

DEPARTMENT OF STATE  
FOR THE PRESS

Saigon

1959

APRIL 17, 1959

NO. 270

ADDRESS BY LELAND BARROWS, REGIONAL DIRECTOR FOR NEAR EAST AND SOUTH ASIA, INTERNATIONAL COOPERATION ADMINISTRATION (former Director, U.S. Operations Mission to Vietnam), BEFORE THE CONFERENCE ON "AID TO VIETNAM AN AMERICAN SUCCESS STORY," SPONSORED BY THE AMERICAN FRIENDS OF VIETNAM, AT THE WILLARD HOTEL, WASHINGTON, D.C., FRIDAY, APRIL 17, 1959 AT 2:45 P.M., E.S.T.

UNITED STATES-VIETNAMESE COOPERATION - THE ICA PROGRAM  
SINCE 1955

Mr. Chairman, Friends of Vietnam:

I am very grateful to General O'Daniel and the Secretariat of the American Friends of Vietnam for the opportunity to participate in this program this afternoon. In discussing the subject which the Chairman has assigned to me, I shall have the pleasure of recalling the four fruitful, memorable years I spent in Vietnam, and of reviewing for you the work of the United States Operations Mission to Vietnam of which I was the Director from October 22, 1954, until November 30, 1958. . . .

During the four years I was Director of USOM in Vietnam, American economic aid totaled \$983 million. This is a very large amount of money. . . . Of the various purposes for which this large amount of money was used, Technical Cooperation took the smallest proportion (\$12 million, 1.2 percent), yet was in some respects the most pervasive and far-reaching in its benefits. . . . During the period at which we are looking today, USOM's largest Technical Cooperation effort was actually conducted by the Michigan State University group, whose work in the field of public administration and police administration is famous in Vietnam and is certainly known to most of you here. . . .

There remained, however, through 1955 and 1956 other sources of inflationary pressure, most notably the fact that throughout the first two years the Vietnamese Government was unable to maintain a balanced budget. Both the central government and regional governments were given the right of overdraft on the national Treasury, and this they exercised in providing governmental services deemed essential. Recognizing the danger of such a practice, the Vietnamese Government in 1957 developed, with the help of Michigan State University USOM technicians, a greatly improved system of budget administration.