## CENTRAL INTELLIGENCE A.GENCY OFFICE OF NATIONAL ESTIMATES

12 June 1959

STAFF DRAFT: LAOS . . . thru the looking glass, darkly . . .

- 1. On June 6, the Lac Government decided to release the leaders of the Neo Lac Hak Zat (NLHZ) from house arrest and to declare the incident of the renegade Pathet Lac battalion ended. At least for the immediate future this decision has ended the danger that the Lac Government and military would undertake an everly enthusiastic effort to suppress all pro-Communist elements. Such an effort would have risked serious international reprecussions and further complicated the pro-blem of getting underway a joint US-French program to train the Lac Army. The Lac Government's decision will probably lead to some tapering off of the barrage of charges and threats issuing from Hanci and Poiping until some new issue presents itself.
- 2. On May 29 the US-French talks in Paris on a joint training program for the Lao Army were concluded and a memorandum, "General Principles Looking Toward a Possible Eventual Agreement with the Royal Lao Government on Training of its Army," was submitted to the US and French governments for

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approval. On the one hand, this memorandum calls for a considerably greater role for the US than the French originally appeared willing to accept. On the other hand, it preserves a far greater role for the French than the Lao Government has indicated it is willing to accept.

3. The vague terms of the Momorandum concerning command relationships provide many possibilities for friction between the US and French training personnel. Moreover, the suspicion of many French military and administrative advisors that the US is seeking to elbow them out of Laos will almost cortainly complicate the working arrangements. However, we believe that these problems will be less acute at higher military and diplomatic levels and that the French Government will probably be more cooperative than it has in the past, particularily if de Gaullo personally approves the joint-training program, as we believe he will. The French both in Lacs and in Paris, appear finally to have realized that the Lao have a strong desire to end the Franco-Lao military relationship. Many French will persist in the belief that the growing anti-French attitude of the Lao is due to US machinations. However, the French,

On 12 June, State received informal word that the High Defense Council, with de Gaulle presiding, has approved the Memorandum.



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particularly at higher levels, probably are becoming convinced that for the short run at least, their best chance of maintaining a position in Laos lies in cooperation with the US.

talks are yet to be worked out. No matter how presented, a plan for a joint US-French training program will probably be resisted by the Lao. They have become increasingly outspoken in their dissatisfaction with the French record in Laos and in their desire that the US take over all French functions in training, equipping and advising their army. However, the Lao have little choice but to accept a joint-training program and we believe that they will do so, although probably with some reservations and dissatisfaction.

5. Initiation of a joint-training program for the Lao Army will almost certainly evoke strong protests from Hanoi, Peiping, and Moscow, and probably India. There will probably for be a new round of domands for reconvening the ICC-Laos and a moeting of the Geneva Co-chairmen (UK-USSR). Thus for, the UK has steed firm on its position that the Lao Government's actions have not violated the Geneva Accords but have been in

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fact tolerant in the face of Pathot Lao provocations. If the training program is deftly handled, the UK will probably continue to stand firm. It is possible that Hanci and/or Peiping may make some military gestures designed to create crises in Laos which could be used to launch a campaign for a high level international conference, including Communist China, to review completely the Geneva Accords arto consider breader Far East issues. Such a crisis, which could involve "volunteers" from North Vietnam, would probably be intended to fall short of preveking US military intervention, but the chances of miscalculation could be great. We continue to see no direct connection between the Berlin crisis and Communist actions with respect to Laos.

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