Deepe Rubber-page 1 October 21, 1965

salgom—A spokesman for the French Rubber plantation company of Michelin announced today the 25,000 acre plantations in Viet Nam have been closed rather than met four stiff economic concretons by the Communist Viet Cong.

The action by Michelin reportedly follows the first instance in which the Viet Cong (Communist) have placed such spiff demands on the insecure French-owned and operated rubber plantations and the first time a French company has taken such a strong anti-communist position.

The Michelin company atto reportedly took a firm position against the Viet Cong the capture of a Free Vett rubber plantation technician and the murder of a Vietnamese management official by the Viet Cong.

Michelin is the fourth largest French rubber plantation company in Viet Nam. Terre rouge is first. Michelin exports 10,000 tons of rubber a year. The rubber exports from the French plantations is one of the key earners of foreign exchange for the Saigon government.

(Snore)

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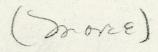
"We don't want to give up; the Michelin spokesman said,"
"We don't want our workers to starve. We must close, however,
until the Vietnamese government improves the security situation."

American combat units, based only fifty miles away, could also presumably be used to secure the plantation.

In a letter sent to the French company, the Michelin spokesman said, the Viet Cong communist district administration of Binh Duong province, 50 miles north of Saigon, listed four demands; on October 9 the day they captured a French technician:

- 1) Payment of economic taxes. The Viet Cong demanded taxes of one-half piastre per kilo of rubber sent to Saigon or 60 piastres (about cents) per standard 120 kilo Pareviously, the Viet Cong had demanded a 25% pay increase for the 4,000 plantation workers—which could be authorized only by the Saigon government and the management association of the ribber companies.
- 2) Viet Cong approval before Michelin made changes of personell. The Viet Cong demanded, that personell promotions and rotations from place to place would first be approved by them
- (about \$70,000) for the Remins of the two houses and the killing of a Vietnamese woman during a battle in which the Viet Cong pirated rice, supplies and engineers from a river convoy.

 Vietnamese Air Force planes bombed, destroyed the defenders during the battle in mid-July.
- 4) An increase of the daily rice ration for each rice workers. The Saigon government recently cut the rice ration to 700 Frams per worker per day; the Viet Cong demanded 1 kilo per day.



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Saigon government officials speaking privately have consistently argued that the rice ration for workers on the French plantations is normally confiscated by the Viet Cong and used to feed the Communist guerrillas.

In an apparent attempt to pressure Michelin to meet their demands, the Viet Cong on October 5th organized a village trial for a Vietnamese plantation "Corporal" named Ta van Thach.

In front of a "people's tribunal" and se some of H; 4,000 rubber plantation workers, he was reportedly sentenced to death as a "Saigon government spy" during the "trial" lasting from 8 p.m. to midnight.

According to security reports, the vigonamese when he recovered consciousness, the Viet Cong cut off his head and severed his body in half of the waist.

reportedly captured Bean Claude Petit pierre, a French culture assistant of the plantation. He is was released on October 12th when the Michelin plantation, according to the spokesman closed the plantation and stopped the shipment of 100 tons of rice a (one-month) supply, to the plantation workers.

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The closing of the plantation and more significant the stoppage of rice supplies reportedly angered the Viet Cong district chief who told the plantation workers, "the French colonialists are stubborn people". The Viet Cong district chief was then instructed by his superior, the Viet Cong province chief, to occupy the plantation—which he was already doing with is 100 local guerrillas—and to seize control of the plantations' administration, occupying the plantations' buildings, and confiscation the plantations' cars, boots, trucks and processing plants. Also, the district chief was allowed to shoot down the small planes flown by French pilots to their small plantation landing strips.

However, the Vietnamese government troops still guard the plantation factories and buildings in the district town; the management sent 5000 leaflets to the workers explaining, "The Michelin plantation deeply regrets having to close temporarily the plantation until security is restored. But we can't accept the process cutting off people's heads and meeting illigal conditions?" Michelin managers have stopped, flying to their plantations for fear their planes would be shot down.

But, for three days, the Viet Cong ordered the rubber plantation workers to continue tapping the rubber latex and threatened to sell the produce to Cambodia or to Chelen the Chamber twin city of Saigon but after three days, the plantation workers reportedly stopped working because they receiving no money or rice ration.



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Shortly after the plantation closed the Viet Cong reportedly sent workers' wives and children to the district headquarters demanding the plantation be reopened.

The Michelin plantation comprises the only productive portion of Tri Tam district, Binh Duong province—the rest of the district is a desolate jungle which the American and Vietnamese pilots use as a "death zone".

The 4,000 workers and their families—totalling 20,000 people—live in 11 villages on the plantation. The Michelin administrative headquarters is situated in the main town and government district center of Dau Tieng (pop 20,000), which is secured by a Vietnamese government battalion.

The plantation security has reportedly deterionated sharply during the past two years.

"Two years ago, the Viet Cong came from time to time at night only, and hid themselves," one reliable source explained.

"Now, with only 100 guerrillas, the Viet Cong control everything except the district town—and they call in 2 battalions from D-Zone to run that. The Viet Cong control all the plantation workers and they instead of the government labor union plead in defense of the workers. Each village has Viet Cong militiamen and their political organization.



within the post six months, the Viet Cong cut all the roads on the 25,000 acre plantation, except one, which had been used to collect latex. But even that road was reportedly mined with electronically controlled devices, which could be used to blow up government military convoys. The plantation is situated on the fringer of infamous zone-D, which has been a Communist controlled jungle base for SECADES.

American paratroopers and infantry men have initiated several large operations into the area, destroying Viet Cong hospitals, rice supplies and training bases.