SOUTH VIETNAM

The American aid program began as a part of our policy to assist a former colonial dependency to achieve a viable national independence in the face of North Vietnamese communist subversion and aggression. The inability of other Western states to contribute toward this goal in the post-World War II, Vietnam was a serious problem in the furtherance of western-oriented political goals in Southeast Asia. In this post-war vacuum, the United States believes that it had an obligation to re-establish its presence in the area in an effort to provide to the people of South Vietnam alternatives and support for non-communist programs of national development.

Question 5. What benefits accrued to the American public as a result of our aid programs?

Answer 5.

AUSTRALIA AND NEW ZEALAND

The American aid program encouraged the development of strong and substantial economic and trade ties between Australia and New Zealand and the United States. In addition, since the bulk of the U.S. aid consisted of FMS credits, the actual purchases of U.S. equipment directly benefited the U.S. economy.

BURMA

The small aid program to Burma shows the continued interest of the United States in the successful development of nations not necessarily aligned with us on all issues but nevertheless willing to cooperate on matters of interest to the United States. Burma’s positive response to our efforts to curb illicit narcotics traffic is a case in point where the spirit of cooperation supported through the aid program directly benefits American society.

CAMBODIA

The early American aid programs were designed to enable the Cambodian people to re-establish a political system of their own choosing. The benefits to the American public were a fulfillment of their obligation to help re-establish an environment where peaceful, independent development could occur.

REPUBLIC OF CHINA

The aid program to China enabled the American people to meet their moral obligation to assist a friendly country heavily damaged by a war not of their own making.

Our aid was an essential element in one of the most dramatic economic success stories in post-war history. We were able to aid our aid program to an area which now accounts for $8.8 billion (1974) in two-way trade and has welcomed nearly $4 billion in U.S. investment. Without our assistance—and their hard work—this would not have been possible.

INDONESIA

The U.S. enjoys friendly and cooperative relations with Indonesia in part at least, because we have traditionally assisted the Indonesian people in their struggle for independence and a better life. Apart from our concern for the future international role of a prosperous and stable Indonesia, we have significant interests in Indonesia in the form of private investments totaling some $1.9 billion and in access to the great resources and growing markets of the world's fifth largest country. During the recent oil embargo, Indonesia continued to produce and export its oil, as usual.

JAPAN

The American public has suffered greatly as a result of the expansionist policies of pre-1945 Japan. It was logically reasoned that a democratic and economically developing Japan would not be tempted to pursue an aggressive and expansionist foreign policy. Our aid program helped make possible a permanent transition from the dependent political system to one in which foreign policy goals are pursued in a peaceful context. A peaceful and prosperous Japan has become a major American trading partner while at the same time the country helps to supplement a mutual defense effort through contributions of men, material, and base rights.

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The U.S. is obviously interested in the evolution and perpetuation of a democratic, free enterprise, competitive Korea in the world family of nations. The risk of conflict is ever present on the Korean peninsula, because of the aggressive designs of North Korea. Moreover the treaty commitments and interests of the Soviet Union, People's Republic of China, and the United States intersect in this region. We do not wish to become involved again in a war in Korea and we believe this can be avoided in large part by the development of an economically strong, militarily self-reliant Korea. Our assistance to the Republic of Korea has been tailored with the objective in mind of helping to develop against a hostile North, a strong nation increasingly able to stand on its own. We believe that such a posture offers the best hope for peace on the peninsula.

Economically our assistance has helped to develop Korea into an important trading partner which benefits the American producer. The Republic of Korea is now the thirteenth largest market for U.S. exports and all indications are that it will become an even more important market for U.S. exports.

LAOS

Laos has been a country whose efforts at modernization and self-development have been frustrated by the many years of war which have racked the Indochinese peninsula. Our aid program benefits the American people by enhancing the peaceful development prospects for this country and by helping to reduce the threat of renewed and greater conflict which might pose problems for the current progress of détente.

MALAYSIA

The small American aid programs to Malaysia benefited the American public by facilitating the development of good bilateral relations and by assisting this strategically-located country to develop its own defense capabilities, thus contributing to the stability of the region. (Except for our Peace Corps and a now ended PL-480 Title II program, we do not have nor did we ever have a bilateral economic assistance program for Malaysia).

PHILIPPINES

The Philippines suffered greatly from the destruction generated by World War II. The American plan to aid this country to full independence was greatly handicapped by the massive reconstruction which was needed after the war. American aid at that time was used to meet the obligation of the American people to assist the people of the Philippines start on the road toward economic recovery and independence. The strong economic and political orientation of the Philippines toward the United States has been reinforced and underscored by the expression of support that the American aid program means to the government and people of the Philippines.

SINGAPORE

The small American aid program to Singapore is an expression of the interest of the people of the United States in the safety, welfare and continued economic development of the people of Singapore. This expression helps pave the way for the development of favorable economic and political relations which benefit the American public as a whole.

THAILAND

A stable and friendly Thailand has been and continues to be of great importance to U.S. interests in that area of the world. U.S. assistance to Thailand over the years has both contributed to Thailand's steady economic growth and enhanced Thai willingness to cooperate with the U.S. on a broad range of endeavors. Two of the many examples of the direct benefits which have accrued to the U.S. as a result of this cooperation are the tremendous savings realized through our access to Thai bases during the course of the Indochina war and Thai efforts to eliminate the production of and suppress the traffic in illicit drugs in and through Thailand.

SOUTH VIETNAM

The American people through its government assumed an important obligation to assist the people of Vietnam to resist the imposition by force of a com-
munist government. The aid program enables the American people to meet this obligation. Aid was a necessary concomitant to U.S. military involvement; it is all the more necessary following U.S. military disengagement, if South Vietnam is to remain independent and viable.

Question 8. What benefits accrued to the United States as a result of our aid programs in that area of the world, and what was the rationale for our having started aid?

Answer 8. In his June 7 appearance before the Senate Committee on Foreign Relations Secretary of State Kissinger stated that: “Our economic assistance is designed to reinforce developing nations’ efforts to bring a better life to their citizens, increasing their stake in a cooperative global economy at a time when events threaten to divide the world anew—between North and South, developed and developing, consumer and producer. Our security assistance is designed primarily to help others strengthen the peace in areas where it is threatened and to provide a framework of cooperation that will prevent new threats from emerging.

From this perspective it is possible to see these programs for what they are—not as “do good” programs, but as the vital tools through which we help to build an international climate conducive to American interests.”

The United States as a nation with global interests and responsibilities must deal with Asia on the basis of enlightened self-interest. In this regard, the United States Government pursues two major policy goals for the area. They are to work toward improved relations among the major powers whose interests intersect in the region and to encourage among the smaller nations of the region a condition of peaceful, evolutionary development.

America benefits from a peaceful world where an international spirit of détente enables ideas, traditions, and products to compete in an environment free from the threat of war and deprivation. The United States’ foreign aid program in Asia has significantly contributed toward that end by deterring aggression, encouraging self-help and laying the groundwork for economic development and social evolution. As I have mentioned in my statement, our concern for Asia stems from its intrinsic importance and ability to influence the direction of world events. Several times this century conflicts in Asia have drawn the United States into orbit. The U.S. presence in Asia has helped reduce military confrontation and has today helped bring about the movement toward peace for which we are so hopeful. The reduction of the American military presence in Asia has not however been a disequilibrating force in the region. Because of the continuance of the security and economic assistance programs and as a result of the developments under the Nixon Doctrine, the countries of Asia have maintained the thrust of their progress toward self-sufficiency and self-help.

Mr. HUMMEL. I do not have with me the full historical summaries of all the past aid to all of the countries in the region with which I am concerned.

Mr. Nix. Very well.

Mr. HUMMEL. Would you like me, sir, to address some general remarks about the benefits of aid rather than speaking about particular countries?

Mr. Nix. I would be particularly pleased to have you do so.

Mr. HUMMEL. Mr. Chairman, we see foreign assistance, both economic assistance and military assistance, as only a part of a much broader picture and I think one has to go back and describe some of the basic goals that I think we can all agree upon for the goals and aspirations for the countries of the region. The world is too small now for there to be serious disparities between rich countries and poor countries without the possibility of serious conflict.

The problems of population and food are worldwide problems that we must live with and problems that we must share. The upcoming problems of pollution—pollution of the environment and the oceans—are things that we have to be involved with. Therefore, there is no rational base, it seems to us, to be made for withdrawing from some
degree of responsibility and some degree of assistance to nations that can impact on our own well-being even though they seem far away.

Since World War II, two very large conflicts have engaged the attention of American forces in the East Asian area—in Korea and in Indochina; I don't think any American really would wish to see us pursue an isolationist policy of not being involved in the problems that I have just enunciated and other problems. The question, it seems to me, is the degree of involvement that the American Congress, the American people, and the American Government as a whole, feel is required.

We are pursuing two policies. We are fostering two basic favorable trends that have not yet had a chance to mature but for which there is considerable hope that they will produce a different kind of situation in the future.

To restate in different, somewhat briefer form what I said in my opening statement, these two factors are the atmosphere of détente and the growing self-sufficiency of the countries in the area to handle their own problems and to have economic and political progress. In both of these areas, we feel that significant achievements have been chalked up.

When I speak of détente, I speak not only of détente between the United States and the great powers, but also of lessening frictions among the participants and the potential adversaries in the region. This process is really only just beginning. In due course we can foresee a time—I cannot put a date on it—when the two elements of détente and self-confidence could produce a considerably lessened need for American security involvement in the area and also hopefully for American economic assistance as well.

To try now to jump to obtain the fruits of détente when they are not yet attainable—to suggest, for instance, abrupt withdrawals from American positions long established and quite highly welcome to many of the countries in the area—would be destabilizing rather than promoting the goal that we had in mind. Now I realize that these comments are more general than you would wish and we shall furnish the material that you indicated you would like to have on a country-by-country basis but this is the intellectual framework into which we put our assistance programs and our hopes for the changed picture in East Asia in the future.

Mr. Nix. Would you, Mr. Ambassador, elaborate to a greater extent on the benefits that we have received? I would like to have you mention the benefits that we could reasonably anticipate that we will receive from the course of action that we have pursued.

Mr. Hummel. Some of the benefits, sir, are the avoidance of unpleasant events and therefore difficult to prove and as such have to be phrased in this negative way but I think that they are very real nonetheless. Our policies leading toward détente and lessening of tensions certainly were essential ingredients in the Paris agreements relating to Vietnam. For instance, it is hard for me to imagine that there could have been successful negotiations and a continued viable South Vietnam as a result of those negotiations and of our activities without the general atmosphere of détente.

Now we are very much aware that this is a very fragile thing. When I speak of avoidance of conflicts I am thinking specifically of North
Korea, North Vietnam, both of which have the capability to play highly disruptive roles. Indeed, North Vietnam is still playing a highly disruptive role in South Vietnam in clear violation of the Paris Accords. In other words, I am suggesting that conflict and confrontation and war are not out of the question at all. We feel that we have substantially diminished the possibilities for such disasters. That is a real and tangible benefit, it seems to me, for the world and for the U.S. interests.

Mr. NIX. What particular interests of the United States of America was threatened at the time we decided to pursue this course of action?

Mr. HUMMEL. Mr. Chairman, may I ask, are you considering the broad course of action of support for countries in East Asia against potential aggression or are you thinking of a particular situation?

Mr. NIX. I am thinking first of all no one dictated that we should take a course of action in this part of the world. We made that decision and I am trying to satisfy myself as to what are the factors which influenced a decision to begin these activities in that part of the world.

Mr. HUMMEL. Yes, sir.

I think I would have to go back and recall the events of 1949 when the Government of the People's Republic of China took over control of the mainland, when the overtures that we made to that government were rebuffed and our people were harassed and jailed on the mainland of China, and then more especially shortly after when, in 1950, North Korea attacked South Korea and virtually overran it.

In those circumstances we perceived at the time, and I think most American people saw it more or less the same way, that there was a very powerful Communist bloc composed chiefly of China and the Soviet Union and that their aims were expansionist and needed to be contained. Whatever the merits of that argument today, it seemed very real at the time and it dictated then—it was the policy of our Government in the early 1950's—a sense of strong need in American interests to be sure that large areas of the world would not be overrun by a unified Communist bloc in ways that would eventually impact very seriously on American interests, economic interests, political interests, and the cause of world peace.

This, I think, is the framework in which our involvement began but I want to emphasize that these are not the considerations that guide us now. Let me say again we wish to nurture and to foster the twin elements of détente and of self-sufficiency for countries that are becoming increasingly self-sufficient. We have announced the lessening of our involvement in their internal affairs and in their insurgencies in the Nixon doctrine.

We have carried out substantial withdrawals of American forces from the area. We are serious about this and our goal is to foster the very elements that will make for stability and for rational discourse in negotiation among the disputants in the area rather than for conflict. So what I am trying to make clear is that the rationale for the early 1950's, in response to your question how we made these decisions, is not the rationale that we have today nor do I think should it be.

Mr. NIX. Mr. Hamilton.

Mr. HAMILTON. Thank you, Mr. Chairman.

Mr. Ambassador, I would like to direct your attention to Korea for a few minutes. President Park has declared martial law there, I
think in October 1972. He said it was going to be an interim measure but my understanding is he is pretty much ruling by decree still, and that there is no indication that he is getting off martial law. Do you have any indication at all that he is going to cease the martial law and get back to some kind of democratic procedures?

Mr. HUMMEL. Sir, it is my understanding that the legal framework now is not one of martial law in South Korea.

Mr. HAMILTON. He rules by decree, does he not?

Mr. HUMMEL. Yes, he does.

Mr. HAMILTON. Is there a parliament?

Mr. HUMMEL. Yes, sir.

Mr. HAMILTON. But it is not active, it has no voice?

Mr. HUMMEL. It is allowed to have only a very small voice.

Mr. HAMILTON. He is pretty well calling all the shots, isn’t he?

Mr. HUMMEL. Yes, sir, and very recently in the last 6 months he has enunciated what he calls “emergency decrees” which have given him special powers. I don’t want to quibble, sir, but he has not said this is martial law.

Mr. HAMILTON. Well, the essential point is that he is running the government pretty much by himself.

Now what do we do in a situation like that? What specific steps does the United States take to let him know that we don’t like that?

Mr. HUMMEL. We have let him know in private through diplomatic discourse about precisely the events that you have described. We have taken seriously the provision in the Foreign Assistance Act of last year, section 82, I believe, which is a sense of Congress provision. We are calling to the attention of the South Korean Government the existence of this provision and that it would have the effect not of requiring the executive branch but certainly of encouraging the executive branch to pay very special attention to authoritarian regimes and particularly those that have political prisoners.

The limitations on our ability to act though are very real. This is an internal problem for the Koreans. It is not something that we can disassociate ourselves from completely but neither is it something that we in the United States are responsible for. We certainly did not create it.

Mr. HAMILTON. I guess one of the things that bothers me, Ambassador, is that at a time when we ought to be sending signals of disapproval we are sharply increasing our aid to Korea. In foreign military credit sales for fiscal 1975 you are requesting $52 million. That is against $24 million last year. In grant military assistance you are requesting $161.5 million against $112 million last year. The overall total is up $226.8 million this year when you include all features of the assistance. If I were sitting in President Park’s position, I would be saying to myself, “I don’t see that their disapproval that they voice to us amounts to much if they are giving me more money.”

STATEMENT OF JONATHAN F. LADD, DIRECTOR, SECURITY ASSISTANCE AND SALES, DEPARTMENT OF STATE

Mr. LADD. May I address that, sir?

Mr. NIX. Sure.

Mr. LADD. The original Korean program was a request for $263 million for MAP, grant military assistance, and $25 million for for-
eign military sales. By the time the appropriations went through it was down, as you say, to $112 million because we simply didn’t get the money we had asked for.

Now this money in the military assistance program is primarily to, hopefully, bring to a close a Korean military modernization program that was inaugurated or worked out with the Koreans in 1971 and each year we have not received sufficient moneys to close that thing off. As of the present time the program has about $500 million left to go to modernize the army. What I am getting at——

Mr. Hamilton. Well, I understand the reasons for the money and I understand the modernization business. My question is a political question. Here we are very unhappy with the direction in which President Park is moving. This man has become a virtual dictator in that country in the last couple of years. We have put enormous resources into that country with I think justifiable reasons over a period of years, but I am deeply disturbed at the direction he is taking. He does not show the intention or the directions of a man who wants a representative kind of government. We may be slapping him on the wrist by telling him we don’t like it, but the fact is we are putting an awful lot more money into his country and that kind of signal is not the kind of signal that seems to me we ought to be giving him at this point.

Mr. Hummel. Sir, one of the elements of this is that although the amounts being requested this year are larger than were actually given last year, particularly military assistance, the amounts given last year represent a very sharp shortfall from the amounts that President Park and the Korean Government had reason to expect. Their expectations were part of the agreement that we reached with them in 1971, and it was announced to the Congress at the time, for the modernization program for their armed forces designed to facilitate its ability to withstand a very substantial attack from North Korea which the North Korean have a capability of delivering.

In other words, part of our strategy has been to get them into a position where they can take care of their own defense with the lessening likelihood that our mutual defense treaty would be called into effect and lessening the need for American forces to be stationed in Korea. This modernization program is already a couple of years behind time right now so it is not quite accurate to portray President Park as being fully satisfied with the amounts of military assistance that he is getting because we are in a very grave shortfall of what was committed before.

Mr. Hamilton. I am not referring to him that way, let me assure you. President Park is not going to be satisfied no matter how much you deliver out there. They have a country of 32 million people with 2.6 million people under arms. We have a country of 210 million people and we have roughly 2.2 million people under arms and we have 40,000 troops in Korea.

Now it seems to me it is time for signals to go to President Park which would express our unhappiness—and I mean strong signals in terms of money, not just statements, and in terms of our troop strength there. They have got 2.8 million troops defending that peninsula with considerable U.S. assistance which I was willing to give them. It seems to me that they ought to be in pretty good shape.
Mr. HUMMEL. The areas in which they are deficient though are particularly air defense and other elements that my colleagues can testify to which do make them vulnerable to the potential that the North Koreans have on the ground and already available.

Mr. HAMILTON. Are there any discussions going on now about a reduction of American troops? I remember Defense Secretary Schlesinger talking at one point about moving to a more mobile force which would be stationed in Guam or Hawaii or something of this sort.

Mr. HUMMEL. Take some of our troops out.

STATEMENT OF DOUGLAS SMITH, SPECIAL ASSISTANT TO VICE ADMIRAL PEET, DEPARTMENT OF DEFENSE

Mr. SMITH. Yes. There are no present plans for further substantial reductions in addition to the ones that were reduced, and in fact the Korean Government from the military point of view is concerned about our completing the modernization program, and they have asked for assurances that our troops will not be reduced and that the modernization program will go forward. I don't recall whether it was in this full committee hearing that Admiral Peet addressed the point at which we could take a substantial reduction is when the modernization program is completed, and as has been mentioned particularly in the extension of air defense they are particularly deficient. So you really have to get the job done before you can consider a substantial reduction. I think that is the prime concern.

Mr. HAMILTON. Your judgment is that for next fiscal year you will come in here with a very sharply reduced request for military assistance? Almost all of the assistance you are giving to Korea is military.

Mr. SMITH. I was going to add one further thought.

Mr. HAMILTON. Is it your judgment that it will be sharply reduced next year?

Mr. SMITH. Actually, on the plan, yes, it would be reduced next year on the completion of the plan. I can't say substantial, but I might add one footnote that went by fast in the discussion earlier. Actually, in an attempt to fully fund or fund more completely the modernization program for this year 1974, we added $20 million of credit in lieu of grant funds which were not available so that they actually picked up a bigger part on a purchase basis, and that points to two things: One, that they are more willing as they are able to purchase more of the equipment and take a lesser amount on a grant basis.

Mr. HAMILTON. But our grant basis is moving up sharply this year compared to last year.

Mr. SMITH. My first statement was that in order to complete the modernization program, we have attempted to keep the level up.

Mr. HAMILTON. May I make one other observation, Mr. Ambassador, about your statement. Several phrases bother me a little bit in the statement. On page 3 you talk about "were such assistance to be curtailed drastically," and so forth, and on page 4 at the bottom of the page, "It is my strong belief that reduced aid to South Vietnam, Cambodia, and Laos would not bring us closer to a complete peace."

Those statements may be correct, but what impresses me about your Indochina program is that you are not asking to reduce aid, you are asking for tremendously increased aid in Indochina. Now, the admin-
istration request under Indochina reconstruction amounts almost to $1 billion; it is $940 million. That compares with, as best I can make it, a comparison not easy to do, but that compares with about one-half billion dollars in appropriations for Indochina reconstruction in fiscal year 1974.

So you are really asking the Congress this year for roughly double the amount for Indochina that you got last year, and that is a tremendous jump. Do you want to comment on that?

Mr. HUMMEL. That is correct, sir.

I am sure we would not have any dispute about the need in the Indochina countries, sir. The South Vietnamese economy particularly has deteriorated sharply. They have very bad inflation. They are, of course, faced with having to maintain a large defense establishment, not because they wish to do so but because of the pressures still exerted by North Vietnam and very substantial continued infiltration of about 70,000 new men sent into South Vietnam since the armistice was signed and all the other factors you are aware of.

The defense establishment is a considerable burden to them. It is a burden in two ways. Not only directly but indirectly, since the people in the armed services are out of production and the economy has really suffered quite badly. What we are looking for is an infusion of a substantial amount of aid to really get the country back on its feet again. These people are extremely hard working and industrious. The infrastructure can be developed there. They have shown that they can produce under conditions of great adversity.

Private investments are beginning to flow in, but they are at a particularly low point now, and we feel it is quite important to have this large amount of grant aid, particularly for South Vietnam. The needs in Laos and Cambodia are a different type, but we feel that they are very real.

Mr. HAMILTON. Thank you, Mr. Chairman.

Mr. NIX. Mr. Frelinghuysen.

Mr. FRELINGHUYSEN. Thank you, Mr. Chairman.

It is a pleasure to welcome Ambassador Hummel to the committee.

Let me begin by saying I think your statement is well phrased, carefully considered, and I think it does sum up in my mind in an admirable way our basic interests in Asia. I think the answers to the questions also have been excellent.

You describe the American role as an active balancing role and a stabilizing influence. What concerns me is the extent to which we on the Hill are willing to understand and accept that definition of our role. For example, I got in quite an active discussion with some of my colleagues on the full committee this morning, Ms. Abzug, who said we should not give a penny to the present Government of South Vietnam because she thinks it is repressive, totalitarian.

We hear a lot of talk about the amounts which have been spent, and you are supposed to provide us with a summary of the amounts that have been spent. It seems to me we are living to a large extent in the past. We have made enormous commitments, and the rewards don't seem to be all that obvious. The fact that what you are asking for now is far less than we were spending 6 years ago does not seem to make much impression here. What worries me are the consequences if we should decide we wish to become less active abroad. I wonder
if we should really take specific action to slash the aid requests while perhaps looking only at the amounts that were given in previous years and deciding we cannot afford to do more.

Now Mr. Hamilton called attention to two sentences in your remarks that interested me. "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." It alarms me to think that will quite possibly be the result.

Later your statement says, "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 would seem to me that is a good argument for not cutting drastically. Yet it is precisely in these areas where I am fearful we may take some step which will result in a slowing down, or even a reversal, of what progress that has been made.

I wonder if you would care to comment on the consequences of what might happen if we should say, let's go more slowly. Let's worry about rehabilitation in Vietnam after a year or two when the fighting lessens or after we see if Cambodia can't get along with half the amount of aid that is being requested: What do you foresee as the consequences of that kind of action by Congress?

Mr. Hamilton, I share your concerns, of course, Mr. Frislinghuysen, and I think you have traced them very well. Let me speak specifically to those countries that are in the direct confrontation with hostile elements or indeed in war time conditions such as South Vietnam leaving aside for a moment the assistance programs to other countries that are not directly involved or not immediately threatened with hostile situations.

All of our experience makes us believe that the key thing is to influence the decisionmaking by the opponents, by the people on the other side. It is no accident that the Vietnam peace agreement, fragile as it is, was achieved only after the North Vietnamese discovered that they could not take over by military force. I think, too, there is nothing magic about the East Asian situation; nothing peculiar, and I think we might put it in perspective if we attempt to draw some parallels, defective as they might be, with Western Europe. I think everyone understands that we wish to reduce the American military involvement in Western Europe, particularly the American troop presence, but the way to do this is to negotiate it with the other side, not to withdraw precipitously and unilaterally. I refer to some of the consequences there might be in terms of Soviet perceptions if we should suddenly withdraw all visible support for NATO, for instance.

Now these same considerations apply to a number of situations in East Asia, specifically in Korea. We applaud the attempts by South and North Korea to get together and talk about their problems and to reduce the tensions between themselves, but it seems to me this kind of result is going to be achieved only with self-confidence on our side and only when the other side has decided that it cannot achieve its goals by military force.

Therefore, from this it logically flows that to contribute to weakness, to allow weakness among countries that are under severe attack or potential attack is not the way to solve the problem. That is walking away from a problem rather than helping the countries to solve it.
So to put it in a sentence, we do believe earnestly that the way toward détente is to figure out ways to modify the perceptions of potential aggressors so that they won't be aggressors, and one way surely is to maintain our support, to help maintain viable economic and political entities so there won't be a temptation for aggression. This is the philosophy to use, and to walk away and say not $1 more for a country whose needs are well known certainly does not contribute to stability or to solving the problems that we see before us.

Mr. Frelighuyser. To some extent I think there are Members here who would like to forget about Vietnam on the theory that our responsibility is over because our direct military involvement has been ended. It is perhaps because I was there a couple of months ago that I feel very strongly that our responsibility continues and that it must be reflected in an economic way and that the problem is a manageable one. Our friends have come a long way on their own without our direct involvement, but their problems are very real and they are critically dependent on us for moral and financial support. I hope we are not going to decide we simply can't afford it or that this is an indefinite obligation without any prospect for alleviation or termination. It does not seem to be that kind of a situation at all.

I must say the other thing that worries me is this concern that Members are expressing about the nature of the governments that we aid. Mrs. Abzug, for one, said that she didn't think any military aid should be given to any country that was not democratic. Mr. Hamilton has revealed concern about the present nature of the Korean situation, and we all share his concern. However, I think the consequences of having a prohibition of any further aid because we don't like someone else's government is not likely to change the government—and that would apply to any country. I am not giving only Korea as an example. I don't think we will bring about the objectives that we would like to see by trying to force the issue by a sudden termination of military or economic aid or both.

Mr. Hamilton. The gentleman understands I was not advocating a free prohibition of aid.

Mr. Frelighuyser. No, you are not but Bella Abzug was, and it seems to me both your recommendations for termination of all trade to Vietnam and military aid to any government that is not democratic would be a disaster.

Mr. Hamilton. I just don't want to reward him for becoming a dictator.

Mr. Frelighuyser. Well, one of the problems may be that there may be some restraints to the man in charge if we provide assistance to his country, but that is the dilemma that we have been wrestling within one form or another in a lot of areas. I hope it is not going to be resolved in this case by attempting to differentiate between the various types of government around the world. If the need is there, and if it is in our interest to provide aid, we ought to do so.

I have no further questions.

Mr. Mr. Wolff.

Mr. Wolff. Thank you, Mr. Chairman. Ambassador, it is good to greet you here.

Mr. Hamilton. Thank you.

Mr. Wolff. Mr. Ambassador, continuing along the lines of Mr. Frelinghuysen's discussion, what was the basic purpose for our becoming involved in Vietnam?
Mr. Hummel. I was not personally involved. I am not trying to avoid responsibility but I just was not involved.

All the documents I have read indicate to me that at the beginning of the involvement we had no idea of what the end result was going to be, what the extent of our involvement was likely to bring.

Mr. Wolff. I mean what was the original raison d'être our getting involved in any manner, shape or form in Vietnam? As I understood it was to guarantee the freedom of the peoples of South Vietnam. Am I correct in this?

Mr. Hummel. Yes, and it was based upon an international agreement. We wanted to help preserve an international agreement, the Geneva Accords of 1954, that had set a framework for Vietnam and that was being violated by the North Vietnamese.

Mr. Wolff. But basically our purpose was to let these people enjoy freedom of choice and the freedom that they were entitled to. Now I think the question was raised by Mr. Hamilton, or anyone else for that matter of fact, is are the people enjoying the freedoms that we spent our money and our blood in order to preserve?

Now, I don't disagree that we have to aid South Vietnam to preserve those freedoms. The point that was made by Mr. Hamilton with reference to individual freedom, I think, is something that should be part of our judgment in rendering aid and assistance to these nations.

What percentage today, for example, of Vietnam is now under government control?

Mr. Hummel. Perhaps Mr. Wenzel would like to answer that.

Mr. Wenzel. In terms of geography, in terms of people.

Mr. Wenzel. Something like 85 percent.

Mr. Wolff. Is that increasing or decreasing?

Mr. Wenzel. That has been quite stable since the cease-fire over the last year and a half.

Mr. Wolff. In other words, then the situation has fairly well stabilized itself from the point of control over territory. Are we talking people or territory?

Mr. Wenzel. We are talking about people, sir.

Mr. Wolff. All right. Now as I understand it, over the years we have had something called a commodity import program going to South Vietnam. This program was to help the South Vietnamese maintain a position of control over inflation and now we have just heard that the inflation in South Vietnam is horrendous. We have cut that program as I understand it and we have put the program in under a different name now; is that right?

Mr. Wenzel. It is being presented to the Congress in a different form but it is still basically a program which permits the importation of essential commodities.

Mr. Wolff. Why did you change the name?

Mr. Wenzel. I believe that this change in format was in response to congressional interest.

We have eliminated the term "Commercial Import Program," this year due to the consistent misunderstanding of this term in the past. Despite our frequent explanations to the contrary, the general public...
has tended to identify the CIP with the importation of Hondas or consumer goods, which it never was. Therefore, this year we have identified the imports which we finance by the purposes for which they are being used. Thus, fertilizers, pesticides, and other imports required for the production of food have been identified as "Food and Nutrition," as would be the case in other aid-recipient countries. Industrial raw materials such as yarns and fibers, chemical products, iron and steel, and wood pulp are being requested under the category called industrial production, and those inputs needed to operate Vietnam's transportation system have been so labeled. The control system developed under the CIP in past years, including close U.S. review and auditing, will, however, be retained in order to assure that goods are ordered and used for their intended purposes.

Mr. Wolff. The response to congressional interest was to cut the program, it was not to change the name. As I understand it, there is disguised aid going to Vietnam in the food for peace program. There are a number of other programs that really are a method of subterfuge rather than being a direct support for a program which you think is necessary.

Mr. Hummel. Mr. Wolff, all of these programs are openly announced and reported to the Congress and to the public. There is no subterfuge about having Public Law 480 programs come from a different part of the Federal budget than the AID program comes from. In many respects, you are quite right, but I don't think any intent has been or will be to mask the amount of the assistance that is going because it all has to be reported.

Mr. Wolff. Well, this is one of the problems that we have had, the fact that some of the programs themselves have been of questionable value, Mr. Ambassador. I refer specifically to the AID program to South Vietnam which has had very little in the way of development projects to put these people into a viable economic position and will be the reason for our constantly having to render aid to this country. If it were the fact that we were giving aid to the South Vietnamese in order to make them economically viable, that would be one thing; but a hand-to-mouth operation such as this commodity import program, or whatever name you give to it, is something with which I would strongly disagree.

If you are talking about inflation problems in Vietnam, you obviously have not heard that we have inflation problems here at home. Part of the problem that we do have is the result of the amount of money that we have in the past poured into Indochina. I think that this has virtually destroyed the economy of this Nation.

We heard a long time ago about the light at the end of the tunnel that was in our military operation. We have "Vietnamized the Military Operation." I should like to know when we are going to "Vietnamize the Peace." Can we see that light at the end of the tunnel so that we don't have to constantly pour money into a program for one nation? What concerns me greatly is the fact that we are pouring so much money into that one nation that we are not able to provide assistance to other areas of the world where it is really needed for humanitarian purposes and where it is needed to perform the very basic function that AID was originally intended.

Mr. Hummel. Mr. Wolff, needless to say, I have been asked similar questions by a number of congressional committees and I know that the concern is very real and it is soundly based. Part of your question is
"How much is enough?" and another part of your question is, "How long?" Regarding the latter part, we are committed, as I am sure you know, sir, to furnishing a 5-year projection of estimates for the three Indochina countries. These estimates, Secretary Kissinger said the other day, would be available perhaps in early August, but I think we are going to beat that deadline by a considerable amount.

I know that a number of people in the appropriations and authorization process in the Congress want to look at those 5-year projections of what we think we will be asking for and what we think we will need for Government programs in these three countries. They want to look at those before they act on some of the legislation now before you.

I cannot honestly prejudge, I do not know even roughly the content of what those projections are going to have in them. I can say that the largest yearly amount is going to be the one that we are asking now.

Now perhaps Mr. Wenzel, who is more familiar with the Indochina problem, can add to what I have said.

Mr. WENZEL. I would like to comment on one point. You spoke of development and funds for development as opposed to the funds for the commodity import program.

Mr. WOLFF. I am talking about AID funds on this question, I am not referring to the commodity import program. Although it has been a disaster. The community import program has been separate from the AID funds.

Mr. WENZEL. Yes. Well, the main reason for the high level of aid requested this year is a very significant development component in that $750 million figure—I don’t know precisely what it is. And the purpose of this is to try to give South Vietnam a greater thrust forward self-sufficiency in this year, perhaps in the next 2 years, which will permit us then to begin to scale off aid.

In a sense, the entire Vietnam economic assistance program, other than that devoted to direct relief and welfare programs, is devoted to development, because the economic climate is designed to achieve is indispensable for self-sustaining growth, which is the ultimate aim of development. Constrained on a more narrow basis, our fiscal year 1976 request includes $219 million for production-oriented capital investment and $380 million in basic raw materials and intermediate goods. Full funding of these categories would afford an opportunity to the Vietnamese for productive investment of a type and extent that past aid levels have not permitted. These investments, in such sectors as agriculture, agro-industry, and light industries, would provide the basis for future expanded production and economic growth. Thus, aid-appropriations for these purposes truly could be said to be development assistance in nature.

Mr. WOLFF. You are, I am sure, aware of the fact that we are intending to expand OPIC’s operation to invite private investment into South Vietnam.

Mr. WENZEL. We hope very much this will happen, yes, sir.

Mr. WOLFF. That means that you need additional money in addition to the private investment that would go in there.

Mr. WENZEL. I was going to say I don’t know that the OPIC factor has been considered particularly in these AID formulations for fiscal 1976. OPIC has been, as you know, completely immune in the Indochina countries. We hope very much they will get started, but I don’t think we have taken that as a fact yet.
Mr. Wolff. Mr., Chairman, I would like to ask two additional questions.

Mr. Nix. Yes.

Mr. Wolff. The question of Laos is one that interests me particularly. I asked this question of previous witnesses, as to whether or not AID is going to this new Government of Laos, or whether it is going to other people, whether it is going into other agencies. A story in the paper the other day was that the funds were going to specific organizations that were identified with one part of the government. Do I understand that the funds that you are requesting in this program will go to the Government of Laos?

Mr. Hummel. Yes, sir, absolutely. The story that you refer to was an unfortunate one from our point of view because it just did not correspond to the facts. The Royal Government in Laos, the newly constituted government, is composed largely of the previously contending factions. The Pathet Lao is now included as a part of the government and our assistance goes to that government.

The story that you referred to was something off the record and Mr. Ladd can answer that.

Mr. Ladd. On the military assistance side although $85 million, as you note properly, was requested for 1975, that was done before the provisional government was actually organized and we didn't know what was going to happen so certain contingencies were built into that. Now the provisional government has been formed and it appears to be moving along on a relatively efficient course.

The State Department feels that in the projections that will come to you, that Ambassador Hummel mentioned and Mr. Kissinger promised the full committee chairman, that the $85 will not appear as $85. We don't think that we need that much now that we have had several months of the new Government and we feel we can cut that down.

I would like to point out that on the military side, in respect to your matter of funds going to people, all of the moneys that are going on the military side go into Laos in five ways. We buy rice for the Laotian Army. We buy textiles and certain clothing. We buy petroleum and lubrication products. There is an air maintenance contract for their very small air force to keep it going. The other channel is another O & M, cost for medical supplies, operations and maintenance costs.

We provide in goods and kind, not in moneys. So on the military side what the Laotians will receive from now on is primarily operations of maintenance materials and funds that are transferred to them in any way.

Mr. Hummel. Let me emphasize again that the recipient organs and organizations in Laos that are receiving these are part of the coalition government, the Provisional Government of National Union, and not just a single faction of it. This goes through the central government mechanism and is subject to the central government.

Mr. Wolff. Are you aware that there are several members of the assembly who have been charged with narcotics trafficking and who have not been incarcerated?

Mr. Hummel. Yes, sir, I am.

Mr. Wolff. Are we doing anything about that at all with the aid that we are giving, or are we just going to give the aid without having anything to say about that at all?

Mr. Hummel. Well, once again we have called to the attention of the Laos Government our concern about these matters and about nar-
cotics control in general. As you know considerable steps have been taken, effective steps, in recent years in enacting new legislation to prosecute people for narcotics violations and to control the growing and trafficking of narcotics materials. We have, as I say, made our views quite well known to the Government of Laos. We are not disposed, for reasons that were described earlier, to threaten the cutoff of aid for this region.

Mr. Hummel. If those drugs finally entered the United States, we would not be permitted to do that?

Mr. Hummel. Well, I know, sir, you are familiar and may be more familiar than I as a result of your trips with the efforts that we are making not only in Laos but Thailand—

Mr. Wolff. I know about the efforts but the statement troubles me.

Mr. Hummel. I am sorry.

Mr. Wolff. Because you say that concerning these drugs even if they don't do anything about that we are not prepared to cut off aid to them.

Mr. Hummel. No, sir; I didn't say that.

Mr. Wolff. I beg your pardon.

Mr. Hummel. You posed the problem of direct narcotics coming from Laos to the United States and you asked me whether we would do anything about that. As far as we are aware, Laos is not at this time one of the sources for narcotics coming to the United States so the problem that you pose has not yet arisen. I don't honestly know to what extent and how vigorously we would react if that situation were to change, but I can assure you we would react.

Mr. Wolff. My final question relates to the resolution that was passed in the Senate on the question of Formosa. They passed a resolution or amendment rescinding the Formosan agreement. How do you view that?

Mr. Hummel. We made our views known officially in response to written inquiries from the Senate and perhaps also in the House. I am not sure. With regard to the Formosa Straits resolution you referred to, we neither advocated its rescinding nor opposed its rescinding. The fact is that it was superseded by the mutual defense arrangement that we now have with the Government of the Republic of China on Taiwan. The resolution was January 1955, and the treaty was March 1955. So this would not affect the mutual defense treaty arrangement that we now have with the Republic of China.

Mr. Wolff. Thank you.

Thank you, Mr. Chairman.

Mr. Nix. Thank you very much, Mr. Ambassador, for coming and answering the questions to the statements you made. We appreciate the presence of your associates.

Unfortunately, we are not permitted at this particular time to continue the meeting. I must say it has been most productive. I would appreciate the presentation of the information that you said you would submit for the record.

Mr. Hummel. We shall certainly do that, Mr. Chairman.

I appreciate the opportunity and my colleagues appreciate the opportunity of appearing before this committee at any time.

Mr. Nix. Thank you.

The subcommittee will stand adjourned.

[Whereupon, at 3:45 p.m., the subcommittee adjourned.]
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.

We have been holding hearings for some time on the subject of bringing back at least half of our troops and military civilian employees from advance bases in Asia. I believe that we could save considerable amounts of money by doing so, especially if we reduced the size of our military forces by reducing the mission we are willing to undertake around the world.

The total military and civilian personnel involved would come to 148,000 persons. The cost saving can be estimated by multiplying this figure by $10,000 saved per person in salary and support costs, which would reach approximately $1.5 billion saved per year.

The fact that the United States provides a nuclear umbrella for non-Communist countries in Asia and the rest of the world is a major responsibility. Providing manpower at advanced bases in countries such as Thailand and South Korea is an unnecessary burden in that these nations are capable of providing their own manpower.

Whatever responsibilities we may have in Asia because of our prior commitments in addition to providing a nuclear umbrella can be met by maintaining the 7th Fleet, operating from bases in the mid-Pacific. The only reason for keeping infantry or air personnel in South Korea, for example, would be under a trip-wire theory in which we agree by our presence to take immediate casualties in any attacks by North Korea upon South Korea.

Our problem here in the Congress is to answer the question as to how the support of the American people is to be retained for our foreign policy. As the attention of our people is turned to our own needs here at home, this will become one of our most pressing problems.

At this meeting today our first witness is Stefan Leader, research analyst, Center for Defense Information.

I want to welcome you, Dr. Leader. It is a pleasure to have you. This is a subject that has plagued the Members of the Congress over a period of years and I think it is a question that is of great moment to the American people at this time.

You may proceed, sir.
STATEMENT OF DR. STEFAN H. LEADER, STAFF ASSOCIATE, CENTER FOR DEFENSE INFORMATION

Mr. Leader. I certainly agree with you on the importance of this question and I am pleased to share with you some of the views of the Center for Defense Information.

Mr. Chairman, members of the committee, I would like to thank you for inviting me to share with you some of the views of the Center for Defense Information on the American military forces in Asia and the Pacific. I am pleased to be able to contribute in a small way to this important aspect of our national defense which this committee has under review.

The events of the past year demonstrate better than I could ever say the fundamental importance of congressional actions to the continued vitality of American democracy.

Unfortunately, the director of the Center for Defense Information, Rear Adm. Gene R. La Rocque, U.S. Navy, retired, could not be here today because he is out of the country. This statement does reflect his view on the need for the United States to reduce its forces on the mainland of Asia.

The United States maintains unnecessary military forces on the mainland of Asia and in the immediate surrounding area. These troops are remnants of U.S. forces that fought three major wars in Asia. U.S. military forces on the mainland of Asia do not contribute significantly for the defense of the United States. On the contrary, the presence of U.S. troops in this region of rapidly changing international politics weakens our defense posture because of the increased likelihood of U.S. involvement in a fourth major war on the mainland of Asia.

The areas of most immediate interest are Korea, Thailand, and Okinawa. If I may, I would like to summarize our recommendations on those three countries.

First, in Korea, I think the center's view is that the U.S. nuclear weapons stationed in Korea should be promptly withdrawn.

Second, U.S. operational control over the Republic of Korea Armed Forces should be promptly terminated.

Third, the United States should withdraw all military forces over a 3-year period. They should be redeployed to the United States and Pacific bases other than Okinawa.

On Thailand, first, withdraw all U.S. military personnel with the exception of attaches and advisers over a 3-year period; and second, these forces should be redeployed to the United States and to Pacific bases other than Okinawa.

On Okinawa, the Marine amphibious forces in Okinawa should be reduced by half; and furthermore, two, the United States should continue to maintain air bases on Okinawa for strategic airlift and supply of forces remaining in the event that contingencies make that necessary.

Let me turn now particularly to Korea.

The largest U.S. military force in Asia is in South Korea. There are 88,000 U.S. military personnel in South Korea and some 141 bases and military facilities. The largest component of the American force is the 2d Infantry Division. The 120,000 men of the 2d Infantry, augmented by 7,240 Koreans (KATUSAS), have been stationed at or near the 38th parallel for 20 years.
The United States also has an air defense unit armed with Hawk and Hercules missiles in Korea. In addition, there is a tactical missile unit with Honest John and Sergeant missiles and an artillery unit armed with 155-millimeter and 8-inch guns, all capable of firing nuclear warheads at North Korea. As you know, there are nuclear warheads for these weapons stored in South Korea, quite close to the truce line.

We should also keep in mind here that the North Koreans have no nuclear weapons and there is no evidence that there are any Soviet nuclear weapons in Korea.

The U.S. Air Force has a wing of F-4 fighter-bombers and a squadron of C-130 transport aircraft.

It is the center's conclusion that all of these forces should be phased out over the next 3 years and that the nuclear weapons stored in Korea should be removed.

U.S. forces in Korea are topheavy and tailheavy with approximately 20 flag and general officers, as well as headquarters and support units. Only 37 percent of U.S. troops in Korea are combat troops. The remainder are support and headquarters troops. These headquarters are large, and growing larger. I Corps headquarters grew by 42 percent during the past year.

Another unusual feature of the U.S. military presence in Korea is that U.S. generals and admirals exercise operational control over all South Korean Armed Forces. In the event of hostilities, U.S. commanders are certain to play an active part and this will mean more U.S. troops will be required.

Thus, in the event of hostilities, U.S. military forces are certain to become involved. Renewed hostilities in Korea would virtually guarantee U.S. involvement in another bloody land war in Asia. U.S. troops, in other words, are hostage to the Koreans.

In addition, this command arrangement perpetuates the dependent relationship between the United States and South Korea. We ought to be helping the South Koreans become more independent, not perpetuating their dependence. At some point they will have to stand on their own feet. Why not begin now? Elimination of U.S. operational control over Korean forces and American troop withdrawal would encourage Korean independence and self-reliance.

A fundamental issue that needs to be examined is whether there is a threat to South Korea from North Korea. Both are trying to prepare the military capabilities of the two countries and examine the international political situation.

Insofar as military capabilities are concerned, the South Koreans seem to have a significant edge. Their ground forces outnumber the North Koreans by 600,000 to 400,000, and are more experienced than the North Koreans. Large numbers of South Korean troops fought combat veterans of the Vietnam war. The North Korean Army has not had any combat experience since the Korean war.

Secretary of Defense Schlesinger said recently, "South Korea has the manpower, firepower, and defensive position necessary to repel a North Korean attack without U.S. ground support." Evidence indicates this is a sound assessment.

The only area where the North Koreans have an edge is fighter jets, which the North Koreans are being assisted by several factors. First, the United States is providing the North Koreans with F-4 jets. This will help overcome this deficiency. Furthermore, representatives of
several U.S. aircraft manufacturers, including Lockheed, McDonnell Douglas Corp. and Northrop, have all had discussions with Korean officials recently on the possibility of manufacturing a Korean fighter plane.

Both of these steps will help the Republic of Korea in the foreseeable future. And even if it were to occur, the South Koreans are capable of defending themselves. There is no reason to think that the gradual withdrawal of U.S. ground forces from Korea would increase the likelihood of attack.

The danger to South Korea posed by the Park regime's repressive policies is in many ways more serious than the danger of invasion from the North. Continuation of the repressive policies of the Park regime raises the danger that Park will undermine his own support so much that the North will be tempted to turn more vigorously to a policy of subversion. So long as Park retains the support of his people, the danger of a successful attack of subversion is very small.

I think former Ambassador Reischauer put it very well in a recent article in the New York Times magazine:

Park is embarked on a policy that seems almost designed to destroy popular support for his regime and make the distinction between the North and the South seem no longer very important.

U.S. troops are now hostages of the Park regime. The phased withdrawal of U.S. troops, we think, would end this dangerous situation. According to the Secretary of Defense, the operating and maintenance costs of U.S. forces in Korea were $525 million in fiscal year 1973 and $600 million in fiscal year 1974. This does not include the indirect costs of support from outside the country and does not include military construction and procurement. If you add the military assistance provided to the ROK, the yearly cost is nearly $1 billion. Given current economic conditions it becomes very difficult to defend these expenditures.

Let me turn now to U.S. forces in Thailand.

There are presently 27,000 officers and men stationed in Thailand. The Pentagon apparently plans to maintain a permanent force of approximately 27,000 officers and men in Thailand commencing next year. However, the Pentagon has provided no reasonable military justification for the present level of forces in Thailand or maintaining them there in the future.

In the absence of any military justification for keeping U.S. forces in Thailand, it would strengthen U.S. military posture and reduce military expenditures if all U.S. forces in Thailand were removed.

The Air Force makes up the largest part of this force. There are approximately 40 B-52's in Thailand and 150 fighter-bombers of the 7th Air Force in Thailand. The 7th Air Force was moved from South Vietnam to Thailand after the American withdrawal from South Vietnam.

According to the Secretary of Defense, U.S. forces are in Thailand to demonstrate the U.S. commitment to the Vietnam ceasefire agreement and to deter a major North Vietnamese offensive in South Vietnam. In addition, the Secretary says that these forces are intended to stabilize the region and assist the Thai Armed Forces resist subversion. Finally, in speaking of U.S. forces in Thailand, the Secretary of Defense has emphasized that we maintain the capability to assist
our allies with a full range of conventional forces against a People's Republic of China attack provided we are not fighting in Europe."

None of these reasons make sense militarily. Moreover, the Pentagon nowhere shows that U.S. forces in Thailand contribute to the defense of the United States.

All of these rationalizations need to be examined with great care. U.S. forces first stationed in Thailand in large numbers in the late 1960's and were actively involved in supporting the U.S. effort in Vietnam.

Much has changed since then, as the members of the committee well know. U.S. forces are no longer fighting in Vietnam, though the Pentagon continues to emphasize the importance of deterring a major North Vietnamese offensive by the threat of renewed bombing of North Vietnam.

However, the Secretary of Defense recently pointed out, "the South Vietnamese now appear capable of preventing a North Vietnamese takeover providing U.S. material support continues.

The U.S. threat to resume bombing of North Vietnam is not very believable, given current political conditions. The North Vietnamese have had ample time to rebuild and expand their air defense system—one of the most sophisticated and extensive in the world even in 1972. The effectiveness of this air defense system would make the cost of renewed air operations over North Vietnam high and extremely hard to justify to the American people and to the Congress.

The political problems associated with an attempt to renew U.S. air operations would also be substantial. The War Powers Act would make it an immediate and controversial political issue and any administration would find it hard to defend such action, especially in light of the growing sentiment in the Congress for reducing our present level of aid to the Thieu government.

Finally, while such bombing would undoubtedly result in killing large numbers of Vietnamese and Americans, it is not likely to be any more effective militarily than it has been in the past. Several studies by the Institute for Defense Analysis under contract to the Department of Defense, as well as by independent groups, make it clear that the bombing of North Vietnam achieved none of the goals for which it was intended.

The North Vietnamese have also had ample time to stockpile large quantities of military supplies. Thus, even if renewed bombing of North Vietnam and the Ho Chi Minh Trail could stop the flow of supplies completely, something it was never able to do even at its peak, it might be months—in fact, recent estimates suggest it might be at least a year—before it was felt on the battlefield.

These facts are well known and make the American threat seem rather empty. As a result, U.S. Air Forces in Thailand are virtually paper tigers—at least insofar as renewed intervention in Vietnam is concerned.

The American military commitment to Thailand is a residue of our concern with the threat supposedly posed by the People's Republic of China in the mid and late sixties. Thailand was seen as one of a long row of dominoes ready to be pushed over by the Chinese as part of their supposed plan for wars of national liberation all over the world.
Of course, there was no threat from China and there is none now. However, the American Embassy in Thailand continues to view the Thai insurgency much as before.

Recent events, however, have changed much. The key event was former President Nixon’s trip to China and the American-Chinese détente. This has set in motion changes all over Asia. A great many governments have followed the American lead and moved to improve relations with Peking. Thailand is one of these.

Beginning in July and August of 1973, Thailand and the PRC began the now familiar process of athletic diplomacy—the exchange of athletic teams. A Chinese table tennis team visited Thailand in July and a Thai badminton team went to China in August. Thai and Chinese foreign ministry officials accompanied their teams on these trips.

A series of other diplomatic initiatives followed. The Thai Government announced that it would lift regulations which banned trade with China since 1959. In January of 1974 an oil purchase agreement was signed by both governments and the Thai foreign minister observed that improved political relations usually follow improved trade.

The most significant development came in February of this year. At that time the Thai defense minister made a trip to Peking where he met and held talks with Chou En-lai. After returning home, he announced that he had received assurances from the Chinese that Chinese support for Thai rebels was a thing of the past and that China had stopped giving arms to Communist countries in the region.

Chou expressed the desire that the visit would pave the way for lasting good relations between the two countries. It was also agreed that China would sell additional oil to Thais.

All of this suggests that the Thais no longer see the PRC as a threat to Southeast Asia. Peaceful accommodation between the PRC and other governments in Asia—even those like Thailand which continue to maintain diplomatic relations with the Taiwan Government—is not only possible but is being actively pursued.

Thus, it becomes increasingly clear that the U.S. military presence in Thailand is a commitment in search of a justification.

There is a small insurgency in Thailand at present. I think recent estimates place the number of insurgents in Thailand at between 7,500 and 8,000 scattered around several different parts of the country. By comparison, the Thai Armed Forces number 180,150 men, including 125,000 in the Thai Army. In addition, the Thai Air Force numbers approximately 160 combat aircraft.

The insurgency has grown in recent years largely as a result of the low priority given it by the Thai Government. The Thais seem to take a casual, almost indifferent attitude toward it. What the Thais need most—better leadership and organization—cannot be provided by the United States but must be provided by the Thais, themselves.

Finally, it should be pointed out that the insurgency has its roots and origins in Thailand—in the poverty, backwardness, and neglect which characterize several parts of the country. Thus, while the insurgents have received assistance from the outside, conditions within the country have kept the insurgency going.

These are clearly matters that the Thais, themselves, must deal with and the U.S. military in Thailand can provide no help there.
The recent Chinese commitment to stop aiding the insurgents underlines the internal nature of the insurgency and makes an indigenous solution more manageable.

Of no small significance these days is the cost of maintaining U.S. military forces in Thailand. The figure provided to this committee by the Department of Defense, $551 million in annual operating costs, seems somewhat low. Payroll alone for these forces amounts to approximately $880 million. We estimate the annual operating costs will be reduced if these forces and their dependents are removed and their return to the United States will help the American balance of payments.

The large balance-of-payments deficits in recent years have contributed significantly to the weakening of the dollar abroad. In addition, the U.S. commitment to Thailand has cost some $1.8 billion in economic and military assistance between 1946 and 1974. All these costs add to the inflationary spiral in the United States.

Most importantly, I think, there is growing opposition in Thailand to the continued presence of U.S. forces. The Thai Foreign Minister recently emphasized that "American bases are in Thailand only temporarily, not permanently." He has also argued that in the past U.S.-Thai relations overemphasized military cooperation and needs adjustment to create a more balanced relationship.

Former Prime Minister Thanat Khoman, the man who acquiesced to the stationing of U.S. forces in Thailand in the first place, recently said: "I don't think it helps Thailand in any way to have foreign forces there. I don't suggest that American troops be kicked unceremoniously out. It can be a gradual phasing out but it should be a reasonably orderly withdrawal that continues."

The Bangkok Daily News editorialized recently that the presence of foreign troops on Thai soil "means humiliation and disgrace in the eyes of the world."

In July, the Thai Government requested that the United States end all reconnaissance flights over the Indian Ocean. Thus, the military value of Thai bases has been reduced.

All of this makes it clear that it is not a question of whether U.S. forces should leave Thailand, but rather when they will leave. It seems to me the sooner they leave, the sooner the Thai Government can become self-sufficient and begin solving its problems on its own.

In summary, it is our view that U.S. forces in Thailand serve no useful, political, or military purpose, are costly, are resented by the Thais and ought to be withdrawn in a phased program over 3 years. This finally brings me to Okinawa.

The United States maintains 37,000 officers and men on Okinawa, as well as 2,500 DOD and civilian employees. U.S. forces on Okinawa consist of 18,000 Marines of the 3d Marine Division at Camp Butler, as well as part of a Marine air wing, 10,000 airmen, primarily at two air bases, Kadena and Naha, 7,000 soldiers and 2,000 sailors. The Air Force has a tactical fighter wing with approximately 30 F-444 fighters, a strategic reconnaissance squadron of SR-71 aircraft, a wing of C-130 transports and an air refueling squadron of KC-135 jet tankers. There is also a PSYOPS or psychological warfare group which is under the direction of the U.S. Ambassador in Seoul. There are, in addition, a variety of smaller units that provide communications, support and intelligence services.
U.S. forces on Okinawa are combat elements intended for rapid intervention in Asia. Pentagon rationalizations emphasize the value of its support facilities for rapid response to contingencies in Asia and as a training and staging area for war.

U.S. forces on Okinawa are closely tied to the presence of U.S. combat forces elsewhere in Asia. However, U.S. foreign policy calls for Asian allies to provide their own ground forces for their own defense. This is consistent with the "Guam" or Nixon doctrine outlined in November 1969, which asserted that short of a Soviet or Chinese attack (which DOD agrees are unlikely) "... we shall look to the nation directly threatened to assume the primary responsibility of providing the manpower for its defense."

Thus, as U.S. ground forces elsewhere in Asia are reduced consistent with this policy, we should also begin withdrawing the 2d Marine Division from Okinawa.

The increasing capacity of the Japanese Self-Defense Forces to defend Japan against all potential enemies provides further basis for American withdrawal from both Okinawa and Japan. The Japanese have the economic capabilities to provide for their own defense. Japan at present devotes less than 1 percent of its GNP toward its own defense, compared to at least 6 percent for the United States. There is certainly room for increase.

The Japanese Government seems to want two things—U.S. naval forces in the area and assurances of support in the event of a war or crisis. The Japanese would be happy to see the U.S. ground forces withdrawn from Japan and Okinawa. Furthermore, there are increasing pressures in land-scarce Japan for the United States to return to Japan some of its bases.

The argument was raised by Roland Paul before this committee that it is important to maintain U.S. forces in Japan and Okinawa to prevent the Japanese from acquiring nuclear weapons. This argument has no basis in fact. The Japanese have not acquired nuclear weapons because they have judged that it would not be in their interest.

A Japanese threat to use nuclear weapons, due to the small size and high population density of Japan, would be suicide—furthermore, no Japanese Government that made the decision to build nuclear weapons could long survive in the face of the intense popular reaction that such a move would provoke.

The recent furor over a Japanese nuclear-powered freighter leaking radiation is clear evidence of the kind of intense reaction that would be provoked by a Japanese decision to go nuclear. It is still wandering around looking for a port to enter, because the Japanese are very unhappy about having it around. I think one could expect a similar reaction if the Japanese were to make a decision to acquire nuclear weapons.

In considering withdrawal of U.S. land forces from Asia it is important to keep in mind that by doing so the United States would not be withdrawing completely from that part of the world nor would we give up the ability to take action in defense of important interests should that become necessary.

U.S. Pacific naval forces would continue to maintain a powerful American force in the area and formidable American airlift and sealift capabilities give us the capability to rapidly resupply our allies and, if necessary, move troops into the area.
The U.S. Navy in the Pacific, to which you alluded in your opening statement, Mr. Chairman, consists of a powerful force of 232 modern ships. This force is composed of 8 attack aircraft carriers, 3 cruisers, 41 destroyers and frigates, 35 other ocean escorts, 11 nuclear-powered and nuclear-armed ballistic missile submarines, 34 attack submarines, 24 of them nuclear-powered, 34 amphibious ships, including 3 helicopter carriers, 2 patrol boats, and 64 auxiliary and replenishment ships.

Even after withdrawal of American ground forces from Asia these naval and marine forces would comprise a powerful U.S. military force in the area.

By comparison, Soviet Pacific naval forces consist (as of July 1, 1974) of some 200 ships, including 6 conventional and missile cruisers, 24 destroyers and frigates, 28 other ocean escorts, and 48 missile submarines, 34 nuclear-powered, and 38 attack submarines, 10 nuclear-powered, and 55 amphibious and support ships.

Substantial U.S. airlift and sealift capability gives the United States the ability to rapidly reinforce allies and/or transport U.S. military forces to trouble spots, should the President and the Congress decide that this is necessary. The U.S. airlift force consists of 17 squadrons of C-141 and C-5A aircraft. This force did not exist at all 10 years ago. The recent rapid resupply of Israel provided a graphic demonstration of this airlift capability. Between October 13 and November 14, 1973, the U.S. Air Force moved approximately 20,000 tons of military supplies and equipment without using all available aircraft. C-5A aircraft flew 445 missions and averaged approximately 148,000 pounds of payload per trip. C-141 aircraft flew 421 missions and averaged approximately 47,000 pounds of payload per trip.

One C-5A can carry some 270 fully equipped troops. Thus, if only the C-5A’s were carrying troops, the United States could have transported almost 40,000 men to the Middle East in a period of 1 month.

However, for the purpose of carrying troops the Air Force usually relies on the Civilian Reserve Air Fleet (CRAF). There are some 245 aircraft in the CRAF (707’s, DC-8’s, 747’s and DC-10’s) which are under contract to the DOD and in time of war or emergency can be activated by the DOD to carry troops and/or military equipment. In addition, some 100 more aircraft (giant 747’s) may soon join CRAF.

In addition to existing capabilities, the Air Force has requested funds for several new programs to increase its capability in this area.

**SHALF ORCES**

Since the early 1960’s the United States has built a fleet of 62 modern fast amphibious warfare ships totaling some 831,000 tons. This force provides the capability for massive rapid American intervention abroad. In addition, the United States would be able to draw on merchant marine and reserve fleet ships in time of war:

<table>
<thead>
<tr>
<th>Type of Ship</th>
<th>Number</th>
</tr>
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<tbody>
<tr>
<td>Navy amphibious ships</td>
<td>62</td>
</tr>
<tr>
<td>Troop-carrying capability</td>
<td>30,000</td>
</tr>
<tr>
<td>Merchant marine (U.S. flag)</td>
<td></td>
</tr>
<tr>
<td>Freighlers</td>
<td>239</td>
</tr>
<tr>
<td>Tankers</td>
<td>162</td>
</tr>
<tr>
<td>Reserve fleet</td>
<td>254</td>
</tr>
</tbody>
</table>
The United States has approximately 400 freighters and tankers which are suitable for long-range military sealift, compared to some 482 ships for the Soviet Union. Comparison in terms of numbers of ships is somewhat misleading, however, as U.S. ships are generally larger and this is directly translatable into carrying capacity.

Thus, while the Soviet merchant fleet is fifth in the world in numbers of ships, it is only ninth in the world in total gross tonnage. The United States, on the other hand, is seventh in the world in total tonnage. The U.S. advantage in amphibious capability is also substantial. While the Soviets' amphibious force is capable of transporting only about 9,500 troops at one time, the U.S. capacity is four times that—about 39,000 troops at one time.

I might point out that recently, in a similar exercise, a full division was moved by air to Korea in just 7 days, so American capacity in this area of airlift is very great.

Mr. Chairman, I think we are at one of those unique points in time when many separate events come together to make possible significant new directions in foreign policy. Recent occurrences, current international political conditions, economic conditions, as well as public opinion, both at home and abroad, all make this an auspicious time for action.

We have come to understand the hard way that our power to influence events in many parts of the world is not limitless. We ought to take advantage of this understanding and make our extensive international commitments more consistent with our limited resources and other pressing national needs. The suggestions we have made will help achieve these goals.

That is the end of my statement. I would be happy to answer any questions.

Mr. NIX. Thank you very much, Dr. Leader.

I would like to ask you what information does the Defense Information Center have on the stationing of nuclear weapons in South Korea?

Mr. LEADER. Well, I can only elaborate briefly on the comments Admiral L. R. Rosaw made recently before a committee of the Senate. We know weapons are stationed there because we know they are essential to various weapons systems stations in Korea.

I alluded in my statement to the Honest John and Sergeant missiles, also Hawk and Hercules missiles, and the 155-millimeter and 8-inch artillery guns. All of those are stored in Korea; some, as I said, quite close to the truce line.

I might mention a recent report indicated on a number of training exercises those nuclear warheads were flown by helicopter from their storage areas up to forward-based weapons near the truce line.

I might point out our view is that that presents a substantial danger. Helicopters have been known to crash. The danger of a nuclear weapon accident becomes very serious and a matter of great concern.

There have been a number of cases where aircraft carrying nuclear weapons have crashed, some in the United States. A fairly famous one was in Palamos, Spain, and another I am familiar with in Greenland where the conventional explosive detonators of those bombs exploded, scattering radioactive plutonium over large areas, creating a nuclear hazard to those people in the surrounding area. An explosion over Korea could bring on an international incident.
Admiral La Rocque mentioned that he thought there was danger that terrorists might overrun, might capture some of those weapons, or that terrorists crossing the truce line might capture them.

I can't add anything further to his comments on that. He thinks it is serious, and his military experience in that matter is a great deal better than mine. I must accept his judgment on that.

Mr. Nix. In a recent news story to which our attention has been directed, reference was made to positioning of nuclear weapons in close proximity to the South-North border, protected only by fencing and normal peacetime precautions. Do you have anything to authenticate the substance of that story?

Mr. Leader. Mr. Chairman, I would have to ask Admiral La Rocque when he returns to address himself to that question. I think it is something he has greater expertise on and we would be happy to provide information for the record.

Mr. Nix. Now does our operational control over South Korean forces commit us to an immediate response in a future Korean war as to ground troops?

Mr. Leader. I think the danger is American officers serving with Korean ground units would immediately become involved in such hostilities and, even if the President and Congress decided it were not in the American interest for the United States to become involved in such hostilities, I think they would not have the option of staying out because of this relationship that exists between Korean commanders and U.S. troops. This would create pressures for further American involvement.

I think, the concern is the option of not becoming involved would be precluded, and that is something we think is serious and should be addressed.

Mr. Nix. Don't you think, assuming the placement of these weapons near the border between South and North Korea, don't you think that would serve as a warning to the North Koreans of a present danger and, if it is so considered by them, isn't it reasonable to assume they would take defensive action of some kind which would precipitate conflict?

Mr. Leader. Yes, I think, as I understand what you are saying, I think you are suggesting that these weapons may in fact be provocative.

Mr. Nix. Yes.

Mr. Leader. I would agree that is the case. It is especially true because the North Koreans do not have their own nuclear weapons and, were I on the other side of that truce line in the North, I would view those weapons with great alarm and I would be concerned about their presence. And I think the point is that their presence is a source of continuing tension, as is the presence of all those American forces in Korea.

The North Koreans have made it clear that they view the presence of foreign forces in South Korea as a very serious provocation, and it may be that the nuclear weapons and U.S. forces in South Korea are hindering the progress in the talks that are going on between the two governments.

Mr. Nix. What justification has been offered for our Marine amphibious forces that are on Okinawa in a forward base position? Do they seek to justify?

Mr. Leader. Yes, as I indicated in my statement, the Pentagon
emphasizes these forces are there to reinforce other American forward-based troops elsewhere in Asia. In other words, they are there to reinforce other American troops in the event of hostilities. They are there to make possible rapid American intervention in other Asian countries, and we think that one of the major problems of American foreign policy in recent years has been rather excessive reliance on force, and we think the temptation for rapid intervention might be reduced and leaders of Congress and the executive branch, which have to make important decisions about whether to intervene in a particular crisis, might have more time to consider their responsibility if those forces were not so readily available and so poised for quick and immediate use.

Mr. Nix. I, for a long time, have listened to the justifications offered by our authorities, people in control, and for the life of me I am unable to understand the reason for it, the threat faced by this country that brought this activity into being. I am unable to understand the benefit to the American people that ensued as a result of these activities.

Now, perhaps because I am not of the military I could be pardoned for lacking the wisdom to understand the complexity of their moves, but I find that I think as most Americans think it can be said that the majority of the American people—and I place myself among the majority—are so utterly stupid that we are incapable of understanding the wisdom of their actions. But I can't understand. Nor can I understand why the proposals made by this subcommittee, the suggestions for withdrawal, are not taken and acted upon, and why in other years those proposals have not been advanced by the military.

I know one thing, it is becoming increasingly difficult to convince the Congress that the funds necessary to carry out the plans of the military in this area, increasingly difficult to have the Congress decide to furnish that money.

And it is my belief that this will be the most difficult year of all to get the Congress to agree to appropriate funds for these purposes. Now, that should spur the military to positive action such as we are suggesting.

But the only thing I get from them is answers to questions designed to prolong the agony. I don't think it is going to be prolonged.

Mr. Leader, I want to thank you very much for a most constructive presentation.

Mr. Leader. Thank you.

Mr. Nix. It certainly gives substance, greater substance, to the proposal this subcommittee and the Foreign Affairs Committee for that matter, has been advancing over a period of time.

Thank you very much.

Mr. Leader. Thank you, sir.

Mr. Nix. Our next witness is Dr. Richard Walker, director of the Institute of International Studies of the University of South Carolina.

Again I welcome you, Dr. Walker, and you may proceed, sir.

STATEMENT OF RICHARD WALKER, DIRECTOR, INSTITUTE OF INTERNATIONAL STUDIES, UNIVERSITY OF SOUTH CAROLINA

BIOGRAHY

Richard L. Walker is the James F. Byrnes Professor of International Relations and the Director of the Institute of International Studies at the University of South Carolina.
Dr. Walker is a specialist in the history, politics, and military strategy of East Asia and has been connected with the affairs of that area since he first served there with U.S. Army Intelligence during World War II. He has travelled to Asia on numerous occasions, both for the United States Government and in his capacity as a scholarly researcher.

Born in Bellefonte, Pennsylvania, he received his Bachelor of Arts degree from Drew University, a Certificate in Chinese Language and Area Studies from the University of Pennsylvania, his Master of Arts Degree in Far Eastern and Russian Studies and his Doctorate in International Relations (1950) from Yale University.

Professor Walker has been associated with the University of South Carolina since 1957 and was named to the James F. Byrnes Chair (the first endowed chair at the University) in 1959. He was an Assistant Professor at Yale (1950-1957); visiting Associate Professor, National Taiwan University (1954-1955); visiting Professor, University of Washington (1959 and 1965); Professor of Political Affairs, National War College, Washington, D.C. (1960-1961); and visiting Research Professor, Academic Sinica (Academy of Sciences), Taipei, Taiwan (1965-1966).

Professor Walker is the author of ten books, a contributor to more than thirty others, and has published numerous articles and reviews in scholarly and popular journals. His books include: China Under Communism: The First Five Years (1955), The China Danger (1960), and most recently Prospects of the Pacific (1972).

Dr. Walker is well known nationally also as a lecturer and for his appearances on national media. In 1972, he was appointed as "Visiting Lecturer" at the Department of State’s Foreign Service Institute for recognition of his contribution to the educational program at the Department. In 1970, he was presented the Air University Award for his "outstanding contributions to Air Force professional education."

The University of South Carolina professor serves as an advisor and consultant for numerous educational and professional organizations. He is a member of the Academic Advisory Council of the Center for Strategic and International Studies of Georgetown University, of the Interprofessional Council for International Security Affairs of the National Strategy Information Center, of the Advisory Board of the John F. Kennedy Institute for Military Assistance; and is a member of the Board of Directors of numerous national organizations with interests in China and Asia, including the National Committee on U.S.-China Relations. He serves as a Government consultant on matters relating to security and international relations in the Pacific area.

Professor Walker is married to the former Celene Kenly and resides at 700 Spring Lake Road, Columbia, South Carolina.

Mr. Walker, thank you, Mr. Chairman.

I, too, consider it a privilege to share with the Subcommittee on Asian and Pacific Affairs a few thoughts about America’s trans-Pacific relations. These observations are the result of more than a year of travel, consultation, and residence in East and Southeast Asia during the past academic year, from which I have just returned. During that period I had opportunity to talk with local leaders as well as American representatives.

I certainly agree with you, Mr. Chairman, on the necessity for constant information and scrutiny on the part of our Congress as to the disposition of our forces and our commitments abroad.

If you will, Mr. Chairman, I have made my remarks somewhat of a general background nature so that we can explore some of the specific issues.

It seems to me our security structure was fashioned two decades ago in the wake of a number of events and forces which came crowding upon the United States in the immediate post-World War II period. The American response to those events and forces was predicated upon the assumption that our country’s economic and strategic future was going to be linked closely with the Pacific basin and that regional security and stability in the Western Pacific was essential to our national...
Nothing that has happened in the intervening two decades has changed that position. In fact, we are more intimately bound up with the peoples across the Pacific now than we were two decades ago. Upon the stability and security of our allies and trading partners there the United States is increasingly dependent.

By the turn of the decade, Mr. Chairman, four of our largest trading partners—and we are the greatest trading nation—will be Pacific powers.

It is easy to forget the many factors which led to the system of alliances and mutual security programs which were fashioned then. There was widespread Communist-inspired insurgency in East and South-east Asia; Mao Tse-tung's forces had just achieved victory in mainland China and had joined in an alliance with Stalin's Russia; overt aggression in Korea, where Communist forces made an impressive showing against the United Nations command, had revealed the weakened state of American conventional power.

I interrupt for a minute, Mr. Chairman, to remind you that many people argued in the late fall of 1949 and the early spring of 1950 that the North Korean forces would not attack, that the forces in South Korea were strong enough. And at the time on June 25, 1950, when North Korean forces struck south, there was not one single combat-ready U.S. division in the continental United States and there was only one then on Okinawa, a Marine division, in the Western Pacific.

The subsequent hearings conducted by the U.S. Congress brought out very clearly that the withdrawal of U.S. power in a precipitous manner in the 2 years before 1950 had, indeed, been an open invitation which had been taken.

Communist forces had gained a significant victory over the French in Indochina; Japan, still a formidable potential leader for modernization in the area, was weak and exposed.

In the face of what were then rather pretentious claims and threats by the Sino-Soviet leadership, we expressed a determination to provide a structure for regional security. First, there was the negotiation of a series of alliances and security treaties: With the Philippines signed on August 30, 1951; with Australia and New Zealand signed on September 1, 1951; with Korea signed on October 1, 1953; with Japan signed March 8, 1954, and with the Republic of China on Taiwan, signed December 2, 1954.

Second, the U.S. embarked upon programs of military assistance for building the capacities of their allies to resist the type of aggression represented by Korea.

Third, we organized our own forces and bases as the only really strong non-Communist power in the area—so that we would not again be caught short.

Fourth, we initiated a program for training in the United States of allied officers, so that problems of language and adaptation to the weapons systems we were using could be in part overcome.

Fifth, we came to realize with the passing of time that some of the very military forces and leaders we were training could provide some of the necessary skills for economic development and modernization.

In part we have witnessed the coming to power of military governments in the world, where not alone we, but where we have provided military assistance.
Behind the programs which the U.S. developed were some frequently unexamined assumptions: That the United States would be able to sustain its commitment and the thrust necessary for it; that the Communist challenge would continue in the same manner; that the governments of what we called the free world, faced with a monolithic threat, were bound to cooperate; and that such cooperation could be built among allies.

For at least the first decade our additional assumption that our allies would be each other’s allies and that the United States at the center could create a regional security system, seems to be borne out. Certainly these four bilateral pacts and the trilateral ANZUS treaty seemed to prove a viable structure during the initial stages of the war in Vietnam. The Philippines, Australia, and Korea provided forces for the effort. American bases in Japan, Okinawa, Taiwan, and the Philippines sustained our commitment over time. And the general command and strategic direction was vested in the Americans as leaders of the alliance structure.

Today the situation has changed drastically, and there is a need to reexamine our whole strategic posture in the Western Pacific. I certainly agree with you on this score.

It hardly seems necessary to mention the dramatic changes of the past decade. Speed of transport and the communications revolution as well as the dramatic advances in missile technology call for the elimination of at least some intellectual inertia in strategic planning. The intensity of the Sino-Soviet dispute and its spillover in terms of the competitive détente policies of Moscow and Peking have tended to make allied cooperation seem less forthcoming. A generational change, combined with new expressions of nationalism, has tended to make regional cooperation seem less forthcoming. Reaction to Vietnam among some of our allies as well as within the United States now raises questions about the desirability or the credibility of the American commitment.

An examination of conditions in the Western Pacific at present can lead only to the conclusion that some imaginative initiatives, political as well as military, are called for in the immediate present. The following propositions are advanced as a summary of the current situation in an alliance structure which was once so full of promise:

First, the United States today holds the responsibility for defense relations across the Pacific which none of its allies will allow to be put together for constructive regional planning.

What I mean by this, Mr. Chairman, is that the United States is responsible. I am not including in my statement the matter of SEATO, or our relations with South Vietnam, or Thailand, but we are responsible in a bilateral or trilateral alliance system for the fate of six countries or territories.

Now, if we examine, we find that there can be practically no cooperation built between Japan and Korea. The Japanese are sufficiently sensitive over their relations with Peking that there is no way of putting together cooperative planning between Japan and Taiwan, nor indeed between Taiwan and the Philippines.

Second, despite the continuing commitment by both the Soviet Union and the People’s Republic of China to cadre training, destabilizing policies, wars of national liberation, and political operations
there is less threat perception and, less feeling of deference to the United States in matters of defense.

Third, American bases, and the presence of American forces, have become issues of concern in every country in the offshore island chain in the Western Pacific.

Fourth, American policies of détente toward Moscow and Peking have seriously undercut the political support of those very leaders in Japan, the Philippines, and particularly Australia, which is one of the most sobering situations in our trans-Pacific situation. They have sustained their countries' alliances with the United States. This is especially true, given what is perceived to be trends toward isolationism in the United States in all allied countries. Many perceive in America a "weariness with Asia." The phrase, "No More Vietnams" sounds loud and clear in allied lands.

Given the history of the past 35 years, given the growing importance of Korea, Japan, Taiwan, the Philippines, and the ANZUS powers in the emerging Pacific community of trade, commerce, and cultural interaction with the United States, given the as yet unresolved problems of divided countries, the United States needs to reaffirm more than ever its commitment to regional cooperation in matters of defense. Given the parlous state of our alliance system, this will require indications of new initiatives at the highest levels of our Government.

Mr. Chairman, it seems to me that we cannot rapidly disengage ourselves from commitments made without undermining credibility in an age where we have opened up communication in a new way with the People's Republic of China in an age where we are working toward détente with Moscow. It is interesting to note that both Moscow and Peking recognize the stabilizing role of a U.S. presence in a Western Pacific that has become so vitally related to our own future.

Our presence will be necessary until such time as there is a basis for some meaningful regional cooperation in defense.

The situation in the People's Republic of China, which celebrated its 25th birthday yesterday, is far from settled. And in many respects the continuation of détente depends upon a continuation of the Sino-Soviet dispute.

We need to pay adequate attention to the security and needs of the middle and smaller powers in an area of the world where there are still three destabilizing divided countries. The United States is still the major force for stability in the area.

Precipitate action would most undermine our credibility. The U.S. forces do sustain our commitment. Leaders that I have talked to do believe that our ground forces are a successful trip-wire in an area of the world that is still fraught with danger. The origins of insurgency in Asia do not necessarily lie in poverty but lie in the training of insurgent-leaders.

I agree with the statement of Mr. Leader that the time is at hand for a new look at some military dispositions, for a new look at the organization of our defense structure. Our commander in chief in the Pacific, CINCPAC, sits in charge of an organization and looks out at linked forces which are not linked and really don't exist except as a unit except for the U.S. presence in that part of the world.

I would be remiss if I did not return to the issue of Korea, a much misunderstood country and a country which sits in the vortex of the recent changes in the Northeast Asia-Northwest Pacific area.
The situation in the Republic of Korea is tense. This is no time to throw out the baby with the bath; though I join with a number of people who disagree with and deplore some actions of political oppression, this does not justify and precipitate action which might even further destabilize the Korean area.

I recall a State Department conference held in October 1949 where the worry was about the oppressive regime in Korea and the urging was that the Americans get out.

This was by one of America's leading, so-called, specialists or experts on East Asia. The North Koreans read the mood in the United States, and this obviously had something to do with their actions.

I hope in your deliberations, Mr. Chairman, that you will continue to look at the relationship in the long run between the overall credibility of the U.S. commitments and how its loss might precipitate actions which could only lead to further violence which our forces have sought to avoid.

Thank you.

Mr. Nix. Thank you, Dr. Walker.

Now, it is going to be necessary for me to recess the subcommittee for the purpose of voting. That will take less than 10 minutes. But during the recess I would like you to consider this:

Obviously the basis which supports or did support our commitments has been seriously eroded in those countries. It would seem to me obviously necessary and should have been necessary for some time past, for our Government to reexamine all of the commitments and reexamine the situation as it now exists and, having done so, offer another basis for negotiations and commitment to those nations.

I would like you to advise the committee as to your thinking as to what this Government should do in the way of creating the climate for new commitments, and when that should be done.

I declare a recess, giving us the opportunity to make this vote.

Thank you very much.

[A brief recess was taken.]

Mr. Nix. The subcommittee will come to order.

You may proceed, Doctor.

Mr. Walker. Thank you, Mr. Chairman.

You asked about the re-examining of our commitments. I think our commitments, as regards forces and the projection and stationing of our forces should be under constant re-examination.

Now, when we negotiate away commitments that we have made is a very touchy, a very sensitive subject because it could lead to miscalculation on the part of potential opponents, particularly in divided countries where tensions run very high. And it could also lead to an undermining of faith in our credibility.

Nevertheless, the thrust of my prepared statement, Mr. Chairman, is that the time is at hand for a rethinking of our defense commitments, rethinking of our force deployments in such a way as to encourage, as is part of the Guam doctrine not in self-defense but hopefully a more meaningful regional cooperation.

It is very difficult to get any of our allies to think beyond their borders or think in regional terms or think beyond the commitment that the United States bears for them, which we agreed is a very expensive commitment.
Mr. Nix. Dr. Walker, I get the impression that every commitment entered into at any time by a sovereign state—and I am speaking of the United States of America first—has been entered into with a view to serving the interests of the country committing itself.

Now, I get the impression that countries are calloused when it comes to breaking commitments if those commitments do not serve their best interests.

The question then is whether these commitments serve the best interests of America as they now exist?

Mr. Walker. That may or may not be the question, Mr. Chairman. The question might better be whether a precipitant breaking of a commitment would hurt the U.S. interests more.

I agree with you that the United States makes its commitments in its own best interests and those interests do change, but there are many factors that have to be weighed, and it seems to me that the U.S. interests are best served at this time by maintaining a posture which creates credibilities and trust in our position once taken.

Now, this does not mean that it cannot be negotiated or changed. And I think we have displayed within the past several years a fair amount of flexibility.

I realized a great number of our military opposed the return of Okinawa to Japan. We have done that and we are reducing base commitments in Japan.

The question that really comes up is at what point does the withdrawal of U.S. deployments across the Pacific where we are intimately involved, at what point does it become a destabilizing factor in inviting military action on the part of the people, who, like the leader of North Korea, might not always be subject to rational dictates?

Mr. Nix. I can’t help but think, wonder, rather, what effect the maintenance of these commitments would have on the economy of the United States because of the cost to the American people to maintain our commitments in the event or after study and examination we found that the cost to the United States was not proportionate to the benefits accruing to the United States because of the commitment, then they ought to be disbanded.

Mr. Walker. Well, Mr. Chairman, some of these costs and benefits are very difficult to measure. The presence of the U.S. commitment, the presence of U.S. forces, if looked at in the long period has been in large part responsible for the stability which has made possible the Japanese economic miracle, the really remarkable economic progress in South Korea, and the really remarkable development in Taiwan, which I have observed in all three countries since the end of World War II on many visits and residences there.

Now, how you cost account this I don’t know, but those three countries are among the best customers the United States has in the world. Japan is our single best overseas customer.

Now, if the holding up of a military shield has helped to make this possible, then I don’t know how you cost account that against the year-to-year defense cost, and I think it has.

Mr. Nix. Then I believe that the department of Government having control of these commitments, who makes these commitments, ought to be the person to answer my question.

It occurs to me that Japan brought a miracle. It is said that they won the war by some standards, I suppose, that could be justified. But,
nevertheless, since the war they got from us a nuclear umbrella protection. Their economy has just soared beyond belief. They are rich, secure and we are getting poorer and more insecure.

That is why they didn’t win the war in the sense that they lost anything at all, or at least I can’t see that they did.

What do you think of that, sir?

Mr. Walker. Well, the factors behind the Japanese miracle involve more than just the creative destruction of the war, the fact that they could start with new plants and not obsolete equipment. There is much in the Japanese ability to work, or organize, the fact that they are able and willing to use the seas which connect and know that land divides.

Most of us are not aware of how intimately we are connected by way of the sea. It is still cheaper in the year of our Lord 1974 to ship tons of coal in great quantity from Hampton Road through the Panama Canal than it is to ship it by railroad to Pittsburgh, Pa.

So, there are many reasons behind the Japanese economic miracle. It is true that they have been putting less than seven-tenths of 1 percent into defense and it is true that the United States has provided security. But this is a mutual thing with the Japanese.

We have had bases in Japan at relatively cheap cost and in most of these defense arrangements across the Pacific there has been a fair amount of mutuality which has helped to build up to what the Japanese refer to before the great energy crunch as a Pacific community.

If U.S. commitments and U.S. deployments have helped in the creation of this—and I believe we have over the past quarter of a century held up a shield almost singlehandedly in the same way we did an alliance structure in Europe, then the cost I think has been eminently worth it not only in terms of our own self-betterment and improvement, but the cost has been worth it in terms of the growth of a whole new vibrant area in the Pacific.

Mr. NIX: So in conclusion, you believe that more time and study should be given to our present commitments and no specific change should be made until the committee evaluation has been made, and the basis for that evaluation is to determine where the best interests of the United States of America might lie?

Mr. Walker. Well, Mr. Chairman, I think that studies should go on constantly, all the time of all aspects of our defense and our deployments in that area. We are never going to have one complete big study. I think in many respects some of our force structures are obsolete, some of the thinking is not necessarily geared to the terrain, and there is always a chance for economy and efficiency in any human organization.

I am very grateful that your committee is looking into the problem, raising some questions and I hope that a great amount of saving and good will come out of what you are doing.

I hope, also, that recommendations will not come out of the committee, or subcommittee, which will lead people to believe that the United States is moving back into an era of isolationism, that it is withdrawing its forces and commitments, because I think that could be an open invitation to destabilizing the Pacific community that we have helped to build.

Mr. NIX: I quite agree with you about the isolation.
In the world in which we live I don’t think there is any place for isolationism. I think it is foolhardy and we are not stupid people by any means.

But I must say the least, disenchanted with positions taken by the U.S. Government in many, many areas of the world. And I agree that constant study should be conducted, evaluations made, and I don’t believe it is being done.

I don’t think that it is up to date. I think they base their actions in many instances on studies made in other years and I don’t think they have been pushed hard enough to make current the positions that they now are taking in various parts of the world.

Of course, there is always a tendency to stand with that which has served in the past, why bother it, but I think it should be constantly reexamined and that, of course, is one of the objectives that the committee has in holding these hearings.

I want to express my deep appreciation and that of the committee. I want to apologize because we do not have the attendance that we usually have.

That is because we have on the floor today legislation that has to do with reforming Congress. And whenever that question is raised in the Congress, you will find the membership sticking very close to their seats. It isn’t because they dislike reform at all, it is only that they are conscious of the fact that there are different kinds of reform. One kind could reform them out of office and they have no wish to be put out of office.

Now, I don’t mean to indicate that I am above those fears, that is one of the reasons why I am going to adjourn the meeting and get back there.

So, again, I thank both of you gentlemen, Dr. Leader and Dr. Walker, for being here today and making a contribution to the effort that we have under way.

I was glad to hear, Dr. Walker, that you are at the University of South Carolina. As I said to you earlier, I was born in South Carolina. I had a letter from the Librarian at the University of South Carolina a few days ago so I have ties with the place you are presently teaching.

Mr. Walker. Mr. Chairman, I am very grateful to know that you are representing my home State of Pennsylvania.

Mr. Nix. Thank you.

By the way, that might well be true but the South Carolina delegation did me the honor of asking me to join with them in making a national park out of an old battleground in South Carolina. I felt honored to do so.

Thank you very much, gentlemen.

The subcommittee is recessed, subject to the call of the Chair.

[Whereupon, at 3:17 p.m., the subcommittee was recessed, subject to the call of the Chair.]
APPENDIX

SUPPLEMENTARY INQUIRIES FORWARD TO DEPARTMENT OF STATE BY
CHAIRMAN ROBERT N. C. NIXON JUNE 11, 1974

I. THE NIXON DOCTRINE

Question 1. Does the Nixon Doctrine mean that Asians must assume military roles in their own countries rather than depend on the presence of United States troops?

Answer. According to the Nixon Doctrine precept of burden sharing, the U.S. has sought to shift from a primary to a supportive role in the defense of Asian nations. We have attempted to increase the self-defense capacity of our friends and allies in the region, and, as that is achieved, to reduce the level of our own forces committed to local defense roles. The nations of East Asia have responded impressively to the challenge presented by this aspect of the Nixon Doctrine. They have in fact assumed a larger share of the responsibilities for their defense, and U.S. troop levels have declined as a result. The most notable example of this was in South Vietnam where under the Vietnamization program a U.S. military force of over 500,000 men was totally withdrawn in less than four years.

Question 2. Why do we have more servicemen in Asia and the Western Pacific than we did prior to the Viet-Nam War, or at least as of March 1, 1974? If we do not, how many less servicemen than the pre-Viet-Nam total are stationed there?

Answer. In September, 1964 the total number of U.S. military personnel ashore and afloat in Asia and the Western Pacific was approximately 250,000 (16,000 in Viet-Nam). As of December 31, 1973, the number was approximately 181,000 ashore and afloat, or about 59,000 less than the 1964 figure. March 1974 figures are down to 167,000, or about 83,000 less than in 1964.

Question 3. What percentage of the total number of American servicemen stationed in South Korea, Okinawa, and Thailand, have been returned to American territory from January 1, 1973 through December 31, 1973?

Answer. The authorized troop ceiling for Korea did not change in calendar year 1973. However, as of December 31, 1973, actual troop strength in Korea was about 4,000 below the authorized level. During that year the authorized level for Thailand dropped 3,000 or about 12%. Forces levels on Okinawa did not change significantly.

Question 4. What were the political justifications for keeping American servicemen in Thailand, South Korea, and Okinawa as of April 1, 1974?

Answer. The presence of U.S. forces in these countries is a tangible manifestation of the United States commitment to security and stability in the region. In more specific terms, U.S. Air Force units in Thailand are an earnest of our intention to seek full implementation of the Paris Agreement on Viet-Nam; we and the Thai government are agreed that reductions in those forces should be closely related to conditions in Indochina. (In that connection, on March 29 our two governments jointly announced that U.S. forces in Thailand would be reduced by 8,000 during the course of this calendar year; the first withdrawals have already taken place.) In South Korea, the presence of US forces demonstrates our readiness to support the ROK in the event of armed attack and thereby serves as a restraining influence upon the North, thus facilitating, rather than hindering, the gradual process of political accommodation on the peninsula. United States forces in Okinawa serve essentially two (related) political purposes: on the one hand they provide an important element of substance in our security commitment to Japan, and on the other they constitute a deterrent to possible aggression throughout Northeast Asia, helping to maintain a rough political-military equilibrium in that region.

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Question 5. What are the military considerations for stationing these men in these three places?

Answer. The military justification for our forces in these regions is of course closely related to the political considerations outlined above. Air Force units in Thailand, which Hanoi knows to be a highly credible force, are a military deterrent, and as such strengthen prospects that Hanoi will opt for a political rather than military solution to the Indochina conflict. By the same token, our forces in Korea are a stabilizing element on the peninsula because they are a credible military force. The same considerations hold true with respect to United States forces on Okinawa—only because they are known by potential adversaries to be an effective combat force, do they contribute to the military and political equilibrium of the region.

Question 6. Could not United States military commitments to the entire area be fulfilled by maintaining mobile U.S. forces in the mid-Pacific, especially if those forces had a long-range capability?

Answer. Unfortunately not. While we are increasingly able to project military force over long distances, it would be extremely difficult if not impossible to bring effective force to bear in East Asia in timely fashion, from bases as far removed as the mid-Pacific. Thus, fulfillment of both the military and political objectives of our force present in East Asia would be undermined. In particular, the value of our forces as stabilizing elements in the two most critical potential areas of confrontation—Korea and Indochina—would be considerably diminished if those forces were not close at hand.

Question 7. If they cannot serve our commitments, why are we taking two-thirds of the island of Tinian in the mid-Pacific for such purposes?

Answer. While mobile forces alone cannot meet our requirements, they are nevertheless an important part of our overall defense posture in the Pacific. Further, a final program development and construction planning must in any case await the outcome of the current negotiations with the Marianas Political Status Commission for land acquisition and, of course, the congressional appropriations process.

Question 8. How much longer will we keep servicemen on other than 'training or embassy duty in South Korea, Okinawa or Thailand, 5 years, 10 years, or longer?

Answer. U.S. forces in Thailand serve primarily as a deterrent to North Vietnam. Thailand and the U.S. Government have agreed that this reduction in the number of U.S. military personnel will be based on developments in South Vietnam and adjacent countries.

We expect to maintain a military presence on Okinawa indefinitely. However, base consolidation and some reduction in troop strength is presently underway. Any changes in the number of U.S. military personnel in South Korea will depend upon the security situation on the Korean peninsula, ROK military capabilities, and our own requirements. There are no present plans for changes in U.S. force levels in Korea.

Question 9. If our forces can maintain our policy in the Indian Ocean with a base such as Diego Garcia, why cannot we maintain the same type of commitment in the Western Pacific with the same type of base system?

Answer. U.S. base requirements in the Western Pacific are much more extensive than those in the Indian Ocean.

At the present time, a mid-ocean island such as Diego Garcia, would not by itself adequately serve our national defense needs and support our security commitments to our allies.

Question 10. Does the murder of American Naval officers on the Subic Bay reservation raise the specter of like action for political purposes by insurgent movements at installations much closer to forward areas in Asia? If not, why not?

Answer. The incident, in which three U.S. Navy officers were killed on April 15th while inspecting work on a new perimeter road at the Subic Bay base is still under investigation by Philippine authorities; no suspects have been caught and motives behind the killings are thus still unknown. While it is true, that there are insurgent groups operating in some areas where we have bases in the Philippines and in Thailand, we do not see this incident as raising the specter of politically inspired violence against members of our military forces stationed in those countries; we simply do not know the motivation behind the killings of these officers. Whether it was done by insurgents with political, ideological, or "squatters" on reservation property who were being displaced by the building of the new road or by others, with other motives, remains unclear.
II. THE PEOPLE'S REPUBLIC OF CHINA

Question 1. Is it not true that the basic reason for the formation of SEATO and the stationing of troops in forward Asia areas was the containment of the PRC?
Answer. In the context of the early 1960s the containment of communist aggression was viewed in broader terms than just the People's Republic of China. In that period it appeared that communism was a monolithic threat which would continue efforts to expand in Asia. North Korea during the Korean war received vast amounts of matériel assistance from the Soviet Union, as well as troop support from China; and communist insurgents were operating in the Philippines, Malaya, Viet-Nam and Laos.

To encounter the threat of Sino-Soviet expansion in Asia, the U.S. negotiated bilateral military pacts with Japan, Korea, the Republic of China and the Philippines and a multilateral treaty was signed with Australia and New Zealand. To complete the linkage of bilateral and multilateral arrangements, the Manila Pact, was signed to act as a deterrent against communist aggression in mainland Southeast Asia.

These treaties and force deployments were meant, in addition, to serve as a shield behind which the Asian countries, most of them recently independent, politically uncertain, economically weak, and still disunited, could become strong.

Question 2. In reference to statements by Administration witnesses to the effect that the People's Republic of China does not object to the maintaining of our troops in Asian locations, does this mean that the containment of the People's Republic of China is not the objective of our security measures in Asia and/or is not viewed as such by the People's Republic of China?

Answer. United States forces in Asia are, we believe, an inhibition on aggressive action by any potential adversary in the region; they are not, however, specifically directed against the PRC or any particular nation.

Question 3. If the containment of the People's Republic of China is not the only objective of our stationing of troops in South Korea, and Okinawa, for example, what is the objective or objectives for the stationing of troops in such locations?
Answer. I would refer you to my answers to questions 4 and 5 under Section 1.

Question 4. If the maintenance of stability in the Asian area is our objective based, in part, on the stationing of ground troops in forward Asian areas, does this quest for stability include the maintenance of stability in relation to Sino-Soviet friction?

Answer. The United States has taken no position with respect to factions between the Soviet Union and China, other than to indicate our hope that armed confrontation can be avoided. We have made clear to both parties our impartiality in their dispute.

Question 5. If American security arrangements were based on Asian stability rather than an anti-communist rationale, would the burdens of the United States be increased in that additional threats to peace would have to be met, due to a balance of power theory?

Answer. Our efforts to maintain and strengthen stability in East Asia have two basic and mutually reinforcing aspects. First, to pursue the goal of shared responsibilities for development and defense "(burden-sharing," such as I discussed in my answer to your first question), and second, to reduce tensions among the major powers involved in Asia—the Soviet Union, China, Japan and the United States. We believe both of these efforts must be pursued simultaneously if either is to succeed. Only by demonstrating—through our security arrangements—our determination to assist our friends and allies in the region can we convince the Soviet Union and China that it is in their interests to reduce tensions. Conversely, only by pursuing increased cooperation and understanding with the major communist powers can we help to establish a political atmosphere in East Asia which encourages cooperation rather than confrontation among the smaller nations of the region. This two-fold policy has achieved considerable success, and as a result there are fewer active threats to the peace in East Asia today than at any time in the post World War II period.

III. JAPANESE AND SOVIET OIL AND MINERAL DEALS IN SIBERIA

Question 1. Isn't it true with the initiating of an agreement between the Soviet Union and Japan for the joint development of oil in Yakutsk, Siberia, the Soviet Union is using oil as a bargaining chip on a step-by-step basis on Siberian development? Furthermore then, depending on Japanese agreement to the building of a 2,000 mile pipeline to Western Siberia before negotiations can continue as was previously the case?
Answer. The Soviets have never been very clear on this question. At times, they have suggested that all pending projects must be negotiated as a package; at other times they have shown a willingness to discuss each project separately. In the case of the recent agreement for the joint development of coking coal and timber resources in Yakutsk, the Soviets did not insist that Japanese credits to finance facilities for the transport of Tyumen oil be discussed at the same time. We view this as a tactical rather than a basic policy shift on the Soviet side.

The entire question of Japanese participation in the Tyumen oil project has been altered by the recent proposal that the Japanese help finance a second Siberian trunk railway rather than a pipeline to transport the oil. The Japanese have not flatly rejected this proposal, but their reaction has been decidedly cool.

Question 2. Isn't it true that the Japanese willingness to sign an agreement as to coke without the participation of the United States, is a large step toward the agreement of both countries to jointly develop Siberian resources including Siberian oil?

Answer. The Japanese have never sought U.S. participation in the coking coal and timber projects. They have insisted, however, that their participation in oil and natural gas projects is contingent upon joint U.S. participation. The agreement signed on April 22 which provides for Japanese credits for the exploration phase of the Yakutsk natural gas project was made conditional upon parallel and equal credits from the U.S. Exim or private American banks. The Japanese have shown no signs of altering their basic policy in this regard.

Question 3. Isn't it true that the Japanese willingness to bargain on the joint development of Siberian resources without the settlement of their dispute with the Soviet Union over the Kurile Islands increase the likelihood of joint development of Siberian oil?

Answer. It is, of course, true that the fact the Japanese are not insisting on the return of the Northern Territories as a precondition for participation in the development of Siberian resources increases the likelihood of joint development of Siberian oil. While the Japanese have claimed the entire Kurile chain, they have not given up their claim to the four islands (Habomai, Shikotan, Kunashiri and Etorofu) which are immediately north of Hokkaido, Japan has indicated that the return of the four islands comprising the Northern Territories remains a prerequisite for the conclusion of a Peace Treaty ending the technical state of war which has existed between Japan and the USSR since World War II.

Question 4. Isn't it true that if Siberian oil is developed, and pipelines built that the military value of the Soviet Naval Base at Vladivostok will increase? Will not such a result increase the ability of the Soviet Union to support a large Soviet fleet in the Pacific?

Answer. Yes, it is true. Should the Soviet Union decide to transport the oil to Vladivostok, this would result in an increase in available oil in Vladivostok. However, the Soviet Union presently has sufficient oil stocks in the Siberian area to support its current military deployments in Asia. It also already has the capability to ship additional oil stocks via the Trans-Siberian Railroad. Should the Soviet Union decide to increase the size of the fleet at some time in the future, a pipeline which terminates in Vladivostok would provide a potential source of oil to support a large fleet and would marginally increase the security of military oil supply by providing a redundancy in supply systems.

Question 5. Is one of the objectives of the United States in maintaining troops in the Japan area the security of Japan in relation to a possible Soviet threat? Would this objective be modified by a growing commercial alliance between Japan and the Soviet Union?

Answer. The presence of U.S. military units in Japan, including Okinawa, is predicated upon the obligations we assume for the defense of Japan in the U.S.-Japan Mutual Security Treaty and serves as a deterrent to aggression from whatever source and to attacks upon our lines of communication. The maintenance of stability and peace in Asia is a major U.S. goal. Japan is an extremely important ally in Asia and the maintenance of the United States-Japan Mutual Security Treaty is considered vital to the attainment of our basic objective of peace and stability in Asia. A growing commercial alliance between Japan and the Soviet Union could tend to reduce the possibility of Soviet aggression; however, these commercial ties do not diminish the Soviet military capabilities. Consequently, we do not anticipate that these exchanges will cause any change in the necessity for U.S. presence in Japan or for the continuation of the Mutual Security Treaty over the next several years. Rather, we see the present U.S./
Japan security relationship as providing the basis for Japan to feel sufficiently secure to seek broader ties with the Soviet Union.

IV. SEATO

Question 1. What purpose does SEATO serve today, and what would be the negative results of U.S. withdrawal from SEATO under the terms of the treaty?

Answer. The Manila Pact continues to play a stabilizing role in this period of shifting relationships in Southeast Asia. While our friends are growing progressively stronger, they still look to the established defense relationships with the U.S. for their security. Thailand, a core country in the region, has no other security treaty than the Manila Pact. Given the lack of an alternative security arrangement for the region and its still uncertain future, we should steer a careful course of gradually shifting the burdens and responsibilities of security to the countries of the area, maintaining the Manila Pact as part of the equilibrium.

A unilateral U.S. initiative to scrap SEATO or to withdraw from the Manila Pact would undermine the growing confidence with which Thailand and other countries in the area are moving to develop friendly relations with their communist neighbors and to strengthen their ability to assure their own security. This is not a time to take any action which would unsettle and disrupt the smooth transition to a more peaceful and stable region that we seek.

Also, we believe that the determination of the future of the Manila Pact and SEATO should be on the basis of a consensus approach by its members rather than a unilateral U.S. action. This consensus approach worked very well during last year’s effort to streamline the SEATO organization.

Question 2. If SEATO were merely allowed to die on the vine, would not such a policy on the part of the U.S. be obvious to all concerned and in a short time?

Answer. We have no policy of allowing SEATO to merely die on the vine. As explained above, we believe that the Manila Pact and SEATO continue to have a role to play in the current transition period in Asia. The organization has recently been tailored to meet existing conditions with the other members of SEATO, will keep the role of the Pact and the organization under continuing review as trends in Asia become clearer.

Questions 3 and 4. In an official statement resulting from the SEATO meeting which took place in New York City in September of 1973, the term “Security Development” was used. In stating that all future economic and social projects will be concentrated on “Security Development” projects in Thailand and the Philippines, what is the meaning of the term “Security Development” as used in the text?

Answers. The actual wording of the September 26, 1973 SEATO press statement following the Council meeting in New York said: “The Council also agreed with the Secretary General’s proposal calling for a complete integration of the military into the civilian staff at SEATO Headquarters in Bangkok which would facilitate the organization’s increased ‘focus on cooperating in the support of the internal stability and development measures of the regional members.’

The phrase “Security Development” currently used in SEATO parlance replaced Counter-Subversion and Counter Insurgency in SEATO planning. It is intended to give greater emphasis to development aspects of the programs in Thailand and the Philippines. SEATO accorded priority to granting economic and social assistance to projects at the ‘grass roots’ level which contribute to improving living standards in rural areas of Thailand and the Philippines especially those involving cooperative management and other forms of popular participation.

Question 5. Were any American forces used to train Philippine troops who later participated in the defeat of the recent Muslim rebellion?

Answer. The U.S. had avoided any direct or indirect involvement in the Philippine Government’s handling of the Muslim Insurgency. Specifically the United States has not conducted programs to train Filipino units for action in the South. Undoubtedly some individuals of the Philippine troops involved in counter-insurgency actions against Muslim insurgents in the Southern Philippines have participated in U.S. training programs.

Question 6. In what manner did American advisors train indigenous troops in combat operations in their own country?

Answer. The role of American advisors is dependent upon agreements between the U.S. and the host country, within limits set by Congress. There are “MAAG” teams in only two SEATO countries, the Philippines and Thailand. The assistance program in the Philippines does not entail United States involvement,
direct or advisory, in Philippine military combat operations. At the present
time there are no U.S. military personnel training Thai troops in Thailand.
There continue to be, however, U.S. military personnel assigned to elements of
the Thai Armed Forces in an advisory capacity under the terms of the 1960
Military Assistance Agreement.

V. THAILAND

Question 1. Since legislation forbids the renewal of bombing in Indochina,
and since our airbases in Thailand have no other purpose, what is the reason
for maintaining such bases with a complement of 85,000 men?

Answer. U.S. forces in Thailand, even though they are presently forbidden
by legislation to bomb in Indochina, serve as a deterrent to North Vietnam
because Hanoi cannot be certain how the U.S., including the Congress, would
react if it should resume major hostilities. These forces, therefore, contribute
to the restoration of peace and stability in the area. The Royal Thai Govern-
ment (RTG) agrees. Thailand is in accord with our position that future reduc-
tions in our military presence in Thailand should be based on developments
in Indochina. We have conducted a continuing dialogue with Thai authorities
on this subject. We have already withdrawn more than 10,000 U.S. service-
men from Thailand since February 1973 and on March 20 we and the RTG
announced our intention to reduce authorized U.S. military manpower
spaces in Thailand by approximately 10,000 by the end of 1974. We expect the actual number of U.S.
military personnel in Thailand to be about 27,000 by that time.

Question 2. In the event of another North Vietnamese offensive in South
Viet-Nam, what would be the cost to the U.S. of a bombing attack on South
Viet-Nam from our Thailand bases? And what would be the cost of such
an offensive to the North Vietnamese?

Answer. As noted above, the principal purpose of our forces in Thailand
is to help deter another North Vietnamese offensive. Provided we also furnish
the South Vietnamese adequate military and economic assistance to maintain
the military balance and the other conditions which made the Paris Agreement
possible, we are very hopeful that this objective can be achieved.

It is true that the DRV has the capability to launch an offensive equal in
weight to their 1972 Easter invasion. They must, however, consider in deter-
mining whether to exercise such a military option not only the retaliatory
capability of U.S. forces, but also the possibility that such an offensive would
be defeated as were their 1968 and 1972 attacks. A third major defeat would be
most difficult for them to recover from.

Question 3. Would such a bombing attack on North Viet-Nam be a matter
of a trade-off in destruction or the prevention of a second, third or fourth, offens-
ive after the defeat of a first offensive?

Answer. North Viet-Nam’s economy has been gravely weakened by its pro-
tracted war of aggression against the South; the mining of her harbors; and
the destruction of much of her communications, power, and manufacturing
facilities. DRV leaders currently are trying to rebuild that shattered economy.
Balanced against their objective of taking over South Viet-Nam is their desire
to continue this rebuilding. The possibility that launching an all-out offensive in
the South might bring renewed bombing in the North must weigh in this bal-
ance. This is a major element of deterrence. In the event deterrence fails, of
course, air power also could be applied to the tactical targets associated with
the attacking force, with, of course, the consent of Congress.

Question 4. Does our military experience in our portion of the Viet-Nam War
incline us to believe that the bombing of North Vietnamese forces on South
Vietnamese soil was effective in itself ending the fighting? If not, could such
bombing in South Viet-Nam play a major role and would the maintenance of
the threat to carry out tactical bombing in South Viet-Nam, justify the keeping
of 35,000 airmen or any like number in Thailand for this purpose?

Answer. U.S. tactical air support of South Vietnamese forces was an important
element in defeating the 1972 North Vietnamese offensive, and thus in achieving
the conditions which made the Paris Agreement possible. Such potential U.S.
support remains an important element in deterring all-out aggression by Hanoi;
and Thailand-based aircraft and personnel are an important part of the deter-
rent forces.
5. Question. Is it or is it not true that when Ambassador Graham Martin was Ambassador to Thailand, that he took the position that Thailand should not be used as a staging area for an extensive American military mission in Thailand? In any case has not the restraint shown by the United States in establishing a military presence in Thailand, with the exception of airbases, proven successful? If so, would not the removal of the airbases be an additional contribution to the same happy result?

Answer. During Ambassador Martin's tour of duty in Thailand (1963 to 1967) U.S. policy sought to ensure that the U.S. military presence in Thailand was no larger than the requirements of its mission dictated. Nonetheless, because of direct U.S. involvement in the Indochina war effort, the number of American servicemen in Thailand had almost reached its peak of 48,000 by the time Ambassador Martin departed Thailand in mid-1967. This occurred, of course, with the approval and full cooperation of the Royal Thai Government (RTG).

The vast majority of our troops in Thailand have been U.S. Air Force personnel who were stationed at Thai airbases. Consistently, the primary mission of these troops has been directly related to our military efforts in Indochina, specifically to the air war.

As South Vietnamese military capabilities improved, it was possible to begin reducing the number of U.S. servicemen, including those in Thailand, who theretofore had been involved in the war effort. In September 1969, after consultation with the RTG, we began to withdraw units from Thailand and by mid-1971 there remained only 32,000 U.S. military personnel in that country.

Unfortunately, the North Vietnamese spring offensive in South Vietnam in 1972 required the reintroduction of some units into Thailand and our military presence grew once again to approximately 40,000. The missions flown by the augmented Air Force units in Thailand, supported by other service elements, helped bring about the ceasefire of 1973. While complete peace has not yet returned to Indochina, the level of hostilities has abated considerably. In accordance with these changed circumstances, we are once again reducing our military presence in Thailand. This is being done in close consultation with the RTG. Agreement was recently reached to reduce our forces in Thailand to 27,000 by year end. Both we and the Thai expect to continue these reductions, dependent, of course, on future developments in Indochina.

6. VI. SOUTH KOREA

Question 1. What is the point of maintaining 28,000 men in South Korea when the South Korean armed forces number well over 400,000?

Answer. American forces in Korea have a stabilizing influence both in the Korean peninsula and in Northeast Asia. They are a deterrent to North Korean attack, and they provide tangible assurance to the ROK of firm U.S. support for its constructive initiatives towards stabilizing the peninsula. The most recent of these initiatives was President Park's call for a non-aggression agreement in his New Year's Press Conference.

Withdrawals at this point would introduce a destabilizing factor at a sensitive time when the two Korean parties are moving towards a new relationship.

Question 2. What percentage of our men are support troops and what percentage are combat soldiers?

Answer. The distinction between support and combat troops is often artificial. If we consider the "combat" category to include the combat arms, headquarters, air defense and communications units, the ratio of ground forces would be approximately 40% combat and 60% support.

Question 3. Since the total number of men stationed in South Korea has been reduced by 4,000 men between March 31, 1973 and December 31, 1973, a 10% reduction, what was the reason for the reduction? What mission did these servicemen have as distinguished from the mission of the remainder?

Answer. It is incorrect to speak of a reduction of our forces in Korea during 1973. The authorized strength level (42,000) has remained constant during that period. As of December 31, 1973 actual strength levels, i.e., a head count of those on duty at any given moment, showed a number around 38,000, apparently leading to an erroneous conclusion that there had been a reduction of 4,000. Actual strength levels are generally somewhat below that authorized and may sometimes vary widely as during the period cited.
Question 4. Have we now or in the recent past adopted a position that defense in Asia will be a matter of specialization? If this is the case, are we not committed to an immediate combat role in the outbreak of fighting since no other force could fulfill the specialized role we have adopted for ourselves? Are these political reasons for adopting such a posture, and what are they if such is the case?

Answer. There is no "specialized role" for U.S. forces in the defense of the Republic of Korea. Planners recognize that in the event of hostilities the most immediate significant contribution the United States could make would be that of air power, an area in which North Korea is presently stronger. However, the operative paragraph of the 1954 Mutual Defense Treaty specifies that in the event of an armed attack each party "would act to meet the common danger in accordance with its constitutional processes."

VII. OKINAWA

Question 1. What is the mission of our troops stationed in Okinawa?

Answer. United States air and naval units in Japan, including Okinawa, serve as a deterrent to possible Soviet or PRO aggression. These forces have a significant combat capability and are able to respond rapidly to contingency situations in Asia and the Pacific. The specific structure and capability of United States armed forces in Japan, including Okinawa, are as follows:

U.S. Army. The U.S. Army structure in Japan is essentially one of logistical support and is well situated, geographically, to support operations in Korea and throughout the Western Pacific. It provides the nucleus of base support for rapid buildup of forces following implementation of contingency plans.

U.S. Air Force. The U.S. Air Force base structure in Japan supports deployed forces. Primary USAF assets in Japan are a tactical fighter wing, a tactical airlift squadron, a strategic refueling squadron, and a reconnaissance squadron, all of which are based on Okinawa.

U.S. Navy. The U.S. Navy structure in Japan is designed, primarily, to support deployed forces. Without these naval bases, the majority of units in Japan would have to relocate with a significant reduction of capabilities and increased costs.

U.S. Marines. The U.S. Marine Corps structure in Japan consists of two-thirds of a Marine Amphibious Force. All of the ground combat forces on Okinawa and most of the air component is located on the Japanese mainland.

Question 2. What function do our bases on Okinawa serve? Does it serve as a training base, a staging area, or a geographical defensive base or all three?

Answer. The bases on Okinawa, as well as those on the Japanese mainland, serve a fourfold purpose in helping to maintain the security of Asia and the Western Pacific. First, they provide visible, credible evidence of the U.S. ability and intention to honor its security commitments in Asia. Second, they provide a forward staging area and an operational base permitting the maintenance of ground, naval, and air forces in readiness for a swift reaction to threats against Japan, the Republic of Korea (ROK), or elsewhere in Asia in case deterrence fails. Third, they provide a centrally located logistical base structure which has a major mission in support of U.S. land, air, and naval forces currently operating in the Western Pacific as well as material support for our allies if and when required. Fourth, these bases are the hub of an extensive communications network in the region.

Question 3. Could not any or all of these functions be served by bases with a long-range capacity from mid-Pacific bases?

Answer. Our basic military strategy for Asia is one of forward deployment of our forces so as to increase their effectiveness and swift reaction to threats against Japan, Korea, or elsewhere in Asia if deterrence fails. Most of the specific missions performed by U.S. forward deployments in Japan (as discussed in answer to the preceding question) either could not be performed by forces from mid-Pacific bases or would result in significant reduction in their capabilities. In addition, such redeployments would result in significantly increased operating costs and could seriously aggravate any already unstable crisis situation. The political function of U.S. forward deployments (i.e., deterring enemy threats and reassuring our allies) probably could not be accomplished from mid-Pacific bases. Certain military functions, such as a communications network and necessary airbases, must be maintained in forward locations in peace time since they cannot be rapidly acquired when a crisis occurs. Other functions, such as the staging of combat forces and the storage
of war reserve munitions require forward deployments relatively near the area of potential use so they can respond rapidly when necessary. To approximate current response times with reduced forward deployments would require significantly increased use of mobility forces and hence higher costs. In addition, there would be significant costs, involved in replacing at potential mid-Pacific sites, the installations and facilities currently in Japan, including Okinawa. In summary, our bases in Japan cannot be replaced without seriously degrading our present capability and the deterrent value of our forces.

Mr. Fred Branfman of the Indochina Resource Center in his testimony to the Subcommittee on May 1st responded to a question Mr. Nix posed about what were the considerations that moved the government of the United States to enter the Viet-Nam conflict in the beginning (page 52, line 8 of the hearings transcript). Mr. Branfman’s response alluded to certain economic considerations (page 53, line 6). Mr. Nix’s staff asked informally that we address this point. For the record, we would like to submit the following comment:

Allegations that United States policies for Indochina are based on economic or commercial criteria would seem to reflect a particular ideological persuasion rather than a factual analysis. The fact is that the alleged commercial and economic interests are virtually non-existent. At the present time, United States trade with the area is relatively insignificant and that which does take place is largely the result of our assistance programs; and there is little investment by private U.S. firms.

In 1973, the value of goods imported into the United States from the three Indochina countries totalled less than one million dollars.

More generally, we would note that commercial enterprise is not attracted but repelled by military action and insecurity.
Questions and Answers from Department of State Related to Vietnam Aid Proposals, July 30, 1974

Question 1. What is the percentage of increase in AID to South Viet-Nam in the President's Message over and above the most recently enacted foreign aid legislation, what does the increase amount to in dollars and what is the total figure asked for in the President's Message for the Public of South Viet-Nam?

Answer. The FY-74 AID program figure for South Viet-Nam totals $297 million. We are requesting $750 million for FY-75. This amounts to a dollar increase of $353 million, which is an increase of approximately 90 percent.

Question 2. Is it the purpose of the President's AID message as to South Viet-Nam to have authorized, sufficient funds for South Viet-Nam to achieve economic progress similar to Taiwan and South Korea, or is it primarily to maintain our collective security arrangements as we have in the past?

Answer. The intent of the request is to obtain a level of funds that would enable us to meet our humanitarian and economic stabilization objectives in South Viet-Nam and to have sufficient resources to augment South Viet-Nam's productive capacity, thus placing her on the path to self-sustaining growth, as was the case in Taiwan and South Korea.

Question 3. Does South Viet-Nam's natural resources, including prospects for major oil discoveries, give it the possibilities of achieving an economic miracle similar to that in South Korea and Taiwan? (Paraphrase of language used by Robert H. Nooter of AID, statement to Full Committee, June 13th, 1974, p. 4)

Answer. Yes, South Viet-Nam has good natural resources, being particularly well endowed with agricultural resources as well as an intelligent, industrious population. Given favorable circumstances, she is fully capable of achieving the economic miracle wrought by South Korea and Taiwan. It is difficult to assess with any certainty the prospects for major oil discoveries. The first wells are expected to be drilled in the coming weeks. If petroleum or natural gas should be found in commercial quantities, then the prospects for rapid economic development would be further enhanced.

Question 4. In an agricultural country such as South Viet-Nam why is there unemployment of up to 1 million persons, unless the Republic of South Viet-Nam cannot return people to the land or will not do so?

Answer. South Viet-Nam suffers from a distorted wartime economy. Her cities are swollen with refugees from insecure countryside areas and with rural people who were attracted to the well-paying jobs that were available in urban areas. With the departure of U.S. military forces and the substantial reduction in U.S. contractors, the job market has been substantially reduced. The full effects of this contraction only now are beginning to be felt and fully realized by the urban population, which has stayed in the cities in the hope of making an adequate adjustment to the new circumstances. Unfortunately, given the continued military hostilities in parts of the countryside, some areas of South Viet-Nam remain insecure, particularly the more remote, less populated areas. This limits the amount of land that is available for distribution to urban settlers. In addition, land for resettlement must be identified as unowned and determined to be suitable from the standpoint of water availability and soil fertility. This is a time and effort-consuming process. Moreover, funds must be made available to sustain the resettlers prior to harvest, as well as for housing, land clearing, planting of crops, etc. Given the foregoing problems, it has not been an easy task to resettle the urban poor in rural areas. Some have returned to the land without enrolling in an official government program. To encourage many more to become farmers again, we have proposed the city-to-farm program, which would provide funds for land clearing, sustenance payments, housing costs, planting costs, etc., for an initial 300,000 urban poor (60,000 families). This program has the full backing of the Vietnamese Government.

Question 5. Is the increase In AID requested based in large measure on a greatly expanded program of capital investment for that country? If so, what types of industry are being considered for such investment?
Answer. Yes, the increased funding request is based in part on increased capital investment and in part on much greater commodity costs. The increased capital investment will be for such things as dredges; salt-water intrusion-control dikes and gates; the construction of fertilizer and agro-business processing plants; industrial parks; and export processing zones.

Question 5. Does South Viet-Nam an agricultural country have to depend on the import of food, and on the maximum use of chemical fertilizers? Will the Republic of South Viet-Nam become an exporter of food in the future as it was in the past?

Answer. South Viet-Nam has been a food-importing country only because of war devastation, insecurity in the food-producing countryside, and war-related economic dislocation. Given a period of peace there is no reason why South Viet-Nam should not be a food exporter.

With respect to fertilizer utilization, there is no way that South Viet-Nam can continue to maintain and increase its agricultural production without the extensive use of chemical fertilizers. For example, approximate 40 per cent of South Viet-Nam's rice production, which is estimated at over seven million metric tons for the last-crop year, now comes from new, high-yield varieties that require substantial fertilizer inputs.

Question 6. What has been the number of fatalities suffered in South Viet-Nam since the truce of 29 January 1973, due to combat?

Answer. Approximately 76,000. Of this total, about 8,000 were civilians; 16,000 were South Vietnamese Government military personnel; and 57,000 were Communist personnel.

Question 7. On what basis does the Administration expect an economic miracle in South Viet-Nam, when 280,000 foreign troops are in South Viet-Nam equipped in part up to with 700 Soviet tanks?

With the military situation in mind, the failure to establish a standstill truce, how can economic aid bring about a large economic expansion to the extent of making the Republic of South Viet-Nam so self-reliant that further aid from the United States will not be necessary?

Since these questions are similar, I believe they can best be addressed in a single answer.

Answer. We recognize that the path to economic self-sufficiency in South Viet-Nam will not be easy, and that achievement of this goal will require imagination, diligence, and persistence on the part of the South Vietnamese. Nevertheless, we believe there is solid ground for our expectation that South Viet-Nam will indeed make rapid economic progress if we provide sufficient assistance along the lines of the six-year program. Secretary Kissinger has already submitted to the interested Congressional Committees, with particularly substantial inputs over the next two years. The evidence for this expectation includes the following:

Fighting has subsided since the January 29, 1973, Agreement. Measured in terms of casualties, it has dropped to about one-third the level of the years prior to the Agreement. Moreover, most of the continued fighting has been in remote, sparsely populated areas. Almost all economically significant areas remain secure.

The South Vietnamese armed forces have clearly demonstrated the ability to defend their country and secure important installations, at least to the point where development projects can proceed with reasonable prospects for success. In fact, the success of the Vietnamization program in the military field is a hopeful indicator that a similarly conceived program can succeed in the economic sphere.

We are not counting on U.S. aid alone to move South Viet-Nam rapidly toward self-sufficiency. Other important elements in the picture include:

(a) The demonstrated resilience, ability, and determination of the South Vietnamese people—a human resource of considerable dimension;
(b) South Viet-Nam's abundant natural resources, including the prospect of significant oil discoveries;
(c) The expectation of substantial additional aid from third countries, international organizations and private voluntary agencies, which will be enhanced by the initially higher U.S. aid levels we have projected; and
(d) Over the longer term, the evolution toward peaceful accommodation and reconciliation which will be possible.

In sum, within the next two to three years we would hope to see the beginning of an irreversible process which will lead rapidly to economic self-sufficiency and, in turn, toward a stable peace in South Viet-Nam.