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Implications of the Fall of Nam Tha

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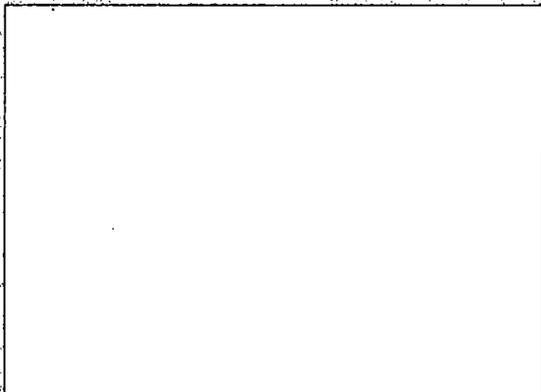
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Implications of the Fall of Nam Tha

Submitted by the
DIRECTOR OF CENTRAL INTELLIGENCE

Concurred in by the
UNITED STATES INTELLIGENCE BOARD

As indicated overleaf
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The following intelligence organizations participated in the preparation of this estimate:

The Central Intelligence Agency and the intelligence organizations of the Departments of State, Defense, the Army, the Navy, the Air Force, The Joint Staff and NSA.

Concurring:

Director of Intelligence and Research, Department of State
Director, Defense Intelligence Agency
Assistant Chief of Staff for Intelligence, Department of the Army
Assistant Chief of Naval Operations (Intelligence), Department of the Navy
Assistant Chief of Staff, Intelligence, USAF
Director for Intelligence, Joint Staff
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Abstaining:

The Atomic Energy Commission Representative to the USIB, and the Assistant Director, Federal Bureau of Investigation, the subject being outside of their jurisdiction.

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IMPLICATIONS OF THE FALL OF NAM THA

THE PROBLEM

To assess the implications of the Communist capture of Nam Tha.

THE ESTIMATE

1. On 6 May, Communist forces attacked and quickly seized the provincial capital of Nam Tha in northern Laos, forcing the retreat of the garrison of approximately 4,500 Laotian Army troops—5 infantry and 3 parachute battalions and supporting artillery units. Available evidence indicates that the attacking force consisted solely of Pathet Lao and North Vietnamese troops and that it was a smaller force than that defending the town. There are indications that the “neutralist” or pro-Souvanna forces were not directly involved and were not under orders to act by Souvanna Phouma or Kong Le, both of whom were out of Laos.

2. There is no evidence that Chinese Communist troops participated in the attack, and we believe it unlikely that any were present. However, Communist China probably permitted the transit of Pathet Lao and/or North Vietnamese troops through a salient of Chinese territory to participate in the 3 May attack on Muong Sing and the subsequent attack on Nam Tha. Logistic support for the attacking forces, as for other antigovernment forces in Laos, was almost certainly furnished by the Soviet/North Vietnamese airlift.

3. The withdrawal of Royal Laotian Government (RLG) forces from the Nam Tha area virtually eliminates RLG authority in all of northern Laos and opens western Luang Prabang Province and all of Nam Tha Province, which borders on Burma and Thailand, to Communist domination. The

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combat effectiveness of the retreating RLG troops is probably *nil*, and in the absence of effective resistance the Communist forces will press their advance and render untenable any remaining outposts in the area, including the port of Ban Houei Sai on the Mekong, towards which the RLG forces are retreating.

4. The attack on Nam Tha was a flagrant violation of the May 1961 cease-fire agreement and a departure from the past pattern of limited and small-scale military attacks. Whatever utility the cease-fire agreement had in restraining hostilities may now be destroyed. The Communist forces in Laos could defeat the RLG Army, piecemeal as at Nam Tha or by seizing the major towns along the Mekong. We do not believe that the Nam Tha attack marks the opening of a general offensive throughout Laos; on the contrary, the Communists may await the impact of this move on the RLG and the US before initiating additional major breaches of the cease-fire. In the absence either of an effective military response to the Nam Tha action or significant progress toward a coalition government, there will be an increasing likelihood that the Communists will undertake offensive operations on the scale of Nam Tha elsewhere in Laos.

5. General Phoumi reinforced the Nam Tha garrison several times, despite MAAG and embassy advice, and he had just finished the transfer of an additional parachute battalion a week before the attack. His efforts to strengthen the defenses, however, also offered the Communists a tempting target in both military and political terms. The Laotian garrison lost considerable amounts of equipment and supplies. The Communist victory, moreover, will further weaken the Laotian Army's remaining self-confidence and willingness to fight. In view of the importance General Phoumi publicly attached to Nam Tha, and his investment of troops and equipment in its defense, the Communist victory may cause him considerable loss of prestige within the Laotian Army and government.

6. On the other hand, Phoumi would like to bring about a reassessment of the US policy of installing a coalition government under Souvanna or, failing that, to delay as

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long as possible the implementation of such a policy. He can now point to the Nam Tha attack as proof of Communist duplicity and disregard of the May 1961 cease-fire agreement. He will be able to cite the Nam Tha action as conclusive evidence of Souvanna's inability or unwillingness to influence Souphanouvong and the Pathet Lao, and reiterate his argument that Souvanna is under Communist control and that negotiation of a coalition government under Souvanna would be tantamount to giving Laos to the Communists.

7. The attack and the manner in which it was conducted provide further proof of the decreasing military role and strength of the "neutralist" forces in Laos and the increasing tendency for the Communist troops to assume exclusive jurisdiction. The attack underscores the weakness of Souvanna's political influence. It also reinforces the view previously expressed¹ that Souvanna would be increasingly unlikely to be able to prevent Communist control of a coalition government.² His announced intention to "disapprove completely" of the Nam Tha action will leave the door open to renewed

¹ See SNIE 58-3-61, "The Situation and Short-Run Outlook in Laos," dated 28 September 1961 (~~SECRET~~).

² The Director of Intelligence and Research, Department of State, believes that the prospects of a coalition government under Souvanna depend upon too many variables to be dealt with in so categorical a fashion. In the first place, a coalition government immediately after its inception would probably be presiding over a Laos still divided. The PL and the present RLG authorities probably would continue to control their respective territories; whether and when they allow the Souvanna government to exercise authority over their domains will probably depend largely upon their day-to-day observations of his actions and their assessment of the direction in which he was headed. Assumption of real authority over Laos by a Souvanna government will most probably depend upon the integration of the three military forces. Judging from past experience, this may take a long time, during which the *de facto* situation would remain much as it is now, but be distinguished by the facade of a coalition government governing in name only.

Among the variables which will determine whether a Souvanna coalition government can prevent Communist acquisition or control will be the posture and stated intentions of the US. Both Phoumi and Thai Prime Minister Sarit have pressed the US hard for a commitment on this matter since they realize its importance to the survival and strength of the anti-Communist elements in Laos. Whether the US makes such commitments to the present RLG and what American deterrents are maintained in the area will affect the chances for survival of a truly neutral government in Laos.

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negotiations but almost certainly will have no influence on Communist military operations or plans.

8. Events of the past year have almost certainly convinced the Communist side that the risk of US intervention has lessened significantly and that they can increase the level of military operations in seeking to achieve their intermediate objectives—a negotiated “neutralist” coalition government in Laos which they could soon dominate, or the disintegration of the Royal Laotian Government and Army. With rumors of a Souvanna-Phoumi rapprochement in the air, and aware of US pressures on Phoumi to negotiate, the Communists probably calculated that the seizure of Nam Tha would not of itself foreclose possible forthcoming talks on the formation of a coalition government, while it would at the same time enhance their political and military position in such negotiations.

9. Although Bloc reaction has so far been extremely limited, there seems to be no clear distinction between the initial interpretation given the capture of Nam Tha by Moscow, Peiping, and Hanoi. Almost certainly the Chinese Communists and the North Vietnamese have actively encouraged the renewed military activity against a ripe target of opportunity and an area of direct security interest to the Chinese. While the Soviets may have had some reservations over the political implications for US-Soviet relations of a violation of the cease-fire, we believe that they concurred in the operation. We continue to believe, however, that the Soviets still prefer a political settlement in Laos.

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