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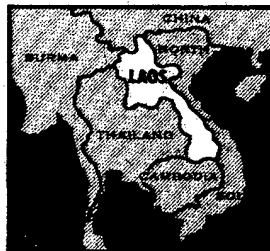
SNIE 58-6-62 ADVCON
26 September 1962

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SPECIAL NATIONAL INTELLIGENCE ESTIMATE

SHORT-RUN OUTLOOK FOR THE LAOTIAN
COALITION GOVERNMENT

- Current Situation
- Communist Intentions
- Coalition Elements
- Prospects
- Annex - The Laos Settlement



NOTE: This is an advance copy of the conclusions of this estimate as approved by the United States Intelligence Board. The complete text will be circulated within five days of this issuance.

Central Intelligence Agency

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APPROVED FOR RELEASE
DATE: SEP 2000

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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, Defense, the Army, the Navy, the Air Force, and NSA.

Concurred in by the

UNITED STATES INTELLIGENCE BOARD

on 26 September 1962. Concurring were the Director of Intelligence and Research, Department of State; The Director, Defense Intelligence Agency; 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; 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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CENTRAL INTELLIGENCE AGENCY

26 September 1962

SUBJECT: SNIE 58-6-62: SHORT-RUN OUTLOOK FOR THE LAOTIAN COALITION
GOVERNMENT

THE PROBLEM

To estimate the prospects for the Souvanna Phouma coalition government in Laos over the next six months or so.

CONCLUSIONS

A. The Souvanna Phouma coalition government has made virtually no progress in establishing effective control throughout Laos, let alone in implementing its policies. Armed forces of the three factions remain in control of and administer the areas they held prior to the formation of the government. (Para. 1)

B. The coalition regime will almost certainly not be able to establish any significant political authority throughout the country during the

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period of this estimate. Moreover, the "principle of unanimity" requiring concurrence of the three factions on all government decisions will prevent or postpone resolution of most key issues. Nevertheless, Souvanna, as the instrument of both East and West for a decrease in tensions in Laos, is not without leverage and assets. (Paras. 2, 8, 15, 25)

C. The coalition government will be forced to seek foreign aid not only for economic development, but for the relief of immediate, acute financial problems. It will accept this aid from all countries, though Souvanna will probably look especially to the US for budgetary and foreign exchange support. (Para. 17)

D. The Communists will seek to expand their influence and power in Laos with the ultimate aim of achieving effective control over all the country. To this end, they will nominally support the Souvanna-led government, proceeding toward their goal mainly through political and subversive means. (Para. 13)

E. Phoumi will probably continue to cooperate with Souvanna, however reluctantly, in the conduct of government. He will play an important role in the coalition, having a veto power over those actions of the government which are distasteful to him. (Paras. 9-10)

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F. The Communists will almost certainly seek to retain as many North Vietnamese forces and military advisers in Laos as they can do with safety. Souvanna will almost certainly be unable to prevent Communist use of southern Laos as a corridor for assisting the Viet Cong effort in South Vietnam. (Paras. 5, 18, 21)

G. In the absence of an acceptable compromise candidate as a successor, Souvanna's disappearance would probably result in an increase in the strength and influence of the Pathet Lao/Neo Lao Hak Xat (PL/NLHX). (Para. 24)

H. The Souvanna coalition will probably still be in existence six months from now. The longer the coalition is able to stay in existence, the greater its chances for continuance as the new status quo. Nevertheless, Communist influence will continue to grow, especially in those areas where the PL has military control, unless vigorous efforts are made to unify and strengthen the non-Communist elements in Laos. (Paras. 15, 25)

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