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March 25, 1968

INTRODUCTORY MEMORANDUM

This group will be asked to give its judgment in three broad areas of policy:

- a. Possible US force increases and related strategy.
- b. The US negotiating posture.
- c. Bombing policy, either in relation to negotiating posture or separately.

The first of these issues will be presented orally by Secretary Clifford at the appropriate time. Certain of the options in the negotiating areas are included in these briefing papers as indicated below, but would be further refined by Secretary Rusk orally. Bombing policy will also be discussed orally.

The schedule calls for oral briefings this evening on the military situation, the over-all security situation and enemy capabilities and intentions, the internal political situation in South Viet-Nam, and the negotiating situation.

In preparation for these briefings, and for the ensuing discussion of policy issues, we have prepared this briefing book. It may well be too bulky for any member of the group in toto, but is designed to contain essential general material and also considerable detail on certain aspects of particular interest to individual members of the group-- notably in the military area.

An index of the papers in this book will be found on the next page. Broadly, the papers are divided as follows:

Section A contains excerpts from over-all reports recently received from Ambassador Bunker, with dates.

Section B contains intelligence evaluations prepared in Washington dealing with the situation in key areas and with certain estimates of the reaction of the other side to postulated courses of action by us.

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By ip, NARS, Date 4-4-79

Advisory Gp Papers

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Section C is a paper dealing with required actions by the South Vietnamese, their status and problem areas.

Section D contains a number of detailed papers on the military situation.

Section E is a short summary of certain key problem areas on the economic side.

Section F is a status report and broad appraisal of the bombing program.

Section G is a discussion of possible options in the area of our negotiating posture, discussing possible actions that might be taken in conjunction with the announcement of whatever actions may be decided upon.

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Authority CIA letter MAY 5 1980
By inf, NARS, Date 7-23-80

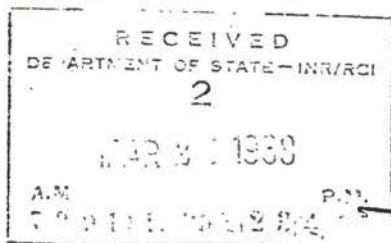
26 February 1968

MEMORANDUM FOR THE DIRECTOR

SUBJECT: The Outlook in Vietnam

1. This Memorandum does not seek to explore all aspects of the situation in Vietnam, or its probable development over a long term. It is addressed only to the specific question put to us, i.e., whether developments in Vietnam are apt to involve a continuation of combat into the indefinite future at a level comparable or higher than current levels, or whether it is more probable that either the VC or the GVN will be unable to sustain such a level beyond a few months.

2. The current phase of combat will have a critical bearing on the further course of the war and may even prove to be decisive. We cannot be sure how long this phase will last, but it seems likely that by early summer the immediate results and the longer term implications will be fairly clear to Hanoi, Saigon, and Washington. At present, the key questions concern:



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(1) the capabilities of the Communist forces to sustain their current challenge, and whether they can continue the fighting thereafter, and (2) the capabilities of the South Vietnamese political and military establishment to cope with the tasks imposed by the present Communist offensive.

Communist Plans and Prospects

3. Hanoi's aims in the present offensive phase are: to register significant military successes against US and especially ARVN forces, and to inflict such heavy losses, physical destruction and disorganization on the GVN as to produce a total situation favorable to a negotiated settlement on Communist terms. The Communists are not likely to have a rigid timetable, but they probably hope to achieve decisive results during the course of the summer. The high importance which Hanoi now attaches to forcing the issue is evident from the risks and costs of the enterprise.

4. The toll on Communist forces has been considerable, even if reported casualties are greatly inflated by inclusion of low level recruits and impressed civilians. To some extent these losses have been offset by measures already taken. Heavy

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infiltration of both new units and replacements from the North is continuing. A strenuous, last minute recruitment effort was made prior to the Tet attacks. A significant part of the guerrilla and Main forces could still be committed. And, at present, the Communists enjoy fuller access to the rural areas, where they are recruiting heavily. They will probably be able to recoup their recent losses, though at some sacrifice in quality.

5. In any case, the Communists probably will maintain their offensive for the next several months and be prepared to accept the high losses this entails. They cannot accept such losses indefinitely, however, and they probably will not be capable soon again of launching repeated mass attacks of the magnitude and widespread scale of 30-31 January. But they are almost certainly capable of sustaining a high level of combat, including major battles with US forces, assaults on selected cities, and rocket and mortar attacks on urban areas and military installations.

6. It is possible that the Communists regard the present campaign as so critical to the outcome of the war that they will commit their full resources to a maximum effort in the near term. On balance, however, we think it likely that even if their present

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push falls short they will wish to be able to sustain a protracted struggle. Hence they will probably not exercise their capabilities in such a profligate manner as to deny themselves the possibility of continuing the struggle should the present phase fail to produce a decisive result.

GVN/ARVN Prospects

7. The will and capability of the GVN and its armed forces remain the keys to the eventual outcome.

8. In the main, the ARVN has acquitted itself fairly well since 30 January, though the record is uneven. Morale has held up on the whole, and we know of no unit defections. However, the ARVN is showing signs of fatigue and in many areas it has now lapsed into a static defensive posture. Security in the countryside has been sharply reduced. A long and costly effort would have to be undertaken to regain the pre-Tet position. It is highly unlikely that the ARVN will be inspired enough or strong enough to make such an effort -- certainly not in the near future.

9. The GVN also performed adequately in the immediate emergency, particularly in the Saigon area. There now appears

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to be a greater recognition of the need to push forward with additional measures, but the Communist challenge has not yet proved a catalyst in stimulating an urgent sense of national unity and purpose.

10. The overall position of the Government has been weakened. Its prestige has suffered from the shock of the Tet offensive; its control over the countryside has been greatly reduced. Popular attitudes are confused and contradictory; the Viet Cong received virtually no popular support, but neither was there a rallying to the government side. Passivity is likely to continue as the dominant attitude in most of the population, but further military defeats could cause a sudden swing away from the government. While the central authority in Saigon is unlikely to collapse, its ability to provide energetic leadership throughout the country and all levels is in serious doubt. It is possible that over the next few months certain provinces, especially in I and IV Corps, will be lost to Saigon's effective authority.

11. The psychological factor is now critical for South Vietnam's whole political-military apparatus. The widespread rumors that the US conspired with the Communists are symptomatic

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of popular anxieties over the future course of the war and US attitudes toward a political settlement. As yet, however, there are no signs of a crisis of confidence within the government.

12. If major military reverses occur, the political and military apparatus could degenerate into general ineffectualness. If, on the other hand, US and ARVN regain the initiative and inflict some conspicuous setbacks on the Communists and the general offensive appears to be contained, then the GVN might manifest new energy and confidence and draw new support to itself. On balance, we judge that the chances are no better than even that the GVN/ARVN will emerge from the present phase without being still further weakened.

Alternative Outcomes of Present Phase

13. We believe that the Communists will sustain a high level of military activity for at least the next two or three months. It is difficult to forecast the situation which will then obtain, given the number of unknowable factors which will figure. Our best estimate is as follows:

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a. The least likely outcome of the present phase is that the Communist side will expend its resources to such an extent as to be incapable thereafter of preventing steady advances by the US/GVN.

b. Also unlikely, though considerably less so, is that the GVN/ARVN will be so critically weakened that it can play no further significant part in the military and political prosecution of the struggle.

c. More likely than either of the above is that the present push will be generally contained, but with severe losses to both the GVN and Communist forces, and that a period will set in during which neither will be capable of registering decisive gains.

FOR THE BOARD OF NATIONAL ESTIMATES:



ABBOT SMITH
Chairman

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Authority CIA letter MAY 5 1980

By ig, NARS, Date 7-23-80

13 March 1968

MEMORANDUM FOR THE DIRECTOR

SUBJECT: Communist Reactions to Certain US Courses of Action

I. COMMUNIST VIEWS OF THE PRESENT SITUATION

Hanoi and the VC

1. It is clear that the Vietnamese Communists are engaged in a major and continuing offensive. They are currently making a vigorous effort to replace their losses, form and train new VC units, resupply and re-equip their forces and reposition large units in preparation for another more intensive phase sometime within the next few months. Their principal objectives are to destroy the GVN's authority in much of the country; also to reduce the ARVN's effectiveness and to inflict defeats on US forces in battles in the northern I Corps. The net result, they hope, will be a political and military situation which will destroy the political basis for the US presence and thus lead the US to open negotiations

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for a settlement of the war on terms favorable to the Communists. While they are not likely to be committed to specific timetables, they clearly hope their effort will yield decisive results this year.

2. Judging from Hanoi's overt propaganda, it has allowed for the possibility that the US response to the offensive will be to increase its own troop strengths, to intensify bombing of North Vietnam, and possibly to exert further pressures such as the mining of Haiphong harbor. Hanoi apparently believes that none of these measures is likely to prevent Communist forces from sustaining their offensive and expects that before US counter-measures can be fully implemented the political base in South Vietnam will have disintegrated beyond retrieval.

3. Peking. China has more or less openly warned that Hanoi must still be prepared to persist in a prolonged war, since the US, facing ultimate defeat, will react viciously and intensify pressures in both South and North Vietnam. The Chinese have also displayed some nervousness that Hanoi will negotiate prematurely. At the same time, the Chinese have reiterated their pledges of assistance, though without making any specific commitments.

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The USSR

4. Since the end of 1964 Moscow has supported the Communist effort in South Vietnam. At times there have been indications that Moscow preferred to see greater reliance on a political rather than a military route to victory, but there is no persuasive evidence that the Soviets ever attempted to bring strong pressure to bear on Hanoi over this. They have felt that they would lose more from failing to support Hanoi than from the deterioration in Soviet-US relations that such support involved. And they have argued, for American ears, that it is US and not Soviet policy that has inhibited constructive developments in these relations.

5. What appears more recently to be some hardening in Moscow's attitude on the Vietnam situation probably results from the war's intensification, but, more important, reflects a view that Hanoi's success is becoming more certain. The Soviets would wish to manifest fullest identification with Hanoi in that case. It may be also that for purposes of any role they may play in future negotiations with the US they would wish to establish a tough position. While they probably recognize that the likelihood of their involvement may rise as the struggle approaches a climactic phase, it does not appear that they have ever rated this risk as

very high, primarily because US objectives have been so clearly limited to the defense of South Vietnam. When and if US actions impinge more severely on North Vietnam, Soviet attitudes may change. These circumstances are dealt with in Part II.

II. US COURSES OF ACTION

Course A

The US would make an early announcement of additional reinforcements for Vietnam on the order of 25,000 men, coupled with reserve calls and other measures to (1) make an additional 75,000 men available later, or (2) make an additional 175,000 men available.

In either case, bombing of North Vietnam would be stepped up as the weather improved and would include some new targets, but not the mining of Haiphong or major attacks in the urban areas of Hanoi or Haiphong.

Hanoi's Reaction

a. To US Reinforcement

6. North Vietnamese leaders expect to confront larger US forces and current Communist strategy probably allows for it. As long ago as the summer of 1966, they predicted that US troop levels would eventually reach 600,000 or even 750,000. Thus, the North Vietnamese would regard an immediate US reinforcement of 25,000

men as little more than a token gesture. By heavy infiltration, Hanoi has already increased the number of Communist maneuver battalions in South Vietnam from about 150 last fall to about 190 at present.* North Vietnam still has the capability to meet the additional US combat battalions included in any total reinforcement of 100,000, and would probably deploy the additional forces necessary to do so.

7. Hanoi would recognize, however, that a total US reinforcement of 100,000 and especially 200,000 represented a deeper political and psychological commitment, since either would involve call-up of sizable reserves and a partial mobilization. Hanoi would have to consider that, if its current efforts to gain a decisive advantage failed, the war would probably continue for some considerable period and at higher levels of combat and losses. The North Vietnamese might in such circumstances give more serious thought to early negotiations, calculating that the political situation in the US and uncertainties in Saigon in the wake of the Tet offensive provided favorable auspices for negotiations. They might think also that a peace move at this

* This does not include all the independent companies and platoons in South Vietnam.

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juncture would be enough to collapse the GVN. On balance, however, we think it more likely that Hanoi would continue the war, providing what additional forces in the South seemed necessary to maintain or intensify its military effort.

8. The proposed US troop increases would be implemented between now and December. Within 90 days Hanoi could deploy two divisions to South Vietnam, thus adding 18 maneuver battalions. By December at least one more infantry division (9 battalions) could be added. Such movements are within current capacities of the infiltration corridors and supply routes. A US reinforcement of 200,000 men would add 27 maneuver battalions to allied strength and bring the US total to 133 as against a possible 208-217 for the NVA/VC in South Vietnam.* Given its present estimate of ARVN's likely effectiveness, Hanoi would probably regard this ratio as sufficient to prevent the US from significantly improving on its present situation. It is unlikely that Hanoi would regard the dispatch of 2-3 more divisions to South Vietnam as involving unacceptable risks to home defense.

* US Army battalions have about 900 men and USMC 1350; NVA battalions average about 400-500.

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To Increased Bombing

9. An increased weight of bombing attacks on North Vietnamese industrial and transportation targets would have no significant effect on North Vietnamese capabilities or determination, given the assumption that this course does not include major urban attacks in Hanoi and Haiphong, or the mining of the latter. We believe that North Vietnam would still be able to support the war in the South, even at the higher levels caused by the postulated US reinforcements.

10. China and the USSR. We do not see that these courses of action would have any major effect on Soviet or Chinese policy. Neither would regard the commitment of additional US troops as a development to which it had to respond directly. If requested, Peking would be willing to provide additional manpower for various tasks in North Vietnam. As for the USSR, it might provide some more sophisticated types of defensive equipment (coastal defense missiles, new type of fighters, SAMs, and AAA).

Course B

Troop increases as indicated in Course A would be accompanied by the mining of Haiphong and/or significantly intensified bombing of urban targets in the Hanoi and Haiphong areas.*

11. General. Mining of Haiphong and intensified bombing would ultimately magnify the problems of maintaining the flow of military and economic goods to North Vietnam. An effective mining program could put the major burden on the road and rail systems from China which would, in turn, become more lucrative bombing targets. For at least the next several months, there would be little impact on the military situation in South Vietnam. But given a considerably higher level of combat in the South, the deployment of more NVA units and the commitment of more US troops, there might be some point at which Hanoi's ability to provide essential military support in the South would decline. We cannot foresee when this might occur, especially in view of Hanoi's demonstrated capability to improvise its logistical support and its ability to modify its own tactics to conserve or expend

* There are about 46 targets not yet attacked in the Hanoi area, including railway yards, the Hanoi Machinery Plant and some other industrial facilities. There are about 22 potential targets in the Haiphong area, including the rail yards, docks and warehouse areas near the port.

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resources. In any case, logistical limitations are not likely to be such that Hanoi would be compelled to change its general military strategy.

12. Intensified bombing alone would not be likely to lead to a major change in Hanoi's strategy or the direct involvement of China and the USSR. There is a risk in these circumstances that the North Vietnamese Air Force might become more dependent on the use of China as a sanctuary. In addition, of course, bombing in the Hanoi and Haiphong area would cause greater civilian casualties and therefore much more international criticism and opposition.

13. Hanoi. If in addition Haiphong were mined, the major immediate impact on Hanoi would be psychological. Especially in combination with a 200,000 troop increase, it would convey a US determination to persevere despite possible political repercussions at home and abroad. Hanoi would probably expect that the United States, having accepted the risks involved in challenging the USSR by mining Haiphong, would sooner or later expand the war to Laos and Cambodia and perhaps ultimately into a ground attack on North Vietnam. It would seek more assistance

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from Moscow and China, and would maintain its pressures in Laos. But it would probably still believe that the GVN/ARVN could be virtually demolished before all the US actions could become totally effective. Accordingly it would probably continue and if possible intensify its military effort in the South in order to accomplish this end. As long as it saw a chance of success, we believe Hanoi would not elect to begin serious negotiations.

14. Sino-Soviet Relations. Mining would impose a greater burden on the rail lines from China which already carry the bulk of military supplies and would thus test anew Sino-Soviet cooperation in maintaining the movement of supplies to North Vietnam. Apparently, the movement of Soviet goods across China has been proceeding fairly well since last year's agreement, under which Hanoi has assumed some responsibility for transshipment once Soviet goods reached the Chinese frontier. The mining would increase Hanoi's dependence on China, but Peking would be unlikely to disrupt transit of Soviet military supplies.

15. China would probably also assist in developing alternative means of delivery for North Vietnam. For example, the port of Changchiang (Fort Bayard) might be expanded to receive supplies

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destined for overland movement to Hanoi. And China would provide smaller vessels to use in coastal shipping to North Vietnam.

16. The USSR. The most critical question is Moscow's response. It would greatly lessen the risk of trouble with the USSR if the mining were concentrated on blocking the Canal Maritime, which would only prevent entry to the docks. In this case, lightering would still be possible from ships anchored in the roadstead, and Soviet seaborne supplies would not be denied to Hanoi. The port would not be put out of commission, though its operation would be greatly complicated. Politically, however, the challenge would still appear much the same.

17. The Soviets would probably provide and if necessary operate minesweepers. This would be intended as a political demonstration to deter the US from continuing this course, as well as an attempt to assist in maintaining a flow of at least some traffic. Soviet merchant ships calling at Haiphong would probably be armed with AAA in these circumstances. Soviet ships, however, would not deliberately risk running the minefield. The Soviets would probably also provide still more air defense

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equipment for Haiphong (perhaps the SA-3 system) not only to protect against the intensified bombing but to make it as costly as possible to maintain the minefields. We do not believe, however, that there would be any offensive action by Soviet military forces in the area, though in actual practice Soviet personnel might be manning defensive systems.

18. The mining of Haiphong would offer a clear challenge to the Soviet Union. Moreover, in the course of this operation or the bombing of the Haiphong docks there would be considerable likelihood of damage or destruction of a Soviet ship and killing Soviet personnel. Therefore, of all actions other than invasion of North Vietnam, mining would be most likely to cause the Soviets to consider serious acts of retaliation against the US. Such acts would be most likely to be effective in areas outside Southeast Asia. If the mining proved effective the pressures on Moscow to take some counteraction might grow.

19. We still estimate, however, that the Soviets are likely to stop short of precipitating a major confrontation with the US. Their stake in the outcome in South Vietnam is not so great that they would deliberately run extremely high

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risks. There is no readymade situation, including Berlin, where they could have much assurance that their action would force the United States to give way in Vietnam.

20. But this does not mean that the Soviets would not react in other ways. Their stance would become tougher in general and on specific issues. They might retaliate by freezing certain issues or suspending certain negotiations in order to demonstrate against the United States. They would certainly try to add to international criticism and exploit it against the United States. In short, as a consequence of the mining of Haiphong, US-Soviet relations would almost certainly be characterized by an air of crisis.

FOR THE BOARD OF NATIONAL ESTIMATES:



ABBOT SMITH
Chairman

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INCREASING THE EFFECTIVENESS OF VIETNAMESE EFFORTS IN
CONJUNCTION WITH A U.S. TROOP INCREASE

1. Deployment of additional US troops would probably stiffen the GVN's will at a time when the tasks it faces are rather monumental. The reaffirmation of the US commitment will be welcomed and the additional strength to meet the danger from VC/NVA forces will add to the feeling of confidence.
2. On the other hand, there is always the danger that the Vietnamese would be tempted to relax, taking refuge behind American power. The sense of anxiety and urgency which came over the Government as a result of the Tet offensive, and which has moved them to act initially with somewhat greater effectiveness, could suffer.
3. Throughout our planning documents there runs an assumption (sometimes explicitly stated) that the ARVN and GVN are so weakened that they can not be expected to make any substantial contribution to progress in South Viet-Nam in the near to medium term future. If this assumption is indeed correct, then virtually no level of US Force input will hold any reasonable prospect of attaining present US objectives. If, however, this assumption is exaggerated, the picture with respect to needed additional US Forces and support is materially altered.
4. We believe this assumption is not correct, that the GVN has the capacity -- even if its leadership may not now be displaying

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By if, NARS, Date 4-4-79

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the will -- to take civil and military actions which can materially improve both the security and the political climate in a manner that can be exploited to diminish the absolute level of US support required and maximize the efficient utilization of such US support as is committed. In fact, recent statements by some of the GVN leaders themselves indicate that they would prefer to build Vietnamese strength rather than see large new US forces introduced into the country.

5. We should, therefore, couple our readiness to strengthen our effort in Viet-Nam with specific demands on the Vietnamese Government which must be made more effective. This involves getting the GVN to take a wide range of decisions and actions. The occasion must be seized to develop unity and imaginative leadership. The demands we make should be designed to push the GVN as hard as we can to get their forces out into the countryside, to counter-attack the enemy, to accelerate civil recovery, to mobilize resources, and to rally the people in a policy of national unity in support of honest and effective government.

6. The requirements we levy upon the Vietnamese must be feasible, bearing in mind the human and institutional resources we have to work with, but they must also assure a maximum effort by the Vietnamese. We should do what we can to support their effort, making clear that what we are willing to do is dependent upon Vietnamese accomplishment.

Demands on the GVN and GVN Performance

7. General. There are several specific demands we must make on

the GVN and by which we must measure improved GVN performance. These are listed below, with an indication of what action the GVN has already taken or is contemplating and what is still needed. We have transmitted the essence of these demands to Ambassador Bunker and have received his comments thereon.

8. Mobilization. The Vietnamese Armed Forces should be increased to the maximum. The original plan to increase Vietnamese forces by 65,000 men should be amended to provide for additional troops. We should not set any final limit on the number of men under arms. This should be consistent with the ability to train and supply the forces, but avoid undercutting the need for key civilians in other governmental functions by diversion of skilled personnel.

GVN Action - President Thieu has decided to provide 135,000 additional men for the armed forces by the end of the year. This would result in a net increase of 60-70,000 men, considering casualties and desertions during that period. General Westmoreland believes this number can be mobilized, though there remains a problem of providing sufficient officer and NCO leadership. Equipping the additional manpower properly is a U.S. task; we have already told the Vietnamese informally that we would do so. The drafting of nearly 40,000 19-year-olds began March 1, with some 3200 already inducted according to Thieu; 40,000 18-year-olds are scheduled for induction in May and June. 19,500 reservists either have been or will be recalled. In addition, some 16,000 civil servants and students are being given military training and

other civilian self-defense groups are being organized.

Thieu notes nearly 10,000 weapons have already been given out to the latter. These civilian self-defense measures are still being done haphazardly, however, and need to be planned and organized properly by the GVN.

9. The Thieu-Ky Relationship and Unity of Leadership. We can no longer accept the disunity and lack of cohesive action that has continued to plague the top levels of the Vietnamese Government. The failure of Thieu and Ky to cooperate fully and apply their individual talents to the needs of the situation has hampered the effective management of the Vietnamese effort. This has had ramifications down the line in both the military and civilian chain of command. It has also complicated the chances of rallying the various elements in the society, as the rivalry translates itself into interference with attempts at forming a national anti-communist front.

10. Thieu and Ky and their followers, as well as other elements in the society not associated directly with them, must be brought to realize that we are no longer prepared to put up with anything but the maximum effort on their part. There is a role for each of them and those roles must be played without the bickering and backbiting that has been all too common. A clear and precise role for Ky should be defined. Thieu and Ky must bring their followers into line. The government should be prepared to engage the services of people with administrative and executive talent who are now not participating in the common task. We must find some way to break the bottleneck of personal rivalry and resultant

governmental inaction that has plagued us for the past six months. Without this fundamental change in the attitude and dedication of the leadership, the necessary reforms and inspirations of the people will not be forthcoming quickly or sufficiently.

GVN Action - The need for cooperation between them has been made forcefully to both Thieu and Ky by Ambassador Bunker and other top Mission members. Bunker feels the Thieu-Ky relationship is currently in one of its cyclical lows. Ky has not had a sufficient outlet for his energies since resigning from the Central Relief Committee in mid-February. We have suggested to Thieu that an outlet -- pacification, civil defense, mobilization, etc. -- be found, but Thieu has taken no action so far. Regarding other leaders, on March 21 Thieu announced the formation of a National Planning Council which may include several prominent ~~xxxxxx~~ political figures in an "advisory" capacity to the President; its membership has not been announced.

11. Getting the Government Back into the Countryside. We must resume the offensive in the countryside and re-establish security and the government's presence in as much of the rural areas as possible. The ARVN and other security forces must deploy aggressively, and the RD program must be carefully reassessed and then resumed vigorously. This effort must, however, proceed withⁱⁿ both US and GVN capabilities and not risk being overextended (i.e. underprotected).

12. Rural security, the sine qua non of popular identification with the GVN, must be provided by the Vietnamese themselves. The two keys are (1) the calibre and role of the 44 province chiefs (and their supporting staffs) and (2) a properly offensive sense of mission on the part of RVNAF units -- and their commanders -- assigned to rural security support missions. In every area (village, district, province, DTZ and corps) the RVNAF unit commanders responsible for security in that area must be graded (i.e. promoted, commended or sacked) primarily on their ability to find, fix and eradicate the VC force indigenous to that area. They must also be graded (with commensurate affect on their careers) with respect to the behavior of their troops vis-a-vis the populace in that area.

GVN Action - Thieu has sacked seven Province Chiefs, and more changes are reported imminent. Some of the changes are obviously for the better, some are still unknown quantities. A new training course for Province Chiefs and their deputies was inaugurated March 1. Thieu has asked for U.S. cooperation in rating GVN provincial officials and military commanders; we have supplied him with some recommended changes, some of which he has already made. RVNAF offensive operations have picked up in the countryside, particularly in III and IV Corps. 383 of the 564 RD teams and 96 of the 108 Truong Son (montagnard) teams are reported deployed at their assigned RD tasks. However, we are not yet convinced this means the RD program is substantially back on the track,

since it understates the psychological damage done to the program, particularly in formerly "pacified" areas. A harder look at RD prospects by both the GVN and the US is called for.

13. Drive on the Viet Cong Infrastructure. In our concern over the behavior of our allies, we must not neglect our enemies and the present opportunity to compound and exacerbate communist problems. Operations Phoenix, which is targetted against the Viet Cong, must be pursued more vigorously in closer liaison with the US. Vietnamese armed forces should be devoted to anti-infrastructure activities on a priority basis. The Tet offensive surfaced a good deal of the infrastructure and the opportunity to damage it has never been better. This would force the VC on the defensive and head off the establishment of local VC administrative organizations and VC attempts to set up provisional governmental committees.

GVN Action - This is being pursued by the Mission and the GVN. We have no specific details yet.

14. Government Reform and Anti-Corruption Campaign. The beginning steps at administrative reform which President Thieu has announced must be accelerated. This should be directly associated with further measures on corruption. A capable Inspectorate should be established. Incompetent ARVN officers must be removed, beginning with a specific list that should be made available by MACV. Incompetent province chiefs who have plagued our efforts in the past must be removed. The removal of incompetent commanders and officials is now more feasible in the light of performance during the Tet offensive. We should not hesitate

to make our desires known and back them up by refusing to provide support for the incompetent. For key commanders, we should require the right of prior approval on a secret and discreet basis. The precise tools of leverage to be applied in this regard should be left to the US Mission.

GVN Action - The GVN leadership has focussed heavily on the corruption problem recently. Prime Minister Loc announced on March 14 that 32 military officers and eight civilian officials had been found guilty of corruption and punished, three with death sentences. On March 21 Thieu promised continued crackdowns on corruption, particularly in relief activities. Police have closed the sidewalk stalls selling black-market goods. On administrative reforms, Thieu has announced changes in the Corps-Province command structure and a top-level "Committee on Administrative Reforms" under him personally to oversee reforms. He stated 69 officials in the provinces had been removed for inefficiency since last October. Encouraging as these steps are, they are only a beginning. Thieu's most serious problem remains the higher-level military establishment, which he must still move against with great care in matters of corruption and inefficiency.

15. The United Front. A nationalist spirit of cooperation and unity came to the fore in the immediate wake of the Tet offensive. It is being manifested in attempts to organize groups in support of the national task, with some success. This is now threatened

by personal rivalries, and most significantly by differences between Thieu and Ky. Although not directly tied to the government, a broad front could serve to rally the people emotionally against the Viet Cong. To succeed it must be backed by the leadership of the government -- both Thieu and Ky -- but not appear to compete with the National Assembly. It should encompass all elements in the society, but not be the vehicle for any one power group.

GVN Action. The "National Salvation Front", under Senator Tran Van Don and including rather wide political participation, has almost completed its national-level organization and is now trying to extend itself into the provinces. One chapter is reported already established in [northernmost] Quang Tri. Neither Thieu nor Ky have any overt connections with the Front, but Thieu's initial coolness toward it appears lessening; several of Ky's followers have been involved deeply from the beginning. The GVN provided the Front with some transportation for its March 10 convention, and Don was allowed to speak on the government radio about the Front. The Front's success is uncertain but its potential remains promising. Two rival or separate fronts being organized by Thieu's personal followers seem to be getting nowhere and represent only divisive forces so far. We are strongly encouraging one all-inclusive organization. We are also trying to prod Thieu into more attention to political organization and broadening of his political support. He is moving on this, but slowly so far.

16. Economic Measures. There will be increased inflation in Viet-Nam this year, and additional US and RVNAF troops will make it more severe. Steps need to be taken now to counter the threat of inflation, to avoid a severe crisis next fall and winter. The GVN needs to move on tax increases, and U.S. and GVN expenditures for non-essential programs in Viet-Nam should be restrained. On the other hand, wage increases for civil and military personnel in the GVN are needed if inflation is not to weaken their will and support.

17. Additionally, we must demand of the GVN some action on their part to compensate for the effect of additional US troops on the US balance of payments. This can be done by having the GVN provide to the US at no cost the additional piaster costs incurred by our troop increase. We should also insist that GVN reserves be reduced to \$250 million from the present maximum reserve level of \$300 million and that a significant portion of the reserve be invested in medium and long term US securities. The details of these economic measures cannot be discussed in this paper, but a comprehensive economic package should be prepared *and presented to the GVN -- to include what the US is prepared to do in the way of increased financing of commercial imports.*

GVN Action: The GVN ministries are now working on emergency tax measures yielding an estimated ten billion piasters to be put into effect by decree within two weeks. No decision has yet been taken on a GVN wage increase. The GVN has made promises on an import target of \$50 million, but no formal commitment has been obtained. Additional long-term investments of foreign exchange reserves in the

U.S. will probably be discussed with Governor Hanh during his mid-April visit to be followed, if necessary, by a Treasury delegation to Saigon. On March 21 Thieu announced a "production rehabilitation fund" and a "war risk insurance fund" to help industrial reconstruction and restore rather badly-shattered business confidence.

18. Resource Allocation. Non-essential use of resources should be eliminated. Present government programs to eliminate new luxury construction must be tightened and continued. Bars and night clubs should remain closed. Austerity should be fostered.

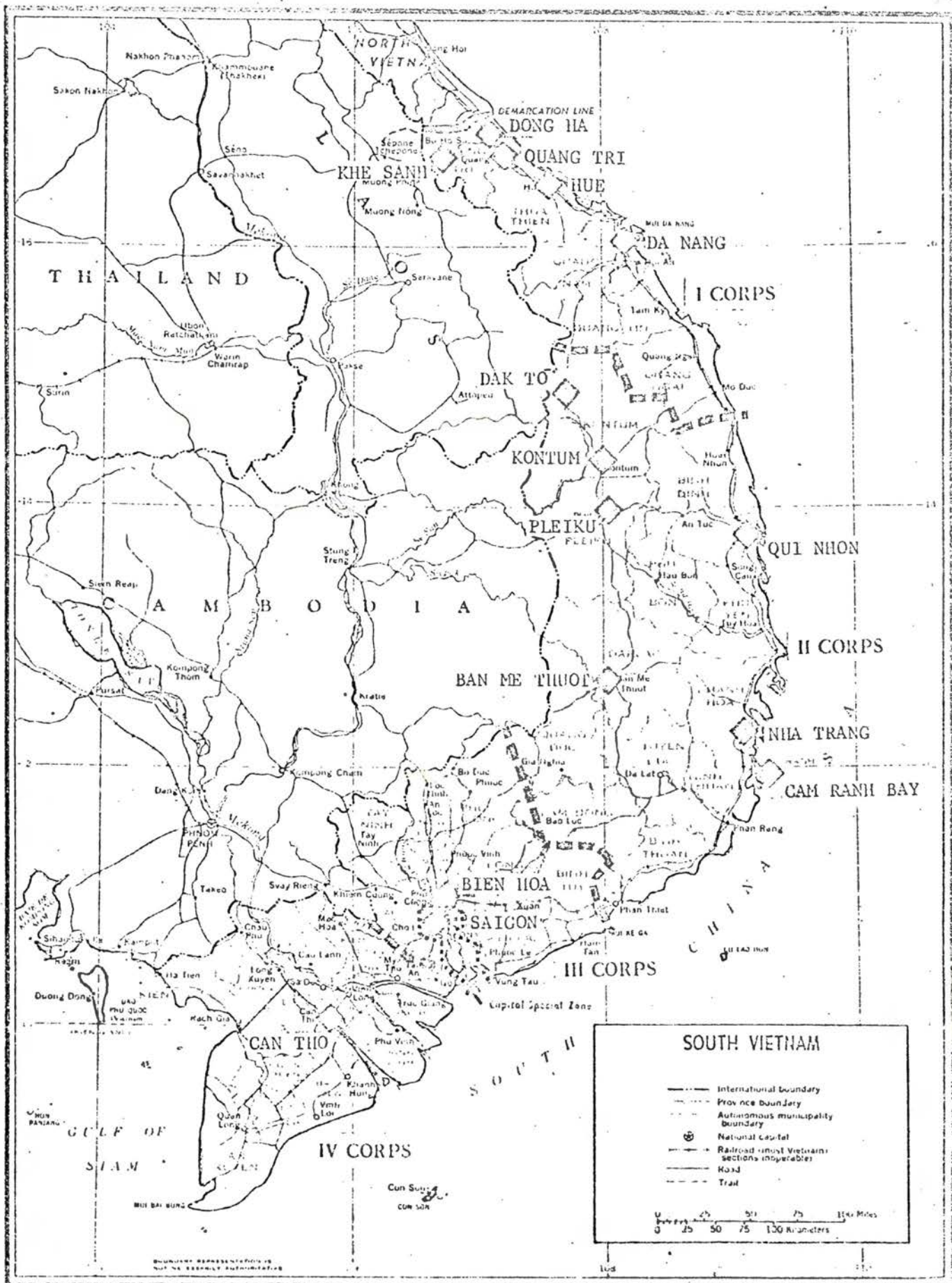
GVN Action - Thieu announced the prohibition of new luxury construction and the definitive closing of bars and night clubs in his March 21 speech. Further austerity will be harder to enforce.

Support of Modernization of ARVN

19. As the US demands more of the GVN, we should do what we can to improve the capability of the Vietnamese Armed Forces. This quid pro quo is beginning to be recognized by the GVN leadership. MACV reports that the ARVN are now frequently faced with superior weapons and fire-power in the hands of the enemy. To re-dress the balance requires a substantial modernization and increase in arms for the Vietnamese. This ranges from provision of M-16 rifles to the supply of trucks, tanks and helicopters. On the basis of current planning estimates this would involve additional expenditure of about \$475 million over a period of 18 months.

Details of what is involved are available in the DOD back-up papers.

20. If we approve the call-up of reserves, the strengthening of US forces, and the deployment of additional forces to Viet-Nam, we run into direct competition between US needs and the planned modernization of ARVN. In other words, we will face the need to slow down modernization of the ARVN to meet the requirements of equipping US forces, or we will have to add to our procurement capacity.



21 March 1968

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I CORPS COMBAT FORCES (INCLUDES PROV V CORPS)

<u>USMC</u>	<u>NR</u>	<u>APPRX STR</u>	<u>PRELIMINARY CTZ STRENGTH</u>
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Inf Bns	22 + 2	26,107	3,680*
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Arty Bns	10-2/3	4,931	
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Arty Btrys	3	640	
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Lvths Cos	1	254	
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Eng Bns (Div)	2	1,512	
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Tank Bns	2	1,376	
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AT Bn (ONTOS)	2	854	
---------------	---	-----	--

MP Bns	2	1,206	
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Am Trac Bns	2	1,580	
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HAWK Bns	2	1,094	
----------	---	-------	--

Recce Bns	2	1,180	
-----------	---	-------	--

Recce Cos	2	308	
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CAC Plts	73	1,112	3,680*
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41,984

TOTAL USMC IN I CTZ

79,289 + 3,680*

USA

Inf Bns	28	29,924	
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Arty Bns	12	5,385	
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AD Bns (AW SP)	1	560	
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AD Btry	1	120	
---------	---	-----	--

Cav Sqdns (DIV)	1	400	
-----------------	---	-----	--

Armd Cav Sq	1	1,507	
-------------	---	-------	--

Eng Bn, Cbt	2	1,070	
-------------	---	-------	--

38,966

TOTAL USA IN I CTZ

46,204

USN

24,066

USCG

159

USAF

7,315

ROK MARINES

4 Bns

3,800

6,196

AUSTRALIANS

54

*SLF ALPHA (2/4 MAR-HMM-361) Ops LANCASTER II.

NMCS

*SLF BRAVO (3/1 MAR-HMM-262) Ops SALINE/NAPOLEON.

J-3, CJCS

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II CORPS COMBAT FORCES

<u>USA</u>	<u>NR</u>	<u>APPRX STR</u>	<u>PRELIMINARY CTZ STRENGTH</u>
Inf Bns	12	12,488	
Mech Bns	2	1,600	
Cav Sqdns (Div)	1	800	
Armd Cav Sqdns	1	1,507	
Arty Bns	17-1/3	7,941	
AD Bns (HAWK)	1	850	
AD Bns (AW SP)	1	1,050	
Tank Bns	1	600	
Eng Bns, Cbt	8	5,200	
		<u>32,036</u>	
TOTAL USA IN II CTZ			114,070
<u>USN</u>			2,392
<u>USAF</u>			27,954
<u>USMC</u>			8
<u>AUSTRALIA</u>			297
<u>ROK</u>			
Inf Bns	18	17,100	
Arty Bns	8-1/3	6,710	
Eng Bns, Cbt	1	580	
		<u>24,390</u>	
TOTAL ROK IN II CTZ			38,884

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III CORPS COMBAT FORCE

<u>USA</u>	<u>NR</u>	<u>APPRX STR</u>	<u>PRELIMINARY CTZ STRENGTH</u>
Inf Bns	24	16,211	
Mech Bns	6	4,800	
Cav Sqdns (Div)	1	400	
Armd Cav Sqdns	3	3,703	
Tank Bns	1	600	
AD Bns (HAWK)	1	850	
Arty Bns	25	13,544	
AD Bns (AW SP)	1	1,050	
Eng Bns, Cbt	8	5,225	
		<u>46,383</u>	
TOTAL USA IN III CTZ			163,094*
<u>USN</u>			3,858
<u>USAF</u>			21,739
<u>USCG</u>			222
<u>USMC</u>			261
<u>ROK</u>			4,517
<u>AUSTRALIA</u>			
Inf Bns	3	3,189	
Arty Bns	2	1,000	
		<u>4,189</u>	
TOTAL AUSTRALIANS IN III CTZ			6,818
<u>THAILAND</u>			
Inf Bns	1	750	
Arty Btry	1	157	
		<u>907</u>	
TOTAL THAILAND IN III CTZ			2,360
<u>NEW ZEALAND</u>			
Arty Btry	1		504
<u>PHILIPPINES</u>			
			1,971

*Does not include 11,204 Army Returnees & Replacements.

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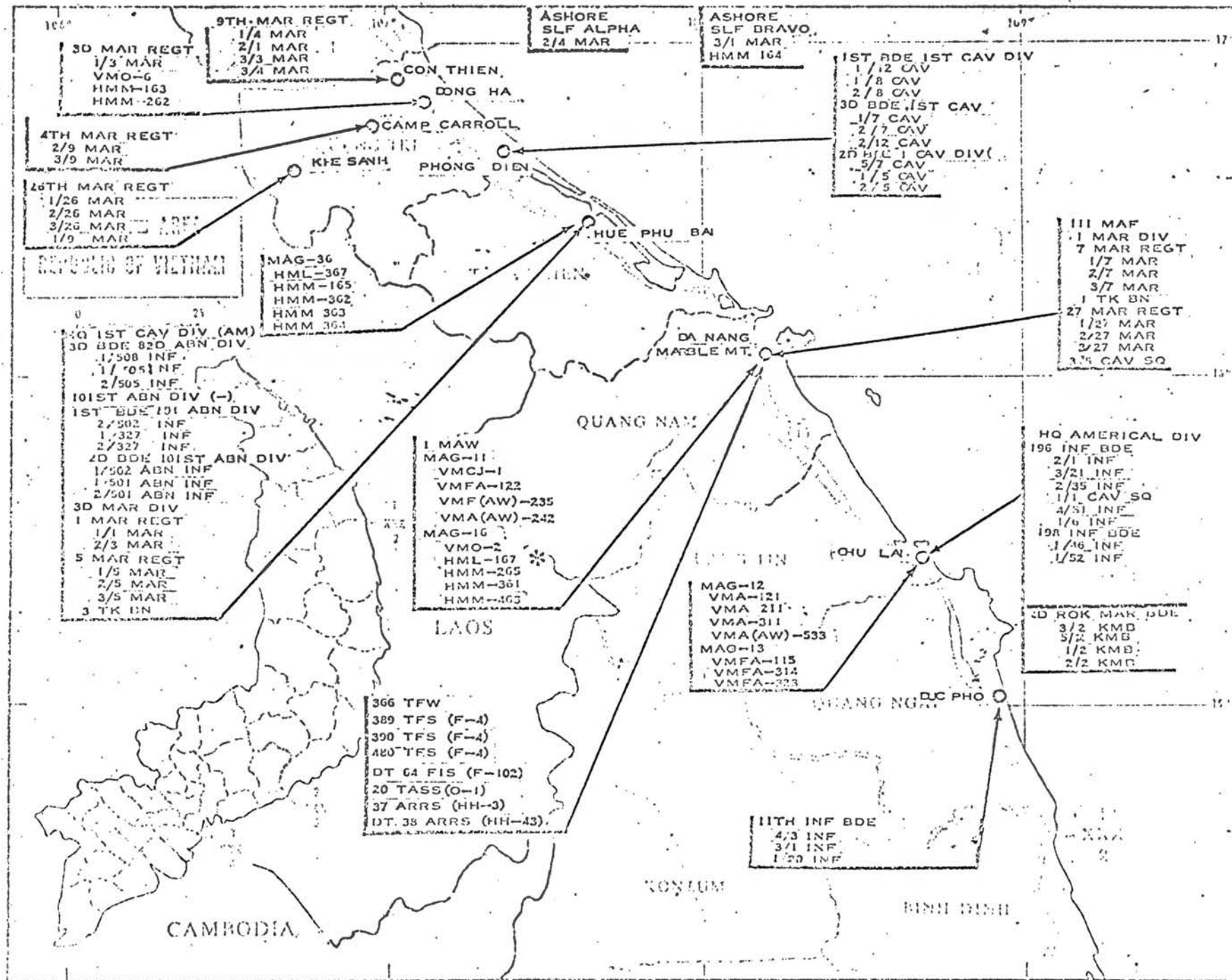
IV CORPS COMBAT FORCES

<u>USA</u>	<u>NR</u>	<u>APPRX STR</u>	<u>PRELIMINARY CTZ STRENGTH</u>
Inf Bns	3	2,400	
Mech Bns	0	0	
Cav Sqdns	1	400	
Arty Bns	1	500	
		<u>3,300</u>	
TOTAL USA IN IV CTZ			10,218
<u>USN</u>			3,898
<u>USAF</u>			1,643
<u>USCG</u>			65
<u>USMC</u>			18
<u>THAILAND</u>			29
<u>PHILIPPINES</u>			13

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FWAF-US GROUND-AIR UNITS I CORPS AREA

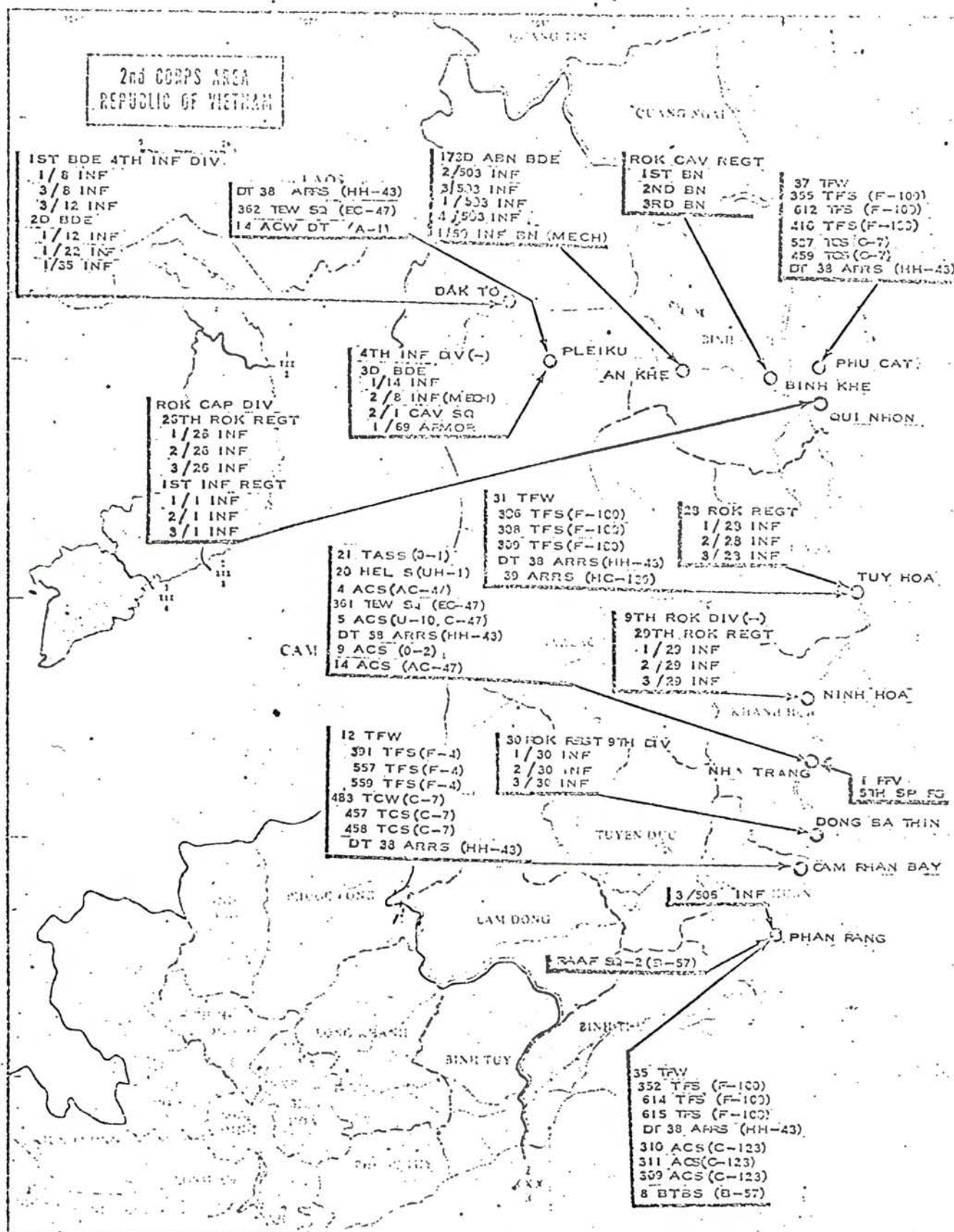
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FWAF-L GROUND-AIR UNITS IN II COR AREA



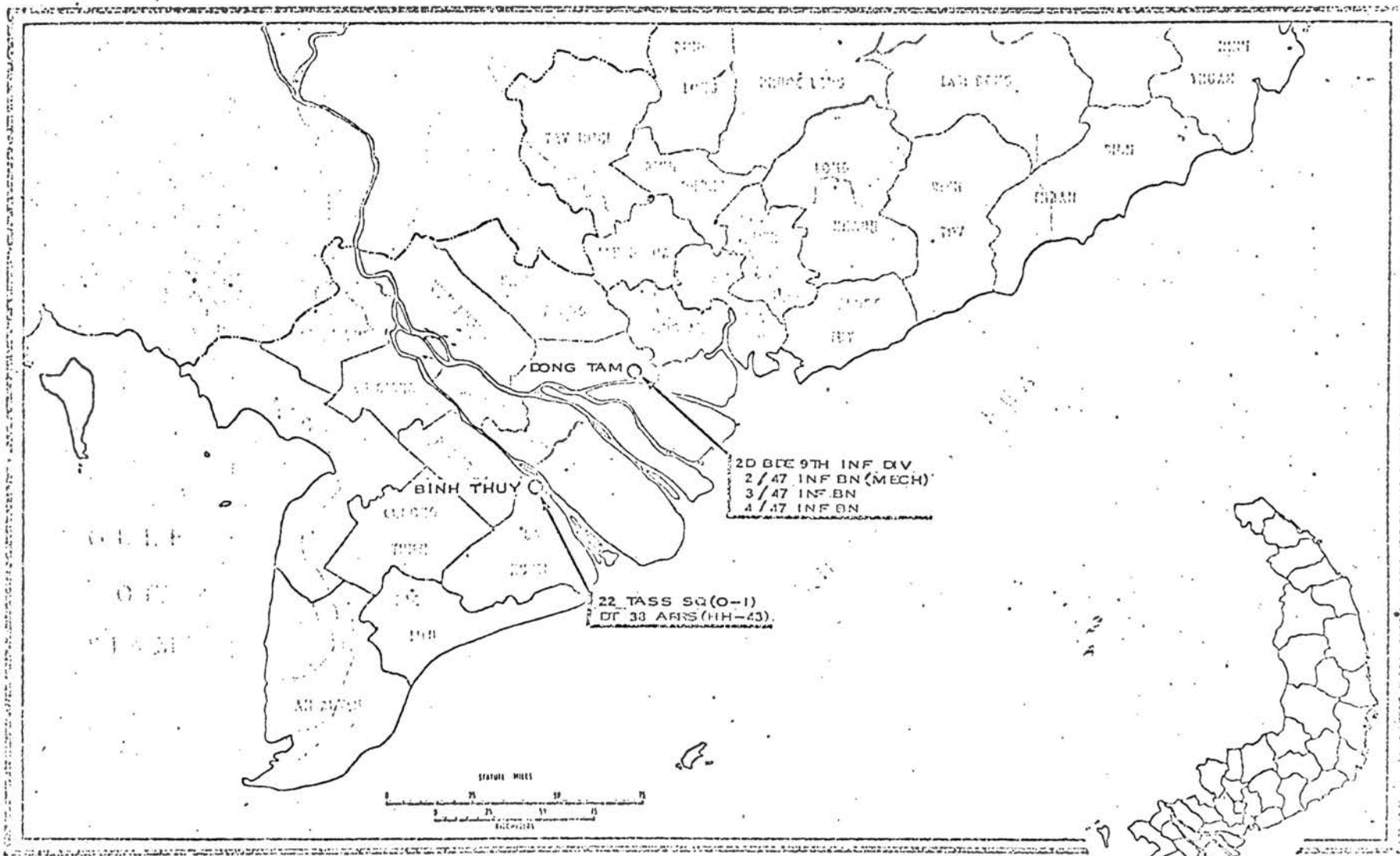
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FWAF-US GROUND-AIR UNITS IN III CORPS AREA



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FWAF-US GROUND-AIR UNITS IN IV CORPS AREA



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23 March 1968

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RVNAF REGULAR GROUND COMBAT UNITS

	<u>INF</u> <u>REGT</u>	<u>INF</u> <u>BNS</u>	<u>RGR</u> <u>BNS</u>	<u>ABN</u> <u>BNS</u>	<u>MAR</u> <u>BNS</u>	<u>ARTY</u> <u>BNS</u>	<u>A/C</u> <u>GPS</u>	<u>SCT/RECON</u> <u>CO</u>
<u>I CTZ</u>								
1ST DIV	3	12	0	3	0	2	1	1
2D DIV	3	12	0	0	0	2	1	1
QUANG NAM SZ	1	4	0	0	0	0	0	0
CORPS CNTL	0	0	3	0	0	1	0	0
CTZ TOTAL	7	28	3	3	0	5	2	2
<u>II CTZ</u>								
22D DIV	3	12	0	0	0	1	0	3
23D DIV	2	8	1	0	0	2	1	4
SZ 24	1	3	0	0	0	2	0	2
CORPS CNTL	0	0	2	0	0	1	1	6
CTZ TOTAL	6	23	3	0	0	6	2	15
<u>III CTZ</u>								
5TH DIV	3	12	0	0	0	2	1	1
18TH DIV	3	10	1	0	0	2	1	1
25TH DIV	3	12	0	0	0	1	1	1
CORPS CNTL	0	0	5	0	0	2	0	0
CTZ TOTAL	9	34	6	0	0	7	3	3
<u>IV CTZ</u>								
7TH DIV	3	12	2	0	0	2	1	4
9TH DIV	3	11	1	0	0	2	1	1
21ST DIV	3	12	2	0	0	2	1	1
CORPS CNTL	0	0	0	0	2	1	0	0
CTZ TOTAL	9	35	5	0	2	7	3	6
<u>CMD</u>	0	0	3	5	4	0	0	0
<u>GEN RES</u>	0	0	0	1	0	0	0	0
<u>GRAND TOTAL</u>	31	120	20	9	6	25	10	26

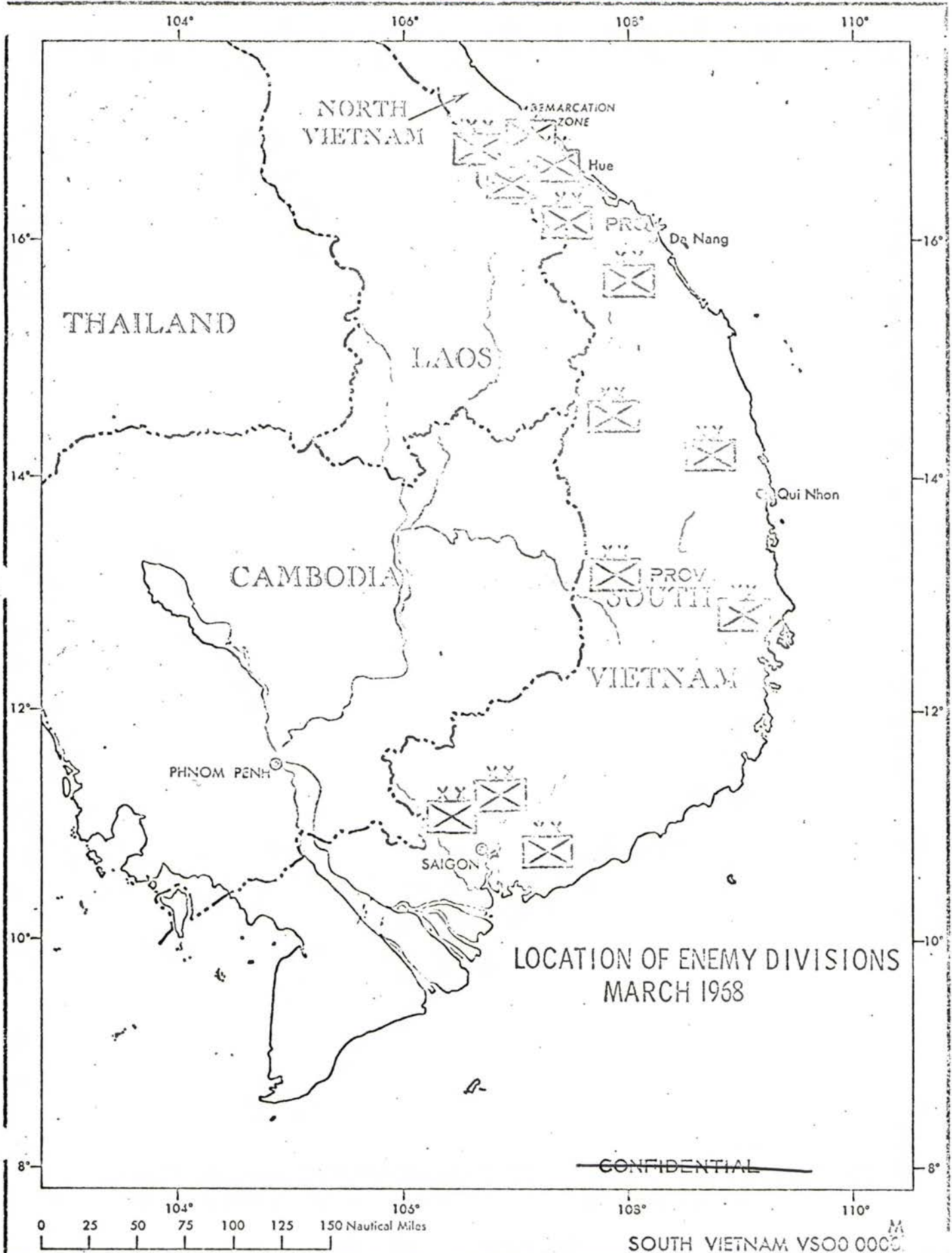
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Authority ASD 11-3-78 letter

By ib, NARS, Date 3-19-79

ASSESSMENT OF RVNAF STATUS
as of 29 February 1968

Following is a substantive resume of an assessment of RVNAF status as of 29 February 1968:

1. Personnel Status:

a. From all reports the TET offensive had less serious effect on the RVNAF personnel situation than was initially anticipated. Most units report that personnel actions as a result of the TET offensive have not seriously degraded their operational capability. There are some exceptions as will be noted. There are shortages of officers, NCOs and specialists. This condition existed prior to the TET attacks and still remains a major problem. Some personnel remain absent from their units; however, a significant number of these are reporting back. Morale and esprit of the regular soldiers, sailors and airmen are good and, in fact, seem to be higher than before the TET offensive began.

b. Mobilization measures established by the GVN to compensate for losses and to increase the force level show promising results. For example, ARVN combat units reported a total of 8421 casualties suffered during the period 31 January 29 February. During the same period, 14,021 replacements were provided. By 16 March this figure had risen to over 19,000. This has brought about problems in moving troops from the recruiting and induction centers to training centers, and from there to their units. On occasion it has been necessary to declare such movements as combat essential.

c. The RVNAF personnel reporting system was not responsive enough to provide critical personnel data on a timely basis. JGS is being encouraged to adopt a daily personnel status report similar to the one used by US forces.

d. Due to incomplete reports, it has not been possible to make a complete assessment of the impact the TET attacks had on the personnel situation in RF and PF units. Reports received indicate that RF and PF units in the IV CTZ sustained heavy losses. Five provinces in the IV CTZ report a severe degradation of capability.

2. Operational Status:

a. ARVN. The overall performance of ARVN forces during the VC/NVA TET offensive was very good. Of the 149 ARVN

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maneuver battalions, advisors cite units encompassing 42 battalions as having performed exceptionally well, while only eight battalions were listed as having performed poorly. The following is a summary of the status of ARVN, highlighting the problem areas:

(1) Since blunting the enemy TET offensive, I Corps has worked toward restoring the combat effectiveness of all units by effecting replacements and refitting those units which sustained losses, with the priority of effort going to the 1st Division and the 1st Ranger Group. The training of replacement personnel is being expedited. Replacing company grade officers and key NCOs will require some time. The shortage of vehicular transport, barrier materials and some items of ammunition will continue to have an effect on the overall program. If replacements and equipment materialize as programmed, it is estimated that I Corps units will have regained their pre-TET operational status by 1 April 1968, with the possible exception of the 1st Division.

(2) Within II Corps, only the 11th and 23rd Ranger Battalions suffered losses during the reporting period which significantly reduced their combat capabilities.

(3) In III Corps two Divisions and the Capital military district have battalions that presently are rated less than satisfactory in operational capability. Steps are being taken to elevate their combat effectiveness. In the main, the factor most degrading unit combat effectiveness is present-for-operations strength. However, adequate replacements are programmed and many absentees who were on TET leave are returning to their units. There are some equipment shortages that bear on capabilities. Especially in the 61st Artillery Battalion CMD.

(4) Within IV Corps, the Corps troop units and the 7th Infantry Division are rated combat effective. Though the 9th and 21st Infantry Divisions are also considered satisfactory in the overall assessment, there are some significant weaknesses. Ninth Division units are generally understrength and two of its regiments are considered marginally effective for combat. The 21st Division remains capable of conducting combat operations though not at the strength or level of effectiveness that existed prior to Tet. A period of four to six weeks is estimated to be required before former strength levels can be achieved.

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(5) Though still a potent strike force, the airborne division combat effectiveness has been degraded significantly as a result of the loss of key officers and NCOs and general combat attrition. The overall present-for-operations strength of the division is inadequate (63.8 percent of the authorized strength). Approximately 35 percent of the EM in the airborne battalions are replacements that were assigned during the VC/NVA TET offensive without unit training. JGS has assigned the highest priority to rehabilitating the airborne division.

b. Regional/Popular Forces.

(1) During the TET offensive RF/PF unit performance was generally better than expected by most advisors. There were many instances of outstanding action against the enemy as well as several cases of defection on the part of individual RF/PF soldiers or small groups. Although in IV CTZ some watchtowers and outposts were abandoned without significant contact with the enemy, in the majority of contacts throughout the country the RF/PF units stood and fought.

(2) A degradation of RF/PF capability and the support capability of the province was reported in 20 of 44 provinces. Nine were considered severely degraded, while the other eleven were moderately degraded. Nine provinces listed were in IV CTZ. The advisor estimate of this degradation is based upon casualties, weapons lost and destroyed, facilities destroyed, logistics requirements and a three to six month recovery time. There were a total of 477 watchtowers/outposts damaged or destroyed, 377 of which were in IV CTZ.

(3) As of 29 Feb there were 96 RF companies and 388 PF platoons with changes in mission and/or location as a result of the TET offensive in II, III and IV CTZ. To reestablish these units to pre-TET location and mission will require, as a minimum, reconnaissance-in-force operations to develop the local situation. Many larger scale-operations will be required by ARVN and RF units before the PF platoons can be relocated in their assigned pacification areas.

(4) The upgrading of RF/PF weapons is recommended by almost all advisors as an urgent requirement. Action is being taken by MACV and JGS to accomplish this at the earliest possible time.

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(5) It is estimated that replacement of RF/PF personnel losses could be accomplished by May in I CTZ, and by August in the remaining three CTZs. Plans call for accomplishing the majority of recruiting and new unit training by 30 June, and for emphasizing refresher training in the last six months of the Calendar Year.

(6) The availability of supplies, in particular construction and barrier materials, is a limiting factor in the capability of RF/PF units. Associated with this is the limitation on vehicle travel and shortage of air transport in support of RF/PF units.

c. The overall Navy combat effectiveness is considered excellent. The enemy's attacks stimulated naval units to assume a high degree of readiness. In the face of increased operational commitments no deleterious effects on fleet readiness were noted. The Navy met and exceeded operational commitments placed on it.

d. The Marine brigade combat capability is considered highly effective. Though significant numbers of casualties were suffered, the personnel pipeline proved adequate to maintain combat capability.

e. The overall effectiveness of the Vietnamese Air Force was highly satisfactory. Personnel losses were minimal. Personnel present for duty at the onset of the TET offensive was low due to the liberal leave policy. However, the recovery rate of personnel was high, reaching the normal level with 72 hours of recall. Those available acted promptly and effectively to hinder the effect of the enemy attacks. The numbers of aircraft lost were: A-1, 5; H-34, 4; C-47, 1; O-1, 4; U-17, 2.

f. Losses during the period 29 Jan - 29 Feb have had no significant effect on the mission performance of the Vietnamese Special Forces and the 91st Airborne Ranger Battalion.

3. Training Base Status:

a. The primary impact of the TET offensive on the RVNAF training base was the temporary cessation of training for varying periods of time. On 11 February Central Training Command/Joint General Staff (CTC/JGS) directed that all training activities resume immediately unless prevented by tactical considerations.

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b. Seven of the nine CTC controlled training centers had resumed training by 29 February. The eighth training center, which was severely damaged, resumed training on 4 March with a reduced capacity. The ninth training center resumed training on 18 Mar.

c. Of the 24 Schools controlled or monitored by CTC, 17 had resumed training as of 29 Feb. This includes the Armed Forces Language School (AFLS) which was 75 percent destroyed. Four more schools have resumed training since 29 Feb. The remaining three schools can resume training when they receive student input.

d. Three of the ten division training centers (DTC) were training as of 29 Feb. The remaining seven DTCS had resumed training by 18 Mar, ARVN/RF recruit training, formerly conducted only in CTC controlled training centers, will now be conducted in all DTCS as well. This change in mission was brought about by an increased demand for recruits in ARVN/RF. The training cycle has been reduced from twelve to nine weeks.

e. Eight of the 37 Popular Force TCS were conducting training as of 29 Feb. Since then, nine additional PF TCS have resumed training for a total of 17 TCS. One TC (Long Dau) in I CTZ received severe damage and has been abandoned.

f. Airborne recruit training is conducted at Quang Trung TC. Airborne training is conducted in the Airborne division Jump School. Recruit and airborne training had returned to normal as of 29 Feb.

g. Vietnamese Air Force training is conducted in the Air Training Center. Normal training had resumed as of 29 Feb.

h. Vietnamese Navy training is conducted in three Naval Training Centers. Two of the centers had resumed training by 29 Feb and the third resumed training on 4 Mar.

i. Vietnamese Marine Corps training is conducted in the Marine Training Center. Training had resumed as of 29 Feb at approximately 50 percent effectiveness. The reduced effectiveness was the result of continuing security requirements. Training has since returned to normal.

j. Civilian irregular defense group training is conducted in five CIDG training centers. Training had resumed at all five training centers by 29 Feb.

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k. Modifications to programs of instruction have been made and reprogramming has been accomplished to insure a continuous flow of trained personnel. Assuming no increase in enemy activity, the RVNAF training base could accomplish the training programmed for CY 68 as of 29 Feb.

4. Logistics Status:

a. The RVNAF Logistics System generally performed in a creditable manner during the TET offensive. In the majority of cases, equipment and supplies were available when required to support combat operations. Many RVNAF Logistical Units, particularly in I CTZ, II CTZ and in the Saigon area, performed in a manner meriting recognition by higher authority. Within IV CTZ emergency resupply to using units has been a severe problem due to the interdiction of surface LOCS, and the lack of sufficient transport aircraft to take up the slack. Shortages of barrier materials, petroleum products and certain types of ammunition were indicated country-wide; however, resupply from RVNAF base and field depots and in-country US sources reduced the impact of these shortages. Expedited supply action on certain items has been requested from CONUS to reestablish a satisfactory overall supply posture within RVNAF.

b. The overall loss of major ground equipment during the period 31 Jan - 29 Feb is as follows:

<u>Item</u>	<u>Destroyed</u>	<u>Damaged (X)</u>	<u>Total</u>
1/4 Ton Truck	50	39	89
3/4 Ton Truck	41	62	103
2 1/2 Ton Truck	96	67	163
M-113 APC	24	11	35
V-100 Commando Car	8	0	8
M-41 Tank	11	10	21

X - 50% Estimated Repairable.

5. Communications-Electronics Status:

a. ARVN long distance fixed area radio communications were virtually unaffected by the recent TET offensive. Local cable and wire communications suffered most heavily. Several courses of action which will require material have been initiated to minimize future damage of this nature. Under investigation is the programming of microwave radio relay equipment for alternate route use in interconnecting

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dial central offices; underground burial of multipair cable is being considered for installation in populated areas. Communications of immediate interest to tactical commanders, division and lower, suffered overall country-wide losses of less than five percent. These losses are not uniformly distributed through ARVN, but are concentrated in units most heavily engaged. Losses of organic radio equipment have not contributed to the degradation of combat operations.

b. The Vietnamese Navy C-E capability to conduct sustained operations was not impaired by the TET offensive or the post-TET attacks.

c. The Vietnamese Air Force C-E operational capabilities remained intact throughout the TET offensive. The destruction of the C-E storage facility at Bien Hoa has not affected communications. Sufficient quantities of components are on hand to meet present requirements.

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RVNAF Force Levels FY 69-FY 70

Background: General Westmoreland estimates that the current strength of the RVNAF is -

647,000

He now has authorization to build, by the end of June 1968, an RVNAF with a total strength of -

685,739

He has further proposed that the RVNAF be increased by 93,415 by the end of June 1969 to a total strength of -

779,154

This force would be further increased by the end of June 1970 to a total strength of -

801,215

Present Status: General Westmoreland's present assessment of capability is that:

RVNAF needs 115,000 trained personnel to reach their currently programmed level and to offset losses sustained during the TET offensive. These General Westmoreland believes can be obtained by recouping some 40,000 from reservists, military prisoners, deserters, etc. and by training an additional 75,000 recruits. Thus by the end of June 1968, RVNAF strength will be -

685,739

General Westmoreland states that the urgent action taken by the GVN since the TET offensive to increase the manpower available to the RVNAF has thus far resulted in an increase of -

15,567

These additional men came from the following sources:

- The GVN has ordered nineteen year olds to report for duty during the period 1 March - 30 April 1968. Approximately 1,000 reported early.

(1,000)

- It was estimated that 15,000 reservists would report in by 15 March 1968. It appears that the GVN will extend the deadline and intensify its efforts to provide additional reservists. Response to date is -

(6,555)

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- The number of military prisoners returned to duty is - (1,512)

- The number of battlefield laborers reassigned to RVNAF units is - (6,500)

The terms of service of all members of the RVNAF are indefinite. This measure will insure the retention of 12,000 men scheduled for discharge during CY 1968.

President Thieu has ordered that 100-125,000 men be made available to RVNAF during the next six months. General Westmoreland estimates that the net affect of this measure will permit the RVNAF to attain by September 1968 a total strength of -

707,000

General Westmoreland estimates that by 31 December 1968 that the RVNAF can replace normal losses and train sufficient additional personnel to reach a strength of -

751,739

He further estimates that by 30 June 1969 the RVNAF similarly can be built to a strength of -

779,154

He estimates that by 30 June 1970 the RVNAF can attain the maximum possible strength of -

801,215

In order to sustain the momentum of RVNAF recruiting and training, and to maintain RVNAF combat elements at operational strength, General Westmoreland asks for immediate authorization to increase RVNAF force levels by -

31,475

Actions Required in Washington: Immediate approval of the increases in force levels requested by General Westmoreland. The JCS are now processing with the Services and OSD a quick-reaction approval of his request for an increase of 31,475. It is probable that this increase will be approved and forwarded to General Westmoreland by 26 March 1968.

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Authority - OSD 11-3-78 letter

By ib, NARS, Date 3-19-79

RVNAF Force Levels FY 69-FY 70

90

Background: General Westmoreland estimates that the current strength of the RVNAF is -

647,000

He now has authorization to build, by the end of June 1968, an RVNAF with a total strength of -

685,739

He has further proposed that the RVNAF be increased by 93,415 by the end of June 1969 to a total strength of -

779,154

This force would be further increased by the end of June 1970 to a total strength of -

801,215

Present Status: General Westmoreland's present assessment of capability is that:

RVNAF needs 115,000 trained personnel to reach their currently programmed level and to offset losses sustained during the TET offensive. These General Westmoreland believes can be obtained by recouping some 40,000 from reservists, military prisoners, deserters, etc. and by training an additional 75,000 recruits. Thus by the end of June 1968, RVNAF strength will be -

685,739

General Westmoreland states that the urgent action taken by the GVN since the TET offensive to increase the manpower available to the RVNAF has thus far resulted in an increase of -

15,567

These additional men came from the following sources:

- The GVN has ordered nineteen year olds to report for duty during the period 1 March - 30 April 1968. Approximately 1,000 reported early.

(1,000)

- It was estimated that 15,000 reservists would report in by 15 March 1968. It appears that the GVN will extend the deadline and intensify its efforts to provide additional reservists. Response to date is -

(6,555)

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- The number of military prisoners returned to duty is - (1,512)

- The number of battlefield laborers reassigned to RVNAF units is - (6,500)

The terms of service of all members of the RVNAF are indefinite. This measure will insure the retention of 12,000 men scheduled for discharge during CY 1968.

President Thieu has ordered that 100-125,000 men be made available to RVNAF during the next six months. General Westmoreland estimates that the net affect of this measure will permit the RVNAF to attain by September 1968 a total strength of -

707,000

General Westmoreland estimates that by 31 December 1968 that the RVNAF can replace normal losses and train sufficient additional personnel to reach a strength of -

751,739

He further estimates that by 30 June, 1969 the RVNAF similarly can be built to a strength of -

779,154

He estimates that by 30 June 1970 the RVNAF can attain the maximum possible strength of -

801,215

In order to sustain the momentum of RVNAF recruiting and training, and to maintain RVNAF combat elements at operational strength, General Westmoreland asks for immediate authorization to increase RVNAF force levels by -

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Actions Required in Washington: Immediate approval of the increases in force levels requested by General Westmoreland. The JCS are now processing with the Services and OSD a quick-reaction approval of his request for an increase of 31,475. It is probable that this increase will be approved and forwarded to General Westmoreland by 26 March 1968.

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RVNAF Equipment Modernization

Background: On 21 November 1967, General Westmoreland asked for certain items of equipment and ammunition supplies which he regarded as necessary to, increase rapidly the effectiveness of RVNAF. The requested "10 Items" and delivery dates to accelerate the modernization of RVNAF firepower, mobility and communications are:

- M16 Rifles - 108,710 by 30 Sep 1968
- M79 Grenade launchers - 4,183 by 30 June 1968
- M60 Machine guns - 2,489 between June and Dec 1968
- M29 Mortars (81 mm) - 824 by 31 Dec 1968
- M101 Howitzers (105 mm) - 108 by 31 Dec 1968
- M114 Howitzers (155 mm) - 72 by 31 Dec 1968
- M606 Trucks (1/4T) - 200 by 30 June 1968
- M602 Trucks (2-1/2T) - 1,702 by 30 June 1968
- PRC-25 Radios - 6,000 by 30 June 1968
- Ammunition Allocations - 105 mm H.E. 1,577,000
RDS/Fuses by 31 Dec 1968

In December 1967, General Westmoreland requested equipment and funds to expand the ARVN Airborne Division from eight to nine battalions, plus necessary combat and support troops. This expansion is to provide a balanced division capable of sustained, combined operations. Equipment for this expansion includes critical M60 machine guns, M79 grenade launchers, M29 mortars, plus signal and vehicle items.

In early February during the enemy TET offensive, General Westmoreland stated that RVNAF required additional help. He recommended acceleration of issue to ARVN units of M16 rifles, M60 machine guns, M29 mortars, plus the new requirement of 234 M113 armored personnel carriers and 27 H34 helicopters.

On 28 February, General Westmoreland again stated the importance of equipping RVNAF promptly with modern weaponry - particularly the M16, M60, M79, M29 and the M72 light anti-tank weapons (LAW). This message also contained requirements for an additional 11,200 M79 grenade launchers and 268,000 M16 rifles for RF/PF units, and because of the appearance of enemy armor requested 10,000 M72 (LAW) 66 mm HEAT rockets.

Present Status: The status of the original "10 Items" of the November package is:

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M16 Rifles - Approved 108,710 by 30 Sep 1968.
M79 Grenade launchers - Approved 4,183 by 30 June 1968
M60 Machine guns - Approved 2,489 phased from June - Dec 1968.
M29 Mortars - 275 approved; 549 deferred pending further decision on call-up of two Reserve Brigades.
M101 Howitzers - 36 approved; 72 deferred pending approval of FY 69 RVNAF Force Structure.
M114 Howitzers - Deferred pending approval of FY 69 RVNAF Force Structure.
M606 Trucks - Approved 200 by 30 June 1968.
M602 Trucks - Approved 1702 by 30 June 1968, however substitution of more expensive US Army M-Series vehicles may be required.
PRC-25 Radios - Approved 6,000 by 30 June 1968.
Ammunition Allocations - 105 mm Ammo projections are under study.

On 26 February 1968 the increase in the Airborne Division was approved.

In emergency response to requirements imposed by the enemy TET offensive, the following actions were undertaken in support of RVNAF:

M16 Rifles - 17,169 shipped to APOE by 9 Mar.
M60 Machine guns - 1025 airlifted to MACV 4 Feb;
1,464 available 1 Apr.
M29 Mortars - 25 airlifted 4 Feb;
176 shipped 8 Mar;
49 available 6 Mar;
549 deferred pending further decision on Reserve call-up.
M72 LAW - 10,000 airlifted 27 Feb.
M113 APC's - 29 airlifted 15 Feb
50 sealifted 26 Feb (ETA 25 Mar)
64 sealifted 25 Feb
143 (ETA 27 Mar)
H34 helicopters - 14 USMC airlifted 24 Feb
12 USA airlifted 8 Mar
4 available now
30
106 mm Recoilless rifles with carriers - 55 being processed for expedited shipment, to supplement initial shipment of 15 with mounts.

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The U.S. Army in Vietnam has been authorized to allocate 105 mm artillery ammunition to RVNAF as needs demand.

Assuming a judicious balance of equipment allocations to the U.S. forces, the RVNAF and other Allied Forces and maximum procurement acceleration; and taking into consideration the fact that U.S. Forces in or destined for Vietnam will be fully equipped with modern weapons, and the political factors involved, it is estimated that the RVNAF, including the Regional Popular Forces, can be fully equipped with modern equipment except for helicopters by July 1969. The effects of accelerated helicopter procurement would not be realized within this time frame.

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VC/NVA FORCES

According to MACV, the following enemy units were present in South Vietnam as of the dates indicated:

	<u>TOTAL BATTALIONS</u>								
	1 Nov 1967			29 Jan 1968			22 Mar 1968		
	<u>VC</u>	<u>NVA</u>	<u>TOTAL</u>	<u>VC</u>	<u>NVA</u>	<u>TOTAL</u>	<u>VC</u>	<u>NVA</u>	<u>TOTAL</u>
Maneuver	89	78	167	89	101	190	89	101	190
Combat Support									
Bns (Arty,	<u>7</u>	<u>33</u>	<u>40</u>	<u>8</u>	<u>33</u>	<u>41</u>	<u>7</u>	<u>43</u>	<u>50</u>
Sapper,									
Recon)	96	111	207	97	134	231	96	144	240

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By af, NARS, Date 4-4-79

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ECONOMIC PROSPECTS FOR 1968

Summary The VC offensive has dealt a serious blow to Vietnamese economy. The outlook for the remainder of this year is for renewed inflation, perhaps severe inflation if security is not restored to key roads and portions of the countryside.

1967 Last year was a year of striking economic progress. Agricultural and small industrial production, incomes, commerce and employment were all up. Prices rose only 34 percent, one-half the amount of the preceding year 1966. During 1967 the prosperity in the cities moved out into the countryside, bringing doubled prices to farmers for rice and pork and vegetables and making available, in exchange for their bountiful produce, fertilizer, pesticides, tractors, irrigation pumps, treadle sewing machines, bicycles and radios. The pace of economic life quickened, particularly in the Delta which saw more change and modernization in one year than all the preceding years since independence.

Tet Offensive A confident and booming economy was stopped in its tracks by the VC offensive. Now the economy is picking itself up, slowly and cautiously. It is watching and waiting. The confidence of the past is gone, at least for now. Business men are retrenching, not rebuilding destroyed facilities, keeping stocks low, not reordering, not going out in the countryside to buy rice. Consumers are fearful of what may come next; they are spending sparingly, saving as much as they can. We are now in an Indian Summer -- both the demand for goods and the supply of goods are down, and hence so are prices which have returned, after a spurt upward, back to their pre-Tet levels.

1968 The present price stability cannot last. The money supply has risen by the large amount of 20 billion piasters (27 percent) since September. This is more than it rose during the entire year of 1967. This means stored up spending power -- future trouble. As confidence in the future is restored (or if things turn worse), people

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will start to spend their money to make the purchases they have now postponed. If by that time production is not up again in the countryside and security restored to key roads, such as Route 4 to the Delta, prices will rise, perhaps even spurt up if people start to again fear inflation and try to avoid it by spending even faster. The memories of the speculation and inflationary cycle of late 1965 are still fresh; they could easily be revived.

Prospects The economic future turns broadly on how the war goes; more particularly it turns on restoration of security in the rural areas and increased collection of taxes by the GVN. There seems to be no doubt that the economy will revive and produce abundantly if security is improved and the GVN and the U.S. appear to be winning the war. Assuming the GVN increases tax revenues significantly and security conditions return by this summer to pre-Tet levels, it should be possible to hold the increase in the money supply and prices this year to 30 or 40 percent. However, if GVN tax revenues do not rise then the money supply could increase 60 percent. If, in addition, security on routes and in production areas remains at present low levels, then resulting inflation could easily rise to over 80 percent. The psychological mood of the people, and especially their expectations regarding political and military progress, will be additional critical factors in determining the course of inflation this year and make economic prediction particularly hazardous.

Workable Economic Areas In addition, if security cannot be restored to broad areas of the countryside, it is most important that careful selection be given to what parts of the countryside are secured to ensure that urban areas are complemented by secure rural areas to provide foodstuffs to the cities and, through rural-urban commerce, to provide jobs. In North China the Nationalist Chinese were pushed back into cities without adequate hinterland. Rural refugees and city people became unemployed, the outlook was bleak and public morale fell to low levels. A conscious part of our strategy probably should include securing workable economic and political tracts of geography.

March 25, 1968

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Authority OSD 11-3-78 letter

By JB, NARS, Date 3-19-79

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BOMBING OF NORTH VIETNAM

RATIONALE FOR THE BOMBING

The United States has been bombing North Vietnam since March 1965. The reasons for beginning the bombing and for its continuation have been:

- a. To reduce the flow and/or to increase the cost of continued infiltration of men and supplies from North to South Vietnam.
- b. To raise the morale of the South Vietnamese people and of allied forces in the South.
- c. To make clear to the North Vietnamese leadership and people that so long as they continued their aggression against the South they would have to pay a price in the North.

Thus, the bombing of North Vietnam has always been considered a supplement to and not a substitute for effective military and political campaigns in the South.

THE PRESENT BOMBING CAMPAIGN

Weight of the Effort. During the past year, US aircraft have flown an average of 12,750 sorties per month against targets in North Vietnam and along infiltration routes in Laos. Over 92 percent of these sorties have been armed reconnaissance attacks, primarily against the enemy's lines of communication and goods moving over them. On a twelve month average, approximately 30 percent were flown in Laos, 46 percent in the southern part of North Vietnam, 10 percent in the middle portion of North Vietnam, and 14 percent in the northern section including the areas around Hanoi and Haiphong. The number of attacks in the northern section are higher in reasonably good weather months from May through September and lower during October through April. When weather permits, air attacks under

visual conditions average one day a week or less. The areas around Hanoi and Haiphong are the most heavily defended and loss rates for attack sorties there are about four times those of attack sorties in the southern portion of North Vietnam and about five times those experienced in Laos.

CURRENT OPERATING AUTHORITIES

US aircraft now are permitted to attack all lines of communication in North Vietnam and in specified areas along infiltration routes through Laos except those inside cities and towns and within 10 miles of Hanoi, four miles of Haiphong, and 25 miles of the Chinese border (50 miles west of 106°E. longitude) excluding a 10 mile portion of the Northeast Rail Line and the highway parallel to it. The most significant fixed targets outside of Hanoi and Haiphong have been authorized for attack and certain targets (such as POL Stores, electric power plants, key bridges, rail yards, and truck depots) within these have been attacked. Specific authorization from Washington is required for attack of additional targets in Hanoi and Haiphong.

Coastal armed reconnaissance against North Vietnam attack and logistic craft is permitted South of 20° 42'N. From 20° 42'N. to the Chinese Buffer Zone (25 miles from the border) attacks against North Vietnam waterborne logistics and attack craft are permitted only when they are within 3 miles of the coast or coastal islands. Outside of this 3 mile limit, attack is permitted only if US aircraft are first fired upon by these craft.

MK 36 delayed fuse weapons may be employed against all authorized targets and bypasses including those within 10 and 4 miles of Hanoi and Haiphong, respectively, and against all authorized lines of communication.

EFFECTIVENESS OF THE BOMBING

Morale. There is general agreement that bombing the North has achieved the objective of raising morale in the South.

Will. It also is clear that the Government and public in the North recognize that the bombing is related to their participation in the war in the South. There is, however, no agreement on the effect the bombing has on the will of the North to continue its participation in the war. One body of opinion holds that there is no evidence of a slackening northern will to continue the struggle, that the bombing has united opinion in the North in support of the war effort, that the Government and public are steeled for increased bombing and conditioned to expect the eventual destruction of their cities, and finally, that in a totalitarian society there is no opportunity for dissident opinion to be expressed and for those of like mind to coalesce to produce pressure on the Government. Another body of opinion, held with equal conviction, believes there is no effective means of gauging the level of dissidence and war weariness produced by the bombing and that the very nature of these conditions is such that they will not be evident until they crack the fabric of the totalitarian society and seriously disrupt its workings. This, it is held, could happen at any time and is not predictable.

Cost. The North Vietnamese have paid a heavy price for their continued participation in the war in the South. Air strikes are reported to have destroyed over 11,400 vehicles (includes Laos), 9,800 watercraft, and 1,900 pieces of railroad rolling stock. Over 1,900 fixed targets have been struck, including most of the militarily significant fixed targets, such as bridges, major rail yards, troop barracks, petroleum storage tanks,

and power plants. The North's modest industrial base has been destroyed almost completely. Unfortunately, because the North Vietnamese get their war making and supporting goods from outside the country, and because they have been ingenious in adjusting to the air campaign, they have been able to absorb these higher costs. For example, in 1967 they were able to increase their POL stocks in spite of having to import by rail or by lightering from ships offshore and to store the POL in small dispersed sites. They also have been successful in maintaining their levels of vehicles and rail cars.

North Vietnam has been forced to divert an estimated 300,000 full-time and at least an equal number of part-time workers and troops to the repair, dispersal, and defense of the lines of communication and other targets which have been damaged.

The air campaign also has inflicted unknown military and civilian casualties in the North.

Cost to US. The air campaign has also been costly to the United States. We have lost 914 pilots and crewmen and 925 aircraft over North Vietnam and Laos. Statistical loss rates for aircraft are approximately equal to those of Korea and appreciably less than those of World War II.

Reducing the Flow. There is no agreement as to the success which bombing has or can have in reducing the flow of goods and men to the South. One body of opinion maintains that Russia and China can and will continue to provide North Vietnam the equipment necessary to continue its efforts in the South, that North Vietnam's import capacity is such ^{that} war making and supporting material and sufficient supplies to maintain the civilian economy can continue to be brought into the country no matter what the level of conventional bombing, and that the lines of communication to

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the South have sufficient capacity and variety to enable the North to pass over them the supplies necessary to support the war in the South at least at the pre-Tet level and probably at a significantly higher level. This school maintains that North Vietnamese/VC supply problems, where they exist, are brought about by interdiction and disruption in South Vietnam or near its borders and not by an inability of the North to get supplies and men to the border areas.

The other body of opinion maintains that there is positive value in attempting to destroy all war making or supporting material, no matter where their location or proximity to civilian population, and that not to attempt such destruction is to permit that equipment to be sent South and to be used in operations against allied forces there. This viewpoint also places heavy emphasis upon the importance of widespread air attacks to the will of the North to continue to support the war in the South.

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Supplemental Paper on Negotiating Options

The basic paper on this subject addresses itself to possible options for action at the time of an announcement of whatever military actions are decided.

In addition, there are advocates for what would in effect be a Delayed Option A. This would amount to a cessation of the bombing after our additional actions had been taken and a tax bill passed. The advocates of this position further recognize the major South Vietnamese obstacles at the present moment, but equally the possibility that these attitudes would change, or could be changed, in roughly 30-40 days.

A brief for such a Delayed Option A is attached as a supplemental paper.

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By ip, NARS, Date 4-4-79

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By ip, NARS, Date 4-4-79

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OPTION A DELAYED: Stop Bombing and Naval Bombardment of North Viet-Nam

This paper discusses the advantages and disadvantages, the risks and possible ways to minimize those risks, of an unconditional cessation of bombing of North Viet-Nam.

1. If this course is to be taken the best time to announce a cessation of bombing would be in about 30 to 40 days, or around the beginning of May. This would permit time to take a number of actions, discussed below, which could reduce the risks and enhance the advantages of a bombing cessation.

2. The cessation of aerial and naval bombardment of North Viet-Nam should be announced without condition to take place on a certain date. The President should say that he is taking this course in order to test by their actions rather than their words the good faith of the DRV. He should state that that good faith will be demonstrated by their promptness in commencing talks, by the seriousness of the talks, and by the military actions which they take or refrain from taking while serious talks are in progress. He should state that he is stopping the bombing without condition and that he is doing so because he wishes to put the DRV to the test of matching its actions with its words.

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3. The cessation of bombing will lead either to:
 - a. Equivocation by the DRV;
 - b. Talks with the DRV.

If our announcement of a cessation is unequivocal, and if the DRV does not promptly (within two to three weeks) commence to talk seriously, then the DRV will have shown to the world and to the American public that it is not interested in a peaceful resolution of the war. If during the period of waiting the DRV takes clear and provable steps to "take advantage" of the cessation, these steps could be met by retaliation, while maintaining the position that we are prepared to continue a full cessation of the bombing in the absence of other such actions. Retaliation should be carefully controlled to situations which can be clearly shown to be a provocation to the US. If either Hanoi's inflexibility with respect to negotiations or its insistence on taking advantage of a cessation can be clearly demonstrated to the American people and to other governments, the Administration's position will be vastly improved, the American people will be more united, and the DRV will have been robbed of its major diplomatic theme.

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It is absolutely essential that if the Administration follows this course, it does so in a way which can withstand all scrutiny from those who tend to doubt either its unconditional nature or our sincerity. It must demonstrate beyond a reasonable doubt DRV intransigence or bad faith.

4. If talks do result from a cessation of bombing, there is no guarantee that they will be productive. But regardless of the path they take, and whether they end in agreement or failure or continue to drag on, our current policy will have gained strength at home and abroad by the very fact that negotiations have commenced and that our interest in peace has been demonstrated beyond cavil.

5. We need 30 to 40 days for a variety of reasons. This period of time will enable us to prepare the GVN for the shock of a bombing cessation and it will permit us in other ways to put our house in better order. Furthermore, while May 1 brings on good weather over North Viet-Nam, it brings extremely heavy rains to the Ho Chi Minh Trail. As the Laotian Panhandle becomes less passable, North Vietnamese infiltration must be increasingly confined to the more easily accessible routes through North Viet-Nam and the DMZ. Therefore, we

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should have a maximum opportunity to observe the "take advantage" situation. In good weather, this could be done by high altitude aerial photography, which is extremely difficult for the North Viet-Nameese to prove and is invisible to their population, including foreign observers. High level photography is adequate, absent special circumstances.

6. The political advantages at home and abroad of a bombing cessation are obvious. It creates, however, these problems:

a. The potentially increased vulnerability of our forward positions at the DMZ.

Our forward positions at Con Thien, Cam Lo, Ca Lu, the Rockpile, and Khe Sanh present us with difficulties. Obviously, our forces in these positions cannot be required to sustain attack under circumstances where aerial support within the boundaries of South Viet-Nam is inadequate for their protection. This is acknowledged by even such unfriendly observers as U Thant, and would be generally understood. If we are under attack in these forward positions after a cessation of bombing, the Administration should not hesitate to resume whatever bombing is necessary within the area reasonably related to the protection of these positions. Indeed, if the DRV mounts major attacks on our forward

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positions following a cessation of bombing, people will understand that they are not seriously interested in peace.

It is doubtful that the DRV will mount major attacks in the DMZ area after the cessation of bombing. They have already given some signs that they may understand the nature of our problem and the nature of world reaction to such attacks. When the President announces the bombing cessation, he should state flatly that major attacks on our troops in the area of the DMZ will, of course, result in tactical bombing appropriately related to their protection. If our troops are attacked from North of the DMZ we will, of course, respond.

b. The political dangers to the GVN.

Unquestionably a cessation of bombing and the start of negotiations raises serious problems for the GVN. Ambassador Bunker has pointed out to us the concern of the GVN in this connection. But if we accept the proposition that the GVN must be much stronger before negotiations are possible, we have in fact substituted their position for our own. There is advantage to giving Bunker time to adjust the GVN to negotiations, but there is little advantage to waiting until the GVN regards itself as strong enough to negotiate, since

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this might take years. There is, indeed, always a chance that the GVN will collapse during talks but this is no more likely than the chance that it might collapse as a result of increased enemy action. We are living with considerable risks of political collapse in Saigon and in the United States, and if we move towards a cessation of bombing it seems a lesser risk than to attempt to continue our present course of action without testing this alternative.

7. Finally, if we do not in the next month or two test the DRV we will never be able to establish whether or not Hanoi is interested in serious talks. Our intelligence may indicate that they are not; our experts may be so persuaded; but there is absolutely no other way of establishing this fact to the satisfaction of a large number of Americans and a great majority of foreign governments short of putting Hanoi to the test. The risks involved in our putting Hanoi to the test are much less than the risks in our failure to do so.

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Negotiating Posture Options, and Possible Diplomatic Actions

Whatever military or other courses of action we now adopt, we need to consider what posture to take on negotiations concerning Viet-Nam, and whether there are additional diplomatic actions we could take or encourage--concerning Viet-Nam itself or the Southeast Asia situation generally.

Viet-Nam Negotiating Posture

We have three broad options:

1. Stand pat on the San Antonio formula and on our basic position toward the terms of a negotiated settlement--the Geneva Accords plus free choice in the South, rejecting a coalition or any special position for the NLF.
2. No change in our position for the present, but pitching our course of action toward a strong move for negotiations when and if we have countered Hanoi's offensive--i.e., in a matter of four months or so perhaps.
3. Take some new initiative, either privately or publicly.

The difference between 1 and 2 is essentially one of presentation and nuance. The crucial question is to examine what we could conceivably do by way of a new initiative under 3.

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Authority State Letter 1-24-79

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By ip, NARS, Date 4-4-79

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We must make certain basic judgments concerning the present situation.

First, it seems most doubtful that Hanoi will be prepared for a serious move toward peace, except on its own terms, for the immediate future. They are obviously confident and determined to press their current strategy in the hope of further gains. If we sat down at the table with them now, the odds are overwhelming that their position would be totally stiff and unyielding.

Second, while Hanoi may continue to play public and diplomatic games to give the impression of a peace posture, it seems unlikely that they would give us anything convincing on the "no advantage" assumption in the San Antonio formula. They could encourage the kind of "impressions" that they would not take advantage that have already been put out by U Thant and Sainteny, but they are most unlikely to take a public and identifiable position on this key point. They could drop "half a shoe" by a firm statement that talks would follow in a matter of days after the bombing stopped, and this would somewhat increase public pressures for peace,

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particularly in Europe and other more susceptible countries. But they are unlikely to do anything that would give us a real basis for convincing the GVN and our Viet-Nam allies that there would be the prospect of serious military restraints by Hanoi if we stopped the bombing.

Third, South Vietnamese official and public opinion seems to have three strands: (a) a firm belief that any early negotiations in present circumstances would be disastrous; (b) continued fear in some quarters that the US may negotiate without regard to South Vietnamese interests--in present circumstances this would compound the critical adverse effect that any entry into negotiations would have, and the danger would be even greater if we were to change our position on coalition government or any other aspect of the internal political structure in the South; ^(c) an underlying trend toward greater receptivity toward peace at the right time--this seems clearly evident in the posture of the new political alliance, and is implicit in the comments of Tran Van Do and even Thieu. In sum, the South Vietnamese would be highly sensitive to any immediate move, but sentiment is moving in the direction of

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accepting some form of negotiations if the situation can be righted at all.

Fourth, the Soviets continue to appear completely passive. This undoubtedly reflects their judgment that Hanoi would not move seriously no matter what the Soviets might urge them to do under the present circumstances.

Notwithstanding these judgments, if we are to consider some significant additional military actions, we must in any event state our position toward peace, and it would appear likely that any constructive and forthcoming new initiative that could be devised would have a favorable effect in many quarters at home and abroad.

Before setting out the possible new initiatives that have been put up for discussion, we summarize the existing state of the play on various fronts.

Existing Possibilities

1. We have for ^{SOME} ~~the first~~ time been working to open up channels to the NLF, in the utmost secrecy, and with the knowledge of the GVN. The discussions have been on prisoner matters, but the possibility has been left open that we could

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raise political matters at some point, seeking in effect to turn the channel over to the GVN when that point is reached. There have been many delays on this front, and at present it is not clear that the channels remain effectively in operation.

2. In connection with the San Antonio formula, we had a serious channel in operation in January and February, but got a clearly negative response in early February. Since that time, Hanoi has been in touch with a large number of neutral or potentially sympathetic governments, and with U Thant. However, the messages delivered have been of a "teasing" nature and have continued to reject the San Antonio formula. We construe these efforts as overwhelmingly propagandistic in purpose, although there is one channel that might develop into something more serious on a very private basis.

3. We know of a number of possible pending third-country initiatives. The Dutch are considering some sort of an appeal, to be made with other nations, in the direction of talks under stated military conditions. The Pope is

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considering some sort of invitation on the same kind of basis. Bebler of Yugoslavia is going the rounds with a proposal for the Co-Chairmen (USSR and UK), Canada, India, and Poland to join in an appeal for a Geneva Conference on Viet-Nam. Any one of these three possibilities might mature at any time and present us with certain problems; however, for most if not all, we should be in a position to give a forthcoming response, while Hanoi on past form would reject them and we would get some temporary gain in terms of our posture.

Possible New Initiatives

Our own possible initiatives appear to revolve around our taking some action with respect to the bombing. There are lesser possibilities, such as reiterating previous positions toward unconditional discussions, readiness to consider mutual deescalation, readiness to discuss a cease-fire, possible preliminary talks, etc. However, none of these reiterations would be more than verbal, or would meet whatever need may exist for a significant peace move.

Hence, we narrow the discussion below to two possibilities

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that have been seriously advanced:

Option A: To stop the bombing on the basis of the very general statements that have been made to us through some third parties--that Hanoi really understands the "no advantage" assumption even though it is unwilling to say so.

Option B: A cutback in the bombing to the 20th parallel (thus omitting Hanoi and Haiphong in particular). While it has been suggested that we might mention some reciprocal action by Hanoi--such as refraining from military action out of the DMZ--we believe a greater effect would be achieved if we were to take the action and simply say that we were waiting for any response Hanoi might make.

The following pages give a broad-brush statement and arguments for and against these two actions.

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OPTION A

Pros

1. The action would meet Hanoi's current position, and would be generally regarded as a highly forthcoming move.

2. Hanoi would almost certainly be compelled to move into talks of some sort.

3. Whatever Hanoi actually intended about "taking advantage," they would be put in an awkward position to launch major offensive actions at least against Khe Sanh and some of the northern areas.

4. Our air power would be diverted to Laos and the northern areas, where it would be not much less effective than it is over the next four weeks against the North.

Cons

1. South Vietnamese concurrence would be extremely difficult to obtain. We could not say that any of the hints we have had really amount to acceptance by Hanoi either of immediate talks or of the "no advantage" assumption.

Bunker estimates that the reaction in South Viet-Nam--both

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in the government and in the people (if we took the action)-- would be extremely adverse, and that there would be a tremendous impetus to the propaganda line that the US is prepared to make a separate peace at the expense of South Viet-Nam. Bunker estimates that these conditions will persist for roughly 2-4 months into the future.

2. Hanoi might indeed talk, but almost certainly be totally inflexible.

3. Although Hanoi might be forced to hold its military end in certain respects, the odds are substantial that it would continue a significant build-up of its forces and at least enough military action to raise a continuing question whether it was "taking advantage."

4. In the face of talks that were getting nowhere and a military situation always open to the implication that Hanoi was gaining, the initial favorable reaction from many quarters in the US could be superseded fairly soon by a strong opposite reaction--in favor of calling it off and taking much stronger action against the North.

5. There would be some comment to the effect that the

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action was at variance with the San Antonio formula--since we could hardly claim that it had been met. The action would also be construed as at variance with our analysis of Hanoi's negative position of the moment.

6. The action might have a serious negative effect on the prospects for approval of additional defense expenditures (some of which are required even without force increases), and above all might make much more difficult the passage of an early tax bill--which is required for the stability of the dollar as well as to finance Viet-Nam needs.

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OPTION B

Pros

1. The action would be consistent with our general position of being prepared for mutual deescalation through deeds.

2. The military effect would not be significant over the next four weeks, and again some of our air could be diverted usefully to Laos and the northern areas of South Viet-Nam.

3. The action might trigger some useful third-party initiative on talks, which would put Hanoi on the spot.

4. Hanoi would have the option of either holding its military hand against Khe Sanh and the northern areas or denouncing our action at once. Either way, we would register some gains.

Cons

1. Although Bunker is less negative about this proposal than about a total cessation, he estimates that the South Vietnamese Government would be most reluctant to concur and

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that there would be significant adverse effects on the government and people if we went through with the action even assuming concurrence.

2. In terms of peace sentiment at home and abroad, the action is only "half a loaf." Some quarters would condemn it as cynical and designed to elicit a negative Hanoi reaction--which would be condoned.

3. If Hanoi either continued with its offensive or denounced the proposal, there would be some increase in pressures for really strong action against the North.

4. For at least the period of testing of the proposal, it might have a negative effect on prospects for a proper tax bill.

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