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The U.S. and
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Twelve Years After
the War

Edited by Kenneth J. Conboy



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The U.S. and Vietnam: Twelve Years After the War

Martin L. Lasater, Director, Heritage Foundation's Asian Studies Center

Today we are addressing a very sensitive subject, the question of future U.S. relations with Vietnam. I think everyone in this room has been touched by the long U.S. military involvement in Indochina. We lost friends, relatives, husbands, and sons in that bitter struggle. It has now been twelve years since the fall of Saigon, but the agony of Americans and Vietnamese continues.

Stung by its defeat in Vietnam, the United States largely withdrew from Southeast Asia in 1975, but Hanoi's invasion of Cambodia in 1978 and the concerns of the Association of Southeast Asian Nations (ASEAN), refocused U.S. attention on Vietnam and its intentions in the region. Subsequently, the United States joined ASEAN, China, and the majority of Western nations to impose an economic aid blockade on Hanoi.

Two years later, with the advent of the Reagan Administration, another dimension to U.S.-Vietnam relations was added when the POW-MIA (prisoner of war-missing in action) issue was reemphasized, and an accurate accounting of U.S. servicemen missing in action became the major stumbling block to a normalization of relations. In fact, most of the contact between the United States and Vietnam during the Reagan Administration has been devoted to trying to resolve the complicated POW-MIA issue.

Today, there are some hints of change in U.S.-Vietnam relations. In the last eight months, two pieces of legislation have been proposed in Congress, one calling for the establishment of a U.S. Technical Office in Hanoi, and the second, for a large increase in the number of visas given to Vietnamese officials who want to come to the United States. And two months ago, General John Vessey, President Reagan's Special Envoy to Vietnam, visited Hanoi to discuss POWs and humanitarian issues.

At the same time that this increased contact has occurred between the U.S. and Vietnamese officials, the aid embargo that we helped establish against Vietnam following its invasion of Cambodia, has been slowly breaking down. Partly because of this, Washington is approaching an important crossroads in its relations with Hanoi. There are several possible policy courses open to the U.S. One option would be to stay the current course, moving very slowly toward normalization, but running the risk of having our leverage over Vietnam gradually erode because of the deteriorating aid and trade embargo.

The U.S. also could implement a stricter policy that would do more to enforce the aid embargo, while offering no concessions at all to Vietnam until it showed major movement on the Cambodian issue and insured an accurate accounting of Americans missing in action.

A third option would be to seek improved relations that would put the Vietnam War behind us. This might open up new avenues for settling the POW

issue, but it would run the risk of accepting Vietnamese domination over all of Indochina, including the continuation of its occupation of Cambodia.

The purpose of this seminar is to consider the wide-ranging implications of these various policy options. We will examine international aspects of the problem, looking at the effect of U.S.-Vietnam relations on our allies in ASEAN and on the Soviet-China-U.S. equation in the Asia Pacific region.

We also will look at the domestic aspects of the issue, specifically the impact of improved U.S.-Vietnam relations on the POW-MIA issue in the United States. This, of course, includes the humanitarian concerns in U.S.-Vietnam relations, involving the tens of thousands of political prisoners and church followers who have suffered under the Hanoi regime.

Finally, we will examine some of the implications for Vietnam itself. Vietnam is going through a series of potentially significant political and economic changes, and there are indications that Hanoi may be considering breaking out of its political isolation and improving its economic situation through a more pragmatic policy. If change were to occur, it could have far-reaching implications for the U.S. attitude toward Vietnam.

Our first speaker is Colonel Andre Sauvageot, U.S. Army, Retired, and a member of several U.S. government delegations to Vietnam. He will discuss the international setting of U.S.-Vietnam relations. Colonel Sauvageot.

Colonel Andre Sauvageot

It is worth considering briefly why the U.S. became involved in Vietnam in the first place. The reason, of course, was that we wanted to stop the spread of communism in Southeast Asia, at that time supported by both the Soviet Union and China. While the relationship between many of the parties to that first equation--the Vietnamese communists, the Chinese communists, and the Soviets--has changed very dramatically, one constant remains in this international setting: a continuance of Soviet imperialism in East Asia and the Pacific.

Despite the unthreatening face assumed by General Secretary Gorbachev during his 1986 Vladivostok speech, Soviet strategy has not changed. Figures show that the Soviets now have some 162 mobile intermediate-range ballistic missiles and 25 percent of the total Soviet military aircraft in the Far East strategic theater. The Soviet Union's Pacific fleet is a major striking force, and it is being strengthened at a fast pace under Gorbachev.

Vietnam has emerged as the major Soviet proxy in Asia. Hanoi has not always had so close a relationship with Moscow. In fact, although the Soviet Union contributed the most to Hanoi's victory in the South, Vietnam's immediately postwar relationship with its superpower supporter was strained. Hanoi initially refused both Soviet and Chinese requests to open consular offices in Ho Chi Minh City but allowed the French to keep theirs. And Vietnam also invited France, Norway, Japan, and other countries to initiate projects in the South. Meanwhile, Soviet aid projects faltered, as Hanoi stressed independence at the expense of "socialist

solidarity." Soviet military assistance at that time may have dropped to as low as \$20 million a year.

But whatever Vietnam's problems were with the Soviets, their problems with the Chinese were much greater. There were a number of communist Vietnamese efforts to patch up the relationship with China. Specifically, the Vietnamese were trying to separate China from the Khmer Rouge in Cambodia. After the Vietnamese failed to make any headway with Mao's China, they hoped that they would be able to achieve better results with Deng Xiaoping. Because of his reputation as a pragmatist, Vietnam believed that Deng would back away from the Khmer Rouge. It turned out, however, that Deng's geopolitical pragmatism entailed the continuation of support for the Cambodians against the Vietnamese. Once apprised of this, Vietnam patched up its relationship with the Soviets and mounted the military campaign to overturn the Khmer Rouge government.

Hanoi's relationship with the United States, of course, never has loomed as important as its ties with the Soviet Union or China. Vietnam made a very large mistake early on by requesting war reparations. While having played the antiwar movement quite skillfully during the war, the Vietnamese were slow to catch on to how much the political mainstream in the United States had changed after 1975.

Later Hanoi demanded only that the U.S. government honor the commitment that Nixon made for reconstruction aid; of course, that aid was predicated on their observing the Paris agreement. By the time they woke up to that fact and became willing to have diplomatic relations without any preconditions, the United States had already become involved in the normalization talks with China, and the Carter Administration decided that continuing to talk to Vietnam would derail talks with China. Subsequent to that, the Vietnamese signed the Treaty of Friendship and Cooperation with the Soviet Union. This was followed by the Soviet-supported military occupation of Cambodia, which is the root cause of the problem today.

ASEAN has tried very energetically to find a diplomatic solution to the occupation of Cambodia. They started lobbying early for the United Nations to continue recognition of Democratic Kampuchea, not because of approval of the Khmer Rouge record, but simply to establish the principle that ASEAN does not support a powerful state intervening in the affairs of a weaker state. ASEAN also spelled out its terms for a cease-fire agreement by all parties in Cambodia, in the shortest time possible, under the supervision and verification of a peacekeeping observer force, along with arrangements to insure that armed Cambodian elements would not disrupt free elections.

ASEAN has shown flexibility on the Cambodian problem. They have been instrumental in getting the Sihanouk forces, Son Sann forces, and Khmer Rouge to form a coalition in order to work more effectively toward a political settlement.

All of the parties to this equation continue to suffer different perils and to derive different benefits from the Vietnamese occupation of Cambodia. ASEAN has emerged a cohesive group of countries that are able to cooperate politically. The United States also has been able to regain some of its influence in Southeast Asia, which had seemed so badly tarnished at the end of the war.

At the same time, the Soviet Union has achieved a foothold in Cam Ranh Bay and Da Nang. From their air bases in Vietnam, the Soviets can overfly the Philippines and the U.S. fleet in the Pacific and the Gulf of Thailand. But the Soviets have a conflict of interest with the Vietnamese over their occupation of Cambodia. While Moscow is trying to establish a warmer relationship with the ASEAN countries at the expense of the U.S., ASEAN concerns with getting the Vietnamese out of Cambodia militate directly against this. Soviet efforts to improve their relationship with China, in turn, make the Vietnamese fearful that this will be done at their expense. The Soviets also would like to have more direct influence in Cambodia and Laos than the Vietnamese want them to have. Lastly, Vietnam has proved to be quite an economic drain for the USSR.

Gorbachev apparently is trying to figure out a way to eat his cake and have it too: that is, to give Vietnam enough support to maintain Soviet access to Cam Ranh Bay and Da Nang Air Base, and at the same time to encourage the Vietnamese to cooperate in a rapprochement with China and get the international community to accept the status quo in Cambodia.

As a possible solution to this dilemma, the Vietnamese continue to talk about getting out of Cambodia by 1990. Hanoi first announced this deadline in 1985. And in 1990, I think we may see a dramatic reduction in the Vietnamese force, down from 140,000 to perhaps 50,000. They would be attempting to create a situation analogous to what they now have in Laos.

In short, the basic international setting is unchanged: the Soviets are trying to maintain control at Cam Ranh Bay; the Vietnamese are trying to preserve their grip over Cambodia; and the ASEAN countries and the United States are determined that Hanoi must get out.

Mr. Lasater: Captain Eugene McDaniel is going to discuss the emotional POW-MIA issue. Captain McDaniel is a retired U.S. Navy pilot and himself a former POW. Currently, he is President of the American Defense Institute. Captain McDaniel.

Captain Eugene McDaniel

The POW-MIA accountability problem is clearly a major factor in U.S.-Vietnam relations. As of today, 2,413 men from the U.S. are missing in Southeast Asia.

I was shot down May 19, 1967, captured May 21st, and taken two days later to Hanoi where I spent six years. I was moved a total of seventeen times within five different locations. During my six years in Hanoi, I never doubted that some day all of us prisoners would be going home and, after long years of negotiations in Paris, we were released in four different groups. The first group came out February 12, 1973, the last on March 31, 1973. Five hundred and ninety-one men in all came home.

For my first eleven years back I felt very strongly that we all had come back from Vietnam. But I spoke only for North Vietnam, where I spent my six years. I

could not speak for Laos, Cambodia, or South Vietnam, because I had never been there. Over the last three years, however, I have become absolutely convinced that there are large numbers of men still in captivity in Southeast Asia. During my tour as Navy-Marine Corps liaison on Capitol Hill, I used to take members of Congress out to the Pentagon for briefings after the boat people started coming out of Vietnam. And from the boat people, we have received accounts of the sightings of hundreds of live Caucasians in Southeast Asia in a classic POW scenario.

In 1981 I was further convinced of the existence of more POWs in Southeast Asia when I saw a satellite photograph that was taken of a jungle camp in Laos. The number 52 appeared in the camp for six weeks, then faded into oblivion. At the time that photograph was taken, there were 52 U.S. hostages in Iran; it could have also been a B-52 crew that was lost in Southeast Asia or a reference to Site 52, which was overrun in Laos. No one knew what the number meant, but when I saw that photograph, I knew it was Yankee ingenuity, not Vietnamese logic. There was a message in those numbers, and later in 1981 we launched a mission into Nhommarat, Laos, to take photographs; the mission was aborted because it ran into opposition and came out with no photographs.

After that, I became more involved, and over the next two or three years, I found out that, in the country of Laos, we lost 569 airmen in thirteen years of bombing; but not one of the 569 that were missing in Laos ever came home. I checked further. Over North Vietnam, where I flew my 81 missions, 39 percent of the more than 1,300 crews that were shot down had survived. In Laos, we had similar aircraft, similar guns, similar terrain. Logic tells me a like percentage would have survived in Laos.

I believe the Vietnamese withheld prisoners from Laos and Cambodia, kept them behind, as they had in previous wars. In Korea, 389 known prisoners were left behind. In World War II, the communists kept behind 10,000 Germans whom they released in 1955, ten years after the end of the war, including one American, John Nobles, who came home after eight years of captivity in the Soviet Union. Historically, the enemy has done that at the end of every war; they have kept people behind. So why not Vietnam?

I believe they gave us a list in Paris, minus the prisoners from Laos and Cambodia. The U.S. did not give them \$3.25 billion in war reparations, so they withheld the prisoners.

Today the U.S. government operates as if POWs are there, but there is no proof. In 1976, under President Carter, the POW issue was a factor because a Vietnamese mortician testified in a closed session of Congress under a cloak of secrecy that he had embalmed 400 American bodies that were then warehoused in Hanoi to be released when it was expedient for the Vietnamese to so do. To date, the U.S. has retrieved 150 of the 400 that they warehoused many years ago.

In 1976, the Montgomery Commission, headed by Congressman Sonny Montgomery, the Mississippi Democrat, was appointed by Carter to go to Hanoi. When they came back, they declared all the prisoners of war dead in Vietnam. In 1977, the Woodcock Commission, headed by Leonard Woodcock, traveled to

Vietnam at the request of President Carter, and they confirmed what the Montgomery Commission had declared in 1976.

Carter then declared that all the men that were missing had been killed in action on a presumptive finding of death, except one man, Colonel Charles Shelton, who was shot down April 29, 1965. He is still carried as a prisoner of war today.

In 1977-1979, the boat people began streaming out of Vietnam, hoping for freedom, telling hundreds of stories of American POWs in communist captivity. The official government position remained that all POWs were dead.

In July of 1981, Director of the Defense Intelligence Agency, Lieutenant General Eugene Tighe testified before a congressional committee that POWs remained alive in Indochina. In the fall of 1981, President Reagan declared the POW issue a matter of highest national priority, and the government classified all live sightings. The U.S. government now operates under the assumption that prisoners of war remain in Southeast Asia.

From 1981 to 1983 there were secret American initiatives to offer medical supplies for prisoners of war. Former Republican Congressman Billy Hendon of North Carolina made eight trips to Southeast Asia dealing with the enemy as an emissary of this government. Medical supplies were flown to Laos in defiance of a congressional aid ban; the initiative was shut down in February 1983 when it became public.

In December 1984, convicted collaborator Private Robert Garwood told of seeing captive Americans in Vietnam. He had come out in 1979. The Administration acknowledged an overwhelming body of evidence strongly supporting the notion that POWs are still held.

In June 1985, retired DIA General Eugene Tighe testified that Hanoi was holding 50 to 60 Americans and called for a presidential commission and formal diplomatic ties with Hanoi to resolve the issue.

In October 15, 1985, National Security Council Advisor Robert McFarlane was quoted in *The Wall Street Journal* as saying that POWs remained in Southeast Asia. A National Security Council spokesman said McFarlane's remarks were off the record and did not reflect official U.S. government policy.

In October 23, 1985, in the face of mounting evidence, Congressman Sonny Montgomery who had headed the Commission in 1976, and Congressman Billy Hendon called for the formation of a presidential commission to reopen the prisoner of war issue.

In September 30, 1986, a Pentagon panel headed by Lieutenant General Eugene Tighe went back to investigate live sightings. The panel concluded that there are Americans in Southeast Asia.

In October 15, 1986, a bill to create an independent congressional commission on POWs to be headed by H. Ross Perot attracted 285 cosponsors from the

Congress. The Administration opposed that bill, which died in subcommittee on the last day of congressional sessions.

In May 1987, eight GOP Congressmen and myself offered a \$1 million reward for a defector who would come out of Laos, Cambodia, or Vietnam with a U.S. prisoner. On July 15, 1987, we increased the reward from \$1 million to \$2.4 million, having received additional money from sixteen members of Congress out of their personal funds.

On July 18, 1987, President Reagan announced he would send an envoy to Hanoi to discuss the missing in action. The visit marked the highest level delegation to Hanoi since the Woodcock trip in 1977. On August 1, 1987, presidential envoy, General John Vessey, Former Chairman of the Joint Chiefs of Staff, arrived in Hanoi for talks on the missing in action.

About a year ago, our President sent TOW missiles to an Ayatollah who took hostage men who were told to come home from Beirut but had stayed behind. If we can offer TOW missiles to an Ayatollah, I think we can afford to do no less for Americans who went to Southeast Asia to carry out this country's foreign policy.

Mr. Lasater: Professor Andre Van Chau, former Professor at the University of Saigon, will now address the humanitarian concerns in U.S.-Vietnam relations.

Professor Andre Chau

The first of my concerns in this area centers on the extent of human rights violations and the systematic way in which they are being committed. Second, I am concerned about the way the American and foreign media, friends, and allies overseas are responding to these violations.

The first major area of human rights violations can be seen in the reeducation camps. This is a new word that simply means prisons. Conditions in these camps have been described many times by Vietnamese refugees, but for some reason, many of their reports have been discredited in this country and elsewhere. The media have called their descriptions biased and unbelievable. I do not know why. I remember a scandal arose in 1978 after it was alleged that there were only about 315 political prisoners in Vietnam. The claim came from a small group of people in Saigon and was reported in the United States by a smaller group of writers and scholars. Those people in Vietnam have now been shown to be long-time allies of the communists. But in 1978, nobody questioned their credibility. Why is it that now, after thousands of eyewitness reports from Vietnam have told of the many violations by Hanoi, the media and scholars in this country continue to refute their credibility?

How many are prisoners in Vietnam now? Three years after the fall of Saigon, it was reported that the number was around 100,000 or 110,000 prisoners. Refugee reports, however, had put the figure at up to 300,000. In 1985, Vietnamese Minister of Interior Pham Hung said that there were only 10,000 prisoners. But refugee reports coming from Vietnam indicated that there were at least 60,000.

Around April 1987, Mai Chi Tho, a Politburo member and new Minister of the Interior, asserted that there are now 6,000 prisoners; refugees, however, claimed that there are at least 30,000 left in Vietnamese reeducation camps.

A second area of human rights violations is the creation of New Economic Zones. During the Vietnam War, many U.S. reporters came and said it was inhuman to relocate Vietnamese, to put them in so-called strategic hamlets. Reports about the relocation of the Montagnards, the people of the Central Highlands, called it a criminal act. And Hanoi continues to make relocation plans. Back in 1975, Hanoi wanted to relocate 10 million people over the next two decades. There have been continued reports from local, regional, and national officials that this target number has been reached. In the province of Dac Lac alone, according to an official report, 400,000 persons have been relocated. In the next five years, it is predicted that another half-million people will be forcibly relocated.

Back in the 1960s, when the stories of the relocation of Montagnards were first published, they were met by angry cries of protest against Saigon. Today, Hanoi receives virtually no criticism for its far more extreme relocation policy. In fact, there are now articles saying it is perfectly acceptable to relocate the Montagnards.

A third area of violations is the persecution of various religious groups in Vietnam. Hanoi is determined to destroy Catholicism in Vietnam, though there has always been some semblance of tolerance shown to Catholics. For example, last month a well-publicized ceremony occurred where Cardinal Tin Van Can of Hanoi met with Nguyen Van Linh and was assured that the policy of Vietnam is to preserve religious freedom. At the same time, Archbishop Nguyen Van Thuan of the Archdiocese of Saigon was--and is--in prison. In addition, Archbishop Nguyen Kim Dien of the Archdiocese of Hue was put under house arrest after he came to the defense of a nun who was arrested and accused of being a spy.

In July, a crackdown on the Dong Cong Congregational Order, which is a Vietnamese religious order. Sixty people were arrested, including the Superior General and Founder of the Order.

As for the Buddhists, a Vietnamese student union in Paris recently published a long list of 145 Vietnamese monks who had been arrested and are still in jail. Many of the Theravada Buddhists are suffering not only because they are Buddhists, but because they are Khmer Krom, the Khmer residing in Vietnam. Twenty-four Khmer Krom Theravada Buddhist monks have been killed, and 74 other Khmer Krom and Theravada Buddhist leaders are listed as being held in jail.

While there are only 30,000 Muslims in Vietnam, many have been persecuted. Not only are many of their leaders in jail, but possession of the Koran is forbidden. Pilgrimage to Mecca is forbidden. Even participation in a recent regional Muslim conference in Malaysia was forbidden.

In the Cao-Dai sect--a Vietnamese religion combining the teaching of Confucius, Taoism, Buddhism, and Catholicism--their followers have been persecuted

since 1975. The trial of two Cao-Dai leaders and 31 others was widely publicized in August 1983.

The Hoa-Hao sect is another target of persecution. The prophet and founder of that religion was assassinated by communists in 1946. And today, all the leaders of the Hoa-Hao sect are in jail, and their congregations are watched closely by state police.

Before the U.S. resumes talks with Hanoi and before Washington reaches any agreements with Vietnam, I think that there must be a very hard look at the way Hanoi is dealing with the Vietnamese people.

Mr. Lasater: I would like to ask my colleague, Ken Conboy, policy analyst with the Asian Studies Center dealing with Indochina, to discuss some of the economic and political changes that are underway in Vietnam.

Kenneth Conboy

Trying to understand and predict what the closed Vietnamese party and government are doing is difficult and, in some cases, impossible. Much of the behind-the-scenes infighting in Hanoi can only be imagined. Still, it would appear that today substantial political and economic changes are taking place in Vietnam. The reasons for these changes are obvious. The leaders in Hanoi are being driven by a desperate attempt to rescue their dismal economy. They have inherited a wide number of problems and their spinoff effects. Among them are malnutrition, a bad crop this year, unemployment, a chronic shortage of hard currency, inflation reaching 700 percent, and a disastrous continuation of major food subsidies. Right now, in fact, up to one-third of Vietnam's national budget is used to subsidize food prices.

These problems have been building up over the years, and the Vietnamese leaders have been slowly responding. In 1978, during the Fourth Party Congress, about 14 percent of the participating delegates were involved in economics. In 1982 at the Fifth Party Congress, that number had risen to 40 percent. The problem came to a head in mid-1986 resulting in the changes seen in the Sixth Party Congress in December.

The Sixth Congress designated three goals. First, the Vietnamese leaders said they wanted to increase grain production. Second, they professed a desire to increase the output of consumer goods; and finally, they would aim to increase exports to earn foreign currency. Underlying these goals was a two-fold pledge. The leaders in Hanoi said they would try to break the diplomatic and political isolation they have suffered since their invasion of Cambodia and to stop the economic stagnation in their country. To attain these goals, Hanoi envisioned a strategy that would include a widened campaign of self-criticism, becoming increasingly tolerant of Western ideas and fashions, and implementing economic reform.

The first two parts of this strategy have already been put into effect to a degree, resulting in what some have prematurely dubbed a tropical version of *glasnost*'. For example, the widening of self-criticism can be seen in the popular

column called "NLV" in the party-run newspaper *Nhan Dan*, where an anonymous writer, who some think is Nguyen van Linh, has been exposing corruption and mismanagement. In many cases, this has led to the arrest of dishonest officials. At the same time, however, there are many limitations to this widening of criticism: Cambodia is off-limits, and criticism is confined to official party-run newspapers.

The increased tolerance of Western ideas and fashions has appeared in the love poems on the back page of *Nhan Dan*, blue jeans in Hanoi, and girls wearing makeup. Also more interviews are granted to the Western media. And in the new National Assembly balloting in April of this year, five candidates were allowed to debate. Of course, that was five candidates out of 496.

Western ideas are also seen in the promotion of tourism. The Vietnamese claim that they are in touch with over 70 tourist agencies around the world. There also has been some hotel construction in Hanoi. Of course, the Vietnamese leaders are counting on the economic spinoff in this. They also are looking for an economic spinoff of their attempts, since the spring of 1986, to lure back overseas Vietnamese, through both their tourism and their donations and gifts. Hanoi claims, in fact, that over half a million dollars has been donated from Germany and Canada for the purchase of printing machines in Ho Chi Minh City.

The third area of change called for in the Sixth Party Congress was economic reform, and I think this is the most significant and controversial. It must be viewed against a backdrop of major economic support and dependence on the Soviet Union. In mid-July of last year, Party General Secretary Truong Chinh returned from a visit to Moscow, and the debate intensified over what course of action should be taken to improve Vietnam's poor economic situation. Should there be reforms or a continuation of strict socialist policies? Should there be a degree of private enterprise, or should the Party force change?

Lines were drawn, and editorials in the official newspapers seesawed back and forth. Such leaders as Vo Van Kiet, Vo Chi Cong, and Nguyen Van Linh were calling for less government and increased decentralization. At the opposite end of the spectrum, Pham Hung, Le Quang Dao, and others were arguing for increased central control over the economy.

By the eve of the Sixth Party Congress, it appeared to some as if the conservatives, those calling for increased centralization, had the edge. But the actual result of the Congress was a compromise. Nguyen Van Linh, a reformer, was named the Party General Secretary. At the same time, caution against overspeedy reform was emphasized. There remained a crucial measure of commitment to continuity.

By the beginning of 1987, the debate grew more intense. Now it looks as though there are two possible broad scenarios for Vietnam that could result. A strong case can be made for either one.

On the one hand, there is the reformist trend, which would include the purification of the Party. It is said that approximately 190,000 members of the two million strong Vietnamese Communist Party have been expelled in recent years. In

addition, the last aging stalwarts who helped found the Indochinese Communist Party were out by April of this year. Forty newcomers joined the Central Committee, and in the new National Assembly, the percentage of Party members has decreased. Over half are new members, and most are nonpolitical professionals and experts.

An economist, Vo Van Kiet, was voted in as Vice Premier by the new National Assembly in June. At the same time, Vo Chi Cong, a moderate, was elected as President. Foreign observers who support the reformist trend point out that the conservatives who have risen during the same period are merely transitional figures. In particular, the ailing conservative, Premier Pham Hung, is said to have been voted in because of respect for his age.

There have been several reformist laws enacted since the beginning of this year, including: allowances for small family-owned private enterprises in Hanoi; a removal of checkpoints, which has eased trade between the provinces; allowing citizens to keep some of the money sent to them by overseas relatives; and lifting some restrictions on private transportation services in Hanoi.

More significant is the push for a new foreign investment code which is designed to attract hard foreign currency. It is based on an exhaustive study looking at 50 countries, including Singapore and Korea. The reformists hope for approval of this code in December.

An opposing conservative trend also exists. Advocates of this trend say that all that has happened in past months is "private-sector froth" on a stagnant, socialist economy. They point to the Sixth Party Congress, where a recommendation regarding the devolution of power to district levels was tempered by reminders to follow higher guidance. They also point out that reform will meet resistance from ideologues, the corrupt, and the middle ranks of the party and the bureaucracy, who do not want to see their privileges taken away.

In addition, there is an ongoing debate over the proposed foreign investment code. The draft was not approved last June, as many had predicted. Furthermore, it has been on the boards since 1985, and there is still a debate over the right of investors to withdraw capital.

It is very difficult to see in which direction Vietnam is headed at this point, but there are at least two indicators to look for in the months ahead.

One indicator would be to watch the new foreign investment code. Many people have been putting a lot of emphasis on this, viewing it as almost a litmus test. Indeed, if it is passed intact in December, it would certainly be a boost to the reformists. At the same time, there is talk about another purification campaign that would begin either this month or next. Some Party officials are saying that it could result in expelling as much as a fourth of the Party. If there were such a purification campaign, again, it could boost the hand of the reformists.

I believe that there will be an ongoing compromise between reformists and conservatives. Change is probably going to be slower than many are claiming right now. Even Vietnamese reformists say that, under ideal circumstances, it would take

four or five years for their reforms to take effect. As it now stands, circumstances are not ideal. Reformists also are saying that they see Western technology and capital as instrumental to bringing Vietnam out of its economic doldrums, and this same leadership has said that they are going to try to break the economic and political isolation around Vietnam. Therefore, regardless of what path is taken, I see a continued and increased effort by Hanoi to court the West to help reach their goals.



Mr. Lasater: We have heard some of the complexities of what may be involved in moving toward normalized relations with Vietnam. I would like to invite the audience to make comments or ask questions.

Mr. Ngoc Bich (National Congress of Vietnamese Americans): I would like to ask Colonel Sauvageot what are his thoughts about the possibility of normalization of relations between Vietnam and the United States?

Colonel Sauvageot: The U.S. position on normalization of relations with Vietnam is that the Vietnamese government must first give the fullest possible accounting for our missing in action. In other words, they have to clear up the MIA-POW issue to our satisfaction. The second condition is (I do not mean this in order of priority) they must withdraw from Cambodia.

I agree with those conditions, but let me say, I was an early advocate of normalizing relations with Vietnam. After the war ended, I believed that it would be worthwhile for the United States to explore normalizing relations with Vietnam on a very realistic approach. If such were possible, I believed we could try to forestall or prevent their becoming inordinately dependent on the Soviet Union.

I am not an advocate of normalization, however, because there has been too much water over the political dam. First of all, the Soviets are in there strong. We cannot hope under the current conditions to make any appreciable headway in weaning them away from the USSR. The crucial thing is for the United States to follow ASEAN's lead. The ASEAN states are the regional countries most directly affected, and they have been the most innovative in trying to find a political solution. It is not an objective of the ASEAN states to bleed Vietnam white over the years, but they have very practical reasons for not wanting to have a Soviet-supported Vietnamese occupation force on the border of Thailand.

Concerning the two conditions for improved U.S.-Vietnam relations, the United States has not accepted Vietnamese claims that they have made a good faith effort on the MIAs. Nor have we accepted their promises to pull out of Cambodia. There are no indications that the United States has wavered from these positions, and I am sure that this Administration will not.

It is very difficult to predict what future administrations will do, but I believe that there is sufficient bipartisan support for the basic posture of support for ASEAN. I even said to Foreign Minister Nguyen Thach, in a private aside, that what we offered the Vietnamese was very little but that it was a remarkable thing

for President Reagan, toward the latter part of his second term and besieged with congressional hearings on the Iran-Contra business, to make the effort to pick a special emissary and send him to Hanoi to try to elicit a resumption of Vietnamese cooperation on the MIA-POW question.

I added that if Minister Thach found what was offered to be insufficient, he would never see another such initiative from the current Administration because the political campaigns would be heating up. So it will be well into the next Administration before it comes up on the agenda again to this degree.

Rawlein Soberano (QSOFT): Captain McDaniel, do you hold it against the Vietnamese for using the POWs as a bargaining chip with the United States?

Captain McDaniel: I realize, knowing the Vietnamese as I do and having lived with them for six years, that they must have way to save face. I believe that today they want to talk to the United States government about prisoners of war. If we were to say: "Hanoi, you have our prisoners. Would you go into Cambodia and Laos and search for our prisoners," Hanoi would go search and find them. We would pay whatever price they asked, because this issue is that important. We would get our men back, we would get on with America, and the Vietnamese would save face. That is a very simple solution to a very complex problem.

Bill Carpenter (SRI International): To follow up on that question: at the end of your talk you mentioned the TOWs for political hostages. I do not think you intended to equate that to what I think is an entirely different category. Prisoners of war are different from a political hostage.

Captain McDaniel: What I am saying is that we have set a precedent by offering materials for the return of hostages. I do not consider the POWs as hostages. They are men who went to carry out this country's foreign policy. When we offered medical supplies in the early 1980s to the Laotians for prisoners, that was the same principle as offering TOW missiles to the Ayatollah. So the precedent is there. I contend that this issue is so critical to this nation that we have to resolve it.

Henry Gottlieb (Associated Press): Colonel Sauvageot, do you share Captain McDaniel's view that the Vietnamese statement during the Vessey mission that there might be some live Americans up in the hills, is possibly a face-saving way for bringing some of these people out?

Colonel Sauvageot: I truly do not know the answer to that question. I do not know if that was a signal or not. It may be, because it would not be unprecedented for the Vietnamese to let us in on something little by little. I just know that the Administration operates on the assumption that there are live prisoners of war, but has not been able to find a smoking gun.

Much of the Administration's approach to the MIA problem has been to provide the Vietnamese with avenues of face saving. Remember Captain McDaniel mentioned earlier about the 400 remains? I happen to have been the interpreter for that mortician in the congressional hearings at which he spoke. I was personally

convinced of that man's integrity and sincerity. He passed polygraph tests by the Defense Intelligence Agency. He was, indeed, a mortician in Hanoi, and he gave an address where those remains were stored. Congressman Lester Wolfe asked the Vietnamese to let him in and look, and the Vietnamese said no. Of course, they invited him in to look a couple of months later, after they could have moved them. But yet, since we have not been able to get proof, it makes better sense to continue the kinds of negotiations with the Vietnamese that we have been conducting, while not undermining our treaty relationship with Thailand or the interests of other regional friends.

Captain McDaniel: I believe Bobby Garwood, who came out in 1979, was a signal. About one year ago, two foreign journalists visited my office. They were escorted into my office; they gave me their cards: *Pravda* and TASS. They interviewed me about my organization. We spent 45 minutes. As they were leaving they mentioned two things to me. They said, "You are very lucky this interview will appear in a very prestigious magazine, *Pravda*." Then they mentioned POW-MIAs and left.

Two weeks after their visit, my navigator's ID card showed up in the hands of the United States government; it had come out with three ID cards and seven sets of remains. My navigator was alive, on the ground, for four days in Vietnam, and then radio contact was lost. After that visit, I went to the Defense Intelligence Agency and had a 45-minute conversation with General Shufeld. At the end of it, he said, "It's coincidental."

I went to a journalist who had worked this issue for years for *The Wall Street Journal* and said, "Have you ever heard the name James Kelly Patterson [Captain McDaniel's navigator]?" I was told that, "I have reason to believe, Captain McDaniel, your navigator is alive in North Vietnam." His theory was that the enemy, on shutdown in Vietnam, separated out the men who had special talents--the navigator, electronic warfare officer, or radar observer--believing they had more talents than us pilots. They put us in one system and them in another.

On May 19, the day I was shot down, we lost seven aircraft, nine crewmen. Four of the crew who are missing all had special talents, and three of the four were known to be alive on the ground. Two of them gave a press conference, and, of course, they talked with my navigator for four days. The fourth one was not seen.

I looked at a RAND Corporation study. The pilots have come home in much larger numbers, and this journalist's theory was that they made a decision between 1966 and 1969 to keep men with special talents behind to maintain the equipment that the U.S. would leave behind when they won the war in Washington.

Mr. Gottlieb: This is about something you mentioned right at the beginning about breaking the economic boycott against Vietnam. Can you give me some illustrations of that and tell me how serious you think it is?

Mr. Conboy: One nation that comes to mind is Japan. The distressing point about Japan-Vietnam ties, although relatively small compared to their other trade ties

around the world, is that it is not just commodity trade, but it is also infrastructural aid. Of course, Japan is not alone, and the Vietnamese themselves are saying that they will succeed in breaking that economic embargo. The new foreign investment code that I mentioned is part of that strategy.

Ho Chi Minh City will be the site of a plant by Honda that will be assembling motorcycles for export to client states in Laos and Cambodia. That is just one example of a foreign company coming in, looking to make a quick profit from the relatively large Vietnamese population, and also perhaps looking toward Vietnam's offshore oil.

Mr. Lasater: It is not just a factor of the capitalists trying to make money. It is also a factor of leverage: how to influence Vietnamese reform? We have managed to isolate Vietnam since its invasion of Cambodia, and that has cost Vietnam enormously in terms of its economic situation at home. If you open up the doors to Western aid and assistance now, it tends to make their position in Cambodia more tenable, if they desire that as a policy goal. The objective, as you know, was to link the aid and trade embargo to their occupation of Cambodia, and it remains a real problem as to how to get the Vietnamese out of Cambodia, because the Vietnamese have a long-time goal of occupying all of Indochina for some time.

Ambassador Leonard Unger: I am curious about Laos. I realize the situation is different there. Do you think there are any POWs physically confined in Laos?

Captain McDaniel: Yes, I do. In fact, we had a letter that we released on Monday of this week from a young man whose father received a letter from the Air Force giving his full name, his date of birth, his aircraft type, and then, a five-digit identifier, which could have been the tail number of the aircraft; it turned out to be his zip code. He said, "I'm at a camp with five other Americans," at a specific location 41 miles north of the Mekong River at a place in Laos. That, to me, is pretty specific. At least it needs to be checked out. I think we should put someone on an aircraft to go out to Laos to investigate the report.

George Brissans (Voice of America): You have talked about the Soviet influence in the whole situation out there. I wonder how direct do you think it is in some areas economically. Are we seeing the Vietnamese version of *glasnost*? Does it come out of Moscow? And also, should the United States be talking to Moscow about POWs and MIAs.

Colonel Sauvageot: Well, the Vietnamese are concerned, we know they are concerned, about the Soviet efforts to improve their relationship with China and to cut their economic outlays to Vietnam. That is what was behind the criticism that Soviet aid had been misused, and how they are now supposed to take the iron broom and clean it up.

There are also other significant indicators that neither the Soviets nor the Vietnamese are really giving up their ultimate objective of maintaining Vietnamese control of Cambodia. For example, in Gorbachev's Vladivostok speech, in which he was forthcoming on Afghanistan, he makes no reference to Cambodia.

More recently, the Soviet Foreign Minister, on a visit to Jakarta, said that an analogy between Cambodia and Afghanistan would be imprecise. And yet they are trying to cut the cost of maintaining that control. It is a fine line.

Captain McDaniel: I believe Mikhail Gorbachev and Ronald Reagan hold the key to all human rights issues. I went to Geneva in 1985 at the request of a hundred members of Congress, who signed a petition for me to deliver to President Reagan to bring up the POW-MIA issue in his talks with Gorbachev on humanitarian rights. He was briefed prior to going to the meeting; the meeting was private. I do not know whether it was discussed or not.

But yes, I believe Gorbachev and Ronald Reagan could resolve a human rights issue by dealing--because I believe Moscow controls activity in Hanoi. When I was in Hanoi, they had Soviets there in the camp with us monitoring our imprisonment.

Mr. Conboy: On the economic front, there has been occasional disappointment from Moscow over Vietnamese wastage of their economic aid. In June of this past year, however, the Soviets announced that they were going to commit eight to nine billion rubles in economic aid by the year 1990. In dollar amounts--eleven to thirteen billion--this represents a serious commitment to Vietnam. In addition, when Nguyen Van Linh visited Moscow this year and came back in July, he said, "Our unswerving policy is to completely rely on the Soviet Union and our other socialist countries to build and defend our country." I think these examples suggest that the connection between the Soviet Union and Vietnam continues to be very deep and broad.

Professor Van Chau: During the last three or four decades, Hanoi (though operating outwardly as an independent force--and they always tried to maintain that facade) kept a very heavy reliance on help, first from China and Russia, and later exclusively from Russia.

I think that the older Vietnamese leaders were brought up in an atmosphere of nationalism before they came into communism. The reality is now that Hanoi is totally controlled by the purse strings and by ideological domination.

Congressman Walter Judd: Captain McDaniel, you said you believe that President Reagan and Mr. Gorbachev could solve the prisoner of war issue. What price would the United States and President Reagan have to pay to Mr. Gorbachev to get some prisoners of war out of Vietnam? Relations between the U.S. and the Soviet Union are more important than anything else, and if the United States makes a concession that would increase the stature of Mr. Gorbachev and reduce the bargaining skills or power of the United States, the price might be considered even more impossible to pay than keeping some prisoners of war there.

Captain McDaniel: I agree, the price could be high. But I contend the thing that makes our country so great is that we as individuals are important in this country. But when policy makers for this country write off soldiers, that is tragic. No American goes into combat prepared to be abandoned by his country. I consider this so critical to this nation because of the impact on my sons and my children's

children who will come forward to protect this country. I believe this issue to be so important that we must pay any price whatever to resolve it.

Colonel Sauvageot: I perceive the Administration's strategy as having been, and continuing to be, a strategy of trying to persuade the Vietnamese government that it is in their interests to render the fullest possible accounting of POWs-MIAs. We must do it without paying, as Congressman Judd suggested, too high a price. Those of us who are soldiers know we may lose our lives and our freedom, but we also know that the reason we are willing to lose our lives and freedom is to preserve larger U.S. interests. That is why we have combat in the first place.

So the Administration's strategy has been to try to persuade the Vietnamese, but not in a way that undermines our larger strategic interests with ASEAN and China and other countries in the region. And the Reagan Administration has put its money where its mouth is. The Joint Casualty Resolutions Center has gone from 14 to 26 people; the Central Identification Lab in Honolulu from 12 to 41. That's an increase of 63 people that are working fulltime to resolve that issue.

I have had Vietnamese in the Foreign Ministry ask me privately, "What is in it for the Vietnamese government to cooperate with the United States in rendering the fullest possible accounting?"

My answer privately to them is, the answer depends on whether you take a short-range or long-range view of your interests. If you take a short-range view, the answer is probably nothing, because we cannot--and we should not--compromise larger U.S. geopolitical interest to elicit your cooperation on this issue. But if you take a long-range view, it is like opening a bank account in the United States that starts to draw interest. It is a funny kind of bank account, because you can not get your money out until some unforeseen point in time when the multilateral issues that divide us now--read "Cambodia," primarily--are resolved in some satisfactory way, by some unforeseen format, at some unforeseen future point in time.

In other words, resolving the MIA issue is a necessary but insufficient condition for better relations with the United States. So you ought to take care of that first, because geopolitical history suggests that geopolitical relationships are not immutable. In my own lifetime I have seen Japan go from being our worst enemy to being a strategic ally in the northern Pacific. I remember my colleagues making eloquent speeches about keeping Red China out of the United Nations, and now we are improving our relations with China. So take the long view. That is my message to the Vietnamese.

Mr. Lasater: I think on this particular issue, we will all have to take the long view in terms of its resolution. But we do have some very immediate things to be concerned with, and of course, the POW issue is one of them, as well as our concerns about what is happening to the Vietnamese in Vietnam itself.

I would like to draw this session to a close, and thank you for your participation.

