25X1



CENTRAL INTELLIGENCE AGENCY





THE SITUATION IN VIETNAM

Information as of 1600 19 August 1966

State Dept. review completed

PREPARED FOR THE NATIONAL SECURITY COUNCIL FURTHER DISSEMINATION OF INFORMATION CONTAINED HEREIN IS **NOT** AUTHORIZED

19 August 1966

HIGHLIGHTS

Communist terrorist activity continues in South Vietnam. Yesterday four Americans were killed and five wounded in three separate incidents in the Saigon suburbs. North Vietnam has dispatched an economic delegation headed by a deputy premier to Peking to seek further aid.

- I. The Military Situation in South Vietnam: Australian troops report a heavy engagement with the Viet Cong in Phuoc Tuy Province (Para. 1). Four Americans were killed and five wounded by three separate attacks in the Saigon suburbs yesterday (Para. 2). A South Vietnamese Regional Force company was ambushed in Thua Thien Province yesterday (Para. 3). Nearly 5,000 South Vietnamese refugees reported homeless following the burning of three villages in Quang Ngai Province this week (Para. 5).
- II. Political Developments in South Vietnam: Father Hoang Quyanh lines his organization up with the Buddhist Institute in opposing the ll September elections (Para.l). Thich Tri Quang decides not to accept invitation to visit Japan (Para. 2). Binh Thuan Province Viet Cong plans to oppose elections (Para. 3).
- III. North Vietnamese Military Developments: There is nothing of significance to report.
- IV. Other Communist Military Developments: There is nothing of significance to report.

- V. Communist Political Developments: A commentary in the Liberation press claims that the Communists ought to work harder to bring the Hue and Da Nang "struggle groups" under their control (Paras. 1-3). The Polish Foreign Ministry has again asserted that Hanoi might be willing to modify some of its terms for a settlement of the war if the US stops bombing (Paras. 4-5). North Vietnam has dispatched an economic delegation to Communist China (Para. 6).
- VI. Other Major Aspects: Non-Communist Asian reaction has been cool to an 8 August Thai-Malaysian-Philippine note calling for an appeal for negotiations to end the Vietnam war (Paras. 1-3). Sihanouk is apparently taking a somewhat softer line on US-Cambodian relations (Paras. 4-5). Sihanouk indicates that a border agreement with the Viet Cong has not yet been concluded (Para. 6).

Approved For Release 2007/03/08 : CIA-RDP79T00826A001100010037-3



I. THE MILITARY SITUATION IN SOUTH VIETNAM

- Elements of the 6th Battalion of the Royal Australian Regiment contacted an estimated battalionsize Communist force near Ba Ria in coastal Phuoc Tuy Province today. The engagement began when a normal company-size patrol checking a rubber plantation ran into a Viet Cong force and was surrounded. Allied artillery hit the area with almost 3,000 shells while US aircraft dropped 35 tons of explosives and napalm. Heavy Australian reinforcements arrived in armored personnel carriers, coming from the rear in heavy rain and surprising the enemy. In the heavy fighting that followed, 17 Australians were killed and 26 wounded. Official casualty figures indicate 138 Viet Cong were killed. Unofficial estimates indicate, however, that more than 215 Communists may have been killed. A follow-up operation is in progress.
- 2. Three separate attacks on US vehicles took place yesterday in the northeast sections of Saigon resulting in four Americans killed. One attack on a US jeep wounded two Americans; another attack on four vehicles resulted in two Americans killed and three wounded; and the third was against a bulldozer and killed two Americans.
- 3. A South Vietnamese Regional Force company was ambushed by an estimated two-company enemy force about 18 miles southwest of Hue in Thua Thien Province yesterday. Friendly casualties were 28 killed, two wounded, and three missing. Viet Conglosses were not reported.
- 4. A tactical air strike was conducted against an estimated battalion-size Communist force in an area about 20 miles southeast of Quang Ngai on 19 August. A US airborne observer reported 75 Viet Congwere killed in the attack.

5. Three South Vietnamese villages were attacked and burned by Viet Cong guerrillas on 17-18 August in northern Quang Ngai Province. Nearly 5,000 South Vietnamese refugees were made homeless by the attacks. There were no reports of any casualties to the civilians in any of the attacks.

II. POLITICAL DEVELOPMENTS IN SOUTH VIETNAM

1. Father Hoang Quyanh, leader of the non-Communist "Front of All Religions," has told the press that his organization was taking a position similar to that of the Buddhist Institute communique of 16 August which outlined their opposition to the elections. Defying the government to contest his organization's stand, Father Quyanh was quoted as saying, "We will not go to the polls, but if we do not prevent others from voting, if we do not organize public demonstrations, how could the government outlaw us?" There has been no indication that the government has been considering "outlawing" Father Quyanh's front, although there reportedly have been recent press rumors in Saigon that sanctions might be taken against groups of individuals opposing the elections. Father Quyanh, according to the press, has decided to accept Ky's reported offer to debate with anyone who opposed the elections.

Thich Tri Quang

Tri Quang has turned down an invitation to visit Japan. Although he cited weakness from his hunger strike as the reason, it is more likely that he is remaining in Vietnam because he still feels capable of directing a major portion of Buddhist affairs through the militants who are now making most of the Buddhist Institute decisions. Tri Quang probably also fears that if he departs South Vietnam, he will find it extremely difficult to return. The original plan for the visit to Japan had the approval of both governments. Premier Ky saw the trip as a "good solution" to the Tri Quang problem.

Election Notes

3. More reports have been received relating to plans of the Viet Cong to sabotage the 11 September elections. One of the latest concerns the

19 August 1966

<u> I-l</u>

25X1

25X1

Approved For Release 2007/03/08 : CIA-RDP79T00826A001100010037-3

Apprdved For Release 2007/03/08: CIA-RDP79T00826A001100010037-3

plans of a Viet Cong district committee in Binh Thuan Province. Included in the plan are attacks on military bases to be conducted by Communist municipal troops of Phan Thiet combined with main force units, as well as attacks against GVN administrative offices by sapper teams. Government officials are to be kidnaped or assassinated and polls destroyed. More passive activities to sabotage the election include the confiscation of voter identification cards and propaganda and harassing efforts to be directed against the electorate.

25X1

Approved For Release 2007/03/08: CIA-RDP79T00826A001100010037-3

III. NORTH VIETNAMESE MILITARY DEVELOPMENTS

1. There is nothing of significance to report.

19 August 1966

III-l

Approved For Release 2007/03/08 : CIA-RDP79T00826A001100010037-3

IV. OTHER COMMUNIST MILITARY DEVELOPMENTS

1. There is nothing of significance to report.

V. COMMUNIST POLITICAL DEVELOPMENTS

- The Vietnamese Communist leadership appears to have made an extensive analysis of last spring's Buddhist-inspired "struggle" movement and concluded that it could become an effective force in both weakening the Ky government and straining Saigon-US relations if the movement were to come under control of the Communists. In a long commentary broadcast over Liberation Radio on 2 and 3 August, Hong Dieu--a pseudonym for an unknown Communist author-recommended that the Liberation Front begin a new program of utilization and cooperation with such politically signficant groups, arguing that last spring's unrest was unlike previous antigovernment movements in the South because it represented -- in Communist jargon--a "national revolutionary movement of the masses."
- 2. The author concluded that the Communists should openly proselytize among the groups participating in this movement and any other politically oriented urban group capable of creating dissident unrest of this kind--labor unions and religious student groups in particular. Although admitting that such groups are still small and relatively ineffective, he maintained that they are a good beginning--a nucleus of political agitation which the Front must work with and develop even further.
- 3. This appraisal of last spring's Buddhist-led "struggle" movement in Hue and Da Nang provides a significant contrast with what appeared to be a lack of Communist enthusiasm at the time. Throughout the three months of unrest, the Front seemed to adopt a very cautious role. It invited those involved to join with the Front and issued traditional propaganda promises of aid and comfort to anyone involved in this movement, but carefully avoided open participation in the demonstrations and took no credit for them. The Front did not inaugurate any military or political initiative which could significantly have assisted the "struggle" forces.

19 August 1966

V-1

25X1

25X1

25X1

25X1

Warsaw on Negotiations

- 4. The Polish Foreign Ministry has once again indicated to the US ambassador in Warsaw that, if the US stops bombing North Vietnam, Hanoi might be interested in some modification of its insistence that the Liberation Front be the sole representative of the South Vietnamese people. Michalowski of the Polish Foreign Ministry expressed his opinion that Hanoi would not insist that the Front be the only representative of South Vietnam at any conference nor would it demand that only the Front program could be discussed.
- 5. There is no evidence that the Poles were authorized by Hanoi to convey these impressions to the US. In the past, the Poles have not proved reliable interpreters of Hanoi's intentions.

25X1

25X1

North Vietnamese Economic Mission

6. DRV Deputy Premier Le Thanh Nghi is off again to China to negotiate economic aid. Nghi spent two months last summer and another two months last winter touring bloc countries and negotiating aid agreements. He may go on to other bloc capitals on his current trek.

19 August 1966

V-1

VI. OTHER MAJOR ASPECTS

- 1. Non-Communist Asian reaction has been cool to an 8 August Thai-Malaysian-Philippine note calling for an appeal to the countries involved to negotiate an end to the Vietnam war.
- 2. Although only Afghanistan has officially turned down the note, a significant number of non-Communist nations, including India, Ceylon, Pakistan, and Indonesia have privately expressed misgivings about the proposal. These have largely centered on the negative reaction already expressed by Peking and Hanoi, but some Asian officials have also expressed doubt about the credibility of a peace effort initiated by Thai Foreign Minister Thanat, a long-standing exponent of US policy in South Vietnam.
- 3. One bright note has been Japan's affirmative response. Tokyo has also indicated that it will urge favorable replies in New Delhi, Colombo, and Djakarta. It seems doubtful, however, that Thanat will receive favorable replies from half of the 17 Asian nations to which the 8 August note was sent. Thanat had earlier expressed the intention of organizing an Asian conference to air views on the war if he got enough support.

US-Cambodian Relations

4. Sihanouk is apparently taking a somewhat softer line on his relations with the US. According to press reports, he emphasized in 18 and 19 August statements that Governor Harriman's visit to Cambodia had been "postponed" rather than "canceled." Sihanouk claimed the visit was postponed because he feared that there would be other border incidents during Harriman's stay which would "sabotage entirely" the prospect for reconciliation between Washington and Phnom Penh.

5. Sihanouk continued, however, to take a pessimistic view of improved relations with the US. He reiterated that the US would have to recognize Cambodia's version of its border with South Vietnam before diplomatic relations could be re-established, and observed that a more lasting improvement in relations would probably not be possible until the Vietnam war ended.

Cambodian - Viet Cong Talks

6. Sihanouk also restated that Cambodia was prepared to "draw up" a border accord with the Viet Cong, despite threats from Saigon. He said that such an accord will "probably" be signed in Phnom Penh before the end of the year. Sihanouk had stated earlier this year that a border agreement with the Viet Cong would be signed in August, and there have been some indications that negotiations were held in Phnom Penh in recent weeks. Sihanouk's careful statements suggest that certain unspecified differences with the Vietnamese Communists have not been resolved yet, and that he is still wary of possible repercussions which could stem from concluding a border agreement with the Viet Cong.

*TOP SECRET*Approved For Nerease 2007/03/08 : CIA-RDP79T00826%€01100010037-3