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CENTRAL INTELLIGENCE AGENCY Directorate of Intelligence 3 February 1968

INTELLIGENCE MEMORANDUM

The Situation in South Vietnam No. 11
(As of 8:30 A.M. EST)

The Communist offensive continues to maintain considerable momentum in some urban areas and against some allied military installations. Enemy forces are still resisting allied efforts to drive them out of many provincial capitals, and have launched several new attacks in the III and IV Corps areas. Saigon was relatively quiet during the night, but there were some indications that new enemy initiatives may soon be staged there.

I Corps

- 1. The situation throughout this area was generally quiet on the night of 2-3 February; however, the fighting in Huo is continuing with the enemy still offering stiff resistance in their offerts to hold several strongpoints in the city.
- 2. Hue: The northern portion of the citadel and parts of the city itself are still under enemy control. Several of the compound areas within the citadel exchanged hands late yesterday. Reports of sizeable enemy units in the city's environs continue. One prisoner claimed that 2-3 battalions were massing on the southern side of the river which divides the cities, and that their mission was to attack the MACV compound. Other prisoners have stated the enemy plans to hold Hue for at least seven days. Heavy enemy sniper activity from rooftops and other strategic locations continues to hamper the allied reaction forces which have been making slow progress in clearing the city. Six South Vietnamese Army battalions, a ranger battalion, a tank company, plus two

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battalions of the US lst Air Cavalry Division and two US Marine battalions are now committed to recovering the city.

3. DMZ: The allied strongpoint at Con Thien was hit by 73 rounds of enemy artillery fire, while and nearby US Marine positions received 65 rounds of artillery and rocket fire late yesterday. There have been no reports of enemy activity at Khe Sanh; however, a press report claims 650 rounds of artillery, rocket, and mortar fire were directed at allied positions all along the southern portion of the DMZ on 3 February.

II Corps

- 4. Fighting continued in two provincial capitals—Dalat and Phan Thiet—in central South Vietnam on 3 February. Although the enemy presence in or near the western highland cities of Kontum, Pleiku, and Ban Me Thuot remains considerable, these cities were generally quiet overnight and the Communists may now, in fact, be withdrawing under strong allied pressure.
- 5. Dalat: Early this morning, an unknown size force struck at the railroad station, two US billets, a South Vietnamese Army outpost, and a sector head-quarters in a brief 15-minute attack. No results have been reported. South Vietnamese forces are presently establishing control of the city.
- 6. Phan Thiet: Sharp fighting which began yesterday noon was reported continuing in this coastal city this morning. The bulk of the battle is concentrated in north and northeast sections of the city in the vicinity of the MACV compound, which is still secured by friendly forces.

Saigon

- 7. Saigon was relatively quiet during the night and this morning with only a few scattered clashes.
- 8. 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

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that the action so far may have been aimed at creating turmoil in preparation for another attack. Some 25 to 30 Viot Cong battalions are said to be staging in areas north and south of the city.

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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.

Other III Corps Developments

- 10. Two provincial capitals, Xuan Loc and Phuoc Le, came under attack during the night. By noon on 3 February, however, most provinces in the III Corps area reported that the military situation had stabilized.
- 11. Xuan Loc: Xuan Loc was assaulted for the second consecutive night. An ARVN artillery position was hit by rocket fire; ground probes were directed at the MACV compound, the National Police Station, and other points in the city. There were few details on casualties.
- 12. Phuoc Le: The capital of Phuoc Tuy Province east of Saigon was attacked on 1 February and at last report late on 2 February (local Vietnam time), parts of the city were still occupied by a Viet Cong company. Heavy fighting was reported, but the only confirmed casualties have been one US civilian and one Australian killed.
- 13. Bien Hoa: Estimates of civilian refugees in the Bien Hoa area now reach as high as 11,000. Information from prisoners and ralliers indicate that the 274th and 275th Main Force Regiments of the 5th Viet Cong Division participated in the attacks on Bien Hoa. The prisoners state that they had no withdrawal plan as they were told that it would be easy to overrun the city.



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Other Action

14. In other recent action in III Corps US Army troops reported a sharp clash with an enemy force of undetermined size about five miles northeast of Saigon, while Viet Cong gunners attacked the US Army base at Cu Chi for the third time within a week on 2 February. Some 100 rounds of mortar and heavy rocket fire hit the camp. US losses were light.

IV Corps

- 15. Reports indicate that there was a slackening off of fighting in several previously hard hit provinces in this area during the night of 2-3 February. Heavy action is still going on in some sectors, however, and many major cities are still experiencing sniper and harassing fire.
- 16. Ben Tre: Some of the heaviest fighting in the delta has continued over the past three days in this provincial capital, located some 43 miles south of Saigon. Viet Cong forces, estimated to be 200-800 strong, have infiltrated virtually all parts of the city and control most of it, especially at night. More than half of the buildings in the city have been destroyed.
- 17. The ARVN Regiment defending Ben Tre is reportedly fighting "tenaciously, but rather ineffectively because of a lack of "planning and organization." One US Army unit has already arrived in the city and most of the 2nd Brigade of the US 9th Infantry Division was scheduled to arrive during the night.
- 18. Chau Phu: Chau Phu, a provincial capital near the Cambodian border 115 miles due west of Saigon, was reported almost completely secure this morning. An ARVN search and destroy operation is sweeping the outskirts of the city. Unconfirmed estimates list 77 Viet Cong killed and eight captured. Some 100 civilians have been wounded and it is estimated that the fighting against at least two Viet Cong battalions in the city over the past few days destroyed the homes of up to 4,000 people.

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- 19. One prisoner, taken during the battle, who claims to be the Viet Cong deputy security chief in the province, indicated that the attack on Chau Phu was launched with considerable ideological preparations but without the thorough tactical rehearsals which traditionally preced Viet Cong attacks. He said that he first learned of the Tet offensive about two weeks prior to the Chau Phu attack.
- 20. Viet Cong main force units, according to the prisoner, were given the responsibility of "liberating" provincial capitals, whereas district forces and guerrillas were responsible for seizing their respective district seats. He claims that the force which attacked Chau Phu city included ten party members who were to constitute the city front which was to organize a provisional government. The prisoner first heard the term coalition government about six months ago, but had never heard it brought into formal party proceedings until the briefings for the Tet operation.
- 21. If these statements do provide an accurate reflection of current Viet Cong strategy, the Communists have indeed decided to expend a great part of their resources in the Tet offensive.

Other Delta Action

22. Sporadic mortar and small arms fire continues within or on the outskirts of several provincial capitals—including Can Tho, My Tho, Moc Hoa, Vinh Long, and Rach Gia—as well as a number of other smaller towns. At Ca Mau a Viet Cong assault was repulsed during the night of 1-2 February but further attacks were expected.

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however, it still appears, as earlier reported, that the general reaction is one first: of fear, second: of surprise at the demonstration of continued Communist strength and, third: of disgruntlement at the government's inability to block the attacks.

28. There are numerous reports of belief in a widespread rumor that the US connived with the VC in the attacks in order to force formation of a coalition government. While the enemy is doubtless pushing this line as part of the psywar side of his current offensive, the widespread willingness to believe the story is significant, since it seemingly indicates a growing political malaise among the people over the war.

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