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**Probable Developments in Laos
to July 1956**

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PROBABLE DEVELOPMENTS IN LAOS
TO JULY 1956

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
INTELLIGENCE ADVISORY COMMITTEE

on 26 July 1955. Concurring were the Special Assistant, Intelligence, Department of State; the Assistant Chief of Staff, G-2, Department of the Army; the Director of Naval Intelligence, the Director of Intelligence, USAF; and the Deputy Director for Intelligence, The Joint Staff. The Atomic Energy Commission Representative to the IAC, and the Assistant to the Director, Federal Bureau of Investigation, abstained, the subject being outside of their jurisdiction.

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PROBABLE DEVELOPMENTS IN LAOS TO JULY 1956¹

THE PROBLEM

To analyze the present strengths and weaknesses of Laos; and to estimate probable future developments and trends to July 1956.

CONCLUSIONS

1. Laos is a primitive, sparsely populated kingdom which emerged as a political and administrative unit only after World War II. In 1953 Laos realized its independence within the French Union. Since January 1955, the US has provided assistance essential to balance the Laotian budget and international payments position and to maintain its armed forces. (*Paras. 8, 11, 40-43*)

2. There is a large measure of unity in non-Communist political circles in Laos. Except for the current rice shortage, there are few pressing economic and social problems which are readily exploitable by the Communists. Nevertheless, the country is in a poor position to deal with the Communist threat because of popular apathy and rudimentary communications and transportation, and because of long dependence on the French for most important administration and security functions. (*Paras. 8, 13, 40*)

3. The Pathet Lao, a small group of radical Lao nationalists taken over and supported by the "Democratic Republic of

Vietnam" (DRV), poses the immediate Communist threat to Laos. At Geneva, the Pathet Lao was afforded recognition and was permitted to regroup its forces in the two northern Lao provinces of Phong Saly and Sam Neua pending a political settlement. Since then it has prevented the Lao government from reestablishing administrative control over these two provinces. The Pathet Lao, with DRV support, is using the time gained from prolonged negotiations with the Lao government to strengthen its armed forces and its political control in the northern area of Laos. However, the Pathet Lao military forces, without reinforcement by DRV units, will probably not develop during the period of this estimate the capability to seize Laos by force. (*Paras. 19, 23, 29*)

4. Pathet Lao, in its negotiations with the Lao government, will continue to seek participation in a coalition government for all of Laos. It will probably also continue its propaganda to have its area and candidates included in the national elections scheduled for December 1955. The Pathet Lao is unlikely to accept any pro-

¹ This estimate supersedes portions of NIE 63-7-54 on Laos.

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posal which weakens its control of Phong Saly and Sam Neua. Unless directed to do so for reasons of Bloc strategy, the Pathet Lao is unlikely to launch attacks southward from its present areas or to initiate general guerrilla warfare throughout Laos during the period of this estimate. However, the Pathet Lao possibly reinforced by infiltrated DRV regulars, will probably continue its military efforts to force the small isolated Royal Lao Army garrisons to withdraw from Sam Neua and Phong Saly. (Para. 30)

5. The Laotian government will probably continue efforts to counter the Pathet Lao by improving Lao military and security forces and by seeking to obtain full support of the major non-Communist powers. We believe that during the period of this estimate, the Lao government will probably continue to exclude significant Pathet Lao influence in the other ten provinces. Furthermore, we believe the major non-Communist political parties will probably win a substantial majority in the national elections scheduled for December 1955. (Paras. 18, 27)

6. The Lao government almost certainly will not be able to solve the Pathet Lao problem by force during the period of this estimate. Despite its numerical

strength, the Lao Army does not have the logistic and command capabilities to conduct a large-scale military operation. Moreover, the French are unlikely to provide such support. In any case, in the unlikely event that the Lao government should attempt to regain control of the two northern provinces by force, the DRV would probably covertly provide military units sufficient to prevent the destruction of the Pathet Lao. Although the Lao government may be able by covert means to develop an anti-Communist resistance effort in Pathet Lao territory, such resistance will probably not weaken Pathet Lao forces significantly or threaten Communist control of the northern provinces. (Paras. 31, 38, 45)

7. In the longer run, if the Pathet Lao is not suppressed by force, the best that the Lao government can hope to accomplish is to increase its military and police effectiveness and popular support sufficiently to prevent the spread of Pathet Lao influence. The long-range prospects for achieving this limited objective appear slightly better than even if Laos receives timely economic, technical, and military assistance. The chances would be greatly reduced if South Vietnam fell under DRV control. (Para. 32)

DISCUSSION

I. INTRODUCTION

8. The Kingdom of Laos is an underdeveloped, underpopulated, and primitive country, even in comparison with other areas in Southeast Asia. It emerged as a political and administrative unit only after World War II, and its political and economic institutions are extremely rudimentary. Only a few hundred

French-educated individuals participate in government and politics, and a large portion of the population of some 1,500,000 is illiterate, primitive, and politically apathetic. A sense of nationalism is limited to the few active leaders, and only respect for the Crown and general adherence to Buddhism promote a semblance of popular identification with the state.

9. Because of its strategic location adjacent to the long and undefended frontiers of South Vietnam, Cambodia, and Thailand, Laos has been an important target for the Communist forces of the DRV. DRV regular forces conducted major operations in Laos during the last two years of the Indochinese war and created a Lao Communist movement, the Pathet Lao. Under the terms of the Geneva Agreements, the Pathet Lao was instructed to regroup its forces in the two northern provinces of Sam Neua and Phong Saly, but the agreement acknowledged government sovereignty in these provinces pending a political settlement. However, the Pathet Lao has since frustrated the government's efforts to establish its control over these areas.

10. The Royal Lao government and its forces are poorly equipped to cope with the Communist threat to Laos. To retain its independence in the long run, Laos will require strong diplomatic support, technical, economic, and military assistance, and possibly the direct support of foreign armed forces.

II. GOVERNMENT AND POLITICS

11. Following the end of World War II, the French consolidated their former holdings in the area between Cambodia and northwest Tonkin under the nominal control of the sovereign of Luang Prabang and proclaimed the existence of the Kingdom of Laos. In 1949, Laos was granted its first measure of independence, and a constitutional monarchy with a small elected assembly was established. With the transfer of French reserved powers to the Lao government in 1953, Laos was accorded the status of "complete independence within the French Union." At this time, the Lao government assumed the responsibility for all functions of government except command of its military forces, which remained part of the French Union Forces fighting in Indochina. However, the Lao government felt that the French at the Geneva Conference failed to defend Lao interests with sufficient vigor. Since that time, Laos has sought to limit its former complete dependence on France for security by the development of independent relations with other nations and by encour-

aging the withdrawal of some French technicians and advisors.

12. The Crown, with its power to promulgate the laws and designate the Prime Minister and Cabinet, plays a dominant role in the government. King Sisavang Vong is aged and infirm and lives in virtual retirement, but his powers have been effectively assumed by the capable Crown Prince, Savang Vathana. He is strongly pro-Western and anti-Communist and has been a principal force in maintaining cooperation with the US and France.

13. A large measure of basic political unity, attributable in considerable degree to the influence of the Crown Prince, exists among non-Communist factions in Laos. In 1949 most of the "Free Laos" leaders who had taken refuge in Thailand in 1946 as a protest against French rule, made their peace with the Crown and the French and returned to Laos. In recent years, political divisions, which occasionally have appeared severe, have resulted primarily from personal antagonisms among the educated, related, ruling families, and not from basic differences on policy.

14. The present government of Premier Katay Sasorith, like its predecessors, is a coalition of the major non-Communist political factions. Premier Katay is the nominal leader of the Progressive Party, the faction with the largest number of seats in the National Assembly. Prince Souvanna Phouma, premier from November 1951 to October 1954, is the principal challenger to Katay's leadership within the Progressive Party. The other principal non-Communist political grouping represented in the Cabinet, the newly organized Independent Party, is lead by Foreign Minister Phouy Sananikone.

15. The legal non-Communist opposition to the government is limited to Bong Souvannavong and his Laos National Union Party which is represented by four deputies in the 39-member National Assembly. Despite his personal prestige as a member of the influential Souvannavong family, Bong's party does not appear to have any significant support.

16. The political scene is subject to some agitation by the maneuvers of Prince Petsarath,

a former Free Lao leader still residing in Thailand. His shadowy intrigues to gain power in Laos appear to involve some support from Thai elements. He appears to have little real influence, but his activities occasionally unsettle the highly personal political alliances in Laos.

17. Premier Katay's government will probably remain in office at least until a new assembly is convened following national elections now scheduled for December 1955. In preparation for these elections, Katay and Phouy, with the encouragement of the Crown Prince, have formed a "coalition" of their two parties in order to insure a solid anti-Communist front and to insure the defeat of any Pathet Lao member or sympathizer who might stand for election in the provinces not under Communist control. In the past, political parties have not played an important part in the political affairs of Laos, but in the forthcoming elections they will assume critical importance in government efforts to hand the Communists a decisive electoral defeat. Through such a defeat, the government hopes to demonstrate, particularly to the ICC, both the absurdity of Pathet Lao claims to a special status and the government's right to control and administer all of Laos.

18. The government, unless it regains administrative control in the two Pathet Lao provinces, probably will not attempt to hold elections there, and non-Communist candidates in the remaining ten provinces will probably win a large majority of seats in the National Assembly. However, if the major non-Communist groups fail to cooperate, Communists or Communist sympathizers may win some seats. In any event, we believe that the post-election government will be controlled by a coalition similar to the present Cabinet grouping and that it will follow similar foreign and domestic policies.

III. THE PATHET LAO

19. The principal internal threat to the Royal Lao government is the Communist-controlled Pathet Lao movement. It began in 1949 as a splinter of the Free Laos movement when a

group of the more radical nationalists led by Prince Souphanouvong joined the Viet Minh in Tonkin. The Prince was probably motivated by ambition for the throne and an intense hatred for the French. Although this Lao "independence" movement had virtually no popular support among Laotians, the Viet Minh integrated this group into the DRV united front in 1951 as the "Neo-Lao Itsala Front." The executive arm of this front was called the "Pathet Lao."

20. When substantial DRV regular forces entered Laos in 1953 and again in early 1954, they brought with them a small number of Laotian military units and installed the prefabricated "Resistance Government of Pathet Lao" in northern Laos. At the Geneva Conference, the Communists exaggerated Pathet Lao strength (at that time Pathet Lao forces numbered about 2,500 poorly armed men) and won the right for the Pathet Lao forces to regroup in the two northern provinces pending a "political settlement." Although at Geneva the Lao government asserted its right to administer these two provinces and the conference "took note" of this declaration, the Pathet Lao has been able to establish effective control over all Sam Neua and Phong Saly, except for several small isolated pockets held by some 2,500 regular troops of the Royal Army. The Communists have since stubbornly maintained this control insisting that such was the intent of the Geneva accords. Long political negotiations between the two sides under the auspices of the International Control Commission (ICC) for Laos have produced no settlement.

21. Despite intensive efforts by the Pathet Lao, assisted by the DRV, to indoctrinate and propagandize the Lao population of Sam Neua and Phong Saly, the movement probably has won few willing adherents and for the present at least has little popular support. There have been reports of widespread confiscation of land and property in these two provinces and of severe measures against local officials accused of being disloyal to the Communists. The small Communist cadres, which probably remained behind in some of the other prov-

inces when the Pathet Lao troops regrouped in the north, have apparently generated little popular support for their cause in the other Lao provinces. The Vietnamese taint associated with the Pathet Lao movement has hampered Communist efforts because Laotians generally fear and dislike Vietnamese, whether Communist or non-Communist. Moreover, the aggressive tactics of the Communist movement are substantially more alien to the Lao people than to the Vietnamese.

22. Using the respite afforded them by the Geneva Agreements and by the subsequent negotiations with the Lao government, the Pathet Lao has strengthened its military forces. With direct Viet Minh aid in equipment and advisory personnel (believed attached to all Pathet units), the Pathet Lao has built up an estimated armed strength of 6,000, organized into twelve infantry battalions and one heavy weapons battalion. Four infantry battalions are deployed in Phong Saly and the remainder in Sam Neua.

23. The effectiveness of these forces has apparently increased in recent months as a result of intensive training and indoctrination. However, a shortage of rice, coupled with a general lack of ideological motivation, may have resulted in poor morale among some of the units. Moreover, some of the troops are reportedly forced conscripts from areas which the Pathet Lao occupied prior to its regroupment in Sam Neua and Phong Saly.

Government Relations with the Pathet Lao

24. Since the Geneva Conference, Lao government relations with the Pathet Lao have been tense, and on several occasions actual fighting has occurred. Following repeated efforts by the ICC, a cease-fire was finally concluded between the two sides on 9 March 1955. However, sporadic small-scale fighting has continued around Royal Laotian Army posts in Sam Neua and Phong Saly, and political negotiations which began in January between the government and the Pathet Lao are at a stalemate.

25. Faced with its own military inadequacies² and with the threat of DRV reinforcement of the Pathet position if the Royal Lao Army attempts to assert its control over the two provinces, the Katay government has sought by negotiation to reach some compromise settlement. Although Premier Katay has probably become increasingly aware of the Communist motivation and allegiance of the Pathet Lao, he apparently is still willing to continue negotiations in the hope that if DRV control of the Pathet Lao can be eliminated these "wayward brothers" can be brought back into the fold. Moreover, he probably hopes that by demonstrating the intransigence of the present Pathet Lao position, the ICC will be influenced to support the Royal Lao government. The Pathet Lao's ultimate objective is the formation of a coalition government throughout Laos. In the most recent renewal of intermittent political talks between the government and the Pathet Lao, the government has finally acceded to Pathet Lao demands to discuss election procedures prior to settlement of the problem of restoring royal administration in the two provinces.

26. The Lao government has considered other methods of regaining control of the two provinces. Plans for covert stimulation of popular uprisings in the Pathet Lao area have been made, but numerous Lao leaders, including Prime Minister Katay, fear that success might induce the DRV to intervene, or that failure might force the Lao government to commit its regular forces to defend the loyal partisans. Meanwhile, the government has appointed two high-ranking military officers as governors of the two provinces. These officers, accompanied by lower-level officials, have now installed themselves in the small areas of Sam Neua and Phong Saly still occupied by the Lao government.

27. We believe that the Lao government will continue to seek a resolution of the Pathet Lao problem by negotiation, perhaps accompanied by the covert activation and support of anti-Pathet Lao guerillas in Sam Neua and Phong Saly. It is unlikely that the Lao government

² See paragraphs 32-37.

will attempt to seize Sam Neua and Phong Saly by force, particularly so long as such a move is deterred by the presence of the ICC, is actively discouraged by France and the UK, and lacks the full support of the US.

28. In the absence of direct military action by the Lao government, the Pathet Lao will probably tighten its control over Sam Neua and Phong Saly. The capability of Pathet Lao security forces will probably be improved, primarily as a result of DRV material and advisory assistance. Moreover, sizeable DRV military units readily available to support the Pathet Lao will continue to be stationed on the Laos-Tonkin border. Elements of these units might be infiltrated to support the Pathet Lao if the Communists consider that their control of the provinces is threatened.

29. The Pathet Lao will probably continue to seek to develop popular support and guerrilla bases throughout Laos, and to weaken and discredit the Lao government and its leaders. Although it will probably have some success in these efforts, the Pathet Lao almost certainly will not develop sufficient popular appeal or military strength during the period of this estimate to gain control of Laos.

30. Pathet Lao in its negotiations with the Lao government, will continue to seek participation, in some manner, in a coalition government for all of Laos. It will probably also continue its propaganda to have its area and candidates included in the national elections scheduled for December 1955. The Pathet Lao will not be willing to accept any proposal which weakens its control of Phong Saly and Sam Neua. Unless directed to do so for reasons of Bloc strategy, the Pathet Lao is unlikely to launch attacks southward from its present areas or to initiate general guerrilla warfare throughout Laos during the period of this estimate. However, the Pathet Lao, possibly reinforced by infiltrated DRV regulars, will probably continue its military efforts to force the small isolated Royal Lao Army garrisons to withdraw from Sam Neua and Phong Saly.

31. The Lao government almost certainly will not be able to solve the Pathet Lao problem by

force during the period of this estimate. In the unlikely event that the Lao government should attempt to regain control of the two northern provinces by force, the DRV would probably covertly provide military units sufficient to prevent the destruction of the Pathet Lao. Although the Lao government may be able by covert means to develop an anti-Communist resistance effort in Pathet Lao territory, such resistance will probably not weaken Pathet Lao forces significantly or threaten Communist control of the northern provinces.

32. In the longer run, if the Pathet Lao is not suppressed by force, the best that the Lao government can hope to accomplish is to increase its military and police effectiveness and popular support sufficiently to prevent the spread of Pathet Lao influence. The long-range prospects for achieving this limited objective appear slightly better than even if Laos receives timely economic, technical, and military assistance. However, the chances would be greatly reduced if South Vietnam fell under DRV control.

IV. CIVIL AND SECURITY FUNCTIONS

33. In the past, the Lao government has been fairly effective in maintaining internal security and performing the normal functions of government — primarily because of the absence of any basic social or economic discontent among the population and because of the apparent docility and carefree temperament of the Lao people. However, the government is poorly equipped to meet the new tests presented by Communist infiltration and subversion and by increased independence. The government has only been partially effective in exercising the responsibilities previously held by French officials. The withdrawal of French personnel is particularly damaging to the effective administration of the Interior and Defense ministries, public works, higher education, public health, and the treasury.

34. The Lao Army, with a total strength of 29,000, including 5,000 National Guard, is poorly trained, logistically weak, and badly led. The regular forces include 18 infantry

battalions, 1 parachute battalion, 2 armed reconnaissance companies, and approximately 24 commando companies. The embryonic Laotian air force does not have and, during the period of this estimate, will not develop a combat capability.

35. Since the Geneva Agreements, the effectiveness of the army has been considerably reduced as a result of the partial withdrawal of French cadres from Lao combat units, and the general transfer of command authority and responsibility at all levels to Laotians. The army is understaffed, and its ability to plan and execute military operations effectively is directly dependent on the ability and willingness of the French military mission to influence and direct such operations.

36. The French Military Advisory Mission to Laos, whose strength is limited to 1,500 by the Geneva Agreement, has a current strength of about 1,150. Approximately 80 percent of the French mission personnel are engaged in positions involving command and staff functions, primarily in technical and logistical services. The feeling of independence afforded the Lao Army by the relinquishment of French control in July 1954 has led to a tendency by Lao officers to disregard the advice of French advisors and to resent the presence of French officers in positions of leadership. A serious morale problem has apparently arisen among French personnel who find themselves working in an unfriendly atmosphere. This condition aggravates the weakness of the Lao Army.

37. In addition to the Advisory Mission, the French are also permitted to maintain a force of 3,500 combat troops at two bases in Laos for the defense of that country. At present the French have only about 1,000 troops (one battalion plus necessary service troops) maintaining one base at Seno in central Laos. This force could be readily reinforced by air to the authorized strength, but even at full strength this small contingent could not be considered an effective deterrent to any strong invading force.

38. Given Franco-Lao cooperation in planning together with French logistic support of

operations, the Lao Army probably has the capability either to defend Laos against an attack by Pathet Lao forces or to attack and seize the major population and communication centers in Phong Saly and Sam Neua provinces. However, the army could not prevent the infiltration of Pathet Lao guerrilla forces into other areas of Laos, or completely suppress the Pathet forces in the two northern provinces. If the Pathet Lao was supported by substantial DRV forces, the Lao Army, even with full support of French forces permitted in Laos by the Geneva Agreements, could not seize Phong Saly and Sam Neua provinces or defend Laos.

39. The army will remain totally dependent on foreign assistance during the period of this estimate. Progress in increasing the army's effectiveness will require an improvement in relations between French and Lao personnel. Moreover, the army cannot operate effectively unless the French supply sufficient airlift to transport and supply the units involved in operations.

V. ECONOMIC CONDITIONS

40. The economy of Laos is essentially subsistent in nature. The small, predominantly rural population, using primitive methods, normally produces only enough rice to meet its minimum requirements. In addition, small quantities of tin, coffee, and tobacco are available for export. Transportation and communication facilities in Laos are primitive. Timber resources remain largely unexploited, and known mineral resources are small.

41. Total government revenues do not cover even the nonmilitary budget, which currently amounts to \$16,000,000. A chronic deficit also exists in the balance of payment position. Annual exports amount only to about \$2,000,000, while import requirements for textiles and other finished goods exceed \$10,000,000 each year. Prior to January 1955, the French provided sufficient assistance to balance the Laotian budget and international payments position, and to equip and support its army. Since this date, the US has assumed the French role. At present, the anticipated annual level of foreign aid, mostly provided by

the US, approximates \$60,000,000 including more than \$40,000,000 for the military budget.

42. There is a current serious shortage of rice in Laos, estimated at 40,000 metric tons. It is the result of two successive droughts and the lingering effects of the Viet Minh invasions of 1953 and 1954. If arrangements for the triangular Japanese-Thai-US rice deal are soon completed, Thai rice will be distributed in Laos to alleviate this shortage.

43. Imports of consumer goods remain at a low level, although some improvements in trading and financing facilities have recently been made. In recent trade negotiations with Thailand, the Laotians gained agreement to the free transit of goods through Thailand. Moreover, completion of Thai rail facilities to link up with the Mekong River ferry near to Vientiane will establish a route with considerably lower freight costs than the present one through Saigon, and will decrease the present dependence of Laos on the Mekong River route for the transport of its foreign trade.

VI. FOREIGN RELATIONS

44. Until the Geneva Conference, Franco-Lao relations were in general friendly. Laos was almost completely dependent on France for military and economic assistance, and for defense against Viet Minh incursions. Moreover, most of the unfavorable aspects of colonialism did not develop in Laos. Nonetheless, there were a number of Lao leaders who desired independence for their people. The collapse of French military power in Indochina and the US decision, following the Geneva Conference, to grant assistance directly to Laos, initially encouraged these nationalists to seek to reduce French influence radically. However, at present, Lao nationalist aspirations are tempered by awareness of the importance of the French military, economic, and cultural contribution to the country. There are no indications that Laotians desire to leave the French Union, and one of the objectives of the Katay government is to strengthen its friendly relations with France.

45. At the present time, France almost certainly desires to keep Laos within the French

Union in order to bolster claims of France to great power status and to ensure its participation in the making of Free World Asian policies. However, French policy towards Laos, particularly with respect to the problem posed by the Pathet Lao, is apparently seriously inhibited by a basic aversion to any measures that would involve greater expense to France or that would risk the involvement of its military forces in renewed hostilities. Consequently, it has advised the Lao government to refrain from using military force to break Pathet Lao resistance in the two provinces, and indicated that French troops would not participate in such an operation.

46. Although limited by the Geneva Agreements restrictions on military training assistance, the US has played a constantly growing role in Laos. Accordingly, Lao policy on all basic issues has been considerably influenced by its desire to receive US support.

47. Within the restraints set by US and other Western influences, Premier Katay, by dealing directly with Communist China and the DRV at Bandung, has sought to improve his position vis-a-vis the Pathet Lao and to lessen the threat of forceful Communist action. Premier Katay has reportedly indicated his approval of the Chou-Nehru "Five Principles." At the instance of the Indians and the Communist Chinese at the Bandung Conference, Katay joined in a declaration with DRV Foreign Minister Pham van Dong, upholding "good neighborly relations" between the two countries. There is, however, no indication that Katay intends to adopt a neutral position or that he plans to establish formal relations with the DRV or Communist China. We believe the Lao government will continue to follow these lines of policy during the period of this estimate.

48. Laos has followed a policy of maintaining correct diplomatic relations with all the major non-Communist Asia states. Its ties are closer with the pro-Western Asian nations than with the neutralist states. Several of the latter, however — Burma, Ceylon, India, and Indonesia — have now afforded Laos either *de jure* or *de facto* recognition.

49. The Lao government has sought and achieved closer economic and political relations with Thailand. Although considerable resentment and suspicion of Thai meddling in Lao affairs beclouds to some extent the latter's attitude toward Thailand, relations between the two countries have improved. An economic agreement, favorable to Laos, has recently been concluded. The Thai government has also offered to assist in the training of Lao police. We believe relations between the two countries will continue to improve during the period of this estimate.

50. Indian-Lao relations have developed chiefly in the period since the Geneva Conference of 1954, largely under the stimulus of Indian chairmanship of the ICC. Failure to extend *de jure* recognition to Lao is due in part to Pathet Lao control in the two north-

ern provinces and in part to a question of the legitimacy of the Royal Lao government. Although the Indian government is aware that the Pathet Lao is supported by the DRV, the principal factors shaping Indian policy are a determination to avert hostilities and a desire to maintain an impartiality in keeping with the Indian position on the ICC. As a result of Indian attitudes, the political position of the Pathet Lao has been strengthened, the Communists have had time to strengthen their military forces, and Lao government efforts to establish control over the two northern provinces have been hampered. The Indian government will probably not change substantially its present policy toward Laos during the period of this estimate unless the Pathet Lao should clearly be the aggressor in a renewal of hostilities.

