At your request, I have discussed with Dr. Roy Lindgren the problems that he encountered while using the Civil Guard in his Malaria Control Program. He listed a series of events that caused the temporary discontinuance of this Program. They are as follows:

1. They could never arrive at who would be responsible for the liability of the Civil Guardsmen while on this assignment. General Oai insisted that they would not be his responsibility in case of injury, and the Minister of Health refused to accept this responsibility also.

2. Although agreement was reached on per diem amounts for the Civil Guard while assigned to this project, and although the money was released by USOM to the Minister of Health each month for this purpose, none of the Civil Guardsmen ever received any per diem and Dr. Lindgren's office was unable to pry it loose from the Minister of Health.

3. The Project Agreement was only signed this last June.

4. The vehicles for the project only arrived last month.

5. The rainy season stopped the operations in this part of Viet-Nam, and they were not organized and equipped to move into the other part of the country.

6. Although the President understands and approves the Program, they have been unable to secure a presidential decree authorizing it and they have been unable to secure a commitment from the President stating that the Program will be carried through the 4 or 5 year period that is necessary to make it a success.

7. Dr. Lindgren states that it is absolutely impossible to handle this Program through the present Minister of Health. It now appears that it will have to be handled similar to COMIGAL.
MEMORANDUM TO: Dr. Wesley R. Fishel  2 October 1957
SUBJECT: Problems Encountered in Using Civil Guardsmen for USOM's Malaria Control Program.

8. General Oai could not, or would not, guarantee that the men would not be pulled off this Program in the event of an emergency. This is a project that must be continuous.

9. The Civil Guard Captain assigned to the Program was just not up to this type of job.

10. Dr. Lindgren was emphatic, however, in stating that the work done by the Civil Guard in general was satisfactory, and that they were enthusiastic.

Further, Dr. Lindgren stated that we must bear in mind the fact that he is looking for a good strong individual who has prestige and who has the vision and drive to head up such a Program. He would like to have us notify him of such an individual, if we think of one.

HOWARD W. HOYT, Chief
Police Administration Division
Dr. Wesley R. Fishel,
Chief Advisor

Howard W. Hoyt, Chief, Police Administration Division.

Allowance for Entertainment of Vietnamese Counterparts.

At the last staff meeting of the Police Administration Division, I was requested to make every effort possible to secure some kind of financial assistance for what we consider to be the very important task of entertaining our counterparts in the Vietnamese Government. This discussion and ultimate request was brought about by indirect criticism we have heard from the Vietnamese police officials over the fact that we have not reciprocated the entertainment functions that they have so generously bestowed on us.

Director Tu, for example, has had no less than six formal dinners at the Headquarters and at his home in honor of MSU staff as a whole; in honor of the Police Division members; in honor of Art Brandstatter; in honor of Ed Weidner upon his return; for Ralph Smuckler upon his departure, etc. At these dinners there has been all the way from 10 to 20 Americans as guests - sometimes with their wives. There has been music and on 2 occasions there was very clever entertainment.

Generals Oai and Le have, on several occasions, had us out at their expense for above the ordinary type of dinners.

The only entertainment that we have had as an MSU group for the Vietnamese police was last December when Dean Taggart was here and you approved a dinner at the "Paprika". The total attendance at this dinner - Americans and Vietnamese - did not exceed 15 persons.

We have found that our British and even our French friends have done considerably more of this sort of thing with our counterparts than we have.

As you know, all of us have made it a practice to include one or more of our counterparts when we entertain in our homes and this, of course, has been beneficial; however, these have not been affairs in their honor, nor have they included a large group of Vietnamese police officials, nor can most of us afford to finance a lavish affair of this kind.
Your interpretation of the use of the representation allowance, according to your memorandum dated July 10, 1956, does not provide for the type of entertainment requested herewith. I would suggest, since expenses for such entertainment cannot be included under the representation allowance, that we devise some way of covering it under some other expense. Personally, I would prefer seeing some of our funds that are due us from the profits of our Commissary used for such purposes, rather than providing some type of entertainment for American personnel alone.

When the weather improves, we should put on an overnight outing at Long-Hai, Cap St. Jacques or Dalat. We should entertain the top brass in one of the larger restaurants of the city, followed by an evening of making the rounds - if that is what they want. We definitely feel this is a very important part of our work here, regardless of how we might, personally, feel about this type of entertainment.
Proposed Field Trips To Be Made By Staff Members of the Police Administration Division.

This is to advise you that the following field trips will be made:

Mr. Norman Clowers will travel to Dalat for the purpose of demonstrating newly-issued gas equipment, firearms and handcuffs to the police forces in that city. The trip will be from 11 October through 14 October inclusive. Mr. Clowers is going to Dalat at the special invitation of Colonel Chieu.

Messrs. Kimball and Rumpf will journey to the cities of Long-Xuyen and Chau-Doc for the purpose of demonstrating newly-issued firearms and handcuffs and to promote good public relations. The Municipal Police in these cities will be visited. The trip will be from 17 October through 19 October inclusive.

HWH/mmd
cc: Mr. Herb Stoutenburg, Administrative Services Officer
MICHIGAN STATE UNIVERSITY
VIETNAM ADVISORY GROUP

OFFICE MEMORANDUM

TO: Dr. Wesley R. Fishel, Chief Advisor
FROM: Howard W. Hunt, Chief, Police Administration Division.

DATE: 14 October 1957
SUBJECT: Mass Transit in Saigon-Cholon.

Jerry Franklin, in the past, has expressed the desire to be able to meet with the proper people in order to improve the mass transit operation in Saigon-Cholon. I believe he spoke to you previously about it, but at that time, it was felt that nothing could be gained because of the existing franchise which was to run until 1960.

It has come to our attention that the French company has now been given notice to cease operations as of the end of the year, at which time the business management will be turned over to the Vietnamese, with public management or private management under public supervision.

I am attaching hereto a memorandum sent to me by Franklin which, I believe, is self-explanatory.

Would you please arrange an interview for Franklin with the Secretary of State for Public Works, or his representative, as is requested in Mr. Franklin's memorandum. He plans to be away from the office on a trip to Bangkok the 22nd, 23rd, 24th and 25th of October. Any other date for the interview would be most satisfactory.

HWH/JDF/mmd
1 Attachment
Franklin Memo
TO:       H. W. Hoyt                  DATE:   October 12, 1957
FROM:     J. D. Franklin

SUBJECT: Mass Transit in Saigon-Cholon

Yesterday's news summary stated that in the near future the private bus operations in the Saigon-Cholon area would be transferred from French to Vietnamese management.

In the past I spoke to a gentleman from the Public Works concerning the improvement of routing and scheduling.

As I feel this again would be a most opportune time to discuss the importance of good mass transit, would you be kind enough to request the Chief Advisor to arrange an interview with the Secretary of State for Public Works, or his representative.
8. **Vietnamese to manage buses by year's end**

Saigon - In an interview by press reporters, the Public Works Secretary said that according to its contract the French-owned Saigon Bus Company must cease its activity by 1960, but according to the ban of the 11 trades to foreigners it should have stopped by the end of July. However, while waiting for a Vietnamese organization to substitute for the outgoing French company, the government has allowed the Bus Company to go on with its business provided that it will cease by the year's end. A statute for the future Vietnamese-managed company has been drafted by the Public Works Department, and the business will be entrusted to one or several private companies, the government giving instructions only about fares, techniques, etc. As the bus business is a very complicated one, the government will consider individual applications according to the bidders' financial and technical capacities.

The bus project worked out by the Public Works Department contains the following particulars tending to improve the transportation system:

- Within the city limits, bus stops will be set up at every 300 meters along the route. Buses will run every 5 minutes during rush hours, and every 15 minutes during the other hours.

- Bus line extensions to Thu Duc, Lai Thieu, Thu Dau Mot, Hoa Mon, Duc Hoa, Can Giuoc, Nha Be, etc. are being considered.

- Lines will be divided into sections with a single price for each section. Tickets will be sold mostly at stations.

- The government will see to it that the concessionaires apply the official fares and keep the equipment up-to-date.

(All papers)

9. **Speed law for city**

Saigon - On October 7, Director of the Prefectural Police Tran van Tu issued a communiqué informing the population that in order to avoid traffic accidents, from now on the maximum speed for vehicles running in the Prefecture will be as follows: transport trucks, touring cars and motor-cycles: 40 kmps per hour, and pedicabs and motor-bikes: 25 kmps per hour.

Infractions to this rule will be fined and may cause withdrawal of driver's license.

(Tin Dien)
The Secretary of State for Public Work asserted:

"By the end of this year, the management of the buses (autobus) running through Saigon will be turned over to the Vietnamese."

SAIGON. — An interview with the Secretary of State for Public Work concerning the "autobus" problem in Saigon has been recently taken place.

QUESTION: According to the contract, the existing Bus Company will have to stop its activities by the end of 1960 only, but, according to the Decree 53 banning the 11 professions, that company should have had to stop its activities by the end of last July?

ANSWER: In fact, the bus company can operate until the end of 1960 as specified the contract, but if we considered the Decree No. 53, no more activities should be performed by that company by the end of last July. Procedure of the turning over is being studied. Meanwhile, the Bus Company is allowed to go on operating until its substitution by a Vietnamese duly recognized by the Government. But that length of time will not extend over the end of 1957.

QUESTION: Did the Vietnamese Government work out a statute concerning the setting up of a future Bus Company?

ANSWER: A statute concerning the setting up of a future Bus Company was worked out by the Public Work Dept. and submitted to higher authorities for approval.

QUESTION: Is the Government planning to manage herself the future Bus Company?

ANSWER: Not at all, the future Bus Company may be well managed by a Vietnamese private company. The Government will interfere only in matters concerning fares, finance and techniques, so as to meet the requirements of the city population.

QUESTION: In case of the management by a private man or a private company, will the Government choose herself that man or that company, or a bid will be needed? If the latter is the case, one or more companies will be entrusted?

ANSWER: The management of such a branch of transportation is very complicated, here, much ability, finance and technique are needed. Therefore, applicants for bid should be checked on some respects.
Our Public Work Department is ready to examine the requests of applicants for bid which would be carried out among a few number of qualified applicants.

As to the management by one or more Vietnamese companies, a thorough study is being made.

QUESTION: Do you know anything about the provisions to be applied to the future Bus Company, and how were they made so as to improve the transportation service in the city?

ANSWER: The provisions worked out by the Public Work Department contain the following characteristics aiming at improving the traffic in the city and in the suburbs:

- A passenger from any spot in the city, can reach a bus stop within 300 meters.

- The interval between two buses is:
  - less than 5 minutes at bus stops located in streets considered as busy and at rush hours.
  - less than 15 minutes in other streets.

A study concerning the bus traffic in the outskirts of Saigon crossed by roads leading to crowded centers within a radius of 20 km, will be made.

That area will include the following centers: Thu Duc, Bình Thạnh, Lai Thiêu, Thu Dau Môt, Hòa_MON, Đức Hòa, Bến Lức, Cần Giuộc, Nhà Bè, etc.

- The fares will be unique for short itinerary. They will be divided into many categories for long itinerary.

- The Government will endeavor to get people buy tickets at bus stations and minimize the sale of tickets on buses.

A severe accounting control will be made by the Government. Special attention will be made with regard to fares rates and proper improvement of equipment.
Dr. Wesley R. Fishel,  
Chief Advisor  

23 October 1957  

Howard W. Hoyt, Chief, Police Administration Division.  

Problems Encountered in Field Survey Work.

I am attaching hereto a copy of a memorandum prepared last week by Mr. Robert Gollings, Head of the Research and Training Section. This pretty well faces up to the problems we are encountering in our field survey work that we are now undertaking.

The first five paragraphs of this memo present the problem and our thinking. Personally, I favor the recommendations contained in paragraph 8 rather than those in paragraph 9, as we have had very poor experience in the matter of questionnaires - both as to response and accuracy, and we would miss the personal contact that is made by actually going to the city or village or countryside and actually visiting with the local officials.

I am convinced that our prepared questionnaire calls for information that can be secured more accurately and with less time from sources within Saigon. We, therefore, propose to make some changes in our present procedures. If you have any suggestions or recommendations, Mr. Gollings will be most happy to come to your offices and discuss same with you.

HWH/mmd  
1 Attachment  
Copy of Memo from Gollings.

cc: Dr. Dorsey  
Dr. Sciglano  
Mr. Montgomery  
Mr. Sheinbaum  
Mr. Gollings
Pursuant and in conjunction with our many recent discussions of the field survey problem, the Research and Training Section has deemed it advisable and necessary that certain points be elaborated upon in connection with this survey.

1. One of the complaints or issues has been that this survey form takes too much time. We feel this to be entirely unfounded, in that to be successful, any report of any magnitude must be carefully prepared and carefully and comprehensively executed. It does not seem to us that the time element is a factor in a research project. It would be far more satisfactory and desirable to take one city and devote several days to that city and really complete the report, checking on all the material for authenticity, rather than hit two or more cities in one day and just gloss over the questionnaire, or ignore it entirely, or possibly leave it with some official and hope that he will fill it out and send it to MSUG. This latter course seems at the present to be devoid of much chance for success.

2. Any measurement of research of the total effort of the Michigan State Police Team must be based upon fact. Unless we actually check the information we secure from the surveys, we will have no guarantee that we are not beginning our research with a foundation or major premise that is false, and, consequently, all subsequent information will of necessity also be false.

3. Administrative direction must be based upon facts. Many of the assignments or directives from your office will be based on the information contained in the field surveys. This must obviously be factual information for your guidance.

4. We must base our American Aid on needs substantiated by factual reports of conditions actually existing in the various provinces and cities. It is conceivable that it now takes the form of wishful thinking on the part of many of the Vietnamese officials.
5. As previously brought out, it is entirely probable that the Vietnamese officials and organizations will change the ultimate destination of much of the material we distribute under foreign aid. However, we must have a positive means of check to be able to defend our deliveries, should the delivery ever be challenged. In effect, we must see where the material is originally delivered. If it is changed after that, we cannot be held responsible.

6. It will be impossible to avoid some error in the most carefully prepared survey; however, if this error factor is kept to a minimum, our future research efforts will be predicated on material that is as factual as careful survey can make it. At present, this is not the case. We must recognize that any errors will be unfortunately compounded in the subsequent processing of the survey information.

7. We recognize that this is an advisory and assistance group, but we still must have factual information upon which to predicate said advice and assistance.

8. The following, if adopted, should greatly facilitate this problem:

   There must be a verbal and written authorization for the survey from the top Vietnamese officials. That authorization must get down to the officials with whom we will be dealing in the survey work.

9. An alternate procedure would be to conduct at least six (6) comprehensive field surveys under the full approval of Vietnamese officials, and using those tests as controls, we could then begin mailing out the forms to various other cities in Viet-Nam, and comparing with the control surveys we could determine the relative authenticity of the mail-out surveys. If successful, they could enable us to reach many more departments and organizations than is now possible.

In conclusion, it is our studied opinion that until we have received the written promise of full and complete cooperation in connection with this survey, we should discontinue the surveys entirely. At present, they are achieving nothing, but through their use they are causing much frustration on the part of the American staff members and apparently, are creating antagonism on the part of the Vietnamese officials.
Dr. Wesley R. Fishel,  
Chief Advisor  

Howard W. Hoyt, Chief, Police Administration Division.  

Facts of Importance Brought to the Attention of the  
Chief Advisor, MSUG.  

25 October 1957

We were asked recently to make a special trip to Dalat to re-instruct the police there in the use of tear gas and other riot control equipment.

When our men arrived in Dalat, they were told that the demonstration was to be staged in front of all civil servants in the Dalat area, and that it was being given to intimidate them. Our men then felt that it would not be a good idea for them, as Americans, to become too involved in this, so they stayed in the background and let the police actually do the demonstrating. Although it rained during the entire demonstration, several hundred government employees were present and viewed it to the end.

One of our men, on a recent field trip, picked up the following information; however, he is not positive as to how well he understood his informant. As you know, the province chief of My-Tho is military. Our man understands that the position of Mayor of My-Tho has been abolished and the City Council has been disbanded, and that the government of the city of My-Tho is now administered by the province chief.

Have we this information from any other source? If it is true, is it not, possibly, an indication of what may be the trend, and should we not be alerted to this fact?

HWH/mmd
Beginning on 29 October 1957, field trips were started for the purpose of evaluating the Self-Defense Corps. These field trips were primarily directed to the various villages within a reasonable radius of Saigon, in the following provinces:

- Gia-Dinh
- Bien-Hoa
- Bien-Dong
- Long-An
- Phuoc-Tuy
- Phu-Vinh
- Vinh-Long
- Bien-Phu

These visitations were continued through the 30th, and will end on the 31st. It is desired that this information be made available to the Presidency so that they may be aware of our presence in the above-mentioned provinces.
Dr. Wesley R. Fishel,                           31 October 1957
Chief Advisor

Howard W. Hoyt, Chief, Police Administration Division.

Field Trip Clearance Requests.

Attached are a few of the field trip clearance request forms we discussed at a recent Planning Group meeting, which have been prepared by Herb Stoutenburg.

I was in the act of sending memos to each of my men on how they are to use these forms when it occurred to me that such a memo should be going to everyone in the MSU Group from either your office or Herb's. To keep from duplicating or giving conflicting instructions, I am recommending that a bulletin be prepared and circulated today on how these forms are to be prepared, on the type of trips requiring their use, etc. For example, do we need them for the weekly trips made by my men to Cap St. Jacques for teaching purposes? Do we need them for the trip Updike and Sheinbaum are taking this morning to Bien-Hoa, and for a couple of other trips being taken this afternoon to villages within a radius of 30 or 40 miles of Saigon? Do you want to set a minimum number of days in advance that these forms should be circulated before the trip is made, with exception of emergency trips, and would you want to define what your office considers to be "Emergency Trips"? Would you like to suggest to all staff members using these forms that they keep in mind improvements and changes that can be made in the form, with a view that when this present supply of mimeographed forms is exhausted, that this form will be printed in pad form on a better grade of paper, with, possibly, different colored sheets routed to different offices?

You will note that there is a correction which should be made already, following the decision in the Planning Group meeting 2 weeks ago, that Stoutenburg's office would handle security clearances with Mr. Helm, rather than my office. This will mean that 2 carbon copies will go to Stoutenburg instead of to me. Perhaps on the approval line there should be a place for the Section Head's approval, prior to that of the Division Chief. This would provide Rosenfeld, for example, to approve the trips for his people; Updike, Gollings, etc. in my division.

HWH/mmd
cc: Herb Stoutenburg
Dr. Wesley R. Fishel,
Chief Advisor

Howard W. Hoyt, Chief, Police Administration Division.

Reorganization Plans for the VBI.

On the morning of 29 October 1957, we received a telephone call from Colonel Chieu, Director General of the Police and Security Forces, asking that we meet him in Mr. Chau's office at 11 o'clock that morning. He stated that Mr. Chau was prepared to discuss the reorganization plan of the VBI, which has, as you know, been on the fire since April 1956.

After a 15-minute wait, we went into Chau's office and he immediately started discussing the proposed American Aid for the police in FY-58. Fortunately, we had some of the information with us. He asked questions as to why the communications equipment is programmed over 3 years, how we propose to distribute much of these commodities, etc.

At his suggestion, we returned to our office and prepared a letter addressed to him, which he asked to have delivered that afternoon, giving this basic information. The letter was delivered to him on that same afternoon - English copy of which is attached hereto. The French translation was not completed and delivered until 30 October, copy of which is also attached.

Mr. Chau called our office yesterday morning and asked for clarification on one or two items, which indicates he is studying this report. We gathered that he was surprised and pleased at the thoroughness of this letter and the ready replies and explanations we had to every question he raised.

HWH/mmd

2 Attachments
1-Ltr, English, to Chau.
2-Ltr, French, to Chau.

cc: Mr. Milton Esman, USCM - 1
Mr. Dave Wood, USCM - 2 (1 for Mr. Barrows)
29 October 1957

Honorable Nguyen-Huu-Chau
Minister of Interior
Republic of Viet-Nam
SAIGON

Dear Sir:

In accordance with your request of today, the following is a detailed account of proposed American aid for Fiscal Year 1958 (July 1, 1957 – June 30, 1958) as it concerns the Civil Guard, the VBI (Sureté), and certain municipal police forces. Both the dollar and piaster considerations are included.

By category, the proposed aid for FY-58 has been broken down as follows:

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Communications Equipment</td>
<td>$1,842,300.00</td>
</tr>
<tr>
<td>Traffic Equipment</td>
<td>38,700.00</td>
</tr>
<tr>
<td>Weapons</td>
<td>1,168,000.00</td>
</tr>
<tr>
<td>Ammunition</td>
<td>241,000.00</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$3,290,000.00</strong> US</td>
</tr>
</tbody>
</table>

It is estimated that the amount allocated for communications equipment as indicated above will account for approximately sixty per cent (60.0/o) of the total requirements of the civil law enforcement agencies of this country. The balance, or forty per cent (40.0/o), will be provided as part of the program for FY-59, ending June 30, 1959. It is further estimated the allocation for FY-58 is sufficient to provide communications facilities for the VBI (Sureté) and the Civil Guard between their respective headquarters in Saigon and their respective inter-province headquarters. It will also provide communications facilities within each province for both the Civil Guard and the VBI (Sureté). In addition, a substantial amount of mobile and portable communications equipment will be provided for these organizations, as well as the Saigon Police Department and those of other major cities. Communications equipment for lower echelons and for outlying municipalities has been scheduled for FY-59.
It might be well to point out here that even had sufficient funds been available for FY-58 to permit the purchase of all the communications equipment required, we would have recommended delivery over a two or three year period in order to allow training of personnel in its use and maintenance, plus allowing time for the construction of adequate buildings for communications centers and as maintenance facilities.

The distribution of equipment under FY-58 as proposed by the Michigan State University Group is as follows:

**AMMUNITION**

<table>
<thead>
<tr>
<th>Quantities</th>
<th>Total Landed Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>4,638,600 Rounds</td>
<td>$ 241,000.00</td>
</tr>
<tr>
<td>Civil Guard 3,479,100 Rds.</td>
<td></td>
</tr>
<tr>
<td>VBI-Municipal 1,159,500 Rds.</td>
<td></td>
</tr>
</tbody>
</table>

**WEAPONS**

<table>
<thead>
<tr>
<th></th>
<th>Total Landed Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>6210</td>
<td>1,168,000.00</td>
</tr>
<tr>
<td>.38 Cal. Revolvers 3105</td>
<td></td>
</tr>
<tr>
<td>Civil Guard 3105</td>
<td></td>
</tr>
<tr>
<td>VBI-Municipal 3105</td>
<td></td>
</tr>
<tr>
<td>6012</td>
<td></td>
</tr>
<tr>
<td>.30 Cal. Carbines 5900</td>
<td></td>
</tr>
<tr>
<td>Civil Guard 5900</td>
<td></td>
</tr>
<tr>
<td>VBI only 112</td>
<td></td>
</tr>
<tr>
<td>2352</td>
<td></td>
</tr>
<tr>
<td>.45 Cal. M. Guns 2081</td>
<td></td>
</tr>
<tr>
<td>Civil Guard 2081</td>
<td></td>
</tr>
<tr>
<td>VBI and Municipal 271</td>
<td></td>
</tr>
<tr>
<td>132</td>
<td></td>
</tr>
<tr>
<td>* .30 Cal. M. Guns 132</td>
<td></td>
</tr>
<tr>
<td>Civil Guard 132</td>
<td></td>
</tr>
<tr>
<td>132</td>
<td></td>
</tr>
<tr>
<td>* Mortars 60 M/M 132</td>
<td></td>
</tr>
<tr>
<td>Civil Guard 132</td>
<td></td>
</tr>
<tr>
<td>6150</td>
<td></td>
</tr>
<tr>
<td>Bayonets 6150</td>
<td></td>
</tr>
<tr>
<td>Civil Guard 6150</td>
<td></td>
</tr>
</tbody>
</table>

* Not being purchased in FY-57. All others are.
HONORABLE NGUYEN-HUU-CHAU
MINISTER OF INTERIOR

<table>
<thead>
<tr>
<th>COMMUNICATIONS</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>VBI</td>
<td>$940,000.00</td>
</tr>
<tr>
<td>Civil Guard</td>
<td>569,000.00</td>
</tr>
<tr>
<td>Municipal</td>
<td>332,300.00</td>
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<tr>
<td></td>
<td><strong>$1,842,300.00</strong></td>
</tr>
<tr>
<td></td>
<td><strong>TRAFFIC</strong></td>
</tr>
<tr>
<td>Saigon - only</td>
<td>$38,700.00</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
</tr>
<tr>
<td></td>
<td><strong>$3,290,000.00</strong></td>
</tr>
</tbody>
</table>

The following is a detailed explanation of proposed allocation of counterpart piasters for FY-58:

1) **Personal Services**
   - **VN Project Personnel**
     - Salaries for local help in storage, protection, accountability, assembly transportation and distribution of project equipment.

2) **Trainee Grants**
   - **Tuition**
     - To finance 40 students for Vietnamese-American Association costs in learning the English language in order to assist implementation of this project. ($500.00 US per student)

3) **Rents, Utilities**
   - **Storage, warehouse**
     - For storage of equipment before distribution or installation.

4) **Printing and Reproduction**
   - **Project Support**
     - To finance training films, brochures, textbooks, manuals, record forms, etc.
5) **Equipment**

Other

<table>
<thead>
<tr>
<th>VN$</th>
<th>US$</th>
</tr>
</thead>
<tbody>
<tr>
<td>2,150,000</td>
<td>70,000</td>
</tr>
</tbody>
</table>

To procure locally-made supplies and equipment to assist civil police forces in patrol work.

6) **Land and Structures**

<table>
<thead>
<tr>
<th>VN$</th>
<th>US$</th>
</tr>
</thead>
<tbody>
<tr>
<td>10,785,000</td>
<td>314,000</td>
</tr>
</tbody>
</table>

To finance remodeling and new construction for training facilities, crime laboratory, maintenance facilities, communication centers, identification and record centers, etc.

**Total**

<table>
<thead>
<tr>
<th>VN$</th>
<th>US$</th>
</tr>
</thead>
<tbody>
<tr>
<td>20,000,000</td>
<td>571,000</td>
</tr>
</tbody>
</table>

It should be noted that the total aid undertaken by this project has been programmed according to the following schedule:

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount</th>
<th>Percentage of Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY-56</td>
<td>$1,200,000.00 US</td>
<td>10.0%</td>
</tr>
<tr>
<td>FY-57</td>
<td>5,600,000.00</td>
<td>50.0%</td>
</tr>
<tr>
<td>FY-58</td>
<td>3,290,000.00</td>
<td>25.0%</td>
</tr>
<tr>
<td>FY-59</td>
<td>2,290,000.00</td>
<td>15.0%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$12,290,000.00 US</strong></td>
<td><strong>100.0%</strong></td>
</tr>
</tbody>
</table>

The above total of $12,290,000.00 US represents an increase of approximately $4,000,000.00 over the original estimates of 1955. This increase is the result of the decision to provide American weapons and ammunition to the Civil Guard (30,000 officers and men), the VBI (2,500 agents), and certain municipal police forces (7,000 officers and men). In addition, the increase also reflects recently acquired accurate information regarding the needs of the above agencies in terms of communications equipment.

Presupposing that continued suitable training, proper leadership, proper distribution and use of equipment, stern discipline, and sincere government support are provided, it is strongly felt that the expenditure of $12,290,000.00 US will provide sufficient quantities of proper equipment to enable the civil police forces of Viet-Nam to preserve the internal security of the country.
The current contract between Michigan State University and the Vietnamese government will expire on June, 1959. It is expected that considerable equipment ordered under FY-59 will arrive in Viet-Nam after June 30, 1959. Approximately five or six American police advisors may be needed for an additional year, through June 30, 1960, to assist in the training in the use of this equipment as well as in its installation. The final decision in this matter is entirely one belonging to the Vietnamese government. At any rate, it is felt that no further American aid of any type will be required beyond June 30, 1960.

Sincerely yours,

Howard W. Hoyt, Chief
Police Administration Division
MSUG.