SECRET
IMMEDIATE SAIGON
REF: SAIGON 8836 (IN 53763)

1. FOLLOWING PRELIMINARY COMMENTS FOR USE, IF DESIRED, BY
   REPRESENTATIVES FOR MEETING 20 FEBRUARY 1000 HOTEL. REF IS
   MACV STUDY "COST AND IMPACT UPON ENEMY OF TET OFFENSIVE."

2. HEADQUARTERS HAS STRONG RESERVATIONS CONCERNING BOTH THE
   EXPLICIT AND IMPLIED CONCLUSIONS OF REE PIECE. WE BELIEVE SUCH FIRM
   JUDGMENTS ARE PREMATURE. THE FACT IS THAT NEITHER WE NOR
   SAIGON HAVE SUFFICIENT INFORMATION FOR SUCH A DEFINITIVE ASSESSMENT OF
   THE ENEMY MANPOWER SITUATION. MACV J-2 OVER-ALL JUDGMENT RESULTS
   FROM A SERIES OF CONTRIBUTING ESTIMATES AND JUDGMENTS. SOME OF THESE
   ARE SUFFICIENTLY QUESTIONABLE AS TO SERIOUSLY WEAKEN THE CONCLUSIONS.
   SEVERAL ELEMENTS OF CONTRARY EVIDENCE SEEM TO HAVE BEEN LEFT OUT,
   SUCH AS INCREASED VC/NVA CONTROL OF RURAL POPULATION. IN GENERAL,
   WE BELIEVE ENEMY MANPOWER MAY NOT BE AS BLEAK AS INDICATED AND,
NEITHER, TAKE NO PARTICULAR COMFORT IN THE FACT THAT INCREASED NVA MANPOWER MAY BE NEEDED.

3. WE BELIEVE OVER-ALL BASE OF MACV ORDER OF BATTLE AS OF 30 JANUARY 1968 WAS TOO LOW. AS RESULT WE FEEL CASUALTIES SUFFERED SINCE JANUARY 1968 SHOULD NOT ALL BE ASSESSED AGAINST OFFICIAL OB. WE BELIEVE THAT POPULATION THE ENEMY APPEARS TO HAVE PICKED UP IN THE COUNTRYSIDE WILL -- IN LONG TERM -- OFFSET TO SOME UNKNOWN EXTENT LOSSES SUFFERED IN ATTACKS. IN VIEW OF FOREGOING, WE DO NOT SEE THAT ENEMY MUST OF NECESSITY REASSESS LONG-TERM STRATEGY AND REVERT TO GUERRILLA WARFARE.

4. HEADQUARTERS DOES NOT QUARREL WITH WHOLE STUDY, HOWEVER, WE THINK IT PLAUSIBLE THAT ENEMY HAS SUFFERED NET LOSS OF 24,000 SINCE JANUARY (BUT NOTE OUR BELIEF THAT LOSSES SHOULD BE SUBTRACTED FROM MUCH HIGHER BASE THAN OFFICIAL OB). WE ALSO AGREE THAT IT WILL "TAKE TIME" TO REBUILD VC AND NVA UNITS WHICH PARTICIPATED IN THE ATTACK. FINALLY, WE AGREE THAT IN SHORT TERM NVA MAY HAVE TO TAKE BRUNT OF
SUPPLYING TRAINED REPLACEMENTS.

5. OUR BELIEF THAT MACV OB TOO LOW FOUNDED IN PART ON FOLLOWING REASONS: FIRST, LARGE NUMBERS OF SMALL SPECIALIST UNITS (SAPPER, SPECIAL ACTION) WHICH UNDOUBTEDLY PARTICIPATED IN ATTACK WERE ALMOST CERTAINLY ABSENT FROM MF/LF OB. SECOND, CITY UNITS (WHICH ALMOST CERTAINLY INVOLVED IN URBAN OFFENSIVE) ARE BY AND LARGE MISSING FROM OB. THIRD, SOME LARGER UNITS IDENTIFIED IN ATTACK APPARENTLY NOT IN OB. FOURTH, A REVIEW OF RECENT EVIDENCE INDICATES ENEMY MADE LARGESCALE RECRUITMENT DRIVE PRIOR OFFENSIVE. AND FINALLY, CERTAIN CLASSES OF ENEMY MANPOWER (WHO PROBABLY IN ATTACK) NOT IN OB AT ALL -- FOR EXAMPLE, SECRET GUERRILLAS, SECRET SELF DEFENSE, ASSAULT YOUTHS.

6. WE FEEL 49,000 CASUALTIES SUFFERED SINCE 1 JANUARY (I.E., 14,000 FROM 1-28 JAN, 35,000 FROM 29 JAN-16 FEB) SHOULD NOT BE ASSESSED AGAINST CURRENT FORMAL OB. FIRST, PRE-OFFENSIVE CASUALTIES PROBABLY INCLUDED A FAIR NUMBER OF SELF DEFENSE, AND
OTHERS NOT IN OB. SECOND, CASUALTIES SINCE 29 JANUARY PROBABLY INCLUDED MANY SAPPERS, CITY SOLDIERS, "LOW LEVEL FIFTH COLUMNISTS" LIKE SECRET SELF DEFENSE, STUDENTS RECRUITED FOR THE OCCASION, IMPRESSED LABORERS, ETC. FURTHER, IT SHOULD BE NOTED GUERRILLAS PARTICIPATED IN RECENT ATTACKS EITHER AS FILLERS OR AS INDEPENDENT UNITS.

7. REPORTING FROM FIELD STRONGLY SUGGESTS VC HAVE GAINED CONSIDERABLE GROUND, AND MORE IMPORTANT, NOW HAVE ACCESS TO POPULATION IN MANY AREAS OF COUNTRYSIDE PREVIOUSLY DENIED TO THEM (FOR EXAMPLE, BINH DINH, WHERE THEY ARE REPORTED TO HAVE AT LEAST ENTERED MOST HAMLETS WHICH PACIFIED IN 66-67). WE SEE NO REASON WHY, WITH LARGER POPULATION BASE, VC WILL NOT BE ABLE TO CONSIDERABLY INCREASE RECRUITING.

8. WITH PROBABLY AVAILABILITY OF NEW MANPOWER TO REPLACE (OR LARGELY REPLACE) LOSSES, AND EXISTENCE OF LARGER ORGANIZED FORCES TO BEGIN WITH THAN RECOGNIZED IN OB, WE SEE NO REASON WHY VC WILL
NECESSARILY REVERT TO GUERRILLA WARFARE.

9. THE TET OFFENSIVE WILL HAVE IMPORTANT SHORT AND MEDIUM TERM EFFECTS ON VC RECRUITMENT. ALTHOUGH FORCED SLOWLY DOWNWARD IN THE PAST YEAR BY THE COMBINED EFFECT OF A LOWER POPULATION BASE IN VC AREAS DUE TO REFUGEE FLOW TO GVN AREAS AND ALLIED OPERATIONS, RECRUITMENT CAN BE EXPECTED TO SPURT UPWARD IMMEDIATELY AND PROBABLY REMAIN AT A HIGHER LEVEL IN COMING MONTHS.

10. THE VC HAVE GAINED OUT AND OUT CONTROL OF A NUMBER OF AREAS UNTIL RECENT WEEKS UNDER STRONG GVN INFLUENCE OR CONTROL. FROM THESE RURAL VILLAGES AND HAMLETS THE VC ARE NOW ABLE TO CONSCRIPT LARGE NUMBERS OF CIVILIANS IN A SHORT PERIOD OF TIME. SUCH IMPRESSMENT CONSTITUTES AN IMMEDIATELY AVAILABLE SOURCE OF REPLACEMENT PERSONNEL. REPORTS HAVE ALREADY BEEN RECEIVED FROM SEVERAL PROVINCES DETAILING MASS IMPRESSMENT OF CIVILIANS FOR MILITARY AND LABOR DUTY.

11. EVIDENCE GAINED FROM A RECENT FIELD STUDY INDICATES THAT
RECRUITMENT IN A SPECIFIC AREA IS DIRECTLY RELATED TO VC INFLUENCE IN THAT AREA. STATED DIFFERENTLY, IN AREAS OF STRONG VC INFLUENCE, THE COMMUNISTS ARE ABLE TO MOBILIZE SIGNIFICANTLY GREATER SHARES OF THE AVAILABLE POPULATION. THE TET OFFENSIVE HAS ENABLED THE VC/NVA FORCES TO EXTEND THEIR INFLUENCE AND PRESENCE INTO BOTH RURAL AND URBAN AREAS WHICH UNTIL RECENT MONTHS WERE FIRMLY UNDER GVN CONTROL. IN MANY INSTANCES, THIS GROWTH IN INFLUENCE HAS TAKEN THE FORM OF A LOSS IN CONFIDENCE IN ARVN PROTECTIVE ABILITIES AND INCREASED RESPECT FOR VC/NVA POWER.

12. THIS NEW-FOUND INFLUENCE SHOULD ENABLE COVERT AND OVERT VC MILITARY AND CIVILIAN RECRUITERS TO GREATLY INCREASE THE POPULATION BASE FROM WHICH THEY ARE ABLE TO DRAW NEW SOLDIERS AND LABORERS. ALTHOUGH IT IS IMPOSSIBLE TO ATTEMPT TO QUANTIFY THE POSSIBLE NUMBERS OF RECRUITS WHICH WILL BE GAINED FROM THESE AREAS IN THE COMING MONTHS, IT IS LIKELY THEY WILL IN LARGE MEASURE OFFSET VC LOSSES SUSTAINED DURING THE TET OFFENSIVE.
13. VC/NVA MANPOWER REPLACEMENT RESOURCES MAY NOT HAVE BEEN PUSHED ANYWHERE NEAR THE LIMITS OF THEIR ULTIMATE CAPABILITIES IN THE TET OFFENSIVE. VC/NVA MILITARY FORCES RECEIVE MANPOWER TO REPLACE LOSSES AND EXPAND THEIR NUMBERS FROM TWO SOURCES: INFILTRATION FROM NORTH VIETNAM AND RECRUITMENT OF CIVILIANS AND GVN DESERTERS IN SOUTH VIETNAM. MACV ESTIMATES THAT THESE TWO FORCES ARE FURNISHING A GROSS MANPOWER INPUT OF 9,500 TO 11,000 PER MONTH. THERE IS THE POSSIBILITY, HOWEVER, THAT THE COMMUNISTS COULD SHARPLY INCREASE THIS INPUT IF SERIOUSLY PRESSED TO REPLACE HEAVIER LOSSES AND EVEN EXPAND THE CURRENT SIZE OF THEIR FORCES. OUR ASSESSMENT OF NVN MANPOWER POSITION IS AVAILABLE IN SAIGON.

14. OUR ASSESSMENT OF THE SITUATION IS THAT THE ENEMY, WHO WAS STRONGER THAN WE ACKNOWLEDGED PRIOR TO THE OFFENSIVE, MAY HAVE SOME SHORT-TERM PROBLEMS BECAUSE A RELATIVELY HIGH PROPORTION OF HIS BETTER SOLDIERS WERE AMONG THE CASUALTIES, BUT THAT IN THE LONG RUN (BARRING MAJOR SETBACKS FOR HIM IN THE COUNTRYSIDE) HE HAS
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CAPABILITY TO CONTINUE MAIN FORCE WARFARE. MUCH DEPENDS ON GVN ABILITY TO REESTABLISH INFLUENCE IN COUNTRYSIDE.

15. ON SPECIFIC METHODOLOGICAL POINTS, THINKING HERE IS THAT DIED OF WOUNDS IS CLOSER TO CONVENTIONAL 35 PERCENT OF KIA THAN MACV'S SUGGESTED 17.5 PERCENT. THERE IS AMPLE EVIDENCE OF LARGE NUMBERS ENEMY FORCES FLEEING URBAN AREAS. TO EXTENT 35 PERCENT IS CLOSER TO REAL SITUATION THEN ESTIMATES OF VC/NVA LOSSES ARE HARDER TO SWALLOW AND EVEN MORE DIFFICULT TO RATIONALIZE.

16. IN CONCLUSION, WE FEEL WE WOULD DO WELL TO CONSIDER FOLLOWING STEPS. FIRST, REVIEW MAIN FORCE/LOCAL FORCE OB FOR GAPS (I.E., SMALL SAPPERS, CITY UNITS, ETC.). SECOND, RETURN THE SELF DEFENSE FORCES, AND SECRET SELF DEFENSE FORCES TO THE OB. THIRD, INCLUDE IN THE OB CERTAIN TYPES OF FORCES WHICH HAVE HITHERTO BEEN OMITTED (E.G., ASSAULT YOUTHS). FOURTH, MAKE AS ACCURATE AN ASSESSMENT AS POSSIBLE AS SOON AS POSSIBLE OF CHANGES IN POPULATION CONTROL STATISTICS. BASICALLY, WE FEEL THE WHOLE MAN-
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POWER QUESTION -- BOTH MILITARY AND CIVILIAN -- SHOULD BE REOPENED TOP TO BOTTOM WITH AN EYE TO ASSESSING REALISTICALLY ENEMY'S OVER-ALL CAPABILITIES. FINALLY IT SEEMS ILL ADVISED IN VIEW OF ALL FACTORS TO ATTEMPT TO CAST IN CONCRETE ANY FINITE ASSESSMENT OF THE VC/NVA MANPOWER DRAIN DURING RECENT WEEKS AND ITS IMPACT ON ENEMY CAPABILITIES.

END OF MESSAGE.

OCI  Dean Moor (in draft)

OER  Paul Walsh (in draft)

DDI  [s] Karl Wagner

C/VNO ________________________

[s]  George A. Carver
     SAVA
     AUTHENTICATING OFFICER

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