

*Better filed in Under file 2*

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USOM CALLS ROUND-UP

4. Interview With USOM Director Leland Barrows

Saigon: The financial problem plays an important role in the widening of roads. To widen the Saigon-PhongDinh to 9 meters and the PhongDinh-Camau to 7 meters and to build two concrete bridges to replace the MyThuan and CanTho ferry boats, an expenditure of approximately 500 million piasters will be needed. But, in our present economic situation, the national budget would be unable to earmark such a big amount for the project.

A number of readers opined that the United States Operations Mission which has helped the Republic of Viet-Nam to construct the Saigon-Bienhoa highway and repair the two roads (Banmethuot-NinhHoa and Pleiku-Quinhon) in the P.M.S., could help us develop the communication system in western provinces.

In order to clarify the issue, we (daily Buoi Sang) thought it better to request the Director of USOM to answer on our behalf. Hereunder is the main substance of the Director of USOM's reply.

"... The United States Operations Mission has not proposed any kind of project but has only studied the proposals presented by the Vietnamese Government and carried them out in case of approval.

According to the Vietnamese Government, the development of the communication system between P.M.S. and the Central Viet-Nam coastal region was indispensable and more useful than any other. For this reason, the USOM studied and carried out this project first.

Regarding the request of widening the Saigon-Camau road, after the completion of the Saigon-Bienhoa highway and the two roads in the P.M.S., we are not studying this carefully because we have never heard of this matter before.

However, the development of communication requires a long time and much money. The United States Operations Mission has no ambition to help Viet-Nam to repair all of her roads. We only wish to help with her technical know-how and equipment.

Upon completion of the three current projects here, we will hand over to Viet-Nam all the construction equipment valued at 10 million U.S. dollars.

Viet-Nam will then have technicians and equipment to construct or repair the roads herself according to the needs of the country.

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In addition, we took the opportunity to interview the Director of USOM about two problems which have been widely discussed among the people -- especially among business circles -- on the simple ground that the Director has documents and authority to give us a clear-cut answer. These two problems concern (1) Where does the U.S. aid to the Republic of Viet-Nam stand?; and (2) Will the U.S. continue to grant aid to Viet-Nam? If any, will it be more or less than the volume being granted to Viet-Nam? Here is the main substance of the Director's reply:

"...American Aid aims at supplying Viet-Nam with foreign currencies, especially U.S. dollars, to import goods, foodstuff, machinery, equipment and raw materials necessary for the business and industry development. When importers want to purchase goods from foreign countries they have to exchange local currency for foreign. The local currency will be handed over to the Vietnamese government to be used in the national defense purposes and economic development to avoid inflation.

During the years of 1955, 1956 and 1957 the total quantity of various imported items valued at approximately 700 million US\$ (or 24 billion and 500 million VNs) of which 364 million was for machinery, equipment, fuel, raw materials and agricultural tools, and 326 million for other goods.

"...Thus far, emphasis has been given to the establishment of industry for the production of items for domestic consumption such as weaving, paper, glass, cement, gunny sacks plants etc. We have also paid attention to assisting light industry and producers of poor means. In addition, we know that Viet-Nam has not enough capital, so we have contemplated several adequate measures aimed at expediting the industrialization. In this connection, a Handicraft Center was set up to mete out loans to handicraftsmen, thus enabling them to boost their production. Concerning big plants, the government of Viet-Nam has been playing an important role in their establishment and operations:

"...We have attained satisfactory results. For instance, the establishment of a plant for the assembling of two and three-wheel scooters has brought an unexpected outcome, say, a revolution in the transportation facilities, especially in provinces and the countryside. Not only can people afford a cheap means of transportation, but this has also provided employment for drivers. Besides, repair and improvement of the railway, telephone and telegraphic networks have also been aided. Despite all this, we have not overlooked private enterprise, particularly those branches which are producing consumer goods for the populace.

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"Concerning the present lack of experts and technicians in Viet-Nam, we try to satisfy the emergency need by providing the Vietnamese Government with necessary help for the opening of short-term professional courses and sending Vietnamese abroad to attend training courses there.

"As for luxury item imports, this has brought controversies. Two thesis were advanced: whether their import be indefinitely banned or heavy taxes imposed on them to be used for public purposes. For fear that the import ban would bring on speculation and blackmarketing, the second thesis was adopted.

"Regarding the American aid to Viet-Nam for fiscal year 1958-1959, we have not yet received any official information, but we estimate that next years' budget will not be much less than that of 1957-1958, which is approximately 190 million U.S. dollars (25 million U.S. dollars of direct aid, 144 million for military budget and approximately 20 million for economic program).

"Also we want to emphasize that the U.S. aid planned for the following year's import program is generally based on the activities of last year and on the estimates of future needs. Moreover a shortage of foreign currencies for the import program will not take place since unused funds from the past year are always available".

(Bui Sang of Sept.12 & 13)

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WAS Deputy Administrator of U.S. Housing and Home Finance Agency

WAS active in the Japanese relocation program in the West during early part of World War II

WAS Assistant Administrator of U.S. Information Agency

HAS BEEN with the Marshall Plan organization, first as head of all administrative operations in Europe; then as Deputy Chief of the ECA/MSA Mission in Italy; subsequently as Deputy Chief and then as Chief of the U.S. Operations Mission in Greece.

Public Administration is his central field of interest -- in the very broadest sense of the term.