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OCI No. 0615/65

Copy No. 03

WEEKLY REPORT



THE SITUATION IN SOUTH VIETNAM

14 April 1965

ARMY, DIA and DOS review(s) completed.

**INTELLIGENCE AND REPORTING SUBCOMMITTEE OF THE INTERAGENCY
VIETNAM COORDINATING COMMITTEE**

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Published by the Directorate of Intelligence
Central Intelligence Agency

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(8 April - 14 April 1965)

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The Weekly Report on the Situation in South Vietnam is based on contributions from CIA, DIA, and IMR edited and published by CIA without final coordination. A fully coordinated Monthly Report is disseminated the first Friday of each month.

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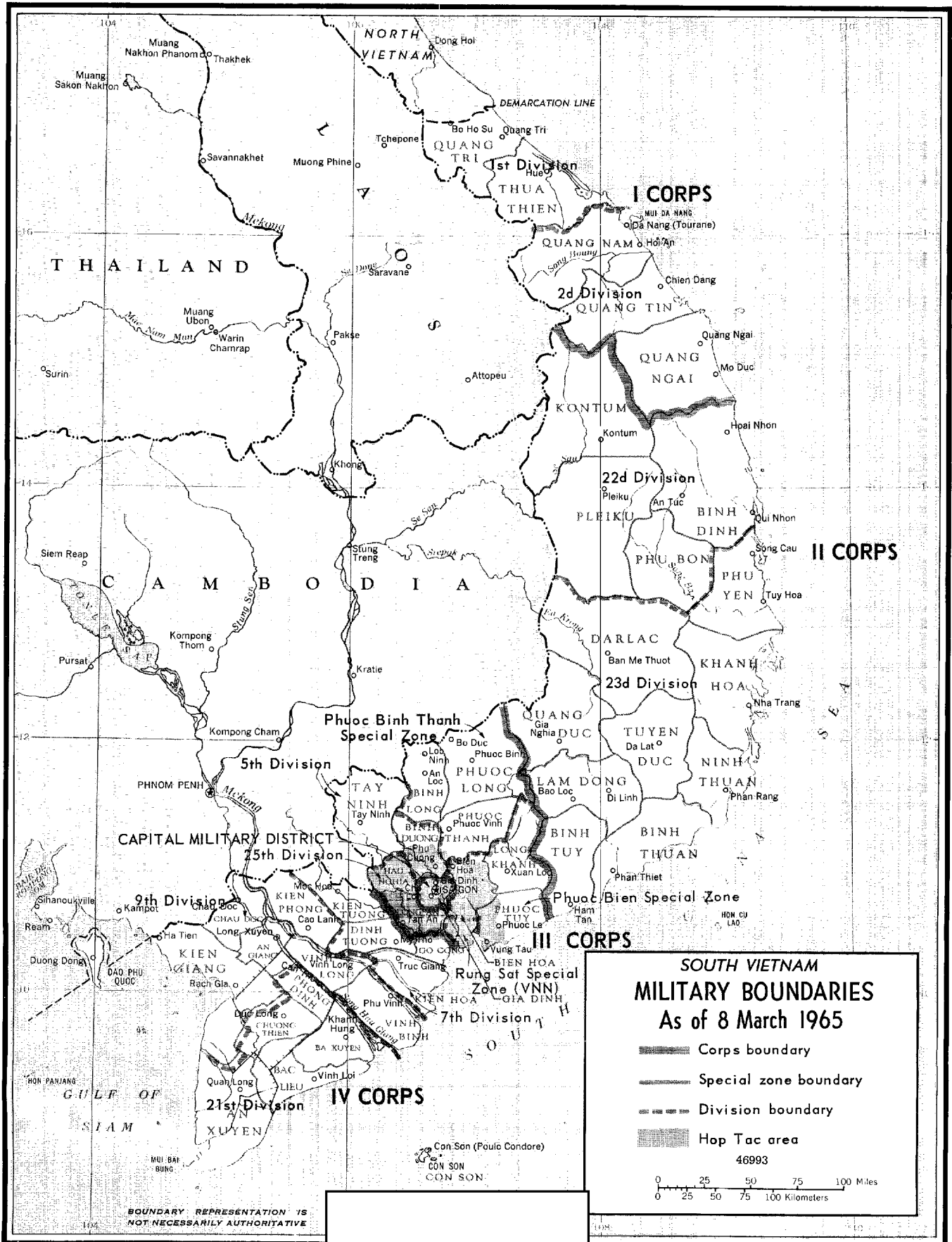
THE WEEK IN PERSPECTIVE

Last week's naval mutiny in Saigon, which led to the provisional replacement of naval commander Admiral Cang, has had unsettling effects on both the military and political equilibrium. It has set a possible precedent for junior officers to take matters into their own hands. In addition, the suspension of both Cang and of Saigon area commander General Dong, accused of encouraging gambling, has raised Catholic fears of a Buddhist-inspired military purge. Cang is Catholic and Dong reacted firmly to Buddhist street agitation against the former Huong government.

Premier Quat, who considers Dong a troublemaker, and probably encouraged his suspension, now hopes to carry out a major command reorganization to bring the military under tighter civilian control. Quat's proposals, which would leave only one Catholic officer in a top command post, could risk a serious Catholic reaction if not the eventual opposition of the military in general. Although it is possible that the views of the Buddhist hierarchy have influenced Quat's thinking, the Buddhist clergy continues to refrain from open political activity except for the further promotion of anti-Communist themes among their followers.

The Viet Cong, despite recent government military successes which may have caused a temporary disruption of enemy plans in some areas, retain the capability of striking in force at times and places of their choosing and of maintaining a high rate of violence throughout the nation. The reported buildup of Communist forces and the advent of the rainy season, which favors the Viet Cong, indicates that a major effort can still be expected. The Viet Cong probably consider that successes are now required to offset both recent reverses and increased US participation in the war.

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I. THE SITUATION WITHIN SOUTH VIETNAM

A. POLITICAL SITUATION

1. A mutiny, staged on 8 April by a group of fleet commanders against navy chief Rear Admiral Chung Tan Cang, resulted in the latter's suspension by Armed Forces commander General Minh. The incident may well have further repercussions within the military establishment and within the currently delicate political alignment.

2. The complaints against Cang concerned primarily his involvement in kickbacks from coastal shipping contracts under his control. Opportunism among his subordinates, taking advantage of his apparent loyalty to ousted General Khanh, was also a factor. A three-man military board of inquiry is now looking into the charges of corruption against Cang, as well as into charges of irregularities by General Pham Van Dong, who was simultaneously suspended from the position of Saigon area commander at the behest of Premier Quat. Meanwhile, Marine Brigade commander General Khang has been named acting naval commander and Dong has been replaced temporarily by his somewhat controversial deputy, Colonel Lam Son.

3. The mutiny and subsequent investigations have created further uneasiness in two areas. The danger of setting a precedent for future action by junior officers--many of whom have been reported restless over the political opportunism of their superiors--has not been lost on the generals, some of whom otherwise favored Cang's ouster. In addition, some circles view the episode as one step in a broader power struggle, particularly on the part of Air Vice Marshal Ky and I Corps commander General Thi. Ky has publicly referred to the presence of "bad elements" in the Armed Forces Council.

4. Premier Quat, long concerned over the problem of military infighting, has indicated that he now hopes to take measures to exert greater

control over the armed forces. He envisages a reorganization of the command structure to eliminate the positions of commander in chief and chief of staff. This would be primarily a device to "dispose" of Generals "Little" Minh and Huynh Van Cao, whom he considers uninspiring. They would be replaced with a single chief of the Joint General Staff, for whom Quat has no definite candidate. At the same time, Quat hopes to increase the responsibilities of Vice Premier and Armed Forces Minister General Thieu, whom he regards as a capable officer. Eventually, Quat hopes to dissolve the Armed Forces Council, now a potential rival authority.

5. Quat's proposals, in conjunction with the suspension of Admiral Cang and General Dong--a Catholic and Catholic sympathizer respectively--would have the effect of removing Catholic influence from the top military echelons, except for the presence of General Thieu. Although he has publicly stressed that the suspensions have no religious connotations, Quat is clearly running some risk of a Catholic reaction. His ultimate goal of extending his control over the military could lead to conflict with the generals as a group.

6. Catholic fear of a Buddhist hand in recent events is reflected by a reported appeal to Quat by the Catholic hierarchy in Saigon to prevent a general purge of Catholic military officers. General Dong, whom Quat suspects of stirring up Catholic circles, has privately described the charges against himself as trumped up, implying that they represent a Buddhist - Viet Cong conspiracy to seize control. The possibility of a Catholic-instigated coup attempt cannot be fully disregarded in view of the contacts maintained by militant Catholic refugee circles with ring-leaders of the abortive 19 February coup, who are still at large in the Saigon area.

7. Although the possibility exists that Buddhist influence was exerted, either indirectly upon Quat or through sympathetic officers, in the

[redacted]

suspension of Cang and Dong, the Buddhist hierarchy continues to refrain from overt political involvement. Buddhist efforts to develop a more openly anti-Communist posture remained evident during the week. Criticism of Viet Cong oppressive tactics was voiced by monks, laymen, and students alike at a 10 April reception by the Saigon University Buddhist Student Association. A speech by Thich Tam Chau, head of the Buddhist Institute, exhorted Buddhist worshipers to tighten their ranks against the Communist threat. Chau's speech, however, also contained some references to the continued presence of "Diemist remnants" and warned that, if these elements sought revenge against Buddhism, they would be combated along with the Communists.

[redacted] implied that the Catholics were opposing land reform, and stressing instead less urgent political reforms. [redacted] did express support for the government's decision to hold elections on 30 May for municipal and provincial elections. Quat's cabinet has also recently taken some economic decisions calculated to increase support from organized labor.

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8. South Vietnamese officials, and the Saigon press in general, have welcomed President Johnson's Baltimore speech as a reaffirmation of a firm US commitment to the country's defense. The US Embassy observes that the speech has provided a further lift to morale. Although there were some expressions of uneasiness in the Catholic press, and in statements attributed to Foreign Minister Tran Van Do, over the offer to entertain "unconditional discussions," Premier Quat's public statements have softened the effect. He stressed the US pledge of support and noted that the US merely attached no conditions to discussions which could lead to peace, as opposed to a peace settlement. Quat further hailed the US proposal of cooperative aid to Southeast Asia as a means of "stemming the Red tide." In contrast, some other Saigon comments have indicated concern over any inclusion of North Vietnam in the project.

9. A military tribunal on 9 April sentenced to death Nguyen Van Hai, the terrorist captured in the recent bombing of the US Embassy. A death sentence was also meted to another terrorist, captured earlier with explosives, and a possible accomplice of Hai received five years at hard labor. Despite normal procedure, in which the death sentence is carried out within 48 hours, no date was set for Hai's execution. Premier Quat had indicated his full sympathy with the need to delay the execution in view of the Viet Cong threat to retaliate against a US civilian official in their hands. Clemency can be authorized by Chief of State Suu, or Hai may possibly be held temporarily for further questioning, as was done with a terrorist similarly sentenced in Da Nang. Meanwhile, evidence has accumulated that another US civilian, a USOM provincial representative captured by the Viet Cong last August, was shot and killed by the Viet Cong in January when he was discovered trying to escape.

Economic Situation

10. Initial work on the dredging of Da Nang's harbor channel was completed last week. A channel 35 meters wide was opened; dredging will continue until the channel, which was severely silted during last fall's floods, is 90 meters wide. The GVN also signed contracts for two transportation surveys. One calls for a comprehensive technical and economic study of transport facilities, including rail, road, and port requirements. The second contract provides for study of port facilities and shipping for the major coastal ports, including Saigon, and some inland ports.

There has been no improvement in the urban rice situation: rice deliveries to Saigon remain unseasonally low, and the price rose again. The implementation and effectiveness of planned military sweeps to provide security for rice shipments remains unknown.

B. MILITARY SITUATION

1. Although there was a moderate rise in Viet Cong activities last week, Communist military successes were limited. Two of the three reported large-scale Viet Cong attacks were turned into significant Communist defeats. Despite some indications that the Viet Cong are suffering from effective US-GVN assaults, they remain capable of intensifying the war when and where they choose.

Communist-initiated activity increased in I and IV Corps but remained at the low level of the previous week in II and III Corps. Two company-size attacks were reported from I Corps: On 7 April a Viet Cong company simultaneously attacked two New Rural Life hamlets in Quang Tin Province and on 8 April, in Quang Ngai Province, a Viet Cong company-size attack force suffered greater losses than the Popular Forces platoon it ambushed. A determined Viet Cong battalion-size attack against a South Vietnamese marine battalion bivouacked along Route 1 was turned into a significant Communist defeat. The marines combined a strong defense with an aggressive counterattack to kill 205 Viet Cong while losing only four killed and 22 wounded. Almost all of the Viet Cong were killed by well-disciplined small arms fire in this purely infantry engagement. Enemy activity in the delta picked up noticeably but consisted mostly of small-scale activities. In Kien Giang, a Viet Cong force overran and completely leveled an outpost manned by 55 paramilitary forces. Only four in the garrison escaped and the others, along with their weapons, are missing. Despite the overall increase in Communist-initiated activity last week, the pattern remained unchanged.

There are some indications that the Viet Cong are feeling the effects of the long war. The number of Viet Cong military personnel returning to government control under the Chieu Hoi Program, while still modest, has reached its highest level since COMUSMACV started recording this statistic in January 1964. Recent ARVN operations have uncovered large caches of food, particularly in and around Viet Cong War Zone D, a factor which could disrupt the Communist timetable for future offensive operations. For the fourth time in a month, the Viet

Cong have failed to react militarily to the substantial losses of foodstuffs. The recent discoveries of large caches of weapons and the partial compromise of the sea infiltration system along the northern coastal provinces probably represents some additional logistical loss to the Viet Cong.

There is also some evidence that the Viet Cong now being encountered are being given minimum training before their employment in main force front line units. Viet Cong recently captured in Binh Dinh after their encounter with the South Vietnamese marines indicated that they had received only 15 days basic military training. Five of the 10 captives were newly infiltrated and on initial interrogation displayed little basic military knowledge. Viet Cong prisoners taken after the government victory in Chuong Thien Province last week stated that their units had not been active in the southern reaches of the delta because they had withdrawn to the U-Minh Forest for training. The prisoners said that Viet Cong morale in these units is low and that some were experiencing difficulty recruiting to offset a high desertion rate. Two-thirds of the Viet Cong 303d battalion, located in Chuong Thien Province, were said to be new recruits, many of them young boys of 16-17 forcibly drafted from hamlets. Additionally, the expanded application of combat air power within South Vietnam is increasing the number of Viet Cong killed in all operations, according to COMUSMACV.

COMUSMACV points out that the number and geographical spread of these reports appears to indicate a centrally-directed Communist campaign to create the impression of a Viet Cong withdrawal. They could also reflect a general regrouping in preparation for renewed attacks. Recent contacts with enemy units and the locale of current Viet Cong activity indicate that

Communist forces remain in place ready to intensify the war when and where they choose. In particular, COMUSMACV reports that the enemy has been building up a strong force in War Zone D, possibly in preparation for a major operation along the periphery of the Hop Tac Zone.

In sum, despite recent government successes and despite evidence that the Viet Cong are feeling the effects of stepped-up US-GVN assaults and of attrition generally, the Communist force in South Vietnam currently remains capable of significantly intensifying the war beyond present proportions.

2. Government military forces maintained the high tempo of effective offensive operations during the past week resulting in a number of significant victories over the Viet Cong. Another favorable indicator bearing on military operations was the report that the estimated personnel gains for March exceeded 10,000, two-thirds of whom were volunteers.

In Chuong Thien Province, a large operation launched on 4 April under the control of the 21st Division in the delta, forced a major engagement with two Viet Cong main force battalions in the approaches to the U-Minh Forest. While the government forces were moving into the objective area, a Viet Cong battalion ambushed a river assault force. After three days of intense fighting, involving river, air, and ground elements, ARVN successfully broke off the engagement when their advance units were in danger of over-extending their supply lines and the troops were nearing the limit of their physical endurance. Eventually a government victory was achieved. The final results heavily favored the government forces: 278 Viet Cong were killed (body count), 7 captured in battle and 12 other suspects taken later who turned out to be Viet Cong, and considerable material losses. Friendly casualties amounted to 22 killed (including 6 US), 85 wounded plus three aircraft lost.

A sector-controlled operation in Binh Dinh Province on 4 April, resulted in the virtual destruction of a Viet Cong company. Rapid response and flexibility in changing the scheme of maneuver after contact was made enabled the government force to envelope the Viet Cong flank. Extremely effective air strikes completed the victory. Final results show 42 Viet Cong were killed, compared to government losses of 10 killed and 15 wounded.

The significant government military achievements over the past several weeks could act as a tonic for ARVN and enable it to continue the aggressive offensive against enemy main force units in order to exploit, as much as possible, recent Viet Cong reverses.

3. Communist casualties and weapon losses reflect the intensified government offensive last week, and for the first time both enemy casualties and weapon losses greatly surpass those of the government. Viet Cong personnel losses dropped to 777 (643 KIA) from 875 (795 KIA) from the previous week. Government casualties declined to 666 (155 KIA) from 685 (189 KIA) last week. The Viet Cong lost 238 weapons compared to the 198 lost last week, while the government lost only 115 weapons this week compared to the 241 lost one week ago.

C. RURAL RECONSTRUCTION

1. There was little significant progress in the nationwide rural reconstruction effort during the past week. The main problem in Central Vietnam continues to be the disposition of refugees. The high priority Hop Tac program reported only slight gains.

In the I Corps zone, emphasis continued to be centered on the refugee problem. The three provinces of the 2nd Division tactical zone (Quang Nam, Quang Tin, and Quang Ngai)--where most of the

refugees are now concentrated--have formulated plans for their disposition. Six refugee centers have been established in Quang Ngai and appear to be operating effectively.

3. In Binh Dinh Province, Route 1 has been opened to the Quang Ngai border following repair of more than 50 miles of the road north of Qui Nhon. Although commercial traffic has not yet started to use this portion of the road, refugees have started to move back into a town about 50 miles north of Qui Nhon.

4. Progress in the rural reconstruction effort in the Hop Tac area is slow. There was a net gain of three hamlets added to the list of hamlets meeting the six-point criteria. The total of "completed" hamlets in the Hop Tac zone is now 359--six less than reported by MACV two weeks ago.

Recruiting for the Popular Forces showed some improvement during the past week. Four hundred personnel were recruited for the Popular Forces, mainly in Gia Dinh and Bien Hoa provinces.

Rural reconstruction budgets have been prepared by the joint GVN-US rural reconstruction budget team for all of the Hop Tac provinces except Gia Dinh and Bien Hoa.

II. THIRD COUNTRY DEVELOPMENTS

A. Reactions to President Johnson's April 7 Speech on Vietnam.

World reaction to President Johnson's speech was generally very favorable. United Nations Secretary General U Thant wrote the President welcoming the speech as "positive, forward-looking, and generous." Thant met with Ambassador Adlai Stevenson and Eugene Black, former President of the World Bank, to discuss President Johnson's proposals for Southeast Asia economic development. British Prime Minister Wilson issued a statement praising the speech. Canadian Prime Minister Martin stated in the Canadian House of Commons that Canada was prepared to participate fully in the Southeast Asia economic development program and that he hoped other industrial countries including USSR and eventually Communist China would participate. The French press expressed general approval of the speech saying it was what de Gaulle had long recommended; adding however that US should not exclude negotiations with the Viet Cong "Liberation Front."

Non-Communist Asian comment was favorable for the most part, with the exception of that originating in Djakarta. The semi-official Indonesian Herald criticized the speech as "calculated to deceive." Japanese Prime Minister Sato told Ambassador Reischauer he strongly welcomed the President's clear exposition of US objectives in Vietnam and expressed the willingness of Japan to participate in the Southeast Asian economic development plan.

Algerian Foreign Minister Bouteflika told our Ambassador Porter that he felt speech was very constructive and leaves the United States in a strong position. Algeria may aspire to play a mediating role in the Vietnam situation through its contacts with Communist China; there is little evidence, however, that the Chinese have any interest in Algerian mediation.

B. Cambodia.

The Cambodian official news service reported on 12 April that a Cambodian was killed by GVN forces on

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Cambodian territory. No further details are available, though the incident is presumed to have occurred on the same day. This is the first reported Cambodian fatality on the border since Prince Sihanouk's most recent threat on 24 March to break relations with the United States if a single Cambodian life were lost in a border incident. Sihanouk has made similar threats in the past without following through.

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III. Developments in the Bloc

A. Communist Reaction to President Johnson's Johns Hopkins speech.

Hanoi, Peiping, and Moscow have all commented negatively on President Johnson's 7 April speech. In essence, they have denounced the offer for unconditional talks as an attempt by the US to justify its "aggression in Vietnam."

1. Hanoi on 11 April published a commentary in Nhan Dan, attacking President Johnson personally and labeling the speech a "deception" full of "all the tricks of the most wicked sorcerers." The Hanoi commentary characterized the call for unconditional talks as "hypocrisy," designed to secure the US goal "that is recognition of US aggression." The article attacked the US offer of aid to Southeast Asia as an attempt to "buy the peoples" of the area and asserted that the "Southeast Asians decidedly will never take ten dollars each for selling out their country to the US imperialists." Anti-American remarks by Sihanouk and Sukarno were quoted as proof that Southeast Asians will not be swayed by offers of aid. Despite US attempts to divide "our nation," the article concluded, and despite the fact that the US "feverishly" seeks to split "our international solidarity bloc," the Indochinese peoples "will always unite with us in a rocklike bloc."

DRV language was even stronger in a 14 April Nhan Dan commentary in which the speech was characterized as a spiteful hoax and the President described as "lecturing on peace while brandishing his gun." On the subject of a conference, the commentary said "without the participation of the Front, it is impossible to settle the South Vietnamese question."

2. The first Liberation Front comment on the President's speech came from its representative in Prague who characterized the President's proposals as "untrue and deceptive." This was followed by an 11 April Liberation radiobroadcast which accused the President of pretending to be "eager for peace," at

the same time that he sends "aircraft to attack the DRV and Hainan Island." The broadcast demanded US troop withdrawal and threatened that if the US continues the war it will be disastrously defeated. However, the commentary added, "there is still time for... (President Johnson)... to think it over."

3. Peiping's most authoritative reaction to the speech, contained in an article by "observer" in People's Daily on 11 April, sought to emphasize the unswerving unity of purpose among the various Vietnamese Communist elements as well as its own determination to continue to support the Vietnamese Communist cause. The "observer" dismissed the call for unconditional talks as a "big swindle" and a "hoax" requiring the unconditional surrender of the South Vietnamese people to the "US imperialists."

The article focused attention on President Johnson's remarks about the "deepening shadow of Communist China" looming over the South Vietnam war, and alleged that the President's repeated mentioning of Communist China was meant to "carry out war threats" and "make the Chinese people stop supporting the revolutionary struggles" of the Vietnamese and other peoples. This idea was rejected as "sheer day-dreaming." "Observer" went on to declare that the "Chinese people are definitely not the kind... who tremble before the war blackmail and provocations of imperialism."

4. Soviet propaganda reaction to the President's address was highlighted by a 10 April Pravda article which attempted to dismiss the speech as a mere propaganda exercise reflecting no real change in US policy. Pravda claimed that the President's reference to unconditional negotiations had no substantive meaning, because in the US reply to the 17 nonaligned nations' appeal, the US had made it clear that an "indispensable condition" for stopping US military action in Southeast Asia "could be only the discontinuance of the national liberation struggle of the Vietnamese people."

B. Communist Reaction to Third Party offers of Mediation.

In contrast to President Johnson's response to the 17 nonaligned nations' conference proposal, Communist China, North Vietnam, and the Liberation Front have rejected the appeal out of hand. China was reportedly very cool to the nations who delivered the proposal and on 4 April. North Vietnamese Premier Pham Van Dong dismissed the appeal as "inoperative" [redacted]

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[redacted]
The Front representative in Prague said the proposal was unacceptable because it did not denounce "US aggression" or demand an immediate cessation of US attacks against North Vietnam. To date, Moscow's treatment has been confined to a 1 April TASS item merely noting that Soviet Premier Kosygin had received the appeal.

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Peiping has also refused U Thant's good offices. In a 12 April editorial, Peiping declared that the UN should be barred from any role in reaching a settlement of the problem. Referring to press reports that U Thant desired to visit China and the DRV, the editorial asserted that U Thant was "knocking at the wrong door." Peiping and Hanoi also refused to allow Patrick Gordon-Walker to visit their countries.

C. Communist Attitudes on the Vietnamese Situation

1. North Vietnam.

Hanoi has addressed itself to the subject of a conference on Vietnam several times this week at the highest official levels. The effect of all these statements is to indicate that North Vietnam has not changed its terms for an overall settlement of the war. DRV party and state Chief Ho Chi Minh reiterated the standard regime formulation for settling the Vietnamese situation, and for the first time put the formula in the context of preconditions for a conference. Ho's remarks were contained in an interview with a Japanese Communist journalist published by Hanoi on 9 April. The timing of the publication of the interviews suggests that it was intended as an oblique reply to President Johnson's 7 April call for unconditional negotiations, although the President's speech was not mentioned.

Ho stated that the US must "first of all" withdraw from South Vietnam. It must also stop its "provocative attacks" against the DRV, and let the "South Vietnamese people decide their own affairs." The carrying out of these basic points, according to Ho, will "bring about favorable conditions for a conference along the pattern of the 1954 Geneva conference."

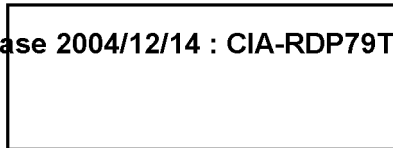
These same conditions have been restated as the official DRV Government position in the course of the National Assembly session which met from 8 to 10 April. The National Assembly is a legislative body comparable to the Chinese National Peoples' Congress and is a vehicle for disseminating regime decisions to the mass of the population. Ho Chi Minh, Premier Pham Van Dong, and Standing Committee Chairman Truong Chinh all addressed the assembly. Hanoi propaganda on the session indicates continuing regime concern with sustaining morale and with making sure that party policy is followed at all echelons in the government apparatus as the US military pressure on the DRV continues. Deputies at the session were tasked with convincing the people of the government's determination to further mobilize everyone to defend the DRV, step up domestic production, and "actively support" the insurgency in South Vietnam.

In this context Ho Chi Minh spoke at length on the determination of the Vietnamese to refuse to bow to US attempts by "force" to bring "our people to terms." He also repeated in essence the demands for "settling" the Vietnam war set forth in his interview broadcast on 9 April. He admitted that the assembly was meeting in "a very tense atmosphere," but claimed that it was also convened in "high spirits and with the utmost confidence." Vietnamese terms for a settlement were repeated by Premier Pham Van Dong and incorporated into the National Assembly's final resolution.

2. Communist China

Chinese views on negotiations were indicated this week in the course of Chinese Premier Chou En-lai's visit to Algiers from 30 March to 1 April. Chou reportedly told the Algerians that the Chinese will not intervene in the Vietnam conflict and will refuse to take part in

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negotiations on Vietnam. Chou predicted that a coalition government would soon be formed in Saigon which would ask the US to leave Vietnam and would negotiate with the Viet Cong.

Although Chou's reported comments were probably intended to convey the impression of a "reasonable" China, the remarks are consistent with the established Chinese public position that the "Vietnamese people" are the only ones able to settle the Vietnam problem.

3. USSR

The Soviet Union's attitude toward negotiations continues to reflect the conflicting pressures of Moscow's support for Hanoi's position and the USSR's regard for the future direction of Soviet-US relations. During a talk with Ambassador Kohler on 8 April, Soviet Deputy Premier Polyansky vigorously countered the ambassador's remark that the USSR had rejected negotiations out of hand. Polyansky said Soviet policy was "the peaceful negotiation of all international disputes, including Vietnam." The Soviets have not retreated from their position that even preliminary discussions to arrange negotiations are impossible as long as US raids on North Vietnam continue.

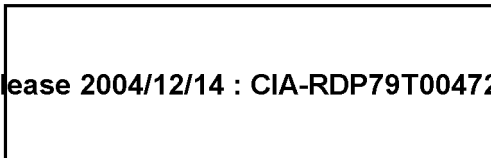
D. Military Developments in North Vietnam

1. The US-GVN air strikes on 3 and 4 April against the Thanh Hoa and Dong Phong Thuong road and railroad bridges evoked the first intervention by enemy aircraft. The bridges are only about 80 miles south of Hanoi, and the Phuc Yen - based MIGs reacted on both days. On the 4th, two MIGs came with little warning, jumped two US F105s from behind while carrying their full bomb load, and downed both of them. Since then no North Vietnamese MIGs have reacted to the subsequent strikes. However, they can be expected to react in areas within cheer range when US aircraft are striking targets they consider critical.

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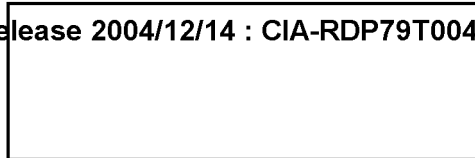
2. [redacted] revealed a surface-to-air missile site under construction about 15 miles southeast of Hanoi. No missiles or other weapons equipment have been noted at the site, but the construction is about three-quarters finished. [redacted]

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only an anti-aircraft battery site there.

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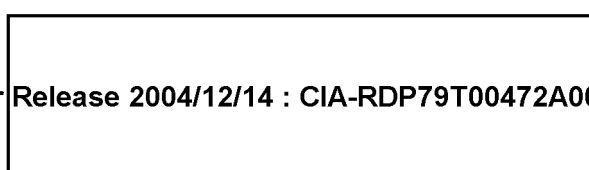
The equipment for the missile site is probably coming from the Soviet Union. The Chinese Communists probably would not supply it. Whereas, a week ago the Soviets were circulating reports that the Chinese Communists were obstructing Soviet attempts to ship military equipment overland to North Vietnam, in the past week the Soviets have floated new reports that Moscow and Peiping have reached agreement on such shipments, and that the equipment is flowing to Hanoi. To date no new Soviet equipment has been detected arriving in North Vietnam. Soviet ships continue to arrive in North Vietnam, but we have had no grounds to believe that any of them have brought specific military cargo.



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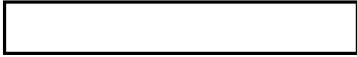
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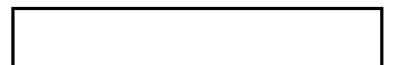
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