MEMORANDUM

DIRECTORATE OF INTELLIGENCE

The Situation in Vietnam

29 December 1967
Information as of 1600
29 December 1967

HIGHLIGHTS

A US Marine battalion suffered heavy losses on 27 December in a battle in Quang Tri Province.

I. The Military Situation in South Vietnam:
A US Marine battalion lost 48 men killed and nearly 80 wounded in a battle east of Quang Tri city on 27 December. Light scattered actions have been reported elsewhere over the past few days (Paras. 1-3). Several recent developments provide further evidence of an enemy intention to attack in the Khe Sanh area (Paras. 4-5).

II. Political Developments in South Vietnam:
The Upper House has organized blocs and has presented a resolution to the government dealing with the controversial mobilization order (Paras. 1-2). Senator Nguyen Van Ngai has given the US Embassy an account of maneuverings behind the selection of chairmen of committees in the Upper House (Paras. 3-5).

III. North Vietnamese Military Developments:
There is nothing of significance to report.

IV. Other Communist Military Developments:
Reports of Spanish ex-legionnaires that Chinese troops are manning missile installations in North Vietnam appear doubtful (Paras. 1-3).

V. Communist Political Developments: There is nothing of significance to report.
I. THE MILITARY SITUATION IN SOUTH VIETNAM

1. A battalion of the US 1st Marine Regiment lost 48 men killed and nearly 80 wounded in a battle along the coast about nine miles east of Quang Tri on 27 December. Initial reports state that the enemy, probably part of the North Vietnamese 5th Regiment, lost 27 killed.

2. In three separate clashes 10-25 miles south of Da Nang on 28 December, US and South Vietnamese forces killed 65 enemy troops. Ten allied troops were killed and 59 wounded.

3. To the south in Pleiku Province, Viet Cong guerrillas on 28 December killed 21 South Vietnamese and wounded 15 in an attack on a hamlet. It was the second such attack in the central highlands in two days. On 27 December the Viet Cong killed 13 and wounded 28 as they overran a hamlet on the outskirts of Kontum city. The latest attack took place about 13 miles northeast of Pleiku city. Light scattered actions were reported elsewhere.

Developments in the Khe Sanh Area

4. Several recent developments provide further evidence of the enemy's intention to attack near Khe Sanh in western Quang Tri Province. Radio direction finding indicates that the headquarters of the North Vietnamese 304th Division completed an eastward movement in the Laos panhandle on 29 December which places it approximately 22 miles west of Khe Sanh. The headquarters of the 325C Division has moved from the Dong Hoi area in North Vietnam to a position in Laos just west of the Demilitarized Zone.

29 December 1967
New Year's Cease-fire

5. The allies' 24-hour New Year's cease-fire is scheduled to begin at 5:00 AM (EST) 31 December and continue until 5:00 AM (EST) 1 January. Although no allied military operations are scheduled during this respite, a full alert will be maintained.
II. POLITICAL DEVELOPMENTS IN SOUTH VIETNAM

1. The Upper House of the National Assembly on 27 December formed itself into two blocs, one formal and the other a rather loose coalition of 41 "independent" senators. The formal grouping is the 19-member National Democratic Socialist Bloc, composed largely of the slates headed by Nguyen Gia Hien and Huynh Van Cao. The composition of the blocs will mean, among other things, that committee assignments will be made on a two-to-one basis in favor of the independents.

2. The Upper House on 27 December also began debate on a resolution relating to the government's partial mobilization decree which it had apparently rejected earlier this month. On 28 December, the Upper House unanimously passed a resolution in which it noted its displeasure with the government's explanation of the mobilization order. The resolution calls upon the government to clarify the terms of service, as well as the composition and criteria for its proposed call-up of various specialists; it further recommends the full utilization of personnel between the ages of 20 and 30 before calling up youths of 18 and 19. In the main, however, the mobilization decree appears to have emerged from the Upper House relatively unchanged.

Election of Committee Chairmen in the Upper House

3. In a conversation with US Embassy officers, Senator Nguyen Van Ngai recently commented on several aspects of the election on 22 December of permanent committee chairmen in the Upper House. He indicated that the outcome was the result of careful behind-the-scenes arranging which contrasted to the open election of the permanent bureau of the Upper House. This maneuvering apparently ensured that the four slates constituting the "independent" group would gain the leadership of the most important committees, whereas the Hien and Cao slates gained the chairmanships of two relatively minor committees: social welfare and health.

29 December 1967
4. Ngai indicated that the Hien and Cao slates apparently committed a serious tactical error in not opting to go along with the other blocs in their prearranged plans. This, he indicated, would have guaranteed that all slates received their share of the committee chairmanships with sufficient majorities to enhance their prestige in dealing with the government. As it turned out, the other slates went ahead with their original plans and virtually froze out the Hien and Cao slates. The balance of the other committee chairmanships are held by members of the following slates: Tran Van Huyen's slate (he is also chairman of the Upper House), internal affairs and rules, and culture and education; Tran Van Don's, defense, public works, and agriculture; Tran Van Lam's, budget and finance, foreign affairs, and interior; and Nguyen Ngoc Ky's, economics, and judiciary.

5. In addition to the tactical blunders of the Hien and Cao slates, the results of the voting for committee chairmanships may reflect a more fundamental fact of life in the Upper House. According to the embassy, the Hien-Cao bloc is widely regarded, correctly or incorrectly, as strongly progovernment. Although many members of the "independent" group will side with the government on many issues, there will be times when they will feel constrained to make jabs at the "progovernment" Hien-Cao bloc in order to preserve their "independent" credentials.

29 December 1967

II-2
IV. OTHER COMMUNIST MILITARY DEVELOPMENTS

1. The recently repatriated Spanish foreign legionnaires who lived for several years in North Vietnam continue to provide reports on the activities of Chinese Communist troops there. One of the Spaniards said that there were approximately 10,000 Chinese troops in the Chi Ne area manning missile installations and constructing tunnel complexes. Another source said he heard that the Chinese moved missiles on mobile platforms out of a cave to fire at attacking planes in this area.

2. Another Spaniard gave details concerning Chinese troops in the Yen Bai area. He said that Chinese troops are manning an SA-2 site nearby, and that infantry and artillery troops were concentrated between Yen Bai and Phu Tho. He distinguished these troops by their weapons: artillery troops carried only pistols, and the infantrymen carried machine guns.

3. These latest reports appear less accurate than those received earlier. The number of Chinese troops reported in the Chi Ne area is not realistic, and the description of the missile activity conflicts with an earlier report which indicated that antiaircraft guns, not missiles, were housed in caves. Chinese antiaircraft artillery troops normally carry rifles and submachine guns as well as pistols.

29 December 1967

IV-1