

4 December 1974

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MEMORANDUM FOR:

SUBJECT: Performance of National Intelligence Production  
for Southeast Asia, November 1974

1. The following is my assessment of the performance of the intelligence production community in answering the needs of national consumers. It is based upon a review of the following products:

- National Intelligence Daily (NID)
- National Intelligence Bulletin (NIB)
- Defense Intelligence Notice (DIN)
- CIA's Staff Notes: Developments in Indochina (DIC)
- CIA's Staff Notes: East Asia (EA)
- Joint Survey Communist Developments in Indochina (JSCDI)
- Interagency Intelligence Memoranda (IIM)
- CIA Intelligence Memoranda (IM)
- CIA's Economic Intelligence Weekly (EIW)
- National Intelligence Estimates (NIE)

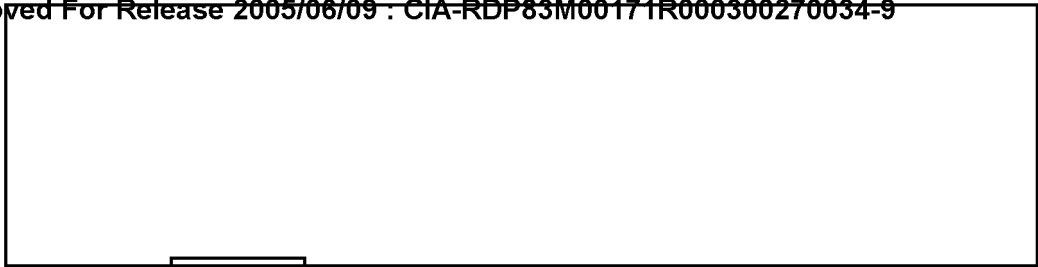
2. My comments will focus upon national intelligence production during the month of November 1974; however, both past and projected production will be addressed where appropriate.

3. The Key Intelligence Questions

a. There are two KIQs that are directly related to this area:

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4. Concerning [redacted] which expresses our concern over the internal stability of Indochina [redacted] several important contributions were made during the month of November:

a. South Vietnam.

(1) CIA's Intelligence Memorandum, "Political Discontent in South Vietnam" dated 18 November 1974. This memorandum was prepared in response to a request by Mr. Abramowitz ASD/ISA. While prepared by CIA, it was produced under the aegis of the NIO.

(2) The request for this study was stimulated by increased upset and disorder in South Vietnam during the month of October. Conventional wisdom held that while there was an increased expression of overt discontent in South Vietnam, the Thieu administration could handle the problem. At least one national consumer, in this case ASD/ISA, implicitly questioned the validity of the consensus view by asking CIA for a new look at the problem.

(3) As a result of the ISA request, the 18 November 1974 memorandum was produced. It reviewed the strengths and weaknesses of both the Buddhist and Catholic anti-government elements, as well as the impact of both world-wide economic problems and internal GVN corruption upon the stability of Thieu's regime. The memorandum concluded that on the short term, i.e. the next few months, considering "Thieu's firm control of the levers of

power and the present lack of unity and commitment of the opposition side, the government should continue to be able to contain such political pressures."

25X1 (4) This memorandum makes a substantial contribution to FY 75's  However, additional information would have been helpful. There are four general groupings of dissidents who could act against the internal stability of the South Vietnamese government. These are: (a) the Buddhists, (b) the Catholics, (c) the veterans, students and labor and (d) what may be termed the anti-Thieu Saigon elite. This memorandum does a good job analyzing the first two groups but gives short shrift to the latter two. The NIO should elicit specific products from the field evaluating these latter two groups.

(5) Another point worth making as it relates to this memorandum, is the importance of consumers stimulating the national production system. Given the other pressures on the production community, this memorandum would not have been prepared as a discrete product unless it had been specifically requested. Because it was so requested, a thoughtful piece was produced which advanced the sum of the community's knowledge. In brief, it takes the constant interaction of consumers with producers to get the most out of the production system.

(6) Also of interest was the "spin-off" from this memorandum. Two days after its initial publication, a resumé of the findings of this memorandum was published as a major feature story in the 20 November 1974 NID.

(7) The NID, NIB, DIN Contribution to [ ] During 25X1  
November 1974 - South Vietnam. These publications added little  
to the answering of the [ ] 25X1  
However, this was a result of  
the way events unfolded rather than any omission on the part  
of the production community. It so happened that the critical  
period occurred in late October when Thieu ousted three of his  
four military region commanders and three of his cabinet ministers.  
These actions, in conjunction with Thieu's restrained use of  
force, apparently defused the October disorders. After Saigon  
remained calm over the National Day weekend (2-3 November) Saigon  
was quiet with little or nothing to report. The NID, NIB, and  
DIN covered the facts and analyzed the meaning of the calm which  
prevailed over that weekend. As there was nothing more to re-  
port after 4 November, nothing more was produced.

b. NID, NIB, DIN Contribution to [ ] During November 1974 - 25X1  
Cambodia.

(1) When the problem of non-Communist elements maintaining  
internal stability in Cambodia is considered the critical sub-  
questions are these:

- (a) the impact of Communist military initiatives?
- (b) the likelihood of a coup against Lon Nol?
- (c) how will the UN vote go?
- (d) how is the economy faring?
- (e) can the GKR live within its present levels of  
US military aid?

(2) The impact of Communist military initiatives?

(a) In November the first sub-question seems to have been a non-problem. During the month no articles on military operations in Cambodia appeared in the NID, and only one in the NIB (8 November). This absence of military coverage reflects in part the low intensity of fighting in Cambodia during November. However, the lack of any articles on the subject probably reflects a lack of production management attention to the issue, i.e. the absence of something significant to report might in itself be significant; How does November '74 compare with November '73, etc.?

(b) It should be noted that a weekly DIN article did appear in response to the first sub-question. They wrapped up the military events of the week but provided little analysis of the meaning of events or hazarded prognostications for the future.

(c) All of this may tell us something about our military intelligence production system and that is, we seldom report unless our system is stimulated by Communist initiatives (either overt actions or information concerning their future plans). It may well be that we are not looking carefully enough at what the FANK is doing.

(3) The likelihood of a coup against Lon Nol?

(a) Fewer things could happen better calculated to damage US interests and unglue the internal stability of Cambodia than a coup against Lon Nol. The possibility of this happening is apparently not great at this time. However, the odds of a coup increased when Lon Non, Lon Nol's

younger brother, returned to Cambodia in September.

(b) No articles on this subject (either coups in general, or Lon Non's interest in a coup specifically) have appeared in the NIB/NID since 3 October. The best reporting on this subject came from DIA sources (DIN #553-74 of 8 November and DIN #631-74 of 15 November). While political intelligence is not the principal interest of that agency, the fact that DIA's coup-related products provided our best coverage may be due to the fact the DATTs have the best access to Lon Non himself. This is by way of noting that we should not be too rigid in determining what agency should have the lead on a given subject.

(4) How will the UN vote go?

(a) As viewed from Phnom Penh, the GKR's loss of its UN seat would be crucial to the internal stability of Cambodia. From 1 to 23 November, no articles appeared in either the NID or the NIB on how this vote would go. The only related item was a NID piece appearing on 19 November which addressed the question of when the issue would appear on the UNGA calendar. There were several DIA articles (DINs) on this subject during October and November but none were used by the NIB or NID.

(b) It would seem that this subject was worth closer attention than the level of coverage provided. As the Department of State has the lead in attempting to influence the outcome of this vote, INR should have been encouraged to provide at least a bi-weekly item on the likely balance

of voting.

(5) How is Cambodia's Economy Faring?

(a) With the exception of Chile, no country in the world experienced a higher level of inflation in 1973 than did Cambodia. Early 1974 made it look as if Cambodia was ready to challenge Chile's number one position. With the exception of an article in the NIB and NID on 3 October (same article in both publications) in which the economy issue was addressed only peripherally, there has been no coverage in national products on the Cambodian economy during the past two months. It is my understanding that an OER/CIA product on this subject will be produced in December. However, the NIO might do well to insure that OER's list of subscribers for this product coincides with that of the NIO. Also, running the highlights of this product in the NID would be worthwhile.

(6) Can the GKR live within its present levels of US military aid? There have been a number of voices which have concluded that the FANK will not exercise the discipline necessary to live within US aid ceilings. This subject, critical to the issue of GKR's stability, has not been addressed in any national intelligence product during the past two months. The most likely reason for this being the case, is that this subject often is not considered as an intelligence subject due to the years in which the FANK activities were covered by US operational and logistic staff personnel. While this is no longer the case, the absence of re-

porting on this subject has been noted.

c. The NID, NIB, DIN Contribution [redacted] During November 1974 - Laos.

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(1) These publications have not provided any products which directly respond to the question of the ability of non-Communist elements to maintain internal stability in Laos.

(2) Three subjects commanded the attention of these publications during November, and were addressed primarily in a reportorial rather than analytical manner. These were: (a) Souvanna Phouma's return to Laos following his convalescence in France; (b) the status of Chinese road building efforts in Laos; and (c) the results of the recent Lao-Thai talks at Vientiane. Of these three topics, [redacted]

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[redacted] However, the treatment of this subject did not probe this issue very deeply.

(3) In summary, little has been said about Laos during the past two months. This is due to two facts: (a) Laos is on our national back burner, and (b) internal Laotian affairs recently have been in a state of uneasy equilibrium. Regardless, it seems to me that the community should provide a status report on the overall Laotian situation at least once every two months. This has not been the case during October and November.

d. The NID, NIB, DIN, Contribution [redacted] During November 1974 - Thailand.

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(1) As was the case in Laos, Thailand has had only limited coverage in these publications during the month of November (four articles appeared in the NID, and one in the NIB).



(2) However, unlike Laos, an excellent summary article was provided which addressed the question of Thailand's internal stability. Published in the NID on 4 November as a feature article, it provided the consumer with a review of the key events of the past year and their significance. It also considered various directions in which Thailand's "experiment in democracy" might go in the coming year.

(3) Unfortunately, this NID article was not used by the NIB --- likely because the NIB normally steers clear of longer term more estimative pieces. However, with the NID readership being so limited, the effect was to restrict the readership for this excellent analytical piece.

(4) In summary, November was a quiet month in Thailand and the number of products which were produced reflected this. However, the single feature article provided national consumers with sufficient analysis so that they were kept abreast of the situation.

25X1 5. Concerning [ ] which considers Communist intentions and capabilities in Indo-China and Thailand, there were several important contributions in response to this question. Most notably, these related to North Vietnam's intentions vis-a-vis South Vietnam.

a. South Vietnam.

(1) The major contribution to answering [ ] as it relates to South Vietnam, [ ] This report which was published on 22 November, purported to provide a summary of COSVN's intentions for the coming year. It was provided to

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[REDACTED]

(2) This report, if correct, is a major breakthrough. It gives the national consumer a fairly clear line as to Hanoi's strategy for 1975 -- which is to increase the intensity of fighting in South Vietnam in 1975 to a level which will further weaken the RVNAF but below a level which would risk US military involvement. In short, it is a gradualist strategy.

(3) However, this contribution to [REDACTED] was watered down by a follow-up report published in both the NID and NIB one week later (29 November). This analysis noted variances in other intelligence reports concerning the timing and intensity of the fighting proposed by COSVN. It raised the question whether the COSVN resolution represented a generalized expression of "goals" which were unlikely to be fulfilled or whether it represented realistic objectives. The effect of these 29 November articles was to muddy the waters and diminish the impact of the 22 November report. It left the reader with the impression, perhaps incorrectly, that the 22 November report had overstated the case. The net result was to confuse rather than clarify the issue for the consumer.

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(4) The second area of production concentration related to KIQ 40 concerned reporting on Hanoi's personnel and materiel infiltration programs. By detecting the level of the Communists' effort in this regard, it is hoped that North Vietnam's intentions in South Vietnam during 1975 can be divined.

(5) During November, several reports (DIN #664-74 of 19

November and DIN #742-74) indicated both an unusually high level of materiel flow and movement of supplies by unusual methods (700 vehicle convoy moving directly from Hanoi to South Vietnam). In other publications there was reported a sharp increase in personnel flow toward South Vietnam, an additional NVN division had been accepted as operational (DIN #693-74), a division in North Vietnam was noted in a communications change, and a major article was published concerning



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(6) Together, these reports were enough to make a national consumer uneasy. However, national intelligence products in November did not hazard an attempt to examine these indicators together for the purpose of either lowering or raising the danger flag a notch.

(7) Admittedly, it is early in the '74-'75 dry season to make a definitive appraisal of the intelligence community's response to [redacted] as it applies to South Vietnam. Indeed, the definitive response to [redacted] (NIE 53/14.3-2-74 Short Term Prospects for Vietnam) is currently in draft and is scheduled to be published by the end of December.

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(8) On balance, the intelligence community has done an effective job of coming to grips with [redacted] as of 1 December. However, its performance would be improved by assaying at least an interim appraisal of the significance of present levels of flow of personnel and materiel.

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b. Cambodia

(1) Turning to Cambodia, little was added to the sum of our knowledge of Communist intentions [ ] by November's national products. 25X1

(2) No articles were published in the NID and only one in the NIB which addressed the current or future military situation in Cambodia. Four military situation reports were produced in the DIN but these articles restricted themselves almost exclusively to the history of the previous week's military events.

(3) In part, the paucity of military analysis reflected the low level of military operations during the month. However, it was also a reflection of concentration on the UN vote issue.

(4) Regardless of these facts, in a country actively at war and in which US interests remain substantial, at least once a month the national consumer should receive an analysis of events and a short term projection for the future.

c. Laos.

(1) In the case of Laos, it is difficult any longer to separate [ ] (Communist intentions in Laos) [ ] (internal stability of Laos). With the cessation of active military hostilities the struggle has become primarily a political battle for control of the joint government. Thus, both KIQs now come together under [ ] It will remain so unless we see some sign that there will be a renewed resort to overt military operations. 25X1

d. Thailand.

(1) In Thailand [ ] a subject that is on the back burner. The present level of Communist activity in that country is low and the Communist strategy is apparently long term rather than one discernible within the life of the present KIQ. However, in the draft of [ ]

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[ ] it was called to the NIO's attention that the subject [ ] was not even addressed. It is hoped that this omission will be rectified.

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