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FROM: POL/Internal - Henry S. Sizer

SUBJECT: Can We "Neutralize" the VCI?

1. As American withdrawals continue in South Viet-Nam, the question of how well the Vietnamese government can compete on its own against the Viet Cong draws increasing attention. A key factor, of course, is how strong the Communist side will be when the crucial confrontations take place. The GVN is trying to weaken the Communists by striking at the cadres of the Viet Cong Infrastructure, the core of the enemy's apparatus, through Phung Hoang and other programs. This memorandum gives a personal view of how successful the effort against the VCI has been and, looking ahead, discusses the likelihood of an eventual "neutralization" of the enemy.

## SUMMARY

2. There are varying estimates of how effectively we have undermined the VCI over the past three years. Emphasizing achievements, some say that our anti-VCI measures have successfully kept the enemy from controlling the population. Others stress the areas where we have fallen short and state that we have not disrupted the Viet Cong's infrastructure significantly. Looking at evidence from the enemy's current strategic and tactical preparations, this study concludes that our efforts have hurt the enemy but have not weakened his will to fight. The basic picture appears of a harassed VCI adjusting to damaging events, but doing so in the most effective way in terms of its remaining resources through a strategy of "protracted war" that concentrates on the most vulnerable aspects of the GVN.

3. The allied effort against the VCI is formed of various interrelated components. The most conspicuous of these is Phung Hoang. In one sense this is a passive statistical operation scoring VCI "neutralizations" achieved by all agencies, and in another sense it is an active intelligence and police operation targeting individual cadres. Viewed either way, Phung Hoang has been a useful tool but its results have not been decisive. The targeting effort has been somewhat disappointing, and the statistical program can be only subjectively and ambiguously assessed since the action elements lie with various independent agencies. Evidence that Phung Hoang has had some impact on the VCI, however, is provided by the fact that the enemy exerts considerable effort to

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counteract it. In improving Phung Hoang's effectiveness, particular attention should now be directed toward correcting the program's image with the Vietnamese public. The aura of arbitrariness that it has in the eyes of many Vietnamese is a major weakness. Phung Hoang's success depends on information given by sympathetic, cooperating individuals in the community.

4. Military operations are another important element in the anti-VCI struggle. They provide territorial security, vital to the suppression of the Viet Cong cadres, and they supplement the more methodical police and statistical work of Phung Hoang with strong punches against the enemy like last year's Cambodian campaign. However, the impact of military achievements is limited because they are revealed in gross terms only. Military operations can be merely a framework for the more refined efforts aimed with greater precision at the enemy's infrastructure.

5. In the future, it will probably be harder to reduce the VCI's ranks than it has been up to now, since as the total VCI strength goes down a greater percentage of the cadres still at large are the top-level hard core, the toughest to get. Even if neutralizations could be maintained at their current rate (and assuming that the enemy's capacity to replenish his ranks neither increases nor diminishes greatly), the VCI would be left with more than half its present strength at the end of 1973. Thus, it seems likely that there will long be a sufficient number of VCI to create a serious threat to internal security. To be sure, total elimination of the VCI is not a necessary goal, and a more realistic way of looking at the anti-VCI campaign is to view it as a means of damaging the VCI enough to keep the enemy from influencing the people. However, even in this sense Phung Hoang's success has been only moderate.

6. In the end, our effort against the VCI will be fruitless unless the political and social fibre of the Republic of Viet-Nam is strengthened. The Communist cadres exist by capitalizing on basic weaknesses in the South Vietnamese body politic -- weaknesses that the Communists are preparing to exploit with particular vehemence as they adjust to the current realities of the war. To counteract this threat, the GVN must learn to govern well and make itself attractive to its people. To the limited extent that our influence as American advisors can affect this sphere, we should revitalize our efforts to help the Vietnamese accomplish this task. END SUMMARY.

#### THE RESULTS SO FAR

7. The concept of a concentrated attack against the enemy's infrastructure has been in effect for roughly three years. What have

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we achieved in that period?

Two Viewpoints

8. There is wide disagreement among American observers about the effectiveness of the effort against the VCI. Some emphasize achievements, while others display skepticism. Basically, the two opposing viewpoints can be described as follows.

9. The Optimistic View: According to the available figures, over 55,000 VCI were "neutralized" by our side's entire range of activities during the three years ending December 1970. Of this total, about 15,000 were accounted for in 1968, roughly 20,000 in 1969, and just under 22,400 in 1970. The dimensions of this achievement can be seen when one realizes that the total estimated strength of the VCI is currently put at 65,000-75,000, while three years ago it was put at 85,000-100,000. Although an unknown number of captured cadres who were subsequently released have possibly returned to the Viet Cong, and a large but undetermined number of Chieu Hoi ralliers have likewise been lost trace of, the problem of people who may have gone back to the enemy is alleged by proponents of our anti-VCI effort to be a minor one. Cases where this is known to have happened are said to be infrequent, and there is evidence that the Communists are not trustful of colleagues who have once seen the GVN side at close range over a period of time. The defects in the GVN's tracing procedures on ralliers and released prisoners are recognized and are being worked on. Phung Hoang is now putting an elaborate automated tracing system into effect.

10. Statistics state that cadres working at the district level or above comprised about 13% of those neutralized in 1968, about 21% in 1969, and about 24% in 1970. These figures are all higher than the estimated percentage of total VCI (about 10%) who work at these levels. During the first six months of 1970, 31% of all neutralizations were full members of the People's Revolutionary Party, and an additional 10% were probationary members. Thus, it is claimed that the GVN's programs are aiming at the higher VCI ranks.

11. Supporters of these programs also say that the VCI have been hit qualitatively. Each time a cadre is eliminated from the rolls, a replacement must be found and trained. The training period varies depending on the level of the positions, but several months is taken as the average. Moreover as the GVN expands territorial security in the country, the VCI's manpower pool for replacements diminishes, an effect amplified even more as the Viet Cong is driven farther into

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unpopulated jungle areas where many potential recruits are reluctant to serve. All of these developments have significantly reduced the quality of the VCI.

12. As evidence of the current weakness of the VCI, some observers cite the fact that the enemy is engaged in a rebuilding campaign. That they are doing this is known from various sources. They must be hurting, the reasoning goes, or they wouldn't have to rebuild. Also cited are the frequent references in recent captured documents to the need for logistical "self-sufficiency" on the part of local enemy units. This applies to even such basic items as food. It must be difficult for the VCI, these observers point out, to have to tell the lower echelons, in effect, "we cannot supply you anymore."

13. Analysts have noted that the VCI concentrates over half its strength in nine key provinces, and proponents of the GVN's current efforts against the enemy point out that noteworthy results have been achieved recently in programs emphasizing neutralizations in these localities.<sup>1/</sup> A GVN drive in Kien Hoa Province, for example, caused the Chieu Hoi rate there to rise dramatically. While some of these returnees may have been false ralliers planted by the VCI, the evidence suggests that the enemy was so disoriented by this drive that it was powerless to prevent mass defections by hard pressed Viet Cong adherents. All that the enemy's provincial leaders could do in most cases was to extract a hurried promise from the ralliers not to reveal anything important and to be willing to be contacted by cadres at some future date. Such achievements show that positive results are being gained against the VCI in crucial places.

14. The Pessimistic View: Looking at the effort against the VCI from the standpoint of where we have fallen short as against what we have accomplished, the view is different. The permanency of the 55,000 neutralizations claimed over the last three years is often questioned. The gaps that have existed in the tracing procedures on ralliers and released prisoners are cited as a major statistical weakness, and the assumption is made that many rallying and captured VCI do in fact return to the Viet Cong after their release. The shortness of sentences often imposed on captured cadres permits them

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The nine provinces are: Quang Nam (including Danang), Quang Tin, Quang Ngai, Binh Dinh, Dinh Tuong, Kien Hoa, Vinh Binh, Vinh Long, and An Xuyen.

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to revert to their former roles after very brief periods of GVN detention. As for the ralliers, it is charged that many of them may actually be VCI agents. The enemy is known to rely fairly heavily on false ralliers to infiltrate agents into GVN-controlled territory. Many other ralliers who are not planted agents are nevertheless subject to being re-contacted by the VCI and pressured into working again for the Viet Cong.

15. In particular, it is claimed that the GVN has scarcely touched the VCI top command. Getting someone at the COSVN level is extremely difficult and is almost purely a matter of luck. Some province-level people have been reached, but even here the results are disappointing. The cadres generally neutralized are village and district cadres. Unfortunately these are precisely the ranks where the enemy's regenerative capacity is greatest. The recruitment ability at this level is relatively high, especially given the Viet Cong's attraction to village youth for its promised upward mobility and its spirit of adventure.

16. The quality of new recruits has certainly gone down within the VCI. But at the level where the GVN is mainly touching them, quality may not be greatly needed. Besides, there is evidence that the enemy's top leadership is currently purging the VCI, weeding out unreliable people and consolidating political structures. While these moves are probably designed in part to reverse a decline in the quality of the cadres, they also may be interpreted as a sign that the enemy still has enough manpower to trim off low-quality personnel. Thus, the current rebuilding campaign of the Communists may be used also as evidence that the VCI ranks are not being greatly hurt.

17. Critics generally acknowledge that the VCI is faltering in certain functions, largely because of its inability to counter

2/ The legal limits on sentences under the Phung Hoang detention system are two years for "A" cadres and from one to two years for "B" cadres. ("A" cadres are those at all administrative levels who are members of the Party or who occupy command or decision-making positions. The "B" group includes the less important full-time personnel. There is also a "C" group comprising part-time workers, once included in Phung Hoang statistics but no longer considered.) Extensions of sentences are possible and are not uncommon, though the majority of prisoners serve only one term. Many cadres receive much less than the maximum initial sentences. Phung Hoang does not credit neutralizations, however, unless a sentence of one year or more is imposed.

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pacification. Logistics, tax collecting, intelligence gathering, and some aspects of recruitment are the VCI's main headaches these days. However, this development is not uniform countryside, and furthermore most of these are essentially back-up activities for the enemy, extremely important but not central to the Communists' current main aim of preparing for subversion. Only the intelligence function, among those substantially affected, is performed by the hard-core VCI. Other activities of the inner infrastructure, such as proselyting among civilian and ARVN ranks, are proceeding without serious interruption.

18. Many analysts believe that the VCI cadres have generally maintained at least minimum "access" to the population through all the setbacks they have suffered. (This concept refers to the enemy's ability to reach people for propaganda, terror, and other purposes.) It is said that the VCI, nationwide, still have the capability to get to just under 60% of the people for at least two hours of individual proselyting a week, either overtly or on a clandestine basis. Regional figures vary considerably on this point, and longer periods of access have unquestionably been greatly reduced by the GVN's pacification program. Naturally, how much the enemy can accomplish in a given period of proselyting depends largely on the attitude of the people contacted toward the government. However, two hours weekly is considered sufficient for ordinary propaganda activities.

19. In searching for the reasons behind these alleged shortcomings, Americans familiar with the anti-VCI targeting efforts at the province and district levels often cite what amounts to a failure of nerve on the capture and detention side. A cadre may be pinpointed by the Phung Hoang apparatus, but somehow he is never caught. Or if he is caught, he may be released without sentence. American observers can seldom track down exactly what the problem is. Perhaps the Vietnamese officials implementing Phung Hoang are secretly accommodating with the Viet Cong, or they may have family ties with the targeted cadre, or they may even fear that the man has political influence locally and wonder if they will be sustained in their endeavors against him. Still another possible explanation is that they may vaguely regard the Viet Cong as misguided idealists who deserve to be treated leniently as long as they are not in the process of attacking somebody. Quite apart from these possibilities, officials responsible for Phung Hoang may simply be frightened of reprisals. These are all natural reactions in today's Viet-Nam. It takes a deep commitment to the GVN and considerable courage to be a staunch Phung Hoang operative. In particular, it is known that Phung Hoang officials are prime targets for Viet Cong assassination precisely to the extent that they are effective. It is likewise taken for granted that, if the other side wins the war, personnel associated with Phung Hoang

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will be among the first "enemies of the people" to be shot. Dedicated Phung Hoang operatives do exist, but they are too few.

20. Some American critics state that Phung Hoang's role as a co-ordinator of anti-VCI targeting in provinces and districts is more often than not irrelevant to any results actually accomplished. Little trading of information is done among the organizations backed by Phung Hoang, these observers declare, and each of the organizations tends to operate independently. The reason generally given for this is that nobody is responsible personally to Phung Hoang, which is a program not an agency; all the personnel are accountable to their own agencies, and hence this is where the loyalty lies.

#### The Evidence From Current Enemy Actions

21. The above disparity of view about the effectiveness of the GVN's efforts against the VCI rarely concerns factual points. Differences in emphasizing one factor over another constitute the chief source of controversy. Such questions are highly debatable under our present state of knowledge about the enemy. We do not know, for example, what the Viet Cong's manpower requirements are in certain categories, and this makes it hard to judge the impact of their cadre losses in these fields. Consequently, indirect evidence must be sought to judge the condition of the VCI.

22. Both points of view offer evidence based on the enemy's present activities. A major change of tactics and organization is known to have been underway for some time on the Communist side. To what extent is the enemy being compelled to alter his policies, and to what extent is he doing so voluntarily? The answer to this question may provide the most useful way to judge how much the VCI is being hurt. Though the enemy's change of direction relates to more than the condition of the VCI, nevertheless it shows how the other side views its chances in the current struggle and the basic environment in which the VCI operates.

23. COSVN Resolutions 9 and 14: The other side's current reassessment began during the hard-fought battles of 1968. After exposing large numbers of cadres and seeing them chewed up in the Tet Offensive, the enemy engaged over the next several months in a big-unit military campaign that it could not win (though it did achieve what may have been a subsidiary aim, namely inflicting casualties on the Americans at a pace that the US public found demoralizing). Viet Cong successes of the early and middle 1960's steadily eroded. The percentage of the

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rural population under effective Viet Cong control, according to a recent special White House study, dropped from about 45% right after Tet to about 25% at the beginning of 1969, and the figure continued to drop after that. The term "control" was defined in this study as the type of territorial dominance that permits virtually unhampered recruitment activities and a general exercise of authority -- in short, a key indicator of the VCI's freedom of action. Hanoi apparently decided in the first half of 1969 that a shift of strategy was called for to bring Viet Cong actions into harmony with the new situation. A return to the tactics previously stressed of small-unit insurgency not dependent on large-scale territorial control seemed to be in order.<sup>3/</sup> The well known COSVN Resolutions 9 and 14 initiated this new policy.

24. These two landmark documents of COSVN have been variously interpreted. But a fair description of the strategy they outline, as amplified by later orders, would seem to be that, although an early political settlement on Communist terms is the preferred solution to the war, a "protracted struggle" aimed at exhausting the allies over a long period must be anticipated. The tactics that the VCI is directed to carry out are the following:

- a. The VCI must emphasize guerrilla tactics and political agitation over an extended period. The option of an upsurge in military activity designed to force an early settlement will be kept in reserve.
- b. Big military units must be broken down into small, specialized guerrilla forces. These forces must be largely "self-sufficient" in logistical matters. (Military Region I is an exception here; big-unit tactics have remained the rule just below the DMZ.)
- c. The VCI must be increasingly compartmentalized to strengthen central control, avoid security leaks, and withstand GVN pressure. Many cadres will be downgraded (from province level to district level, etc.) to further enhance control. These cadres will guide local guerrilla elements.
- d. The placement of "legal cadres" (covert VCI working in GVN territory with GVN identity papers) will be given high priority. These cadres will then be able to reach the people and will be available for subversive tasks.

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<sup>3/</sup> In some places in Military Region IV no major shift was required; the war had never really departed from the guerrilla model in these areas.

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e. The VCI's main effort must be directed against the GVN pacification and Vietnamization programs. The Regional Forces and Popular Forces will be the main military targets, since they epitomize the GVN's enlistment of the people in the war.

f. A diplomatic effort will be undertaken by Hanoi and the NLF. This initiative will be used mainly to sow confusion in the allied ranks, but also to probe the possibility of an early coalition government under terms advantageous to the Communists, including total US withdrawal. In either case, the VCI's political struggle will continue until the Communist side overcomes its adversaries.

g. Concurrent with the above efforts, steps will be taken to enhance the stature of the high-level cadres forming the Provisional Revolutionary Government, both internationally and in the eyes of the South Vietnamese people. Likewise, the standing of the Revolutionary Committees will be promoted as the representatives of the PRG in the villages. Front organizations will also be cultivated at various levels. These actions will be particularly useful if a diplomatic approach is followed to end the war, but they will equally well serve to strengthen the viability of the Communist claim to govern the country under the protracted-struggle approach.

25. Basically a Forced Option: The circumstances surrounding the above charges indicate that the Communists were largely driven to them involuntarily. Apart from the clearly established origin of the new strategy in post-Tet failures, perhaps the best evidence of this is that their "self-sufficiency" campaign can be interpreted as a sign of logistical failure. Supporters stress this interpretation, and numerous captured documents and interrogation reports in recent months confirm it. The theme of food and other supply shortages is repeated frequently in these sources, although clandestine purchases from Saigon and inputs from the peasantry are likewise commonly noted as mitigating factors. Many local units are now being instructed to cultivate their own food crops, a new activity for the Viet Cong on such a scale.

26. In part, the present emphasis on "legal cadres" also reflects a problem, in this case that of reaching the population as GVN pacification progresses. Proof that the VCI's ability to contact the people is falling off is shown particularly by the recruitment difficulties appearing in the enemy's ranks. About 80% of the military main-unit strength of the enemy is now composed of Northerners, and even some Northern cadres are being inserted into the

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political VCI. Manpower shortages as well as supply problems may have caused the downgrading of units currently being noted, especially in Military Region III. In contacting ARVN soldiers, the VCI used to urge them to defect to the Viet Cong; now they usually ask them merely to desert and go home, knowing that their recruitment as guerrillas is unlikely.

27. But Also an Adjustment to Opportunities: Despite these Communist setbacks, we should not consider the enemy's present strategy as proof that the VCI is on the run. For one thing, Hanoi has likewise driven our side into some choices we would have liked to avoid. Our withdrawals of troops, to the extent they are forced, represent an important break for the VCI. In a sense, Hanoi is seizing a favorable opportunity in shifting completely away from big-unit fighting and concentrating on political subversion as the overwhelming American military machine ceases to be its main worry. Though the enemy must still fight ARVN, this probably seems less of a threat, one that is particularly susceptible to guerrilla and subversive countermeasures. Hanoi may believe that it can always return to a big-unit conflict to strike the final blow after the Saigon government has been undermined politically and the American divisions are gone.

28. The VCI's opportunity is reinforced by the fact that guerrilla harassment, terror, and subversion are probably its best weapons against the GVN's pacification program, which has become our side's main war-winning effort. Pacification is the GVN's own brand of "people's war"; a frontal attack on it would probably be doomed to failure. The strategy that the Viet Cong are now adopting represents their tried and true formula in this kind of struggle. That this is not a completely vain belief is shown by the success they achieved in the first half of 1970 after breaking down the 10th NVA Regiment in Phu Yen Province. A politically-oriented abduction campaign conducted by the resulting small units managed to drop that province from 10th highest in the pacification listings to 38th highest (out of 44 provinces).<sup>4/</sup>

29. The "contradictions" that the Communists see in the Saigon regime are additional fuel for Hanoi's belief that the current strategy is a winner. The economic inequalities, corruption, and political

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There is some reason to believe that the original 10th-place ranking was overly optimistic.

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divisiveness that plague South Viet-Nam today lend this long-standing Communist doctrine considerable plausibility in Vietnamese eyes, and the Communists must derive considerable hope from these all-too-visible weaknesses. An astute British observer of North Viet-Nam commented to Embassy officers several months ago that Hanoi is banking on the fissures existing in South Vietnamese society to bring them victory over the long haul. More recently, a Canadian attached to the ICC expressed the view to an American official that the North Vietnamese intend to move against what they call the "house of cards" in Saigon once the U.S. troops have withdrawn. Calculated harassments, including stepped-up activities in the cities to provoke urban instability and anti-regime feelings, will in their view speed the disintegration of the Saigon government.

30. Furthermore, in the event that negotiations bring a ceasefire, the dispersal of the enemy's units into small groups, with many personnel "legalized", gives the VCI a much better chance to hide themselves among the population in preparation for a subversive upsurge. Thus, the present strategy has the advantage of serving both alternative courses of action anticipated by COSVN Resolutions 9 and 14, the possible but unlikely quick solution and the more probable protracted struggle.

#### The Long Struggle Continues

32. Thus, the evidence from the enemy's current strategy can be argued either way. This says a great deal about the indecisiveness of the results achieved by both sides in this war. In each case, a tremendous expenditure of effort has resulted in the infliction of punishment on the adversary, but nothing like decisive results have proved possible. The Viet Cong have reacted to this situation by gearing down for a long-term struggle aimed at the most deeply rooted vulnerabilities of the GVN.

33. This is by no means a new strategy for the enemy. The Viet Cong's whole concept of warfare from the very beginning has been based on "protracted struggle." Tet 1968 was, in a sense, an aberration from the pattern -- or, in another sense, it was the use of one option within the guerrilla strategy to maximize an advantage and achieve early conclusive results. Its apparent failure to achieve the hoped-for goal forced the enemy to revert to the tactics of slowly trying to make the Saigon regime politically impotent through various subversive means. This protracted confrontation, which has been with us since the start of the war, may now be shaping up in perhaps its starkest form.

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## THE COMPONENTS OF OUR EFFORT

34. Our attack on the enemy's cadres is conducted through a variety of means. In a sense, everything that our side does serves this goal, illustrating the fact that the allied struggle in Viet-Nam is a fabric composed of many closely interwoven threads. However, only two operations have a prominent impact: the Phung Hoang program and military activities.

Phung Hoang

35. The GVN's principal weapon against the VCI is the Phung Hoang operation. In assessing how well our side is doing in the struggle, a particularly close look at this program is necessary. As we saw above, our overall campaign against the VCI has achieved only mixed results. To what extent has Phung Hoang shared in this indecisive outcome?

36. The Dual Nature of Phung Hoang: We must note first of all that Phung Hoang can be defined in more than one way. These different aspects are sometimes confused, creating misleading opinions about the program's effectiveness.

37. In one sense, Phung Hoang can be regarded as a statistical program keeping score on the VCI that have been "neutralized" (killed, sentenced to prison after capture, or induced to rally) by the whole range of operations conducted by our side against the enemy. Considered this way, it is a functionally limited but structurally broad program embracing all agencies. Thus, the Chieu Hoi program is considered an integral part of Phung Hoang to the extent that it attracts VCI ralliers. Statistics from military engagements are listed under Phung Hoang whenever losses are suffered by the VCI. (In fact, most Communist cadres killed are accounted for in military actions not specifically targeted against the VCI.) This blanket quality of Phung Hoang makes it an extremely useful indicator of the VCI's condition, but it also adds to the roughness of the program's estimates. The statistics combine the inherent inaccuracies of several programs.

38. But Phung Hoang also has a narrow definition. It is a specific intelligence and police program targeted against the VCI, planning operations designed to "neutralize" specific cadres. The actual operations have been carried out by a variety of action elements (National Police, Special Police, Provincial Reconnaissance Units, etc.) under the coordination of Phung Hoang acting as the intelligence

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arm. This is the heart of the program, for it is where the question of how much we are hurting the VCI passes from a purely passive scorekeeping operation to an active effort at meeting the threat posed by the VCI's existence.

39. Basic Results of Phung Hoang: How successful has Phung Hoang been, in terms of either its broad or narrow definitions? Good results in either field would certainly go far to justify the effort our side has put into the program.

40. As a statistical operation, the program has unquestionably served to focus attention on the enemy's cadres, and therefore it has contributed to whatever progress has been achieved against this key adversary. Of course, the passive character of Phung Hoang's statistical services makes it difficult to attribute specific achievements to the program itself. One could argue that any of the agencies tasked by Phung Hoang, such as Chieu Hoi, would be no less successful today had Phung Hoang never been invented. However, this judgment seems not quite fair. If nothing else, Phung Hoang has been a central clearing house for information on the VCI, however imperfectly it may have performed this role. It continually strives to improve the reliability of its data. Moreover, by forcing planners to think of the VCI as the main target, Phung Hoang has added in a non-quantifiable way to the overall impact on the enemy.

41. As an active police program, Phung Hoang has registered results that are more easily seen but unfortunately are not very conclusive. The enemy has been thrown off balance somewhat, his ranks have been thinned, and he is forced to divert part of his attention to protective measures. At the same time, however, skeptics can assemble much evidence showing that most key VCI activities have eluded Phung Hoang operations. The specific targeting of suspects accounts for roughly one-fourth of the VCI killed, captured, or induced to rally. Little that has been done keeps the Communists from their current preparations for "protracted war" against the GVN's weakest points. In this connection, it must be remembered that the Viet Cong are inured to hardship; logistical shortages, while especially serious now, are not new to them. They can get along on very little, counting on their own tenacity and the prospect of "inevitable" triumph to pull them through. Even the current reports of morale problems must be taken with a grain of salt -- such reports have been coming in for years.

42. In sum, Phung Hoang has been a useful tool, but decisive results have eluded it. The active targeting aspect of the program is somewhat disappointing thus far, and results in the statistical field can only be subjectively and rather ambiguously assessed.

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43. The VCI's Countermeasures Against Phung Hoang: One proof that Phung Hoang is having at least some impact is the fact that countermeasures against it are a major priority for the enemy. Captured documents and interrogation reports often repeat the theme that Phung Hoang (considered here in the narrow sense as the GVN's anti-VCI police effort) is one of his major worries.<sup>5/</sup> He tries to protect his cadres from it by three basic defensive measures: compartmentalization, "legalization", and tighter over-all security. Compartmentalization, already referred to, insulates groups of cadres from one another and thus makes the GVN's job of gathering intelligence on the VCI structure more difficult. The infiltration of "legal" cadres into GVN society, while primarily designed to prepare for subversion, also serves to put Phung Hoang's targets under a deeper cover. The tightening of security embraces many techniques from the surveillance of cadres to the protection of documents, all designed to prevent defections and information leaks.

44. In addition to these defensive tactics, the VCI also tries to counter-attack against the Phung Hoang police effort through aggressive means. First, as captured documents make clear, the enemy devotes a continuing effort to finding out how Phung Hoang works, who its personnel are, etc. With this information, the VCI can infiltrate local Phung Hoang operations, assassinate Phung Hoang directors, seize the files, or generally sabotage the program in numerous ways. Secondly, the Communists have from time to time launched campaigns intended to discredit Phung Hoang in the eyes of the Vietnamese public through attacks on its basic equity. This is a technique that has been used only occasionally up to now, but we should be alert to stepped-up efforts along these lines. Unfortunately, the quasi-judicial procedures used under Phung Hoang to determine the guilt or innocence of prisoners, while not peremptory, are easily subject to suspicion for their fairness; in short, the program is vulnerable to this kind of psychological offensive. The Provincial Security Committees are governed by a bare minimum of procedural standards; their treatment of the accused depends largely on the personal principles of their members. Lengthy periods of detention before processing, the absence of a rule requiring personal appearance of the accused, unjustified arrests to meet quotas, and the exaction of bribes as a condition of release are among the practices that have been cited against them.

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Several prominent anti-Communists in South Viet-Nam have criticized Phung Hoang on these or similar grounds. Sections of American opinion have likewise expressed doubts about the ethics of the program. The VCI may well try to exploit this feeling on a major scale.

45. All of these enemy actions, of course, reflect a substantial VCI fear of Phung Hoang. It is the GVN operation aimed most directly at the VCI, both as individuals and as an apparatus. However, there is little evidence from the available sources that the cadres feel incapable of protecting themselves against the program to the extent necessary for their most crucial plans.

46. Improving Phung Hoang: Measures can and should be taken to improve Phung Hoang. Much is already being done, such as the efforts being made under the stimulus of Sir Robert Thompson's report. In particular, organizational improvements are being studied to overcome the lack of coordination and accountability now found among the agencies implementing the program, which as we saw above is a frequently criticized obstacle. Commendable steps have also been taken to improve the soundness of offender dossiers, speed up the processing of cases, and provide legally trained prosecutors to the Provincial Security Committees. Publicity campaigns designed to explain and popularize Phung Hoang have likewise been undertaken and should be continued. A parole system permitting the release of selected prisoners who show good behavior is being put into effect in some places, and this should help to improve the program's standing with the public. However, more remains to be done before Phung Hoang can become a truly valued instrument.

47. Until further reforms are undertaken integrating the program more fully with the community's legal system and standards of equity, the whole operation will retain an aura of arbitrariness that is to some extent justified. This is a crucial weakness requiring a solution as quickly as possible, not only on moral grounds but also because Phung Hoang's success depends on information supplied by cooperating individuals throughout the community. The Communists will no doubt try to promote an uncooperative spirit to the fullest possible extent. It is, of course, true that procedures used to eliminate an enemy in wartime cannot be as elaborate as those used to apprehend and sentence criminals during conditions of peace. However, Phung Hoang procedures must be seen by the Vietnamese public as basically fair. This is especially true in the type of war now being fought in Viet-Nam, where the military danger is receding and the government is striving to brand its guerrilla enemy in the minds

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of the people as a group of outlaws. The enemy's best counter-attack against this charge is to try and brand the government as being unfit to rule, an effort made easier whenever the government cuts corners on its methods or condones corruption by implementing officials. The fact is that, having embarked on a program of disrupting the VCI, our side can succeed in the endeavor only if its program is tangibly effective and generally considered equitable. It cannot be just one or the other, for the two factors are inseparable.

48. If a program can be devised that is basically irreproachable to the average Vietnamese, it might then become politically feasible to introduce tougher implementing measures. For example, the initial sentences handed down could be lengthened beyond the brief periods now permitted. One could argue that the present system tries to make up in pointlessly short initial sentences (pointless considering that the crime could be defined as treason) for its vulnerability to criticism on procedural grounds. This gives it the worse of both worlds. If nothing is done to correct this situation, there is a chance that Phung Hoang may eventually have an over-all negative effectiveness, antagonizing the public to a greater degree than it achieves a disruption of the VCI.

#### Military Operations

49. The importance of the military element in the anti-VCI struggle is hardly open to question. For one thing, the gains achieved against the VCI are largely dependent on continued territorial security, a job that particularly the various armed forces perform. Even with perfect territorial security, lasting suppression of the enemy cadres on a nationwide basis may take quite a few more years; if territorial security evaporates, the VCI has free rein in harassing the villages and drafting the population to its cause. The anti-VCI effort is rendered almost impossible.

50. Furthermore, it is apparent that much of the success achieved against the VCI derives from the over-all disruptive effect of allied military campaigns, particularly special operations like the 1970 Cambodian incursion. The VCI was put into considerable disarray by this attack, which severely aggravated problems it had already begun to experience in Military Regions III and IV. This is true especially of its logistical difficulties. Also, there has been a major shift of resources on the Communist side from South Vietnam to Cambodian targets, causing a decline in their activities on the Vietnamese side of the border. Carefully planned and well executed punches of this

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type against the enemy seem to be needed from time to time as supplements to Phung Hoang's more methodical day-to-day police campaigns and statistical operations.

51. Military campaigns, however, are of limited effectiveness in the anti-VCI effort. Their impact is manifested in gross terms, such as the disruption of a supply line, the anticipation and thwarting of a VC attack, or the maintenance of general security in a province. These results, though essential, provide at best a framework for the more refined efforts required to undermine the enemy's infrastructure. While cadres are indeed killed or captured in military operations, this comes either by chance or from a general kind of targeting that cannot achieve precise results.

#### OUTLOOK AND CONCLUSIONS

52. Where will our anti-VCI apparatus carry us over the next several years? If the results so far are really as indecisive as described above, we must take a hard look at how we can overcome the enemy's cadres in the coming phase of the struggle.

#### "The Other Side Will Still Be There"

53. A factor to bear in mind is the possibility that reductions in the VCI's ranks, regardless of how accomplished, will now become harder to achieve than the past. As the total number of VCI goes down, an increasing percentage of the remainder represents the top-level hard core, the most difficult cadres to track down. Greater exertions will be required to reach these individuals. The GVN has recently issued instructions to step up the Phung Hoang effort, and possibly some new vitality will enter this program. The efforts now underway through the recommendations of Sir Robert Thompson to improve the police and rejuvenate Phung Hoang will of course be most helpful. But the ineffectiveness of Phung Hoang's field operations that was noted above, stemming from competing considerations such as family ties and sentiment and even outright fear, will not be overcome easily, short of a dramatic improvement in the over-all Vietnamese perception of the war.

54. Even if it could be assumed that the present rate of neutralizations will be maintained in the coming years, the results would probably be moderate at best. In the past, the VCI has been able to replenish up to half of its neutralized cadres each year. The net annual loss has been 10% - 15%. This rate, if continued, would leave the VCI with over half its current strength by the end of 1973. Of course,

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the replenishment level may well drop somewhat, but the net result will probably not be dramatically different.

55. A projection of half the current VCI strength by the end of 1973 is not a cheerful forecast in today's political setting, especially since a large proportion of the remaining VCI will be the high echelons who are protected within a base of operations that has so far proved largely impenetrable. The continuation of these echelons, the backbone of the VCI, gives force to President Nixon's comment last October that when the war is over "the other side will still be there."

56. To be sure, the subordinate cadres, whom we have hurt more substantially, are not inconsequential. They are in a sense the cutting edge of the enemy's attack, for this is the level where the enemy contacts the villagers on a day-to-day basis. By the same token, it is where the VCI is most exposed. Thus, hitting the VCI at this point makes considerable sense, especially since one purpose of the anti-VCI campaign is to put enough pressure on the VCI to cut it off from the people. This is a more practical goal than the game of statistical "neutralization", and one which puts the program in a realistic perspective. However, we must bear in mind that in reducing the cadres who deal with the villagers we are not touching the core of the movement. Nor have our achievements against the VCI at any level prevented it from gaining access to large segments of the population for at least minimum propaganda purposes, as we saw above. In the subversive war now shaping up, this is an ominous sign.

#### The Other Part of the Answer

57. If one accepts the conclusion that we are unlikely to reduce the VCI's numbers in the foreseeable future to a level where the infrastructure no longer poses a major threat, then several results follow. What this means, basically, is that a strategy relying mainly on attacking the enemy's apparatus will never win the war. It can hold the cadres at bay and even disrupt them, thereby serving the important task of providing security on a current basis, but such measures will not remove the long-term danger. The struggle becomes a waiting game, with each side able to keep the adversary at arm's length but forced to rely on internal weaknesses and exhaustion on the other side for a decisive result. The side that wins this type of war, or comes closer to winning in an eventual compromise settlement, will be the one that tends to its own affairs more effectively, keeping its base of support intact and convincing the waverers that it is a preferable alternative to its adversary. The Communists

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believe they can play this game better than the GVN. This belief is the real meaning of "protracted war."

58. Recognition of this danger is, of course, not new. The entire pacification program, for example, aims at the dual goal of protecting the rural population through attacks on the insurgents and generating allegiance to the Saigon regime through civic action. No claim is made in this memorandum to having reached a unique conclusion. It does seem, however, that the GVN and its U.S. advisors are not following through on the logical consequences of this reasoning. One gets the impression that our side is counting more on external, aggressive means to counteract the VCI and less on internal, defensive ones. To be sure, there are exceptions: economic policy and land reform are perhaps the most noteworthy. Goaded by the drug abuse problem, we may now be turning major attention to corruption, although much of this deeply corrosive problem remains untouched. Other questions such as the chronic political fragmentation in Saigon and the conspicuous social inequalities appear to be getting low-priority treatment. Compared to the task of invigorating Vietnamese society to overcome these problems, the job of organizing military campaigns and targeting VCI looks easy, and even the economic sphere appears tractable by comparison to the slippery domain of political and social reform. The GVN does not seem to have its heart in such reforms. Some observers say it is organizationally incapable of implementing such measures in a controlled manner. Americans understandably shy away from preaching to the Vietnamese about improvements whose successful implementation depends on peculiarly Vietnamese cultural factors. How can Americans advise the Vietnamese about the kind of spirit that should be instilled into the GVN to reduce corruption, for example? We've tried to advise the Vietnamese on many such items in the past only to find our counsel quietly evaded. Besides, a too fatherly attitude on our part would only serve to lessen the self-confidence and initiative of the GVN, themselves important goals. Finally, the GVN always appears to have other pressing things to worry about, especially prosecuting the war.

59. These dilemmas are certainly real. They illustrate the limits of our ability to affect the Vietnamese scene. However, it seems unwise to let ourselves be drawn into over-cautious inaction by them, for we would thereby ignore the very areas that the VCI is preparing to subvert as it adjusts to the current realities of the war. Other priorities may seem more important now, but in a few years the "contradictions" of the Saigon regime could emerge as the main elements in a Communist victory, or at best in a compromise that gives the Communists more than their nationalist adversaries and prepares the way for subsequent trouble. A better policy would seem to be to study these problems now and judge how we, as Americans, can effectively advise in their improvement during the remainder of our close involvement

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in Viet-Nam. Having already played a role in the establishment of the present regime, we should show an interest in its efficient operation, rather than drop out and watch the Vietnamese fumble. Our continued expenditure of money and manpower in Viet-Nam presumably means that we still care about a non-Communist government in the South and that we believe its preservation is feasible; we should therefore be willing to help in removing the internal obstacles to the well-being of the South Vietnamese body politic as well as in resisting the external VCI and North Vietnamese threat.

60. Nor is there reason to despair of results. While complete success is probably not in the cards, given the elusiveness of the problems, something considerably short of perfection would certainly be tolerated by the South Vietnamese people as long as visible improvement and an appropriate quality of leadership are manifested. Furthermore, the GVN is not without advantages here, for there are "contradictions" on the Communist side too which will serve our struggle well if they can be made to stand out sharply against a reasonably well-run GVN. The Viet Cong suffers from the aura of being a subversive institution, harrasing the populace and trying to overturn the established society. If that society appears to the average Vietnamese as the "will of the community" in the Confucian sense, the enemy has little chance of winning the victory he now aims for.

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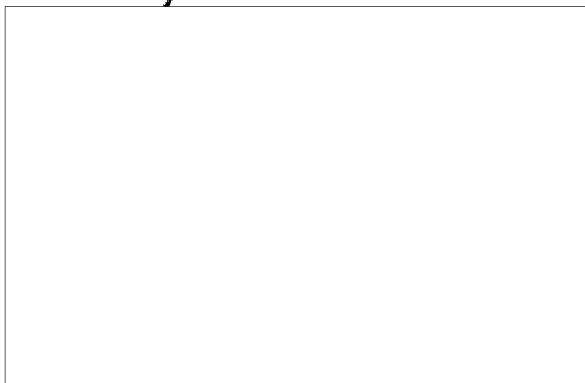
**DEPARTMENT OF STATE**

Washington, D.C. 20520

July 27, 1971

Mr. Carver:

Enclosed for your information are copies of a memo by Embassy Saigon on the Phung Hoang Program and Ambassador Colby's comments on the memorandum.



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