MEMORANDUM

DIRECTORATE OF INTELLIGENCE

The Situation in Vietnam

Top Secret

28 November 1967
WARNING

This document contains classified information affecting the national security of the United States within the meaning of the espionage laws, US Code Title 18, Sections 793, 794, and 798.

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HIGHLIGHTS

South Vietnamese Police Director Loan has agreed to postpone his resignation for several months.

I. Military Situation in South Vietnam: No large-scale engagements between allied and Communist forces were reported on 27-28 November; only small-scale attacks and harassing fire were reported from widespread sections of the country (Paras. 1-3). Communications intelligence continues to reflect the withdrawal of enemy units from the Dak To area (Paras. 4-7). Enemy troops are improving their supply route through the A Shau Valley (Para. 8). Viet Cong units in Phuoc Tuy Province are having supply problems and losing control of the population, according to a captured document (Paras. 9-11).

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

IV. Other Military Developments: One of the five major Chinese engineer units in North Vietnam may be moving to another location in North Vietnam or back to China (Paras. 1-2).

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

1. No large-scale engagements between allied and Communist forces were reported on 27-28 November. There were small-scale attacks and guerrilla activities in much of South Vietnam.

2. The latest flurry of hit-and-run actions included mortar attacks on two US-South Vietnamese air bases in the delta. The airfields at Soc Trang in southern Ba Xuyen Province and at Rach Gia about 100 miles southwest of Saigon were hit early on 28 November. Damage to helicopters and observation planes was moderate. One American was killed and two others were wounded at Soc Trang, and three Americans were wounded at Rach Gia.

3. The increase in harassment, in the wake of the three-week battle at Dak To began with a series of 14 mortar attacks on allied targets in the delta provinces on 25-26 November. During the two-day period, the Communists also shelled two Special Forces camps, the US base at Nha Trang, and several US positions in the central highlands. These apparently coordinated attacks are probably designed to shift attention from the main force units, many of which are recovering from severe losses on several fronts.

Enemy Troops Maneuver in the Western Highlands

4. Elements of the North Vietnamese 1st Division withdrawing from the Dak To area of southwestern Kontum Province. The division headquarters and its military intelligence section were located on 26 November in Cambodia near the Laos-Cambodia-Kontum Province border area. Another subordinate of the headquarters—the forward tactical element—had previously moved into the same area.

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5. The regimental subordinates of the 1st Division suggest that they also may be moving from the Dak To area. These units—the 32nd, 66th, and the 174th Regiment, which is believed to be under the division's control during the Dak To operation—suffered heavy casualties at Dak To. The units may be withdrawing to re-group, resupply, and prepare for future activity in the western highlands.

6. The North Vietnamese 24th Regiment, however, is still a threat to allied forces northeast of Dak To. Enemy reconnaissance patrols continue intensive surveillance of allied positions elements of the North Vietnamese 95B Regiment, together with local forces units, also are a threat to strategic positions in northern Pleiku Province.

7. The casualty count in the Dak To area since 3 November now stands at 1,502 enemy killed in contrast to friendly casualties of 344 killed (287 US) and 1,240 wounded (1,015 US). No enemy action has been reported since the series of mortar attacks on Kontum city and vicinity early on 27 November.

**Enemy Activity in the A Shau Valley**

8. Enemy troops are working on several bypasses around damaged sections of the road through the A Shau Valley. At least one new bridge has been constructed just north of A Shau. In addition, vehicle tracks have been noted in the valley, indicating that the North Vietnamese have succeeded in trucking supplies from Laos into this region. The A Shau Valley is the most direct supply route from the Laotian infiltration corridor into the area south of Da Nang. The Communists are believed to have supply trails extending from A Shau down into the Quang Nam – Quang Tin Province border area where the North Vietnamese 2nd Division has been extremely active in recent months.

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Communist Problems in Phuoc Tuy Province

9. A Communist document, captured on 1 November in central Phuoc Tuy Province some 50 miles east of Saigon, provides information on the impact of recent allied operations on Viet Cong logistics and population control. The undated paper was prepared by a provincial supply authority and contains a complete recapitulation of allied activities throughout the southeastern area of III Corps from January to September of this year.

10. The document admitted that, as a result of allied sweep operations, especially along strategic highways, a great part of the population in Viet Cong-controlled areas has been resettled by allied forces. Listed in the study are 11 villages where the Communists lost control as well as a number of depots and transportation facilities which were destroyed.

11. The document speaks of a "critical situation" resulting from the tight allied control on the manpower and economic resources of the area and calls for an increased covert effort within government-controlled areas to compensate for allied pressure on the Communist logistics network. This is the second recent captured document which has emphasized development of Viet Cong installations in territory not under their control in order to meet the logistical demands of their forces in the area.
III. MILITARY DEVELOPMENTS IN NORTH VIETNAM

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

1. One of the five major Chinese engineer units in North Vietnam may be moving to a new location in North Vietnam or returning to China. It is leaving its normal base in the Cao Bang area. An intercepted message from Kun-ming military region headquarters on 26 November indicates that the unit may be moving to the northwest.

2. It is possible that the unit has completed its mission in the Cao Bang area. It may be reassigned to higher priority work elsewhere in North Vietnam or in China. Less is known about the engineering activities of this unit than of the similar Chinese units elsewhere in North Vietnam.

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