



**VIETNAM  
WILL WIN**

# VIETNAM IS NO MISTAKE

Imperialism,  
the Trustees and R.O.T.C.



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## INTRODUCTION

In a statement issued on March 11, 1969, the Stanford Board of Trustees outlined its position concerning the presence of the Reserve Officers' Training Corps (ROTC) program on campus. The resolution explained that

ROTC is vital to the continued supply of civilian leadership for the military services, and it is of crucial importance that first-ranking institutions, such as Stanford, lend their strength to that task... this board of trustees urges the president of the university to continue his consulting with the Department of Defense, leading to appropriate actions which will improve and vitalize this program.

Why do the trustees consider ROTC to be of such "crucial importance," and why would they want to "improve and vitalize" the program? Or, to phrase the question more appropriately, what trustee interests does ROTC as an institution help to defend?

The answer to this question requires a brief analysis of the aggressively expanding American political economy--with specific reference to the growing US corporate penetration of Southeast Asia. The war in Vietnam can only be seen as a logical continuation of a foreign policy designed to make the world safe for American capitalism. As will be shown, the Stanford trustees are in the vanguard of the US business drive into Southeast Asia, and their enthusiasm for ROTC can only be understood in this context.

## BUSINESS MOVES ABROAD

Since the end of the war in 1945, the United States has emerged as the world's dominant economic power. With an annual GNP of over \$800 billion, this country has a commanding lead over its capitalist and socialist rivals. Accompanying this growth has been a concentration and centralization of capital. Whereas in 1947, the 200 largest industrial firms controlled 33% of the nation's industrial assets, in 1965 the top 200 corporations controlled

55% of the assets.

In recent years, in order to keep production and profits up, these great firms have been forced to scour the globe in search of vital raw materials, markets, and outlets for investment capital. American business has gone "multinational." From a stake of \$7.2 billion in 1946, US direct, private, foreign investment jumped to \$65 billion by the end of 1968. Investment banker Leo Model has explained the significance of US overseas business. Model noted in Foreign Affairs in July, 1967, that

The role of U.S. direct investment in the world economy is staggering. According to the U.S. Council of the International Chamber of Commerce, the gross value of production by American companies abroad is well in excess of \$100 billion a year. That is to say, on the basis of the gross value of their output, U.S. enterprises abroad in the aggregate comprise the third largest country (if such a term can be used to designate these companies) in the world--with a gross product greater than any country except the United States and the Soviet Union.

The "third largest country in the world!" The US stake abroad, then, is substantial. So substantial, in fact, that US foreign policy is designed to defend and extend these business interests.

US foreign assets are even more concentrated than domestic holdings; seventy companies control half of all American foreign investment. It is the major stockholders, directors, and executives of these largest multinational corporations, along with the nation's leading bankers, insurance brokers, and lawyers, who comprise the upper levels of the American ruling class. Through their control of campaign funding and their positions on quasi-public bodies like the Council on Foreign Relations, on presidential commissions and task forces, and in high-level posts in the government--especially in the Departments of State, Defense, and the Treasury--these men shape American foreign policy in the interests of their corporations and banks. As Calvin Coolidge once said, "The business of America is business" --both at home and abroad.

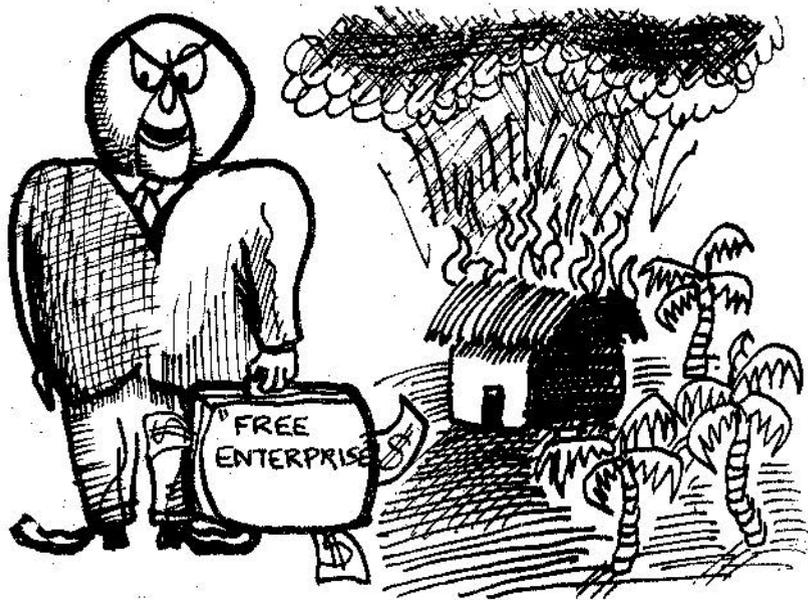
## INTO THE THIRD WORLD

Increasingly, US business is moving into the underdeveloped nations of the Third World--attracted by the rich natural resources, markets, and cheap labor--spelling huge profits for American firms. Close to 40% of all US foreign investment is located in the developing nations of Latin America, Asia, and Africa.

Business's representatives in government recognize the importance of the Third World to American capitalism. In 1958, Undersecretary of State C. Douglas Dillon (formerly with the influential investment house of Dillon, Reed, and Co. and later Secretary of the Treasury under Kennedy and Johnson), remarked,

I am an investment banker by trade, and I speak as an investment banker when I say that today's less developed nations are tomorrow's richest economic and political assets.

The US government supports American business interests in the Third World in many ways. Included are investment guarantees against losses due to monetary inconverti-



bility, expropriation, riot, insurrection, revolution and war. Foreign aid, tied to the purchase of US goods, is used to create immediate and future export markets. Foreign aid is also used to provide the infrastructure--roads, ports, power stations, etc.--needed by foreign investors. In addition, foreign aid is designed to orient the economies of the recipient countries toward capitalist "free enterprise" which will welcome foreign (especially American investment. As Secretary of State Dean Rusk (formerly head of the Rockefeller Foundation) explained in 1962, the US government wants underdeveloped nations

to create conditions which will be attractive to the international investor, the private investor. So our influence is used whenever it can be and persistently, through our Embassies on a day-to-day basis, in our aid discussions and in direct aid negotiations to underline the importance of private investment.

US aid is often used to keep shaky, military regimes in power--regimes that are being challenged by national reformist and revolutionary movements. Assistant Secretary of Commerce Andrew Brimmer remarked in 1965 that

If these military and economic aid programs were discontinued, private investments might be a waste, because it would not be safe enough for you to make them.

In reality, the US will support almost any right-wing government, no matter how reactionary. The so-called "Free World" is free in one sense only--it allows unimpeded access to American goods and capital.

## DEFENDING THE EMPIRE

When reformist governments do manage to gain power and begin to threaten US business interests by raising taxes, limiting remitted profits, or even expropriating US holdings, the American government can respond in several ways. It can cut off aid via the Hickenlooper Amendment. Or it can suspend import quotas--as was done with Cuban

sugar in 1961. Or it can try to subvert the government in question. This is usually the task of the Central Intelligence Agency (CIA).

When Iran nationalized its oil in 1951, the CIA toppled the government in 1953. When Guatemala nationalized uncultivated United Fruit Co. land in 1952, the CIA engineered a coup in 1954. When American oil interests in Indonesia were threatened in 1958, in went the CIA. When Cuba nationalized American-owned plantations and oil refineries in 1959 and 1960, the CIA trained Cuban exiles for the Bay of Pigs invasion. When American copper and cobalt interests were endangered in the Congo in 1961, again--the CIA. When a self-proclaimed Marxist seemed certain to be re-elected president in British Guiana in 1963, the CIA prevented this by working through the AFL-CIO and Guianian labor unions. Although there is no concrete proof, it seems likely that the CIA engineered the overthrow of the anti-imperialist Sukarno regime in Indonesia in 1965. And no one would be surprised to find that the CIA planned the recent coup in Cambodia.

When American business interests are threatened by revolutionary movements, the US government can send arms and advisors to help the local governments repress the insurgency. If this proves unsuccessful, the Marines are landed. This occurred in Lebanon in 1958, when 14,000 marines were sent to ensure the safety of US oil interests in the Middle East. This step was taken to guard against growing Arab nationalism sparked by the seizure of power in Iraq by what seemed to be a revolutionary military regime.

In 1965, when revolutionary forces were fighting to re-install Juan Bosch as president, fear for the safety of US sugar and other interests resulted in the landing of 24,000 troops.

The continuing US aggression in Vietnam is only the latest in a series of interventions designed to keep the underdeveloped world open to American business.

## VIETNAM

US involvement in Vietnam dates back to the early 1950's when the Vietminh, led by Ho Chi Minh, were fighting for liberation from the French. By the siege of Dien Bien Phu in April, 1954, the United States was paying for 80% of the

French war effort and was on the brink of open military intervention. Secretary of State John Foster Dulles explained why. Southeast Asia, Dulles observed,

is rich in many raw materials, such as tin, oil, rubber, and iron ore.

Looking back on the Indochinese conflict in his memoirs in 1963, Dwight Eisenhower expressed the same concern for the strategic natural resources of Southeast Asia. Eisenhower wrote that

The loss of all Vietnam, together with Laos on the west and Cambodia on the southwest... would have spelled the loss of invaluable deposits of tin and prodigious supplies of rubber and rice.

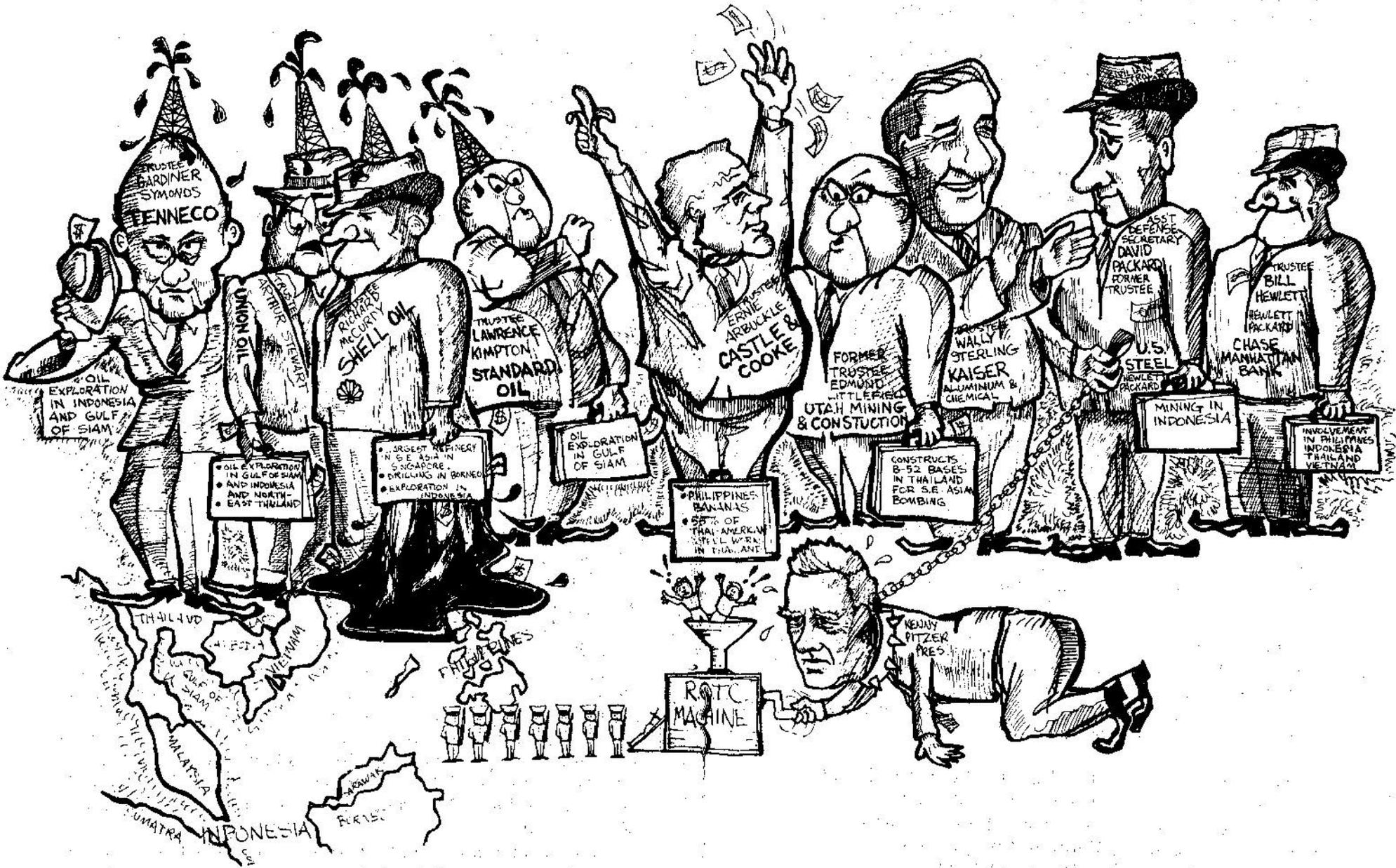
Southeast Asia alone supplied (and still supplies) more than 90% of the world's natural rubber and over 60% of the world's tin.

At Geneva, in July, 1954, Vietnam was temporarily divided pending elections to reunify the country in July, 1956. The United States installed Ngo Dinh Diem as head of a puppet government in the south and, in violation of the Geneva Accords, began to bolster the regime with arms and advisors. Diem, of course, refused to hold the elections, and in the next few years, he undertook a campaign to repress all dissident elements.

The continuing poverty and repression led to guerrilla fighting in the countryside and the formation in December, 1960, of the National Liberation Front (NLF). As the NLF grew in strength in the early sixties, President Kennedy stepped up the flow of US arms and "advisors" who increasingly joined South Vietnamese troops in combat operations. By 1964, 16,000 US troops were stationed in South Vietnam.

Then, in early 1965, using the attack on the US airbase at Pleiku as a pretext, President Johnson ordered the systematic bombing of North Vietnam. The escalation had begun, and by 1968, US troop strength had been increased to 600,000 men.

The American counterrevolutionary effort in Vietnam in the 1960's has been prompted by the same concerns that almost led this country into war in 1954--Southeast Asia's vast natural resources, and, to a lesser extent, the region's existing and potential markets.



In 1965, Henry Cabot Lodge, former US ambassador to South Vietnam and more recently, American representative to the Paris peace talks, explained the nature of American interests in Southeast Asia. Lodge observed that

He who holds or has influence in Vietnam can affect the future of the Philippines and Formosa to the east, Thailand and Burma with their huge rice surpluses to the west, and Malaysia and Indonesia with their rubber, ore, and tin to the south. Vietnam thus does not exist in a geographical vacuum--from its large storehouses of wealth and population can be influenced and undermined.

In the same year, Wyoming Senator Gale McGee described the American corporate stake in Southeast Asia in less specific but more chilling terms:

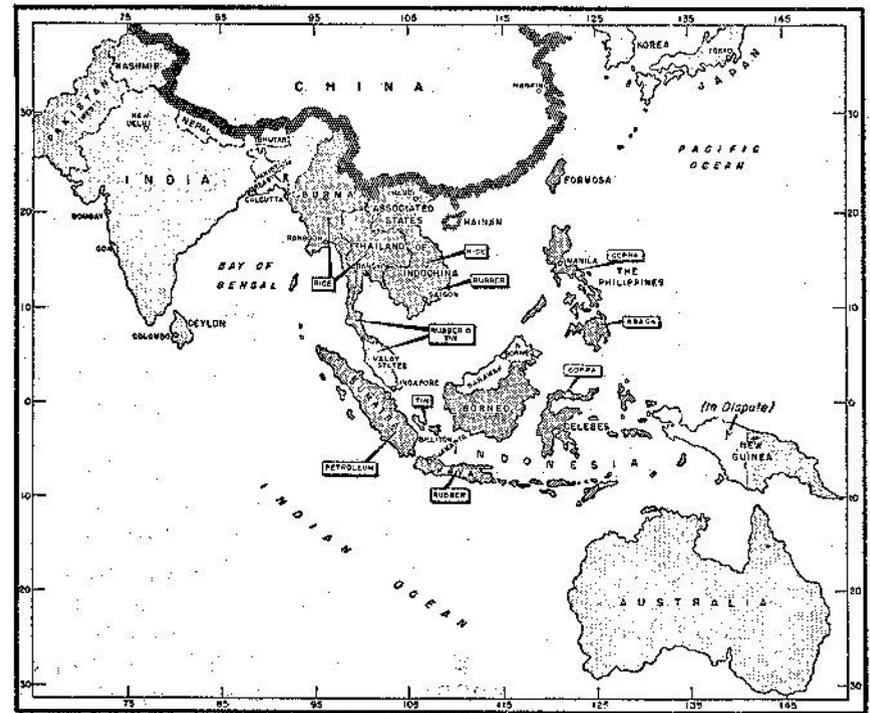
That empire in Southeast Asia is the last major resource area outside the control of any one of the major powers on the globe.... I believe that the condition of the Vietnamese people, and the direction in which their future may be going, are at this stage secondary, not primary.

Profits before people--this is imperialism in a nutshell. Vietnamese die so that American corporations may prosper.

### CASHING IN ON A "GOOD" THING

American businessmen understood that the US military escalation of 1965 was designed to defend their existing and potential interests. In that year, Alfred Wentworth, vice-president in charge of Far Eastern Operations for the Chase Manhattan Bank, explained that

In the past, foreign investors have been somewhat wary of the overall political prospect for the Southeast Asian region. I must say, though, that the US actions in Vietnam this year--which have demonstrated that the US will continue to give effective protection to the free nations of the region--have considerably reassured both Asian and Western investors.



Source: U.S. Technical and Economic Assistance in the Far East. United States Mutual Security Agency, 1952.

Since the 1965 escalation, American investors have been flocking to Southeast Asia. Business Week (December 13, 1969) observed recently that

Among the world's developing regions, Southeast Asia with its 260-million people and its natural wealth probably holds the greatest promise for fast growth. American businessmen are becoming aware of the area's potential and are moving in to sell and invest, to tap expanding markets, utilize pools of low-cost labor for manufacturing, develop tourism, cut timber, search for oil, and dig for metals.

US investment in East Asia (including South Korea, Taiwan, Okinawa, and Hong Kong but excluding Japan) stood at roughly \$1.5 billion in 1968. This figure will grow rapidly in the next few years.

## ENTER THE TRUSTEES

US firms are investing in every sector--oil, mining, forestry, agriculture, fishing, tourism, and manufacturing. Much of this activity is being undertaken by companies with which the Stanford trustees are affiliated. There can be no mistake about it--these corporations are some of the world's biggest, and the Stanford board is a microcosm of the American ruling class.

Oil is the "Cinderella" industry of Southeast Asia--particularly in Indonesia, since the coup and massacre of 1965-66. Close to 25 American firms have received concession rights in the last three years. And Stanford's trustees have been in the forefront of this oil rush.

Shell Oil, whose president, Richard McCurdy, sits on the Stanford board, has recently returned to Indonesia. Shell is also drilling off the coasts of Sarawak (Malaysian Borneo) and Brunei (also on Borneo). In addition, Shell runs the largest refinery in Southeast Asia in Singapore. Union Oil of California, represented on the Stanford board by its chairman, Arthur Stewart, has concessions in Indonesia and off the coast of Thailand in the Gulf of Siam. Union has also conducted seismic tests in northeastern Thailand--the center of the current Thai insurgency. Tenneco, who president and chairman, Gardiner Symonds, is a trustee, also has concessions in Indonesia and in the Gulf of Siam. Standard Oil of Indiana, whose vice-president, Lawrence Kimpton, sits on the board at Stanford, also has a concession in the Gulf of Siam.

The trustees' firms are active in other industries, as well. Castle & Cooke, whose director, Ernest Arbuckle, is on the Stanford board, is planning to set up a banana plantation in the Philippines. Castle & Cooke also own 55% of the Thai-American Steel Works in Bangkok.

Kaiser Aluminum and Chemical, whose director, J. E. Wallace Sterling, is Stanford's Chancellor as well as a trustee, owns 34% of Thai Metal which makes aluminum implements. Kaiser, in partnership with a Japanese firm, was recently outbid for an Indonesian nickel concession.

US Steel, whose recently-resigned director, David Packard, was also a Stanford trustee before his elevation to the Pentagon, is part of a consortium which will mine nickel in Indonesia.

Hewlett-Packard, whose chairman, David Packard, was a trustee until last year and whose president, William Hew-

lett, and directors, Ernest Arbuckle, Robert Minge Brown, and Thomas Pike, are all still trustees, has its Far Eastern marketing headquarters in Singapore.

General Electric, represented on the Stanford board until last year by its director, Edmund Littlefield, assembles electronic appliances in South Korea and Hong Kong.

Finally, the Chase Manhattan Bank, the world's second largest commercial bank, on whose board sits trustee William Hewlett, has branches in Manila, Djakarta, Bangkok, Saigon, and elsewhere.

Truly an imperial portrait.

## THAILAND

As can be seen, Stanford's trustees have an especially important stake in Thailand, where five guerrilla fronts are now active. William Hewlett's Chase Manhattan Bank observed last year that

Thailand promises to be an excellent investment and sales area for Americans if the rebel insurgency can be contained.

The need to "contain" this "rebel insurgency" for the sake of US business interests explains why the Kaiser Engineers and Utah Construction and Mining (represented on Stanford's board by its director, Ernest Arbuckle, and until last year, by its president, Edmund Littlefield) are building B-52 bases in Thailand. This explains why the Stanford Research Institute maintains a 43-man staff at the US-Thailand Military Research and Development Center in Bangkok conducting counterinsurgency research. This also explains why Stanford education professor Frank Moore is a member of the Academic Advisory Committee for Thailand (AACT), whose so-called "social science" research is in reality used by the US military to develop effective ways to repress the Thai insurgencies. And this, in part, explains ROTC.

## ROTC AND THE EMPIRE

The American empire is rapidly expanding into Southeast Asia. The US war effort in Vietnam can only be understood as an attempt to permit this imperial growth to continue. Business Week observed recently that

Despite the debate in the US about whether the American strength and commitments are over-extended, it is hard to find anyone in Southeast Asia who believes that the US will relinquish a major role in the area.

The American ruling class will never willingly give up its investments in Southeast Asia. The defense of these interests requires a strong military, and the maintenance of a strong military requires a highly-trained officer corps. This is why ROTC--which provides 50% of the Army's new officers each year--is so important to America's rulers.

As has been shown, some of the Stanford trustees' firms are among the leading investors in Southeast Asia. Others, including General Dynamics, Lockheed, Northrop, General Electric, Aerojet, FMC, General Telephone and Electronics, Sylvania, Hewlett-Packard, and Watkins-Johnson, are among the nation's leading defense contractors. The trustees, then, have a direct stake in the perpetuation of American imperialism and militarism in Southeast Asia. This gives them a direct stake in the continuation of ROTC at Stanford, as well.



While the heroic peoples of Southeast Asia continue to fight for their liberation, the Stanford trustees and their hirelings in the administration and on the faculty will never willingly remove ROTC from the Stanford campus.

Whether ROTC remains at Stanford is up to us.

OFF ROTC!! SMASH IMPERIALISM!!

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