

Response to Queries from Senator Mundt
re Communist Aid to North Vietnam
27 Sep 68

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Walsh to Ass/LC memo re Response to Query from Senator
Mundt


Attachments: Typescript IM, Communist Aid to North
Vietnam, 26 Sep 68 (S-2833)

Draft of above IM


27 SEP 1968

MEMORANDUM FOR: Assistant Legislative Counsel
THROUGH: Deputy Director for Intelligence
SUBJECT: Response to Query from Senator Mundt

Attached for transmittal to Senator Mundt is a memorandum providing an updating of our estimates of Communist military and economic aid to North Vietnam.


PAUL V. WALSH
Deputy Director
Economic Research

Attachment:
As stated

Distribution: (5-2833)
Orig. & 1 - Addressee w/cys 1 & 2 of att.
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CENTRAL INTELLIGENCE AGENCY
Directorate of Intelligence
26 September 1968

INTELLIGENCE MEMORANDUM

Communist Aid to North Vietnam

1. From 1954 through June 1968, North Vietnam has received more than \$3.7 billion in military and economic assistance from its Communist allies. Total assistance in 1967 exceeded \$1 billion, of which about two-thirds was military assistance. Total aid deliveries probably will be at about the same level in 1968, although the share of military assistance may decline somewhat. The USSR has provided an estimated \$2.3 billion, or 61 percent, of the cumulative aid to North Vietnam. Communist China has supplied \$1.1 billion, and the Eastern European Communist countries have provided about \$350 million. Aid from the Eastern European countries is overwhelmingly for economic assistance programs.

2. During the first half of 1968, economic aid continued the upward trend which started at the initiation of the US bombing program in 1965. The value of identified military aid in the first half of 1968, however, has been lower than during the last half of 1967 because of the reduced need for air defense materiel following the bombing restrictions imposed on 31 March. Estimates of military aid are preliminary and may be higher after more information becomes available.

3. The trade imbalance with Communist countries that has been growing since 1964 increased in the first eight months of 1968, indicating that economic aid has been at levels above those of 1967.

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4. Le Thanh Nghi, North Vietnam's chief aid negotiator, returned in late July from an aid-seeking mission which resulted in agreements being signed with the Soviet Union, Communist China, Bulgaria, Czechoslovakia, East Germany, Hungary, Poland, Rumania, and North Korea. The fact that some of these agreements provide for supplementary aid for 1968, together with the fact that they were negotiated about four months earlier than in the past two years, suggests that aid deliveries in 1968 will continue at a high level.

5. Military aid imports during the first eight months of 1968 are believed to have been reduced somewhat from the levels of last year. We believe that imports of anti-aircraft artillery ammunition and surface-to-air missiles continued apace during at least the first four months of the year but that, with the continuation of the bombing stand-down in the north, deliveries of these items were reduced. The number of field artillery and anti-aircraft artillery weapons imported during the first half of 1968 was considerably below the number imported in 1967 for the buildup of air and ground defenses. These decreases have been partly offset by increases in North Vietnam's inventories of MIG aircraft, surface-to-air missile battalions, and radar. Our estimates are preliminary and at this stage may be low.

6. Military aid in 1968 has apparently included infantry weapons from the European Communist countries and a wide range of modern weapons from the USSR and China. Captured enemy materiel in South Vietnam has included copies of Soviet-designed infantry weapons that were recently manufactured in Bulgaria, Poland, and Rumania. The North Vietnamese press has indicated that most of the Eastern European aid agreements for 1968 included military aid, and it is probable that some of the materiel being supplied is being used in South Vietnam as well as in North Vietnam. We have made a preliminary estimate of \$5 million for the value of East European military aid to North Vietnam during the first six months of 1968. There is little information on the specifics of military aid deliveries from Eastern Europe. Czechoslovakia and Poland are known to be the major contributors. For the most part, Czechoslovakia provides small arms and ammunition, old

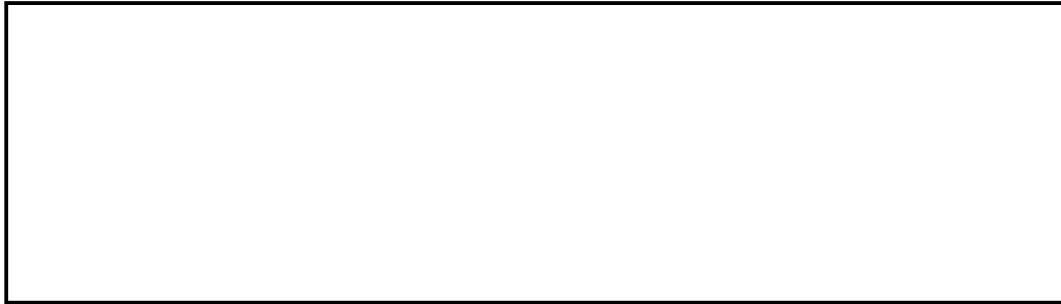
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antiaircraft equipment, trucks, and personnel carriers. Poland provides small arms, trucks, and communications equipment.

7. Communist China delivered a hydrofoil torpedo boat to North Vietnam early in 1968 either to replace or to augment the older force of P-4 and P-6 torpedo boats. China also is believed to be sending radar equipment to North Vietnam. The Soviets have continued to improve the North Vietnamese all-weather jet fighter capability by providing advanced versions of the MIG-21. Communist China has supplied additional MIG-15/17's. North Vietnam's air defense capability has been augmented by the addition of about ten SAM firing battalions so far in 1968.

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Table 1

Communist Aid to North Vietnam
1954 - Mid-1968

	Million US \$					
	<u>1954-64</u>	<u>1965</u>	<u>1966</u>	<u>1967</u>	First Half 1968 <u>a/</u>	<u>Total b/</u>
<u>Military c/</u>						
Soviet Union	70	210	360	515	200	1,355
Communist China	70	60	95	145	50	420
East Europe	Negl.	Negl.	Negl.	Negl.	5	5
Total	<u>140</u>	<u>270</u>	<u>455</u>	<u>660</u>	<u>255</u>	<u>1,780</u>
<u>Economic</u>						
Soviet Union	365	85	150	200	120	920
Communist China	455	50	75	80	50	710
East Europe	130	15	50	90	60	345
Total	<u>950</u>	<u>150</u>	<u>275</u>	<u>370</u>	<u>230</u>	<u>1,975</u>
Total economic and military aid	<u>1,090</u>	<u>420</u>	<u>730</u>	<u>1,030</u>	<u>485</u>	<u>3,755</u>

a. Preliminary.

b. Because of rounding, components may not add to the totals shown.

c. Data show the value at Soviet foreign trade prices of weapons, other military equipment, and ammunition. They exclude aid for the construction of military installations and defense-related facilities.

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