

SECRET
DEPARTMENT OF DEFENSE
JCS MESSAGE CENTER

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ROUTINE
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FM CIA

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WHITE HOUSE SITUATION ROOM	NATIONAL SECURITY COUNCIL STAFF

CINCPAC HONOLULU HI

SECRET NOFORN NOCONTRACT ORCON NOINTEL

CITE: [REDACTED]
SERIAL: [REDACTED]
PASS: NSA FOR ZIKZ OO DLS DE (FOR NSOC); STATE FOR INR;
CINCPAC (CINCPAC, COMIPAC, POLAD).

CENTRAL INTELLIGENCE AGENCY

WARNING: INFORMATION REPORT NOT FINALLY EVALUATED INTELLIGENCE.

REPORT CLASS **SECRET**

DIST: 7 DECEMBER 1983

COUNTRY: VIETNAM/USSR/CUBA/INTERNATIONAL

SUBJ: MISCELLANEOUS OBSERVATIONS ON THE SRV ECONOMY BY A SOVIET ADVISOR IN THE SRV; SRV COAL STOCKS; OBSERVATION OF FRENCH FOREIGN LEGION DESERTERS IN HANOI; UNLOADING OF CUBAN SUGAR IN HAI PHONG

DOI: 6 - 14 NOVEMBER 1983

SOURCE: [REDACTED]

TEXT 1. IN NOVEMBER 1983 A SENIOR SOVIET ADVISOR IN THE SOCIALIST REPUBLIC OF VIETNAM (SRV) SAID THAT SOVIET OFFICIALS IN THE SRV RECEIVED PART OF THEIR RUBLE SALARIES CONVERTED TO DONG AT THE RATE OF 9.55 DONG TO THE RUBLE. [REDACTED] COMMENT: US\$1.24 EQUALS ONE SOVIET RUBLE; AT THE SRV-SET RATE 9 DONG EQUALS US\$1.00.) HE SAID THAT THE SRV MINISTRY OF FOREIGN TRADE COMPUTED SRV-SOVIET UNION TRADE AT THE RATE OF 40 DONG TO THE RUBLE. SOVIET OFFICIALS, HOWEVER, COMPUTED SRV-SOVIET UNION TRADE AT 27 DONG TO THE RUBLE. [REDACTED] COMMENT: THE SOVIET ADVISOR COULD NOT EXPLAIN THE REASON FOR THE DISPARITY IN THE EXCHANGE RATES. THE ADVISOR SAID "NO ONE REALLY KNOWS THE REAL RATE." THE ADVISOR ADDED THAT THE SRV "HAD NO GOODS WITH WHICH TO PAY OFF ITS DEBTS TO THE SOVIET UNION ANYWAY."

2. THE SOVIET ADVISOR SAID THAT THE SRV HAD ONE MILLION TONS OF COAL WHICH HAD BEEN SORTED INTO GRADES AT CAM PHA. HE COMPLAINED THAT, ALTHOUGH THE SRV HAD ITS OWN COAL, IT STILL ASKED TO IMPORT COAL AND FUEL FROM THE SOVIET UNION. SOVIET OFFICIALS TOLD THE SRV TO SELL OR USE ITS MILLION TONS OF COAL. SRV OFFICIALS RESPONDED THAT NO ONE WANTED TO BUY THEIR COAL; THE SOVIETS SAID THAT THE SRV COAL WAS OVERPRICED. THE SOVIET ADVISOR SAID THAT "NOW" THE SOVIET UNION PERMITTED THE SRV TO SELL COAL TO ROMANIA AND THE NETHERLANDS IN ORDER TO OBTAIN HARD CURRENCY, WHEREAS PREVIOUSLY ALL SURPLUS COAL HAD BEEN EXPORTED TO THE SOVIET UNION. [REDACTED] COMMENT: THE MAIN MARKET FOR SRV COAL HAS BEEN JAPAN; INFORMATION IS LACKING ON ANY SRV COAL EXPORTS TO ROMANIA AND THE NETHERLANDS.)

ACTION DIA(1) (U,6,7)
INFO CJCS(4) NIDS(1) JS(2) C3S(5) PMD-1(1) SECDEF:(1)
SECDEF(9) USDP(15) ASD:PA&E(1) DI-1(1) NMIC(1)
RTS 2B(1) NWS(1) VD(1) DC-4A(1) AT-4(1) AT-5(1)
DIO(1) VP-A2 FRD(1) DE-1(1) DE-3(1) DB-1(1) DB-1G(1)
DB-2(1) DB-2C(1) DB-3B(2) DB-3E(2) DB-4F2(1)
DB-5B(1) DB-5D2(1) DB-4E1(1) DB-5D3(1) D1-1(1)
DT-5(1) DB-1E3(1) DB 4E(1)
+CSA WASHINGTON DC
+CNO WASHINGTON DC
+CSAF WASHINGTON DC
+CNC CC WASHINGTON DC
+HQ AFOSI BOLLING AFB DC
+SAFE

3. THE SENIOR ADVISOR SAID THE SOVIET UNION HAD TRAINED ABOUT 100,000 SRV WORKERS. MOST OF THE WORKERS WERE WOMEN. WHEN ASKED WHY THE SRV DID NOT FORCE MORE PEOPLE, ESPECIALLY THE UNEMPLOYED, TO GO TO THE SOVIET UNION FOR WORK AND TRAINING, THE ADVISOR

SAID THAT SUCH A PLAN WOULD BE IMPOSSIBLE SINCE THE SRV WAS UNABLE EVEN TO FORCE PEOPLE TO MOVE TO STATE FARMS IN SOUTHERN SRV. [REDACTED] COMMENT: PREVIOUS REPORTING HAS INDICATED THAT SRV WORKERS HAVE WANTED TO GO TO THE SOVIET UNION BECAUSE THEY STOOD TO GAIN FINANCIALLY. THE ACTUAL NUMBER OF SRV "GUEST WORKERS" IN THE USSR IS CLOSER TO 20,000.)

4. WESTERN RESIDENTS IN HANOI SAID THAT ON 6 NOVEMBER A BLA MAN WAS SEEN BEGGING IN THE DONG XUAN MARKET. THE MAN SAID THAT HE WAS A SENEGALESE DESERTER FROM THE FRENCH FOREIGN LEGION. WESTERNERS HAD HEARD THERE WERE MORE THAN 13 BLACKS, ALL FRENCH FOREIGN LEGION DESERTERS, WHO LIVED IN THE HANOI AREA. ONE MAN LIVED WITH HIS SRV WIFE AND CHILDREN NEAR THE "CAFE AT THE SMALL LAKE" IN HANOI.

5. ON 14 NOVEMBER AN UNIDENTIFIED SHIP WAS IN HAI PHONG OFFLOADING 10,000 TONS OF BAGGED SUGAR FROM CUBA.

6. THIRTY SOVIET FAMILIES RESIDED AT THE MAIN SOVIET COMPOUND IN HAI PHONG. ABOUT TEN SINGLE CZECH ADVISORS LIVED IN THE FORMER NORWEGIAN COMPOUND NEXT TO THE SOVIET COMPOUND.

7. THE RICE CROP IN THE HAI PHONG AND UONG BI AREAS OF NORTHERN SRV LOOKED GOOD AND HAD NOT BEEN DAMAGED. SRV PERSONS AND FOREIGNERS EXPECTED A GOOD CROP IN THE NORTH. THE MARKETS WERE FILLED WITH FOOD. A FREQUENT TRAVELER TO HANOI HAD OBSERVED AN INCREASE IN BEGGARS IN THE HANOI MARKETS.

8. WESTERNERS IN HANOI SAID THAT FOR THE RECENT TAXATION DRI IN THE CITY, HANOI AUTHORITIES HAD USED POLICEMEN FROM THE COUNTRYSIDE TO INSPECT PRIVATE SHOPS AND LEVY TAXES. DUE TO THE INEXPERIENCE OF THE COUNTRY POLICEMEN, THERE HAD BEEN CONSIDERABLE VARIANCE IN THE TAX RATES LEVIED.

ACQ: NOVEMBER 1983
DISSEM: [REDACTED] SENT TO [REDACTED]
[REDACTED] (PRINCIPAL OFFICERS ONLY), CINCPAC (CINCPAC, COMIPAC, AND POLAD).

WARNING: REPORT CLASS **SECRET**

DECL: OADR DRV [REDACTED] BY RECORDED REPORTING OFFICER. ALL PORTIONS CARRY CLASSIFICATION AND CONTROLS OF OVERALL DOCUMENT. BT

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