Central Intelligence Bulletin

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*South Vietnam: Communist forces retain considerable momentum in their offensive against key urban areas and allied installations throughout South Vietnam.

Isolated enemy groups are continuing to resist allied mopping-up in Hue, Hoi An, Phan Thiet, and Da Lat in the northern half of the country. New attacks came during the night on two provincial capitals—Xuan Loc and Phuoc Le—in South Vietnam's III Corps. Heavy fighting continues within a number of provincial capitals and district towns in the delta.

Saigon was relatively quiet during the night and this morning with only a few scattered clashes.

Some reports state that groups of Viet Cong have been sighted withdrawing from the city. Other reports raise the possibility of widespread renewed attacks. Prisoners and captured documents indicate that the action so far may have been aimed at creating turmoil in preparation for another attack. Some 25 to 30 Viet Cong battalions are said to be staging in areas north and south of the city.

In addition, elements of the North Vietnamese 7th and Viet Cong 9th divisions reportedly have taken up reserve positions north of the capital. These reports have not been confirmed.

The effectiveness of the Saigon government is being sorely taxed in the current military crisis.

In the absence of President Thieu from Saigon when the city was first attacked, Vice President Ky stepped in to give direction and reportedly authorized the declaration of martial law. Although Thieu himself has displayed a marked degree of confidence since his return, the stage
may have been set for increased friction arising from Ky's desire for decisive actions and Thieu's normally cautious method of operation.

Prime Minister Loc has taken no initiatives in the past four days toward reassuring the public of the government's ability to provide the essential and emergency services to cope with the situation. Loc, who was described as "bewildered" when the Viet Cong attacks erupted, reportedly believes that he must presently defer to the military and that civilians can do little until the military have restored some measure of normality.

the government has performed "reasonably well" but has been handicapped by a noticeable lack of coordination in issuing orders. not enough is yet being done, however, to reassure and rally the nervous population of Saigon, and that there is a further danger of counterproductive measures or dislocation if the Viet Cong are not soon cleaned out of the city.

President Thieu has now delegated broad authority in the military situation and is beginning to turn his own attention to these pressing political and psychological aspects.

The Vietnamese Communists may be putting together a new political apparatus to support claims that their current offensive has triggered a popular uprising and to lead toward setting up a "government" as an alternative to the Saigon regime.

The Viet Cong radio broadcast an "appeal" from a new organization called the "Alliance of National and Peace Forces." The "Alliance" objectives include overthrowing the Saigon government, forcing a US withdrawal, and negotiating with the National Liberation Front to achieve
these goals. The "appeal" says "we must at once set up a revolutionary government."

So far the "Alliance" shows no signs of being anything more than a paper organization. It is billed as a "national" organ, but only branches in Saigon and Hue have been mentioned specifically. The one in Hue seems to be headed by a non-Communist political nonentity of the same stripe found throughout the National Liberation Front.

The enemy may believe that by stressing themes of peace, anti-Americanism, and neutrality in the name of a new organization untainted by known links with either the Communists or the Front, they can muster greater support for their objectives than they have through the Front itself in the past. It is conceivable that they might even try through "negotiations" with the "Alliance" to fashion an administrative structure to pass off as a "coalition government"--an objective frequently mentioned in captured documents as a goal of the "winter-spring" campaign.
Southern Yemen: Left-wing elements are gaining ascendancy in the new government.

Southern Yemen established diplomatic relations with Communist China on 31 January. Furthermore, Defense Minister Baidh arrived in Moscow yesterday in search of foreign aid. The Ministry of Information on 1 February admitted publicly that Baidh would be particularly interested in military assistance. The ministry, however, denied an earlier Aden radiobroadcast which had quoted Baidh as saying that Southern Yemen's British-trained army had been equipped by imperialism and that it was not possible to have an army whose arms and ammunition were in "enemy" hands.

Within Southern Yemen, the leftists are moving to cow or eliminate possible opposition. A court established to prosecute "former rulers, saboteurs, and antirevolutionary elements" has handed down its first death sentence. It condemned a member of the local nobility for what were, before independence, legitimate contacts with a British adviser.

It remains to be seen what attitude the Aden authorities will take in aid talks with the British, scheduled for a month hence. The British are not likely to continue their subsidy. The Southern Yemeni Government has not responded to low-key US offers of nonfinancial assistance, but has repeatedly asserted that it is "neutral" in its international alignment.
Saudi Arabia - Iran: Tehran's release of a captured ARAMCO drilling barge and the prospect of eventual talks between the parties have reduced tensions.

The same afternoon the Saudi official on the barge, who had attempted to parley with the Iranian gunboat commander, was released. He and the ARAMCO representative accompanying him returned to Saudi Arabia. Most of the ARAMCO employees on the drilling barge also were allowed to return to the mainland. A skeleton crew remained to move the ARAMCO barge out of the disputed area.

No date has been set for talks, but if a face-to-face discussion between the two monarchs is arranged, it might go far toward removing problems caused by the machinations of minor officials on both sides.
Belgium: The linguistic dispute at Louvain University has become a political issue which could bring down the government.

The dispute arose from Flemish nationalists' demands that Louvain's French-speaking faculties and departments be moved to the French-speaking section of Belgium. Prime Minister Vanden Boeynants' coalition of Social Christian and Liberal parties has tried to avoid involvement, taking the position that it is a problem for the university authorities and the Catholic bishops who constitute the governing board.

Activists on both sides appear determined to drag the government into the dispute and interpellations on the subject are scheduled in both houses of parliament next week. The Social Christian Party has split along linguistic lines on such issues in the past. Significant numbers of negative votes or abstentions next week could lead to the resignations of some or all of the cabinet.

Vanden Boeynants apparently intends to play for time in the hope that passions will subside. He is probably counting on his party's realization that a government crisis and new elections would benefit the small opposition parties.
NOTE

Guyana-Surinam: A small detachment of Surinam police reportedly has re-established itself in the border area disputed with Guyana and has orders to respond with "armed resistance" if Guyanese troops attempt to evict it. If the Guyanese discover the outpost, or if Surinam's Minister President Pengel publicly confirms its existence, Prime Minister Burnham of Guyana is likely to react sharply. The Guyanese have been stressing diplomatic maneuvers to settle the dispute, but any unexpected encounter could lead to shooting.