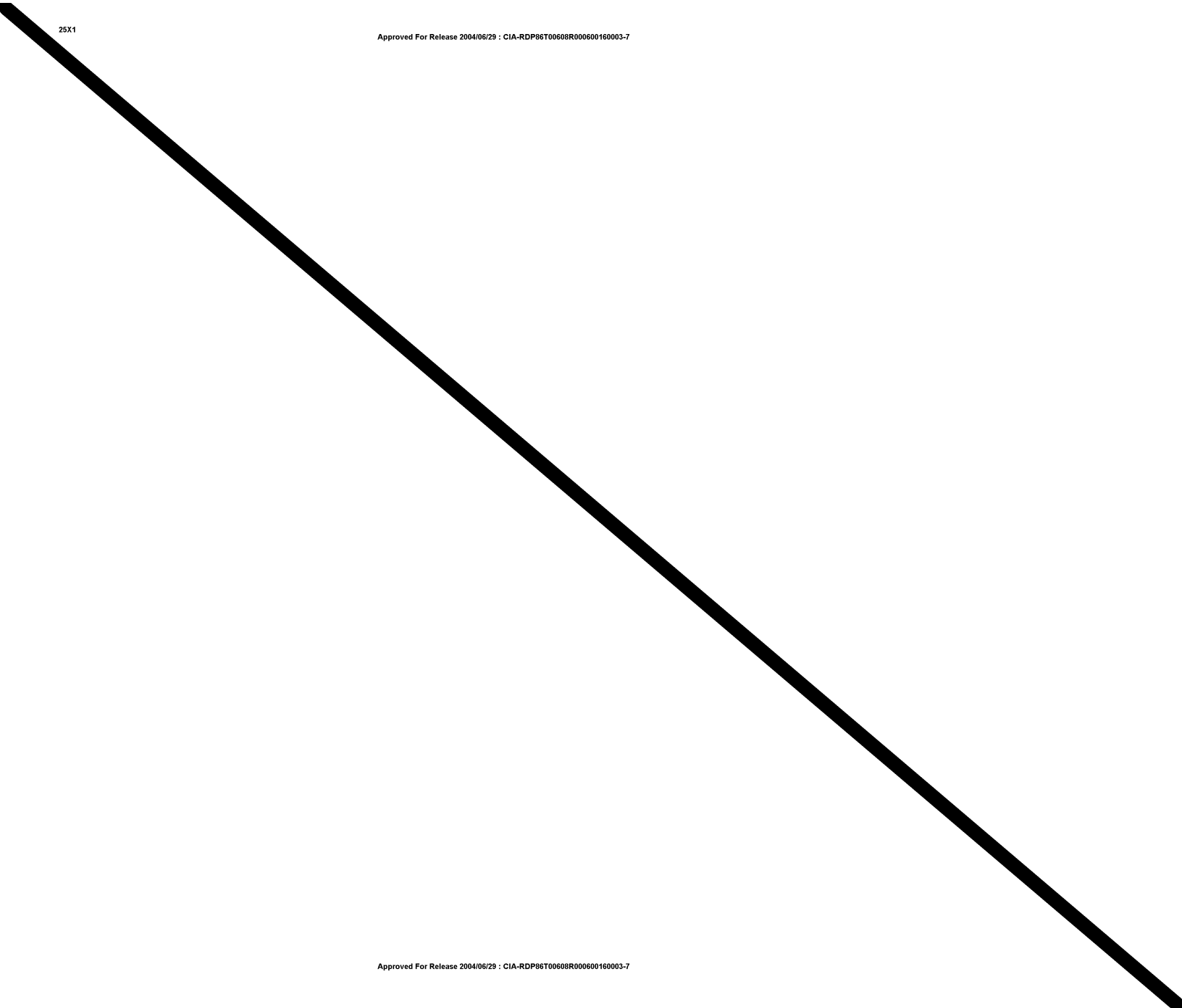

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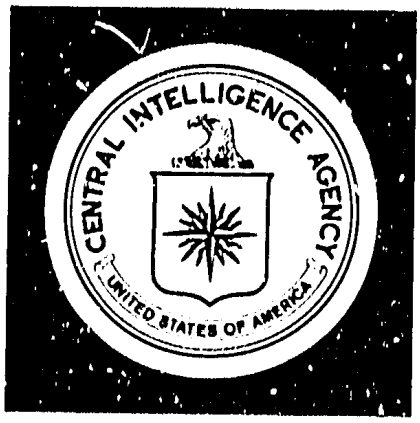

How Hanoi, Peking, and Moscow View the New Situation in Southeast Asia

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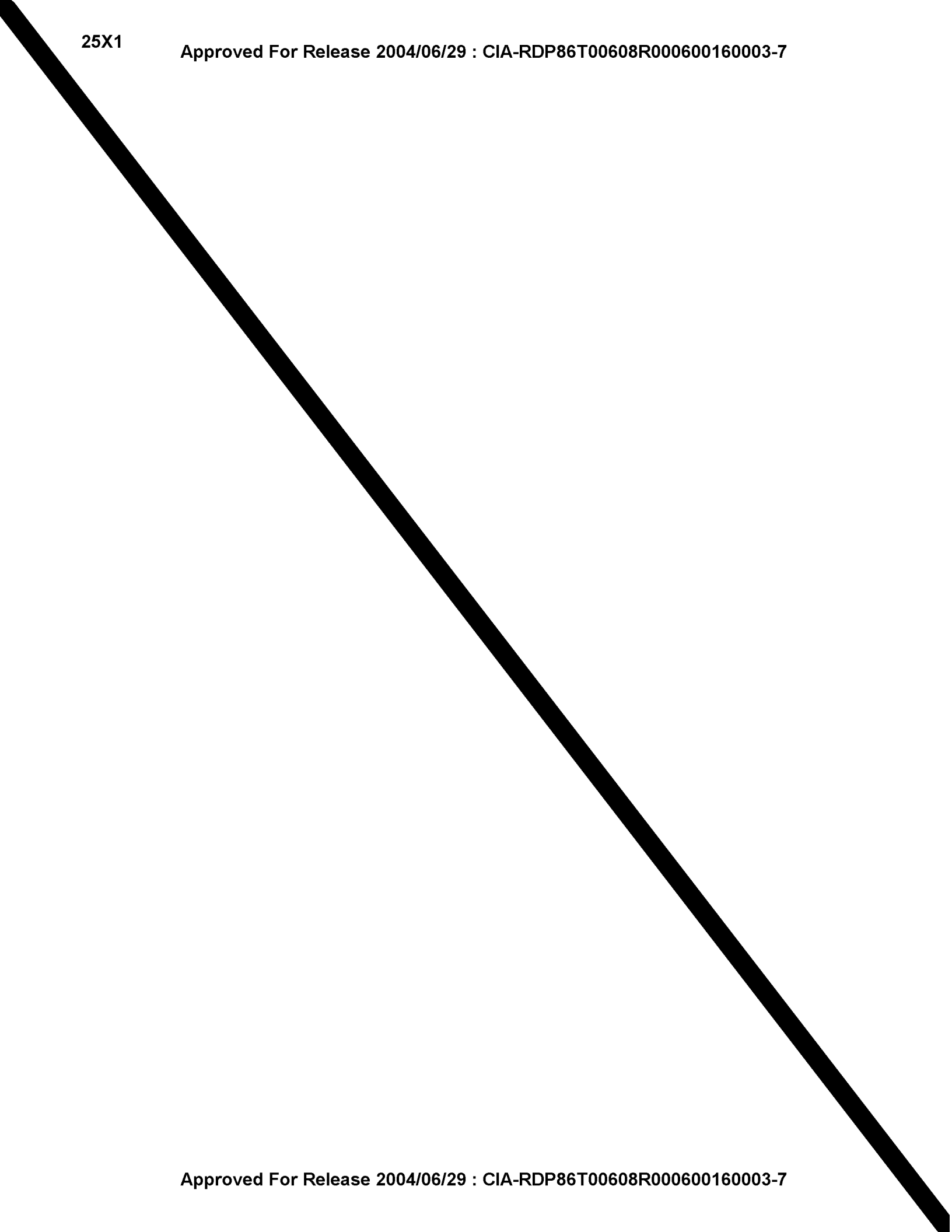

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AN OVERVIEW*

The end of the war in Indo-China introduces a period of uncertainty and transition in Southeast Asia. Buoyed by victory, North Vietnam's leaders will inevitably move to establish their country as a power to be reckoned with in the region; the pace and tactics they adopt will be major determinants of the relative tranquility of Indo-China and Thailand. There will be some tension and intermittent squabbling -- not only among Hanoi and its nervous neighbors, but among Hanoi and its wartime allies, China and the USSR. Divergent national interests are emerging as each seeks to exploit to its own advantage the diminution of American influence in the region.

Over the next two or three years, however, practical restraints will temper the chances of destabilizing developments arising from the greater manifestation of Sino-Soviet rivalry in Southeast Asia, serious friction between Hanoi and either of

* This memorandum has been prepared within the CIA; it was written by the Office of Political Research of the Directorate of Intelligence (DDI). It consists of an Overview, and an Annex containing three more detailed papers on certain aspects of the subject written by three different analysts. The Overview has been coordinated with and concurred in by all offices of the DDI.

her wartime patrons, or the possibility of Hanoi adopting an aggressive course of behavior toward her neighbors. Hanoi, Peking, and Moscow will be limited in their capacity to project influence in the region by the nationalistic sensitivities of the Southeast Asian states and by the priorities of other goals. Both Moscow and Peking in their rivalry with each other will continue to be concerned with maintaining good relations with Hanoi, if only to prevent the other from gaining any major advantage. Although the potential for tension between Peking and Hanoi is high, both probably will try not to allow their differences to get out of hand.

The following paragraphs offer our best judgments on the interplay of these various factors and on the probable course of events in Southeast Asia over the next two or three years.

THE FUTURE OF THE COMMUNIST ALLIANCE

The enormous tasks of reconstruction and development in the north, and the consolidation of power and socio-economic adjustments Hanoi will wish to introduce in South Vietnam, will absorb most of North Vietnam's attention and resources for the next few years. We believe that much of the energy Hanoi has left over will be devoted to the problems of Laos and Cambodia -- problems which will be important to the interplay of forces among Hanoi, Peking, and Moscow, but will impinge far less directly on the stability of other parts of Southeast Asia. This does not mean

that the North Vietnamese cannot give modest amounts of material or even advisory support to the Thai insurgents, but it will limit the scope of Hanoi's actions in Southeast Asia.

In line with this basically inward orientation, the principal thrust of North Vietnam's efforts toward non-communist Southeast Asia and the non-communist world in general will be actively to broaden its diplomatic and economic ties with these areas. Hanoi will want to reduce its dependence on Moscow and Peking to the extent possible in meeting its needs for foreign economic assistance. While such aid will perforce continue to come largely from the USSR and China, North Vietnam will do its best to widen its range of suppliers. In the meantime, the Vietnamese leaders will maintain the careful balance between Moscow and Peking which has served them so well in the past. The USSR and China are likely to have even less leverage over Hanoi's policies in the future than they have had in the past.

Hanoi's relations with Peking in particular will probably show increasing strain. The two powers are essentially rivals for political influence in the region. They will have competing objectives in their relationships with Thailand -- both with the government in Bangkok and with the Thai insurgents in the countryside. They also have conflicting claims to several islands (the Paracels and the Spratleys) in the South China Sea, and the possibility of off-shore oil will only exacerbate this contentious

issue. Cambodia will be another major area of rivalry between Peking and Hanoi. Underlying and contributing to the tension in their relations is a history of conflict and ethnic prejudice. In contrast, Moscow has no similar conflicts with Hanoi, and undoubtedly will strive to maintain this advantage by continuing a generous aid program and by taking Hanoi's side in its territorial disputes with the PRC.

Nonetheless, while Moscow may maintain a slight edge over the Chinese in Hanoi, any efforts to woo the Vietnamese into taking up the Soviet cause against the PRC seems doomed to failure. An overwhelming dependence on Moscow's support would leave Hanoi vulnerable to Soviet pressures and diminish its independence of action -- a position Hanoi clearly wants to avoid -- while Peking would view such a tilt as threatening. Both countries clearly have an interest in keeping Soviet influence in Hanoi within careful bounds -- a mutual goal that will not, however, deter Soviet efforts to drive a wedge between Hanoi and Peking.

POST-WAR INDO-CHINA

Pathet Lao policies at least over the next two or so years, will be heavily influenced by Hanoi. Pathet Lao dependence on Hanoi's support and advice is so entrenched that there is little likelihood of it being successfully challenged either internally or by external competitors.

China is a potential counterweight to Vietnamese influence in Laos, but probably will not challenge Hanoi at the central level. It will continue an interest in North and Northwest Laos, as a limited buffer zone along its border and possible entry point to Thailand and Burma. Peking has deferred to Hanoi's patronage of the Pathet Lao; there is no reason to expect a significant change in this arrangement in the near future.

Cambodia offers quite a different picture. The hyper-nationalism of the Khmer communist leaders will contribute to very contentious relations with the Vietnamese, and will offer China a much larger role as a counterweight to Vietnamese pressure. The prospects for continuing disputes with Vietnam are high. Both the contested delineation of their common border, conflicting claims to the continental shelf in the Gulf of Thailand, and ethnic animosities will fuel the flames. Leaders on both sides have indicated a desire to keep the squabbling within bounds, but the composition and policies of the Cambodian government are still very uncertain and offer few clues to its future behavior.

China clearly has entree through its early support of Sihanouk and its subsequent ties with the Khmer communist leaders. Moreover, China can offer material and technical aid and, with the port of Kompong Som (Sihanoukville) now in communist hands, need not use Vietnamese transport facilities to move its aid. Peking will prefer to avoid assuming an adversary position against Hanoi,

but China's support will nonetheless permit the Cambodians to remain largely independent of Hanoi's leverage, and Cambodia is likely to become a point of friction in Peking's relations with Hanoi.

Moscow's influence will remain marginal in both Laos and Cambodia. The Soviet reluctance to break with Lon Nol will make the development of cordial relations with the new regime very difficult -- a problem illustrated by the unceremonious departure of the USSR's mission from Phnom Penh. The recent Soviet approach to Sihanouk with offers of aid -- however fruitless -- will undoubtedly be followed up with persistent efforts to re-establish a presence in the country, if only to prevent China from enjoying a clear field. Soviet efforts probably will produce little political return; the Khmer communists clearly see Peking as a more useful counterweight against Vietnamese pressure. But as the Cambodian regime shakes down and begins to open its windows to the world, the Soviets -- with their noses pressed to the pane -- will be back, not enjoying much influence but greatly exciting Chinese concerns.

In Laos, Moscow's limited influence in the past was derived largely from its role as one of the sponsors of the coalition government. But it is increasingly doubtful that even a weak facade of coalition government will survive Souvanna Phouma, and its passing will mean the further diminution of the already limited

Soviet role. Soviet relations with the Pathet Lao were never close and the current efforts to improve them are not likely to meet with any significant success.

BEYOND INDO-CHINA

Although the Southeast Asian region at large will be the scene of jockeying for influence by the Chinese, Soviets, and Vietnamese, none seems inclined to raise tensions recklessly. Our best estimate is that Peking, Moscow, and Hanoi have all concluded that improved relations with the established governments of the countries will pay greater dividends in the near term than support for revolutionary activity against them. However, Peking and Hanoi will not totally abandon the latter course. For their part, the ASEAN nations will try to adjust to the changing power balance in the region by improving relations with the communist powers. The growing inclination toward neutrality in non-communist Southeast Asia will probably be accelerated. But such adjustments are likely to be cautious, with no dramatic shifts in political alignments.

The USSR will be less able than its rivals to capitalize on the new atmosphere in the area, which in any event has a low priority in Soviet interests. With Moscow's attention largely focused elsewhere, there is little chance that in the near future the Soviets will seek or gain any significant military or strategic position in the area. The USSR will continue its efforts to extend and improve its relations as a counter to Chinese power.

Concurrent with these efforts will be accompanying warnings of the threat of Chinese-inspired subversion and insurgency and, no doubt, the periodic advocacy of an Asian collective security pact. This counsel will fall largely on deaf ears. The Soviet Union is still looked upon with great suspicion -- an image not likely to dissipate soon.

For China, a heavy influence in Southeast Asia is very important, but Peking continues to see the US presence as a useful counterweight to the USSR. This is their overriding concern, and Peking thus is unlikely to press for a further diminution of the American role. Peking, in turn, is seen in some of the region's capitals as a potential counterweight to pressure from Hanoi. While the Chinese favor a restrained Vietnamese foreign policy, however, they will try to avoid antagonizing Hanoi by assuming too blatantly a competitive posture.

North Vietnam's behavior will be carefully watched by the ASEAN countries. Hanoi will find them willing to develop more normal relations but apprehensive about Hanoi's intentions -- specifically, whether they embrace ambitions of further territorial hegemony or a commitment to supporting revolution beyond Indo-China's borders.

Developments in Thailand will be regarded elsewhere as a key indicator of Hanoi's (as well as China's) intentions. Thailand's border with Laos allows the easy support of the insurgents in the

north and northeast. But an increase in support to the insurgents from either North Vietnam or China -- sufficient to endanger the non-communist government of Thailand -- does not seem to be in the cards. Hanoi is not likely to choose this road unless it feels utterly frustrated in its diplomatic relations. The insurgency's limited capacity for growth and general affiliation with the PRC make this an unlikely option for Hanoi to pursue. Moreover, such a course would risk reversing Thailand's drift toward a more neutral and compromising position.

In sum, Southeast Asia will be the scene of much maneuvering for advantage among Peking, Moscow, and Hanoi, in which tensions and acrimony will frequently surface. But the internal and other preoccupations of all the parties and the desire and will of the local regimes to maintain their independence argue against any any power gaining a significantly ascendent position. Judgments must be tentative. The abrupt end of the war caught everyone off guard, and, undoubtedly, options and policies have not yet been clearly determined. In any case, the communist states of the area can be expected to join the more radical foes of the US in international gatherings. Their prickly, hypersensitive leaders will seek to demonstrate their divergence from US positions on nationalistic, ideological, and economic grounds. Most of these problems, however, are likely to be irritants rather than major dangers.

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A N N E X

This Annex presents three more detailed papers, written by three different authors from the Soviet, Chinese and North Vietnamese viewpoints, on the subject of future communist policies and interests in Southeast Asia. The three papers are largely consistent with each other and with the Overview though not in every detail. Each is of value, however, in illuminating the complex relationships of the communist powers in Southeast Asia from a slightly different perspective.

The three papers, and their authors, are --

-- The View from Hanoi, by [redacted] 25X1

25X1 -- Peking's Policy in Post-War Indochina, by [redacted]

25X1 -- Soviet Policy in Southeast Asia, by [redacted]

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THE VIEW FROM HANOI

Hanoi's victory in South Vietnam has brought into focus new policy objectives that will modify its relationships with its two principal wartime allies, the Soviet Union and China. The most obvious change is the diminished requirement for massive military assistance, but the end of the war also gives Hanoi the opportunity to break out of the relative diplomatic isolation imposed by the war and to play a broader and more independent role in international affairs. Soviet and Chinese aid never gave its donors much leverage over DRV policy, due to their rivalry for Hanoi's favor which the Vietnamese leaders skillfully exploited. Nonetheless, Hanoi was never comfortable with the potential for leverage that its overwhelming dependence suggested and is determined to reduce it by substantially broadening its political and economic contacts.

The intense nationalism of Hanoi's leaders raises the potential for friction not only in its relations in the region but in its dealings with its old allies, most particularly with the PRC. There are already signs of such friction in the current embroglio over territorial claims in the Spratley and Paracel Islands. Hanoi's criticism of the PRC's occupation of the Paracels not only reflects Vietnam's drive to establish its national prerogatives, but the basic ethnic distrust and animosity long felt toward the Chinese but submerged for practical reasons during the Indo-China conflict. This underlying tension in their relations can be expected to

surface periodically, particularly when Hanoi suspects the Chinese of maneuvering to contain its influence in the region.

Hanoi's pique at real or imagined short-comings in Soviet political and material support has caused occasional strains, but despite the overwhelming preponderance of Soviet aid, the Vietnamese have always seen Moscow as a more distant, and thus less threatening, influence -- one that was highly useful in balancing China's influence but not a serious competitor with Vietnam's regional interests. Moscow is also apparently enjoying the benefits of generous support that preceded the final stage of the war at a time when Peking, although equally forthcoming with aid, reportedly was counseling restraint and compromise.

Gratitude is a transitory phenomenon, however, and Hanoi's post-war goals will shape its future relations with both Moscow and Peking. These initial objectives include the rebuilding and development of a war-damaged economy, the reunification of north and south, Hanoi's projection of its leadership in Indo-China, and the establishment of Vietnam's legitimacy in the diplomatic arena. Reconstruction and reunification are Hanoi's priority goals and will absorb most of the country's energies and resources. These priorities do not preclude an active foreign policy, although this preoccupation should influence its tactics. Buoyed by the euphoria of victory and a sense of momentum, Hanoi clearly is in a mood to amplify its influence. This mood need not manifest itself in

military action, but should -- for the next two or three years at least -- be projected in political and economic terms. Indications are still tentative. The rapidity of the south's collapse took Hanoi by surprise, and undoubtedly there is still some debate and groping going on in the leadership councils.

REUNIFICATION

Although reunification is the primary goal of the North Vietnamese leadership, it probably will not be pursued precipitously. The PRG is emerging as a separate administration in the south that will have separate diplomatic status and representation in international bodies and may hold "elections" to legitimize the communist take-over. But there is no question that this political division is an artificial one that offers little opportunity for the development of separatist tendencies in the south. The leaders are closely tied to the Hanoi regime. Politburo member Pham Hung, formerly chief of COSVN, has surfaced as the secretary of the southern party and the man who clearly is in charge. Moreover, the components of the southern administrative apparatus are reportedly being staffed by personnel from North Vietnamese ministries, and NVA troops are still present. This does not rule out occasional manifestations of regional prejudice and personal pique on the part of southern cadre, but Hanoi's control is too firmly entrenched to permit any serious maneuvering for greater independence. In any event, the country's reunification was a goal long embraced

by Vietnamese on both sides of the DMZ; even the GVN emotionally rejected the notion of permanent partition.

Hanoi would be sensitive to any efforts to encourage separatism in the south, though it is difficult to see where such encouragement would come from. DRV officials have expressed suspicions, in months past, that the PRC was not anxious to see a united Vietnam, but such remarks seemed to reflect Hanoi's pique at China's apparent lack of enthusiasm for a renewed offensive. Nonetheless, as the chances for such tendencies to take root could increase the longer the two areas remain apart, reunification will probably be delayed no longer than two or three years.

In the meantime, there are political and practical reasons for continuing the pretense of an independent southern regime. It is consistent with past communist claims and supports the legitimacy of the new rulers as rising from a local struggle rather than invasion from the north. Unification of two areas with such different social and economic structures will present serious problems. The relative prosperity of the south and its consumer-oriented and capitalist economy will not easily blend with the subsistence and socialist economy of the north and could aggrevate discontent in the north. Melding the two systems will not be easy, and in view of the disastrous effects of harsh land reform efforts in North Vietnam, the communist leadership may decide that a more gradual approach will lessen the chances of political disruptions. Political

control must be consolidated as well. Some resistance is apparently continuing -- how much trouble the communists will have with the Catholics and other religious sects, such as the Hoa Hao and Cao Dai -- is a questionable factor. As there are no national leaders of any status who could organize an effective resistance, political consolidation should not take long, but could be delayed if the communists decide to work more slowly through accommodation to more gradual stringent control in those areas where traditional anti-communism has been strong.

RECONSTRUCTION AND DEVELOPMENT

Reconstruction in North Vietnam was well underway before the war's end and should see the total recovery of the primary capital base of the economy (a very small base) by the end of 1975 or soon thereafter. While North Vietnam's leaders are preaching self-sufficiency, it is clear that they will require substantial development assistance for some time to come. The south's agricultural potential may eventually make Vietnam self-sufficient in food staples, but problems of distribution and reorganization pending the integration of the two economies will delay that day. In the meantime, the food deficit in the north, and Hanoi's desire to develop a modern economy and raise the standard of living of its population will demand continuing commodity and project assistance.

The DRV's efforts to expand its economic contacts with the non-communist world began a year or so ago and are now accelerating.

This is partly a reflection of Hanoi's determination to reduce its dependence on the Soviet Union and China, and partly a desire to reap the benefits of the technical superiority found in Europe and Japan. Regardless of its economic needs, one should not expect Hanoi to rush pell-mell into the commercial arms of the West. Hanoi's approaches up to now have been very hard-nosed, and the very primitive state of the DRV's industrial base will impose restraints on the amount and type of technology imported. Moreover, the DRV suffers from a severe shortage of capital and foreign exchange and undoubtedly would be reluctant to get into the heavy debt that normal commercial loans would involve. This need for loans on very soft terms will limit non-communist involvement, and force Hanoi to rely on the communist nations as principal suppliers of capital investments.

As long as that dependence continues, Hanoi will be strongly motivated to maintain the balanced relationship so skillfully exploited throughout the war. Soviet efforts to woo the DRV leadership into the Soviet camp with generous amounts of aid will probably fail, despite manifestations of Vietnamese hostility toward the Chinese. China provides generous assistance -- slightly over half of the north's petroleum and food imports are provided by the PRC -- and while a decline in its aid might be offset by additional Soviet assistance, such a tilt would diminish the independence Hanoi so cherishes.

PRIMACY IN INDO-CHINA

The DRV leaders have long seen themselves as the natural and legitimate heirs to the former French Indo-Chinese empire. Their sentiments are reinforced by centuries of historical contention with the Thai (and Khmer) over the Lao and Khmer buffer zones between Vietnam and Thailand. The old Indo-Chinese Communist Party was the breeding ground of the independence movements in Laos and Cambodia; the Vietnamese cadre inspired, trained and often directed the developing parties next door. Although the liberation of the south had clear priority, the insurgencies in Laos and Cambodia were seen as integral parts of a whole concept -- the parts moving in different sequence, but the finale encompassing a Communist Indo-China guided by the Lao Dong Party.

Hanoi's goals in the area have had to undergo a certain refinement. It is clear that the relationship between Vietnam and its Indo-Chinese neighbors must adjust to the strains of old ethnic animosities and to the political dynamics of the local situations. Yet the minimum requirements of Hanoi's interests -- friendly powers who defer to her basic foreign policy positions, buffers against external threats from a historically unfriendly direction and the exclusion of greater influence by any other foreign power -- should be largely satisfied, though in Cambodia's case, not entirely. It is clear, however, that Hanoi's once fond dream of controlling an Indo-China federation is dead for the forseeable future.

Cambodia presents the most ambiguous situation -- one where Hanoi's equity has been significantly called into question by the independent-minded Khmer-communist leaders and where opportunity for competition with Hanoi's influence more readily presents itself. The North Vietnamese have probably realized for some time that their ability to control the Khmer communist movement would be doubtful. Strong ethnic animosity* provoked tension and conflict between Khmer and Vietnamese forces from the start and only abated when NVA forces withdrew to traditional border enclaves.

Since their victory, the Khmer communists have adamantly asserted a particularly xenophobic independence, a clear determination to call the shots in Cambodia without outside interference, including Hanoi's. The Cambodians are not turning to total isolation and recognize the need for some assistance in operating and developing the primitive industrial plant of the country, a realization indicated by the early arrival of Chinese technicians following the communist seizure of Phnom Penh. It is this very need that undermines Hanoi's leverage. The North Vietnamese would be hard-pressed to provide Cambodia with the assistance it requires, and with the port of Kompong Som (Sihanoukville) now available to the

* The Khmer empire once held sway over much of present-day South Vietnam and was pushed back by Vietnamese expansion southward. Khmer memories of past glory are not dead, while the racially-conscious Vietnamese, for their part, look down on the darker-skinned Cambodians as a more primitive people.

Cambodian communists, the DRV will no longer be the sole conduit for foreign aid.

The Vietnamese appear to recognize and accept the Khmers' nationalist sensitivities, a tolerance reflected in their frequent references to Cambodia's "territorial integrity." Hanoi's attempts to avoid a confrontation were reflected in its agreements to Khmer demands for the withdrawal of the residual NVA forces in Cambodia. But in view of the disputed territorial claims along their common border (already provoking an occasional armed clash) and among the off-shore islands, their patience with the Cambodians will be sorely tried over the next few years.

Hanoi's careful cordiality has met with some reciprocation from the Khmer leaders. Khieu Samphan, a key leader and primary spokesman for the Cambodian communists, is the head of the recently formed Cambodian-Vietnamese Friendship Association, a role that seems to indicate his desire to keep any fraternal squabbles within careful limits. But it is clear that Hanoi will have to compete with China for influence with the Khmer leadership. Regardless of whether or not Sihanouk returns, the PRC has developed entree with the Khmer leaders, who recognize China's usefulness as a counterweight against Vietnamese pressure, and who undoubtedly will try to play the two off against each other -- much in the manner that Hanoi successfully used with its supporters.

The situation in Laos is quickly shifting to one in which the communists will exercise control. While the edifice of coalition government may be preserved, Souvanna Phouma's desire to see the country unified, plus the impact of communist victories in South Vietnam and Cambodia on both Pathet Lao ambitions and the rightists' will to resist, is rapidly shifting control into the hands of the Pathet Lao.

The North Vietnamese have a close relationship with the Pathet Lao leadership that appears to override any stirrings of nationalist independence in the manner of the Cambodians. While the party aristocrats, such as Souphanavong and Phoumi Vongvichit, might have the strong sense of nationalism Souvanna Phouma believed might ease them away from Hanoi's domination, those leaders who appear to exercise the real power, such as Kaysone and Nouhak, have had careers even more closely entwined with the Vietnamese communist movement. Moreover, the Pathet Lao's dependence on Hanoi throughout the war was overwhelming. The communist victories were won by Vietnamese forces; Vietnamese advisors (and troops) were present with Pathet Lao forces throughout the country; and Pathet Lao leaders traveled frequently to Hanoi for consultations.

Hanoi's primacy seems unchallenged. The PRC has maintained close relations with the Lao communists, but Chinese interests have not conflicted with Hanoi's prerogatives. Peking appears to

have acknowledged the Pathet Lao as primarily a Vietnamese client, while Hanoi has accepted China's special interest in the northern border area along her frontier. From all appearances, their relationship in Laos has been cooperative and not competitive. Chinese attempts to undermine Hanoi's position would cause immediate friction, but such a development seems unlikely in view of the basic mutuality of their interests there -- a buffer zone along their borders, a corridor to Thailand.

Moscow's relations with the Pathet Lao have been less close and its interests in Laos less pressing than China's. Soviet political support has been more notable for the preservation of the coalition in Laos than for Pathet Lao domination. The recent visit by a Soviet delegation to PL headquarters at Sam Neua was the first such occasion in five years, but despite Moscow's sudden solicitousness toward the Lao communists, Soviet influence is too remote to be very effective. Aggressive Soviet efforts to ingratiate themselves with the Pathet Lao would be an irritant in their relations with Hanoi, but only a mild one.

The rapid communist take-over in Laos raises the question of its future posture toward the outside world -- a posture that should be influenced by Hanoi's advice. Will a communist Laos close itself off from all but its socialist allies and emphasize self-reliance a la Cambodian style, or will it follow Hanoi's lead in opting for broader contacts? The instincts of the leaders

in the caves at Sam Neua are undoubtedly far more hostile than the urbane sophistication of their Vientiane representatives suggests, so a turning-inward cannot be dismissed. Once the last vestiges of American influence (such as USAID) are expelled, however, Hanoi's example should encourage the Lao leaders to maintain the border diplomatic contacts that at least some of the Lao leaders seem to prefer.

VIETNAM AS A REGIONAL POWER

The DRV is moving quickly to establish its legitimacy and influence in the region. Although the current dispute over the military aircraft flown out of South Vietnam may delay the extension of diplomatic relations, Hanoi has indicated its desire to formalize ties with those ASEAN nations who have not already done so -- the Philippines, Singapore, and Thailand. In Thailand's case, the former stumbling block of the US bases may have been resolved by the scheduled departure of US forces, although there were earlier signs that Hanoi might have been willing to accept their continuing presence. The North Vietnamese were never as sensitive about the bases in the Philippines and are unlikely to make their removal a prerequisite to establishing formal relations.

It is clear that the departure of the US military presence from the region is a long-range Vietnamese goal. The theme of a neutral Southeast Asia has already been advanced and no doubt

will be emphasized in Vietnam's regional politicking. Hanoi appears to envision a situation in which no one great power would have dominant influence in the area and thus all could be more readily played off and exploited by a regional coalition led by Hanoi. For at least the next year or so, however, the preoccupations of their tasks at home -- and ASEAN caution -- is going to limit the projection of Vietnamese influence.

Thailand is clearly a special case. Both its geographic proximity and long history of contention with the Vietnamese increases the potential for future conflict. The communist take-over in Laos virtually eliminates any remaining difficulties in providing logistical support for the insurgency in Thailand's northeast.* Moreover, there is a strong revolutionary fervor in the Vietnamese leadership which has undoubtedly been stimulated by the successful conclusion of the war after such prolonged frustrations. With the momentum of events in their favor, there must be some temptation to take advantage of the mood of uncertainty among their neighbors. Communist broadcasts and articles are replete with revolutionary rhetoric that speaks of the revolution in world

* The communist insurgency in Thailand is active in three separate areas -- a rather feckless and poorly supported campaign in the south, one in the north that is supported by the Chinese, and one in the northeast, which has been assisted by the Chinese and North Vietnamese. All three operations come under the central guidance of the Communist Party of Thailand, a fact demonstrated in the occasional shift of personnel from one area to another.

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terms and of the "changing conditions" that now encourage its growth -- arguments that are inconsistent with the non-belligerent tones of restraint and reasonableness evoked by DRV officials to recent visitors.

Such euphoria is only natural, however, and probably reflects little more than the "high" of victory, and not near-term policies under serious consideration. For a number of reasons, Hanoi is not likely to significantly stir up the Thai insurgency: the insurgency's inherent weaknesses, Hanoi's limited influence, and political expediency. At present, the insurgency is too weak to challenge the government's forces. In the northeast, its political base is largely restricted to isolated villages along the Lao border, where communist influence is less a product of popular support than of communist terrorism and government neglect. Bangkok dismisses the insurgency as involving only minority groups (the people of the northeast are considered country bumpkins more akin to the Lao than to "real" Thai) along the borders and makes only a half-hearted effort to suppress it, but if the government was provoked into taking more determined action, it could easily wreak havoc on the weak insurgent structure. It would be inconsistent with communist guerrilla warfare doctrine to risk serious confrontation while the insurgent structure is still so fragile.

Moreover, the present nature of the insurgency imposes certain restraints on its growth that simply expanding material support would not overcome. The insurgency lacks strong political appeal and there are not yet the serious internal problems in Thailand that might generate broader support for armed insurrection. The communists' bid for broader appeal has been further undermined by the collapse of their two major propaganda issues -- the military regime and the presence of US forces. Therefore, under current political conditions in Thailand, the insurgency has little chance of developing into a serious threat. Hanoi's recognition of the insurgency's limitations is reflected in the scant attention it receives in North Vietnamese propaganda, in contrast with the coverage given Thailand's urban disorders. Hanoi obviously sees these as more influential in Thai politics and could see more useful opportunities in encouraging urban political organizations.

Hanoi's options are further restrained by its limited influence over the insurgency. Even in the northeast, Hanoi cannot ignore China's preferences, which currently favor the development of normal diplomatic relations with Thailand. The Thai Communist Party (CPT) is not anyone's toady, but its long relationship with the Chinese party, reinforced by the Chinese ethnic background of most of the CPT leaders, suggests that it would not adopt a policy strongly at odds with Chinese wishes.

In any event, the Thai government's reaction to a serious flareup of insurgent activity would probably redound against Hanoi's minimum policy objectives in Thailand -- the recognition of the DRV's (and PRG's) legitimacy and removal of any threat to Vietnamese security. The present regime in Bangkok is anxious to normalize relations with the Vietnamese and willing to pull away from what it now perceives as a useless military partnership with the US; but that regime's position is a fragile one. Hanoi's adoption of a more aggressive policy could contribute to the regime's demise and the return of a military government more cautious in dealing with Hanoi and more anxious to preserve close ties with the Americans.

Hanoi has not raised the spectre of insurgent threat to the Thai. On the contrary, in the exchange of letters exploring the approaches to formal relations, the DRV government made an unprecedented acknowledgment of Thai apprehensions and offered assurances (albeit obliquely) that they would not interfere with Thailand's internal affairs. While these assurances were couched in terms that linked them with Hanoi's own unhappiness with the US forces in Thailand, Hanoi's willingness to discuss the return of the local Vietnamese community (largely refugees who left Vietnam in the 1950s) -- another area of concern to the Thai government -- is a further indication of the give-and-take it is prepared to engage in to improve relations.

At the same time, the North Vietnamese will not completely abandon their support of the insurgents. The level of support may be a gauge of their frustration with state-to-state relations. Should the circumstances change -- should a coup return a more rigid and uncompromising regime to Bangkok or serious civil unrest unglue the harmony of Thai society and lower its resistance to communist influence -- Hanoi might find the insurgency a more attractive option to support. Even then, the underlying nationalism of the Thai communists would diminish their usefulness as a vehicle of Vietnamese pressure.

In Sum....

The Vietnamese communists face prodigious tasks at home in overcoming the damage and divisions of thirty years of war. While these tasks will not preclude an active foreign policy, they should absorb most of Hanoi's attention and resources for the next two or three years and blunt any expansionist tendencies the Vietnamese might harbor. Their continuing need for foreign economic assistance, their quest for broader diplomatic and economic contacts, and at least tentative indications of a desire to establish Vietnam's position as a legitimate member of the regional community argue for a period of non-belligerent behavior. The euphoria of victory will no doubt express itself in other ways -- a demanding tone in Hanoi's diplomatic approaches, a stubborn, uncompromising posture

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when it feels its national interests or claims (e.g., the offshore islands) are at issue. Such feisty nationalism with its undertones of revolutionary fervor may provoke occasional tensions and acrimony, but for now, Hanoi appears to be taking a generally softer approach in its foreign policies.

PEKING'S POLICY IN POST-WAR INDO-CHINA

PEKING'S GOALS AND ASSETS IN POST-WAR INDO-CHINA

Peking's goals in Indo-China are to assert Chinese influence without losing ground, to keep to a minimum the Soviet presence there, and to prevent Hanoi from dominating the area. The Chinese must now work toward these goals in a situation in which the US is a diminishing enemy and thus in which China's strategic deterrent role is no longer its principal asset.

The Chinese have new opportunities. They can now enhance their influence with the Cambodian communists by supporting their anti-Soviet and anti-North Vietnamese policy, while not openly contending with Hanoi. They can further enhance their influence with the Pathet Lao, and they may calculate that these communists will be, as the Cambodians already appear to be, competitors with if not opponents of the North Vietnamese.

However, this very independence of mind which the Chinese already are exploiting is hazardous to Peking's policy in the area. The Chinese must now adjust to Phnom Penh's actions and needs, and this adjustment will require that they take a more explicitly anti-US position on certain issues, thus cutting across Peking's policy of rapprochement with the US. The Chinese may also be impelled to take a harder line toward Thailand if

Phnom Penh does so. Thus the Chinese are confronted with the painful situation -- at least potentially -- of the tail wagging the dog.

A. Chinese Influence

In trying to assert their influence without losing ground to Hanoi or Moscow, the Chinese start with assets. They have been first with aid [redacted] and they have attained the first diplomatic presence in Phnom Penh; they have a considerable presence in Laos; and they have fairly stable ties with North Vietnam, and have given a high level of aid to Hanoi, although there are tensions.* However, the Chinese will have a problem restraining themselves -- of refraining from throwing their weight around in Indo-China as a big power.

The Chinese have for centuries believed, and the Chinese leaders apparently believe today, that China's size and power, as well as superior culture, provide it with the right to assert strong political influence in Indo-China. This is precisely the great-power attitude which Mao has openly denounced in others, but which in fact is at the very core of Chinese behavior in the

* Peking has shown distinct degrees of warmth in its relations with the Indo-Chinese parties: warmest with the Pathet Lao, somewhat less so with the Cambodian communists, and correct but cool with the Vietnamese. This range of attitudes partly derives from the Chinese perception of how close these parties are to the Soviet party.

area. A clear expression of this was Peking's unsolicited advice on the strategy for running the war against South Vietnam, at first counseling the North Vietnamese to avoid negotiations and fight a protracted war (1965-71) and then applying pressure on the North Vietnamese to hasten along with negotiations and to compromise in order to attain a cease-fire (1972-73). Another clear expression of this great-power attitude was Peking's unilateral seizure of the Paracel Islands in January 1974, despite Chinese knowledge that the islands were claimed by the Vietnamese communists. The antagonism it aroused in Hanoi points to the larger problem of whether the Chinese will be willing to restrain themselves in post-war Indo-China.

This great-power assumption of a right to predominant influence over China's small neighbors is as important as the very practical concern with securing China's southern borders, and more important than the ideological commitment to advance rural revolution in Asia. The US presence in Indo-China had challenged the Chinese presumption to local superiority, and as that presence has receded, the independence of mind of the communist leaders in Hanoi, Phnom Penh, and Sam Neua has become correspondingly a more significant prospective barrier to Chinese dominance. Although Peking's help was highly important in the accession to power of all three regimes in Indo-China, they probably will prove to be no more grateful for Peking's early support than Mao

himself has felt grateful for Moscow's post-1949 support, and will, like the Chinese, be unsubmissive on important matters of policy.* Should the Chinese leaders, therefore, try to dictate a grand strategy for Indo-China, or dispute territory, or interfere in internal party affairs, the reaction from the new regimes will undoubtedly be vigorously anti-Peking.

Hanoi's anger over the Chinese seizure of the Paracels, and Hanoi's action of seizing six Chinese-claimed islands in the Spratleys in mid-April 1975, undoubtedly heightened Chinese awareness of the potential for contention with the new regimes. The Chinese now seem to be trying to exercise restraint, hoping to avoid antagonizing the three Indo-Chinese parties, while extending political support and material aid to all three. However, there is in any case likely to be considerable tension (already evident in Peking's relations with Hanoi) in the Chinese handling of the ties between the new regimes and Moscow, especially if Phnom Penh changes its strongly anti-Soviet policy.

B. The Soviet Presence

What had been the principal national security concern in Indo-China for the Chinese -- namely, to avoid situations which

* Peking is already confronted with the potential for such ingratitude in the case of Hanoi. The Chinese complain privately that the Vietnamese war has cost China a fortune, and they wonder whether the Vietnamese will remember this fact and be grateful.

might lead to a Sino-American clash (conventional or nuclear) while supporting North Vietnamese, Pathet Lao, and Cambodian communist military actions --- has been displaced by anxiety lest the Soviets now obtain enhanced opportunities to "encircle" China, politically and with bases in nearby countries. The Chinese will work to prevent this, primarily by positing themselves to be the principal suppliers and political champions of the new regimes.

The Chinese are gratified at the initial advantage they have attained over the Soviets in dealings with the new regimes in Cambodia and Laos. A primary Chinese goal will be to keep Cambodia -- and a communist-dominated administration in Laos -- deterred from eventually adopting the same policy as Hanoi, that of balancing one major power (the USSR) off against the other (China). They have already indicated that they are aware that the Soviet alternative provides the new regimes with some potential leverage over Peking's policy, but they insist that such a potential will not impel changes in PRC policy. Actually, the capability of the Chinese to prevent such balancing action may decrease as post-war economic needs gradually replace the earlier, more urgent military needs.

Globally, the Chinese will try to minimize the impact of the events in Indo-China on the role the US plays as counterweight to the USSR in the Sino-Soviet-US strategic triangle. While gloating publicly about events in Indo-China as vindicating Mao's

long-standing line on "armed struggle" as the only road to power (itself an anti-Soviet position in the Sino-Soviet dispute), in private talks with visiting foreign leaders the Chinese have not only avoided crowing over the US defeat but also have insisted that the US, released from its Vietnam burden, can play a more positive role in the Pacific area. Although the Chinese strictures against "hegemony" apply ultimately to the US as well as the USSR, the view of the US as a counterweight to the USSR motivates the Chinese to advocate strong US support for Japan, including maintenance of bases there.* The Chinese leaders' attitude on the desirability of US bases in Thailand and the Philippines in the post-war era is less clear and may still be under consideration. In any case, the Chinese leaders almost certainly will continue to calculate that the US is still the most important country confronting the Soviets globally, and that they must try to manipulate this confrontation to their advantage.

Hanoi's anxiety about eventual Chinese domination has kept -- and probably will continue to keep -- Sino-Soviet competition for influence in North Vietnam a fairly even contest, with

* The Chinese may, for tactical reasons, occasionally criticize the presence of US bases in Japan. However, they apparently desire that these bases remain and are, therefore, unlikely to launch a propaganda campaign against them or against the US-Japan Mutual Security Treaty.

the Chinese unable to get the upper hand. North Vietnam continues to place orders for a wide range of industrial products and other equipment with the USSR and its East European allies. The Chinese will have to accept this situation in the south as well, and they undoubtedly were infuriated with the Vietnamese communists for permitting (if not encouraging) the Soviet Union to precede China in sending ships carrying grain to "liberated" Danang. However, the Chinese have proven to be prudent, focusing on the Soviet issue, and will probably avoid openly attacking Hanoi on issues in dispute.

C. The Contest with Hanoi

Beyond the competition with the Soviets (expressed mainly in economic terms), a competition for favor with the new regimes will be launched against Hanoi (mainly in political terms). The Chinese, who earlier had professed to desire the advent of "a great unity of the three Indo-Chinese parties," probably see considerable advantage in disputes among these parties. Internecine disputes are likely to impel these parties to seek Peking's support -- a situation which would increase Chinese influence in the area and decrease Hanoi's capability to dominate the area.

It is clear to Peking that the emergence of the independent Cambodian communist regime is creating problems for Hanoi. That this would be true has been evident since 1972, when Cambodian forces proved willing to engage North Vietnamese units in eastern

Cambodia in bloody battles, on the issue of which troops were to occupy which areas. Moreover, Cambodian forces have recently seized at least one probable petroleum-bearing island in the Gulf of Thailand which had been coveted by the Vietnamese. The Chinese, if appealed to by the Cambodians, might profess to desire a compromise but, in fact, refrain from actively seeking a solution, calculating that the irascible Cambodians would tie up the Vietnamese in a long, bitter, inter-party struggle. Such a struggle would tend to reduce Hanoi's pressure on Peking to return the PRC-seized Paracels. Thus one of Peking's major goals -- namely to keep Hanoi from dominating Indo-China -- is further advanced to the degree that such disputes remain, or new ones arise, between the Cambodians and the North Vietnamese.

In Laos, the Chinese apparently do not have a comparable opportunity to gain advantage over the North Vietnamese, inasmuch as the Pathet Lao still seem to accept Hanoi's advice, if not control, and to avoid disputes with Hanoi over territory. On the other hand, the Chinese may seek to take advantage of their geographic proximity -- and possibly to retain some part of their presence in northern Laos -- to offer the Laotian communists a counterweight to Hanoi.

In Hanoi itself, although the main levers of Chinese influence probably will continue to be material aid and political support, the Chinese almost certainly will be alert to groups or

individuals in Vietnam as potential instruments of Chinese influence.

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[redacted] They undoubtedly recognize that the key figures holding real power behind the scenes of the new government in South Vietnam are, in fact, high-level Lao Dong Party officials who are loyal to the leadership in Hanoi. Nevertheless, they may believe that policy differences exist over whether and/or when to discard the facade of a separate, independent, and neutral government and carry out "unification." Despite the fact that the south is under the control of North Vietnamese party and army officials -- and in that respect, unified -- the Chinese apparently believe that separate policies applied in the south will provide them with leeway to maneuver. The Chinese presumably would support those Lao Dong Party leaders who prefer to delay "unification" indefinitely.

In sum, Peking has a good chance of successfully assisting the most anti-Vietnamese force -- the Cambodians -- in a joint effort to keep Hanoi from dominating Cambodia. The Chinese apparently would have preferred the coalition in Laos to remain composed of more neutralist, non-communist leaders than it now is, but they are still in a good position to prevent Hanoi's total

domination. They have a poor chance of moving the North Vietnamese themselves into a warm Hanoi-Peking relationship, but will probably avoid a public dispute with the North Vietnamese, as this would assist Moscow toward an even better relationship with the Lao Dong Party leadership than it now has.

PEKING AND THAILAND: DIPLOMACY AND INSURGENCY SUPPORT

Peking's policy toward Thailand seems to be similar to its policy toward Burma, Malaysia, the Philippines, and Indonesia -- namely, a dual policy of (a) diplomacy on one level and (b) support for Maoist armed insurgents in these countries on another level. Mao personally reaffirmed that policy [redacted] in 1974, as did Foreign Minister Chiao Kuan-hua in late April 1975 when he told British journalists that China will continue to "support" revolution abroad. It is precisely that "support" and North Vietnamese assistance that has provided the communist insurgents in north and northeast Thailand with a sufficient amount of professional military training and modern weapons to sustain their anti-government guerrilla activities. There is no indication that the Chinese will cease their political support, which is mainly in the form of inspirational broadcasts beamed to the insurgents [redacted] Regarding material aid, there is evidence that the Chinese (as well as the North Vietnamese) continue to train Thai communist insurgents.

The Chinese will have to make a decision in the near future on whether to step up their support of the Thai insurgents with major inputs of weapons (and even advisers and combat cadres, as they have done in Burma) to make the communist insurgency in the northeast viable. Thus far, there is no evidence that such a decision has been made. They seem to be content to rock along with the insurgency at a low boil, while encouraging the Thais to take the final diplomatic step -- breaking ties with Taiwan and recognizing Peking.

More important than all other considerations is Peking's apparent reluctance to have tension increase in Thailand at a time when the Chinese desire a concession from the US regarding Taiwan. The Chinese undoubtedly calculate that a significant increase of their inputs into the insurgency would be apparent to the US and would be held against them. They are worried that the events in Indo-China already may have made it more difficult for the US Administration to make a concession on the Taiwan issue. Peking has hinted that it is not prepared to go beyond low-level support for the Thai insurgents in the near future.

Moreover, it is unlikely that competition with North Vietnam for influence in the Thai party leadership will impel Peking to greatly increase its inputs. The Chinese have had the inside track with the Thai party leadership ever since the Communist Party of Thailand was organized and staffed with Chinese and

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Sino-Thai cadres, and Peking probably still has the dominant position.

It is probable that following the establishment of diplomatic relations with Bangkok, Peking will suggest to the Thai government that it legalize the party. However, such a suggestion would be intended primarily as a counter to prospective Thai government requests that the Chinese cease supporting the insurgents -- a counter that Mao himself adopted to deflect the request of Malaysia's Prime Minister that Mao cease supporting the illegal communist insurgents in Malaysia.

In sum, low-level support for the Thai insurgents probably will continue, and [redacted] the Chinese probably will keep encouraging the Thai communists to fight on, but greatly increased inputs are unlikely to be sent in from China in the near future. 25X1

PROSPECTS

The Chinese have the determination, and some of the assets, to play a major role in Indo-China -- mainly, by offering support to the new regime in Cambodia and the communist-dominated coalition in Laos. In Vietnam, however, tensions with the leadership in Hanoi have reduced the advantage the Chinese previously had (from 1960-1972) in competition with the Soviets. But they have not given up on the North Vietnamese: they will try to keep their various disputes in private channels, and will continue to provide Hanoi with material aid and political support.

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The Chinese are aware that China's ability to be the counterweight to Soviet influence is still important to the Vietnamese. China's role as a counterweight, however, will not be sufficiently important to provide Peking with a veto over Hanoi's foreign policy decisions. The factor of a Chinese counterweight is not important in the thinking of the Cambodians, as there is no Soviet presence in Cambodia, the Cambodians are furious with Moscow for failing to support them, and they will probably remain anti-Soviet for some time to come.

Beyond this, the Chinese may be able to play some role as "honest broker" in internecine disputes among the Indo-China parties. In addition, they may choose -- with uncertain chances of success -- to counsel restraint to the Cambodians on specific issues: for example, whether to attack the Thai border forces on the issue of Cambodian-claimed territory and whether to continue to hold foreigners (including crew members of seized foreign ships).

The principal concern for the Chinese in the near future will be to keep the Soviet presence in Indo-China down to a minimum.* In the unlikely event that the Cambodians or the Pathet Lao (with North Vietnamese sanction) decide to allow the Soviets to come into

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[redacted]

their countries with technicians and aid in big numbers and amounts, the Chinese undoubtedly would try to effect a reversal of this policy; failing that, the Chinese would harden their attitude toward these regimes. Thus the Chinese will be constantly active and alert, monitoring the Soviet-related actions of the Indo-Chinese parties, clearly unwilling to be passive in the Sino-Soviet competition for influence.

The Chinese seem to prefer that the Thai insurgency remain at a low boil. They apparently calculate that Hanoi's perception is roughly the same as their own, and that Phnom Penh (dependent on the Chinese and Vietnamese) will not have the material equipment to keep supplying the Thai insurgents even if the Cambodians were willing to intervene to step up the insurgency. Major inputs of personnel and material would be required, on something like the scale of the North Vietnamese inputs in Laos and Cambodia, to make the insurgency a genuine threat to the central government. The main Chinese goal in Thailand for the near future is to gain recognition of the PRC from Bangkok and to avoid tension-building which might worry the US Administration. Although the Chinese do not appear to be pressing Bangkok to remove US bases from Thailand, they may come to feel that it is necessary to do so, while desiring the continuation of an American diplomatic presence to offset any Soviet presence in Bangkok.

Somewhat farther down the road, they probably will aim at obtaining a left-leaning Thai government, which would profess to be "nonaligned and neutral," but which in fact would adopt all major Chinese foreign policy positions. Such a future Thai regime would have the advantage of not appearing to be a Chinese puppet, but of resembling Cambodia under Sihanouk's earlier non-communist but pro-Peking government, with which the Chinese were content. The advent of such a regime would probably provide the Chinese with a better chance to keep the Russians out than would be the case with a communist Thailand.

SOVIET POLICY IN SOUTHEAST ASIA

INTERESTS AND PRIORITIES

The Soviet reaction to the denouement of the Indo-Chinese conflict combines satisfaction, relief, and a touch of uneasiness. Moscow's mixed and somewhat contradictory attitudes flow from the nature of its interests and stake in the area.

Southeast Asia has never been an area of more than peripheral interest to the Soviet Union. It is remote from the borders of the Soviet Union and the geographic epicenters of Soviet interest, and its remoteness is not balanced by any economic or military attraction. Moscow's existing economic links with the area are almost completely a product of its wartime function as a chief contributor of arms and economic aid to the DRV. The relationship has brought no economic advantage to the USSR. Only a minuscule portion of Soviet deliveries has been covered by North Vietnamese exports to the USSR. In 1974 Hanoi's exports to the Soviet Union totalled only $65 million, by comparison with an estimated $400 million in Soviet military aid and $420 million in commodity imports. (This does not take into account the considerable sums of economic aid which Hanoi has received from other members of the Soviet bloc.)

Neither has Moscow's relationship with Hanoi strengthened the USSR's own military presence in the area, which remains

nonexistent. Soviet naval activity in South Asian waters has had the primary, immediate purpose of strengthening the Soviet presence in the Middle East, and Persian Gulf areas. There has been no Soviet naval deployment east of Sri Lanka, where Soviet naval ships have been present only in transit. What modest interest the Soviets have shown in the area has been directed at India and Singapore, where they have intermittently and unsuccessfully sought the use of existing repair facilities for naval combatants. As yet there are no comparable repair facilities in either North or South Vietnam.

Moscow has in the past amply demonstrated its willingness to give short shrift to the interests of Vietnamese communism when these came into conflict with higher priority Soviet goals. Thus, Moscow proved willing to back French communist support of French claims to sovereignty over Indo-China in 1946-47 (to bolster the PCF's struggle for power in post-war France), to endorse a peace settlement in 1954 which "robbed" Hanoi of the fruits of military victory (to support Moscow's first efforts at detente with the West), and to entertain President Nixon in the aftermath of the mining of Haiphong harbor in 1972 (to protect the budding detente with the United States).

The USSR's objectives in Indo-China are essentially negative: to deny influence to its great power rivals, the US and China. The victory of Moscow's Vietnamese ally has meant some share of

reflected glory as well as -- at least temporarily -- excluding the United States from the competition for influence in Indo-China.

At the same time, Moscow has been visibly relieved that the war is at an end. Its value as a means of allowing Moscow to demonstrate its "revolutionary" credentials had been reduced by the real and potential dangers it posed for US-Soviet detente. As long as it continued, Moscow could not rid itself of residual anxiety that events in Indo-China might somehow move in a direction which would threaten the fragile relationship with Washington. Now that the Indo-China war has ended in defeat for the US-backed regimes in Saigon and Phnom Penh, the Soviets are concerned at the possibility of an American backlash. Soviet leaders and diplomats have taken care to avoid publicly gloating or associating the US with the debacle of the anti-communist forces and have privately disclaimed responsibility for or prior knowledge of the final offensives of the communist forces.

Unease at the possible American reaction is more than matched by Moscow's uncertainty at the implications that the installation of communist regimes in Saigon and Phnom Penh and the rapid erosion of the political balance in Laos will have for the course of its bitter rivalry with China. Although the regional rivalry between the United States and the USSR has been more visible, it is China that has been most crucial to attracting Soviet attention to Indo-China. Indeed, Moscow's direct involvement in the Indo-Chinese

conflict as a major arms supplier followed on the heels of its quarrel with Peking, and must be seen as a Soviet effort to bid for the loyalties of Hanoi and to rebuff the Chinese challenge to Moscow's position as the preeminent center of communism. This challenge was fueled largely by Peking's charges that Moscow has sold out the cause of revolution for the sake of detente with imperialism.

GOALS AND POLICIES

A. Vietnam

The USSR's first priority will be to prevent the extension of Chinese influence in the area. Yet the Soviets are also likely to want to see conflict and instability in the area kept below a level which could burden their broader interests.

Soviet efforts to counter China will center on Hanoi. Moscow will seek to limit the degree of intimacy between Hanoi and Peking and to back the DRV as a local barrier to the expansion of Chinese influence. The Soviets have already given clear evidence of their intentions.

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The Soviets have significant advantages over Peking in any competition for influence in Hanoi, beginning with a somewhat better bilateral relationship with the Vietnamese. Although both China and the USSR aided North Vietnam greatly in its war effort, Soviet help was probably more crucial and recognized as such by them. Moreover, the occasionally erratic Chinese policy line dissipated much of the profit China might have extracted from its aid to the Vietnamese. The North Vietnamese [redacted] found they could rely on Soviet assistance, whereas they could never be entirely sure of Chinese support.

Equally important in buttressing the Soviet position in Hanoi is the long history of animosity and suspicion between the Chinese and Vietnamese peoples. These attitudes are kept alive by simmering territorial disputes, the most important of which are those over the Paracel and Spratley island groups in the South China Sea. The Soviets have weighed in on the side of the Vietnamese on both questions. Soviet propaganda has belabored as an act of "imperialism" the Chinese occupation of the Paracels in January 1974, and the Soviets were quick to echo Hanoi's announcement of the "liberation" of the Spratleys earlier this month. Moscow will do its best to keep the territorial issue alive as a source of discord between the DRV and China.

Hanoi's immense needs for aid as it turns to the tasks of reconstruction are also likely to give the Soviets advantages vis-a-vis the Chinese. The two Vietnams received a total of about $1.75 billion in economic aid last year, about $1,150 million in the north and $600 million in the south. Vietnamese needs may well drop this year, but will still remain large. The major share of the burden of assistance to South Vietnam, previously borne by the US, will have to be taken up by the USSR, if it is to be taken up at all. The immediate needs of the Vietnamese are for petroleum, fertilizer, and other commodities. Long term needs will be for technical and material assistance for industrial development. The Soviets apparently have been the first to promise a large aid package.

However, the prospective aid burden is so great that the Soviets are likely to encourage and assist Hanoi in its inevitable efforts to diversify its sources of aid. Indeed, the Soviets have already dropped a hint that they would approve of US aid in the reconstruction of Vietnam, and they are likely to make even more vigorous efforts in this direction in their approaches to third countries. Despite their reluctance to assume the whole burden, however, the Soviets are likely to bear whatever costs are necessary to keep the upper hand over the Chinese.

It appears well within Moscow's capability to be the leading foreign voice in Hanoi for the next two or three years, a position

which will merely give it prominence rather than any real control over Hanoi. The USSR is likely to encounter much harder going in any efforts to see Hanoi through to a position of regional dominance.

What the Soviets appear to have in mind is a loose Vietnamese hegemony over the other countries of Indo-China. Thus the Soviets support the reunification of Vietnam -- although they defer to Hanoi's judgment on timing and modalities -- in the interests of seeing Hanoi's regional position strengthened, just as the Chinese view the prospect with obvious distaste for the same reason.

B. Laos

Soviet support for Vietnamese dominance over Laos and Cambodia is also due to the lack of a better means of gaining some influence in the area. The Soviets themselves do not play a major role in Laos, much less in Cambodia. In Laos the Soviet position is in many ways dependent on that of the North Vietnamese, who have vied with the Chinese for dominance over the country and still maintain a substantial troop presence in the country. Soviet contacts with the Pathet Lao, on the other hand, have been minimal.

Moscow's dogged support of the coalition government in Laos through the latest phase in the political battle in that country suggests that it is somewhat behind the pace of events. The Soviet position does serve the purpose of denying Moscow's responsibility for the destruction of the balance between the contending forces, but there is no reason to doubt Moscow's frequent expressions of

satisfaction with the status quo in Laos. As recently as last March, the authoritative Foreign Ministry official, Mikhail Kapitsa, underlined Soviet preferences with the public comment that in Laos the Soviets are "royalists."

Whatever the change in the political realities, the Soviets will urge the North Vietnamese and Pathet Lao to maintain the fig-leaf of coalition government. If the Pathet Lao should choose to dispense with this facade, the Soviets would, of course, swim with the tide. In any event, in circumstances of Pathet Lao dominance, the Soviets will follow their accustomed tactics of beckoning with offers of aid, warning against the diabolical intentions of the Chinese, and urging the removal of Chinese forces from northern Laos.

C. Cambodia

Insubstantial as is the Soviet position in Laos, it is infinitely better than that which they "enjoy" in Cambodia. Moscow's relationship with the new communist rulers is little short of calamitous. The Soviet embassy in Phnom Penh was fired upon and looted by Khmer Rouge troops, Soviet representatives have been roughed up, and the entire seven-man official Soviet community in Cambodia was unceremoniously bundled out of the country with other resident foreigners.

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there is evidence that Chinese technicians are on the ground in Cambodia and that the Chinese have established a diplomatic presence in Phnom Penh.

The failure of Soviet policy to keep up with the pace of events has contributed mightily to Moscow's present discomfiture. Moscow was cool toward the Khmer Rouge rebellion at its inception because of the pro-Chinese proclivities of its leaders and because its titular leader, Prince Sihanouk, found asylum in Peking. Moscow's reflexive hostility toward the Khmer Rouge was later reinforced by its apparent miscalculation of the balance of forces in Cambodia. As late as February 1975 Soviet spokesmen were insisting that neither side in the Cambodian civil war was capable of victory, and that the only solution to the conflict was a coalition settlement on the Laotian model. It was not until late March that the Soviets moved to break relations with the tottering Lon Nol government, much too late to affect their standing with the Khmer Rouge.

Moscow's vistas are further darkened by the mounting signs of friction between the Khmer Rouge and the North Vietnamese. The Khmer Rouge are moving with dispatch to expel the remnants of the Vietnamese presence in Cambodia, have presented the Vietnamese with a fait accompli with their occupation of disputed islands in the Gulf of Thailand, and have engaged in sporadic border fighting with the Vietnamese. For the short run, at least, Soviet hopes that Cambodia would fall under the sway of the North Vietnamese seem without foundation.

The Soviets so far have accepted the snubs and abuse which the Cambodians have directed their way with relative calm. They have not commented publicly on the ill treatment of their nationals and the violation of their embassy, although they have protested privately. Their only open show of displeasure was made during Brezhnev's V.E. Day speech, when he conspicuously omitted mention of the Cambodians while extending fervid congratulations to the Vietnamese.

The Soviets will probably opt to continue to extend the hand of friendship -- and aid -- to the Cambodians in the hope that they will eventually modify their hostility toward Moscow. In somewhat similar circumstances, they have endured considerable abuse at the hands of the Albanians while still continuing to extend the olive branch from time to time. At the same time, they will be realistic enough to realize that there is no real prospect of change in the immediate future; a circumstance which they can accept with minimum discomfort as long as their relations with the more important Vietnamese remain good. They might even see some advantage in being completely disassociated from a Cambodia which bids fair to be an abrasive presence in Southeast Asia.

D. Regional Goals

It seems clear that the Soviets would prefer to see order and stability return to Southeast Asia, and will counsel Hanoi against the export of revolution. The pro-Chinese affiliations

of the existing insurrectionary or underground forces in the region -- in Thailand, Malaysia, and Indonesia -- provide a firm foundation to this policy orientation, especially in light of Moscow's recent experiences with the Cambodians. Their record of performance in Laos and Cambodia underlines their distaste for unpredictable changes which threaten to undermine more important Soviet objectives in the West and in the major Asian countries, such as Japan and India.

In addition to its internal logic, there is considerable objective evidence that this is indeed the Soviet position. Soviet propaganda has routinely attacked the Chinese for their "subversive activities" in such countries as Burma, Sri Lanka, Malaysia, and Thailand. The Soviets have in fact loudly condemned the various Chinese-oriented insurgencies in these countries and denied their communist credentials. Soviet preferences have also been evident in the tone of public commentary on developments in Indo-China, which have laid heavy stress on the tasks of "rehabilitation" which lie ahead and on the significance of peace in Indo-China for the prospects of detente.

The Soviets can be expected to try to capitalize on the new sense of insecurity felt by Thailand, Malaysia, and the other Asian neighbors of the new Indo-Chinese regimes to promote its scheme for an Asian collective security pact. This project, which among other things would commit the signatories to avoid

interference in each other's internal affairs, will continue to surface from time to time in spite of its heretofore tepid reception by the Asian addressees of Soviet approaches. Despite Moscow's pious denials, the Chinese are undoubtedly quite right in assuming that it is intended to isolate China diplomatically from its Asian neighbors.

While there is little reason to doubt Soviet preferences in Southeast Asia, there is reason to question the Soviets' ability to impose their preferences on the region or even on their erstwhile allies in Hanoi. Moscow may caution Hanoi against increasing its involvement in the affairs of Thailand, but it would see little profit in directly confronting a Vietnamese decision to act otherwise. Hanoi is, at the moment, their only high card in the Indo-Chinese game. However, because the Chinese are likely to retain considerable influence over the Thai Communist Party, the Soviets are unlikely to endorse its insurgency even if the Vietnamese continue to aid it. Thus far, since the fall of Cambodia and Vietnam, the Soviets have in fact continued to condemn the Thai insurgents as Chinese "mercenaries."

PROSPECTS

The Soviets have no clear idea of what the future holds for them in Southeast Asia. Soviet officials noted glumly as the war in Vietnam ground to a close that there were too many unknown factors to enable them to predict what the new constellation of

forces in the area would be. They pointed out that these include the quadrangular interaction between Peking, Washington, Moscow, and Hanoi; relations between the North Vietnamese and the Viet Cong; between the Viet Cong and other South Vietnamese; between the Khmer Rouge and the Sihanouk loyalists; and between the Pathet Lao and the other Laotians. They could have added to the list relations between the Khmer Rouge and the Vietnamese and between the new communist regimes and communist insurrectionaries in neighboring countries.

One unexpected result which could develop from the new situation could be a coincidence of Soviet and Chinese efforts to maintain an American presence in the area, each for their own reasons. The Soviets have already hinted at their interest in furthering better relations between Washington and the two Vietnams, and in having the US assume part of the aid burden. The Chinese, for their part, are loathe to see the Americans leave the Soviets a wider freedom of action in the area.