

contributions.

The second American factor is the increasing reluctance of the Congress — probably an accurate reflection of public attitudes in this case — to appropriate foreign assistance funds for economic purposes . . . which is part of a wide demand for reform of foreign aid policy generally. . . .

. . . If political conditions are favourable, we would consider the multilateral, but “non-crash”, approach . . . to be the most effective method by which to draw forth supporting contributions from other governments and the most rational

basis on which to advocate increased multilateral aid within the United States. . . .

This approach also would promise the most effective results to the Indochina countries on the receiving end in terms of achieving their own objectives of modernization and economic development.

(Note: *The spread of hostilities to the Khmer Republic (Cambodia) and Laos makes it artificial to consider the problem in terms of North and South Vietnam only. For purposes of this study, however, the fates of the first two may be considered as dependent on the nature of the outcome in Vietnam. . . .*)

Pattern for a special war damage fund

A special fund for repair of war damage and rehabilitation of war casualties would include the usual components of humanitarian assistance programs (such as medical aid; food and clothing; materials for the reconstruction of destroyed housing and community buildings such as hospitals; seeds and tools for agriculture); the most necessary repair of damaged bridges, roads, power and communication installations; and longer-term projects directly necessitated by war damage, such as restoration to productivity of land put out of use by bombing or defoliation — or, if restoration is impossible (as of a destroyed forest area), the development of a new resource equivalent for the country concerned.

Most of the undertakings to be covered by such a fund should be capable of being completed within a limited period — say, three to five years. Because the destructiveness of the conflict has varied from region to region, and because considerable repair and reconstruction has been accomplished even while the war continued, a more precise estimate of requirements in this field cannot be made.

It can be assumed that President Nixon's proposed assistance for “reconstruction” would cover this sort of mainly short-term need; . . . and it can probably also be taken to refer to at least some longer-term types of development projects as well, since “reconstruction” is often (but ambiguously) used in that sense. In any event, the \$7 billion for Indochina as a whole, referred to by the President, could no doubt be used to meet

a wide variety of such needs and to begin the development process as well.

It may be that the Administration is considering giving this “reconstruction” assistance on a bilateral basis; but we would consider an international basis preferable for a number of reasons, including the belligerent status of the United States in the situation and the contentiousness of its concurrent aid policies during the conflict. There have been a number of different patterns of international organization that could provide possible models for an Indochina war-damage fund, beginning with UNRRA after the Second World War.

. . . That organization, established by a special conference of World War II allies, was the first operational United Nations agency; but it was a completely independent institution, in view of its timing. A similar organization set up now would probably be linked to the permanent United Nations “family,” which did not exist in 1943. . . .

The United States, being in a position to contribute most of the financing to UNRRA during and at the end of World War II, dominated the organization from the beginning, which was a natural result of circumstances of the time. Today, however, it would seem better to adapt elements from other United Nations precedents to the institutional requirements for a war-damage repair agency to operate in the Indochina countries.

(*Excerpt from the Cordier-Russell report on postwar aid prospects in Indochina.*)