has been preserved in Northeast Asia; we are on the road to normalizing our relations with China; we have helped avoid wars among countries of the region.

One last point. It is said all this security system costs money which we need very badly at home. That is true: defense today is expensive. Unfortunately, there is no way of measuring the point at which allies and would-be adversaries conclude that the United States is no longer a meaningful military power. Judgment on that point is psychological and political, and therefore not quantifiable.

Defense expenditures must be viewed as an insurance policy. You must pay for the maintenance of peace. Part of this cost is the maintenance of adequate, not excessive numbers of troops abroad. You may be paying far too much, but you will only know this conclusively when you have begun to pay too little and the situation shifts against you, with friend and foe readjusting their positions according to a new perception of American will.

No treaty, no commitment, no alliance is immutable. Times and circumstances change. Thus, while maintaining our commitments we have sought to adjust our responsibilities and our role in keeping with changing conditions in the region.

I would like to just hold up a chart here, Mr. Chairman, to show that in the past 4 years we have drawn down our forces in East Asia from a level of 764,000—including, as you can see, the level in Vietnam of 474,000—to under 180,000 today. This "181" shown here includes 9,000 on Guam, which is part of U.S. territory, so actually we are at about 172,000 right now.

Leaving aside the troop withdrawals from Vietnam, this represents a reduction of 110,000 in the region during the past 4 years.

We have steered a careful course of gradually shifting the burdens of defense to the countries of the region, while providing, through our continued presence and the affirmation of our commitments, an element of stability during this transition process.

None of us need to be reminded that the United States has been involved in three wars in Asia in only two generations. We have learned, in the most costly way, the discord and tension in that vast region inevitably affect the interests of the United States and the world as our interrelationships with Asia have become more numerous and complex.

We can hope the converse will also prove true—that stability and peace in Asia will redound to the benefit not only of Asian peoples but of the United States and the world. The structure of alliances we have established and maintained over the last quarter century has contributed significantly to that end. I am convinced that it continues to be of inestimable value to our most basic national interests, and should be preserved.

Mr. Nix. Thank you, Mr. Ambassador.

Let me ask you whether or not it is your belief that there will be a continuation of the withdrawal of our forces from that part of the world, from Asia.

Mr. Eisenhower. Well, I am convinced that there will be a continued withdrawal as the circumstances in the area permit peace and stability to be maintained.
Mr. Nix. This is a matter already decided upon, it is a course of action that you are convinced will be followed by the Government?

Mr. Ingersoll. I think in general that is true, Mr. Chairman. Just the recent announcement of reduction of forces in Thailand, is an example, but if we are to maintain our commitments to the countries in that area—and I believe our commitments are to our own interests of maintaining stability there—there is a minimum below which we cannot go and just exactly what that amount is I am not qualified to answer.

Perhaps Mr. Doolin from the Defense Department would want to comment on that, I am not sure.

STATEMENT OF DENNIS J. DOOLIN, DEPUTY ASSISTANT SECRETARY OF DEFENSE, EAST ASIA AND PACIFIC AFFAIRS

Mr. Doolin. I simply want to say, Mr. Chairman; we have the situation under continuous review. We have no desire to keep troops in Asia just for the sake of keeping them there but their presence depends upon the capability of our allies, it depends in large measure on our requirements in terms of forward basing, but as I attempted to indicate when we talked yesterday we do have this under continual observation.

Mr. Nix. Mr. Hamilton.

Mr. Hamilton. Mr. Secretary, I have been concerned about some of the statements Mr. Martin has made with regard to Senator Kennedy's inquiry in which the Ambassador stated that the Senator should not be given honest and detailed answers to questions that the Senator had raised about American policy in Indochina.

I was pleased that the Secretary did not see fit to take the Ambassador's advice but I must say that at the same time I am appalled to think that an American Ambassador would make that kind of a remark in a cable because it seems to me to reflect a distrust in the Congress and really a basic misunderstanding of how policy is made in this country.

I am wondering what steps the Department takes when an Ambassador takes that kind of a line? Is he reprimanded? Is he applauded? Is nothing done at all? What do you do?

Mr. Ingersoll. Well, I think, Congressman, that it is unfortunate that confidential communications between an Ambassador and the Department are made available to the general public because I believe very firmly that an Ambassador should have the opportunity to express his opinion to the Department without it being in the newspapers. But I think that the entire communication from Ambassador Martin should be considered in the context of any comments that might be made about the communication.

He was suggesting that a full and complete disclosure of facts and figures be made available to Congress at the time of the hearings on the fiscal year 1975 aid and military assistance for Vietnam and other countries; these hearings are to take place in the very near future.

I think he was only referring to strategy: When you present the data, whether you present it in advance of the appropriation requests

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1 Mr. Doolin's prepared statement appears on p. 111-112.
or whether you do it piecemeal to various Senators who may ask questions.

I think that this was the principal intent of Ambassador Martin's wire and not to withhold any information from Congress except as it may be to timing.

Mr. HAMILTON. Do you approve of his language in the cable?

Mr. INGERSOLL. All except for one word.

Mr. HAMILTON. Which word?

Mr. INGERSOLL. Well, I think it is unfortunate that the word "honest" was put in there. Without that word I would have no quarrel with the cable at all.

Mr. HAMILTON. What has been the Department's response to the Ambassador because he included that word, as well as the response to the rest of the cable?

Mr. INGERSOLL. Well, he was overruled by the Department and by the Secretary of State inasmuch as the Secretary gave a very complete and full answer to all of Senator Kennedy's questions and I believe they were all published by the Senator and by the Department of State.

Mr. HAMILTON. Mr. Secretary, I wonder what kind of assurance you can give us that the sums of money that are being requested by the administration for Vietnam will not prolong the struggle that is going on there and intensify it and make it more difficult to reach a settlement?

Mr. INGERSOLL. I visited South Vietnam on my tour through East Asia and went out into the country and covered quite a bit of the Delta region and also had discussions in Saigon. I am convinced, as are our observers, that the Government of South Vietnam is a viable government if it can begin to generate its own economic support over a period of time, after having just come out from a major war which had devastated the country, and in a good part of it the war is continuing at a lower level.

It is difficult, if not impossible, for that country to survive on its own without outside aid, as its adversary is receiving aid.

I do not believe that our assistance has any major bearing on the inability of the two sides to come to a political accommodation. I think it takes two sides to agree to anything and since the other side is in South Vietnam carrying out the offensive military operations, it is difficult to reach any accommodation from a political standpoint with that other side.

There have been some movements in this direction inasmuch as the prisoner returns were stopped last summer when the PRG and the North Vietnamese staged riots to prevent some of the returning prisoners from deciding which side they wanted to stay on, so prisoner returns were discontinued.

This last month the prisoner return that had been agreed upon at the Paris Peace Conference was completed. There are still some prisoners who have been seized by either side since the ceasefires and held by either side but the initial transfer of prisoners has been completed.

I think this is one step in the direction of some accommodation. It is only a small step but I would hope that there might be more in the future if we can maintain a nominal stability at the present level of activity or lower.
Mr. Hamilton. I want to go back to my question on the Ambassador if I may for a moment. I forgot a point I wanted to make.

You disturbed me somewhat with your response that you would only strike the word "honest." That leads me to think, do you think the Congress ought to have such information as you want to give us whenever you want us to have it, and at the time you want us to have it? That does not make us much of a partner in the foreign policy process, and if Senators and Congressmen are going to be denied information when they want it, we are going to be pretty well shut out.

Mr. Ingersoll. Well, I did not intend to make that kind of implication, Congressman. Most of the information that was requested normally comes through the Senate Foreign Relations Committee or this committee of the House Foreign Affairs Committee, and it was felt that any time that either of those committees would seek information that is available to us it would be made available to them. As it turns out we decided that it was better if we did not follow the Ambassador's advice.

We felt it was better to make information available at any time. I cannot quarrel with the Ambassador's suggestion that it not be made available, and I think he has his right to his own opinion as to how things should be conducted, but we didn't follow his advice.

Mr. Hamilton. I have no doubt that you are right in saying that he has a right to his own opinion, but I have read the text of that telegram and the lack of appreciation it shows for the role of the Congress in policymaking is the thing that disturbs me.

It bothers me that a man of his stature and his ability obviously is inexperienced with this.

Mr. Ingersoll. I want to assure you that the Department didn't share his opinion.

Mr. Hamilton. I am pleased that you didn't.

I would like to get for the record, I would not expect you to furnish this information from the top of your head, but I think it has been some time since we have had a fairly detailed breakdown of the costs of our troops overseas.

This perhaps is a request that should go to the Defense Department rather than the State Department.

In each of the areas where we have troops stationed abroad, I am talking now about a rather complete accounting of operations costs, the costs of maintenance facilities, economic assistance, military assistance, construction and procurement, and all the rest so that we can get some idea of what the costs are of maintaining our troops abroad.

If you will furnish that for the record, please?

Mr. Dough. This is worldwide?

Mr. Hamilton. I am talking about Asia.

Mr. Dough. We certainly will provide that.

Mr. Hamilton. On the countries where we have troops stationed abroad in Asia today.

Mr. Dough. We will put that in the record, sir.

[The information follows.]
Mr. HAMILTON. Now, I would also like to get straight the present U.S. manpower in South Vietnam. Are you able to furnish that for us and what categories they follow with regard to military and civilian? I am especially interested in the Defense Attaché’s office. Can you give me the total indication of what those people there are and what their role is?

Mr. DOOLIN. Talking at the present time, this figure may be off by one or two people; 221 U.S. military in South Vietnam. There are 156 Marine guards. There are 10 military personnel that are attached to the prisoner recovery and the search for missing in action and there are 50 in the Defense Attaché’s office, so that would—

Mr. HAMILTON. Military?

Mr. DOOLIN. No, I am sorry. There were 156 that were involved in MIA matters so it comes to 221, the present U.S. military in Vietnam.

Mr. HAMILTON. Now, do you have the civilian figures as well?

Mr. DOOLIN. I would have to provide that for the record, Mr. Chairman.

Mr. HAMILTON. Could you give us the civilians that are employed by defense contractors and the civilians in the Defense Attaché’s office?

Mr. DOOLIN. Yes, sir; I will provide that for the record.

Mr. HAMILTON. Green Berets?

Mr. DOOLIN. There are no Green Berets.

Mr. HAMILTON. And in the Defense Military Attaché’s office and any other Americans in South Vietnam?

Mr. DOOLIN. U.S. Government?

Mr. HAMILTON. U.S. Government.

Mr. DOOLIN. We will provide that for the record.

[The information follows:]

The Department of Defense has an authorized strength of 336 direct hire US civilians for the Defense Attaché Office. As of 28 February 1974, there were 2,702 DOD contractor U.S. personnel in Vietnam. In addition, the State Department had 124 U.S. personnel, the Agency for International Development had 427 direct hire, 30 on interagency loan, and 231 on contract, and the U.S. Information Agency had 28.

Mr. INGERSOLL. As far as U.S. military contractors, this was spelled out in the Department’s response to Senator Kennedy. U.S. civilian contractors have declined from 5,737 in January of 1973 to 2,736 in

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1Department of Defense accounting records are not maintained to reflect total U.S. costs on an area basis. Operating costs, therefore, were estimated by using appropriate cost factors and actual strength data as of Sept. 30, 1973. Included are the costs of all military and civilian personnel located in each country (area) and the cost of operating and maintaining facilities there. These estimates do not include indirect logistic and administrative costs for support from outside the country, nor do they include major procurement or military construction costs.
January of this year and that number is to fall further to 2,130 by June of this year.

The civilian personnel in January of 1973 was 730; 1,200 in January of 1974. There will be 936 by June of 1974.

Mr. Hamilton. Thank you.

There have been some questions about the role of some of these people in South Vietnam. As I remember, Mr. Kosh was captured not too long ago. Do we have any military or civilian people acting as advisers to military units in South Vietnam today?

Mr. Doolin. No, sir. That is precluded by law.

Mr. Hamilton. I know; but you have none at all?

Mr. Doolin. No, sir.

Mr. Hamilton. Do we have any such people acting as advisers in paramilitary or police force groups in South Vietnam.

Mr. Doolin. No, sir. The last I suppose you could call vestige of that were some civilians that were working in assisting the Vietnamese to further perfect their computer center, and we found out that the data of a police nature was in that computer bank. That is being stripped out so there is absolutely no involvement in either military, paramilitary, or police matters.

Mr. Hamilton. Why do we have so many people in the Defense Attache’s Office? What are they doing?

Mr. Doolin. Well, they are doing a number of things, Mr. Hamilton. End use inspection of the military equipment that is delivered. I don’t frankly think that we do have all that many in there in the Office certainly in terms of military personnel.

Mr. Hamilton. Well, we have about 1,100 civilians there roughly?

Mr. Doolin. Yes, sir.

Mr. Hamilton. That is quite a few?

Mr. Doolin. Yes, but the number is going down. They are providing some very valuable assistance to the Vietnamese as well as helping us as we move to new and more rigorous accounting procedures, for example.

Although we hope to stay on military assistance service funded—MASF—for fiscal 1974, we are going on MAP accounting procedures effective July 1 of this year which is a much more rigorous accounting system, and transferring over from an MASF accounting procedure to an MAP accounting procedure is no mean task. A great number of these people are involved in that rather laborious chore.

Mr. Hamilton. Do we have people serving as Province representatives at all? Do we have people in each Province?

Mr. Ingersoll. We have consular personnel at various points but they are not in each Province.

Mr. Doolin. No; they are in key cities throughout the country. There are only four consulates.

Mr. Hamilton. Do we have people in most of the Provinces which are Government controlled?

Mr. Ingersoll. I would say by and large yes. I don’t know about all of the Provinces but in many of them.

Mr. Hamilton. They are civilians?

Mr. Ingersoll. Yes.

Mr. Hamilton. What is their role?
Mr. INGERSOLL. They are State Department political reporting officers primarily. There are AID personnel as well. They are part of the total.

Mr. HAMILTON. Yes.

Mr. INGERSOLL. But that is true in every country. We have consular personnel and AID personnel. It has nothing to do with the military operation.

Mr. HAMILTON. There is a lot of discussion today about violations of the peace agreements and I would like you to comment, if you would, about your impressions as to the extent to which peace agreements are being violated by both North and South Vietnam.

Mr. INGERSOLL. I think, first, we ought to take the overall commitments that were made by the parties. I will speak about the commitments that North Vietnam was to make in removing military personnel from Cambodia and Laos. They still exist there. Neither side was to increase the number of its military personnel in South Vietnam beyond that which existed at the time of the cease-fire. North Vietnam has increased its military personnel by about 80,000. They have introduced a much higher amount of military equipment, ammunition. They have defensive missiles in place. They have brought their artillery and tanks all of which did not exist there at the time.

They were to designate points of inspection for equipment to be replaced on a one-for-one basis. They have not. The north has not permitted this to take place. The south has not done it because there has not been any agreement to do this. Both sides were to provide an accounting.

The United States and the South Vietnamese have meticulously followed the one-for-one replacement proviso—actually less than one-for-one usually—and are ready to provide the accounting at any time that there is any agreement on how it is to be done. This agreement had never been reached by the parties.

Now, from the standpoint of actual military operations, it is extremely difficult to tell who shoots at whom at any one time. There have been major efforts made by the north to increase their hold on both population and territory. There have been efforts by the south to regain something they may have lost in such engagements. There are many examples of violations but the committees that are required to investigate these violations have not been permitted to investigate them in those territories held by the PRG or the North.

Mr. HAMILTON. Are you aware of any South Vietnamese violations?

Mr. INGERSOLL. Well, I say it is hard to tell what is a violation.

Mr. HAMILTON. How are you aware of anything?

Mr. INGERSOLL. Well, if you say the south is shooting at any of the forces of the north or at the PRG, yes, they have been doing so.

Mr. HAMILTON. Are you aware of any instances where the south is clearly in violation? Have they initiated a violation?

Mr. INGERSOLL. I am not personally, and I do not know that as a fact. Maybe you do, Dennis.

Mr. DOOLIN. In all candor, yes, Mr. Chairman, there have been occasions where the South Vietnamese, as we see it, undertook military operations after severe provocation by the other side. Some might say on their own initiative.
I have some figures which I could provide, unfortunately they are classified. I can say this much in open session: That when you compare the South Vietnamese Forces to the North Vietnamese, the performance of South Vietnam is exemplary. I mean by an order of magnitude that it is extremely impressive.

Mr. HAMILTON. Mr. Chairman, I wonder if we could have those figures submitted for the record?

Mr. NIX. Without objection, they will be made a part of the record at this point.

[The information follows:

From the limited information available, we know that the RVNAF has initiated only a relatively small number of security operations in 1973. The determination of the initiator of a ceasefire violation is exceedingly difficult because of the fragmentary and second- and third-hand nature of the reporting systems. The incidents normally take place in the countryside and, unlike the preceasefire period, most U.S. personnel assigned to Vietnam are in Saigon. As a result, we do not have truly independent sources for information of this kind. All evidence available, however, supports the conclusion that the RVNAF's adherence to the ceasefire agreement has been exemplary. RVNAF retaliations such as the air strikes against targets in NVA/VC-held areas of MR 2 and MR 3 have been only after the severest provocations by the other side.

Mr. HAMILTON. Just one more question, Mr. Chairman.

Mr. NIX. Go right ahead.

Mr. HAMILTON. An article appeared not long ago in the press saying that the North Vietnamese political bureau made what they called a momentous decision to shelve, at least temporarily, any military moves in Indochina in favor of economic reconstruction in the north. Is that your impression?

Mr. INGERSOLL. Well, it is a little early to tell, I think, Mr. Congressman. We have heard the same story that you heard and there seems to be a division among the leaders of North Vietnam as to what their role or goal should be in the next year, 2 years or 5 years.

I think probably they are still discussing that policy because they are continuing to bring in additional arms and supplies into South Vietnam with the capability of a much greater offensive than they were able to launch in March 1972.

They have not made such a major invasion yet, although they have made many probing attacks. We think that they intend to keep that option open and could make such an attack at any time because they have the capability.

We hope that those in positions of authority in North Vietnam will opt for the idea of more rehabilitation, more economic development for their country because this probably would draw down at least in the long run some of the resources that they might utilize in the south.

Mr. DOOLIN. May I comment?

Another factor here, aside from what Ambassador Ingersoll said, the fact that the North Vietnamese forces in South Vietnam are stronger now that at the time of the offensive in 1972, is the fact that when we prepared our budget submissions for military assistance for Vietnam for 1974, we initially came in with a request of 2.1 billion for fiscal year 1974.

We subsequently revised this and the time of the revision was one in which the cease-fire seemed to be taking hold better than when it later developed.
We scaled down our request from $2.1 to $1.7 billion. This was later scaled down to $1.6 billion which was the submission to the Congress. We were not given our ceiling by the Congress until December of last year at the level of $1.126 billion and, unfortunately, because of North Vietnamese violations of the cease-fire, the South Vietnamese were required to expend material at a rate higher than $1.126.

So, we have reached the situation now and this is the reason we have asked for relief from this $1.126 billion ceiling. We are not asking for new money. The money has been already authorized and appropriated.

We just cannot spend it because of the ceiling. We have asked for relief of the ceiling to a new level of $1.6 billion.

Now, when you compare the fact that we are running out of money with the fact that the North Vietnamese are stronger now than they were on April 1, 1972. I think that heightens the delicate nature of the situation that prevails in North Vietnam at this time.

Mr. HAMILTON. What do you see for us down the road in terms of money we are spending in Southeast Asia? We have got a request for fiscal year 1975 for South Vietnam alone that is going to approach $3 billion, if not somewhat higher.

That is an enormous expenditure of money for this country and it does not include the rest of Southeast Asia.

Frankly, it is awfully tough to justify this amount to people in my part of the country and I expect in other parts as well. What would you say to those people?

Mr. INGERSOLL. I come from the part of the country you do, Congressman, so I am very much aware of the reluctance of the voters to back such appropriations and expenditures.

I would like to say that the example that has been set in Laos of the coalition government that will be formed this week or next is the kind of a political accommodation we hope will take place in all of Indochina someday. We hope that the Communists in Cambodia will see that they cannot gain a military victory and perhaps at the end of this dry season that they will answer some of the feelers that have been put out by the Lon Nol government for a political settlement to that unfortunate war.

We hope that this recent exchange of prisoners and perhaps some more gestures in the future in South Vietnam will lead to similar political accommodations there because in the long run this is what has to take place.

We aren't as close to this in South Vietnam as we are certainly in Laos and hopefully in Cambodia, and probably the fighting is as intense in Cambodia as it is in South Vietnam.

But it is this hope that leads us to suggest that these moneys be expended at this time because, even with the elimination of hostilities, these countries are reaching in to their own resources and cannot be self-sustaining.

We would like to see more of the funds that we are requesting go into economic aid than into military aid.

We hope that the balance that is now heavily weighted toward military will reverse and will go into the economic sector because once the hostilities stop in the country we believe with our help they can become very viable.

Mr. HAMILTON. Thank you, Mr. Chairman.
Mr. Nix. Mr. Ambassador, would you kindly discuss briefly the progress or lack of it that we are making in Vietnam to locate and identify the missing in action?

Mr. INGERSOLL. Well, there have been many requests on the part of our Government to both the PRG and the North Vietnamese to permit the Paris agreement to be carried out in this respect.

We have recently had a few bodies returned—I think 23 bodies returned—and they say this is all that they know of.

There are many more, as you are well aware, that have been missing and some that have been classified as killed in action, but the bodies not found, where we are not permitted to investigate the site of the crash or wherever the last location of the individual was believed to be.

We have made efforts, as you know, to investigate within South Vietnam in territories held by the PRG and it has caused the death of one of our military officers and the wounding of several others in an ambush that took place when they were on a mission to investigate.

I believe that there are efforts by Members of the Congress, both the House and the Senate, to visit Vietnam and try to prevail upon the North Vietnamese to provide us with all the information that they have.

We hope that they will be forthcoming with this information rather than withhold it from us as a political pressure point to try to require South Vietnam to give up something or to give up some of the prisoners that they have captured since the cease-fire.

Mr. NIX. Mr. Wolff.

Mr. WOLFF. Thank you, Mr. Chairman.

I wonder if some of my colleagues covered this before. How long do you think it would be for us to extend funds for the defense in Vietnam in the way of expenditure of funds to South Vietnam?

Mr. INGERSOLL. I wish there were a very easy answer to that, Mr. Congressman. I think that we discussed this a little earlier about what are the intentions of the North Vietnamese and what may be taking place, whether they are going to opt for more rehabilitation and more economic development and growth in North Vietnam rather than continuation of military operations in the south or whether they will opt to make a major military invasion of South Vietnam.

If the military activity declines as such in the coming years as it has in this past year over the previous years, I would say that we have very—I would not say a bright future, but at least a possibility of a major reduction in hostilities.

Mr. WOLFF. Does that make the reduction carry with it the responsibility for us to continue to fund a goodly portion of our military assistance program as well as economic assistance to South Vietnam?

Mr. INGERSOLL. I would say for a period of years, yes.

Mr. WOLFF. How far down the road? When you say “a period of years” unfortunately that is of almost a blank check that you are asking us for.

Mr. INGERSOLL. Well, no, not this year, we are not asking for a blank check.

Mr. WOLFF. What I am interested in is what we will contribute this year and the next year following.

Mr. INGERSOLL. I appreciate that.

We believe that if the hostilities do decline, as we anticipate they will, that the amount of economic aid which we are able to have voted
by Congress this year will have a great deal to do with the length of time that it will take this country to get on its feet.

In other words, some of the major development projects can be included in the funds for this year. This will take them a long way on the road to self-sufficiency.

I would say that it is probably going to take around 5 years if the hostilities really cease within a year for that country to reach a point where it can sustain itself and can on its own pay for its own imports through exports.

I would judge at least it would be that long.

Mr. Wolff. Well, we find that in some cases we are almost on our back because we have been trying to keep South Vietnam on their feet. What I would like to try to find out is that given the total picture that exists of our defense requirements throughout the world, what is the priority so far as South Vietnam is concerned?

If we don't have the funds, would we be willing to forgo necessary assistance in other areas to keep the pressure on in South Vietnam?

Mr. Ingersoll. You are speaking to the wrong one to make such an overall comment because I have the responsibility for East Asia and the Pacific.

Mr. Wolff. Suppose we talk about the question of Japan, Korea, and the other areas. In other words, if we are forced to cut back, where will the cuts come from?

Mr. Ingersoll. I really don't know. Maybe Mr. Doolin can tell you this.

Mr. Doolin. In this particular case, Mr. Wolff, inasmuch as Vietnam is service funded which comes directly out of the service budget as against being a MAP funded country, there are no tradeoffs we can make. What we get for Vietnam from Congress is what we get, whereas we can reprogram among MAP recipients, say, if the hierarchy of priorities changes or unforeseen developments occur in a given country such as has happened in Cambodia. We are able to make tradeoffs among the other military assistance programs. That is not possible here because you have Laos and Vietnam in this special position.

Mr. Wolff. Mr. Doolin, you are saying we can make tradeoffs. Then it follows the funds that are being traded off are not necessary.

Mr. Doolin. No, sir. We are doing just what you said, Mr. Wolff. We are looking at the problems in terms of a hierarchy of priorities and saying that you have a finite amount of assets, the problem has to be treated and therefore the money has to come from somewhere where the least damage is done by taking your cut and, say, pushing a program in another country into the out years.

Mr. Wolff. With the situation being what it is in Korea, talks between the north and the south, is our support for Korea in any way affected by the necessity to draw down funds for South Vietnam?

Mr. Doolin. Inasmuch as the one is service funded and the other is—

Mr. Wolff. Really it gets back to where the funds come from. We take it out of the taxpayer's pockets, you know. What I am asking is would you be willing to cut the funds that you feel are necessary in South Vietnam now to bolster South Korea if there is a flareup there or increasing activity there.

Are we operating on a bare bones budget so far as South Vietnam is concerned or can we afford to cut back there?
Mr. Doolin. We discussed this briefly, Mr. Wolff, before you came in. We requested for fiscal year 1974 for South Vietnam $2.1 billion, $1.7 billion, and $1.6 billion. It was not until December that the Congress gave us $1.126 billion. So, we have over $300 million that has been authorized and appropriated by the Congress of the United States and that we cannot spend and we are really hurting this year. I don't think we can get from here to June without that. I know we cannot.

Mr. Wolff. We find that we have had to cut back—social programs in this country. We have had to cut back and we cannot support a program for Vietnam veterans education now because we don't have the funds—$250 million is needed for the Vietnam veterans for the tuition program and yet we cannot afford that. Naturally your responsibility is not the veterans, your responsibility is defense.

But I think it is Congress responsibility to see to it that there is channeling of the funds into those areas of high priority.

One of the things that I am very happy about is that this committee is looking at the entire question because I do feel that we have to reestablish our priorities. I think we have to take some very searching looks at what is going on.

Just one last question, Mr. Chairman.

Do you attach any particular significance to the fact that the North Koreans sent a note to us relative to getting together with us on these negotiations for peace excluding South Korea?

Mr. Ingersoll. Well, I think it furthers the line that they have been taking where they have declined to admit that there are two Koreas. They believe that they are preparing the atmosphere for the U.N. General Assembly this fall in which it is predicted that they will request a discontinuance of the U.N. command—I think this is what their effort is. They don't address it to South Korea because they say it is all one Korea. They hope someday it will be all under their domination.

Mr. Wolff. Thank you.

Mr. Nix. Mr. Ambassador, I want to again express our deep appreciation for the fact that you came and made a contribution to what we seek to do.

Mr. Bingham. I beg your pardon. I am not a member of the subcommittee but I would appreciate it if I could ask a few questions.

Mr. Nix. Go right ahead.

Mr. Bingham. Thank you.

Mr. Ambassador, is it part of the function of our deployment of forces in the Western Pacific and Asian area to protect the Chinese against the Soviet Union?

Mr. Ingersoll. Well, I think the statement made by Secretary Schlesinger was misinterpreted. I think Mr. Doolin has that, either a press conference or testimony. I think Mr. Doolin could give you the answer on that. I believe it was a misunderstanding.

Mr. Doolin. It certainly was a misunderstanding and I have just gone over the transcript of Secretary Schlesinger's comments. I don't know where the misunderstanding arose. This was in testimony before Mr. Giaimo on February 28 and the context was a discussion of Korea and the Secretary said as follows:
Korea uniquely is placed in the cockpit of Asia where the interests of at least four great powers come together—Japan, the Soviet Union, China, and the United States. So we have the larger relationship among the great powers. It is not clear now that the continued presence of those forces in the area is designed so much to deal with the possibility of a PRC buttressing of the North Korean attack as a symbol of America's continued interest in the overall stability in that part of the world during the period of some tension which I prefer to describe in closed session.

Mr. Bingham. Assuming that that is what the Secretary said, what is the fact? Let me put the question this way: What forces are our forces designed to contain in the area?

Mr. Doolin. I discussed this at some length in my statement.

Mr. Bingham. Where in your statement? I don't remember it there.

Mr. Doolin. I think that the overall purpose of our own security and to give meaning to our various treaty commitments is to have a stabilizing influence in the region and conversely I think a precipitous withdrawal of these forces with speed being the factor rather than prudence would have a destabilizing effect.

Mr. Bingham. That is one reason, yes, sir.

Mr. Bingham. In the event of hostilities?

Mr. Doolin. Yes, in the event of hostilities. In the event of endangered U.S. residents in Cambodia. We have contingency plans worldwide for evacuation of U.S. citizens in time of danger and this requires that a certain number of forces be forward deployed to carry out any contingency plans that may be called on.

Mr. Bingham. Mr. Ingersoll, could you comment on the political situation in Thailand at the present time in light of the recent disturbances, unless you have covered that.

Mr. Ingersoll. You mean recent disturbances during last fall?

Mr. Bingham. Yes.

Mr. Ingersoll. There was a turnover of government in October last year. At present time there is what is described as a caretaker government while a new constitution is being written and approved by the National Assembly.

They are being very meticulous in drafting this constitution and going over every clause of it in detail. It is expected, and it seems to be on schedule, that they will have a new constitution to present for a vote some time this summer. It is expected then that a new government based upon the constitution would come into force.

The present government was appointed by the King after the removal or at least the self-removal of two of the leaders of the previous government.

The development of political parties is not proceeding very rapidly. That is, there is such a fragmentation of political interest there that it is difficult to foresee what party may be in power or what coalition parties may win out in the election.

So all I can say is that Thailand seems to be moving in the direction of a constitutional monarchy with a new constitution later this year, and it is very much our hope that the new government will be able to cope with the many problems that exist in that country—insurrections and inflation, labor difficulties—and that the present caretaker government will be able to continue until the new government is established.
Mr. BINGHAM. What is the attitude of the government toward the presence of our forces there?

Mr. INGERSOLL. They have considered it important that our forces remain as long as it is necessary to maintain stability in that part of the world. They have joined with us in the recent announcement of a drawdown of about 10,000 positions of our military there which was announced just last week.

There were further drawdowns earlier and there were some last year, and we continue to consult with the Thai Government on this matter. As it appears that further drawdowns can be made, they will be made.

Mr. BINGHAM. One other thing. You mentioned earlier in the statement that: “Replace our arms shipments to Vietnam within the 1-for-1 or less than 1-for-1 context.” Would I be right in assuming that you are referring to replacement of materiel that may be expanded in combat? Is that correct?

Mr. INGERSOLL. Yes.

Mr. BINGHAM. Would that be contemplated in the agreement?

Mr. INGERSOLL. I don’t know.

Mr. BINGHAM. I would assume that the agreement was speaking of replacement of material worn out.

After all, it was a cease-fire agreement; it was not contemplated that there would be continued hostilities and that therefore the 1-for-1 ratio is not applicable for the current situation.

Would you comment briefly on that?

Mr. INGERSOLL. It was my understanding that the replacement was for any purpose of depletion of the supply on either side.

Maybe Mr. Doolin could comment.

Mr. Doolin. That is correct. Attrited materiel whether by battle damage or age or whatever is covered by the 1-for-1 provision of the agreement.

Mr. BINGHAM. Does that appear on the face of the agreement, or is that the way we are interpreting it?

Mr. Doolin. That is the way we were instructed after the agreement was signed to proceed. Not having been privy to the discussion, I can assume that this was worked out among the parties to the agreement.

As the Ambassador said, we have not in several important instances carried out the 1-for-1 replacement. For example, in the area of aircraft there has not been a call forward for aircraft to replace those lost since the cease-fire.

Mr. BINGHAM. Of course, this permits us to replace, for example, ammunition where the ammunition may be expended in the most lavish and extravagant fashion by the South Vietnamese.

Do we have any controls at all over the pace at which they expend ammunition?

Mr. Doolin. Yes, sir. They are showing, I feel, more restraint than they did in the past due to a number of factors; better command and control is one. The other is the fact that they are not responding in context of a country that is totally at war. They are responding to individual North Vietnamese attacks.
Third, they are responding to the fact that we have a ceiling of $1.126 billion, and there is only so much of that that you can put into ammunition because you have requirements for POL, tactical batteries, radio batteries, and others. It is a finite pie, and we work very closely with them in figuring out how the pie is to be divided.

Mr. Bingham. Well, I think you referred before to the fact that you cannot level that ceiling.

Mr. Doollin. That is correct.

Mr. Bingham. I think one of the reasons that many Members of Congress are very much upset about this, is the impression that has been created when the Congress laid down their ceiling that the Defense Department went right ahead at the same rate and paid no attention to the ceiling, and therefore they are not on the---

Mr. Doollin. That is not correct. We did not get that ceiling until late in December, and we took immediate corrective measures.

For example, we reduced the Q & M account by 35 percent.

Mr. Bingham. Would you tell us what O & M is?

Mr. Doollin. I am sorry. The operations and maintenance account, by 35 percent.

The situation we face there, Mr. Bingham, the inflation factor last year was 65 percent in South Vietnam; and the oil costs, as you know, have skyrocketed.

We are prohibited by law from supplying the South Vietnamese any fuel from the continental U.S. sources, and they have not procured any here.

Nine months ago we could have bought a pair of jungle boots in South Korea for $1.50. We cannot get a pair anywhere in Asia now for less than $4 a pair. So these are the constraints that we are operating under, plus the fact that we revised our requests down at a time when it looked like the cease-fire was taking hold and we revised it down to $1.6 billion, and then it was December before we found out it is going to be $1.126 billion which really puts us in a bind.

As I said earlier, sir, I don't think we can get there from here.

Mr. Bingham. Thank you, Mr. Chairman.

Mr. Wolffe. Did you have an additional question, Mr. Wolff?

Mr. Wolffe. Yes.

You mentioned the fact that you cannot get jungle boots. I bought them on the black market there. How about buying them on the black market?

Mr. Doollin. When were you there?

Mr. Wolffe. I was there 1\(^2\) years ago.

Mr. Doollin. You would not recognize it today.

Mr. Wolffe. What is the rate of diversion now? Do we know?

Mr. Doollin. We have no estimate of a rate of diversion, sir, but as I said, we are going to MAP accounting procedures as of July 1 of this year and that it is a whole new ballgame from the way it has been done under service funded.

We will have extremely rigorous control and accounting ability by line item.

Mr. Wolffe. Because one of the objections that I had to our efforts in Vietnam has been the amount of diversion that took place. In
fact, the figure of 65 percent inflation outside of energy costs is a very startling one to me inasmuch as I understand this year we funded some $600 million for an economic stabilization program. Is that correct?

Mr. DOOLIN. I don’t know.

Mr. WOLFF. Commodity import program?

Mr. INGERSOLL. I don’t recall that figure.

Mr. WOLFF. I think you will find it is somewhere near that figure. Perhaps it is $500 million. The commodity import program is somewhere in that area.

Mr. INGERSOLL. I know what you are speaking of but I have never heard that figure. I don’t recall anything of that size.

Mr. WOLFF. We had a substantial sum of money that we have put in there with the idea of trying to counter inflation.

I would like to get to another area, and that is the question of Laos. I have been very much impressed with some efforts that are being made toward achieving peace and setting up a new government. There is a problem, however, because there are some members of the general assembly who have been charged with narcotic traffic violations and they have not been brought to account because of some problems within the local law.

I wonder if in our trying to bring about stability in that area we are exerting any pressure whatsoever in order to clean that situation up?

Mr. INGERSOLL. I don’t know the detailed circumstances to which you refer but I do know that our Embassy staff have been making very major efforts to reduce the flow of narcotics and are continuing in that effort.

I will look into this particular situation. I am just not aware of it.

RESPONSES TO QUESTIONS RAISED AT APRIL 3RD APPEARANCE OF ASSISTANT SECRETARY ROBERT S. INGERSOLL BEFORE HOUSE SUBCOMMITTEE ON ASIAN AND PACIFIC AFFAIRS

1. Congressman Wolff asked about the involvement of a Lao National Assemblyman (Moua Xu) in narcotics.

Answer: Following up on information provided by DEA officers, Lao authorities seized 9.5 kilograms of heroin and 26 kilograms of opium at the residence of Moua Xu in 1972. However, Article 34 of the Constitution of the Kingdom of Laos stipulates that, except under certain circumstances, no Deputy of the National Assembly can “be subjected to legal process, or arrested without authority of the National Assembly which shall require a majority of two-thirds of the members present” during an Assembly session. The DEA reports that it was advised by the Lao court that no action would be taken in the case unless Moua Xu resigns from the National Assembly.

As is the case in the United States, under the Lao Constitution, the Executive, Judicial and Legislative branches are independent of each other. The National Assembly is very sensitive as to its prerogatives under the Constitution. The Embassy in Vientiane has always urged the Royal Lao Government (RLG) to take firm action against violators of the Narcotics and will continue to press for judicial action to be taken in the case of Moua Xu as soon as possible. We are pleased with the degree of cooperation the RLG has exhibited in working with us in our efforts to control the flow of illicit narcotics into the international market; Laos is now a net importer of opium to meet its own needs.
Mr. Wolff. Well, if you will check a report that our subcommittee made recently, I think you will find some very graphic evidence of corruption and lack of enforcement efforts.

At the time of the reversion of Okinawa, I had some reservations about that reversion because I felt that it would reduce our military capability and reaction time.

Has there been any change in our capability since the reversion? Were any restraints placed upon us since the reversion of Okinawa?

Mr. Ingersoll. Mr. Sneider or me?

Mr. Wolff. Either of you. I am talking about the use of our facilities in Okinawa which was a major airbase.

Mr. Ingersoll. As far as I know there have been no restraints.

Mr. Wolff. Do we not now have to negotiate with the Japanese?

Mr. Sneider. On the same basis as Japan in Okinawa.

Mr. Wolff. We are restrained to a greater extent than we were before.

Mr. Sneider. One of the prior consultation agreements, sir, and this was one of the judgments that was made, that this was acceptable under the circumstances.

Mr. Wolff. In view of the statement that was made some time back regarding the two Chinas—and I believe it was the Secretary who indicated that the problems of China should be solved between the two parties—PRC and ROC—did that statement have any effect upon our mutual assistance defense agreement with the Republic of China?

Mr. Ingersoll. I would say not, no.

Mr. Wolff. In other words, there is no change whatsoever in our defense commitments to Taiwan?

Mr. Ingersoll. No.

Mr. Wolff. Thank you very much.

Mr. Hamilton [presiding]. Mr. Bingham.

Mr. Bingham. No, thank you. Mr. Chairman.

Mr. Ingersoll. I would just say that the Shanghai communique contains the U.S. statement you referred to. At a press conference in Shanghai, Dr. Kissinger referred to the statement in the President's 1972 foreign policy report to the Congress about our defense commitment to Taiwan, and said that nothing had changed.

Mr. Wolff. Thank you very much.

Mr. Hamilton. Gentlemen, just for the record, before we conclude, I want to make sure that our record includes the present troop levels in Asia in each country, both civilian and military personnel.

Mr. Ingersoll. Are you including, say, State Department and other civilian agencies or only military personnel and civilians?

Mr. Hamilton. I had in mind military. The State personnel would only be connected with the—

Mr. Ingersoll. Embassies, consulates, and then agricultural attachés.

Mr. Hamilton. No, I had in mind military personnel, the troop levels and the civilians in support of the troops.

Mr. Doollin. Do you want dependents, too, Mr. Hamilton?

Mr. Hamilton. Yes. Furnish that, please.

[The information follows:]
Mr. Hamilton. Then in addition a description from State of the commitments and treaties that we have in each of these countries and what our obligations are under those treaties.

Mr. Ingersoll. I included most of that in my statement.

Mr. Hamilton. If you think it needs to be added, too, then we would appreciate it and if the statement is sufficient, that will be fine.

Mr. Ingersoll. We can give you details on each of the treaties. I have only mentioned the details although the general outlines are mentioned.

Mr. Hamilton. What I am interested in is what our commitments are under the treaties.

Mr. Ingersoll. We can do that.

Mr. Hamilton. Did I see a notice we are reducing troops in Korea?

Mr. Ingersoll. I would need to see.

Mr. Doolin. No.

Mr. Hamilton. Are there any—

Mr. Ingersoll. We have reduced troops since 1969. You may have seen that in my statement. We have, yes, but not recently.

Mr. Hamilton. Then finally, Mr. Doolin, on this ceiling that Mr. Bingham was asking you about, $1.150 million on military assistance, now you are seeking to have that ceiling removed?

Mr. Doolin. We are seeking to have it raised.

Mr. Hamilton. Raising.

Mr. Doolin. We are not asking for any additional money. We just want the authority to spend money that has already been authorized and programmed.

Mr. Hamilton. We appropriated something like $900 million, did we not, last year?

Mr. Doolin. That is correct.

Mr. Hamilton. For military assistance?

Mr. Doolin. Yes, sir.

Mr. Hamilton. So my question is, where does the money come from?

Mr. Doolin. From prior years, sir.
Mr. HAMILTON. The extra 400, 470—what is it?
Mr. Doolin. We are asking for a new ceiling of $1.6 billion. We don't have that much money and we could not spend to that level. I think probably we would spend to the level of about $1.45 billion, but then if we would want to go up to the $1.6 billion, if the Congress gave us that, then we would have to come back and request permission to reprogram.

Mr. HAMILTON. Where is the money coming from, the 470 or something less than that? Where are you getting it from?
Mr. Doolin. From prior fiscal years.
Mr. HAMILTON. Appropriations for military assistance?
Mr. Doolin. To Vietnam, yes, sir.
Mr. HAMILTON. This is in the pipeline?
Mr. Doolin. Yes, sir, but we cannot spend it because the ceiling is $1.126 billion.

Mr. HAMILTON. I see. There is no reprogramming that will be done then?
Mr. Doolin. We would have to come back if we wish to reprogram up to the level of 1.6 and I don't think we will have to do that. We will have to come back to the Congress.

Mr. HAMILTON. Very good.
Mr. Wolff, do you have any further questions?
Mr. Wolff. No, thank you.

Mr. HAMILTON. Without objection, the written statement of Mr. Doolin and the document from the Secretary of State will be incorporated into the record at this point.

[The documents follow.]

April 3, 1974.

Statement of Dennis J. Doolin, Deputy Assistant Secretary of Defense, East Asia and Pacific Affairs

Mr. Chairman, members of the Asian and Pacific Affairs Subcommittee, I am pleased to have this opportunity to discuss with you the basis of our troop commitments in various countries within the East Asia and Pacific region, and the larger issue of United States security interests in the region.

I will confine my remarks in this statement to the numbers and purpose of United States forces in Japan including Okinawa, South Korea and Thailand.

In the case of Japan and Okinawa, our forces number 56,000. This figure represents a reduction of some 7,000 men since December 31, 1972, and is the extension of a trend which was established in 1970. In conjunction with the withdrawal of forces, there has been a proportional reduction in the number of facilities and bases operated by the United States.

It must be recognized, however, that there is a certain minimum force level below which it would be impossible. The United States forces in Japan, including Okinawa, must have sufficient strength to serve a four-fold deterrent purpose in helping to maintain the security of the Western Pacific. First, they provide a forward staging area and operational base permitting the maintenance of ground and air forces in readiness for swift reaction to threats against Japan, proper or elsewhere. Second, they provide a centrally located logistical base which has a major mission in support of land, air and naval forces operating in the Western Pacific. Third, United States forces in Japan provide the hub of an extensive communications network in the region. Fourth, by providing visible, credible evidence of deterrent power, U.S. military forces and bases in Japan and Okinawa have not been altered significantly by the reduction of hostilities in Southeast Asia. These forces will continue to contribute significantly to Asian security for the foreseeable future.

As you know, the United States has reduced the number of forces in South Korea significantly over the past year. The forces which remain, approximately 38,000 provide vital functions in support of U.S. policy in Korea.
Schlesinger in his Annual Report stated, "At the moment, the principal role of our forces in Korea is to provide a hedge against the uncertainties and deficiencies in South Korea's defense posture, and to provide an inducement to caution on the part of North Korea against the precipitation of new hostilities." In addition, the presence of our forces serves as a manifestation of our support of the Republic of Korea in its efforts to resolve the Korean problem. Our support encourages the South to take constructive initiatives with greater self-confidence such as the opening of contacts with the North, (which resulted in the July 4, 1972 Joint Communiqué), the June 28, 1973 proclamation of a policy of free and open competition with the North, and the proposal of a non-aggression agreement by President Park on January 18, 1974.

The United States forces in Korea are there to ensure that the land, air, and naval forces from the North are precluded from carrying out a successful surprise attack upon the South and in the process seriously damaging or disrupting the Korean economy and society. The 2d Infantry Division is located along the historic invasion corridors which an attacker from the North would take in attacking Seoul. The function of this division is to assist in ensuring that any northern aggression is stopped short of the capital city of Seoul. The U.S. artillery and missile units support both the land and air defense of South Korea and are an integral part of the total defense posture of the Republic of Korea. U.S. tactical air units help reduce the imbalance between the superior North Korean Air Force and the Republic of Korea Air Force.

The United States military forces in Thailand represents a special case. Currently, there are about 36,000 United States forces stationed in Thailand, of which 31,000 are assigned to the Air Force. It is necessary for U.S. air units to be based in Thailand as a symbol of our resolve to support the efforts of Southeast Asian countries in bringing lasting peace to the area. Although the U.S. combat role in Indochina has ended, the presence of the U.S. military in Thailand provides visible evidence that we are not abandoning those countries in Southeast Asia which we supported at great cost over the past decade. Until North Vietnamese intentions become clear, we are maintaining our force in Thailand at reduced levels.

We do continue to monitor the situation in Southeast Asia and make adjustments to our force structure based on our best estimates of prevailing conditions. In the last week we have reached agreement, in principle, with the Royal Thai Government to reduce by about 10,000 the number of United States military manpower spaces in Thailand. These proposed reductions will begin around the middle of May and when completed, by the end of the year, there will be about 27,000 military personnel left in Thailand. It is our hope that a return to peaceful conditions in Southeast Asia will permit us to make further reductions.

Over the long term, the United States has an interest in the continued stability and independence of Thailand. A stable and independent Thailand is vital to the continuation of emerging regional stability. We anticipate that a stable Thailand will continue a responsible role as a regional leader.

I would like to conclude my statement by quoting from Secretary of Defense Schlesinger's Annual Defense Department Report for Fiscal Year 1975.

"Asian requirements have greatly affected our general purpose forces planning in the past decade. Beginning in 1969, with the advent of this Administration, significant reductions in the size of our forces in Asia have taken place. These reductions stem from major changes in our relations with Asian powers in the last few years, especially with the PRC, the withdrawal of United States forces from South Vietnam, and the growth in capabilities of our Asian Allies—capabilities which are now quite considerable. As a result of these changes, the requirement to maintain Asia-oriented forces is less demanding than in the past.

Nevertheless, we consider the possibility of conflict in Asia in deciding upon the character and forward deployment of United States forces, because the continuing instability in Asia could involve the United States, and because the visible capability to act can help to avoid, through deterrence, the necessity for action. A further large-scale or rapid reduction of United States forces in the Western Pacific would have unsettling effects in the region. Therefore, we continue to deploy one Army division in South Korea; a Marine amphibious force in Japan, including Okinawa, three tactical fighter wings in various bases in the Pacific, tactical fighter squadrons in Thailand, and B-52 aircraft on Guam and in Thailand; and naval deployments, including three carrier task forces, in the Western Pacific and, on occasion, in the Indian Ocean."
Hon. Edward M. Kennedy,
Chairman, Subcommittee on Refugees,
Committee on the Judiciary,
U.S. Senate.

Dear Mr. Chairman: In response to your letter of March 13 on various aspects of United States policy toward Indochina, I am enclosing our comment on the nine specific items you have outlined. I hope this information will be useful to you. As to the recommendations of the Subcommittee’s Study Mission to Indochina last year, which were enclosed with your letter, I have asked Governor Holton to review these and to prepare our comments for submission to you as soon as possible.

Your letter also expresses concern over a March 6 cable by Ambassador Martin commenting on a recent press article on the United States role in Viet-Nam. I do not believe the Ambassador is suggesting a cause-and-effect relationship between decisions in Hanoi and the views of any individual Members of Congress or their staffs. What he is describing is a very real and sophisticated propaganda effort by North Viet-Nam to bring to bear on a wide spectrum of Americans its own special view of the situation in Indochina. The Ambassador believes, and in this he has our full confidence and support, that we must counter these distortions emanating from Hanoi and continue to provide the best answers to the concerned questions many Americans have about our Indochina policy.

Warm regards,

Enclosure: Comment on Indochina Policy Issues.

(1) “The general character and objectives of American policy towards Indochina as a whole and towards each government or political authority in the area:”

There are two basic themes in our policy toward Indochina. The first is our belief that a secure peace in Indochina is an important element in our efforts to achieve a worldwide structure of peace. Conversely, we believe that an evolution toward peace in other troubled areas helps bring about the stability for which we strive in Indochina. Consequently, our Indochina policy has been geared to bring about the conditions which will enable the contending parties to find a peaceful resolution of their differences.

A resolution of differences can, of course, be achieved by other than-peaceful means. For example, North Viet-Nam might seek to conquer South Viet-Nam by force of arms. Such a resolution, however, would almost certainly be a temporary one and would not produce the long-term and stable peace which is essential. Therefore, a corollary to our search for peace, and the second theme of our policy, is to discourage the takeover of the various parts of Indochina by force. Forcible conquest is not only repugnant to American traditions but also has serious destabilizing effects which are not limited to the area under immediate threat.

We would stress the point that the United States has no desire to see any particular form of government or social system in the Indochina countries. What we do hope to see is a free choice by the people of Indochina as to the governments and systems under which they will live. To that end, we have devoted immense human and material resources to assist them in protecting this right of choice.

Our objective with regard to the Government of Viet-Nam, the Government of the Khmer Republic and the Royal Lao Government is to provide them with the material assistance and political encouragement which they need in determining their own futures and in helping to create conditions which will permit free decisions. In Laos, happily, real progress has been made, partly because of our assistance. The Vientiane Agreement and Protocols give clear evidence of the possibility for the peaceful settlement our policies are designed to foster. We have supported the Royal Lao Government and, when it is formed, we will look with great sympathy on the Government of National Union. We welcome a peaceful and neutral Laos and, where appropriate, we will continue to encourage the parties to work out their remaining problems.

In Cambodia we are convinced that long-term prospects for stability would be enhanced by a cease-fire and a negotiated settlement among the Khmer elements to the conflict. Because such stability is in our interests we are providing diplomatic and material support to the legitimate government of the Khmer Republic, both in its self-defense efforts and in its search for a political solution to the war.

Henry A. Kissinger

THE SECRETARY OF STATE,
Our objective in Viet-Nam continues to be to help strengthen the conditions which made possible the Paris Agreement on Ending the War and Restoring Peace in Viet-Nam. With this in mind we have supported the Republic of Viet-Nam with both military and economic assistance. We believe that by providing the Vietnamese Government the necessary means to defend itself and to develop a viable economy, the government in Hanoi will conclude that political solutions are much preferable to renewed use of major military force. The presence of large numbers of North Vietnamese troops in the South demonstrates that the military threat from Hanoi is still very much in evidence. Because of that threat we must still ensure that the Republic of Viet-Nam has the means to protect its independence. We note, however, that the level of violence is markedly less than it was prior to the cease-fire and believe that our policy of support for South Viet-Nam has been instrumental in deterring major North Vietnamese offensives.

Our objective with regard to the Democratic Republic of Viet-Nam, and its southern arm, the Provisional Revolutionary Government, is to encourage full compliance with the Paris Agreement. We have been disappointed by North Viet-Nam’s serious violations of important provisions of the Agreement. However, we still believe that the Agreement provides a workable framework for a peaceful and lasting settlement, and we will continue to use all means available to us to support the cease-fire and to encourage closer observance of it. Our future relations with Hanoi obviously depend in large part on how faithfully North Viet-Nam complies with the Agreement.

(2) “The general content and nature of existing obligations and commitments to the governments in Saigon, Phnom Penh and Vientiane.”

The U.S. has no bilateral written commitment to the Government of the Republic of Viet-Nam. However, as a signator of the Paris Agreement on Ending the War and Restoring Peace in Viet-Nam, the United States committed itself to strengthening the conditions which made the cease-fire possible and to the goal of the South Vietnamese people’s right to self-determination. With these commitments in mind, we continue to provide to the Republic of Viet-Nam the means necessary for its self-defense and for its economic viability.

We also recognize that we have derived a certain obligation from our long and deep involvement in Viet-Nam. Perceiving our own interest in a stable Viet-Nam free to make its own political choices, we have encouraged the Vietnamese people in their struggle for independence. We have invested great human and material resources to support them in protecting their own as well as broader interests. We have thus committed ourselves very substantially, both politically and morally. While the South Vietnamese Government and people are demonstrating increasing self-reliance, we believe it is important that we continue our support as long as it is needed.

Our relations with the Government of the Khmer Republic also do not stem from a formal commitment but are based on our own national interests. Recognizing that events in Cambodia relate directly to the bitter hostilities in other parts of Indochina, we have sought to help create stability in that country as a part of our effort to encourage the development of peace in the entire region.

We, therefore, support the legitimate government of Cambodia, in the hope that its increasing strength will encourage the Khmer Communists toward a political settlement rather than continued conflict.

We have also undertaken our assistance to Laos and support for the Royal Lao Government because of our own broad national interests, not because of any formal commitment to that country. The most important and visible of our interests is our desire for a just settlement of the tragic war in Indochina. Laos plays a key role in this effort to achieve the peace. Indeed, Laos is the bright spot in Indochina where the fruits of our efforts to assist and support the Royal Lao Government are most clearly seen. A cease-fire based on an agreement worked out by the two Lao parties has endured for more than a year. The two parties have together organized joint security forces in the two capital cities of Vientiane and Luang Prabang and a coalition government may not be far away. We feel that these large steps toward a lasting peace in Laos would probably not have succeeded but for our steadfast support for the efforts of the Royal Lao Government.

(3) “The kinds, categories and levels of support and assistance given or projected to the governments in Saigon, Phnom Penh and Vientiane for fiscal year 1978 through 1975—including (a) a breakdown of the number, distribution, activities and agency/departmental association of official American personnel
as well as those associated with private business and other organizations under contract to the United States government; and (b) a breakdown from all sources of humanitarian assistance, police and public safety oriented assistance, general supporting and economic development assistance, and military assistance;”

(a) U.S. Economic Assistance.

Our annual Congressional Presentation books provide the data requested here in considerable detail. These Congressional Presentation books for FY 1975 will shortly be delivered to the Congress. We provide these first, as a matter of course, to the authorizing and appropriations Committees of the Senate and the House, and then routinely make them available to all Members as well as the interested public. We will be happy to provide your Subcommittee on Refugees with copies as soon as available.

The Congressional Presentation books focus, of course, on our proposals for the coming year, FY 1975, but also contain data on both the current fiscal year, FY 1974, and the preceding, FY 1973. This year, as last, we are preparing a separate book providing the details of our economic assistance programs for the Indochina countries.

These Congressional Presentation books form a partial basis, of course, for extensive Hearings held each year by the authorizing committees in the Senate and House, and then by the appropriations committees. We would expect the question you pose, as well as many others, to be further explored in considerable depth during the course of these Hearings.

(b) U.S. Military Assistance.

Our military assistance to South Viet-Nam and Laos is provided under NASF. The breakdown of this assistance for the period you requested is as follows:

Fiscal year 1973:
- Ceiling .................................................. $2,735,000,000
- New obligational authority ......................... 2,563,000,000

Fiscal year 1974:
- Ceiling .................................................. 1,126,000,000
- New obligational authority ......................... 907,500,000

Fiscal year 1975:
- Ceiling (requested) .................................. 1,600,000,000
- New obligational authority ......................... 1,450,000,000

† Vietnam only; Laos will be included under MAP for fiscal year 1975.

The level of official U.S. military/civilian personnel in South Viet-Nam during the same period is as follows:

January 1973:
- Military (assigned) .................................. 23,516
- Civilian .................................................... 730

January 1974:
- Military (authorized) .................................. 221
- Civilian .................................................... 1,200

June 1974:
- Military (authorized) .................................. 221
- Civilian .................................................... 080

The number of U.S. civilian contractors has declined from 5,737 in January, 1973, to 2,736 in January, 1974. This number is expected to decrease further to 2,130 by June, 1974. We do not yet have a projected level of U.S. civilian contractors for fiscal year 1975.

Our military assistance to Cambodia is furnished under MAP. This assistance totalled $143,6 million in fiscal year 1973 and $325 million in fiscal year 1974. The level of our military assistance for fiscal year 1975 is now under review. The amount to be proposed will be included in the Congressional presentations document on military assistance which we expect to submit to Congress shortly.

U.S. military and civilian personnel in Cambodia during the period you requested is as follows:

December 1972:
- Military .................................................... 112
- Civilian .................................................... 53

December 1973:
- Military .................................................... 113
- Civilian .................................................... 55
December 1974:
Military .................................................. 113
Civilian .................................................. (*)

December 1972:
Military .................................................. 186
Civilian .................................................. 167

December 1973:
Military .................................................. 180
Civilian .................................................. 424

December 1974:
Military .................................................. 190
Civilian .................................................. (*)

Data not available.

U.S. military and civilian personnel in Laos during the period you requested are as follows:

December 1972:
Military .................................................. 186
Civilian .................................................. 167

December 1973:
Military .................................................. 180
Civilian .................................................. 424

December 1974:
Military .................................................. 190
Civilian .................................................. (*)

Data not available.

(4) "The current status and problems of reported efforts to establish an international consortium for general reconstruction assistance to the area."

In April 1978, President Thieu asked the International Bank for Reconstruction and Development (IBRD) to help form an aid group for the Republic of Vietnam. The IBRD agreed to make the effort, providing that this would be acceptable to the Bank membership and that the group could be organized in association with both the IBRD and the Asian Development Bank. In May the World Bank sent a study mission to Vietnam to review the situation. In August, Japan suggested that the Bank arrange a preliminary meeting to exchange views on aid to the countries of Indochina. The Japanese also proposed that the member countries discuss the formation of a loose Indochina consultative group for the area wide coordination, with sub-groups for any of the four countries concerned which might request such a group and where conditions were satisfactory.

An initial meeting was held at the Bank's Paris office in October. The United States supported the Bank's efforts as well as the Japanese proposal. The Bank sent a second mission to Vietnam in November and subsequently proposed that a follow-on meeting be held in February of this year to discuss the formation of the Indochina consultative group. However, the reactions of participating countries to the energy crisis and to the Congressional decision on IDA replenishment led the Bank to postpone the meeting, tentatively until late spring. In February, at the request of the Laotian Government, a World Bank team also visited Laos to assess the situation and to discuss a possible consultative group for that country.

The United States continues to support efforts to form an Indochina consultative group. We also favor the proposal that there be sub-groups for each recipient country to which donors may contribute as they wish. The sub-groups would be formed when considered appropriate by donors and at the request of the recipient. We remain in close consultation with the World Bank and other interested parties on this matter. We are hopeful that a second meeting of participants might be held in the near future and that such a meeting might lead to the establishment of the groups in question. A reversal of the negative Congressional action on IDA replenishment would clearly enhance the possibility of success in this regard.

(5) "The current status and problems of the Administration's stated intention to encourage internationalizing humanitarian assistance to the area."

In addition to U.S. bilateral humanitarian assistance to the Indochina countries which totals $1.114 million for FY 1974, the Department and the Agency for International Development (AID) continue to encourage other donors, including international organizations, to provide such assistance. AID made a grant of $22 million on November 1, 1973, to the Indochina Operations Group of the International Committee of the Red Cross and discussions are continuing about an additional grant to that organization. UNICEF has recently completed its study of the problems in the Indochina countries and has just submitted its proposed program to possible donor countries. We have encouraged UNICEF in its study and are pleased that it is now prepared to expand its activities in all three countries.

The World Health Organization has had meaningful programs in Laos, Cambodia, and Vietnam, which supplement and do not overlap with activities sup-
ported by the United States. We have encouraged that organization to play an even more important role, particularly in the malaria control program, and we at the same time would phase out our activities in that field.

Our discussions with the Indochina countries have stressed the desirability of establishing plans and priorities for programs and projects which require assistance so that other donor countries and organizations can fit their assistance efforts into the host country requirements.

(6) "The current status of the negotiations between Washington and Hanoi on American reconstruction assistance to North Viet-Nam."

Following the conclusion of the Peace Agreement last year, preliminary discussions of post-war reconstruction were held in Paris between U.S. and North Vietnamese members of the Joint Economic Commission. These talks have been suspended since last July. The Administration's position, which we believe is shared by the great majority of members of Congress, is that the U.S. cannot at this time move forward with an assistance program for North Viet-Nam. To date, North Viet-Nam has failed substantially to live up to a number of the essential terms of the Agreement, including those relating to the introduction of troops and war material into South Viet-Nam, the cessation of military activities in Cambodia and Laos, and the accounting for our missing-in-action.

Should Hanoi turn away from a military solution and demonstrate a serious compliance with the Agreement, then we would be prepared, with the approval of Congress, to proceed with our undertaking regarding reconstruction assistance to North Viet-Nam.

(7) "The Department's assessment on the implementation on the cease-fire agreements for both Viet-Nam and Laos."

The cease-fire in Viet-Nam has resulted in a substantial decrease in the level of hostilities; for example, military casualties since the cease-fire have been about one-third the level of casualties suffered in the years preceding the Paris Agreement. Nonetheless, it is unfortunately evident that significant violence continues to occur and that the cease-fire is far from scrupulously observed. The fundamental problem is that the North Vietnamese are still determined to seize political power in the South, using military means if necessary. To this end they have maintained unrelenting military pressure against the South Vietnamese Government and have continued widespread terrorism against the population.

In particular, flagrant violation of the Agreement North Viet-Nam has persisted in its infiltration of men and materiel into the South, bringing in more than one hundred thousand troops and large quantities of heavy equipment since the cease-fire began. South Vietnamese forces have reacted against these attacks by North Vietnamese forces and several sizable engagements have taken place.

Despite these serious violations, we continue to believe that the Paris Agreement has already brought substantial benefits and continues to provide a workable framework for peace. After more than a quarter century of fighting it would have been unrealistic to expect that the Agreement would bring an instant and complete end to the conflict. What it has done, however, is to reduce the level of violence significantly and provide mechanisms for discussion. The two Vietnamese parties are talking to each other and are achieving some results, even if these results are much less than we would like to see. The final exchange of prisoners which was completed on March 7 is illustrative.

We assess the cease-fire agreement in Laos as being so far largely successful. The level of combat was reduced substantially immediately following the cease-fire and has since fallen to a handful of incidents per week. There is hope that if developments continue as they have, the Laos cease-fire will work and the Lao, through their own efforts, will be able to establish a coalition government and a stable peace in their country.

(8) "The Department's assessment of the overall situation in Cambodia and the possibility for a cease-fire agreement."

Despite continued pressure by the Khmer Insurgents, now generally under the control of the Khmer Communist Party, the Khmer armed forces have successfully repulsed two major insurgent operations, one against Kompong Cham and, more recently, against Phnom Penh, with no U.S. combat support. Serious military problems remain, and continued hard fighting during the next few months is expected, both in the provinces and around the capital.

A broadened political base, a new Prime Minister and a more effective cabinet offer signs of improvements in the civil administration. The enormous dislocation of the war, destroying production, producing over a million refugees and encouraging spiralling inflation, face the leaders of the Khmer Republic with serious problems.
Nonetheless, we are convinced that with US material and diplomatic support the Khmer Republic's demonstration of military and economic viability will persuade their now intransigent opponents to move to a political solution of the Cambodian conflict. The Khmer Republic's Foreign Minister on March 21 reiterated his government's position that a solution for Cambodia should be peaceful and not forced by arms or capitulation. Instead, his government will continue to seek talks with the other side. His government hopes their efforts for peace will achieve some results after the current insurgent offensive.

(9) "Recent diplomatic initiatives, involving the United States, aimed at a reduction of violence in Indochina and a greater measure of normalization in the area."

Since the signing of the Viet-Nam cease-fire agreement, the United States has been in constant liaison with the interested parties, including those outside of the Indochina area. While it would not be useful to provide details of all of these contacts, we can assure the Congress that we have used every means at our disposal to encourage a reduction in the level of violence and an orderly resolution of the conflict. We believe these measures have had some success. The level of fighting is down substantially from 1972 and the Vietnamese parties have taken at least beginning steps toward a satisfactory accommodation. Further, the interested outside parties remain basically committed to building on the framework of the cease-fire agreement.

When Hanoi established a pattern of serious violations of the Agreement shortly after its conclusion, Dr. Kissinger met with Special Adviser Le Duc Tho and negotiated the Paris Communiqué of June 13, 1973, with a view to stabilizing the situation. Secretary Kissinger returned to Paris in December, 1973, to again discuss with Special Adviser Tho, the status of the implementation of the Agreement. We will continue to maintain such contacts with Vietnamese and other parties in the hope that Hanoi will eventually be persuaded that its interests lie in peaceful development rather than in conflict.

In Laos we have offered every encouragement to an evolution toward peace. At this time the Laotian parties are making great progress in the formation of a government of national union. We can help in this regard with our sympathy and encouraged while properly leaving the issue in the hands of those most interested, the Lao people.

The Government of the Khmer Republic, with our complete endorsement, has made notable efforts to terminate the hostilities in that country. Following the cease-fire in Viet-Nam, the Cambodian Government unilaterally ceased hostile activity by its forces in the hope that the other side would respond. Unfortunately that striking gesture was rebuffed. On frequent occasions thereafter the Khmer Republic made proposals designed to move the conflict from the battlefield to political fora, with our strong support in each instance. Although all of those proposals have been ignored by the Khmer Communists, we continue to hope that the current relative military balance will make apparent to the other side what the Khmer Republic has already perceived, that peace is a far more hopeful prospect for Cambodia than incessant conflict.

Mr. Hamilton. Thank you very much, gentlemen.

The subcommittee stands adjourned.

[Whereupon, at 3:26 p.m., the subcommittee adjourned.]
OUR COMMITMENTS IN ASIA

WEDNESDAY, JUNE 12, 1974

HOUSE OF REPRESENTATIVES,
Committee on Foreign Affairs,
Subcommittee on Asian and Pacific Affairs,
Washington, D.C.

The subcommittee met at 2 p.m., in room H. 236, The Capitol, Hon. Robert N. C. Nix (chairman of the subcommittee) presiding.

Mr. Nix. The subcommittee will come to order.

As a representative of Congress and chairman of the Asian and Pacific Affairs Subcommittee, I have taken the position that we should bring home, to U.S. territory, 100,000 American soldiers and airmen from the Continent of Asia.

Our original objective in Asia, that of giving assistance and affording our allies the opportunity to defend themselves from outside invasion, has already been achieved.

We have spent $200 billion on Asia’s self-determination from 1945 to 1973. $141 billion of that was spent on South Vietnam. At the same time, let me add, $200 billion is not a significant figure as compared to the loss of 100,000 American lives in South Korea and South Vietnam.

Today, we will receive testimony from U.S. Senator Alan Cranston, who has long maintained in the Senate that 50 percent of our men stationed in Asia should be returned to U.S. territory.

We welcome Senator Cranston and we look forward to adding to our hearing record the views of a distinguished American who has led the fight in the Senate on this issue.

Senator, it is a pleasure to have you and you may proceed whenever you are ready.

STATEMENT OF HON. ALAN CRANSTON, A U.S. SENATOR FROM THE STATE OF CALIFORNIA

Senator Cranston. Thank you very much, Mr. Chairman.

I deeply appreciate the invitation that has brought me here and your generous words, and much more than that, your very hard work and your leadership and the effort to move in the direction that I am going to suggest in my testimony that we should move.

Mr. Nix. Thank you.

Senator Cranston. There are few matters that are more important overall than making progress on this front.

I would like to abbreviate my remarks to some extent and place a longer statement in the record, if I may. That longer statement will go into details about the situation in various countries where I think we
can make significant reductions in our overall troop strength, but I will speak more generally on the issues than what I will say now.

I am very strongly in favor of withdrawing and deactivating substantial numbers of land-based U.S. troops now stationed in five Asian countries.

In my longer statement I have discussed our military posture in these countries in some detail. Now I want to confine myself to a very broad sketch of our presence in Asia, and to share with you the general perspectives that lead me to favor a substantial cut in our troop strength there.

Mr. Chairman, as of March 31, the United States maintained and supported 151,000 military personnel in five Asian countries: South Korea, Japan (including Okinawa), Thailand, the Philippines, and Taiwan.

In addition to those troops, we have the entire 7th Fleet. As of March 31, 16,000 naval personnel were listed as assigned to the Western Pacific, with 18,000 more deployed in "other areas" (not counting Europe).

Furthermore, we have 22,000 U.S. military personnel stationed in U.S. territories and possessions. We have bases on Guam, Wake Island, Midway Island, Johnston Island, Micronesia, and, of course, our own State of Hawaii.

I favor a general reduction in this overall presence, and I think the place to begin is the 151,000 land-based troops that I have mentioned.

Furthermore, I favor deactivation of all the troops which are actually brought home. Only if they are deactivated will we realize the savings at stake. I have itemized these savings in my longer statement.

Mr. Chairman, all too often, a proposal to cut significant numbers of U.S. troops overseas is met by the vaguest and most rhetorical generalizations about the need to preserve the status quo.

The word "commitment" is tossed about loosely, without any consideration of the meaning and purpose of a true obligation, and without any clear discussion of our real interests overseas.

But we hear a different tune when the Pentagon itself announces a troop cut, as in Thailand. Then, somehow, we are not told anything about a "commitment" being violated. It is only when Congress takes the initiative that we hear about the alleged perils of troop cuts.

Mr. Chairman, opponents of troop cut amendments try to portray the physical presence of each and every U.S. soldier overseas as sacred and inviolable. Each one is seen as a mini-bargaining chip in the grand global scheme of things.

But what good is a "bargaining chip" whose total cost is roughly $30 billion a year? In Asia, with whom are we bargaining, and for what stakes? It appears that the "bargaining chip" argument is locking us into an obsolete and expensive posture instead of opening up corridors of flexible change.

Besides "bargaining chips," another argument made against overseas troop cuts—implicitly or explicitly—is based on the so-called "tripwire theory."

According to this theory, American troops are supposed to be a human tripwire guaranteeing American involvement should hostilities break out.
Rational calculations that might keep us out of a given war will supposedly be swept aside by the sight of American boys bleeding on the battlefield.

There is a corresponding conviction that without such a heartrending stimulus we would selfishly abandon an ally to an enemy's attack.

I do not believe that the tripwire theory is valid. After all, Americans began to die in Indochina from 1961 on, but the decisive escalation did not take place until 1965.

Nor is the tripwire theory a wise foundation on which to base a decision to go to war. If a conflict breaks out overseas, there may be many good reasons for getting involved, most notably defending an ally from external aggression. But whatever our judgment, it should not be made on the basis of revenge.

But suppose the tripwire theory is valid after all. In that case, since in most countries existing U.S. Force levels are not sufficient to meet a full-scale attack, a token force would serve the same purpose.

If Japan were the victim of a massive conventional attack, for example, 57,000 troops would hardly be adequate. And in a nuclear attack they wouldn't be of much use either. From the point of view of the tripwire theorist, all we would need is a token force to get shot at.

Why, then, is there so much scare talk about overseas troop cuts? I believe that much of the scare talk would subside if more people, both in the administration and the Congress, did some clear thinking about the basic questions underlying the overseas troop issue.

To begin with, a foreign policy commitment must be finite and practicable. We cannot commit ourselves to jump over the Moon, or to shelter a hopelessly unpopular government from internal disturbances. Nor can we create viable governments when there is no will to reform. What we can do is to provide outside support to our allies against foreign attack. Today we have the capability of doing a great deal more that is very dubious.

We can intervene in other people's civil wars; we can ship weapons to foreign armies in an unending stream; we can carry out covert counterinsurgency programs where revolution rears its head; and we can continue to ship bundles of money overseas—$200 billion in economic and military aid to East Asia and the Pacific alone since 1946. But all of these steps are means and not ends.

They cannot necessarily guarantee the preservation of our basic interests, which to my mind include:

- The avoidance of war, especially nuclear war;
- A reduction in the ruinous level of military spending;
- The alleviation of global hunger and disease;
- The preservation of democratic governments; and
- Reasonable access to markets and supplies within a trade and monetary system that is both stable and equitable.

The threats to these interests, against which existing commitments should be measured, vary greatly. We should all be thinking about how to meet them constructively—and preferably peacefully.

The danger of outright aggression can by no means be dismissed, but it is certainly less likely now than it was in the late 1940s and 1950s, when we first began to station large numbers of peace-time troops overseas.
A common threat comes from within: the threat of revolutionary violence directed against existing governments. In the same spirit that I mentioned before—committing ourselves to do only what is possible—we should help only those governments which are making a reasonable effort to correct the conditions that gave rise to violence in the first place.

Finally, there are very serious threats to a stable and peaceful world that are not violent: recessions, inflation, speculation, trade wars, and unemployment. These in turn can breed an atmosphere of apathy, disillusionment, and despair.

I make these points because they should be part of a meaningful debate on troop cuts. We should not measure the value of our military presence overseas solely in terms of the survival of a particular government—be it the Park dictatorship in Korea, or the Marcos regime in the Philippines.

And yet that seems to be the essence of the much-vaunted Nixon doctrine: shore up friendly governments, even if they are repressive dictatorships, by all means possible, including all military means except for a land invasion.

That doctrine spares American lives, but it does not bring us much closer to global peace and true stability.

Finally, Mr. Chairman, my colleague from Missouri, Senator Stuart Symington, has often stated that our national security rests on three factors:

First, the strength of our institutions;
Second, the soundness of the dollar and our economy; and
Third, the certainty that we can overwhelmingly retaliate against any enemy that might attack us, and that a potential attacker knows that.

The first of these factors, the strength of our institutions, has been brought into question because of recent shattering events in our history.

The second, the soundness of the dollar and our economy, has been weakened by $2 devaluations and by serious inflation. The high level of overseas military spending has substantially contributed to this erosion.

The third, America's retaliatory capacity, has been undermined by the suspicion—shared by many—that our military budget is too high. When critics of this high level of spending see that it is impossible to cut down on overseas military spending, then they strike at other, more crucial parts of that budget.

Finally, American jobs are at stake. By employing 150,000 foreign nationals and by shipping income for foreign businesses around those bases, we contribute to further unemployment at home.

Mr. Chairman, by now it has become clear that no one else is going to cut troops for us or to redefine the meaning of an American foreign policy commitment.

We have to do these things ourselves. With the help of this subcommittee, we are on our way.

Thank you very, very much.

Mr. Nix. We are very pleased to have had you come over, Senator Cranston.
I have been trying to get an answer to one of my questions and that question has been what benefits accrue to the United States of America for the position we have taken in stationing troops, spending millions of dollars all over the world, all over the years?

Is it that we are seeking to increase our trade relations with other nations in the world? Is it that we are fearful of being attacked by certain nations or combinations of nations?

If that be true, I would like—and I have sought answers from sources that are supposed to be knowledgeable on the subject.

Have you received any answers to such questions, Senator Cranston?

Senator CRANSTON. I have not received satisfactory answers that relate to the maintenance of the vast array of military personnel that we have overseas in some 80 different countries at roughly 2,000 bases, and it is over 500,000 people overall that are outside the continent.

I think that some of those troops belong in some of those places. I am not an advocate of a total withdrawal from Europe, for example, although I am a supporter of the Mansfield effort to proceed unilaterally to withdraw some of our troops without waiting forever for an agreement with the Soviet Union on matching withdrawals, which I think are not likely to come any time soon.

On the other hand, I think it is very plain that maintaining so many people overseas does us great damage in many ways. It is terribly inflationary. It hurts the dollar.

It is like an adverse trade balance as so many dollars leave this country. It causes us to have an unbalanced budget. It diverts money from many programs that are neglected at home, like housing, health care, transportation, fighting poverty, fighting pollution, and many other things that I could list.

And, finally, I was startled by one statement that, I believe, it was Secretary Schlesinger made recently, I have felt that just having these troops in so many places tends to mean that we may get involved in hostilities we don't belong in, just because we are nearby, Mr. Schlesinger extended that to state that in an interview with U.S. News just a while ago: Yes; we may well become involved in hostilities where we don't have a national interest. Therefore, we have to have all this backup strength back home in case we get involved in some war that doesn't affect our national interest, which becomes a vicious circle which causes more and more expenditures for nonsensible reasons.

Mr. NIX. Thank you very much, Senator.

Senator CRANSTON. It has been a pleasure to have had you here.

Senator CRANSTON. One other point I might make is that the Nixon administration answers the question that you, Mr. NIX, without the "et cetera", on the end of your name, posed to me, by citing this vague matter of commitments, and that is why I think we have to spell out what our real interests are.

They never cite those commitments when they decide to cut back a few troops here and there although it has been very few. They only talk about commitment when we seek to do it.

I would like to talk about these mysterious commitments.

Mr. NIX. I might add, Senator, that during my last primary campaign I was more than happy not to have the "et cetera" on my name.

Senator CRANSTON. It could have been very confusing, couldn't it, if not embarrassing.
Mr. Nix. Quite so.

Senator Cranston. We came within two votes in the Senate recently of making this 100,000 cut. I think a major reason we failed was that the effort happened to come on the eve of the President’s mission abroad with Dr. Kissinger and some people felt that was a rather unfortunate time to face this issue.

We will make that effort again and I am confident we will find those votes and succeed before this year is over on some other bill, and I hope very much we will succeed on the House side with your help. I am counting on it.

Mr. Nix. We look forward to doing just that. Thank you very much, Senator. Without objection the written statement of Senator Cranston along with some additional questions that I did not have a chance to ask will be incorporated into the record at this point.

[The material follows.]

PREPARED STATEMENT OF SENATOR ALAN CRANSTON
U.S. COMMITMENTS AND U.S. TROOPS IN ASIA

Chairman Nix, and members of the Subcommittee, I want to thank you for inviting me to testify. I know that your Subcommittee has held extensive hearings on U.S. commitments in Asia, and I am honored to be included as a witness.

I am strongly in favor of withdrawing and deactivating substantial numbers of ground-based U.S. troops now stationed in five Asian countries. I am also in favor of phasing out U.S. military aid to South Vietnam, but I do not intend to talk about Indochina today. Instead, I propose to discuss our military posture in the rest of Asia, and then to share with you the general perspectives that lead me to favor a substantial cut in our troop strength there.

U.S. Troops in Asia

Mr. Chairman, as of March 31, the United States maintained and supported 151,000 military personnel in five Asian countries: South Korea, Japan (including Okinawa), Thailand, the Philippines, and Taiwan.

In addition to those troops, we have the entire Seventh Fleet. As of March 31, 16,000 naval personnel were listed as assigned to the Western Pacific, with 18,000 more deployed in “Other Areas” (not counting Europe). According to the Center for Defense Information, there are 5,366 U.S. naval carrier task forces stationed in the Pacific with 105 aircraft.

Furthermore, we have 88,000 U.S. military personnel stationed in U.S. territories and possessions. We have bases on Guam, Wake Island, Midway Island, Johnston Island, Micronesia, and, of course, our own state of Hawaii.

All told, the Center for Defense Information reports that the United States spends about $2.0 billion a year to prepare for the possibility of war in Asia and the Pacific. This figure includes the cost of troops based in the U.S. but earmarked for an Asian conflict. 39% of our active duty manpower, or 650,000 men, are geared toward Asia. Our presence in on-ground units is simply enormous.

If in favor a general reduction in this presence and I think the place to begin is the 151,000 land-based troops that I have mentioned. As long as we maintain our naval forces and our troops in U.S. territories and possessions, we will have a forward-based, relatively mobile force poised for any contingency. Sooner or later we may want to consider withdrawing these forces, too. But for the time being, we should simply concentrate on forces based in foreign countries.

I by no means favor a precipitous withdrawal from the entire area.

Last week, Mr. Chairman, when Senator Mansfield’s troop-cut amendments were before the Senate, I understand that Secretary Schlesinger told certain Senators that the Pentagon has already made some troop cuts that we don’t know about yet.

I am delighted to hear this, Mr. Inman. But, the Pentagon may simply be terminating what it considers to be non-combatant personnel, or it may be that the Pentagon is responsible for that effort. In any event, my testimony’s argument at this point convinced me that Senator Mansfield’s amendments were even more appropriate than I thought.
There is only one thing that puzzles me. Despite what the Secretary has been reportedly saying, the Pentagon is still asking for a funding level that assumes no significant decrease in end-strength overseas. The Pentagon’s manpower report shows a drop of only 2,000 men—hardly any change at all. If more cuts really are underway, why hasn’t the Pentagon reduced its request for money?

In short, Mr. Chairman, I will believe these force reductions when I see them. Meanwhile, Congress should continue to press for cuts. The evidence makes me very skeptical of promises to reduce overseas troop levels that are not backed up by legislation. For example:

Last fall, Secretary Schlesinger told the Chairman and ranking minority member of the Senate Appropriations Committee that the Pentagon was seriously studying overseas troop withdrawals, and that specific recommendations would soon appear. Yet as I indicated, the manpower report shows a planned overseas reduction of only 2,000 men.

The only cuts that have been reported in the press since that manpower report appeared have been 2,000 in Thailand and 2,000 in Taiwan. Yet that total, 10,000, represents less than 2% of our overseas deployment.

In the case of headquarters in Korea, the Senate Armed Services Committee has documented a perfect example of the Administration’s uresponsiveness on the overseas troop issue. Its report states:

“The FY 1974 report of this Committee suggested a 50% reduction in the three U.S. headquarters in Korea. The Committee is surprised that, as of June 30, 1974, 100 people will have been added to these headquarters, representing an 8% increase.”

Mr. President, I’m surprised, too. I’m surprised that the Nixon Administration keeps coming back and defending the same massive overseas deployment with the same old clichés. I’m not surprised, however, that the Administration chooses to ignore report language. “Suggesting” is just too weak.

For those reasons, Mr. Chairman, I will continue to press for a substantial cutback in Asia. Let me now turn to the countries where cuts are in order.

Korea

As of March 31, 1974, the United States had 38,000 military personnel in South Korea at over 40 military facilities. Over 30,000 are Army personnel; the rest are Air Force.

According to the International Institute for Strategic Studies, South Korea’s army contains 660,000 men to North Korea’s 408,000. South Korea military reserves total 1,000,000 to North Korea’s 750,000. South Korea’s population is more than double the North’s. Finally, South Korea has a paramilitary force, including a local defense militia, of about two million, whereas the North Korean counterpart numbers about a million and a half.

Mr. President, Defense Department spokesmen have testified before the Senate Armed Services Committee that in the unlikely event of a renewed war between North and South, the South Koreans could handle the ground fighting by themselves.

The only category in which the South Koreans are said to be weaker than the North Koreans is modern fighter aircraft.

Under the terms of a $1.5 billion, 5-year military agreement to modernize Korea’s armed forces, the United States will provide a sufficient number of F-5 Fighting Tiger aircraft to offset this disadvantage.

Contrary to the vague talk about “commitment” put forth by opponents of troop cut amendments, there is nothing in our defense treaty with Korea that requires us to station troops there. The pertinent article reads:

“Each Party recognizes that an armed attack in the Pacific area on either of the Parties . . . would be dangerous to its own safety and each Party would act to meet the common danger in accordance with its constitutional processes.”

But for some reason, in this fiscal year, we are spending $619 million to maintain troops in Korea.

We can’t kid ourselves about democracy anymore, not after President Park dissolved the Assembly, declared martial law, and assumed dictatorial powers in 1972.

We can’t kid ourselves about a lean, tough fighting force, either. Our contingent in Korea includes no less than 18 generals and admirals. No less than 1,138 men staff the Eighth Army headquarters, including 12 generals. Whereas normally a field army headquarters controls four divisions, this one controls only one. And in that division, numbering 18,000 men, only 700 are in combat-related duties. Overall, the Senate Armed Services Committee reports that the U.S. Army
In Korea has a combat-support ratio of 37 to 63. Of that 63% non-combat force, roughly a quarter is in headquarters and administration.

Here is what a constituent of mine, a Sergeant First Class stationed in Korea, had to say:

"Each day I have cringed at the waste of manpower and resources with our military forces being stationed here. Daily, I watch servicemen bilked out of their hard earned money, the prostitutes peddling their wares in droves, the rampant drug problems, and the thriving black market. I see the millions of dollars flow into the hands of local vendors, the hundreds of local national civilians employed supporting the military, while Americans at home go unemployed, and the waste of money supporting a shaky dictatorship.

Ask any soldier, "Why are you here?" Few, if any can find a plausible answer. Why? Because there isn't one.

Let's bring the troops home. Hire American civilians to support the military units. Spend our money at home, and on our own people. We can still maintain personnel in Japan and Okinawa, including an entire Marine division. The U.S. military is not needed here.

Why, because there isn't one.

The Korean War ended almost 20 years ago. Isn't it about time we came home? Mr. Chairman, I think that letter sums up the case very nicely. The time for a massive cut in the number of U.S. Army personnel in Korea is long overdue.

**Japan and Okinawa**

Mr. Chairman, as of March 31 of this year, there were 57,000 U.S. military personnel in Japan and Okinawa, including an entire Marine division. The U.S. has 85 bases and military installations in Japan proper, not counting Okinawa. These include 6 airfields, 2 naval bases, 2 bombing ranges, and 6 ammunition depots. In a country where 108 million people live in an area slightly smaller than the state of California, and where roughly 80% of the land cannot be inhabited or cultivated, American bases take up roughly 1% of the total area. As of 1970, roughly 70% of the U.S. bases, and 77% of the American personnel were located within 60 miles of Tokyo, especially in the densely populated Kanto plain. Anyone who has been to Japan recently knows that in Tokyo area the housing squeeze is appalling and that land prices have skyrocketed beyond belief. Sadly, American bases are also associated with drugs, a fact that greatly worries local authorities.

Meanwhile, Japan has built up her own military forces. Her so-called "Self-Defense Forces" number a quarter of a million men. Her arsenal already contains T-2 supersonic trainers, C-1 jet transports, diesel-powered submarines, helicopter-carrying destroyers, and anti-submarine aircraft. Her army includes 610 tanks and 130 Hawk missiles, her navy 40 destroyers and 18 submarines, and her air force 480 fighters. Her fourth five-year Defense Plan, launched in October 1972, entails an outlay totalling $16 billion.

Now that both the United States and Japan are on better terms with the People's Republic of China, spending $447 million in this fiscal year to preserve the status quo smacks of the irrational.

Many Japanese officials have said privately that both the United States and Japan would be better off if the U.S. withdrew at least half of its troops. Such a withdrawal would not force Japan to become a nuclear power, as it is sometimes alleged. That decision has its own momentum, and its own domestic political constituency. Fortunately, Japan's ruling party is largely opposed to the acquisition of nuclear arms and is not seriously expected to change its mind, whether or not the U.S. cuts a substantial number of troops.

What counts here is a psychological factor: the need for reassurance. In the last few years U.S. policy toward Japan has consisted of a series of rude jolts. The troop cut that I am advocating should not be carried out in this spirit, but rather in the spirit of close consultation.

Japan is an important and loyal ally whose interests are closely bound up with ours. But it is ridiculous to keep 57,000 troops in a nation with the third largest GNP in the world. Since 1946, the United States has given or lent Japan almost $4 billion in military and economic aid. It's high time we recognized that this investment has yielded a strong and increasingly self-confident ally.

**Thailand**

As of March 31, there were 35,000 U.S. military personnel in Thailand at an operating cost of $447 million in this fiscal year. Our presence there consists overwhelmingly of Air Force pilots and support personnel poised to resume the bombing of North Vietnam.
Mr. Chairman, the Administration has already announced a cut of 8,000 men by August, leaving another 27,000. I find it impossible to see why we should keep any bombers in Thailand at all. Congress has specifically prohibited the renewed bombing of Indochina without Congressional authorization. The great bulk of U.S. forces should be withdrawn, including any military personnel involved in domestic counterinsurgency programs in Thailand.

The Philippines

As of March 31, there were 17,000 U.S. military personnel in the Philippines—an increase of 2,000 within the last year. The U.S. Naval Base at Subic Bay is the largest naval base in a foreign country in the Pacific.

In September 1972, President Marcos instituted martial law and assumed the posts of president and prime minister for as long as he chooses. A Moslem insurrection has been raging in the southern islands for some time.

Our troop presence in the Philippines is not based on any fear that the Philippines will be attacked. Pentagon spokesman have repeatedly stated that Chinese aggression in the area is highly unlikely. Instead, there are charges that our troop strength is helping to shore up a dictatorial government and to put down a domestic insurgency. A major cut is in order there.

Taiwan

On March 31, our troop strength in Taiwan numbered 5,000 men. I understand that some 2,000 of these will be withdrawn soon.

Mr. Chairman, in the so-called Shanghai Communiqué of February 1972, the United States affirmed that an ultimate goal was the withdrawal of all U.S. forces and military installations from Taiwan. In the meantime, the U.S. pledged that it would "progressively reduce its forces and military installations on Taiwan as the tension in the area diminishes." That tension was understood to be Vietnam.

To my great regret, the United States is still heavily subsidizing President Thieu's war-minded regime. But now that our troops have come home, we should carry out our pledge. No one seriously expects a Chinese invasion of either Vietnam or Taiwan.

Deactivation

Mr. Chairman, in all the cases I have discussed, I favor deactivation of the troops brought home. Only if they are deactivated will we realize the savings at stake.

For a cut of 100,000 men, annual savings amount to some $1.2 billion. Indirect savings in troop support, military construction, mainenance, logistics, and other back-up functions could amount to as much as $5 billion more.

In addition, the balance of payments savings associated with such a cutback would be roughly $30 million a year, all of which would be lost if the cuts were made at home. Our present posture undermines the dollar by maintaining military dependents abroad, employing thousands of foreign civilians, and enabling military men and their families to spend millions of dollars in foreign countries on foreign goods and services.

Deactivation of 100,000 men will help free money that could be far better spent, on domestic needs—or simply left unspent, which, I suppose, is a new but perhaps refreshing idea.

Now that I have discussed the specifics of a substantial troop cut in Asia, I would like to outline some general perspectives on the meaning of a U.S. foreign policy commitment, and the role of U.S. troops in fulfilling that commitment.

U.S. Commitments and U.S. Troops

All too often, a proposal to cut significant numbers of U.S. troops overseas is met by the vaguest and most rhetorical generalizations about the need to preserve the status quo. The word "commitment" is tossed around loosely, without any consideration of the meaning and purpose of a true obligation, and without any clear discussion of our real interests overseas.

But we hear a different tune when the Pentagon itself announces a troop cut, as in Thailand. Then, somehow, we are not told anything about a "commitment" being violated. It is only when Congress takes the initiative that we hear talk about the alleged perils of troop cuts.

Mr. Chairman, opponents of troop cut amendments try to portray the physical presence of each and every U.S. soldier overseas as sacred and inviolable. Each one is seen as a mini-bargaining chip in the grand global scheme of things.
But what good is a "bargaining chip" whose total cost is roughly $30 billion a year? In Asia, with whom we are bargaining, and for what stakes? It appears that the "bargaining chip" argument is locking us into an obsolete and expensive posture instead of opening up corridors of flexible change.

Besides "bargaining chips" another argument made against overseas troop cuts—implicitly or explicitly—is based on the so-called "tripwire theory."

According to this theory, American troops are supposed to be a human tripwire guaranteeing American involvement should hostilities break out. Rational calculations that might keep us out of a given war will supposedly be swept aside by the sight of American boys bleeding on the battlefield. There is a corresponding conviction that without such a heart-rending stimulus we would selfishly abandon an ally to an enemy's attack.

I do not believe that the tripwire theory is valid. After all, Americans began to die in Indochina from 1961 on, but the decisive escalation did not take place until 1965. We sent troops to the Dominican Republic in 1965 not because American boys were dying, but because we believed—rightly or wrongly—that the survival of the government of Juan Bosch was contrary to U.S. interests.

Nor is the tripwire theory a wise foundation on which to base a decision to go to war. If a conflict breaks out overseas, there may be many good reasons for getting involved, most notably defending an ally from external aggression. But whatever our judgment, it should not be made on the basis of revenge.

But suppose the tripwire theory is valid after all. In that case, since in most countries existing U.S. force levels are not sufficient to meet a full-scale attack, a token force would serve the same purpose. If Japan were the victim of a massive conventional attack, for example, 50,000 troops would hardly be adequate. And in a nuclear attack they wouldn't be of much use either. From the point of view of the tripwire theorist, all we would need is a token force to get shot at.

Why, then, is there so much scare talk about overseas troop cuts?

I believe that much of the scare talk would subside if more people, both in the Administration and the Congress, did some clear thinking about the basic questions underlying the overseas troop issue:

What is the purpose of a foreign policy commitment?

What is the nature of the threat against which that commitment should be measured?

What is the relationship, if any, between that commitment and the number of U.S. troops stationed on foreign soil?

There are no definitive answers on these questions. Much depends on the eye of the beholder. But since we in the Congress represent a very important group of beholders—the American people—it is up to us to do some clear thinking.

Let me suggest a few brief answers to the questions I have posed.

To begin with, a foreign policy commitment must be definite and practicable. We cannot commit ourselves to jump over the moon or to shelter a hopelessly unpopular government from internal disturbances. Nor can we create viable governments when there is no will to reform.

What we can do is to provide outside support to our allies against foreign attack.

Today we have the capability of doing a great deal more that is very dubious. We can intervene in other people's civil wars; we can ship weapons to foreign armies in an unending stream, we can carry out covert counter-insurgency programs when revolution rears its head, and we can continue to ship bundles of money overseas—$200 billion in economic and military aid to East Asia and the Pacific alone since 1946.

But all these steps are means and not ends. They cannot necessarily guarantee the preservation of our basic interests, which to my mind include:

The avoidance of war, especially nuclear war;

A reduction in the ruinous level of military spending;

The alleviation of global hunger and disease;

The preservation of democratic governments; and

Reasonable access to markets and supplies within a trade and monetary system that is both stable and equitable.

It is unreasonable to expect the men and women of the U.S. armed forces, and the taxpayers who support them, to enter into or perpetuate alleged "commitments" that depart from the basic thrust of these goals.

The threats against which existing commitments should be measured vary greatly.
The danger of outright aggression can by no means be dismissed, but it is certainly less likely now than it was in the late 1940s and 1950s when we first began to station so many troops in these lands.

A more common threat comes from within: the threat of revolutionary violence directed against existing governments. In the same spirit that I mentioned before—committing ourselves to do only what is possible—we should help only those governments which are making a reasonable effort to correct the conditions that gave rise to violence in the first place. The conditions that spark insurgency—economic injustices, poverty, discrimination, corruption, and severe inflation, to name a few—are simply too crushing for us to deal with alone.

Finally, there are very serious threats to a stable and peaceful world that are not violent: recessions, inflation, speculation, trade wars, and unemployment. These in turn can breed an atmosphere of apathy, disillusionment, and despair.

I make these points because they should be part of a meaningful debate on troop cuts. We should not measure the value of our military presence overseas solely in terms of the survival of a particular government—be it the Park dictatorship in Korea, or the Marcos regime in the Philippines. And yet that seems to be the essence of the much-vaunted Nixon Doctrine: shore up friendly governments, even if they are repressive dictatorships, by all means possible, including all military means except for a land invasion. That Doctrine spares American lives, but it does not bring us much closer to global peace and true stability.

My colleague from Missouri, Senator Stuart Symington, a highly respected member of the Senate Armed Services and Foreign Relations Committees, has often stated that our national security rests on three factors:

First, the strength of our institutions;
Second, the soundness of the dollar and our economy; and
Third, the certainty that we can overwhelmingly retaliate against any enemy that might attack us.

The first of these factors, the strength of our institutions, has been brought into question because of recent shattering events in our history.

The second, the soundness of the dollar and our economy, has been weakened by two dollar devaluations and by serious inflation. The high level of overseas military spending has substantially contributed to this erosion.

The third, America’s retaliatory capability, has been undermined by the suspicion—shared by many—that our military budget is too high. When critics of this high level of spending see that it is impossible to cut down on overseas military spending, then they strike at other, more crucial parts of that budget.

Finally, I would like to point out, that American jobs are at stake. By employing some 150,000 foreign nationals, and by supplying income for foreign businesses around those bases, we contribute to further unemployment at home. For some reason, our bases in the United States are shut down instead.

Mr. Chairman, I hope the Subcommittee will agree with the perspectives I have outlined. In closing, I want to reiterate that it is high-time we stopped waiting for the White House. By now it has become clear that no one else is going to cut troops for us. No one else is going to redefine the meaning of an American foreign policy commitment. We have to do these things ourselves.

With the help of this Subcommittee, we are on our way.

Thank you very, very much.

Additional Questions Submitted by Representative Nixon

Balance of Power

Question 1. Are we assuming new obligations in Asia when Government witnesses talk about maintaining stability in an area such as Korea? Does this include stationing American troops abroad in order to neutralize the Soviet Union or the Peoples Republic of China?

Answer. When the Administration talks about “maintaining stability” in Korea, it sounds very much like a new commitment. Our original purpose there was to defend South Korea against aggression. But the Pentagon now thinks that aggression is unlikely, and that even in the event of a war the South Koreans could handle the ground fighting by themselves. So the idea of “neutralizing” the USSR, or China strikes me as a new and disturbing rationalization for maintaining the status quo:

Question 2. Does the balance of power theory imply that American troops should be kept in Asia as a balance wheel between the Peoples Republic of China and the Soviet Union?
Is this a new mission for our Asian garrisons?
Answer. I fail to see how balance of power requirements—if they are valid at all—add up to keeping troops in Asia. If the Russians and the Chinese can't get along, that is their problem. Does anyone seriously expect that we will throw ourselves down between them and get caught in the middle of a war? Fortunately, I think that both Peking and Moscow have learned to keep their antagonism within reasonable limits.

Question 3. What political factors could be involved, in your opinion, which would be strong enough to keep 68,000 American men in South Korea, when the Republic of South Korea maintains armed forces of 600,000 men with a reserve of a million men?
Answer. None. Absolutely none. The Administration seems committed to shoring up the Park dictatorship, despite the most flagrant abuses of civil liberties. That is the only "political" factor I can think of, and I reject it outright.

WITHDRAWAL TO MID-PACIFIC BASES

Question 4. What security function cannot be served by maintaining a strong naval-marine team on U.S. territory in the Mid-Pacific, along with long range air bases in place of Asian garrisons?
Answer. I don't know.

Question 5. Is the objection to such a positioning of our forces one of cost due to a long range base structure?
Answer. I doubt it. The cost of living in Japan is already exorbitant, and expenses in Korea are rising rapidly.

Question 6. Would there be objection to a lack of speed in use of such forces in a day of intercontinental ballistic missiles, jet aircraft, and constantly moving fleets which can remain at sea for long periods of time?
Answer. Possibly. But as you point out, many new weapon systems have been justified in the name of long-range capability and mobility—the very characteristics that permit us to carry out substantial withdrawals from Asia without risk to our security.

Question 7. Would the National Security Bureaucracy have an interest in maintaining Asian garrisons beyond defense needs there, or even political matters relating to allies or rival governments?

(There is a point of view that one reason for keeping our Asian garrisons is that the army wouldn't know where to station them on U.S. territory and it protects their budget, even though U.S. bases would benefit our own economy).

Answer. Quite possibly. But you are asking me to second-guess the motives of decisionmakers with whom I don't agree.

THE TRIP WIRE THEORY

Question 8. What is the Trip Wire Theory and is it a form of giving American hostages to our allies who will not rely on our commitments to them otherwise?
Answer. You have raised a favorite subject of mine. Permit me to comment more extensively.

Pressure from Congress for overseas cutbacks often evokes fear on the part of other governments that a troop withdrawal would signify the end of a meaningful American commitment. In their view, American troops are a human tripwire guaranteeing American military involvement, should hostilities break out. Rational calculations that might keep us out of a given war will supposedly be swept aside by the sight of U.S. boys bleeding on the battlefield. There is a corresponding conviction that without such a heartrending stimulus we would selfishly abandon an ally to an enemy's attack.

I do not believe that the trip wire theory is valid. After all, Americans began to die in Indochina from 1961 on, but the decisive escalation did not take place until 1965. We sent troops to the Dominican Republic in 1965 not because American boys were dying, but because we believed—rightly or wrongly—that the survival of the government of Juan Bosch was contrary to U.S. interests.

Nor is the trip wire theory a wise foundation on which to base a decision to go to war. If a conflict breaks out overseas, there may be many good reasons for getting involved, most notably defending an ally from external aggression. But whatever our judgment, it should not be made on the basis of revenge.

But suppose the trip wire theory is valid after all. In that case, since in most countries existing U.S. force levels are not sufficient to meet a full-scale attack, a token force would serve the same purpose. If Japan were the victim of a massive
conventional attack, for example, 60,000 troops would hardly be adequate. And in a nuclear attack they wouldn't be of much use either. From the point of view of the trip wire theorist, all we would need is a token force to get shot at.

So you see, Mr. Chairman, I think the trip wire theory is a very shaky idea.

WAR OF ATMIRITION

Question 9. Has not Vietnam shown that waging a war of attrition against guerrilla forces in a jungle results in high American casualties and the replacement of guerrilla forces by outside aggressors such as the North Vietnamese for no net gain?

Answer. It certainly has. I just don't think we should fight another Vietnam-type war in Asia, and I base my opinion on military grounds as well as on political and moral ones.

Question 10. Therefore, can it be said that keeping American troops on the Asian mainland serves a useful purpose when our allies as well as our enemies have access to large Asian populations?

Answer. I cannot see that our current force level on the Asian mainland—or anything like it—serves any useful purpose.

Question 11. Wasn't this the very reason for the so called Nixon doctrine of 5 years ago, which proclaimed that Asian allies must provide their own troops for their battles while we provided naval forces and a nuclear umbrella for protection from outside attack, if necessary? What happened to the Nixon doctrine?

Answer. That's a good question: what happened to the Nixon doctrine? If our allies are supposed to do the fighting for themselves, I just don't see why we have to have 151,000 troops in Asia (167,000 if you count the Seventh Fleet.)

THAILAND

Question 12. Why do we keep 35,000 airmen at bases in Thailand whose only purpose is bombing in Indochina which is specifically banned by Act of Congress?

Answer. An outrageous kind of posturing is going on here. I do not believe that Congress would consent to the renewed bombing of North Vietnam. It is possible that the presence of those airmen has something to do with the war in Cambodia. If so, that is outrageous, too.

Question 13. If all-out war begins again in South Vietnam and the President intervenes again, regardless of statute, wouldn't strategic bombing be useless since it would have to be assumed that the North Vietnamese and their satellites would have a year's supply on hand to carry out an offensive?

Thus, wouldn't our B-52's be reduced to being used as tactical weapons, a function the South Vietnamese could fulfill better by use of their own artillery?

Answer. I can't answer that question with any certainty, but it strikes me as plausible reasoning. North Vietnam has already shown itself to be extraordinarily resistant to massive bombing.

Mr. Nix. The subcommittee will stand adjourned.

(Whereupon, at 2:15 p.m., the subcommittee was adjourned.)
OUR COMMITMENTS IN ASIA

WEDNESDAY, JUNE 26, 1974

House of Representatives, Committee on Foreign Affairs, Subcommittee on Asian and Pacific Affairs, Washington, D.C.

The subcommittee met at 2:30 p.m. in room H-236, the Capitol, Hon. Robert N. C. Nix [chairman of the subcommittee] presiding.

Mr. Nix. The subcommittee will come to order.

The purpose of our meeting today is to obtain or seek to obtain an acceptable explanation from our representatives who are present as to their point of view relative to our obligations in East Asia.

The prevailing understanding among the vast majority of the people of America seems to be that vast expenditures of money will be necessary for the present as well as for the unforeseeable future. My contact and association indicate to me that the American people are asking whether or not the above is true; and if true, why is it necessary? I think the questions are legitimate and deserve an answer.

In my judgment, it is fair to say that the American people had implicit confidence in the spokesmen of the Government; and while a great measure of confidence is still existent, it is my impression that there is a pressing need for reassurance which is the most important reason why the explanation sought should be forthcoming.

Today we are privileged to hear witnesses who have served our Government with distinction for many years. Their service, of necessity, brought them in direct contact with the situation that resulted in our participation in East Asian affairs as well as with our commitments wherever those commitments are to be found. I therefore look forward to a most interesting and enlightening session.

Ambassador Hummel, it is a pleasure to meet with you once again. Your lifelong service to your country and to our country on Asian issues is a record that reflects great credit on the Department of State and on the service which you have rendered.

Would you please introduce your associates. You may begin your testimony whenever you are ready.

STATEMENT OF HON. ARTHUR W. HUMMEL, JR., ACTING ASSISTANT SECRETARY OF STATE, BUREAU OF EAST ASIAN AND PACIFIC AFFAIRS

Mr. Hummel. Thank you very much, Mr. Chairman, for your introduction and for your kind words. It is a great privilege and pleasure for me and my colleagues to appear before this subcommittee this afternoon.
Perhaps I will ask each of my colleagues to identify themselves.

Mr. NETHERCUT. I am Richard D. Nethercut, Regional Affairs, East Asian Bureau.

Mr. WENZEL. I am Robert H. Wenzel, East Asian Bureau.

Mr. LADD. My name is Jonathan F. Ladd. I am Director of Security Assistance and Sales in the Department of State.

Mr. SMITH. My name is Douglas Smith. I am Special Assistant to Vice Admiral Peat, Director of the Defense Security Assistance Agency, Department of Defense.

Mr. NIX. Welcome, gentlemen.

Mr. HUMMEL. Mr. Chairman and gentlemen, in line with the deep and continuing interest of this subcommittee in United States security policies in East Asia, and in view of the fact that our request for economic and security assistance funds for that region is now before the Congress, I propose to discuss briefly the relationship between these two issues—the relevance of our aid programs to United States security strategy and to the overall policy goals of the United States in East Asia. At the conclusion of my presentation I will be glad to answer your questions.

In discussing security strategy one should first identify the goals which that strategy is designed to achieve. There are essentially two fundamental goals of U.S. policy in East Asia. The first of these is to work toward improved relations among the major powers whose interests intersect in the region—the United States, Japan, China and the Soviet Union. We wish to achieve and preserve a stable equilibrium among these powers in which each recognizes and respects the legitimate interests of the others and tacitly agrees to pursue its own interests with restraint. In this way traditional hostilities can be muted, tensions relaxed and the possibility of destabilizing actions and even open conflict effectively diminished.

The second of our fundamental goals is to encourage among the smaller nations of the region a condition of peaceful, evolutionary development. As those nations become confident of their security, their political identity and their economic prospects, the likelihood decreases that intraregional conflicts—born of fear, suspicion and poverty—will arise to threaten the stability and progress of the area. In this respect, these two goals are mutually supportive: Only by reducing tensions among the major powers can a sense of security and confidence be instilled among the smaller nations which encourages them to devote their full attention to the tasks of peaceful development; and only in an atmosphere of relative stability and prosperity among those smaller nations will conflicts be averted which could engage the major powers, undermine the nascent understanding which has emerged among them and thereby threaten the peace of East Asia and the world.

U.S. security strategy in the region is well attuned to these primary goals and has contributed significantly toward their achievement. By maintaining a credible military presence in East Asia, the United States has furthered rather than obstructed the process of détente—for a reduction of tension among the major powers in the region cannot proceed without reference to considerations of strength and resolve.
In East Asia, as in any other area of the world, genuine and durable rapprochement requires that adversaries deal with one another as respected equals. Only insofar as the Communist powers perceive the United States as actively engaged in the region will they find it in their interest to seek accommodation and cooperation with us. By affirming our concern for the security of the smaller nations of the region, as expressed in informal treaties and in informal ties of friendship, we have provided an important and widely appreciated element of stability in an era of rapid change and have signaled to the other major powers our intention to pursue an active role in the region.

In his April 6 appearance before this subcommittee, Mr. Ingersoll discussed at length the extent of our military presence in the region, the nature of our commitments there and the relationship that those aspects of our security strategy bore to our overall interests in East Asia. But in an important sense, “security strategy” is not limited to a military presence and treaty commitments. Significant additional elements in that strategy are our assistance programs and they, too, have contributed to the achievement of our fundamental policy goals in the region.

On the one hand, our assistance programs constitute tangible evidence of our concern for the security of our friends and allies in East Asia. In conjunction with our treaty commitments and our force presence they help to reassure our friends—and remind our adversaries—that the United States continues to play an active, balancing role in the area. On the other hand, our programs of economic and security assistance provide substance to the Nixon doctrine concept of shared responsibilities for defense and development. Our economic aid is an essential ingredient in the accelerated economic, political and social development which many of the nations of East Asia need and which continued regional stability requires.

Similarly, our security assistance programs have enabled those nations to provide increasingly for their own defense. By so doing, they have made possible progress toward an important corollary objective of U.S. policy in the region—to shift gradually from a primary to a supportive role as the defensive capabilities of our friends and allies increase. Were such assistance to be curtailed drastically, further adjustments in our role, particularly in terms of our military presence, could not be made without affecting the peace and stability of the area.

The nations of East Asia have responded impressively to the challenge posed by the Nixon doctrine precept of “burden sharing.” They have, in fact, assumed a larger share of the responsibility for their security and their development, effectively marshaling their own talents and resources and making the best possible use of the outside assistance they have received. As a result, the United States has been able, gradually, to reduce its direct role and its responsibilities as these nations become more self-reliant and as tensions in the area diminish. For example, American forces in East Asia have decreased by more than 600,000 in the past 5 years and by 400,000 even excluding our withdrawals from Vietnam. That this has been accomplished without undermining the stability of the region is due, to an important extent, to our assistance programs.
It should be noted also that in terms of security and economic assistance, as well as with respect to the maintenance of the security of the region, the United States has welcomed the active involvement of other developed nations in the Western World. Thus, we have taken a leading role in organizing and participating in aid consortiums in the region, such as the Intergovernmental Group on Indonesia, and we have supported the increasing role of such international financial institutions as the International Monetary Fund, the International Bank for Reconstruction and Development and the Asian Development Bank. Similarly, we place a high value on the commitment of other Western nations to the security of the region as manifested in such organizations as SEATO and the Five Power Defense Arrangements, which has helped to successfully maintain the peace and stability of the area.

The relationship between U.S. economic and security assistance and our security strategy and broad policy goals is nowhere more apparent than in Indochina. Our aid to Vietnam in the "Vietnamization" program was the first and most striking example of burden sharing. Because of the success of that program we were able to terminate our own direct military involvement in the conflict without forsaking the purpose of our moral commitment there—to leave behind a viable South Vietnam whose people could themselves determine their political future.

The central objective of our continuing assistance to Vietnam and the other Indochina countries is to support and preserve the rough balance of forces there—a balance which made possible the movement toward peace, and toward great power disengagement, which has thus far taken place. This is in turn vital to the worldwide structure of peace we have sought to build. Failure to uphold our obligations in Indochina, and to sustain the purposes they reflect, would have a corrosive effect upon the credibility of our commitments far beyond Indochina and would thereby reduce our ability to conduct effective diplomacy worldwide.

I should add that it is my strong belief that reduced aid to South Vietnam, Cambodia and Laos would not bring us closer to a complete peace. It is North Vietnam—not the South—which has blocked full implementation of the Paris Agreement. It is the Cambodian Communists backed by their North Vietnamese allies—not the Government of the Khmer Republic—which prolongs the warfare in Cambodia. And it is North Vietnam—not the people of South Vietnam, Cambodia or Laos, not the cause of a just peace and not the broader security interests of the United States in East Asia—which would benefit from reductions in our aid.

The relationship of our economic and military aid to our security strategy is also clear in the other countries to which we provide significant assistance—Korea, Indonesia, the Philippines and Thailand. These nations have legitimate self-defense needs which can only be met by a measure of outside assistance. Such assistance, by strengthening their sense of confidence and security, increases their readiness to deal openly and cooperatively with their neighbors and to negotiate with their adversaries.

For example, the maintenance of a militarily secure Republic of Korea is essential to the avoidance of hostilities with the north and,
indeed, to the process of accommodation on the Korean peninsula. For
the nations of Southeast Asia, military assistance is important in their
efforts to achieve self-sufficiency in defense and reinforces the en-
couraging trend toward cooperation and stability in the region.

Similarly, in order to sustain the progress these nations have made
in economic development, additional assistance is still required. They
have shown an impressive ability to use aid effectively in meeting
their most critical developmental needs. By providing such assistance,
the United States can further strengthen the emphasis these nations
have placed on the tasks of peaceful development.

Before closing I would like to acknowledge one additional concern
which has been expressed a number of times in the current foreign
assistance legislation hearings, and which we in the Department
share: that many of the governments to which we provide economic
and security assistance pursue internal policies in conflict with
American democratic values. As Mr. Ingersoll pointed out in his tes-
timony before the full House Foreign Affairs Committee on June
13, our assistance programs do not constitute an endorsement of such
policies, or even of the governments which pursue them. To the ex-
tent possible, our aid is designed to promote the economic well-being
of the people of recipient nations, to enhance their security and, in
the larger sense, to promote the stable and relatively prosperous en-
vironment which we believe should be a major goal of American
policy in the region—an environment in which the interests of the
East Asian peoples, and the cause of peace, can be advanced.

Several times in this century it has been demonstrated that in-
stability and conflict in East Asia threaten the security and well-being
of the United States. It is therefore of fundamental importance that
we do what we can to reduce tensions among the major powers in-
volved there, to continue playing a role of reassurance and support,
and to create an atmosphere conducive to peaceful development
among the smaller nations of the region. I believe our policies have
contributed significantly to that end, helping to sustain the hopeful
evolution from an era of confrontation to one of cooperation in East
Asia. As a integral part of those policies, our assistance programs are
thus important—and I believe have been effective—in advancing the
larger goals of America in the region.

Thank you, Mr. Chairman:

Mr. Nix. Thank you, Mr. Ambassador.

Now, Mr. Ambassador, I would like to ask what other countries in
East Asia for which we extended aid, and I mean either economic or
military aid.

I would like further to ascertain when the extension of that aid
began and whether it is now being given.

Further I should like to know the approximate total aid given to
each of the East Asian countries from the beginning to date after
that information is obtained.

I am going to follow up by asking you to describe the rationale of
the actions of the U.S. Government in deciding to begin the aid pro-
gram as requested because. I am concerned to know what benefits
accrued to the United States of America because of the activities as
to aid to economic and otherwise, in what way it was engaged.

That is one of my concerns. That is a question to which I would be
pleased to have answers.
Mr. Hummel. Mr. Chairman, may I ask leave to supply the answer to the statistical parts of your question for the record?

Mr. Nixon. That is perfectly satisfactory, Mr. Ambassador.

[The information follows:]

NIX SUBCOMMITTEE HEARINGS ADDITIONAL QUESTIONS

Question 1. What countries in East Asia have received United States economic or military aid?

Answer 1.

<table>
<thead>
<tr>
<th>Country</th>
<th>Economic (in millions of dollars)</th>
<th>Military (in millions of dollars)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Australia</td>
<td></td>
<td>1946-74</td>
</tr>
<tr>
<td>Burma</td>
<td></td>
<td>1946</td>
</tr>
<tr>
<td>Cambodia</td>
<td></td>
<td>1946</td>
</tr>
<tr>
<td>Republic of China</td>
<td></td>
<td>1946</td>
</tr>
<tr>
<td>Indonesia</td>
<td></td>
<td>1946</td>
</tr>
<tr>
<td>Laos</td>
<td></td>
<td>1946</td>
</tr>
<tr>
<td>Malaysia</td>
<td></td>
<td>1946</td>
</tr>
<tr>
<td>New Zealand</td>
<td></td>
<td>1946</td>
</tr>
<tr>
<td>Philippines</td>
<td></td>
<td>1946</td>
</tr>
<tr>
<td>Singapore</td>
<td></td>
<td>1946</td>
</tr>
<tr>
<td>South Korea</td>
<td></td>
<td>1946</td>
</tr>
<tr>
<td>South Vietnam</td>
<td></td>
<td>1946</td>
</tr>
</tbody>
</table>

Note: There were also very small economic assistance programs in Hong Kong, Brunei, Papua (New Guinea), Western Samoa and several other islands in Oceania.

Question 2. When did the aid programs begin in each of these countries?

Answer 2.

<table>
<thead>
<tr>
<th>Country</th>
<th>Economic (termination dates)</th>
<th>Military (termination dates)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Australia</td>
<td>1946-74</td>
<td></td>
</tr>
<tr>
<td>Burma</td>
<td>1946</td>
<td>1949-71</td>
</tr>
<tr>
<td>Cambodia</td>
<td>1946</td>
<td>1946-65</td>
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<td>Republic of China</td>
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<td>1946-65</td>
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<td>Laos</td>
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<td>1946</td>
<td>1946-65</td>
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<td>New Zealand</td>
<td>1946</td>
<td>1946-65</td>
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<tr>
<td>Philippines</td>
<td>1946</td>
<td>1946-65</td>
</tr>
<tr>
<td>Singapore</td>
<td>1946</td>
<td>1946-65</td>
</tr>
<tr>
<td>South Korea</td>
<td>1946</td>
<td>1946-65</td>
</tr>
<tr>
<td>South Vietnam</td>
<td>1946</td>
<td>1946-65</td>
</tr>
</tbody>
</table>

Note: Termination dates of the programs are included if applicable. Please note also that programs during some years may have been very small but they are included in the chronological for purposes of completeness.

Question 3. What are the aid totals for each country?

Answer 3. 1946-74

<table>
<thead>
<tr>
<th>Country</th>
<th>Economic</th>
<th>Military</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Australia</td>
<td>2,100</td>
<td>122.70</td>
<td>2,222.70</td>
</tr>
<tr>
<td>Burma</td>
<td>100.40</td>
<td>81.50</td>
<td>181.90</td>
</tr>
<tr>
<td>Cambodia</td>
<td>576.40</td>
<td>1,006.50</td>
<td>1,582.90</td>
</tr>
<tr>
<td>Republic of China</td>
<td>2,207.20</td>
<td>3,503.60</td>
<td>5,710.80</td>
</tr>
<tr>
<td>Indonesia</td>
<td>1,805.60</td>
<td>174.30</td>
<td>1,979.90</td>
</tr>
<tr>
<td>Laos</td>
<td>5,000.00</td>
<td>6,182.40</td>
<td>11,182.40</td>
</tr>
<tr>
<td>Malaysia</td>
<td>885.40</td>
<td>89.40</td>
<td>974.80</td>
</tr>
<tr>
<td>New Zealand</td>
<td>52.50</td>
<td>42.90</td>
<td>95.40</td>
</tr>
<tr>
<td>Philippines</td>
<td>1,539.50</td>
<td>1,123.71</td>
<td>2,663.21</td>
</tr>
<tr>
<td>Singapore</td>
<td>2.50</td>
<td>26.90</td>
<td>29.40</td>
</tr>
<tr>
<td>Thailand</td>
<td>865.80</td>
<td>1,182.10</td>
<td>1,047.90</td>
</tr>
<tr>
<td>South Vietnam</td>
<td>6,066.10</td>
<td>15,744.70</td>
<td>21,810.80</td>
</tr>
</tbody>
</table>

Note: The totals include provisional figures for fiscal year 1974.
Question 4. What was our rationale for engaging in assistance programs in those countries whom we have aided in Asia?

Answer 4.

AUSTRALIA AND NEW ZEALAND

As countries bound to the United States on the basis of language, democratic political systems and continuing concern for security throughout the Pacific area, Australia and New Zealand have provided important aid and assistance to the United States in its program of trying to secure a peaceful and progressive Pacific area. We also felt a sense of obligation to assist these staunch World War II allies in meeting the difficulties of the post-war period.

BURMA

The Union of Burma is a non-communist socialist country which is attempting to find a middle road development path between East and West. U.S. aid to Burma was begun to maintain an American presence there and to demonstrate some measure of support for a country not formally aligned with either power bloc. This small program of support has contributed to the Burmese Government's increasingly cooperative attitude towards programs aimed at the suppression of narcotics production.

CAMBODIA

Aid to Cambodia was begun in aftermath of the French colonial defeat in Indochina. U.S. aid was designed to help re-establish political stability and to enable the local government to develop its own economic and military resources necessary to resist communist subversion and attack.

REPUBLIC OF CHINA

A long and close historical friendship between the United States and China underlay the immediate post-war response of aid and assistance to China. The deprivations of a long and especially brutal war had left the country in shambles. Large amounts of economic aid were needed to prevent total collapse and starvation. Increasing dissonance between the communist and non-communist forces caused great concern in this country. The pressure of the communist forces in China was seen as a part of a worldwide communist move toward international domination and such a prospect seemed seriously inimical to United States national interests.

INDONESIA

U.S. aid to Indonesia began in the aftermath of the successful struggle for national independence from the Netherlands. Following the destruction of World War II and the four-year independence struggle, the economy of the country was seriously disrupted, and the population was in need of emergency aid.

In the mid-1960s, as our relations with the Sukarno regime deteriorated, American aid was brought to an end and our economic and military assistance missions were withdrawn. Following the abortive communist coup of 1965 and President Subarto's accession to power which, resulted in a marked reorientation of Indonesia's domestic and foreign policies, American aid resumed in 1967.

Our rationale for aid to Indonesia in the post-Sukarno era recognizes both the importance of Indonesia and its needs. With a per capita income of only about US$100, Indonesia is still one of Asia's poorest nations. The largest country in Southeast Asia, with half the population and over 40% of the territory in the region, Indonesia is a key factor in the future of that troubled area.

JAPAN

Japan's economy lay in ruins at the end of World War II. Particularly with the onset of the cold war and the outbreak of hostilities in Korea, we came to believe that an economically weak Japan served neither our security interest in East Asia nor our interest in fostering the development of democratic institutions in Japan. This paralleled our interest in contributing to the reconstruction of war-ravaged economies in other areas of the world. We believe our assistance, which was phased out as Japan completed its recovery, contributed greatly to the maintenance of security in Northeast Asia and to the establishment in Japan of a stable economic base for democratic institutions.
KOREA

Following World War II and again after the Korean War (1950-53), South Korea was at the lower end of the less-developed category. Thirty-five years under Japanese rule had emphasized agriculture and the simplest type of industry. There was little, if any, managerial capability and no effective managerial experience. Democratic government had no precedent in Korean history. After World War II, there was a great influx of about a million people from North Korea, exacerbating the short supply situation, over-population, and unemployment of South Korea. The Korean War largely violated whatever gains the ROK had made prior to 1950. After a decade of patient and effective U.S. assistance to the ROK, the economy began to respond in the early sixties and since then has not only maintained but accelerated its rate of growth. During the same period, the ROK developed the confidence necessary to build a viable and self-reliant nation. This came about as a result of the U.S. military presence and military assistance which provided the security without which the economy could not have developed.

Grant economic assistance was terminated in 1971. Virtually all economic assistance will cease this fiscal year, although PL-480 credit sales are expected to continue for the short run. Military assistance is evolving from grant to credit sales. Korea's economic progress is a vindication of the assistance extended by the U.S. and a confirmation of our belief in the energy and industry of the people of Korea.

LAOS

As part of the vast Indochina battlefield in which communist-dominated insurgency movements eliminated French colonial power, Laos has played a pivotal role in the American aspiration to establish an Indochinese peninsula stable and free from outside interferences. Aid to Laos was largely predicated on the need to help resist communist subversive and attack which found that country being used as a base for military incursions into neighboring states.

MALAYSIA

U.S. aid to Malaysia was designed to offer tangible proof of U.S. interest in that country's development. The bulk of our military assistance to Malaysia has taken the form of FMS credits to facilitate the sale of U.S. products in Malaysia as against the offerings of foreign competitors.

PHILIPPINES

As a former dependency of the United States whose drive toward full independence was seriously hampered by World War II, the United States has felt a special obligation to the welfare and development of the people of the Philippines. Our aid program was designed to fulfill this obligation and to help the Filipinos defend themselves from the threats of external aggression and internal subversion.

SINGAPORE

Singapore has received only a small amount of U.S. assistance. This has helped it to meet virtually all of its needs by itself, and our aid program is designed to show the goodwill and interest of the U.S. in the success of this country. The small PL-480 programs, which have terminated, were designed to meet local food deficits while the FMS transactions have directly benefited U.S. exporters.

THAILAND

The purpose of U.S. assistance has been to help Thailand to become a more economically developed, self-reliant and stronger nation, thereby contributing to conditions of stability and peace in Southeast Asia and the maintenance of friendly and cooperative relations between the United States and Thailand. Our aid has served to demonstrate our desire to work together with the new Thai civilian government. In meeting the changing conditions in Thailand, Southeast Asia, and the world at large, U.S. military assistance was originally designed to strengthen Thailand's capability to resist an external attack and more recently has also served to improve that capability for dealing with an externally supported communist insurgency. Military assistance also enhances Thai confidence in continued U.S. support for Thailand seeks to adjust its foreign policy to the lessening of confrontation and the advent of detente.