

Mr. Kent

S-E-C-R-E-T

Note page 3 is slightly

revised from previous

CENTRAL INTELLIGENCE AGENCY
OFFICE OF NATIONAL ESTIMATES

text in accordance with DCI suggestions.

Disseminated to Sec Def

9 January 1967

circulate

in other

(11)

MEMORANDUM FOR THE DIRECTOR

SUBJECT: The War in Vietnam

THE OUTLOOK IN GENERAL

1. In the course of the past year and a half the chances that the Communists would win South Vietnam by military victory have vanished. This is the clearest development of the period; in other respects the course of the struggle remains inconclusive. In Saigon the political health of the South Vietnamese Government is still precarious, though much better than it was a year ago. The program for pacification of the countryside has made some progress, but results continue to be spotty. The fighting capabilities of the South Vietnamese army remain generally poor, and its eventual usefulness in pacification remains uncertain. The sympathies of much of the non-Communist world, and the efforts

MORI/CDF 1166495

GROUP I
Excluded from automatic
downgrading and
declassification

S-E-C-R-E-T

S-E-C-R-E-T

of many non-Communist governments, are more concerned with stopping the war than with the terms for settlement. There is no evident diminution of the Communist capability to continue the struggle. In any case, there is no evidence of a diminution of Communist will to continue the war.

2. The matter of will is crucial. Hanoi's determination probably is strengthened by hopes that the US will lose heart if the struggle is prolonged and by its belief that South Vietnam cannot create a viable political structure capable of winning mass support. But the strains upon the Communist side are great and are increasing. Above all, probably, the Communists face problems in recruiting manpower of good quality within South Vietnam, and in preserving the morale of forces which have been disappointed of quick victory and must continue the struggle under increasingly difficult circumstances.

3. We do not know how long the Communists will remain determined to persist. There are some indications that they may be reviewing their strategy and pondering their prospects.

- 2 -

S-E-C-R-E-T

S-E-C-R-E-T

They may decide at some point, perhaps even at a fairly early date to taper off the conflict, or conceivably to enter into negotiations. We see no good reason to believe that such a decision is likely in the near future, though it could happen with little prior warning. At present, we think the only safe estimate is that the struggle, if it is aimed at the creation of a peaceful South Vietnamese state which can stand on its own feet, will still be long and costly.

4. In the following paragraphs we discuss various aspects of the situation in greater detail.

- 3 -

S-E-C-R-E-T

S-E-C-R-E-T

THE MILITARY CONFLICT

5. Certain trends, which were already apparent in late 1965, were confirmed during 1966. The capability of the Communist main force to conduct offensive military operations was blunted, while the US and Allied forces gradually gained the battlefield initiative. Communist main force units were mauled time and again by the increasingly effective "search and destroy" tactics of the US command. Communist preparations for major initiatives have been repeatedly spoiled by a combination of good field intelligence and quick response capabilities. Communist forces suffered heavy losses from the combined fire power of US artillery and tactical air support.

6. Nevertheless, the NVA/VC main forces remain in the field. During 1966 the total strength of these forces increased from about 83,000 to 106,000, largely because of the heavy input of men from the North. There is no reason to doubt that the present force level can be sustained if Hanoi chooses. As far as materiel is concerned, capabilities for transporting supplies to the main forces have been more than adequate and well above requirements.

- 4 -

S-E-C-R-E-T

S-E-C-R-E-T

Communist Military Tactics in the Next Phase

7. There is considerable evidence that the military developments of the past year have led the Communists to re-appraise their strategy and tactics. Probably because they now recognize that an outright military victory is impossible, they appear to be adjusting their military effort primarily with a view to sustaining a long war. Their objectives in the coming phase will probably be to achieve a more favorable ratio of attrition rates by avoiding large-scale battles in favor of numerous, widely dispersed small-unit actions, to harass and obstruct the US/GVN pacification program, to raise the cost of the bombing program, and, in general, to create an impression that real progress, let alone victory, is impossible for the US. Hanoi appears to believe, in the light of its reading of the American body politic, that American will to persist will not prove equal to a protracted and costly struggle.

8. The Role of the Main Forces. During the phase which the struggle is now entering, the Communists will almost certainly attempt to keep major elements of their main force, including the NVA elements, in the field. Their principal missions will be to

- 5 -

S-E-C-R-E-T

S-E-C-R-E-T

protect base areas and to force the US and ARVN to maintain large forces dispersed and in action against this threat. Large-scale attacks will almost certainly be launched whenever conditions appear to augur success, and especially when such an attack holds some promise of having an important political effect on the US. Sustained large-unit operations, however, seem likely to continue to diminish as the Communists seek to cut the rate of attrition on the main forces. This could mean that it will be more difficult for US forces to strike large enemy concentrations with "search and destroy" operations.

9. In order to accomplish these aims, it is not necessary for the main forces to expand greatly. It is possible that Hanoi plans to slow down the expansion of main force units, especially if there is to be greater emphasis on guerrilla tactics. This could result in a decline in the introduction of complete units of the North Vietnamese Army into South Vietnam. There are some signs that this may already be taking place. Since 1 July no new units have been identified; however, because of the time lag which often occurs between actual infiltration and confirmation by US intelligence, it is still too early to say that a decline

- 6 -

S-E-C-R-E-T

S-E-C-R-E-T

has occurred. In any event, North Vietnam will almost certainly have to send sizeable groups of replacement personnel into the South in order to maintain existing NVA main force units at adequate strength.

10. The Role of the Guerrillas. The next year is likely to witness an increased emphasis on the guerrilla war. This war, of course, never ceased though it was conducted at a somewhat lower level this past year. Communist strategists apparently now believe that intensified guerrilla operations offer the best prospect of countering the impact of the US military buildup. The missions of the guerrilla forces will probably emphasize harrassment of the bases and LOC's of the US and ARVN forces in order to pin down these forces in defensive operations and, secondly, disruption of the pacification program by attacks on security forces assigned to RD, on RD cadres, and on pacified Hamlets. To achieve these goals, some VC main force units may be diverted to guerrilla operations, and the VC may make even more intensive efforts to motivate the population under its control. In addition, the Communists will almost certainly attempt further "spectaculars" such as the mortaring of major airfields and US

- 7 -

S-E-C-R-E-T

S-E-C-R-E-T

supply depots. Such operations which involve relatively little risk, commit few assets and, if successful, achieve major political and propaganda effects.

11. The Communists will continue and probably step up what has been termed the "criminal" war of assassination and terrorism. In the provinces such activity has always been one of the Communists' principal means of attacking the local roots of central authority and of cowing the rural population. The recent assassination of Constituent Assembly member Tran Van Van and the attempt on Dr. Pham Quang Dan suggests that the Communists may be embarking on an intensified campaign of urban terrorism. The initiation of such a campaign under present circumstances would actually be more a sign of Communist weakness than of strength. (Ideally, urban assets would be saved for the final push to topple a government softened by military defeat.) The Communists may feel, however, that politically and psychologically they must compensate for battlefield reverses and, further, that by carefully selecting their targets, they can exacerbate regional tensions within the Vietnamese body politic and fan already existing suspicion and hostility among contending non-Communist politicians and factions.

- 8 -

S-E-C-R-E-T

S-E-C-R-E-T

12. A VC effort to press the guerrilla war will pose a serious challenge for the allied forces, especially since the strength of the irregulars may have been underestimated in the past. ^{1/} For some years it has been estimated that there were about 100,000-120,000 irregulars, but there is now documentary evidence which strongly suggests that at the beginning of 1965, irregular strength was about 200,000 and that the goal for the end of 1965 was 250,000-300,000. More recent documentary evidence suggests that this goal was probably reached, at least during 1966.

Communist Problems and Prospects

13. Manpower. Though we may have erred in underestimating the size of the irregular force, this is not to say that the Communists are free of manpower problems. The heavy losses suffered by the Communist forces are a continuing burden, particularly for the Viet Cong. ^{2/} Total losses for 1966 were about 120,000, including

^{1/} Irregulars are divided into full-time guerrillas, part-time militia, and secret guerrillas who operate clandestinely.

^{2/} A statistical analysis of manpower problems is inhibited by serious deficiencies in the available data. The three vital measures of manpower are estimates of losses, the level of infiltration from the North, and the Order of Battle. The large areas of uncertainty which surround each of these key inputs mean that the judgments and estimates based on them rest on an inadequate factual underpinning and are thus subject to significant changes as more information is obtained. Nevertheless, the statistics do permit judgements on major trends.

S-E-C-R-E-T

65,000-75,000 lost to the NVA/VC main forces. Against its own losses of 30,000-35,000, however North Vietnam was able to sustain an input of about 75,000. And as noted above, the VC irregular force was probably expanding to 250,000-300,000, as well as making up for combat losses in its own and in Viet Cong main force units.

14. During 1967, we estimate that the Viet Cong recruiting and training apparatus will be required to supply about 7,000-10,000 personnel per month. The VC are capable of this effort, but it is probably close to their maximum capability. Of this total requirement about 3,000-4,000 will be earmarked for replacements in main force units. This can be done, but upgrading irregulars at this rate would probably mean a decline in the quality of replacements sent to the Main Forces. The North Vietnamese, however, seem to have been more successful in meeting their manpower requirements in 1966 than they were in 1965.

15. There is already evidence that competition for manpower was creating problems during 1966. A staff officer of the VC 5th division, for example, stated that his division was having difficulties in keeping up to strength because of lack of adequate

- 10 -

S-E-C-R-E-T

S-E-C-R-E-T

replacements. The division was using North Vietnamese as replacements, though one would normally expect upgraded guerrillas and local draftees to be more than adequate as replacements for the VC Main Forces. A recently captured document also indicates that some hard-pressed guerrilla commanders were using subterfuge to prevent guerrillas from being assigned to main force units.

16. Morale. Morale is likely to be a more critical factor than in the past. We know that in general Viet Cong morale is less good than a year ago. The reasons include the defeats and harassments resulting from superior US firepower and mobility and good tactical intelligence; some war weariness accentuated by the diminishing prospects of any foreseeable end to the war; the manpower pinch which has forced the VC to send recruits to main force units from their native Delta habitat into the inhospitable and disease infested highlands; food and medicine shortages. None of these manpower or morale problems is likely to be significantly alleviated in a protracted war, assuming US-ARVN and Korean forces maintain pressures on VC base areas and main force units.

- 11 -

S-E-C-R-E-T

S-E-C-R-E-T

17. There is bound to be some sense of a loss of momentum, which could have an important bearing on the attitudes of officers and cadres who were led to believe that victory was not far off. And perhaps ~~more important~~, there may be a psychological impact on the people. It can be fatal to a guerrilla movement or a revolutionary war if the people decide that the rebels may not win after all. But, as already noted, the Communist main forces no longer have the capability of gaining the kind of major tactical successes which would sustain their momentum.

18. To sum up the military outlook, the focus of the Communist effort is likely to be more on small unit actions, terrorism, sabotage and those tactics which pose the most difficult challenge to the allied forces. As far as capabilities and will are concerned, the Communists are encountering growing problems, but none of these appear to be critical. Thus, from the purely military standpoint there are good reasons to believe that the Communists will persevere.

- 12 -

S-E-C-R-E-T

S-E-C-R-E-T

THE POLITICAL STRUGGLE

19. The political aspects of the war may now loom somewhat more important to the Communists as the military situation assumes more and more the character of a protracted and costly struggle. The Communist effort, of course, still depends to a great extent on the dedication and commitment of its cadres and their organizational and military skills. But these would be of no avail without the active or enforced support of a substantial part of the population. If this support could be denied, the VC would be highly vulnerable, and probably could be driven off into the hills to starve or slowly deteriorate in strength and morale.

20. The Communists lost ground in 1966 in terms of what they can offer the people. They are likely to lose even more ground in 1967. The development of a degree of stability in Saigon, the holding of elections, and the process of building national institutions began to provide the first credible political alternative since Diem. At the level of more particular and immediate concern to the villagers there was no decisive shift, but the strains on the VC apparatus and the pressure of US/ARVN military, pacification, civic action, and economic and construction programs were beginning

- 13 -

S-E-C-R-E-T

S-E-C-R-E-T

to tell in particular areas, if not generally throughout South Vietnam. The VC have been driven increasingly to treat the population more harshly. Increased taxation, forced recruitment, and less selective acts of terrorism have hurt their image as defenders of the people. And association with the VC seems increasingly the wrong path to what the villagers want most of all -- peace and security.

21. The VC ability to defend villages against US/ARVN attacks has declined, and it has become increasingly likely that the presence of VC forces in a village will bring down a rain of bombs and gunfire. In contrast, in government-controlled areas schools are being built, medical assistance is available, economic activity is possible, there is a degree of immunity from bombings and battles, and the sheer weight of the resources available -- trucks, earthmovers, airplanes -- suggests that this may be the winning side. There are, of course, many shortcomings on the government side, including the pervasive threat of terrorism against those who go over or take active roles. Nevertheless, whole villages have moved to government areas, others have been

- 14 -

S-E-C-R-E-T

S-E-C-R-E-T

"pacified," and recruits have been found among the people to take an active role in all the various phases of revolutionary development and pacification.

22. Pacification. The Communists recognize the critical importance of defeating the pacification program. Over the next year, they will probably attempt to roll back the program just as they rolled up Diem's strategic hamlets in 1963 when these began to threaten the VC grip on some parts of the countryside. The pacification program depends on many factors, not the least of which is the steady commitment of the Saigon Government. But in the near term, the key factor probably is going to be the protection of pacified areas. And this rests to a considerable degree on the ARVN and the Regional and Popular force troops.

23. The Role of ARVN. The ARVN today is not in good shape. In general, its morale is poor, and its training has improved little. Only 4 of its 11 divisions are capable of reasonable performance in combat. This is primarily because of the wide diversity in the qualities of division level leadership.

- 15 -

S-E-C-R-E-T

S-E-C-R-E-T

24. Nevertheless, ARVN is not necessarily doomed to failure in its newest role as a security force in the pacification program. A saving element in the present situation is the presence of US and ROK troops to keep the large main force units off the ARVN's back and in general gain some time for the ARVN to begin retraining for its new mission. Much will depend on whether Saigon maintains its interest and pressure and on how the local commanders respond. It is likely that performance will be spotty for some time and that both pacification and ARVN's effectiveness in supporting it will advance only slowly.

25. Vietnamese Political Developments. * The outlook for continued stability in the politics of South Vietnam seems somewhat brighter. To be sure, fundamental problems remain and no assurance can be given that some incident might not provoke a major crisis. Over a period of 18 months, however, the Ky regime has survived

* A fuller discussion of the Vietnamese political outlook is contained in NIE 53-66, "Problems of Political Development in South Vietnam Over the Next Year or So," dated 15 December 1966, SECRET.

S-E-C-R-E-T

S-E-C-R-E-T

several crises of a kind which have brought down earlier regimes. First steps have been taken toward creating a sense of national identity and the institutions to embody it. The enlarged US presence has helped greatly, and despite the danger of incipient anti-Americanism, will probably continue to be a force for stability.

26. If, as seems likely, South Vietnam does make more progress, passing through national elections during 1967 and forming a new government, then this cannot help but have an impact on Hanoi. Any improvement in the chances for orderly political evolution in South Vietnam is discouraging to Hanoi, particularly at a time when the opportunity for military victory has been checked. Hanoi would be even more impressed and discouraged if Saigon also seemed to show progress in engaging the loyalties of the people.

27. Prospects. The outlook for the political phase of the war is quite mixed. Progress in pacification and winning over the population is likely to come slowly and painfully. The Communists are going to wage the political battle as vigorously as the military contest. They will almost certainly allow one

- 17 -

S-E-C-R-E-T

~~S-E-C-R-E-T~~

and probably two years to determine the success of their strategy in the next phase. But if the pacification program moves forward steadily, even if slowly, and Saigon continues to gain in stability, then the impact on Hanoi is likely to be far greater than any statistical measures of progress might suggest.

- 18 -

~~S-E-C-R-E-T~~

S-E-C-R-E-T

THE BOMBING OF NVN AS A FACTOR

28. Hanoi will probably expect further US escalation of the bombing and will take additional steps to make the US air attacks on the North increasingly costly and difficult. With Soviet and Chinese assistance, Hanoi has already built up its air defense step by step: conventional AAA, SAMs, MIGs, then more advanced MIGs, air-to-air missiles, improved radars, integrated warning systems with China, and finally, North Korean pilots have appeared. We cannot exclude that as the next step to check the US bombing, the Vietnamese will begin to use Communist "volunteers" in combat, the North Koreans being the first test of US reactions.

29. It is not demonstrable that the bombing of North Vietnam has thus far weakened Hanoi's will to continue the war. There appears to be confidence that North Vietnam can live with the present types and scale of attack and can also increase the attackers' losses. The principal economic cost to Hanoi has been the diversion of manpower, although we estimate that the diversion reached its peak in late 1965, and may now be declining. Losses to the economy are almost certainly viewed by Hanoi's

- 19 -

S-E-C-R-E-T

S-E-C-R-E-T

leaders as tolerable given what is at stake in the war. The bombing of infiltration routes has not resulted in shortages of materiel for the forces in South Vietnam, or significantly reduced Hanoi's ability to maintain logistic support of these forces. It seems clear now that the air campaign by itself cannot persuade Hanoi to abandon the war. Other factors would weigh much more heavily in the North Vietnamese leaders' appraisal of the prospects of victory and therefore in influencing their will to persist.

30. Hanoi has even seen political advantage in the bombing campaign. Together with its allies and supporters it has used the bombing to discredit the whole US effort in Vietnam. The propaganda to maximize international pressure on the US to desist from bombing is no doubt seen as a means of persuading the US to alter its war aims. There is no persuasive evidence at this time that a halt to the bombing would produce a Communist move for a truce and negotiations. Other considerations would figure more importantly, in particular the Communist judgment as to likely political developments in the wake of a truce.

- 20 -

S-E-C-R-E-T

S-E-C-R-E-T

THE ALTERNATIVE OF NEGOTIATIONS

31. The option of trying for a favorable political settlement through negotiations is probably given periodic consideration in Hanoi. That it has been rejected so far has probably been due, at least in part, to a deep suspicion of the entire concept of achieving Hanoi's ends through political bargaining -- a suspicion well grounded in what the North Vietnamese must regard as the sell-out of their interests in 1954. Moreover, their revolutionary mystique impels them toward a decisive victory won through their own military in the field rather than a qualified victory won at the conference table with the help of other powers. Though they probably recognize that a decisive victory is not now in sight, they probably still hope that persistence in a protracted war will bring the US to withdraw or consent to a settlement clearly advantageous to Hanoi.

32. The only other circumstances in which Hanoi seems likely to negotiate would be those in which it came to believe that its aims in South Vietnam were actually being prejudiced by continued war and that a negotiated political arrangement offered a chance to preserve its assets there, for use in a purely political

- 21 -

S-E-C-R-E-T

S-E-C-R-E-T

struggle or in a new revolutionary attempt later. At present there is no clear indication that such a turning in Hanoi's attitude is in the offing, but this could come at any time and we would be unlikely to have advanced indications of it in any case.

33. Another factor bearing on the issue of negotiations is the influence of Hanoi's allies. The argument is often made that Moscow will eventually persuade Hanoi to settle the war, in order to remove Vietnam from the international agenda and get on with the business of liquidating the cold war. In fact, the Soviet attitude toward the war appears to be mixed. The Soviets can see certain advantages in the problems which the war generates for US policy, especially in Europe. On the other hand, they are aware that the situation carries risks of direct confrontation with the US, which they wish to avoid. For the Soviets, the optimum outcome would be one in which a political process, perhaps including negotiation, gave Hanoi a good prospect of achieving its aims in South Vietnam; this would inflict a major reverse on the US and would win credit for the USSR in the international Communist movement, perhaps even to the detriment of Peking.

- 22 -

S-E-C-R-E-T

S-E-C-R-E-T

Evidently the Soviets do not think that the moment has yet come in which they can set in motion a scenario which would end in this way.

34. China's adamant stand against any negotiations has been one of the constant factors in the war, and it seems likely that Peking will continue to reject a political settlement and urge a continuation of the fighting. But we cannot ignore the momentous developments in Peking and the possibility that in the next year or two great changes may occur in the leadership. It does not seem likely that a future Chinese regime, following after Mao, will see its interests in Vietnam and Southeast Asia in a radically different way. But it is possible that the demise of Mao would bring important reappraisals, which almost certainly would have to include the Vietnamese question.

Conclusion

35. We conclude not only that the Communists are capable of fighting on for at least another year, but that they are probably determined to do so. In our view, however, they face important problems, and we believe that the Communist position, both militarily and politically in South Vietnam, will deteriorate

- 23 -

S-E-C-R-E-T

S-E-C-R-E-T

further over the next year. Yet, Hanoi has a strong political incentive to keep the war going, especially until it has some clearer notion about the stability of the GVN, the US Presidential elections, and the possible impact of both on US policy.

FOR THE BOARD OF NATIONAL ESTIMATES:



25X1



SHERMAN KENT
Chairman

S-E-C-R-E-T