



MOSCOW'S GROWING MUSCLE IN SOUTHEAST ASIA

INTRODUCTION

Southeast Asia faces a growing Soviet military threat. Just last November, about ten nuclear capable Tupolev Tu-16 "Badger" medium-range bombers were deployed at what is for all purposes the Soviet "base" in Cam Ranh Bay, Vietnam.¹ The Badger's 1,500 mile combat radius enables it to strike the capitals of Brunei, Indonesia, Malaysia, the Philippines, Singapore, and Thailand--the members of the Association of Southeast Asian Nations (ASEAN). This unprovoked Soviet military escalation radically alters the region's strategic balance.

The deployment of the Badgers follows nearly a decade of Soviet military-political expansion after U.S. forces left Indochina. As such, Soviet power in Southeast Asia now threatens vital Western economic and strategic interests. Soviet naval and air forces in Vietnam can interdict merchant and military naval traffic in the South China Sea and disrupt the vital Indonesian and Malaysian straits. Secure air and shipping lanes are crucial to the economies of ASEAN, Northeast Asia, and Taiwan, and for the United States to meet its political commitments in Asia and the Persian Gulf. Soviet strategic objectives, military-economic activity in Indochina, espionage, and subversion are directed toward increasing Soviet power in Southeast Asia.

Continued U.S. economic and military aid to ASEAN members, and continued maintenance of a regional military presence through bases in the Philippines are important contributions to regional security. However, even closer cooperation between ASEAN members

¹ Far Eastern Economic Review, December 29, 1983; Washington Post, December 21, 1983.

and increased U.S. activity in the region are needed to meet the growing Soviet threat. The current U.S. presence is not enough to play an active regional role even though ASEAN leaders look to the United States as the only power able to counter Soviet advances in the region. Many Americans ignore Southeast Asia because of the all too recent memory of Vietnam. Despite the "Vietnam syndrome," the United States must continue to be a force for peace in Southeast Asia.

OBJECTIVES AND TOOLS OF SOVIET EXPANSION

Moscow steadily increased its military and political presence in Southeast Asia after U.S. forces withdrew from Indochina in 1975. Soviet expansion has been facilitated by the following events:

- o April 1975 military conquest of South Vietnam by the Hanoi regime;
- o April 1975 victory of the genocidal, communist Khmer Rouge in Kampuchea (Cambodia);
- o December 1975 victory of the Pathet Lao Communist Party in Laos;
- o November 1978 Soviet-Vietnamese Treaty of Friendship and Cooperation, which enabled the Soviets to establish military facilities in Vietnam;
- o December 1978 Vietnamese invasion of Kampuchea and the installation of the Heng Samrin regime in Phnom Penh.

Major Soviet military-political objectives in Southeast Asia include:

- o Ability to outflank U.S. and Allied forces in the Pacific and Indian Oceans.
- o Ability to deny or disrupt the West's use of the vital Malaysian and Indonesian straits--through which pass 50 percent of the West's oil and 80 percent of its strategic minerals.
- o Strategic encirclement of China through increased military presence in Vietnam, linking the Soviet Northeast Asian strategic military complex with Afghan, Yemeni, and Ethiopian bases.
- o Pressure on ASEAN members to recognize the political legitimacy of the Vietnamese installed Heng Samrin regime in Phnom Penh.
- o Regional acceptance of Soviet participation in Southeast Asian affairs.

Under the rubric of "socialist internationalism" Moscow coordinates Soviet-bloc aid to Indochina and maintains forces in Vietnam. In return, Hanoi has sent troops to Afghanistan, arms to Central America, and laborers to Eastern Europe and the Soviet Union, in addition to maintaining 150,000-170,000 troops in Kampuchea and 50,000 troops in Laos.

SOVIET BASES

Moscow was able to translate its military support for Vietnam into access to Vietnamese military facilities. Moscow's massive shipment of arms in late 1978 enabled Hanoi to conquer Kampuchea in December 1978. When China reacted with a limited invasion of Vietnam in February 1979, Moscow increased its military aid and sent a naval show of force.²

This assured access gives Moscow a long desired strategic link between Northeast Asia and the Middle East and a warm water port from which to threaten Southeast Asia's sealanes. Moscow regards its basing rights as a major form of compensation for its economic and military assistance to Hanoi, which is estimated currently at \$4 to \$6 million a day. Hanoi continues to insist that it has not granted bases to the USSR. But particularly in Cam Ranh Bay, local Soviet control is nearly complete. Only senior Vietnamese officials are allowed on the base. Indeed, Soviet patrol boats are believed to have fired on Vietnamese fishing boats washed near shore during storms.³

Soviet naval units are the most visible Soviet military presence in Southeast Asia. They began operating out of DaNang in mid-1979, but moved to American built facilities at Cam Ranh Bay by late 1979.⁴ In Cam Ranh, the Soviets have installed additional piers, bomb proof submarine shelters, a floating drydock, underground fuel storage tanks, and electronic navigation aids.⁵ Electronic intelligence gathering equipment in Cam Ranh monitors U.S. and Chinese military movements and communications traffic. Satellite communications equipment allows close contact with the Soviet General Staff in Moscow. Tupolev Tu-142 "Bear" long-range reconnaissance and targeting aircraft operate from DaNang and Cam Ranh Bay.

² A good description of Soviet activities during this incident can be found in Bruce Watson's Red Navy At Sea (Boulder, Colorado: Westview Press), pp. 138-140.

³ FBIS (Asia and Pacific), October 5, 1983.

⁴ At a cost to U.S. taxpayers of \$156 million.

⁵ Far Eastern Economic Review, September 10, 1982, and December 29, 1983; South China Morning Post, November 10, 1983; The New York Times, March 13, 1983, and January 30, 1984; Far Eastern Economic Review, Asia, 1982 Yearbook.

Soviet use of Cam Ranh Bay has grown from about 8 ships in 1979 to about 22 ships by late 1983. Combat vessels include up to 4 submarines, nuclear and conventional powered, and up to 6 surface ships. The aircraft-carrying anti-submarine cruiser MINSK has made several port calls in Cam Ranh Bay. This Kiev-class ship carries the 250-mile range SS-N-12 cruise missile, which is able to deliver either a nuclear or conventional warhead. The recent transfer to the Pacific Fleet of another Kiev-class ship, the NOVOROSSIYSK, increases Soviet capability to deploy significant naval force to Southeast Asia. With the deployment of Tu-16 bombers to Cam Ranh, the Soviets now have in Vietnam all the elements of their tactical naval surface warfare strategy: preemptive cruise missile and torpedo strikes from aircraft, submarines, and surface ships, coordinated by a land-based command staff. This translates into a present and direct threat to U.S. naval forces and Asian merchant ships passing through the South China Sea.

The transfer of Tu-16s to Cam Ranh alters the region's strategic balance. They place increased pressure on U.S. forces in Southeast Asia and are a weapon the ASEAN nations cannot match. The 1,500 mile unrefueled radius of the Tu-16 enables it to strike every ASEAN capital, cities and military installations in Northern Australia, and U.S. bases in the Philippines. Its ability to carry free fall bombs and cruise missiles armed with nuclear warheads adds an intermediate range complement to Moscow's Siberian-based intercontinental ballistic missiles and submarine launched ballistic missiles.

Referring to the DaNang and Cam Ranh based Tu-142 "Bears," Singapore Foreign Minister Suppiah Dhanabalan recently stated, "They are not just flying around...they are on missions."⁶ The military forces of ASEAN would be hard pressed to defend against Soviet forces now in Vietnam.

OTHER SOVIET MILITARY ACTIVITIES

Hanoi is dependent upon Soviet military aid to defend itself against China and continue its occupation of Laos and Kampuchea. From 1955 to 1975 Moscow gave Hanoi about \$300-\$500 million annually in military aid. Today, this figure has nearly doubled. Except for aging American weapons captured in 1975, the Vietnamese, Laotian, and Kampuchean armed forces rely on Soviet supplied weapons. Soviet military aid to Laos and Kampuchea from 1979 to 1982 was over \$100 million, with much more indirect aid being provided by "paying" for Vietnamese troops stationed in each country.

⁶ FBIS (Asia and Pacific), November 3, 1983.

Soviet complicity in Vietnamese chemical warfare activities in Laos and Kampuchea is beyond doubt. Termed "Yellow Rain" by Hmong tribesmen in Laos, biodegradable mycotoxin poisons are dropped from aircraft, fired in artillery and mortar shells, and added to local water supplies, causing severe pain and death. There have been reports of Soviet assisted chemical warfare activities in Southeast Asia since 1975. Evidence has been gathered and analyzed by U.S. government and independent European scientists.⁷

Since 1981, over 40 known KGB and military intelligence (GRU) agents have been expelled or have left ASEAN countries under duress. Soviet agents in Bangkok seek military information useful to Vietnamese forces in western Kampuchea. Agents have been expelled from Indonesia for using illegal means to obtain secret data on the Sunda and Lombok straits, and from Thailand, Singapore, and Malaysia for trying to obtain secret military information. In September 1983, over 30 Soviet nationals left Thailand after being uncovered as spies by Asian journalists.⁸ The United Nations Economic and Social Commission for Asia and the Pacific, headquartered in Bangkok, is well known as a cover for Soviet agents.

Moscow is now supporting guerrillas directed at Thailand. In early 1983, Soviet Deputy Foreign Minister Mikhail Kapitsa threatened that Vietnam would assist insurgents in countries that were supporting Kampuchean groups opposed to the Vietnamese installed Heng Samrin regime. Following this, Vietnam, along with Soviet, Polish, Cuban, and Czech advisors, set up about 20 training camps inside Laos to train Thai guerrillas.⁹

SOVIET PROBLEMS IN SOUTHEAST ASIA

Economic Dependence

The communist regimes of Indochina--Vietnam, Laos, and Kampuchea--all depend on Soviet economic support. The U.S. imposed a trade embargo on Hanoi after its conquest of South Vietnam in 1975. Other Western nations followed suit after Hanoi's 1978 invasion of Kampuchea and remain adamant that Hanoi will not benefit from Western aid and trade as long as it occupies Kampuchea.

⁷ Wall Street Journal, February 15, 1984; U.S. Department of State, "Yellow Rain: The Arms Control Implications," Current Policy No. 458, February 24, 1983; "Chemical Warfare in Southeast Asia and Afghanistan: An Update," Special Report No. 104, November 1982.

⁸ FBIS (Asia and Pacific), September 12, 1983; also see Asia Week, April 29, 1983, June 3, 1983, and August 26, 1983.

⁹ Business Week, September 5, 1983; FBIS (Asia and Pacific), October 17, 1983.

Thus, Hanoi has had to rely on economic support from the Soviet Union and Soviet-bloc countries. Hanoi received over \$3 billion in economic aid during its 1976-1980 Five Year Plan period. Current annual economic aid is about \$600-\$700 million. In 1982, direct Soviet aid to Phnom Penh was \$82 million. Moscow pledged \$600 million to Laos for its 1981-1985 Five Year Plan. There are about 4,000 Soviet economic advisors in Vietnam, 3,000 in Laos and 600 in Kampuchea. By comparison, total U.S. FY 1984 economic aid to all ASEAN nations is \$170.7 million.

Moscow and Hanoi have devised a diabolical scheme by which Vietnam repays the USSR--exploiting the Vietnamese labor force. An estimated 100,000 Vietnamese are working in the Soviet Union and Eastern Europe; up to 70 percent of their wages are kept as repayment.¹⁰

Hanoi admits near total dependence on the Soviet Union for petroleum products and about 90 percent dependence for fertilizer, iron and steel, cotton and machine tools.¹¹ Despite all of this aid, Vietnamese per capita annual income in 1982 was only \$160.

Conflicts with Hanoi

While Moscow benefits from its bases in Vietnam, there are tensions with Hanoi. Moscow is dissatisfied with Hanoi's economic mismanagement, bureaucratic corruption, and refusal to permit greater Soviet control over its aid.¹² Nevertheless, the Soviets late last year renewed their long-term aid commitment to Hanoi.¹³

Moscow also is unhappy with Hanoi's rule over Laos and Kampuchea. Moscow endeavors to establish separate relations with each, which Hanoi correctly perceives as efforts to undermine its control. In December 1981, Hanoi engineered the removal of Kampuchean Communist Party Secretary General Pen Sovan because of his eagerness to bypass Hanoi in his relations with Moscow. However, because the Phnom Penh regime lacks public support, has a weak army, and the Kampuchean Communist Party is small, Moscow must accept Hanoi's dominance in Kampuchea.

Soviet relations with Laos are much closer as evidenced by the larger amounts of economic aid and greater number of advisors Vientiane has received. This is in part due to Soviet persistence; but it is also evidence of Vientiane's skill at playing off Hanoi and Moscow.

¹⁰ Leif Rosenberger, "The Soviet-Vietnamese Alliance and Kampuchea," Survey, Autumn-Winter 1983, p. 215.

¹¹ FBIS (Asia and Pacific), October 17, 1983.

¹² Douglas Pike, "A voyage into uncharted waters," Far Eastern Economic Review, June 11, 1982.

¹³ Far Eastern Economic Review, November 17, 1983.

In the context of a possible Sino-Soviet rapprochement, Beijing wants Moscow to end its support of Hanoi. However, Moscow realizes that Vietnam is a useful strategic "stick" against improved relations between the United States and the People's Republic of China. It is in this light that one must view the late 1983 developments in Soviet-Vietnamese relations. Moscow's long-term aid package to Hanoi and the subsequent deployment of Tu-16 bombers to Cam Ranh Bay may indicate that Moscow is not ready to use Hanoi as a "carrot" in its relations with Beijing. A long-term Soviet presence in Southeast Asia seems likely.

U.S. POLICY

Current U.S. policy toward Southeast Asia has two major facets: deference on major issues to ASEAN (and China), and maintenance of a minimum military deterrent in the area to counter the growing Soviet threat through defense commitments and military-economic aid. In conjunction with this policy, the U.S. also supports ASEAN's policies vis-à-vis Kampuchea and a continued aid and trade embargo of Vietnam.

Economically, ASEAN today is collectively the fastest growing region in the world. However, its continued growth is dependent upon unobstructed participation in the international economic system. The United States is a major partner in ASEAN's economic growth. The U.S. is the first or second major trading partner of each ASEAN country. But besides being an important market for U.S. products, Southeast Asia is an important source of strategic materials such as oil, rubber, and tin.

But growing economic interaction with the U.S. does not satisfy ASEAN leaders. They want Washington to play a greater political and military role in Southeast Asia. Increased military aid is part of the answer. A direct military commitment would be difficult for the U.S. in view of the American public's fear of becoming involved in another Vietnam. Military aid has the additional advantages of enabling the ASEAN states to enhance their own defense capabilities, increasing the cooperation between the respective U.S. and recipient armed forces, and signalling continued American commitment to resist Soviet expansion in the region.

The Philippines currently is the largest Southeast Asian recipient of U.S. military aid. The Administration's current military assistance proposal to the Philippines is part of President Reagan's 1983 pledge to obtain \$900 million in security assistance over five years. Compared to military assistance packages given to other U.S. allies, this is a small price for the strategic benefits that Philippine bases provide the U.S.-- particularly considering the proximity of Soviet bases in Vietnam. Thailand, as a "front line" state, is ASEAN's second major recipient of U.S. aid, which totalled \$135 million in 1983.

U.S. AID AND TRADE WITH ASEAN

	% of trade w/U.S.	U.S. military/economic assistance (\$million) FY 84	FY 85 (request)
Brunei	13	--/--	.03/--
Indonesia	16.4	52.7/103.2	42.7/112.7
Malaysia	14.5	4.9/--	10.9/--
Philippines	26.3	101.3/38.5	180/144
Singapore	12.8	.05/--	.05/--
Thailand	13.0	106.2/29	110.4/32

Source: Far East Economic Review, Asia 1984 Yearbook; written statement of Assistant Secretary of State Paul D. Wolfowitz, FY 1985 Foreign Assistance Request, Subcommittee on Asian and Pacific Affairs, House Foreign Affairs Committee, February 6, 1984.

U.S. aid is vital for Thailand to repel Vietnamese incursions. The Administration and Congress should approve a recent Thai request to purchase F-16 jet fighters with the advanced 100 series engine. Current U.S. policy permits the sale of F-16s with the less powerful J-79 engine to this region. The presence of Tu-16 bombers in Cam Ranh Bay and the possibility that Moscow could give Hanoi advanced MiG-23 fighters heightens the Thai need for advanced fighter aircraft. The sale will also send a political signal to ASEAN that the United States continues to be a willing partner in helping the member states to meet their defense needs.

REGIONAL DEFENSE COOPERATION

The growing Soviet threat in Vietnam and the U.S. commitments to defend Northeast Asia and the Persian Gulf against Soviet threats makes inter-ASEAN defense cooperation an essential part of Southeast Asian security. Already, the U.S. conducts naval and marine exercises with Thailand. The 1971 Five Power Defense Agreement brings together Australia, New Zealand, Britain, Malaysia, and Singapore for consultation on regional security and periodic exercises. On an inter-ASEAN level, Indonesia has conducted naval exercises with Singapore, Malaysia, Thailand, and the Philippines. Singapore has conducted air defense exercises with Thailand and Malaysia. Because these exercises have been sporadic, greater multi-service cooperation is needed.

Singapore's recent purchase of E-2C "AWACS" type surveillance aircraft, for example, presents an opportunity to build an integrated air defense of the Malaccan Straits region with Malaysia and Indonesia.

Ideally, as the defense capabilities of the states of North-east and Southeast Asia are enhanced, a cooperative interregional response to meet the common Soviet threat should emerge.¹⁴ The United States can and should be prepared to play a positive role in encouraging such cooperation.

RELATIONS WITH HANOI

America's withdrawal from Indochina drastically cut U.S. influence in Southeast Asia. Many urge the U.S. to normalize relations with Hanoi as a means to seek a settlement in Kampuchea, lessen Soviet regional influence, and solve the emotionally charged issue of Americans missing in action from the Vietnam War. If the U.S. normalized relations with Hanoi before significant positive movement by Hanoi on any of these issues--which are of concern to ASEAN as well as the United States--the only significant U.S. leverage over Hanoi would be lost. Quiet U.S. diplomatic contact with Hanoi to explore outstanding issues is useful. But Hanoi must demonstrate its willingness to act responsively before it is readmitted to the world community.

NON-COMMUNIST RESISTANCE IN KAMPUCHEA

Another more direct way the United States can increase its regional role is to actively support the non-communist resistance groups in Kampuchea. These groups are currently fighting a guerrilla war against the Vietnamese operating in the mountains along the Thai-Kampuchean border, and drawing much support from refugee camps inside Thailand. The groups include the 30,000-man Khmer Rouge, the 12,000-man Khmer People's Liberation Front (KPNLF) led by former Prime Minister Son Sann, and the 5,000-man Moulinaka led by former head of state Norodom Sihanouk. The latter two groups are non-communist.

The groups formed a coalition in June 1982 on the advice and pressure of ASEAN, China, and the United States. The coalition seeks to present itself as a legitimate opposition to the Vietnamese-installed Heng Samrin regime in Phnom Penh, protected and kept in power by Hanoi's 150,000-170,000 troops. ASEAN is supporting the coalition with the eventual hope of freeing Kampuchea from Hanoi's control.

It is in the U.S. interest to join ASEAN's efforts in backing the Kampuchean resistance. Yet, the U.S. must also help prevent the genocidal Khmer Rouge from returning to power.

¹⁴ Robert Downen, "Needed: A Collective Pacific Defense System," The Asian Wall Street Journal, January 26, 1983; Do Hua Tai, "WESPEC," National Defense, January 1984.

CONCLUSION

Soviet expansion in Southeast Asia threatens U.S. strategic interests, as well as the economic security of America's Asian allies. Soviet military bases in Vietnam are a threat to the maritime lifelines of ASEAN, Taiwan, and Northeast Asia. Soviet support for Hanoi's occupation of Kampuchea and support for insurgents directed against Thailand demonstrate Moscow's continued goal of expanding the circle of communist states.

Commercial trends point to greater U.S.-Asian trade and industrial cooperation. Consequently, the U.S. must increase the level of its military-political activity in Southeast Asia to counter Moscow's growing military presence--which now threatens the security of the greater Pacific Basin.

Increased military aid to ASEAN states, such as the sale of F-16A fighter aircraft, is needed to enhance their defense capabilities to meet the growing Soviet military presence in Vietnam. Continued U.S. access to Philippine bases is vital for U.S. and free-Asian defense. Thus, the U.S. should not stint in providing economic-military aid to the Philippine government.

The U.S. should quietly encourage greater inter-ASEAN defense cooperation. This can be accomplished through more frequent military exercises and the purchase of common weapons to increase interoperability.

Military aid should be provided to non-communist groups in Kampuchea fighting the Vietnamese occupation forces. This will raise the cost of Hanoi's Soviet-sponsored aggression and bolster ASEAN's political will to resist the spread of communist totalitarianism.

The Reagan Administration has demonstrated its willingness to join with allies in other parts of the world to resist Soviet expansion. Similar resolve must be shown in Southeast Asia.

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