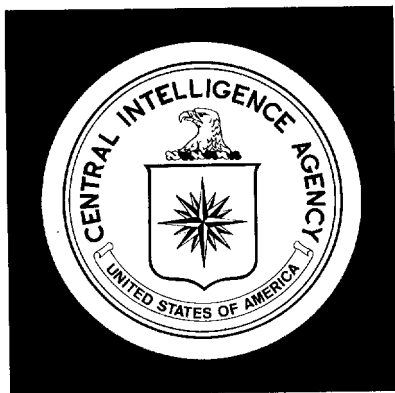


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Intelligence Memorandum

Vietnam's Intentions in the Spratlys

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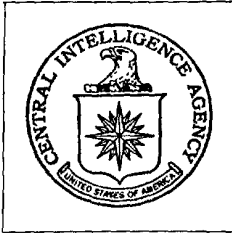
June 15, 1976

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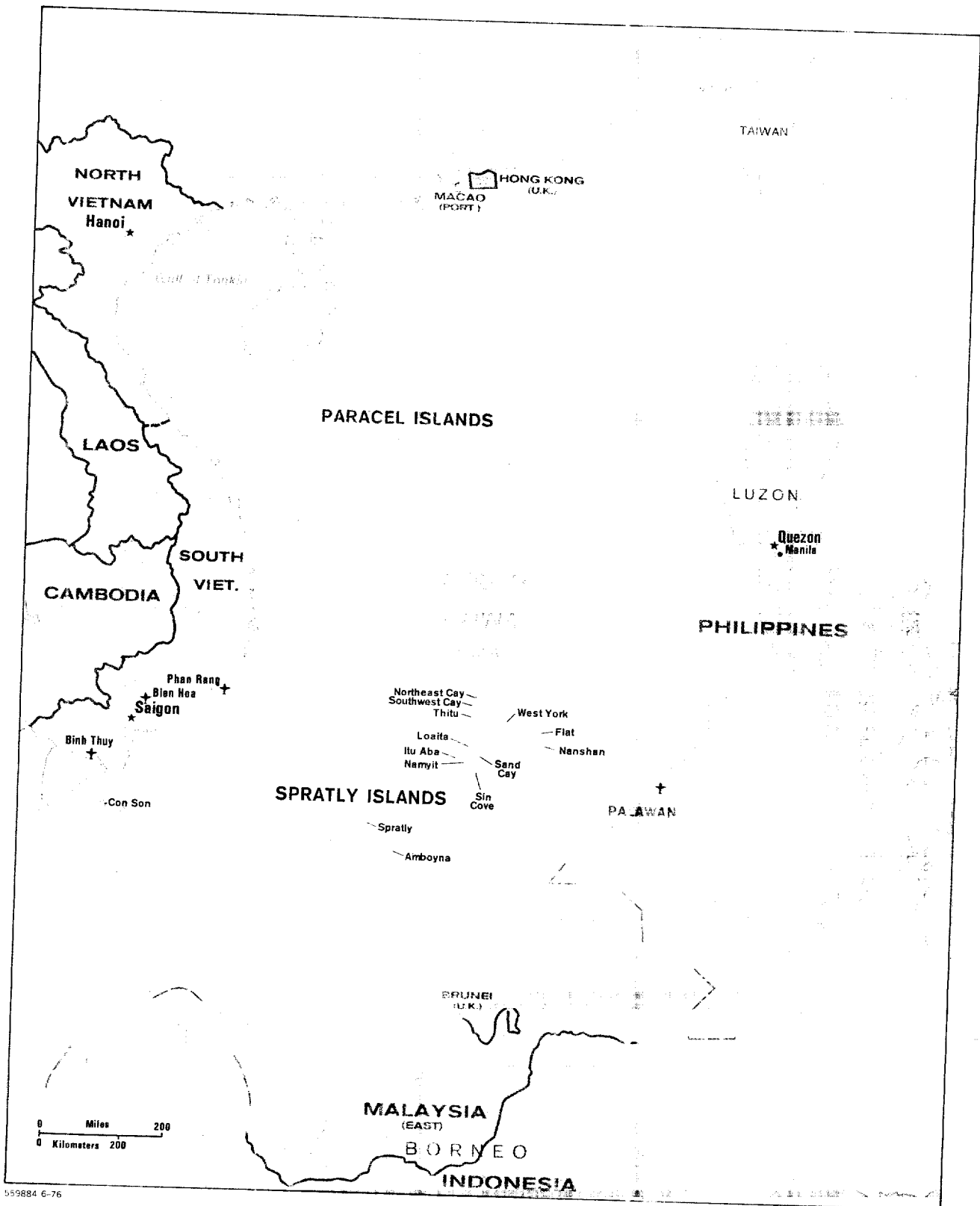


June 15, 1976

Vietnam's Intentions in the Spratlys

MAIN JUDGMENTS

- A new confrontation may be brewing in the South China Sea over conflicting Vietnamese and Filipino claims to the Spratly Islands.
- Three countries--Vietnam, the Philippines, and the Republic of China--have some sort of military presence on one or more of the islands.
- The Philippines have been conducting oil exploration in the area and have begun reinforcing garrisons.
- The Vietnamese view the Spratlys as an extension of their territory, and they will almost certainly regard any forceful challenge to their position from the Philippines as unacceptable.
- The Vietnamese course in the immediate future will be largely determined by Manila's actions.
- If the Philippines move oil exploration operations closer to the Spratlys and further reinforce military garrisons in the islands, Hanoi would probably use whatever force is necessary to force the Filipinos out.
- The Vietnamese have overwhelming military superiority that they could bring to bear in the Spratlys and could easily expel the Filipinos (and Chinese Nationalists) from the islands.
- Hanoi, however, must calculate that highlighting the conflicting claims may provoke Peking to press China's claims more vigorously.



1. A Fresh Warning: A new confrontation may be brewing in the South China Sea over conflicting Vietnamese and Filipino claims to the Spratly Islands, largely because of the Philippines' active interest in the oil potential of the area. Early in 1976, Manila sent a survey ship to conduct tests near the islands, and more recently it has begun reinforcing its garrisons there. On May 14, new Vietnamese communist antiaircraft emplacements fired on a Philippine reconnaissance flight over one of their garrisons. By early June, the Vietnamese had issued a statement from Saigon, reaffirming their sovereignty over the Spratlys and reserving the "right to protect" their claims.

2. An Old Dispute: Several nations have variously claimed sovereignty over the Spratlys based in part on records of exploration dating from the third to the nineteenth centuries. Fishermen made irregular visits, but none of the islands normally supports a permanent civilian population; all require a regular resupply effort if they are occupied. Despite the placement of markers and flags, the claims have rested primarily on usage.

3. Currently, three countries--Vietnam, the Philippines, and the Republic of China--have some sort of military presence on one or more of the islands in the group. The People's Republic of China also claims the Spratlys, but it has not had forces in the area and does not patrol around the islands. France, the United Kingdom, and Malaysia also have occupied or claimed the islands, but France and Britain are apparently prepared to renounce their claims, and Malaysia has shown no interest in pressing its claim.

4. Vietnamese claims were advanced seriously for the first time in 1951 at the time of the signing of the Japanese peace treaty. Nationalist China advanced its counterclaims at the same time, the Chinese Communists shortly thereafter. In the 1950s, a private Philippine citizen claimed several of the islands.

5. Rival Garrisons: The Spratlys were generally uninhabited from the end of the second world war until 1956, when the Nationalist Chinese established a garrison on Itu Aba, the largest island in the archipelago. They are still there.

6. In 1971, President Marcos stated that the Spratlys were, in effect, an international trusteeship of the allied powers of the second world war. The position was amplified by Marcos' implication that the Philippines, owing to proximity and the dictates of national security, were the proper claimants to the archipelago. To reinforce this contention, Marcos dispatched a company of marines to occupy at least three islands in the group, and by 1974 Manila had some sort of military presence on Nanshan, Loaita, West York, Flat, Thitu, and Northeast Cay.

7. The first permanent Vietnamese presence was established in the fall of 1973, when a 64-man South Vietnamese security force was placed on Namyit Island. Partly in response to its expulsion from the Paracels to the north by the Chinese Communists in January 1974, Saigon dispatched an additional 100 troops later the same month to set up military camps on at least five more of the Spratly Islands--Sand Cay, Sin Cowe, Spratly, Amboyna, and Northeast Cay. Vietnamese Communist forces captured the islands occupied by South Vietnam's troops in April 1975.

8. The Philippines temporarily evacuated one of the positions, on Northeast Cay, in April 1975, fearing the Vietnamese Communists would attack their positions. Upon concluding that the Communists would follow a live-and-let-live policy in the Spratlys, however, they re-occupied the position last November.

9. Stakes at Issue: The Vietnamese view the Spratlys as an extension of their own territory, and maps published recently show the islands as part of reunified Vietnam. The Vietnamese also regard themselves as a regional military power to be reckoned with, and they will almost certainly regard any forceful challenge to their position in the Spratlys from the Philippines as imposing an unacceptable loss of face.

10. The Vietnamese are still smarting from their expulsion by the Chinese in 1974 from the Paracel Islands. Although the forces expelled belonged to the former South Vietnamese government, the communists share the old Saigon regime's chagrin, and they continue to reiterate Vietnam's claims to the Paracels. The Vietnamese

can do little militarily to contest the Chinese presence in the Paracels, but they are in a better position to enforce their claims to the Spratlys. Hanoi undoubtedly considers maintaining its position in the Spratlys useful in pressing its claim to the Paracels against Peking.

11. Hope of finding oil deposits in the area provides Vietnam a further compelling incentive to defend its claim. Reserves beneath the South China Sea are still largely unproven, but all parties seem to believe that considerable quantities exist, with Manila the first to conduct an active exploration program. The Saigon government viewed the discovery of oil as its economic salvation, and the communists more recently have placed considerable emphasis on re-establishing a Vietnamese-sponsored oil exploration program.

12. Broader Considerations: The Vietnamese would probably prefer not to be forced into a military confrontation with any of the various claimants over sovereignty in the Spratlys. To date, Hanoi has been preoccupied with other more pressing matters, such as reunification and reconstruction of the economy. The Vietnamese have stated publicly that they eventually would try to resolve the conflicting claims through bilateral negotiations. This offer was directed primarily toward the Chinese, but they have also indicated in the recent past--before Manila began actively exploring for oil and strengthening its military presence in the Spratlys--a willingness to discuss the issue with the Philippine government.

13. Probable Provocation: The Vietnamese course in the immediate future will be mainly prompted by Manila's actions in the area. If Manila moves its oil exploration activity closer to the Spratlys and further reinforces its military garrisons in the islands, Hanoi would interpret these actions as a direct challenge to Vietnamese sovereignty and would probably use what force is necessary to secure the withdrawal of the survey ship and the garrisons.

14. Vietnamese Military Capabilities: The Vietnamese can bring overwhelming military superiority to bear in the Spratly Islands, and neither of the other countries

currently maintaining garrisons on the islands could defend its holdings if the Vietnamese made a serious attempt to capture them.

15. Vietnamese airpower gives Hanoi an effective defensive and offensive capability in the Spratly area. The Vietnamese presently have 82 MIG fighters at various airfields in the south which are within easy striking distance of the islands. This includes 14 MIG-21s at Bien Hoa Airfield just outside Saigon. Many of the 75 F-5s the Vietnamese captured last April are operable, and from existing bases these aircraft could operate in the island area for an hour or more with full bomb loads. Many of the 112 A-37s are also operable, and they too could spend considerable time over the islands armed with rockets and machine gun ammunition.

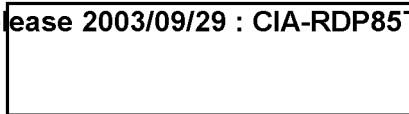
16. The Vietnamese also have captured US transport aircraft, some of which are rigged for combat. The AC-47, AC-119, and AC-130 gunships are capable of remaining over the islands for many hours. Other transports could be used for aerial resupply as well as for command and control. The Vietnamese have a large fleet of helicopters and recently shipped one to the islands. Additional helicopters could be stationed on the islands to improve Vietnamese mobility and firepower.

17. Vietnam's navy also has sufficient craft to support action in the Spratly Islands. Captured US landing ships and other boats could transfer as many troops and supporting equipment as necessary to any of the islands without difficulty. In addition, the Vietnamese could use their Komar guided missile patrol boats and torpedo boats effectively in an anti-ship role.

18. The Vietnamese earlier this year strengthened the defenses of some of the islands they occupy with the addition of artillery and antiaircraft weapons. Hanoi may also have armed its troops with the small and extremely effective SA-7 system. Most of the other countries staking claim to islands in the area would have difficulty operating against the SA-7 and anti-aircraft artillery.

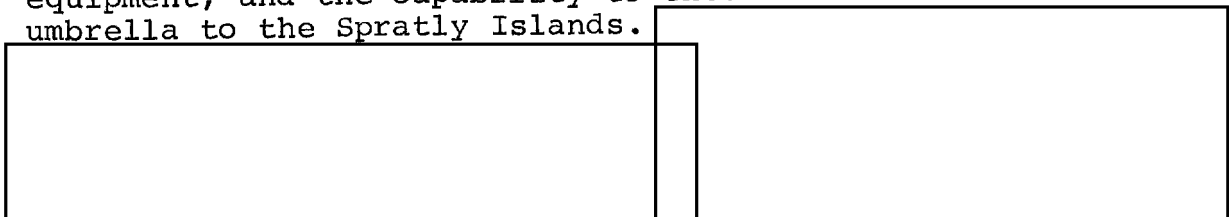
19. Hanoi has long directed one of the most effective antiaircraft forces in the world. The Vietnamese

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have well-trained personnel, sophisticated electronic equipment, and the capability to extend their air defense umbrella to the Spratly Islands.

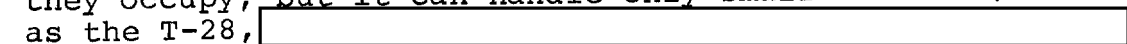
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20. The only real air threat to the Vietnamese in the Spratly Islands area is presented by the Philippine air force, which has been flying from Palawan Island, just 200 miles from the Spratlys. The Filipinos also recently constructed a small airstrip on one of the six islands they occupy, but it can handle only small aircraft, such as the T-28,

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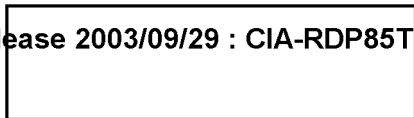
Other aircraft in the Philippine air force inventory include some 34 older F-86 and T-33 jet fighters and trainers and nearly 20 of the early models of the F-5. None of these aircraft could seriously challenge the more modern Vietnamese fighters which are flown by combat-experienced pilots.

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21. The Chinese Factor: Hanoi must calculate that any action it takes against the Filipinos could, by highlighting the several conflicting claims, provoke the Chinese to press their own claims to the Spratlys more vigorously. This may already be occurring. The Chinese statement of June 14 taking note of Manila's oil exploration activities appears to be directed primarily toward the Vietnamese rather than the Filipinos; in particular it seemed to censure Hanoi's military garrison in the islands.

22. The Chinese statement contained no warnings or threats of consequences, and Peking would in any event have much greater difficulty intervening in the Spratlys than would Hanoi. The Vietnamese must recognize, however, that China possesses leverage, both through its economic aid to Hanoi and through the ability to exert pressure along the common border, which it could apply should it choose to retaliate against Vietnamese action in the Spratlys.

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