Following are assessments of progress by CTZ in response to your referenced message.

**III CTZ**

Two years ago the enemy's vast fortified base system was intact; little was known about it except the general location of major base areas. The supporting administrative and logistic structure was well manned and organized. The communications-liaison system was responsive and effective. Local guerrillas were readily supplied by captured US. As well as communist bloc weapons; they were aggressive and cocky. The infrastructure, forming the hard core of communist insurgency was intact, seasoned by long experience and dedicated to the cause. VC main forces were extending their base areas toward Saigon while, within the capital, military and political pressure was
stepped up. Major lines of communication were seriously disrupted. From Saigon National Highway 13 was open only a few miles north of the city to Phu Cuong; to the east, National Highways 15 and 1 were interdicted at several locations; and dirt mounds and mine explosions were reported daily on Public Road 4 connecting Saigon with the Delta. The VC strategy was clear: Isolate and strangle Saigon; force the collapse of the GVN; destroy the morale of GVN supporters and the anti-communists; then take over the capital city itself with a government structure which was already waiting in the wings.

Today the military situation in the III CTZ is characterized by:

a. An enemy who is on the run, fighting only defensively.

b. An enemy suffering heavy losses.

(1) The average monthly losses killed, captured and defecting has increased from 900 in 1966 to over 2000 in 1967.

(2) Almost 20,000 VC have been killed in the past two years.

(3) Over 3,000 prisoners of war have been taken since January 1966.

(4) His losses from the Chieu Hoi program are now averaging almost 800 a month, a 250 per cent increase over last year.

(5) Weapon losses in 1967, now averaging 600 per month, have increased almost 130 per cent over 1966.
c. An enemy being denied his traditional places of refuge:

(1) Over 700 square kilometers, or approximately 25 per cent of the total enemy base areas within III CTZ, are now considered neutralized.

(2) Of the base areas within the national priority area, 60 per cent have been neutralized in the past year.

(3) His cover and concealment are gradually being denied him; over 60,000 acres of jungle have now been cleared and about 4,000 square kilometers of jungle defoliated.

d. An enemy with a declining state of morale and discipline:

(1) More and more reports from PW and Hoi Chanhs reflect disenchantment with the VC cause and disillusionment over the consistent heavy losses and unrelenting allied pressures.

(2) A year ago seldom were the VC known to leave their dead unburied. Today, we find increasing evidence of this break-down in discipline.

(3) The high Hoi Chanh rate also reflects a laxness in discipline and a break-down in control.

e. An allied force in complete control of the situation and growing capability to strike the enemy wherever and whenever he can be found:
(1) Total allied combat power in the III CTZ has more than doubled since 1965.

(2) Intelligence on the enemy's movements is improving.

(3) In the past year and a half, almost 1,500 kilometers of roads have been built or upgraded to carry heavy military loads, facilitating our deployment of mechanized forces to previously remote areas of the corps zone.

(4) Fourteen C-130 capable airfields have been built or upgraded during the same period. These give us the capability for rapid massive projections of combat power and fixed wing resupply.

One of the most heartening recent developments is the emergence of an effective Vietnamese ground force. Two years ago, the fledgling ARVN was finding victory hard to come by. It had been beaten badly time and time again. Morale was seriously weakened, units remained in their out-posts, seldom venturing forth in search of the VC. Their brothers in arms, the RF and PF, were demoralized and incapable of providing real security for the people. For almost a year and a half, the ARVN essentially withdrew from offensive action into a defensive posture of inaction. Now the picture has changed considerably.

a. Over 50 ARVN commanders and staff officers have been replaced in 1967 in recognition of the need for steady improvement in the quality of leadership at all levels.
b. Operations of US forces and combined operations with Free World forces have strengthened the confidence of the RVNAF.

c. Operations have become more meaningful, oriented more and more on the enemy. Aggressive night operations have increased and are producing results.

d. Recent operations reflect greater aggressiveness and tactical skill:

   (1) The battle of Soui Long, launched without warning to exploit hard intelligence, where the ARVN, though "outgunned" by two confirmed battalions of the 275th VC Regiment, tenaciously stayed in contact and had to be pried loose in order to deliver massive air strikes and artillery fire on the enemy.

   (2) The battle of Tan Hung in Binh Long Province where 140 men of the 2d Bn, 9th ARVN Regt routed an attacking force of the 1st and 2d Battalion, 141st NVA Regiment.

   (3) The performance of the 3d and 4th Marine Battalions early this month in operation Coronado II. The aggressive and gallant action of these units all but destroyed the 263d VC main force battalion and the elements of the 514th Local Force Bn were badly mauled.

   (4) The determined and successful CIDG defense of Tong Le Chon Special Forces Camp on 7 August against an attack by the 165th NVA Regiment.
(5) The aggressive patrolling of the 53d RF Bn in the capital military district on 19 August prevented what could have been a damaging attack on Tan Son Nhut Air Base.

e. ARVN morale is up. The personal lot of the individual soldier has been improved and he is beginning to gain confidence and a sense of pride as a result of recent victories.

f. ARVN desertion rates have been steadily improving, dropping over 50 per cent from their highs in early 1966.

g. US sponsored programs to improve RF/PF and ARVN effectiveness have been instituted and are proving their worth:

(1) Establishment of intelligence centers at district level to attack VC infrastructure.

(2) A program wherein each US brigade refresher trains one ARVN battalion every eight weeks.

(3) Ten US Mobile Advisory Teams (MATS) were formed to advise RF and PF units. More are planned.

Two years ago, because of the serious VC military threat, the pacification program aimed at winning the hearts and minds of the Vietnamese people was in disarray. The economy was being strangled by the severed communication system. VC taxation drained the limited resources. Fear inhibited the merchants in villages and cities from
conducting free commerce. Retail prices soared. The piaster had to be devalued. This chaotic economic environment encouraged speculation, hoarding, black marketing, and corruption. Many GVN officials, their confidence shaken, and spurred by a feeling of inevitable collapse, joined in the economic exploitation. As the stabilization effect of the US military presence took hold, the climate became favorable for another attack on the pacification front. Today, the people, while still largely apathetic, are slowly changing their attitude since the prospect of a VC victory is now recognized as remote. The average Vietnamese is seeing the benefits of stability under GVN control:

a. Today, only 272,000 people (less than 5 per cent of the total population in III CTZ) are under VC control which is a reduction of over 50 per cent from the 565,000 in 1965.

b. Of the 1,950 kilometers of roads in III CTZ, almost 1,400 kilometers, or 71 per cent have been opened for commercial use, as compared with only 15 per cent in January 1966.

c. As a result of stepped-up allied military operations on the lines of communications, the VC tax collector has been driven off many of the roads and waterways. The Vietnamese farmer is beginning to find it profitable to move the products of his labor to market.
d. In the past year there has been an increase of 65 per cent in the area covered by GVN agriculture services. As a result, food production has been steadily increasing; for example, vegetable production is up 70 per cent.

e. The people can now hope for a better education for their children. Since early 1966, there has been a 43 per cent increase in the number of teachers and a 73 per cent increase in the number of primary school classrooms in the III CTZ.

f. In the public health program, 172,000 patients per month are now being treated compared with only 20,000 eighteen months ago. This does not include over 1-1/2 million innoculations in III CTZ this year alone.

In each of the three areas discussed above -- the overall military situation, the effectiveness of ARVN and the pacification program -- the evidence definitely supports an outlook of optimism. Reinforcing the specifics of this evidence are certain intangibles of progress, that while not measurable, can be sensed, such as:

a. The peasant's growing disenchantment with the VC cause. They have seen none of the VC promises of free land, a better life, security, individual freedom fulfilled; instead the VC offer only a negative program of nondiscriminating terror, harsh taxation and the impressment of their young sons and relatives.
b. The country is coming alive in the political sense. Village and hamlet elections last spring instilled a feeling in the people of being a part of something that could control their destiny. Despite the recent bad propaganda on rigging, the coming elections are stirring the interest of thousands of heretofore apolitical individuals, promoting the concept of identity with their government -- a government of many shortcomings, but nevertheless one that is their own.

c. The atmosphere of security in heavily populated areas, such as Saigon, Bien Hoa and Tay Ninh. Although the risk of terrorist attack is ever present and such incidents may possibly increase prior to the elections, the threat of violence even at night has declined. Fear and dread have largely given way to a sense of purpose, confidence, and overall security.

In summary, progress has been slow but it is clearly there. The enemy wary of our overwhelming military power, has geared himself for the protracted war and is avoiding decisive combat. Nevertheless, with improving intelligence and the tremendous mobility advantage that friendly forces now enjoy, we are wearing him down and reducing his strength slowly but surely.

As the people experience security and freedom from intimidation in increasing degree, and become more aware of the social and
economic benefits of living under GVN control, we can expect positive response in the form of personal commitment to the GVN with a concomitant rejection of the VC. I am optimistic about the future if we stick resolutely with the job.

IV CTZ

Military Assessment:

a. The increased military support provided the Vietnamese since 1965 has given the ARVN Division Commanders a decided edge over their opponents. In 1965 the VC had started to mass into bn sized units and were seeking combat with ARVN bns. Through a series of stunning defeats the VCR by mid-1966 had reverted to maintaining units in smaller formations hoping to limit combat to situations favoring them. Similarly, the RVN effort was realigned to emphasize a larger number of smaller operations designed to find and fix the enemy until reserves could be employed. Our strategy has resulted in a rise in the rate of enemy contact on major operations from 30 per cent in 1966 to almost 50 per cent in 1967.

b. Intelligence estimates indicated that in 1965 the VC were recruiting and sending north to III CTZ some 1000 replacements per month. Currently, the enemy is unable to maintain his forces at full strength in IV CTZ. As examples, the main force bns are running under 80 per cent of authorized strength and local force bns
at about 65 per cent of authorization. VC recruiting problems are further evidenced by the capture of 14 and 15 year old soldiers and a few as young as 12 years old. Overall quality of the VC is decidedly poorer.

c. The RF/PF forces have increased in both quantity and quality over the last two years. Small unit operations, the majority of which are conducted by RF/PF units, have increased from about 35,000 per month in 1966 to over 50,000 per month. The RF/PF are standing up better to Viet Cong attacks and are patrolling and conducting ambushes more effectively and with greater regularity. There has been a 57 per cent drop in RF/PF desertions thus far in 1967 compared to the same period (June-July) in 1966.

d. The introduction of modest US forces into the Delta in early 1967 went smoothly. ARVN and US units have conducted combined operations with ease and success. The 7th ARVN Div recently completed an eight day combined operation with the 9th US Div which was one of the longest sustained ARVN operations conducted in the Delta in the past two years.

e. The security of land and water communication routes continues to improve. National Highway 4 and the main rivers are now regularly traveled during daylight hours by civilian and military traffic (generally in convoy) with only occasional harrassment. All but
two of the roads to province capitals are regularly used by civilian and military traffic under the same conditions. The VC still retain the capability of interrupting the flow of traffic along these routes, but the quick reaction capability and strength of RVNAF forces deny to the enemy the capability of maintaining such a condition. Effort is now shifting from these main arteries to the task of reestablishing the lesser roads and waterways. The key Mang Thit-Nicholai Waterway across Vinh Long Province was opened to commercial traffic this year for the first time since 1964.

f. There are definite indications that the VCR believe they are losing control of the population in IV CTZ. Captured documents indicate that the VC criticize their cadres for not being close to the people, for lack of leadership and for tending to operate independently.

Pacification Assessment:

a. During the past two years the GVN has reorganized village administration and has conducted elections of council members in 374 villages. Control of expenditures has been decentralized from district to village level. The response by voters (83 per cent) in the recent local elections reflects strong support for self-government and a high level of public interest.
b. The RD program has progressed from simple political actions teams into 120 (59 man) teams with a total strength in excess of 7000.

c. Fifteen of the forty ARVN maneuver bns of IV Corps are in full time support of the pacification program, working in eleven campaign areas.

d. Since 1964, approximately 350,000 refugees have been resettled in the Delta, 47,000 of these in their original villages and the rest in other villages or resettlement camps.

e. Elementary, primary, and secondary school enrollments have increased approximately 40 per cent since 1965 with an increase of approximately 62 per cent in the number of classrooms available.

f. Agriculture production is expanding with fertilizers, insecticides and seeds and there is a significant trend toward double cropping in the past two years. Vegetable farming has increased providing a higher income to farmers.

g. The 13,000 man national police force in IV Corps is the weakest program. The traditional military distrust of the police as a political instrument has prevented its necessary development.

h. Public health service facilities have increased significantly since 1965. There now are 16 provincial hospitals (15 in 1965), 87
I CTZ

Since III MAF commenced operations in I CTZ in March 1965, steady progress has been made in the destruction of enemy forces and in denying him the opportunity to mount large scale invasion from his haven north of the DMZ.

a. In this corps area of 10,000 sq. miles, which includes 40 miles of NVN border and 180 miles of Laotian border, US forces
district maternity infirmaries (37 in 1965), 61 village maternity
dispensaries (24 in 1965) and 14 surgical units (10 in 1965). Eighteen
are Free World medical teams and eleven MILPHAP teams are
involved in providing medical services.

i. The Chieu Hoi program continues to accelerate. Returnees
in 1965 numbered 3237, 5377 in 1966 and through July 1967 the rate has
more than doubled with a seven month total of 6863. The highest rate
thus far occurred during the "Tet" season this year with 1462 returnees
in February and 1468 in March.

Summary:
have accounted for 30,491 confirmed enemy killed and 31,067 probable kills against US losses of 3,956. During the past year alone, RVNAF have destroyed 12,840 enemy against a loss of 3,597 of their own forces killed. In addition, ROK Marines have established an enviable record of 2,551 confirmed casualties with a loss of only 235.

c. Within I Corps, twelve VC/NVA base areas have been identified. These are the enemy's logistical, training and operational bases from which he sorties and to which he returns to refurbish. Offensive ground operations have been conducted against all but three of the deepest of these base areas and have succeeded in substantially disrupting the enemy's supply and support capability. Time required
for reconstituting enemy units is being steadily increased by these continuing base area denial operations.

d. Vietnamese Armed Forces in I Corps have shown very encouraging improvement in the past year and are carrying the fight to the enemy with an increased tempo of operations. During the first seven months of 1967, ARVN I Corps units conducted a total of 215 large scale operations of which 37 were combined with US forces. Kill ratios during this period increased to 3.5 to 1 and weapons captured/ weapons lost ratio improved to 1.7 to 1. These successes are a reflection in overall improvement of morale and fighting spirit among the Vietnamese units.

e. With the increase in strength of regional and popular forces in the past two years, mission oriented training has been emphasized to improve combat effectiveness. Since January 1966, the RF/PF kill ratio has averaged 2.5 to 1 and 1.3 to 1 respectively. This is a favorable ratio considering that the majority of their engagements are in close combat.

f. From a modest beginning of two combined action platoons (CAPS) established in August 1965, the program has now grown to 75. These Marine and popular force units are located in the vicinity of RD teams along lines of communications and adjacent to population
centers. These CAPS now contribute to the security of 260,000 civilians. The planned expansion of 114 CAPS in the future will offer security to approximately 400,000 civilians.

g. In the past year, the government conducted constituent assembly, village, and hamlet elections without major incidents, with over 80 per cent of the registered voters in I Corps casting ballots.

h. Unlike the purely military effort, destruction of the VC infrastructure is a slow, deliberate process which by its very nature precludes dramatic results. Since December 1966, 16,870 Vietnamese have been identified with the VC infrastructure, of these 1,197 have been eliminated.

i. Of the nearly 2 1/2 million people in I Corps, 34.9 per cent were under GVN protection and influence in July 1966. This has risen to 51 per cent in 1967 with a corresponding decrease in VC influence.

j. The high tempo of military activity in I Corps has decreased the productive land areas and has caused some rural population shifts to secure urban areas. This has resulted in a temporary reduction of total land under production. However, with efforts directed toward increasing unit productivity, secure area rice yields have increased by approximately 50 per cent. Vegetable production and fishing have also increased by 15 and 20 per cent respectively in 1967.
k. The An Hoa Industrial Complex located in Quang Nam Province is a unique feature of contemporary Vietnam. It is run entirely by Vietnamese and is designed as a developmental project involving intensive use of local resources and local personnel. In brief, the project envisages using local coal reserves as a means of producing fertilizer and generating electric power from a coal-steam process. The energy generated will be used for electrification of an increasingly larger area of Central Vietnam, pumping water for irrigation to permit double-cropping, and using the fertilizer produced to increase crop output. Currently, the project provides direct income for some 10,000 Vietnamese and indirect income for an equal number which is already raising the living standards of the villages of the immediate area.

1. During 1967, programs initiated within I Corps have lead to significant expansion of the RD effort, including the all important security aspects. 120 RD teams are now functioning, and additional teams are in training. Fourteen ARVN battalions and one RF battalion are assigned security missions in direct support of the RD program.

m. The Chieu Hoi (Open Arms) Program is highly encouraging with 1544 ralliers at mid point in 1967 compared to 1653 during all of 1966, and 1143 in 1965.
n. Civic action programs have shown a dramatic increase. During 1966, monthly medical and dental treatments averaged 99,000 and 2,070 respectively compared to current monthly averages of 228,000 and 8,236. Civic action construction projects have likewise continued a steady increase along with assistance in improving production in the food deficient areas.

o. Remarkable progress has been made in opening LOC's throughout I Corps. As of July 1967, commercial and military traffic can traverse the 235 miles of Highway 1 from the DMZ to the II Corps border. In addition, vehicular traffic can move over the 42 miles of Route 9 from Dong Ha to Khe Sanh for the first time in three years. Also the 23 mile link from Da Nang to the industrial complex of An Hoa was opened in 1967 and to date over 2,000 feet of new bridging has been constructed in the Corps zone. Numerous secondary roads are being used daily for the flow of commerce. The impact of these improved lines of communications of overall civil and military activity is inestimable.

p. In short, great progress has been made in I Corps in rooting out the VC infrastructure, holding off the external NVA threat and developing a healthy and secure milieu in which the legitimate government of the country is functioning. However, there is much yet to be done;