to redraw the map of South Viet Nam through the constitution, to his advantage, of two zones which were to last indefinitely. Eventually a major move would be taken to crush the PLAF and occupy the whole of South Viet Nam.

The realization of this ambitious scheme depends however, in the last analysis, upon the quality of the Saigon armed forces.

IV - Quality of the Saigon Armed Forces

Colonialists have at all times tried to use indigenous mercenaries to deal with popular and patriotic

movements. The French occupation forces, after conquering Viet Nam in the last century, set up the "Garde Indigène" and a purely superficial independence was bestowed on Bao Dai's State of Viet Nam in the course of the First Indochina war. A puppet army called the "National Army of Viet Nam" was created. Its dependence upon the French forces was left unconcealed. The whole appearance was changed with the emergence of the "Republic of Viet Nam" rigged up by the Americans. "The Republican Army" was put under a deceptive cover, with a high command, various arms and services, officers and non-commissioned officers at all levels.

The building of the puppet armed forces was brought to perfection by Nixon within the framework of the "sharing of responsibilities" defined by his own doctrine:

"Each nation must do its share and contribute what it can appropriately provide — manpower from many of our allies, technology, materiel and specialized skills from the United States". (Defense Secretary Melvin Laird's speech presenting the Defense Program and Budget of Fiscal Year 1971).

The US presence had to be reduced to the minimum to ensure a "low profile" for the United States, therefore the puppet army had to be powerful enough to face the revolutionary army single-handed. Hence the efforts to equip it materially and ideologically for this task. The US endeavours to apply the formula "arming the whole people" in a counter-revolutionary sense, gives an idea of the amount

of energy and dollars spent by it. This strategy may seem extravagant at first, but a deeper study reveals that it is dictated precisely by a concern for economy for, as ex-Defense Secretary Clark Clifford put it, "An Asian soldier costs about 1/15th as much as his American counterpart". (Statement to Congress, January 15, 1969).

Moreover, in not using US troops in neo-colonialist wars of conquest, opposition in the United States and the world will be reduced.

As soon as it had come into being the "Republican Army" was launched against the people in the "unilateral US war" from 1955 to 1960, when essentially classical methods of repression were used. But these soon proved ineffective. Then the puppet army, by that time considerably strengthened in accordance with J.F. Kennedy's counter-insurgency recipes, was mobilized in its entirety against the people, who had taken up arms. This was the "special war" in which the ARVN was the main tool of US imperialism. It ended disastrously for the Saigon rulers. The puppet regime was near to collapse and Washington had to move with speed to dispatch its expeditionary Corps to South Viet Nam.

Between 1965 and 1968, all through the "local war" the role assigned to the Saigon army changed from year to year, moving however in a vicious circle.

The first phase saw the first deployment of US troops freshly landed in Viet Nam. It was thought

that their presence would lift the morale of the puppet armed forces. Therefore, while the GIs formed the core support, the ARVN was sent to the periphery to fight the "Viet Cong". But soon it was clear that it could not match this formidable adversary.

So during the first dry-season offensive in 1965, GIs and puppet troops were sent together to the front in an effort to retake the initiative. It was hoped that the ARVN would see its combativeness improved through engaging in action alongside US divisions and brigades. But that hope was not to be fulfilled and master and servant had to share the bitterness of defeats. Puppet troops once again disintegrated and it was imperative to find a new role for them.

It was 1966, and the GIs numbered 400,000. The strategy was then that of a two-prong pincer "search and destroy" on the one hand, and "pacification" on the other. Since US forces seemed insufficient in number they were used in "search and destroy" operations to break the backbone of the Viet Cong, while Saigon troops, which were to be preserved for a long-term role, were given the task of carrying out "pacification", a "house-keeping" task in which they could bring into play their knowledge of local conditions and be spared the too devastating blows of their adversary.

However both prongs of the pincers were broken. Saigon troops were badly mauled, while GI forces were dispersed and also heavily battered. As it was not possible to send in massive reinforcements from

the United States on account of the anti-war movement there, the American command was compelled to dispatch part of the Saigon army to the outer defence perimeter of US troop bases. For more security, only areas provided with solid fortifications were entrusted to joint defence by the two forces. Highly optimistic reports were sent to Washington by Westmoreland who spoke of unloading the burden of war onto the shoulders of the South Vietnamese.

At that moment the 1968 Tet offensive exploded. Large chunks of the puppet army were incapacitated. Many of their battalions went over to the people's side, including Battalion 3 of Regiment 33, Division 21, at Soc Trang, and other units garrisoned in Hue.

We have described earlier the methods used by Nixon to revamp the Saigon armed forces and turn them into a pillar for the "Vietnamization" of the war.

In 1970 and early 1971, thinking that this army was efficient enough, the US President ordered that it be subjected to two decisive tests, in Cambodia and then in Southern Laos. This second campaign was a full dress rehearsal of "Vietnamization" on the eve of the massive withdrawal of the GIs. The forces hurled against Laos were taken from the *elite* of the Saigon army, more particularly from its general strategic reserves, namely "paratroops", "marines", "rangers", the First Infantry Division and its Armour. An especially important role was played by the US Air Force which acted as the real strike force with

about 2,000 aircraft (helicopters, B.52s and jet fighter-bombers). The balance-sheet of that campaign was painful for the US and Saigon: two brigades of the "para" division, one brigade of the Armour, one of "marines" and two infantry regiments were put out of action, and other units were decimated. The image that remained was that of a Saigon soldier clinging in his flight to the skids of a US helicopter.

Then came the 1972 strategic offensives by the people's forces which broke through the outer defence perimeter of the Saigon forces at Quang Tri, in the Central Highlands, and Binh Long, putting out of action in a period of a few months several divisions of the puppet army Division 3 at Quang Tri, Division 22 at Kontum and Binh Dinh — and decimating other divisions including the 1st and 2nd infantry divisions, the "para" and "marines" divisions, etc. The Pentagon strategists were then forced to "re-America-nize" the war by throwing into the battle an important part of the US naval and air forces both strategic and tactical forces. It was only at the cost of that effort and through the acceptance by the US of the Paris Agreement that the puppet army could be saved from total collapse.

Since the signing of the Paris Agreement, the Saigon army has been able to reconstitute itself and to be strengthened at an accelerated tempo. Despite their own deceptive propaganda, the US and Saigon know very well that the PRG stands for a faithful implementation of the signed agreement and that it

has no intention of launching a so-called large-scale offensive against the Saigon-controlled zone.

Exploiting this position taken by the PRG on this point Thieu, after cutting off all contacts that might lead to a climate of reconciliation and concord between the two opposing armies, cast his troops into the numerous land-grabbing and pacification operations we have referred to above. Intoxicated by their initial successes won in certain sectors where the PLAF showed self-restraint, the ARVN commanders lost all sense of moderation. This provoked the well-known declaration of October 15, 1973, by the PLAF High Command, in which it announced its unequivocal intention to severely punish the Saigon aggressors. "The balance-sheet of the past twelve months," wrote *Quan Doi Nhan Dan*, organ of the Viet Nam People's Army, on February 27, 1974, "shows that despite the total mobilization of all 13 Saigon divisions and the fact that they encountered only part of the Communist troops, the setbacks sustained by the Saigon Army have been quite heavy. The supposed efficiency of that army of mercenaries so highly praised by the US as 'the best army of the whole of Southeast Asia' should deceive nobody: it is no longer a worthy adversary of the Liberation forces." And the newspaper cited an example which testified to the Thieu troops' retreat: in the week from February 10 to 20, 1974, ceasefire violations committed by the ARVN included 2,869 cases — a rather high figure; but a more careful examination would show that land-grabbing operations performed by infantry troops

had somewhat decreased both in terms of the number of such operations and of the effective forces involved, while there was a marked increase in air raids. This did not mean that the Saigon air force was free to rule the roost in the liberated zone: in a year the total number of aircraft downed by the liberation AA defence was 70, and this figure was admitted by the US press itself.

Generally speaking, by March 1974, nearly all the liberated areas nibbled at by the Saigon troops have been already recuperated, whether in the Mekong Delta or the coastal plains of Trung Bo. In Western Nam Bo, for instance, in three months the PLAF put out of action 10,000 enemy troops, wiping out whole battalions, for instance at Giong Rieng (Rach Gia province), in the course of a counter-encroachment operation on December 25, 1973. Thousands of posts illegally erected by the Thieu forces in the free zone had to be evacuated or were razed to the ground by the Liberation Army. Thus in December 1973 in Soc Trang and Can Tho provinces, 50 Saigon posts were overrun and 50 hamlets with 20,000 people once again liberated.

Contacts that had been established at the beginning between the two armies, and which in spite of all prohibitions by Thieu still continue at present in many areas, have aroused within the Saigon troops a natural aspiration for peace and national concord. They have realized that they have been victims of a perfidious propaganda by their commanders, and that

the liberation fighters are neither savage nor immoral — as presented by the Saigon rulers. Meanwhile, the free zone is being rebuilt and offers a new appeal to Saigon soldiers by origin simply former peasants driven off their land by US bombing and defoliation raids. Little by little, the anti-war movement and desertions, at first sporadic, are gaining in magnitude and have now become a real subject for concern for the Saigon authorities.

As early as December 19, 1973, the American newspaper *The Guardian* noted that a considerable number of Saigon soldiers had deserted and disappeared into the midst of the people. Five hundred collective actions to oppose land-grabbing orders have been taken by Thieu's troops garrisoned in the Mekong Delta. Secret understandings have been concluded by them with liberation troops with pledges not to violate the cease-fire. At An Loc, some dozens of kilometres north of Saigon, Saigon soldiers belonging to a platoon under a die-hard commander faithful to Thieu secretly wrote to liberation fighters garrisoned just opposite them a letter: "We have received orders to attack you," they said. "If we don't obey them, we will be severely punished. Since none of us wants to see blood-letting, we ask for your help. We have made up our minds to shoot into the air at 6 hours tonight, to give our superiors the impression that we have obeyed their orders. Then we will send them a report saying that owing to the efficiency of your defence, our attack was unsuccessful. We pledge not to shoot a single bullet at you, and ask you to help us." (Quoted in *Quan Doi Nhan Dan*, March 15, 1974).

In Quang Ngai alone, 2,156 cases of desertion by Saigon soldiers in the province were recorded, and 2,650 cases in the province of Thu Dau Mot. The movement is particularly strong among Saigon regional forces (*bao an* and *dan ve*).

We can affirm without exaggeration that the plan of "flooding the country" put forward by Thieu before the signing of the Paris Agreement and actively put into effect after January 27, 1973, has failed pitifully. Saigon soldiers, awakened to hard facts and growing increasingly conscious of their weakness and the thanklessness of their roles, are refusing more and more to be sacrificed for the interests of US neo-colonialism.

It is certainly premature to speak of an imminent collapse of the "republican army." We are far from underestimating this tool of US imperialism on which it has lavished so many efforts and dollars. The history of the peoples' struggle against colonialism either old or new moreover does not lack instances of patriots being compelled to temporarily lose ground to indigenous mercenary forces solidly supported by imperialism and enjoying an overwhelming superiority in terms of numbers and firepower.

But in Viet Nam, all the puppet armies over the last thirty years have been confronted by patriotic forces motivated by the loftiest ideals and provided with an exceptionally clear-sighted leadership. Face with them, the most powerful army of aggression — 500,000 GIs armed to the teeth — proved ineffective and had to make an inglorious departure from Viet Nam.

Speaking of "Vietnamization," that is the prosecution of the US neo-colonialist war of aggression by means of a puppet army, David Hackworth, "the most decorated" ex-colonel of the US armed forces (as *AP* remarked) who asked after long reflection to retire in order to express his opposition to the Viet Nam war, declared in May 1971: "Vietnamization is a word which must be a product of Madison Avenue. It's a public relations man's dream." This sardonic remark may give an accurate idea of the capabilities of the Saigon army.

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Aspects of Neo-Colonialist Culture

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and H.N.

This follow-up article will elaborate on the study "Ideological and Cultural Action" which appeared in Vietnamese Studies No 31: "US Neo-colonialism in South Viet Nam".

We warmly thank Mr. Le Van Hao, former professor at Hue and Saigon Universities, for having once again contributed to our review—Ed.

I — "Political war"

"At present, the war in Viet Nam has an ideological character... That is why political warfare weighs more heavily than any other issue," says Gen. Tran Van Trung, Head of the Political Warfare Department of the Saigon regime. Under this regime, all cultural activities are governed by "political warfare" (*Chien tranh chinh tri*), another name for psychological war (Psywar), which was brought to its peak with the Americanization of the war in 1965.

The same general defines "political war" as "a battle which employs intelligence, skill and ideological instruments to produce psychological and ideological changes in men."

The military junta rigged up by Washington regards "the army as the principal force in all political struggles to strengthen and maintain national union and do away little by little with social differentiations" (1). The Political Warfare Department, an arm of the Army General Staff, extends its ramifications into all units. On specific occasions, campaigns of downright misinformation have been organized, for instance in October 1972, to provide explanations on the imminent peace. These campaigns mobilize officers of all ranks, military cadets and NCO's, etc.

It goes without saying that political warfare is far from being merely the business of the army. It is the General Directorate for Public Relations, seconded by many other agencies, that co-ordinates and directs propaganda work among different strata of the civilian population. Particular attention is given to the rural people: "In the political struggle, we fully agree that the peasant element must benefit from our greatest solicitude because it is the majority and is the element that is particularly wooed by the communists." (What ideas has peace suggested to us, what must be done? National Defence Bulletin No. 33 — March 1973, page 68). "Rural pacification" moves up from threats to terror, mixed along with lies and corruption.

In the cities, cultural fascistization is expressed among other things by the laws on the press and

(1) General Nguyen Bao Tri. National Defence Bulletin No 38. August 1973.

publication which become more and more draconian under the pressure of unfavourable political and military events.

The 007-T1 Brass Knuckles

At a meeting with a dozen Western newsmen on September 18, 1971, Thieu declared that "*If I am not loved by the people it is because there are too many newspapers in Saigon*" (Hoa Binh, Sept. 20, 1971).

It should be recalled that the putsch of November 1963 which put an end to the nine-year dictatorship of Ngo Dinh Diem led to a proliferation of sects, political parties, newspapers and magazines, especially in 1964. This anarchic upsurge was, however, of short duration.

Taking the situation in hand again, the Americans pursued their plan: they removed the civilian administration in favour of the military junta which founded the State Leadership Council (June 1965) headed by Nguyen Van Thieu.

With the landing of the American GI's and the launching of a most barbarous war against the people, the regime became more and more fascist as "Americanization" was blatantly carried through: as far as the press was concerned, it was necessary to put a brake on public commentaries on the farcical nature of "national independence" which some

official spokesmen themselves had to concede (1). An associate of Diem made this bitter remark:

"When we cast a glance back on the events before and after (the putsch against Diem, Ed.), we can but feel sorry for the fate of a small nation which, behind the façade of independence, sees all levers of the administration in the hands of a foreign power." (2)

Following the people's offensive at Tet in 1968, the regime toughened up even more. Freedom of expression was hard hit. The promulgation of Law No. 19/69 (Dec. 30, 1969) re-opened the way to censorship, seizures of newspapers and magazines, incarceration of pressmen, measures which dealt severely with the student movement in Saigon and agitation in the cities as a whole.

At the end of 1971, Thieu withdrew financial support from newspapers — a support which had hitherto enabled them to buy newsprint at favourable prices.

The offensives and victories of the patriotic forces (Spring 1972) gave rise to a full-scale repressive campaign against the press, a campaign conducted by the Nixon-Thieu tandem in a bid to prevent the

(1) "With the State Leadership Council and the Central Executive Committee, as of June 1965, the Americans virtually had complete freedom of action, at least in the military field, on SVN territory" (*National Defence Bulletin* No. 31, Jan. 1973).

(2) Father Cao Van Luan: *March of History*, Memoirs (1940-1965), Tri Dung Pub., 1972, page 422.

collapse of the regime. After having managed illegally to take special powers into his hands on June 27, Thieu put out a flush of decree-laws, no fewer than 60 in six months, among them that of April 4 (007-TT-SLU) against the press.

By virtue of this new legal document, as of September 1:

1. — Newspapers had to pay 20 million piastres, other periodicals 10 million, as surety in anticipation of fines (Article 4). This was an "outlawing" of Saigon's own "constitution" which provides no restrictions on the freedom of opinion other than "offences against personal honour, national security and public morality." (*Chinh Luan*, August 7, 1972).

2. — They could be closed down for a second offence against "public security and order" (Article 19).

3. — Under the state of emergency, any organ doing harm to national security, defence, economy and finance is liable to be arraigned before a field military tribunal, and those responsible are liable to prison terms and fines ranging from one to five million piastres (Article 3).

The Saigon Press Council predicted in its communiqué of August 8, 1972: "The enforcement of this decree-law would trigger the gravest crisis ever seen in the history of the press". (*Doi Dien* No. 39, Sept. 1972).

The 007-TT-SLU, as the *But Than* put it on August 6, 1972, was the *coup de grâce* for "a press, already

moribund or at least soulless." The consequences were not slow in coming. One month and a half after its promulgation, 30 newspapers and periodicals had ceased publication. The editor of *Viet Nam Nhat Bao*, apart from a suspended one-year jail term, had to pay a one-million-piastre fine for having reproduced an interview granted by Mr Xuan Thuy to the Soviet magazine *New Times*, and judged to be "*favourable to the communist cause*". Newspaper seizures could no longer be counted. It should be noted that many of the victimized organs, with circulations averaging from 60,000 to 70,000 copies, belonged to opposition parliamentarians.

The president of the Senate regards decree-law 007-TT-SLU as "*an abandoned child*", an "*illegal*" text (*Doi Dien* No 39, Sept. 1972). The Association of Newspaper Publishers "refused to recognize the new press law" (*Tin Sang* No. 2579, Aug. 9, 1972).

"In the grip of decree-law 007-TT-SLU, the press naturally becomes the monopolized voice of the flunkys of the oligarchy; it cannot but betray its *raison d'être*: to serve the truth and the masses". (*Doi Dien* No. 39 Sept. 1972). "This would amount to deadening public opinion, betraying the mission of the press." (*Xay Dung* No. 2568, Aug. 5, 1972). Nguyen Manh Con, who claims to have behind him "30 years of anti-communism", pointed out, "Decree-law 007 puts the press in the position of a man with a sword at his throat: the government shows clearly that it does not in the least

take account of the reactions of press circles and the discontent of the majority of intellectuals." (1)

In the pattern of the 007-TT-SLU brass knuckles, other repressive measures hit the publishing business and culture as a whole. Deprived of the benefits of privileged prices as a subsidy, publishers are compelled to buy newsprint on the free market at exorbitant prices. Furthermore, they must pay a new tax immediately after publication of books. With the current cost of living it is not hard to see the material difficulties that beset them. The lot of writers is very precarious under a regime of censorship which tends to multiply impossible taboos, to the point that a work prized by Thieu himself could not be published some time after the decree under the ridiculous pretext that "*it came too late*" (Dien Tin Nov. 23, 1973). Some poems released by the radio and the press could not be printed because of opposition from censorship (Dai Dan Toc, Nov. 23, 1973). In a speech on November 29, 1971, Father Thanh Lang, President of the Saigon Pen Club said, "*Censorship is now harsher than it was under the First Republic (of Diem), which was already condemned as dictatorial, it is harsher than under French domination.*" (Chinh Luan, Nov. 30, 1972). "*The guillotine has fallen for good on the neck of the writer... The road to life of the Vietnamese writer has become the road to death.*" (id)

(1) Nguyen Manh Con — "Reflexions over the formation of a state." National Defence Bulletin (Tap San Quoc Phong, N° 31, Jan. 1973.

"There is only a minority of feeble and cowardly intellectuals. No doubt the government thinks it is difficult and even dangerous to give full liberty to intellectuals and to pamper them. In some cases of political struggle, if the intelligentsia, incapable of realizing their responsibilities, plump for dissident voices and gestures, the consequences will be very grave... Perhaps it is within the framework of such speculations that the government is reacting right now against the intellectuals." (1) Such is the edifying explanation offered by an apologist of the regime.

Political War Arsenal

The whole political war is orchestrated around the central theme of "nationalism." "*The word nationalism is used here first to designate an anti-communist political stance... Sometimes, for the sake of propaganda, one dares to speak of 'nationalism' as if the bloc of nationalists too had a doctrine, a strategy and programs of action after the manner of the Communists. In reality, there never has been nationalism. So let us repeat that 'nationalism' is a word which designates an anti-communist stance on a purely realistic level... To define the limits still more clearly, among those who pretend to be nationalists — if we take only into account those who are conscious of their option — only a minority is knowingly opposed to Marxism-Leninism, the majority oppose communism as a dictatorial regime...*" (National Defence Bulletin, No. 31, Jan. 1973, p.57). Proceeding

(1) Nguyen Manh Con — *op. cit* p.72.

from this remark of an official organ, the notion of "nationalism," nebulous and incongruous, can only be defined in opposition to the image of the communist "with a knife between his teeth and no national allegiance." In the conditions of Viet Nam, the official propaganda has had all the more difficulty in having this stereotype swallowed since it is public knowledge that the communists have been the soul of two national resistances and that the 'nationalists' have constantly been on the other side of the barricade, with the French then with the Americans. To say nothing about the financial scandals triggered by the 'nationalists'. "*Anti-communism becomes the label of selfish entrepreneurs who abuse the slogans of democracy, liberty and peace to smuggle, enrich themselves, enjoy the high life and line themselves up with foreign powers.*" (1)

"Political warfare" thus seeks to refurbish 'nationalism' and replenish the anti-communist arsenal. It pretends that as of late 1967, with the birth of the "Second Republic," "*a national spirit has taken shape on South Vietnamese soil*" which is no longer the prerogative of a regime as in Diem's time but belongs to a country, "*the Republic of Viet Nam*" struggling for survival against "*communist aggression from the North.*" (2).

This is to recognize Viet Nam's political schism as final and adopt a viewpoint near to the State Department.

(1) "Opium in Southern Laos and anti-communism" (Tin Sang — April 22-24 1971).

(2) *National Defence Bulletin* N° 31 Jan. 1973.

To justify the US presence, too damaging to the ideology of independence of which they talk, the "nationalists," who evidently fear no ridicule, affirm, "*It is better to be a slave of the Americans than of the Russians and the Chinese.*" (1) One should "*accept the Americans as one accepts a vital need for the survival of the South Vietnamese regime*" (Chinh Luan, Oct. 9, 1970). People needed to be cured of "*the utopian state of mind... which demands of the Americans maximum aid in the means to fight the communists while bargaining with them over the smallest details.*" (2) Details such as independence and freedom!

Thus, the "nationalist" Nguyen Van Thieu regime needs a new, somewhat gaudy coat of paint: "*President Thieu's prestige has reached a peak. A national spirit is taking shape in the wake of this rise. (Thanks to him), the national spirit has become apparent and is growing to the extent that it is turning into national pride.*" (*National Defence Bulletin* No. 31, Jan. 1973).

The militarization of the administration — from the centre to the village level — and the founding of the Democratic Party (of Thieu) are considered to be national necessities. *For the near future, the political tendency of most developing countries remains an authoritarian regime based on one-party hegemony. At present the military control political activities in most of these countries, but they seek to maintain their leadership*

(1) *National Defence Bulletin* No 31, Jan. 1973.

(2) "Opium in Southern Laos and Anti-communism" (Tin Sang — April 22-24, 1973).

by giving a civilian façade to the military regime and creating a ruling party backed by the army". (1)

This is exactly the case of South Korea and other US-manipulated countries in Latin America.

It is natural that the "achievements" of Thieu's "national republican" regime — marvellous growth, military victories, agrarian reform, rural pacification, Viet Cong defectors (*Chieu Hoi*), democratic liberties — are the subject of endless panegyrics over the official radio and TV and in the press. A Saigon newspaper observes not without irony, "No political news (i.e. no compromising ones. Ed). Political affairs are the business of the deputies and senators. The feature 'Opinions' has been suppressed because the citizen has no opinion to express. It is enough that one should place confidence in the clear-sighted and equitable state. The feature 'Men and Events' has also been discarded: the men of the State are all talented people, everything done by the State is good. The news is supplied by the government-run agency Viet Tan Xa. It is absolutely accurate, true and reliable. The reader lives in constant well being. He eats well and sleeps soundly; when he comes home from work, he finds no trace of hooliganism, murder, thievery, or hold-up... (*Xay Dung* No. 2560, Aug. 9, 1972).

In the meantime, the classical bogey of the "sanguinary, heartless, anti-patriotic communist" has been

exploited to the full to inspire a holy fear in less docile minds. The two principal targets are the "Viet Cong" (cadres and combatants of the NFL and the PRG of South Viet Nam) and the "Cong San Bac Viet" (North Vietnamese communists, implying all the leaders and cadres of the DRVN) towards whom hatred is publicly proclaimed. Far from being softened, the "Four Noes" stand (1) of Thieu was toughened still further after the signing of the Paris accord.

"We recognize that peaceful co-existence with the Communists could not last if we are weaker than they are. We have no right to take a rest, thinking they need it like us. Communism is a poison which, enclosed or put under lock and key in a cupboard, remains a poison that can kill us at an inadvertent moment. We continue to regard the Communists as enemies". (2)

There is no question of reconciliation or national concord with an enemy "having the same skin colour, the same race and sometimes linked by family sentiments", declares General Tran Van Trung whom we have already cited. To put a figleaf on an anti-national war commanded by foreign aggressors, Saigon has advanced a series of spurious arguments. The war of liberation waged by the people becomes an "inter-

(1) "4 noes" no to neutrality, no to coalition with the communists, no to legal communist activities, no to partition of zones between communists and nationalists.

(2) Nguyen Manh Con — "What ideas has peace suggested to us? What must be done?" *National Defence Bulletin* No. 33, March 1973, pp. 74, 75.

(1) Tran Hoai Tran: "Model of political evolution in some developing countries" (*National Defence Bulletin*, No. 34, April 1973).

nal", "civil" war, a confrontation between the communist and nationalist ideologies. The patriotic forces have been accused of aggression while Thieu's nationalist troops, even when they are commanded by US advisers and when they trampled upon Cambodian and Lao soil, are only "defending" the nation. A "political warfare" officer writes: "*This is a conflict between communism and nationalism. The communists want to seize the remaining territories. The nationalist side, more moderate, is only doing a defensive job.*" (Pham Huan — *A Day in Hanoi*, 1973, p.6). The "nationalist South", symbol of "epic valour", is presented as a "martyr".

The term "aggressor" has been imputed not to the Americans but to the North Vietnamese of whom the members of the NFL are merely executive agents. The leaders of the DRVN and Workers' Party are billed as fanatic megalomaniacs. The militants of the NFL, "*deluded*", "*poor unconscious creatures, plunged in illusion and menaced by constant danger*", form an "inert, desperate and utterly weary mass" (Phan Nhat Nam — *A Hot Summer*, — *Sang Tao* 1972, pp. 12, 126). On the contrary the GIs are presented as "*blocks of steel*" "*confident and calm*", "*with an unshakable will*", "*physically and spiritually tough*", "*equipped with sophisticated and effective weapons*". As for the "republican soldier" (of Saigon, Ed.) "*he fights and subsists as an incarnate miracle*"; "*he is quite superior to his adversary in quality and courage*" (id). No need to challenge here these gross distortions of historical truth.

Torrents of lies and calumnies continually rain upon the DRVN, the Socialist North. "Political warfare" deforms events and puts out month-and-year-long commentaries on the "lack of freedom", "the land reform", "cultural suffocation" and "poverty". It wants to put a brake on the "nostalgia for the North", a tendency which is building up slowly but steadily because, no matter what Radio Saigon may say, the North represents a past full of glory for the entire Vietnamese people, a past it perpetuates with its successful confrontation with the world's most powerful aero-naval armada. It wants but fails to remove from the prose and poetry of the South such phrases as "*turning towards the North*" "*regret of the North*", "*back to the North*".

Hanoi, the heart of the North and of the country as a whole, comes under the most furious attack. The tricks sometimes can be seen through with half an eye. It was enough, for instance, to send, a "political warfare" officer to the capital for a four-hour visit on the occasion of the hand-over of American prisoners; after seeing a few streets through a car window, the envoy, plumping himself on being an impartial observer, exclaims, "*The Hanoi of dream and poetry has disappeared in the space of 20 years*", "*Hanoi is no longer a place one could live in*". (1) By way of conclusion, this bellicose flourish: "*Hanoi must be freed from this poisonous atmosphere*". (2)

(1), (2) Pham Huan: *A Day in Hanoi*. 1973 — pp. 10-11,

Foreigners who have recently visited the old quarter of the centuries-old city can judge the following assertion by the correspondent of *Song Than*: "*There is an anxious silence in the city, the silence of a crowd gathered at a meeting after the sounds of the long-lives or the down-withs.*" (March 15, 1973). One naturally exalts Saigon, "*city of disorder, hot, dry, the last sanctuary to bury one's bones in... land of human freedom*" (*Song Than*, March 17, 1973).

A Pseudo-Culture

The "political" warriors are aware that criticisms alone are not sufficient. "*We don't limit the political struggle to the means to floor the adversary... On the contrary we activate at the same time and in a serious fashion, struggle and construction. In fact, these two activities are inseparable.*" (1)

The Ngo Dinh Diem and Ngo Dinh Nhu brothers had already launched the watchwords: Asia, Orient, Nation, Humanism, Emancipation... But their house of cards under the signboard of "spiritualism — personalism" collapsed with them.

Foresighted people have seen since 1965, the year of massive intervention by the GIs, that "*It is very likely that the US is going to establish a military front now. But the military front will not fail to extend to the*

(1) Nguyen Bao Tri (general) and Nguyen Ngoc Bach: "Political struggle against the Vietnamese communists" (*National Defence Bulletin*, No. 39, Sept. 1973).

political front. And, finally, from the political front, it will extend to the cultural front. Victory will be decided on the cultural front..." (Ho Huu Tuong: *Conference at Phu Xuan, La Boi*, page 35).

Saigon pretends to hold the monopoly of "truly Vietnamese culture."

"Under the regimes of dictatorship, such as the communist regime, how can culture exist? Or, to be more to the point, how can culture develop?" affirms Father Tran Thai Dinh, implying North Viet Nam and the South Viet Nam liberated zone. He presents the culture he terms communist as follows: "*Under a dictatorship, there is only one voice, that of the dictator. There is the voice of the people, the voice of the revolutionary organizations, the voice of literature, but it is merely the echo of the voice of the dictator.*" (1)

How does the Saigon regime, paradise of liberty, intend to build its culture? General Nguyen Bao Tri, one of the men in charge of "political warfare" gives this answer: "*One must maintain an equilibrium between material progress and spiritual and ideological progress an equilibrium which in itself is the force of our traditional culture in order to avoid running into a crisis resulting from the loss of equilibrium, a crisis which affects some advanced societies and which constitutes one of the characteristics of this century.*" (2) The strategic

(1) "Conditions for the development of culture. *Bach Khoa*, No 356, (Nov. 1, 1971).

(2) "Political struggle against the Vietnamese Communists" *National Defence Bulletin*, No. 39—Sept. 1973.

objective of this "synthetic culture" is to hit at the Communists: "This is an occasion to remove the boundaries between the countryside and the city, something which helps foil the hostile strategy which seeks to exploit this conflict, embrace the peasants and use the countryside to encircle the city." (id)

In its "Proposed policy concerning culture and education" (June 12, 1972), the Government Council for Culture and Education states, "Culture is the way of life of a nation. It embraces everything relating to man in the community, from thinking, emotions and spiritual values to material realities. It consists of all that man has created and received in his relationship with his fellow-creatures and Nature. All these creations and these forms provide models for attitudes, ideology and natural values and aspirations, with the result that each nation is endowed with special characteristics while preserving the general traits of man."

All this talk about culture is designed to mask two attacks against communism as viewed in the optic of Saigon: culture must transcend politics: it must enjoy a freedom which knows no bounds. This is an ugly joke contradicted by facts and the cultural fascistization described above, and decried by honest people in numerous articles. For example: *Arts and letters in face of the perfidious manoeuvres of the cold war network*. (The Nguyen, Trinh Bay magazine, No. 9, Dec. 1970). — *Is there now a line concerning arts and letters?* (Doi Dien magazine, No. 25, July 1971), and others.

The Saigon cultural market is flooded with American by-products. "In the name of assimilation of foreign

cultures", noted the progressive writer Vu Hanh, "muck from foreign countries has been imported without discrimination..." (Bach Khoa, No 531, Aug. 15, 1971).

In recent years, although the American GIs have withdrawn from South Viet Nam, yet American culture at its worst remains. The Vietnamization of the war has not put a brake on the Americanization of life and customs. On the contrary the cultural Americanization effort, starting from 1954, is bearing poisonous fruit. The University of Michigan, the main education centre for the training of teaching personnel, the Peace Corps, the Pen Club, the USIS, the Rotary Club, the Asia Foundation, the Asia Cultural Association, the US Cultural Centre, the AID... with films, comic strips, scholarships and trips to the USA, the advisers, the GIs with their inevitable accompaniment of prostitution and brutalities, have done their work. "The American implantation in the fields of culture and art proves so serious that in Saigon, each person suspects his neighbour of being a stooge of the USA, even if he is critical of the Americans," writes a Saigon university professor (Dien Tin, Jan. 21, 1971). Nine radio stations, five million radio sets, 500,000 TV sets, three million dollars' worth of newsprint for the press and other publications — Washington supplies the mass media so generously.

It is interesting to underscore here an aspect of the influence of the American way of life on the way of thinking: sexual depravity is glorified as a product of "culture," "culture" being averse to "nature." With a great array of sexology and psychoanalysis, an abundant pseudo-scientific literature promotes the

study of sex and sexual depravities. Dozens of books on "sexology" have been translated from French, English and German. It happens that two publishing houses raced each other to have translations of the same book off the press first. Some priests are now even taking pleasure in talking about libido and sex.

The pseudo-existentialist veil of the years 1964-1968 which embellished fleshly furies under the labels of "harmony of two solitudes," "audacity in living, in being sincere," (1) has fallen. In the 70's, people argue otherwise: the human body is but a garment, the sexual act is a "language" that expresses what is most human in man.

A commercialized art — in the form of beauty shops, plastic surgery etc. — seeks to enhance the intimate details of the woman. Under the "summer dances" label, choreographers make the most of the feminine skin and flesh. Films in the same vein are termed "super production." At another level, the adulation of foreign cultures is combined with the highlighting of a national inferiority complex. Father Tran Thai Dinh counsels: "*From when do you reckon when you talk about our 4000-year history? Don't indulge in a vain pride of the past to shut your eyes on the tragic reality now prevailing!*" (2) Professor Ta Chi

(1) Cf. Glimpes of US neo-colonialism (vol II), *Vietnamese Studies* N° 31, 1971 (Hanoi) "Existentialism, Saigon Style," pp. 224-228.

(2) "Conditions for cultural development" (*Bach Khoa*, N° 365 Oct. 15, 1971).

Dai Truong is more specific: "*The pride in the 4000-year culture is based on myths.*" (1) Such opinions were expressed just at the moment when foreign Vietnamologists themselves were discovering in the history of Viet Nam a tradition which partly explains the success of the resistance of its people to US aggression. Is it still necessary to point out that the introduction of American culture in particular is also an act of aggression, not an exchange on a basis of equality? It is rather part of a manoeuvre aimed at strangling our national culture, as has been denounced by the Catholic professor Ly Chanh Trung: it seeks to "*transform us and our descendants into a sort of yellow-skinned Yankees, inferior to the Black Americans.*"

II — Americanization of Education - Washington at the Helm

The development of higher education in South Viet Nam is characterized by the more and more marked transition from an old-style colonialist cultural conception to a neo-colonialist conception.

After the signing of the 1954 Geneva Agreements, "mixed Franco-Vietnamese higher education" emigrated from Hanoi to Saigon. Pompously dubbed "National University of Viet Nam" (Vien Dai Hoc Quoc Gia Viet Nam) by the Ngo Dinh Diem administration, it involved in 1955 only a few dozen professors and lecturers and 2,000 students. US neo-colonialism was intent on seeing to it that the schools

(2) *Bach Khoa* magazine, N° 376, March 1, 1972.

and especially the university, should be used to strengthen its ideological grip on the country; it sought to create and develop a higher education in the service of its schemes. Over the past 20 years, it has transformed higher education in South Viet Nam into an organization comprising eight universities with about 65,000 students:

	Name of establishment	Founding year	Characteristics and administration
1	University of Saigon	1955	State-run (Ministry of Education)
2	-id- of Hue	1957	- id -
3	-id- of Can Tho	1966	- id -
4	-id- of Da Lat	1957	Catholic private (episcopal council)
5	-id- of Van Hanh	1964	Buddhist, private (Buddhist clergy)
6	-id- of Hoa Hao	1959	private (Hoa Hao clergy)
7	-id- of Minh Duc	1970	private (catholic - influenced)
8	-id- of Cao Dai	1972	private (Cao Dai Holy See)

The heterogeneity of a half-state half-private system is to be noticed at once. But what this table does not tell us is the foreign political and cultural impact involved in an educational system in the orbit of neo-colonialism. (1)

(1) cf. Prof. Le Van Hao. 'Society and Culture in South Vietnam cities under US neo-colonialist domination' (*Tap chi nghien eun lich su*, Hanoi, no. 118, Feb. 1969).

Within the framework of the Americanization of different aspects of social life, Saigon universities through a continuous and intensive process, even and especially after the pull-out of the GI's, have proceeded to the present stage of the "Vietnamization" of the war.

Roughly speaking, American penetration (1) has been carried out in two periods: it was slow and sporadic from 1955 to 1963, a period when French cultural influence still predominated, but got into high gear after the fall of Ngo Dinh Diem, and has been particularly noticeable in the course of the last decade. American theorists have never concealed the fact that the cultural programs implemented in the form of aid or exchanges always go hand in hand with the policies of the State Department. (2)

In the early 60's, the University of Hawaii tried to put into operation a program for the training of specialists in many fields or activity destined to work in the developing countries. In coordination with this, the USAID (United States Agency for International Development) funded teams of American experts and professors working in foreign countries as advisers, in a bid to promote the prestige of American culture and foster the development of foreign universities on the American pattern. Concerning South Viet Nam,

(1) cf. Doan Viet Hoat: "The development of modern higher education in Viet Nam, a focus on cultural and social political forces" (doctorate thesis, not yet published).

(2) Charles A. Thompson and Walter H. Claves: *Cultural Relations and US Foreign Policy* (Indiana Univ. Press, 1963).

three complementary programs were launched simultaneously :

1. Despatch of students to the U.S. Starting in 1951 when the Indochinese University was still in the hands of the French, it was strongly stepped up after 1963.

2. Despatch to the USA (for more or less lengthy stays) of study groups of intellectuals and educationists.

3. On-the-spot aid to South Vietnamese universities by the sending of groups of US advisers, professors and other educational experts...

To this date, 10,000 or more South Vietnamese students have studied or are studying in the US, some 5,000 have returned to the country with American university degrees, and hundreds of intellectuals and professors of higher education have visited the metropolis in study groups.

These results are still far from meeting Washington's desires. The JUSPAO (Joint United States Public Affairs Office) has made known that by 1967, only 8 per cent of the professors at the University of Saigon held American Ph. D.s. while 37% had got their degrees in France. The rate would be lower still for other universities (1).

To get rid of French influence still more quickly, the tempo of US visits by South Vietnamese university professors has been accelerated.

Many American experts highly appreciate the efficacy of these measures, estimating that these

(1). Doan Viet Hoat, *op.cit.*

academics, edified by the cultural and social achievements on the other side of the Pacific would see the Yankee advisers in a new light and show themselves more co-operative with them.

One of the major objectives of the USAID program for culture and education in Saigon consists in giving short term training in the US to the professors and experts in university administration so as to be able to dominate Saigon higher education by numbers and free it from the French grip (1). Over the past six years, visits made to the US by professors and leaders of Saigonese faculties have multiplied. In 1967 five rectors of the universities of Saigon, Hue, Can Tho, Dalat (Catholic) and Van Hanh (Buddhist) sojourned in America and were received and encouraged by President Johnson. In 1968 it was the turn of 18 deans of faculty and university rectors; in 1969 seven other deans of faculty, etc. Within a few years, all responsible officials in Saigon higher education have made their pilgrimage to America. At the same time, USAID accelerated the remodelling of teaching programs and reorganization of the universities.

As early as 1957, a delegation of Michigan State University assisted in the founding of the National School of Administration (*Hoc Vien Quoc Gia Hanh Chinh*) which is responsible for the training of cadres for key posts in the regime: chiefs of district or province, heads of the ministries, the police and the

(1) USAID Saigon, Office of Education, *Participant Training, Objectives and Returns*—Vol. 1, Saigon 1967.

intelligence services, diplomats, etc. USAID estimates that MSU has done a good job, as it has left a deep imprint on the organization, methods of work and programs of education. This success has encouraged the US authorities to act in the same direction: US advisers and actions 'on the spot', to change the face of Saigon higher education.

In 1961, a delegation from the University of Southern Illinois helped the South Viet Nam Ministry of Education remodel the program for the training of primary school teachers. It directly collaborated with the Saigon Teachers' Training College to run courses for the training of teachers for secondary pedagogical schools. The same work concerning teachers of secondary education was tackled by a delegation of the University of Ohio at the Saigon, Hue and Can Tho Teachers' Training Colleges.

In 1965, a team of experts from the University of Missouri helped a Saigon engineering school, while another team from the University of Florida did the same for the College of Agriculture, Forestry and Stock Breeding.

In 1966, a delegation of the University of Southern Illinois handed over to the Saigon administration a program for new-type secondary schools, dubbed "general secondary schools". The instructions were carried out to the letter: in the following year, 11 secondary schools were subject to conversion on an experimental basis.

In 1967, the University of Florida sent to South Viet Nam four teams for the study of teaching of

agricultural science and three others to conduct research into the organization and administration of higher education.

At the end of the same year, after long months of work on the spot, a delegation of Wisconsin State University submitted to the Saigon administration a preliminary report—the work of seven American professors including two rectors and two deans—which gave a description of South Vietnamese higher education and proposed reforms. After the members of the delegation had been killed in a plane crash, another was formed to continue the work; it completed the earlier report and made the following suggestions:

- setting up of a Council for University Administration to administer state universities, this council would have the power to appoint and discharge rectors.

- formation of a commission of advisers for each rector, having the right to discuss the establishment of the budget and the program.

- integration of a whole series of institutes and colleges into the same system of higher education in order to facilitate measures of control and direction.

- merger of the faculties of Letters, Law and Science, for a teaching program preparatory to specialisation. (1)

(1) Doan Viet Hoat: *op. cit.*

USAID Saigon, *Public Universities of the Republic of Viet Nam* (a report by Harry F. Bansberg and others, Saigon 1967).

With the application of such measures, the contingent of "returnees from America", young and dynamic, who replaced a good number of French-trained professors at the controls, have energetically "Americanized" Saigon's higher education. Their efforts, however, run into a real cultural resistance: the patriotic students and intellectuals see in them allies and defenders of the White House and the Pentagon, whose crimes of aggression and genocide, as well as attempts at the corruption of morals, are going on in broad daylight.

In the Name of National Independence and Democracy

The characteristic of neo-colonialism, in culture as well as in all other domains, is to make people believe that the indigenous government in its pay is defending national independence and democracy. Under this signboard, the Saigon authorities have advertised their anti-national and anti-democratic university reforms.

In 1955, they claimed that the University should be a melting-pot of Western and Eastern cultures (1). Shrewd observers immediately saw in this orientation, inspired by the American advisers, a machiavellian manoeuvre. As a matter of fact, it provided university people trained in the French

(1) Cf. Inaugural speech at the University of Saigon delivered by the Education Minister (Oct. 1955).

style with an easy way out permitting them not to have to break at once with their culture and education. It opened the door to American culture. It gave an excuse for the Saigon administration to evade the question of the establishment of a national higher education urged by public opinion. It permitted this administration to continue to extol the outdated "Asiatic spirit" in its most conservative and most reactionary sense and which constituted the spiritual basis of the feudal and colonial epoch. (1)

The coalescence of Eastern and Western cultures is a neo-colonialist trap into which superficial or rootless intellectuals have been lured, besides the politicians who despise their own nation and fawn upon everything foreign. The fruit of this conception is a patched up, hybrid, anti-democratic, little realistic and anti-national culture and education which has nothing to do with a "coalescence" or a "synthesis" (2). Take the example of the Faculties of Letters: these institutes of "social sciences" regarded as "cultural and spiritual centres of South Viet Nam education" put emphasis on European and American cultures at the expense of Vietnamese culture. Until recent years, of the 30 subjects taught at the Saigon and Hue faculties of letters, three-fourths concern the USA, France, Britain, China and India, only five

(1) Prof. Nguyen Van Trung, "Essay on education and higher learning in Viet Nam", Trinh Bay, Saigon 1967, Prof. Doan Viet Hoat, "South Viet Nam campus crisis", *Tu Tuong* magazine no. 1, March 1972, Saigon.

(2) Prof. Le Van Hao, *op. cit.*

concern Viet Nam. Courses on Viet Nam are only one-fifth of the total number.

A university professor complains: "*If the Faculty of Letters is considered the crucible of Eastern-Western cultures, it is because the programs of study are divided equally among world cultures. The merger of East-West cultures is a nebulous tendency which has turned the university into a solid fortress of the urban intelligentsia, a bourgeois armchair intelligentsia.*" (1)

Each university (Vien Dai Hoc) comprises a number of faculties independent of one another, almost without organic links. The faculties dispense an education which is fundamentally theoretical and general, academic, divorced from practice and from the reality of a South Viet Nam in the grip of misery, suffering, death, injustice and corruption. On this stagnant pond stands the university "*like a lighthouse*", but "*a lighthouse without light*" (2); the professors fall back on indigested knowledge in face of a society turned upside down, the students ruminate on academic and bourgeois notions. (3)

It is natural that such higher education is poor in research work, inventions and discoveries. Since 1955, that is, over a period of two decades, official university publications of some value have been rare. Many

1. Doan Viet Hoat. "South Viet Nam campus crisis" *Tu Tuong* magazine no. I, March 1972.

2. The simile is from prof. Ly Chanh Trung: "Let's try to understand the generation of 20-year-olds", lecture given at the university of Can Tho (May 1971).

3. Doan Viet Hoat, art. cit.

a professor has had to turn to private publishers even abroad, to make his work known (1).

It suffices to read a few figures to perceive the unrealistic and anti-democratic character of South Viet Nam higher education.

In the 1972-1973 academic year, more than 80% of the students (total enrolment: 65,000, three-fourths of them crowded in Saigon) went in for social sciences, the remainder for sciences, medicine, pharmacy, technology and architecture, etc. These proportions do not correspond with the needs of a region so economically undeveloped as South Viet Nam.

Eighty-five per cent of the students come from rich or well-off families, only 15% are children of farmers and workers, who must do other jobs while pursuing their studies. This is quite understandable since study entails great expenditures, apart from the high cost of living.

But the student is still confronted with difficulties of all descriptions. The too rapid increase in enrolment (65,000 in 1972-73 as against only 2,000 in 1954-55) has disrupted the material foundations of the system and poses difficult problems as far as equipment and teaching materials are concerned. The buildings of the university of Saigon were not designed for lectures and research work. The Faculty of Sciences is installed in a former high school and the Faculty of Letters in a former barrack. The Thu Duc university quarter has just been completed, the

1. Prof Le van Hao, art. cit.

new Teachers' Training College and the new Faculty of Sciences are hard hit by a shortage of equipment. Many lectures of the Faculty of Law are given in a theatre.

Difficulties of another order, and no small ones indeed, are in store for the student. In view of the academic and scholastic character of education, the young man enters the university more to get a diploma and earn his living than to satisfy his cultural needs. The regime which lives on war needs cannon-fodder. According to a current practice which is not on record in any text, it manages things in such a way that every year, the number of successful examinees does not surpass 20% of the total. The rate is lower still for higher studies. Public opinion, including that of the professors and students, has more than once condemned the eliminatory and draconian character of a university which produces too many "failures" and ends in "bankruptcy". (1)

Even successful examinees cannot find jobs easily. Unemployment among intellectuals is so serious that a Saigon M.P. has alerted opinion its disastrous effects on cultural life in the cities.

III - Exploitation of Religion

In the neo-colonialist climate, religious organizations abound. No fewer than 30 are counted among

(1) Saigon paper *Dien Tin* May 1973).

the most important, with the total number of followers reaching close to one half of the population. Washington has done its best to steer to its advantage the four main religious currents: Catholicism, Buddhism, Cao Dai and Hoa Hao, which, with their vast audience among the masses, the number of their cadres and their international relations, have become major politico-social forces.

We shall limit ourselves to studying here the typical case of the exploitation of the catholic faith.

"Reactivated" Catholicism

In the wake of French colonialism, the White House has long wished to use the Vietnamese Catholic Church as a lever in dominating the country. (1) Aided by his brother Nhu, Diem, a protégé of Cardinal Spellman, made Catholicism the official doctrine of the regime to counter the revolutionary ideology. The 1963 putsch put an end to the efforts to spread their "personalism-spiritualism." But their successors, "President" Thieu and "Premier" Khiem in particular, have not renounced the use of the effective weapon of Catholicism.

The ultra-Catholics — excessively pro-American — have never forgiven some American factions and Saigonese politico-military forces for having liquidated Diem and dismantled his anti-communist edifice.

(1) Cf. Nguyen Duc Dan, Phong Hien and H.N. "Ideological and cultural action", *Vietnamese Studies* n° 31, 1971.

Only five years after the death of the dictator, they proclaimed, "We have had to wait until now for virtually everybody to recognize that Ngo Dinh Diem was an eminent President of South Viet Nam." The "National policies" of the strategic hamlets, the land development centres, the prosperity zones... have been inscribed in golden letters along the path of national construction" (1). The ultra-Catholics condemn "the forces which have worked together to overthrow the regime of the First Republic in an absurd and inhuman manner and engender the present chaos." (2)

One comes to understand the movement for the "Rehabilitation of Ngo Dinh Diem," prepared through a series of memoranda signed by adviser Lansdale, aide-de-camp Do Tho, Father Cao Van Luan, a loyal protégé of the Ngo family, etc... The Thieu administration has even patronized the commemoration of the anniversary of Diem's death. The latter has received a new halo through propaganda work seeking to spread the myth of an "independent spirit," victim of "his tough line" toward the Americans.

However, Father Cao Van Luan himself has recalled and not without bitterness, "You (Diem) understand the meaning of this adage; he who pays the pipers calls the tune. If you bluster, you will be smashed. (3) The ultra-Catholics are realistic and do not let go their "big

ally," although they do not know when this ally will drop them." This "big ally," however, is not prepared to renounce so precious a card as Catholicism. He has created conditions for its reactivation.

"In the conditions now prevailing in the country, war and post-war, through the two stages of the fight of the Vietnamese people, the catholics must not only be present but also accept the mission of vanguard and leadership. The reason is that the Vietnamese catholic community, though a minority, possesses a solid special doctrine, a tight organization extending from the family to the national levels, and talent at all levels, enabling it to take the lead and guide the social revolution." After the revolutionary effervescence of November 1, 1963 and the Buddhist struggle, one feels one's feet again and seeks a means to save the nation and society. One can but turn towards the Catholic elements." (1) Father Cao Van Luan merely revealed American calculations when he proposed to Ambassador Cabot Lodge that powers be returned to the Catholic-dominated Saigon military junta: Nguyen Van Thieu, president of the State Leadership Council, in June 1965, has become the President of South Viet Nam for two successive terms; Tran Thien Khiem has been nominated as Premier, to say nothing of many other catholic generals and ministers. Thirty per cent of the members of the Saigon regular army are Catholics, placed under the spiritual direction of 22 chaplains. In the 1967-1971 mandate, Catholics held 40 of the 60 seats in the Senate and 40 of the 135 seats in the Lower House.

(1) Tran Huu Thanh, *op.cit.*

(1) Tran Huu Thanh, "The Vietnamese Catholic and his mission." (Organ of information of the Vietnamese Catholics, 1968).

(2) Tran Huu Thanh, *op.cit.*

(3) Cao Van Luan. *The Course of History* (memoirs — 1940-1965, Tu Dung, Saigon, 1972).

At present they constitute the majority in both houses.

Priests of sinister reputation — who had collaborated with the French — such as Hoang Quynh, Tran Du... — bring together former members of Diem's *Can Lao* Party and other reactionary elements in the movement of "Great Union Forces" (*Luc Luong Doan Ket*), 1972; the Popular Socialist Party (*Nhan Xa Dang*), 1968; the People's Front against the Communist aggressors (*Mat Tran Nhan Dan Chong Cong San Xam Lang*), 1972, and the Democratic Party (*Dang Dan Chu*) headed by Thieu in person. The Catholic Clergy also rules over the Council of Religions (*Hoi Dong Ton Giao*) (1965) now dubbed Joint Council for National Relief, National Defence and Reconstruction (*Hoi Dong Hon Hop Cuu Tro, Phong Ve Va Tai Thiet Quoc Gia*), and plants its men in the former Dai Viet and Quoc Dan Dang parties...

"The Saigon regime is now more catholic than it was under Ngo Dinh Diem... The Christian community is the only prop of this regime because, however efficacious the American support may be, it depends largely on the attitude of the Vietnamese clergy; remarked a Saigon congressman. (1)

With thinly-veiled official encouragement, the religious community is experiencing a new vigour. Since Diem's downfall, four new dioceses have been

(1) Ngo Cong Duc — *Letter from the Vietnamese Catholics to His Holiness Paul VI* (August 1970).

created: Da Nang, Ban Me Thuot, Xuan Loc and Phu Cuong which, together with the 10 former ones, belong to two centres: Hue and Saigon. According to the 1973 figures, the clergy comprises, apart from two archbishops and 13 bishops, 2,036 priests (double the number in 1955) of different orders and parishes, twice as many priests (15 orders) and nuns (20 orders), and 1,849,252 lay people. In social sciences, 25 per cent of the professors are Catholics while in natural sciences, the figure is five per cent. The Catholic population is grouped in 16 communities led by four committees. One-third of this mass, constituted by 676,000 Northern "refugees", live in communities of some 10,000 each in the Saigon area, in some cities and land development centres. All this constitutes an excellent prop for the regime.

With generous funds in its possession, the Catholic Church has not ceased expanding its material organization. It has 14,000 places of worship (including 30 A-category churches built at the cost of 50 million Saigon piastres each, 125 monasteries (25 of A-category), the Pius X Institute in Dalat for the training of Bachelors of Theology, four hospitals and many charity establishments. It runs two universities, in Dalat and Saigon (Minh Duc) with 4,000 Catholic and non-religious students, and two-thirds of all private primary and secondary schools (one half of their number of pupils). There are 15 Catholic secondary schools in Saigon and four in Hue. Economically, the Church owns vast land estates; the Saigon diocese runs a bank (Dai Nam) and a big hotel (the Caravelle).

Catholic newspapers, publications and printing houses are on the increase.

US aid — overt or covert — plays no small part in the prosperity of the church. Let us mention for instance the contributions made by the American Catholic clergy, the favours granted by American officers who give and transport materials for the building of churches, etc.

Panegyric of the US-Thieu regime

The ultra-Catholics, supporters of US armed intervention, have in their ranks four bishops and about one-fifth of the priests. They constitute a very influential minority because their bishops enjoy a great prestige in the episcopal council, their priests are dynamic elements in politico-social organizations, they hold in hand the mass of North Vietnamese "refugees" and most of the Catholic organs of information and opinion, to say nothing of the decisive support of the Americans and the regime.

"The Catholics accepted the Americans and seek their support in Viet Nam in the anti-communist fight... We accept the presence of the GIs in Viet Nam: they help us resist the communists... We are prepared to collaborate with the American troops, we sincerely assist the Americans in carrying out their strategy... We are profoundly grateful to the Americans; we are ready to serve them as a horse or a buffalo to repay them for their contribution to the great cause..." (1)

1. Tran Huu Thanh, *op. cit.*

Thus fanaticism has suffocated all national pride and prefers the foreign yoke to the freedom of the country. This is basically the continuation of the blind anti-communism expressed in the "Circular Letter of the Vietnamese bishops" (Nov. 1951) (1), a profession of faith inspired by the Papal Nuncio Dooley: Catholics were forbidden to collaborate with "the Viet Minh saboteurs of religion and opponents of the French." Any violation of this ban would bring excommunication. Today these Catholics declare themselves enemies of the NFL and of the patriots as a whole, while the new protectors of the faith are the Americans, "*defenders of the civilization of the empire of Heaven*" in the words of Cardinal Spellman (Christmas 1966).

Another argument in favour of Catholic collusion with the US-Diem administration arising from this theological sophism is that it is necessary to support any regime which supports Catholicism, however corrupt it may be (2).

1. In its appeal on Nov. 4, 1973, the Third International Assembly of Christians in Solidarity with the Peoples of Viet Nam, Laos and Cambodia held in Turin considered the spirit of this letter to be outmoded, and appealed to the Vietnamese clergy to work for national concord in accordance with the Paris agreement and cease prohibiting the Catholics from cooperating with the communists, that is in fact with those who have assumed the essential part of the national liberation movement.

2. Some noisy anti-Thieu demonstrations organized by the ultra-Catholics are merely demagogic masquerades to disavow a US agent who has become too discredited.

Thus in spite of the Appeal of the Third International Assembly of Christians in Solidarity with the Peoples of Viet Nam, Laos and Cambodia, the ultra-Catholics have not calmed down following the signing of the Paris Agreement. They keep calling the communists "demons, vipers", and accusing them of being "aggressors" in their own country. Is it necessary to recall that, in violation of the spirit of Vatican II, Father Nguyen Khac Ngu urged that the words "*against the atheistic communists*" be recorded in the resolution of the Asian Synod (Nov. 1970). Father Tran Du came out against the Appeal for Peace in Viet Nam launched by Pope Paul VI. Efforts were made to launch a movement for emigration to Australia and South America right after the first session of the Four Party Conference in Paris. Pressure was brought to bear on a bishop to compel him to withdraw his statement: "In any circumstances, the Vietnamese Catholics will remain in Viet Nam". Priests who translated the documents of the 1971 World Synod and had them published in the magazine *Chon* (choice) were rebuked vigorously. Father Nguyen Viet Khai was dismissed for having preached national concord; his Vinh Thanh parish has been placed under "local interdiction" for having supported him in the struggle against exploitation and oppression.

The archbishop of Saigon, Nguyen Van Binh, has taken up the cudgels for the Thieu regime in the matter of the political prisoners and that of the five leaders of the Young Workers' movement. Against the assertions of Bishop Gumbleton (National Catholic

Reporter—May 11, 1973) he has tried to justify the arbitrary detention of civilians, going to the length of denying the existence of 200,000 political prisoners incarcerated by the regime. (1)

The ultra Catholics want to delay as long as possible the application of the decisions of Vatican II. They pretend that these decisions are not necessary in Viet Nam where the phenomena of Catholics leaving the church and of atheism are not so serious as they have been in Europe or America. Renovation is thus carried out only for form's sake; employment of Vietnamese in ceremonies, simplification of rites, exemption from kneeling during services... Several years after Vatican II, its documents have yet to be translated and submitted for discussion among the masses of believers.

Nevertheless, the identification of the spiritual with the temporal, especially with American domination and Saigon's bellicose anti-communism, in the long run presents a deadly danger for Catholicism. This is just what a clear-sighted section of the Vietnamese clergy has come to realize. So there have arisen more flexible tendencies of all shades, some of which are genuinely progressive. Besides those

1. Cf. appeal of the Turin Third International Assembly of Christians (Nov. 1973): "In South Viet Nam, the US government and the Saigon administration are responsible for the worsening situation because they have particularly refused to recognize the Third Force and set free 200,000 political prisoners whose only guilt is to want peace and the restoration of democratic liberties in the country."

who struggle in the ranks of the NFL, there are those of the Third Force, the radical intellectuals who want to enter into a sincere dialogue with the other sides, particularly the *Viet Nam cong giao* (Catholic Vietnamese) group (1).

The cultural fascistization by "political warfare", the Americanization of higher education and the exploitation of religious faith are part and parcel of global neo-colonialist strategy. The cultural resistance in the zone controlled by Saigon as well as in the liberated zone is developing in strength, especially in this period of "half war half peace", when cultural confrontation is no less important than military confrontation. The position of the patriots can be summed up in this point of the Program of Action of the PRG of the RSVN:

"To combat the enslaving and depraved US-oriented culture and education which are impairing our people's fine cultural traditions. To build a national and democratic culture and education, to develop science and technique... To raise the cultural standards of the people..."

August 31, 1974

1. The usual term is *Nguoi cong giao Viet Nam* (Vietnamese Catholics); in *Nguoi Viet Nam cong giao* (Catholic Vietnamese) the inversion is not simply a play upon words, but a desire to put emphasis on the nation.

The Other War

NGUYEN KHAC VIEN — PHONG HIEN

"The heart and soul of the population really becomes the biggest factor of success or failure".

(Eisenhower, *Statement on Indochina*,
February 3, 1954)

1 - A New Strategy: to Create a No Man's Land

A study mission sent by the US Senate to South Viet Nam to investigate the problem of war refugees has written down the following findings in its report:

"One half of (South) Viet Nam's population — some ten million people — have been forced to move, often many times over, as refugees since 1965. Some quarter million of these refugees by official count remain in temporary camps... The dislocations caused by the war have shattered the social fabric of Vietnamese life. The full extent of the war's impact upon the land and people of Viet Nam is extensive and difficult to record. Along with the toll in lives and lost limbs there has been an accompanying toll in the strength and functioning of societal institutions. Once a predominantly rural society, today over 65% of

South Viet Nam's population is in urbanized areas. South Viet Nam is now an agricultural deficit area.

"A massive social welfare problem has emerged in the needed care of 880,000 orphans or half-orphans, 650,000 war widows and some 181,000 disabled, amputees, paraplegics, blind and deaf.

"For the first time in Vietnamese history there is need for institutions to help the aged persons normally cared for in the extended family."

(A Study Mission Report prepared for the use of the Subcommittee to investigate problems connected with refugees and escapees of the Committee on the Judiciary — US Senate. US Government Printing Office, January 27, 1974, p. 99).

At a hearing on August 1, 1973, the Subcommittee heard reports on the same question which pointed out that

"In every city, in every provincial town and village, one sees today small groups of children... many if not all are deprived of the basic essentials for healthy growth and development by any standard. They have come to the urban centers with their mothers, many of whom have had to turn to prostitution and forced their children into the streets to fend for their own...

"Children, most of the children in (South) Viet Nam, have been amongst the most tragic victims of the Viet Nam war."

(Hearing before the Subcommittee to investigate problems connected with refugees and escapees.

US Government Printing Office, August 1, 1973, p. 16). (1)

The report-makers, who had travelled widely in South Viet Nam and visited many refugee camps, lay stress on the following essentials: destruction of the countryside, forced exodus of the population to the towns dubbed "urbanization", and above all destruction of social and familial structures. Report II (of 1973) says among other things:

"Mr Chairman, I cite these conditions to call attention to a troublesome and disturbing possibility: that the traditional functions of the family in socializing as well as caring for the children and the variety of other social systems that support the general welfare of a people may well have been seriously and negatively affected if not destroyed by a war in which we had such a prominent part. We do not know the full extent of the impact of continued war on the organization, functions and strength of the family in Viet Nam." (p. 17)

"The (South) Viet Nam of old looked like most of the other agricultural countries. There were close relations between the land and the population, which lived close to the land it cultivated. From the air, lowland Viet Nam was a patchwork quilt of paddy land and small family compounds. Today an aerial view gives the impression of an upturned cradle. In many parts of the country, particularly in Military

(1) Having to quote from these two reports, we shall call them respectively Report I and Report II.

Region I and Military Region II, the population has been totally displaced and strung out along the roads." (p. 34)

This displaced rural population is now packed into the towns which are in no way fit to receive it.

"It must be recalled that the Saigon-Cholon area in 1954 numbered less than half a million inhabitants. Its population is now estimated at more than two million (some give three million — Ed.). To a lesser degree but with similar groupings, the areas of Hue, Da Nang, Quy Nhon, Vung Tau and others are in the same situation. The aggravation of family dissociation, of health care difficulties, of delinquency and criminality are among the signs of innumerable personal tragedies, of social bankruptcy caused by this rapid urbanization." (p. 18)

In Report I, the authors wonder:

"One must ask what happens to people under these conditions? What happens to family, to interpersonal relationships with no privacy? These are inhuman conditions in that they destroy individual integrity and a sense of worth and in that they violate the unity of the family." (p. 14)

The particularly baneful influence of this forced urbanization on the youth has been highlighted in Report II:

"One easily sees gangs of youngsters wandering about Saigon and other towns. Delinquency infests and continues to infest the towns of (South) Viet Nam to destroy the human potential of these delinquents so

long as the basic needs of man are neglected, possibilities are not created for their significant participation in the material and social production of the country. The mushrooming of bars, "bar girls", prostitutes, the belt of bars and cafés around the military bases in all the regions of the country: all this can but leave deep wounds in the structures of the Vietnamese family life." (p. 18)

The destruction, the disintegration of human personality has been discreetly evoked by psychiatrists:

"Peasants forced to take refuge in camps rapidly lose their dignity and maturity." (Report II quoting an article in the *Washington Post* of October 12, 1972, p. 178).

As to the essential cause of these population displacements and of their tragic consequences, these reports give the bomb tonnage dropped on Indochina: 7,800,000 tons, not to mention an equivalent quantity rained by other arms, artillery in particular, and toxic chemicals which have destroyed the vegetation over several million hectares. The authors also compared this bomb tonnage with that used during World War Two in all operational theatres: 3,517,000 tons, which is less than one half, and they stressed that an estimated unexploded 300,000,000 to 600,000,000 pounds of explosives and mines still claim a daily toll.

*
* *

Are these huge human and social dislocations the tragic consequences of a war waged with colossal

technical means, deplorable indeed, but not foreseen by their promoters, or do they belong to a deliberate policy?

Who benefits from the crime? Who profits by this large-scale merciless destruction of an entire society, of an entire people? In a message sent from Washington to ambassador Porter in Saigon, Robert Komer, one of the chief promoters of this war, lets us know that:

"Latest reports indicate that as of 31 August (1966) a total of 1,361,288 had been processed. It helps deprive the Viet Cong of recruiting potential and rice growers..."

Such is the "positive" side of this scorched-earth policy, already asserted in the first year of the massive intervention of US troops: to starve the population, create a no man's land to deny the "VC" manpower and resources. As General Westmoreland saw the problem in a statement in 1965:

"Until now the peasant farmer has had three alternatives: he could stay put and follow his natural instinct to stay close to the land, living beside the graves of his ancestors. He could move to an area under government control. Or he could join the VC."

(Quoted by Frances Fitzgerald in *Fire in the Lake*, p.348)

US strategy simply consisted in leaving the peasant but one option: to move to an area under US control, making life impossible for him elsewhere. Still Westmoreland hoped to utterly destroy the NLF

regular forces by massive "search and destroy" conventional operations. The patent failure of these tactics led Washington and particularly the Nixon administration to adopt another strategy. Robert Thompson, who participated in the "pacification" of Malaya and was one of Nixon's closest advisers in the conduct of the war, has summed up his experience of counter revolutionary war:

"The subsequent success of the (Malayan) Government can be attributed to the basic plan of General Sir Harold Briggs, which directed the attack on the enemy's infrastructure within the population and which resettled about 500,000 of the scattered rural Chinese population; to the control over the Communist party and isolating the population from the guerrilla units, to Field Marshal Sir Gerald Templer for his dynamic drive in implementing this plan until the remaining guerrilla units were driven back into their jungle where they could be systematically eliminated."

(Robert Thompson, *Revolutionary War in World Strategy*, 68)

For the author, in a guerrilla war

"Clearly desert is the least suitable (for the guerilla — Ed.) because with its lack of cover (and water) it can be dominated by government forces using aircraft, helicopters, armoured cars and electronic gadgetry.

Revolutionary war is, therefore, less likely to occur, either in rich and densely populated countries

or, at the other extreme, in open desert with a scattered population living in abject poverty."

(*ibid.*, p. 13-14)

The conclusion is evidently to make a desert thanks to modern technology. Against people's war which makes a combatant of each inhabitant a fortress of each village, Washington believes it has found an answer: to obliterate the villages and make life impossible for the people.

In a more academic way, and considering the other aspect of the problem, another adviser of the US administration, a university professor writes:

"The United States in Viet Nam may well have stumbled upon the answer to 'wars of national liberation.' The effective response lies neither in the quest for a conventional military victory nor in esoteric doctrines and gimmicks of counter insurgency warfare. It is instead forced-draft urbanization and modernization which rapidly brings the country in question out of the phase in which a rural revolutionary movement can succeed."

(Samuel Huntington. *The Basis of Accommodation* p. 655)

To create on the one hand a rural desert where all life and thereby all resistance becomes impossible, and on the other hand, closely controlled urban areas, such was the strategy systematically applied after the failure of many plans for total reconquest of the country. This strategy serves as the basis for

"Vietnamization," the central policy of the Nixon Administration. (1)

With their intervention in Viet Nam, the US strategists came up against combatants and people very different from the soldiers of Western regular armies: they stick to their land and evince uncommon perseverance and courage facing the most terrifying tortures and weaponry. US domination cannot be ensured by GIs unfit for this kind of war, and too costly. The massive landing of half a million Americans from 1965 to 1968 was a last resort, an emergency operation. Thus the suppression of the national resistance on the one hand and the building of a solid Saigon army, police and administration on the other hand remain fundamental goals.

Once the rural desert has been created, one has to "reconvert" these millions of peasants forcibly brought to the areas under Saigon control. To the Pentagon strategists, the psychologists and sociologists of various universities have taught that man is deeply determined by all the social structures and relationships which enmesh his life, the cultural models which inspire him, the traditions which underlie his daily life, and that one can manipulate men by creating new conditioning processes which, strong and renewed, turn them into quite different beings.

How to turn people strongly attached to their native land, who in addition have been imbued, many of them quite deeply, with national and revolutionary ideas,

(1) The number of B.52s used under Nixon rose from 102 to 200.

into docile mercenaries, into executioners capable of unscrupulously killing, plundering and torturing their own compatriots and blood brothers? (1)

How to turn a people who are proud of their centuries-old past, who have waged an ardent struggle, inspired by a deep national feeling and a powerful revolutionary ideology into a lethargic, servile mass, ready to accept the worst jobs and an indefinite foreign domination?

That is the problem Washington has sought to solve by mobilizing all the technical, financial and intellectual resources of the country. Strategists, engineers, scientists, sociologists, ethnologists, psychologists, economists, historians, police experts, counter-insurgency specialists — some of them like Robert Thompson have learnt their trade in the old European colonies — have taken a hand in creating this complex network of the most varied measures and practices in the most diverse fields. B.52s, napalm, tiger cages, pornographic films, the hammering of minds by radio and television, are used along with falsified history textbooks, so-called existentialist philosophy, Christian institutions and rites, drugs and antiquated Confucianist dogmas.

2 — From Hell to the Consumer Society

Let us take a peasant family in the Mekong delta or in Central Viet Nam, in Binh Dinh province

(1) Saigon has 1,200,000 armymen, 200,000 policemen and pacification agents by official count.

for example. The father — let us call him Mr Hoa to give him a name — is 45 years old, and had always lived in his village. His ricefield, garden and house he had defended against floods, typhoons with the help of his fellow villagers. This land conquered from the natural elements he had cultivated with love, and his ancestors' graves are also where he often went to meditate, burning a few joss-sticks. In the village lived Mr Hoa's brothers, cousins, and uncles — the extended family numbering about sixty persons, children included. On New Year's Day and on the ancestors' anniversaries there were merry get togethers, and when somebody was ill or when a gifted boy needed money for his studies, everybody contributed as he could. Without being a notable, Mr Hoa happily attended the village meetings and solemn functions, singing and theatrical performances. From time to time he called on relatives in town for a few days. At first, he was fascinated, but he quickly became homesick for he missed the ricefields glistening under the sun, the bamboo hedge swaying in the breeze, his relatives and neighbours to whom he felt bound by every fibre of his being.

Mr Hoa had been through the miseries and humiliations of the colonial period. Though never having been politically active, he had openly expressed his enthusiasm during the great August 1945 Revolution, wholeheartedly hoped for the victory of the resistance over the French colonialists and hailed the news of the Dien Bien Phu victory. He played host to revolutionary cadres, whose simplicity he liked

and spirit of sacrifice he admired. One of his dreams was one day to meet Uncle Ho. His eldest boy, 22 years old, had enlisted in the liberation forces. So far Mr Hoa and his small family had been spared; he could go on tending his field and his garden, and even send his small children to school. But disaster suddenly befell him: his house, garden and field were completely destroyed along with the whole village, and his wife killed by a bomb. There was no question of rebuilding anything or putting again under the plough completely upturned lands where unexploded shells and mines could at any time kill those who ventured to work them.

Only one option remained to Mr Hoa, that offered by the US command: willy nilly to move to a refugee camp or any town, joining the great mass of the displaced. Thus he was overnight pulled off his land, losing all contact with his many brothers, uncles and fellow-villagers, having no more trade, no daily work, and not playing any role. The village bamboo hedge, the communal house where people gathered, his ancestors' graves, all that had disappeared in the cataclysm. From his village, Mr Hoa only brought with him the memory of a charred land, pockmarked with huge craters and strewn with corpses and debris.

* * *

"On both sides of a road dusty on sunny days and muddy on rainy ones which links B.L. market to the nearby national road are strung out nearly one

hundred tin-roofed houses, regularly spaced. The roofs shine glaringly in the dazzling sun. The partitions made of packing cases mix their smell with the emanations from a huge garbage dump across the road. There are no trees or anything to hinder the view. All around, a barbed wire fence rings day and night with the sound of empty preserve tins shaken at any moment. Though coming from one and the same village and meeting each other daily, the people have lost their acquaintanceship since coming here. They all admit this but cannot revive that atmosphere of good fellowship and rustic simplicity. When they began to be estranged from each other, nobody knows. Worries make rings round the eyes and dig deep wrinkles on foreheads, while accumulated trials and repressed anger have turned friendly faces into masks full of indifference, if not of coldness. The houses, the market, the ricefields in the neighbourhood and the garbage dump, although part and parcel of their lives, become quite unfamiliar. For this new life has partitioned off men and hearts like plots well registered, numbered and labelled. Life comes to pieces, drifting like rubbish on a stream."

Such is life in a refugee camp, as described by Saigon writer Vo Truong Chinh in his story "Bay Chat" (*Doi Dien* review, February 1972). To Mr Hoa and his children who have just ended up there, this is no time to sentimentalize. *Primum vivere*. First survive. Policemen and informers swarm around and record every word, every gesture. Everybody is photographed, receives an identity card and each

family must post up on its door the number and the names of its members. Even in his village, when he could hide his personal life behind well closed doors or a very thick hedge, Mr Hoa was fully aware that the Saigon police would not forgive him for a slipped word, let alone a gesture of opposition. Here as the policemen watch at every moment, behind the barbed wire and in the corrugated iron-roofed shacks open to all winds, he must not say or do anything that could be construed as a sign of non-submission. In the village, his family lived off the land. Here he must daily beg for his food. Mr Hoa knows that many a relative or fellow-villager of his had been clubbed and sent by the police to far-away penitentiaries to suffer most atrocious torture. Though not a coward, he had never dared to do anything that might land him in such situations. At first, he felt intense humiliation at having to ask for alms every day and to show a servile passivity as he wanted to react in order to avoid having to bow his head whenever his children looked at him.

The kids, however, rapidly left him to run about among the huts, to wander about the market where they learnt from others who had come there before them to ask for cigarettes and titbits from soldiers and policemen and soon to commit petty thefts. Feeling completely powerless, he wearily did not interfere for he felt that his own identity was breaking up too and that his only care now was to survive. Family, village, fatherland, dignity, all these became daily more hazy in his mind and he did not feel up

to chiding or even advising his children. His fate ended here, in this dreadful camp, so his children had to mind their own. The eldest had joined the revolutionary forces and had not been heard from, and the two younger ones will not stay in the camp for long. Lured by the life outside, they will be urbanized as the men in Washington have decided.

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"An unexpected animation and prosperity has come to Bun hamlet. All the brats who recently had their eyes glued to the TV set at Buong's house, can now easily get a few hundred piastres with which to revel or gamble. They have given up their classes, hopscotch and marbles, and learnt a lot of Yankee, even Korean, words. The girls have rapidly grown up, and become more beautiful; they dress ostentatiously and know how to make money. With the foreign soldiers, girls have come in increasing numbers to settle in the hamlet. The ravine behind Buong's house has been filled in to build small wooden lodgings. TV sets, fans, tinned food, beds and wardrobes pour in." (1) Writer Vo Truong Chinh (already quoted) adds to the description of the hamlet the sight of the new houses where, behind drawn curtains one can hear the clacking of beer bottles which accompanied the laughter and coarse jokes over a background of jerky music.

(1) Vo Truong Chinh — *Buong's Story* in *Doi Dien*, February 15, 1972.

Mr. Hoa's children will not remain long in this hamlet. Lured by the city, they will rush headlong like fish into a net, and go to those towns which have never attracted Mr Hoa and which have expanded still more rapidly than Bun hamlet.

"From 1965 to 1967, Qui Nhon, which numbered 60,000 people, saw its population jump to 165,000 then 280,000 in 1973. Everyone could set up his house or hut wherever he could, whoever he is: a man in rags and tatters, a war invalid or a bigwig. Roof of tin, thatch or wood. Multi-storey concrete villas overlooking the coast between two hastily rigged-up shacks... No septic tanks or garbage dump: one wrapped everything in newspaper and threw it into the sea... Between 1965 and 1972 Qui Nhon was a foreign town, rather American or South Korean. For every 10,000 inhabitants there were 1,000 bars with highly un-Vietnamese names: OK Bar, Texas Bar, Johnson Bar, Happy Bar, Crazy Girl Bar, Sunlight, Hawai Blue... Qui Nhon has become a giant magnet which attracts clouds of those who sell their charms or become procurers and street-walkers. As there is the need for still more girls, the men of the trade have been compelled to organize a large-scale recruiting network. They put ads in Saigon newspapers: wanted: cooks barmaids, secretaries, nurses... Their agents sneak into heavily populated quarters to recruit girls with glittering promises. The poor girls, lured by money, or the more unfortunate ones who were simply kidnapped in the open street, are sent off to Qui Nhon and forced to receive customers. They receive food from their bosses who keep their

identity papers. Each night club is under the patronage of the police, guarded by several military-men in leopard uniform, and under the protection of a high personage. The unfortunate girl must say farewell to her youth."

(Ninh Vu: *Reportage on Qui Nhon* in the Saigon newspaper *Dien Tin* of June 7-10-1973).

How indeed can a young woman manage to live in these overcrowded towns which have no industry, no truly normal commerce, besides the services catering for a huge army, foreign and native, and a plethora of police? In Qui Nhon, every night there are at least 500 beggars sleeping on the pavements, many of them dying on the spot in cold weather (according to the Saigon newspaper *Dai Dan Toc*, May 28, 1973). Once they have escaped raids, arrests and deportation, the people who end up in such South Vietnamese towns as Saigon, Da Nang, Qui Nhon, Hue and Nha Trang have still to live. Like laboratory rats in an experimental maze, these people thrown on the town pavements or herded in shanty towns are dealt smarting blows when they venture into a forbidden way, or are given rewards and favours if they take the path set by the experimentalist.

"While we speak of the hunger which is threatening families and we ourselves are hungry as our midday meal was reduced to the minimum, on the Saigon river boats with outboard motors glow under the sun as they perform evolutions, towing or carrying men and women in trunks or bikinis, strong,

plump, radiant, with good health and an optimistic air. For them life is truly enjoyable. But fighting is raging less than 30 kilometres away and thousands of people are fleeing the areas which have been set ablaze after seeing their houses reduced to ashes, plunging down the whirlpools of misery with their children in their arms. In Saigon itself, not far from there, how many families wallow in these eddies! For those, however, who ride the outboard motor boats life is truly pleasant!"

The author of those lines, Ly Chanh Trung, a professor at Saigon university, belongs to that minority who, aided by their culture and social position can still reject the alternatives offered by the Washington leaders. The same is not true for the majority, for those who have seen their houses reduced to ashes and whose children are crying of hunger. What is to be done for Mr. Hoa's children hurled into the streets of Saigon or Qui Nhon?

They are hungry, homeless and jobless. Around them, the ubiquitous police multiply raids and arrests, questioning people on every street-corner. Around them there is also a fashionable life, people driving in Mercedeses or Cadillacs, dazzling bars, girls in alluring attire, splendid air-conditioned villas, shops and stores crammed with luxury goods, silk goods, nylon fabrics, refrigerators, TV sets, in brief, all the gadgets and wealth of a consumer society.

In the bars and restaurants, whisky blends with the headiest wines coming from France or Italy, with the sophisticated spirits distilled by Vietnamese or

Chinese merchants, and the European, Vietnamese or Chinese restaurants keep their best dishes, as the club does, its most beautiful girls, for all those who... can pay.

One must not only survive, but also live at a level unknown so far. For breakfast, it's no longer a matter of a few sweet potatoes but of a bowl of milk, coffee or cocoa. To move about in a city which has grown so inordinately, one must have a motorcycle or a motorized bicycle. Nylon clothes are indispensable, and so are English or American cigarettes. One is really unhappy without a TV set at home. The influx of foreign goods is fantastic: 650 or 750 million dollars' worth each year for a country which exports at best some tens of millions of dollars worth of goods, not counting the goods stolen from the US Army PX and the hundreds of millions of dollars spent by the US troops and services. South Viet Nam, which used to export rice, now imports rice along with refrigerators, cars and cosmetics. The new way of life, that is the new goods, is reaching villages so far intact.

The Saigon newspaper *Chinh Luan* exclaims:

"For the last few years, TV sets, motorized bicycles, refrigerators and other up-to-date conveniences have flooded the market, driving Marxist dogmas into the darkness... As a matter of fact, when people in any country have a well-secured material life, ideology becomes an idle topic — as deftly outlined by Mao Tse-tung: to drive the wretched peasant masses against the towns, demanding land and rice.

This perspective is growing more and more blurred and unreal." (March 14-16 issues).

The author too easily forgets the Qui Nhon or Saigon beggars and shanty towns, but clearly unmasks the intentions of those who have wanted to submerge South Viet Nam in a flood of consumer goods.

To "integrate" the Vietnamese people into the US consumer society extended to the Asian shores of the Pacific, as the American working class has been integrated in the meaning given to the term by the philosopher Marcuse, to destroy in the Vietnamese man all idea of nation, class, prospect of the future, all reflection upon the human condition or the destiny of the country, in an attempt to turn him into a mercenary and a torturer, — this aim remains at the centre of US strategic concerns.

The United States cannot distribute refrigerators and Honda motor bicycles or Mercedes cars to the entire "urbanized" population of South Viet Nam. In a poor country, it can still create this refrigerator and motorcycle psychosis which drives millions of people into a whirlpool making all reflection and conscience impossible. A motorcycle is a mere gadget for a citizen of a highly industrialized country, but these machines can become an obsession for people who hitherto have had to toil and moil to earn their daily bowl of rice.

At one time the Washington politicians had thought they could instil through their mass media into the South Vietnamese population a "nationalism" based

on a blend of "Christian personalism" and phrases about freedom which might counter the patriotic and revolutionary ideology. With the fall of Ngo Dinh Diem, overthrown by a vigorous national and popular movement, these illusions vanished, if ever they were really shared by those responsible in the Pentagon and the White House. The other war, which consists in winning hearts and minds, must be waged in a much more radical way.

The best way to deprive people of their ideas is to awaken their basest instincts, it seems. It is a real fascination for uprooted and alienated people, for children thrown on the streets, gnawed by hunger and fear of the police. Why not do like all those who ride on Hondas or drive Mercedeses, amuse themselves all day long in bars with appetizing girls, why rot in the bidonvilles and exhaust oneself in search of one's daily rice, constantly living under the thumb of the agents of those in power. Why bother about scruples, dignity, honour, honesty, friendship, solidarity, and not cross over to the other side, the side of those with power and money who can spend their holidays in Dalat, Vung Tau or even in France or Hongkong, and can arrest, beat and torture others?

Lost in that maelstrom, Mr Hoa's children have rapidly forgotten what their father had recommended to them in their early youth. Life is hard in the streets of Saigon or Qui Nhon, and one is soon swept away if one does not sharpen one's fangs. To make money becomes the number one concern, as the proverb says: "With money one can buy even fairies"

One begins by committing a petty larceny, one smokes an English or American cigarette, drinks a glass of whisky in a bar with a girl and, as appetite comes with eating, one rapidly lapses into more marked "exploits". Then one fine day, when the craving for whisky and the temptation of girls are more imperious than ever, one finds oneself with empty pockets, as good opportunities have not been offering. For an able-bodied young man who has lost all desire to work — and a job isn't easy to come by anyway — the army and the police are always there to offer a refuge and the possibility to make one's way.

Moreover, the example comes from on high. What exactly was President Nguyen Van Thieu in his youth, if not one of those hotheads who had enlisted as a parachutist in the service of the French, then by dint of servility, trickery and cruelty wormed his way up to become an officer, general and president, with fabulous bank accounts abroad? Without having this possibility, one can at least do like those many officers who traffic in everything, plunder the population in the course of operations, rob the Americans and their own soldiers, and manage at least to build villas, drive in cars and buy themselves beautiful women.

A policeman can always exact a small sum from a passer-by caught breaking the law, or a fortune from people he threatens to denounce as a "communist". A government official always has the opportunity to make money on the issue of any licence, a visa for abroad, or a big business deal. In brief, one

only needs to belong to that huge machinery which is the power, and, as soon as one holds even a small share of it, money comes along. Public campaigns against corruption follow one another, but the practice remains for it is an essential element of the regime itself. Did not Prime Minister Tran Van Huong once exclaim that if one really eradicated corruption one couldn't find anybody to work for the regime.

A woman can sell her charms and a man his capacities to kill, torture, oppress and terrorize people, be they relatives or friends. Rich America is at hand, well disposed to pay: A Saigonese, Thai, South Korean or Filipino general costs less than a GI. One can also become part of this society by way of business or trafficking and the exercise of power like that of prostitution is intimately blended with trafficking. The trafficking in authority and in flesh mingles with trade, and so a villager can very rapidly become another man. "He has put on weight, his cheeks are slack, his neck has grown fatter, round like a hog's, and his belly juts out. Each word, each gesture, each laugh of his denotes the pride, the self-satisfaction of a man who has secured his ends and respects nothing but money. His wife has put on weight too, her complexion is much paler and she now looks like a doll in a shop-window, the type of a light woman easily offering her charms under a short blouse and blue jeans which cling to her skin, with a latest-fashion hairdo and outrageous jewels."

This is how the Saigonese writer Phan Du in his short story *Mat Mat* (*Van* review, September 1, 1972)

describes a former peasant couple from his village, whom he had met after several years in a beautiful villa with latest-style furniture and big watch-dogs. And the author heaves a sigh:

"A grave has opened in front of me. The innocent young girl whom I regarded as a sister has died. She has gone, in her new incarnation which exhibits her most seductive charms in order to satisfy the desire of a clique of foreigners eager for pleasures. Gone, with her lewd attitudes full of self-satisfaction, revealing a woman expert in the art of displaying her own body."

A similar sigh is heaved by Mrs Nguyen Thi Ngoc Tham in her reflections upon the Vietnamese woman:

"One has lost all belief in what is lofty and sacred. Every sensibility is anaesthetized and mutilated. In these people, human essence has run dry. As death has passed close by them, they feel they must first of all survive. The will to live has reached such a degree of intensity that they have not hesitated to live like beasts, beasts with human faces... Such is the tragedy of our martyred country. My heart bursts when I see our people sinking into the abyss of perdition." (Saigon review *Bach Khoa*, October 15, 1970).

To make one constantly feel the cold breath of death while offering a chance to live according to one's instincts, therein lies the art of the neo-colonialist strategists and politicians. In other words, to condition millions of people so that they do not hesitate to live like beasts, beasts which the tamer will later make perform to his orders.

3 — From Brain Washing to Philosophical Drugs

With all his instincts, man remains a man, that is with the ideas instilled into him by society and past or present history. To remould him, one must clean away these ideas and substitute others. According to each stratum and each category, the methods differ and are more or less brutal, or more or less subtle.

For the broad masses, all the modern technology of propaganda and publicity is put into action—radio, television, cartoons, posters, disks, newspapers, all of them galore, in quantities quite disproportionate to the productive capacities of the country.

"In the district of Cao Lanh alone," writes the Saigon newspaper *Chinh Luan* (March 16, 1970), "the number of TV sets compares to that of kerosene lamps 20 years ago." In Saigon, there are about ten lavishly illustrated weeklies with large circulations, many dailies, while the broadcasts of Radio-Saigon, Radio-Army and the Voice of America day and night hammer away at people's minds. Information, pictures and audio-visual stimuli of all kinds are spread at a rhythm and in an abundance irrelevant to the technical level of the society. A real flood unfurls upon a population by no means prepared to receive this sweeping wave, in which the slogans and the worst inventions of anti-communism mix with appeals to violence, pornography, advertisements for luxury goods, cosmetics, latest-style clothes or footwear, institutes of cosmetic surgery, incitements to trust one's

fate to clairvoyants, and to ask for one's horoscope from "professors" of palmistry or astrology.

Cinema (and TV films) takes pride of place in this array. Every year, about 200 films are imported from the United States, the Western countries, Taiwan, Indonesia, Hongkong, which dwell chiefly on eroticism, violence, sadism, sexual perversions, and drug-taking. The Saigon paper *Dien Tin* of June 16, 1973 had to exclaim:

"Let us hope that those responsible for our cinema work with perseverance to sweep away this poisonous flux spread by the imported films, which is polluting our screens. Let conscious spectators boycott these rubbishy films. The foreign cultural invasion must be considered an ulcer eating into society. Let us not be dazzled by the glowing and fantastic colours of the foreign films and let us not permit our youth to be poisoned." On November 1, 1973, the same newspaper renewed its appeal by criticizing a Hongkong film in which "one plays with a pistol, gallops madly on horseback, robs banks, betrays one's friends, rapes one's adopted daughter," then it says:

"Pin-up stars are used to camouflage the intention to poison the public. Film producers and importers must be regarded as saboteurs of society. This dark plot must be denounced — the diffusion of loathesome films, so that parents and men of conscience may advise the youth, and seen to ban the intrusion of those poisonous films imported from God knows where, which have been disrupting our society." But what can these few admonitions do against a large-scale

politico-commercial undertaking with copious means and the approval of the men in power? Don't those responsible for the Saigon cinema, referred to by the journal, encourage the diffusion of such films by inciting the local film industry to similar depravity. The Saigon film *He Muon* (Late Summer) awarded a prize in October 1973 at the fifth cinema festival features an elderly pervert, a young demobilized soldier, and a girl student returned from abroad. It drew the following comment from the newspaper *Dien Tin* of October 8: "The nephew sleeps with his aunt. All of them are idle people who spend their time doing selfish, destructive and irresponsible things." On October 23, the newspaper added: "There are many films that make you sick."

Film experts, producers, artists, authors and movies house owners willy-willy must go with the stream if they do not want to face bankruptcy. The regime, the authorities, the American bosses will not tolerate a healthy cinema, still less a national cinema which would arouse those human ideas and feelings which they precisely want to eradicate. The theatre and literature must also work to that end.

The novel *Yeu* (To Love) by a very famous Saigon novelist, Chu Tu, prompted a film of the same title the main scene of which was thus summed up by the newspaper *Song Than* (February 11, 1972):

"Tuyet Nhung (the young girl) slowly unbuttons to set off the advantages of her anatomy. Then she lets herself go: with a pair of surgical scissors, her lover (a medical student) cuts up the girl's clothes

piece by piece. The scissor strokes move boldly and vigorously in a continuous movement of annexation."

One can imagine what comes after, erotic scenes, dagger stabs skilfully executed, terrifying agony, tortures, scenes of violence, all presented both in the cinema and in the novels with a wealth of detail, grimaicing faces, contracting muscles, dropping arms, bodies smashed, so as to plunge the spectator into a sickly atmosphere and rouse his most burning desire, fear, terror, anxiety.

"At first sight," wrote the paper *Dien Tin* (October 5, 1973), "the literary and artistic production of the last years gives an impression of abundance. One cannot deny the fact... But, when reading almost all the works thrown on the market, particularly the most recent, one can say that in most of them — if not all — one only sees disrupted souls, great ladies given up to adultery, young girls selling their virginity, and forlorn boys. Most of the men of art dissect no other themes than that of depraved love. In almost all the works of popular authors, it is truly difficult to find the loving shadow of a brother, a sister or a friend who has just fallen. Truly difficult to find the silhouette of an old mother weeping over her son killed in battle. Also absent are the simple peasants compelled to leave behind their ricefields and gardens, the abandoned orphans, the kids who wander in refugee camps, the shoeshine boys, or the icecream vendors in the streets."

For the ultimate end, it seems, is to incite people to live after the ideal which the Saigon army newspaper *Tien Tuyen* attributes to the military:

"They know nothing but liquor and women. And they seek nothing but to forget with those two things. Then off they go to the front. That's it!" (August 8, 1971).

To live in the present, without any prospect, without bothering about any reflection, any feeling, such is the reasoning of a soldier in a short story published in the *Van Hoc* review of April 1971:

"One must not worry about one's adversary at the front or about what happens in the rear. One must live with a short sight and short views." For a mercenary must not reflect or think. Still less a torturer used by an American adviser to wring out intelligence from a VC prisoner. Or an airman who must drop bombs and napalm on his own village.

For the children who have not had to leave their village to wander the city streets, it is at school that this slow but certain degradation begins.

National feeling is the first target of the education service. The history textbooks, in particular, prepared and printed in the United States then graciously offered as a present from the American people to the South Vietnamese population, try above all to uproot and falsify this national feeling which is so embarrassing for the Washington neo-colonialists and their native agents.

The Vietnamese people, both in the North and the South, are proud of their 4,000 years of history,

"But," exclaims an anti-communist catholic priest, "when do you reckon from? I challenge you to show the achievements of our people and single out what values are still useful for us in holding our place in the fight within the present world?" (*Bach Khoa* review, October 15, 1973).

In a less open manner, the textbooks let it be understood that Vietnamese civilization is only made of elements borrowed from abroad, that little Viet Nam has never been able to decide its destiny and that the great powers have always led the world. Commenting on the 1970 reformed school programme, Nguyen Van Trung, a Saigon professor of philosophy, wrote :

"The retrograde, anti-national character of the Vietnamese literature programme appears in the apolitism of those who have drafted and approved the programme, in the fact of discarding the anti-French revolutionary literature, the traditional literature of unceasing struggle against foreign aggression, in the confusion entertained between the revolutionary patriotic literature and the literature of compromise and collaboration with the French colonialists." (*Comments on the Nam Phong review*, p.89)

The author asks why Duong Quang Ham textbook published 20 years ago under the French colonial regime is retained, and why the texts of the great patriots of this period like Phan Boi Chau and Phan Chu Trinh are put aside. And he gives the answer himself :

"The literature programme is the same as in the time of Duong Quang Ham because on the whole the present political and social regime does not differ much from that of the French colonial period."

Besides, the professor or the student who takes it into his head to hint at those national or revolutionary traditions has to think twice. Professors back from the United States or policemen disguised as teachers or students in the colleges and faculties keep a close watch on teachers and pupils. Police frequently come in mid-class and take away professors and students denounced for having pro-Communist or even neutralist leanings.

For the student, the graduation exam constitutes a test he particularly fears because the administration wants to fail as many candidates as possible. The Saigon paper *Dai Dan Toc* of July 14, 1973 pointed out that out of 2,000 candidates for the technical baccalaureate in 1973 only 10 passed. The *Dien Tin* of October 6, 1973 informs us that two-thirds of the candidates to the first part of this exam were failed at the first session and only 10 percent passed the second session. Why this massacre of innocents? The paper *Dai Dan Toc* gives us the answer : "For the youth at present, all roads, even those adorned with flowers, lead to a military uniform. The pupil who has failed becomes a private while he who has succeeded is a non-com, and the graduate an officer. Sooner or later, each one has his turn." (July 16, 1973).

As one needs privates much more than officers, one must drive the youth into the impasse. The school-boy or the student into whom the school programme has instilled false notions about national and revolutionary history, caught in the net of the consumer society, hammered day and night by a rude or cunning propaganda, and closely watched by a merciless police, once he is failed, finds only one way open to him: the army. Hence the exclamation of Professor Ly Chanh Trung: "Without peace, to teach, learn and sit for exams not only leads nowhere, but becomes absurd and makes you sick." (*Dien Tin*, June 6, 1973).

The barrack represents not only the end result of a youth devoted to useless studies, and constantly tempted by depravity, but also the starting-point of a "new" life which will turn each one into a criminal. To begin with, the drill, the military-conditioning, turns the young man into a docile and obedient machine, obeying any order without reflection. One must run in the sun until exhaustion, crawl in the mud and execute the most contradictory and absurd orders, and each gesture, word or faint show of independence is immediately punished by a blow with the butt of a rifle or a whip, ill-treatment or imprisonment. Exhausted physically and morally, a man is turned into a machine. "All that one has learnt about morals and virtue," writes the Saigon review *Bach Khoa*, "becomes a jumble of rubbish. Experienced tamers teach you rapidly to get rid of all that makes a man of you to turn you into a monster." (April 4, 1971).

This is how one of these young recruits depicts this initiation to the art of being a mercenary:

*One hardly has time to chew and to swallow
Run, run, five times round the barracks before each meal
Stand up, sit down, sit down, stand up
Start at 2 a.m. for an operation
One becomes a machine
Which knows how to forget oneself and abuse oneself*
Le Ky Thuong in *Doi Dien*, September 1971.

*There is no question to put to oneself:
"Why are we ready to die?"
Because we are soldiers
And the fatherland, and the ideal?
Fine words, but beyond our understanding.*

Van Quang in *Nguoi Yeu Cua Linh*, p. 22.

*Drink a full glass, mate, to brighten up
You will be less stupid
Why do you obstinately want to fight for something.*

The Uyen in *Bach Khoa*, September 15, 1966.

Even for those who persist in remaining "stupid", the military machine is there, a pitiless machine, perfectly geared to drag you along despite yourself.

"Rifle in hand, for whom, for what? Or simply to pave the way for the war-profiteers? Or for foreigners to sell the country? We know that but we cannot escape, we are inexorably caught in the gears like screws fixed there for ever."

Duong Nghiem Mau in *Trong Hoi Tuong Lanh*,
Van review, February 15, 1972.

The mouse in the labyrinth: unspeakable and endless ill-treatment if one is "stupid", promotion to higher ranks, that is, assignment to less heavy and dangerous tasks, the more and more open possibility to enrich oneself, to make money, to belong to those who command and own, if one agrees to play the game, to fire upon one's fellow-countrymen and friends, to burn one's own village.

"One must live like a true soldier, sweat, blood and water, wallow in the mud, go through thick forests, weep over one's friend, bury him, and, of course, kill. That's clear. Otherwise why be a soldier?"

The Uyen in *Ong Thay Toi Nghiep*,
Bach Khoa review July 15, 1970.

My soul is dark as the night
My soul is a vast cemetery
My soul streams with blood
Bells unrelentingly toll the knell.

Du Tu in "Luc Nguoi Chet," *Van* review,
December 1, 1970.

Such is the state of mind of a large part of the youth to whom the regime does not give any other way out. All the efforts of the American services have not succeeded in dehumanizing it thoroughly but they have managed at least to arouse in it a deep sense of powerlessness in face of a colossal and inexorable machine. Dealing with the South Vietnamese student movement, Trinh Dinh Ban writes:

"Perhaps nowhere in the world has the youth to live in a similar situation. It learns history but is

condemned to live in the margin of history, it is proud of the traditions of heroism of the nation but has nothing to do with those traditions, extols the centuries-old struggle of the country against the colonialism of the white men but subsists precisely in a system maintained by the white men."

Dien Tin, January 31, 1971.

Torn between contradictory impulses, crushed by a bloody police regime, many young men find a refuge in drugs. The more the war is "Vietnamized", the more drug-addicts there are.

"In 1970, 2% of the schoolboys and students indulged in drugs. In 1971-1972 their number jumped to 30%, in the last six months of 1972, to 45 and then 50%, and to 70% in the first months of 1973."

Dai Dan Toc, June 16, 1973.

Drugs do not only make victims: many generals and politicians run a first rate business in them. A still recoverable drug-addict, lacking in will-power and ready to do anything to get heroin, constitutes a choice victim for the recruiting services of the army and the police. Those who are not recoverable will at least not go to swell the ranks of revolutionaries and opponents. The recovery clinics, reserved for those who can pay, only deal with a very small number, thus enabling quacks to get rich.

For those, more delicate, who are not tempted by sensual pleasures or by heroin there are spiritual drugs. For those who continue to think, the notions of fatherland, social obligation, morality, and human

dignity must dim out and vanish. The by-products of existentialism imported from the West, patched up with a great din for the needs of local consumption, a medley by Camus, Sartre, Françoise Sagan, Marcuse and others, even a varnish of structuralism, all that trimmed down and commercialized, brought within the scope of the average intelligence by third-rate novels, films, and essays, serve to justify cowardice, resignation and flabbiness. What does it matter if one becomes a hired torturer or enlists in the NFL. What's the difference? Buddhism can also serve as an alibi: if the Vietnamese people suffer so much now, that is not because of the American policy but because it must expiate a "collective Karma", the sum of the sins committed in countless past lives. For others, a frenzied Catholic integrism enables one to justify the worst crimes because in fighting Satan one must not refrain from any means.

All spiritual courses are permitted except that which leads to a clear understanding of the situation in which the country is involved, to the national and social struggle for liberation. Even the study of the early works of Marx is encouraged. For the men of Washington know that they hold the knife by the handle: they hold the money and the weapons, they have created a huge military, police and administrative machinery, they have woven throughout the country a vast net... in which they hope to catch millions of men previously conditioned by many means.

* * *

Have the Pentagon strategists, the White House politicians and their advisers succeeded in this "other war"? Yes, insofar as they have caused untold suffering to the Vietnamese people, and brought about upheavals and destruction of lasting consequences. No, absolutely no, because in the face of their policy a people have risen up, forged by millennia of history and culture, a people who for many years have struggled, armed with a firm ideology and a tested revolutionary organization, a people who are supported by the whole of mankind. The human and social consequences of the war are incalculable, as is the material destruction. But neither Mr Hoa nor his children are lost forever. A PRG militant has only to call on him one evening to rouse in him an entire past, dormant ideas and feelings.

Their brother has only to return from the maquis, or a friend who takes an active part in the opposition movement in the cities, to make contact with Mr Hoa's children and talk to them once or twice for the words freedom and fatherland gradually to find again their meaning. Once they are entirely liberated the Vietnamese people, helped by their friends the world over, will find the courage and the means to heal their wounds and build themselves a new life.

Vietnamization in the Economic Sphere (1969-1972)

NGUYEN XUAN LAI

In 1969, with Nixon's arrival at the White House, the war entered a new stage.

Now the question was one of "maintaining war by war" while "making Vietnamese fight Vietnamese."

The policy of making the puppet government shoulder the main burden of this American war thus brought in its train new economic measures.

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* *

The economic situation in South Viet Nam after Johnson's defeat at the presidential elections was catastrophic (1): industry, handicrafts and agriculture ruined; galloping inflation; heavy deficit in the balance of trade and the budget; massive devaluations of the piastre; sky rocketing prices...

The economic collapse was a result less of the devastations caused by bombings and sprayings of

(1) Read "Economic Gears and Levers" in "US Neo-colonialism in South Viet Nam" — *Vietnamese Studies* No. 31, 1971, pp. 83-180.

toxic chemicals than of the US war policy, particularly its "aid policy": this, instead of contributing to the functioning — still less the development — of the economy, provoked its stagnation.

The more the economy staggered under the flood of American goods coming through *commercialized aid*, the more the Americans pumped in dollars to allow the Saigon regime to survive. A vicious circle! For the more the US aid increased, the more the economy eroded and the greater became Saigon's total dependence on Washington.

*
* *

Though Nixon requested the hiring government to "make the full contribution permitted by its manpower, resources, facilities and general economic condition to the development and maintenance of its own defensive strength," (1) he could not fare better than his predecessors: to shore up Thieu and his confederates politically as well as economically, Nixon had no other means than the grant of an increased *aid*. This because "as long as the United States bears the major part (of the finances of South Viet Nam) by granting aid, there is no other way to bolster up South Viet Nam than by programs of commercialized aid". (2) What had been true under Eisenhower, Kennedy and Johnson from 1954 to 1968, was still more

(1) Ibid p.94.

(2) John D. Montgomery, *The Politics of Foreign Aid (American Experience in Southeast Asia)* — published by the Council on Foreign Relations — New York 1962, p. 92.

true for Nixon with the serious crisis of the South Vietnamese economy during the years 1969-1972.

While during the 1965-1968 period, the US *economic aid* was estimated at an annual average of 580 million dollars, it reached an average of 650 million per year in the four years 1969-1972 (an increase of roughly 12 per cent). For 1972, the last year of "Vietnamization", the aid went up to 700 million.

This massive aid allowed Saigon to increase its imports

(in millions of dollars)

1969	716
1970	680.1
1971	651.2
1972	722

that is, 2,769.3 million dollars all told as against 2,076.8 million for the 1965-1968 period (an increase of 33.3 per cent, taking into account rising prices on the world market).

As in previous years, consumer goods still dominated the list of imports. This can be explained by the "need to get back the maximum of ready money to the coffers of the State" (1), and by the fact that the importers were only interested in quick sale goods.

The proceeds of the sale of imported goods were to be put in the "Counterpart Fund" (2) which brought 227 billion piastres in the 1969-1972 period

(1) J. D. Montgomery — Op. cit., p. 92.

(2) "Vietnamese Studies" No. 31- Op. cit., p. 115.

to the State budget as against 88.3 billion in 1965-1968, that is an increase of 157 per cent, mainly resulting from the devaluations of the piastre in 1970 and 1971.

As the "Counterpart Fund" covered only 30.8 per cent of annual budget receipts on average (as compared with 40.3 per cent in the years 1965-1968), tax receipts had to provide 69.2 percent as against 59.7 per cent in 1965-1968.

Taxes and Duties

A mainstay of the economic policy of the Saigon regime, taxes and duties constitute, together with US economic aid, the principal sources of the budget.

During the 4 years 1969-1972, as the contribution of the counterpart fund and the advances by the National Bank amounted to only 445 billion piastres the need to increase collection of taxes became inescapable in order to find an additional 700 billion.

A "campaign" to bring in as much as possible from taxes and duties was launched by the end of 1970 under the command of Prime Minister Tran Thien Khiem with the collaboration of USAID and MACV. Three special committees in the Saigon-Cho Lon "special zone" and one special committee for each of the four military regions, coordinated their actions with the assistance of an "electronic computing centre". A "prediction centre" at the Ministry

of Finance supervised all these activities. "Electronic brains" were able to detect 160,000 fiscal frauds on licences and 300,000 tax evasions. Within 4 months, that "fiscal campaign" brought in 30 billion piastres.

Tax increases constituted the main and most effective measure of financial policy. In 4 years (1969-1972) the treasury collected a gigantic amount of taxes and duties estimated at 521 billion piastres (an increase of 298 per cent compared with the period 1965-1968), that is 230 per cent of the payments from the "Counterpart Fund" and 74.5 per cent of the annual budgetary receipts on an average.

The paper *Tin Sang* (Morning News) on March 1, 1971 had this to say: "Thieu's talent consists in taxing, in fact that is all he knows how to do. Thieu is a tax-lover, a man infatuated with taxes, everywhere he only sees taxes. This is because he needs the maximum of taxes to carry on the (US) war and to bring the Vietnamization plan to fruition."

"Squeezing the population", "carrying on the US war" — this was the economic policy. And as *taxes and duties were levied essentially on consumer goods*, it was the consumers — that is for the most part, the mass of the people — who had to carry the ever increasing burden of the "Vietnamization" of the war.

Vu Quoc Thuc, that mastermind in economic policy behind the Saigon regime since the days of Ngo Dinh Diem, has written: "The fiscal system in force in (South) Viet Nam is too complicated and confused. It

does not enlist the approval of honest taxpayers, instead, it generates frauds and corruption. The rather poor contribution of domestic taxes and duties to the budget has brought import duties to the foreground of the financing system".

In fact, during the years 1969-1972, import duties covered 63.2 per cent of the fiscal receipts against 55.3 per cent in the years 1965-1968. As for domestic taxes and duties, their contribution went down from 44.7 % to 36.8% during the same period.

Import duties thus constituted the most important source of budget receipts far surpassing the payments of the "Counterpart Fund", i.e. US economic aid. They mainly include :

— the *perequation tax* levied on goods imported and paid for on the Saigon government's own foreign currency reserves. Goods coming as US economic aid are exempted from that tax.

Imposed in 1964, it was designed to raise the prices of goods imported from other capitalist countries to the same level as those from the USA. The rate of imposition has often undergone modifications, particularly as regards industrial and agricultural equipment imported from Japan, West Germany, Italy, France, which is cheaper and better than that imported from the USA. That measure is also applied to local products on which excises have already been levied, such as soft drinks, tobacco and cigarettes, whose prices are lower than those of American products. As for goods whose prices after tax are still lower

than those of the US, they have to pay an *additional perequation tax*.

The perequation tax plays the part of a "*protectionist tax*" for American goods imported through the channel of commercialized aid (CIP, or Commodity Import Program) vis-à-vis not only non-American import products but also local ones. Without that protection, US aid could not have been converted into money and the "Counterpart Fund" and the State budget would have been affected.

That "extra-budgetary income" grossed 50 billion piastres in 1971 as against 3.6 billion in 1966. Taxes rate is fixed on delivery of the import licences on the parity basis of the piastre ranging from 0 to 215 piastres for one US dollar, with equivalent rates from 0 to 270%.

— the *austerity tax* was separately collected on 1,523 different imported articles together with customs duties. Imposed in 1962 and divided into 26 categories, it hit raw materials and so-called "luxury" products, regardless of the country of origin. Imposition rates, calculated on CIF prices, ranged from 10% to 210%. From March 1972, the austerity tax has been incorporated in the customs duties.

— *customs duties* were levied on the CIF values of all imported goods. There were 17 rates ranging from 0 to 200%. After 1972, customs duties, including the austerity tax, formed a 4-rate single tariff: 25%, 50%, 100% and 200%, calculated on the basis of an exchange-rate of 275 piastres for one US

dollar for American goods and 410 piastres for one US dollar for non-American goods as against 80 piastres for one US dollar previously.

In practice, effective rates of import taxes and duties were exceedingly high: from 15% to 450% of CIF prices for customs duties, from 30% to 540% of CIF prices for the austerity tax. It was calculated that, with 17 rates of customs duties combined with the austerity tax rates, there were 50 different rates ranging from 0 to 304%. If the rates of the perequation tax were added to these the number of different rates for imported goods would rise to 139, ranging from 0 to 555% of CIF prices.

In this can be seen the *prime importance* of import duties. In 1967, more than two-thirds of the total value of imports had to pay duties at a rate ranging from 5 to 100%, and almost the whole of the remaining third (27.4%) was taxed at a rate fluctuating between 102.5% and 555%. A rather large proportion of the import taxes was levied on industrial equipment and materials; whereas one-third of the total imports (not counting foodstuffs) consisted of raw materials and semi-finished products, the remaining two-thirds were made up of finished products. The result was that this fiscal system, depending on import taxes to finance the major part of budget receipts, ruined local production which was unable to withstand the competition from imported products. That was the logic on which the regime was based for, as Nguyen Hai Binh, Director of the General Tax Office and Assistant-Adviser to the Saigon Ministry of Finance,

put it, "There would be no fiscal receipts without imports and these could not have been brought in without American aid." (Saigon paper *Chinh Luan* of January 9, 10, 11, 1973).

From 1965 to 1972, import duties were bringing in more and more important sums to the State, particularly in the years 1969-1972 :

	Customs duties	Perequation tax	Austerity tax
	(in billion piastres)		
1965	—	—	1.121
1966	—	3.6	2.767
1967	—	6.3	3.200
1968	—	11	—
1969	13	15	30
1970	15	23	48
1971	18	50	60
1972	50	7 (a)	(b)

(a) As from 1972 the perequation tax has been incorporated in domestic taxes and duties, which explains the decrease in its receipts.

(b) As from 1972, the austerity tax has been incorporated in customs duties.

Their contribution to the 1969-1972 budget receipts and expenditure was raised respectively to 45.3% and 35% (approximate figures).

The *domestic taxes and duties* included essentially :

- *direct taxes* comprising :
 - income taxes
 - land taxes
 - licences
- *Registration and stamp duties*
- *Indirect taxes* comprising :
 - production taxes
 - consumption taxes
 - taxes on "luxuries"
 - *Excises* levied on :
 - spirits and soft drinks
 - cigarettes and tobacco
 - matches

As regards domestic taxes and duties "indirect taxes and excises contributed 75% of the total, while the remaining 25% was provided by indirect taxes and registration and stamp duties." Concretely, the respective proportion of these two categories was as follows :

	<i>Indirect taxes (a)</i>	<i>Direct taxes (b)</i>
1970	78.9%	21.1%
1971	78.2%	21.8%
1972	75.6%	24.4%

(a) Indirect taxes + excises, the latter being practically *indirect taxes*.

(b) Direct taxes + registration and stamp duties which are considered *direct taxes*.

In direct taxes and excises, "80% of the taxes are collected on imported raw materials". Here again

the "tongs" of US aid can be seen. If the fact that direct taxes, registration dues and stamp taxes mostly came from the sale of imported goods is taken into account, it can be asserted that almost the whole amount of domestic taxation was supplied directly or indirectly through US commercialized aid.

As direct taxes, particularly income taxes, directly hit the regime's big shots, frauds were daily occurrences, hence the small part contributed by these taxes in the total, Nguyen Hai Binh admitted that "fiscal frauds amounting to 10 million or 20 million piastres each are not uncommon", and "frauds of more than one million piastres each, into which inquiries are being made, make up a total of 3.9 billion piastres." Those guilty of such frauds were essentially the big local or foreign import companies and influential personalities around the rulers of the government and the army. It is always the masses who have to bear the bulk of the fiscal burden.

During the years 1969-1972, domestic taxes and duties increased by 244% as compared with the period of 1965-1968.

On the whole, taxes and duties of all kinds covered a large part of budget expenditure:

1969	61.2%
1970	69.0%
1971	65.6%
1972	36.5%

The following shows the share of each tax category:

	Import taxes	Domestic taxes and duties
1969	66 %	34.0%
1970	63.3%	36.7%
1971	71.7%	28.3%
1972	47.8%	52.2%

In taxes and duties, *indirect taxes* were always the most important: they provided an average of 48.3% of the budget expenditure in the years 1969-1972 as against 32.5% in the years 1965-1968.

The objective of the fiscal system thus consisted in feeding the budget so as to meet the increasing war expenditures. However, collecting sources were limited by the economic stagnation due to the intensification of the war and the US aid policy.

Fiscal reforms were therefore carried out in the framework of "economic reform", affecting less direct taxes than indirect ones (including import and excises).

Other measures were also taken to make the levying of taxes more effective. They consisted in imposing:

— a "global rate" system on bars, dancing halls, restaurants;

— the "interception at the source" system on agricultural taxes (taking away taxes from purchase prices), and on direct taxes (deducting taxes from the monthly pay);

— bonuses for tax-collectors;

— tax control, which gave the following results as regards large-scale frauds:

	<i>Frauds revealed</i>	<i>Total fine</i>
1965	93	64.5 million piastres
1967	143	105 —
1968	239	202 —
1969	2,585	764 —
1970 (a)	1,503	1,231 —

(a) first nine months of the year.

As US aid constitutes the main source of fiscal receipts, both for import taxes and domestic taxes and duties, the Americans have kept a close watch on this, especially during the period of "Vietnamization". The Saigon paper *Dien Tin* wrote on March 12, 1974: "Heavy pressure is being put on the (Saigon) Ministry of Finance to increase taxes. The Nixon doctrine forces Asian countries, including of course South Viet Nam, to share the responsibilities and the burden of defence. In other words, South Viet Nam has to make greater efforts to meet its own needs while getting less US aid. It may be said, on the basis of talks in Washington between Senator Hatfield and a high-ranking AID official, "South Viet Nam must lay more stress on the collection of taxes with a view to its self-defence plan".

Inflation

In spite of increased US aid, tax rises and intensified collection, the budget deficit grew with the excessive growth of military expenditures.

To remedy this, the Saigon government had recourse to advances from the National Bank, the most important source of inflation:

1969	48 billion piastres
1970	47 —
1971	68 —
1972	55 —

that is, all told, 218 billion, an increase of 106.4% as compared with the years 1965-1968.

During the four years 1969-1972, the annual rate of inflation was estimated at 25%, resulting on the one hand from the intense increase in budget expenditures and, on the other, from the US aid policy which ruined industrial and agricultural activities while favouring unproductive trade. US aid — the *prop of war expenditures* — instead of being an anti-inflation instrument generates and speeds up inflation.

An equally important source of budget receipts was constituted by the *issue of Treasury Bonds*:

<i>(in billion piastres)</i>	
1969	5.491
1970	2.961
1971	22.256
1972	50.017

that is 80.725 billion piastres in all, an increase of 528.6% over the 1965-1968 period.

This "loan" was financed almost entirely by the banks, particularly the National Bank, thus aggravating inflation.

Importers' deposits also supplied big sums. On lodging an application for an import licence, the importer (or import company) had to pay to the National Bank a sum in piastres equal to the amount of credit in dollars asked for, the parity of the piastre and the dollar being fixed according to the category of goods to be imported. This put large sums of money at the disposal of the government which could be used temporarily to offset the budget deficit and which were considerably increased at each devaluation of the piastre. Since the importers had to borrow from the banks, they covered the interest by raising the prices of imported goods: once again the consumers were paying for the cost of that government "loan".

Rising Prices

The price rise was not simply the consequence of inflation and the tax increases, but also an indirect way of augmenting tax receipts. We will deal with this later.

Increasing taxation, rising prices, galloping inflation, this triptych inevitably and automatically resulted in the *devaluation of the piastre*: on October 3, 1970, the "parallel exchange" was promulgated with two rates — 118 and 275 piastres respectively for one US dollar, equivalent to a devaluation of the piastre by 133%; on October 15, 1971, in the framework of the "Autumn Economic Revolution", the

piastre/US dollar parity was fixed at four different rates.

These massive devaluations in their turn led to price rises, while at the same time bringing more to the budget through the channel of the "Counterpart Fund" and tax increases. This "infernal cycle" was completed by the inflation caused by the intensification of military expenditures, and deepened the economic stagnation.

As from 1969, because of the gradual withdrawal of the GIs, dollars coming from GI spendings have greatly decreased thus aggravating the deficit in the balance of payments, and thence the balance of trade.

Balance of trade deficit

(in million dollars)

1969	702.4
1970	669.2
1971	644.0
1972	698.9

that is a total of 2,714.5 million dollars as against 1,985.3 million for the 1965-1968 period (an increase of 36.7%).

With the intensification of the war, budget expenditures swelled. Most of the money — estimated at 80% of budget expenditure — was allocated for military and repression spending, essentially for the maintenance of an 1.1 million-strong army and a vast police force.

While budget receipts for the years 1969-1972 increased by 213.3% as compared with the 1965-1968 period, budget expenditure rose by 231.7% and military (and repression) spending by 238%.

(in billion piastres)

	Budget receipts	Budget expenditure	Military and repression expenditure	1/2 (%)	3/2 (%)
1969	102	145.534	117	70.0	80.4
1970	150	197.000	164	76.1	83.2
1971	204	272.000	190	75.0	70.0
1972	270	360.000	270	85.0	75.0

Issue of bank-notes

(in billion piastres)

	Quantity of notes issued (1)	Gold reserves (2)	2/1
1966	48.921	16.805	34.3%
1968	109.618	21.224	19.3 —
1969	114.113	4.831	4.2 —
1970 (a)	125.323	4.323	3.5 —

(a) in September

This continuously worsening monetary situation compelled Saigon to rescind (by Decree N°020 of September 3, 1966) the clause on the National Bank's

compulsory gold reserves laid down in Decree N°48 of October 2, 1955: the "bank-notes press" might now turn without brakes.

This grave economic and financial crisis necessitated the application of a series of "economic reforms" which marked the economic (and to some extent, social) difference between the period of the "Vietnamization of the War" (1969-1972) and that of the "local war" (1965-1968).

Economic Reforms

Already, in Johnson's time, the "war economic measures" of Nguyen Cao Ky — Au Truong Thanh were principally directed towards checking prices and stopping inflation. The economic situation did not undergo any improvement although dollars poured in abundantly.

With the "Vietnamization of the war", the "economic reforms" of Nguyen Van Thieu-Au Ngoc Ho-Pham Kim Ngoc were considered as a "State policy" and had many objectives in view:

- improving the economic situation;
- financing the State budget to cope with the increase in military and repressive expenditures;
- carrying out post-war projects and plans.

By 1968, Nguyen Van Thieu had put forward a draft-law allowing him to centralize all economic and financial powers in his own hands.

This 22-article "program-law" was submitted to the Saigon Senate in May 1970, and aimed chiefly at regulating:

- the markets of exchange, bonds, gold and production;
- the State sector, private industrial sectors and sectors in which tourists are exempted from customs duties;
- the installations which would be run by the military and by civil servants.

In order to put this "program-law" into effect Thieu asked for "special powers" for 5 months in economic and financial matters.

From that "program-law" only a single point was to be retained, that of the "parallel exchange market" promulgated on October 3, 1970, which gave an official stamp to the devaluation of the piastre benefiting the GIs who could now change their MPCs (Military Payment Certificates) or *red dollars* at the rate of 275 piastres as against 118 piastres before October 3, 1970. The 118-piastre rate remained in force for 4/5 of the import transactions; hence the name "limited parallel exchange market."

On March 6, 1971, a second "reform" was carried out with the approval of David Kennedy, Nixon's special economic adviser sent to Saigon for that purpose.

These were the "seven new economic measures" introduced by Pham Kim Ngoc, Minister of the Economy. They aimed at:

1. Readjusting the interest rates of State loans, so as to mobilize the population's savings. Concretely this consisted in:

- a) bringing the interest rate of State and Treasury bonds to a maximum of 22%.
- b) allowing private banks to issue "certificates of anonymous deposit and consignment", transferable and having the value of bank-notes with high interest rates.

It was hoped that this measure would bring the treasury from 15 to 20 billion piastres in 12 months.

2. Withdrawing subsidies from 28 autonomous or joint enterprises and from 8 State enterprises (except for the water and electricity companies and Air Viet Nam) to lessen the burden of the State.

These firms had constantly suffered deficits, and this measure opened the door to foreign capital to take them over.

3. Bringing the prices of US rice (imported through "Food for Peace" aid) to the level of local prices allegedly to "stimulate national production and reduce import".

4. Increasing the price of imported sugar so as to "develop sugar-cane growing".

5. Increasing prices of cement and wheat flour in order to reduce consumption and save dollars.

6. Bringing the freight prices of imports paid for with the government's own foreign exchange and imports within the framework of PL480 (US "Food for

Peace" aid) to a rate of 275 piastres to the dollar, instead of 118.

7. Increasing salaries of the military and civil servants through a fresh monthly allowance of 100 piastres per person per family. This measure would cost 6 billion piastres, but it was hoped that it would "calm down the discontented elements".

According to the optimistic calculations by Saigon experts, these "seven economic measures" would bring in some 30 billion piastres to the 1970-1971 budget, coming mainly from rising prices and the increased taxes and duties which would result from them.

In fact, after the implementation of this "reform" economic life was hit by a chain-reaction of rocketing prices of almost all everyday consumer goods — from 30 to 50% on an average and even 100% for certain products.

However, the budget deficit continued to mount, reaching some 70 billion piastres at the beginning of November 1971. The foreign exchange reserves in commercial banks only amounted to 24 million dollars, and the gold and foreign exchange reserves of the National Bank were then estimated at no more than 280 million dollars. Something new was needed. A new "economic reform" was carried out, a real "turning point".

That was the "Autumn Economic Revolution" of November 15, 1971, which comprised *nine measures* already preceded by the "seven new economic measures" of March, 6 1971.

It covered:

1) *Exchange rates:*

Within the "parallel exchange market", four different piastre/US dollar rates were to be put in force:

a) 118 piastres for one dollar for non-trading operations (for example missions abroad or student scholarships);

b) 275 piastres to a dollar for imports effected through US commercialized aid and PL 480;

c) 400 piastres to a dollar for imports undertaken with government owned foreign exchange or by US aid other than commercialized aid and PL 480;

d) 410 piastres for exports or other (non-trading) exchange operations, for instance the exchange of the GIs' MPCs into piastres.

2) *Import taxes and duties*

a) Abolition of the austerity tax.

b) Drawing up of a single list of customs duties with only 4 imposition rates (whereas formerly import taxes included 17 rates for customs duties, 35 rates for austerity taxes and 30 rates for perequation taxes):

— 0% for machines and industrial equipment, buses for public transport and lorries, fishing boat equipment, staples and non-agricultural raw materials;

— 25% for agricultural products (including raw materials); and for almost all finished products;

— 50% for fruit, alcoholic beverages, tobacco and cigarettes, household utensils and articles, pottery and porcelain of all kinds, three-wheel vehicles and spare parts;

— 200% for other two, three or four-wheel vehicles, including chassis and motors.

c) the perequation basis would be applied only in certain cases, in order to

— regulate prices between local and imported goods;

— give temporary protection to encourage production during the transition period;

— soften the protectionist measures in force for certain local products.

3. Exports

This was to be the central economic task of the coming period. Exporters were to be given the benefit of privileges in credit, exchange, taxation, investment, and other administrative regulations.

4. Industry:

Appropriate measures were to be taken to develop industry. Especially, to stimulate investment by native and foreign industrialists, the government would promulgate a "law on investment" offering privileges, priorities and guarantees to private investment.

5. Domestic duties and taxes

Appropriate steps were to be taken to improve the fiscal structure at all levels in order to make the collection of taxes more efficient.

6. Imports

Restrictions on releasing credits, issuing licences, etc... and monopolist measures in certain branches were to be abolished. "Free exchange", especially of imports, would be enforced.

7. Home market:

Appropriate reforms would be made to render free enterprise more efficient; the government would only play, the role of a "mediator".

8. Money and credit

The interest rates of bank deposits would be paid over a fixed period, in order to mobilize the people's savings to the maximum. Special attention was to be given to credits granted to industry and exports whose rates of interest would be modified according to circumstances.

An "economic development fund" was to be set up at the National Bank with an initial capital of 10 billion piastres, thus providing the industrialists with medium and short term credits. 300 million piastres would be appropriated to the "Export Development Centre" to look after the financial needs of import activities.

9. Salaries

34 billion piastres each year would be needed to increase the salaries of the military and civil servants at all levels.

Those were the main lines of the "Autumn Economic Revolution" of November 15, 1971. Its goals, as described by Pham Kim Ngoc in the journal *Chan Hung Kinh Te* (Economic Renovation) of November 25, 1971 were as follows :

- to free economic life from all constraints, so as to do away with structural weaknesses and raise economic efficiency ;

- to create a new climate in order to stimulate initiative in the private sector ;

- to create sound conditions for stabilizing economic life, developing the economy and carrying out social changes ;

- to advance towards economic independence and national prosperity.

In fact, the "economic reforms" of March 6 and November 15, 1971 were *first and foremost monetary ones*.

Because of Saigon's complete dependence on US aid, the exchange rate of the piastre to the US dollar was completely artificial : the piastre, even according to the official estimates was excessively overvalued. The difference between the official rate and the black market rate was 1 to 3. This was for various reasons.

Until October 1970, there was nominally a single exchange rate of 118 piastres for one US dollar and a single exchange market, that managed by the administration. But in practice dollar transactions were made mainly on the "free market", accounting for

several hundred million dollars per year at a rate ranging from 400 to 500 piastres for one US dollar.

That dollar traffic was detrimental to the budget, enriching speculators and importers who lived on the reselling to foreign firms of import licences, obtained by greasing the palms of ministers, high officials, generals and others who trafficked in influence and dollars. The GIs and US civilians fed the dollar black-market either through their own resources or through speculations.

The establishment of the "parallel exchange market" did not bring any great change to that situation, as this market was applied only to very few commercial operations.

This over-evaluation of the piastre cost annually the USA 200 million dollars as a kind of subsidy to the Saigon government to "eliminate the difference between the official exchange rate and that of the black market".

Even in the new exchange "reform", with the rate of 275 piastres for one dollar for US commercialized aid and PL 480 credits, the piastre was still overvalued in relation to the rates of 400 and 410 piastres to a dollar. This came from the fact that American products were more costly and not so good as French, Italian, Japanese or West German ones : the importers were only interested in making quick sales, so with an exchange rate of 400 piastres for one dollar no one would be willing to import US goods. This meant that US commercialized aid could not be converted, with all the consequences arising from it. The

Americans resignedly accepted their "missed profit", for they were allowed to use 10% of the "Counterpart Fund" for their "activities" in South Viet Nam, and could recover it through other means.

In fact, with an exchange rate of 410 piastres instead of 275 for each dollar spent by the GIs, satellite troops, the US civil and military missions, the Embassy, the companies engaged in public works and American trading companies, the Americans could now recover 135 piastres. Although the Saigon government was able to enrich its currency reserves with from 300 to 400 million dollars, it was having to pay out some fifty billion piastres to finance American expenditure. This was an *important source of inflation and budget deficit*.

According to USAID, the sums spent by the Americans reached 74 billion piastres in 1966 and 90 billion in 1967 (at the 118-piastre rate), including 40 billion for the GIs' expenses, from 10 to 16 billion for those of the RMK/BRG firm, 24 billion for those of MACV, seven billion for those of the "Food for Peace" Mission, etc..., without taking into account the expenditures of USAID itself, and the various services of the US Embassy. With the 275 piastre exchange rate, though the GIs were gradually withdrawn, in 1970 that sum far surpassed one hundred billion piastres. With the new 410 piastre rate, the figure was certainly brought to between 150 and 200 billion in 1972. The Lilienthal — Vu Quoc Thuc "Postwar Economic Survey" group noted that the "massive participation of (US and satellite) troops in this war has totally

transformed South Viet Nam's economic and social structures." Ton That Thien, Minister of Information in the Nguyen Cao Ky administration admitted that "the spending of the GIs has rendered inflation more alarming."

Most of the Americans lived a princely life here while spending just a few dollars a day. They had their own restaurants, clubs, swimming pools, beaches, cinemas, transport and telecommunication networks, they bought "luxury" articles and foodstuffs in special canteens at prices infinitely cheaper than in the USA, as these products and articles were introduced *duty-free* through the PX or "care of" the US Embassy.

The *new exchange "reform"* (with 4 different rates) was basically a new massive devaluation of the piastre.

It was linked with a fiscal reform relating essentially to import taxes.

With the 118-piastre exchange rate, the government collected on every dollar used for imports:

- 125 piastres for the perequation tax,

- 157 piastres of tax on the "difference in the parallel exchange",

that is a nominal rate of 400 piastres. Added to this rate were customs duties and the austerity tax, totalling another 400 piastres. Thus every dollar spent in imports brought back 800 piastres.

After the devaluation of the piastre in November 1971, with a 400-piastre exchange rate, the government, by establishing a single tariff — austerity tax

and import duties — would collect 800 piastres by import duties, that is a total of 1,200 piastres (400+800) for every dollar spent in imports, not counting domestic taxes and duties. This fiscal measure hit most of all those imported products which are consumer staples.

It is sufficient to compare these figures to see how "profitable" this fiscal reform was.

Receipts from indirect taxes

	1971	1972
in US dollars	199 million (a)	201.5 million (b) (+1.3%)
in piastres	58,506 —	83,018 — (+42 %)
(a) at the average exchange rate:	294 piastres/one dollar.	
(b)	—	: 412 —

This is all the more striking as receipts from imports in 1972 amounted only to 114.3 million dollars against 379.6 million in 1971, that is a decrease of 265.3 million or 70%.

These measures had immediate consequences.

Only a few days after the promulgation of the "Autumn Economic Revolution," skyrocketing official price rises hit almost all imported goods: from 100% to 200%. From 4,500 piastres per 100 kilos the price of rice rose to 9,000; a can of condensed milk now cost 100 piastres instead of 50; one kilo of sugar: 150 piastres instead of 70; the prices of fruit, vegetables and meat increased by from 100 to 215%, newsprint price doubled; one metre of poplin cost 283 piastres,

a rise of 80%. Almost all local industries were working with imported raw materials and equipment (paper: 80%; weaving and spinning: 95%; sugar: 90%; tobacco and cigarettes: 95%; pharmaceutical products: 90%; pastry: 80%, etc.); the price increases on such goods inevitably entailed the rise of finished products. On the black market, price rises became general and much more important, affecting all goods.

Of course, the "economic reform" included a "clause" on salary and wage rises which gave each military man or civil servant a monthly "cost of living allowance" of 1,200 piastres. But this government generosity, barely allowed them to pay for the increases on 20 kilos of American rice (900 piastres) and 6 cans of condensed milk (300 piastres). What was given by one hand was taken away by the other.

With regard to "freedom to import" this was simply a "booby trap". Formerly the Ministry of the Economy was compelled to sell dollars to the importers when import licences were issued to them. Now they were free to import, but had to pay at once 400 piastres for every dollar they asked for, without knowing when they would be given the foreign exchange, since the modalities and regulations were excessively complicated and necessitated infinite delays. These "advances" helped bring the treasury some tens of billions of piastres within three months. "Free import" drove local industries, already in a perilous state, towards bankruptcy as they found themselves unable to compete with imported products.

By virtue of the "clause" on "credit policy", the interest rates on bank deposits for fixed periods went up from 8.12% to 14.2%; short-term interest rates from 8.13% to 18.24%; and the discount rates from 6% to 18%, in order to stimulate private savings and absorb the surplus banknotes in circulation. But people are prudent: some preferred to hoard gold, others to buy real estate or durable goods, others to acquire dollars on the black market for 450 to 500 piastres to the dollar and then legally or illegally transfer them abroad. In 1971, the amount of bank deposits was 10% of the total of notes in circulation against 20.2% in 1970, 23.8% in 1969 and 34.5% in 1966.

The "Autumn Economic Revolution" had been the object of very careful preparations.

Apart from the prelude — the "seven new economic measures" of March 6, 1971 — 27 billion piastres in 1,000-piastre notes had been kept ready for the past year to be put in circulation. And on November 29, 1971, hardly two weeks after the promulgation of the "Autumn Economic Revolution," 18 billions' worth of the new notes were thrown onto the market, following successive issues of 100, 200 and 500-piastre notes since February 16, 1970. This inflationary measure, imposed by increasing military expenditure, was an advance warning of the intensification of the economic and financial crisis in 1972.

That year, the situation have worsened compared with 1971, the budget deficit increased by 32.4%, the balance of trade deficit by 8.5%; military and repression expenses by 42.1% and advances by the

National Bank (including Treasury Bonds) by 16.4%, while receipts decreased (130 billion piastres against 167 billion in 1971, a 22.2% decrease), thus aggravating financial difficulties. (1) The "Autumn Economic Revolution" of November 15, 1971 had not brought about the results expected.

* * *

For the last ten years the financial and monetary problem has occupied the central place among the economic problems of the Saigon regime. It is one of the direct and inevitable consequences of the US neo-colonialist policy which has been expressed in its aggression against the Vietnamese people and in economic aid.

Occurring in a new conjuncture, not only in South Viet Nam, but also and above all in the USA (serious deficit of the balance of payments, galloping inflation, rising prices, devaluation of the dollar, gold hemorrhage, political and social conflicts and troubles, — which compelled the Americans gradually to pull out their Expeditionary Corps — that spiralling crisis culminated in the "Vietnamization of the war".

Though they covered almost every sphere of economics and finance, the solutions put forward did not

(1) This decrease in fiscal receipts was due, less to the abolition of the austerity tax and the incorporation of the perequation tax into customs duties, as claimed by official statements, than to the aggravation of economic stagnation and the worsening of the purchasing power of the masses.

go to the root of the problem. It could not be otherwise since the aim of the "reforms" always consisted in "finding money" to finance the war effort. However, increasing war and repression expenditures deepened the budget deficit and speeded up inflation resulting in price rises and heavy devaluations of the piastre. Thus, they had to "make both ends meet" with the same worn out weapons (increasing US aid, taxes, rising prices and more advances by the National Bank...), covered up by pompous slogans like "tightening one's belt", "relying on one's own strength", "undergoing privations with courage", "flying on one's own wings," etc... which all ultimately went back to making the masses "sweat" as much as possible.

South Vietnamese society was polarized with on the one side the dispossessed who formed the majority of the population, and on the other, the well-heeled, a minority of businessmen, politicians, ministers and officers... who enriched themselves by corruption and speculation.

These "multi-millionaires" (in dollars), hardly more than a hundred in number, had built up colossal fortunes, especially after the arrival of the Americans who brought along with them billions of dollars of US economic and military aid throughout the 60s. These people were the owners of banks, industrial and import companies, occupying key-posts in the government and army, living in revolting opulence and luxury, "breeding fighting cocks and relaxing on Persian carpets and tiger hides", "supplying

war material to the US Expeditionary Corps or services to the GIs". They were the most influential and powerful people in the regime. Thanks to a tight network of alliances and friendships, these new millionaires were able to have contacts with the highest-ranking officials of the US Embassy, MACV and USAID, at the same time pluming themselves on being "patriots" who were contributing to national reconstruction and not "collaborators", speculators or war profiteers. (1)

(1) For instance among the civilians we may note:

— Nguyen Ngoc Linh, a graduate of Bowdoin University in the USA, a neighbour of the former US Ambassador Bunker. He is the owner of large buildings rented by Americans, a school with 5,000 boarders, a deposit and commercial bank, an insurance company, a big firm importing Ford trucks and John Deere tractors, an assembling factory of Toyota tourist cars... He is the youngest Saigon millionaire, whose career was promoted by his being at the right time, political and economic adviser to Nguyen Khanh, then official spokesman and Minister of Information of the Nguyen Cao Ky government.

— Hoang Kim Quy, a "Northern refugee" and former contractor for the Japanese occupation army. Under US occupation, he continued in the same trade, supplying barbed wire to the US Expeditionary Corps which gave him 5 million dollars in "aid" to set up a firm turning out 3,000 tons of barbed wire annually, 50% of the total quantity used in South Viet Nam. Proprietor of a big enterprise importing silk, cotton and synthetic fibres, founder of a large bank and a shareholder in many others, this heavy smoker of opium is one of the 22 most rabid partisans of Nguyen Van Thieu in the Senate. An ultra-reactionary, he has more than once declared that "the Americans should spend 15 days razing the DRVN to the ground and then march on the North."

— La Thanh Nghe, the grandson of a former prefect of the French colonialist administration and a big landowner in

.....

While the regime's privileged were rolling in gold, news items of the daily press almost everyday featured cases of suicide from poverty: an ordinary private with 10 years' service, earning 23 dollars a month, poisoned himself; a first-class private with a 13-dollar monthly wage (plus 5-dollar compensation for the price of rice and 1.65 dollar for his wife and each child up to the age of four) burnt himself to death...

the Mekong Delta. A pharmacist, he made a lot of money by speculating in chemical and pharmaceutical products thanks to USAID dollars. Owner of one of Saigon's biggest deposit and commercial banks, he supported Nguyen Cao Ky who made him Minister of Industry.

These three specimens are the typical representatives of one caste — the businessmen — of the new ruling class in South Viet Nam. Coming from various circles and belonging to different social strata they can co-operate with each other on many precise points, for instance in their rabid anti-communism, and their desire to get rich at any cost at the expense of the supreme interests of the nation...

Among the military clique, Nguyen Van Thieu (and his family, particularly his wife, well-known among business circles for her corruption and gambling, particularly for her traffic in drugs, opium, dollars, diamonds, gold...) is the biggest war-profiteer. His private fortune is estimated by the Western press at 400 billion piastres (about one billion dollars in 1972).

Among the generals, thirty count their fortunes in hundreds of millions of dollars, twenty five in tens of millions...

Of course, all these fortunes are for the most part deposited in Brazil, Italy and, above all, in Switzerland.

Not a few colonels and majors hold a leading position in the business world, in fact they make up 25% of Saigon's "big businessmen".

Thus businessmen are hand in glove with the military and form a militarist-bureaucratic-compradore bourgeoisie around Nguyen Van Thieu and the junta in power.

The "economic reforms", particularly the "Autumn Economic Revolution" while including financing measures for a deficit budget, aimed at other things.

Earlier, in 1970, within the context of the "program-law", a series of economic measures had already been taken in the form of decrees and projects with a view to:

- stabilizing the economy;
- intensifying industrial and agricultural production;
- equilibrating the balance of trade;
- increasing the national income so as to secure social harmony.

These tasks were the object of the "full economic development period" starting in 1972 and taking over from the "period of economic stabilization" of the years 1969-1971 (1).

This economic revival was to have been combined with the military one, the "Phoenix Pacification Campaign" at home in concert with the Southern Laos operation in February 1971 and the campaign in Cambodia in March 1970. These military and "pacification" campaigns were directly connected with the American attempted moves to regain control of the economic situation: the successes of the "pacification" at home, as well as abroad, would

(1) We have discussed above the outcome of that "stabilization period".

enable the resources of the country to be exploited.

Alongside the intensification of "pacification", economic plans and projects were thus put into effect.

These included:

The 10-year export plan for agricultural and sea products 1971-1980:

This was the central problem governing all economic activities. Raised to the level of a *State Policy*, it had absolute priority.

The success of that plan required the implementation of two others:

The 5-year plans for industrial and agricultural development 1971-1975.

These plans are an integral part of the whole 10-year plan for the "post-war economy" (1971-1980) whose rehabilitation and development will require, according to the specialists' forecasts, *five billion dollars and six hundred billion piastres* (about 5,084 million dollars at the rate of 118 piastres for one dollar in 1970. (1) Nearly all this considerable capital was to come from foreign aid, investments and loans, particularly American and Japanese, and would

(1) Not taking into account investment through exploitation of mining resources, and the building of sea and river ports, motorways, airfields and docks, and other logistic installations in the process of being constructed by the Americans which could be used later for economic development.

then be distributed to the various branches of the economy (1):

— *industry*: 759 million dollars (for 8 years 1971-1978),

— *agriculture*: 20 billion piastres (about 170 million dollars at the rate of 118 piastres for one dollar) probably set aside for hydraulic works,

— *electricity*: 180 million dollars,

— *roads*: 667 million dollars,

— *water supply*: 40 million dollars,

— *buildings*: 170 million dollars,

— *regional development*: 1,290 million dollars.

Urgent measures had to be taken to encourage foreign investments.

Modifications were therefore brought to Decree N°2/63 of February 14, 1963 on investments through *Law N° 004/72 of June 2nd, 1972, on investments.*

Did dollars, yens, pounds sterling, marks, francs... pour in following its promulgation? We will see later. Other measures were also taken to encourage the inflow of foreign capital for the exploitation of subsoil resources, especially petroleum, hence the publication of

"Law N° 011/70 of December 1, 1970 on oil prospection and exploitation."

(1) The remaining will be devoted to national defence, police, social and cultural establishments and scientific researches.

Economic development was to be brought about:
 — *at home* by carrying out a far-reaching economic political and social measure of paramount importance. This was the "land reform" promulgated on March 26, 1970.

— *abroad* by "cooperation with other capitalist countries" in particular Japan, while the USA would remain the principal "money-lender". "*Japanese-Vietnamese cooperation*" was therefore regarded by the Saigon authorities as a *sine qua non* condition of post-war economic rehabilitation and development.

All these economic "plans" and "projects" (1) were already foreseen by Washington in 1966. Their directives were embodied in 1970 in the so-called *Plan for the "Post-war Development of the Republic of Viet Nam"* worked out by David E. Lilienthal in collaboration with Vu Quốc Thúc.

The Period of Disillusionment

The plans were grand, the intentions praiseworthy, but there is many a slip twixt the cup and the lips.

It was expected that as from 1971, South Viet Nam would be self-sufficient in rice, and export it from 1972 on.

However, foreign, mostly American, rice continued to pour into Saigon.

(1) Details are given in the Appendix.

1970	326,000 tons
1971	553,000 —
1972	285,000 —
1973	450,000 —
1974 (a)	300,000 —

(a) for the first six months of the year.

The 1973 "rice fever" shook the regime: certainly there was speculation, both economic and political, but the shortage was nonetheless real. For the first time, famine appeared in a country which used, in the best years of the pre-war period, to export 1.5 million tons of rice a year.

In 1972, in 12 out of the 44 provinces of South Viet Nam, crops were struck by a serious and prolonged drought with incalculable consequences. Out of 2.8 million hectares of cultivated land (2.4 million hectares under rice), only 350,000 hectares (that is 13% of the total) could be irrigated. One million hectares were left uncultivated and 4,000 kilometres of hydraulic works abandoned, exposing paddy-fields to invasion of salty tidal waters.

The situation was aggravated in 1973 and still more in 1974 and became untenable by the exorbitant increases in taxes and the shortage of petrol, chemical fertilizers, cement and suitable animal feed. These shortages, caused by the reduction of imports due to a lack of foreign exchange, brought in their train a giddy rise in prices.

Within a month, the price of one kilo of maize more than doubled, from 60 to 150 piastres, that of one

kilo of chemical fertilizer increased by 70%, one bag (50 kilos) of cement by 230%, and the price of petrol went up eightfold rising from 30 to 240 piastres, then to 600 and 800 piastres per litre...

In many regions, the farmers were compelled to cut down the acreage of their lands under effective cultivation by one-third.

Animal husbandry decreased by two-thirds: 90% of the big farms closed down and the remainder could only mark time.

Sea-fishing floundered in the greatest difficulties: 80% of all fishermen were out of work; 70% of the motor boats lay idle for months on end as receipts were not sufficient to pay for petrol and taxes.

Rubber production fell to an all-time low: 20,000 tons in 1972. From 1973, most of the large rubber plantations, devastated by military operations, were situated in areas liberated by the People's Liberation Armed Forces.

The Minister for Agriculture, Ton That Trinh, had to admit that "agricultural production is in a terrible mess, 30-80% of it according to the various branches being paralysed. This disturbing situation must have unforeseeable consequences on the economy." (1)

It must be said that in the agricultural sphere, efforts — though limited — were made for a definite purpose.

(1) Saigon paper *Dan Luan* (People's Opinion) February 7, 1974.

Important investments were made in the improvement of cultivation techniques, hydraulic works, improvement of the soil, introduction of new high-yield rice strains (IR5, IR8, IR20, IR22...), farm mechanization. For instance, the quantity of imported chemical fertilizers reached 400,000 tons in 1971 and 500,000 tons in 1972 (not counting tricalcic phosphate which is treated on the spot) against 175,000 tons in 1965. Motocultors and tractors from 7 to 10 HP or 60 to 80 HP were sold to the peasants at less than cost price. In An Giang province alone, there were up to 25,000. Two agricultural and fishing equipment factories — Vikyno and Vinappro — financed by the Japanese, were built in Bien Hoa, each turning out annually some 3,000 motocultors and tractors and thousands of other motors.

Stress was also laid upon the development of animal husbandry by the import of 250,000 tons of maize in 1971, and 300,000 tons in 1972, in addition to the 210,000 tons of animal feed imported each year. To supplement the 25 existing factories, with a total capacity of 130,000 tons, processing maize, sweet potatoes and other agricultural products for animal breeding, there was a project to import five new factories of the same kind in 1972.

Coastal fishing received important capital for its modernization: 122,374,000 piastres in 1970 (that is 1,037,000 dollars at the rate of 118 piastres for one dollar) from the Agricultural Development Bank, a 2.5 million dollar loan from the Asian Development Bank (payable in 25 years with 2.5% interest from

the 7th year) and 68,000 dollars aid for the popularization of science and technique, 4,233,000 dollars from the State budget for the import of fishing equipment and coastal prospecting carried out under the auspices of the UNO and in cooperation with the Americans and the Dutch. The number of motorized fishing boats rose from 53,000 in 1960 to 81,000 in 1970.

All these efforts were directed towards a double objective: it was less to increase exports than to provide supplies for the US Expeditionary Corps and the puppet army in order to alleviate the burden on the US budget. "On-the-spot supply" was less costly and helped to gain time.

The mirage of the "10-year export development plan" began to fade:

1970	11.5	million dollars
1971	12.3	—
1972 (a)	15	—
1973 (a)	21	—

(a) — Taking into account a price rise of at least 20% on world markets.

They scraped the bottom of the barrel to get anything they could find — timber, rubber, shrimps, duck feathers, scrap-iron — in an attempt to fill up the gaping holes in the balance of trade deficit:

1970	1/59
1971	1/53
1972	1/48
1973	1/40

Duong Dinh Suu, President of the Saigon Chamber of Commerce and Industry, dotted the *i*'s when he said: "If South Viet Nam cannot increase its exports, it is far a very simple reason: it has nothing to export."

In industry, the situation was no better: in early 1974, industrial production had diminished by 50% as compared with the same period of 1973.

50% of the firms had ceased their activities while those still able to continue in existence reduced production from 30 to 50%.

Textile mills, the peak sector, were facing great difficulties and threatened with bankruptcy: 80% of the weaving mills worked from only 18 to 20 hours a week. Even the most modern factories, financed by Americans or Taiwanese, such as Sicovina, Vinytex Vinatexco, were sending out cries of alarm.

The production of toothpaste went down by 80%, that of condensed milk by 50% (Foremost Company, where American capital is predominant, had to fire 233 workers because of reduction of production), that of paper by 60%. Six out of the ten detergent factories were closed down. The SIFA match factory, a former French enterprise which was taken over by the State, closed down after being in operation for 72 years.

The MITAC cigarette and tobacco factory went into liquidation. Les Brasseries et Glacières de l'Indochine reduced its production to the lowest possible level. Out of the 43 enterprises in the industrial region of Bien Hoa which depended essentially on army custom, six went out of existence. The production of

electric appliances decreased by 75%. Potteries turned out only 55 tons of goods per month against 173 tons previously. One bottle of oxygen fell to 2,000 piastres against 6,000 a few months before and found fewer buyers. Flour-mills were in a bad way: Sakibomi and Viphomixio, the two biggest ones, supplied the market with from 30 to 40 tons of wheat flour per day against 600 tons in 1972. The assembling of cars, motorbikes and bicycles was almost totally paralysed.

The "Trade and Services" sector, which made up 60% of the GNP, was in a state of complete stagnation: many importers had to give back their licences. A great number of petty tradesmen had to declare themselves bankrupt.

The causes of this decline were many:

- the shortage — and the resulting higher prices — of raw materials, semi-finished products and spare parts, because of scarcity of foreign exchange for import purposes;

- the competition from foreign products,

- the successive devaluations of the piastre: 10 times in 1973, 7 times during the first six months of 1974. The piastre parity with the dollar was brought from 465 piastres in December 1972 to 640 piastres for one dollar in July 1974;

- the high interest rates on bank loans: 28% per year;

- the lack of capital: national enterprises were denied government aid which was readily granted to foreign firms;

- the fall in the purchasing power of the masses;
- the excessive tax increases;
- the numerous complicated regulations which discouraged any economic activities.

In fact, the South Vietnamese economy lives at the expense of US aid. It is essentially a "trading industry" which works exclusively with imported semi finished products, raw materials and spare parts, 80% of which come from US aid. Its 10% contribution to the GNP is simply a camouflaged contribution from the "imports" sector.

This industry could not survive without injection of foreign capital. But did it come?

During the three years 1970, 1971, and 1972, foreign capitals flowed in only in dribblets.

According to a report by the Japanese mission of the Kaidenran, investments in industry in 1970 accounted for 18,700 million piastres (i.e. 158.5 million dollars at the 118-piastre to one dollar rate) of which at least 80% came from abroad (1). These investments were almost exclusively made in branches catering for the needs of the army rather than for export: chemical products, electrical products, rubber (mainly truck tyres and tubes), cement, steel, pipes, diesel motors, canned products...

Only a few loans of insignificant importance had been granted by the Asian Development Bank: 2.5

(1) These foreign financial contributions probably correspond to the 150 million dollars of Japanese aid indicated by Robert Guillaín in *Le Monde* of January 26, 1973.

million dollars in 1970 for the development of fisheries; 2.5 million dollars in 1971 for hydraulic works in Binh Dinh province, 6.5 million dollars in 1972 for electrification work in Saigon.

With the "law of June 2nd, 1972, on investments", the Saigon authorities dreamt of getting hundreds of millions of dollars, but the "National Committee for Investments" admitted that from June 1972 to June 1973 — during the year following the promulgation of that law — it had only received 6 million dollars from the placers of foreign funds, which investments, moreover, were made after the Paris Agreement of January 27, 1973.

The Japanese had worked out an important plan of economic infiltration through aid. However, in 1973, they only granted a loan of 25 million dollars, and in March 1974, after hard bargaining, Saigon could get only 50 million dollars of the aid promised years ago and utilized (under conditions dictated by the Japanese) solely for the purchase of Japanese goods (almost all current consumer and luxury goods) and for remunerations to the Japanese specialists.

The French, desirous of reconquering the South Vietnamese market from the Americans and the Japanese, made advances: besides a 135-million-franc loan (about 27 million dollars) granted by French banks (with a French government guarantee) for the extension of the Ha Tien cement plant, an aid of 100 million French francs (20 million dollars) was given in late 1973, 50% for the import of first necessity goods and 50% for the financing of

industrial and agricultural projects (15 million for hydraulic works in My Thanh, 15 million for a plywood factory and 20 million for the modernization of power stations).

The Saigon authorities were relying on their protectors to get them out of their economic impasse: in addition to its commercialized aid which after 1973, was enormously reduced, Washington agreed in April 1973 on a first loan (since 1961) of 50 million dollars for the import of industrial and agricultural equipment from the USA or from other countries designated by the Americans, such as Taiwan, South Korea, Singapore, excluding Japan and Western European countries.

In their desire to take a part of the cake, the West Germans granted a 18.5 million-dollar aid for the development of sea-fishing and the treatment of sea produce.

Two auctions of oil concessions brought in 51 million dollars (16.6 million for the July 16, 1973 auction, and 34.4 million for that of June 17, 1974). These first results sowed illusions in Washington and Saigon that petroleum would become an important source of foreign exchange (from 500 to 600 million dollars per year), making it possible to cut down on US aid. On this problem, opinion differs. Tran Kim Thach, a professor of geology of the Saigon Faculty of Sciences, had serious doubts about the existence of oil on South Viet Nam's coastal shelf. According to F.P. Ketchum, General Manager of the Saigon ESSO Co, there is one chance in seven of

finding submarine oil in South Viet Nam, Louis Wesseling, Saigon General Manager of SHELL, has discouraged pinning too much hope on oil as the work of prospecting would require at least six years. But who can predict the fate of the Saigon regime?

In brief, since 1970, an amount estimated at 400 million dollars in loans and aid (taking into account US commercialized and technical aid), that is an annual average of 100 million, has been invested by foreign countries. For the first 6 months of 1974, in spite of many approaches made by Saigon in Western capitals, only seven million dollars were invested, a derisory sum very far from the five billion dollars in aid and loans set forth by the "Lilienthal - Vu Quoc Thuc Post-War Economic Development Plan".

Faced by this "dollar fever", government delegations were dispatched to Western capitals to beg for aid (1). The IMF, the IRDB and the ADB were also called upon. Everywhere Thieu's special envoys received nothing but evasive promises. They were made to understand that billions of dollars were waiting to be invested in South Viet Nam, but the time was not propitious for such an adventure.

(1) Ngo Khac Tinh to Taiwan, South Korea, and the Philippines; Dang Van Sung, a most trusted agent of Thieu and the US Embassy to Western Europe; General Tran Van Don, freshly promoted Vice-Premier, to Washington accompanied by Bui Diem, former South Viet Nam Ambassador to the USA, and Nguyen Tien Hung and Nguyen Ngoc Hanh, high-ranking officials graduated from American universities; Pham Kim Ngoc to Tokyo.

In fact, the day following the conclusion of the Paris Agreement on January 27, 1973, foreign businessmen, particularly American and Japanese, started to flock to Saigon. However, after a short stay, they realized that it was not yet time to take risks. Even businessmen on the spot, mostly Chinese, left the country for Singapore. They were owners of banks, export and industrial enterprises. The "good old days" were gone for ever! Vietnamese capitalists such as Hoang Kim Quy, Truong Van Quy, Tran Duc Uoc with fortunes worth hundreds of millions of dollars politely refused the "invitation to invest" made by the Minister for Industry and Trade in spite of the favourable conditions offered, preferring to send their capital to safety in Swiss or Italian banks.

Nationals and foreigners, everybody was holding back, waiting for better days to invest his capital.

Vu Quoc Thuc made a bitter comment during a seminar on economic development: "It seems that the Americans are deliberately oblivious of President Nixon's promises to President Thieu. They receive our envoys half-heartedly, feed them with fine words and sonorous promises, but no dollars at all. And our successive delegations always come back empty-handed. The Americans' coldness gives no assurance. The French are more reliable but their financial aid is only a drop in the bucket in view of our needs. As for the Japanese, they make it seem as though they were always heart and soul with us and always ready to bring us a substantial aid. The lessons of the past should make us vigilant. The Japanese Government

has asked our official delegations annoying questions, for instance: 'What do you mean by post-war?', 'What by economic rehabilitation?' What are the fifty million dollars they have promised us compared with the 4 or 5 billion we are hoping for from friendly countries?" (1)

The Crisis Develops

The economic reforms and post-war economic development plan worked out during the 1967-1972 "Vietnamization" period aimed, according to official statements, at ensuring "a sound agriculture and a national industry which will favour the prosperity of the country, economic rehabilitation, with the aim of advancing towards national sovereignty and economic independence".

The central pivot of that economic policy was the intensification of exports. This depended on agriculture and industry whose development required important investments to be contributed by foreign capital, in the first place US capital.

That "renovation" turned into a crisis: the economic morass grew ever greater, especially after the pullout of American GIs prescribed by the January 27, 1973 Paris Agreement.

(1) — Saigon paper *Dai Dan Toc* (Great Nation) August 20, 1973.

The regime was torn by acute contradictions: on the one hand, between the ruling compradore and bureaucratic bourgeoisie leaning upon the Americans and the remaining national bourgeois elements; on the other hand, between finance capital, heavily dependent on US finance capital which dominated finance, banking and foreign trade, and trading capital which lived on the imports coming from US aid.

The struggle, dormant for many years, of the bourgeois elements still remaining national against foreign capital, started again. Foreign competition helped by government favours manifested itself in various forms. It saw an increase as a result of the implementation of the import reform under which foreign companies were given many advantages over national enterprises as regards taxes, duties, foreign exchange, credits etc, (1). And above all, the terrible drop in the standard of living pushed the masses into the struggle

1. Some examples taken from many: for big French (BGI, Bastos...) or American (Foremost...) firms, the annual dues on licences amounted to a maximum of 200,000 piastres, whereas small businesses or industrialists might pay from 3,000 to 100,000; the Saigon branch of the *First National City Bank* is allowed to offer as interest rate on savings of from 17% to 20% as an incentive to deposits, this is not permitted to South Vietnamese banks... According to the Saigon paper *Chinh Luan* (September 14, 1973), the "National Investment Committee" allocated an 830-million-piastre aid to a foreign company which invested 250 million piastres in the production of wool and synthetic yarns and woollens a sector in which two national firms were already operating, making it certainly impossible for these two firms to compete with such a powerful rival.

and demoralised the army and the police, the essential mainstays of the regime.

In the military field, the situation became more and more serious: with the February 1968 offensive of the Revolutionary Forces, the war was carried into the cities. Vast rural and mountain areas were liberated or controlled by the PLAF.

For the realization of these economic objectives it was thus necessary to combine "better conditions and fundamental factors":

— "Total control over the countryside or at least of rural areas with great wealth and a dense population" to provide "a solid basis for increased agricultural production and thence exports." In other words, the success of "pacification" and "Vietnamization" would be the conditioning factor for that of these economic plans:

— the existence of a powerful material and technical basis for the intensification of agricultural and industrial production and of modern industrial enterprises, for the treatment of agricultural and sea products for export. This entailed modifications in the investments foreseen in the June 2nd, 1972 Law, with a view to stimulating foreign capital, in the first place American and Japanese. The way was then prepared for the introduction of foreign capital, pushing South Viet Nam into the US orbit by the application of the "10-year Post-war Economic Development Plan" worked out by the Lilienthal — Vu Quoc Thuc group;

— the concentration of all economic activities and plans on the hands of the bureaucratic compradore bourgeoisie. The substitution of the "National Council of Export Development" for the "Export Development Centre" was one example: this new organization was to dominate not only production and export but also foreign exchange, taxes, manpower, and affiliated extra-economic activities.

These designs, coated with nationalistic varnish and concealed in rhetoric such as "national economic development", "building of a popular economy..." were in fact aimed at strengthening the American hold on every economic sector.

For the last ten years, the Americans have been devastating the country with bombs and toxic chemicals while introducing, especially in agriculture, modern techniques which South Viet Nam has not the means to pay for. The reconstruction of the country, the building of a modern economy could not then be carried out without financial, material, and technical contributions by the USA. These machiavellian calculations were planned as a means of patterning the South Vietnamese economy on the norms of world capitalist economy, and integrating it as a satellite into the framework of the US economy.

Through the channel of aid in various forms (commercialized aid, technical aid, Food for Peace), the Americans succeeded in

— transforming the South Vietnamese economy into an economy entirely dependent on the USA in every

aspect (capital, technicians, equipment, raw materials, technology, markets...) while causing its disintegration through commercialized aid; (1)

— carrying out the major part of the prospecting of the country's natural resources and economic potential;

— creating, through technical aid and the 10% of the "Counterpart Fund", industrial areas (Bien Hoa, Thu Duc, Saigon — Gia Dinh — Cholon, Can Tho, My Tho, Da Nang, An Hoa, Nong Son, Vung Tau, Cam Ranh, Qui Nhon) with joint enterprises (for instance US-Vietnamese enterprises financed by Americans but run by Vietnamese, the most typical of which are the "Viet Nam — American Dairy" for condensed milk, "Tuy Hoa Sugar Co." for refined sugar, "Vimtex" for calico and poplin, or State-owned firms dominated by US capital regarding capital, equipment and market;

— setting up an ultra-modern infrastructure: strategic roads, river and sea ports, telephone and telecommunication network, airfields;

(1) Either directly or under the auspices of ECAFE, the missions under Goodrich, Lilienthal, SRI (Stranford Research Institute), Wheeler (for the exploitation of the Lower Mekong) have drawn up surveys and detailed plans enabling US capital to make preparations to exploit the country on a large scale, once peace is restored. The US Paul Weir, Day and Zimmerman companies carried out mining prospecting, and exploitation: gold, copper, tin, iron ores, molybdenum uranium...

— training technicians and qualified workers;

— setting up a system of economic policies and management and international relations, according to the modalities, norms and regulations of capitalist economy, with a run-in apparatus, precise directives, and able men trained in US universities who had worked in international financial organizations such as IRDB, IMF, ADB. (1)

For the immediate future, these material and technical bases serve the military requirements, but this does not make them any the less efficient instruments for a later exploitation of the country.

This economic and financial edifice which had been progressively set going since 1965 by the appointment of USAID "advisers" and the introduction of large scale aid under various forms, was aimed at developing capitalism at home, and integrating the South Vietnamese economy to the world capitalist system and primarily the American capitalist system. It reached its culmination with the economic "reforms" and "plans" worked out during the years 1969-1972

(1) These *technocrats*, originating from various social strata, mainly from the bourgeoisie and military caste, are mostly "refugees"... "from the North. Hence, their anti-communism and hatred against the DRVN. Trained by US "advisers", considered by them as young Turks, they are implacable defenders of American interests. Because of their social origin, their training and class interests, these elements, which are the most devoted and faithful to American capital, are taking the place of those trained by French universities in the key posts of the economy and finance.

whose implementation was to have been made possible by successes in "pacification".

The great offensive of 1972 by the PLAF which led to the Paris Agreement of January 27, 1973 and the withdrawal of the GIs, thwarted the "pacification" and the economic "plan" and "reforms".

A Total Impasse

The withdrawal of US and satellite troops brought a reduction in US aid and in GI spending estimated at 400 million dollars per year.

After 1973 the years of economic dependence began to show their full effects; the economy of the country was on the brink of disaster:

— total stagnation of industry and agriculture; trade standstill; over 2 million unemployed according to official estimates; galloping inflation: 65% and 28% for the first six months of 1974; price rises: 60% on an average; serious budget deficit generated by the crushing burden of military and repression expenditure: 200 billion piastres and 168 billion for the first 6 months of 1974; reduction by 50% of the purchasing power of the piastre due to successive devaluations...

All hopes of economic independence and restoration were lost.

More than ever before, US aid became a life-or-death problem for this moribund regime.

To confront the economic and political pressures which were growing ever stronger within the country, Washington had to look for partners to share the burden of economic aid to Saigon.

From January 1969, after Nixon's accession to the White House, a *multi-lateral aid* policy was mapped out in which the World Bank (IRDB), the International Monetary Fund (IMF), the Asian Development Bank (ADB), the Committee for the Exploitation of the Lower Mekong, would be used to pull Japan, France, Canada, Great Britain, West Germany, Australia into this manoeuvre... This strategy was not regarded by the US government as a policy, to replace the US aid policy to Saigon, the contributions made by the other countries meaning simply "sharing the expenses" of economic rehabilitation while the US would continue to play the role of a ringleader.

By force of circumstances, the Americans had, reluctantly and temporarily, to give certain privileges and priorities to the others. For US imperialism Indochina was a trump card in its Southeast Asia game, a considerable potential source of raw materials and a strategic base of paramount importance: after spending hundreds of billions of dollars and sacrificing tens of thousands of its sons it was not easy for it to let go of its prey.

This multilateral aid policy was simply a manifestation of *collective imperialism*, a new form of neo-colonialist exploitation. South Viet Nam offered the example of a country in which, under the US umbrella,

the door was open to capital and goods of all imperialisms, where an accommodation was made between the different imperialist interests, but where antagonism between them nonetheless remained acute.

In January 1971, the Columbia University group for studies on international relations headed by Ruth B. Russel with the collaboration of Arthur Smith of Harvard University and Allan D. Goodman of Clark University (1), worked out on behalf of the State Department a "multilateral aid program to South Viet Nam" for "postwar economic reconstruction and development".

In March 1972, a very pessimistic report was sent to the State Department. The conclusion of Ruth B. Russel was that "to multilateralize is not such a simple question"..., "the future of the South Vietnamese economy is subject to discussion", and that "Vietnamization has rendered multilateralization (of aid) really hard, if not impossible".

But the situation was urgent.

A second attempt was made to rescue this multilateral aid policy.

According to Kissinger (2), the Americans were in favour of wide international participation in post-war aid to Indochina.

(1) The two last-named were collaborators of the CIA.

(2) Cf. Foreign Relations Committee of the US Senate—Session on the appointment of Kissinger as Secretary of State — September 1973.

An apparatus with a great capacity for action was a "consortium" similar to that already organized in Indonesia. That could involve the donor nations giving aid to the two sides (North and South), international financing organizations, the World Bank, the Asian Development Bank, the International Monetary Fund, the UNO and its technical organizations. In such a "Consortium" the banks and international (1) organizations play a very important role in the cooperation with recipient governments. They give their advice and comments on the economic situation, propose economic policies and programmes, prepare development programmes and projects, and coordinate the actions of the donor governments.

From this policy, under cover of a "consortium", the donor governments, in the first place the US, will be able to have their own way, they will select economic programmes and projects as they like and preserve the right to control and check expenditures taken from their funds. In other words, the donor countries will have the "right of examination, decision, control and management" in the use of aid by the recipient countries. No independent economic policy would be possible for the latter for they might be deprived of aid from the donor countries.

(1) These international financial and technical institutions are effectively controlled by the Americans who use them as "general overseers of their policy of subordinating under-developed countries."

It is in that sense that the IBRD and the ADB are working to "multilateralize aid" to Saigon.

To this purpose, IBRD and ADB missions visited Saigon in May and September 1973. Very pessimistic reports on the economic situation in South Viet Nam were sent to the Bank's member countries who held a secret meeting in Paris on October 15 and 16, 1973. No decision of the meeting was made public (1). It appeared that the discussions did not go to the liking of the US.

A second meeting, to be held in February 1974, (2) was postponed to June 5 of that year, then sine die. Disagreement ran too deep among the participant countries which turned a deaf ear to American offers. For instance, according to *Le Monde* of May 30, 1974, Canada was unwilling to stand surety for the plan worked out by the USA, IBRD, and ADB for multilateral aid to the Thieu government. On the contrary, she suggested a combined action on the part of several countries for postwar reconstruction, acceptable to all sides and granted not only to "pro-US South Viet Nam."

Another project to "multilateralize aid to Saigon" set up by Washington consists in utilizing the funds

(1) Apart from the delegates from such countries as France, Great Britain, Australia, Canada, Belgium, Denmark, Finland, West Germany, Italy, Japan, the Netherlands, New Zealand, Switzerland, Sweden, the USA, there were also representatives of the IMF, UNO and its technical organizations.

(2) It was eventually held in October 1974.

of the IDA (International Development Association) of the IBRD, with the aim not only of rallying pro-Saigon member countries such as Britain and West Germany — this is also the case with regard to utilization of Asian Development Bank's funds in which Japan plays the leading role — but also and above all to obtain from the American congress the granting of 1.5 billion dollars to the IDA as requested by the Nixon government. Opposition by the House of Representatives has been almost insurmountable.

The impasse remains total.

* * *

"The situation is desperate and it will continue to worsen... An abundant (American) aid has given us the illusion of economic prosperity...", this was the frank declaration of Chau Kim Nhon (1), the Minister of Finance, before the Saigon Senate on July 26, 1974.

"That aid has created and fostered an unstable economy... with serious consequences for industry, agriculture and trade. It has paralysed all initiative in directing the economy, generating among the leaders narrowness of view and spirit, inertia, a tendency toward parasitism and dependence, taking aid as a source of life and a solution to all economic problems", admitted Nguyen Van Hao, an economist and

(1) Saigon paper *Dan Luan* (Popular Opinion) — July 29, 1974.

high-ranking official of the "National Fund for Economic Development Fund." (1)

Meanwhile a former Minister of the Economy, Au Ngoc Ho, asked a seminar on economic development "to face these brutal realities in order to be prepared for the future." (2)

These admissions were necessary but insufficient.

"To face hard facts in the face" — the only way to do this is to strive to get rid of American dependence, and to break definitively with the war policy pursued by Washington and Saigon in spite of their signatures on the peace Agreement. War and a healthy economic policy cannot exist together. The economists make projects but it is the military who take the decisions."

The only way to salvation lies in the correct application by both Washington and Saigon of the January 27, 1973 Paris Agreement.

August 1974

(1) Saigon paper *Dien Tin* (Telegraph) — June 26, 1974.

(2) Saigon paper *Dien Tin* (Telegraph) — August 3, 1974.

Appendix

TEN-YEAR PLAN FOR EXPORT OF AGRICULTURAL PRODUCTS FROM 1971 TO 1980

Many projects have been drawn up by the Post-war Economy Study Group of the International Trade Center (ITC), of the Saigon Ministry of Economy, etc.

Then, the government has adopted the "Export Project for Viet Nam" by David E. Lilienthal of the Development and Resources Corporation.

The latter plan could yield to the budget from 236 million to 427 million dollars per year.

The main objective is to develop agriculture.

For this purpose, it is necessary to restore in the shortest possible time the production of rice and other agricultural products for export to the pre-war level in order to raise the budget revenues and foreign exchange reserves, gradually reduce foreign aid and finance economic construction.

The plan is divided into two stages:

— Restoration of exports (lasting two or three years) to the 1964 level;

— Intensification of exports from 1973 or 1974 onwards. The question is to:

— Increase first the production of traditional export products which has declined because of the war such as rice, rubber, sugar, tobacco, coffee, meat, fish, shellfish, copra, ground-nut, sesame...

— Develop products in demand on the world markets: poultry, pigs, oxen, sheep, duck feathers, duck eggs, tea, cinnamon bark...

— Attach importance to products now being imported which bid fair to become export items in future: kenaf, seeds (including rice seed), chicks...

The diversification of agricultural products will thus be of great importance and will be effected according to a list of priorities mainly affecting two products:

— *Rice*: with the intensification of production, which will reach 15 million tons in 1980 thanks to the adoption of new high-yield strains and new cultivation methods, with an increase in the area under rice, hydraulic work; it will be possible to export rice while at the same time meeting home demands, for instance:

360,000	tons	in	1972
420,000	—	—	1973
615,000	—	—	1974
1,200,000	—	—	1975

Production will increase later to outstrip in 1980 the 1939 level (1.5 million tons) and that of certain other countries in Southeast Asia. The value of the rice exports will reach an average of 70 million dollars a year.

Rubber: the areas under rubber will rise from 140,000 hectares to 300,000 hectares by 1980. Then exports of this item will be 175,000 tons, worth 92 million dollars. It will yield an average of 62 million dollars per year on the average.

Other *agricultural products* (tea, coffee, fruit, vegetables, animal breeding, maize, ground nuts, copra...) will yield 161-270 million dollars a year.

The *forest products* for export are mainly: *cinnamon bark* (2,000-5,000 tons per year, from 5 to 10 million dollars); timber and its by-products whose export value will reach from 50 to 120 million dollars per year.

Fishing products, chiefly sea fishing, are major resource for the country: fish, crab, lobster, crayfish... It will be possible to export between 30,000 and 40,000 tons per year of a value ranging from 30 to 50 million dollars.

Industrial products are not overlooked either, mainly processed agricultural products and certain minerals.

The financing of the 10-year Export Plan incorporated in the general investment in the Post-War Economic Development Plan will be covered by aid,

foreign loans and investments and also by the accumulation acquired from exports.

The importance of the targets to be fulfilled consists in the regionalization and specialization of exportable products, for instance, the Mekong delta for rice, Eastern Nam Bo for rubber, the High Plateaus and Southern Trung Bo for industrial crops, Da Nang and Vung Tau for sea fishing...

The success of the plan will also depend on the creation of industries, first and foremost, a food industry, to meet home needs and to produce for export, and canning industries (fish, shrimp, lobster, meat, vegetables, fruit, mushrooms...) solely for export purposes.

Other industries necessary for the intensification of agriculture will be built, mainly chemical fertilizer plants and enterprises producing agricultural and fishing equipment, to serve the development of exports.

Great attention will be paid to the extractive industries for the intensification of exports: limestone, phosphates, coal, mineral salts, white sand.

For this purpose, industrial zones reserved only for exports (export processing zones) will be set up which will enjoy privileges and advantages in capital, equipment, technique, manpower, taxes.

A "free port" is to be built (the new ports of Saigon) reserved solely for the import of manufactured goods, half-finished products, and raw materials,

destined for the intensification of exportable products.

The National Export Development Council which enjoys extensive powers and whose statutes require that it be made up of representatives of various government organs (economic and financial), of the Saigon Chamber of Commerce, of the Federation of Industries and (of course) of USAID, will take the place of the former Export Development Centre. It will lead all kinds of activities (political, economic, social, financial, technical...) regarding exports.

The International Trade Center (ITC), will be responsible for the training of foreign trade cadres and experts, chiefly in exports, for the prospecting of world markets divided into five zones for the purpose.

Participation in international economic and commercial conferences, in various international economic and financial organizations, will play an important role in the conquest of markets.

Other questions should also be taken into consideration such as agricultural and commercial loans, the fiscal and exchange system and labour, which, if overlooked, will be prejudicial to the fulfilment of the plan.

For this purpose, the "autumn economic revolution" of November 15, 1971, adopted some measures in favour of exports, chiefly:

— Export licenses and export cost price controls will be suppressed;

— Regulations regarding customs duties and docking dues, missions and journeys to foreign countries for the sounding out of markets, will be lightened and simplified to the utmost ;

— Export commissions will go up to 3%

— Exporters will be entitled to take part in the "free exchange market" and profit from the highest exchange rates and substantial credits.

FIVE-YEAR PLAN FOR AGRICULTURAL DEVELOPMENT 1971-1975

(Promulgated on March 26, 1971)

It has three aims :

- To meet home needs ;
- To improve the people's living standards ;
- To increase exports while curtailing imports ;

The total value of agricultural production (cultivation, fishing, animal breeding and forest exploitation) will reach 505,990.28 million piastres in 1975 as against 270,956.307 million in 1970, or a total increase of 86.7% and an annual increase averaging 13%.

The achievement of these objectives will require the application of a series of measures such as diversification of agricultural production, intensive cultivation, modernization of agriculture.

The plan includes 25 projects divided into three categories, namely :

— *Production projects* : cultivation, animal husbandry, fishing, forest exploitation.

— *Support projects* : hydraulics and agricultural mechanization, organization of peasants into associations and cooperatives, investigations on the protection of crops, application of modern farming techniques, strengthening of the material and technical basis of agriculture.

— *Projects for the processing of agricultural products* belong to the industrial plan.

Great attention is also paid to regional agricultural development comprising in all 48 regional plans.

The carrying out of the tasks in the plan will call for important investments made through aid, loans and capital from foreign countries and international organizations :

Financing of the plan :

State budget	28,400 million piastres
Agricultural loans	147,258 —
Foreign aid ^(a)	728 —

(a) Priority given to technical surveys, technical aid and financing of projects.

Stress is also laid on the training of cadres :

Engineers	316
Instructors	578
Inspectors	835
Technicians and skilled workers	6,781

Coordination between various ministries and professional organs is one of the conditions necessary to the success of the plan.

FIVE-YEAR PLAN FOR INDUSTRIAL DEVELOPMENT (1971-1975).

Elaborated by the Industrial Development Center, the plan, which is incomplete, includes a number of industries utilizing modern techniques and local manpower and raw materials.

These industries are primarily aimed at developing agriculture and exports and require large capital investments: 20 billion piastres and 163.7 million dollars coming overwhelmingly from foreign aid, loans and investments.

They embrace chiefly:

- Spinning and weaving: cotton goods and synthetic fibres
- Plywood
- Pulp and paper
- Chemical fertilizers: urea
- Glassware
- Cement
- Sugar
- Foodstuffs: carbonated drinks, condensed milk, vegetable oils, fish brine, canned fish, meat and shellfish.

— Engineering and iron ware (construction and assembly): agricultural and fishing equipment; tractors and power-driven cultivators; motorcycles; sewing machines; wire; enamelled ironware; iron pipes.

— Electric products: batteries, electric fans, electric bulbs, radio spare parts, neon tubes; small engines.

— Chemicals: soda, printing ink; PVC powder; polyethylen.

Almost all these products will come from the private sector, except paper, sugar, urea and cement which will be turned out by national or joint enterprises.

LAW N° 004/72 OF JUNE 2, 1972, ON INVESTMENTS

The law is composed of eight chapters and 40 articles.

It deals with national enterprises as well as foreign enterprises. Here are the stipulations regarding foreign firms

According to Chapter IV, foreign enterprises enjoy the same status as South Vietnamese enterprises and all the privileges and guarantees granted to the latter:

- Exemption from all inland taxes and from import and export taxes, for five years;
- Guarantee against any nationalization;

— Credit facilities for the import of equipment and machines, spare parts and raw materials, and for the settlement of foreign loans.

Besides, they are entitled to:

— transfer or repatriate (in initial currencies) the totality of profits and yearly incomes, the totality of annually paid up capital (initial capital plus newly added capital) once the enterprise has worked for five years;

— transfer or resell invested capital to South Vietnamese or foreigners, the transfer or resale to be paid in piastres or foreign currencies which will be legally transferred or repatriated;

— acquire landed property necessary for their operations;

— transfer funds for the settlement of technical purchases.

Foreign enterprises can hire foreign specialists who enjoy facilities to reside in South Viet Nam and to send money to their families.

The foreigners or foreign residents who own capital in South Viet Nam have the right to transfer or repatriate the totality of profits or annual income, if they make investments on the spot.

Compared with Diem's Decree No. 2/63 of February 14, 1963, Law 004/72 of June 2/1972 signed by Nguyen Van Thieu is more "generous" for foreigners.

Under Ngo Dinh Diem, foreign enterprises were always threatened with nationalization and confiscation (with compensation), benefiting only from limited tax

exemptions, for one or three years according to the case, had the right to rent but not to buy land and buildings, to transfer or repatriate profits, income and capital, but these rights were limited. Moreover, the advantage and privileges granted by Diem to foreigners were reciprocal and not unilateral like those of Thieu: all this does not mean that the former was more "patriotic" than the latter.

In the opinion of Western businessmen, the June 2, 1972 "law on investments" is a "windfall for foreign investors."

LAW 011/70 OF DECEMBER 1, 1970 ON EXPLORATION AND EXTRACTION OF OIL

This law comprises six chapters and 66 articles.

It is complemented by decree 005/SL/KT of April 2, 1973 and decision 249/BKT/UBDHQG of the National Oil Committee and controlled also by the Law 004/72 of June 2, 1972 on investments.

Apart from general conditions, the obligations to be fulfilled by foreign firms for the exploration and extraction of oil are limited to the payment of the following taxes and duties:

— "concession charges" for exploration or extraction: these taxes should be paid at the time of applying for permission for exploration or extraction;

— "Taxes on concession fields" for exploration or extraction;

— "Taxes on the exploitation of concessions" reaching 12.5% of the total production (such taxes are 15-20% in the Middle East;

— "Income taxes" or 50% of taxable income with a maximum of 55% and a minimum of 45% (these taxes are 60% in the Middle East in general, and 75% in Saudi Arabia);

— "Special added tax" levied soon after the exploitation of the concession.

By contrast, the law guarantees foreign oil firms substantial profits and privileges:

— Exemption from all inland taxes and duties; the right to import equipment, machines, spare parts and other materials necessary for oil prospecting and extraction; exemption from duties and export taxes on oil products and derivatives (these duties and taxes are compulsory in the Middle East which yield to the State hundreds of millions of dollars per year);

— Guarantee against any nationalization;

— Unlimited exports of oil products and derivatives;

— The supply of the domestic market with oil products and derivatives;

— Temporary utilization of requisition-purchase (with compensation to owners) of land necessary to the exploring or extraction of oil;

— Transfer or letting out to a third person of concessions in the course of exploitation or exploring.

— Recuperation (or transfer to the Saigon government or to a third person) of all the equipment, machines, spare parts, material and installations, at the expiration of concession rights;

— Refining and transformation of hydrocarbon, and their by-products (including necessary installations);

— Free hiring of local manpower, involving the compulsory professional training necessary to the efficient use of that manpower;

— Transfer and repatriation of all the yearly incomes and profits, of annually paid up capital (initial capital plus newly added capital) and of funds in piastres which will be legally converted into foreign currencies.

The total utilization of foreign exchanges derived from oil exports.

The concession is for 30 years with the option of a 10-year prolongation.

The Saigon government does not forget the Vietnamese: "The Vietnamese companies set up according to the strict regulations of the law can acquire concession right" (Article 7). One wonders how they can compete with the international oil consortiums.

The two laws on investments and petroleum open the door wide to foreign capital which is now free to exploit local manpower and resources, with the creation of raw material extractive enterprises — chiefly mining and more particularly oil — and of the manufacture of consumer goods and assembly, as well as all commercial and banking firms. The South Viet

Nam market will be flooded as it is at present with manufactured goods and commercial products of big capitalistic countries particularly the US and Japan.

Foreign investments drain off more resources than they bring in: South Viet Nam possesses skilful, abundant but cheap manpower (1), potential raw materials, an extensive network of roads, ports and airports ready for use... The repatriation without control or limitation of profits and capital resulting in the absence of all re-investment, prevents the accumulation necessary for all true economic development.

All genuine industrialization in the country will be suspended, witness the five-year plan for industrial development (1971-1975) where heavy industry is virtually conspicuous by its absence. The nascent national industries, left without means and protection, are incapable of competing with the powerful industries of the US, Japan or West Germany, and will be reduced to a role of sub-contraction or agent.

LAW 003/70 OF MARCH 20, 1970
ON "AGRARIAN REFORM"
("LAND TO THE TILLER")

It comprises six chapters and 22 articles:

<i>Chapter I</i>	Objectives and method of
(2 articles)	application

(1) The wage of South Vietnamese workers is equal to one-fifteenth of that of American workers and to one-twelfth of that of West German workers, which is all the more tempting to foreign investors.

<i>Chapter II</i>	Limits of application
(4 articles)	
<i>Chapter III</i>	Compensation to evicted
(5 articles)	landowners
<i>Chapter IV</i>	Recipients
(5 articles)	
<i>Chapter V</i>	Penalties and punishments
(4 articles)	
<i>Chapter VI</i>	General provisions
(2 articles)	

Regarding landowners

Private lands not directly farmed by their owners, common lands, are expropriated and allotted (free of charge) to the peasants.

— The landowners have the right to keep an area up to 15 hectares and to hire farm-hands for its cultivation.

— Only the lands reserved for the cultivation of rice and dry crops are expropriated. This law does not hit lands belonging to religious communities, lands devoted to the cult of ancestors up to five hectares, or to perennial industrial crops and fruit trees, to industrial installations, salt marshes, lagoons, building areas, grassland, lands belonging to ethnic minorities, lands of public utilities, and lands cleared after the promulgation of the law...

— Landowners are entitled to compensation paid according to the following principles:

1. The compensation rates are 2.5 times the average income yielded in each of the last five years by the ricefields to be expropriated ;

2. Compensation is paid in cash in proportion to 20% after delivery of expropriation titles. The remaining 80% will be paid within eight years in treasury bonds at an annual interest rate of 10% : these treasury bonds can be transferred to third persons or converted into shares and debentures of national, joint or private enterprises.

Regarding the peasants

— Each landless peasant household is entitled (free of charge) to an acreage of :

1. Three (3) hectares in Nam Bo ;
2. One (1) hectare in Trung Bo.

— Recipients of the (free) distribution of lands are classified according to the following priority order.

1. Active tenant farmers ;
2. Fathers, mothers, wives and children of " martyrs ", upon application ;
3. Demobbed militarymen (or those in course of demobilization), retired civil servants or political cadres (or those in course of retirement), if they make an application ;
4. Militarymen, civil servants, or political cadres having given up agricultural activities if they make an application ;
5. Farm hands, if they make an application.

— The system of renting land or land tenancy is abolished.

— Common lands are also allotted to the peasants.

— Expropriated lands allotted to the peasants should be farmed directly by them for 15 years, and cannot be transferred to third persons without permission from the administration ; in the first year they are exempted from all taxes and duties.

* * *

For centuries the *agrarian question* has been the key problem in Vietnamese society. All social classes in power have resolved it according to their own interests.

Before the August 1945 Revolution, the agrarian situation and land ownership in South Viet Nam were as follows :

— Land belonging to local landlords			
(about 1.5 million hectares)			
French colonists (about 775,000			
hectares) and religious			
communities (mainly catholic)			
and others			
	2.3 million ha	65.7%	
— Common lands	0.255	—	5.7%
— Lands belonging to the			
peasants			
	1.0	—	28.6%
	3.5*	—	100 %

(*) 3 million hectares in Nam Bo and 500,000 hectares in Trung Bo.

Four hundred and thirty-three French settlers grabbed 274,000 hectares of land for the growing of rice and 100,000 hectares for rubber.

In Nam Bo, there are 6,287 local landlords who each own more than 50 hectares of land. Landlords (making up 13% of the population) hold 77% of crop-lands whereas the peasants who make up 71.7% of the population own only 12.5%. One of the main features of land ownership in Nam Bo is the concentration of land to the detriment of the peasants: Tran Trinh Trach, the best known local landlord, owned up to 145,000 hectares. Sixty per cent of peasants are tenants or sub-tenants. The average land amounts to 50-80% of the crops (including supplementary rents).

In Trung Bo, the local landlords each with over 50 hectares total 51. Owing to the scarcity of land, small and middle landlords are quite numerous and hold 20% of land. Here common lands account for from 30 to 70% of land according to the region and belong almost entirely to the rural landlords and notabilities. Land rent hovers between 60% and 70%.

The August 1945 Revolution allotted to the peasants almost all the communal lands and 650,000 hectares seized from the landlords. Meanwhile, it fixed land rent at 10-15% of the crop.

Even the notorious anti-communist American Ladejinsky, an expert in the agrarian question in Southeast Asia and author of the "Agrarian Reform" in Taiwan, could not deny the historic fact that "If the communists are able to lay control over the

countryside and secure the support of the peasants, this is not only because they had mobilized them to drive out the French — a long standing aspiration of the Vietnamese — but also because they have made an approach to the agrarian question... This fact has at least helped the (Diem) administration to acknowledge the existence of that (agrarian) problem and to do something for it." (W. Ladejinsky, "Agrarian Reform in the Republic of Viet Nam" in *The Problem of Freedom in South Viet Nam since the Independence* published by the Michigan State University, 1961 — Chapter 9 (quoted by Tran Phuong in *Agrarian Revolution in Viet Nam* in Vietnamese, Chapter V, pages 246-248, Social Sciences Publishing House, Hanoi, 1968).

Hence the application in 1955-1956 by Ngo Dinh Diem of an "agrarian reform" elaborated by W. Ladejinsky himself.

Let us recall that, sponsored by the French, the Bao Dai government dealt with that question in four decrees of June 4, 1953:

— Decree No. 19: defining the modalities of recuperating the lands already allotted but left fallow or illegally rented;

— Decree No. 20 dealing with the land rent statutes;

— Decree No. 21 fixing the limits of landed properties;

— Decree No. 22 defining the rights of recipients of income derived from farm lands.

These measures drafted at a time when the French expeditionary forces were suffering bitter defeats, are but demagogic ones. Dien Bien Phu swept out of North Viet Nam both the French expeditionary forces and the quisling government with its "agrarian reform."

Prodded by the Americans, Ngo Dinh Diem continued the work began by Bao Dai while outdoing the latter. Raised to the position of a state policy, his "agrarian reform" was made concrete in the three following decrees:

— *Decree No. 2* of January 8, 1955 revoking Decree No. 20 regarding the land rent statutes with a slight modification on the rates of land rents which are now fixed at a minimum rate of 15%, and a maximum of 25%, instead of a single rate of 15%;

— *Decree No. 7* of February 5, 1955 replacing Decree No. 22 and determining the conditions of farming private lands and communal lands lying fallow;

— *Decree No. 57* of October 22, 1956, defining the modalities of effective "agrarian reform": each land owner is entitled to 100 hectares at the most, the remaining should be "requisitioned" and indemnified at "current prices" to third persons or to the State which will resell to those in need of them. That stipulation is applied only to ricefields, and not to the lands reserved for industrial crops and for other economic and/or extra economic activities. Compensation to land owners is paid 10% in cash and 90%

in treasury bonds for 12 years. Each peasant household which receives "expropriated" lands is entitled to buy only 5 hectares at the most, the prices of which are calculated on the basis of compensation paid by the State to the landowners and must be paid within six years at the most. Over a period of 10 years, these lands cannot be resold, mortgaged or rented.

This "agrarian reform" was thus completed in two stages:

— Legalizing the relations between landlords and peasants (Decrees No. 2 and No. 7) while defining the land rent system dealing with private lands or communal lands left fallow, with determined rates of land rents.

— Fixing the limits of big landed properties while helping landowners to sell their surplus lands.

Up to July 1963, that is, nearly seven years after the promulgation of the law, out of 650,000 hectares of land "to be expropriated", only 250,000 hectares (or one-sixth of the 1.3 million hectares belonging to the landlords) were "expropriated" and effectively sold to the State (245,851 hectares) and directly to the peasants (6,362 hectares) not including the 220,480 hectares (out of 270,000 hectares) bought by the Diem administration from French settlers for 1,350 million old francs paid by the French government (these lands were not sold to the peasants: they were used mainly for the building of agricultural settlements in order to retain the "Northern" regroupées). It is also necessary to include 90,000 hectares "sold" to the State (that is the land whose owners have received

compensation but which has not yet been allotted to the peasants) and 90,000 hectares to be "expropriated" which are still in the hands of the landlords. Summing up, it is the Vietnamese and French taxpayers who footed the bill for this "expropriation" in favour of local landlords and French colonists: 340,000 hectares by the Vietnamese budget, and 220,000 hectares by the French budget.

The "expropriated" lands are either not fertile and consequently lying fallow, or located in regions threatened by peasant uprisings and lacking security: they are hit by Decree No. 57 and the landlords wanted to get rid of them at any cost, the government meeting the bill. There lies the gist of Ngo Dinh Diem's "agrarian reform".

With regard to the abolition of large estates, it is pure bluff. On the one hand, lands grown to industrial crops (300,000 hectares), are left intact: they are the 775 big enterprises belonging to some well-known local landlords and mainly to French and American colonists (according to the Indian paper "Telegraph" of February 9, 1956, the American general O'Daniel, father of the puppet army, acquired a good part of the shares and liabilities of the "Compagnie française des Plantations des Terres Rouges"; the American tycoon Morgan has important interests in other big French rubber plantations. The essential elements of the French (and American) colonialists' interests are thus safeguarded. On the other hand, of the 2,693 big estates (more than 100 hectares each) in Nam Bo, 2,023 were hit by Decree No. 57, or 2,035 estates to be

"expropriated" if the 12 estates (of more than 100 hectares each) in Trung Bo are included: about 25% of local big estates are thus excluded from "expropriation". If the 200 big French rice plantations are added, there will be a total of from 2,235 to 2,250 big estates to be "expropriated". In fact, if the estates having less than 100 hectares are not included for "expropriation", nearly all the feudal landlords are put "out of danger" with more than two-thirds of the land usurped and rented, all the more so since in Trung Bo almost all the landlords holding 50% of the croplands are not affected by Decree No. 57 (in the 9 provinces in Trung Bo, except the High Plateaus, 39.5% of croplands are rented). Ladejinsky himself acknowledged this fact when he remarked that as in Trung Bo each landlord usually owns from 10 to 15 hectares, agrarian reform is effectively to be carried out only in Nam Bo... Large estates are still in the hands of the landlords; in the upshot, the total number of landlords affected by agrarian reform is only 2,000.

Decree No. 57 is thus neither anti-feudal nor anti-colonialist as Diem and his cohorts sought to make people think.

Concerning the "land renting" defined by Decree No. 2, all the private lands and common lands the peasants received from the people's power during the 1945-1954 resistance to the French were subjected to that form of feudal exploitation: 800,000 renting contracts totalling 700,000 hectares were imposed on the peasants. Consequently the right of ownership of land

acquired during the land reform of the people's power was cancelled at a stroke. With regard to the rates of rent painstakingly wrested from the landlords during the period from 1945 to 1954 and most of the time below 15% — a fact recognized by foreign journalists (see Tillman Durdin in the "New York Times" of April 4, 1955 and Georges Chaffard in "Indochine — Dix ans d'indépendance" — Calman Lévy Publishing House, Paris, 1964, p.170) — the rates fixed by Decree No.2 (from the minimum 15% to the maximum 25%) are but a general increase in land rents.

At bottom, that "regime of renting" lauded by the advocates of the (French or American) colonial system as a "revolutionary" measure compared with the feudal renting is, in its essence, nothing but a counter-revolutionary measure aimed at giving back to the landlords the 650,000 hectares allotted by the people's power to the peasants, at reducing again the latter to the state of tenants or sub-tenants, and at raising land rents. The aim of Decrees No.2 and No.7 is but to take a census of landowners and to re-establish the regime of land ownership prevailing prior to the August 1945 Revolution.

In their essence, Ngo Dinh Diem's decrees on "agrarian reform" did not go farther than those of Bao Dai, the interim provisions and amendments dealing only with details. They are but the Vietnamese version of reformist "agrarian reforms" already applied in the Philippines, Taiwan and other Southeast Asian countries. In South Viet Nam, that "agrarian reform" is not only a big step backward, but has also visibly

a counter-revolutionary character as it is aimed at doing away with the gains of the peasant masses. Whereas Bao Dai's "Agrarian reform" was but a deceptive promise given in a completely desperate situation, that of Ngo Dinh Diem was a reactionary manoeuvre aimed *on the one hand* at directly attacking the peasants, negating the fruits won by the peasants from the August 1945 Revolution, maintaining the usurpation of land by the local landlords and French and American colonialists; and *on the other hand*, at carrying out a mendacious demagogic propaganda campaign among the peasant masses in order to strengthen the puppet regime.

The reaction of the affected peasants was not slow in coming.

From 1959 on, the "concerted uprisings" followed by the foundation of the South Viet Nam National Front for Liberation, swept away "strategic hamlets", "agricultural settlement zones" and "prosperity zones", and liberated four-fifths of South Viet Nam territory. A new agrarian reform was carried out and by the end of 1965, the NFL had allotted 1,650,000 hectares of land to the peasants who are now masters of 50% of farm land (or 72% of rice-fields, or 70% of the land grabbed by landlords). In the liberated zone, rents are fixed at 5%. The general offensive launched in 1968 by the PLAF shook the Saigon regime to its foundation.

At the end of 1968, more than 2 million hectares were distributed to the peasants, or 80% of cropland. That distribution was continued after the January

27. 1973 Paris Agreement with 155,260 hectares for 1973.

Almost all the landlords fled to towns; with the distribution of land by the NFL, the liquidation of feudal landlords as a class, the social basis of the regime in the countryside, has been achieved. The reactionary rural administration disintegrates. The regime has essentially lost the support of the countryside.

*
* *

Something had to be done to retrieve this situation: to create a new social basis, a new framework, a new communal administration in order to surround the peasants and bring them under control, and this by relying on a new peasant strata which has more or less close ties with the landlords taking refuge in the towns. This work could not be done without reassuring the landlords expropriated by the NFL by solving the land problem to their advantage.

"The pacification" began by the US troops at the end of 1965, thus aimed among other things at "winning back the hearts and minds" of the peasants, a campaign carried out with greenbacks, bombs and toxic chemicals.

The "Vietnamization" of the war requires the settlement of the "on-the-spot" supply problem: "feeding war with war" calls for the intensification of agricultural production, also necessary to the post-war economic restoration and development which

will take as linchpin the intensification of export of agricultural products.

Hence the re-posing of the agrarian question which is mainly aimed at contending with the NFL for the allegiance of the peasants because without the latter, "pacification" would end in fiasco.

Such are the fundamental reasons why the Americans attached great importance to a new "agrarian reform".

Thus in 1966, the Rand corporation was given the task of studying the question. It recommended that it was inopportune for the time being to enter into that question if political complications (that is, the reaction of the landlords) could be avoided, the main thing being to win the day by force of arms. The US Embassy in Saigon and the US Secretary of Agriculture Freeman gave their approval.

Towards mid-1967, USAID set up an agrarian reform coordination committee which obtained no positive results. At the end of 1967, the US Senate urgently took the business in hand once again, and the *Stanford Research Institute*, in charge of the study, entrusted it to professors Ray L. Prosterman and Robert Coast. Their disagreement with USAID prevented the progress of the work.

After the general offensive by the people's forces in 1968, "agrarian reform" was considered to be a condition *sine qua non* of the new "pacification" campaign resumed in 1969. The project worked out by the Lilienthal-Vu Quoc Thuc post-war economic

study group was approved at the Midway conference convened on June 8, 1969 by Nixon who, to carry it out, promised Thieu a 40-million dollar aid granted in kind for three years from 1969 to 1971, with 10 million available in 1969. At Midway, Thieu stated that: "Agrarian reform is the central State task on which depends the existence of the nation."

After the Midway conference, a frenzied propaganda campaign was launched with such slogans as "Revolution in the Countryside", "Land to the Peasants", "Economic and Social Equality for All", trying to establish that Thieu's agrarian reform was more "revolutionary", more "progressive" than Diem's.

Article 5, chapter II of Law 003/70 of March 26, 1970 allows the landowner to still keep for himself 15 hectares to the maximum for rice-cultivation (against 100 hectares formerly), not including the land reserved for dry crops and market gardening, industrial crops, fruit trees, and land for the cult of ancestors. The landowners in Trung Bo were not affected by that article as their lands do not exceed 15 hectares.

The compensations paid to the landlords (chapter III) is settled in eight years instead of 12, twenty per cent instead of 10%, is paid in cash, the balance at 10% interest instead of 5%. The compensation rates, fixed at 2.5 times the annual revenue of the rice crop in the last five years, are more stable than those fixed at the "current prices" of the lands subjected most of the time to substantial fluctuations.

Fifteen hectares instead of 100: at first sight, this is prejudicial to the landlords, but at bottom the 100

hectares given by Diem's agrarian reform were already transferred as inheritance to the family members (wives, children...) in such a way that each new property does not reach most of the time the 15 hectares fixed by Article 5: the trick is played and the initial property remains intact though it has been scattered. Most of the time, the landlords who take refuge in the towns have lost their right of ownership for a dozen years or more and have no chance of taking their land back. For them, the occasion is thus a singular one: on presentation of land titles conforming to the land survey register, they are paid in due form.

The landlords have become more realistic. Frightened by the general offensive launched by the popular forces in 1968, they preferred to "lose a part rather than lose all." In their confrontation with the peasants, they understood that the "all or nothing" time has definitely gone, that it was necessary to save what could be saved. Besides, the compensation paid by US aid and budget subsidies (estimated at about 450 million dollars in total), pave the way for them to commercial and industrial activities which could be carried out under the umbrella of the urban comprador bourgeois, agricultural credit, hydraulics, sale and hiring of tractors and other agricultural machines, sale of chemical fertilizers... The hard cash, business profits, interest on treasury bonds, are worth much more than land rents that never arrive. A new peasant stratum -- the rich peasants -- born from that orientation, will serve as a social basis and support for the regime.

The consequence of that policy is the effective conservation of the land ownership by the landlords in a new form. The landlords' interests are safeguarded, but landlordism is liquidated as it represented a great obstacle for capitalist development in the countryside, which was to open the way to the implantation of neo-colonialism.

Renting and sub-renting are abolished by clause 2 of Article 2, chapter I, but landowners have the right to hire farm-hands for the cultivation of their lands (clause 1, Article 5, chapter II). This is really the substitution of direct exploitation of the peasants by the utilization of the labour power of farm-hands for the exploitation of tenants and sub-tenants by land rent. In his "The Postwar Development of the Republic of Viet Nam: Policies and Programs," David E. Lilienthal wrote; "Where agricultural development requires important investments and modern management, clearsighted employers of manpower can replace backward and conservative landlords" (Chapter VII, 6th part). The outmoded feudal relations of production will thus be replaced by more advanced capitalist relations of production. The form of exploitation changes, but the domination of landowners — or rather, rich peasants — remains. This change is necessary as it falls in line with US neo-colonial policy at the same time as it safeguards the interests of the feudal landlords. The abolition of the land rent system as an impediment to the expansion of the rural market made possible by the raising of the

purchasing power of the peasant masses is indispensable to industrial development, and consequently to foreign investments.

By introducing the capitalist mode of production in the countryside in place of the feudal mode of production, this policy has a double aim. *In the immediate future*, it allows a remunerative utilization of rural manpower and the efficient introduction of modern technique in agriculture in order to accelerate production and meet the needs of war. Besides, the swelling of military expenditures as a result of "Vietnamization" requires a rapid increase in taxes, an important part of which should derive from the development of agricultural production. In his "Ten-year Plan of Post-war Economic Development", elaborated with the cooperation of David E. Lilienthal (Vietnamese version), Vu Quoc Thuc advocates "heavy land taxes" (chapter V: Taxes), and "a conversion of rice cultivation to industrial crops to yield as many taxes as possible" (idem). According to the Saigonese paper *Dien Tin* of June 22, 1974, Chau Kim Nhon, minister of finance, declared at a June 15, 1974 press conference that the rural sector must supply 50 billion piastres of taxes in 1974 as against 5 billion in 1973. *In the longer term*, this policy will create favourable conditions for the development of a compradore capitalism in the countryside which promotes investments and exploitation of the agricultural potential by American capital.

The agricultural development promoted by the introduction of the capitalist mode of production

involves the introduction of modern techniques: the absence of a heavy industry to supply agriculture with equipment, chemical fertilizers, insecticides, closely bind the peasants to the comprador bourgeoisie, and thereby to foreign capital (American and Japanese in the first place) for these supplies through imports. The consequences of that dependence are immediate with the shortage of petrol and chemical fertilizers in west Nam Bo, 50% of the acreage up to now grown to new "IR" high-yield rice strains requiring a large quantity of manuring, lies fallow as a result of lack of chemical fertilizers. Besides, the use of imported tractors is expensive, boomerangs on the cost prices of the crops and is very prejudicial to the conservation of cattle which is the main draught force in the country: the number of buffaloes in South Viet Nam fell from 848,000 in 1963 to 636,000 in 1971.

To be economically profitable, an exploitation must have a sufficient area to enable its owner to gradually meet his needs and have enough and to spare to carry out the "saving - investment - production" process. An area of *three hectares* cannot satisfy that condition which can be fulfilled by a property of *15 hectares*, a middle-sized property (with *three crops a year*, this area will provide *forty-five hectares of cultivated land*) for the modernization of agriculture. It consequently will result in the bankruptcy of small estates of three hectares caused by the *debts* contracted by landowners who will be turned into farm-hands (provided in Article 15, chapter IV, which allows

the resale of land) and the capitalist concentration of land. That concentration is thus an important condition and the premise of the implanting of the capitalist mode of agricultural production. Thieu's "agrarian reform" is the first stage of that method which is aimed at doing away with the agricultural economy based on feudal exploitation by the abolition of the "renting system" and its corollary, land rent, in order to replace it by an agricultural economy of small property which will spontaneously slide into a capitalist agricultural economy. It is the period of transition and meets the requirements of the establishment of a capitalism depending on foreign capitalism and maintained in the orbit of US imperialism.

It is in this direction that the interests of feudal landlords, who become industrial or commercial capitalists, or agricultural developers, are safeguarded, that the interests of the peasants are damaged while they are apparently protected by the "law". "Land to the Tiller", "Land to the Peasants", these are attractive slogans, but the reality is quite different. Only the "peasants" who "have dollars to pay for modern techniques", that is those who become attached to the local or foreign capitalists, remain landowners. The others, less fortunate, cannot resist capitalist concentration and will be reduced to pauperization and proletarianization. Whether a tenant farmer or a farm hand, the exploited man remains in the same situation. The feudal landlord of yesterday or the agricultural exploiting boss of today sees his name changed with the form of exploitation, but the

exploiter is the same. It is in this sense that the neo-colonialist ambitions of the US must be understood. There lies the essence and fundamental objective of Thieu's "agrarian reform", and there too lies its difference from Diem's "agrarian reform", whether it is called *progressive, revolutionary*. Besides, the "sweating" of the peasants was not slow in coming. The following story told by the Saigon *Dong Phuong* (Orient) of September 23, 1974, is significant in this respect: "Owing to the shortage of petrol, in all the provinces of Trung Bo, hydraulic pumps grind to a standstill; capitalizing on the crisis, the rich peasants set up old-type irrigation machines operated by men or animals (norias, wheels...) to *sell water* to the peasants by sharing with them the yield of the eighth lunar month rice crop, at an average rate of 30 or 40% (or even 50% in some regions) and officially recognized by the rural or district authorities who have "partially financed the business". This outright connivance between the administration and landlords can be seen in other fields at the expense of the peasants: prices, loans, collection of paddy, etc...

The March 26, 1970 "agrarian reform" provides for the distribution of about one million hectares to 800,000 peasant households. According to a statement of the Ministry of Agrarian Reform quoted by AFP on May 23, 1973, 714,131 hectares of land were "expropriated" up to March 26, 1973, belonging to 84,901 landowners who had received 41,380 million piastres of compensations (about 80 million dollars),

the balance to be paid in the course of the same year. In his speech delivered at Vung Tau on March 26, 1974 on the occasion of the "4th anniversary of the promulgation of the land reform law", Nguyen Van Thieu said that 1.3 million hectares had been allotted to 800,000 peasant households and another million would be distributed in 1974.

What are the lands which have been distributed to the peasants?

If exception is made of the 1,698,020 hectares kept by 84,901 "expropriated" landlords (each of them can retain 15 hectares for rice cultivation and five hectares for the cult of ancestors), of 300,000 hectares of industrial crops, 305,000 hectares belonging to Trung Bo landlords who each had less than 15 hectares, of 220,840 hectares redeemed from the French colonists and reserved for the establishment of agricultural settlements, there remains hardly one million hectares for distribution. However that acreage already effectively belonged to the peasants. To distribute to the "recipients of land reform" *what they have already owned*, is a sheer bluff, and Thieu is only a counterfeiter. If land for distribution really exists, this is only the land snatched from the peasants who had received their plots from the NFL.

Who then are the real beneficiaries of Thieu's "agrarian reform"?

As the result of US military operations, about 4 or 5 million peasants have taken refuge in towns. Almost all the 1.2 million men of the Saigon regular army, half a million militiamen and 200,000 policemen are

peasants. Those who remain in their villages are penned in concentration camps during mopping up operations. It is thus mainly the "peasants" or rather agents forming the framework of the Saigon regime in the countryside who profit by the "agrarian reform": notables of the rural administration, members of Thieu's "Democratic Party", authorities responsible for the militia, "Phoenix" pacification brigade agents, bullies of all kinds... Thieu himself (and his family) is one of the biggest beneficiaries of his "agrarian reform": according to the first communique of the "Committee of Struggle against Corruption", he has usurped more than one thousand hectares of fertile land in various provinces. It is the same with the "expropriated" landlords, most of them living in the towns under the protection of the army after their lands had been expropriated during the land reform carried out by the NFL. "Expropriation" is for them a windfall: 71.413 billion piastres were paid for 714,131 "expropriated" hectares (100,000 piastres per hectare), or about 140 million dollars forked out by the American and Vietnamese tax-payers. This is merely *gangsterism raised to the level of state policy*.

Old or new, French or American, colonialism has always resorted to *agrarian policy* as a tool — sometimes efficient — to divert the peasants from the revolutionary struggle, to contend with the revolutionary movement for their allegiance, by granting them some short-term interests knowing they can be recuperated later. From Bao Dai to Nguyen Van Thieu, by way of Ngo Dinh Diem, the agrarian policy has

not changed in its essence, however it may be labelled. Whereas Bao Dai's agrarian reform, sponsored by the French, had come to grief, that of Ngo Dinh Diem was drafted at the instigation of the Americans when they were in a position of strength, when the peasants' movement was experiencing the "gloomiest days of its history", but it too petered out. On the other hand, Thieu's "agrarian reform" was carried out following the failure of the "local war" despite the intervention of half a million GIs, when the peasants' movement led by the NFL had liberated almost all the rural regions. It was born to serve "pacification", the "Phoenix" operations, the backbone of "Vietnamization". Vu Quoc Thuc himself declared that the main point (of that policy) is to "keep the inhabitants." This is also to "scoop out water to catch fish."

In fact, "The Americans did not spend a huge sum without a hidden design; it is not by chance or out of pity that they have granted this exceptional favour to the (Saigon) administration. Since 1970, having lost the war despite an expeditionary force half a million strong, they have recognized the necessity of launching a counter-offensive on the political front by an agrarian reform in the hope of winning the peasant masses over to them" (Saigonese paper *Doc Lap*, (Independence, April 10, 1974).

But how can this "hybrid, American-quisling" land reform" succeed in the thick of the tussle, when lands cannot be verified, when the rural populations

are constantly transferred from one region to another, hundreds of thousands of youths are joining the army, and nobody knows how many peasants are pressganged into the paramilitary apparatus? The only outcome is that "Thanks to agrarian reform, in the countryside, the peasants have become enemy brothers" (Saigonese paper *Tin Sang* [Morning News], March 27, 1971.)

Thieu's "agrarian reform" nevertheless is approved by some sections of the urban bourgeoisie, feudal landlords, officials, militarymen, backward peasant elements, regroupes from the North, reactionary catholics... But owing to the fact that it is spearheaded against the toiling peasants, the latter are totally opposed to it as they were to Diem's "agrarian reform".

A more important fact is that it is closely bound to the "Vietnamization" of the war, that is it is directed against the national interest.

"NIPPO-VIETNAMESE COOPERATION" PLAN

Apart from the Americans who are the main "sleeping partners", Saigon also seeks the "cooperation" of other capitalistic countries, Japan in the first place.

Japan has been the biggest profiteer from US aggression against the Vietnamese people, having pocketed 1.5 billion dollars per year for supply of war materials and service to the US expeditionary force, and for exports to the South Viet Nam market.

Saigon banks heavily on aid from Japan, partner of the US, to achieve its aims. "As the food shortage is most serious, in order to accelerate agriculture which is the basis of its economy, South Viet Nam relies greatly on Japanese aid for hydraulic constructions, irrigation work, repair of main communication lines, building of plants for the manufacture of chemical fertilizers, equipment, agricultural machines and fishing tackle. Though this aid is first intended for agriculture, it also covers sanitary installations and public utility works, and technical aid which should be given with solicitude by Japan in course of the achievement of that aid..."

Nothing more clearly expresses the determination of Saigon to "cooperate" with its powerful neighbour than the above declaration made by Nguyen Van Thieu to the Kaidenran delegation (1) coming to South Viet Nam in November 1970 for "economic prospecting and cooperation."

Within the framework of that "cooperation" a first list of projects (for the first years of the seventies) was handed to the Japanese mission for aid covering chiefly:

- Irrigation works at Phan Rang and Binh Dinh;
- Silkworm installations;
- Repair of Da Nam fishing port;
- Building of the My Thuan bridge;
- Improvement of Saigon's telecommunications system;

(1) Organization of the most powerful Japanese trusts.

— Construction of the power stations at Can Tho and Saigon, of the power carrier network Da Nhim-Nha Trang;

— Water works at Da Nang, Nha Trang, My Tho, Vinh Long, Rach Gia, Long Xuyen, Saigon;

— Construction of Da Nang commercial port;

— Construction of a chemical fertilizer plant.

These works call for an investment of 260 million dollars, more than two-thirds of which (170 million) will be supplied by the Japanese. Thus the sheepfold is open to the wolves!

POST-WAR DEVELOPMENT PLAN

At the Manila conference held in October 1966, Johnson and Nguyen Cao Ky agreed on the blue-printing of a "Post-war economic development" plan for South Viet Nam.

At the Guam conference in March 1967, Johnson and Nguyen Van Thieu restarted the business.

Eugene Black, president of the Bank for International Reconstruction and Development was hurriedly dispatched to Saigon in September 1968 to speed up the work.

The Joint American-Vietnamese Study Group for the Post-war Economic Plan, set up in 1967 under the direction of Vu Quoc Thuc, state minister, and David

E. Lilienthal (1) president of the "Development and Resources Corporation", after three years of work, sent to the US and Saigon governments a 600-page report entitled "The Post-war Development of the Republic of Viet Nam: Policies and Program".

Assisted by about 60 American and Vietnamese specialists of various economic sectors and great schools, the group was backed by the "special funds" of American aid according to the agreement signed between the Saigon government and USAID. The UNO, through its representative in Saigon, the FAO, the Asian Development Bank, the International Committee for the Exploitation of the Lower-Mekong, also took part in the elaboration of the plan.

The Post-war Development plan has three goals:

— "To raise the standard of living of the population within the framework of republican freedom so that the masses become attached to the regime.

— "To prepare future generations for long post-war struggles so that they do not fall into the arms of the communists.

— "To build up a sovereign economy."

It is divided into two stages:

— *Restoration*, lasting three years (1971-1973) during which priority is given to the re-establishment

(1) David E. Lilienthal is the first president of the Atomic Energy Commission (AEC) in the US dominated by the powerful Morgan Group.

of industrial and agricultural bases and to the building of long-term works such as hydraulic construction ;

— *Development*, spreading over seven years (1974-1980) during which the goals to attain are: to increase the gross national product, the income per inhabitant and individual consumption; to curtail public expenditure and imports while increasing exports and fiscal revenues; to carry out a policy and financing of investments by encouraging private savings, asking for more foreign aid, revising the "law on investments," organizing the monetary and capital market, improving the fiscal system, granting advantages and privileges to foreign investments.

For this purpose, concrete and adequate economic policies should be specified:

- priority given to agriculture and industry,
- delimitation between public sector and private sector: the latter should develop according to the "free enterprise" principle, for it has a very important role to play in economic development;
- substitution of national productions for imports;
- intensification of exports and foreign aid,
- reforming and stabilization of prices;
- achievement of full employment;
- reorganization of planning organs;
- development of "regional cooperation in South-east Asia ;
- reorganization of finances (state budget, credits, fiscal policy) and currency (exchange, monetary and capital market).

Appropriate development programs are also defined : agriculture ; forest exploitation, industry ; infrastructures ; social, cultural and sanitary installations ; regional development.

In twelve chapters in the English version, and in fourteen chapters in the Vietnamese version, the lengthy report is less a whole "plan" than a complete and adequate economic policy with surveys of resources, detailed programs and concrete tasks to achieve in all the economic and financial sectors for development during the period from 1971 to 1980.

Though the work is but a report in which the authors "present to the (Saigon) government only a *complete viewpoint* on the whole of future prospects, while estimating that the utilization of the report as a basis for a 10-year program of development will enable the various ministries and government offices to use it for the elaboration of their detailed plans," one can find all Lilienthal's "recommendations" in the "economic reforms", the *plans* and *laws* we have mentioned above. The November 15, 1971 "autumn economic revolution" is a typical example of the application of the "Post-war Development Plan" elaborated by Lilienthal and Vu Quoc Thuc.

It is not without reason that USAID has spent 13,900,000 piastres (or 117,800 dollars at the 1970 rate of 118 piastres) to finance the work.

Washington's hand is not invisible and the directives are obviously American.

Beside the "Lilienthal—Vu Quoc Thuc plan," there are also: the report sent by Ruth Russel of the Columbia State University to the Department of State in 1971, the confidential report of Emile Benoit of the Columbia State University to the Asian Development Bank in 1971, the survey of the Asian Development Bank sent in April 1969 to the Fourth Conference on Economic Development in Southeast Asia; the study of the Japanese Economic Research Center; the study of the working group of Prof. Lange of the Michigan State University.

Whatever their tendency, all these plans, reports and studies, have a common denominator, which is to obtain the maximum advantages from the conditions created by the war in order to secure the permanent and lasting presence of the United States in South Viet Nam.

NGUYEN XUAN LAI

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