

Office of the Secretary of Defense
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THE SECRETARY OF DEFENSE
WASHINGTON, D. C. 20301

Ch. VII

8 November 1971

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also Moore

file for
his report

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Trip to Vietnam, November 2 - 8, 1971

As you requested, Admiral Moorer and I have reviewed again in the theater the situation in Vietnam and Southeast Asia. The visit afforded me the opportunity to visit with Ambassador Bunker and his staff, General Abrams and his staff, and President Thieu and the top Republic of Vietnam (RVN) leadership. In addition, members of my personal staff spent time in the field throughout South Vietnam. They visited the Republic of Vietnam Armed Forces (RVNAF) in each Military Region; consulted U.S. military and civilian leaders in the various regions; met with those who are planning and administering the economic programs; and went into detail with those who are charged with the diverse and complicated prisoner of war matters. As you know, Admiral Moorer spent additional time in Cambodia and Laos. He will be providing supplementary observations later.

In this report, I shall, as I have after my three previous Southeast Asia trips, provide some general impressions. Thereafter, I shall provide in somewhat more detail:

- A delineation of the impressions we took to Southeast Asia.
- What we found in Vietnam.
- The outlook for the future, based on our earlier analyses and our findings in Vietnam.
- The current issues which deserve special attention.

Finally, I will draw the conclusions which seem, in my judgment, most pertinent and will make recommendations based on those conclusions.

GENERAL IMPRESSIONS

The most compelling impression I have is one of success. The risks you have taken for peace are paying off. The successes, and the potential for future success, are of such magnitude that we must, if anything, guard against overoptimism.

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In the various functional areas -- military, pacification, economic, and political -- progress is significant, if not completely uniform. In the political field, there is cause for concern. That concern stems principally from indications that President Thieu may move too slowly and unimaginatively to avail himself of steps that are needed to maintain stability and cohesion in the RVN society. Opportunities lost today may not be retrievable in the months and years ahead. The cost of losing these opportunities could seriously degrade the impressive progress made -- and potentially available -- in the other functional areas.

The fact that President Thieu is not showing immediate signs of using the referendum mandate to move ahead vigorously in the political arena does not diminish the fact that currently effective military, province, district, and local leadership is at work. I was particularly pleased with that progress. RVN's will and desire are more in evidence today than at any time in the past. That continues to be an essential -- if not the essential -- ingredient to the future. President Thieu agreed with me on that point.

I believe one major reason for this change is that from the outset of your Administration the focus has been on turning over responsibilities to the RVN and not taking them over as had been the case prior to that time.

The view of U.S. civilian and military leaders in Vietnam and of the GVN leadership is that we now have and can maintain sufficient military strength to preclude the enemy from achieving any kind of military verdict in South Vietnam. A dynamism is at work leading to increased RVN self-reliance. The United States can continue its force redeployments. In fact, the redeployments can safely be accelerated.

There are, of course, continuing problem areas. In addition to the political item mentioned previously, I see little progress in (a) the formulation of new diplomatic initiatives for peace; (b) the planning for or resolution of the complex and important prisoner of war issues; and (c) the various forms of regional cooperation, fostered by the Southeast Asian nations, which will allow them to consolidate their hard-won gains.

The U.S. military leadership in Vietnam again deserves special mention. General Abrams, General Weyand, General Lavelle, and their staffs are pursuing U.S. interests with a vigor and resolution worthy of the highest acclaim. We can be justly proud of the U.S. military elements in Vietnam.

Those, in brief, are my general reactions. I should like to outline in more detail the impressions I carried to Vietnam and how they compared with what I found there.

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IMPRESSIONS WE TOOK WITH US

When you instructed me to go to Vietnam in March 1969, you asked me to determine how we could achieve our objectives consistent with our vital national interests. You had stated the objective clearly and concisely:

"... what we want is very little, but very fundamental. We seek the opportunity for the South Vietnamese people to determine their own political future without outside interference."

As I pointed out following the March 1969 trip, there was a basic contradiction between our objective and our programs. With 549,500 U.S. military men authorized in Vietnam and with the U.S. asserting guidance over virtually all aspects of the military and economic scene, it was impossible for the South Vietnamese to determine their own fate. The U.S. presence constituted a veritable occupation. Granted, the North Vietnamese and Viet Cong were still present in force. During the early months of 1969 they were attacking in South Vietnam over a broad front. It was clear that if we were to achieve the objective of self-determination in a durable and consistent way, we would have to take risks. Under your guidance, a program -- later to be designated Vietnamization -- was established to reach that objective.

Vietnamization was a risky program. When I recommended in March 1969 that we should draw plans for the redeployment of 50,000-70,000 U.S. troops from South Vietnam that year, the proposal raised eyebrows, especially among our own military. You, however, wisely laid out those principles:

"First, the United States will keep all its treaty commitments.

"Second, we shall provide a shield if a nuclear power threatens the freedom of a nation allied with us or of a nation whose survival we consider vital to our security.

"Third, in cases involving these types of aggression, we shall furnish military and economic assistance when requested. . . . But, we shall look to the nation directly threatened to assume the primary responsibility of providing the manpower for its defense."

Consistent with your guidance, the Vietnamization program has moved ahead -- forcefully, rapidly, and in a revolutionary way. Some of the results are noteworthy. For example:

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- The RVNAF has increased in size from 850,000 men to about 1,060,000.
- Modern hardware has been supplied in major quantities. Selected cumulative amounts include:
 - . More than 750,000 M-16 rifles
 - . Over 14,000 M-60 machine guns
 - . In excess of 1,200 105 mm howitzers
 - . More than 400 tanks
 - . Nearly 50,000 trucks
 - . About 50,000 radio sets of various types
- Vietnamese -- and Laotian -- tactical air sorties have more than doubled.
- Leadership changes have been made to put more qualified people in the more responsible jobs.
- Pacification continues to show substantial gains despite our prior fears that slippage in countryside security would take place. Under the Hamlet Evaluation System, population rated very secure has increased to 80 percent, and aggregate population rated reasonably secure has risen to more than 95 percent.

As a consequence of the progress made in Vietnamization, other results have been possible. These results include:

- The removal by December 1, 1971 of more than 360,000 U.S. troops from RVN. This is a reduction in our authorized force level of 67 percent.
- The reduction of U.S. tactical air sorties from the peak of nearly 35,000 per month in July 1968 to about 6,000 per month in July 1971. We are maintaining, of course, the capability to fly sorties at higher rates, as you have specified.
- A reduction in U.S. costs on two counts. First, the annual incremental dollar outlays have decreased in constant FY 1972 dollar terms from \$25 billion in FY 1969 to less than \$8 billion in FY 1972. Second, and most importantly, U.S. combat deaths have decreased from an annual rate in excess of 14,500 in 1968 to less than 10 percent that number in 1971.

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The results cited above pertain primarily to the military and pacification fronts. Impressive gains have also been made in the economic area. Following my February 1970 trip to Vietnam, as you will recall, I reported:

"Progress in the non-military aspects of Vietnamization is less positive. Some glaring, and potentially critical, deficiencies exist in such areas as economic planning. We should join with the Vietnamese in attacking this problem with . . . urgency."

We joined the Vietnamese in such an effort. Progress was made. The major parts of the economic planning were appropriately assumed by the GVN. By 1971, relative stability in prices and the money supply had been achieved, a land reform program instituted, and other economic reforms achieved on a reasonably broad front.

I went to Vietnam last week, therefore, with the thought that the plan you had approved for Vietnam and the risks you had so boldly taken were paying off. I was not disappointed.

WHAT I FOUND

I found Vietnamization solidly at work in the military and pacification areas. I found the economy in reasonably good array. I found a uniform and positive attitude of confidence. I found nothing which contradicted the impressions previously developed on the programs in Southeast Asia.

If anything, the activities are going better than expected. Surprisingly, despite the RVN election, military activity has been light and continues to be relatively light. Casualty figures tell the story:

COMBAT DEATHS IN THOUSANDS

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	<u>1968</u>	<u>1969</u>	<u>1970</u>	<u>1971</u>
	<u>Jan-Jun</u>	<u>Jan-Jun</u>	<u>Jan-Jun</u>	<u>Jan-Jun</u>
RVNAF	17.9	11.8	12.4	13.9
US	9.6	6.3	2.9	1.1
VC/NVA	119.1	93.7	66.5	64.9
	<u>Jul-Dec</u>	<u>Jul-Dec</u>	<u>Jul-Dec</u>	<u>Jul-Dec</u>
RVNAF	10.1	10.1	8.0	5.7
US	5.0	3.1	1.3	0.3
VC/NVA	62.1	63.3	37.1	27.2
	<u>Total</u>	<u>Total</u>	<u>Total</u>	<u>Total</u>
	<u>1968</u>	<u>1969</u>	<u>1970</u>	<u>1971</u>
RVNAF	28.0	21.9	20.4	19.6
US	14.6	9.4	4.2	1.4
VC/NVA	181.2	157.0	103.6	92.1

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It is noteworthy that while casualties on all sides have declined, a major war continues. U.S. casualties have declined to the lowest levels since U.S. combat forces entered the war in 1965. The RVNAF continues to carry the war to the NVA/VC and is taking casualties accordingly.

RVNAF casualties approximated 20,000 combat deaths per year in 1969, 1970, and 1971. That annual level for a society the size of the RVN is comparable to a level of more than 200,000 combat deaths per year for the United States. Casualties believed to have been inflicted on the NVA/VC likewise have continued to be high in absolute terms. Total combat deaths ranged from about 150,000 in 1969 to roughly 100,000 in both 1970 and 1971. The annual manpower cost to Hanoi is therefore roughly equivalent to losses in excess of a million men per year for the United States.

General Abrams' personal assessment of the military situation was encouraging. He characterized conditions in Military Regions (MR) I and IV -- the northernmost and southernmost parts of RVN, respectively -- as "very good." The military leadership in each area is excellent; the forces are well-trained, well-equipped, and experienced. The attitudes are positive. General Abrams said the RVNAF has "taken over and gone further than he would have believed possible." Intelligence collection, operational design, and execution of plans are, in Abrams' judgment, first rate. The integration of artillery, air, and ground maneuvers likewise has become solid. Timing of operations and command and control of RVNAF units are top drawer. In MR IV, the coordination with Cambodian forces is excellent.

In MR II and III, and especially in the former, there are continuing problems. In MR II some military leaders at the Colonel level need changing. The MR commanders now have the authority to make those changes, a favorable trend in decentralization. General Dzu is a strong leader in MR II. Abrams is confident about the future there. In MR III the main task is to relieve the competent, but over-burdened, commander of some of his lesser tasks. That, too, Abrams feels is in the cards.

Abrams contends the azimuth of US/RVN programs over the past three years has been correct. We have equipped and advised the RVNAF well. Military and civilian leadership changes have been made to the point where, in Abrams' judgment, only one senior military commander (22d Division) needs changing. Only two of the 44 Province chiefs rate unsatisfactory. In the relatively recent past, only six of the 44 Province chiefs rated satisfactory -- and that was under more lenient performance standards than currently exist.

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Despite this favorable outlook, the RVNAF are looking for additional ways to improve. The attitude changes from "let the U.S. do it" to "how can we in the RVNAF do it better" are among the most significant and revolutionary changes in Southeast Asia. This is a reflection of your program to turn over instead of take over responsibilities in the RVN.

To ascertain the feelings in the field, I asked a few members of my personal staff to visit each MR. They talked with the top RVNAF leaders and the remaining U.S. personnel. Their evaluations did not differ in any significant detail from those of General Abrams. The RVNAF Corps Commanders did urge the retention of the B-52 capability in support of their tactical forces. The RVNAF leaders indicate a healthy inclination, however, to adapt to the changing military environment. In some cases, they are evolving tactics and techniques which appear to be more effective than those previously used by U.S. units.

The military situation, therefore, seems well in hand for at least the foreseeable future. The same is true of the Pacification program.

Our most senior officials feel the Pacification program, under GVN guidance, ranges from "pretty good in some areas to sensational in others." The U.S. officials characterize the situation as one in which the range and number of problems are finite. The resources to do the Pacification job are in the Republic of Vietnam. It is now just a problem of management and will to see that the resources are applied correctly.

The field visits made by my staff members confirmed the judgments of our senior on-site people. These field visits confirmed, too, substantial progress in the RVN economy. The stability of that economy has markedly improved since my last visit in January. In 1970, the retail price level rose by 30 percent. So far this year, it has risen by only 9 percent, although four-fifths of that rise has occurred since the middle of the year. Prices will no doubt continue to increase, but the inflation in CY 1971 should not exceed 15-20 percent. That will be a substantial decrease from last year. This experience should have a significant effect in helping to build the necessary confidence in stability needed for self-sustaining economic growth.

The economy has responded to improved stability and security with a noticeable acceleration in the tempo of activity. Around Saigon and in the Delta, there are abundant signs of heightened activity. New industrial plants and buildings are being constructed. New housing is being built and old housing is being improved in sizeable volume. The rural community is becoming mechanized simply, but significantly.

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Despite these important economic improvements, little progress has been made in reducing the dependence of the economy on outside support. Merchandise exports are running a mere \$15 million annually compared with yearly imports well in excess of \$700 million. While significant strides have been made in laying the ground-work for a solution, the challenge continues to be one of finding incentives that will stimulate exports and import substitutes within the context of healthy economic growth.

Even more fundamental than the challenge of establishing proper economic institutions and policies is the burden of the war. The path to relative security has led to armed forces which have been absorbing virtually all physically-qualified 18 year-olds each year; which consume 60 percent of the total GVN budget; and which take 15-17 percent of the Gross National Product (only Israel spends a higher proportion). Even with that burden and those sacrifices, the RVN economy is totally dependent on a high level of U.S. aid.

I shared with President Thieu the impressions I and my staff had gathered on this broad range of topics. He found no fault with my judgments. I told President Thieu that he had a unique political opportunity to accelerate the obvious momentum in the military, pacification, and economic fields. The mandate he had just received, I suggested, provided an environment which should not be allowed to dissipate. Thieu did not respond.

Nor did Thieu respond substantively to my thesis that we must move ahead smartly on the prisoner of war issues. I stressed the importance of the humanitarian theme. I told him our Embassy staff had prepared a plan to help cope with a wide range of possibilities on POW releases. I added U.S. officials would be approaching him shortly with the plan. I expressed hope the GVN would find it attractive. Thieu's only response was that Hanoi seemed to have the stronger will on POW issues.

My staff found, however, that the GVN has been responsive to U.S. requests and suggestions concerning prisoner releases and conditions in GVN prison camps. Conditions in these camps are generally satisfactory. Improvement continues to be made and the GVN is allocating substantial resources to the maintenance of these facilities. I consider maintenance of these trends essential if we are to keep world attention on the theme that the POW issue is fundamentally humanitarian.

OUTLOOK FOR THE FUTURE

As must be evident from the foregoing, I am pleased with the progress of the past two-and-a-half years. I believe the outlook for the future allows cautious optimism as well.

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On the military front, the generally accepted assessment, both by MACV and the RVNAF, is that the enemy will not be able to mount a country-wide offensive through CY 1972. The most likely enemy threat by Military Regions appears as follows:

- MR 1 -- Reduced supplies and the approaching monsoon will probably restrain the enemy's offensive actively through the rest of 1971 and early 1972. The enemy could launch a major offensive (say 9-15 battalions for 5-10 days) in early 1972 if he is willing to pay the price in deploying units from North Vietnam and in subsequent losses. Such an attack is more likely in mid-to-late 1972. That would follow added redeployment of U.S. forces and would be designed to gain maximum political impact in the United States.
- MR 2 -- Enemy activity will be limited by supply shortages and depletion of forces, except in the Western Highlands. There, forces in the border areas could return to RVN and launch battalion or regimental size attacks. If successful in moving supplies and personnel through Laos, enemy units could support a major action by January-February 1972 and retain this threat.
- MR 3 -- Enemy forces are not likely to launch a major offensive during 1972, unless main force units which are now in Cambodia are committed to RVN.
- MR 4 -- Enemy activity is expected to be restricted to opposing RVNAF operations in the lower Delta and attacks on GVN outposts to defeat pacification.

Key constraints on Hanoi's options are: (a) the large number of troops that must be infiltrated just to maintain its presently limited military capability, and (b) the fact that logistics throughout this year was apparently much less than planned. Taking the personnel side, as an example, General Abrams estimates Hanoi must input about 115,000 replacement troops overall to stay even. A comparison of 1970 and 1971 personnel infiltration for the January-October period raises questions about Hanoi's inclination or ability to do that.

	<u>1970</u>	<u>1971</u>
- Detected moving south	86,000	50,000
- Arrivals - RVN/Cambodia	53,000	67,000
- Arrivals in S. Laos	11,000	17,000

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The conclusions on the military threat reached by the U.S. and GVN leaders in the field are that:

- Hanoi is expected to continue a strategy of protracted warfare in RVN.
- Increased emphasis will be given to counterpacification activities and strengthening guerrilla forces.
- The enemy will continue tactics of limited ground assaults and low-intensity attacks by fire.

It would not seem unreasonable to me that, despite limitations in troops and supplies, the enemy might initiate a major, though perhaps isolated, military action during 1972. The goal would be to convey to the U.S. Congress and the U.S. public that Vietnamization has been a failure. Hanoi's expectation would be that any sizeable, though limited, action would convey conclusively that the US/GVN policy of Vietnamization had failed. If Hanoi is willing to pay a frightful price in manpower, there is little that can be done to prevent such an action. I do not believe, nor does anyone among the U.S. or GVN leadership in Vietnam believe, Hanoi can now make any type of move that is decisive in a military sense. Yet, there is cause for concern that Hanoi might take a limited military action that could have important political repercussions in the United States.

In response to my query about the future outlook, President Thieu outlined an assessment similar to that outlined above. He felt the major, but limited, action in 1972 would be in MR I. He was confident the RVNAF could handle the task, though he did request U.S. support for (a) an additional 30,000-50,000 RVNAF troop increment, (b) reinforcements in heavy artillery, (c) some additional armor, and (d) added helicopter support.

I have asked General Abrams to study Thieu's requests and to make appropriate recommendations. Abrams' general views are that the RVNAF has the troop levels and equipment now which are requisite to the job. MACV says the RVNAF will have a surplus of troops and units next year in MR III and IV. RVNAF forces should become more mobile if their capability is to be used effectively. As Abrams commented, "It is all a state of mind for the South Vietnamese." In the hardware area, too, MACV feels the RVNAF is adequately equipped. Using helicopters as an example, Abrams told Thieu the constraint is not airframes, but rather trained crews and maintenance personnel. Currently, as added trained people are brought into the force, the average monthly helicopter utilization is going from 40 hours to 80 hours. The effect roughly is to double the RVNAF helicopter capability.

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The future outlook on the military front appears manageable. The economic outlook presents more serious problems.

If a proper framework is to be created for the desired economic development and the necessary mix for a guns-and-butter economy, a number of steps must be taken. These steps include:

- Establishing an exchange rate that will equilibrate the balance of payments. The present system not only over-values the piaster but also invites corruption and provides perverse economic incentives.
- Establishing an effective and equitable domestic tax structure that will yield much larger governmental revenues. Equitable tax reform would also strengthen the political structure.
- Providing adequate and appropriately trained manpower in the civilian sector. The armed forces claim a large share of the country's manpower. The continuing practice of drafting men for the duration of the war prevents the personnel turnover needed to provide trained manpower in the civilian sector.

It is no longer necessary to convince President Thieu of the need for major economic reforms. He will present a program of reforms to his legislature shortly. It is difficult to know, however, if his proposed reforms will be enough. One aspect of the RVN economic future which is especially bothersome is the expanded economic role the RVNAF leaders are proposing for the armed forces. Such development activity, as internal security improves, should be left to private initiation in the civilian sector. Any proposed economic development role for the military constitutes a hazard because the civilian authorities have little power to resist a militarization of the economy.

The recent U.S. Senate action on the foreign aid bill has created uncertainty among the small but dedicated group of officials who are trying to guide the RVN economy. It is not too strong to say a crisis of confidence has arisen. This crisis has its good side in that it has driven home, in an unmatched way, the urgency of generating self-sustaining growth. At the same time, a severe near-term cut in economic assistance to the RVN, could create an air of hopelessness. That, in turn, would surely bring chaotic economic conditions.

The near-term political outlook, just like the economic picture, presents problems as well as opportunities. President Thieu, it appears, is not using the style of a man with a mandate. He has the opportunity now to bring the Buddhists into a workable political arrangement.

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Conciliatory gestures could be made which would have minimal political costs and major long-term benefits. The Buddhists are already gearing for the 1975 elections -- a healthy sign, implying the Buddhists have confidence there will be an RVN in 1975. Thieu is showing no inclination to approach the Buddhists.

Likewise, President Thieu is dissipating the political leverage of a mandate in other areas. He is using his brother to attempt to organize a political front. That is driving away the small political groups which fear 'bossism' in the future. Thieu has made no attempt yet to bring in new faces or to effect the symbolism of a new era. Thieu is keeping in the groups of his closest advisers those who are specific political liabilities. The result is an image of old-hat -- more of the same. Likewise, there is no expansion of the limited group which is willing to give Thieu candid advice. This restricts Thieu's information and the horizons for positive action. In summary, Thieu continues his deliberate and slow style. It is possible this style may start dissipating in the not-too-distant future the major positive movements in the military, pacification, and economic areas.

A final aspect of the future outlook which deserves mention is the overall magnitude of the war. While it is declining, it is still large in absolute terms. For the U.S., it means some continuing casualties -- always a deplorable prospect. For the U.S., it means, too, continued dollar costs. For the FY 72-76 period, the current programs -- even assuming U.S. redeployments -- call for military outlays in excess of \$16 billion. Obviously, such outlays deprive us of modernization and improvements in our Defense structure elsewhere. Such human and dollar costs constitute the basis for continued divisiveness at home.

Likewise important are the major human and opportunity costs being suffered by South and North Vietnam. Over the past five years, the RVN has lost in excess of 100,000 men. Hanoi has probably lost more than 600,000. In 1971 alone, as indicated previously, South and North Vietnam will have lost about 20,000 and 90,000 men, respectively. The outlook is for declining casualties; but the absolute base is so high that revolutionary progress is necessary to reduce the war costs to acceptable limits.

CURRENT ISSUES

Obviously, the continuing complex situation in Southeast Asia presents numerous major issues. I should like to concentrate on six that I believe are of priority importance. They are: (1) U.S. interests and objectives; (2) RVNAF forces and planning; (3) interdiction programs; (4) U.S. redeployments; (5) prospects for a no-draftee or all volunteer U.S. force in RVN; and (6) the complex of drugs/morale/discipline problems.

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1. U.S. Interests and Objectives. The most commonly-cited U.S. goal in SEA is that of self-determination for the RVN people. It is an admirable goal and one you have consistently outlined forcefully. Though criticism and impatience toward the GVN have characterized many attitudes in the U.S., the facts remain that relatively free local elections do take place in RVN; the Lower House elections on 29 August saw more than 75 percent of the registered voters elect 159 representatives (only 41 of whom were incumbents) from a list of 1,242 candidates; and the Presidential election/referendum saw more than 85 percent of the electorate voting. With such results, added to the progress previously cited in the security and economic areas, I believe we can declare that we are achieving, if we have not already achieved, the self-determination/self-reliance goal.

I believe we should expand our objectives. The added objectives I suggest are to:

- Turn down the overall size and extent of the war for all combatants.
- Complete the redeployment of U.S. forces.
- Accomplish the return of U.S. POWs.
- Persuade other Asia nations to contribute more to peace in SEA.
- Have the U.S. regain the international political, economic, military, and general leadership enjoyed before our massive involvement in SEA -- and so heavily lost during 1965-68.

• Turn Down the War for All Combatants

In your June 3, 1970 report on the Cambodian sanctuary operations you said:

"There is one commitment yet to be fulfilled. I have pledged to end this war. I shall keep that promise. But, I am determined to end the war in a way that will promote peace rather than conflict throughout the world."

The keys to ultimate peace in Southeast Asia lie in Moscow, Peking, and Washington. Without their continuing military and economic support, the combatants in Southeast Asia would find it impossible or infeasible to continue armed conflict. Neither the USSR nor the PRC is presently contributing large amounts of military aid compared with their efforts

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during the height of U.S. bombing. For example, CIA estimates ammunition deliveries in 1970 from both China and the USSR totalled \$102 million, just slightly more than the estimated \$94 million from China alone in 1967 and far below the estimated \$275 million provided by the USSR in the same year. (By way of comparison, U.S. ordnance deliveries to RVNAF units in 1970 totalled more than \$700 million, aside from the additional support provided by U.S. units in the field.) If we are to decrease the level of combat in SEA, we must further decrease the aid levels from Moscow and Peking. CIA concludes:

"Theoretically . . . from the standpoint of military supplies presently on hand, North Vietnam could carry on the war at present levels of combat for a considerable period of time. It seems more likely, however, that should external support be withheld, Hanoi would desire to release its participation in fairly short order, possibly moving to a low profile guerrilla type strategy or even seeking to negotiate a political settlement."

To seek peace in SEA, we must press Moscow and Peking to reduce their military aid levels to Hanoi. We should be prepared, likewise to reduce our aid levels to Saigon.

• Complete U.S. Redeployments

This is a policy which should be considered as an objective in its own right. It is totally consistent with the doctrine you outlined in 1969 at Guam. It would contribute markedly to reassertion of US leadership across a broad front.

• Return of U.S. POWs

We have pursued a dual track on POW matters: (a) as a humanitarian issue -- in which we have accomplished relatively little, despite Hanoi's susceptibility to pressure in this area; and (b) as a political/diplomatic issue -- in which we have become more deeply involved, despite the relative advantage it gives Hanoi. These two tracks are not -- or need not be -- exclusive. It would be to our advantage, however, to delineate the return of U.S. POWs as a humanitarian U.S. objective in its own right. The major new concept of that delineation would be the emphasis on the

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humanitarian aspects and compliance with the Geneva Conventions. We would downplay the negotiating aspects of the POW issues, which, in effect, tend to make the POWs political hostages and give Hanoi the opportunity to establish a political price for their return.

Solicit Help from Other Asian Nations.

By the end of 1971 only two Asian nations will be helping militarily in RVN, viz., the Republic of Korea and Thailand. The case can be made that Asian nations are doing less and less, rather than more and more, to establish security and peace in Southeast Asia. It is an anomaly that other Asian nations do not see their interests to be sufficiently involved to warrant direct support to the RVN -- or, for that matter, to the other SEA states involved in fighting aggression. Peace and security, as you have indicated, are at least partly the function of the nations and regions affected. Backing away from confronting the area nations with that reality can only complicate the security task.

Regain U.S. Leadership.

To re-establish U.S. leadership, the U.S. will have to reduce the costs of its SEA involvement. Since January 1969, about 15,000 Americans have lost their lives due to hostile action in Southeast Asia. While the rate of U.S. combat deaths has successively declined since you assumed office, the losses in 1971 will still be in excess of 1,350 -- or at about the 1965 loss rate. I know we share the judgment that any losses are lamentable. To the extent they can be reduced, consistent with the U.S. interests, our leadership role will be strengthened.

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In addition, the impact of our Southeast Asian involvement on our budget continues to be severe. The following table highlights that fact:

DOD Outlays in Constant FY 1972 Dollars

(\$ billions)

Baseline and Southeast Asia

Constant FY 1972 Dollars

<u>Fiscal Year</u>	<u>Total</u>	<u>Baseline</u>	<u>SEA Increment</u>
1964	\$75.8	\$75.8	---
1968	99.9	75.6	24.3
1969	96.1	71.0	25.1
1970	88.1	69.0	19.1
1971	79.6	67.1	13.5
1972	76.0	68.2	7.8

The year 1964 was the last pre-SEA year for the United States. It therefore represents a reasonable base-line standard against which to judge the SEA budgetary impact. As you can see, during the last three fiscal years (1969-71), the defense resources available after deducting SEA incremental costs are substantially below those needed to maintain our base-line capability. The prospect in FY 1972, despite SEA outlays less than one-third those of FY 1969, is for continued availability of non-SEA resources below the base-line figure. This, purely and simply, is one of the major reasons the USSR has been able to make such marked military strides relative to the U.S. during the past few years. The U.S. opportunity costs go well beyond the dollar outlays in Southeast Asia. The implications of allowing the trend to continue are severe, if not critical. Our leadership role will be enhanced to the extent we can diminish and shift the military burdens in Southeast Asia.

2. RVNAF Forces and Planning. The GVN leaders have indicated a desire to increase marginally their force size and to acquire substantial additional amounts of major equipment items. We shall study these RVNAF proposals closely. As a matter of principle, though, I was impressed with General Abrams' judgments, viz:

- The RVNAF are slow to assume new tasks.
- When the RVNAF do take on the job, they do the job well.
- After finishing a job, the RVNAF are not inclined to reshuffle resources but simply to ask for more to apply in new task areas.

I believe General Abrams will give the RVNAF requests a critical (which is healthy), but objective, review.

3. Interdiction. I have been increasingly concerned about the restrictions in flexibility for you and for U.S. interests which could occur if we continue to rely predominantly -- or even solely -- on U.S. air assets to interdict enemy infiltration of men and supplies. Congressionally-imposed limitations on diplomatic resources limiting U.S. air operations could conceivably leave a critical gap in the security of the free SEA nations. A major effort is underway, therefore, to increase the RVNAF's interdiction capabilities. New doctrine and new concepts, as well as new techniques, are being employed. Enemy personnel, in addition to enemy supplies, will be targeted. The U.S. elements in RVN, as well as the RVNAF, are working on this vital aspect of Vietnamization with urgency. I believe we may find the results as productive, if not more beneficial, than other phases of Vietnamization.

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4. U.S. Redeployments. The cumulative successes of the military and economic aspects of Vietnamization, the prospects for continued improvements on those fronts, and pursuit of U.S. interests and objectives point towards continuing U.S. redeployments. President Thieu, Ambassador Bunker, and General Abrams agree with that view. There are options to be considered in both the rate of redeployment and in the handling of the announcements.

Three force levels and redeployment options should be considered, in my judgment.

- Option 1. Redeploy at the military preferred rate of 12,500 per month, reaching about 90,000 in June 1972 and about 60,000 by September 1972.
- Option 2. Redeploy at about 18,000-19,000 per month, reaching a level of 50,000-60,000 by 30 June 1972. Withhold a decision now on later redeployments.
- Option 3. Redeploy at about 25,000 per month to reach a level of 50,000-60,000 by 30 April 1972. Then slow redeployments to reach 38,000-42,000 by 30 September 1972.

I believe the major pros and cons of the options are as follows:

Option 1

Pros.

- Continues the trend of U.S. redeployments in a general sense.
- Provides more personnel for the security of the remaining U.S. forces, as well as more personnel to help in the logistics retrograde and in RVNAF infrastructure tasks (like roadbuilding).
- Constitutes the plan MACV, CINCPAC, and the Chiefs feel has the lowest military risks.

Cons.

- Provides a redeployment rate between 1 December 1971 and 30 June 1972 below 14,000, i.e., less than that we have used during the past year. It would be difficult to explain the inconsistency between Vietnamization successes and redeployment slowdowns.

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- Retaining personnel to facilitate the logistical retrograde puts the materiel cart before the personnel horse. Likewise, retaining personnel to help with such tasks as road-building is inconsistent with the objective of RVN self-reliance.
- President Thieu, Ambassador Bunker, and General Abrams indicated that higher U.S. redeployment rates could be accommodated with acceptable risks.
- Requires a U.S. force level announcement in the late summer of 1972.

Option 2

Pros.

- Provides for continued redeployments at a rate higher than we have had overall since redeployments started (about 12,600 per month) and than we have had this year (in excess of 14,000 per month). It is consistent with the thesis of Vietnamization successes and the enemy's failure to mount increased pressure.
- Is only marginally less than the MACV-preferred proposal. In fact, General Abrams considers it well within the bounds of prudent military and management risks.
- President Thieu believes the RVNAF can assume the resultant tasks with manageable risks.
- Progressively reduces exposure of U.S. troops to combat risks and reduces U.S. budget costs.
- Allows sufficient manpower and flexibility for a systematic logistics retrograde.

Cons.

- Not a dramatic increase in the redeployment rate. Could be interpreted by the U.S. Congress and the U.S. public as a disappointment.
- Involves, at least potentially, a second force level/ redeployment announcement in mid-1972.

Option 3

Pros.

- Permits an early redeployment of the bulk of the remaining U.S. forces, while retaining an effective combat element through the prospectively busy summer 1972 period.

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- Reduces the cost and other U.S. presence problems in SEA during the next few months.
- Holding larger force at least until the fall of 1972 facilitates more orderly logistics retrograde.

Cons.

- Involves a marked slowdown in redeployments during spring and summer 1972. Difficult to explain this pattern relative to alleged Vietnamization successes.
- As with Option 1, retaining personnel to facilitate logistics retrograde puts priorities on redeployments in inverse order.
- Added increment of military insurance during summer 1972 is small relative to the costs and non-military risks involved.
- MACV would now find the plan difficult to manage, both in the December-April phase and in the April-September phase.

I believe Option 2 is the preferred course. The 50,000-60,000 man force provides an appropriate balance in the mid-1972 time frame. The proposed force composition would be:

<u>Function</u>	<u>Troops</u>
Combat	10,000
Combat Support	8,000
Combat Service Support	17,000
Advisory	8,000
Command & Control, Intelligence, and Communications	17,000
	<u>60,000</u>

The most compelling argument for Option 2 is its consistency with the Vietnamization progress. It represents a good balance between redeployment and military risks.

In addition to the force level/redeployment issue, there is the matter of the announcement timing. One alternative would be to announce a force level to be effective 6-7 months in the future. A second alternative would be to decide on the period-end force level, but to announce the redeployments in 1-3 month increments.

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I strongly support the first alternative. It is now difficult, if not impossible, for MACV to plan redeployments in less than six month intervals. A case in point made by General Abrams involves combat engineer units. If a turnover of engineer equipment to the GVN is indicated in May-June 1972, the US engineer unit must be stood down in December 1971. That is to allow adequate time to inspect, refurbish, and transfer the necessary equipment to the gaining South Vietnamese units. When the U.S. unit stand-down occurs, the redeployment decision in effect becomes known. Therefore, if an announcement had been made covering only a 1-2 month period, a credibility problem would immediately arise. The second alternative would put General Abrams in a situation in which he could not meet the target U.S. force level without seriously degrading RVNAF effectiveness. It has been suggested that 1-2 month redeployment announcements would strengthen your hand during the forthcoming visits to Peking and Moscow. To whatever limited degree that might be true, the value would be more than offset by the real redeployment information leakage, the increased credibility problems in redeployments, and/or the decreased effectiveness of the RVNAF/U.S. forces in the theater.

It will be possible in my judgment to work out an announcement sequence that allows you considerable flexibility, as well as providing a solid planning base for MACV. Such a sequence would involve (a) an imminent announcement covering the period from 1 December 1971 to 30 June 1972. At the end of March 1972, you could make a new announcement -- perhaps not previously forecast -- covering the period of 30 June 1972 to 1 December 1972. Redeployment announcements for 1972 would then be out of the way; we would have the additional few months between now and March to assess the situation and plan force levels; and the flexibility of your decisions and announcements would be preserved.

5. No-Draftee/All Volunteer U.S. Force in RVN. A currently popular thesis in Washington is that a no-draftee or all volunteer U.S. force policy in Southeast Asia would elicit added -- or at least diminish the erosion of -- support for our programs there. That might be true to a limited degree. I believe the costs and risks of either policy would vastly outweigh any small short-term value.

The potential ramifications of either a no-draftee or all volunteer force are major and pervasive. The uncertainties are great. Boiled down to the essential elements, a no-draftee policy could:

- Impact severely on enlistments and re-enlistments.
- Put in jeopardy progress towards our goal of an all volunteer force.
- Require substantial increases in CY 1972 draft calls.

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- Establish a precedent in which risks and theater assignments are parceled out in relation to the method of manpower acquisition. The equity and morale problems for the career force would almost certainly be large.

By the same token, an all volunteer SEA force could:

- Restrict severely your options in assigning and maintaining theater forces -- not only for ground units, but for naval and air units as well. National policy would be tied to the uncertain desire of our men to serve in SEA.
- Also create two distinct military groups, i.e., those eligible to serve in a combat zone and those exempt.

I have discussed the No-Draftee/All Volunteer Force proposals with General Abrams, Admiral McCain, and Admiral Moorer. Each strongly recommends against adoption of either proposal at this time.

6. Drugs/Morale/Discipline. The intensive campaign to understand, counter, and remedy the drug abuse situation in SEA is paying dividends. I am convinced the Defense Department knows more than any other part of the U.S. society about its drug problems. The incidence of drug use by U.S. forces in RVN is less than had been earlier presumed. Of nearly 130,000 men screened since mid-August, less than 5,000 (3.7 percent) have been confirmed positive as drug users. The problem is now within manageable bounds. Moreover, General Abrams informed me he was contemplating offering our findings and techniques to the RVNAF. The latter knows nothing, Abrams says, of its drug situation, i.e., whether there is a problem and, if so, its magnitude and effect.

Under unprecedented and trying conditions, the sound U.S. leadership of General Abrams and his staff is maintaining high standards of discipline and morale. Within the 50,000-60,000 troop level postulated for June 1972 are spaces for men associated with morale-building activities. Abrams strongly recommends he not be deprived totally of that privilege. He feels that the pay-off in overall force effectiveness justifies the so-called personnel pad.

CONCLUSIONS AND RECOMMENDATIONS

1. The U.S. objective of seeking self-determination and self-reliance for the RVN people continues to be valid. We are now at a point when U.S. explicit objectives can be expanded. I recommend we include as additional objectives (a) turning down the overall size and extent of the war; (b) completing the redeployment of U.S. forces; (c) accomplishing the return of US POWs; and (d) regaining U.S. leadership across the broad military, political, and economic front in which our interests have been degraded as a result of SEA.

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2. The risks you have taken for peace and the bold initiation you took for Vietnamization are succeeding. I recommend we continue to take risks for peace and to pursue the Vietnamization program.

3. The military threat posed by the NVA/VC is declining, but is still large in absolute terms. The RVNAF/US force levels postulated over the near-term will be sufficient, in my judgment, to handle the situation. I recommend no radical changes in the programmed force levels or composition.]✓

4. The NVA/VC retain the capability to impact heavily militarily in limited areas and for a limited period. The NVA/VC may be encouraged to try such actions, not for the military result but rather for the political impact in the U.S. I recommend we start now articulating this 1972 possibility and admonishing, as appropriate, on the meaning of such enemy actions.

5. The RVN economy has shown remarkable progress in the past two years under exceedingly difficult conditions. It still has a long and hazardous way to go. I recommend we continue to work with the GVN in formulating the basic reforms needed and in urging against those aspects, such as militarization of the economy, that risk destroying all that has been achieved otherwise.

6. It is possible that without fundamental new initiatives by President Thieu, the opportunities for major unifying political gains in RVN will be lost. I recommend that our senior civilian officials in RVN use every opportunity to urge upon President Thieu those dynamic new political measures which are consistent with U.S. interests.

7. New initiatives are still possible and needed in the realm of Vietnamization. Interdiction of enemy men and supplies is an urgent case in point. The premise that only U.S. air power can do this job is questionable. I believe the job can be done by the RVNAF without serious, if any, sacrifice in effectiveness. I recommend that new interdiction doctrine and new techniques using RVN ground, air, and naval forces be adopted expeditiously.

8. U.S. redeployments can and should continue from RVN. Among the many options available, I believe the force goal of 50,000-60,000 men by June 30, 1972 represents the currently optimum goal. I recommend you decide in favor of that force level.]✓

9. There are numerous ways to make subsequent U.S. force levels known. One is to announce the force goal for June 30, 1972. As part of that plan, a subsequent announcement in March 1972 could be made,

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covering the June-December 1972 period. Another option is make sequential redeployment announcements covering 1-3 month periods. I strongly recommend in favor of the longer period announcements. The shorter-term announcements would be counter-productive. My view is supported by Ambassador Bunker, Admiral Moorer, and General Abrams.

10. At some point in our SEA involvement, it may be feasible to institute a No-Draftee or All Volunteer Force policy. In view of the vast uncertainties and the serious potential implications of either route, I conclude the time has not arrived when such policies should be considered seriously. I recommend continuation of the current policy of making all military manpower available for duty at some point in SEA. Next summer is the time to address this subject, after our forces reach the 50,000-60,000 level.

11. As I reported to you last January, the three pillars of your foreign policy -- Strength, Partnership, and Willingness to Negotiate -- continue to serve us well in Southeast Asia. There is still much to be done in each area and in relating the three areas. Again, as I have indicated before, I am confident that, under your leadership, we can and will attain our objectives in Southeast Asia. Attainment of those objectives, in my judgment, will have profound implications for the leadership role of our country throughout the world.



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