MEMORANDUM FOR: THE PRESIDENT
FROM: HENRY A. KISSINGER
SUBJECT: Sihanoukville Intelligence Failure

Attached is the Foreign Intelligence Advisory Board's report on the failure of the intelligence community to properly assess the flow of enemy material through Sihanoukville. Examination of Cambodian records has revealed that during the years 1966-69 Chinese Communist deliveries to Cambodia of military supplies for VC/NVA forces totalled about 22,000 tons and that the Sihanoukville route accounted for the bulk of supplies used by enemy forces in southern II, III and IV Corps. Although MACV and CINCPAC made a correct assessment, CIA, State and DIA held that the primary means of resupplying these enemy forces was the overland route through Laos (DIA's views began to diverge from CIA's in 1969).

After examining the problem, the FIAB has concluded that:

-- The inaccurate assessment of Sihanoukville's importance to the Communist war effort was a major U.S. intelligence failure which resulted from deficiencies in both intelligence collection and analysis. The failure was all the more pronounced because of the unusual attention and high priority given to the subject by government policymakers.

-- The Communist logistics network was so extensive that with greater collection efforts the discrepancy would probably have been detected sooner. Among those factors contributing to collection failures were: great caution resulting from concern about the effect that a compromise might have on relations with Cambodia, the absence of an official American mission in Cambodia, and the lack of close coordination between collectors and analysts, even within CIA headquarters.

-- Deficiencies in intelligence analysis were an even greater cause of the failure. Washington analysts lacked objectivity. Having espoused
an initially erroneous position on Sihanoukville's role in the war effort, they persisted in minimizing the steadily increasing mass of circumstantial evidence which contradicted their original assessments.

. If available data had been properly evaluated, the true role of Sihanoukville could have been ascertained.

. The Washington community and MACV started from the same information base. However, analysts in Washington insisted on conclusive evidence and were reluctant to view evidence in the aggregate. There was an apparent preoccupation with discrediting MACV estimates.

. The Ho Chi Minh Trail was emphasized and other potential supply routes discounted. It was believed that the Communists didn't need other routes and couldn't depend on Cambodia.

-- Concerning our overall knowledge of enemy logistics, intelligence on these capabilities should be regarded as tenuous in the absence of communications intelligence or photographic evidence.

RECOMMENDATION:

On the basis of his examination of the Sihanoukville case, the Chairman of the FIAB recommends that the Director of the Central Intelligence Agency be directed to make appropriate personnel changes in the Agency. Although a wholesale changeover based on this report would probably be counter-productive, I believe that some shifts in assignments at CIA would have a beneficial effect. With your approval I will discuss with Director Helms the desirability of making some changes.

Approve ________  Disapprove ________

JTH:AMH:HAK:wgh:4 Jan 71