HW SITUATION IN VIETNAM AS OF 1600 EST 19 DECEMBER 1967

I. THE MILITARY SITUATION IN SOUTH VIETNAM

1. Numerous small unit engagements were reported in widely scattered areas of the country on 18 December. A total of nearly 40 such clashes in the I and II corps areas resulted in 25 enemy killed and seven captured.

2. On 17 December a civilian irregular defense group (CIDG) company ran into a fight in Hau Nghia province about 26 miles northwest of Saigon. A second company airlifted into the battle area also came under heavy fire. Four helicopters were downed and six were damaged. Allied losses were five killed and 15 wounded, and enemy casualties came to 42 dead.

3. The enemy force involved was probably the Viet Cong 269th main force battalion. The heavy weapons company of the 269th is reported to have four heavy 12.8-mm antiaircraft guns. A recent defector reported that Viet Cong units in Hau Nghia were receiving training in antiaircraft fire techniques at a special school located in the Ba Thu area of Cambodia, opposite the Hau Nghia province border.
4. THE COMMUNISTS ARE APPARENTLY PLANNING TO INTENSIFY MILITARY ACTIVITY IN THE SOUTHERN PORTION OF I CORPS IN THE NEAR FUTURE.

MOVEMENTS BY ENEMY UNITS, AND AGENT REPORTS ALL POINT IN THIS DIRECTION.

5. A NEW COMMUNICATIONS COMPLEX, FIRST HEARD IN ADDITION, AN AGENT HAS REPORTED THAT THE COMMUNISTS PLAN A LARGE-SCALE ATTACK ON QUANG NGAI THIS MONTH.

6. A RECENT DEFECTOR, HAS STATED THAT A COMBAT BATTALION WAS FORMED FROM AMONG THE EX-PRISONERS. THE SOURCE, STATED THAT BETWEEN DECEMBER AND FEBRUARY THE "ENTIRE QUANG NGAI PROVINCE FORCE" PLANS TO AT-
TACK THE PROVINCIAL CAPITAL.

7. MOREOVER, INCREASED ENEMY ACTIVITY EXPECTED IN THE SAIGON AREA.

INDICATE THAT ADDITIONAL NORTH VIETNAMESE MILITARY UNITS OR GROUPS OF REPLACEMENT PERSONNEL ARE IN THE PROCESS OF INFILTRATING INTO THE AREA. INFORMATION CONTAINED IN A RECENTLY CAPTURED ENEMY NOTEBOOK ALSO SUGGESTS THAT FUTURE MAJOR COMMUNIST OFFENSIVES WILL BE MOUNTED ALONG THE COASTAL AREA OF CENTRAL SOUTH VIETNAM.

8. A NUMBER OF INTELLIGENCE REPORTS POINT TO A PERIOD OF INCREASED TERRORISM AND HARASSMENT THIS WEEK IN AND AROUND SAIGON. REPORTEDLY INCLUDED IN THE COMMUNIST PLANS ARE A SERIES OF MORTAR--AND POSSIBLY ROCKET--ATTACKS ON MILITARY TARGETS IN THE CAPITAL AREA. TAN SON NHUT AIRFIELD, WITH ITS RVNAF AND MACV HEADQUARTERS COMPLEX, IS A POSSIBLE TARGET, AS IS BIEN HOA AIR BASE, WHICH, HAS BEEN THE SUBJECT OF EXTENSIVE SURVEILLANCE AND RECONNAISSANCE. THERE HAS BEEN A MINOR INCREASE IN COMMUNIST PROPAGANDA AND TERRORISM IN THE CAPITAL IN RECENT DAYS.

9. THREE COMMEMORATIVE DAYS FALL IN THE 19TH TO 22ND PERIOD. THE FIRST OF THESE IS 19 DECEMBER OR NATIONAL RESISTANCE DAY, COMMEMORATING THE COMMENCE-

10. THE COMMUNISTS HAVE USED SUCH OCCASIONS IN THE PAST TO STAGE DRAMATIC ATTACKS FOR A MAXIMUM PROPAGANDA GAIN.

II. POLITICAL DEVELOPMENTS IN SOUTH VIETNAM

1. DANG DUC KHOI, NEWLY APPOINTED SPECIAL ASSISTANT TO VICE PRESIDENT KY, BELIEVES POLICE DIRECTOR LOAN IS BEHIND THE RECENT UPSURGE IN ANTI-AMERICAN EDITORIALS IN THE PRESS AND HAS ADVISED KY TO RESTRAIN LOAN.

KHOI REPORTEDLY MET WITH KY ON 13 DECEMBER TO DISCUSS THE PROBLEM AND MENTIONED SEVERAL Instances OF ANTI-AMERICANISM WHICH COULD BE ATTRIBUTED TO LOAN AND HIS SUBORDINATE, MAI DEN, WHOM KHOI DESCRIBED AS THE "MASTERMIND" OF THESE INCIDENTS. ONE WAS THE SERIES OF ANTI-AMERICAN ARTICLES WHICH HAVE RECENTLY APPEARED IN THE DAILY CONG CHUNG, A PAPER GENERALLY CONSIDERED TO BE UNDER AT LEAST A Degree OF DIRECT CONTROL BY LOAN.
2. KHOI EXPRESSED THE FEAR THAT, WHILE THE LOAN - MAI DEN CAMPAIGN HAS NOT YET REACHED SERIOUS PROPORTIONS, CONTINUED FREE REIN FOR THEM COULD DAMAGE US-VIETNAMESE RELATIONS AND EVEN HURT THE WAR EFFORT. HE THEREFORE ADVISED, THAT KY PERSUADE LOAN TO DISMISS MAI DEN AND STOP PUBLICATION OF CONG CHUNG. KY REPORTEDLY PROMISED TO TALK TO LOAN BUT SAID HE WOULD HAVE A DIFFICULT TIME PERSUADING HIM TO LET MAI DEN GO. KY SAID HE HAD TRIED THIS ONCE BEFORE TO NO AVAL.

3. KHOI SAID HE AD ALREADY DISCUSSED THE SITUATION WITH LOAN. ALTHOUGH LOAN AGREED THAT THE AMERICANS POSED NO REAL LONG-RANGE THREAT TO VIETNAMESE SOVEREIGNTY, THE TWO COULD REACH NO COMMON GROUND ON HOW TO LESSEN SHORTER RANGE FRICTIONS WHICH RESULT FROM THE MASSIVE AMERICAN PRESENCE. LOAN REPORTEDLY TOLD KHOI THAT MAI DEN WAS A DEDICATED, CLEVER INTELLIGENCE OFFICER WHO HAD DONE NOTHING WORSE THAN CRITICIZE THE US. LOAN THEREFORE FELT IT WOULD BE INCONGRUOUS TO FIRE HIS SUBORDINATE WHILE OTHERS ABOUT WHOM LOAN HAD EVIDENCE OF SOME WRONGDOING WERE KEPT ON BY THEIR SUPERIORS.
MOBILIZATION DECREE DEFENDED BEFORE ASSEMBLY

4. DEFENSE MINISTER NGUYEN VAN VY MET WITH BOTH HOUSES OF THE NATIONAL ASSEMBLY ON 18 DECEMBER TO DEFEND THE GOVERNMENT'S PARTIAL MOBILIZATION DECREE OF 24 OCTOBER. ALTHOUGH VY'S PERFORMANCE APPEARED TO HAVE BEEN SATISFACTORY, ACCORDING TO PRESS REPORTS, THE UPPER HOUSE MEETING ON 19 DECEMBER VOTED OVERWHELMINGLY TO REJECT THE GOVERNMENT'S JUSTIFICATION OF ITS DECREE. PRELIMINARY INDICATIONS ARE THAT THE GOVERNMENT'S POSITION MAY BE SUPPORTED BY THE ASSEMBLY. THERE IS AT LEAST ONE REPORT THAT THREE MEMBERS OF THE LOWER HOUSE ARE CIRCULATING A DRAFT DEGREE TO SUBSTITUTE FOR THE GOVERNMENT'S DECREE.

5. VY MET WITH MEMBERS OF THE UPPER HOUSE FOR ABOUT FOUR HOURS IN AN OPEN PLENARY SESSION ATTENDED BY ALL 60 MEMBERS. HE READ A STATEMENT OUTLINING THE GOVERNMENT'S POSITION, AND DEFENDED THE FORMER DIRECTORATE'S ACTION IN PROMULGATING THE DEGREE AS LEGAL UNDER ARTICLE 111 OF THE CONSTITUTION. VY MAINTAINED THAT PROMULGATION IN OCTOBER WAS NECESSARY IN VIEW OF AN ANTICIPATED 1968 REQUIREMENT FOR 64,000 ADDITIONAL MEN AND BECAUSE OF THE NEED TO GIVE THOSE WHO WILL BE AFFECTED AS MUCH TIME AS POSSIBLE TO MEET THE EVENTUALITY. HE ALSO ARGUED THAT LOWERING THE DRAFT AGE FROM 20 TO
18 was a logical course for a nation at war, he added, however, that 18-year-olds will not be called up before the end of 1968. Student deferments, he noted, would be flexible, allowing superior students to continue their studies. Those who want to study abroad will be required to pass special examinations, and they will have to pursue studies that will benefit the nation.

6. The question-and-answer period in the Senate was generally orderly and without rancor. Vv answered questions touching on such subjects as the rates of desertion and draft evasion (both down 30 percent in 1967 from 1966); postponement of certain parts of the mobilization decree until the National Assembly has the opportunity to legalize the order (there is no longer a question of amending or suspending the decree—the important thing is to apply it fairly); and the subject of draft deferments (no favors should be given to sons of wealthy or prominent families and a crack-down should be made on students who use their studies to evade the draft). Another question touched on the point of why the draft age was lowered if only a 64,000-man increase is needed (replacements are needed for casualties and discharges as well as to increase the size of the military—a as only 40 percent of army's needs will be met by conscription in 1968). Suspicions were voiced that the government used the mobilization
OF SPECIALISTS AS A WAY TO CONTROL OPPOSITIONISTS (DEFENSE REQUIREMENTS ARE THE ONLY CONSIDERATION FOR DRAFTING SPECIALISTS--THE MAIN NEED WILL BE FOR DOCTORS WHICH ARE IN PARTICULAR SHORT SUPPLY).

FARMER-WORKER-SOLDIER BLOC ON THE DOWNSWING

8. THE LOWER HOUSE CONTINGENT OF THE FARMER-WORKER-SOLDIER BLOC HAS REPORTEDLY DECIDED TO DISSAND FOR LACK OF ACTIVE PARTICIPATION. THE UPPER HOUSE CONTINGENT MAY ALSO BE NEAR DISSOLVING.

9. [ ] FIVE MEMBERS OF THE LOWER HOUSE GROUP MADE THE DECISION TO DISSAND ON 10 DECEMBER, FOLLOWING A SERIES OF MEETINGS WHICH WENT ALMOST UNATTENDED. THE FIVE REPORTEDLY ATTRIBUTE THEIR GROUP’S DEMISE TO THE DIMINISHING POPULARITY OF THE BLOC’S LEADERS, MOST OF WHOM ARE SENATORS. SENATOR DANG VAN SUNG AND TRAN QUOC BUU, PRESIDENT OF THE VIETNAMESE CONFEDERATION OF WORKERS, THEY SAY, ARE TOO PRO-AMERICAN, WHILE SENATOR TRAN THAT DINH IS TOO PRO-BUDDHIST AND ANTI-GOVERNMENT. THE FIVE ALSO BELIEVE THAT TRAN VAN DON, PRESIDENT OF THE BLOC, IS A GOOD MAN BUT NOT POLITICALLY ASTUTE.

10. THE BLOC IS LOSING PRESTIGE IN THE UPPER HOUSE, ACCORDING TO SENATOR NGUYEN GIA HIEN, LEADER OF THE SENATE’S NATIONAL DEMOCRATIC SOCIALIST BLOC. HIEN REPORTEDLY CLAIMS THAT BOTH DON AND DINH ARE PRIMARILY MILITARY MEN, UNINTERESTED IN POLITICS OR POLITICAL PARTY FORMATION. HE CLAIMS THAT THEY CAN
FIND NO COMMON GROUND WITH MEMBERS OF OTHER UPPER HOUSE BLOCS AND WILL NOT DISCUSS PRACTICAL POLITICS.

11. ALTHOUGH HIEN'S ATTITUDE MAY BE SLIGHTLY COLORED BECAUSE OF DON'S REFUSAL TO GO ALONG WITH A PROPOSAL THAT THEIR TWO BLOCS MERGE, THERE ARE OTHER INDICATIONS OF DON'S POLITICAL INEPTITUDE. THIS MAY HURT NOT ONLY HIS BLOC, BUT ALSO HIS CHANCES FOR ELECTION TO THE UPPER HOUSE CHAIRMANSHIP. HIEN HAS SAID THAT HIS BLOC'S VOTES WILL GO TO SENATOR NGUYEN VAN HUYEN, DESPITE DON'S APPEAL FOR HIEN'S SUPPORT. PRESIDENT THIEU, IN ADDITION, HAS REPORTEDLY INDICATED HIS PREFERENCE FOR HUYEN OVER DON.

III. NORTH VIETNAMESE MILITARY DEVELOPMENTS

1.

2. THERE ARE BELIEVED TO BE ABOUT ELEVEN MIG-21S AND POSSIBLY SEVEN OR EIGHT MIG-17S AT VARIOUS AIRFIELDS WITHIN NORTH VIETNAM. AT LEAST
Two and possibly four MiG-17s were shot down by US aircraft cannon fire on 18 and 19 December.

IV. OTHER COMMUNIST MILITARY DEVELOPMENTS

1. There is nothing of significance to report.

V. COMMUNIST POLITICAL DEVELOPMENTS

1. North Vietnamese spokesmen abroad continue to take a tough line on the question of settling the war. They insist that an unconditional cessation of the bombing must precede any negotiations and that a settlement must be in accordance with their terms.

2. In a lengthy interview with a Western journalist last week, Tran Viet Dung, counselor of the North Vietnamese mission in France, refused to consider any suggestions for achieving a settlement except on the basis of well-known Communist positions. He placed the blame for the war squarely on the US and claimed that the American aim is to destroy North Vietnam's sovereignty and bring it into the US "sphere of influence." Dung also claimed that the liberation front is much stronger than the "Saigon clique" but was unable to agree to or to even comprehend a proposal that the US and North Vietnam withdraw and leave a compromise government in the South.
3. The Vietnamese Communists are using the occasion of the Seventh anniversary of the founding of the Liberation Front to voice their determination to press on with the war. At a meeting in Hanoi, Front and North Vietnamese officials spoke of their resolve and determination to continue the struggle. One spokesman portrayed the coming period as "one of violent and fierce battles." But claimed that the people will not shrink from any sacrifice or trial and that the North abides by the slogan, "everything for the fraternal south."

4. Similar statement were made at a gathering of Front officials in a "liberated area" in the South. Nguyen Huu Tho, Head of the Front Presidium, addressed high-level members of the Front and denounced what he termed "deceitful US peace negotiations." According to an 18 December broadcast, he also set forth "the future trend of the tasks of the Southern armed forces and people."