

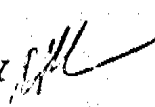
MEMORANDUM

NATIONAL SECURITY COUNCIL

~~SECRET~~URGENT ACTION

December 3, 1971

MEMORANDUM FOR: DR. KISSINGER

FROM: RICHARD T. KENNEDY 

SUBJECT: Laos Operations: Meeting with
Senator Stennis

You earlier agreed to meet with Senator Stennis to discuss his concerns over funding of Laos operations. On September 2 Senator Stennis wrote the President saying that he could not support any further funding with respect to Laos as part of the CIA budget (Tab B). He urged that other funding alternatives be considered in the FY 1973 budget. The Senator also alluded to the "final consideration" that the primary purpose of the Agency is jeopardized due to its involvement in the Laos operation.

You have seen Director Helms to be sure of his support, but wished to delay meeting with Senator Stennis. We have held off recommending a meeting while the Foreign Aid debate was underway. Senator Stennis' involvement in the debate is now at a comparatively low ebb and his concerns, particularly as they related to the Defense budget, are now behind him. The Senate will be adjourning shortly and the budget is now in process of final preparation. The Laos operations are being put into the Defense budget.

Accordingly we recommend that you plan to meet with Senator Stennis during the week of December 6. You will want to inform him that we are prepared to transfer funding of the Laos operation to the Defense budget, and to convey to him the importance of continuing the current CIA management of operations.

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|---------------------------------------|
| May Contain Congressional Material |
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There is an interagency agreement that:

- Defense will take over all funding of CIA paramilitary operations in Laos beginning with FY 1973.
- CIA will continue to manage the operations.

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| NSS, OSD Reviews Completed |
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Talking points are at Tab A.

John Lehman & John Negroponte concur.

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TALKING POINTS

HAK Meeting with Senator Stennis

- You and the President appreciate his staunch support and value his advice.
- We have studied his letter of September 2 carefully and have considered all reasonable alternatives.
- We have arranged that DOD will take over all funding of paramilitary operations in Laos beginning with FY 1973.
 - You trust this meets his immediate concern and you seek his support in getting necessary authorizations and appropriations for Defense.
 - It will be important in the hearings that CIA be protected.
- We have also been carefully considering the other point raised in the Senator's letter, management of paramilitary operations in Laos. This presents difficult problems:
 - At this critical juncture when we are winding down our efforts in Southeast Asia and withdrawing our men, any major change in managing Laotian operations would be unavoidably and undesirably disruptive.
 - At the time when our troops are coming home and we are also trying to engineer a major change of policy toward Peking, our actions are especially subject to misinterpretation.
 - It has been a long struggle in Laos -- we have helped the Laotians do enough to make a successful take-over effort too costly for the North Vietnamese. We do not want to give up now at the very time when those in Southeast Asia are assuming a larger share of the burden and there is hope that a long-term solution can emerge.
 - We have an on-going program with close working relationships of several years standing. This is an

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important asset but one which is vulnerable to instant dissipation if we try to make major changes in the way we manage the operations.

- The operations have been conducted in Laos effectively with a minimum of direct U.S. involvement. We have kept U.S. military personnel out.
- The Geneva accords limit the kind of help and advice we can give and the way we provide it. We can't give assistance directly with a military program. The present arrangement gives us the most flexibility.
- If we did move the management from CIA to another agency, domestic opinion could interpret such a change as merely regularizing the operation, digging in our heels for a prolonged fight, and as an attempt to mislead public opinion. A serious charge of lack of credibility might be made.
 - Also, the enemy would undoubtedly try to take advantage -- both militarily and psychologically -- of the unavoidable disruption such a change would produce.
- Therefore, we believe it is essential to retain the present management arrangements in order to preserve the effectiveness of our operations.

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PAUL J. HENNING, JR., CHIEF OF STAFF
WILLIAM U. LANGRISH, CHIEF OF STAFF

United States Senate

COMMITTEE ON ARMED SERVICES

WASHINGTON, D.C. 20510

September 2, 1971

The President
The White House
Washington, D. C.

Dear Mr. President:

The Committee has now completed action on the Military Procurement Authorization Bill which includes a portion of the authorization for funding United States operations in Laos. Moreover, as you know, for a number of years the Central Intelligence Agency also has funded a portion of U. S. programs in Laos.

I strongly defended the budget requests for Laos for fiscal year 1972 and the full request was approved by the Committee. I have concluded, however, that for the CIA to continue funding any portion of the Laos operation after fiscal year 1972 would be a serious mistake and possibly jeopardize the success with which the CIA carries out its other world-wide functions.

The CIA involvement in Laos is now a matter of public knowledge. Moreover, as you know, the U. S. programs in Laos have become an issue within the Senate which will doubtless be raised by floor amendments. These considerations have led to demands that all the CIA budget be revealed and debated. The Laos matter therefore adds to the difficulty in protecting the CIA budget against demands for greater disclosure.

There is the final consideration of the fact that the primary purpose of the Agency is to collect and evaluate intelligence, and the Laos program serves to jeopardize this primary function due to the criticism of its involvement in the Laos operation.

I am writing now to advise you that I cannot support any further funding with respect to Laos as a part of the CIA budget for fiscal year 1973. I urge that other funding alternatives be considered in connection with the formation of the fiscal year 1973 CIA budget.

This letter is written to you directly because of the serious nature of this matter and the interagency relationships involved.

Most respectfully yours,
John C. Stennis

John C. Stennis
Chairman
Senate Armed Services Committee