

TOP SECRET

b. Military. Because these countries do not have the capability of creating armed forces which could effectively resist large-scale external aggression, the United States will be required to provide a basic shield against Communist aggression. For the foreseeable future local will to resist aggression will depend on a conviction in Southeast Asia that the United States will continue its support and will maintain striking forces adequate to counter aggression in Southeast Asia with the capabilities described in NSC 5502/1 (paragraphs 11, 15 and 16). The combination of such U. S. forces and local will to resist would constitute the best deterrent against aggression. Should the deterrent fail, this combination would also provide the most effective insurance that, in conjunction with indigenous and allied forces, the United States could suppress aggression in the area quickly and in a manner and on a scale best calculated to avoid the hostilities broadening into general war.

c. Economic and Technical. The insistence, throughout most of the area, on economic development provides the strongest lever for the exertion of influence by the free world or by the Communist bloc. Without increased external help from some source, most of the governments of the area will be unable, even with adequate indigenous effort, to manage the political demand for rapid betterment in the conditions of life and provide for sound economic development. Failure to obtain such assistance from the free world will tend to drive these countries toward economic dependence on the Communist bloc. The general preference in Southeast Asia for Western technical and economic assistance gives the United States and the free world an opportunity to obtain primacy over Communist efforts in key economic sectors. The outcome may, however, be strongly influenced by the success with which the free world can cope with Communist efforts to exploit the existence of Southeast Asian export problems, particularly those involving rice. In the period ahead, flexibility of U. S. procedure and rapidity of U. S. action will be increasingly important, if effective advantage is to be taken of unexpected and transient opportunities.

5. The Problem of Regional Association. Over the long run, the small, vulnerable, and essentially dependent nations of Southeast Asia cannot exist satisfactorily as free nations without closer associations than now exist.

6. The Problem of Alignment. To preserve their independence, strengthen their internal stability, and protect themselves against aggression, some countries in Southeast Asia