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DEALING WITH A FAST CHANGING INDOCHINA

INTRODUCTION

A changed Indochina is emerging from the warfare, economic malaise, and diplomatic isolation of the past decade.¹ Vietnam, the political, economic, and military key to Indochina, is adopting reforms to salvage its dismal economy and is preparing to bring its remaining 80,000 troops home from Cambodia. The people of Cambodia are bracing for a coalition government to be established after Vietnam withdraws its forces, which likely will be dominated by communist factions. And Laos is experimenting with economic reforms. At the same time, the Soviet Union and People's Republic of China (PRC) are becoming more involved diplomatically in the region, while Thailand, long America's strongest ally in noncommunist Southeast Asia, is adjusting to what it perceives as decreasing regional tension.

United States policy toward Indochina, however, seems to be ignoring these changes. The U.S. has yet to define its strategic, political, and economic interests in Indochina to prepare for the time when Vietnamese forces leave Cambodia.

Two Pillars. During the Reagan Administration, U.S. policy toward Indochina rested on two pillars. First, the Administration correctly asserted that it would not normalize diplomatic and economic ties with Vietnam until Hanoi withdrew its occupation forces from neighboring Cambodia. To pressure Vietnam, the U.S. joined with the Association of Southeast Asian

1 Throughout this study, the term "Indochina" refers to the former French colony and protectorates that today are Cambodia, Laos, and Vietnam.

Nations (ASEAN²), the PRC, and most other Western nations in denying development aid to Hanoi as long as its military forces occupied Cambodia. Second, U.S. policy toward Indochina unofficially depended on Vietnamese, and to a lesser degree Laotian, cooperation in obtaining an accurate accounting of the 2,400 U.S. servicemen listed as missing-in-action (MIA) from the Vietnam War.

The results of this policy were mixed. Washington's hard-line stance on Vietnam's leaving Cambodia sent ASEAN a reassuringly strong signal of U.S. resolve against communist aggression in Southeast Asia. Yet Washington's emphasis on the emotional MIA issue left the U.S. open to eight years of manipulation by Vietnam and Laos. By the end of the Reagan Administration, only 177 bodies – 7 percent of the total number of MIAs – had been returned.

Reasons for Optimism. Today, conditions in Indochina have changed greatly from those faced by early Reagan Administration foreign policy makers. Though Vietnam is still a close ally of the Soviet Union and fields the world's fourth largest army, its failed domestic policies have forced Hanoi to try such reforms as a liberalized foreign investment code, increased Western trade, and more domestic free market activity. Hanoi, moreover, has been hinting at cutting the size of its huge armed forces and, most significantly, pledges to withdraw its occupation forces from Cambodia by 1990. If this withdrawal is completed, Cambodia faces an uncertain future as several indigenous factions jockey for power. And in Laos, a younger, untested generation of the ruling communist Pathet Lao revolutionary movement has begun to carry out economic reforms that the original Pathet Lao gerontocracy had delayed for years.

These changing conditions in Indochina are viewed with cautious optimism by U.S. friends and allies in the region. ASEAN members Thailand and Singapore are cautiously improving economic relations with Vietnam. The PRC has opened a diplomatic dialogue with Vietnam, mainly on a Cambodian settlement. Other regional powers, particularly Japan, are quietly positioning themselves to capture shares of Indochina's "virgin" market. The net result has been a noticeable reduction of Vietnam's international diplomatic and economic isolation that began when it invaded Cambodia in December 1978.

Upgrading U.S.-Vietnam Ties. In Washington, too, calls are heard for normalizing U.S.-Vietnam ties. In fact, several U.S. legislators last year proposed that the U.S. establish an "Interests Section," or representative office, in Vietnam set up under the auspices of a third country friendly to both Hanoi and Washington. This would upgrade official U.S.-Vietnam ties considerably. Currently, neither country has an official representative in the other's capital. Typically, opening an Interests Section is the first step toward normalization. There is speculation in Washington, moreover, that the Bush

2 Composed of Brunei, Indonesia, Malaysia, the Philippines, Singapore, and Thailand.

Administration may be planning a significant change in its relationship with Vietnam this year.

The Bush Administration must proceed slowly in crafting its policy toward Vietnam. Though a thorough review is warranted, the Administration must recognize that serious limitations are placed on U.S.-Vietnam relations by such key factors as Hanoi's close military and economic relationship with the USSR, the continued enormous military threat Vietnam poses to its neighbors, and its poor human rights record. Similarly, U.S. relations with Cambodia will be limited by potential future instability in Phnom Penh and the threat such instability poses to Thailand. U.S.-Laos relations, meanwhile, will be affected by continued charges of Vientiane's official involvement in international drug trafficking.

To craft an Indochina policy reflecting these realities, the Bush Administration should:

- ◆ ◆ Make the establishment of a U.S. Interests Section in Vietnam dependent on a Vietnamese total withdrawal from Cambodia and a public commitment by Hanoi to specific deadlines for reductions in the size of its army.
- ◆ ◆ Organize a meeting with Japan and Vietnam's other major noncommunist trading partners to set guidelines on infrastructural aid to Hanoi to prevent construction of facilities or transfer of technology that could be turned to military uses.
- ◆ ◆ Renew the U.S. obligation to help stop Hanoi's repression of current and former political prisoners.
- ◆ ◆ Call for an international conference on Cambodia by the middle of this year to determine a future Cambodian government.
- ◆ ◆ Support the concept of a peace-keeping force in Cambodia composed primarily of ASEAN contingents.
- ◆ ◆ Insist on full representation of both noncommunist Cambodian factions in a Cambodian coalition government.
- ◆ ◆ Publish an updated report on involvement by the Laotian government in international narcotics trafficking.

VIETNAM

When Ronald Reagan became President in January 1981, Vietnam was still heady with its 1975 triumph over South Vietnam. Hanoi's aging leaders, apparently convinced of their infallibility, stubbornly pursued increasingly disastrous domestic policies virtually without challenge. Tens of thousands of political prisoners languished in reeducation camps; hundreds of thousands more were fleeing the country by sea and land. Meanwhile, Vietnam had consolidated its control over the rest of Indochina by occupying Cambodia with a 200,000-man army and Laos with a force of 50,000.

In response to Vietnam's occupation of Cambodia, the Reagan Administration wisely made normalization of diplomatic ties with Hanoi dependent on a full withdrawal of Vietnamese military forces from Cambodia. Reagan also continued the Carter Administration policy in which the U.S. joined ASEAN, China, and most Western nations in denying development aid to Vietnam until completion of the withdrawal. In addition, the U.S. and the PRC refrained from commodity trade with Vietnam. These moves demonstrated to America's friends and allies in Asia Washington's resolve to oppose communist aggression in the region.

MIA Disappointment. At the same time, Reagan slowly began shifting the focus of relations with Hanoi to the plight of the 2,400 U.S. servicemen missing in action in the Vietnam War. Reagan promised to make resolving the issue of American MIAs a national priority. The results of this, however, have had to disappoint the former president. Not one of the 70 "discrepancy cases" – those U.S. servicemen strongly believed to have been captured alive by enemy forces – has been resolved. Only 177 bodies, moreover, have been returned by the Vietnam government. Although U.S. personnel were allowed to conduct limited searches for U.S. military aircraft wreckage in the Vietnamese countryside during 1988, Vietnam repeatedly manipulated cooperative efforts to make political points. For example, in August 1988, Hanoi temporarily suspended cooperation on the MIA issue after U.S. Assistant Secretary of State Gaston Sigur called on Vietnam to withdraw from Cambodia. That December, Vietnam threatened to cease cooperation again after the State Department voiced reservations about growing West European relations with Vietnam.

While the Reagan Administration continued to refuse normalization of relations with Vietnam, Hanoi gradually has improved its international image by pledging to withdraw all of its troops from Cambodia by 1990 and by adopting a new foreign investment code that courts noncommunist trade and investment. The ASEAN states, which led the opposition to Vietnam's occupation of Cambodia, have viewed with cautious optimism Hanoi's economic reforms and its pledge to withdraw its forces from Cambodia. Several of these nations have relaxed some economic restrictions with Vietnam. Singapore already is Vietnam's second largest noncommunist trading partner with \$300 million in bilateral trade last year. Similarly, Thai Prime Minister Chatichai Choonhavan has pledged to turn Indochina, and particularly Vietnam, into a marketplace for Thai goods.

Chinese Softening. Outside of ASEAN, Japan is Vietnam's top noncommunist trading partner, with estimated bilateral trade totaling \$330 million last year. And the People's Republic of China, long Vietnam's greatest adversary, has softened its rhetoric against Vietnam, refrained from major border clashes, and started a diplomatic dialogue with Vietnam in anticipation of a Cambodian settlement.

From Washington's perspective, the official barrier to normalized relations between the U.S. and Vietnam hinges on Vietnam's withdrawal from Cambodia. If Vietnam completely withdrew, there would appear to be little

reason for Washington not to move toward normalization. Last year, several U.S. legislators, including Senators John McCain of Arizona and Larry Pressler of South Dakota and Representative Thomas Ridge of Pennsylvania, all Republicans, called for steps toward normalizing relations, including the establishment of a U.S. Interests Section in Vietnam. Interests Sections are offices established under the auspices of a third nation friendly to both parties. While without full diplomatic status, Interests Sections perform limited embassy functions such as issuing visas. Proponents claim that a U.S. Interests Section in Vietnam would help the search for MIAs, hasten the processing of Vietnamese nationals seeking to emigrate to the U.S., and foster trade. Hanoi, meanwhile, wants a reciprocal office in Washington to facilitate tourist visas, encourage trade, and lobby for economic aid.

While improved U.S.-Vietnam relations are likely in time, such action as the establishment of Interests Sections before Vietnam has withdrawn completely from Cambodia would be unwise, as it does not take into careful consideration the limitations of future U.S.-Vietnam ties. There are several reasons why Washington should move cautiously in its relations with Hanoi. Among these:

◆ ◆ **Vietnam's Occupation of Cambodia.** Vietnam's complete exit from Cambodia appears likely but is still far from certain. Ostensibly committed to a 1990 withdrawal deadline, Hanoi has raised questions about its seriousness by asserting that it will withdraw from Cambodia only after countries, such as China, the U.S., and Thailand, cease assisting the anti-Vietnamese Cambodian resistance. Furthermore, Vietnam has a poor record of living up to international agreements. After the 1954 Geneva Agreements, for example, Hanoi intentionally left behind cadres of communists in South Vietnam in violation of the Agreements. Vietnam also kept sizable armed contingents in Laos after the 1962 Geneva Accords and the 1973 ceasefire between noncommunist and communist Laotian forces. Moreover, Hanoi launched its final military campaigns against South Vietnam in violation of the 1973 Paris Peace Accords.

◆ ◆ **Vietnam's Close Ties with Moscow.** The USSR has been and continues to be Vietnam's closest ally. There is little likelihood that the U.S. could significantly alter this relationship by normalizing relations with Vietnam. In accordance with the 25-year Vietnam-USSR Treaty of Friendship signed in 1978, Moscow has expanded its economic and military ties with Hanoi. During the last decade, for example, Moscow has equipped the Vietnamese Armed Forces with modern conventional Soviet arms including the MiG-23 *Flogger* fighter jet, Mi-24 *Hind* attack helicopters, and *Petya II*-class frigates. Since Vietnam has no indigenous weapons industry, Hanoi is completely dependent on Moscow for its armaments. Economically, the USSR is equally important for Hanoi. The Soviets are Vietnam's top trading partner, with 68 percent of Vietnam's imports coming from the USSR. The Soviet Union continues to pay for costly investment projects in Vietnam, such as the

impending construction of a new oil refinery which Western nations were unwilling to fund because of high expense.³

In return for Soviet military and economic assistance to Vietnam, Moscow has been given exclusive control over the former U.S. naval base at Cam Ranh Bay. This is the largest Soviet naval base outside the USSR. In addition, Soviet military aircraft recently have begun major mobilization exercises to Vietnamese airbases via North Korea.⁴ This growing Soviet military presence will gain further legitimacy if the U.S. normalizes relations with Vietnam.

◆ ◆ **Size of Hanoi's Army.** The Vietnamese Armed Forces, with over 1.2 million active troops and three million reservists, is one of the most experienced and disciplined conventional armed forces in the world. Even if Vietnam were to reduce its active forces by 25 percent, a pledge originally made last year and repeated this January, it would still field an armed force larger than any in Southeast Asia. Indeed, it would be the world's sixth largest active armed forces – behind only China, the USSR, the U.S., India, and North Korea. Since Hanoi's promised reductions contain no mention of calendar deadlines, Washington has no benchmark by which to measure Hanoi's compliance with its pledge.⁵

CAMBODIA

Vietnam's as yet unconfirmed withdrawal of 50,000 troops from Cambodia last year and its pledge to remove the remainder by 1990 have sparked a recent flurry of international diplomatic activity to settle the Cambodian issue. Last July, for example, the first Jakarta Informal Meeting (JIM) was held in Indonesia, bringing together representatives of the three factions of the anti-Vietnam Cambodian resistance coalition and the puppet regime in Phnom Penh with those of ASEAN and Vietnam for initial negotiations; a JIM working group met three months later. In addition, official discussions on Cambodia were held between Chinese Foreign Minister Qian Qichen and his Soviet counterpart Eduard Shevardnadze in December; Vietnamese Deputy Prime Minister Dinh Nho Liem and Chinese officials met for similar discussions last January; Thai Foreign Minister Siddhi Sawetsila and Vietnamese Foreign Minister Nguyen Co Thach held talks on Cambodia during the same month.

Aiding the Resistance. Amid this extensive international diplomatic activity, direct U.S. involvement in the Cambodian dispute has been minimal. The Reagan Administration, in fact, made it clear that it would prefer to continue with its policy of supporting the ASEAN position on the issue of a Cambodian settlement without launching any direct initiative. This indirect approach was seen earlier in the Administration when the Reagan White House did not seek overt U.S. aid to the noncommunist Cambodian

3 *The Washington Post*, December 6, 1988, p. A37.

4 *Insight*, March 6, 1989, p. 38.

5 *The Washington Times*, January 17, 1989, p. A1.

resistance. Rather, Representative Stephen Solarz, the New York Democrat, took the initiative in 1985 to push for such U.S. aid. Since then, overt U.S. aid to the resistance has totaled around \$3.5 million annually. Covert aid amounted to an additional \$2 million last year and was limited to non-lethal items such as uniforms, medicine, and training funds. Virtually all U.S. aid passed through Thai logistics channels with minimal U.S. oversight. As a result, auditors from the U.S. Senate Intelligence Committee found in 1988 that some \$3.5 million in U.S. aid was lost in the pipeline earlier in that year.

Token ASEAN Help. In large measure because of the Reagan Administration's reluctance to provide anything but symbolic assistance to the noncommunist resistance in Cambodia, ASEAN too gave only token help to the noncommunist Cambodian resistance. As a result, despite recent recruiting drives, the Khmer People's National Liberation Front (KPNLF) troop strength inside Cambodia has dropped from almost 12,000 in 1984 to less than 2,000 at the start of this year. The noncommunist Sihanoukist National Army (ANS) increased in size, but still fields only about 9,000 guerrillas inside the country.

While the U.S. has had little direct involvement in Cambodia, the Soviet Union sends substantial support to the People's Republic of Kampuchea (PRK), while China backs the Khmer Rouge. Today, in fact, the future of Cambodia rests largely with these two groups. The growing strength of the Khmer Rouge, in particular, has stirred fears among many Western observers, including several members of the U.S. Congress, that this insurgent group will reimpose an iron-fisted rule on the Cambodian people and could revert to the brutal policies committed by Pol Pot in the late 1970s. The Khmer Rouge threat, however, may be exaggerated. The total Khmer Rouge guerrilla strength of 35,000 includes as many as 7,000 noncombatant logistical personnel. Thus though Khmer Rouge effective guerrilla strength is about three times the ANS, it is only about three-fourths the size of the PRK Armed Forces. And while few doubt that the Khmer Rouge have enough weapons stockpiled inside Cambodia to fight another two years and that those Khmer Rouge commanders responsible for the 1975-1978 genocide of the Cambodian people, such as Pol Pot, Ieng Sary, and Ta Mok, still wield considerable influence within the organization, Khmer Rouge defectors have described serious ideological divisions within the movement. In addition, the Khmer Rouge remain vulnerable to a cutoff of supply routes through Thai territory.

Dangerous "Puppet" Regime. While U.S. policy makers should be concerned about a possible Khmer Rouge resurgence after a Vietnamese withdrawal, Washington has paid far too little attention to the potential danger of the Soviet and Vietnamese-backed PRK regime. Long discounted in the West as an ineffective puppet, the PRK slowly has built up its armed forces to 60,000 men and could well benefit from the addition to its army of thousands of ethnic Cambodian "volunteers" now serving in the Vietnamese army. The PRK leadership, moreover, contains both supporters of Vietnamese communism and experienced former Khmer Rouge officials. Example: thirteen of the original 23 PRK Central Committee members have

spent more years in Hanoi than in Cambodia. The remaining ten Central Committee members were top Khmer Rouge military and civilian officials, including President Heng Samrin, a former Khmer Rouge division commander, and Premier Hun Sen, who previously led a Khmer Rouge regiment.⁶

With the PRK and the Khmer Rouge as the top military contenders in Cambodia, the future holds little hope for the well-being of the Cambodian people. Although Moscow and Beijing appear to agree on the need for an international peace-keeping body and representation by all four Cambodian factions in a future government, the two communist powers have major disagreements on the future of the PRK. For example, the Soviets insist that the Phnom Penh regime remain in place while elections are conducted; the Chinese contend that the PRK should be dissolved before elections. Both Moscow and Beijing, however, appear eager to negotiate an end to the conflict. A breakthrough may come during Beijing's May 15-17 Sino-Soviet Summit.

LAOS

Since the May 1975 fall of the U.S.-supported Royal Lao Government to the communist Pathet Lao, the U.S. has maintained diplomatic relations with the Lao People's Democratic Republic. Relations between Washington and Vientiane, however, soured when the Pathet Lao in 1976 began wiping out vestiges of the former Royalist government. Thousands of Royalist civilian and military officials were sent to reeducation camps; virtually all higher ranking military officers were either executed or worked to death. The King and Crown Prince reportedly were worked to death in May 1978.⁷

To consolidate control of the countryside, the Pathet Lao began a brutal military offensive in 1976 against the fiercely independent Hmong hill tribe. By 1978, after joint Pathet Lao-Vietnamese military operations had crushed the Hmong bases around the Phou Bia Massif near the Plain of Jars, the Hmong resistance collapsed.

Shift Toward Vietnam. Vietnam's military assistance to Laos during the campaign against the Hmong was part of the deepening Hanoi and Vientiane relationship. By 1978, Vietnam had 50,000 troops stationed near major population centers in Laos and along the Lao-Chinese border. In addition, Vietnamese advisors were attached to all major Pathet Lao army and air force units. Vietnam also gained tight economic control over Laos, as Vietnamese provinces paired themselves with Laotian provinces in economic cooperation agreements.

In Washington, the Pathet Lao's complete shift toward Vietnam was viewed initially with detached interest. In 1981, however, the Reagan Administration

⁶ *Far Eastern Economic Review*, June 12, 1981, p. 22.

⁷ FBIS-East Asia, December 14, 1987, p. 70.

raised the level of the U.S.-Laos relationship by giving priority to the issue of U.S. servicemen missing in Indochina. Almost 600 Americans are listed as missing in Laos, the vast majority of whom were pilots shot down over the Ho Chi Minh Trail.

Official Drug Trafficking. As a result of Reagan's emphasis on the MIA issue, Vientiane eventually returned one body and, beginning in 1985, allowed limited U.S. searches of crash sites in Laos. While focusing on the MIA issue, the U.S. sometimes ignored other matters. The National Security Council, for example, spearheaded MIA efforts but delayed for months the release of a 1988 State Department report that directly implicates the Laotian government in exporting heroin.

At the same time, however, some positive changes have occurred in Laos over the past three years. Laos has released most of its remaining political prisoners from reeducation camps.⁸ And last June, Vientiane held elections for the first time since 1975. Last year also, Laos passed a foreign investment code allowing foreign businessmen to repatriate profits, benefit from tax exemptions, and establish wholly owned companies in Laos.

CRAFTING A NEW U.S. INDOCHINA POLICY

Indochina will be one of the Bush Administration's major policy challenges in Southeast Asia. On the one hand, Hanoi remains a close Soviet ally and two communist Cambodian factions remain the top contenders for power in Phnom Penh. On the other, Vietnam appears to be preparing for a withdrawal from Cambodia and openly is courting Western trade. Moreover, the Sino-Soviet Summit planned for May is being perceived among Washington's ASEAN friends and allies as an example of increasing Soviet and Chinese regional involvement, which may come at the expense of U.S. influence.

Clearly, Washington's current Indochina policy, which hinges almost exclusively on a Vietnamese withdrawal from Cambodia and an accounting of MIAs, is fast growing outdated. The Bush Administration thus should immediately design an Indochina policy taking into account changes in mainland Southeast Asia while recognizing the serious limitations of future U.S.-Vietnam relations. The Bush Administration should:

1) Tell Vietnam that the U.S. will establish an Interests Section in Hanoi only if Hanoi withdraws fully from Cambodia and commits itself to verifiable deadlines for reducing its armed forces. The Bush Administration should set firm conditions for normalized relations with Vietnam. These should include confirmation by military observers from ASEAN that Vietnam has withdrawn completely from Cambodia. In addition, Hanoi should be required to announce specific deadlines for reductions in active units of its armed forces. By insisting on observed confirmation of Vietnam's

⁸ FBIS-East Asia, April 10, 1987, p. 12.

withdrawal from Cambodia, the U.S. will increase the stake of the ASEAN states in ensuring a complete Vietnamese withdrawal. Deadlines for reductions in Vietnam's army will commit Hanoi to initial steps toward reducing its threat to U.S. friends and allies in Southeast Asia.

2) Seek a meeting with officials from Japan and Vietnam's other noncommunist trading partners to set guidelines on infrastructural aid to Indochina. Vietnam is seen as an attractive market. However, Vietnam also is a close Soviet ally. The threat from Soviet warships based at Cam Ranh Bay to South China Sea shipping could increase dramatically were the U.S. to be forced from its Philippine bases. Over seven million barrels of oil pass daily through the South China Sea, destined for Japan and other U.S. friends in Northeast Asia. The Bush Administration, therefore, should advise Japan and Vietnam's other noncommunist trading partners that they need to show caution in considering trade with Vietnam. In addition to normal prohibitions against high technology transfers, the U.S. should insist that all companies interested in establishing heavy industries in Vietnam take steps to minimize the danger of Hanoi using the industries for military production. The Bush Administration should advise especially against infrastructural aid such as construction of shipping repair facilities that could be converted to military use. Singaporean companies already have started production of such a facility near Saigon, now officially called Ho Chi Minh City.

3) Underscore the U.S. obligation to assist current and former political prisoners in Vietnam. Some 50,000 political prisoners and dependents still are being persecuted in Vietnam. In the past, Hanoi offered to let prisoners and their dependents emigrate, yet withdrew these offers after the Reagan Administration showed interest in resettling the prisoners in America. As part of the special U.S. obligation to these current and former prisoners, the Bush Administration should remind Vietnam of its past offers and urge Hanoi to allow all prisoners and dependents to apply for emigration to the U.S. under the terms of the Orderly Departure Program. This is a relocation program established in 1979 that provides a means for the Vietnamese government to allow its citizens to emigrate legally overseas.

4) Call for an international conference on Cambodia in mid-1989 to discuss the composition of a future Cambodian coalition government. The USSR and China are now seen as holding the key to a Cambodian settlement, and their May Summit is perceived by many as a possible stage for a breakthrough in current negotiations between the Vietnamese and the four Cambodian factions. Washington should not allow Moscow and Beijing to monopolize settling the Cambodian issue. The U.S. must be seen as a key player in any issue central to Southeast Asian security. A solution for Cambodia arranged by the USSR and the PRC, moreover, is certain to ignore long-term U.S. interests in the region. The Bush Administration, therefore, should call for an international conference on Cambodia that will include American as well as Soviet, Chinese, Japanese, Cambodian, Vietnamese, and ASEAN participation.

5) Announce support for involvement by all four Cambodian factions in a quadripartite coalition in Cambodia. Before an international conference on Cambodia, the Bush Administration should state that it supports a four-party coalition in Cambodia and even recognizes the need for participation of such PRK officials as Hun Sen and Heng Samrin. Similarly, the U.S. should note that, in the interests of making such a coalition viable, it would not oppose participation of such Khmer Rouge officials as Khieu Samphan and Son Sen. The U.S., however, should insist that the USSR call for the formal dissolution of the PRK regime before elections are held for representatives in a coalition government, and that the PRC force infamous Khmer Rouge figures such as Pol Pot and Ta Mok to spend the rest of their lives in China.

6) Insist on full representation by both noncommunist Cambodian factions in a coalition government. Both Moscow and Beijing appear to agree that the two noncommunist Cambodian factions could participate in a future Cambodian government. The problem is that this participation is likely to be limited to such symbolic actions as finding a role for Prince Norodom Sihanouk, the mercurial former Cambodian head of state. To promote democracy in Cambodia, the Bush Administration should insist that both the KPNLF and pro-Sihanoukist forces be fully represented in a coalition government. It also should insist that these factions have equal representation in a quadripartite armed forces and Ministerial or Deputy Ministerial level appointments to both defense and internal affairs positions in the new government. The Bush Administration should increase U.S. assistance to the noncommunist resistance to include leadership training for KPNLF and ANS military and technical cadres.

7) Support a Southeast Asian peace-keeping force in Cambodia. Prince Norodom Sihanouk supports a peace plan that includes the withdrawal of Vietnamese troops, a United Nations-supervised ceasefire, disarmament of all factions, and free elections. The Bush Administration should announce its support for Sihanouk's proposed ceasefire, the disarming of factions, and free elections. But given the dismal record of past U.N. observer teams and peace-keeping forces, the U.S. should propose formation of a Southeast Asian peace-keeping contingent to oversee and enforce the Vietnamese withdrawal, disarmament process, and free elections. Such a regional force should be composed of contingents from the ASEAN states and possibly Laos.

8) Publicize an updated report on Laotian involvement in international narcotics trafficking. Last August, the U.S. State Department issued a report accusing the Lao government of direct involvement in the narcotics trade. Following the publicity surrounding the report, Vientiane arrested fourteen Laotians, including several communist party officials and one member of the Central Committee. The U.S. government, however, believes that Laotian officials still are trafficking in heroin. Early this month, National Security Advisor Brent Scowcroft advised that Laos be sanctioned for its reputed involvement. The Bush Administration should publicly issue updated reports

twice a year of investigations of the ongoing official Lao complicity in narcotics trafficking.



Focusing U.S. Attention. The Bush Administration should craft an Indochina policy that promotes a gradual normalization of U.S. relations with Vietnam and involves the U.S. more directly in a Cambodian settlement. By doing so, the U.S. will show that it not only continues to be a major player in Southeast Asia, but that it also recognizes the changing political and economic realities in Indochina.

Such an innovative policy will help the prospects of stability in Cambodia, blunt the Vietnamese military threat in the region, and focus U.S. attention on its long-term security interests in Southeast Asia. And, by formulating an Indochina policy, Washington will put into place part of a coherent, comprehensive Asia policy that long has been needed and will be increasingly important as the U.S. concentrates its focus on the Asia-Pacific region.

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