

# Intelligence Information Cable

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| COUNTRY    | SOUTH VIETNAM   |          | 3.3(h | 7        |            |      | 33.  | 4      |      | •            | •   | 14 mg/1.49                                |
| SUBJECT    | SUMMARY OF VIET | CONG     |       |          | IN' E      | SIEN | IIOA | PROV   | VINC | <b>E</b> 0.0 | \(\lambda\)   | ******<br>******************************* |
|            | DURING DECEMBER |          |       |          | ,          |      |      |        |      | 3.3          | 3(h)(2)   | *   |
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SUMMARY-- DURING DECEMBER THE VIET CONG /VC/ SHIFTED THEIR EMPHASIS FROM POLITICAL TO MILITARY ACTIVITY. THE SECURITY SITUATION IN BIEN HOA PROVINCE DETERIORATED AS THE VC INCREASED MILITARY AND TERRORIST ACTIVITIES. THE NUMBER OF RALLIERS BEING PROCESSED THROUGH THE CHIEU HOI /OPEN ARMS/ CENTER DECLINED AGAIN IN DECEMBER. CAPTURED ENEMY DOCUMENTS LISTED THREE PROBLEMS FACING THE VC-- /1/ THE DEFECTION OF YOUTH INTO GVN-CONTROLLED AREAS,

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/2/ A SHORTAGE OF CASH AND, /3/ IRREGULARITIES AND POOR
ADMINISTRATIVE PRACTICES IN THE HANDLING OF FINANCE-ECONOMY MATTERS
END SUMMARY.

### - POLICY

- 1. DURING DECEMBER THE VIET CONG /VC/ CONTINUED THEIR OVERALL POLICY OF ATTEMPTING TO DEFEAT GOVERNMENT OF VIETNAM /GVN/ AND ALLIED MILITARY FORCES AND ASSUME GOVERNMENTAL POWER. HOWEVER, THE METHOD BY WHICH THIS POLICY IS TO BE PURSUED HAS CHANGED IN THE PAST THREE MONTHS. ACCORDING TO THE CHIEF OF A VIETNAMESE CIVIC AND POLITICAL ACTION ORGANIZATION AND COMPETENT AMERICAN OBSERVERS IN BIEN HOA PROVINCE THE VC HAVE, SHIFTED THEIR EMPHASIS FROM POLITICAL TO MILITARY ACTION. U.S. MILITARY OBSERVERS IN III CORPS BELIEVE THAT DURING THE NEXT PHASE OF THE CURRENT VC WINTER-SPRING CAMPAIGN THE VC WILL INCREASE THEIR MILITARY ACTIVITY AS THEY PUSH FOR A MORE FAVORABLE MILITARY AND POLITICAL POSITION. A VC NOTEBOOK CAPTURED IN BINH DUONG PROVINCE CALLED THE BIEN HOA AREA THE 'MOBILE POINT' AND 'GATE' TO SAIGON.
- 2. THE SECURITY SITUATION IN BIEN HOA PROVINCE CONTINUED TO DETERIORATE, WITH 92 INCIDENTS REPORTED IN DECEMBER, AND THE VC STEPPED UP THEIR MILITARY ACTIVITY. THERE WERE THREE BATTALION-SIZED ATTACKS IN THE PROVINCE DURING THE MONTH, AS COMPARED WITH CORP. DENT. A. L. NO FOREIGN DISSING.

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TWO DURING NOVEMBER. THE MOST SPECTACULAR VC ACTION AND THE ONE THAT UNDOUBTEDLY MOST IMPRESSED THE LOCAL POPULATION WAS THE SUCCESSFUL 21 DECEMBER ATTACK ON THE REGIONAL PROVINCIAL CHIEU HOI /OPEN ARMS/ CENTER. ONE GVN PROPAGANDA WORKER WAS KILLED DURING THE ATTACK AND EIGHT OTHERS WERE WOUNDED. OTHER SIGNIFICANT MILITARY ACTIONS BY THE VC INCLUDED ATTACKS ON THREE DISTRICT TOWNS

AND AN ATTACK ON THE THAI REGIMENT IN NHON TRACH DISTRICT.

- ATTACKS AND ACTS OF TERRORISM AGAINST GVN WORKERS AND OFFICIALS ALSO CONTRIBUTED TO THE OVERALL DECLINE IN THE SECURITY ON 6 DECEMBER THE VC ATTACKED THE REGIONAL FORCES RF/ SITUATION. COMMAND HEADQUARTERS IN BIEN HOA CITY, KILLING 3 RF TROOPS AND WOUNDING 3 OTHERS. IWO MEMBERS OF THE VIETNAMESE MILITARY SECURITY SERVICE WERE ASSASSINATED IN BIEN HOA CITY, ONE OF THEM BY A FEMALE VC TERRORIST. ACCORDING TO A U.S. PUBLIC SAFETY ADVISER, THE VC MADE A NUMBER OF THREATS DURING THE MONTH AGAINST CENSUS GRIEVANCE WORKERS AND . ACCORDING TO CENSUS GRIEVANCE RECORDS, ONE OF ITS WORKERS WAS ASSASSINATED BY THE VC DURING DECEMBER.
- THE VC PROPAGANDA TARGET SHIFTED AGAIN FOR THE FOURTH TIME IN AS MANY MONTHS. IN SEPTEMBER AND OCTOBER IT WAS THE PRESIDENTIAL AND CONGRESSIONAL ELECTIONS . IN NOVEMBER THE ATTACK CENTERED ON
- THE NEWLY ELECTED GOVERNMENT, WHICH WAS CALLED A "'TOOL OF THE
- DECEMBER VC PROPAGANDA ZEROED IN ON THE PROPOSED
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GVN DRAFT LAW, WHICH WOULD LOWER THE DRAFT AGE TO 18. THE CHIEF OF A CIVIC AND POLITICAL ACTION GROUP IN BIEN HOA PROVINCE FEELS THAT THE PROPAGANDA MAY BE HAVING SOME EFFECT AMONG STUDENTS. HE ALSO SAID THAT INFORMATION REACHING HIM SUGGESTS THAT VC PROPAGANDA IS MORE EFFECTIVE IN RURAL AREAS THAN IN THE URBAN AREAS. HE ATTRIBUTED THIS TO THE FACT THAT RURAL AREAS ARE MORE ACCESSIBLE TO THE VC AND THAT PEOPLE IN RURAL OR REMOTE AREAS MAY FEEL THAT THE VC ARE GAINING.

- 5. VC TAX COLLECTION ACTIVITIES INCREASED DURING DECEMBER.

  NORMAL RICE HARVEST ACTIVITIES AND THE NEED FOR EXTRA FOOD AND FUNDS

  FOR THE TET CELEBRATIONS PROBABLY ACCOUNTED FOR PART OF THE INCREASE.

  HOWEVER, INCREASED VC MILITARY ACTIVITY, WHICH REQUIRED MORE FUNDS

  AND FOOD, PROBABLY WAS THE MAJOR REASON FOR INCREASED TAXATION.

  ORGANIZATION
- 6. A CAPTURED VC PERSONNEL REPORT REVEALED THAT IN MID-1967 THE VC THU DAU MOT PROVINCE /GVN BINH DUONG AND PART OF BIEN HOA PROVINCES/CLAIMED A PROVINCIAL HEADQUARTERS STRENGTH OF 132 PERSONS. ANOTHER 388 PERSONS WORKED IN AUXILIARY SERVICES AND 807 PERSONS WERE LOCATED IN TAN UYEN DISTRICT, BIEN HOA PROVINCE. /THE LATTER FIGURE
- INCLUDED TWO VC DISTRICT COMPANIES . THE STRENGTH OF THE
- PROVINCIAL HEADQUARTERS AND ITS SUBORDINATE OFFICES ILLUSTRATES THE
- IMPORTANT MILITARY AND SUPPLY FUNCTIONS OF THIS ORGANIZATION.
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PROBLEMS

7. A CAPTURED REPORT OF THE PEOPLES' REVOLUTIONARY PARTY PRPY EXECUTIVE COMMITTEE OF THE VC BA BIEN PROVINCE COMMITTEE STATED THAT IN EARLY AND MID-1967 ALLIED MILITARY OPERATIONS HAD HINDERED RECRUITMENT INTO PARTY ORGANIZATIONS. THE DOCUMENT STATED THAT IN JULY, AUGUST AND SEPTEMBER SOME 210 MEMBERS OF LOCAL VC YOUTH ORGANIZATIONS HAD DEFECTED TO GVN-CONTROLLED AREAS. THIS INFORMATION SUGGESTS THAT NOT ALL RALLIERS END UP IN CHIEU HOI CENTERS. RATHER, IT SEEMS THAT MANY SUCH PEOPLE JUST RESUME UNOBTRUSIVE ROLES IN THEIR HOME AREAS. IN DECEMBER THERE WERE ONLY FOUR RALLIERS, A FURTHER DECLINE FROM THE YEAR'S PREVIOUS LOW OF 11 IN NOVEMBER.

- 8. A CAPTURED BA BIEN PROVINCE FINANCE-ECONOMY CIRCULAR GIVES AN INSIGHT INTO THE PROBLEMS FACED BY THE SECTION. THE CIRCULAR STATED THAT PROGRESS IN FINANCIAL MATTERS HAD BEEN MADE IN THE PROVINCE IN EARLY 1967. IT ADMITTED, HOWEVER, THAT NUMEROUS FINANCIAL DEFICIENCIES STILL EXISTED AND INCLUDED THE IMPROPER REQUISITIONING OF FOOD, MERCHANDISE AND EQUIPMENT, WHICH FOSTERED ABUSE AND CORRUPTION, THE COLLECTION OF GOODS AND MONEY FROM WEALTHY SOURCES WHILE NEGLECTING POOR CONTRIBUTORS, THE LACK OF CONTROL IN THE CONFISCATION OF PRIVATE PROPERTY AND THE LACK OF FREQUENT INSPECTIONS, INVENTORIES AND TAXATION REPORTS.
  - . ACCORDING TO A VIETNAMESE CIVIC AND POLITICAL ACTION TEAM
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REPORT, THE VC ARE NOT FACING A CRITICAL FOOD SHORTAGE IN BIEN HOA THEY DO, HOWEVER, EXPERIENCE DIFFICULTIES IN PROCUREMENT PROVINCE. OF FOOD SUPPLIES BECAUSE OF ALLIED OPERATIONS. A CAPTURED DOCUMENT ISSUED BY THE VC BA BIEN FINANCE-ECONOMY SECTION STATED THAT IN. LATE 1967 MEMBERS OF VC UNITS RECEIVED 15 LITERS OF RICE. ALONG WITH SOME RATION MONEY TO PURCHASE ADDITIONAL RICE. THE DOCUMENT DID STATE WHAT THE OLD RATION ALLOTMENT WAS, BUT IT DID INDICATE THAT FINANCIAL DIFFICULTIES HAD NECESSITATED THE ISSUANCE OF A REVISED ALLOWANCE. THE ORDER ALSO SUSPENDED POCKET MONEY AND ADDITIONAL DISBURSEMENTS TO INDIVIDUALS. OTHER EXPENDITURES WERE ALSO TO BE LIMITED .

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