MEMORANDUM

DIRECTORATE OF INTELLIGENCE

The Situation in Vietnam

Top Secret

119
26 December 1967
HIGHLIGHTS

Communist forces in western Pleiku may be preparing for new offensive.

I. The Military Situation in South Vietnam:
No large-scale fighting was reported on 25-26 December. Viet Cong guerrillas in the delta, however, have launched another series of sharp attacks (Paras. 1-2). North Vietnamese forces in the western highlands may be preparing for new attacks in northwestern Pleiku Province (Paras. 3-6).

II. Political Developments in South Vietnam:
A government official doubts the effectiveness of blocs in the National Assembly and says the government is delaying efforts to develop supporters in the legislature (Paras. 1-2).

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

IV. Other Communist Military Developments:
Spanish repatriates report further details of Chinese troop deployments in North Vietnam (Paras. 1-3).

V. Communist Political Developments:
North Vietnamese President Ho Chi Minh delivers hard-line speech on Vietnamese Army Day (Paras. 1-3).
I. MILITARY SITUATION IN SOUTH VIETNAM

1. No large-scale fighting was reported on 25-26 December. Viet Cong guerrillas in the delta, however, have launched a series of sharp attacks similar to the nearly 40 separate attacks and terrorist incidents reported during the night of 24-25 November and the coordinated attacks in Kien Hoa Province in late October.

2. During the night of 21-22 December the Viet Cong shelled six district towns and attacked 18 government outposts and installations throughout the delta. Allied casualties in these actions and in seven attacks the next day were 37 killed, 91 wounded, and 21 missing. On 23 December the Viet Cong fired some 100 mortar rounds into a district town in Chuong Thien Province; five persons were killed and 33 wounded. Twenty-five enemy initiated incidents occurred in the delta on 24 December. On 25 December 13 truce violations were reported in the area. The Communists may be concentrating these small-scale attacks in the delta area to achieve maximum psychological effect and propaganda value.

Enemy Activity in the Highlands

3. North Vietnamese military units continue to maneuver throughout South Vietnam's western highlands under the direction of the B-3 Front, the over-all Communist command authority in the area, and pose a major threat to allied forces there. In addition to the continuing reconnaissance activities and small-scale probes in the Dak To area of Kontum Province, radio stations serving several major North Vietnamese military entities have been traced moving south into northwestern Pleiku Province.

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6. Other significant indicators culled from interrogation reports and captured documents point to an intensification of enemy activity directed at US and South Vietnamese military installations and positions near the provincial capitals of Kontum and Pleiku. The main thrust of this activity apparently is scheduled to begin before the end of the year and continue into 1968.

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II. POLITICAL DEVELOPMENTS IN SOUTH VIETNAM

1. The government is biding its time before seeking out administration supporters in either house of the National Assembly, according to Nguyen Dinh Xuong, a member of the Legislative Liaison Bureau in the prime minister's office. The bureau is the main point of contact of cabinet officers and assembly members. The government is waiting until the assembly has "settled" down and blocs have been formed before recruiting supporters for its programs. Xuong claims that the situation in both houses is fluid and cites the Democratic Bloc in the lower house as a case in point. According to Xuong, this bloc—generally considered to be progovernment—claims 51 members, but has only 36 and probably could not hold all of those together for a vote on a critical issue. He believes that a similar lack of cohesion probably would affect all the other potential blocs.

2. Xuong speculated that the election of an all-Catholic permanent bureau in the Senate may spur the Buddhists to work closer together to ensure that Catholics in the lower house will not gain a disproportionate victory there. In this regard, Xuong said there are indications that the "Tri Quang Buddhists" may try to form their own bloc in the lower house to counteract the Independent Bloc—estimated strength about 19—which has become virtually a solid Catholic grouping.
III. MILITARY DEVELOPMENTS IN NORTH VIETNAM

1. There is nothing of significance to report.
IV. OTHER COMMunist MILITARY DEVELOPMENTS

1. One of the repatriated Spanish foreign legionnaires has reported further on Chinese Communist troops stationed south of Hanoi. According to the source, Chinese troops deployed to the Hoa Binh and Phu Ly areas in August 1966. The source heard stories that two or three divisions were involved. He described the Chinese as being encamped near antiaircraft artillery positions at several points along the road between these two areas, with the greatest concentration near Phu Ly. The Spaniard also said that on this road there is a large Chinese military vehicle maintenance and driver training school.

2. Since January an element of a suspect engineer division has been located in the general Nam Dinh area. Some antiaircraft artillery troops may have been deployed there to protect them. There is, however, no indication that major units are in the area.

3. Photographs of the areas between Hoa Binh and Phu Ly will be analyzed in an attempt to verify the Chinese activities described by the Spaniard.

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V. COMMUNIST POLITICAL DEVELOPMENTS

1. Ho Chi Minh's appearance as a major speaker at Hanoi's anniversary celebrations on 23 December apparently was designed to show both his countrymen and the world that the aging Communist leader is still a vigorous commander of a national independence movement. The celebrations were a combined ceremony marking both Vietnamese Army Day and the Communist uprising against the French in 1945. Although the 77-year-old President of North Vietnam has made brief public appearances during the past year, he has not made major public addresses, and his role in the anniversary celebrations will help allay rumors among his own people that he is gravely ill.

2. Ho's hard-hitting speech underscored Hanoi's continued determination to prosecute the war and he appeared to be talking as much to the South Vietnamese as to the Northerners. He played up the uprising against the French in 1945 as a national occasion, called on the "31 million compatriots of both zones" to fight until final victory, and singled out Liberation Front commanders for inclusion in his list of "valiant Vietnamese fighters." His appearance and his speech projected an image of a strong leader of a united people, and may help to stiffen Communist morale on both sides of the 17th parallel.

3. Preliminary news accounts of the attendance at the anniversary celebrations indicate that defense minister General Vo Nguyen Giap was not present. The celebration of Army Day is an event which General Giap normally attends and at which he speaks, and his absence is unusual. Hanoi has not reported on Giap's activities since he reportedly returned from the Soviet anniversary celebrations in mid-November.

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Propaganda Commentary

4. The Vietnamese Communists are still maintaining a cautious silence on President Johnson's press conference comments about possible contacts between the Thieu government and the Liberation Front. On two recent occasions authoritative Hanoi and Front spokesmen have avoided specific comment on this subject. Hanoi issued two propaganda attacks this past weekend in which the President's five points were condemned in general terms, and his joint statement with Thieu in Australia and his pre-Christmas travels were described as tricks and peace frauds. The issue of Thieu-Front contacts was not treated, however. The same reluctance openly to discuss the issue of contacts between the Liberation Front and the Thieu government was demonstrated by a Front representative in Le Monde on 23 December. According to a State Department summary of the interview, Front representative Nguyen Van Tien turned aside a specific question on this issue and said only that the US President was merely launching one of his peace campaigns.