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7 3 MAR 1973

MEMORANDUM FOR: Deputy Director for Operations

SUBJECT : The Uncertainties of U.S. Support to the

Thai SGU in FY 74

1. This memorandum contains a recommendation for your approval in paragraph 11.

- The American missions in Laos and Bangkok, Summary. with strong support and under increasing pressure from the Thai Government, have asked for assurances that the U.S. will fund a Thai SGU contingency force in Thailand through FY 74. All concerned agencies agree in principle that a U.S.-supported Thai SGU force should be maintained in Thailand for possible deployment to Laos in the event of major ceasefire violations but there has been no firm policy decision to this effect. State has taken the position that a definitive policy decision should be delayed until a specific source of funds has been identified and approved by Congress. We agree with Defense that since Congressional action cannot be expected until well after the deadline established by political and operational requirements in the field, policy approval should be granted now with the understanding that a source of funds will be identified regardless of legal complications. The State and Defense positions are contained in the attached draft messages. While we prefer the Defense draft, we feel that references in the Defense message to the possibility of CIA funding of the proposed contingency force should be removed and that alternative funding possibilities should be explored by the Administration.
- 3. The Laos and Bangkok Missions have asked for assurances from Washington that the U.S. will continue to fund and otherwise support a Thai SGU contingency force in Thailand through FY 74. Their proposal calls for maintaining fifteen Thai SGU battalions (8,250 men) through 31 December 1973 and a reduced force of nine battalions (4,750) for the remainder of FY 74. There are currently thirty Thai SGU battalions (17,808) deployed in Laos.
- 4. The projected Thai SGU force would require in new obligational authority for FY 74.

5. The rationale for supporting a Thai SGU contingency force in FY 74 is based upon Thai Government representations

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and the operational need for a combat-effective irregular force that could be deployed to Laos if the ceasefire breaks down. Dr. Kissinger has taken the position that the Thai SGU should not be disbanded until there is convincing evidence that the North Vietnamese intend to abide by the ceasefire agreement for Laos. During his late January visit to Bangkok, General Haig told the Thai leadership that the SGU should be kept intact in Thailand for some time and in a state of readiness that would facilitate their return to Laos in the event of serious violations of the ceasefire.

- 6. There is general agreement among the concerned agencies, including the NSC staff, that for political and operational reasons a contingency Thai SGU force, along the lines proposed by the field, should be maintained in Thailand with U.S. support. There is considerable difference of opinion however, particularly between State and ISA/OSD, concerning: the relative importance (in terms of congressional equities) of a Thai SGU contingency force, the availability and legality of U.S. funding for such a force, and the duration of U.S. support.
- 7. State has taken the position that a definitive policy decision to support a Thai SGU contingency force should not be taken until a specific source of funds has been agreed upon among all agencies and approved by the Congress. (The Thai SGU are currently funded by Laos MASF but it is at least doubtful /even if Laos MASF is continued through FY 74/ that Laos MASF funds could be used to support Thai SGU in Thailand.) State is also opposed to supporting a Thai SGU contingency force beyond 31 December 1973 in any case.
- 8. ISA/OSD feels that a policy decision approving the field proposal should be made now and communicated to the Thai Government as soon as possible so that the Thai Government will be reassured on this point and planning for the contingency force can get underway. According to the ISA position, the policy decision and Congressional approval aspects must be separated because we cannot realistically expect final Congressional action on this question until well after the deadline established by political and operational considerations in the field. ISA has also taken the position that the contingency force should be supported throughout FY 74 rather than for only six months as suggested by State.
- 9. The State and ISA positions are outlined in the attached draft messages that have been forwarded for CIA

clearance. The ISA message is much more responsive to the field proposal and is generally in line with FE Division views but it reflects more optimism than is justified concerning the continuation of Laos MASF and it raises the prospect of CIA funding. We agree with ISA that the field proposal should be approved now as a matter of policy and communicated to the Thai Government even though a specific source of funding cannot be identified at this time and there is no assurance now of Congressional approval.

- 10. CIA funding of the proposed contingency force could put the Agency in the position of being accused of violating the sense if not the letter of legislative restrictions, especially if Congress again precludes the use of MASF or other DOD funding to support Thai SGU in Thailand and includes, as it has in the past, language to the effect that this restriction applies to the use of funds appropriated under other legislation. Vientiane Station has suggested that leftover FY 73 MASF be used to fund the FY 74 Thai SGU contingency force but this approach is also fraught with obvious legal complications.
- 11. FE Division feels that continuation of Laos MASF through FY 74 (including provisions to support Thai SGU in Thailand) and, alternatively, the possibility of a million add-on to MAP for Thailand should be fully and energetically explored by the Administration in lieu of CIA funding or CIA use of leftover FY 73 MASF money. We therefore recommend Agency concurrence in the ISA draft with the understanding that references to the possibility of CIA funding will be removed and that some of the State language about scenarios, material support and disposition of Thai SGU weapons be included in the ISA version.

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Chief, Far East Division (b)(3)

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Attachments: as stated.

The recommendation contained in paragraph 11 is approved:

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Deputy Director for Operations

Date

MEMORANDUM FOR: Deputy Director for Operations

SUBJECT The Uncertainties of U.S. Support to the Thai SGU in FY 74

DDO/ADCFE/TBL/ /mh/x1405 (13 March 1973)

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SUBJECT: The Uncertainities of U.S. Support to the Thai SGU in FY 74

- 1. The Laos and Bangkok Missions have asked for assurances from Washington that the U.S. will continue to fund and otherwise support a Thai SGU contingency force through FY 74. Their proposal calls for maintaining fifteen Thai SGU battalions (men) through 31 December 1973 and a reduced force of nine battalions (men) for the remainder of FY 74. There are currently thirty Thai SGU battalions (men) deployed in Laos.
- 2. The projected Thai SGU force would require in new obligational authority for FY 74.
- 3. The rationale for supporting a Thai SGU contingency force in FY 74 is based upon Thai Government representations and the operational need for a combat effective irregular force that could be deployed to Laos if the ceasefire breaks down. Dr. Kissinger has taken the position that the Thai SGU should not be disbanded until there is convincing evidence that the North Vietnamese intend to abide by the ceasefire agreement for Laos. During his late January visit to Bangkok, General Haig told the Thai leadership that the SGU should be kept intact in Thailand for some time and in a state of readiness that would facilitate their return to Laos in the event of serious violations of the ceasefire.

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- 4. There is general agreement among the concerned agencies, including the NSC staff, that for political and operational reasons a contingency Thai SGU force, along the lines proposed by the field, should be maintained in Thailand with U.S. support. There is considerable difference of opinion however, particularly between State and ISA/OSD, concerning: the relative importance (in terms of congressional equities) of a Thai SGU contingency force, the availability and legality of U.S. funding for such a force, and the duration of U.S. support.
- 5. State has taken the position that a definitive policy decision to support a Thai SGU contingency force should not be taken until a specific souce of funds has been agreed upon among all agencies and approved by the Congress. (The Thai SGU are currently funded by Laos MASF but it is at least doubtful (even if Laos MASF is continued through FY 74) that Laos MASF funds could be used to support Thai SGU in Thailand.) State is also opposed to supporting at Thai SGU contingency force beyond 31 December 1973 in any case.
- 6. ISA/OSD feels that a policy decision approving the field proposal should be made now and communicated to the Thai Government as soon as possible so that the Thai Government will be reassured on this point and planning for the contingency force can get underway. According to the ISA position, the policy decision and Congressional approval aspects must be

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Separated because we cannot realistically expect final Congressional action on this question until well after the deadline for the required political and operational action in the field. ISA has also taken the position that the contingency force should be supported throughout FY 74 rather than for only six months as suggested by State.

- 7. The State and ISA positions are outlined in the attached draft messages that have been forwarded for CIA clearance. The ISA message is much more responsive to the field proposal and is generally in line with FE Division views but it reflects more optinism than is justified concerning the continuation of Laos MASF and it unfortunately raises the prospect of CIA funding. We agree with ISA that the field proposal should be approved now as a matter of policy and communicated to the Thai Government even though a specific source of funding cannot be identified at this time and there is no assurance now of Congressional approval.
- 8. CIA funding of the proposed contingency force could put the Agency in the position of being accused of violating the sense if not the letter of legislative restrictions, especially if Congress specifically precludes the use of MASF or other DOD funding to support Thai SGU in Thailand and includes, as it has in the past, language to the effect that this restriction applies to the use of funds appropriated under other lægislation. Vientiane Station has suggested that

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leftover FY 73 MASF be used to fund the FY 74 Thai SGU contingency force but this approach is also fraught with obvious legal complications.

FE Division feels that continuation of Laos MASF through FY 74 and, alternatively, the possibility of a add-on to supporting assistance for Thailand should (b)(1) (b)(3) be fully and energetically explored by the Administration in lieu of CIA funding or CIA use of leftover FY 73 MASF money. We therefore recommend Agency concurrence in the ISA draft with the understanding that references to the possibility of CIA funding will be removed and that some of the State language about scenarios, material support and disposition of Thai SGU weapons be included in the ISA version. As a practical matter, we feel that the funding problem for FY 74 wll take care of itself in Congressional action on Laos MASF is again delayed so far into FY 74 that the concerned committees of Congress can be persuaded that it would work too much of a hardship if inflexible limitations on military assistance to Laos including the Thai SGU are imposed well after the fiscal year has begun and operational commitments have been made in the field.

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The Uncertainties of	U.S. Support	to the	Thai SGU in FY 74
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