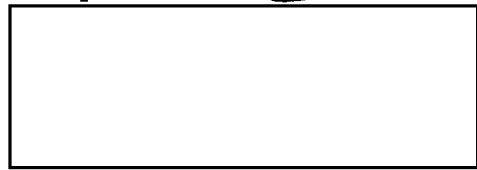


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DIRECTORATE OF INTELLIGENCE

# MEMORANDUM

## *The Situation in Vietnam*

State Dept. review completed

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Information as of 1600  
27 February 1967

HIGHLIGHTS

Groups protesting peace negotiations leading to a coalition government have mounted two demonstrations in Saigon in as many days with the encouragement and support of the South Vietnamese Government. Viet Cong guerrillas used Soviet designed 140-mm. barrage rockets for the first time to attack the US air base at Da Nang on 27 February. According to press reports, a North Vietnamese delegation arrived in Rangoon on 25 February, coinciding with the visit of UN Secretary General Thant to that city, but no reports of a meeting have been received.

I. The Military Situation in South Vietnam:

Viet Cong guerrillas, using a Soviet-designed rocket, attacked the US air base at Da Nang early on 27 February (Paras. 1-4). Operation JUNCTION CITY continues to scour northern Tay Ninh Province without major contact with enemy forces; [REDACTED]

II. Political Developments in South Vietnam:

The government is not only encouraging but fostering the efforts of Vietnamese groups protesting peace negotiations leading to a coalition government (Paras. 1-5). Two prominent civilian political figures are reportedly lining up civilian support for Premier Ky's presidential candidacy (Paras. 6-7).

III. Military Developments in North Vietnam:

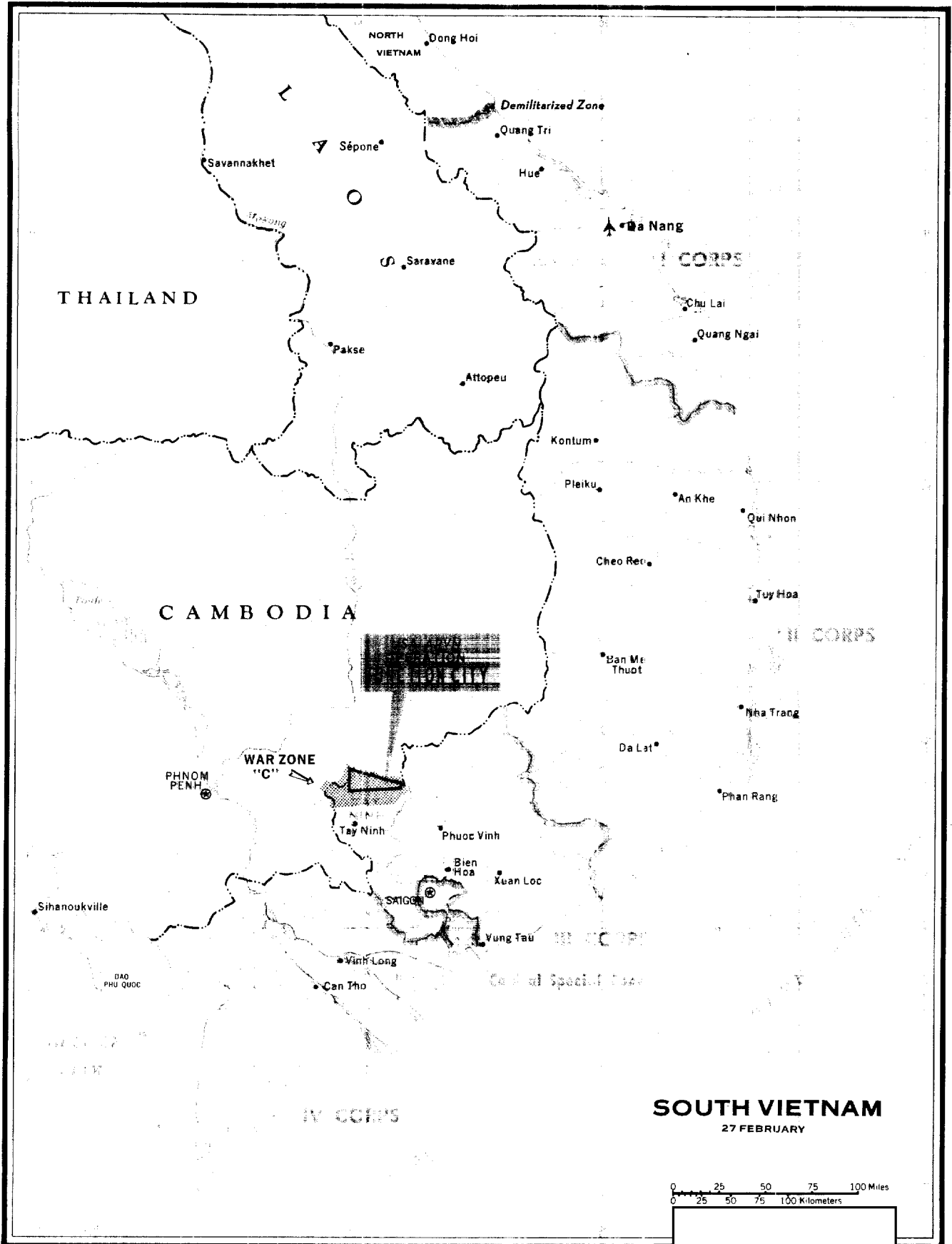
The mining of the Song Ca and Song Giang rivers in southern DRV by the US has been protested to the ICC by the DRV (Paras. 1-4).

IV. Other Communist Military Developments:

There is nothing of significance to report.

V. Communist Political Developments: A delegation of North Vietnamese officials has arrived in Rangoon at the same time that the UN Secretary General is visiting the Burmese capital (Paras. 1-3). Hanoi has announced several governmental adjustments including the appointment of politburo member Le Thanh Nghi as minister of heavy industry (Paras. 4-7). The DRV Council of Ministers has called for elections at the district and village level to be held in the DRV in April (Para. 8).

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I. THE MILITARY SITUATION IN SOUTH VIETNAM

1. Viet Cong guerrillas used rockets to attack the sprawling US air base at Da Nang early on 27 February. Eleven Americans were killed and 27 injured during the predawn attack. Another 70-90 Americans received minor wounds, but have returned to duty. Seventeen US aircraft were damaged and five communications vans were destroyed. In addition to the damage to the US base, several of the 51 rockets fired during the attack struck a neighboring village and killed 32 South Vietnamese civilians and injured 40. An estimated 200 civilian homes were damaged or destroyed.

2. This is the first reported instance of the use in Vietnam of Soviet designed 140-mm. barrage rockets. This weapon has not previously been identified in the inventory of the North Vietnamese Army.

3. Multiple firing positions about four and one-half miles southwest of the US base were used.

4. The introduction of rockets which can be fired with devastating effect at a target almost five miles away creates increased problems of defense. It can be expected that the Viet Cong will use more of this type of equipment in future attacks against US installations.

Operation JUNCTION CITY

5. Allied forces are continuing to press their major offensive--Operation JUNCTION CITY--against the Communists' War Zone "C" in northern Tay Ninh Province, but without significant contact with the enemy.

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II. POLITICAL DEVELOPMENTS IN SOUTH VIETNAM

1. Some 500 members of a Vietnamese student group staged a torchlight parade in Saigon on the evening of 27 February protesting the alleged formation of a coalition Vietnamese government in Paris. The demonstrators climaxed their activities by storming the French Consulate, breaking ground floor windows and damaging automobiles in the compound.

2. The student organization involved, the Progressive Youth Group, is funded by Premier Ky and police director Loan, a fact which is known to most knowledgeable Vietnamese. The US Embassy, which received prior warning of the demonstration, also reported many indications that the government was the prime mover in the affair. The Progressive Youth Group received considerable publicity in the government-controlled press several weeks ago for its criticism of Constituent Assembly proceedings, criticisms which closely followed those made by General Loan.

3. Thus far, there is no evidence that any coalition government-in-exile has actually been formed.

[REDACTED]

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[REDACTED] US officials in Saigon consider the report of the coalition government to have been contrived by the Saigon government to discredit both the pro-neutralist exiles in Paris and the concept of accommodation with the Communists.

4. On 25 February, another demonstration with the government blessing was staged by about 5,000 Vietnamese Catholics in Saigon protesting "false peace." The crowd burned effigies of such political figures as President de Gaulle, UN Secretary General Thant, Senator Fulbright, Chairman Mao, and Ho Chi Minh, but otherwise was orderly and peaceful. Leaders

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[REDACTED]

of the demonstration later told embassy officers that General Loan had urged them to march on the French Consulate, but that they had refused. US Embassy officials commented that the demonstration appeared to be aimed at an international audience rather than the Vietnamese themselves.

5. The Catholic community near Saigon, especially its northern refugees, has been attempting during the past several weeks to counter public discussions about peace which have emerged over the past few months. Government officials, including Premier Ky, adopted a more flexible line on negotiations in deference to these public peace sentiments, but now are apparently balancing this by supporting some of the more militant anti-Communist groups.

Civilian Support for Premier Ky's Presidential Candidacy

6. Tran Quoc Buu, president of South Vietnam's largest labor confederation, and prominent politician Dang Van Sung have begun to lay the groundwork for a convention to draft Premier Ky to run for the presidency, [REDACTED]

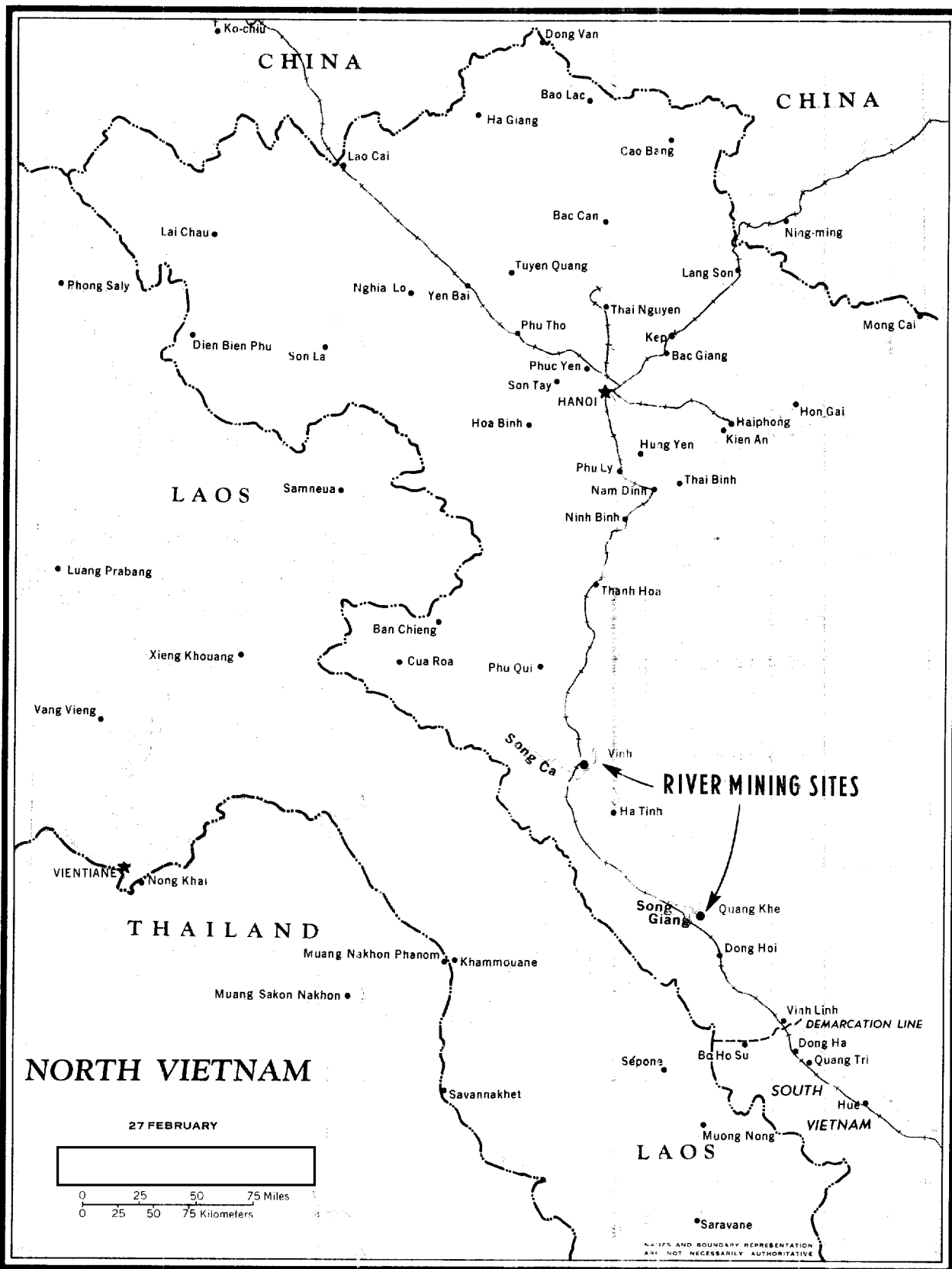
Buu reportedly hopes to marshal the support of his labor organization while Sung works for Cao Dai and Hoa Hao support. Buu feels that Ky should have broad civilian support before he announces his candidacy, and also is reportedly concerned about the activities of some southern-born military officers who are trying to drum up support for the candidacy of former premier Tran Van Huong.

7. [REDACTED]

[REDACTED] supporters of chief of state General Thieu have begun to form a civilian political front which would endorse the military's presidential candidate. Thieu's supporters, however, reportedly are trying to arrange the front to favor Thieu personally, although Thieu did not request that they do so. Both efforts under way among civilian groups constitute parallel steps forward for the candidacies of Chief of State Thieu and Premier Ky.

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III. MILITARY DEVELOPMENTS IN NORTH VIETNAM

1. The mining of two key rivers in the southern DRV by the US has evoked a sharp protest from North Vietnamese authorities to the International Control Commission. The mouths of the Song Ca and Song Giang rivers were mined during the night of 26 February by US Navy A6 aircraft.

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Vietnamese succeed in clearing the river mouths by some other means, they still must meet the problem of periodic replacement by US aircraft.

4. Mine warfare against river traffic has been employed by the Communists in South Vietnam with some success during the past three years. A Viet Cong demolition team sunk the US aircraft cargo ship Card at dockside in Saigon in 1965 and have mined several other vessels in an attempt to block the shipping channel to the South Vietnamese capital. Until recently, all of the unexploded Communist mines captured in South Vietnam have been small land mines adapted for maritime use. On 31 December 1966, however, US Navy personnel discovered and disarmed a half-ton Soviet naval mine floating in the Long Cau shipping lane south of Saigon.

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IV. OTHER COMMUNIST MILITARY DEVELOPMENTS

1. There is nothing of significance to report.

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V. COMMUNIST POLITICAL DEVELOPMENTS

1. A four-man North Vietnamese delegation arrived in Rangoon from Hanoi on 25 February, according to Western press reports. The delegation reportedly includes the chief of the North Vietnamese Liaison Mission to the International Control Commission (ICC) Col. Ha Van Lau, and the DRV Consul General in Burma, Le Tung Son. Its arrival in Rangoon coincides with the presence of UN Secretary General Thant in the Burmese capital.

2. Despite their general rejection of a UN role in a Vietnam settlement, the North Vietnamese might well make contact with Thant in the hope that he could be made more receptive to the DRV position on the war. One French press report has quoted the consul general as saying that Thant "is always welcome if he wants to see me." In the past, Hanoi has made favorable references to the secretary general and to those portions of his three-point plan for a Vietnam settlement which coincide with the DRV position.

3. Col. Lau is not a high-ranking member of the Hanoi hierarchy. In his role as chief liaison officer with the ICC, however, he is a principal regime spokesman on the war and in Hanoi's view would probably be the person best qualified to outline for Thant the alleged repeated US violations of the Geneva Accords and to impress upon him Hanoi's contention that a settlement of the war must be along the lines of the DRV's interpretation of the accords.

DRV Governmental Changes Reported

4. North Vietnam announced adjustments in its governmental structure on 25 January, the most significant of which was the appointment of politburo member Le Thanh Nghi as minister of heavy industry. This is the second time in recent years that the DRV has upgraded a ministry by replacing a central committee member (Nguyen Van Tran was the incumbent) with a politburo

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member. In April 1965, politburo member Nguyen Duy Trinh replaced central committee member Xuan Thuy as minister of foreign affairs. In the DRV government structure, politburo members now hold the important portfolios of defense, public security, foreign affairs, and heavy industry. It is not clear why the Ministry of Heavy Industry should be upgraded at this time. The country's agriculturally oriented economy has a small heavy industrial base and since the inauguration of the US bombing program Hanoi's long-range industrial development has had to be reoriented to more immediate war-related needs. It is possible that the DRV is engaged in a major recasting of its prewar long-range plans for industrialization in the light of its wartime experience.

5. The Hanoi announcement indicated that Le Thanh Nghi had given up his job as head of the premier's industry board--one of five such boards which report to the premier on the activities of a group of similar ministries.

6. These boards appear to have been consistently downgraded in the past few years, and Le Thanh Nghi was the only remaining politburo member to head one. Politburo member Pham Hung, for example, gave up his position as head of the premier's finance and commerce board last November, but he still speaks frequently and with authority on a wide variety of economic matters. The new head of the industry board is alternate central committee member, Tran Dan Tuyen, a trade union official with frequent contact with international Communist labor fronts.

7. Former minister of heavy industry Nguyen Van Tran has been assigned unspecified duties, according to the Hanoi broadcast. Tran is a member of the party's important secretariat, and in recent months has been active in DRV discussions with high level European Communist leaders. In early January he headed the North Vietnamese delegation to the Congress of the French Communist Party.

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Local Elections Announced in the DRV

8. North Vietnam has announced a call by the Council of Ministers on 19 February for local elections--at the district and village level--to be held in the month of April. Such local elections are held every two years according to the DRV constitution, and were last held in July 1965. The elections will probably be given extensive publicity and will be used in Communist propaganda to balance the elections scheduled for village and hamlet officials in South Vietnam late this spring. The scheduling of the elections may reflect Hanoi's sensitivity to the achievements being made in South Vietnam toward establishing a popularly based civilian government. Hanoi undoubtedly hopes to avoid unfavorable comparisons with the South--where provincial and municipal peoples councils were elected in March 1965, a Constituent Assembly was elected in September of 1965, and village and hamlet officials are to be elected this spring. Hanoi's last election for national level officials was the National Assembly election in 1964; such an election is not scheduled again until 1968.

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