

SECRET

CENTRAL INTELLIGENCE AGENCY

OFFICE OF NATIONAL ESTIMATES

6 April 1970

MEMORANDUM FOR THE DIRECTOR

SUBJECT: The Situation in Indochina

1. In South Vietnam, great progress has been made since mid-1968 in extending governmental control and security to the countryside, in developing military and security forces, and in restricting the operations of Communist main force units to remote areas. But these gains lack deep roots. The government has not engaged the positive loyalties of the people, and the military and security forces are far from being capable of assuming full responsibilities in the main force war or even for countryside security. While the position of the Communists has deteriorated, their apparatus is intact in most areas, and their main force organization, though understrength, remains capable of relatively rapid buildup.

2. The basic situation in Laos is far more fragile than in South Vietnam. While over the years the fortunes of war have ebbed

GROUP 1
Excluded from automatic
downgrading and
declassification

SECRET

SECRET

and flowed, the Communists have succeeded in maintaining their sway over major portions of the country, including extensive areas west of the Mekong and adjacent to Thailand. Indeed, more than half of the Thai-Lao border has for years been easily accessible to Communist infiltration parties, and the proportion has been rising as Allied paramilitary assets are stretched thinner and thinner over Laos. The Laotian Army is hardly more effective than it was in 1962. The Meo guerrillas provide the country's principal fighting forces, and as their casualties continue to exceed their replacement potential, they are gradually losing their capacity to fight. The indigenous Communist Pathet Lao movement is also in dire straits, but the North Vietnamese still can place it in a dominant position in Vientiane. Only Hanoi's preoccupation with South Vietnam and its desire not to prejudice its prospects there have stood in the way.

3. Until the recent overturn in Phnom Penh, Cambodia seemed likely to escape direct involvement in the Vietnam war and to carry through under Sihanouk into the post-war period with its independence and neutrality reasonably intact. Even so, its longer range prospects were not considered good if the Communists succeeded in consolidating their control in South Vietnam.

SECRET

SECRET

4. Without substantial external support, the military and political fabric of these three states is so weak as to provide little obstacle to Hanoi's aims, which are to extend its control over South Vietnam and its predominant influence in Laos and Cambodia. The United States now appears determined to remove its fighting forces from South Vietnam. The question is whether -- through a gradual removal -- enough time can be gained to enable South Vietnam and other Southeast Asian countries to strengthen their internal structures, to assume more responsibilities for their own defense, to engage other Asian countries in cooperative security efforts in the region, and even to work out some understandings that might remove Southeast Asia from the center of contention and conflict.

5. As long as substantial US fighting forces remain in South Vietnam, the country can surely be preserved from Communist domination. If the bulk of these forces should be withdrawn in the next two or three years, the chances of avoiding eventual Communist control would, in our view, be relatively small. The effects of a more prolonged withdrawal are difficult to estimate with any confidence, but the continuing resiliency of the Communist effort, together with the slow pace of South Vietnamese political and military development, lead us to believe that the long term prospects -- after the withdrawal of US forces -- cannot be judged as much better than even. Yet

SECRET

SECRET

the course of events will still depend upon developments now unpredictable - developments in North Vietnam, in South Vietnam, and perhaps in the arena of international negotiations. Laos is, of course, much more vulnerable than South Vietnam; Cambodia, in view of recent occurrences in that country, is more vulnerable than before.

6. Hanoi's Response to Recent Events. For the moment, the urgency for decision and action is probably greatest in Hanoi. The North Vietnamese regime has seen its earlier military efforts in South Vietnam effectively countered. It has reduced the vigor and extent of its fighting operations, it is hurting from the long continued drain of the conflict, and the overthrow of Sihanouk has confronted it with potentially grave dangers. Hanoi surely calculates that the strategic balance in Indochina could be critically upset if Communist forces were to lose effective control of their border sanctuaries in Cambodia. Hanoi has moved quickly to head off the threat, either by unseating the Lon Nol regime in favor of Sihanouk or by coercing it into granting a similar degree of tolerance to that accorded Hanoi's forces by Sihanouk (and Lon Nol) during 1969. At the same time, Hanoi is moving to improve its security position in the border zones, excluding potentially hostile Cambodian military and administrative elements and commencing the conversion of these zones into "liberated areas."

SECRET

7. If the Communists are not promptly successful in getting what they want from Phnom Penh, they would face some unattractive alternatives. To apply increasingly heavy pressures in the name of some trumped-up Khmer resistance movement could drive the Cambodian government further from "neutrality" and encourage it to engage the non-Communist powers more and more directly in its political, diplomatic, and military defense. In addition, reliance on a new "liberation" war to assure VC/NVA wartime requirements might not only be uncertain but could simply consume too much time in the organization process. In any event, the proclamation of a liberated area under the Khmer flag along the border would not solve all the VC/NVA problems. Assuming that the Lon Nol government had held together, the Communists would have to contemplate the possibility of mounting military pressures and harassments from the Cambodian Army as well as from GVN/US forces.

8. There remains the extreme measure of using VC/NVA forces directly and openly against the Cambodian Army and moving against Phnom Penh, if necessary, to force a change in the government or its policies. This might not be a simple matter. VC/NVA units cannot move far from their border sanctuaries without assembling in some kind of regular formation and leaving themselves exposed to conventional attack. Under these conditions

Hanoi could not ignore the possibility that GVN/US air and ground forces would support the FARK and that the Communists would suffer heavy reverses.

9. Hanoi's problems are further complicated by the situation in Laos, where government forces are, at least for the moment, putting up a stiff resistance around Long Tieng. Further, the somnolent Thai are finally showing signs of bestirring themselves and taking an active interest in the military defense of Laos.

10. In these circumstances, it is possible that Hanoi may come to an entirely new appreciation of the Indochina situation. Frustrated at the apparent stalemate in South Vietnam and the apparent loss of momentum of the "peace movement" in the United States, Hanoi might find merit in the idea of putting South Vietnam on the back-burner and concentrating on Laos and Cambodia, committing more forces there to quickly take these countries. The probable gains: two "dominoes", a substantial political-psychological impact in South Vietnam and Thailand, and, for the US, the disheartening prospect of a markedly worsening situation in Southeast Asia.

11. We cannot rule out the possibility that Hanoi will decide to move along this sort of aggressive course, and it has the military strength to do so. But the situation appears far more complicated for Hanoi than would be indicated by generalizations concerning its military capabilities.

SECRET

The thrust of Hanoi's policy since mid-1968 has been to limit risks, to conserve resources, and to concentrate on getting the US out of Vietnam primarily through political, diplomatic, and psychological means. Hanoi is increasingly concerned with internal problems in North Vietnam and is not well prepared to support a wider Indochina conflict at this time. It would certainly measure carefully all alternatives before risking action which could precipitate such a conflict.

12. In general, we think that Hanoi will strive to keep to its low-risk strategy of the past two years. Hanoi could live with a Cambodian government which was unfriendly, but not actively hostile; arms through Sihanoukville, while convenient, are not essential and Cambodian rice in some quantities could probably be obtained without official arrangements. Thus, the situation in Cambodia could well simmer down with the Communist forces retaining their base areas and suffering only the burden of the extra efforts needed to move additional arms and other supplies on the overland routes from North Vietnam. This would place some further inhibition on large scale Communist military actions in III and IV Corps, but readjustments of supply lines could be made so that the long term threat in South Vietnam would be little reduced.

- 7 -

SECRET

13. But these judgments do not reckon with the unpredictable dynamics of the Cambodian domestic situation. Lon Nol might persist in an active policy of harassment against the Communists and seek openly or covertly to enlist the collaboration of the Allies in these efforts. Hanoi might not tolerate much of this before taking more extreme measures to bring down the Lon Nol regime.

14. Finally, we cannot rule out a move by Hanoi to open negotiations for a new Indochina settlement. In South Vietnam, the number one target, the Communists are not in a good political or military position in the short-term sense. But in Laos, where they control most of the territory -- though not most of the population -- and have the precedent of a coalition government, and in Cambodia, where Sihanouk gives them a national figure which they have never enjoyed in South Vietnam, they are in a considerably better bargaining position. They might reason that in the face of a call for a new international conference -- possibly on the old Geneva model -- to "settle" the war in Indochina, the US would find it difficult to insist on maintaining the present Saigon regime.

15. In any event, current developments are not likely in the long term to bring much advantage to the non-Communist cause. Even if the Communist forces in Laos are contained through the current dry season, RLG strength will be further drained. In Cambodia, an active

resistance movement will almost certainly be promoted by the Vietnamese and the seeds of eventual Communist control spread more widely in the country. And in South Vietnam, the new uncertainties, and the questions of policy they raise, may lead to increased tensions between the US and the GVN.