1. (S) This month's Intelligence Summary and Threat Analysis contains the following subjects:

- North Vietnam
- Imports and Aid
- Infiltration
- Training
- Logistical Activity
- Air Developments
- Enemy Activity in South Vietnam
- Enemy Intentions
- Conclusion

2. (S) During the first six months of 1974, North Vietnamese imports exceeded by approximately 28% the level noted during the same period in 1973 (1,746,000 MT in 1974 versus 1,263,000 MT in 1973). Imports this year will almost certainly top the all-time high of 2,700,000 MT recorded last year. Additionally, the normalization of shipping operations at Haiphong has resulted in increased seaborne vice overland delivery. Overland routes were more extensively used during the period when Hanoi's ports were interdicted. Imports are expected to continue at a high level for the remainder of the year.

3. (S) Hanoi's needs, especially in long-term reconstruction and development requirements are considerable. Despite record aid levels since the Ceasefire, Hanoi still needs long-term commitments of aid and technical assistance. Le Thanh Nghi's July discussions with Chinese, Soviet, and East European officials were aimed at assuring continued economic, scientific, and technical assistance from these countries, especially in regard to Hanoi's long-term development plans. The overall effect of Nghi's trip is unknown, but if Hanoi is seriously attempting to follow a five-year domestic development program, outside technical advice and guidance is a necessity.

4. (S) Personnel infiltration in RVN during July continued at a seasonal low level. However, the enemy's effort so far this year (over 81,000) has been surpassed only by those of 1968, 1969 and 1972. Additionally, since the Ceasefire, the enemy has deployed over 156,000 replacements. Added to this build-up are some 20,000 men that entered South Vietnam in air defense units and an estimated
30,000 men in rear service forces.

| INFILTRATION 1973 | 75,200 |
| INFILTRATION 1974 | 81,200 |
| AIR DEFENSE       | 20,000 |
| REAR SERVICES     | 30,000 |
| **TOTAL**         | **206,400** |

All are considered capable of engaging in combat operations.

5. (S) The NVA's manpower base can replace losses, such as the NVA suffered in 1968 and 1972, indefinitely. Out of a population base of 23-24 million, there are 4.2 to 4.5 million males between 15 and 49 years of age. Some 200,000-250,000 males reach draft age each year. The NVA, with a yearly training capacity of 168,000 personnel, has the capacity to train in basic combat tactics the 130,000-140,000 males reaching draft age who are fit for military service each year.

6. (S) Concerning logistics, during July -- the dry season in MR I and eastern MR II -- the NVA mounted the largest resupply effort ever noted in South Vietnam. The Route 14 complex serves as the main artery, demonstrating the NVA's in-country capability to resupply its forces in separate areas of South Vietnam with large quantities of supplies on relatively short notice. Photo readouts of the Route 9/Route 14 complex reflect the large-scale logistics effort. Photos of 23 and 24 July revealed 406 trucks on the Route 14 complex. On 29 July, VNAFl reported 50 trucks destroyed in the Quang Nam/Quang Tin area.

7. (S) In order to streamline its logistics system and expedite the overland flow of supplies South, the NVA is building dual-lane bridges in northern Quang Tri Province. One of these bridges is over the Ben Hai River in the DMZ. When completed, this new bridge will eliminate the last major bottleneck between the DMZ and Dong Ha. Three other dual-lane bridges have been built between the Ben Hai River and Dong Ha to facilitate the movement of supplies into SVN. The enemy is obviously making a major effort to move supplies to his forward positions.
8. (S) Concerning the enemy's POL capability, an ARVN long-range recon patrol has obtained new information on the pipeline system. On 9 July, the team photographed and measured a section of the pipe in the tri-border area of Kontum. The pipe had Chinese markings and measured 8 inches in diameter. Previously, the entire pipeline system was believed to consist of Soviet 4-inch pipe, except for a short, dual, 10-inch section east of Hanoi. The discovery of 8-inch pipe could indicate that the portion of the line constructed during the past year could also be 8 inches. If only 8-inch pipe has been used for construction during the past year, enemy forces in the South could be supplied with nearly 50 times their present requirements of approximately 100 MT per day. The NVA could use the 8-inch line to pass the same amount of POL it pumps through the 4-inch pipe; however, a much greater volume could be pumped for short periods, thereby reducing the time the POL is exposed to interdiction while in the pipe. More information will be needed to determine the extent to which the 8-inch pipe has been used.

9. (S) Enemy activity in MR-1 during July was the highest so far this year, as Communist forces intensified efforts to expand territorial and population control in the lowlands South of the Hai Van Pass. In Northern MR-1, sapper attacks against ARVN logistic installations and sporadic contacts along the Ceasefire line highlighted a generally increased level of activity. These attacks could presage near-term intensification of activity.

10. (S) In Northern MR-1, a new front command has apparently been formed. The 304th, 324B and 325th Divisions are believed to be subordinated to this new front. Parallelly, this development has been an increase in tactical activity by the 18th Regiment/325th Division in the Camp Evans area, the southward deployment of the 271st Regiment to the Hill 300 area, and the southward move of a possible artillery regiment. DAO Saigon believes that the 324B Division would be the primary force involved in any major activity, though no such activity has materialized to date.

11. (S) Lending credence to the prospects for increased military activity is the historic precedent that fronts are traditionally task-oriented.

12. (S) Further South, on 17 July, Communist forces launched one of the most intense attacks since the Ceasefire in the lowland districts, primarily the Duc Duc area of Quang Nam Province, southwest of Danang.
38th Regiment/2nd Division, supported by local force battalions of Front-4, overran Da Trach Outpost and inflicted heavy casualties on the defending 18th Ranger Battalion and 3rd Battalion/56th Regiment. The ARVN 2nd Regiment/3rd Division subsequently deployed to the area and suffered nearly 500 casualties mostly from indirect fire. The primary assault on Duc Duc District was accompanied by numerous attacks by fire throughout the neighboring districts and the 19 July rocketing of Danang Airfield. After the initial attacks, the enemy's 38th Regiment moved northeast toward Go Noi Island and was replaced by the 1st Regiment in the Duc Duc area. The 572nd Artillery Regiment is also believed to be participating in the attacks, although no fire from its 130MM field guns has been confirmed.

13. (S) In later developments in Quang Nam Province, enemy forces on 29 July launched concentrated attacks on Thuong Duc District Town, northwest of Duc Duc, overrunning 4 ARVN outposts in the process. Approximately 1500 mortar rounds were fired into the area on the 29th and, by early morning of the 31st, contact was lost with the defending 79th Ranger Battalion. VNAP reports the destruction of 5 enemy tanks thus far in the fighting. This is the first enemy use of armor in combat in MR-1 since the Ceasefire.

14. (S) Late reports from J2/JGS reveal that a POW from the "29th" Regiment stated that the unit had been moved into the Thuong Duc area by up to 100 trucks. This unit is probably the 29th Regiment/324B Division. Captured documents reveal that the current fighting is part of an enemy plan for the area called "H-9". Recent reports indicate Communist dissatisfaction with earlier phases which failed, due to SVN countermeasures. A new phase was to extend from 10 - 28 July, featured by "strong activity" from 18 - 29 July. The total enemy force believed to be in the area is as follows:

<table>
<thead>
<tr>
<th>REGIMENTS</th>
<th>4 (Plus 3 AAA)</th>
</tr>
</thead>
<tbody>
<tr>
<td>BATTALIONS</td>
<td>20 (Plus 10 AAA)</td>
</tr>
<tr>
<td>COMBAT PERSONNEL</td>
<td>14-16,000</td>
</tr>
<tr>
<td>ARTILLERY</td>
<td>30-36</td>
</tr>
<tr>
<td>ARMOR</td>
<td>90-115</td>
</tr>
</tbody>
</table>
15. (S) While a direct relationship between Military Region TT and MR-5 cannot be positively affirmed, the possibility exists that the enemy may attempt to isolate Danang both from the North and the South. Such a strategy would also serve to isolate Hue and the remainder of Northern MR-1. The major enemy goal in Quang Nam Province is to expand territorial control, but another goal may be to interdict QL-1 south of Danang. Precise enemy intentions north of Danang are unclear. The enemy in that area may be awaiting the outcome of the attacks in Quang Nam before selecting the option to follow in the North.

16. (S) Quang Ngai Province experienced a continued high level of harassment against resettlement and pacification areas throughout the Province. There are increasing signs of more significant future activity planned throughout Quang Ngai. Agent and rallier reports indicate the enemy plans to upgrade the 52D Brigade to a division-sized force.

17. (S) The outlook for the region is as follows:

- Indefinite period of heavy fighting in Quang Nam as enemy attacks run their course and ARVN retaliation materializes. Possible enemy effort to interdict land access to Danang from the South.

- Possible significant upsurge in Thua Thien should enemy decide to isolate Danang and Hue.

- Continued minor attacks on outposts and sapper attacks on logistics facilities in Quang Tri and Thua Thien.

- Continued enemy harassment of GVN pacification and resettlement sites left increasingly vulnerable by deployment of major ARVN elements out of the Province. Possible major upsurge in operations of the 52nd Brigade, in Quang Ngai Province.

18. (S) In MR-2, enemy activity has generally increased during the past month. In the Central Highlands, during the first two weeks of the month, Pleiku and Kontum Province remained abnormally quiet. At mid-month, however, enemy activity increased markedly in the form of major ADF's north and northeast of Kontum City, followed by ground attacks vicinity OP-4 and OP-5 by 10th NVA Division.
elements, designed to eject RVNAF from positions dominating the enemy's Route 715. Activity also increased in Pleiku Province, as the enemy attacked GVN outposts along Route 509 West of Pleiku City, interdicted QL-19 east of the City, and harassed GVN territorial forces on QL-14 in Phu Nhron District and across the Darlac Province border. The enemy reacted sharply at mid-month in Darlac, as the 25th Regiment countered RVNAF attempts to attack enemy resettlement sites South of Base Area 238. During the past week, RVNAF and enemy forces continued to contest control of outposts in Kontum and to harass LOC's in Pleiku.

19. (S) Since 26 July, unidentified enemy forces have conducted heavy ABF's and limited ground attacks against Mang Buk Outpost. The eventual loss of this position will increase the likelihood of attacks in the near future against Chuong Nghia and Gia Vuc Outposts, thus eliminating the GVN threat to LOC development linking the Central Highlands and coastal area.

20. (S) In air defense activity, PHOTINT of 28 June and 29 July in Kontum and Pleiku confirm 57MM AA weapons and associated firecan radar at Dak To Airfield and Duc Co Airfield. These developments significantly enhance the enemy's air defense capability in these areas.

21. (S) In the coastal lowlands, enemy activity intensified in Binh Dinh Province. Through most of the month, Binh Dinh Province Unit Forces maintained pressure on RVNAF along QL-1, while 3D NVA Division elements attempted to refit in rear areas and counter RVNAF harassment of its supply lines.

22. (C) During the past week, 3D Division elements were recommitted and province unit forces struck with new intensity in Phu My and Phu Cat Districts. Latest operational reporting indicates QL-19 in Binh Khe is interdicted, while QL-1 is interdicted in northern Phu My, with enemy forces occupying major portions of the district in this area.

23. (S) Further South in Phu Yen, local forces were ineffective in opposing territorial force intrusion into Base Area 236. Enemy sapper and artillery elements in Khanh Hoa Province conducted successful attacks against GVN logistics and air facilities in Nha Trang City and Cam Ranh Bay. Local forces conducted periodic attacks against bridges and LOC's in southern Binh Dinh, northern...
Phu Yen, and northwest and eastern Khanh Hoa. Much of
this localized activity in the region, including contacts
in normally tranquil Ninh Thuan and terrorist activity
against the population in Phu Yen and Binh Thuan, apparently
constituted a highpoint on the 20 July Anniversary of the
Geneva Accords.

24. (S) During the next month, enemy activity is expected
to remain at high levels. Significant contacts are likely
as friendly and enemy forces continue to contest control
of strategic outposts and renewed attacks are expected in
Pleiku. Initiation of the second phase of the Summer
Campaign has begun in Binh Dinh. LOC harassment and
attacks on GVN logistics activities are possible through­
out the region.

25. (S) The current force structure and strengths in
the region are as follows:

- DIVISIONS: 3
- REGIMENTS: 15 (Plus 4 AA)
- COMBAT PERSONNEL: 40-45,000
- ADMIN PERSONNEL: 20-25,000
- TOTAL PERSONNEL: 60-70,000

26. (S) In MR-3, during past month, fighting was highest
in Ben Cat area and consisted mainly of ABF's designed
to keep ARVN forces pinned down and inflict maximum casual­
ties. There has been no major redeployment of the 7th or
9th NVA Division forces.

27. (S) The enemy also stepped up level of harassment
in vicinity of the resettlement areas and key LOC's in
the eastern part of the region. These attacks are designed
to take advantage of gaps created by the redeployment of
the 18th ARVN Division forces elsewhere, to make local gains,
and to disrupt GVN resettlement programs.

28. (S) Although current location and disposition of
the 5th NVA Division are unclear, reporting indicates
that some elements of the 5th NVA Division may be deploy­
ing to Tay Ninh Province, while other elements remain in
the Elephant's Foot area. Currently, reconnaissance
elements of E-6 NVA Regiment are known to be operating in
the Ben Soi area west of Tay Ninh City and in Elephant's
Foot area, while elements of the 275th NVA Regiment are
believed to be located in the Angel's Wing. The location
of the Headquarters, 5th NVA Division and its 174th Regiment is unclear.

29. (S) The deployment of the 5th NVA Division elements to Tay Ninh indicates that the enemy has probably decided to postpone major attacks in the vicinity of the Elephant's Foot. Such a redeployment to Tay Ninh would significantly increase the threat to the southwestern part of the Province; however, no major attacks involving the entire division are expected in the near future. Rather, the enemy could be expected to continue the process of upgrading its combat capability, while increasing low-level attacks and harassment designed to eliminate GVN control in contested areas and erode control in areas now under firm GVN control.

30. (S) In air defense developments, 16 July photography revealed two additional radar-controlled AA sites in the Bo Duc area, Phuoc Long Province.

31. (S) Over the past month, a series of reports, emanating mainly from GVN sources, has indicated that the enemy is preparing to conduct major attacks in MR-3, possibly culminating in an intense "3rd Phase" or "3rd Wave" of attacks in late July and early August. Although the enemy poses potential major threats in the region (e.g., Lai Khe/Ben Cat area, Phu Giao, and possibly SW MR-3), there has been very little recent information to indicate that the enemy intends to initiate major attacks. DAO Saigon believes that the enemy will continue to interdict LOC's, attack outposts and resettlement areas, and block ARVN attempts to regain terrain in the Iron Triangle. Significant attacks along QL-13 and RTE 1-A are possible. Attacks by fire and sapper raids against ARVN installations are likely.

32. (S) Current enemy threat in MR-3 is as follows:

<table>
<thead>
<tr>
<th>DIVISIONS</th>
<th>5 (Plus 1 AA)</th>
</tr>
</thead>
<tbody>
<tr>
<td>REGIMENTS</td>
<td>28 (Plus 3 AA)</td>
</tr>
<tr>
<td>COMBAT PERSONNEL</td>
<td>40-45,000</td>
</tr>
<tr>
<td>ADMIN PERSONNEL</td>
<td>30-35,000</td>
</tr>
<tr>
<td>TOTAL PERSONNEL</td>
<td>70-80,000</td>
</tr>
</tbody>
</table>
33. (S) In the Delta, during the past month, the enemy initiated his most ambitious and prolonged highpoint of this year, the brunt of which fell in the lower Delta. In the upper Delta, VC/NVA unit dispositions and strength remains much the same, although the possible departure of some 5th NVA Division elements may lessen the immediate threat to northern Kien Tuong Province. Aside from the seesaw struggle to gain firm control of the area along the northern border of Tri Phap, there was no significant or decisive combat in the upper Delta.

34. (S) In the lower Delta, Communist forces ended a month-long quiet spell and initiated the most intense and prolonged highpoint since December of last year. Security in areas of Kien Giang and An Xuyen Province deteriorated even further. Most activity was conducted throughout Kien Giang, central and northern An Xuyen, Ba Xuyen, southwest Phong Dinh, southern Bac Lieu, and scattered throughout Chuong Thien.

35. (S) Less intense activity was noted along the Vinh Long/Vinh Binh Province border where elements of the D-3 Regiment and VC local forces maintain the upper hand and have eliminated all but one OP along a strip parallel to the border area. To reinforce the current wave of attacks, a large number of enemy infiltrators are known to have been assigned to D.2 and 95A Regiments, raising the latter's strength to a possible 1500 men. Available information has not mentioned parallel build-ups in other main force units of lower VC MR-3, although they have almost assuredly received fillers. Overall, the enemy has reduced his strength disadvantage vis-a-vis RVNAF. Moreover, he has concentrated his available firepower in selected areas to minimize RVNAF's firepower superiority.

36. (S) The gradual but steady erosion of GVN security is characterized by the following:

- Diminished security along provincial highways.
- Expansion of Communist political/military influence.
- Population moved from "contested" areas to GVN or enemy secure areas.
- Widespread commitment of RVNAF.

37. (S) In all probability, the enemy will continue this course of action during the coming months and concentrate primarily upon rural areas.
38. (S) Activity will probably rise moderately in the upper Delta; while in the lower Delta VC/NVA activity will probably taper off during the first half of the month, as the Communists prepare for the next highpoint.

39. (S) Concerning enemy intentions, recently-acquired documents and ra lier reports indicate a basic shift in enemy policy from the political struggle to a more direct military policy of destroying RVNAF by attrition.

40. (S) A ra lier in MR-3 reported that troops in his unit underwent political reorientation in early July, based on a SVNLA Party Committee Resolution calling for large-scale attacks to change the war situation in SVN. He stated that the Quang Duc and Ben Cat operations had tested the comparative strengths of NVA and ARVN forces and the results demonstrated the superiority of NVA forces. The timing for attacks was not specific, but the "near term" was mentioned. The strategy would be to attack continuously until GVN capabilities were reduced and troops were exhausted.

41. (S) A civilian physician who escaped from enemy detention and reported to the Marine authorities in Quang Tri on 1 July, stated that the enemy intends to resort to major military operations in 1975 to solve the problems of SVN. Reportedly, preparations are being made for these operations.

42. (S) In Quang Nam Province, a document captured in late May outlines a three-phase campaign for 1974, designated "H-9", which emphasizes military actions to wear down RVNAF combat potential. The final phase, reflected in the current Duc Duc operations, was to feature continuous attacks and incitement of mass uprisings.

43. (S) In MR-2, a ra lier reports that a primary purpose of the so-called "Summer Campaign" in Binh Dinh Province, Phase Two of which was recently launched in the Phu Cat/Phu My area, was to probe RVNAF reaction and collect experience for future operations.

44. (S) It is apparent that the Communists have relegated the political struggle to a secondary role, with a concurrent resort to primarily military means to achieve their eventual objective. Political considerations have not been abandoned. The military solution was adopted probably when it became apparent to the Communist planners that the implementation of the Ceasefire Accords was not going to develop in their favor. The actions in the Ben
Cat and Duc Duc areas appear to serve the purpose of gradually eroding the physical and spiritual effectiveness of the GVN military apparatus. The current attacks in Quang Nam Province may well be complemented in the near future by attacks in MRTT. In MR-2, the enemy has successfully overrun a series of outposts and maintained continuous pressure in the primary threat areas of Kontum, Pleiku, and Binh Dinh Provinces. In MR-3, the possibility of major attacks is a reality. The less dramatic, but nonetheless continuous erosion of GVN security and control in the Delta will, if not reversed, have serious economic and political consequences for the RVN.

45. (S) Hanoi may well have judged that the political situation in the U.S., highlighted by Congressional resistance to continued aid to South Vietnam and the impeachment proceedings, has substantially reduced the probability of U.S. intervention on behalf of the GVN. Hanoi, at the same time, continues to receive large amounts of material support from Moscow and Peking. Hanoi probably does not foresee any breakthroughs in its favor in the Paris Peace Talks, but will continue to pay lip service to the goal of a political settlement.

46. (S) The passage of time seems to have eroded any previously-perceived restraints on Hanoi's option of taking over SVN by military force. The likelihood of large-scale U.S. intervention is probably judged by Hanoi to have become a much more distant possibility than could have been expected in the year following the Ceasefire.

47. (S) In Conclusion, a new phase of the struggle for control of South Vietnam, featuring the military objective of destroying the GVN military apparatus, has emerged. We expect, therefore, a high level of military activity against vulnerable GVN-controlled areas. The current high level of military activity, the infiltration of some 156,000 replacements since the Ceasefire, and the unprecedented magnitude of logistic support lead us to conclude that major attacks are in the offing. This is not a Blitzkrieg; it is a measured campaign of limited objective attacks. Significant local successes could, on very short notice, be followed by major exploitations; that is, a "General Offensive" of great force and violence could grow quite suddenly out of this campaign. We see all of the indicators in South Vietnam now except the deployment of the reserves from North Vietnam. We do not expect major operations of the scope associated with a general offensive before the next dry season in Laos.