

Indochina war, there still remained in the three Associated States a French expeditionary force of more than 400,000 men. The United States, after coming close to military intervention, had drawn back, but then refused to be associated with or to support the settlement reached at the Geneva Conference of that year. In a military sense, the position in 1961 is undeniably worse from the Western point of view. The French troops are gone, with few exceptions; the Pathet Lao control (wholly or in unstable partnership with the supporters of Souvanna Phouma) not two provinces out of twelve, as in 1954, but two-thirds or more of the country; and nuclear capability is no longer the sole possession of the United States but belongs also to the Soviet Union and may before long belong to the Communist Chinese. In a political sense, the contrast is perhaps less stark. There seems a reasonable chance that Souvanna Phouma may be able to form a coalition government with at least nominal control over the whole country, not three years after the settlement, as before, but at its inception; the North Vietnamese are probably more amenable to Soviet direction than they were in 1954; and, most important, the United States Government has drawn from its Laotian experience in the years 1954 to 1961 the conclusion that this time it can probably best contribute to the stability and security of Laos by being associated with the settlement and by supporting a broadly-based government, even though it be uncommitted and its future uncertain.

4. The United States Government cannot contemplate abandoning Laos to its own devices: it cannot do this in conscience or in the light of its world responsibilities or consistent with congressional and public opinion. That leaves either a settlement or large scale military intervention under the SEATO umbrella, answered inevitably by no lesser Communist intervention, whether in Vietminh or in other uniforms.

5. If the above analysis is approximately correct the Geneva Conference must not be allowed to drift and fail. It seems to me that the best we can hope for is the early acceptance of Souvanna Phouma as Prime Minister of Laos and the conclusion of an agreement in Geneva involving compromises and the acceptance of some second best solutions.

6. The most direct Canadian interest is in the Commission. Our starting-point in May was to seek to improve this in the light of experience since 1954. There remain possibilities of securing improved terms, but little prospect of coming close to our original maximum objectives. We should be no worse off and little better. It is striking that the Americans, not long ago the most severe critics of the Commission, seem now prepared to accept the traditional Commission as the best obtainable under the circumstances. In general this means that we should be prepared to live with any concessions that the United States may be willing to accept.<sup>27</sup>

N.A. R[OBERTSON]

<sup>27</sup> Notes marginales :/Marginal notes:

No. [H.C. Green]

It is the final sentence only to which the Min. took exception in this memo. R. C[ampbell] 28/9