

SECRET-NOFORN

Page 8 of 18
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From Saigon

A recent CAS report (FVS-4249)* indicates that the VC are presently planning to augment their forces, particularly in An Xuyen, Kien Giang, Phong Dinh, Kien Phong and Kien Tuong Province and that they will press general guerrilla warfare in South Vietnam during 1960. This guerrilla warfare would be under the flag of the People's Liberation Movement (reports of a number of recent incidents mention the flying of a red flag with a blue star). The VC reportedly estimate that 70% of the people in the rural areas of South Vietnam are either embittered by or indifferent toward the present government. According to this report the VC are convinced they can bring about a coup d'etat in 1960, and are presently considering three ways to do this: (1) to incite the GVN military forces to revolt and to penetrate the new government to steer it into a neutralist policy; (2) to force the GVN to use harsh repressive measures against the people by organizing widespread popular uprisings, thereby laying the foundation for open revolt; (3) to set up popular front provisional governments in the Trans-Bassac area as the general guerrilla warfare mentioned above progresses (the VC estimate that they have sufficient penetrations in or control over village level administration to make this possible). The alternative which is selected will, according to the source, depend upon VC progress during the first four months of this year.

President Diem told the Ambassador and General WILLIAMS in late February about the capture of a document by GVN security forces outlining VC plans to further step up aggressive attacks all over the country, including Saigon. These operations are planned to begin in the second quarter of 1960. (CAS has seen the document and believes it to be authentic - see FVS-4292).

Military Factors Affecting the Internal Security Situation

GVN internal security operations in 1959 employed an average of 25 ARVN battalions, 44,000 Civil Guards, 43,000 SDC, 6,000 Surete, as well as the Gendermerie, Self Guard Youth Corps and NRM members for which figures are not presently available. This impressive number of personnel has, however, failed to keep VC and dissident activities under control. Numerous high-ranking GVN officials have very recently stressed the necessity of more anti-guerrilla training for the security forces. From a military point of view an outstanding deficiency in the GVN effort has been the government's

* See also FVS-4220 and FVS-4263.

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