

Top Secret

55



MEMORANDUM

DIRECTORATE OF
INTELLIGENCE

The Situation in Vietnam

State Department review completed

NSA review completed

Top Secret

30 December 1966



25X1

Approved For Release 2006/03/17 : CIA-RDP79T00826A001500010055-9

Approved For Release 2006/03/17 : CIA-RDP79T00826A001500010055-9

Information as of 1600

30 December 1966

25X1

HIGHLIGHTS

25X1

I. The Military Situation in South Vietnam:
No major contacts with the enemy were reported on 30 December (Para. 1). ARVN forces continue their large-scale operation, DAN CHI 270/D, in the delta with favorable results (Para. 2). ARVN forces in Operation LIEN KET 78 in Quang Ngai Province were attacked by Viet Cong forces (Para. 3). The Viet Cong are reported to be augmenting their local forces in An Giang Province from higher echelons, a reversal of traditional military policy (Paras. 4-6). The Viet Cong may attack areas of Saigon with mortars on 1 January (Para. 7). New Year's truce begins at 6 P.M. (EST) on 30 December (Para. 8). Weekly review of Battle Statistics (Para 9).

II. Political Developments in South Vietnam: The port strike in Saigon ended on 30 December after the failure of a general strike in Saigon called by the dock workers' union leaders; terms of settlement are still unclear (Paras 1-2). The Constituent Assembly on 29 December indicated clear dissatisfaction with the Directorate's rejection of requests that it modify its veto power over constitutional provisions (Para. 3). The assembly approved the incorporation of an inspectorate in the new government and constitutional principles relating to the role of political parties (Para. 4). Premier Ky reportedly is moderating his earlier statements that he would not seek the presidency in a future government (Para. 5).

III. North Vietnamese Military Developments: Analysis of intercepted voice communications has provided a tentative breakdown of the organization of North Korean pilots in North Vietnam (Paras. 1-3).

25X1

Approved For Release 2006/03/17 : CIA-RDP79T00826A001500010055-9

IV. Other Communist Military Developments:
There is nothing of significance to report.

V. Communist Political Developments: Le Duan has warned the North Vietnamese that 1967 will be tougher than 1966 (Paras. 1-4). [redacted] Peking may be mounting a campaign to curtail use of Hong Kong as a leave area for US forces in Vietnam (Paras. 8-9).

25X1

25X1

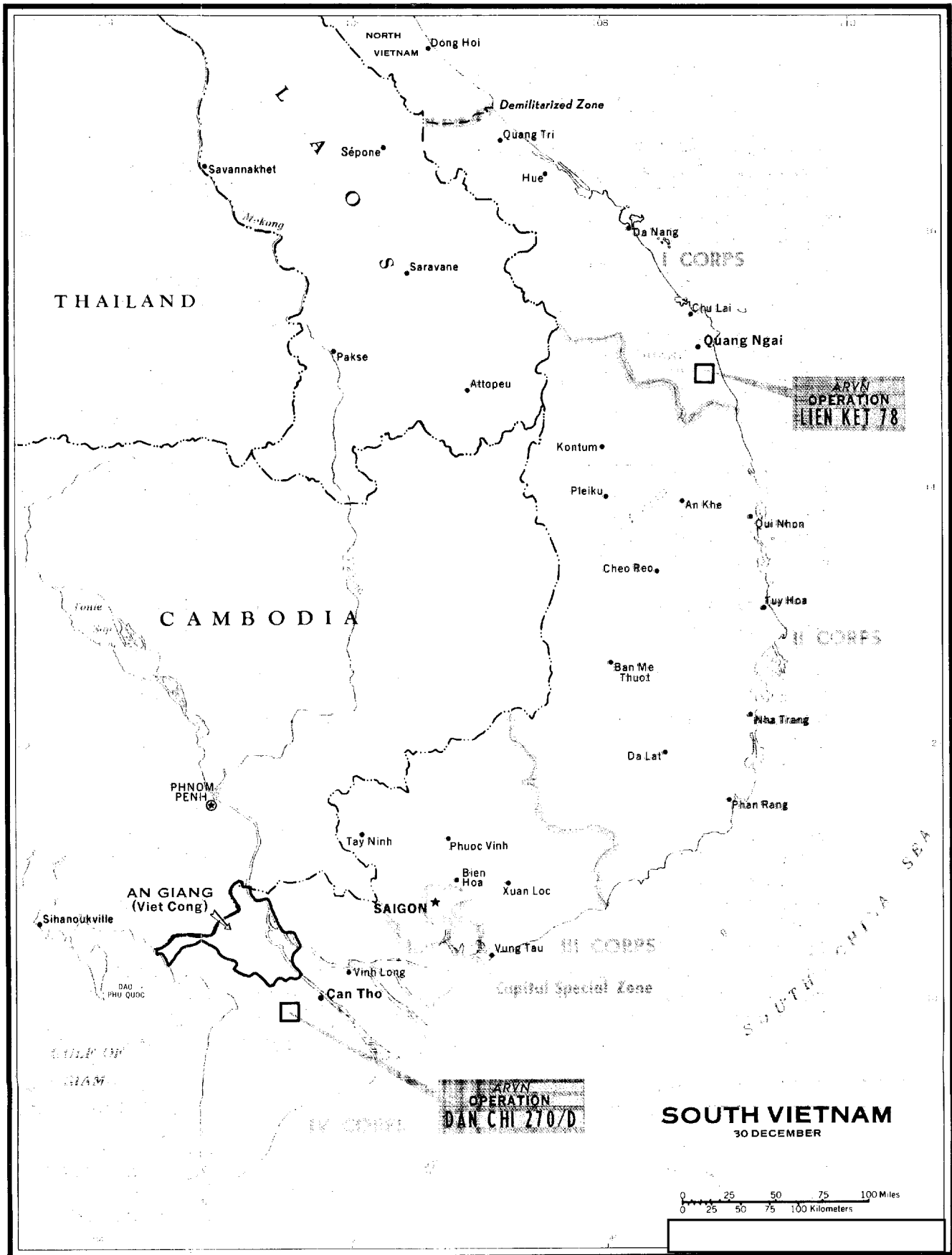
[redacted]

25X1

30 December 1966

Approved For Release 2006/03/17 : CIA-RDP79T00826A001500010055-9

25X1



I. THE MILITARY SITUATION IN SOUTH VIETNAM

1. US combat forces are participating in 12 of the 31 battalion-size or larger allied ground operations currently in progress. No major enemy contact was, however, reported in any of these operations on 30 December.

2. An eight-battalion South Vietnamese Army task force under the control of the ARVN 21st Division is continuing to press search-and-destroy Operation DAN CHI 270/D against large-scale Viet Cong troop concentrations in the delta provinces of Chuong Thien and Phong Dinh. In a series of sporadic fire fights on 29 December in an operational area centered about 18 miles west of Can Tho, government regulars killed 35 Viet Cong and captured four. Friendly casualties were two killed and seven wounded. The action on 29 December raised cumulative enemy losses in the five-day ground sweep to 124 killed, eight captured, and 42 weapons seized. ARVN losses have been minimal.

3. In northern coastal Quang Ngai Province, battalion-strength elements of the ARVN 2nd Division conducting Operation LIEN KET 78 south-southeast of Quang Ngai city were attacked on 29 December by a Communist force employing 60- and 81-mm. mortar and 57-mm. recoilless rifles. ARVN losses included four killed and 16 wounded compared to known enemy losses of three killed.

4. In An Giang Province, the Viet Cong have decided to replace troops in low echelons with those from higher echelons, a reversal of their traditional military policy.

25X1

[Redacted]

25X1

This will be achieved, [Redacted] by sending district forces to augment village guerrillas, provincial forces to augment districts. In addition, there have been [Redacted] reports that companies from battalions in certain other provinces have been sent to work with district forces. The provincial units that have been mentioned are in Quang Tri, Quang Nam, Pleiku, and Phu Yen.

25X1

25X1

5. Although some provincial units are apparently being broken up, there are no indications that Main Force units have been affected. No units subordinate to a region, COSVN, or Hanoi High Command have been reported disbanded.

6. In keeping with a re-emphasis on guerrilla warfare and "grass-roots" political activity, captured Viet Cong documents are stressing that renewed vigor must be applied to troops proselyting. The traditional "three magic wands" of military activity, political activities, and troop proselyting are still seen as the key to what the Communists believe is their inevitable victory.

7.

[redacted] has indicated that there will be a mortar attack on Saigon on 1 January 1967. This is the third report of this nature that has been recently received. Such an attack, although occurring during the New Year's truce, might be rationalized in enemy propaganda as a "retaliatory strike" in retribution for alleged US strikes in the Hanoi area on 2, 13, and 14 December 1966. Alleged targets for the attack are Independence Palace and the US Embassy.

8. The New Year truce is scheduled to begin at 6:00 P.M. (EST) 30 December and continue until 6:00 P.M. (EST) 1 January. Although no allied military offensive operations are scheduled to begin during this 48-hour period, a full alert will be maintained. The level of Communist-initiated incidents is expected to be similar to the 102 recorded during the Christmas cease-fire. Those incidents were mostly minor and related to allied reconnaissance activity.

Weekly Review of South Vietnam Battle Statistics

9. The Week of 18-24 December compared with 11-17 December:

I. Viet Cong Incidents

<u>Time Period</u>	<u>At-tacks</u>	<u>Regimental size</u>	<u>Battalion size</u>
11-17 Dec	23	0	0
18-24 Dec	21	0	1

30 December 1966

25X1

25X1

25X1

I. Viet Cong Incidents (continued)

<u>Time Period</u>	<u>Company size</u>	<u>Harassment</u>	<u>Terrorism</u>
11-17 Dec	6	377	31
18-24 Dec	3	440	30

<u>Time Period</u>	<u>Sabo-tage</u>	<u>Propa-ganda</u>	<u>Anti-Aircraft</u>	<u>Total Incidents</u>
11-17 Dec	7	23	193	654
18-24 Dec	29	19	218	757

II. Casualties

	<u>VC/NVA</u>		<u>GVN</u>	
	<u>11-17 Dec</u>	<u>18-24 Dec</u>	<u>11-17 Dec</u>	<u>18-24 Dec</u>
Killed	825	1038	190	203
Wounded	---	----	446	477
Missing/ Captured	<u>88</u>	<u>198</u>	<u>34</u>	<u>37</u>
TOTALS	913	1236	670	717

	<u>US</u>		<u>FREE WORLD</u>	
	<u>11-17 Dec</u>	<u>18-24 Dec</u>	<u>11-17 Dec</u>	<u>18-24 Dec</u>
Killed	88	109	9	5
Wounded	429	571	15	29
Missing/ Captured	<u>2</u>	<u>4</u>	<u>0</u>	<u>0</u>
TOTALS	519	684	24	34

30 December 1966

III. Weapons Captured

	<u>VC/NVA</u>		<u>GVN</u>	
	<u>11-17 Dec</u>	<u>18-24 Dec</u>	<u>11-17 Dec</u>	<u>18-24 Dec</u>
Individual	252	Not	294	136
Crew-Served	<u>21</u>	Reported	<u>13</u>	<u>2</u>
TOTALS	273		307	138

30 December 1966

II. POLITICAL DEVELOPMENTS IN SOUTH VIETNAM

1. The US Embassy has confirmed that the port strike in Saigon has ended, and that dock workers were returning to work as of 8:00 P.M. (Saigon time) on 30 December. Unconfirmed press reports state that the dock workers' union accepted the US Army/GVN offer to find immediate jobs at the main port for temporary workers dismissed from the US military-controlled New Port.

2. The walkout was ended after the Saigon Council of Trade Unions' call for a general strike in Saigon to support the port workers went generally unheeded. Only about five of the 120 affiliated unions fully participated, principally the more radical textile unions. Disruption to transportation and public utilities was minimal. Neither the port strike nor the general strike call was endorsed by the top echelons of the Saigon Council's parent organization, the Vietnamese Confederation of Trade Unions (CVT).

Constituent Assembly Activities

3. On 29 December, the Constituent Assembly discussed the formal reply received earlier this week from the Directorate concerning the latter's refusal to accede to an assembly request that the Directorate modify its power of veto over the draft constitution. The assembly took no formal action on the reply other than to approve a proposal that the constitution be protected by the deputies after "we have approved it." The discussions clearly indicated that the assembly is not satisfied with the Directorate's position, and that the possibility of a showdown between the assembly and the government is not eliminated, only postponed.

25X1

[redacted] assembly chairman Phan Khac Suu is still working on a possible compromise formula he hopes to sell to the Directorate.

25X1

30 December 1966

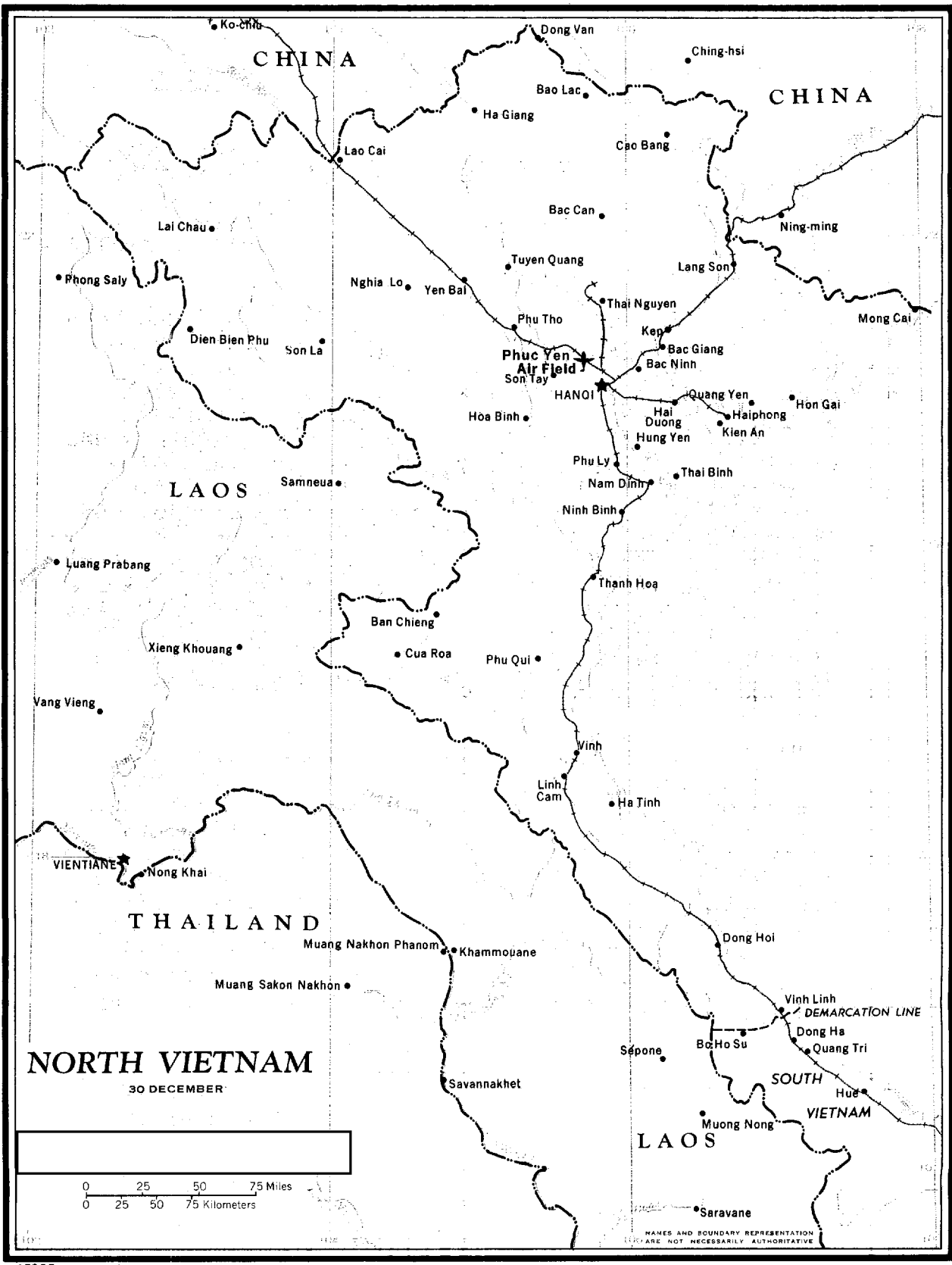
II-1

4. In its morning session on 29 December, the assembly again discussed whether to provide for an inspectorate in the constitution, and approved such a provision in principle. It, however, deferred a vote on whether the inspectorate would be a separate branch of government. The assembly also debated the role of political parties, and adopted three general constitutional principles: (1) that parties play an essential role in a democratic regime, (2) that a two-party system should be encouraged by the state, and (3) that the formalization of a political opposition should be encouraged by the state.

5. Premier Ky, who saw the press on 29 December while on a trip to the resort area of Da Lat, is quoted by correspondents as having indicated that he would be a candidate for president in a future election if the public desires, and as claiming that a cease-fire for the lunar New Year (a four-day period in early February) may be canceled by the government if the Viet Cong flagrantly violate the 48-hour New Year truce. The US Embassy, however, reports that Ky's remarks were just intended for effect and that he does not intend to carry through with them.

30 December 1966

II-2



65285 12-66 CIA

25X1

III. MILITARY DEVELOPMENTS IN NORTH VIETNAM

1. Analysis of communications activity among North Korean Air Force (NKAF) personnel on duty in the DRV provides a tentative breakdown of their organization and function. This group is known to include at least 20 pilots and seven ground controllers based principally at Phuc Yen Airfield.

2. The pattern of flight activity that has been observed suggests that the Korean contingent is composed of 16 operational pilots and at least four senior officers. Four groups of four pilots each have been noted performing 174 of the 182 Korean sorties detected to date. All of these flights appear to have been performed in MIG-17 aircraft and have consisted of navigational training, interairfield transfers, ground-controlled intercept practice, and defensive patrols. The Koreans have not engaged any US aircraft in combat thus far, though the nature of their activity indicates that this may be their ultimate role. On 19 December, a flight of NKAF jets was in the vicinity of a clash between US and North Vietnamese fighters, but a ground controller at Phuc Yen instructed the Koreans not to engage the US planes.

3. The NKAF ground personnel stationed at Phuc Yen have been detected working in nearly all phases of the airfield's ground-control operations. Serving as intercept operators, direction-finders, tower personnel, and airfield controllers, the Koreans apparently employ an organization and communications procedure which parallels the North Vietnamese fighter control system. On arrival in the DRV in November, the Korean ground controllers and pilots appeared to be using the Vietnamese language in voice communications; current communications, however, are chiefly in Korean.

30 December 1966

III-1

IV. OTHER COMMUNIST MILITARY DEVELOPMENTS

1. There is nothing of significance to report.

30 December 1966

IV-1

V. COMMUNIST POLITICAL DEVELOPMENTS

1. Party first secretary Le Duan has warned the people of North Vietnam that they must prepare themselves for greater hardships and sacrifice in the coming year. He assured them, however, that defeat of the US was certain despite increased difficulties. His remarks were made in a recent speech to a Hanoi antiaircraft artillery unit and were broadcast over Hanoi radio on 29 December. The full text is not yet available, but AFP has carried a summary.

2. Le Duan warned that the US would escalate the war in the coming year and he pointed out that an increase in US troop strength in the South could be expected. He also raised the possibility of an invasion of North Vietnam by the US. Le Duan asserted, however, that the US will be defeated, proclaiming that "even atomic bombs" cannot save the US. He reminded his audience that both China and the USSR are capable of retaliation in the atomic field.

3. The party first secretary held up the Viet Cong as an example for the northerners of fortitude under continuing pressure. He told his listeners that their life was easy compared to life in the South, where units, "hunted by the enemy, do not eat for four or five days."

4. Such a relatively bleak and realistic statement of the Communists' prospects over a long term is unusual, although not unprecedented for Hanoi leadership. The aim of such pronouncements seems to be to prepare the North Vietnamese for hard times while at the same time indicating to them the determination of their leaders to press on with the war.

30 December 1966

Peking Pressure on Hong Kong as Leave Port

8. Peking may be mounting a campaign to curtail the use of Hong Kong as a leave area for US forces in Vietnam. Peking radio raised the issue on 30 December for the first time since the formal Chinese protest to the British last February. The broadcast declared that the Chinese and their "compatriots" in Hong Kong and Macao opposed the US turning the colony into a "US military base" and warned that if the British Government persisted "in such suicidal foolishness" it would be "courting disaster."

9. The Chinese Communists probably believe that their recent success against Macao gives them increased leverage in dealing with the British. However, Peking is not likely to support its campaign with anything more than minor harassments.

30 December 1966

V-2

25X1

Approved For Release 2006/03/17 : CIA-RDP79T00826A001500010055-9

Approved For Release 2006/03/17 : CIA-RDP79T00826A001500010055-9

25X1

Approved For Release 2006/03/17 : CIA-RDP79T00826A001500010055-9

Top Secret



Top Secret

Approved For Release 2006/03/17 : CIA-RDP79T00826A001500010055-9