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SPECIAL
NATIONAL INTELLIGENCE ESTIMATE
NUMBER 10-2-61

LIKELIHOOD OF MAJOR COMMUNIST
MILITARY INTERVENTION IN MAIN-
LAND SOUTHEAST ASIA

Submitted by the
DIRECTOR OF CENTRAL INTELLIGENCE

The following intelligence organizations participated in the preparation of this estimate: The Central Intelligence Agency and the intelligence organizations of the Departments of State, the Army, the Navy, the Air Force, and The Joint Staff.

Concurred in by the
UNITED STATES INTELLIGENCE BOARD

on 27 June 1961. Concurring were The Director of Intelligence and Research, Department of State; the Assistant Chief of Staff for Intelligence, Department of the Army; the Assistant Chief of Naval Operations (Intelligence), Department of the Navy; the Assistant Chief of Staff, Intelligence, USAF; the Director for Intelligence, Joint Staff; the Assistant to the Secretary of Defense, Special Operations; and the Director of the National Security Agency. The Atomic Energy Commission Representative to the USIB, and the Assistant Director, Federal Bureau of Investigation, abstained, the subject being outside of their jurisdiction.

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LIKELIHOOD OF MAJOR COMMUNIST MILITARY INTERVENTION IN MAINLAND SOUTHEAST ASIA

THE PROBLEM

To estimate Chinese Communist and North Vietnamese intentions regarding major military intervention in Southeast Asia over the next few months; and to estimate Communist reactions to the introduction of US military forces into Laos to hold the key Mekong River towns.¹

THE ESTIMATE

A. Communist China and Laos

1. Chinese Communist interests are more directly involved in Laos than are those of the USSR, and the Chinese have appeared to take an even more obdurate line on Laos, at Geneva and elsewhere, than has the USSR. However, the desire of the Chinese for an assertive Bloc policy is probably largely satisfied by the militant and successful Communist course in Laos. We see no evidence that Communist unity and effectiveness regarding Laos are diminished by differences between Moscow and Peking. While the USSR has apparently played the major role in formulating this policy, it has probably accommodated the views of Peking and Hanoi; the three powers apparently agree that Hanoi should act as the principal implementing agent within Laos.

2. Communist China's role in the Laos war has taken various forms. Ammunition of Chinese origin has been captured in Laos from Pathet Lao/Kong Le forces. Peking, despite

its virtually exhausted foreign exchange reserves, made nearly \$9 million available to the rebels in January. Foreign Minister Chen Yi formally pledged aid to Souvanna Phouma in February, and in April Souvanna expressed thanks to the Chinese for "their generous and selfless assistance" and indicated his acceptance of a Chinese offer to build a road in Laos for his government. The Chinese have probably sent a few military observers and advisers to the Communist forces in Laos. According to recent French evacuees from the Plaine des Jarres, the Chinese Communists have opened a consular post there.

3. The several Chinese "intervention" statements concerning Laos in recent months² have almost certainly been designed not only to deter US intervention but to justify a major Chinese military role if such a course is later decided upon. However, on the basis of avail-

¹The assumed US course of action here considered was provided for the purposes of this estimate and is not intended to represent the full range of possibilities.

²These threats have been generally ambiguous and have been issued at times when the situation in Laos was such that there appeared little likelihood of their having to be carried out. Additionally, Peking is tolerating situations which it earlier said it would not, e.g., the remaining Chinese Nationalist Irregulars in Burma-Laos

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able evidence, there is no indication of a general southward deployment of Chinese military forces within China. We are aware of no augmentation of regularly-stationed Chinese ground forces in the southernmost provinces or of the concentration of forces along the border.² Similarly, we are aware of no Chinese Communist Air Force bomber units presently stationed within effective combat range of Laos, though redeployment to closer bases could of course quickly take place. North Vietnamese air capabilities are extremely limited; North Vietnam has no combat aircraft, but a few Soviet transport and helicopter aircraft may have been transferred to it. Certain North Vietnamese airfields are apparently being improved, however, and Bloc jet aircraft could quickly be deployed there.

2. Communist China and Southeast Asia

4. A major Chinese Communist military intervention in Southeast Asia in the near future is extremely unlikely. The Chinese leaders almost certainly estimate that such action would result in military involvement with the US on a major scale. Apart from their own reluctance to run this risk, the USSR would almost certainly bring strong pressure on them to prevent such a course, partly because of the risks and partly because of the unfavorable effects for Bloc policy elsewhere.

5. An overt invasion would be out of character with the present trend of Communist China's policies towards Southeast Asia. Despite occasional tough talk, Peiping has gone to great lengths to project the image of its "reasonableness" there, and to this end has pursued a fairly soft course in the past year or so especially towards Burma, Cambodia, and Indonesia. It is probable that Chinese leaders would consider that overt aggression in Southeast Asia would shatter this effort,

greatly lessen Asian and African support for Peiping's world status aims, disrupt internal revolutionary movements and Sino-Soviet relations in the Southeast Asian countries, and perhaps drive India fully into the Western camp.

6. We believe that Communist China's economic crisis and food shortages are more likely at this time to discourage, than to encourage, a major military adventure in Southeast Asia. In view of the conflict and devastation which might well accompany a Chinese invasion, Peiping's leaders would have no assurance that they could easily obtain and ship the rice surpluses of Burma, Thailand, Cambodia, and South Vietnam to China. In any event, these surpluses are now modest, certainly as compared to China's vast food needs, and it would take some time for Peiping to force greatly increased food production in these countries.

C. North Vietnam and Southeast Asia

7. North Vietnam has committed clandestine cadres, specialists, and certain military units to the war in Laos. At the same time it has been carrying out certain transport and military construction programs within North Vietnam, such as transloading and transshipping facilities, and airfield, road, and rail construction, which have resulted in marked improvement in logistical support facilities. There has also been marked improvement in certain of these facilities in key border areas of North Vietnam-China. As a result, during the coming year there will be a sizable increase in North Vietnamese defensive capabilities and in North Vietnam's already considerable capabilities to bring its force to bear in Southeast Asia. However, the initiation of this buildup antedates the 1960-1961 hostilities in Laos, and though possibly accelerated by these events, appears to be part of a continuing, long-term development of logistic, defensive, and offensive capabilities. We see no evidence to indicate an imminent shift from subversion and paramilitary activity to major military intervention in Laos or South Vietnam. In present circumstances, and especially in view



of the progress of present North Vietnamese tactics in these countries, we consider such a shift unlikely.

D. The Communists and Geneva

8. The Communists almost certainly believe that they are in a commanding position at Geneva. Their military strength in Laos grows daily and the likelihood of US military intervention seems to them less and less. Thus, they believe that they can insist on a settlement at Geneva which will pave the way for a takeover of Laos by political means. At the same time, they have been strengthening the position of the Communist and pro-Communist forces with more arms, aid, and consolidation of control. They probably calculate that if the conference collapses, the West will still be reluctant to intervene militarily to prevent an extension of Communist control in Laos. They might estimate that in any case they could forestall Western military intervention by moving rapidly to seize most of the remaining areas of Laos.

9. The Communists almost certainly would finally accept a settlement involving a Souvanna Phouma government with Communist representation, believing that such a government would serve to advance the Communist cause in Laos. This government might outwardly appear balanced and "neutral," but the Communists would almost certainly utilize their familiar tactics in an effort to exert indirect control without actually seizing power.

E. Bloc Reactions to US Military Intervention in Laos

10. If, in the absence of a firm Geneva Conference agreement on the future of Laos, US

forces were introduced into Laos to keep the key Mekong River towns from falling to Communist military-subversive encroachment, the Bloc reaction would be strong. There would be an intense political and propaganda campaign, in the UN and worldwide, to brand the US an "aggressor" and to attempt through these means to force US withdrawal. Additional North Vietnamese forces would be introduced into Laos, probably unacknowledged, to stiffen Communist forces there. Communist-directed military operations would probably be intensified throughout the countryside in an effort to restrict RLG-US control to the Mekong towns. US supply and communications lines would be harassed, and Communist agents would probably undertake terrorist and sabotage activities within the Mekong towns. Depending on the size and apparent intent of the US intervention, it is possible that North Vietnamese forces would be overtly introduced into Communist-controlled areas of Laos, but we believe these forces would not attempt to drive the US troops from the Mekong towns or otherwise seek direct engagement with US forces.

11. If US actions and statements led the Communists to believe that the US forces were threatening Communist-controlled areas, and particularly if the US forces actually undertook such action, direct engagement with overt North Vietnamese forces would probably result. It is also possible that the Chinese Communists would introduce forces into Laos, claiming that the US action constituted a threat to China. They would almost certainly do so if the US action appeared to constitute a threat to the Communist stake in Laos which the North Vietnamese forces could not counter.

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10 July 1961

MEMORANDUM TO HOLDERS OF SMC 10-2-61, "LIKELIHOOD OF MAJOR COMMUNIST INTERVENTION IN MAINLAND SOUTHEAST ASIA," dated 27 June 1961

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