MEMORANDUM FOR THE RECORD:

SUBJECT: The Exploitation of the Raw Intelligence Flow From Saigon

1. Our survey of the raw intelligence take in South Vietnam -- captured documents, interrogation reports and COMINT -- concluded that we have available at Headquarters the same volume that MACV has in Saigon. We also believe that by and large we receive these materials expeditiously although in some cases we could receive them even more quickly.

2. We have suggested that arrangements be made for Headquarters to receive copies of the two machine files used in Saigon for storage, retrieval, and analysis. We believe those machine files should enhance our exploitation of this material.

3. We have also concluded that the basic problem is with the personnel available for processing and analyzing these materials at Headquarters. The purpose of this memorandum is to suggest changes in organization and manning that will be necessary if we are to significantly improve our ability to respond quickly to policymaking officials both for current intelligence analysis and increased in-depth research for the production of strategic intelligence.

4. For purposes of this study we have considered organization and manning in OCI, OER, ONE, and SAVA. ONE's effort is a minimum staff function and consists of a one and one-half analyst effort on all aspects of the war in the South. SAVA's effort in terms of analysis of raw intelligence from enemy sources is restricted to two analysts full time on strategic intelligence production. Their primary area has been the organization of the political infrastructure although much of the Agency's limited work on military order of battle estimates has been accomplished by one of these analysts. Processing raw intelligence for diverse purposes usually related to operations is a part time activity of several other members of SAVA's staff.

5. OCI's South Vietnam branch currently has three analysts on military matters, one Revolutionary Development specialist, and two political analysts. The political section, which is being expanded to four persons, focuses primarily on GVN politics. The North Vietnam branch has primary responsibility for the National Liberation Front
because of the latter's relationship with the Vietnamese Communist Party. OCI's military analysts have been the primary producers of articles on current developments in the ground war in the South, but there is considerable duplication of this analysis in SAVA.

6. OER's South Vietnam branch has two analysts on the GVN economy and five on the VC/NVA. Of these five, two are responsible for the VC economy -- economic policy and organization, taxation, production, and food supplies. These analysts also handle our work on population and manpower availability of the VC and the GVN. One analyst handles enemy military logistics and two remaining analysts work on enemy military order of battle.

7. Whereas the collection, translation, and dissemination of captured documents and interrogation reports are, on the whole, efficient, the analysis of these materials by the US intelligence community is in many respects deficient. Despite the issuance of a large number of studies on military aspects of the war during the past few months by MACV and its subordinate organizations, we believe we lack even a reasonably comprehensive view of the enemies' military and political organization and viability. Although we cannot hope to contribute to MACV's day to day needs for tactical intelligence from Washington, we can and should assume a greater responsibility for evaluating the course of the war. For this reason, we should greatly intensify our research on enemy manpower, logistics, organization, strategy, and tactics.

8. To this end we suggest the addition of nine analysts organized against research and reporting responsibilities as follows. Because these are intelligence production functions, we suggest the augmentation take place within the DDI.

a. VC/GVN population control and South Vietnam country-wide population study. These subjects should include a continuing evaluation of the Hamlet Evaluation System and all Allied programs for pacification and population control as well as VC/NVA population control policies and activities. (Three analysts) This effort could be accomplished by maintaining the present OCI effort for current reporting and adding one additional analyst in OER.

b. VC/NVA military Order of Battle. Manpower inputs -- VC recruiting and NVA infiltration including composition and losses. Manpower losses -- KIA estimates, WIA estimates, desertion, defection, sickness and accident losses. The O.B. -- time series by echelon (NVA regulars, VC Main and Local Forces, Guerrillas, Administrative Service Troops, and the various irregular elements) and by geographic area. In addition a profile of these troops -- changing age structure, training, health, morale.
The assignment of additional analysts to OER would staff this function.

c. VC/NVA operations. Changing tactics and strategies as reflected in organization and operations.

(Three analysts) This effort could be accomplished by adding one additional analyst to OCI's present complement.

d. VC/NVA logistics and organization. Military stores and munitions procurement, base areas, losses, production, distribution, and medical system.

(Two analysts) This effort could be accomplished by adding one additional analyst to OER's present complement.

e. The VC economy -- organization, financing, procurement shortages, production and land reform.

(One analyst) No additional manning required.

f. The Political and Economic Infrastructure -- organization, missions, and manpower.

(Three analysts) This intelligence production effort should be located within the DDI. Because of its close relationship to b and e above, we suggest it be assigned to OER's manpower section.

9. Of the overall augmentation of nine analysts suggested, eight are proposed for OER and one for OCI. We would expect, however, that as a result of the sharply increased research effort in OER, OER would be able to provide greater current support to OCI than is the case now. OER would provide current reporting covering its areas of substantive research responsibilities. On balance, we believe this particular distribution of effort would best enhance our ability to respond to policy-makers current needs and provide a longer term in depth view of the progress of the war in South Vietnam.

Acting Chief
South Vietnam Branch