

Excerpts From President's Report on

WASHINGTON, Feb. 25—Following are excerpts from the Indochina section of President Nixon's annual report to Congress on foreign policy, which is titled "United States Foreign Policy for the 1970's: Building for Peace":

Vietnam

"There are many nations involved in the fighting in Indochina. Tonight, all those nations, except one, announce their readiness to agree to a cease-fire. The time has come for the Government of North Vietnam to join its neighbors in a proposal to quit making war and to start making peace."

Address to the Nation
Oct. 7, 1970

"The allied sweeps into the North Vietnamese and Vietcong base areas along the Cambodia-South Vietnamese border:

- ¶ Will save American and allied lives in the future.
- ¶ Will assure that the withdrawal of American troops from South Vietnam can proceed on schedule.
- ¶ Will enable our program of Vietnamization to continue on its current timetable.
- ¶ Should enhance the prospects for a just peace."

Report to the Nation
June 30, 1970

These passages concern the two most important events of our Indochina policy during 1970. The first refers to our initiative for a cease-fire in place throughout Indochina, the centerpiece of the comprehensive peace proposals that I set forth on Oct. 7. These proposals could end the war rapidly for all participants through negotiations.

The second describes the purposes of the allied operations last spring against enemy bases in Cambodia, which helped to assure the progress of Vietnamization and our withdrawal program. These operations were crucial to our effort to reduce our involvement in the war in the absence of negotiations.

The Cambodian operations have borne immediate fruit while our Indochina peace proposals have not yet done so. These two events thus symbolize what has been true in Vietnam since this Administration took office: the South Vietnamese have made great progress in assuming the burdens of the war, a process which is in their hands and ours, but we have made little progress toward a negotiated peace, a process which requires Hanoi's participation.

After two years of the mandate by the American electorate, we can look back with satisfaction on the great distance we have traveled.

What We Found and Where We Are

Understanding our purposes in Vietnam must begin with a look at the situation we found when we took office and the situation today. Let us compare them in concrete terms.

Two years ago the authorized troop strength for Americans in Vietnam was 549,500. Troop levels had risen steadily for five years. On Jan. 1, 1971, that authorized level was 344,000, and on May 1, 1971, there will be a new ceiling of 284,000. Troop levels have dropped at a steady rate. The process will continue.

TIMES, FRIDAY, FEBRUARY 26, 1971

Indochina in His State of

the World Message

Two years ago American combat deaths for the previous 12 months were 14,561 and averaged 278 weekly. In 1969 the figures were 9,367 and 180, respectively. In 1970 they were 4,183 and 80; and indeed in the last six months they were 1,337 and 51. The decline has been constant.

Two years ago the enemy could launch major offensives in most parts of Vietnam. The pacification program was just beginning to recover from the setbacks of the 1968 Tet offensive. Now the enemy mounts very few significant operations and is particularly quiescent in Military Regions III and IV in southern Vietnam, which contains two-thirds of the population. Pacification has made steady progress throughout these two years.

Two years ago there was no comprehensive allied peace plan for ending the war. Now, as the result of several initiatives by the Republic of Vietnam and ourselves, we have laid out a comprehensive and flexible framework for a negotiated settlement.

Two years ago the additional demands of the Vietnam War were costing us approximately \$22-billion per year. Today they are costing us approximately half that.

Two years ago the ratio of South Vietnamese forces to American forces in Vietnam was less than 2 to 1. Today it is more than 3½ to 1.

Two years ago the ratio of South Vietnamese to American major engagements with the enemy was about 7 to 1. Now it is about 16 to 1.

Two years ago there was no assurance that the South Vietnamese could undertake large-scale military operations on their own. Now they have proven their ability to do so.

Two years ago the South Vietnamese constitutional system was just beginning to take hold. Since then the National Assembly and the Supreme Court have played increasingly meaningful roles, and there has been a series of elections at the province, village and hamlet levels. Today the political focus in South Vietnam for almost all forces except the Communists is within the established system.

Two years ago large areas of South Vietnam were unsafe and many routes impassable. Now, while there are still many dangerous pockets, the vast bulk of the country is secure.

This progress has been made possible largely by the efforts of the South Vietnamese. It is they who have compensated for the reduced U.S. effort. It is they who now carry the major part of the burden and are progressively taking on more.

In short, with assistance from us and other allies, the South Vietnamese have made their country the most dramatic and concrete example of the partnership principle of the Nixon doctrine.

Our Choices and Our Objectives

I will not dwell on events leading up to January, 1969, but rather on the choices we had in selecting our course.

The conflict had been costly and frustrating for Americans, and many believed that this Administration should move to end immediately either the conflict or American involvement in it.

Some urged that we escalate in an attempt to impose a military solution on the battlefield. We ruled out this approach because of the nature of the conflict and of the enemy, the costs of such a policy, the risks of a wider war and the deeply held convictions of many of our people. Increased military pressure could not alone win a struggle that was in part guerrilla war as well as conventional invasion, and included political as well as military aspects. It would have entailed a greatly increased toll in lives, treasure and diplomatic objectives. It would have heightened the prospects of direct intervention by Hanoi's allies. It would have split apart our own society.

Others urged that we liquidate our presence immediately, cut our losses and leave the South Vietnamese on their own. I have repeatedly explained why I considered this a disastrous path: For the South Vietnamese people, who would have lost their collective political choice and countless individual lives. For other non-Communist countries, especially in Asia, among whom not a single leader recommended such a policy. For the global credibility of the U.S. word. For those Americans who had made such heavy sacrifices. And for the integrity of American society in the post-Vietnam era.

Thus we rejected both of these routes. Yet we knew that we could not continue previous policies which offered no hope for either peace or reduced American involvement.

We chose instead what we considered the most responsible course left to us. We sought above all a rapid negotiated solution to the conflict by progressively defining the terms of a settlement that would accommodate the legitimate interests of both sides. And in the absence of a settlement, we sought, through Vietnamization, to shift American responsibilities to the South Vietnamese.

In charting this course we recognized the following realities:

¶The way we treated the most painful vestige of the previous era was crucial for a successful transition to a new foreign policy for a new era.

¶The other side, which had fought for two decades, would agree to a negotiated settlement only if the terms were generous and the battlefield looked less promising than the conference table.

¶Progressive turnover of the burden of the Vietnamese themselves, however uncertain, was the only policy available once we had rejected the status quo, escalation and capitulation.

¶The support of the American people during the remainder of the conflict required a diminishing U.S. involvement.

¶The health of the American society after the conflict called for a solution that would not mock the sacrifices that had been made.

There has been one guiding principle, one irreducible objective, for both our negotiations and Vietnamization. I stated it on May 14, 1969, and consistently since: "We seek the opportunity for the South Vietnamese people to determine their own political future without outside interference."

In our search for a negotiated solution we have stretched our positions toward those of the other side. But we have not agreed to their demand that we impose a political future on the South Vietnamese at the conference table.

In Vietnamization we have withdrawn our forces as rapidly as the South Vietnamese could compensate for our presence. But we have not withdrawn them so as to allow the North Vietnamese to impose a political future on the battlefield.

A peaceful settlement will remain our overwhelming preference. We will not give up our search. But in the meantime we will not let down our friends.

Negotiations

From the outset our constant primary goal has been a negotiated end to the war for all participants. We would take no satisfaction in the fact that after U.S. involvement and casualties were ended, Vietnamese continued to fight Vietnamese.

However, it takes two sides to negotiate and Hanoi's attitude has been consistently intransigent. No progress has been made despite the advancement in 1970 of the two elements which might make the North Vietnamese consider negotiations to be in their interest:

Vietnamization

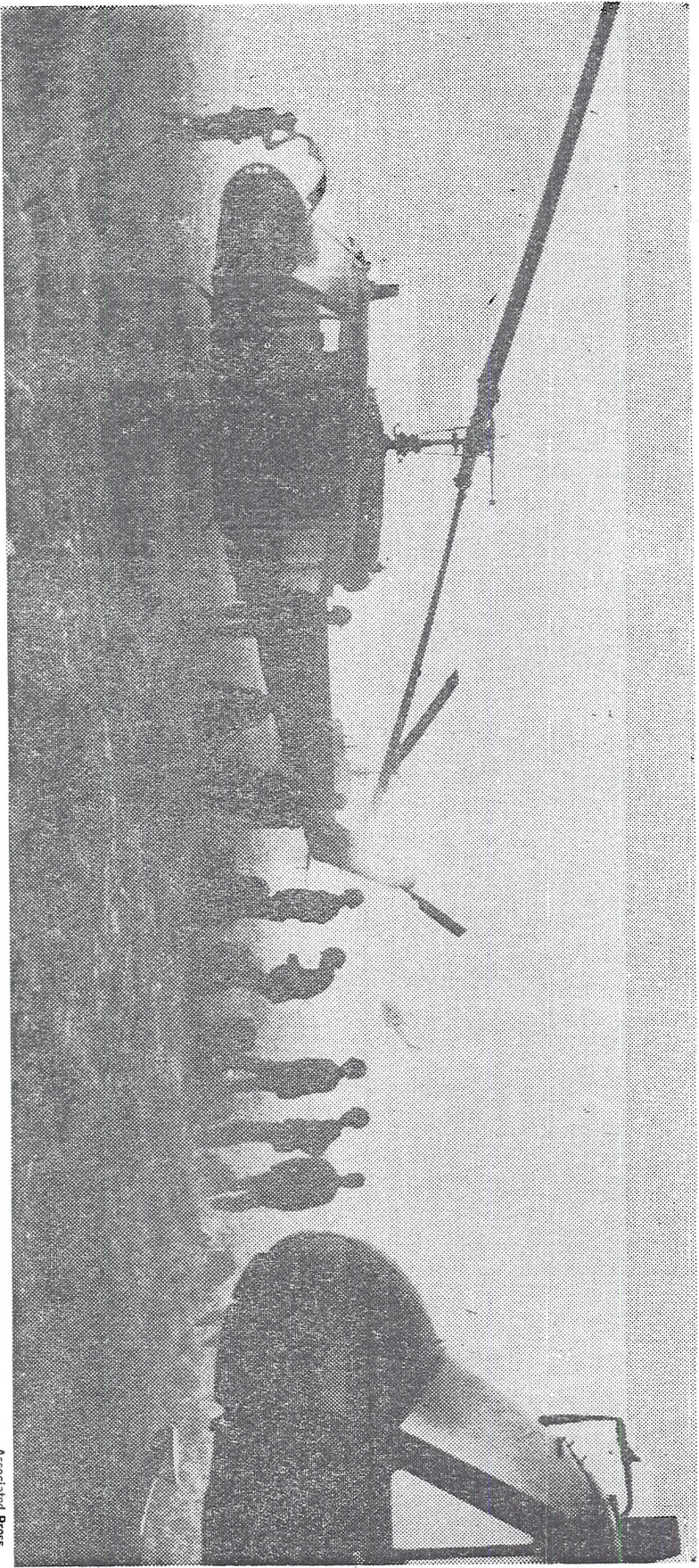
Although committed to a maximum effort to reach a negotiated end to the war, we needed an alternative.

For negotiations were not entirely in our hands. North Vietnamese history and doctrine did not make for encouraging prospects. Their calculus of the situation in South Vietnam, and more particularly in the United States, probably made them believe that time was on their side. And even if a settlement did come through negotiations, it might take a long period.

At home we did not have the option of continuing as we had — and the enemy knew it. So we chose a policy that we believed would gain the sustained support of the American people and thus give us a chance both to fulfill our objectives in Vietnam and to demonstrate to the other side that time was not necessarily with them. Such a policy seemed the only chance of giving the South Vietnamese a fair chance and the best hope of inducing the North Vietnamese to negotiate.

Thus the alternative, and hopefully the spur, to negotiations, is Vietnamization.

This policy fulfills our objective of reducing American involvement. It cannot, except over a long period, end the war altogether. Still, if Vietnamization leads to perpetuating the war, it is not by our design but because the other



Associated Press

ON THE MOVE: South Vietnamese soldiers boarding helicopters at a base inside Laos to travel to another position. "Can the South Vietnamese fully stand on their own against a determined enemy?" wrote President Nixon. "We—and more importantly the South Vietnamese—are confident that they can."

side refuses to settle for anything less than a guaranteed take-over.

In last year's report I described the successes of this program during its first months and attempted to determine the depth and durability of this progress.

¶The enemy, partly because of strategy, but in great measure due to limited capability, did not mount sustained large-scale operations. This was partly the result of the Cambodian operations.

¶A marked improvement in South Vietnamese performance was shown repeatedly in large-scale operations both in Vietnam and in Cambodia and in their increasing tactical and logistic skills.

¶The enemy chose a protracted warfare strategy. We still face the question of whether he might regain the initiative once the bulk of our forces have left, but the growing capabilities of the South Vietnamese must give Hanoi pause.

¶The attitude of the Vietnamese people remains crucial and difficult to judge, but rural security grew and pacification gains were sustained.

During 1970 concrete results of Vietnamization punctuated these trends. Our withdrawal program proceeded on schedule.

South Vietnamese forces showed themselves increasingly capable of providing security for their country. There are now 1.1 million men bearing arms for the Government—200,000 more than in 1968. The continued strengthening of local and territorial forces freed more and more South Vietnamese regular units for combat against regular North Vietnamese Army units. The South Vietnamese accounted for a growing bulk of combat engagements. They took over more of our bases. They completely assumed naval operational responsibilities inside the country. And they substantially stepped up the role of their air forces, flying almost half the sorties in South Vietnam. More intangible, but equally significant, were their greatly increased self-confidence and initiative.

The level of fighting dropped greatly, especially in the southern portions of South Vietnam. And American casualties continued their steady decline, a result of lesser enemy activity, fewer Americans and the increased share of the combat burden picked up by the South Vietnamese.

Pacification

American withdrawal is the primary reflection of Vietnamization while pacification is its primary goal.

Our withdrawal program poses two fundamental issues. First, at what pace can we take out our forces?

Then how do we protect those forces who remain? We are confident that the steadily growing strength of the South Vietnamese and the impact of the sanctuary sweeps are sufficient to handle possible threats. Nevertheless, North Vietnam might try to take advantage of our redeployments by building up its strength in the South and launching new attacks. In this case, I have made clear on a dozen occasions that I would take strong and effective measures to prevent the enemy from jeopardizing our remaining forces.

The other important aspect of Vietnamization is pacification, which in broadest terms concerns the situation in the countryside—physical security, popular allegiance and the military, administrative and political effectiveness of both sides. As the enemy's main-force units have been pushed farther away from population centers, the task of extending governmental presence has become progressively easier.

In order to assess the progress in the countryside we developed a new indicator to measure the portions of population under Government control, under the influence of both sides and under the control of the other side. The basic criteria are whether a hamlet has adequate defense and a fully functioning Government official resident both at day and at night. We devised tough and realistic measures of these two criteria.

In mid-1969 the indicator showed roughly 40 per cent of the rural population under South Vietnamese control, 50 per cent under the influence of both sides and 10 per cent under the control of the other side. Recently these proportions were respectively 65 per cent, 30 per cent and 5 per cent. When South Vietnam's urban population of six million, all under government control, is added to the over seven million rural population in that category, roughly 80 per cent of the total population of South Vietnam is controlled by the Government.

This indicator cannot tell us precisely what is going on in the countryside. It does give us a good grasp of trends—and the trends have been favorable. We are confident that real and substantial progress has been made.

Pacification progress has been slower, however, in certain key provinces, in

the northern half of South Vietnam, closer to the enemy's staging areas in North Vietnam and Laos. The supply bases in southern Laos perform the function of the destroyed sanctuaries in Cambodia. In these northern provinces the ravages of war have been more severe and the Communist infrastructure has been deeply rooted for over 20 years. Here especially the South Vietnamese Government must increase its efforts to develop capable forces and implement programs to gain the support of the rural population.

Cambodian Sanctuary Operations

Much of this accelerated progress in Vietnamization was due to the now-indisputable military success of the allied operations against the enemy sanctuaries in Cambodia last spring.

The March 18 deposition of Prince Sihanouk caught us, as well as everyone else, completely by surprise. The situation that had existed in Cambodia, with the North Vietnamese and Vietcong occupying a series of enclaves along the border, represented a troublesome but not insuperable obstacle to our efforts in South Vietnam. Our first reaction to Prince Sihanouk's removal was to encourage the negotiations which the Cambodian Government was seeking with the Communists. However, Hanoi flatly refused such a course and rapidly spread out its forces to link up its base areas and pose a growing threat to the neutral Government in Phnompenh.

As I pointed out in my final report on the Cambodian operations, enemy actions during April and captured enemy documents unmistakably show their intentions. We faced the prospect of one large enemy base camp 600 miles along South Vietnam's flank; a solid supply route from the port of Sihanoukville through which most of the war matériel for the southern half of South Vietnam had come in the previous six years, and a vast staging and sanctuary area from which to attack allied forces in Vietnam with impunity. This would have meant increased enemy attacks, higher casualties among our men and our allies, and a clear threat to Vietnamization, the withdrawal program and the security of South Vietnam.

Our choice, though difficult, seemed the more necessary the longer we pondered it. If we wished to pursue the policy of turning over responsibilities to the South Vietnamese and withdrawing our troops, we had to clear out the enemy sanctuaries. The alternative was to allow the enemy to build up this threat without challenge, to increase his attacks and to raise allied casualties. This would sooner or later have confronted us with the choice of either halting our withdrawals, or continuing them but jeopardizing the lives of those remaining behind.

I preferred to make a difficult decision in April rather than magnifying our dilemma by postponement.

Political and Economic Issues

Vietnamization has political and economic dimensions in addition to military ones. They will become increasingly important as the war winds down.

There has been a steady political evolution in South Vietnam, beginning with the election of a Constitutional Assembly in 1966 and of the President and National Assembly in 1967. In 1970 there were continued signs of a growing commitment to the political institutions established by the 1967 Constitution. Elections for hamlet chiefs and for village, municipal and provincial councils took place throughout the country. There were also elections for half the seats in the upper house, which attracted a wide spectrum of non-Communist political forces.

Nineteen hundred and seventy saw enactment of land-to-the-tiller legislation, a sweeping land-reform program which will give land to tenant farmers and could have significant political impact. It has our full support.

The maintenance of a sound South Vietnamese economy is crucial for Vietnamization. This problem was of great concern in 1970, but the Government moved on it with some encouraging results.

In the fall of 1970 the South Vietnamese Government took strong fiscal and monetary actions, including an important reform of the exchange rate. These difficult steps, supplemented by a slight increase in our assistance to offset the increased budgetary costs of Vietnamization, dramatically arrested an accelerating inflation. The price level rose by only about 4 per cent in the last half of the year, setting the stage for policies that can lead to more enduring economic stability.

While we provide assistance to support Vietnamization, we are looking toward the time when the economy can become self-sufficient. The date depends

not only on the course of the war but on the pace of economic development.

Prisoners of War

We have the deepest concern for the plight of our prisoners of war in Indochina. Some 1,600 Americans, including pilots and soldiers and some 40 civilians, are missing or held in North Vietnam, South Vietnam, Laos and Cambodia. Some have been held as long as six years, longer than for any other prisoners of war in our history.

The enemy violates specific requirements of the Geneva Prisoner of War Convention, by which they are bound. They violate common standards of decency as well.

They have not permitted impartial inspection of prison camps despite constant attempts to arrange such visits. They have refused to repatriate seriously sick and wounded prisoners. They have failed to identify all prisoners and to allow many of them to correspond with their families.

Problems for the Future

There are sobering problems still remaining in Vietnam:

Enemy Capabilities and Intentions
Despite heavy losses, the North Vietnamese have the manpower, the logistical network and the dedication to continue fighting if they wish. Although their main-force units have been greatly reduced, they still pose a considerable threat, especially in Military Regions I and II in South Vietnam. Hanoi could instead use its buildup of forces in south Laos and northeastern Cambodia to step up its pressures against the Cambodian Government or to increase its hold on Cambodian territory. In any event, Communist terrorist activities, assassinations and kidnappings continue to exact a tragic toll from the Vietnamese people.

The Vietnamization Process. Vietnam-

ization made very encouraging advances during 1970. The fundamental question remains: Can the South Vietnamese fully stand on their own against a determined enemy? We—and more importantly the South Vietnamese—are confident that they can. Substantial problems remain, however: improving the leadership of South Vietnamese forces at all levels; enhancing their ability to take on support as well as combat functions; providing assistance to Cambodia and bettering Vietnamese-Cambodian understanding; rooting out the Vietcong infrastructure in the countryside; assuring political stability in the cities; managing the strains on the Vietnamese economy as we continue to Vietnamize other aspects of the conflict; and moving against corruption, which not only poisons the moral atmosphere but also carries potential political impact. This is a formidable agenda, but South Vietnamese accomplishments to date demonstrate their capacity to deal with it.

The Negotiating Stalemate. Our intensive efforts in 1970 failed to yield progress in the Paris negotiations. We frankly expected that our elaboration of political principles, the appointment of Ambassador Bruce and the Oct. 7 peace initiative would produce some movement from the other side. We will not give up on negotiations, though the past year indicated that it will be extremely difficult to overcome the enemy's mix of doctrine, calculations and suspicion. There is the additional fact that as our forces decline, the role we can play on many aspects of a settlement is also bound to decline.

If winding down the war is my greatest satisfaction in foreign policy, the failure to end it is my deepest disappointment. We will not be content until all conflict is stilled. This sentiment was the driving force behind our proposal for a ceasefire. It is at the core of our policy.

Laos and Cambodia

"The war in Indochina has been proved to be of one piece; it cannot be cured by treating only one of its areas of outbreak."

Address by the President
Oct. 7, 1970

Enduring peace will come for Vietnam only when there is peace for its neighbors.

Hanoi has made the war an Indochina conflict. In South Vietnam there are some 100,000 North Vietnamese troops. In Laos there are about 90,000. In Cambodia there are over 50,000 North Vietnamese and Vietcong. These troops challenge the legitimate Governments of Laos and Cambodia and they menace South Vietnam from within and without.

The situations in Laos and Cambodia are comparable:

¶Neither one poses any threat to North Vietnam.

¶North Vietnam, nevertheless, has for years been violating their neutrality and independence, guaranteed in international accords which Hanoi and its allies signed.

¶In both countries North Vietnamese regular troops strip away any pretense of civil war. In Laos indigenous Pathet Lao play an insignificant military role* while in Cambodia only small numbers of Cambodians help the North Vietnamese and Vietcong.

¶In both countries Hanoi has two aims—first, and primarily, to use them as infiltration routes, staging bases, and sanctuaries for attacks against South Vietnam; secondly, to erode governmental control in order to aid their efforts in South Vietnam and perhaps take over Laos and Cambodia themselves.

North Vietnam's aggression against Laos and Cambodia and its violation of the 1954 and 1962 Geneva agreements are important. We care about the preservation of international agreements and the independence of these nations. But our immediate concern is that North Vietnam uses them as springboards for assaults on a country where we have a firm commitment, have invested lives, treasure and prestige, and have Americans to protect as we progressively withdraw. Furthermore, if Hanoi were to gain control of Laos and Cambodia, a large portion of the more than 140,000 Communist troops now engaged in these countries would be freed to fight in South Vietnam.

As we pursued our policy of Vietnamization and negotiation for Vietnam we could not ignore these unavoidable facts on its flank. Our basic choices for Laos and Cambodia became:

¶To seek diplomatic settlements for both countries, either as part of an all-Indochina arrangement or separately.

¶To provide military support both to Laos and Cambodia and to South Vietnamese defensive operations, without U. S. ground-combat involvement.

We have always wished to stabilize

the borders of South Vietnam and to insure the neutrality of its neighbors by diplomatic means. My Oct. 7 peace initiative, supported by the three Governments, proposed for all of Indochina:

¶A cease-fire to stop the fighting.

¶An international conference to seal the peace.

¶The immediate release of all prisoners of war.

To date Hanoi has rejected diplomacy and spread the conflict. The Lao Government for many years, and the Cambodian Government this year, have turned to us and others for assistance.

These developments left us with the choice between military options. After our one-time sweep against the Communist bases in Cambodia, we have ruled out American ground combat troops in either Laos or Cambodia for several reasons. Our fundamental Vietnam-related objectives are served by other means. In any event, we believe that the two Governments can survive through their own efforts, our various kinds of assistance and that of other friends. We look to them to shoulder the primary combat responsibilities for their own defense.

Moreover, the enemy has its own problems. Despite its ability and willingness to pour thousands of troops into all three countries, North Vietnam faces certain limits imposed by manpower drain and long supply lines. Lack of indigenous support in Laos and Cambodia severely hampers Communist troop movements. And we do not assume that Hanoi's allies want Laos and Cambodia removed from the map of Southeast Asia.

Thus we did not oppose Congressional restrictions this past year on the use of U. S. ground combat forces in those countries, even though we had strong reservations about the principle of circumscribing executive authority.

Instead of deploying our troops we have helped those countries help themselves. In Cambodia, South Vietnam's pre-emptive thrusts have been crucial for their mutual defense.

The arguments against South Vietnam's defensive actions suggest that Hanoi has the right—without provocation and with complete immunity—to send its forces into Laos and Cambodia, threaten their governments and prepare to bring its full strength to bear on South Vietnam itself.

The choice for South Vietnam is not between limiting and expanding the war. It is between what it is doing in self-defense and passively watching the menace grow along its borders.

In time the combined populations of 28 million in South Vietnam, Laos and Cambodia, with assistance from their regional partners, should more than balance the resources of North Vietnam, with its population of 20 million. During this transition period, however, our own defensive supporting actions are important. Let me briefly review them.

* SEE 23 FEB 71, PARIS,
UPI - "PATHET LAO
ROLE REPORTED"