MEMORANDUM

DIRECTORATE OF INTELLIGENCE

The Situation in Vietnam

9 November 1967
Page Denied
HIGHLIGHTS

The cabinet of the newly established South Vietnamese Government has been announced. It is composed chiefly of technicians with the important ministries going to generals or incumbents.

I. Military Situation in South Vietnam: Widespread, scattered, and at times heavy fighting was reported on 8-9 November. The most significant engagements were in Kontum and in the III Corps area above Saigon (Paras. 1-13). In the Mekong Delta, Route 4 continues to be a favorite target of the Viet Cong (Paras. 14-16).

II. Political Developments in South Vietnam: Nguyen Van Loc announced the make-up of his cabinet on 9 November (Paras. 1-5).

The newly elected lower house met in its first working session on 8 November (Para. 7).

IV. Other Communist Military Developments: There is nothing of significance to report.

V. Communist Political Developments: Ho Chi Minh's failure to participate in the celebration of the 50th anniversary of the Soviet Union suggests that he may be ill (Paras. 1-4).
I. MILITARY SITUATION IN SOUTH VIETNAM

1. Widespread fighting, heavy at times, was reported on 8-9 November.

2. Sporadic engagements continued in Kontum Province as elements of the North Vietnamese 1st Division fought US infantrymen in several locations west and southwest of Dak To. More than 150 enemy bodies have been counted in the last two days of fighting. US losses are 26 reported killed and 62 wounded.

3. The flurry of enemy activity in southwestern Kontum Province reflects an aggressiveness not displayed by the B-3 Front forces for many months and is probably tied to the current over-all increase in enemy activity throughout the country.

4. In addition to the enemy's use of small arms, automatic weapons, and mortar fire against US forces in Kontum, rockets have been used to a limited degree. Preparation of rocket and artillery positions suggesting that the enemy may be planning a large-scale coordinated barrage in the area. The enemy is also making extensive use of previously prepared defensive positions.

5. The North Vietnamese 24th Regiment--an independent regiment subordinate to the B-3 Front--closer to the present scene of battle. This unit has moved some 12 miles nearer to Dak To this week and is now just ten miles northeast of the town. There are now three confirmed regiments, and possibly as many as six, in the general area.

9 November 1967
6. Ten US battalions from the US 4th Infantry Division and 173rd Airborne Brigade are deployed throughout the western highland provinces of Kontum, Pleiku, and Darlac. These forces—totaling some 10,000—are part of Operation MACARTHUR which has been searching the border area for infiltrating Communist units and supplies. Despite the superior US forces with their mobility, air, and artillery support, the enemy has apparently chosen this battleground because of what it considers as certain advantages.

7. The area of southwestern Kontum Province consists of heavily jungled mountains which offers easy access to sanctuary in nearby Cambodia. In addition, few good roads lead into the area from allied supply points near Pleiku and Kontum cities. The enemy has performed extensive reconnaissance on allied positions and installations in the area.

Northern III Corps Activity

8. In northern Phuoc Long Province elements of the North Vietnamese 88th Regiment launched a series of coordinated attacks on 8 November on US and South Vietnamese positions near Song Be. Three Americans were wounded as the result of 120 rounds of enemy mortar and recoilless rifle fire.

9. Simultaneously, a nearby South Vietnamese battalion was hit by heavy mortar fire. Several minutes later an enemy force of unknown size attacked a small hamlet in the same area.

10. This series of well-coordinated enemy attacks indicates that the Communists intend to maintain pressure on allied units in northern III Corps. Attacks by other enemy units are expected in the Binh Long - Phuoc Long province area.

Scattered Incidents Elsewhere

11. A South Vietnamese outpost in coastal Binh Thuan Province was attacked by elements of the Viet

9 November 1967

I-2
Cong 840th main force battalion on 8 November. Allied casualties were high.

12. The outpost, known as Fort Mara, received 200 rounds of mortar, rocket, and recoilless rifle fire. In addition some 300 grenades were fired into the position. Allied losses included 28 killed, 41 wounded (six US), and 32 weapons lost. Forty-five enemy bodies and several weapons were found after the attackers were driven off. Several captives identified the unit. They stated that the entire battalion and a reserve company—the 455th local force company—took part in the battle.

13. In the Mekong Delta province of Kien Phong, a Viet Cong force of unknown size staged a two-pronged attack on the district town of Cao Lanh and a nearby Special Forces camp. A ground assault followed an extensive mortar barrage. Allied casualties were reported as four killed and 69 wounded. Thirty-two enemy soldiers were killed.

**Viet Cong Sabotage of Route 4**

14. South Vietnam's strategic Route 4, which runs from Saigon southward into the heart of the Mekong Delta, continues as a favorite target of the Viet Cong. On 31 October the Viet Cong used explosive charges to crater the road in four places and put up two roadblocks on a 30-mile stretch of the highway west of My Tho, the capital of Dinh Tuong Province. This same section was blasted 12 more times on 5 and 6 November in conjunction with heavy mortar and ground assaults against Cai Lay district town, located on Route 4 in central Dinh Tuong. On this occasion the road was probably torn up to slow down reinforcements headed for Cai Lay from My Tho where South Vietnam's 7th Division has its headquarters.

15. Recently captured documents confirm the high priority which the Communists place on Route 4. One Viet Cong memorandum, dated 13 August 1967 and given a "flash" precedence, states that Route 4 "has a decisive effect on allied political, economic, and military

9 November 1967

I-3

**TOP SECRET**
activities." The document further claims that widespread, coordinated destruction of Route 4 could put allied forces on the defensive, visibly reduce air, artillery, and infantry operations, and "smash the South Vietnamese Government's plan to pacify the Mekong Delta." Another document, which outlines the Viet Cong winter and spring campaign for 1967-68, emphasizes that all government forces protecting Route 4 must be attacked.

16. Route 4 is significant because it links the agricultural delta provinces with markets in Saigon. A flurry of sabotage activity here in early October--which delayed rice deliveries to Saigon--resulted in a rise in food prices and probably enabled the Viet Cong to seize sizable quantities of the rice crop.

9 November 1967

I-4
II. POLITICAL DEVELOPMENTS IN SOUTH VIETNAM

1. Prime Minister Nguyen Van Loc announced his new government on 9 November. Seventeen ministers and seven vice ministers were designated, as well as two secretaries and two directors general who will be attached to the prime minister's office. Among the 28 officials named, there are nine northerners, six from central Vietnam, and 13 southerners.

2. The appointments largely confirm President Thieu's earlier statement that the new cabinet would be selected on the basis of competence and ability to work together. Of the 17 ministers named, nine served in previous cabinets. The key ministries--defense, interior, revolutionary development, foreign affairs, and economy--are held either by generals or incumbents from the Ky administration.

3. The new minister of labor, Pho Ba Long, a defeated senatorial candidate, and minister of Chieu Hoi affairs, Nguyen Xuan Phong, who was active in the presidential campaign of Thieu and Ky, are two of several appointments which show that an effort was made to broaden the political composition of the government or to repay political debts. Several other appointments appear to be gestures intended to mollify vocal southern groups and the Dai Viet Party. Tam Kim Dong, the minister of culture and education is associated with the Movement for the Renaissance of the South, while a Dai Viet figure, Nguyen Dai Thanh, was appointed director general for youth and sports, a post which the Dai Viets reportedly coveted.

4. The hostile attitudes of several of the opposition presidential candidates made it virtually impossible to offer them appointments in the new government. It has been reported that Tran Van Huong will be appointed to the Inspectorate, and room will be found for others in special advisory positions.

9 November 1967

II-1
5. A list of the new ministries and ministers follows:

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<thead>
<tr>
<th>Ministry</th>
<th>Minister/Role</th>
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</thead>
<tbody>
<tr>
<td>Foreign Minister</td>
<td>Tran Van Do (incumbent)</td>
</tr>
<tr>
<td>Minister of Defense</td>
<td>Lt. General Nguyen Van Vy, former Chief of Staff of the Joint General Staff</td>
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<tr>
<td>Minister of Interior</td>
<td>Lt. General Linh Quang Vien, former Minister of National Security</td>
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<tr>
<td>Minister of Revolutionary Development</td>
<td>Lt. General Nguyen Bao Tri, former Minister of Information and Chieu Hoi</td>
</tr>
<tr>
<td>Minister of Economy</td>
<td>Truong Thai Ton, former senior adviser to the prime minister and twice previously Minister of Economy and Finance</td>
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<tr>
<td>Minister of Finance</td>
<td>Luu Van Tinh, former Director General of the Budget and Foreign Aid</td>
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<tr>
<td>Minister of Agriculture</td>
<td>Ton That Trinh, former assistant to the prime minister for economy and finance</td>
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<tr>
<td>Minister of Labor</td>
<td>Pho Ba Long, economics professor at Dalat University</td>
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<tr>
<td>Minister of Public Works</td>
<td>Buu Don, former position unknown</td>
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<tr>
<td>Minister of Communications and Transportation</td>
<td>Luong The Sieu, Head of a state-owned coal mine</td>
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<tr>
<td>Minister of Chieu Hoi</td>
<td>Nguyen Xuan Phong, former Minister of Social Welfare</td>
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<tr>
<td>Minister of Justice</td>
<td>Huynh Duc Buu, judge and former second Vice Chairman of the People's-Army Council</td>
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9 November 1967
Minister of Culture and Education: Tang Kim Dong, dean of the Can Tho University Law Faculty
Veterans' Minister: Nguyen Tan Hong (incumbent)
Minister of Health: Tran Lu Y (incumbent)
Minorities Minister: Paul Nur, former Special Commissioner for Montagnard Affairs
Minister of Social Welfare and Refugees: Nguyen Phuc Que, former Special Commissioner for Refugees
Secretary to the Prime Minister: Doan Ba Cang, diplomat stationed in Japan
Secretary to the Prime Minister for Liaison with the National Assembly: Nguyen Van Tuong, former Special Commissioner for Administration
Director General for Information and Press: Nguyen Ngoc Linh, former Director of Vietnam Press
Director General for Youth and Sports: Nguyen Dai Thanh, high school teacher in Saigon

9 November 1967

II-3
Lower House Meets

7. The newly elected lower house of the National Assembly met for its first working session on the morning of 8 November. Its first business was to elect temporary assistants for the temporary chairman Nguyen Ba Luong and acting secretary general Duong Van Ba, respectively the oldest and youngest members of the house. Representatives were allowed to vote for two candidates for each position. Luong has been mentioned as one of the two front runners for the permanent chairmanship. On 8 November, Luong indicated to the Saigon Post that he would be a candidate for the office.

9 November 1967
IV. OTHER COMMUNIST MILITARY DEVELOPMENTS

1. There is nothing of significance to report.

9 November 1967

IV-1
V. COMMUNIST POLITICAL DEVELOPMENTS

1. North Vietnam's 77-year-old President Ho Chi Minh played no role in North Vietnam's rather elaborate ceremonies marking the 50th anniversary of the Bolshevik Revolution. The only contribution attributed to him was a bland article on the revolution which appeared in a Soviet party paper. Given the importance of this anniversary, Ho's absence from the festivities is unusual and suggests that illness may have prevented him from attending.

2. The regime conducted its ceremonies in Hanoi without reference to Ho. At meetings and receptions where he would play the key role as head of state or perhaps more importantly as a living link with the period of the revolution, his position was filled by the insignificant and aged Vice President Ton Duc Thanh. Hanoi has publicized the presentation of an Order of Lenin to Ton Duc Thanh at a reception in Hanoi. It has not yet made a public show of a similar award to Ho.

3. During the past several months, Ho has repeatedly been reported to be in ill health and to be resting outside of Hanoi. The pattern of appearances in the past nine months has also suggested that he is ailing. He has made only three public appearances in recent months—the most recent at North Vietnam's national day on 1 September.

4. Despite Ho's inactivity and his apparent aloofness from the political scene, there has been no indication in the past year that his subordinates have had difficulty in running the country without his immediate leadership and direction. The evidence also suggests that the regime's major policies—particularly on strategy for the war and on possible peace negotiations—have been the result of collective decision making.

9 November 1967

V-1
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