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130

ECONOMIC

Extracts from CIA-DIA Appraisals

Damage inflicted on the North Vietnamese economy by air strikes increased significantly and will have unfavorable repercussions throughout much of the industrial sector. The most telling damage resulted from the strikes against electric power plants.

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Despite the increased disruption of economic activity, the North Vietnamese gave no indication of abandoning their programs to expand small scale industry and to plan for post-war economic development.

On-The-Spot Reports

EO 12958  
3.4(b)(1)>25Yrs  
(C)

The bombardment continues to diminish daily, the industrial potential of the country. [REDACTED]

EO 12958  
3.4(b)(1)>25Yrs  
(C)

If industry is subjected to new blows, one certain consequence will be that Hanoi will become more dependent on the Chinese, on whom they are already dependent for their food supply. [REDACTED]

EO 12958  
3.4(b)(1)>25Yrs  
(C)

The main cement plant has been so severely damaged that work has halted. [REDACTED]

The supply of electricity (in Haiphong) appeared to be just adequate. [REDACTED]

EO 12958  
3.4(b)(1)>25Yrs  
(C)

Between Phu Ly and Thanh Hoa, an area in which he spent ten days, the traveler saw electric lights on two occasions only. He saw no piped functioning water supply in any town or village area. The main streets of Thanh Hoa had been almost entirely destroyed. Shops open were selling little more than oil, cloth, and occasionally cigarettes. [REDACTED]

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Economic (continued)

EO 12958  
3.4(b)(1)-25Yrs  
(C)

The incessant bombing by American aviation has paralyzed the economy of North Vietnam and has closed off the 17th parallel, thus, preventing the passage of troops in number toward the south.

[REDACTED]

EO 12958  
3.4(b)(1)-25Yrs  
(C)

U. S. bombings have caused considerable damage to military installations, factories, and several bridges, both in Hanoi and in the countryside of North Vietnam. . . . Business in Haiphong and Hanoi is practically at a standstill. . . . Firms are manned by only a director and one or two assistants. Most of the factories, military as well as light industry, have been evacuated to the countryside.

[REDACTED]

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