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Despatch 157
From Saigon

trained abroad to return and make their contribution to the development of their country.

(8) We suggest that you consider some appropriate means by which villagers could elect at least some of their own officials. Such elections at the village level would be a means of associating the population with the Government and of eliminating arbitrary actions by local government officials by demonstrating to them that they will periodically be judged at the polls.

(9) We suggest prompt adoption of the following measures for the enhancement of the Government's support in rural areas:

(a) Take action which will result in an increase in the price which peasants actually will receive for paddy before the new harvest.

(b) Liberalize the terms of credit extended to the small rice farmers.

(c) Continue to expand expenditures for agricultural development and diversification, particularly in the Mekong Delta area.

(d) Institute a system of modest Government payment for all community development labor whether on agrovilles or on other Government projects.

(e) Institute a system of limited subsidies to the inhabitants of agrovilles during the period of their readjustment. While the two situations are not completely comparable, the subsidies helped to bridge the period of adjustment for the settlers in the High Plateau. This should help to develop a favorable popular attitude toward the agrovilles by covering some of the expenses incurred in moving to and getting settled in the agrovilles.

New (f) Give appropriate and adequate compensation to the 2800 village health workers. These workers can serve as an important arm of the Government in establishing friendly relations with villagers.

New (g) Increase compensation paid to the Self Guard Youth.

(10) We suggest that as many of the steps recommended above as possible be announced dramatically to the public in your message to the people on October 26. We would envisage this message as a ringing effort to obtain the support of all non-Communist elements for your Government and to create national unity to win the fight against the Viet Cong.

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