Intelligence Memorandum

CAMBODIA AND THE VIETNAMESE COMMUNISTS

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INTELLIGENCE MEMORANDUM

Cambodia and the Vietnamese Communists

A Monthly Report

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Note: This memorandum was produced solely by CIA. It was prepared by the Office of Current Intelligence and coordinated with the Office of Economic Research, the Office of National Estimates, and the Clandestine Services.

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I. Military Developments

1. North Vietnamese and Viet Cong battalion and regimental size units continue to operate in Cambodian territory, although the absence of protracted heavy fighting in border areas since the Dak To battle in late November has taken some of the heat out of the sanctuary problem.

2. In recent weeks, however, the Communists have made frequent use of Cambodian territory along the southern portion of the border, where they generally act with more restraint than in the isolated and sparsely populated areas of the northeast. In early January, for example, at least one element of the Central Office of South Vietnam (COSVN), the Viet Cong's highest command headquarters, was located in Cambodia's Kompong Cham Province. The element probably moved across the border in reaction to Operation YELLOWSTONE, a US ground sweep in adjacent Tay Ninh Province. COSVN made a similar evasive move into Cambobida early last year during the course of Operation JUNCTION CITY.

3. Furthermore, elements of the headquarters and elements of all three regiments of the Viet Cong 9th Infantry Division were located in Cambodia at various times during January. One regiment, the 271st, moved out of Tay Ninh during Operation YELLOWSTONE, and some of its elements found sanctuary in Cambodia. A Viet Cong raider has told interrogators that one battalion of the Viet Cong's 271st Regiment as well as the regiment's headquarters withdrew into Cambodia following an attack on 1 January on a nearby US position. The raider stated that the 271st's other two battalions remained in South Vietnam, although close to the border. By 23 January, the 271st Regiment had moved back across the border into Phuoc Long Province, but headquarters elements of the division's other two regiments moved just over the border into Cambodia from positions along the border in Binh Long Province. The movement of regular battalion-sized Communist units into this area of Cambodia where the enemy has never demonstrated the kind of open disregard for the border it has shown farther north, is by no means unprecedented but is far from
ordinary. At any rate, the 271st's stay in Cambodia appears to have been temporary.

4. There is no evidence, moreover, that the activities of these regiments foreshadow an increased reliance on Cambodian territory, or that the enemy is becoming insensitive to the necessity for keeping their activities in this populated area of Cambodia as discreet as possible. On the contrary, a number of captured documents reveal that Viet Cong units in this area were only recently warned about "difficulties" at the Cambodian border and were instructed to comply strictly with "regulations" if they were forced to evacuate across the border.

5. Farther north, major North Vietnamese regiments continue to be located in the tri-border area. By late January, headquarters elements of the B-3 Front and the 32nd North Vietnam Army (NVA) Regiment were located in the Cambodian salient east of the US base at Dak To. The 66th NVA Regiment, which along with the 32nd Regiment moved through Cambodian territory on its way to Dak To, was located well to the north in Laotian territory.

North Vietnamese Activity in the Salient

6. It is clear that North Vietnamese forces began to move into the tri-border area in force as early as mid-1965. Aerial photography began to pick up signs that the North Vietnamese were establishing bases throughout the tri-border area and in the Cambodian salient. Although the evidence was something less than dramatic—North Vietnamese "bases" and "bivouac areas" usually consisting of grass huts dispersed under the trees—it was evident that the bases were linked by improved trails to the Laotian infiltration complex, that tribal villages in the area were being abandoned, that Vietnamese-type "row-crop" agriculture was appearing, and that there was no evidence of a Cambodian presence in the area. The picture, in sum, provided an incomplete, but nonetheless persuasive, account of the North Vietnamese presence.
7. The photographic evidence was verified by statements of North Vietnamese prisoners who were captured in South Vietnam in 1966. They described a system of trails and way stations used by infiltrating North Vietnamese units which hopscotched down South Vietnam's border with Laos and Cambodia. They told interrogators that a few of the way stations where they rested and received rice and other foodstuffs were located in the Cambodian salient.

8. It also became clear that, during late 1965, the North Vietnamese and the Viet Cong began to make provisions for feeding the infiltrating combat troops and the substantial number of workers, engineers, and coolies who were engaged in expanding and improving the road net in the Laotian panhandle. In late 1965, they apparently concluded a semiofficial rice agreement with Phnom Penh, and in early 1966 they built Route 110 in southern Laos to connect the Cambodian transport system with the tri-border area. The road linked up with the southernmost extension of the Laotian infiltration net, enabling the Communists to move rice by truck up the system to their bases in Laos and eventually onward into South Vietnam. In November 1967 they extended the route a short distance into the Cambodian salient.

The Role of the Salient in the Dak To Battle

9. Although the North Vietnamese have used the Cambodian salient for at least two years, it has never been one of the major Communist base areas in Cambodia. Prior to October 1967, when the deployment of regimental units in conjunction with the impending attack against Dak To was under way, we were not able to establish the continuing presence of any regimental-size North Vietnamese units in the salient. Small reconnaissance teams began running operations into the area in June. For the most part, they found nothing surprising, although they were able to verify that there was Communist activity and presence in the area. In establishing that most of the base camps and bivouac areas identified in photography had not been in use for extended periods of time, however,
the reconnaissance teams did substantiate our assumption that the salient was hardly a hotbed of North Vietnamese activity.

10. In October 1967, the northern movement into the salient of elements of the North Vietnamese Army (NVA) B-3 Front Headquarters; of the 1st NVA Division Headquarters and of headquarters elements of two subordinate 1st Division regiments, the 32nd and the 66th. The regiments and the 1st Division headquarters soon moved into the Dak To area of South Vietnam, about 20 miles east of the salient. During the Dak To battle, two elements of the B-3 Front Headquarters remained within Cambodia, apparently directing the fight, while other entities deployed to the vicinity of Dak To. As the fighting tapered off, Communist units began to move back toward the border, but of the five North Vietnamese regiments which participated in the Dak To action, only the 32nd took sanctuary in Cambodia. The others evaded contact by moving north in South Vietnamese territory or went directly into Laos.

11. Although it is clear that the sanctuary provided by the Cambodian salient played an important part in Communist planning prior to and during the battle of Dak To, the importance of the salient to the Communist effort should not be overemphasized. Except that the Communists have so far been free from air attack in the salient, there is no great difference for them, at least in this area, between sanctuary in Cambodia or in Laos, or even in South Vietnam. The Communists did not, for example, seek to withdraw their forces entirely from South Vietnam after the attack, suggesting that sanctuary from bombing is not critical for them.

12. The over-all picture that emerges from our ground reconnaissance teams, and from the unfolding of the Dak To battle is that the entire tri-border area is a Communist base area, and that Communists can still find sanctuary on the South Vietnamese and Laotian sides of the border. The Communists probably believe that the Cambodian sanctuary will not become critical to their war effort until sufficient US ground forces are put in the highlands to drive them out of South Vietnam.
Supply Activities

13. A Cambodian has reported that Vietnamese Communist units in South Vietnam's Pleiku Province are receiving Chinese arms and ammunition from Cambodian stocks.

14. He was told that a Phnom Penh trucking firm picks up the arms either at Sihanoukville or at a Cambodian military base near Phnom Penh. The trucks travel Route 19 through Ratanakiri Province to the border where the Viet Cong take over and drive them to an unloading point inside South Vietnam. The trucks carry foodstuffs and medicines in addition to arms.

15. The Cambodian Government has admitted selling food to the Communists and the border area described is known to have been used for delivery. The shipments may have consisted mostly of foodstuffs. In addition, Cambodian military officials have long been suspected of selling small quantities of arms to the Communists and it may have been this illegal activity.

16. Moreover, there are a number of inconsistencies, for example, that the trucks carried up to 15 tons, but Cambodia is not known to have any trucks capable of carrying such a load. In addition, the trucks moved across the border on Route 19 is not the road becomes unmotorable several miles before the border.

Rice Traffic
18. Cambodia was shipping 20,000 metric tons of rice annually to the Viet Cong. The government's agricultural cooperative, OROC, buys the rice and hires private trucking companies to ship it to the South Vietnamese border. OROC's involvement dates from 1965 when it took over from local smugglers.

SONEXIM, the government's import-export agency, had contracted in 1967 for the sale of 16,000 tons of rice to the Viet Cong. A representative of the National Liberation Front signed the contract in Phnom Penh and the rice was paid for in Hong Kong.

19. OROC has the primary authority for purchasing rice from Cambodian growers while SONEXIM is responsible for deliveries to foreign recipients. Thus, both agencies may be involved in the same sales.

20. Although the Cambodian Government admits that it sells rice to the Communists for economic reasons, it has never released figures on the trade.

**Communists Smuggled Chemicals Via New Route**

21. The Viet Cong are receiving at least six tons of explosive chemicals a month through Cambodia. Potassium chlorate, of either Japanese or Chinese Communist origin, was being smuggled from Singapore in fishing junks, which unloaded their cargo at several points along the Cambodian coast. From there, local Cambodian smugglers delivered the contraband by truck to Vietnamese Communist units at the South Vietnamese border. The Communists now reportedly rely on this source for potassium chlorate because shipments from Thailand, one of their previous sources, were adulterated beyond use. If true, the report suggests a way in which the Communists could move arms and ammunition clandestinely through Cambodia avoiding Sihanoukville and other ports on the Gulf of Siam. (See map)
II. Political Developments

22. In the face of what he considered mounting indications that allied forces might soon conduct operations against Communist units using Cambodia for sanctuary, Chief of State Sihanouk has reverted to his diplomatic skills to take some of the heat out of the crisis.

23. Sihanouk viewed with growing alarm the crescendo of US press reports last November concerning Vietnamese Communist use of Cambodian territory. His concern over the gravity of the situation was probably heightened in early December when the US sent a firm note to Phnom Penh with an accompanying dossier documenting Communist violations of Cambodia's neutrality. Cambodia's erratic response to the US note—a flat rejection in an official note on 20 December, followed by a conciliatory statement to the Washington Post a few days later—does not conceal the fact he was orchestrating his steps carefully, taking pains to keep Phnom Penh's official line intact while conceding just enough to forestall any imminent move across Cambodia's borders. At any rate, the fact that almost three weeks passed between Washington's note and Sihanouk's first reaction to it, should help lay to rest assertions that Sihanouk's policies are determined by his impetuosity.

24. Sihanouk was clearly pleased with both the cordial atmosphere and the outcome of his discussions in Phnom Penh with Ambassador Bowles, President Johnson's special envoy. The Prince's public statements portraying the talks as an important victory for Cambodia backstop his boast that his diplomatic skills would keep the war from spreading to Cambodia and are, therefore, in part designed for his domestic audience. But Sihanouk apparently also believes that the talks not only served their primary purpose of forestalling any immediate move by allied forces across the Cambodian border, but also provided some important political advantages for Phnom Penh.
25. Sihanouk moved with alacrity, for example, to tie the US publicly to a renunciation of the "hot pursuit" concept, and he quickly condemned Washington's effort to set the record straight as double-dealing. Sihanouk also indicated that he would not hesitate to exploit statements in the joint communique following the talks that the US has no "intention to violate Cambodian territory" and will do "everything possible" to avoid "acts of aggression," if the US takes action against Communist troops in Cambodia. He has, therefore, without specifically disavowing them, now largely blunted the impact of his earlier public statements that Cambodia would not oppose US military activities in certain "isolated" border areas.

26. Sihanouk's concessions to the US, at least as far as the public record goes, do not appear to depart significantly from his previously established positions. Cambodia has sent a new formal request to the International Control Commission (ICC) that its supervisory function in Cambodia be strengthened, but Phnom Penh has made similar requests in the past, and Sihanouk is under no illusion about the prospects for an effective ICC in the face of Polish and Soviet opposition. Sihanouk did go somewhat farther than he has in the past in admitting that the Communists use Cambodian territory, but he did so only by implication, and, at any rate, he undoubtedly viewed this as a small price to pay for the "assurances" he received from Ambassador Bowles.

27. Sihanouk's public statement that Cambodia would be willing, on the basis of information provided by the US, to send its troops or the ICC to areas of suspected Communist activity, does mark a significant departure from his past refusal to cooperate directly with the US in any way on the sanctuary problem. It is not clear whether Sihanouk will carry through, however, and the joint communique did not include this provision.

28. It seems reasonably clear that Sihanouk views the Phnom Penh talks as more than a short-term answer to a pressing problem. His gentle, if
not subtle, efforts to get a satisfactory border declaration from the US in return for the re-establishment of diplomatic relations may not only reflect a desire to sign up the only important power which has not yet declared on the border, but also a genuine effort to explore the possibility of improving relations with the US.

29. Although Sihanouk apparently has not changed his estimate that the Communists will ultimately prevail in South Vietnam, this does not obscure the short-term advantages to him of an opening to the West. His disparaging references to Hanoi and Peking over the past week indicate once again that he draws little comfort from their "support" in meeting Cambodia's principal objective of keeping the war from its territory.