

**NIE 58-67**

**Short-Term Political Prospects for Laos**

**18 May 1967**

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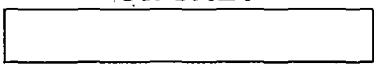


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Short-Term Political Prospects for Laos

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Concurred in by the

UNITED STATES INTELLIGENCE BOARD

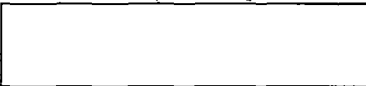
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## SHORT-TERM POLITICAL PROSPECTS FOR LAOS

### THE PROBLEM

To estimate the prospects for political stability in Laos over the next year or so. In addition, to estimate the reactions of Souvanna Phouma and the effect on his government of expanded Allied ground action in the Laos Panhandle. The reactions of other foreign governments to these courses of action are not considered.

### CONCLUSIONS

A. During the past several years, the Kingdom of Laos has achieved a substantial degree of political stability. This rests, in part, on the international support which the Royal Lao Government has enjoyed since the 1962 Geneva settlement, support which Prime Minister Souvanna Phouma earnestly seeks to retain. More important, it rests on an understanding among Souvanna, the military, and—to a lesser degree—the conservatives and neutralists, which aims at preserving Lao independence and the attributes of neutrality and tripartitism. In the short term, at least, we see no serious diminution of military support for the regime, nor does a military-inspired coup attempt seem likely.

B. We believe that Souvanna, if approached officially, would disapprove any proposals put to him involving Allied ground action in the Laos Panhandle. He has stated that he would not authorize the introduction into Laos of US or other Allied ground troops. Nevertheless, he has demonstrated some tolerance for small-scale, limited actions of which he is not officially informed; the key test in his view is the ability to avoid acknowledgement. Activities meeting these criteria might, as in the past, be ignored by Souvanna. He would, however, vigorously oppose any action involving the open or prolonged presence

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on Lao soil of any substantial number of Allied troops—e.g., one battalion. If the US proceeded with such visible actions despite Souvanna's opposition, he would probably resign, though there is a small chance that he might tolerate the US action in hopes of somehow limiting it.<sup>1</sup>

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<sup>1</sup> Mr. George C. Denney, for the Director of Intelligence and Research, Department of State, believes that Souvanna almost certainly would resign. Souvanna regards the preservation of the Geneva settlement as indispensable to the survival of Laos and would see the visible introduction of allied ground forces as signaling the abandonment of that settlement. He has made these points many times. If, despite his opposition, the actions contemplated in this sentence were undertaken, he would assume, against the background of previous US assurances to him, that the US had broken the relationship of confidence built up since 1962 and had lost interest in preserving the Geneva settlement and in his remaining in office. He would have no hope, therefore, that by remaining in office he could exercise any further influence on our courses of action.

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## DISCUSSION

### I. PROSPECTS FOR POLITICAL STABILITY

#### A. Internal Factors

1. After 14 years of independence, the Kingdom of Laos remains economically and politically underdeveloped. Only a few thousand individuals, most of them French-educated, participate in government and politics; the bulk of the population is illiterate and politically apathetic. Popular identification with the country, the government, and the Crown—though stronger than in the past—is very limited, and regional and family loyalties continue to play a predominant role in domestic politics.

2. The Lao political situation is further complicated by two decades of international contention in the Indochina area. A formula was devised by the 14-nation Geneva Conference of 1962 to bring peace to Laos by making the country a neutral buffer state. A tripartite coalition government was organized in Vientiane by the three major Lao political factions—conservative, neutralist, and Communist—and headed by the neutralist Prince Souvanna Phouma. But this design for national reconciliation and territorial unification soon proved unworkable and the internal struggle resumed. Today the Communists control about 40 percent of the area and 20 percent of the population, generally tribal groups inhabiting the rugged and sparsely-populated uplands bordering China and the two Vietnams. The government controls the populous Mekong River lowlands and commands considerable support among some upland ethnic minority groups, particularly the Meo.

3. Since Geneva, Lao politics have undergone major changes. In early 1963, the Lao Communists withdrew from active participation in the tripartite government, and Communist Pathet Lao and North Vietnamese troops initiated attacks on neutralist-held positions in northern Laos. Souvanna obtained the support of the conservative leadership of the Royal Lao Armed Forces (FAR) for his neutralist force and the US provided needed military equipment and supplies. Since then, Souvanna has come to believe that, in the last analysis, the security of Laos depends on the US.

4. While privately favoring US policies in the Indochina area, Souvanna nevertheless maintains an international position of neutrality and a commitment to tripartite government. He sees the maintenance of these Geneva principles as indispensable to the legitimacy of the Royal Lao Government (RLG) and its international acceptance. He believes that so long as they are retained, even if only as a facade, Moscow will support the present political equilibrium in Laos; and that Hanoi and Peking—whose main military interests now lie outside the territory controlled by the Vientiane government—will at least make no major efforts to upset the present equilibrium. He also believes that the

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maintenance of tripartitism may facilitate the reintegration of the Pathet Lao into the national community at some future date.

5. The departure of the Communists from the tripartite government in 1963 reduced it to a neutralist-conservative coalition, with the latter faction numerically predominant. The net result has been the achievement of a substantial degree of political stability. Neutralist-conservative cooperation has grown, almost obliterating the differences which once existed between these factions. Souvanna now frequently ignores any distinction between the two, and in policy terms there is virtually none. The conservatively-inclined military leaders have also become increasingly acceptable to Souvanna. He knows that their support is essential to the preservation of his government, not only because of the military strength they control but also by virtue of the political power they hold in their regional commands. This increased acceptance of the military is also a result of the departure from Laos in recent years of some of the more disaffected and contentious elements among the military, notably General Phoumi and his adherents.

6. For their part, the key Lao military figures accept and support Souvanna in the interest of maintaining, with US support, a broadly-based national resistance to Communist territorial encroachments. The military leaders are also conscious of the restraints placed on them by continuing international interest, particularly that of the US, in keeping Souvanna in power. Souvanna's position is further strengthened by King Savang Vatthana's desire to maintain legitimacy and by divisions among the military arising from regional and family considerations.

7. The neutralist faction, once Souvanna's main support, has been unable to build a true political party and has lost much of its elan. The neutralist label presently attracts little popular support; neutralist candidates, except those identifying with regional interests, have generally suffered defeat at the polls. Kong Le, the military symbol of neutralism, has recently been removed from his command in the interest of integrating neutralist forces into the FAR, and has left the country. Nevertheless, the neutralist label is retained, primarily for cosmetic reasons—to distinguish those who occupy the cabinet posts originally reserved for that faction and to demonstrate that tripartitism survives.

8. The newly-elected National Assembly is more disciplined and cohesive than its predecessor. In the first serious test of its character and intentions, Souvanna's national budget was passed without opposition. This issue had contributed to a major governmental crisis in the fall of 1966. In contrast to the disorganized and obstructive legislature which it replaced, the new Assembly contains a safe majority of deputies obligated to regional military leaders who in turn have agreed to support Souvanna.

9. The Lao Communist political organization—the Neo Lao Hak Sat (NLHS)—is neither strong nor deeply rooted in Laos; it is almost completely a creature of the North Vietnamese on whose support and direction it has



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become increasingly dependent. Although the NLHS abandoned its role in the national government in early 1963, it continues to hold to the tripartite concept as a source of legitimacy at home and overseas, a framework within which to reenter the government should the overall situation in Indochina once again warrant the suspension of hostilities and the adoption of political tactics. Although undoubtedly disturbed by Souvanna's effective cooperation with the conservatives, the Lao Communists and their North Vietnamese mentors also realize that the tripartite arrangement under his leadership places significant international constraints on the Lao military and indirectly on the US.

10. *Prospects.* Political stability in Laos will continue to depend on the maintenance of cooperation and mutual respect between Souvanna, the FAR military commanders, and the King. Despite some misgivings about Souvanna on the part of certain of the military leaders, it is probable that they will continue to support his government and its policies. The present arrangement offers them adequate scope for the exercise of political influence within their regions, and they do not appear to have any major policy differences with Souvanna at this time. There is always the possibility, however, that personal rivalries among the military may spark outbreaks of internecine strife as in 1965 and 1966, but a military-inspired coup attempt against Souvanna's government, as in 1964, seems unlikely. Moreover, no military leader has sufficient stature to gain the acquiescence of his peers for any takeover of the government.

#### B. External Factors

11. *Hanoi and the War in Vietnam.* To Hanoi, the war in Laos is secondary to its campaign to take over South Vietnam. Hanoi seeks through the agency of the Pathet Lao to control the regions adjacent to its own borders. It supports the Pathet Lao as a military and political force in order to preserve a viable instrument for any future Communist takeover of Laos. Of principal immediate importance to Hanoi, however, is control of the southern panhandle area containing the corridor which it views as an essential route between North and South Vietnam.

12. Since 1964, Hanoi's objectives in the southern panhandle have been served by a condition of relative military stalemate in which it retains control of the uplands bordering South Vietnam while FAR forces occupy the flanking Mekong lowlands. At present, Hanoi shows no intention of extending its occupation westward into FAR territory. Nor is it exerting strong political and military pressures on Souvanna's government elsewhere in Laos. It is probable that Hanoi will maintain this posture toward Souvanna so long as the status quo obtains.

13. For his part, Souvanna would like to see the North Vietnamese eventually driven from all Lao territory, but he does not share the intense US concern with the Communist-controlled panhandle area, a rugged region only sparsely populated by non-Lao tribal peoples. So long as Hanoi evidences no interest in extending its occupation westward into the Mekong lowlands, Souvanna is

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reluctant to see the boat rocked by attempts to force the NVA/VC out of the highlands.

14. *Souvanna's International Position.* Underlying all Souvanna's actions are his concern for the preservation of the Geneva tripartite framework of government and his dedication to a foreign policy of neutrality for Laos. He has collaborated closely with the US, which is fighting the common enemy in Vietnam and is the only source of large-scale assistance in terms of military hardware and air support. However, he has stated that he would not authorize the introduction into Laos of US or other Allied troops. He is particularly anxious to avoid disturbing relations with the Soviets on whom he relies to provide an additional check on Hanoi's expansionist tendencies and whose recognition he regards as fundamental to the policy of neutrality. He also weighs presumed Soviet reactions in arriving at decisions on domestic affairs. He is also careful to avoid provoking Peking, but he is less hopeful that the Chinese Communists would attempt to restrain Hanoi.

15. Souvanna has accepted certain US military activities in Laos such as bombings that benefit his troops as well as hamper Hanoi's war effort in South Vietnam, and certain covert activities. However, in both cases, his agreement rests on absolute prohibition of publicity. He has refused to acknowledge the existence of any US military activity in Laos with the exception of armed air photoreconnaissance. He has never been informed by the US of its involvement in small-scale ground reconnaissance activities, although he may be aware of them. He has firmly taken the position, both privately and publicly, that he cannot approve US military ground operations in Laos.

16. Souvanna, although prepared to cooperate with the US in actions that he believes will assist Laos without exposing it to new and excessive political or military dangers, has many reasons for placing close limits on such operations. He is aware, as is the Lao elite in general, of the tremendous drain on Lao resources imposed by the hostilities, even at their present level, and of a casualty rate that, particularly for an underpopulated country, is very high. He believes that the introduction of friendly foreign ground troops would be contested by the North Vietnamese and that the level of hostilities would inevitably rise and that Laos would become another battleground of the Vietnam war.

### C. The Succession

17. There is no present expectation that Souvanna will resign, either for political or health reasons, though he is 66 years old and has often in the past used the threat of retirement to obtain acceptance of his policies. He appears to enjoy his position and is conscious of his role in building a Lao nation. He is also aware that he is probably the only Lao leader other than the King with sufficient international stature and acceptance to lend credence to the tripartite formula. He is also concerned about the succession problem and wants more time to select and build up an acceptable successor. At

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present, he apparently sees Minister of Finance Sisouk na Champassak in this role.

18. Should Souvanna die, there would be considerable jockeying for power which would be likely to continue even after the installation of a new government. Awareness of the importance of US support would affect decisions, but a number of major domestic factors would also come into play. An essential element would be the preference of King Savang Vatthana, constitutionally the most powerful man in Laos and almost universally respected. Another important factor is the military. The Lao military would probably prefer a conservative civilian since the only military figure who might qualify at this time is General Kouprasith Abhay. He would be strongly opposed by many of his colleagues who fear ascendancy of the Vientiane-based Sananikone clan with whom Kouprasith is closely associated. If the King, taking international interests into account, acted vigorously on behalf of a neutralist, such as Prince Sisoumang Sisaleumsak, his decision would probably be accepted.

19. The choice of a successor would, of course, have important implications for the survival of the Geneva structure. Moscow would be particularly concerned about and expect to influence the selection process and would certainly prefer a neutralist. Hanoi, if satisfied through the choice of a neutralist successor that Souvanna's departure would not lead to significantly increased military pressures on its use of Lao territory, would probably accept the replacement with only *pro forma* complaints. If so, its Pathet Lao clients would follow suit. The appointment of a conservative figure would raise questions regarding adherence to the tripartite formula. The emergence of any Lao figure clearly hostile to the tripartite formula would be completely unacceptable to Hanoi and Moscow: Moscow would denounce the new government as without standing under the Geneva agreements, and openly support the Pathet Lao; and Hanoi might take new military initiatives.

## II. REACTIONS TO EXPANDED ALLIED GROUND ACTION IN THE LAOS PANHANDLE

20. We believe that Souvanna, if approached officially, would disapprove any proposals put to him involving Allied ground action in the Laos Panhandle. He is predisposed to do so by his whole approach to the war. His resistance would be reinforced by expectations of a North Vietnamese reaction that would enlarge the war in Laos. He would expect that Hanoi would strike back, not only in areas in which the Communists were being attacked but also in areas now under RLG control, which would be of much greater concern. Moreover, he would be inclined to react not merely to a particular proposal, but to the progression of events that he would envisage as likely to follow the first move. Thus, he would be reluctant to authorize officially seemingly low risk, very small-scale, and deniable actions because he would anticipate that, whatever the original US intention, the new actions and the enemy response would generate a momentum of their own.

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21. Because Souvanna understands the stake of Laos in the outcome of the war in Vietnam, and realizes that until it is over Laos will perforce remain a theater of operations, he has demonstrated some tolerance for actions of which he is not officially informed. The level of such tolerance will vary from time to time and has, generally speaking, been on an ascending scale. Although he has privately as well as publicly drawn the line against ground operations, the key test in his view remains the ability to avoid acknowledgment. The essential elements in his tolerance of presently-conducted actions have been that: insofar as his official relations with the US are concerned, these actions have not existed; they have been unacknowledged, small, clandestine, and shallow penetrations conducted by specially trained forces; and they have not become, in any sense, a public or diplomatic issue. Expanded activities of this type, so long as they met the same criteria, might continue to be ignored by Souvanna.

22. Souvanna would vigorously oppose any action involving the open or prolonged presence on Lao soil of any substantial number of Allied troops—e.g., one battalion. He would expect a Communist military reaction and, eventually, a much larger and destructive war throughout Laos. If consulted in advance, he would almost certainly oppose the move strongly. Moreover, most of the other Lao political and military leaders, including the King, would share his misgivings and accept his lead in this matter.

23. If the US proceeded with such visible actions despite Souvanna's opposition, he would probably resign, though there is a small chance that he might tolerate the US action in hopes of somehow limiting it.<sup>2</sup> In the event of his resignation, a Lao leader, conservative or military, could probably be found to form a government that would cooperate with the US, but it is uncertain that the King would legitimize the new government. Externally, moreover, the departure of Souvanna under these circumstances would change the Lao situation dramatically. The Vietnamese Communists would no longer have any political restraints on their military actions in Laos, and the Soviet Union would probably swing to direct political support of the Pathet Lao.

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<sup>2</sup>Mr. George C. Denney, for the Director of Intelligence and Research, Department of State, believes that Souvanna almost certainly would resign. Souvanna regards the preservation of the Geneva settlement as indispensable to the survival of Laos and would see the visible introduction of allied ground forces as signaling the abandonment of that settlement. He has made these points many times. If, despite his opposition, the actions contemplated in this paragraph were undertaken, he would assume, against the background of previous US assurances to him, that the US had broken the relationship of confidence built up since 1962 and had lost interest in preserving the Geneva settlement and in his remaining in office. He would have no hope, therefore, that by remaining in office he could exercise any further influence on our courses of action.

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