1180 FAR EAST

7. Both sides are agreed in theory that Laos must be neutral; what has divided them is how this neutrality is to be assured. Since it is these questions which are now beginning to come up at the Conference, we can be certain the rate of progress will be even slower than it has in the past.

N.A. R[OBERTSON]

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Note du sous-secrétaire d'État aux Affaires extérieures pour le secrétaire d'État aux Affaires extérieures

Memorandum from Under-Secretary of State for External Affairs to Secretary of State for External Affairs

SECRET

[Ottawa], September 27, 1961

## THE PREDICAMENT IN LAOS

Five months have passed since the Laotians stopped fighting and the fourteen delegations at Geneva began discussing a settlement. In that time, very little progress has been made by the Laotians towards a political solution of their problems. The ceasefire has been generally effective, though the Commission has been able to do little, except by its mere presence, to bring this about. Both sides, however, have taken advantage of the lull to reorganize formations and to build up supplies. Now the monsoon is coming to an end. In the absence of a settlement, the possibility is growing that the opposing forces will again try to secure in the field a solution which has so far escaped them at the negotiating table. The best available assessments are agreed that renewed fighting would result, within days or weeks, in the collapse of the Vientiane Government's forces – unless these were massively supported from outside. General Phoumi appears confident that his group would receive such outside support. Moreover, evidence is accumulating which strongly suggests that he is actively planning to precipitate a widening of the war. In this he is almost certainly receiving some encouragement from the Thai and South Vietnamese authorities. Certain elements of the United States military and civilian services may also be conniving with him to this end, contrary to the policy of their own government.

- 2. Meanwhile, at Geneva, the Conference has been making slow but perceptible progress towards agreement. On the broad outlines of a possible settlement, a considerable measure of agreement has already been achieved. The principle of Laotian unity and territorial integrity has not been challenged by any delegation, though at one time a shift to partition seemed a distinct possibility. The objective of genuine neutrality for Laos (which, if it could be achieved, would mean an acceptance by both West and East of the thesis that the pursuit of complete victory would entail unacceptable risks) has been professed with a growing appearance of conviction by both the United States and the Soviet Union. The concept of a coalition government for Laos, embracing all the principal trends of Laotian opinion, has come to be regarded as virtually inevitable and probably acceptable by the delegations of all the important powers. The device of a tripartite commission to represent the continuing international interest in the maintenance of a settlement, about which there was profound scepticism in some quarters at the beginning of the Conference, is now generally accepted as necessary. These are substantial advances. Compared to them, the questions which remain in dispute, though by no means unsubstantial, are of distinctly secondary importance.
- 3. In attempting to see the present predicament in perspective, it is helpful to compare it with the situation in 1954. Then, though the French had conceded the impossibility of victory in the