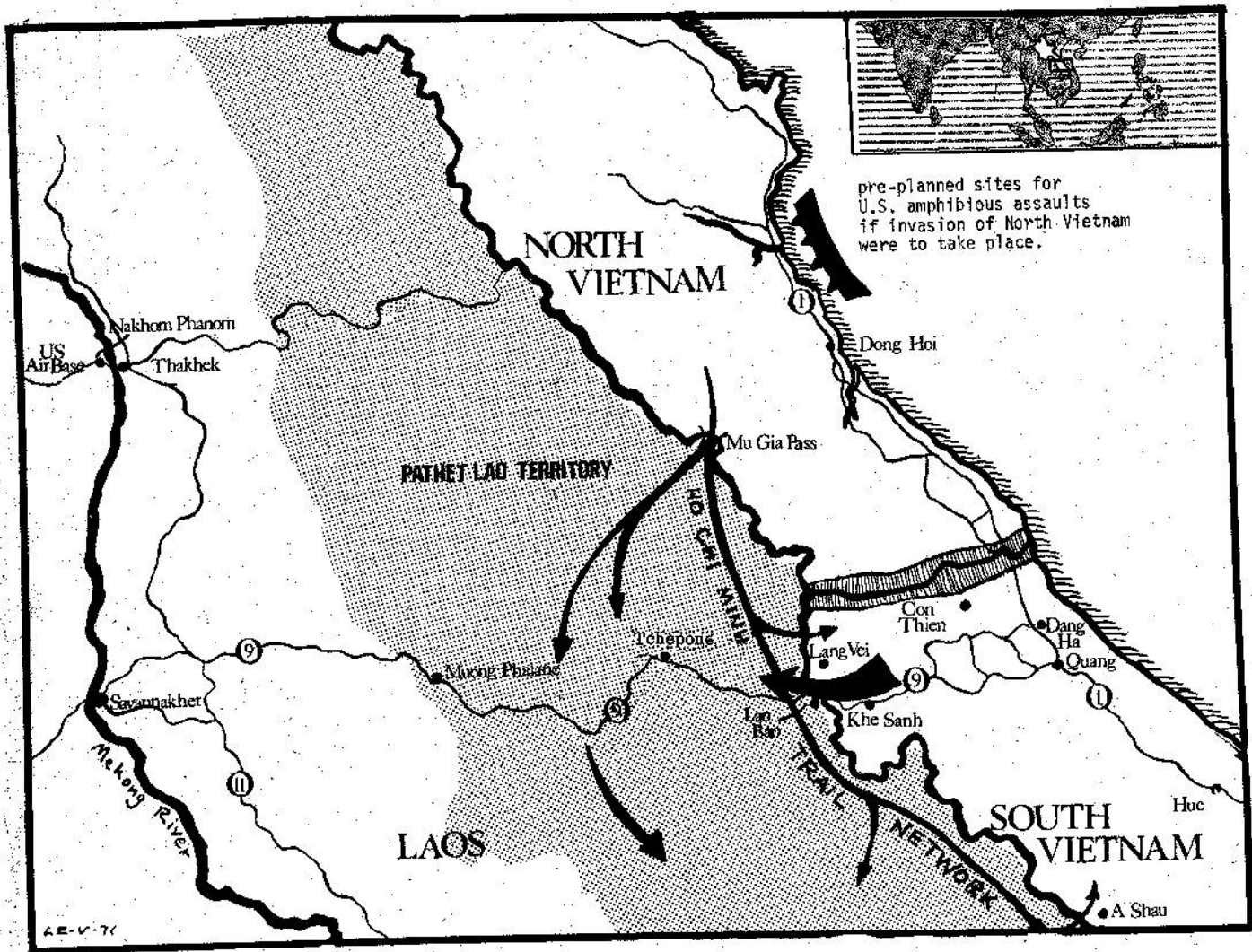


OPERATION TOTAL VICTORY: February, 1971

Third Edition

by Banning Garrett



The expeditions into Cambodia in the Spring of 1970 were officially known as Operation Total Victory Number 42 and Operation Total Victory Number 43. At the time the Pacific Studies Center published two editions of a pamphlet analyzing U.S. strategy in Southeast Asia. The pamphlets were entitled "Operation Total Victory." This Third Edition firmly establishes the PSC tradition of providing analyses of the Indochina war in times of crisis.

The allied invasion of Laos begins the most critical phase of the war. If the invasion fails—it may well become a rout of the Saigon forces—it may be the last stop before the ultimate technological solution to the collapse of 25-year effort to win over the people of Vietnam to the American order: nuclear attack. The key to the present crisis lies in the deteriorating political and military situation of the U.S. throughout Indochina.

CAMBODIA

The failure of Nixon's "Vietnamization" was dramatically demonstrated by the Cambodian Liberation Army attack on Phnom Penh's Pochentong Airport January 22. Fifty men, aided by local villagers and airport personnel, destroyed 95% of the Cambodian Air Force. More significantly, the bombings of key installations within the city were reportedly carried out by a clandestine network within the city (*Le Monde*, 29 January). Thus, not only is more than half the country and possibly 2/3 of the population (Burchett, *Guardian* 30 January) in the hands of the NUF, and the rest of the countryside only under nominal control of the U.S.-backed Lon Nol regime, but even the capital is insecure from both external and internal attacks. The Cambodian guerillas (formerly the Khmer Rouge, now the National United Front of Cambodia, NUF), have increased from 3,000 before the coup to a reported 115,000 guerillas (*Time*, 8 February), who are backed by possibly 35,000 North Vietnamese and NLF guerillas within Cambodia. The NUF is building a solid revolutionary army and political organization, dominated by the Communist Khmer Rouge, according to Prince Sihanouk (*Le Monde* 28 September, 1970), and the NUF has built its own government administration based on peasant elected committees (Burchett, *Guardian*, 30 January). Even though the NUF launched the daring attack on Phnom Penh, Sihanouk said last November that the capital will be the last place to be liberated because it would give Nixon the excuse to escalate the war in Cambodia (*Le Monde* 4 November, 1970). Although the NUF apparently has no immediate intention of liberating the capital (and the U.S. strategists do not expect them to) (*New York Times*, 27 December, 1970, Alvin Shuster), already most of Cambodia is a "communist sanctuary," and the North Vietnamese and NLF reportedly re-occupied their border sanctuaries early last fall (*Le Monde*, 17 October, 1970).

The U.S. responded to the deteriorating situation in Cambodia by giving the Lon Nol government all aid not prohibited by the Cooper-Church amendment, and then some. To stave off collapse of the Lon Nol regime, the U.S. has given over 250 million dollars in military aid, 100 million in economic subsidization for their crumbling economy, trained thousands of Cambodian mercenaries (prior to the coup, but the program is continuing) in South Vietnam, Thailand and Laos (presumably the costs are included in the appropriation for Vietnam), has subsidized continued invasions by Saigon troops to save the

beleaguered Cambodian army, and has flown close combat air support. Although air support was officially restricted to "interdiction" of North Vietnamese supply lines, this restriction has been consistently circumvented. The Staff Report of the Senate Foreign Relations Committee on Cambodia, December 1970, said (p. 4) that "We found it commonly accepted in Phnom Penh that both Vietnamese and U.S. aircraft are providing what amounts in fact to close air support for Cambodian forces." Secretary Rogers has recently revised the administration official policy and asserted that "we don't see any reason why there should be any limit on the use of that air power." (*Newsweek*, 8 February) so the U.S. is committed to full backing of the Lon Nol regime—with the exception of overt use of U.S. ground troops—a prohibition forced upon Nixon by the American people.

The Allied bombing of Cambodia has already 'generated' more than 1,000,000 refugees (Senate Subcommittee on Refugees Report, 1970) out of a population of 7,000,000. The population of Phnom Penh has swollen from 600,000 to nearly 2 million (*Los Angeles Times*, 1 February).

VIETNAM

Although there had been relatively little ground combat in South Vietnam prior to the invasion, the political situation is rapidly deteriorating for the U.S. and for Thieu and Ky. The urban opposition to the U.S., led by the radical, powerful Student Union, is gaining tremendous support from almost all urban groups and classes (even Catholic refugees from North Vietnam) for their demands for total withdrawal of all U.S. personnel from Vietnam, for withdrawal of U.S. support for Thieu and Ky, and for immediate negotiations with the National Liberation Front (NLF). The students have begun to attack the Americanization of Vietnam—hitting directly at the U.S. hopes for creating a consumer-oriented, petit-bourgeois mentality among the urban population. In December, the student leaders launched a "Burn U.S. Vehicles" campaign over the fatal shooting of a Vietnamese student by an American soldier (*San Francisco Chronicle*, 13 December, 1970). Other anti-U.S. attacks and demonstrations have occurred all over Vietnam—often led by the students but with participation by other groups. The urban support for the students has forced caution upon Thieu and Ky in attempting to repress the movement. The students' politics have moved to the left and are now in harmony with the NLF. The student leaders who were imprisoned and tortured in the summer, then released under public pressure, have apparently actually joined the Front.

NLF strategy, it appears, has been to return to small scale guerilla warfare and to intensive political work, rather than large scale military operations which increasingly face mainly air power. The *New York Times*, 27 December, reported that officials say many NLF cadres "have been instructed to 'legalize'—to obtain legal identification papers, work among recognized political and labor groups and even run for office." Although the U.S. has planned to organize

the urban opposition around non-communists (see "Vietnam: How Nixon Plans to Win the War," *Ramparts*, February, 1971), this opportunity for the U.S. to find non-communist social forces as an alternative to the Thieu-Ky regime may be quickly fading.

The U.S. attempt to destroy the cadre infrastructure of the NLF with "Operation Phoenix"—aimed at assassinating 20,000 NLF cadres per year—has failed (*New York Times*, 27 December, 1970). Meanwhile, the *New York Times* reported on October 19 that a CIA study has provided evidence that at least 30,000 NLF agents had infiltrated the South Vietnamese government "in an apparatus which has been virtually impossible to destroy." (Duong Dinh Thao of the PRG told Wilfred Burchett that the actual figure of agents is "many times greater".)

The million-man South Vietnamese Army (ARVN), which the U.S. was to have "built up" in the last two years, is the most unstable and dangerous force in South Vietnam, according to Vietnam observer Francis Fitzgerald: "Led by a corrupt and demoralized officer corps and dependent on foreign support, it behaves no better than an undisciplined group of mercenaries, terrorizing the population it is meant to protect." Moreover, Thieu has had to work to narrow, rather than to broaden the base of his government "in order to achieve what many Americans assumed he already had: some control over his own army." A coalition government could well lead to an army coup and even a "revolt of the central Vietnamese divisions against those in Saigon," Fitzgerald argues. (*New York Review of Books*, March 26, 1970.) (The Cambodians continue to complain that the ARVN soldiers operating in Cambodia, rape, loot, and burn.) The desertion rate from the ARVN is reportedly 15% per year (12,000 per month, *New York Times*, 26 January).

And the morale of U.S. troops is nearly mutinous. Even Laird has indicated that the U.S. army as a fighting force is disintegrating. A Harvard sociologist said in Senate testimony that "former marines told him they felt greater hostility toward the South Vietnamese military and American officers than toward the Viet Cong" (*San Francisco Chronicle* 4 December, 1970). Laird knows that he must bring the troops home soon if he is to prevent race war and GI vs officer war within his own army. A sustained U.S. military offensive may prove impossible.

LAOS

In Laos, the CIA mercenary army of Meo tribesmen is the only effective fighting force for the U.S. (The Royal Lao Government troops [RLG] are a rag-tag army which rarely fights but rather runs opium and pilfers the American aid). The Meo army is down from 70,000 men to 10-15,000, half of whom are CIA-imported Thai mercenaries. Now the average age of the Meo recruits is fifteen, and many of the units are apparently considering defecting to the Pathet Lao (*Far Eastern Economic Review*, 23 January 1971).

Increasingly only an air war, the U.S. war in northern

Laos is losing. Now with the invasion of Southern Laos, the Pathet Lao in the north, backed by the North Vietnamese, have overrun the forward American city-base of Muong Soui and threaten to take the two major CIA bases in Laos, Sam Thong and Long Cheng. (Prior to the invasion, there were at most 5,000 North Vietnamese combat troops fighting with the 50,000 Pathet Lao guerillas—see *Laos: War and Revolution*, edited by Adams and McCoy, p. 241). If these bases are overrun, the only forces left for the U.S. in the north will be the RLG.

The RLG has as little say in foreign affairs as domestic. The *New York Times* reported on February 2 that "In Vientiane, Laos, a military spokesman repeated his country's opposition to any incursion but indicated that Laotian troops were in no position to do anything if one should take place." And as so often in the past in Vietnam, a potential peace settlement (in this case between the RLG and the Pathet Lao) which appeared hopeful in the middle of January (*Far East Economic Review*, 23 January) has been sabotaged by a U.S. escalation. The U.S. seems to have "overcome" opposition to the allied invasion of Laos and to have sabotaged a potential peace settlement.

But Souvanna's capitulation to the U.S. may not be enough. There are rumors in Vientiane, the capital, of a pending right-wing coup against the "neutralist" Souvanna Phouma (possibly by the old CIA protege, Phoumi Nosavan, with Phoui Sananikone and Abhay Kouprasith). *Far Eastern Economic Review*, February 6, 1971, commented: "It is difficult to see how the neutralist Souvanna Phouma could maintain his credibility or his position in the face of a South Vietnamese invasion. He might well have to give way to the rightist opponents who would probably be more than keen to join Thieu and Lon Nol in the creation of a common Indochina-wide anti-communist front."

The Ho Chi Minh Trail of Laos (most of Southern Laos except for the Thai border areas) is relatively unpopulated and is not directly related to the civil war in Northern Laos. The North Vietnamese, with Pathet Lao support, use this area for supply lines to South Vietnam, while the RLG stays out. The Allied invasion aimed at cutting these supply lines destroys all remaining legitimacy of the Geneva Accords, which prohibit foreign troops. Thus the U.S. action to cut off North Vietnam from Cambodia and South Vietnam may well prove counter-productive for U.S. control of Northern Laos; although the U.S. has violated the Geneva accords since their inception, open U.S./Saigon disregard for the accords may now lead to a Pathet Lao move to liberate all of Laos.

OPERATION DEWEY CANYON II

The invasion of Laos is part of Nixon's overall strategy to 'win' the war. Nixon's top advisor, Henry Kissinger, wrote a key article in *Foreign Affairs* June, 1969. "Hanoi's strength," writes Kissinger, "is that it is fighting among its own people in familiar territory . . . Not surprisingly, Hanoi has shown superior grasp of the local situation and a greater

capacity to design military operations for political ends." But Hanoi's "superior planning can substitute for material resources only up to a point." In fact, "We are so powerful that Hanoi is simply unable to defeat us militarily." And, "Since it cannot force our withdrawal, it must negotiate about it." But, "Unfortunately, our military strength has no political corollary; we have been unable so far to create a political structure that could survive military opposition from Hanoi after we withdraw."

The failure to win in the political sphere, the recurring resort to technological solutions—this has been the pattern of Washington's imperial war effort in Vietnam. First, military advisors were supplied; then "strategic hamlets" were constructed; then a full-scale invasion was mounted; and when that failed to win the countryside, Washington turned to a nightmare assault of terror and devastation, precipitating a massive exodus of the peasant population to the urban centers. Professor Samuel P. Huntington, a Harvard colleague of Kissinger and important policy adviser, called this flight from terror "forced urbanization," and in it he saw a neat solution to the impasse which Kissinger has described. Huntington noted (also in *Foreign Affairs*) that the proportion of the population under Saigon's (nominal) control had risen dramatically in the three years since the massive American commitment of men and arms in 1965. "This change, however, has been largely, if not exclusively, the result of the movement of the population into the cities rather than the extension of the Government's control into the countryside." (The South Vietnamese urban population has risen from 15% of the population to 50-60% in the last six years.)

In this pattern of "forced urbanization," the U.S., according to Huntington, has begun to find the answer to people's war. "For ten years the Viet Cong has waged a rural revolution against the Central government, with the good Maoist expectation that by winning the support of the rural population it could eventually isolate and overwhelm the cities." This type of rural revolution, Huntington observed, had previously been immune to technological warfare. But the Vietnam experience has upstaged Mao: the U.S. is countering the Maoist-inspired rural revolution with the "American-sponsored urban revolution." "For if the 'direct application of mechanical and conventional' power takes place on such a massive scale as to produce a massive migration from countryside to city, the basic assumptions underlying the Maoist doctrine of revolution no longer operate.

The U.S. has transcended Mao, Huntington argues, because societies are susceptible to rural revolution only at certain stages in their development. Thanks to the "American-sponsored urban revolution," (sic) "History . . . may pass the Viet Cong by." The Viet Cong, according to Huntington, have been even less successful in winning support in the cities than has the government in the countryside. Consequently, "In an absent-minded way the U.S. in Vietnam may well have stumbled upon the answer to 'wars of national liberation.' The effective

response lies neither in the quest for conventional military victory nor in the esoteric doctrines and gimmicks of counter-insurgency warfare. It is instead forced-draft urbanization and modernization which rapidly brings the country in question out of the phase in which a rural revolutionary movement can hope to generate sufficient strength to come to power."

As long as forced-draft urbanization continues to drain the country side, "time in South Vietnam is increasingly on the side of the Government. But in the short run, with half the population still in the countryside, the Viet Cong will remain a powerful force which cannot be dislodged from its constituency so long as the constituency continues to exist." The logic of Huntington's position, as Noam Chomsky has observed, is that "to crush people's war, we must eliminate the people."

According to the Senate Sub-Committee on Refugees, 6,000,000 people in South Vietnam have been displaced since 1964. 8,000,000 people (nearly half the population) have been killed, wounded, maimed, displaced, or rendered wards of the state since the start of the war.

This may be the logic, but the intention is slightly different. Although the "modernizing instruments of bombs and artillery" are clearly genocidal in intent and effect, Huntington is more concerned that the surviving population form a potential constituency for the urban-based government, or at least for urban non-Communist opposition parties. Huntington is also aware that the strategy could backfire if the NLF infrastructure were to remain intact or to be recreated in the cities—the U.S. would then have created a Trojan horse. But Huntington fails to acknowledge what Chomsky underscores: the goal of U.S. policy must be the destruction of organized social life in South Vietnam, particularly that of the NLF. This cultural genocide is necessary not only to destroy the NLF remnants in rural areas, but also if the U.S. is to prevent a fifth column in the urban areas. The "American-sponsored urban revolution" must leave the surviving population demoralized, disorganized, amenable to police-state domination on the one hand and political manipulation on the other (what Huntington's colleagues might call a "modern electorate"?).

Not only must the guerillas be isolated from the population through urbanization, but the guerillas also must be isolated from supplies and reinforcements from North Vietnam. Although the timing of the Cambodian invasion was mainly to shore up the Lon Nol regime against imminent collapse at the hands of the Cambodian peasants and their Vietnamese allies, Nixon was also trying to get at the North Vietnamese and NLF sanctuaries as he publicly stated (he had originally backed the Lon Nol coup for this reason, but had not expected that the coup would meet with insurgency). The U.S. invasion of Cambodia did hurt the NLF and North Vietnamese by closing off the port of Sihanoukville as a supply line.

The present attack on the Trail is an obvious next step to completely sever South Vietnam (and now Cambodia) from North Vietnam. *Le Monde* reported on October 17 that the North Vietnamese and NLF had re-occupied their sanctuaries along the Cambodia-South Vietnam border. The *New York Times* reported December 2 that "North Vietnamese reinforcements are said to have been streaming into Cambodia from North Vietnam along the Ho Chi Minh complex of trails . . . It is believed that the objective is to establish forces firmly along the infiltration network's southern section as well as in the Laotian Panhandle and Cambodia. The forces would rebuild the sanctuaries and infiltration routes hit by the allied incursions into Cambodia last spring."

Le Monde first mentioned the preparations for the present invasion on October 21, 1970. In late December, Admiral Moorer, chairman of the Joint Chiefs of Staff, indicated that a South Vietnamese ground thrust across the Trail to cut the supply lines would be a 'possible course of action' to prevent a large scale North Vietnamese offensive in the spring. "He emphasized the view that military supplies were the key to North Vietnam's ability to undertake and sustain ambitious military operations." (*New York Times* 27 December).

The U.S. has tried to interdict the flow of supplies down the Trail for the last six years. The U.S. has sent in small teams of special forces or Saigon troops for harassment on the trail, which were recently increased in number, some being reported by the *New York Times* January 31, 1971. (The Japanese press reports that 4-5,000 Thai and South Vietnamese paratroopers invading Laos may have been these sort of teams, *Le Monde*, 3 February.) But the U.S. has relied mainly on air attacks, which have been the most massive in the war for the last 17 weeks straight—starting October 8, the day after Nixon's 'peace' proposal. The U.S. has hit the trail with an average of 30 B-52's and 300-500 fighter bombers per day (or 3-4,000 tons of bombs per day—or the equivalent of an Hiroshima-size bomb every 3-4 days for example, *Los Angeles Times*, 1 February 1971).

But all these attempts have failed—movement of troops and supplies down the Trail has doubled this year over last year. A ground invasion of the Trail, Moorer felt, had more chance of success: the Trail is "vulnerable to interdiction."

Nixon, of course, has followed Moorer's advice in launching the assault on the Trail. But Moorer's optimism about the possibility of interdicting the Trail is not shared by observers. *Le Monde*, 3 February suggested that to cut the network of Trails in the hundred-mile wide area of the Trail would be virtually impossible for the South Vietnamese. And *Far Eastern Economic Review*, 6 February, says: "The heart of this area, the Bolovens plateau in southern Laos, seems to provide an almost impregnable communist fortress against outside penetration; it will most likely prove to be much more of a challenge to invaders than Cambodia. The almost total lack of roads and other logistical facilities demanded by a

regular army like the South Vietnamese makes it an extremely unfriendly area for them to venture into . . . While a search and destroy mission, with heavy U.S. air support, may have the short-term effect of choking off communist supplies to other battlegrounds in Cambodia and South Vietnam, no one will remain on the ground after such a mission to prevent the North Vietnamese from quickly moving in again to rebuild their strength and resume shipments. To clear and hold the area is beyond the capabilities of the South Vietnamese, especially now that the Americans are withdrawing." The North Vietnamese are dug-in and well fortified—and unlike the Cambodian invasion, they will fight the invading forces as they must keep the supply lines open. It is very likely that the ARVN troops will sustain tremendous losses and the operation will be another failure for the U.S.

If and when the U.S. invasion of Laos fails, Nixon will be forced again to decide to escalate or de-escalate. Nixon could resume the full-scale bombing of North Vietnam. Past experience indicates that this would be militarily ineffective, and politically costly. The North Vietnamese, for the first time in the history of the war, have publicly indicated their apprehension that Nixon is planning to invade North Vietnam—an escalation that seems even more suicidal for the U.S. than the Laos venture. An ominous alternative at that point would be for Nixon to resort to the use of nuclear weapons. He could, for example, use tactical nuclear weapons on the Trail and under the DMZ to isolate the NLF permanently with a radioactive barrier. Burchett suggests that the recently announced (*New York Times*, January 11) Saigon plan to move 200,000 to 1,000,000 peasants (some of the most recalcitrant NLF peasants) from Northernmost South Vietnam to the south could be to create an "evacuated" zone for nuclear contamination beneath the DMZ (*Guardian*, January 23). Such an escalation would be consistent with the Vietnamization-urbanization strategy. Recently there have been a number of indications that this is in fact an alternative increasingly likely to be tried as the U.S. political foothold in Vietnam becomes smaller and smaller and its military options fewer and fewer.

A recent article in the *New York Times* may be a "trial balloon" to test reaction and to prepare the way for public acceptance of tactical nuclear weapons. C.L. Sulzberger, chief correspondent for the *Times*, wrote on November 15—a week before the raids on North Vietnam—that "Limited commitment to conventional defense are seen as increasingly outmoded and yet total warfare is a dreadful absurdity . . . Consequently, the search focuses on a third solution—between impossible nuclear disaster and unsuccessful conventional warfare. The answer may well lie in the field of truly tactical atomic weapons." (See Sulzberger's more recent discussion of nuclear weapons, *New York Times*, 3 February).

Two weeks before Sulzberger's advocacy of a "third solution," the *Times* ran an article on atomic land mines

(recently developed for NATO) whose uses seem rather more appropriate for severing North from South Vietnam: "The atomic land mines could block a mountain pass against attacking forces by contaminating the areas with nuclear fallout and by caving in earth and rocks from the heights . . . in sparsely populated areas with relatively few avenues of invasion, atomic land mines could be an effective weapon." (October 28, 1970.)

That the United States is now on the brink of using nuclear weapons in Vietnam is no more an occasion for

wonder than that it has already crossed the threshold of systematic war crimes as defined by its own Nuremberg Tribunal. Imperial war tends by nature to become genocidal war because it lacks the popular base and *raison d'être* of more conventional conflicts. Powerless to win support among the Vietnamese and unable to garner the necessary troops from their own increasingly disaffected people, the captains of the American empire must inevitably resort to ever more powerful technologies of destruction to stave off equally inevitable defeat. --February 9, 1971

BACKGROUND SKETCH ON LAOS

Laos was occupied during World War II by the Japanese, along with the rest of the French colonial empire of Indochina. Like the Vietnamese, Laotians organized a liberation movement which emerged to take control of the country when the Japanese were defeated. After the war, the French, backed by the U.S., returned to try to regain control of Indochina in a nine-year war which culminated in the decisive defeat of the French at Dien Bien Phu in 1954.

The Laotian liberation movement which opposed the French until 1949 held together the politically diverse urban elite which had fought the Japanese. In 1949 the movement split. The majority agreed to form an "autonomous" government within the French Union. Many important "nationalists" were allowed to return from exile. The new government "legitimized" continued French rule.

The other wing of the anti-colonial movement began armed insurgency under the leadership of Prince Souphanouvong, who formed the Pathet Lao in 1950. The Pathet Lao worked with the Viet Minh in the successful Indochinese liberation struggle against the French and their Indochinese supporters. The Geneva accords of 1954 were to have neutralized Laos and to have integrated the Pathet Lao into the government. But the U.S. had other plans for Laos.

In 1958, following a leftward trend in Laotian parliamentary elections, the U.S. engineered a right-wing coup d'etat (Toye, *Laos*). The "civil war" resumed, with the American Central Intelligence Agency replacing the French colonial bureaucracy. In 1962, another Geneva Accord set up a neutralist government. This coalition government was short-lived, however. As the CIA backed the right-wing and took control of the Royal Laotian government, the Pathet Lao resumed the fight, again turning to the Vietnamese (North Vietnam) for support.

Today the U.S. clandestinely operates the effective Lao government, employing more than six thousand Asians and non-Americans. According to Fred Branfman (*Laos: War and Revolution*, ed., Adams and McCoy, p. 258), the Lao act as advisors to the U.S. government administration of Laos, which has more employees than the Royal government.

Meanwhile, the Pathet Lao have maintained their

autonomy while cooperating with the North Vietnamese. According to a "long-time Western resident of Vientiane" quoted in the *Far Eastern Economic Review* recently (January 23), "For years everyone's been claiming that the Pathet Lao is merely an "arm" of the North Vietnamese. From the hundreds of Laotians I've talked to over the past few years, that doesn't seem the case. If it is, then the North Vietnamese are pulling the most colossal con job in history."

Fred Branfman provides us with a useful summary of U.S. operations in Laos in the period preceding the present invasion: "1) a massive air war directed, above all, at the destruction of the physical setting and the social infrastructure of the enemy; 2) a ground war fought by Asian troops directed and supplied by a relatively small number of American personnel; 3) the large-scale [forced] evacuation of the civilian population to American-controlled zones; 4) the creation of an American-directed civil administration paralleling the existing government structure; 5) a policy of deliberate secrecy designed to give the executive [U.S.] as free a hand as possible." (*Laos: War and Revolution* pp. 13-14).

In 1968, before Nixon escalated the air war over Laos, nearly all those living in Pathet Lao zones lived in caves, trying to farm at night. By 1970, the bombing had reached the figure of nearly 1500 sorties a day, at a cost of \$2 billion per year (Robert Shaplen in *Foreign Affairs*, April 1970). The increased bombing has forced many to leave the countryside; the U.S. has generated 700,000-800,000 refugees and killed another 200,000 through bombing (Senate Sub-Committee Report on Refugees, 1970).

Since the U.S. subversion of the 1962 Geneva Accords in 1963, the ground war in Laos has continued in see-saw fashion with the CIA army crossing back and forth across the cease-fire line dividing Royal Lao territory from the liberated zones of the Pathet Lao. The Royal Lao Government has carried out offensives in the wet season, and the Pathet Lao retakes its positions during the dry season. This dry season, however, the U.S.-Saigon invasion in Southern Laos may provoke a Pathet Lao liberation of all of Northern Laos. The "civil war" in Laos has been re-integrated into the War for Indochina.

SOUTHEAST ASIAN OIL

by Adam Bennion

Is Nixon's continued search for a military victory in Indochina being spurred by the recent successes in the search for oil off the South Vietnamese and Cambodian coasts?

Many American statesmen and businessmen have long thought of Southeast Asia as a treasure chest of raw materials. "One of the world's richest areas is open to the winner in Indochina," wrote *U.S. News and World Report* just before Dienbienphu, on April 16, 1954. "Tin, rubber, rice, key strategic raw materials are what the war is really about. The U.S. sees it as a place to hold—at any cost."

Speaking in Boston in 1965, LBJ's ambassador to Vietnam, Henry Cabot Lodge, extended that analysis: "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, oil, 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."

Only recently have American businessmen learned just how lucrative the greatest of those resources—Southeast Asian oil—will be. Recently discovered oil fields in Indonesia alone have been favorably compared to those of the Persian Gulf.

American interests in Southeast Asian oil dates back to John D. Rockefeller's 1911 entry into the rich fields of the old Dutch East Indies. Competition with the U.S. for control of the Indies' oil was a major reason for Japan's strike at Pearl Harbor and its subsequent invasion of Indonesia. When Indonesian president Sukarno threatened American oil holdings in 1963, the Kennedy administration was less concerned that the holdings would be nationalized than that the oil might be traded to China.

The American oil giants' stampede to Southeast Asia began after the 1965 coup in Indonesia by pro-American generals which left a half million communists dead but opened the door wide to foreign investment. Southeast Asian oil's importance was heightened by the Six Day War in 1967, which cut off the Suez Canal to important Middle Eastern oil shipments. "Major companies are eager to diversify their sources of petroleum because of political uncertainty in the Middle East, the world's major source of crude [oil] today," wrote *Fortune* magazine in March, 1970. Now the oil rush in Southeast Asia has reached the shores of South Vietnam, where exploration for long-suspected offshore oil reserves have been underway since 1969. Currently, sixteen American oil companies along with two Japanese firms and one Canadian company, expect to begin negotiations with the Thieu-Ky regime in

late February or early March for seventeen major oil concessions. The oil companies clearly have a real interest in having Nixon hold on to Indochina at any cost.

To some observers, the oil companies' quick action for Vietnamese concessions indicates that they have received a clear message from the President. Jacques Decornoy, the Southeast Asian editor of the prestigious French daily, *Le Monde*, wondered in that paper's January 8 issue, "Have the oil companies perhaps received some solid assurances from Washington concerning the United States willingness to 'hold' Indochina, and South Vietnam in particular?"

"In view of such haste, one is tempted to think so," he concludes. "The companies have already begun to invest, even though President Nixon has begun using the slogan of 'Vietnamization.'"

The potential of the South Vietnamese oil fields is apparently immense. The May 22 issue of the German magazine *Weltwoche* quotes "a top oil company official" as saying that "compared to the Southeast Asian offshore deposits, those of Louisiana are like a postage stamp on the back of an elephant." *Weltwoche* paraphrases a U.S. oil expert with fifteen years experience in Southeast Asia as saying that in five years "the offshore oil fields of Thailand, Cambodia, Malaysia, South Vietnam, and Indonesia will be ready to produce . . . more than is now produced in the whole Western world."

The Vietnamese oil discovery has been made the more significant by the attempt of OPEC, the international consortium of oil-producing countries, to force the oil companies to grant them a larger cut of Middle Eastern oil revenues. According to the *Wall Street Journal's* estimate of February 4, the OPEC action will cost American oil companies at least \$1.2 billion annually.

But with the "sovereign" governments of Indochina, the possibility is much higher for American oil companies to negotiate contracts on much more "friendly" terms. The Vietnamese leases will give American companies a 45/55 split with the government, much higher than the 32½/67½ split they get now from Indonesia.

But the ultimate reason for the American companies' passionate interest in the Vietnamese and other Southeast Asian oil fields is not simple profit, but control of vital oil reserves. As has been the case since WWII, American economic hegemony in Asia rests on the American ability to control Japan's supply of raw materials and its available markets. An independent, socialist, resurgent Southeast Asia would pull Japan into expanded trade both with itself and China and end its reliance on the U.S.

Such a shift in the Pacific balance of power could deal a shattering blow to the American big business strategy to

keep and extend its position in the world economy.

As the major source of the world's usable energy, oil has an importance in international politics far out of proportion to its dollar volume. Emphasizing the link between oil and international relations, Assistant Secretary of State for Economic Affairs, Philip H. Trezise, writes in the Department of State Bulletin of last October 26: "Our investors are predominant in world petroleum, and petroleum is by far the largest single commodity in world commerce."

"Energy and the materials which provide energy are basic to national economies," Trezise said. "No government anywhere can fail to be aware of the place of energy supplies in its political and economic life."

For many underdeveloped countries, American control of their energy sources is a major obstacle to industrialization. To develop these sources for themselves is made even more difficult by the oil giants' strangle-hold on exploration and drilling technology, shipping, refining, and distribution.

What frightens the major international oil companies is the prospect of an independent Southeast Asia, developing its own resources for the needs of its own people. As Southeast Asia's important natural resources include not only oil, but also tin, tungsten, iron, bauxite, copper, nickel, and rubber, Southeast Asian development is not only possible, but likely, if current independence movements achieve victory.

But America's great oil families, who stand to lose most if Southeast Asian oil comes under Southeast Asian control, have a strong ally in the White House. The Mellons (Gulf), the Rockefellers (who have large interests in all companies that grew out of the Standard Oil trust), and other oil families contributed some \$600,000 to Nixon's 1968 presidential campaign. They need only remind him that his political fortunes rest upon the continued expansion of American corporate capitalism—an expansion fueled by Asian oil and Asian oil revenues.

The reasons for the U.S. presence in Indochina go much deeper than the control of raw materials in Southeast Asia. The extent of the petroleum reserves is really not yet known. The disproportionate influence that the oil industry has over U.S. foreign policy, however, should make it clear that "black gold" will be an important factor in the U.S. decision to escalate or accept defeat.

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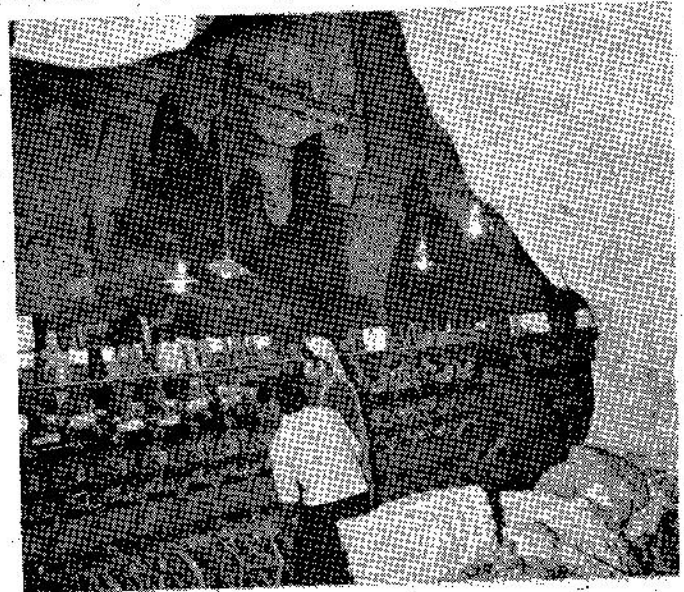
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