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MONTHLY REPORT



THE SITUATION IN SOUTH VIETNAM

4 June 1965

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

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I. SOUTH VIETNAM MONTHLY SITUATION REPORT

A. POLITICAL SITUATION

1. Political tension in Saigon has reached its highest point since the installation of the Quat government with a cabinet crisis following upon the heels of preclusive police action against an alleged coup plot, the details of which are still to be made clear. The cabinet crisis stems directly from Chief of State Suu's refusal to approve Premier Quat's dismissal of certain ministers and accordingly to confirm their replacements on the grounds that Quat's procedure is not in accordance with the provisional constitution. In challenging the basic powers of the premier to hire and fire his ministers, Suu created a situation which could immobilize Quat's administration and shatter the political stability of the past few months.

2. Quat, who showed considerable finesse when he effected the dissolution of the Armed Forces Council (AFC) earlier in May, seems to have underestimated Suu's determination to maintain his position. Suu may well be overly concerned with constitutional niceties, particularly to the degree that these affect the prerogatives of the chief of state.

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Moreover, Suu's concern with such matters is not new; in late 1964, his refusal to approve a decision of the military to force the retirement of several top generals was a major factor precipitating the political crisis during which General Khanh dissolved the High National Council. Whatever Suu's motives, there is no doubt that he has been influenced by self-seeking politicians

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around him and by two of the outgoing ministers, Hiep of Interior and Vinh of Economy. Together, these elements appear to be using the vagueness of the premier's constitutional powers to embarrass Quat and possibly overthrow the government. Hiep, a VNQDD party leader, and Vinh, a Catholic, have refused to resign and have apparently attempted to arouse public opinion against Quat.

3. The cabinet crisis has been compounded by the militant position taken by the Catholic minority and by the lingering uncertainties behind recent government claims that it squelched a coup plot by Colonel Thao and General Phat accused of consorting with the Viet Cong. Taking advantage of the crisis, certain militant northern Catholic refugee elements have publicly charged Quat with religious discrimination and have petitioned Suu to remove the "illegal" Quat government and establish "a government that all religions can support." Catholic criticism of Quat has grown over the past month or so, based on accusations that the Quat leadership is Buddhist-controlled, is discriminating against Catholic civil and military officials, and is more interested in negotiating with the Communists than in pursuing the war. In the meantime, government attempts to clarify charges of recent coup plotting have raised more questions than they have answered. Despite little evidence to support its charges, the government has used the alleged plot to effect certain personnel changes in the military and others may follow soon. Whatever the real story, Thao and Phat, under death sentence but still at large since their involvement in the abortive coup last February, probably have some followers within the armed forces and support among their Catholic co-religionists and might seek to exploit the tense atmosphere created by the cabinet crisis.

4. Despite recent attempts to moderate the situation, the situation remains in doubt. There are some immediate indications that Suu has modified his position and has agreed to the relief of

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the incumbent ministers of interior and economy if the National Legislative Council (NLC) approves such a recommendation by the premier. Whether this formula will in fact lead to solution of the deadlock, of course depends on how the NLC votes and whether Suu keeps his promise. While Chieu and the NLC claim to side with Quat on the constitutionality of his actions, Chieu and his colleagues appear more inclined to seek a compromise between Suu and Quat than to force the issue. There is also evidence of regional factionalism within the NLC.

5. Should this formula fail and Quat capitulate, he may set a precedent that could immobilize his administration. Most of the generals and Buddhist leaders are believed to support the government, but there have as yet been no real indication of the views of many of them on the present crisis. Despite voluntary dissolution of the Armed Forces Council, the generals almost certainly continue to look upon the armed forces as having a "watchdog" responsibility with respect to the government. Should Quat be unable to contain the crisis, he cannot be entirely certain that intervention by the military would be in his behalf or that, if it were, the generals would remain content with restoring him to full power once they had "resolved" the crisis. Finally, the Buddhist leadership, though somewhat discontented with Quat in recent weeks, probably still feel that they can work with him. However, should Quat appear too acquiescent to Catholic pressures, he might well lose the support of the Buddhists whose suspicions of the Catholic leadership are again on the rise.

Economic Situation

Rice prices remained high during the month and rice deliveries to Saigon from the Mekong delta continued to be below normal in quantity. Viet Cong interdiction of traffic on most roads leading out of Saigon, together with sabotage of electric power lines from the Da Nhim dam to Saigon were further moves to harass the capital and cut communications between Saigon and the areas to the north.

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B. MILITARY SITUATION

1. The violence of Viet Cong actions was greater in May than in any month this year. Despite relatively few attacks, the enemy conducted more successful company-size or larger actions during the month than in any other month this year.

The Viet Cong fully demonstrated their tactical flexibility by altering somewhat the pattern and location of their activities. The Viet Cong mounted a high rate of terrorism throughout the nation, but at the same time increased the emphasis on interdiction of land lines of communications. Highly successful attacks and ambushes of government troop convoys were more frequent and acts of sabotage in general more than doubled that of April. Major portions of the coastal transportation routes in I and II Corps remained closed to through traffic. Ben Cat, 25 miles to the north of Saigon, is virtually isolated by road, leading COMUSMACV to speculate that the town may be a possible Viet Cong objective in the near future.

In total number of incidents, the southernmost IV Corps sector reported the greatest amount, while the northern I Corps zone had the fewest. However, the provinces immediately north and northeast of Saigon experienced the greatest intensity during the month with several highly successful large-scale Communist ambushes of government convoys. This activity was capped by a Viet Cong attack on Song Be, the provincial capital of Phuoc Long Province, which was costly to both sides.

During the last few days in May, the Viet Cong sharply intensified their activities and dramatically shifted the focus northward, principally to the coastal areas of I and II Corps. Several attacks and ambushes were reported this past week, some in multiple battalion strength. One Communist attack directed against Ba Gia in Quang Ngai Province was carried out in regimental strength.

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Despite the sudden shift away from Saigon to the northern provinces, there is evidence of a sizable concentration of Viet Cong just to the north of Saigon, centered principally in War Zone D. There are also indications that the Communists in the area are improving their tactical capabilities, and the tempo of the war around the periphery of Hop Tac could again erupt without warning.

The prospects of further intensification of the war appears likely, with the greatest enemy effort focused in the highlands. The pattern of the enemy's recent attacks and interdiction efforts against major transportation routes suggests an attempt to tie down large portions of friendly forces around Saigon and in the coastal region, possibly in order to isolate the highland interior provinces. The bulk of the enemy main force still has not been committed to the offensive and thus poses a significant threat throughout the nation, but especially in the area comprising Viet Cong Military Region 5. The Viet Cong can be expected to attack at times and places of their choosing and to extract maximum tactical advantage from the summer monsoon weather, a factor which is already beginning to affect air operations over South Vietnam.

2. Government operational activity was maintained at a fairly constant pace throughout the month. Several significant Viet Cong contacts were made which resulted in government victories, however, the great bulk of friendly initiated operations failed to contact the enemy.

The several successful Viet Cong ambushes of government convoys during the month has led COMUSMACV to stress ambush countermeasures throughout the country. As a result, there has been some improvement noted in recent weeks. A few ARVN commanders have demonstrated that they are capable of turning the tables on enemy ambushes through the employment of sound tactics.

Compared to the start of the rainy season one year ago, the former tendency of ARVN to remain

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in a defensive posture around province capitals, district towns and key military installations is gradually being replaced with a more aggressive spirit, according to COMUSMACV. In contrast to past periods when Viet Cong activity was high, this represents a major improvement and reflects a favorable response to US advice for aggressive operations to spoil enemy attacks.

3. Statistically, the figures for May tend to favor the Viet Cong. (See Annex A for figures.) While the KIA ratio continued to favor the government, the Viet Cong KIA figures for May remained relatively constant when compared to April's figures. On the other hand, the government's KIA increased moderately from April's total. This becomes significant when viewed in the light of an increased tempo of enemy initiated activity during the month. (It should be noted that Viet Cong KIA figures are obtained from ARVN and are supposed to be based on body count.) The weapon loss ratio favors the Viet Cong by approximately 1.8:1, reversing April's ratio which favored the government. Viet Cong military defectors totaled over 860, the highest number on record for a single month.

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C. RURAL RECONSTRUCTION

1. On a nationwide basis, Rural Reconstruction efforts achieved few significant results during May. In I and II Corps areas, in fact, the deterioration apparent since January continued in May despite the relatively low level of Viet Cong activity. Only in the Hop Tac area itself, and in scattered districts in IV Corps, were any gains reported during the past month.

2. In the Hop Tac area, satisfactory operation of the resources control program continued. Clearing operations are proceeding in the Zone C area of Hop Tac, securing in Zone B, and development in Zone A, but operations are behind schedule and the Viet Cong continue fairly active in the area. Limited gains in population control in some provinces of III and IV corps appear primarily due to population resettlement from insecure areas or reevaluation of census estimates.

3. The refugee population in the eight northern coastal provinces stands at about 214,300. However, increases during the month in Quang Tri, Quang Nam, and Quang Tin were partially offset by a drop in Phu Yen and Binh Dinh provinces. In the latter province, the decrease was attributed to recruitment among males for the paramilitary forces and to the return of some refugees to their former homes after government forces cleared the areas of Viet Cong main force units. The relief burden, however, continues heavy on the Social Welfare Ministry, and has been abetted by new pockets of refugees in Lam Dong and Phuoc Long Provinces of III Corps, which were hard hit by Viet Cong actions during the month.

4. Government civic action programs in most areas continue to be hampered by problems of coordination at the ministerial level in Saigon, by lack of trained or well-motivated cadres, and by conscription of civil cadres for the armed services.

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II. DEVELOPMENTS IN THE BLOC

A. MILITARY DEVELOPMENTS

The Soviet Union continued throughout the month to supply military assistance to North Vietnam. Photography revealed that missile-associated equipment and jet fighters, presumed to be Soviet-supplied, had arrived. In addition a number of airfields have been improved for use by jet aircraft. The inventory of North Vietnamese jet fighter aircraft now stands at a minimum of 63. In addition, IL-28 jet light bombers began to arrive at Phuc Yen airfield in late May. Three missile sites are now known to be under construction around Hanoi. The first site, detected in early April, appears to be nearing completion; it is occupied with missile-associated equipment.

B. POLITICAL DEVELOPMENTS

In line with its increased military assistance to North Vietnam and as a part of its effort to reassert the Soviet presence in Communist Asia, the Soviet Union also concluded a military aid agreement with North Korea on 31 May. These Soviet overtures appear to have contributed to an improvement in the USSR's position in both Hanoi and Pyongyang. Neither North Korea nor North Vietnam has echoed Peiping's reopening of the polemic attack on the USSR. None of the recent Peiping editorials critical of Soviet policy on Vietnam have been published in North Vietnam or North Korea.

The Communist attitude toward negotiations showed little sign of change during May, and Hanoi vehemently rejected what it called US demands that Viet Cong attacks be halted in the South as a condition for continuing the mid-May "pause" in US strikes. During that time--on 18 May, Hanoi's chief representative in Paris, Mai Van Bo, called on the French Foreign Ministry and emphasized, under instructions, that Pham Van Dong's four-point proposal of 8 April amounted to "working principles for negotiation" and did not constitute "prior conditions."

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Bo indicated, however, that "recognition" of these principles,--which include settlement according to the program of the Viet Cong's National Liberation Front--was necessary to create favorable conditions for an agreement. Mai Van Bo's approach was probably designed in part to indicate that the DRV position on negotiations is not rigid and that Hanoi wishes to give at least the impression that it is interested in exploring possibilities for discussion on the Vietnamese problem.

Peiping treated the subject of negotiations several times in its propaganda in early May. A brief reference was made in a People's Daily editorial on VE Day celebrations and was followed up by a Lo Jui-ching Red Flag article on 10 May. Both times the Chinese admitted that under some conditions negotiations with imperialist countries are "necessary for the interests of the people and the revolution." The main emphasis of the articles, however, was on the dangers involved in dealing with "perfidious" imperialist powers and the need for extreme caution and firm resolution in such circumstances. On 28 May Peiping Radio broadcast excerpts from an interview of Foreign Minister Chen Yi with a French correspondent in early May. Chen reiterated that the Chinese were not opposed to negotiations as such, but that Peiping regarded the "unconditional discussions" proposed by President Johnson as nothing more than a US attempt to buy a "breathing space" in the war. Although these references may be intended to answer charges put forward by the Soviets that the Chinese are intransigent war maniacs, they do put the Chinese on the record as being willing to negotiate under some circumstances. All of these references have been sufficiently vague to permit a variety of interpretations, and put the Chinese, at least publicly, more in line with the somewhat flexible Vietnamese position on negotiations.

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III. THIRD COUNTRY DEVELOPMENTS

A. DIPLOMATIC RELATIONS

1. The GVN intensified the drive to improve its diplomatic image by sending goodwill missions abroad in May. Foreign Minister Tran Van Do headed a delegation to New Delhi and Bangkok in early May. Indian officials have stated that Do's visit gave them a better understanding of the situation in Vietnam, and of the varied problems facing the GVN. They have indicated that the Indian Government will oppose the seating of the NFLSVN at the Afro-Asian Conference and support Saigon's participation in the conference as the government of South Vietnam.

2. Deputy Premier Tran Van Tuyen resumed his goodwill trip to Africa in May (it was cut short in April by political developments in Saigon), visiting the UAR, the Malagasy Republic, Kenya, and Ethiopia. Tuyen and other GVN officials have indicated that the visits in April and May were highly successful, particularly in Malagasy, Senegal, the Ivory Coast and Ethiopia. In response to Emperor Haile Selassie's wish, the GVN will open an embassy in Ethiopia shortly; Nguyen Van Thinh, designated Counselor of Embassy in Addis Ababa, will depart Saigon on June 3 whereas Vinh Tho, ambassador-designate, will leave Saigon next week.

3. Vinh Tho, Secretary General of the Foreign Office, told a US Embassy officer that the GVN doubted the utility of an official goodwill trip to Malaysia, Burma, and Pakistan but that they were seriously considering a trip around Southeast Asia and the Middle East.

B. AFRO-ASIAN CONFERENCE

According to the press, Foreign Minister Do will head the GVN delegation to the Foreign Ministers' meeting of the Afro-Asian Conference to be held in Algiers on 24 June, while Prime Minister Quat

will head the delegation to the heads of government meeting beginning on 29 June. In preparation for the conference the GVN representatives will contact Japan, Morocco, Iran, and other moderate African countries to enlist their support for Saigon's participation in the conference as the government of South Vietnam and for the exclusion of the NFLSVN at the conference.

C. FREE WORLD ASSISTANCE

1. Philippines. In response to a GVN request for additional assistance, the Macapagal administration has introduced a bill (HB 17828) to Congress asking for 25 million pesos (US\$ 6.58 million) to send an engineering battalion with necessary security troops to South Vietnam. The proposal handily passed the House on 12 May, but no final action has yet been taken in the Senate owing mainly to Nactionalista opposition. Although President Macapagal has promised to re-certify the bill to the Senate as a result of a recommendation by the bipartisan National Security Council, the ultimate decision of the Senate is still uncertain. Macapagal has also approved the use of US bases in the Philippines and the Manila International Airport for Australian troop movements to South Vietnam.

2. Australia. Some 100 Australian troops arrived in South Vietnam on 2 June, in advance of an 800-man infantry battalion which may be attached to the US 173rd Airborne Brigade to defend Bien Hoa or Vung Tau and serve as a mobile reserve force.

3. New Zealand. On 28 May, the New Zealand Government won a vote of confidence in the Parliament (39-33 votes) on its decision to send an artillery battery to South Vietnam. The New Zealand Chief of the General Staff announced on 30 May that the unit would arrive in South Vietnam within several weeks.

4. South Korea. On 17 May General Howze, CINCUNC, informed Prime Minister Chong that he had received authority to release from his operational control 281 ROK army personnel (an infantry company) to augment the ROK forces in South Vietnam.

5. Republic of China. In view of Father Hoa's recent admission to US officials in Saigon that he has indicated to GRC political warfare advisers his interest in augmenting his forces in Hai Yen with additional GRC military personnel, it is assumed that Taipei is aware of the request. In the meantime, China News, the official GRC news agency announced on 21 May that, according to shipping business circles in Taipei, Chinese shipping companies have decided to assign more Chinese commercial vessels for service to Da Nang, Qui Nhon, and other ports to help expedite the shipment of US supplies to the central provinces of South Vietnam.

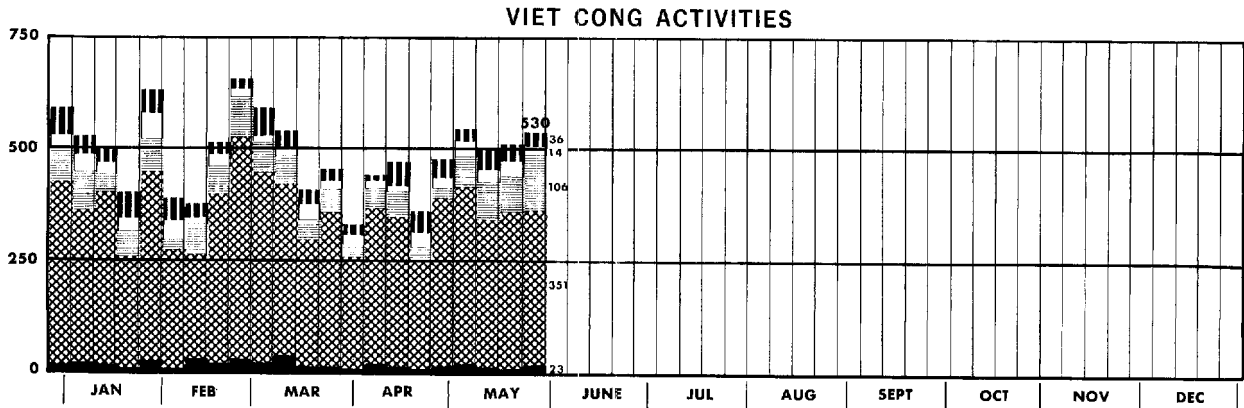
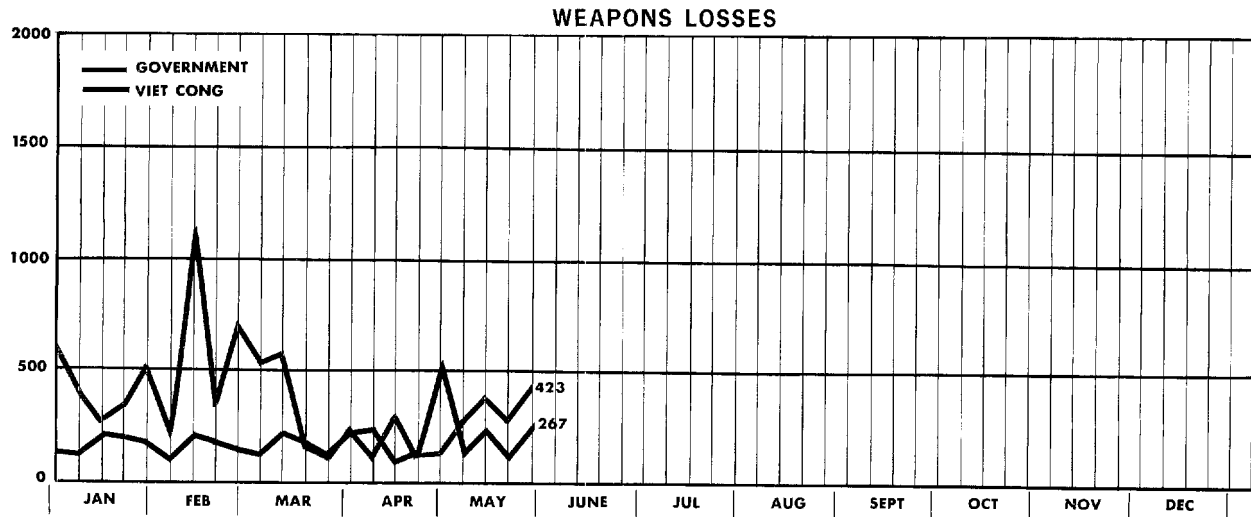
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SOUTH VIETNAM BATTLE STATISTICS, 1965

WEEKLY REPORT



* WOUNDED NOT INCLUDED, SUCH FIGURES UNAVAILABLE ON VIET CONG



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ATTACKS TERRORISM SABOTAGE PROPAGANDA ANTI-AIRCRAFT FIRE

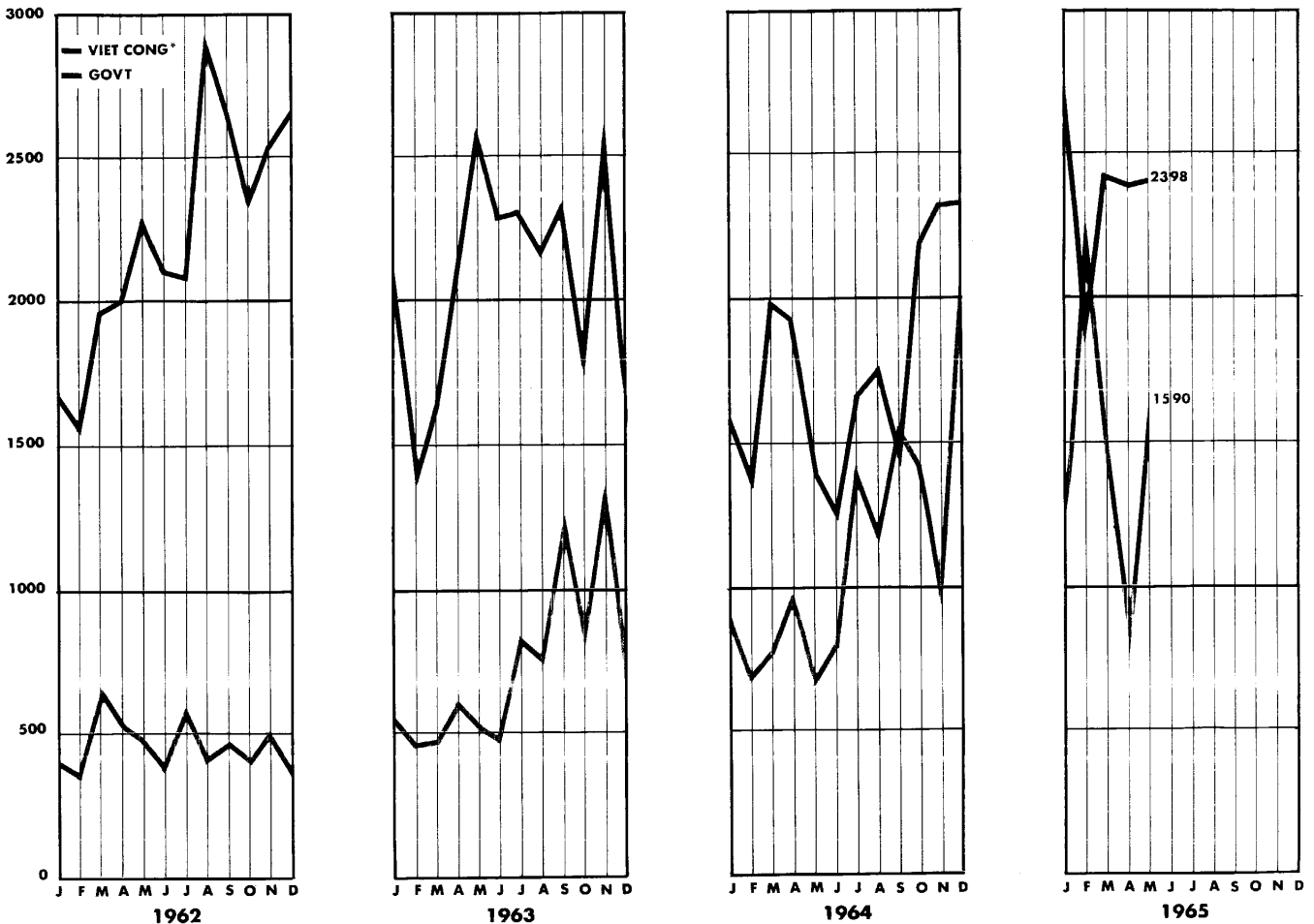
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SOUTH VIETNAM BATTLE STATISTICS

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I. CASUALTIES



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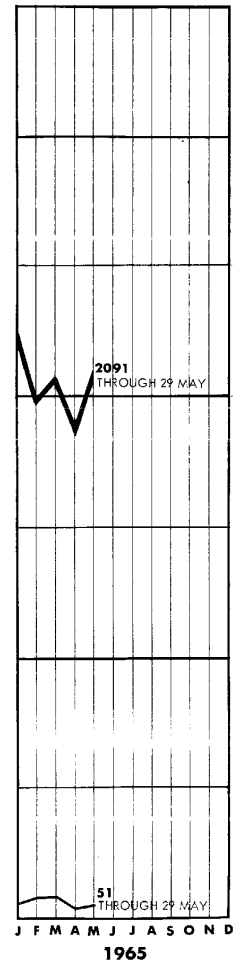
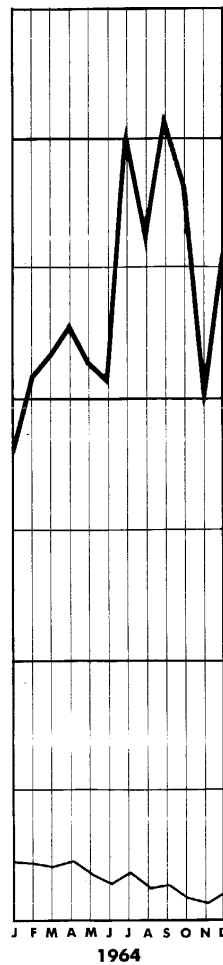
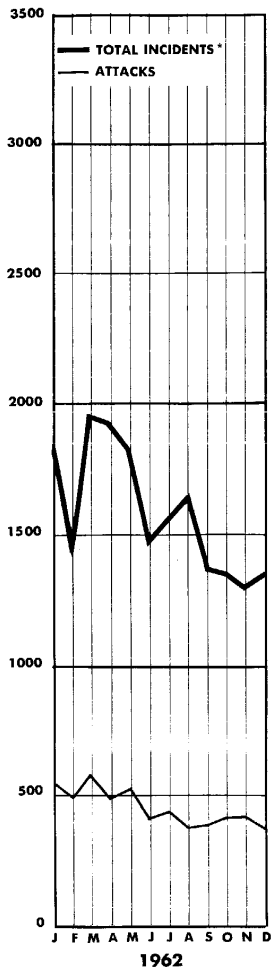
*Wounded not included. Viet Cong figures unavailable.

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SOUTH VIETNAM BATTLE STATISTICS MONTHLY REPORT

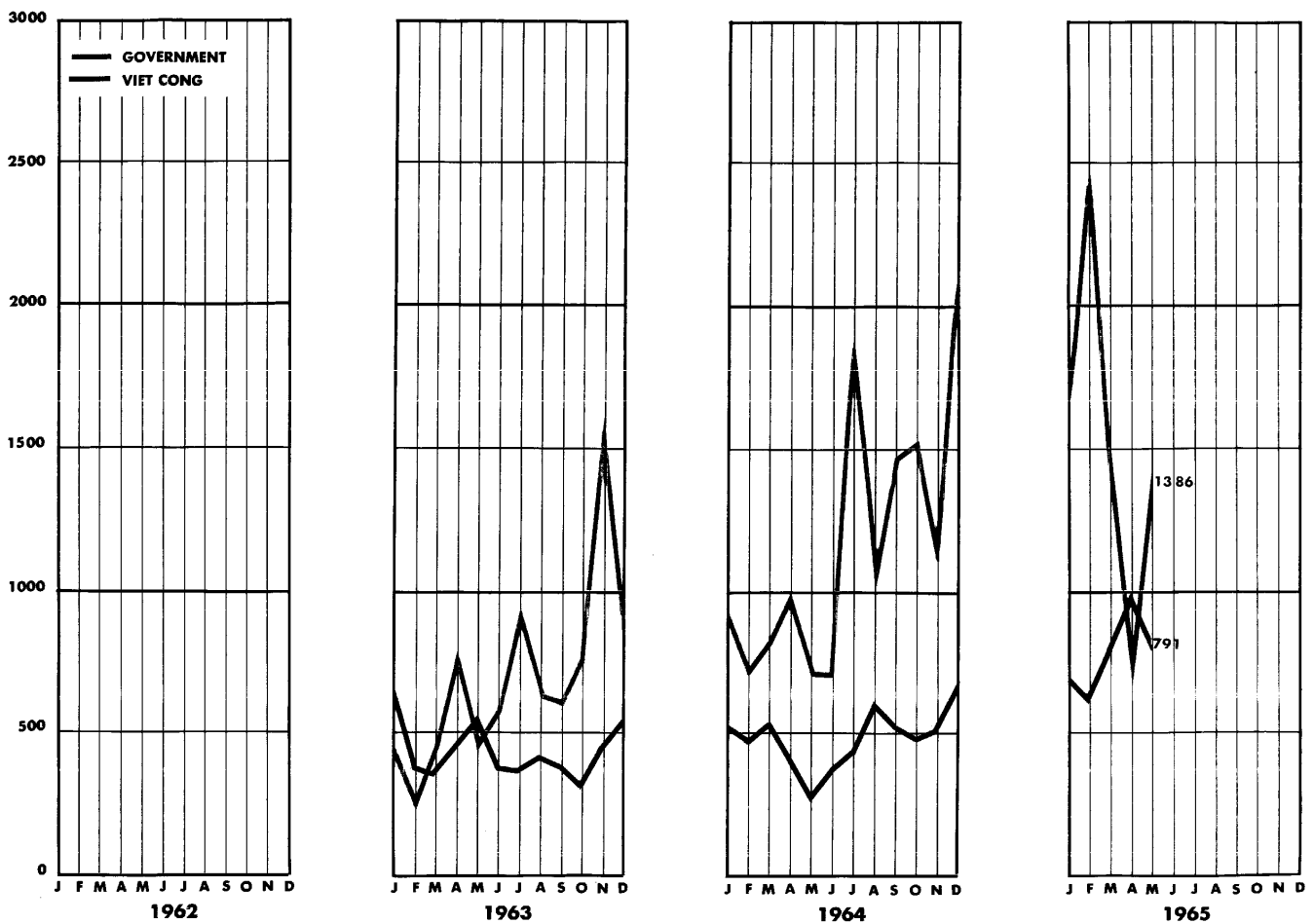
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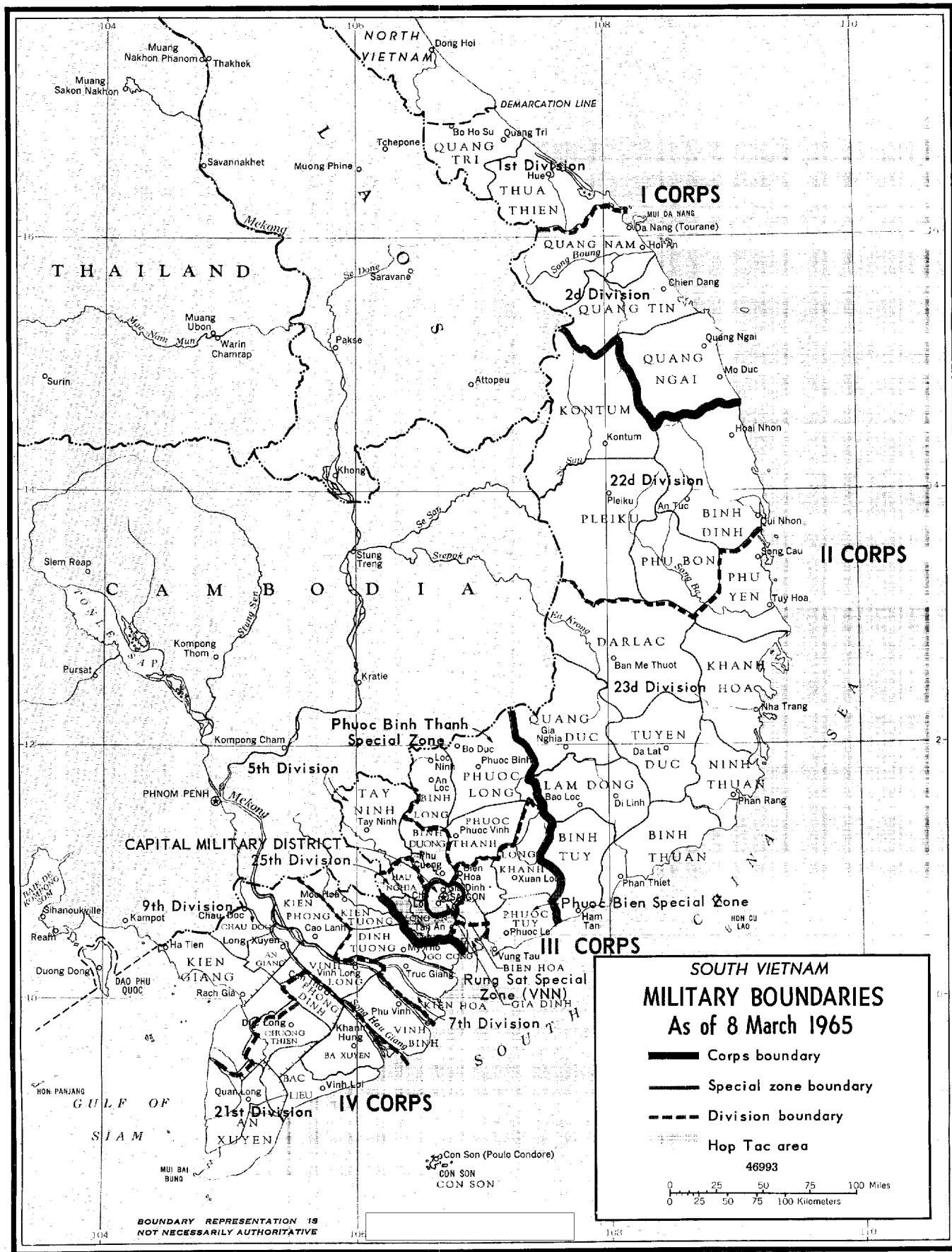


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SOUTH VIETNAM BATTLE STATISTICS
MONTHLY REPORT

III. WEAPONS LOSSES - VIETNAM and VIET CONG





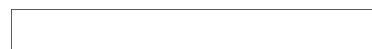
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