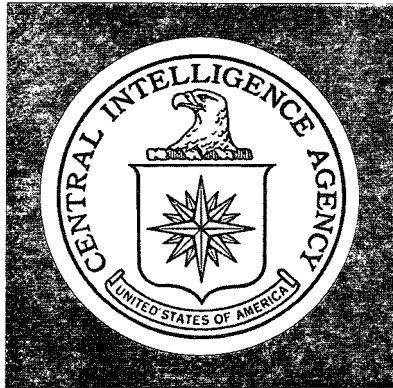
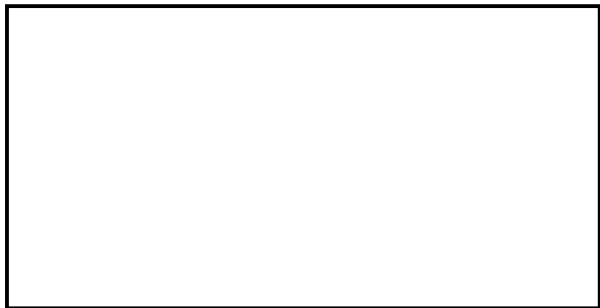


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Intelligence Memorandum

A Review of the Situation in Vietnam

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CENTRAL INTELLIGENCE AGENCY

A REVIEW OF THE SITUATION IN VIETNAM

8 December 1967

Note: This memorandum was produced solely by CIA. It was prepared jointly by the Office of Current Intelligence, the Office of Economic Research, the Office of National Estimates, and the Vietnamese Affairs Staff. Readers are referred to "The Vietnam Situation: An Analysis and Estimate," 23 May 1967, and to other recent CIA Intelligence Memoranda for treatment of these topics in greater detail.

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A SUMMARY VIEW

1. During 1967 the situation in South Vietnam has developed unevenly. Both the allies and the Communists have achieved successes and experienced failures. The costs and problems confronting the Communist military effort have continued to grow. Although the long-term military and political trends have been running against the Communist effort, Hanoi has effectively adapted its tactics to cope with US military pressures. The Communists have also maintained pressures of their own on the vital Revolutionary Development program.

2. The most important aspect of the over-all situation is that no early turning point appears likely. Given the Communists' belief that they enjoy political and psychological advantages in a protracted war, both Hanoi and the Viet Cong have some reason to view the past year with encouragement and to persevere with their policies, at least through 1968.

3. The struggle between allied forces and Communist regular units is beginning to go better from Hanoi's viewpoint, than it has for some time, despite heavy casualties and a steady erosion of Communist capabilities. While US forces have maintained some of the momentum of their gains in 1965 and 1966, the tempo of allied progress against main force units has begun to slow and the Communists have regained the strategic initiative in certain key areas. A number of traditional indexes used to chart the course of the war are now less favorable to the allies. The Communists have managed to offset the advantage gained when US combat forces were introduced by a combination of continued heavy infiltration and timely shifts in strategy and tactics.

4. In the war of attrition planned by Hanoi, the price of victories to the US counts more than the cost of defeats to the Communists. Although enemy units are hurting under continued allied pressure, they remain effective enough to achieve Hanoi's immediate objective: to tie down US forces on widely scattered

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fronts and to deny the degree of provincial security essential to the pacification program.

5. To compensate for the heavy casualties sustained during 1967, the Communists have sent large numbers of replacements into South Vietnam. Infiltration figures indicate that Hanoi has been able to maintain the total Communist main force strength at roughly its previous level while increasing somewhat the number of combat units there. Its objective apparently is not to match the US build-up unit for unit, but to maintain a supportable level suitable to its protracted war strategy. There are indications that sizable new units are in the process of deploying to the South, but we do not expect a drastic shift in the pattern or pace of infiltration. The availability of manpower in the North and Hanoi's determination to keep up the fight suggest, however, that the scope and pace of infiltration are not likely to decline substantially in the foreseeable future.

6. The war is not going so well for the Communist local forces and the guerrilla components of enemy combat units. The losses inflicted by allied action since 1966 have produced a drastic drop in combat efficiency and morale among many Communist units. The degree of difficulty varies radically, however, and in some areas the guerrilla elements remain a formidable threat. Moreover, the Communists are making strenuous efforts to remedy these problems through improved organization, coordination, and new tactics.

7. The reality of the guerrilla threat and its impact on security conditions are reflected in the slow pace of progress in the pacification program. While there has been a net forward movement this year, the programs have generally been running behind schedule in most provinces. The performance of South Vietnamese supporting elements remains spotty; setbacks were not, however, limited to their areas of responsibility. Given the slowness of the South Vietnamese to adapt to their support mission, the intensity of the Viet Cong counter-attack, and the disruptive effects of allied strategic redeployments to meet enemy initiatives, the prospects for adequate security in pacification areas are not bright. Without this security, progress will continue to be slow.

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8. Although the Communists have prevented the establishment of the degree of security necessary for pacification progress in many areas, they are faced with growing problems within their own local organization. Morale in the lower reaches of the Communist infrastructure has declined and there are signs that some rank-and-file cadre have lost faith in the Communist cause. These developments, combined with population movements away from Communist areas, have helped cause a shrinkage of the Communist taxation, support, and recruiting base. Popular disenchantment with the Communists, moreover, has contributed to an improvement in allied intelligence on the enemy infrastructure. The allies meanwhile have developed an organizational framework for a systematic nationwide attack on the infrastructure, which, if effectively utilized, could seriously disrupt the enemy apparatus.

9. In the political realm, the South Vietnamese have made considerable strides in establishing the framework for developing national political institutions. Although what has been created is presently more shell than substance, it is the first step in the evolution of a viable South Vietnamese state, and gives the government a better claim to legitimacy and popular mandate than anything its Communist opponents can presently offer. Political evolution, moreover, has not been confined to the national (or Saigon) arena. Some of the elected hamlet and village councils recently established represent a structure that, if effectively supported and protected, could outweigh the better known national institutions in political impact.

10. On balance, the political trends in South Vietnam have been running in a direction potentially more adverse to Communist interests than trends in the military field. There are no grounds for easy optimism, however, since the trends are fragile and hold more promise than demonstrated achievement.

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11. In North Vietnam, Rolling Thunder operations have imposed an increasingly heavy burden. The costs of bomb damage, the neutralization of industry, the increased disruption of transport, and the rigors of daily living have combined to make support of the war more difficult and complex. Despite the achievements of the bombing program, however, no significant deterioration in North Vietnam's military capabilities or its determination to persist in the war can be detected. The flow of men and supplies to the South has been maintained; and the cost of damage has been more than compensated by deliveries of foreign aid.

12. Hanoi harbors no illusions of ultimate military victory, in a Western sense. But the North Vietnamese remain confident that they can hold out, in a protracted war of attrition, longer than the US. They apparently remain willing and able to accept the high cost of US attacks in the South and in the North, at least at present levels, in the hope that the American and South Vietnamese will to fight to the end eventually will weaken under the strain of military frustrations and domestic political pressures.

13. The view of the war from Moscow and from Peking has remained fairly constant over the past year. Although the Soviets probably believe that a military victory by either side is virtually impossible at the present level of effort, they continue to hold the view that the USSR has no acceptable alternative to helping Hanoi carry on the war. Moscow would welcome a political solution of the conflict, but is not willing to try to force Hanoi to the negotiating table by threatening to curtail military aid.

14. Chinese hostility to negotiations of any kind remains as rigid as ever. We believe that Peking is prepared to exert considerable political pressure, to increase its military aid to Hanoi, and--if requested--to station combat troops in North Vietnam in order to sustain Hanoi's will and ability to prolong the war in the South. We do not believe, however, that the Chinese are committed to a Communist success in South Vietnam at

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any price. In the event that only their own inter-
vention could save the situation, we feel that
Chinese fear of a US attack on mainland China would
be the commanding factor.

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I

The Current Military Situation

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I. THE CURRENT MILITARY SITUATION IN SOUTH VIETNAM

Measuring Progress of the War

1. Measured in terms of progress since the commitment of American combat troops in 1965, the current military picture in South Vietnam reflects great gains. Many strategic lines of communication have been recovered from enemy control, for example, and allied forces are able to conduct military operations in sectors of the country which were formerly inviolate Communist sanctuaries. The enemy's direct control over substantial sections of the rural populace has been broken. The total number of Communist battle losses is much higher than in 1965, and the rate of enemy in-country recruitment appears to be down sharply. Morale problems have intensified and local shortages of supplies have hampered operations.

2. From a conventional military viewpoint, the enemy's continuing reverses seemingly should raise the pressure on the Communist military apparatus to an intolerable level within the foreseeable future. It is clear, however, that this war cannot be judged solely in conventional terms, and that such traditional indexes of progress as enemy killed-in-action, weapon losses, desertions, etc., do not necessarily reflect the present strategic balance in the conflict. From the Vietnamese Communist point of view, there are no prospects of a purely military victory in South Vietnam so long as US forces remain in the country. There is the prospect, however, that prolongation of the war as an indecisive conflict beyond a point at which the US is willing to endure its cost will open the way to a political settlement satisfactory to the Communists.

3. If allied progress in the war is judged from this point of view, the current military situation appears considerably less favorable.

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The Present Balance

4. By a combination of continuing heavy manpower inputs from North Vietnam and shifts in strategy and tactics, the enemy regular units appear to be overcoming the advantage gained by the allies through the introduction of US combat troops. There are indications, in fact, that the tempo of progress against the enemy main force units--as compared with 1965-66--has slowed down, particularly in areas where the Communists have concentrated increased forces and pressures.

5. While many of the Communist main force units continue to absorb heavy casualties and are operating at a combat efficiency far below their optimum, they are still in the field. By tying down and spreading out most of the allied maneuver elements in widespread operations against Communist regular units, the enemy has precluded the concentration of friendly forces in a strength sufficient in any one area to eliminate a significant Communist component. A decisive victory in these terms would appear to involve the destruction of an enemy unit to the point when friendly force strength in the area could be permanently reduced and employed in similar operations elsewhere.

The Communist Estimate

6. The failure of the allies to "wipe out" the Communist units is a point consistently and heavily stressed by North Vietnamese strategist General Vo Nguyen Giap in his periodic articles assessing the balance of forces in the war. Giap's articles and other Communist statements suggest that Hanoi believes it can prolong the conflict in much its present balance--despite casualties and other difficulties--for at least two more years. The North Vietnamese probably hope that such a time span will suffice to break the American will to continue the war.

7. The Communist estimate probably is based in part on their own view of some of the conventional indexes of war progress. For example, while their casualties have been heavy, they have--even

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by allied computations--declined somewhat since mid-1967, simultaneously with shifts in enemy strategy and tactics discussed below and at length in Section II. Military returnees under the Chieu Hoi program, which is considered an indication of enemy morale and the effectiveness of organizational discipline, have also dropped substantially during the latter months of 1967 after peaking early in the year. By contrast, the rate of offensive activity by enemy units--defined statistically as "attacks"--has moved up sharply since mid-year.

8. Currently, the Communists have embarked on a vigorous "winter-spring" offensive. While the pace of this activity may taper off before long as Communist units pull back to recoup and realign in the wake of their battle losses, the offensive will have served several significant purposes from the enemy point of view. It will, for example, have demonstrated in newspaper headlines throughout the world the continuing military punch maintained by the Communists and will probably have served to shake the faith of a large part of the rural populace in the ability of the allies to maintain and guarantee security in the countryside. It is possible, moreover, that in certain sections of the country, the enemy may be able to keep up a fairly sustained rate of offensive activity--in the northwestern III corps area, for example, and in parts of Ist Corps.

The Regional Situation

9. The ability of the Communists to sustain their position to some extent and even to reverse some of the allied gains--thus protracting the war--can perhaps best be seen in the current enemy situation in the central coastal provinces from Quang Ngai south to Khanh Hoa. During late 1965 and most of 1966, strong allied offensive operations in this area broke the tight grip over the populace held by the NVA 2nd, 3rd, and 5th Divisions, and the local Viet Cong units, inflicting very heavy casualties upon them. However, by replacements from North Vietnam and a continuing trickle of local recruits, it appears that the NVA divisions in this area have managed to maintain their numerical strength at about 70%. Although their combat efficiency has been drastically cut, they are still formidable threats.

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10. Through defensive maneuver operations, unit dispersal, and other tactics, the NVA units have managed to remain in the field, to keep a growing number of allied units tied up against them, and to stage continuing small-scale offensive operations in and on the fringes of the populated coastal provinces. Allied efforts to consolidate the gains in population control in the area, meanwhile, have been slow and subject to quick reversal. Security in parts of the central coastal provinces has deteriorated during the past few months in the face of renewed aggressiveness by Communist main force units.

11. Allied progress against the Communist regulars has also slowed appreciably, when compared with 1965-66, in many parts of northern I Corps. In the mountainous area of southern Quang Tri Province, for example, a substantial build-up of Communist strength--possibly involving several regiments--has occurred during the latter half of 1967, despite the deployment of additional allied units to the northern provinces. The location of these units theoretically permits them to harass allied elements operating in the DMZ area from behind and also to put additional pressure on the critical coastal lines of communication with the DMZ. Communist development of the A Shau Valley base area has also continued and current deployments of divisional-level units from North Vietnam may involve a build-up in this area which would greatly increase the threat to the strategically important lowlands from Hue to Da Nang.

12. In the III Corps area, allied units--at their most heavily concentrated strength in South Vietnam--are continuing to keep the enemy main forces under heavy pressure in the area of Binh Tuy, Gia Dinh and Hau Nghia Provinces. Pacification in this region, however, also remains slow and tenuous under the threat of small-scale enemy operations.

13. In northwestern III Corps, meanwhile, security conditions have deteriorated over the past few months as the Communists have moved in new regimental-sized forces from the highlands and coastal III Corps. Heavy infiltration of replacements from North Vietnam into this area has also taken place in an apparent effort to rebuild the Communist

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units damaged by major allied offensives in Tay Ninh and Binh Duong Provinces in late 1966 and early 1967. The enemy may now be in a better position to defend against major allied sweep operations in this sector than in 1966.

14. In the delta, the combat effectiveness of many of the Viet Cong main force battalions has been severely curtailed as a result of continuing combat attrition and difficulties in recruiting local manpower. None of the major enemy elements have been knocked out, however, and there is no real prospect that this will occur in the foreseeable future. Meanwhile, an evolution of enemy tactics designed to cope with the strengthening of allied forces can be very clearly detected in the delta. Rather than expending troops generously in mass infantry attacks on allied strongpoints, the Communists have begun in many instances to rely on attacks by fire (mortars and recoilless rifles) and to follow this up with limited ground probes. The objective is to keep the allies tied down as much as possible on static defense while conserving the position of the Communist units and scoring the maximum psychological impact on the populace.

15. As in the areas around US strongpoints in northern South Vietnam, Communist units in the delta have attempted to increase the density of their strength in the vicinity of the US bases in Dinh Tuong and Long An Provinces, hoping to tie up the Americans in skirmish type combat near the installations and thus stall US offensives against more vulnerable Communist positions elsewhere in the northern delta. Better coordination of enemy attacks is also evident in the delta, as the Communists seek to spread out and cut the effectiveness of allied reaction forces.

The "Strategic Area" Strategy

16. The development of the "strategic areas" concept discussed in the articles of General Giap has been a highly important element in the Communist effort to hold on against the allies and eventually to offset the presently programmed level of US military forces in South Vietnam. During 1966 and early 1967, the front opened by the Communists in the DMZ sector appeared to be one such "strategic" battlefield. During the last

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few months, it appears that the enemy has been attempting to develop similar fronts in the central highlands and possibly in the northwestern sector of III Corps. Each of these areas is advantageous to the Communists from the standpoint of terrain, sanctuary and access to resupply and replacement.

17. At the present time, the military situation in these areas appears to be largely a stand-off. While the Communists have probably taken substantial losses in the stiff battles which have occurred in each front area, their forces are still intact and the losses can be replaced and combat effectiveness rebuilt until such time as the enemy chooses to renew offensive operations in the particular sector.

18. The Communists hope through the use of these fronts to soak up many of the extra maneuver battalions of the allies and prevent their concentration for decisive operations against Communist main force units in other parts of South Vietnam.

Status of the Irregular Forces

19. The current state of the war against the local forces and the irregular components of the Communist combat units in South Vietnam is more difficult to assess than the situation with respect to the enemy main forces. In terms of overall numerical strength, the evidence appears overwhelming that the enemy, beginning in 1966, has sustained substantial attrition among his local and irregular units. The resultant problems have produced a drastic drop in combat efficiency and morale among many of these units. The situation varies radically, however, from area to area of the country. In northern I Corps, where they are backed by substantial and effective main force units, the guerrilla elements are a formidable and, in some sectors, a growing threat. They have probably also maintained their relatively strong position throughout most of the delta, where allied pressure has been the lightest. Elsewhere in the country, the local forces and guerrillas are definitely less effective than in 1966.

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20. It is clear from captured Communist documents, however, that the enemy fully recognizes his shortcomings in this sector and is making strenuous efforts to alleviate the situation. It appears that the Communists do not envisage the rebuilding of the numerical strength of the irregulars to former levels. They aim rather at stiffening the effectiveness of the remaining irregular units by organizing closer cooperation between main, local and irregular forces, by better armament for some of the guerrillas, and by such new tactics as the use of sapper squads to maximize damage in connection with guerrilla-type raids. There is extensive evidence, moreover, that the Communists are reorganizing and consolidating many irregular units with a view to developing more viable, better led elements which will still have a substantial ability to intimidate and influence a large portion of the rural populace of South Vietnam.

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II

Communist Strategy and Tactics

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II. COMMUNIST STRATEGY AND TACTICS

1. Present Communist strategy in South Vietnam is to hang on militarily and politically, in the hope that the US and South Vietnamese will prosecute the war to its end will weaken and that the allies will agree to a solution which will leave the Communists in a commanding position in the South. The Communists harbor little illusion that they can win final military victory or that a few dramatic battlefield successes will bring about a repetition of the Dien Bien Phu sequence. Rather, they envisage a war of attrition in which prolonged, inconclusive combat and failure to consolidate South Vietnamese Government control will eventually persuade the allies to alter their policy.

2. The tactics by which the Communists hope to achieve their objective involve the maintenance and strengthening of essential base areas; the coordination of military operations among various battlefronts--mountain and jungle areas, coastal lowlands, and the delta; coordination among various types of forces--main force, local force, and guerrilla; and coordination of military operations with political activity. Through these means, the Communists hope to force allied troops to overextend themselves in carrying out both offensive and defensive missions. They also hope to prevent extensive and lasting pacification of populated regions, and to frustrate the establishment of a viable, popularly supported government under anti-Communist leadership in Saigon.

Military Tactics

3. In an effort to husband their military forces and to cut down heavy losses, the Communists are trying to avoid large-scale engagements initiated by the allies in which superior allied firepower and mobility can be brought to bear. They have acquired improved weapons themselves, particularly in the form of heavy mortars and rockets, which enable them to inflict significant casualties on the allies at minimal cost to their own forces. While avoiding large-scale engagements where possible, the Communists remain willing to undertake limited

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offensive operations under favorable conditions and to take high casualties in the defense of vital bases or supply routes, or in the hope of ambushing or otherwise trapping and destroying an isolated allied unit.

4. Although some of their regular combat units are under strength, and certain ones perhaps chronically so, there is no evidence that the Communists currently are prepared to dissolve their main force structure and resort entirely to guerrilla warfare. There is evidence of increasing flexibility within and among the main and local force structure--re-subordination, dispersal, or dissolution of some units--but so far this has been carried out on a limited scale.

5. The Communists appear to have reaffirmed the traditional concept which envisages the use of both regular and guerrilla units, even while giving increased emphasis to mutually supporting actions between regulars and guerrillas. Thus they seek to combine main force offensives with extensive harassment, such as mortar and rocket attacks on allied bases and population centers, sabotage of lines of communication, and small-scale raids. They hope in this way to increase the number of allied troops on static or perimeter defense duties, and to limit the number of allied maneuver battalions available for search-and-destroy operations.

6. The Communists now deploy the bulk of their larger main force units in sparsely populated areas, around the DMZ, in the western highlands, and in northern III Corps. Each of these areas affords sanctuary in North Vietnam, Laos, or Cambodia, and access to lines of supply. By staging from these border strongholds and by shifting emphasis from one to another, the main force units pose a constant threat to the control of strategic areas. Their actions serve to draw in and tie down allied forces over widely scattered areas, thus relieving pressure on Communist forces in the coastal provinces and in the delta. These tactics also enable the main force units to accept combat under conditions from which they can rapidly disengage to safe havens.

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7. The Communists are also using their local and guerrilla units not only in their traditional role of probing and softening up potential targets for main force operations but as integral elements of such operations in ambush or blocking missions. Likewise, main force units, particularly in contested areas and on the periphery of government areas, are being used increasingly in small-unit actions to back up local force and guerrilla operations and to disrupt the government's pacification program. The Communists are forming increased numbers of sapper units, often by retraining local force or guerrilla units. These modifications, together with increased emphasis on guerrilla forces and guerrilla tactics, are aimed at maintaining the Communist presence in populated areas and preventing significant extension of government control.

Political Tactics

8. Some captured documents and agent reports suggest that the Communists plan to step up both selective and indiscriminate terrorism to intimidate the public and undermine its confidence in the Saigon government. So far, however, there appears to be no clear trend in this direction. The Communists appear to be increasingly aware of the counterproductive effect of harsh measures against the populace under their control. Much of their political energy is currently directed at improving the quality, morale, and local acceptability of their cadres so that their internal organization can survive a protracted war.

9. Communist expectations of attracting greater mass support and of fomenting a "general uprising" have almost certainly diminished as a result of continued political stability in Saigon, the establishment of representative government institutions, and the limited nature of Communist assets in urban areas. The Communists thus appear to be introducing greater flexibility into their political tactics as well as their military tactics. The National Liberation Front's recently revised platform, while essentially reaffirming earlier policies, appears to be designed to offer a possible alternative to the new Saigon regime and to convince disaffected non-Communists that they can live with the Front. The Communists

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may be hoping that dissatisfaction with the Saigon regime and general war weariness will increase as the conflict drags on, and that some form of compromise or coalition with the Front may prove acceptable to non-Communist Vietnamese.

Conclusion

10. The Communists are constantly re-examining their strategy and tactics in South Vietnam in the light of their over-all capabilities. Just as they have had to abandon their hopes of early political or military victory, their strategy and tactics have undergone and may further undergo readjustment to the reality of growing allied strength, their own heavy losses, and their problems of morale and logistics. The evidence suggests, however, that for the present they feel under no compulsion to abandon their basic objectives in the South or the means by which they are seeking to attain them.

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III

Communist Forces in South Vietnam

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III. COMMUNIST FORCES IN SOUTH VIETNAM

Force Levels

1. The strength of Communist forces in regular combat units in South Vietnam is estimated at approximately 118,000, of whom some 54,000 are in North Vietnamese Army units and 64,000 in Viet Cong main or local force units. In addition, there are estimated to be at least 35,000-40,000 administrative support troops who back up the combat regulars. The strength of Viet Cong village and hamlet guerrillas is believed to be in the 70,000-90,000 range. The combined total of these forces is estimated at between 223,000 and 248,000.

2. There is fairly good intelligence on the regular combat units, and the total strength figure for this category is considered fairly accurate. Intelligence on the other two categories of combat forces is considerably less complete and there is more room for error in estimates of their strength.

3. It is also possible that our estimate of the number of North Vietnamese Army troops within the total strength figure for the regular combat units is low. Captured documents and prisoner interrogations indicate that an increasing number of North Vietnamese soldiers are serving as replacements in regular Viet Cong units. A study in late 1966 of Viet Cong forces in the III Corps area north of Saigon revealed that in some units at least 23 percent of the personnel were North Vietnamese Army infiltrators. This percentage is probably higher now, and Viet Cong units in I and II Corps probably contain a correspondingly greater percentage of northerners--perhaps 50 percent in some instances.

4. There is no evidence that North Vietnamese Army troops are present in significant numbers in the delta, or among the guerrilla force, although a few may be serving as cadres or advisers.

5. Apart from the military forces described above, the Communists make a strong effort to organize much of the total manpower under their control into

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various work forces and semimilitary organizations. Among the most significant of these organizations are the local "self-defense" forces. These units are mainly charged with the protection--in a defensive sense--of Viet Cong - controlled villages and hamlets. They apparently do not participate very often in offensive operations against allied forces. Moreover, the self-defense forces include a large number of people of both sexes who normally would not be fit for regular combat duty. Some have firearms, but many others do not. They are only partially trained, and usually do not serve full time. Their existence, however, poses an impediment to allied sweeps and pacification, and they do inflict casualties on allied forces.

6. There is no officially accepted estimate of the strength of these self-defense forces. However, Communist documents indicate that the enemy estimated their strength in early 1966 at around 150,000. They probably have suffered some attrition since that time, both from casualties and by the induction of some self-defense personnel into the regular armed forces or the guerrilla forces.

Effects of Losses and Recruiting Problems

7. During the past year Communist manpower problems within South Vietnam have become more serious as their loss rates have increased and their ability to recruit in the South has diminished. Analysis of loss and recruitment data suggests that the Communist force level, which increased substantially during 1965 and 1966, probably has stabilized or possibly has been reduced somewhat during 1967.

8. It is difficult to assess the exact extent to which Communist force strengths in South Vietnam have declined over the past year and any estimate of these losses is subject to wide margins of error. It is clear that most of the decline is at the lower levels of the Communist structure. This is due not only to increased casualties, but to the Communist practice of drawing on the lower levels to help maintain the strength of Regular Force units. There is some evidence that guerrilla forces have declined considerably in some provinces where allied activity

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has been most intense. In other areas, particularly in IV Corps, the guerrilla structure may be almost as solid as before.

9. The number of VC troops in Administrative Service Units has probably also declined from a year ago. This assumption is based on the increased share of combat being assumed by North Vietnamese Army units; the need to use administrative service troops to provide combat replacements; and the increasing tendency of main and local force troops to perform more of their own logistical support.

10. Increasing casualties, illness, and other hardships are known to be causing considerable morale problems for both Viet Cong and North Vietnamese troops. The number of Viet Cong returnees under the Chieu Hoi program this year is well above last year's total, although the rate for the past seven or eight weeks has dipped below the comparable period last year. Prisoners and documents also indicate that desertions are a growing problem.

11. As of 1 December, the US military command in Saigon estimated that only 85 to 115 of the 194 enemy maneuver battalions accepted in the official order of battle are combat effective; the remainder are listed as ineffective or marginally effective. Judgments on combat effectiveness are admittedly arbitrary, however, and are subject to rapid individual change as enemy units receive replacements and new supplies.

Conclusion

12. Although the manpower problem apparently has been more acute in 1967 than previously, it has not been grave enough to erode the over-all ability of the Communists to continue the war. While their losses have been heavy and they face increasing recruiting difficulties in the South, they retain sufficient initiative to control their casualty rate and have the ability to maintain, and increase if necessary, the level of infiltration from North Vietnam. Finally, the infrastructure--the political cadre and Viet Cong government--which the fighting forces must protect, remains relatively intact.

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IV

Status of Troop Infiltration Into South Vietnam

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IV. THE STATUS OF TROOP INFILTRATION TO SOUTH VIETNAM

1. Evidence on infiltration for the first ten months of 1967 indicates that Hanoi has been able roughly to maintain the total Communist main force strength in South Vietnam, while moderately increasing the number of main force combat units there.

2. The pattern of infiltration in 1967 has differed somewhat from that of previous years. In 1965 and 1966 the bulk of North Vietnamese personnel were sent south to encadre existing VC units, to form the nucleus for new units, or as intact battalion and regimental formations of the North Vietnamese Army. This year, however, at least 24,000 of the 41,000 infiltrators--almost 60 percent--have come south as replacement personnel for both Viet Cong and North Vietnamese units. This figure is probably somewhat higher since the disposition or assignment of a number of infiltration groups is not known.

3. The need for Hanoi to pump in such a large percentage of replacements is the result of increasingly heavy casualties sustained by Communist main force units and greater difficulties in recruiting and training personnel in South Vietnam. Although some units have been depleted, the Communists have been able to maintain the nine division force structure that they achieved in 1966. In some instances, particularly in the northern provinces of South Vietnam and in the central highlands, they have also been able to add to their force structure and to beef up their infantry units with artillery, rockets, and other heavy weapons.

4. Another difference in 1967 has been the continuing use of the DMZ for infiltration. Some 10,650 of the known infiltrators--about 26 percent--have used this route. Use of the DMZ complicates the problem of estimating infiltration because units suffering casualties in the area return to North Vietnamese territory for replacements, and often it is impossible to determine the number of new infiltrators when the units return to South Vietnam for combat. In addition, some North Vietnamese units which

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have taken part in DMZ actions have not yet been included in field infiltration statistics. These include elements of the 270th Infantry and the 164th Artillery Regiments.

5. Between 9,000 and 10,000 infiltrators-- some 22 to 24 percent of the total--arrived in South Vietnam during 1967 as members of at least five new North Vietnamese regiments. These were the three regiments of the 325th Division, the 174th infantry regiment which infiltrated into the central highlands, and the 368 "B" Artillery Regiment which infiltrated into Quang Nam Province. A sixth regiment was formed in Quang Tri Province primarily from smaller infiltrated units.

Indications of Current Infiltration

6. In recent weeks, prisoners and ralliers particularly from the central highlands, have identified a large number of newly infiltrated units or groups. It is likely that many of these will be picked up in MACV's statistics in the coming months. Most of these groups appear from their descriptions to be either replacements or support units for existing NVA regiments or divisions.

7. Furthermore, there are indications [redacted] that still more North Vietnamese units may be in the process of deploying or preparing to deploy to South Vietnam. The 31st Regiment, which formerly operated in the DMZ area, was last identified moving southward in the Laos panhandle. Another is the 304th NVA Infantry Division, last based at Thanh Hoa in the DRV, [redacted]

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[redacted] One regiment of the 304th Division has already been spotted in the Laos panhandle. [redacted]

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Rates of Infiltration

8. Infiltration for the first six months of 1967 has been running at the rate of about 5,800 men

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per month. This compares with a figure of about 9,700 men per month for the first six months of 1966. The 1967 figures undoubtedly will continue to rise as more information becomes available. Past experience with the accumulation of infiltration data indicates that a time lag of approximately six months is inherent in the figures. This problem has been further complicated in 1967 because of the large number of known replacements--almost 60 percent of the total infiltrates to date. They are harder to detect than the incoming organic units.

9. Nevertheless, the pace of infiltration in 1967 gives evidence of being much steadier than that of any previous year. Again, this is probably a result of the large number of replacements being fed into the VC/NVA force structure each month. In previous years, Hanoi had infiltrated personnel in an effort to achieve a programmed force structure of eight to ten divisions. This force was to be Hanoi's answer to the heavy US build-up in 1965 and 1966. Thus in the first nine months of 1966, some 75,000 men were sent to South Vietnam, including twelve regimental-size formations. During the last third of 1966, infiltration dropped off drastically to an average of 3,300 men per month--mostly replacements. With the acceleration of combat in 1967 and the concomitant rise in Communist casualties, Hanoi has been forced to maintain a fairly steady flow of manpower to the South.

Outlook

10. Hanoi apparently is not trying to match the US build-up unit for unit. It has chosen instead to try to maintain a force level it considers attainable and supportable, a level suitable to its protracted war strategy. If a decision is made to shift the pattern or pace of infiltration significantly, it will be based on a number of factors. Among these are the level of combat in the South, the casualty rates of Communist forces, and the extent of any further build-up of allied forces.

11. We doubt that a drastic shift in the pattern or pace of infiltration will be made in the foreseeable future, partly because the build-up of

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allied forces in the South has leveled off during the current year and is publicly forecast to continue at a slower pace into late 1968. Although enemy casualties also increased drastically this year, the big surge in Communist losses occurred during the first half of 1967 and has leveled off since then.

12. Moreover, Hanoi would probably want to retain sufficient reserves to continue the struggle over a long period and to be in a position to capitalize swiftly on any possible weakening of US resolve by a major move South. Hanoi must also take into account the possibility of a limited invasion of North Vietnam. It also has problems of supply and protection of present and future forces fighting in the South. This is especially important in the central coastal provinces and in eastern III Corps where the NVA/VC units already in place are relatively vulnerable to allied offensives. The North Vietnamese thus are unlikely to try to augment their forces in these areas on any major scale. Another inhibiting factor is that infiltration must be geared to the availability of adequate trained cadre and officer personnel. It is likely that the North Vietnamese are encountering some serious shortages in training cadre and officers for their forces.

13. Nonetheless, the availability of manpower in the North (see Section X) and the experience of steady infiltration in the past leave little room for any conclusion that infiltration is likely to decline substantially in scope or pace during the foreseeable future. Hanoi still appears committed to sending everything it believes is needed to keep its forces in the South in the fight. Despite the inhibiting factors discussed above, Hanoi retains the capability of moving several division-size elements into South Vietnam, in an attempt to alter quickly the balance of forces there.

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Infiltration of Supplies Into South Vietnam

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V. INFILTRATION OF SUPPLIES INTO SOUTH VIETNAM

Logistical Requirements

1. North Vietnamese and Viet Cong regular forces in South Vietnam* currently require about 215 tons of logistical support per day, of which all but 35 tons is food. The Communists obtain about 75 percent of the total requirement from within South Vietnam and the remaining 25 percent, or about 55 tons a day, from outside the country. The dependence of Communist forces in South Vietnam on external sources for food, ammunition, weapons, and equipment has grown in 1967 for several reasons. Allied forces are denying the Communists domestic sources of supply and are disrupting internal distribution; the Communist forces are being re-equipped with new and heavier weapons, the proportion of North Vietnamese troops in South Vietnam is increasing, and they are deployed mainly in rice deficit areas. Currently about 85 percent of the ammunition, 30 percent of the weapons and equipment, and a little more than 20 percent of the food required by Communist forces must be infiltrated from out of country.

Infiltration Routes

2. Four general routes are used to infiltrate supplies to South Vietnam: through Laos; by sea; through and around the Demilitarized Zone; and from or through Cambodia. Historically, the Laotian and sea routes were the main infiltration routes. The Laotian route is still the most important route, while sea infiltration has been reduced since the start of Market Time operations.

3. The Laotian route (the Ho Chi Minh Trail) consists of an extensive trail and road network. The road network in the Communist-controlled areas of Laos near the South Vietnamese border has been extended from 200 miles at the beginning of 1965

**See Section III for a breakdown of these forces.*

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to about 700 miles at present. In previous years supplies could be trucked only part way through Laos and only during the dry season. New and improved roads now enable trucks to move the full distance from North Vietnam through Laos into South Vietnam during the entire year. Despite US airstrikes against this road system and the trucks using it, the volume of traffic has increased each year. During the 1966-67 dry season, for example, the Communists delivered more than 20,000 tons of supplies from North Vietnam along this system, compared with about 14,000 tons during the previous dry season. This route is used primarily to move weapons, equipment, and ammunition from North to South Vietnam but other supplies are also moved through Laos including food from Cambodia.

4. Infiltration of supplies into South Vietnam by the use of small ocean-going ships and junks has been reduced as a result of US sea and air patrols. However, three attempts at sea infiltration using steel-hulled craft of about 100-tons capacity have been detected this year, the most recent occurring in July. Weapons and ammunition have made up the bulk of the supplies infiltrated by sea.

5. Use of land and water routes through and around the DMZ has increased as North Vietnamese forces have moved into the provinces just south of the DMZ. All types of supplies needed by these forces have been infiltrated by primitive transport over these routes. Daily needs for the personnel infiltrating into South Vietnam are also supplied along these trails.

6. The Cambodian infiltration routes make use of existing Cambodian roads and waterways to border areas from where supplies are moved mainly by primitive transport on trails and waterways to the Communist forces in Laos and South Vietnam. Rice is the principal item obtained by the Communists from Cambodia. Most other supplies infiltrated to Communist forces in South Vietnam are either produced in Cambodia or are legally imported to Cambodia through Sihanoukville or Phnom Penh and can be readily purchased in Cambodian markets. The Communists obtain a small portion of their total requirement for such items

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as batteries, radios, cloth, and paper in this way. We still lack firm evidence that any substantial amounts of weapons or ammunition are obtained by the Communists from Cambodian stocks or through Cambodian ports, particularly Sihanoukville. On the other hand, there is evidence that Communist units in border areas receive arms and ammunition from stockpiles maintained on Cambodian territory. These munitions probably were moved from North Vietnam south through Laos to Cambodia.

Prospects

7. The Communist logistical network has been and will continue to be a flexible and resilient system. It has the capability to meet the increased logistic demands that would result from an expansion of Communist force levels, from an increase in the intensity of combat, or from deployment of forces in new and remote locations. This was illustrated recently at Dak To. Communist expenditure of ammunition--particularly ammunition for heavier weapons--in the Dak To battle was much greater than the expenditure of ammunition in other recent enemy engagements, excepting those in the DMZ area.

VI

Pacification and Population Control

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VI. PACIFICATION AND POPULATION CONTROL

1. Progress in pacification continues at a very slow pace. There has been a net forward movement this year, with setbacks in some areas being more than offset by gains in others. Nonetheless, programs were generally running behind schedule in most provinces, and it seems likely that achievements will fall about 25 to 30 percent short of 1967 goals.

Pacification Progress

2. The best measure of the current status of the pacification effort is the security of the population. The new Hamlet Evaluation System, which seems to be a reasonably valid indicator of trends, places about 67 percent of the populace in areas protected by Allied military forces and administered on a continuing basis by the South Vietnamese Government (GVN). Although this figure represents a substantially improved situation over that prevailing three years ago, when perhaps 40 percent of the populace lived in secure areas, it marks only a slight gain (from 64 percent) this year. The population living in Viet Cong - dominated hamlets has declined from 19 to 17 percent in 1967.

3. The slow pace in pacification is attributable to a number of factors. The village and hamlet elections last spring and the national elections in September and October preoccupied GVN authorities and diverted security resources from purely pacification objectives. Although these activities can be viewed as contributing to long-term nation-building aims, they detracted from current pacification momentum.

4. The Viet Cong counterattack on the pacification program, which according to captured documents is a high priority task, has intensified this year. In addition to attacking pacification teams and secured hamlets directly, the Viet Cong have stepped up their actions against district towns and provincial capitals. The effect of these attacks is intended to be more psychological than material, and hence is difficult to measure.

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5. The over-all impact of the Viet Cong counter-pacification effort is reflected in the Hamlet Evaluation System data, which show that while there was significant improvement in 33 districts there was equally significant deterioration in 28 districts (eight in I Corps, seven each in II and IV Corps, and five in III Corps) from March through September. The most significant gains occurred in areas near the major cities--Hue, Da Nang, and Saigon--where allied forces are active. Significant deterioration occurred generally in more remote areas, but included reversals in districts of Quang Ngai, Phu Yen and Vinh Binh provinces where pacification successes had been scored in previous years.

6. These setbacks underscore a continuing lack of security in the pacification program. The performance of South Vietnamese armed force elements supporting pacification remains spotty, enabling the Viet Cong to concentrate their efforts on selected exposed targets and also occasionally to strike deeply in the rear of pacified areas. Setbacks were not limited, however, to zones where these units were deployed. Erosion occurred also in some districts within USMC, ROK, and US Army areas of responsibility. This suggests that overextension of pacification operations (or thin deployments of allied forces) may be as much a factor as the low combat effectiveness of the South Vietnamese.

7. A further reflection of lagging pacification momentum is the declining Chieu Hoi rate. Although the total number of defections from the Viet Cong for 1967 is almost double that for 1966, the rate of flow has dwindled markedly since early this year, and has been running below last year's level for the past several weeks. This decline is attributable in part to the reduced pace of clearing operations in II and III Corps since mid-1967. The new GVN cabinet is planning greater emphasis on the Chieu Hoi program. Increased use is being made of Chieu Hoi returnees in a number of pacification operations, such as in Revolutionary Development (RD) cadre and armed propaganda teams.

8. Significant progress has been made in organizing resources for a coordinated attack on the

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Viet Cong infrastructure. District Operations and Intelligence Coordinating Centers (DOICCs) had been established in 48 districts by the end of September, and cooperation between US intelligence and security elements has been effective. Despite some initial problems with the Vietnamese National Police directorate, operations against Viet Cong political control elements are being mounted at local levels with encouraging results, and the tempo of this activity can be expected to increase significantly.

9. The RD cadre program is moving forward despite difficulties. Almost all teams have now completed work in their initial 1967 target hamlets, and have moved on to their second targets. Cadre strength had increased by 20 percent to 24,509 by the end of October, with another 6,266 in montagnard teams. Combat losses this year, however, have been high--almost 600 killed and missing and 840 wounded through the third quarter. Losses from various forms of attrition have also mounted this year, but have been offset by the output of the training center, which is now meeting its monthly quotas. Efforts being taken to improve discipline, morale, leadership, and the quality of recruits are expected to reduce the attrition rate.

10. National Police recruitment continues to lag, and it is likely that this force will fall about 4,000 short of its projected 74,000-man goal this year. Police deployments continue to focus on urban areas, and half of the 58 Police Field Force companies continue to be improperly utilized.

Outlook

11. The outlook for pacification is mixed. Given the slowness of the South Vietnamese to adapt to their pacification-support mission, the intensity of the Viet Cong counterattack, and the disruptive effects of allied strategic redeployments to meet Viet Cong main force initiatives, the prospects for optimum security in pacification areas are not too bright. Without optimum security, progress will continue to be spotty. On balance, allied troop reinforcements programed for the next few months should

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result in additional security in some areas, and thus permit some net gains. The reassignment of General Thang to direction of Regional and Popular Forces should enhance their capabilities to support pacification. But progress will continue to be slow, and may fall short of the goals now projected for 1968. The shortfall would be greater in the event of a deterioration in political stability.

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VII

The View from Hanoi: Policy and Prospects

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VII. THE VIEW FROM HANOI: POLICY AND PROSPECTS

1. Hanoi's policy during 1967 has rested on the same general propositions that have guided the Communist effort in South Vietnam since late 1965. Briefly stated, these propositions are: (1) the Communist military effort will be sufficient to tie down US troops on widely diverse fronts and deny the security essential to the pacification program; (2) the Saigon government will fail to stimulate popular support for the war; (3) the South Vietnamese Army will not develop into an effective fighting force; and (4) these frustrations combined with political pressures in the US will eventually erode US determination to continue the war.

2. There is no body of intelligence indicating that the North Vietnamese have lost faith in these assumptions, or that they intend at this time to revise the policy based on them. Nonetheless, the North Vietnamese could face some hard decisions next spring or summer when they review their position after the current "winter-spring" military offensive. North Vietnam's leaders then will be able to judge the effectiveness of their latest military-political campaign. By that time they should also be in a better position to appraise the new Saigon government. Finally, they should have a better idea of the effect of American political pressures on the war.

The Situation in the South

3. General Giap has recently confirmed that the military-political situation in the South is still the determining factor in Hanoi's policy. Even though the North Vietnamese leaders can no longer hope to achieve a purely military victory, they are still fully capable of influencing the over-all situation through military means.

4. Since military results are likely to prove inconclusive, the North Vietnamese and Viet Cong leadership are relying heavily on the weaknesses of the South Vietnamese political and military establishment. They estimate that even if allied forces succeed in inflicting heavy losses on Communist main forces, the US will find in the end that it has no solid political base in

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South Vietnam and that the destruction of the guerrilla and political infrastructure cannot be accomplished by a weakened and ineffective South Vietnamese Army. Then, the theory runs, the US will have no choice but to settle on Communist terms.

5. From Hanoi's standpoint, the situation in the South is almost certainly not going to improve significantly. Continued slow deterioration of Communist military capabilities and political effectiveness is more likely. However, Hanoi is willing to accept the appearance of a "stalemate" on the assumption that the Communists are in a better position than the US and South Vietnam to endure the frustrations of a prolonged war. Hanoi apparently now believes that the US will choose to compromise long before the deterioration in the Communist position becomes significant enough to force a change in policy.

US Policy and Political Pressures

6. The American political situation thus is taking on increased importance in Hanoi's calculation. There is no hard evidence, however, indicating how the North Vietnamese leaders interpret the American scene or how they might choose to exploit it. They have tried recently, both in public and private, to dismiss the American presidential elections as of little consequence. Hanoi asserts that the basic content of American policies is determined by the nature of "imperialism" rather than by its leading personalities, and it contends that North Vietnamese policies cannot be affected by the American elections. But it is doubtful that Hanoi actually dismisses the elections so summarily.

7. There are two ways the North Vietnamese might try to approach the US election period. They might continue their present course on the chance that a new administration will come to power, perhaps providing better opportunities for a favorable political settlement. The risk in this approach is that there is a constant danger of new escalation and, in addition, that the chances of obtaining US concessions after the elections might be greatly reduced should there be no change in US leadership.

8. The alternative would be to move toward negotiations before the elections. The North Vietnamese leaders

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in this case might hope to exploit the campaign, calculating that the Administration could not afford the political cost of breaking off talks during an election campaign.

9. The first of these scenarios is the more consistent with the trend of Hanoi's policy. But the North Vietnamese themselves probably have not decided and may feel no need to make such a decision until next spring.

Internal Political Factors

10. In addition to the situation in South Vietnam and the American elections, the political situation in North Vietnam will influence Hanoi's policies over the next year or so.

11. A new factor, of considerable potential importance, is the possibility of change in the North Vietnamese leadership resulting from Ho Chi Minh's incapacitation or death. The North Vietnamese party has been unusually free of the internal strife that has characterized almost every Communist party around the world. In the past two years, however, signs of disagreement over the conduct of the war in South Vietnam have appeared, although the leadership seems to have continued to function as an effective "collective" under Ho.

12. It is reasonable to conclude that the demise of Ho Chi Minh could bring to the surface splits of a serious nature within the ruling circles of the party. We have no evidence thus far, however, that a faction or group exists within the party that wishes to end the war on compromise terms. But it must be borne in mind that our knowledge of the internal workings of the Vietnamese leadership is scanty.

The Outlook

13. The options available to the North Vietnamese appear to be: (1) more of the same; (2) reduction of the fighting to the level of a purely guerrilla struggle; (3) gradual phasing out of the fighting without an attempt at a political settlement; and (4) negotiations. A reversion to guerrilla war or a phasing out of the military struggle seems less and less feasible in practical terms. The guerrilla option has been exhaustively

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debated in Hanoi; it apparently has been rejected as tantamount to handing the US a "strategic victory," mainly because in the absence of large Communist units allied forces would be capable of destroying the VC political infrastructure and the guerrilla movement. As to phasing out the war unilaterally, the question would be whether the Viet Cong could expect to survive as an underground organization. It would be a risky course, inviting piecemeal annihilation.

14. The more realistic options would thus appear to be to fight on with both large and small units or to open negotiations at a favorable time. There is no persuasive evidence that the latter course is under serious consideration in Hanoi. A prudent estimate would be that the North Vietnamese leadership intends to fight on at least through 1968, that is until after the US elections.

VIII

The Rolling Thunder Program

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VIII. THE ROLLING THUNDER PROGRAM

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1. Rolling Thunder operations have imposed an increasingly heavy burden on North Vietnam.

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Despite the achievements of the bombing program, however, no significant deterioration in North Vietnam's military capabilities or its determination to persist in the war can be detected. The flow of men and supplies to the South has been maintained; and the cost of damage has been more than compensated by deliveries of foreign aid.

Cost of Damage Inflicted

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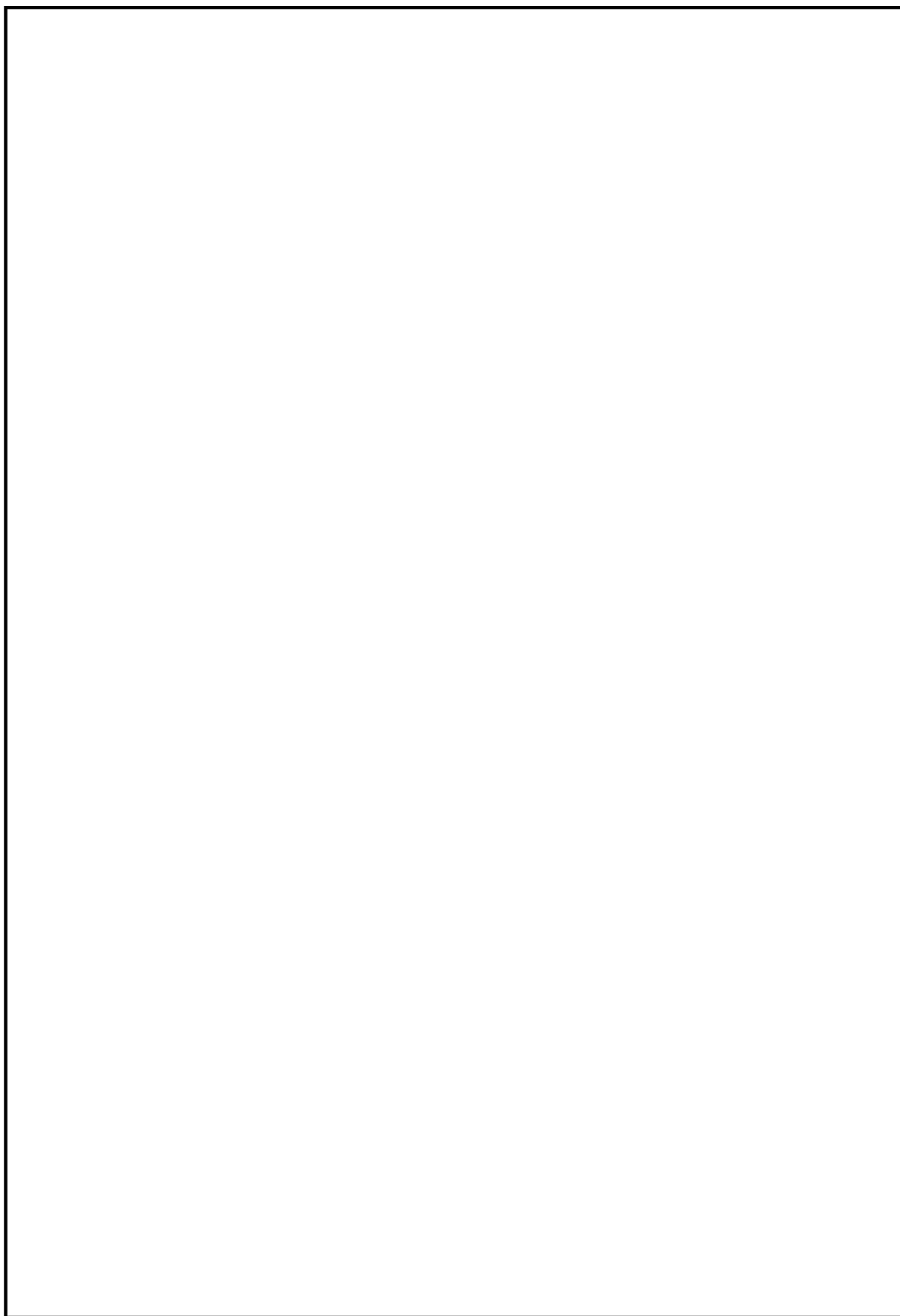
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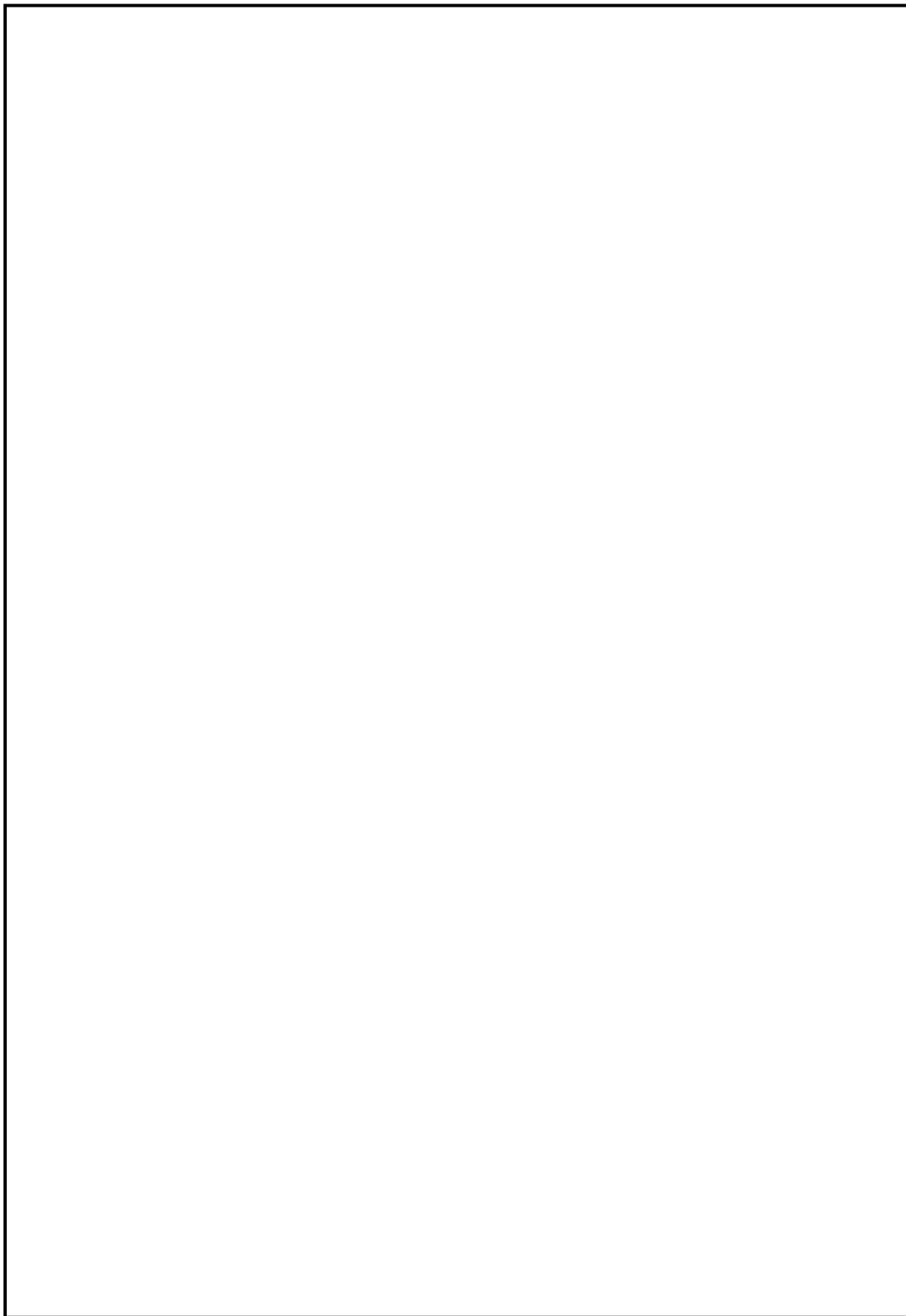
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Military Target Systems

11. Damage inflicted on military targets increased during 1967 and the cumulative effects of the bombing have disrupted normal military activities, led to the abandonment of barracks and supply and ammunition depots, and have caused the dispersal of supplies and equipment.

12. North Vietnam's air defense system continues to function effectively despite increased attacks on airfields, SAM sites and AAA positions. The recent raids against primary airfields--including Phuc Yen--inflicted heavy losses to North Vietnam's jet fighter inventory and caused the evacuation of additional MIGs to China. Nevertheless, these bases have been restored for at least limited fighter operations and in recent weeks North Vietnam has shot down more US planes in air engagements than it has lost, thus reversing the long-term advantage US aircraft have held in these encounters. Attacks on SAM sites apparently have not reduced either the total number of active SAM battalions or the available firing sites. Missile supplies appear to be virtually unlimited and in late November mass SAM firings resulted in North Vietnam's most successful week in downing ten US planes. Further, North Vietnam's air defense capability apparently has been improved by the introduction of more sophisticated radar and the training of more capable ground control intercept personnel.

13. The loss of capacity at barracks complexes and supply and ammunition depots is causing inconvenience, especially in the outlying areas of the

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country. Damage to barracks in these areas has not been repaired, and troops apparently are being quartered in makeshift shelters or in nearby villages. Loss of supply and ammunition depot capacity has required a dispersed logistics base, complicating management problems and reducing operational efficiency. However, the North Vietnamese have had time to adjust to these losses and they probably are less inconvenienced now than at the end of 1965.

US Air Losses

17. The ratio of US air losses to the number of sorties has declined each year since the beginning of the Rolling Thunder program, primarily as the result of improved electronic countermeasures and increased experience in evasion tactics.

18. During the period 1965 through September 1967, US combat and operational losses over North Vietnam totaled 772 fixed wing aircraft. Almost 90 percent of these were combat losses caused by anti-aircraft fire, surface-to-air missiles, and MIG aircraft. During the first nine months of 1967, US aircraft sustained 1.8 combat and operational losses per 1,000 attack and support sorties, compared with 2.1 in 1966 and 3.4 in 1965. Similarly, during the first nine months of 1967, US combat losses were 2.2 attack aircraft for each 1,000 attack sorties compared with 2.8 in 1966 and 5.1 in 1965.

19. Although over-all loss rates are declining, the rates against specific targets such as industrial installations and particularly targets in the Hanoi and Haiphong areas are many times higher than the over-all average. Combat losses of attack aircraft resulting from strikes against petroleum and electric power facilities and against the Thai Nguyen Iron and Steel Complex in 1967 soared to over 20 aircraft per 1,000 attack sorties. By contrast, a combat loss rate of less than one attack aircraft per 1,000 attack sorties was sustained against primary infiltration routes, and related truck parks and supply areas. The combat loss rate over targets close to Hanoi and Haiphong during

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April-September 1967 came to 19.5 attack aircraft for each 1,000 attack sorties.

Personnel Losses

20. 1,058 US Air Force, Navy, and Marine Corps personnel have been downed in aircraft disabled by hostile action over North Vietnam from August 1964 to 17 November 1967. About one third of these were rescued, at least one fifth were captured, and one tenth are known with fair certainty to have been killed. A large share of the remainder are believed to have been captured. The success and scale of rescue efforts vary according to target location. Thus, in Route Package VI, which includes Hanoi and Haiphong, only about 16 percent of the personnel downed during January-September 1967 were rescued.

Outlook

21. The systematic attack against fixed economic and military target systems leaves few strategically important targets for future air campaigns. Other than manpower, North Vietnam provides few direct resources to the war effort, which is sustained by large infusions of economic and military aid. The agrarian nature of the economy precludes any economic collapse as a result of the bombing. There is no reason to believe that additional pressures which might result from a more extensive or intensive bombing--barring attacks against cities and the dikes--would be sufficient to induce Hanoi to alter its goals for the war. Moreover, it is difficult to conceive of any interdiction campaign that would pinch off the flow of essential military supplies to forces in the South as long as combat requirements remain at anything like current levels. Under these conditions, Hanoi's outlook toward the war is likely to be determined by the situation in South Vietnam.

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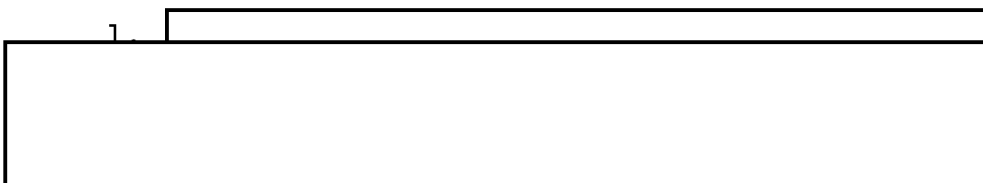
The North Vietnamese Economy

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IX. THE NORTH VIETNAMESE ECONOMY

Character of the Economy

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Neither of these conditions, however, has seriously affected North Vietnam's ability to continue the war. The remarkable resiliency of North Vietnam's economy is explained in part by its comparatively primitive state; agriculture and small factories and shops predominate; the people have simple needs, most of which are satisfied locally. Furthermore, the large and increasing amounts of economic and military aid from Communist countries have enabled North Vietnam to make up shortfalls in production, to replace war-destroyed equipment, and to take care of other essential requirements.*

2. North Vietnam's Gross National Product is estimated at \$1.6 billion for 1964, or about \$90 per capita--slightly less than that of South Vietnam. Since 1965 there has been no economic growth. The development of centralized, large-scale modern industry has been postponed in favor of local industry. Goals in agriculture emphasize increased yields, diversification, and more efficient use of farm labor.

The Civilian Front

3. The civilian population of North Vietnam, long accustomed to a bare subsistence living, has accepted with resignation the disruptions to normal living patterns. The evacuation of non-essential people--the young and very old--from Hanoi and Haiphong has probably been a major factor

*Communist economic and military aid programs are discussed in Section XIV.

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affecting morale because of the disruption of strong family ties. Hanoi probably has evacuated half of its population, and Haiphong up to three quarters, giving a total of about 400,000 persons relocated from these two cities, and leaving an estimated 240,000 in Hanoi and 55,000 in Haiphong. Conditions for the evacuees have become more difficult in recent months--housing, education, and transportation to and from the cities are particularly troublesome.

4. Working hours have been changed to reduce vulnerability to the bombing. Farmers and workers in the dispersed workshops labor in the early morning hours and again in the evenings. Dispersal of factory production has increased the difficulties of getting to and from work and frequent air raids disrupt work routines.

5. Although the food situation is worsening it has not become critical because of large increases in food imports. Identified seaborne imports of food totaled nearly 380,000 tons through October of this year, compared with 77,000 tons during all of 1966 and 119,000 tons in 1965. There has been no indication of a cut in food rations. Although the minimum rice ration has been maintained, an increasing proportion of it is made up of less palatable substitutes, such as wheat flour. While the official meat ration has not been cut, the supply of meat has declined in urban areas, and prices have risen. The supply of fish has also declined and has resulted in higher prices. There is a shortage of textiles, and the annual cloth ration is not always met.

Agriculture

6. Rice production during the seven years before 1965 averaged about 4.5 million metric tons per year. Output in 1966 was about 4.2 million metric tons, and the rice crop in 1967 is estimated to be even below the 1966 crop. Decreased production in 1967 has been attributed to adverse weather, a reduction in planted acreage, and disruptions caused by the bombing. Yields

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in rice production in North Vietnam are slightly below those in South Vietnam but greater than those in Thailand, Cambodia, and Laos.

Industry

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8. Local industry is currently playing a more important role in the economy because of the damage to modern industry. Small machine shops perform important repair functions. Other local industries continue to produce a wide variety of consumer goods. Numerous manufacturing facilities have been dispersed to outlying locations. Problems in coordinating supplies and transportation however, have limited output of the dispersed factories.

Transportation

9. Despite more than 30 months of bombing, the transportation system has greater over-all capacity than it had in 1964. The flexibility and capacity of the railroad network has been improved with the help of Chinese construction troops since 1965. New construction and the installation of a third rail on some lines, making possible the use of Chinese standard-gauge equipment on the main route from China, has made important additions to rail capacity. The highway network also has been extended since 1965, from about 9-10,000 kilometers to between 11-13,000 kilometers at present. Instead of five motorable

**See Section VIII for a listing of specific industrial facilities affected by the bombing program.*

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border connections to China there are now at least eight. Instead of one all-weather route into Laos there are now three. The inland water network remains much the same as it was in 1964. Dredging and other improvements have increased the navigability of much of the system and water transport is now being used with increasing effectiveness. Imports of transport equipment have been sufficient to increase the inventory and capacity of railroad rolling stock and to maintain the inventory of trucks and watercraft since the beginning of the bombing, despite heavy losses.

Foreign Trade

10. As a result of declines in food and industrial production, and the greatly increased demands of the war, North Vietnam has become increasingly dependent on assistance from Communist countries. Trade deficits have increased sharply as imports have grown and exports have fallen (see the following tabulation).

	(Million US \$)					
	<u>1961</u>	<u>1962</u>	<u>1963</u>	<u>1964</u>	<u>1965</u>	<u>1966</u>
Imports (excluding grant aid)	143.7	135.3	146.9	131.2	194.6	240.7
Exports	84.1	101.3	100.9	107.9	102.9	82.3
Deficit	-59.6	-34.0	-46.0	-23.3	-91.7	-158.4

Exports in 1967 may be below \$70 million (below their 1961 level) and imports have been above 1966 levels, so the deficit in 1967 may go to \$200 million.

11. In 1966, trade with Communist countries accounted for about 95 percent of imports and 75 percent of exports. The remainder of North

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Vietnam's imports in 1966 came primarily from Japan, France, and Singapore. Exports to the free world went primarily to Japan, Hong Kong, and France.

12. Almost half of North Vietnam's exports by value are products of agriculture, forestry, fishing, and handicrafts. In addition, metals, coal, apatite, cement, and wood products are normally exported. However, by mid-1967 important exports of apatite, coal, cement, and pig iron had been drastically curtailed as a result of bomb damage to the modern industrial sector.

13. The country imports all of its petroleum, finished steel, railroad rolling stock, vehicles, and most of the machinery and metal manufactures, spare parts, industrial chemicals, and raw cotton. There have been sharp increases in imports of machinery and equipment; such imports include vehicles for road, rail, and water transport, road-building equipment, machine tools, small diesel generators, and spare parts. About one third of all imports by volume came by land transport during 1965 and 1966, but during the first half of 1967 this proportion declined as seaborne imports increased considerably.

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X

North Vietnamese Manpower Resources

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X. NORTH VIETNAMESE MANPOWER RESOURCES

1. North Vietnam's manpower resources have proved more than adequate to provide sustained support of the war effort at its present levels and probably are adequate to support an expanded effort. Although Hanoi shows continuing concern about manpower allocations and productivity, the major strains appear to result from a lack of experienced leadership and skilled workers. Unless manpower losses in the South increase sharply, these problems are not expected to become critical.

2. North Vietnam's population at the beginning of 1967 was about 18.3 million people. The population includes approximately 4.2 million males between the ages of 15 and 49 of whom about half are believed to be physically fit for military service. An estimated 115,000 physically fit males will reach the draft age of 17 during 1967.

3. The major war-induced manpower requirements in North Vietnam are twofold: (a) those required to support the build-up of Communist military forces in both North and South Vietnam and to replace combat losses, including an increasing need for NVA troops to replace VC casualties; and (b) the substantial diversions of manpower required to counteract the effects of air strikes against North Vietnam.

4. The rapid build-up of North Vietnam's armed forces* has been accomplished without recourse to full mobilization, and the rate of build-up is expected to be much lower in the next few years. The military build-up alone has required about 120,000 persons a year during 1965 and 1966. In addition, during 1966 North Vietnamese combat and infiltration losses probably totaled from 35,000-45,000 persons and have undoubtedly been running much higher in 1967. These manpower requirements have been met, for the most part, by the drafting of almost all

*See Section XI for North Vietnamese force levels.

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the 115,000 physically fit youths estimated to reach draft age annually. the regime has also had to mobilize some reservists but has not found it necessary to alter the current draft age of 17-35 or to resort to coercive measures to obtain military manpower.

5. The principal diversions of manpower have been those associated with war-related programs such as repair, reconstruction, dispersal, and transport programs. Air strikes against North Vietnam have required the services of 575,000 to 700,000 individuals, about equally divided between full-time and part-time workers, as shown in the following tabulation:

<u>Task</u>	<u>Thousand Persons</u>	
	<u>Full-Time</u>	<u>Part-Time</u>
Lines of communication (LOC) repair and reconstruction	72	100 to 200
Transport and dispersal	100 to 120	25
Civil Defense	--	150
Air Defense	83	25 to 30
Coast Defense	20 to 25	--
Total	275 to 300	300 to 405

The air and coast defense activities are handled principally by military personnel, so that the major civilian requirement is for LOC repair, transport-dispersal operations, and part-time civil defense activities. In addition to these workers, up to 34,000 Chinese engineering troops and up to 16,000 Chinese AAA troops are employed north of Hanoi to repair and reconstruct and to defend the two rail lines to China. Additional North Vietnamese personnel

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are located in the Laotian panhandle expanding and repairing the infiltration corridors to South Vietnam.

6. Hanoi continues to voice concern about manpower allocations and productivity and to stress the importance of female workers, but this is nothing new. Several factors indicate that North Vietnam is not yet feeling the manpower pinch to any meaningful degree. Foremost is the existence of the large and underemployed agricultural sector, which accounts for slightly more than two thirds of the labor force. Although large numbers of agricultural workers have already been taken for military service and part-time work in lines of communication, the number and low unit productivity of agricultural workers means that additional large numbers could be diverted with only a slight impairment of agricultural output. We estimate, for example, that the diversion of 100,000 males from rice production would cause the annual loss of only 50,000 tons of polished rice, or less than two percent of the average annual rice crops. If the diversion of manpower from agriculture were a grave problem, we would expect to see substantially increased imports of labor-saving devices. This has not been observed.

7. In addition to the manpower reservoir in agriculture, there are about 380,000 males in the civilian service sector including education. Most of these could be diverted to military-related productive work if necessary, but we have little evidence of diversion.

8. North Vietnam's major manpower problem appears to be a lack of experienced leadership and skilled workers. These talents are scarce and are subject to the competing demands of both military and war-related programs. The lack of skilled cadre is a limiting factor in North Vietnam's ability to train and infiltrate troops for service in South Vietnam. It is probably less of a restraint on North Vietnam's capability to counteract the effects of air attack. The recent intensification of the bombings apparently has not compounded North Vietnam's manpower problems and,

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at least in the case of skilled labor, may have eased them. The enforced shutdown of most modern industry has idled an elite labor force of about 30,000 persons. This group can provide North Vietnam with much of the technical competence and skills that are currently in such short supply.

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XI

North Vietnamese Ground Forces

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XI. NORTH VIETNAMESE GROUND FORCES

1. North Vietnam's leaders emphasize that their armed forces consist of three different categories of troops: the regular army, regional or local forces, and the self-defense militia. This "three layer" concept of forces is a basic tenet of the people's war doctrine developed by General Vo Nguyen Giap and other Vietnamese revolutionaries. It is based on the premise that the entire people will be mobilized in the face of an enemy who is numerically and materially stronger. Thus each category of forces has tasks for which it is best suited.

The Regular Army

2. The regular North Vietnamese Army is estimated to number some 447,000 men as of 1 November 1967, almost double its estimated strength three years ago.

3. The army is broken down into 10 infantry divisions, two infantry brigades, an artillery division, an antiaircraft artillery division, over 100 independent antiaircraft artillery regiments, and various other service and support units, including Hanoi's 30 to 35 surface-to-air missile battalions.

4. The above forces--numbering some 374,000 men--are located within North Vietnam. Approximately 54,000 additional North Vietnamese troops are in South Vietnam and at least 18,000 are estimated to be in Laos.

5. Within North Vietnam, the army is broken down into two major functional groupings--infantry and air defense. Some 171,000 men are believed to be in infantry units while some 93,000 men are engaged in air defense tasks. Another 110,000 men are believed to be in artillery, armor, high command, logistics, engineer, and transportation units.

6. At least seven of North Vietnam's ten divisions are believed to be primarily engaged in training new recruits and forming new units, both for infiltration into South Vietnam and to replace

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those regular army units sent South. Elements of all infantry units are also believed to be engaged in bomb repair tasks and in efforts to keep lines of communication open. The use of army personnel in agricultural tasks does not seem to be as extensive as it was before.

7. There is still some uncertainty about the size of the regular army, although we have been obtaining much better evidence in the last two years from prisoners, returnees, and captured documents in South Vietnam. Areas of uncertainty include the real strength of units in North Vietnam, the number of North Vietnamese troops in Laos, and the size of various security organizations. The figures given above should probably be considered conservative estimates.

8. It appears that Hanoi believes that the size of its regular army is adequate for the present situation, and the limited evidence suggests it is unlikely to grow much larger as long as the current situation prevails. This is supported by a statement in June 1967 by the chief of staff of the army, who said, "The numerical strength of the air defense forces, the air force, the engineering corps, the forces in charge of ensuring communication and transportation in general, and military communication and transportation in particular, the infantry units of the regular forces and the self-defense militia forces...is suitable to the present war conditions." The view that the size of the regular army is adequate was also made plain by Defense Minister Giap in January 1967, as will be seen below.

The Regional Forces

9. There is very little information on the size and organization of the regional forces (also called local forces). They are believed to be a full-time, lightly armed force organized on the basis of one battalion per province. They are subordinate to each of the five military region headquarters.

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10. Historically, the main task of regional forces has been to engage in combat within their localities or region. They were to join with the self-defense militia to wage guerrilla warfare or to fight in coordination with main force or regular army units. Regional forces are believed to be performing bomb repair and air defense missions, maintaining civil order, and preparing defenses within North Vietnam at present.

11. The strength of the regional forces is currently estimated at between 15,000 and 25,000 men. We believe, however, that they are considerably larger than the official estimate and could number on the order of several hundred thousand men. Defense Minister Giap said in a January 1967 speech that the main forces, or regular army and regional units together, totaled "fewer than a million men." If the estimate of the regular army is generally accurate, then it would follow that regional forces are considerably larger than officially estimated.

The Self-Defense Militia Forces

12. The third category of North Vietnam's armed forces are the self-defense militia, who number in several millions, according to General Giap. US estimates suggest there are some 375,000 armed militia with the over-all total approaching some three-million of whom one third are probably women. These forces are, in essence, North Vietnam's National Guard. For the most part, they are part-time soldiers who perform their military duties after they have performed their civilian tasks and who can be called upon in times of emergency. In present day North Vietnam, their tasks are probably largely concerned with air defense and bomb damage repair work.

13. Self-defense militia forces are only partially armed; many with just rudimentary weapons. There has been a concerted effort under way for over a year to provide better and more modern weapons to these forces, and to increase the level of their training.

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XII

Soviet Attitudes Toward the War

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XII. SOVIET ATTITUDES TOWARD THE VIETNAM WAR

1. Soviet attitudes and intentions toward the Vietnam war have remained fairly constant over the past year.* The Soviet leaders probably continue to view a military victory by the Viet Cong and the North Vietnamese as impossible. They also probably believe that a decisive military victory by US-Vietnamese forces in the near term is unobtainable unless the US intensifies its war effort against North Vietnam to a very substantial degree.

2. The Soviets continue to hold the view that they have no acceptable alternative but to support Hanoi in carrying on the war. They probably are increasingly concerned, however, over the complications and dangers that might ensue as a consequence of the war and of their support of Hanoi--notably, the risk of a US-Soviet confrontation and the possibility of Chinese military intervention. We believe that, as a consequence, they would probably welcome changes of attitude in Hanoi or Washington that would make a political solution possible.

3. But Moscow is not willing to attempt to force Hanoi to the negotiating table by threatening to curtail Soviet military assistance. For one thing, the Soviet leaders probably judge that Hanoi, even without Soviet aid, could continue to fight, although the nature and level of the conflict would necessarily change. In addition, such a threat might end whatever influence the USSR has in Hanoi and might drive North Vietnam into a tight embrace with China. Finally, a withdrawal of support or even the mere threat of it would seriously undermine the USSR's prestige and influence in the Communist world.

*A general examination of Soviet attitudes toward the war is contained in SNIE 11-11-67, "Soviet Attitudes and Intentions Toward the Vietnam War," 4 May 1967. The main judgments in this paper remain valid.

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4. Concerned about US impatience to get the war over and finished, the Soviets have repeatedly emphasized the danger of greater involvement on their part should the US intensify in any major way its war effort against North Vietnam.* From time to time, the Soviets have also referred to the possibility of Chinese military intervention in the event that North Vietnam's survival was threatened.

5. We do not believe that the Soviets are prepared to commit their own combat forces to active participation in the war. The Soviets clearly recognize their logistic and other inadequacies, and they wish to avoid courses of action which might lead to a choice between confronting the US or backing down. If the US greatly intensified its military pressures on North Vietnam, the Soviets would almost certainly move to create an atmosphere of heightened tension with the US. They might break off various negotiations and contacts with the US or suspend certain agreements. They might announce that they were going to provide North Vietnam with "volunteers." They might also dispatch crews for defense equipment as well as increased quantities of aircraft and other arms intended to strengthen North Vietnam's defenses.

6. Depending on the specific nature of future US military actions, the Soviets might move at some point to exert pressures on the US outside of Southeast Asia. Soviet-inspired provocation against South Korea is a possibility, but Berlin remains the most plausible pressure point. US interests there are directly engaged and more vulnerable than elsewhere. The Soviets have a greater capability to control their actions in Berlin than in most other areas, and minor pressures on access routes would suffice to create an impression of crisis. The Soviets recognize,

**In two recent instances, Soviet leaders have threatened greater Soviet participation in the war. Marshal Sokolovsky, in an interview with a US journalist last week, warned of deeper Soviet involvement. More recently, Soviet Premier Kosygin told the visiting Swedish foreign minister that the war might "spread" if the US bombing of the North did not end.*

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however, that such measures carry a serious risk of a generalized crisis, and they would probably be careful, we think, to avoid situations likely to lead to a major confrontation.

7. As far as Soviet views on the war in the South are concerned, if the Communist position in South Vietnam further deteriorates and Communist forces there face certain defeat, we believe that the Soviets would almost certainly stress the need for Hanoi to negotiate. From the beginning, the Soviets have interpreted their commitment in terms of support to North Vietnam rather than to the war in the South. Moreover, there is reason to believe that Hanoi's conduct of the war in South Vietnam has raised serious doubts in Moscow from time to time. The Soviets would make it clear to Hanoi that they would not involve themselves in an effort to retrieve a lost cause in South Vietnam, and that they would not cooperate with any Chinese intervention in the South. In the event that Hanoi accepted the need for a negotiated solution of the war, the Soviets would of course make every effort to gain terms favorable to Hanoi's objectives.

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XIII

Chinese Attitude Toward the War

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XIII. CHINESE ATTITUDES TOWARD THE WAR

1. China has a substantial stake in the conduct and outcome of the war in South Vietnam, and a vital interest in the preservation of a friendly Communist regime in Hanoi. Vietnam has been the testing ground for one of China's principal ideological theses: that wars of national liberation can be successfully and safely pursued throughout the underdeveloped world.

2. Three years ago Communist successes in South Vietnam promised early vindication of this thesis, which had become a major issue in the Sino-Soviet dispute, and the Chinese urged Hanoi to move on to the final stage of mobile warfare. US intervention with ground forces in 1965, together with the USSR's reinvolvement in support of Hanoi, threatened a major blow to Chinese aspirations in Asia and in the Communist world. In the view of the Chinese, US intervention was a desperate effort to retrieve a local defeat but they also recognized an inherent danger that the war in Vietnam would grow and possibly include an attack on China. Peking therefore placed qualifications on its military commitment to Hanoi, and it continued to urge the Vietnamese to persist in a "self-reliant" people's war. At the same time, China's hostility to negotiations of any kind became more rigid, even to the point that Peking at times seemed at odds with Hanoi on the question of whether a cessation of the bombing could be followed by US - North Vietnamese talks.

3. China's intransigence reflects several factors. The Chinese leaders, particularly Mao, may still believe that the US can be defeated provided Hanoi pursues a strategy of protracted conflict relying on the proper guerrilla warfare tactics. But even if Peking sees diminishing chances of success for Communist aims, there are compelling political reasons for Chinese insistence that the war continue. Peking probably realizes that the USSR would play a large role in any political solution in Vietnam, and that in peaceful conditions the USSR's economic and military assistance to Hanoi would pose a major threat to Chinese influence there. Peking's efforts to limit the influence of

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the USSR in Vietnam have contributed to the deterioration in China's relations with North Korea, the Japanese Communists, and other sympathizers. To yield at this point would, in the Chinese view, be a defeat for Peking's general line of revolutionary strategy and would represent a major gain for the USSR.

4. We believe the Chinese are prepared to exert considerable political pressure, to increase military aid, and, if requested, to station combat troops in North Vietnam, in order to sustain Hanoi's will and ability to prolong the war in the South. Even so, we do not believe that Peking is committed to a Communist success in South Vietnam at any price. The Chinese have allowed themselves room in their public position to accept the failure of the military effort in the South. If faced with a situation where only their own intervention could save the situation in South Vietnam, we feel that their fear of a US attack on mainland China would be the decisive factor. Rather than accept this risk in these circumstances, we believe Peking would be inclined to accept a termination of the fighting without negotiations in the hope that this might permit some level of resistance to continue.

5. US military actions against North Vietnam or China, however, are an entirely different matter. We continue to estimate that Peking wishes to avoid a confrontation with the US, which could result in a nuclear attack. We are certain, however, that China would fight if the US launched a deliberate and sustained air attack on Chinese bases and supply lines in South China. There are two other situations which would probably bring some form of Chinese intervention: a major invasion of North Vietnam and the disintegration of effective Communist authority in Hanoi.

6. If Peking did intervene in the ground fighting, we estimate that the Chinese could move 300,000 to 380,000 men against initial objectives in Thailand, Laos, and South Vietnam, using light infantry forces in the relatively dry months of November to January. This represents basic logistical capabilities, and does not take account of

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Peking's military strategy or the US response to such moves. An effort on this scale could not be sustained through seasons of unfavorable weather.

7. The size of the Chinese force that could be deployed and supported in South Vietnam, directly across the DMZ, would vary with the weather: in the period November-January the Chinese could move two to three light divisions into South Vietnam; with improving weather during February and March, this force could be increased to a total of seven to eight light divisions (133,000 to 157,000 men).

8. With respect to greater involvement in the air war, we note that China has recently permitted Hanoi limited operational use of one Chinese airfield following the US attacks on air bases in North Vietnam. We doubt that Peking has yet determined how far it will go in allowing the North Vietnamese to use these Chinese bases in the event North Vietnamese bases become inoperable. If there is no strong US reaction to limited use, and if the North Vietnamese think continued fighter defense is necessary, we believe the odds are about even that Peking will permit Hanoi to mount combat operations from bases in China.

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Soviet Bloc and Chinese Aid to Hanoi

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XIV. SOVIET BLOC AND CHINESE AID TO HANOI

1. North Vietnam is heavily dependent on economic aid for maintaining present levels of production and consumption, and on military aid for maintaining air defenses, the transport system, and support of the war in the South. North Vietnam has received over \$1.6 billion in military and economic aid since 1965. The Soviet Union has provided nearly three fourths of this aid, as shown in the following tabulation:

	Million US \$					
	1965		1966		Jan-Jun 1967	
	<u>Military</u>	<u>Economic</u>	<u>Military</u>	<u>Economic</u>	<u>Military</u>	<u>Economic</u>
USSR	210	85	360	150	260	100
Communist China	60	50	95	75	70	40
Eastern Europe	Negl.	15	Negl.	50	Negl.	30
Total	270	150	455	275	330	170

Military Aid

2. Soviet and Chinese military aid to North Vietnam since 1965 is valued at \$1,055 million, about as much as their combined total military aid deliveries to all free world countries in the same period. The USSR provided about 80 percent of all military aid. East European countries thus far have supplied only negligible amounts of military equipment although they have supplied war-supporting equipment such as trucks and construction equipment. Military aid to North Vietnam is believed to be on a grant basis and the great bulk arrives in North Vietnam by land transport through China rather than by sea.

3. Soviet military aid since 1965 has concentrated on air defense equipment such as surface-to-air missiles, anti-aircraft guns, radar, and fighter aircraft. This equipment has been the mainstay of the North Vietnamese air defense system. Major items

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of equipment delivered by the USSR from 1965 to mid-1967 were:

	<u>1965</u>	<u>1966</u>	<u>Jan-Jun 1967</u>
Surface-to-air missile firing battalions	15	10	5
Surface-to-air replacement missiles	200	1,100	1,750
Aircraft	57	85	5
Artillery, antiaircraft, and other	1,430	2,830	2,180
Radar	23	160	73
Ammunition (tons)	17,000	40,000	30,000

4. Chinese military aid since 1965 has concentrated on building up North Vietnamese ground forces and sustaining the military effort in South Vietnam. Deliveries of small arms, ammunition, and other supplies have contributed substantially to the fighting capabilities of the North Vietnamese and to the Viet Cong forces in South Vietnam. Chinese military equipment delivered from 1965 to mid-1967 included:

	<u>1965</u>	<u>1966</u>	<u>Jan-Jun 1967</u>
Aircraft	8	0	12
Naval Craft	2	2	6
Artillery, antiaircraft and field	320	140	285
Radar	33	112	60
Trucks and other vehicles	600	400	300
Small arms and other infantry weapons (Million US \$)	10	35	8
Ammunition (tons)	8,000	10,000	10,000

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Economic Aid

5. Economic aid delivered to North Vietnam since 1965 is valued at \$595 million. Since 1965, economic aid has concentrated on local, small-scale industrial development and on the fulfillment of consumption, maintenance, and reconstruction needs. The USSR has supplied vehicles, railroad equipment, barges, machinery and equipment, petroleum, fertilizer and food. Chinese aid has contributed to the construction of light industry, maintenance of the transport system, and improvements in communications and in the irrigation systems. East European economic aid has emphasized light industry, transportation, and medical supplies. About 56 percent of all economic aid delivered from 1965 through June 1967 came from the USSR; about 28 percent from Communist China; and the remainder from the East European countries.

Technical Aid

6. Both the USSR and Communist China have provided military personnel to assist the North Vietnamese. Between 30,000 and 50,000 Chinese support troops are working on the construction, repair, and defense of transportation facilities in North Vietnam. The use of Chinese support troops in North Vietnam frees additional quantities of North Vietnamese manpower to maintain the supply and infiltration routes to South Vietnam and Laos. Some Chinese military personnel probably are training North Vietnamese troops.

7. The number of Soviet military technicians currently in North Vietnam is estimated at 2,000. Soviet technicians probably have been working with the SAM system, jet fighter units, communications, maintenance, and logistic support.

8. Large numbers of North Vietnamese students and technicians have been trained in Communist countries. In 1967 about 10,000 Vietnamese were studying at academic, vocational, and industrial installations in the USSR, Czechoslovakia, East Germany, Hungary, Poland, and Bulgaria. Over the next few years the number may rise to about 20,000. Academic subjects studied by overseas Vietnamese include medicine, engineering, agronomy, metallurgy, mining,

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and teaching. North Vietnamese technicians are receiving training in a wide range of industries including chemicals, textiles, glass, rubber, paper and motors.

Recent Trade and Aid Agreements

9. During August through October 1967, new aid agreements for 1968 were signed with all Communist countries. Although the value of aid was not announced, it is probable that North Vietnam's basic economic and military requirements have been guaranteed. In the statements announcing the agreements with Rumania, Bulgaria, Poland, and North Korea, military aid was mentioned, but it is not known whether military hardware was included. Because of the increasing adverse balance of trade, the majority of present aid extensions probably will not be dependent on immediate capability to meet repayment terms.

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