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Ability of North Vietnam to Shift Current Seaborne  
Trade to Railroad Transport

In the event of a total blockade of the sea ports of North Vietnam, the tonnage of imports that normally arrive in North Vietnam by sea probably could be moved through the ports of Communist China and thence carried on the railroad from Kwangsi Province, China, to Hanoi. In addition the railroad could continue to move the volume of freight traffic currently moving on the line. A conservative estimate of the capacity of the meter-gauge rail line between P'ing-hsiang, the transloading station in China, and Hanoi is about 3,000 metric tons\* each way per day\*\* or about 1.1 million tons per year. The connecting railroad in China has a higher capacity. It is estimated that toward the end of 1964 the volume of goods being moved from China into North Vietnam was between 1,200 and 1,500 tons per day\*\*\*, which amounted to about one-half the estimated capacity of the line. The rail line, therefore, could carry an additional 1,500 to 1,800 tons per day into North Vietnam. The estimated seaborne imports during 1964 amounted to about 640,000 tons or about 1,750 tons per day.

Although it is believed that the above estimate of the line capacity is within a reasonable order of magnitude, the capability of a railroad cannot be estimated with precision. Actual operation of a railroad is the only way that its capability can be established. Even then, traffic can be increased to a higher level within a reasonably short time period and without an excessive expenditure of labor and materials. It must be concluded, therefore, that in the event North Vietnam could not receive any imports by sea, the P'ing-hsiang - Hanoi railroad would have the capacity to carry at least the volume of seaborne imports that North Vietnam is estimated to have received in 1964.

Possible congestion at the transloading point at P'ing-hsiang, where freight is transshipped between the cars of the narrow gauge railroad of North Vietnam and the standard gauge railroads of China, might initially limit the actual tonnage transported to a figure somewhat below the estimated

\* Metric tons are used throughout this memorandum.

\*\* The capacity of this line is estimated to be 9 trains each way per day, carrying an average of 20 to 25 freight cars per train. It is estimated that the average net load per freight car is about 15 tons.

\*\*\* Including North Vietnamese imports and Chinese transit traffic moving between the Chinese provinces of Kwangsi and Yunnan by way of the North Vietnamese railroad.

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capacity of the line. The transloading facility has been expanded significantly in recent years, however, and no significant delays or limitations on traffic are known to have occurred in the past from the transloading operation. If continued congestion occurred at the transloading point, it could be eliminated by further expansion of the transloading facilities, a task that could be accomplished rather easily and probably within one month.

The narrow-gauge rolling stock park probably would not be a limiting factor in the attainment of the estimated capacity of the P'ing-hsiang - Hanoi line. Although freight cars and locomotives are not plentiful in North Vietnam, Chinese narrow-gauge rolling stock from the Kunming Railroad Bureau could be used to supplement a deficiency in the North Vietnamese rolling stock park if Communist China were to consent to give priority to the movement of North Vietnamese imports. Furthermore, rolling stock presently used to move seaborne import and export traffic within North Vietnam could also be used. Repair and servicing facilities are believed to be adequate to maintain railroad equipment. The North Vietnamese, however, probably do not have enough narrow-gauge tank cars for carrying the petroleum imports over the longer distances that would be required if all imports were received from or through China by railroad. In 1964 seaborne petroleum imports amounted to 142,000 tons. Some petroleum products could be moved in drums by rail or by motor truck, but these methods would require considerably more time and effort than the rail movement by tank cars. The inability to divert all petroleum shipments to the rail system for movement by tank car could be the most serious problem for North Vietnam in the event of a blockade. If the Chinese were to permit the North Vietnamese to use the narrow-gauge tank cars normally used to transport petroleum to Yunnan Province, the North Vietnamese would have sufficient tank cars to transport the petroleum on the P'ing-hsiang - Hanoi line.

Motor vehicle transport can be used to supplement rail transport in the event of a sea blockade because the roads leading from Communist China to North Vietnam are capable of supporting considerable truck traffic. At present trucks, gasoline, and spare parts must be imported by North Vietnam and are scarce items. North Vietnam had about 5,000 civilian trucks at the end of 1962 in addition to military trucks. In view of the current essential uses for trucks, the extent to which motor transport could be allocated to supplement the railroad would depend, therefore, upon the priority that North Vietnam and China would be willing to give the movement of the imports of North Vietnam which currently arrive by sea.

It appears, therefore, that if North Vietnam and China are willing to establish priorities for the movement of the imports which currently arrive in North Vietnam by sea, sufficient transportation can be found for these shipments. The added cost of transportation by rail, nevertheless, from Fort Bayard (Chan-chiang), the closest Chinese port for a rail movement to consuming areas in North Vietnam\*, may be sufficient to force North Vietnam

\* The distance from Fort Bayard to Hanoi is about 840 kilometers.

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to dispense with some of the low-value high-volume imports which are currently received by sea\*.

Although the volume of exports shipped to China by rail is not large currently, the railroad to P'ing-hsiang patently does not have sufficient capacity to move exports at the level of the some 1.6 million tons\*\* which were shipped by sea in 1964. Moreover, complicated transportation arrangements would have to be established within North Vietnam to move some of these exports in the event of a blockade. Coal from the ports of Cam Pha and Hon Gai, for example, would have to move by barge and/or truck and thence rail. It is probable that the cost of the added rail and/or truck hauls of the low-value, heavy minerals which represent the bulk of the exports would not permit them to be competitive in world markets. The chief consequences to North Vietnam resulting from the inability to maintain the volume of exports would be a reduction in the exploitation of mineral resources and a failure to earn foreign exchange. Large trade deficits, normally covered by economic aid from the Communist countries, are characteristic of the North Vietnamese economy. Reduction in export capability would be an irritant to the regime, which hopes to increase the self-sufficiency of the economy and holdings of foreign exchange. Reduction in the exploitation of minerals and in the volume of exports would, however, free transport facilities which could be used to transport priority imports and exports from and to China.

\* Seaborne imports during 1964 consisted principally of food grains, fertilizer, petroleum products, timber, and miscellaneous goods.

\*\* North Vietnamese exports consisted principally of coal, apatitie, and cement. In addition products of agriculture, forestry, fishing, and handicraft earn considerable foreign exchange for North Vietnam.

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