

**FOREIGN ASSISTANCE AND RELATED AGENCIES  
APPROPRIATIONS FOR 1975**

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**HEARINGS**  
BEFORE A  
SUBCOMMITTEE OF THE  
COMMITTEE ON APPROPRIATIONS  
HOUSE OF REPRESENTATIVES  
NINETY-FOURTH CONGRESS  
FIRST SESSION

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**PART 3**

**Budget Amendment for Military Assistance to Cambodia  
Increased Authorization for Israel, Portugal, and Portuguese  
Colonies in Africa**

Printed for the use of the Committee on Appropriations



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FOREIGN ASSISTANCE AND RELATED AGENCIES APPROPRIATIONS  
FOR 1975

MONDAY, FEBRUARY 3, 1975.

BUDGET AMENDMENT FOR MILITARY ASSISTANCE TO  
CAMBODIA

WITNESSES

HON. CARLYLE E. MAW, UNDER SECRETARY OF STATE FOR SECURITY ASSISTANCE  
HON. PHILIP C. HABIB, ASSISTANT SECRETARY OF STATE FOR EAST ASIAN AND PACIFIC AFFAIRS  
LT. GEN. H. M. FISH, U.S. AIR FORCE, DIRECTOR, DEFENSE SECURITY ASSISTANCE AGENCY  
HON. JOHN E. MURPHY, DEPUTY ADMINISTRATOR, AGENCY FOR INTERNATIONAL DEVELOPMENT  
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JAMES H. MICHEL, OFFICE OF THE LEGAL ADVISER, DEPARTMENT OF STATE

Mr. PASSMAN. The committee will come to order.

I want to welcome the new members to this subcommittee, Mr. Joseph D. Early of Massachusetts, our good friend Edward Koch from New York, and Mr. David R. Obey of Wisconsin; I am glad to have you on the subcommittee.

All the others have served on this committee in prior years but I want to welcome each member to this subcommittee.

GENERAL OBSERVATIONS

Since this is the first meeting of the subcommittee this year, I might make a few observations for the record. We are presently considering fiscal year 1975 foreign assistance appropriation bill.

As you may know, the foreign aid program has been operating on a continuing resolution and it has been funded for 8 months through February 28 by this method of operation. So it is safe to say that this is the unfinished business of the last Congress.

Of course all the hearings will be open, unless the committee by majority vote should determine that we should close the hearings.

It has been the policy of this subcommittee to hold its hearings in the afternoon, preferably at 1 o'clock or 2 o'clock. By holding our hearings in the afternoon, it gives the committee members an opportunity to attend hearings of the other subcommittees in the mornings.

Occasionally we may have to make an exception and have some hearings in the morning.

PROCEDURE FOR QUESTIONING

Under the rules of the caucus and the committee, each member of this subcommittee may consume 5 minutes in the beginning, until we have yielded to every member around the table. After that is completed, each member of the subcommittee may take all the time he feels is necessary to interrogate the witnesses.

I apply the same rules to myself as I do to the other members of the committee.

After I have consumed my 5 minutes, I yield to the ranking minority member. Then I go back to my left, and we alternate until each member of the subcommittee has had an opportunity to ask their questions.

INTRODUCTION OF WITNESSES

Members of the committee, this afternoon we shall hear the witnesses who will testify on the budget amendment for military assistance to Cambodia.

We have, as witnesses, the Honorable Carlyle E. Maw, Under Secretary of State for Security Assistance; the Honorable Philip C. Habib, Assistant Secretary of State for East Asia and Pacific Affairs; Lt. Gen. H. M. Fish, Director of the Defense Security Assistance Agency; and of course the Honorable John E. Murphy, Deputy Administrator, Agency for International Development; and other supporting witnesses. We will insert certain tabular material in the record at this point.

[The material follows:]

CAMBODIA MILITARY ASSISTANCE

[Dollar amount]

	Initial request to Congress in CPD	Priority
	(1)	base cost
<b>Total</b> .....	<b>\$390,000</b>	<b>\$2</b>
Aircraft (including spares).....	7,963	
Ships (including spares).....	4,504	
Vehicles and weapons (including spares).....	8,505	1
Ammunition.....	299,010	
Communication equipment (including spares).....	1,259	
Other equipment and supplies.....	26,373	
Construction.....	385	
Repair and rehabilitation of equipment.....	8,157	
Supply operations.....	27,500	
Training.....	4,767	
Technical assistance and special services.....	1,577	
<b>Quantity in units:</b>		
C-123 cargo aircraft.....	8	
UH-1H helicopter.....	1	
O-1A observation aircraft.....	2	
Assault craft.....	2	
Landing craft.....	1	
Armored personnel carrier.....	24	
Armored mortar carrier.....	1,000	
Trucks.....	125	
Carbines and rifles.....	26	
Machete-guns.....		
Mortars.....		
Howitzers, 105-mm.....		
Recoilless rifles, 106-mm.....		
Military bridges.....		

1 Provides for required inclusion of administration (\$3.1 and redistributable MAP property (\$14,305,000) under c  
 2 Assumes relief from requirement to include administrable MAP property.  
 3 Included in general costs in CPD.

CAMBODIA MAP REDISTRIBUTION

[Dollar amount]

Description	
<b>Total</b> .....	
T-28D trainer aircraft.....	
O-1A observation aircraft.....	
Aircraft engines.....	
Trucks.....	
Carbines.....	
Rifles.....	
Machete-guns.....	
60-mm mortars.....	
81-mm mortars.....	
4.2-inch mortars.....	
Other weapons.....	
Ammunition.....	
Communications equipment and spare parts.....	
Other equipment and supplies.....	

1 Actual value but not less than 1/3 acquisition cost.

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[The material follows:]

CAMBODIA MILITARY ASSISTANCE PROGRAM, FISCAL YEAR 1975

[Dollar amounts in thousands]

	Initial request to Congress in CPD	Program based on current ceiling <sup>1</sup>	Proposed revised program <sup>2</sup>	Col. (3)-(2)	Proposed augmented program	Col. (5)-(3)
	(1)	(2)	(3)	(4)	(5)	(6)
Total	\$390,000	\$256,977	\$275,000	\$18,023	\$497,000	\$222,000
Aircraft (including spares)	7,963	2,195	3,901	1,706	6,161	2,260
Ships (including spares)	4,504	2,421	3,142	721	5,842	2,700
Vehicles and weapons (including spares)	8,505	4,067	5,192	1,125	15,306	10,114
Ammunition	299,010	163,591	173,177	9,586	344,509	171,332
Communication equipment (including spares)	1,259	636	1,136	500	2,795	1,660
Other equipment and supplies	26,373	17,184	20,534	3,350	28,396	7,862
Construction	385	343	343		573	230
Repair and rehabilitation of equipment	8,157	9,221	10,173	952	11,015	842
Supply operations	27,500	51,000	51,000		76,000	25,000
Training	4,767	4,578	4,661	83	4,661	
Technical assistance and special services	1,577	1,741	1,741		1,741	
Quantity in units:						
C-123 cargo aircraft		1	1		1	
UH-1H helicopter	8				8	
O-1A observation aircraft		8	8		8	
Assault craft					4	4
Landing craft	2	17	17		25	8
Armored personnel carrier	1	8	8		58	50
Armored mortar carrier	1	1	1		7	5
Trucks	24				634	634
Carbines and rifles	1,000	2,003	2,445	442	7,617	5,187
Machineguns	125	160	518	358	1,050	532
Mortars					123	183
Howitzers, 105-mm.	26	2	2		2	
Recoilless rifles, 106-mm		8	8		28	20
Military bridges		10	10		13	3

<sup>1</sup> Provides for: required inclusion of administration (\$3,100,000), excess defense articles from overseas sources (\$617,000), and redistributable MAP property (\$14,305,000) under ceiling.  
<sup>2</sup> Assumes relief from requirement to include administration, excess defense articles from overseas sources and redistributable MAP property.  
<sup>3</sup> Included in general costs in CPD.

CAMBODIA MAP REDISTRIBUTABLE PROPERTY, FISCAL YEAR 1975

[Dollar amounts in thousands]

Description	Quantity	Value <sup>1</sup>
Total		\$14,305
T-28D trainer aircraft	3	338
O-1A observation aircraft	3	18
Aircraft engines	33	409
Trucks	10	11
Carbines	4,403	169
Rifles	1,101	78
Machineguns	22	37
60-mm mortars	23	6
81-mm mortars	101	227
4.2-inch mortars	4	29
Other weapons	60	10
Ammunition		12,755
Communications equipment and spare parts		47
Other equipment and supplies		171

<sup>1</sup> Actual value but not less than 1/3 acquisition cost.

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## CAMBODIA—DOD OVERSEAS EXCESS DEFENSE ARTICLES, FISCAL YEAR 1975

(In thousands of dollars)

Description	Quantity	Value
Total.....		617
C-123K cargo aircraft.....	1	359
O-1A observation aircraft.....	8	48
Landing craft mechanized.....	8	127
Machine guns.....	100	11
Military bridges.....	10	12

<sup>1</sup> Actual value but not less than 50% acquisition cost.

Mr. PASSMAN. Gentlemen, who would like to testify first?

Mr. MAW. Mr. Chairman and members of the committee:

May I suggest first we thank you for the opportunity to be with you today?

Our first witness will be Ambassador Habib.

Mr. PASSMAN. Thank you very much.

## PURPOSE OF HEARING

Before you start, Mr. Ambassador, may we state for the record that you are here to justify a budget amendment of \$222 million for military assistance to Cambodia. This is in addition to what the witnesses previously justified for Cambodia for fiscal 1975; is that correct?

Mr. HABIB. That is correct, sir.

Mr. PASSMAN. Mr. Secretary, we would be very happy to hear from you at this time.

Mr. HABIB. Thank you.

Mr. Chairman, gentlemen, with your approval I will read a statement, and General Fish will also have a statement.

Mr. PASSMAN. It is the policy of this committee that each member of the subcommittee have a copy of the prepared statement in advance of the time that the witnesses testify. That makes it possible, unless the committee should decide otherwise, for the witnesses to insert their statements in the record and then summarize it. It will be your option as to how you would like to handle it, sir.

Mr. HABIB. I have a brief statement and I would like to read it into the record.

Mr. PASSMAN. You may proceed.

## GENERAL STATEMENT

Mr. HABIB. Mr. Chairman, gentlemen, in both Vietnam and Cambodia there has been a recent significant escalation of military action by Communist forces. This has placed new and severe strains on the resources of the governments of those countries, and has rendered the assistance we provide to them inadequate to meet its intended objectives.

The President has therefore asked Congress to make available additional funds for military aid to Vietnam and Cambodia, and to remove impediments to the use of funds already appropriated to provide essential food aid to Cambodia.

The Vietnam supplementally considered on another aid for Cambodia does not

c.

My testimony today, I request for appropriations remarks this afternoon, I Cambodia in the broader context

Two years ago we could have ended the war in Vietnam, Laos and Cambodia. The and tortuous negotiating process which we felt brought justice of both sides. It is of restraint, an acknowledgment from the standpoint of a measure met what had been of our efforts in Vietnam there and established a Vietnam could deter interference.

Things have not won the contending parties competition. In Vietnam again rages and the struggle toward a political settlement has been no amelioration of country is gravely threatened. The Paris accords, for that agreement, both sides were of restraint, compromise the resolution of any conspicuously absent negotiated settlements of compromise, military victory.

While its focus was maintained provisions reinforced enjoined to respect of countries, and all for Vietnam and the United States has not. North Vietnamese forces and war-torn troops in remote territory of Cambodia remain. In addition, assistance to Communist Government.

ARTICLES, FISCAL YEAR 1975

Quantity	Value
1,000	7.5
100	18
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considered on another occasion. The authority to increase food  
for Cambodia does not require any additional appropriation.

CAMBODIAN PROBLEM

My testimony today, therefore, is primarily in support of our re-  
for appropriations for military aid for Cambodia. But in my  
remarks this afternoon, I will attempt to address the problem of Cam-  
in the broader context of our overall Indochina policy.

PARIS AGREEMENT

Two years ago we concluded an agreement in Paris which we hoped  
would end the war in Vietnam, and pave the way for settlements in  
Laos and Cambodia. The Paris Agreement was the end result of a long  
and tortuous negotiating process. In its final form, the agreement was  
which we felt honored the sacrifices and respected the sense of  
of both sides. It implied a rejection of absolutes, an acceptance  
of restraint, an acknowledgement of limitations—as must any accord.  
From the standpoint of the United States, the agreement in large  
measure met what had been our purpose throughout the long history  
of our efforts in Vietnam: It ended our direct military involvement  
there and established a formula through which the people of South  
Vietnam could determine their political future, without outside  
interference.

Things have not worked out as we had hoped. Only in Laos have  
the contending parties moved from military confrontation to political  
competition. In Vietnam, after a period of relative quiescence, warfare  
rages and the structure created by the agreement for working  
toward a political settlement is endangered. In Cambodia, there has  
been no amelioration of the conflict, and the military balance in that  
country is gravely threatened. I cannot profess surprise at these de-  
velopments. The Paris Agreement contained no self-enforcing mech-  
anisms. For that agreement to be effective, and to achieve its pur-  
pose, both sides were required to act in accordance with the principles  
of restraint, compromise, and minimal good faith which must underlie  
the resolution of any indecisive conflict. Those qualities have been  
completely absent from Hanoi's approach. In Cambodia also, a  
negotiated settlement demands that both sides accept the impera-  
tive of compromise. The Cambodian Communists have instead sought  
military victory.

While its focus was on Vietnam, the Paris Agreement also con-  
tained provisions relating to Laos and Cambodia. The signatories were  
united to respect the sovereignty and territorial integrity of those  
countries, and all foreign troops were to have been withdrawn. South  
Vietnam and the United States have abided by those strictures. Hanoi  
has not. North Vietnam continues to use the territory of Laos to send  
forces and war material to South Vietnam and continues to station  
troops in remote areas of that country. North Vietnam uses the ter-  
ritory of Cambodia to support its military operations in South Viet-  
nam. In addition, Hanoi gives material assistance and battlefield  
advice to Communist forces operating against the Cambodian  
Government.

## SITUATION IN CAMBODIA

Let me now turn specifically to the situation in Cambodia. The conflict in Cambodia is complex, and its origins are widely misunderstood. Sihanouk was deposed in 1970 by a government which he himself had formed less than a year before. That action was ratified by a National Assembly whose members Sihanouk had personally selected. The United States played no role in the matter. Our total presence in Cambodia at that time consisted of two diplomatic officers and three military attaches. Several days after those events, North Vietnamese forces attacked Cambodian Government outposts in the eastern region of the country. Armed hostilities in Cambodia date from those attacks. Under North Vietnamese auspices, insurgent forces were formed and joined the fray.

Warfare has since been unremitting, and often intense. The human and material cost has been high. The economic life of Cambodia has been shattered. What was once a rich agricultural country, producing consistent rice surpluses, is now heavily dependent on outside assistance for even the most basic necessities. Perhaps as many as 1.5 million people—over a fifth of the total population—have become refugees. Thousands of Cambodians—soldiers and civilians—have lost their lives.

Cambodia's battle against an externally supported insurgent movement has been intensified still further in recent weeks. On January 1, Communist forces launched a new offensive, stepping up attacks in the area near Phnom Penh and against several provincial capitals, and making strong efforts to cut the vital Mekong supply corridor. Total casualties for both sides are running at least 1,000 a day—killed, wounded, or missing—and more than 60,000 new refugees have been created. The already stricken economic life of the country is further ravaged.

Cambodian Government forces have fought remarkably well, in the face of difficult odds. In little more than 4 years, a small and largely ceremonial army has grown into a sizeable and increasingly effective fighting force. In this connection, I have seen a number of recent press articles alleging waste of ammunition by Cambodian forces. They require comment. While this was partly true a year ago—as noted by the inspector general for foreign assistance in a recent report—that report also notes that steps have been taken to improve ammunition conservation. Because of those efforts, Cambodian forces are undoubtedly making better use of their ammunition this year than last. But combat intensity remains the primary determinant of ammunition expenditure—and the Communists have raised the intensity markedly since January 1. I would also add that it is misleading to compare the ammunition expenditures of defending forces with those of insurgents. As in Vietnam, Communist forces—having no population centers or fixed positions to defend—are able to mass forces at times and places of their choosing; this allows them economics unavailable to widely dispersed defenders.

In Cambodia, even more than in Vietnam, the material resources the nation must have for its defense are strained to the limit. If South Vietnam faces a harsh choice in allocating diminishing defense re-

sources, it is not inaccurate to avoid collapse and a compromise solution, ad

U.S.

Our objective in Cambodia is to support the Cambodian people in their fight for their country. It has never been toward Cambodia, that is, toward a military victory by Cambodian forces, but toward a settlement and fair solution to the conflict. The Cambodian Government, with the opposing side, has supported these proposals. Cambodia's Southeast Asian neighbors, the United Nations General Assembly, and the Communists, however, have not. They conclude that military action, therefore, and the promotion of negotiations.

RES

Present restrictions on Cambodia, contained in the Arms Control Act, make it impossible to provide the originally requested \$300 million. The \$200 million in military assistance expended during the past year, in response to offensive actions, since January 1, an emergency, and even the stocks authorized for the year. In addition to this strain, Cambodia also faces an

Therefore, to meet the needs of the Khmer Republic, President Nixon has proposed the following things:

- (1) To eliminate the arms embargo on Cambodia.
- (2) To authorize an additional \$200 million in military assistance in addition to appropriate original request to the Congress during the current fiscal year, to be regarded then as the minimum response to Communist pressures—

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sources, it is not inaccurate to say that Cambodia has no choice. If it is to avoid collapse and chaos, and if there is to be any prospect for a compromise solution, additional aid must be provided without delay.

#### U.S. OBJECTIVE IN CAMBODIA

Our objective in Cambodia is to restore peace and to allow the Cambodian people an opportunity to decide freely the political future of their country. It has never been our belief, or a premise of our policy toward Cambodia, that the conflict would end in conclusive military victory by Cambodian Government forces. Nor, however, should it end in military victory by the Communists. We believe the only logical and fair solution is one involving negotiations and a compromise settlement. The Cambodian Government has repeatedly called for talks with the opposing side, without preconditions. We have fully supported these proposals, as well as the resolution, sponsored by Cambodia's Southeast Asian neighbors and adopted in the last session of the United Nations General Assembly, calling for early negotiations. The Communists, however, have been adamantly opposed to a negotiated settlement. Their attitude is unlikely to change unless and until they conclude that military victory is not possible. The first imperative, therefore, and the aim of our military assistance to the Cambodian Government, is to preserve a military balance and thereby to promote negotiations.

#### RESTRICTIONS ON ASSISTANCE

Present restrictions on our military and economic assistance to Cambodia, contained in the 1974 amendment to the Foreign Assistance Act, make it impossible to accomplish that goal. The administration originally requested \$390 million in military aid for this fiscal year. The \$200 million in military aid authorized for this fiscal year was expended during the past 6 months, on the basis of continuing resolution authority, in response to significantly intensified Communist offensive actions. Since the beginning of the latest Communist offensive on January 1, ammunition expenditures have gone higher, of necessity, and even the \$75 million drawdown of Defense Department stocks authorized for this emergency situation will not meet the needs. In addition to this -stringent situation with respect to military supplies, Cambodia also faces an impending severe rice shortage.

#### PRESIDENTIAL REQUEST

Therefore, to meet minimum requirements for the survival of the Khmer Republic, President Ford has asked the Congress to do three things:

(1) To eliminate the existing \$200 million ceiling on military assistance for Cambodia.

(2) To authorize and appropriate \$222 million in military aid, in addition to appropriating the \$200 million currently authorized. Our original request to the Congress for military assistance to Cambodia during the current fiscal year, \$390 million, was an amount we regarded then as the minimum needed. With unexpectedly increased Communist pressures—and in view of the sharp rise in the cost of

ammunition—the largest single item in the program—\$222 million in additional funds is now clearly required. That amount, plus the \$200 million in aid funds and the \$75 million in DOD drawdown already authorized, will bring total military assistance for the year to a level generally comparable to our original estimates of the need and our original request to the Congress.

(3) To eliminate the \$377 million ceiling on our overall aid to Cambodia—or at least to exempt Public Law 480 food from that ceiling. This is necessary to enable us to provide vital commodities—mostly food—as soon as possible. The inability to use funds already included in the USDA appropriation will cause a break in the food supply pipeline beginning in June unless procurement action is begun by late March. New authority therefore is needed urgently. We anticipate, as we have throughout the year in appearances before you, that between \$75 million and \$100 million in additional rice and wheat will have to be provided to Cambodia this fiscal year. Economic collapse—and even starvation—may otherwise result.

#### CONCLUSION

Mr. Chairmen, gentlemen: We wish, as do you, to see an early end to the suffering of the Cambodian people and to the destruction of their country. The only equitable way in which this can be accomplished is to strengthen conditions which will permit a negotiated solution to take place. It is for this purpose that additional military assistance and economic assistance authority for Cambodia is an urgent necessity.

This request—and the one we are submitting separately for Vietnam—does not represent the beginning of a new and open-ended commitment for the United States. Nor does it reflect any change in policy on the part of the United States. The additional funds and authorities which we are asking the Congress to make available for Cambodia are vitally needed, for the reasons I have set forth, in support of a policy which has in large measure proven appropriate to the difficult circumstances of Indochina. That policy, borne out in the record of our actions, is one of steady disengagement—in a manner designed to prevent new upheavals in Indochina, new instability in the East Asia region, and renewed contention among the major powers.

Cambodia cannot be considered separately from Vietnam and Laos, and the whole of Indochina cannot be isolated from larger world issues. The consequences of a decision to withhold vitally needed assistance to Cambodia would extend beyond the confines of Indochina—and they would be inimical to the broad sweep of our interests in this small and interdependent world. Such a decision would amount to a conscious act to abandon a small country to a forcible Communist takeover, an action without precedent in our history. The amounts we are requesting for Cambodia are not large when measured against the sacrifices we and the people of Indochina have already made. They are, however, vital to the restoration of conditions which can lead to peace in Cambodia.

Mr. PASSMAN. We will insert Mr. Habib's biography in the record at this point.

[The biography follows:]

#### BIOGRAPHY OF MR. PHILIP C. HABIB, ASSISTANT SECRETARY OF STATE FOR EAST ASIAN AND PACIFIC AFFAIRS

Philip Charles Habib of California was Assistant Secretary of State for East Asian and Pacific Affairs and is now Deputy Secretary of State. A career diplomat, he had served since 1971 as Ambassador to Korea.

Mr. Habib was born on February 25, 1912, in 1942 from the University of Idaho. In 1944 he received his Ph.D. from the University of California.

Mr. Habib served in the U.S. Army as a Teaching Research Assistant at the University of California. He was appointed a Foreign Service Officer in 1944 at Ottawa as an Economic Officer. He served in New Zealand from 1951 through 1954, and in the Philippines from 1954 through 1957, where he served as Political Officer at Port of Spain and in-charge for Under-Developed Areas.

From 1962-65 he was Counselor for Economic Affairs in Saigon from 1965 to 1967, where he held the personal rank of minister. He was Deputy Assistant Secretary for East Asian and Pacific Affairs from 1967 to 1969, and then to the United States Delegation at the United Nations in Geneva.

Mr. Habib is married to the former Mrs. William H. Maw, and has two daughters, Phyllis and Susan.

Mr. PASSMAN. Thank you very much, Mr. Habib.

Mr. HABIB. Thank you, Mr. Chairman.

Mr. PASSMAN. Would you care, Mr. Maw?

Mr. MAW. No.

Mr. PASSMAN. Shall we move to the next item?

Mr. MAW. I suggest we now move to the next item.

Mr. PASSMAN. General Fish, I have the Defense Security Assistance Act.

General FISH. Yes, Mr. Chairman.

Mr. PASSMAN. So Cambodia would be included?

General FISH. Yes, sir.

Mr. PASSMAN. Do you have any other questions for the committee?

General FISH. I do, Mr. Chairman.

Mr. PASSMAN. You may proceed.

#### GENERAL DISCUSSION

General FISH. Mr. Chairman, I appreciate this opportunity to appear before the committee and to discuss the need for additional military assistance to Cambodia.

My colleague, Assistant Secretary of State for East Asian and Pacific Affairs, has outlined our objectives in Cambodia and the current situation of the Cambodian Government.

#### MILITARY SITUATION

In January 1973, the Khmer Rouge military effort. Their goal was to strangle Phnom Penh economically. That year the Communists occupied the lower Mekong. They occupied the strategic narrows controlling the east of Phnom Penh. These sa-

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BIOGRAPHY OF MR. PHILIP C. HABIB, ASSISTANT SECRETARY OF STATE FOR EAST ASIAN AND PACIFIC AFFAIRS

Philip Charles Habib of California was sworn in today as Assistant Secretary of State for East Asian and Pacific Affairs, succeeding Robert S. Ingersoll who is now Deputy Secretary of State. A career Foreign Service Officer, Mr. Habib had served since 1971 as Ambassador to Korea.

Mr. Habib was born on February 27, 1920 in Brooklyn, N.Y., and graduated in 1942 from the University of Idaho. In 1952 he received a Ph. D. degree from the University of California.

Mr. Habib served in the U.S. Army during World War II. He became a Teaching Research Assistant at the University of California in 1947. He was appointed a Foreign Service Officer in 1949 and assigned to the American Embassy at Ottawa as an Economic Officer. He served at the Embassy in Wellington, N.Z., from 1951 through 1954, and in the Department 1955-57. He subsequently served as Political Officer at Port of Spain, and in 1960-61 served as the Officer-in-Charge for Under-Developed Areas in the Office of the Under Secretary's Special Assistant for Communist Economic Affairs.

From 1962-65 he was Counselor for Political Affairs at Seoul. He was assigned to Saigon from 1965 to 1967, where he served as Political Officer with the personal rank of minister. He was Deputy Assistant Secretary for East Asian and Pacific Affairs from 1967 to 1969, and from 1968 to 1971 was Senior Advisor to the United States Delegation at the Paris meetings on Vietnam.

Mr. Habib is married to the former Marjorie W. Slightam. They have two daughters, Phyllis and Susan.

Mr. PASSMAN. Thank you very much, Mr. Secretary.

Mr. HABIB. Thank you, Mr. Chairman.

Mr. PASSMAN. Would you care, Mr. Maw to make a statement?

Mr. MAW. No.

Mr. PASSMAN. Shall we move to General Fish?

Mr. MAW. I suggest we now move to General Fish's statement.

Mr. PASSMAN. General Fish, I believe that you are the Director of the Defense Security Assistance Agency?

General FISH. Yes, Mr. Chairman, that is right.

Mr. PASSMAN. So Cambodia would come under your department?

General FISH. Yes, sir.

Mr. PASSMAN. Do you have a statement you would like to make to the committee?

General FISH. I do, Mr. Chairman.

Mr. PASSMAN. You may proceed in your own way, sir.

GENERAL STATEMENT

General FISH. Mr. Chairman and members of the committee, I appreciate this opportunity to appear before you to discuss the urgent need for additional military assistance for Cambodia.

My colleague, Assistant Secretary Habib, has already addressed our objectives in Cambodia and the results of the lack of sufficient aid to the Cambodian Government. Let me review briefly the military situation.

MILITARY SITUATION IN CAMBODIA

In January 1973, the Khmer Communists mounted their first serious military effort. Their goal was the interdiction of all surface lines to strangle Phnom Penh economically and force the fall of the government. That year the Communists committed 6,000-7,000 troops along the lower Mekong. They occupied portions of the river bank astride the strategic narrows controlling a sizable segment of the river south-east of Phnom Penh. These successes were short lived. Thwarted by

logistical inadequacies, command and control problems, and U.S. air support, the Khmer Communists soon drew back. While retaining the ability to periodically capture terrain, isolate Khmer army positions, and harass river convoys, they failed in achieving their fundamental goal of forcing the collapse of the government.

During the second dry-season offensive the Communists gained in strength, corrected some of their more glaring deficiencies, and modified their tactics. The enemy continued to build their logistical bases without hindrance from U.S. air. But their efforts to defeat the Cambodian Armed Forces and to topple the government were unsuccessful.

This year's dry-season offensive started on January 1 with coordinated attacks in several sectors around Phnom Penh and along the length of the Mekong River. During the initial stages of this offensive, the Communists seized a number of isolated outposts and weakly defended villages around the perimeter of Phnom Penh. However, critical areas held and the Communists were unable to penetrate the city's main defenses or to register further significant gains. By exploiting its superior firepower and mobility and the support of the Cambodian air force, the Khmer Armed Forces were able to recapture most of the territory lost earlier and secure the capital. In the process the Communists suffered casualties of about 8,000 men. The Communists are using sophisticated mines, artillery, rockets, and mortar-type munitions in increasing amounts. The availability of these Chinese- and Soviet-supplied weapons allows the Khmer Communists to mount a significant challenge against convoys on the Mekong, as well as daily rocket attacks against civilian population centers.

Initially, the government did not have sufficient forces with which to defend simultaneously Phnom Penh and reinforce isolated outposts along the Mekong. By conducting determined and coordinated attacks against Phnom Penh's defenses which forced the commitment of forces to the capital's security, the insurgents were able to overrun a number of these isolated garrisons, and gain control of long stretches of the river between Phnom Penh and the South Vietnam border.

In consolidating their tactical gains, Communist forces have dug in troops and heavy weapons to attack convoys which must run this gauntlet. Estimates are that the enemy has some 41 battalions committed to interdicting the Mekong, a clear indication of the importance the Communists attach to severing this critical supply line to Phnom Penh.

Once the government was able to stabilize the situation around the capital, it redirected major elements of its forces from around Phnom Penh to operations to clear the Mekong River. Reinforcements and additional supplies were rushed to Neak Luong, an important government control point on the Mekong River 25 miles southeast of the capital, which was under heavy attack. Riverine forces were committed for a number of amphibious operations to seize critical vantage points along the river captured earlier by enemy forces. In conjunction with the movement of supply ships and barges during the past week the government has committed a large part of its army, navy, and air force in breaking the enemy's grip on the Mekong. This task is not expected to be easy and will extract a costly price in men, ammunition, and matériel, but the task will be accomplished, given U.S. logistic support. Ships are now getting through.

At the same time Communist the provincial capitals of Ko actions do not signify a serious to exploit vulnerabilities create erument units, to prevent gov and generally to keep governme

Overall, the military progn fighting force, the Cambodian count of themselves. While th serious, the Cambodian Armee it, if given adequate logistic s sing weakness of the Cambod operating on a thin margin of last few weeks enemy pressur at an extremely high rate v country stocks. As of Febru Phnom Penh had only a lin rice and fuel have been redu they must depend on outside U.S. assistance enters into r lapse and chaos mentioned provide this logistic support.

During the last few years t gone vast improvement and main, the outlook remains h modern, lightly equipped an combat aircraft and a modes consisting primarily of smal however, the Cambodian Ar on the superiority of its U.S to offset Communist advan

Which brings me to the U ance was begun again in 19 the United States can do a: the tasks can be accomplish of that, most has been in t tion and fuel. In essence the the means required to defe North Vietnamese and Vi terminated Khmer Commu North Vietnamese.

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At the same time Communist initiatives have also been directed at the provincial capitals of Kompong Cham and Siem Reap. Such actions do not signify a serious threat to these enclaves but are an effort to exploit vulnerabilities created by the current preoccupation of government units, to prevent government reinforcement in other areas, and generally to keep government forces off balance.

#### PROGNOSIS

Overall, the military prognosis for Cambodia is promising. As a fighting force, the Cambodian Armed Forces have given a good account of themselves. While the situation on the Mekong is extremely serious, the Cambodian Armed Forces appear capable of dealing with it, if given adequate logistic support. This is presently the most pressing weakness of the Cambodian Armed Forces. They are continually operating on a thin margin of logistic support. For instance, during the last few weeks enemy pressure has caused ammunition to be expended at an extremely high rate with a corresponding drawdown of in-country stocks. As of February 1 the Cambodian Armed Forces in Phnom Penh had only a limited supply of ammunition. Similarly, rice and fuel have been reduced to dangerously low levels. In essence they must depend on outside support for survival and this is where U.S. assistance enters into the strategic equation. To avoid the collapse and chaos mentioned by Ambassador Habib, the U.S. has to provide this logistic support.

During the last few years the Cambodian Armed Forces have undergone vast improvement and although numerous weaknesses still remain, the outlook remains hopeful. Cambodia now fields a relatively modern, lightly equipped army, a well-trained air force with effective combat aircraft and a modest lift capability, and an aggressive navy, consisting primarily of small riverine craft. Improved as they may be, however, the Cambodian Armed Forces have increasingly had to rely on the superiority of its U.S. provided firepower and logistical system to offset Communist advantages of surprise and aggressiveness.

#### U.S. ROLE

Which brings me to the U.S. role in Cambodia. Since military assistance was begun again in 1970, support has been limited both in what the United States can do and in the number of personnel with which the tasks can be accomplished. U.S. support has been logistical and of that, most has been in the form of combat consumables—ammunition and fuel. In essence the Cambodian Government has been provided the means required to defend themselves initially against experienced North Vietnamese and Viet Cong forces, and presently against determined Khmer Communists, still advised and equipped by the North Vietnamese.

#### MAP ASSETS AVAILABLE

The military assistance balance sheet as of 1 February is as follows: Fiscal year 1975 authorization to date, \$275 million. That includes the drawdown authority.

Obligations and charges under the continuing resolution against the fiscal year 1975 authorization, including the drawdown authority, is \$260 million. Therefore, the fiscal year 1975 remaining is \$15 million.

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To recap then, the assets available to the Cambodians for the remainder of the year are the remaining authority of \$15 million, a delivery pipeline of \$42 million, and in-country stocks of about \$29 million, for a total of \$86 million.

Costs at the current rate of intensive combat are averaging about \$1.5 million daily, of which about \$1.3 million is for ammunition. The remainder is for such items as spare parts, fuel, and medical supplies. If combat activity continues at this rate, Cambodia will start to run out of essential ammunition and other supplies completely in late March or early April. There will be no stock in country or in the pipeline to sustain operations.

The President has requested \$222 million in additional military assistance for Cambodia to provide essential military supplies, primarily ammunition, that are needed to permit the Cambodians to maintain their ability to defend themselves. There is no cheaper or more viable alternative available. We do not seek to build up or re-equip Cambodian Armed Forces; we seek only to keep them alive and fighting through the remainder of this fiscal year.

The request is composed of two basic elements. Ninety percent will be used for ammunition, POL, spare parts and other supplies needed to continue essential combat operations. The remaining 10 percent will be used to replace the most critical combat losses of equipment and provide items that are essential to maintaining supply lines. I will submit to the Committee a document which will detail how these funds are to be spent.

#### CONCLUSION

There is, I believe, only one conclusion to be drawn from the facts and figures. The arithmetic is as inescapable as the problem which confronts us. How we act upon that conclusion will determine the fate of Cambodia. Unless additional resources are made available, we shall be unable to provide the support that beleaguered nation must have to stave off a Communist military takeover. Without the funds we are requesting, we can only watch the inevitable course of events which I believe it is in the national interest of the United States to prevent. Both that interest and the cause of world peace would be ill served by the withdrawal of U.S. support because such withdrawal would not only lead to the loss of Cambodia, but also to the even more important loss of confidence on the part of other allied and friendly nations in the validity of the U.S. commitment to international security. Such an outcome is clearly inconsistent with our own security and the foreign policy through which the United States seeks to obtain some of its most basic national objectives.

Mr. Chairman, gentlemen of the committee, that concludes my prepared statement. Again, I thank you for this opportunity to appear before you.

Mr. PASSMAN. We will insert the biography of General Fish in the record at this point.

[The biography follows:]

#### BIOGRAPHY OF LT. GEN. HOWARD M. FISH, USAF

General Fish was born in Melfoso, Minn., on August 1, 1923, and was graduated from St. Cloud Cathedral High School, St. Cloud, Minn., in June 1941. He entered the Army Air Force in 1942 and served as an aerial gunner at Tyndall

Field, Fla. He entered advanced November 1943, and received his lieutenant in the Army Air Corps in July 1944. During World War II, from October 1944 to October 1945, he was assigned to the European Theater of Operations as a member of the 301st Bombardment Squadron, 301st Bombardment Group, 8th Air Force, based down over Vienna, Austria, in February 1945. He was a prisoner of war in Germany.

In November 1945 he attended the Air War College at Maxwell Air Force Base, Montgomery, Ala. In February 1946 he was assigned as assistant chief of staff, 8th Air Force, and in April 1946 he was transferred to the 301st Bombardment Squadron, 8th Air Force, for control indoctrination training.

General Fish returned to Germany to the 301st Bombardment Squadron, 8th Air Force, at Tempelhof Air Base, and later in 1946 he flew in the Berlin airlift.

He returned to the United States in 1946 as a bombardier at Mather Air Force Base, California, and at Fairchild Air Force Base, Washington.

During the Korean war, in July 1950 he was assigned to the 301st Bombardment Squadron, 8th Air Force, as chief of the program analysis section. General Fish was commanding general, Eighth Air Force, in 1951.

He returned to Langley Air Force Base, Virginia, as a combat crew chief for B-26 aircraft and as a navigator in the 4400th Combat Crew Training Squadron, 44th Bombardment Group, 8th Air Force, executive officer and group director.

In January 1954 General Fish was assigned to Maxwell Air Force Base, Ala. He returned to the 405th Fighter Bomber Squadron, 44th Bombardment Group, 8th Air Force.

In June 1956 he entered the University of North Carolina at Chapel Hill, N.C., and received a master's degree in business administration in 1957.

He was transferred to Europe in 1957 as a member of the 60th Troop Carrier Wing, 44th Troop Carrier Group, 8th Air Force, 7310th Air Base Wing, Rhein-Main Air Base, Germany.

In July 1960 he entered the Army Air Force as a member of the 44th Troop Carrier Wing, 44th Troop Carrier Group, 8th Air Force, 7310th Air Base Wing, Rhein-Main Air Base, Germany. In January 1961 he was assigned as a member of the 44th Troop Carrier Wing, 44th Troop Carrier Group, 8th Air Force, 7310th Air Base Wing, Rhein-Main Air Base, Germany.

In August 1963 he entered the Army Air Force and while there, received a master's degree in business administration from George Washington University, Washington, D.C. He was named assistant director of operations, 44th Troop Carrier Group, 8th Air Force, in December 1963.

In March 1969 he was named a member of the 44th Troop Carrier Wing, 44th Troop Carrier Group, 8th Air Force, 7310th Air Base Wing, Rhein-Main Airfield, Republic of Vietnam.

General Fish returned to the United States in 1973 as a member of the 44th Troop Carrier Wing, 44th Troop Carrier Group, 8th Air Force, 7310th Air Base Wing, Rhein-Main Airfield, Republic of Vietnam. He was appointed deputy director of doctrine, concept and operations, 44th Troop Carrier Group, 8th Air Force, in February 1973.

On August 1, 1974, General Fish was assigned to the 44th Troop Carrier Wing, 44th Troop Carrier Group, 8th Air Force, 7310th Air Base Wing, Rhein-Main Airfield, Republic of Vietnam, as a member of the 44th Troop Carrier Wing, 44th Troop Carrier Group, 8th Air Force, 7310th Air Base Wing, Rhein-Main Airfield, Republic of Vietnam.

His military decorations and awards include the Distinguished Flying Cross with four oak leaf clusters, a Heart, and a master navigator's wings.

General Fish is married to the late Mrs. Howard M. Fish, nee Tex. They have one son, Howard M. Fish, Jr.

He was promoted to the grade of lieutenant general with date of rank October 3, 1973.

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Field, Fla. He entered advanced navigator training at Monroe, La., in November 1943, and received his navigator rating and commission as a second lieutenant in the Army Air Corps in July 1944.

During World War II, from October 1944, he served as a navigator in the European Theater of Operations on a B-17 aircraft crew with the 419th Bombardment Squadron, 391st Bombardment Group in Italy. He was shot down over Vicenza, Austria, in February 1945, and spent the remainder of the war as a prisoner of war in Germany.

In November 1945 he attended a student navigator refresher course at Ellington Field, Tex., and at Fairfield-Suisun Air Base, Calif. In February 1946 he was assigned as assistant statistical control officer, Chanute Field, Ill., and in April 1946 he was transferred to Orlando, Fla., for statistical control indoctrination training.

General Fish returned to Germany in July 1946, serving first in Berlin, at Tempelhof Air Base, and later in Wiesbaden as a statistical control officer. He also flew in the Berlin airlift.

He returned to the United States in July 1949, and trained as a navigator-bombardier at Mather Air Force Base, Calif. In April 1950 he was assigned to the 84th Bombardment Squadron at Langley Air Force Base, Va.

During the Korean war, in July 1950, he was transferred to the 162d Tactical Reconnaissance Squadron, which was immediately sent to Korea where he flew 63 combat missions. General Fish later served as a navigator on the crew of the commanding general, Eighth Army in Korea. In March 1951 he was assigned as Chief, Program Analysis Section, 374th Troop Carrier Wing, Far Eastern Air Forces.

He returned to Langley Air Force Base in June 1951 to train replacement combat crews for B-26 aircraft units in Korea. Initially he served as a squadron navigator in the 4900th Combat Crew Training Group and later as a squadron executive officer and group director of operations and training.

In January 1954 General Fish attended the Air Command and Staff College, Maxwell Air Force Base, Ala. He returned to Langley Air Force Base as executive officer for the 405th Fighter Bomber Wing.

In June 1956 he entered the University of Chicago and graduated in August 1957 with a master's degree in business administration. He became a member of the business scholarship fraternity, Beta Gamma Sigma.

He was transferred to Europe in October 1957, serving first as wing comptroller for the 69th Troop Carrier Wing at Druex Air Base, France, and then as comptroller, 7310th Air Base Wing, Rhein-Main Air Base, Germany.

In July 1960 he entered the Armed Forces Staff College at Norfolk, Va., and in January 1961 he was assigned as director of data automation, and later as assistant deputy chief of staff, comptroller, Headquarters Eastern Transport Air Force, McGuire Air Force Base, N.J.

In August 1963 he entered the Air War College, Maxwell Air Force Base, Ala., and while there, received a master's degree in international affairs from the George Washington University. In July 1964 he was assigned as a plans and programs officer in the directorate of plans, Headquarters U.S. Air Force, Washington, D.C. He was named assistant for analysis to the deputy director of plans for force development in December 1967.

In March 1968 he was named director of tactical analysis, 7th Air Force, Tan Son Nhut Airfield, Republic of Vietnam.

General Fish returned to Headquarters U.S. Air Force in July 1970 as the deputy director of doctrine, concepts and objectives, deputy chief of staff, plans and operations. He was appointed Deputy Director of the Budget, Office of the Comptroller, in February 1971 and became Director of the Budget in October 1973.

On August 1, 1974, General Fish assumed the dual-hatted title of Director, Defense Security Assistance Agency, and Deputy Assistant Secretary of Defense (International Security Affairs) for Security Assistance.

His military decorations and awards include the Legion of Merit with one oak leaf cluster, Distinguished Flying Cross with one oak leaf cluster, Air Medal with four oak leaf clusters, Air Force Commendation Medal, and the Purple Heart. He holds a master navigator rating.

General Fish is married to the former Jamie Katherin Tom of Corpus Christi, Tex. They have one son, Howard Math Fish.

He was promoted to the grade of lieutenant general effective October 4, 1974, with date of rank October 3, 1974.

Mr. PASSMAN. I shall ask the clerk to keep time. When I have consumed 5 minutes, call it to my attention so that I may yield to the other members.

## INDOCHINA COSTS

General Fish, as we think of Indochina, I guess we are thinking of Laos, Cambodia, and Vietnam; is that correct?

General Fish. Yes, sir; I would say that that is true.

Mr. PASSMAN. If we go back to the record, we find that our intervention in Indochina economically, and I may say militarily, started under President Truman. I think that under President Truman we spent \$1,300 million in Indochina. That was \$800 million in economic assistance and \$500 million in military assistance.

Then if we look at the grand total over a period of 20-odd years, we have put over \$150 billion of our resources in Indochina, plus 58,000 lives and I believe some 308,000 casualties.

Where do we stop and is there a justification for continuing this type of aid? We are going to be responsible, but we want more than just a request. We want something rather conclusive that this won't go on and on and on into the future.

Repeating, if I may, over \$150 billion of our resources has been put into this one area.

Would you like to comment on that, Mr. Secretary?

Mr. MAW. Mr. Chairman and members of the committee, I am afraid it is beyond our power to foresee the end of the Communist pressure in Southeast Asia. We hope and believe that in Cambodia, if we will help the Khmer Republic stay alive, that our efforts and the efforts of others to bring about a political settlement will be successful.

At the moment what we are hoping is to enable these people to get through the current dry season, and not to force them to give up at this point. We believe and hope that there is the possibility of a political settlement in Cambodia. Just when is not for us to determine. It takes two sides to make a settlement.

Mr. PASSMAN. Thank you, Mr. Secretary.

## DEPENDENCE ON U.S. ASSISTANCE

In November 1973 when Mr. Rush was testifying on behalf of emergency aid for Cambodia he said: "I would say this: We are sure without supplying this \$200 million from some source Cambodia does not have a chance because they have no bullets to shoot. If we give it to them they have, we hope"—restating—"we hope, at least a 50-50 chance to survive; 50-50 means simply this: no one can be certain about the outcome of a war of this type."

As I say, we want to be completely factual. This is serious business. A few individuals meeting at the White House won't solve your problems. Policy is one thing but convincing a committee that this is not going to go on and on is something else.

Are you familiar, General Fish, with this testimony of 1973?

General Fish. Only in general, sir. I was not in my present duties at the time, but I have reviewed it.

Mr. PASSMAN. If it was only a questionable, what would be the conditional funds in Cambodia would

Mr. HABIB. Could I address the

Mr. PASSMAN. Please do, Mr. Sec

Mr. HABIB. Mr. Chairman, the in my mind to this: Is the United sources necessary to a people at themselves?

To be answered properly the is it that those people have demonstrated themselves? What is it that the United believe that they can expect from teriel we provide properly in d we continue to provide that in themselves.

I submit that the record to demonstrate themselves, they have demonstrated their lives in defending themselves.

One can go back historically, which we are dealing now, to President to the Congress. Since first of January when the cut casualties on the side of the United military casualties—have been over 800 dead.

Mr. PASSMAN. I am sorry, Mr. I am going to abide by the rules.

Mr. HABIB. May I complete?

Mr. PASSMAN. Yes, go ahead.

Mr. HABIB. I am sorry if I

Mr. PASSMAN. I must respect

Mr. HABIB. I don't want to

Mr. PASSMAN. It is not my

Please proceed.

Mr. HABIB. What I am trying of these people to resist is proven. defend themselves is proven. stated is whether or not the provide the resources for the

Mr. PASSMAN. Providing a

Mr. HABIB. Provided we choice that the Congress has.

CONTINUED

Mr. PASSMAN. We might be far afield. At the expense of sources has been put into lives and 308,000 casualties looks like it is deteriorating.

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Mr. PASSMAN If it's only a 50-50 chance that it will be as  
effective as what would be the odds at this time that getting addi-  
tional funds to Cambodia would bring the desired results?

Mr. HARRIS Could I be assisted in that please Mr. Chairman?  
Mr. PASSMAN Please do Mr. Secretary

Mr. HARRIS Mr. Chairman the question you are asking boils down  
in my mind to this: Is the United States prepared to supply the re-  
sources necessary to a people not a nation prepared to defend  
themselves?

To be answered properly the question must take into account what  
is it that those people have demonstrated of the desire to defend them-  
selves? What is it that the United States has given them a right to  
believe that they can expect from us whether or not they use the ma-  
terial we provide properly in defense of themselves, and whether if  
we continue to provide that material they will continue to defend  
themselves?

I submit that the record to date is that they not only wish to defend  
themselves they have demonstrated that they are prepared to give  
their lives in defending themselves.

One can go back historically, but just take the recent offensive with  
which we are dealing now which has led to this request from the  
President to the Congress. Since the beginning of this year since the  
first of January when the current offensive took place Cambodian  
casualties on the side of the Government of the Khmer Republic—  
military casualties—have been running at an average weekly rate of  
over 800 dead.

Mr. PASSMAN I am sorry, Mr. Secretary. My 5 minutes are up and  
I am going to abide by the rules.

Mr. HARRIS May I complete my sentence?

Mr. PASSMAN Yes go ahead.

Mr. HARRIS I am sorry if I take too much of your time.

Mr. PASSMAN I must respect the rules of the committee.

Mr. HARRIS I don't want to take too much of your time.

Mr. PASSMAN It is not my time. You have already used it.

Please proceed.

Mr. HARRIS What I am trying to demonstrate is that the capacity  
of these people to resist is proven. The relationship to that desire to  
defend themselves is proven. The only thing that remains to be demon-  
strated is whether or not the United States is prepared to continue to  
provide the resources for these people to defend themselves.

Mr. PASSMAN Providing we are able to do so you mean?

Mr. HARRIS Provided we are able and willing to do so. There is a  
choice that the Congress has.

CONTINUED ASSISTANCE QUESTIONED

Mr. PASSMAN We might be willing but after all we have gone pretty  
far in the expense of being reputationally \$150 billion of our re-  
sources has been put into this one small area along with some 55 000  
lives and 308 000 casualties and it doesn't seem to be improving. It  
looks like it is deteriorating very rapidly.

We understand that the fiscal year 1976 budget was presented to the Congress today. Outlays will amount to \$350 billion, with a deficit of some \$55 billion. You see on the record that the deficit is going to be \$52 billion but that is based on the unified budget. We bring it down to \$52 billion only by taking all the surpluses in the trust accounts such as social security and railroad retirement. If you leave these trust funds out, you are approaching \$55 billion and we are in a deepening recession.

In light of this situation, I am of the opinion that you are going to have to do a very big lot of justifying this year if we are going to continue pouring billions of dollars into an area where the chances are not even 50-50 for survival.

I will return later.

Mr. SURIVER?

SUPPLEMENTAL AUTHORIZATION REQUEST

Mr. SURIVER: Thank you, Mr. Chairman.

This amount that you are requesting is not yet authorized, is that right?

Mr. HAYN: That is correct, sir.

Mr. SURIVER: What is the status and the outlook for this authorizing legislation?

Mr. HAYN: As I understand it, the legislation will be presented this week. The Presidential request is, however, before the Congress, and I think it is on the basis of the Presidential request that the chairman requested this presentation on our behalf.

Mr. SURIVER: Before the authorization?

Mr. HAYN: Yes, sir.

Am I correct, Mr. Chairman?

Mr. PASSMAN: If the gentleman will yield?

We got here last year and waited until December 10 before the authorizing committee ever brought out an authorization bill. It didn't clear conference until December 18. I don't know when you will ever get an authorization bill on this request, but I know we are going to have to finish this foreign aid bill and move along to the next foreign aid bill.

AID PROVIDED BY OTHER COUNTRIES

Mr. SURIVER: Would you tell us which other nations are contributing to the defense of Cambodia, and the dollar amounts?

Mr. HAYN: If I may turn for a moment, sir—

Mr. SURIVER: Are you going to submit it?

Mr. HAYN: There are many statistics available between the black covers that that would probably be best. The principal economic assistance to Cambodia is covered under what is called the FST, the Foreign Exchange Support Fund. In calendar year 1974—these are done on a calendar year basis—Japan provided \$7 million to that fund. The United Kingdom provided \$500,000 to that fund. Thailand provided \$250,000 to that fund. New Zealand provided \$142,000 to the fund. Malaysia provided \$19,000 to the fund. The United States provided

\$11,870,000 to that fund. Cambodia. The total of the fund is \$23,856,000 that is neither the United States.

In addition to that, under the also provided through bilateral of third countries and Cambodia.

I would submit the entire thing you an example of what is my France to Cambodia for education came to \$1,150,000. This is in addition. From Japan \$1,300,000. 1,800 metric tons. They also provide medicines and prefabricated houses and other technical assistance not stipulated.

In addition the United Kingdom to the FST that I spoke of earlier.

In addition of course the providing economic assistance to the Red Cross has provided have been providing \$ assistance.

Mr. SURIVER: Why don't you

Mr. HAYN: I think we will only that will be just as well sweep of that kind of assistance military assistance all in the

[The table follows.]

OTHER DONOR ECONOMIC

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Japan	
Australia	
United Kingdom	
Thailand	
New Zealand	
Malaysia	
United States	
Cambodia	
Total	
Third country total	

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\$157000 to the fund. Cambodia provided \$100000 to that fund.  
 The total of the fund is \$2380000 of which the third country total  
 that is other than the United States nor Cambodia amounts to \$7850000.

In addition to that and the Exchange Support Fund assistance is  
 also provided through bilateral funds made available directly between  
 donor countries and Cambodia.

I would submit the entire thing for the record but let me just give  
 you an example of what is involved in that. Bilateral assistance from  
 France to Cambodia for education, agriculture and advisory services  
 came to \$1100000. This is in addition to the \$7 million I spoke of  
 earlier. From Japan, \$1300000 was in the form of a grant of rice  
 4800 metric tons. They also provided something less than \$100000 in  
 prefabricated housing and of course there are scholarships  
 and other technical assistance, the dollar amount of which is  
 not stipulated.

In addition the United Kingdom provides another almost \$300000  
 to the FST that I spoke of earlier. You can go on down the list.

In addition of course the United Nations agencies have been pro-  
 viding economic assistance to Cambodia. The International Commit-  
 tee of the Red Cross has provided almost \$100000. UN agencies in  
 total have been providing \$7500000 in health and humanitarian  
 assistance.

Mr. SHAW. Why don't you put that in the record?

Mr. HART. I think we will put the whole table in the record. Prob-  
 ably that will be just as well. I wanted to give you some idea of the  
 sweep of that kind of assistance coming forward. None of this is  
 military assistance all in the economic sphere.

[The table follows.]

OTHER DONOR ECONOMIC AND HUMANITARIAN ASSISTANCE IN CAMBODIA

A. EXCHANGE SUPPORT FUND

[In millions of dollars]

	Calendar year—		
	1972	1973	1974
Japan	5 500	7 000	7 000
United States	1 000	1 000	
France	572	514	478
Germany	250	250	250
United Kingdom	170	120	142
Italy	100	100	010
United States	12 500	17 500	11 870
Cambodia	15 000	8 605	4 105
Total	35 402	35 000	27 856
Third Country Total	(6 992)	(8 894)	(7 880)

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## OTHER DONOR ECONOMIC AND HUMANITARIAN ASSISTANCE IN CAMBODIA

## B. OTHER ASSISTANCE

[In millions of dollars]

	Amount	Purpose
Calendar year 1973:		
Bilateral:		
France.....	1.150	For education, agricultural and public sector advisory services. The bulk of this sum is accounted for by the provision of French teachers to lycées and universities.
Japan.....	1.300	4,800 MT rice grant.
	.057	Ambulances and prefabricated housing.
	(1)	Scholarships for study in Japan, dollar amount and number unknown.
United Kingdom.....	.257	Grant for distribution and use of fertilizers plus 6 scholarships to the United Kingdom.
Israel.....	.052	Advisory services of 2 agronomists.
Australia.....	(2)	12 scholarships.
Thailand.....	(3)	3 scholarships.
New Zealand.....	(4)	Food and medical supplies plus 10 scholarships.
Switzerland.....	.280	Medical supplies.
Italy.....	.050	Refugee relief.
Singapore.....	(5)	15 scholarships.
International organizations:		
ICRC and related agencies.....	0.290	Humanitarian assistance.
U.N. agencies.....	7.800	Health and humanitarian assistance. Much of this money is given for activities of a long-term nature and expenditures during calendar year 1973 are unclear.
Estimated calendar year 1973 total.....	15.34	
Calendar year:		
Bilateral <sup>1</sup> .....		
International Organizations: Asian	(6)	
International Organizations: Asian Christian Service.....	.094	2 medical teams plus other assistance to refugees as needed.
Total calendar year 1974 (additional inputs not known at this time).....	.094	

<sup>1</sup> Not available.<sup>2</sup> Indonesia promised technical assistance for the CSF and Australia has provided an unknown amount of assistance.<sup>3</sup> Unknown.

## AID AND ARMS AVAILABLE TO COMMUNISTS

Mr. SURIVER. Do you have an estimate as to how much assistance, military or otherwise, has been given to the Communists?

Mr. HABIB. It is very difficult to break these figures out.

Mr. SURIVER. Do you have an estimate?

Mr. HABIB. No, sir; not precisely. I would put it to you this way: The flow of resources to Cambodia comes through Hanoi basically. The flow of resources into Hanoi, principally from the Soviet Union and China, with some coming from the Eastern European countries, is then sort of carved up. Some of it goes down to South Vietnam, some of it goes to Cambodia.

The resources available, however, cannot be broken down as to amounts or dollars. In the first place, the methodology for determining it is not that precise.

As best one can tell—and this is what you would call a battlefield view—the Communist forces in Cambodia during this campaign have prepositioned and supplied their resources unstintingly. There doesn't seem to be any limitation on the amount of ammunition they have

been firing to date. It all and it is all used somewhere.

I can't give you an account of how much Communist aid has been given in dollar terms. I can't hold hearings like this. Nobody has to publicize the amount of aid. Mr. SURIVER. I think I have asked you to do this. Mr. PASSMAN. Thank you. Mr. SURIVER. Thank you.

LIMITED

Mr. PASSMAN. The figure on third-country aid to Cambodia put up what you listed that we have given.

Mr. HABIB. It is a very small amount. Mr. PASSMAN. The figure on the small banks are capital. Mr. HABIB. The figure on the small banks are capital. Mr. PASSMAN. It is a small amount. Mr. HABIB. Yes, sir; it is a small amount. Mr. PASSMAN. Mr. Long

## JUSTIFICATION FOR

Mr. LONG. Mr. Secretary, I copied my entire 12 years of service in the Armed Services Committee just a little while longer; it was at the end of the

My amendment of March 1964 forbade the use of funds for the withdrawal of our troops from Vietnam. We pulled out our troops and we supply the means for the withdrawal with their own defense. D and the Cambodians have conceded that.

Nevertheless, they are spect of defeating the Communists. How do we go from here?

I am conscious of the fact that the United States has put into South Vietnam a year of great aid and we have wounded twice. I hate to see our stake left in South Vietnam and food after so long ask you.

What are the prospects for a better reason for hope than we had years ago when I asked the Committee?

E IN CAMBODIA

been going to do. It all comes down to the fact that it's all a complete and it is all a success wherever forward.

I can't give you any more information. I can't give the Communist Com- munistists you a definition in terms of money. The Communistists don't hold hearings like this. Nobody has to testify to where the funds go. Nobody has to publicize the figures in the name that we do.

Mr. SHAW: I think I have taken up my time.

Mr. PASSMAN: Thank you Mr. Shaw.

Mr. SHAW: Thank you Mr. Secretary.

JUSTIFICATION AND ANSWERS TO QUESTIONS

Mr. PASSMAN: The figures you just read from this record concerning third-country aid to Cambodia (the members in this room could almost put up what you listed there. It is simply peanuts compared to what we have given.

Mr. HARRIS: It is a very small fraction.

Mr. PASSMAN: The figures you read off there the chances are some of the small banks are capitalized for more than that. Isn't that right?

Mr. HARRIS: The figure for Cambodia doesn't approach that.

Mr. PASSMAN: It is a small amount.

Mr. HARRIS: Yes sir, it is a fraction.

Mr. PASSMAN: Mr. Long?

JUSTIFICATION FOR CONTINUED INTERDICTION QUESTIONED

Mr. LONG: Mr. Secretary, this question of Southeast Asia has occupied my entire 12 years in Congress. During my first 2 years on the Armed Services Committee we were told the administration needed just a little while longer. That things were going to get better. That the light was at the end of the tunnel.

My amendment of May 1973 now law was the first to explicitly forbid the use of funds for combat operations in Southeast Asia. When we pulled out our troops it was with a commitment to continue to supply the means for the Vietnamese and the Cambodians to carry on with their own defense. Despite my close predictions the Vietnamese and the Cambodians have held up remarkably well. I think we will all concede that.

Nevertheless, they are still on the defensive, with no observable prospect of defeating the Communists, and we have to ask ourselves where do we go from here?

I am conscious of the huge input of blood and treasure the United States has put into Southeast Asia. My own son fought there. We spent a year of great anxiety while he was fighting there. He was wounded twice. I hate to see this effort completely lost and yet what is our stake left in Southeast Asia that justifies the continued flow of arms and food after so many years? That is one question I want to ask you.

What are the prospects for the end of all this that gives us any better reason for hope than what you people were able to give me 12 years ago when I asked these questions before the Armed Services Committee?

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## QUESTION OF CONTINUED U.S. SUPPORT

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Do you see the American people continuing to support the war? This year we may get it through, but will we do it next year and the year after?

How long are we going to carry this on out of pure humanity from the standpoint of the Cambodian people, who are very lovable people? I have been there, and I have great compassion for them. We took the war to them. We have a responsibility, and yet I don't see the American people continuing to support this thing forever. Therefore, if eventually we will get out, why not now?

Mr. HAMB. Mr. Congressman, that is a very wise statement and I would like to answer it as best I can.

First of all, no one is coming to you today and telling you we see the light at the end of the tunnel. I have never used that expression myself and I don't intend to use it today. I will say to you this, in all honesty: If you don't provide them the resources they cannot defend themselves and they will go down.

Now the administration has made the determination that the resources are necessary. It is up to the Congress in its wisdom to decide whether or not it will appropriate the money.

In my opinion the choice is clear in Cambodia. It is as clear as night from day. If you don't provide the resources, they are going to go down.

Now the question is, as you recognized yourself, what stake do we have in it? You recognized also, however, that we had led them to believe that we would sustain them.

## U.S. COMMITMENT

The commitment of the United States to sustaining people who are prepared to defend themselves goes far beyond Cambodia. The commitment of the United States to people that we will sustain you, if you are prepared to defend yourselves is implicit in every mutual security treaty, in every obligation that we have to countries all over the world.

If you look at Asia and you start at the arc of the north, and you go around and you pick off where you have a mutual security treaty, and then go to those countries and ask their leaders what they think of the U.S. commitment, you will find very often, as I have found, that they lead to what happens in Southeast Asia as an indication of U.S. willingness to provide the wherewithal that goes with the commitment.

## GUAM DOCTRINE

When we originated the Guam doctrine we told people like the Cambodians: "If you fight for yourselves, we will help you." We have the same problem in Israel. We have the same problem in other parts of the world. Fundamentally, we have the same problem in almost any country, in every country with which we have a mutual security treaty.

Some of them are better resources. These people have they are going to go down. It won't be because they are

The question then is to let them go down without given them every indication to provide them?

HOW LO

Mr. LONG. I recognize now, they may go down; I long we are going to carry of many thousands a month

If we don't have the stake kind thing by keeping them longer?

Mr. HAMB. The answer lies in part in the hands. How long are they willing to do what they are trying

Mr. LONG. Forever, I am

Mr. HAMB. I am not so answer also lies in the hands Vietnam also, whether or not themselves.

I argue that in both cases continue to defend themselves other side is prepared to

However, the answer goes back to the peaceful settlement Agreement, and I would suggest Mr. Chairman—that that while, not simply in Cambodia return to what is provided

COM

The people of Phnom Penh talking about a compromise would welcome that opportunity isn't prepared to.

Mr. PASSMAN. I don't know rules and I know the consequences abide by them. When we

Mr. HAMB. I apologize, are worthy of a thorough answer to such a question

Mr. PASSMAN. I know, if you can elaborate at length

Mr. HAMB. I apologize

## AID FOR RESOURCES

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it next year and the

pure humanity from  
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Some of them are better able to defend themselves with their own resources. These people have no resources to defend themselves. If they are going to go down, it is because we don't provide the resources. It won't be because they are not willing to fight.

The question then in the end comes down to: Are you willing to let them go down without providing them something that you have given them every indication over the years that we would continue to provide them?

## HOW LONG CONTINUE SUPPORT

Mr. LONG: I recognize what you say is true. If we don't help them now, they may go down, but you haven't used the question of how long we are going to carry on letting those people suffer casualties of many thousands a month and in the end to possibly die out.

If we don't have the staying power for this war, are we doing the kind thing by keeping this poor patient alive and suffering a little longer?

Mr. HARRIS: The answer doesn't lie in our hands alone. The answer lies in part in the hands of Hanoi and the people who support it. How long are they willing to go on providing the resources necessary to do what they are trying to do?

Mr. LONG: Forever. I am afraid.

Mr. HARRIS: I am not so sure of that, sir. I am not so sure. The answer also lies in the hands of the people of Cambodia and South Vietnam also, whether or not they are prepared to continue to defend themselves.

I argue that in both cases we know that they are prepared to continue to defend themselves, and we have all the evidence that the other side is prepared to carry the fight.

However, the answer really in the end comes when can you get back to the peaceful settlement that was envisaged in the Paris Agreement, and I would submit—I don't want to take any more time, Mr. Chairman—that the answer to the problem in Indochina, as a whole, not simply in Cambodia, is a cessation of hostilities and a return to what is provided for in the Paris Agreement.

## COMPROMISE SETTLEMENT

The people of Phnom Penh have no objection to sitting down and talking about a compromise settlement. They say it every day. They would welcome that opportunity, but the fellow on the other side isn't prepared to.

Mr. PASSMAN: I don't mean to cut you off, but we do have certain rules, and I know the committee members are going to insist that we abide by them. When we return later, you can elaborate in great detail.

Mr. HARRIS: I apologize, Mr. Chairman. It is just that the questions are worthy of a thorough answer, and I don't like to give short syllable answers to such a question.

Mr. PASSMAN: I know. We will be coming back to you later, and then you can elaborate at length.

Mr. HARRIS: I apologize again.

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Mr. PASSMAN. You owe no apologies.  
Mr. Coughlin?  
Mr. COUGHLIN. Thank you, Mr. Chairman.

## STRATEGIC VALUES OF CAMBODIA

Mr. Ambassador, I guess we have gone around this question some but I still don't think we have gotten the answer to it.

As I look at the map behind you, I have a very difficult time understanding what the strategic value of Cambodia is to the United States. Do we import any oil or minerals from there?

Mr. HABIB. No; the United States doesn't look upon our activity in that area as something we get some profit out of, Mr. Congressman. Indochina, as a whole, has been conceived of as a strategic position in Asia historically for about as long as you can think of. In the immediate postwar period, you will recall the concern that was expressed at that time for the maintenance of our position in that part of the world.

Mr. COUGHLIN. What is it?

Mr. HABIB. Strategically located with respect to the channel, to the lines of communication in Asia. It is strategically located with respect to the general obligation—

Mr. COUGHLIN. Cambodia is?

Mr. HABIB. Cambodia by itself is only part of the area. You can't just look upon it in isolation. That is why in my statement I tried not to just deal with the problem of Cambodia. If you look upon Cambodia just in isolation, you might say the same thing about Laos. You might say the same thing about Belgium for that matter. Is Belgium in and of itself strategic or is it only a part of an area?

## U.S. INTEREST JUSTIFYING FURTHER AID

Consequently, you can't justify your interest in the area simply on the basis of one country as against the others. You can't justify it alone on the basis of geographical location. What we have tried to do is—

Mr. COUGHLIN. What can you justify it on?

Mr. HABIB. In terms of our total posture in the area, our total approach to the question of stability and peace in the area, to a total question of the kind of commitments we have made to individual countries within the area. Then I think you begin to approach a degree of justification from the standpoint of the interest of the United States. Because in the end, if you can't justify it from the standpoint of the interest of the United States it doesn't have a justification for the expenditure of our resources.

We look upon Cambodia as part of Indochina. We look upon Indochina as part of Asia. We look upon our whole approach to our association with countries of this region as part of our total global policy. It is not a question of isolating it from our global policy. It is not a question of isolating our commitment from our other commitments. It's the only way I know how to answer that question.

RICE

There isn't anything in Cambodia's resources. The only thing they know a place in the South who day of the week.

Mr. PASSMAN. I believe you

EFFECT

Mr. COUGHLIN. In your previous decision to abandon Cambodia would be without precedent in

Mr. HABIB. Yes.

Mr. COUGHLIN. Our policy to anyplace in the world.

Mr. HABIB. No, sir. I didn't kind of commitment that we let that country go down within its wisdom makes a conscious that are necessary to sustain it go down. That will be the first not provided the resources if who is prepared to defend the make that decision. I do not clear that unless they get the

What goes down and how I think you have got to ask it were described as a very gentle description of them, for every they can go on killing themselves. They are all gentle.

OBJECT

The question is what are it why did we originate our strategy basically the war in Indochina opposed Hanoi and those who extend power and authority matter how you paint the war all about. No matter what you forces, for better or for worse itself to one side in that context that statement, that if you committed ourselves cannot see

Mr. COUGHLIN. Thank you.

NATION:

Mr. PASSMAN. I believe the tradition, followed by the Eisenhower administration, the Johnson and now the Ford administration Korea, Cambodia, South Viet

THE PROPOSITION

The current military means of dictating a road to a way of life  
sources. The only other place of our military operations since I  
know of place in the South where they can do the same thing by  
day of the week.

Mr. PASSMAN. I believe you are talking about Laos.

OFFICE OF THE CHIEF

Mr. CONRAD. In your reported statement you indicated that a  
decision to abandon Cambodia and permit a Communist takeover  
would be without precedent in our history.

Mr. HARRIS. Yes.

Mr. CONRAD. Our policy then is to prevent a Communist takeover  
anywhere in the world.

Mr. HARRIS. No sir. I didn't say that. I said the abandonment of the  
kind of commitment that we have placed would be without precedent.  
To let that country go down without precedent, as you say. If the Congress  
in its wisdom makes a conscious decision not to provide the resources  
that are necessary to sustain the defense of Cambodia, Cambodia will  
go down. That will be the first time in our history that we have ever  
not provided the resources in a circumstance like this to somebody  
who is prepared to defend themselves. The Congress in its wisdom  
made that decision. I do not challenge that. But at least it ought to be  
clear that unless they get the resources they will go down.

Who goes down and how it goes down is another question. The  
I think you have got to ask the Cambodians. The Cambodians—who  
were described as a very gentle people—and I don't see a very accurate  
description of them. For every Cambodian I ever met is gentle—how  
they can go on killing themselves the way they do makes you wonder.  
They are all gentle.

OBJECTIVE OF U.S. AID

The question is what are they defending themselves against? And  
why do we originate our support for them? Fundamentally, and  
basically, the war in Indochina has been one between those who have  
opposed Hanoi and those who have been on Hanoi's side trying to  
extend power and authority through the use of military force. No  
matter how you put the war in Indochina, that is what it has been.  
No matter what you want to call it, there are contending  
forces for better or for worse that the United States has committed  
itself over its life in that contention. I submitted that is why I made  
that statement—that if you withdraw support, that side to which we  
committed ourselves cannot sustain itself.

Mr. CONRAD. Thank you, Mr. Chairman.

NATIONAL SECURITY POLICY

Mr. PASSMAN. I believe that beginning with the Truman adminis-  
tration followed by the Eisenhower administration, the Kennedy  
administration, the Johnson administration, the Nixon administration,  
and now the Ford administration, several trouble spots, namely,  
Korea, Cambodia, South Vietnam, and Israel, are all considered in

IA  
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upon our activity in  
of Mr. Congressman  
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the area. You can't  
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question.

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the identical category policywise as far as our national security is concerned, is that true?

Mr. HABIB. I would agree with that statement, yes, sir.

Mr. PASSMAN. Thank you very much.

Mr. HABIB. As a general principle I would agree with that statement: yes.

Mr. PASSMAN. Thank you very much.

Mr. HABIB. As a general principle I would agree with that.

Mr. ROUSH. Thank you, Mr. Chairman.

#### MUTUAL SECURITY TREATIES

Mr. Secretary, I find it very difficult to follow you when you attempt to justify that this endeavor is in the best interests of the United States at a time when we are under such domestic budgetary restraints and constraints.

I heard you mention a moment ago that we would be letting down those countries with which we do have mutual security treaties and that it is in the best interests of this country that we not let them down. Would you tell us just which countries you are referring to?

Mr. HABIB. Yes, sir, I don't think that there is any question but that, throughout Asia, Indochina is looked upon as a test of the American commitment to what we set out to do. We have a mutual security treaty with Japan. We have a mutual security treaty with the Philippines. We have a mutual security treaty with the Republic of China. We have the ANZUS Treaty with Australia and New Zealand. We have the residual obligations of the SEATO Treaty, which includes Thailand. I am not speaking of any other obligations we have elsewhere in the world.

Let me just take Asia per se. I have yet to talk to a responsible Asian leader who does not look upon the manner in which we resolve our role and our sacrifices in Southeast Asia as directly bearing upon their own view of the relationship between American commitments to their own country and the possibility of their own future situation. That interrelationship is very clear in their minds.

#### U.S. FOREIGN AFFAIRS ROLE

Now, one can argue why is it the United States' responsibility? Somehow or other, over these decades that the chairman has spoken of, the United States has assumed the degree of responsibility that goes with its nationhood and its power and its attitude toward the rest of the world.

I am just as cognizant as anyone else of our own needs and our own requirements. But I happen, because of my profession, to be equally cognizant of the role of our foreign affairs and our foreign interests in our total policy requirements.

I am arguing in this case that we have developed a series of commitments around Asia and around the world that are influenced by what happens in Southeast Asia.

AID FROM

Mr. ROUSH. I don't see aid of Cambodia and dep. You mentioned Japan. It assist in this endeavor if and Korea, I don't see the burden must be borne by of our taxpayers at a tin within our own congressi needs of our elderly people

Mr. HABIB. I have no they don't put up more. I times in the past. I wou' two and a half Korean div

Mr. ROUSH. This is Ca

Mr. HABIB. In the case coming forth inadequate accepted the responsibility That is a fact. But does th

Mr. ROUSH. Nor should

Mr. HABIB. Sir, I wis sibility. I am not arguing we have one, there is on abandon the responsibility pulling out.

When we negotiated th the solution to do it in a n

CAMBODIA

Mr. ROUSH. Cambodia

Mr. HABIB. Cambodia

Mr. ROUSH. But Camb

Mr. HABIB. But it's cov nam engaged itself not to been doing.

Mr. ROUSH. My time is

Mr. PASSMAN. Thank y

Mr. OBEY?

Mr. OBEY. Mr. Secret of our goals is to preserv negotiations.

Mr. HABIB. Hopefully

Mr. OBEY. You also always been one of stea take those statements in the Cambodian armed fe ity of U.S. provided fi

STATEMENT OF THE ASIAN COUNCILS

Mr. ROUSSEAU: ... other countries of ... to the ... and depleting their resources ... their tax dollars. You mention Japan. Japan surely would be in a good position to assist to this endeavor if they were called upon to do so. New Zealand and Korea. I don't see them rising up. Why is it that this whole burden must be borne by the United States and placed on the backs of our taxpayers at a time when we cannot even build sewage plants within our own congressional districts and we cannot take care of the needs of our elderly people and our poor people?

Mr. HAYN: I have no answer for you if you want to ask me why they don't put up more. I would hope that they would. They have at times in the past. I would remind you that at one stage there were two and a half Korean divisions in South Vietnam.

Mr. ROUSSEAU: This is Cambodia. This is not Vietnam.

Mr. HAYN: In the case of Cambodia there have been economic funds coming forth inadequately. Fractionally compared to us. They haven't accepted the responsibility that we have accepted. I am sorry to say that is a fact. But does that change our responsibility any less?

Mr. ROUSSEAU: Not should it make it any more.

Mr. HAYN: Sir, I wish it didn't exist. But we took on the responsibility. I am not arguing that we don't have one. I am arguing that if we have one there is only one way of exercising it. If you want to abandon the responsibility there is only one way of doing it that is pulling out.

When we negotiated the Paris Agreement we thought we had found the solution to do it in a more peaceful manner.

CAMBODIA AND THE PARIS AGREEMENT

Mr. ROUSSEAU: Cambodia wasn't a party to the Paris Agreement.

Mr. HAYN: Cambodia is covered under the Paris Agreement.

Mr. ROUSSEAU: But Cambodia was not a party to the Paris Agreement.

Mr. HAYN: But it's covered under the Paris Agreement. North Vietnam engaged itself not to do certain things in Cambodia which it has been doing.

Mr. ROUSSEAU: My time is up, Mr. Chairman.

Mr. PASSMAN: Thank you.

Mr. OBEY?

U.S. DISENGAGEMENT

Mr. OBEY: Mr. Secretary, you indicated in your statement that one of our goals is to preserve the military balance and thereby to promote negotiations.

Mr. HAYN: Hopefully.

Mr. OBEY: You also indicated a little later that our policy had always been one of steady disengagement. How are we supposed to take those statements in light of the statement by General Fish that the Cambodian armed forces have increasingly had to rely on superiority of U.S. provided fire power? That doesn't spell disengagement to me.

Mr. HAYN: I will explain it to you as best I can. I would like to come back to the agreement because the agreement is relevant.

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The resupply of forces and the supply of forces, the contending forces in Cambodia, is a two-track affair. Some of it comes to the Communists and some of it comes to the government. The degree of supply on the other side, the forces to support it, and the use to which those forces have been put have led to a general escalation in the level of conflict. If you escalate the level of conflict you require more resources.

## INCREASED RELIANCE ON U.S. FIREPOWER

Mr. OBEY. I understand that, but we have only 5 minutes. I would like some short specific answers on that question. How do you define the Cambodians increasingly relying upon the superiority of U.S. provided firepower with the assertion that our policy has been to gradually disengage?

Mr. HABIB. Our policy has been to disengage the United States. We have disengaged the United States. Our policy was to disengage in Cambodia. We have not been able to.

## IMPLICATION OF LONG-RANGE COMMITMENTS

Mr. OBEY. Let me ask you another question. You say, "We have no open-ended commitment." Yet you asserted that the question is simply, in your words, "Whether the United States is willing to continue to provide the resources necessary." That sounds to me like you are implying we have one heck of a long-range commitment.

Mr. HABIB. No, I would think that if one could bring about the kind of negotiated settlement that we thought we had achieved in the Paris Agreement, or to bring about the implementation of the Agreement, you wouldn't need another military dollar going into the area, technically speaking.

Mr. OBEY. Fine, but that is a hope and we have been going for 12 years on hope. General Fish said that, "We only seek to keep them alive and fighting through the remainder of this fiscal year."

Mr. HABIB. With these funds, he meant.

Mr. OBEY. I think the question everybody has in his mind is what about the next year and the next and the next.

Mr. HABIB. I think he meant with the funds being requested for this fiscal year. As you know, there is a presentation that came forward today.

Mr. OBEY. Maybe it ought to be open ended, but my point is you ought to be honest with them.

Mr. HABIB. I am trying to be honest, Mr. Congressman.

Mr. OBEY. But it seems to me when it's asserted we don't have an open ended commitment, that is not being honest with the American people.

## COMMITMENT NOT OPEN ENDED

Mr. HABIB. The commitment is not open ended if one can bring about the reestablishment of some measure of nonwar in the area--if you want to call it peace.

Mr. OBEY. In the name of heaven, how long is that commitment to last?

Mr. HABIB. Nobody knows how long the enemy of go on?

Mr. OBEY. Absolutely.

Mr. HABIB. That is exact.

Mr. OBEY. Mr. Secretary, draw an analogy, it seems which has turned sour and add a few drops of sweet that through some magic sweet, I just don't think it.

Mr. HABIB. I don't think I have been very careful be done with the resource absolutely frank with the problem is and what the result will decide. If there are clear them up. But judge some indefinite time in the

Mr. OBEY. Let me ask Mr. Coughlin asked you, amount to a conscious and Communist takeover, and How do you reconcile that?

Mr. HABIB. We didn't have

Mr. OBEY. How many in China against the Jap

Mr. HABIB. Remember a defeat and they retreated supported them in that treaty--a mutual security correctly, in 1954.

Mr. OBEY. I think the China it is really stretching

Mr. HABIB. It was lost Cambodia is in the hands of

OUTRO

Mr. OBEY. Isn't Cambodia matter what we do, eventually?

Mr. HABIB. No, I don't think

Mr. OBEY. Isn't that what

Mr. HABIB. I do not believe

Mr. OBEY. Provided we ment in time.

Mr. HABIB. Provided the choice in the final analysis

Mr. OBEY. We have heard

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Mr. HARRIS: Nobody honestly can tell you exactly how long the enemy of the Cambodians not only any longer will go on?

Mr. ORRY: Absolutely not. It is precisely my problem.

Mr. HARRIS: That is exactly the nature of the problem.

Mr. ORRY: Mr. Secretary, I understand your situation. But if I could draw an analogy, it seems to me like we have a big gallon of milk here which has turned sour, and you have got somebody hoping that if we add a few drops of sweet milk to it through an eyedropper each day, that through some magical formula it's going to turn the sour milk sweet. I just don't think it is.

Mr. HARRIS: I don't think anybody has tried to say that. You notice I have been very careful not to make false promises as to what can be done with the resources available. I think we have tried to be absolutely frank with the committee as to what the nature of the problem is and what the requirements are. The committee in its wisdom will decide. If there are any facts that are not clear, I will try to clear them up. But judgments as to what is going to happen at some indefinite time in the future, we are incapable of making them.

CHINA

Mr. ORRY: Let me ask you one last question about the same thing Mr. Coughlin asked you. You indicated that such a decision would amount to a conscious act to abandon a small country to a forcible Communist takeover, an action without precedent in our history. How do you reconcile that with the history of China?

Mr. HARRIS: We didn't have the same commitment.

Mr. ORRY: How many years have we supported Chiang Kai-shek in China against the Japanese and then against Mao?

Mr. HARRIS: Remember what happened. You had a complete military defeat and they retreated to the island. We have sustained them and supported them in that regard ever since under the mutual security treaty—a mutual security treaty which was negotiated, if I recall correctly, in 1954.

Mr. ORRY: I think that when you compare Taiwan to mainland China it is really stretching a rubber band.

Mr. HARRIS: It was lost momentarily. At the present time most of Cambodia is in the hands of the—

OUTCOME OF MIETIMY SUCCESS

Mr. ORRY: Isn't Cambodia really going to be lost militarily no matter what we do eventually?

Mr. HARRIS: No, I don't think so. I do not believe so.

Mr. ORRY: Isn't that what is going to happen?

Mr. HARRIS: I do not believe so, not necessarily.

Mr. ORRY: Provided we are willing to keep an open ended commitment in time.

Mr. HARRIS: Provided they are willing to keep on fighting. It's their choice in the final analysis, not ours.

Mr. ORRY: We have heard those words for a long time.

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Mr. HABBIB. But it is their choice in the final analysis.

Mr. OBEY. It's not their choice as to whether we continue to shell out all these resources.

Mr. HABBIB. That is our choice, but it's their choice whether they are prepared to go on fighting. It's our choice whether we are prepared to supply them the resources.

Mr. PASSMAN. Mr. Bevill?

Mr. HABBIB. It's a terrible situation.

Mr. BEVILL. Thank you, Mr. Chairman.

#### VALUE OF NEGOTIATED SETTLEMENT

Mr. Secretary, expanding a little further there, you made it very clear you are not trying to show the light at the end of the tunnel because nobody knows what is going to happen. That is really what it boils down to, isn't it?

Mr. HABBIB. That is correct.

Mr. BEVILL. But Cambodia is seeking, and we are seeking to help them, to get a negotiated settlement.

Mr. HABBIB. Yes, sir.

Mr. BEVILL. That is the goal, is that right?

Mr. HABBIB. Yes, sir. That is the stated goal of their government and we have supported that stated goal.

Mr. BEVILL. When they get that negotiated settlement, what good is it?

Mr. HABBIB. I don't know the form of it and I don't know how it will come about. But in any event, it will be one which will see an end to the killing. That would be the first objective of a negotiated settlement.

Mr. BEVILL. Just like the one in South Vietnam?

Mr. HABBIB. Hopefully like that one, as far as the killing is concerned. I would rather compare it to the one in Laos. They don't go on killing themselves any longer up there.

#### DOES NEGOTIATED SETTLEMENT SOLVE THE PROBLEM

Mr. BEVILL. Do you know of any instance where we have ever had a negotiated settlement with the Communists that it ever solved the problem?

Mr. HABBIB. There is one going on now. Whether it solves it or not, at least there is no longer any shooting involved. The cease-fire is holding in Laos. That was a negotiated cease-fire.

Mr. BEVILL. How long ago?

Mr. HABBIB. It was negotiated in much the way that the present people are suggesting to the Khmer Communists that they negotiate now. That is between the parties concerned themselves. It has now been in effect for less than 2 years.

Mr. BEVILL. Actually, what you are recommending is that we continue appropriating billions of dollars of resources here in the hope that some day we may get a negotiated settlement in the hopes that some day the negotiated settlement might hold water.

Mr. HABBIB. No, sir. I am suggesting that—

Mr. BEVILL. And in the hopes that this country in the meantime doesn't fold up quickly in carrying out this program?

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Mr. HABBIB. No, I think we are s than that as far as Cambodia parti

NOT SEEKING M

As far as Cambodia is concerned million dollars, not a billion dollar with that that they can defend then There is not going to be a militar circumstances.

Mr. BEVILL. You are not seeking  
Mr. HABBIB. No; we are not seek

COMPROMISE NEGOTIAT

If one will examine their sta quite clear that what they seek is President of the United States h bodia is a compromise negotiated "A compromise peaceful settlemen They were not intended to promc Anybody who wants to promote mad, in my opinion.

Mr. BEVILL. You are not seeking peace settlement?

Mr. HABBIB. Yes, sir.

Mr. BEVILL. Then you hope that

Mr. HABBIB. Yes, sir.

Mr. BEVILL. That is really the ge

Mr. HABBIB. Yes, sir.

Mr. BEVILL. That is all you hope

Mr. HABBIB. Yes, sir. Put in sit very accurately stated.

Mr. BEVILL. That is the only lig could give us?

Mr. HABBIB. If one likes to use t long time ago. That is what ever present government in Cambodia, outcome.

Mr. BEVILL. That would be our

Mr. HABBIB. It would be a reason

OTHER NAT

Mr. BEVILL. Would you tell n 150 countries on the Earth are i I mean, interested enough like w trying to accomplish this mission.

Mr. HABBIB. There are different that the ones who have the mo example, I know that the Thais provide, in addition to direct re facilities to the Cambodians.

Mr. BEVILL. How much are the

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gram?

Mr. HAYN: No. Did he we're suggesting something quite different from that is that Cambodia particularly is concerned.

SEEKING MILITARY VICTORY

A: That's Cambodia is concerned, we are requesting several hundred million dollars, not a billion dollars. We are expecting and hoping that with that that they can deal with the problem, at least to hold them over. There is not going to be a military victory in Cambodia under these circumstances.

Mr. BIVIER: You are not seeking it?

Mr. HAYN: No, we are not seeking it, and neither are they.

COMPROMISE, NEGOTIATED SETTLEMENT SOUGHT

If one will examine their statements, their statements make it quite clear about what they seek is a negotiated settlement. What this President of the United States has stated as our objective in Cambodia is a compromise, negotiated settlement. Those were his words.

A compromise peaceful settlement. The words were carefully chosen. They were not intended to promote a military victory in Cambodia. Anybody who wants to promote a military victory in Cambodia is dead in my opinion.

Mr. BIVIER: You are not seeking that? You are seeking a negotiated peace settlement?

Mr. HAYN: Yes, sir.

Mr. BIVIER: Then you hope that that will hold?

Mr. HAYN: Yes, sir.

Mr. BIVIER: That is really the goal, isn't it?

Mr. HAYN: Yes, sir.

Mr. BIVIER: That is all you hope to get?

Mr. HAYN: Yes, sir. Put in simple terms, that is precisely it. It is very accurately stated.

Mr. BIVIER: That is the only light at the end of the tunnel that you could give us?

Mr. HAYN: If one likes to use that comparison, I gave that one up a long time ago. This is what everyone would consider, including the present government in Cambodia, as a successful outcome, a reasonable outcome.

Mr. BIVIER: That would be our victory, the most we could expect?

Mr. HAYN: It would be a reasonable outcome, yes, sir.

OTHER NATIONS INTEREST

Mr. BIVIER: Would you tell me how many other countries of the 100 countries on the Earth are interested in this area of the world? I mean interested enough like we are in trying to preserve this and trying to accomplish this mission?

Mr. HAYN: There are different ways of expressing that. I suppose that the ones who have the most interest are the ones closest. For example, I know that the Thais are very much interested and they do provide, in addition to direct resources, a great deal in the way of facilities to the Cambodians.

Mr. BIVIER: How much are the Thais putting into it?

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Mr. HABB. In dollar terms?

Mr. BEVILL. Yes.

Mr. HABB. I read a figure a while ago. The dollar terms are a quarter of a million dollars. But remember they do other things.

Mr. BEVILL. What other countries are helping?

Mr. HABB. I guess you weren't here when I read that in the record.

Mr. BEVILL. I missed that.

Mr. HABB. I read it all in the record a while ago. We will submit it for the record again. There are several. But it's a fractional portion of what we are providing. You should know that.

[The information follows:]

OTHER DONOR ECONOMIC AND HUMANITARIAN ASSISTANCE IN CAMBODIA

A. EXCHANGE SUPPORT FUND

(In millions of dollars)

	Calendar year—		
	1972	1973	1974
Japan.....	5,500	7,000	7,000
Australia.....	1,000	1,060	1,000
United Kingdom.....	522	514	483
Thailand.....	250	250	250
New Zealand.....	120	120	122
Malaysia.....	100	100	100
United States.....	12,500	17,500	11,870
Cambodia.....	15,000	8,605	4,100
Total.....	34,492	35,600	23,885
3d country total.....	(6,992)	(8,394)	(7,883)

B. OTHER ASSISTANCE

(In millions of dollars)

	Amount	Purpose
Calendar year 1973:		
Bilateral:		
France.....	1.150	For education, agricultural and public sector advisory services. The bulk of this sum is accounted for by the provision of French teachers to lycées and universities.
Japan.....	1.300	4,800 MT rice grant.
	.097	Ambulances and prefabricated housing.
	(1)	Scholarships for study in Japan, dollar amount and number unknown.
United Kingdom.....	297	Grant for distribution and use of fertilizers plus 3 scholarships to the United Kingdom.
Israel.....	52	Advisory services of 2 agronomists.
Australia.....	(1)	12 scholarships.
Thailand.....	(1)	3 scholarships.
New Zealand.....	(1)	Food and medical supplies plus 10 scholarships.
Switzerland.....	280	Medical supplies.
Italy.....	60	Refugee relief.
Singapore.....	(1)	10 scholarships.
International organizations:		
ICRC and related agencies.....	.280	Humanitarian assistance.
U.N. agencies.....	7,800	Health and humanitarian assistance. Much of this money is given for activities of a long term nature and expenditures during calendar year 1973 are unclear.
Estimated calendar year 1973 total.....	415.300	
Calendar year 1974:		
Bilateral:		
International organizations: Asian Christian Service.....	.094	2 medical teams plus other assistance to refugees as needed.
Total calendar year 1974 (additional inputs not known at this time).....	.094	

<sup>1</sup> Not available.

<sup>2</sup> Indonesia promised technical assistance on the ESF and Australia has provided an unknown amount of assistance.

<sup>3</sup> Unknown.

CAN PEACEFUL SI

Mr. HABB. I would like to know if I think you put your finger on it can get a peaceful settlement it does not lie in the hands of the have made it very clear they are out any prior conditions whatsoever.

The people who oppose then thing short of the conflict that is

Mr. BEVILL. If you get to a point where they will keep the negotiat advantage to do so. Isn't that true?

Mr. HABB. I think that is a realistic.

Mr. BEVILL. That is all I have.

Mr. PASSMAN. Thank you, Mr.

Mr. Chappell?

COMMENDA

Mr. CHAPPELL. Mr. Secretary statement and a very forthright most forthright approaches I have been a member of it.

Mr. BEVILL. Very good.

Mr. CHAPPELL. I want to come Mr. HABB. Thank you.

CAMBOD

Mr. CHAPPELL. Sometimes a fighting for in other parts o minute? What are the people

Mr. HABB. I think that they would like to say to you. I too ago. I asked our intelligence for a description of what would ha that they resist if Cambodia y the Khmer Communists.

Generally speaking, they fear the hand of the North Vietna They realize the role that Ha area. They have historically re

Second, I think that their re character of life under the Co experience now, is such that f evitably, when they get a chanc side.

Let's give an example of whi lines. The Cambodians happen has a role in their natural life, behind the Communist lines. T the pagodas, and the free exerc

CAMBODIAN SETTLEMENTS PROBLEM

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III CAMBODIA

Calendar year--		
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2	514	478
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0	100	117
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Mr. HAYES: Would like to go back to search to you and be in a  
I don't want you to get on the side of it as to whether or not you  
can get a peaceful settlement in Cambodia. The answer at this stage  
does not lie in the hands of the people in Hanoi, Peking because they  
have made it very clear they are prepared to talk about just that with  
one or two prior conditions whatsoever.

The people who oppose them refuse to say yes to consider any  
thing short of the conflict that now wages.

Mr. BEVILL: If you get to a stage of at least a year from past experi-  
ence they will keep the negotiational settlements so long as it is to their  
advantage to do so. Is that true?

Mr. HAYES: I think that is a fair statement. I think that is being  
realistic.

Mr. BEVILL: That is all I have, Mr. Chairman.

Mr. PASSMAN: Thank you, Mr. Bevill.

Mr. CHAPPELL?

COMMENDATION OF MR. BEVILL

Mr. CHAPPELL: Mr. Secretary, let me commend you on a very fine  
statement and a very forthright approach. I think this is one of the  
most forthright approaches I have seen before this committee since  
I have been a member of it.

Mr. BEVILL: Very good.

Mr. CHAPPELL: I want to commend you on it.

Mr. HAYES: Thank you.

CAMBODIAN OBJECTIVES

Mr. CHAPPELL: Sometimes we lose sight of what people may be  
fighting for in other parts of the world. Would you elaborate a  
moment? What are the people of Cambodia fighting for?

Mr. HAYES: I think that will give me a chance to say something. I  
would like to say to you I look at it a different way. About 2 weeks  
ago I asked our intelligence community people to come up for me with  
a description of what would happen to the Cambodians and why is it  
that they resist if Cambodia were to come under the domination of  
the Khmer Communists.

Generally speaking, they fear the North Vietnamese and they fear  
the hand of the North Vietnamese behind the Khmer Communists.  
They realize the role that Hanoi chooses and hopes to play in the  
area. They have historically resisted North Vietnamese incursions.

Second, I think that their recognition of the quality of life and the  
character of life under the Communists, with which they have some  
experience now, is such that they do not wish to live that way. In-  
evitably, when they get a chance they do not go toward the Communist  
side.

Let's give an example of what it is they fear behind the Communist  
lines. The Cambodians happen to be a very religious people. Buddhism  
has a role in their natural life. They know what happens to Buddhists  
behind the Communist lines. They know what happens to the monks,  
the pagodas, and the free exercise of authority.

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The Cambodian happens to be a small peasant landholder. They know what happens to small peasant landholders behind the Communist lines. They are put into communes. That is what happens to them and they resist that.

They know about the regimentation of life beyond anything that they suffer under the rather *evangelical* approach that they are historically used to. And they resist that.

They are quite aware of the methods, the techniques, and the practices that he's been the history of the last 2 years in those areas of Cambodia that the Communist dominated. You don't have to convince the Cambodian that he doesn't want it. He is already convinced. His problem is how does he resist it.

One could go on and paint the hypothetical picture of what would happen in the event that it goes down and the Khmer Communists take over the country in whatever stark terms that you wish. But it's only a hypothetical picture. But it isn't so hypothetical to the people who have had that experience, from everything we hear from them.

## THE COMMUNIST FAILURE

Mr. CHAPPEL: What type of experience are you talking about?

Mr. HARR: I am talking about the experience of Cambodians who know what goes on behind Communist lines.

Mr. CHAPPEL: What is that? Give us an example. Sometimes we forget.

Mr. HARR: For example, the Khmer Communists believe that Buddhist monks are an unproductive element of society and they don't allow them to have contemplation. Under the old tradition, a man spent a certain part of his life in contemplation. They don't approve of that. They don't allow it. That is clearly known to the Cambodians who are as I say, devout Buddhists. They put the monks to work. They break up the landholding. They don't allow people to own more than 100 acres.

## CAMBODIAN CULTURAL VALUES

Mr. CHAPPEL: What you are saying is that everything which we apparently stand for in this country, these people—

Mr. HARR: There is a lot more we stand for that isn't quite known to them. They have a lot of our culture. But within their own cultural confines, within their own cultural limits, these are the things they understand. They understand religion, they understand land, they understand family, and they understand personal freedom. These things the Cambodians can understand just as well as any American can understand.

Mr. CHAPPEL: Those things are in line with their type of philosophy?

Mr. HARR: Yes, sir.

Mr. CHAPPEL: Everything they are afraid of is exactly to the contrary?

Mr. HARR: The exact opposite to the contrary.

Mr. CHAPPEL: The only reason we get the people of the world to help a nation we have the right promise to help provide the thing which we would be so very much interested in helping to on our own soil. Is that not true?

Mr. HARR: I have hesitated to disagree with anything you

Mr. CHAPPEL: My time.

Mr. PASSMAN: Mr. Koch.

CALIFORNIA

Mr. KOCH: Mr. Secretary, I am distressed that the way to which you think we should go is Japan, New Zealand, think you include West Germany. You draw no distinction in your discussion there is a distinction between within a country.

I don't want to talk about you to Greece and use it as a junta overthrew what was in Greece. I was very disappointed in our responsibility with arms or men to

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Do you think we should engage in its successful

Mr. HARR: Did the 7th Army force or a Communist knocked off all the output down all the material?

Mr. KOCH: The answer.

Mr. HARR: And also I guess some other countries.

Mr. KOCH: The answer.

Mr. HARR: The answer Cambodia.

U.S. IN

Mr. KOCH: I want to point out a revolution supported by an outside to on either side. Is that a fact?

Mr. HARR: Generally depends.

Mr. KOCH: It has some.

Mr. HARR: I would like to say something. We didn't have Cambodia.

Mr. KOCH: What a pity.

Mr. HARR: No, I am not a member.

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Mr. HALL: I have hesitated to put up the notes but I would like  
to discuss with you what you have said.

Mr. CHAMBERLAIN: My time is up. Mr. CHAMBERLAIN:

Mr. PASSMAN: Mr. KOCH?

ATTITUDE OF U.S. COMMITTEES

Mr. KOCH: Mr. Secretary, I would like to develop this aspect of the  
dialog. I am distressed that you place in the same category every coun-  
try to which you think we have a commitment. You mentioned Aus-  
tralia, Japan, New Zealand and Israel. You didn't mention, but I  
think you include Western European democracies that are a part of  
NATO. You draw no distinction between these countries—at least you  
didn't in your discussion with us. My own feeling, however, is that  
there is a distinction between invasion externally and revolution  
within a country.

GREEK ANALOGY

I don't want to talk about Cambodia for a moment. I want to take  
you to Greece and use it as an analogy. I remember when the Greek  
junta overthrew what was considered to be a democratic government  
in Greece. I was very distressed with that. As badly as I feel, I didn't  
consider it our responsibility to support the Greek democratic govern-  
ment with arms or men to overcome a revolution which I deplored.

REVOLUTION IN GREECE

Do you think we should have gone in and prevented that junta from  
engaging in its successful revolution?

Mr. HALL: Did the junta receive its first assistance from a Bul-  
garian force or a Communist force that came down across the border,  
knocked off all the outposts, deined up all the supply lines, brought  
down all the material?

Mr. KOCH: The answer is it did not.

Mr. HALL: And also brought down all the Greeks that were in Bul-  
garia or some other country?

Mr. KOCH: The answer is no.

Mr. HALL: The answer is no. That is the precise difference in  
Cambodia.

U.S. INVOLVEMENT IN REVOLUTIONS

Mr. KOCH: I want to pursue that with you. You are saying now  
that if a revolution takes place within a country and it isn't sup-  
ported by an outside force, then you do not support our involvement  
on either side—is that a fair statement?

Mr. HALL: Generally speaking that has been our policy. But it  
depends—

Mr. KOCH: It has some exceptions?

Mr. HALL: I would say, generally speaking that has been our  
policy. I don't like to overgeneralize. I want to remind you of one  
thing. We didn't have a direct mutual security obligation with  
Cambodia.

Mr. KOCH: Wait a minute. You are not talking about the—

Mr. HALL: No. I am trying to sustain a certain point of your  
argument.

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and a very good in the destruction morally... (partially) and (very)  
view of the people. One... (partially) behind... (partially) from... (partially)  
using the old philosophy--not so good for them. I am very upset about  
Czechoslovakia. Yet I would not have intervened there. I didn't make  
my sense for us really as upset as I was at that time.

EFFECT OF INVOLVEMENT ON UNITED STATES

Similarly, I have concluded that the war in Cambodia is a civil war  
supported by an outside force in terms of arms but not in terms of  
men.

That civil war and—I am talking about the whole of Indochina—  
has caused more damage to this country than anything else we have  
ever been involved in, not only in terms of treasure and blood but in  
terms of the moral fiber to stand up in place. Is Don't you agree  
with that?

Mr. HARRIS: Do you want to argue whether we should have ever  
gone into this in the first place?

Mr. KOCH: No, I don't want to argue whether we should continue  
with something that is going down the drain, has no end, and has caused  
us all considerable anguish and loss. You and I probably agree it  
should never have taken place in the first instance.

Mr. HARRIS: What I think we should address and what we need to  
address is the reality of the moment, is far as what is required and  
what is happening in Cambodia. The historical origins of the war in  
Indochina can be debated without end. I would suggest that in the  
consideration of the request before the committee now that one must  
consider the circumstances and the consequences rather than the his-  
torical origins. I might agree with everything you said but I don't  
think it would change my recommendation to the committee.

Mr. KOCH: Thank you.

Mr. PASSMAN: Thank you very much, Mr. LALLY?

QUESTION OF MAINTAINING STATUS QUO

Mr. LALLY: Mr. Secretary, the President in his message states  
"Regrettably, there has been no progress in Cambodia. He says the  
Cambodia Government Forces given adequate assistance can hold  
their own."

Last year Secretary of Defense Schlesinger before this committee  
said we are not engaged in defending the status quo. But all of your  
comments make it seem to me that you are selling the status quo.

Mr. HARRIS: I would hope that one could re-establish the military  
or change of the situation so that the other side will finally and  
definitely recognize that the value of the use of force in these circum-  
stances is not worth it.

MILITARY VICTORY NOT POSSIBLE

Mr. LALLY: Until that time you say we can have no military victory.

Mr. HARRIS: No, I don't think military victory is possible. I don't  
think it's possible to conceive of a military victory in Cambodia under  
the present circumstances.

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Mr. HAYN. I am glad to say that we are no longer fighting  
we have reached the stage now where the people who are most con-  
cerned are willing to do the fighting themselves.

Mr. FERRY. Are we fighting with 200 million dollars a day \$222  
million concerned. They are fighting without money.

#### PROVISIONS OF PARIS AGREEMENT

Mr. HAYN. If you will recall on both things the Paris agreement  
provided for was that we would get our forces out. We got them out.

Mr. FERRY. And didn't it also say we would not send any more  
ammunition?

Mr. HAYN. No, sir. It said we wouldn't send any more munitions  
except on a 1-for-1 replacement basis. It also said there would be a  
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of the Paris peace talks?

Mr. HAYN. Let me put it simply to you. The Paris agreements pro-  
vided certain things that the North Vietnamese would do. They can't  
simply disregard their obligations and then expect the other fellow  
to sit defenseless. I would submit do we then have an obligation of  
not doing anything while the other fellow does what he wishes?

#### ACHIEVING SETTLEMENT

Mr. FERRY. Then how do we achieve a settlement, Mr. Secretary?

Mr. HAYN. You have to implement it.

Mr. FERRY. If I rob your house, are you going to rob mine?

Mr. HAYN. No.

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Mr. HAYN. No, I suggest if you come into my house to rob it and I  
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last time or like he said he would help me.

#### CONCERN OVER U.S. SHARE OF SUPPORT

Mr. FERRY. Two members of this committee have suggested that  
other nations were involved, to what degree were they participating?  
In the contributions of last year's testimony it shows that when we were  
projecting \$275 million as the U.S. share, that that was roughly 20  
times greater than the aggregate of the other 15 nations at war.

Mr. HAYN. There is no question of it, sir.

Mr. FERRY. Now you are saying that is not enough for the United  
States that we are going to lose face if we don't increase our ag-  
gregate another 30 percent roughly.

Mr. HAYN. I didn't say we were going to lose face, Mr. Congress-  
man. I don't use expressions like that. The United States stands for  
something and the United States has certain commitments and obliga-  
tions and people will react to the manner in which we conduct our-  
selves. I don't use catch phrases like losing face or lights at the end  
of the tunnel or turning a corner. I stopped that a long time ago. I  
never approved the use of those phrases.

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Mr. EARLY. So you are saying, Mr. Secretary, keep the status quo until we negotiate.

Mr. HABIB. Agreed. And don't give the other fellow a chance to win a military victory and subject the country to it. You have got to look at the obverse side of the coin as well.

Mr. EARLY. That is contrary to Secretary of Defense Schlesinger's testimony.

Mr. HABIB. I don't think so. I don't think I contradicted him. If I have, I stand on what I said.

Mr. EARLY. His comment said—

Mr. HABIB. I don't care whether I contradicted him or not, but I assume I haven't. In my view, I will state it again, military victory in Cambodia under present circumstances is not possible for the Government in Cambodia. They themselves have recognized that. They don't call for military victory. They call for a negotiated settlement without prior condition. They are prepared to sit down at any time.

#### MEANING OF STATUS QVO

Mr. EARLY. Wouldn't the simpler answer have been, Mr. Secretary, yes, you believe in the status quo?

Mr. HABIB. I don't know what you mean by the status quo. No; I do not, if you mean the status quo is a situation in which they go on killing themselves. I am not for that. I am for ending that in the process of negotiation.

Mr. EARLY. You mean they need this money to do that?

Mr. HABIB. Yes. I would like the Mekong River to be open so the supplies can get up there.

Mr. EARLY. So you can say we are killing more of them.

Mr. HABIB. I would put it this way, the other fellow will not come to the negotiation and he will not agree that the status quo is worth negotiating unless he doesn't see the possibility of early military victory. What sustains the Khmer Communists is the vision of an early military victory which they will achieve by virtue of the pipeline being turned off for the government in Phnom Penh.

#### PARIS AGREEMENT NOT SUSTAINED

Mr. EARLY. Mr. Secretary, you stated we have no negotiated settlements with the Communists outside of Laos. Now you suggest that we take the same course of action to break the Paris peace talks, which you insinuate they broke first.

Mr. HABIB. No; no.

Mr. EARLY. If we are going to do that, how are we ever going to negotiate a settlement?

Mr. HABIB. I think we have negotiated a settlement. It's not being implemented. I think the Paris agreement contains within it the terms of settlement of the war in Indochina in such a manner that we considered it equitable at the time and that all who signed it considered it equitable at the time. It has not been implemented. It has not been sustained.

#### UNITED STATES NOT FIGHTING

Mr. EARLY. How can we just continue fighting? Do you think that we have a negotiated settlement?

Mr. HABIB. I am glad to. We have reached the stage concerned are willing to do the fi

Mr. EARLY. We are fighting a million is concerned. They are

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## NECESSITY FOR ADDITIONAL RESOURCES

I would like to describe the situation in very explicit terms so the committee can make its decision. It is a fact that without the provision of additional resources to the Government of Cambodia it cannot defend itself against the enemy it faces.

Mr. EARLY. So you are saying we will feed a bottomless pit continuously.

Mr. HABIB. I will not call it a bottomless pit. I am saying in order to reestablish the military situation to such a stage to which it might be sensible for the other side to realize that a peaceful approach is better than war, you have first got to give them the capacity to defend themselves.

Mr. EARLY. If they don't negotiate, if they continue to fight, if they continue to participate, we do the same.

Mr. HABIB. That is a fair conclusion. You cannot force somebody to negotiate a settlement if he is unwilling to do so. The North Vietnamese once did negotiate a settlement, and then they didn't implement it. They implemented part of it and we implemented our share of it.

## PARIS AGREEMENT VIOLATIONS

Look back at the Paris Agreement once again. I say to you I had something to do with it. I spent some time on that. As a matter of fact, this young lady used to take our words at the Paris Peace Talks when we were there. It's coincidental. She was one of our reporters at the peace talks.

Look back at the agreement. I tell you you will find in the agreement all that is necessary for peace in Indochina, if it will be implemented. I would say this, that if you examine the history of violations of the Paris Agreement, the blame for the situation in Indochina today does not fall on the United States.

Mr. EARLY. Mr. Secretary, if it is true, which I expect it is, that they have made the first violation, don't we have any other recourse than to pick up arms as they pick up arms?

## USE OF ARMS

Mr. HABIB. It is not up to us to determine about picking up arms. It's up to the South Vietnamese.

Mr. EARLY. You don't use clichés or phrases, but this money is arms no matter how you want to look at it.

Mr. HABIB. All right, is it up to us to deny those arms to a people prepared to defend themselves?

Mr. EARLY. Is it up to us?

Mr. HABIB. Is it up to us to deny them? They have no other place to get them. Let's be realistic here. They are not going to get them from anybody else, whereas the North Vietnamese have no difficulty getting them from the Russians, the Chinese and the Eastern Europeans.

Mr. EARLY. And us, based on the testimony, they used some of our arms.

Mr. PASSMAN. Thank you. Thank you, Mr. Secretary. Other members of this committee mind subsequently as to what to this request.

It is most interesting that a ceiling on aid to Cambodia in military aid and \$9 million would of course in

TWO A

So what you actually are in the authorization bill—one national military assistance act get the ceiling raised so that spend it. Is that what you are

Mr. HABIB. The military lifted on the economic side.

Mr. PASSMAN. But you have

Mr. HABIB. Yes, sir.

Mr. PASSMAN. So we are

Mr. HABIB. Yes, sir.

Mr. PASSMAN. Two of them and one before the Appropriations does not require an appropriate

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Let me admit quickly and own policy. But it is my mind have around the world is whether it's in Cambodia or every one is drawn differently.

Mr. HABIB. The mutual is them, yes, sir.

Mr. PASSMAN. That is the

Mr. HABIB. There is one thing is that they are implemented

NEED FOR

Mr. PASSMAN. That we are directly, going back to the admiral Tranter, he said it is a must upon that, the Congress subsidy billion. The same policy was President Kennedy, President Ford. Have I made a statement

Mr. HABIB. Yes, sir, to my

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Mr PASSMAN: That you Mr. Hahn. Thank you Mr. Secretary. I only chair the committee, we have 10 members of this committee and each one will make up his own mind subsequently as to what we should or should not do with respect to this request.

FUNDS CEILING

It is most interesting that under the Contingency Amendment you have ceiling on aid to Cambodia. I believe that total was \$275 million in military aid and \$177 million in economic aid. That \$275 million would of course include this \$75 million draw down.

TWO AMENDMENT REQUESTS

So what you actually are confronted with is two amendments to the authorization bill—one your request for \$222 million for additional military assistance applicable to fiscal 1975 and the other is to get the ceiling raised so that if you had the appropriation you could spend it. Is that what you are confronted with?

Mr. HAHN: The military request is \$222 million with the ceiling lifted on the economic side. The economic aid is \$177 million.

Mr. PASSMAN: But you have to get the ceiling lifted?

Mr. HAHN: Yes, sir.

Mr. PASSMAN: So we are actually looking at a dual request.

Mr. HAHN: Yes, sir.

Mr. PASSMAN: Two of them go before the Authorizing Committee and one before the Appropriations Committee. The ceiling request does not require an appropriation action, as you know.

IDEALIS DEBATE

Let me admit quickly and readily that I am not an expert in foreign policy. But it is my understanding that almost everywhere we have around the world is a bit different whether it's in Israel or whether it's in Cambodia or whether it's some place else. Practically every one is drawn differently, is it not?

Mr. HAHN: The mutual security treaties have some differences to them, yes, sir.

Mr. PASSMAN: That is the point I am trying to make.

Mr. HAHN: There is one thing that is applicable to all of them. That is that they are implemented with the advice and consent of Congress.

NEED FOR SOVIET INDOCHINA

Mr. PASSMAN: That we understand. But if I read the record correctly going back to the administration of that great President Harry Truman, he said it is a must that we have a sovereign Indochina. Based upon that, the Congress subsequently appropriated for Indochina \$1.3 billion. The same policy was continued under President Eisenhower, President Kennedy, President Johnson, President Nixon, and President Ford. Have I made a statement of fact?

Mr. HAHN: Yes, sir, to my knowledge.

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## PURPOSE OF TREATIES

Mr. PASSMAN. If I understand, regardless of any difference in the treaties whether it may be Israel or whether it may be Cambodia or whether it may be Vietnam, the whole purpose is to help sovereign nations defend themselves and to ward off the yoke of Communism. Is that about the way it is?

Mr. HARRIS. Not all the obligations are related to Communism or Communist power.

## COMMITMENTS TO ISRAEL

I would say, for example, in the case of whatever commitments we have to Israel, I don't think the question of Communism enters into that.

Mr. PASSMAN. Since you mentioned Israel, it's a foregone conclusion that the Russians are trying to have a very strong hand, are they not, in financing those who would oppose the free and great State of Israel?

Mr. HARRIS. That is my understanding. I am not an expert on the Middle East.

## WHAT IS U.S. FOREIGN POLICY

Mr. PASSMAN. I am trying to find out what our foreign policy is. Is it to help people who want to help themselves?

Mr. HARRIS. Yes.

Mr. PASSMAN. That has been one of the strongest pillars of our foreign policy for the last quarter of a century. It has been in effect for 25 years.

Mr. HARRIS. Yes, sir.

## INDOCHINA MUST BE SAVED

Mr. PASSMAN. It was really created mainly under that great President, Harry Truman, and there has been no difference in that policy following the five Presidents. All of the Secretaries of State during that time and all of our great military leaders during that time took the same position, did they not, that Indochina must be saved?

Mr. HARRIS. They have.

Mr. PASSMAN. If we are going to have several different foreign policies, we would never get anywhere in effect where there is communism or some other ism to help free people of sovereign nations to help themselves. It is that simple.

Mr. HARRIS. That is correct.

Mr. PASSMAN. That is what we are trying to show for the record. Right, wrong, or indifferent, we must look at the fact that under these six Presidents that we have actually put \$150 billion of our resources in Indochina, plus some 58,000 lives and 368,000 casualties.

## SURVIVAL OF CAMBODIA AND SOUTH VIETNAM

I could support the policy if there is a chance to save that part of the world but if it's a foregone conclusion it's going down the drain, then possibly we shouldn't dissipate any more of our resources there.

What do you see, Mr. Secretary, in Cambodia? We have been told time and time again, if not in this committee we have read it in the

papers, that if we permit that would greatly, greatly survive. Is that true or not?

Mr. HARRIS. It would be Vietnam.

Mr. PASSMAN. How strong?

Mr. HARRIS. At the present parts of Cambodia which Vietnam. The Cambodian Vietnamese. They use the South Vietnam. If it goes

The only thing that could other you got a settlement North Vietnamese to leave

CI

Mr. PASSMAN. I think statement. Personally, I if Mr. Secretary, we are go quest for additional fund we show that there is some freedom and survive. We chance of Cambodian su aging. Would you care to more of a chance for them

Mr. HARRIS. I will put it them the money they would have been asked to address general judgment that the over the basic population. Whether it's 50-50 or 60 frankly, I don't make judgment.

Mr. PASSMAN. Where can

Mr. HARRIS. You can't go

Mr. PASSMAN. What if to survive, would that you are going to have to find aid are they going to fold?

Mr. HARRIS. No, that is people on the ground.

## SITUATION

Mr. PASSMAN. Do you respect to the Cambodia ment was made in 1973 that

Mr. HARRIS. They were the exception of the situation they would be able to close off now than they would judgment.

Mr. PASSMAN. General

... is that if we permit Cambodia to go down the same the old course  
... only gradually than the chances of South Vietnam to  
survive. Is that type of act?

Mr. HARRIS: It would have a negative effect on the ability of South  
Vietnam.

Mr. PASSMAN: How strong a effect?

Mr. HARRIS: At the moment the North Vietnamese use those  
parts of Cambodia which they wish anyhow, which are in South  
Vietnam. The Cambodian border areas are in the hands of the North  
Vietnamese. They use them. They are not of help supply line into  
South Vietnam. If it goes or not, that would change.

The only thing that could possibly change it is in one way or an-  
other you got a settlement in Cambodia and the Cambodians told the  
North Vietnamese to leave, which is not foreseeable.

CHANCES OF SURVIVAL

Mr. PASSMAN: I think that Congressman Long made a very good  
statement. Personally, I feel that way. But somewhere along the way,

Mr. Secretary, we are going to have to look at more than just a re-  
quest for additional funds. I believe the Congress will find out  
we show that there is some chance of helping these people win their  
freedom and survive. When we go back to 1973 and they said the  
chance of Cambodia survival is only 50-50, it is not very encour-  
aging. Would you care today to say how we stand, whether there is  
more of a chance for them to survive?

Mr. HARRIS: I will put it 100 percent to zero, that if you don't supply  
them the money they won't survive. But that is the decision that you  
have been asked to address. If they are provided the funds, it is the  
general judgment that they will be able to maintain their current hold  
over the basic population centers and to hold off the enemy force.  
Whether it's 50-50 or 60-40, that is a kind of decision which very  
frankly, I don't make judgments on.

Mr. PASSMAN: Where can we get the information?

Mr. HARRIS: You can't get an answer like that.

Mr. PASSMAN: What if it's only 3 chances out of 100 they are going  
to survive, would that justify the continuation of the program? We  
are going to have to find what chance of survival they have. With our  
aid are they going to hold?

Mr. HARRIS: No, that is not our view. And that is not the view of the  
people on the ground.

SITUATION COMPARED TO 1973

Mr. PASSMAN: Do you think we are in better shape in that area with  
respect to the Cambodians' chance to survive than when the state-  
ment was made in 1973 that there is only a 50-50 chance?

Mr. HARRIS: They were in very bad shape at that time in 1973. With  
the exception of the situation along the Mekong, which I would hope  
they would be able to clean up, I would say that they are not any  
worse off now than they were then. Is that correct? That is the gen-  
eral judgment.

Mr. PASSMAN: General Hight?

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may be Cambodia  
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General TIGHE. That is approximately correct, Mr. Secretary. They are in about the same position.

Mr. PASSMAN. As Mr. Early said, status quo. You don't see where they made any progress?

Mr. HABIB. Not basically.

Mr. PASSMAN. I want to thank you for being forthright. That is the one thing that is concerning this Committee.

## U.N. RESOLUTION

Mr. HABIB. If I could take a minute, Mr. Chairman. I want to add one thing I said to Mr. Early because he raised a very important point when we talked about negotiations and where they get you. I failed to mention earlier on that general call that was made by a majority vote in the UN this past fall calling upon the parties to negotiate and calling upon the Secretary General to try to bring the parties together to negotiate. The people in Phnom Penh are quite willing but the other side has not given any indication whatsoever of being willing to respond to that call as yet.

The very fact that that call was made and the resolution was promoted, not only by the United States but it was put forth by a whole range of Asian countries, is indication that anybody who looks at the problem reasonably and logically comes out with the same conclusion that I tried to impress upon the committee a while ago, that a negotiated settlement is the only way out of it, even though you always suspect whether or not the other fellow will abide by the negotiation once he signs on the dotted line.

Mr. PASSMAN. Mr. Secretary, I have known you a long time and of course you are forthright.

I will never mislead the witnesses or the members of this subcommittee. I don't know if I am in a position to challenge the wisdom of Harry Truman, Dwight Eisenhower, John Kennedy, Lyndon Johnson, Richard Nixon, and Jerry Ford and all of the Secretaries of State. I just don't have all the information that was and is available to them. So I must proceed on this basis.

On the other hand, you finally reach a point where, if there is no progress being made and it looks like we are continuing to dissipate our resources, then of course I am going to have to re-evaluate my position.

## ENEMY REFUSAL TO NEGOTIATE

You say in your statement that, "The Cambodian Government has repeatedly called for talks with the opposing side without preconditions."

The other side up to this time has not agreed to meet and talk to them. Is that correct?

Mr. HABIB. They have refused to.

Mr. PASSMAN. Would it follow if you withdraw the Cambodian Government by denying additional military and economic assistance then, of course, the chances of their meeting would be even less?

Mr. HABIB. It would become increasingly remote. You are absolutely right.

Mr. PASSMAN. This in addition, isn't it?

Mr. HABIB. Yes.

Mr. PASSMAN. Could the committee how much military side and also obligated under the conti

Mr. HABIB. Yes, that will give you the figures can give you the figures o

Mr. PASSMAN. As long to see before we mark th

Mr. MURPHY. Out of Public Law 480 assista obligated \$175.5 million.

Mr. PASSMAN. If you for the military, that General FISU. Sir, we

Mr. PASSMAN. Out of General FISU. Yes.

Mr. PASSMAN. The ne time?

General FISU. I hav \$42 million for deliver country stocks.

Mr. PASSMAN. Of the past, you mean your pip

General FISU. Yes, si

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General FISU. Yes, si

Mr. PASSMAN. As of y

General FISU. As of t

Mr. PASSMAN. And obligate?

General FISU. We ha

Mr. PASSMAN. So you times for the first 7 mo for how many days?

General FISU. We a to recognize these are hence out there it will ta

Mr. PASSMAN. So you

General FISU. I think

ADDITIONAL FUNDS

Mr. PASSMAN: This request for the additional \$225 million is a condition, isn't it?

Mr. HART: Yes.

AMOUNT OBLIGATED

Mr. PASSMAN: Could you, or some of your supporting witnesses tell the committee how much you are obligated to Cambodia on the military side and also what is the economic amount that you have obligated under the continuing resolution?

Mr. HART: Yes, that is why we brought the experts. General Fish will give you the figures on the military side and Mr. Murphy of AID can give you the figures on the economic side.

Mr. PASSMAN: As long as they are in the record for the committee to see before we mind this bill up.

Mr. MURPHY: Out of the \$177 million available for economic aid under Public Law 95-118 as it stands under current authority, we have already obligated \$175 million.

Mr. PASSMAN: If you could tell us how much you have obligated for the military, that would be helpful at this time.

General FISH: Sir, we have obligated \$260 million.

Mr. PASSMAN: Out of a possible \$275 million?

General FISH: Yes.

REMAINING IN PIPELINE

Mr. PASSMAN: The next question is what is the pipeline as of recent time?

General FISH: I have those figures here, Mr. Chairman, we have \$42 million for delivery pipeline and then there is \$29 million in country stocks.

Mr. PASSMAN: Of the tremendous amount we have given you in the past, you mean your pipeline is down to \$42 million?

General FISH: Yes, sir.

Mr. PASSMAN: You have determined that day?

General FISH: Yes, sir, \$42 million is what remains in the pipeline.

Mr. PASSMAN: As of what date?

General FISH: As of the first of February.

UNOBLIGATED FUNDS

Mr. PASSMAN: And at this time you have no further funds to obligate?

General FISH: We have \$15 million.

Mr. PASSMAN: So you have \$57 million. As we look at the expenditures for the first 7 months of fiscal 1975, then your pipeline is good for how many days?

General FISH: We are calculating now—and of course you have to recognize these are rough figures—with the present level of violence out there it will take about \$15 million a day.

Mr. PASSMAN: So you have about a 60-day supply?

General FISH: I think your 60-day figure is about right.

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## DELIVERY TIME

Mr. PASSMAN. How long does it take to get deliveries after you place the orders?

General FISIL. It can be quite fast in some things and take much longer in others.

Mr. PASSMAN. What is the leadtime?

General FISIL. For ammunition, it's about 30 days.

Mr. PASSMAN. So it's either do or don't?

## RECAP OF AVAILABLE ASSETS

General FISIL. Yes, sir. That is right. I would like to correct your figure. Just to give it once again so that all the committee members have it firmly in their minds, we have about \$15 million unobligated, \$42 million in the pipeline, and then we estimate about \$29 million in country stocks that are already into the country. That is about \$86 million.

Mr. PASSMAN. Wouldn't the \$29 million be considered in the pipeline?

General FISIL. No.

Mr. PASSMAN. It's yet to be used?

General FISIL. It could be viewed either way.

Mr. PASSMAN. It really doesn't make any difference?

General FISIL. Those are the assets available in toto.

Mr. PASSMAN. That is \$86 million?

General FISIL. Yes.

Mr. PASSMAN. And you are expending at a rate of \$1.5 million a day?

General FISIL. Yes.

Mr. PASSMAN. So 60 days would be about right?

General FISIL. Right.

## PROCUREMENT LEADTIME

Mr. PASSMAN. Do you mean to tell me that you can place the order for military equipment and have it procured and get it shipped in 30 days?

General FISIL. No, sir. Mr. Nelson, do you want to address that?

Mr. NELSON. Yes, sir.

Mr. PASSMAN. We are only trying to find out what position you are in.

General FISIL. The thing is that we must obligate the funds for the munitions when the order is issued. We don't have to fund the entire procurement lead time, since it's out of stock.

Mr. PASSMAN. Nevertheless, it's in the United States so that it has to be shipped to Cambodia.

General FISIL. Some of it is in depots overseas.

Mr. PASSMAN. You are privileged to use that stock off the shelves and you replace it?

General FISIL. Yes.

Mr. PASSMAN. You have no more drawdown.

General FISIL. Actually, that is the \$15 million that I spoke to.

Mr. PASSMAN. I am talking about limits here. This is all? There is no addition of drawdown?

## EXPENDITURE

Mr. PASSMAN. Will all of be expended in fiscal 1975 if t  
General FISIL. Yes, sir.

Mr. PASSMAN. Or only part?

General FISIL. It would, I to obligate it within that t would require that amount.

## AVAILABILITY

Mr. PASSMAN. General F any of that available for you

General FISIL. We have se the rules that were passed l the ceiling. In fact, specifi excess equipment against tl

Mr. PASSMAN. That is a re  
General FISIL. No, sir. Tl third of acquisition cost.

## OUTCOME IF SUP

Mr. PASSMAN. I want to also to the Secretary. Wha say, "No: we are not going

General FISIL. In the fir to obligate any more past t course, the deliveries woul was in the pipeline.

Obviously, the people o would then have to take a accurately forecast how th

Mr. PASSMAN. Who woul  
General FISIL. The Car Cambodia Armed Forces, might last a few more days

Mr. PASSMAN. You are t

General FISIL. That is ri

Mr. PASSMAN. Let's be re

General FISIL. That is ri

Mr. PASSMAN. I am onl pulation of the policy of

Mr. Johnson, Mr. Nixon, a

General FISIL. I couldr

## APPE

Mr. PASSMAN. General out earlier, we have a lot c posed to subscribe to the s we appealed to these natic

THE SUBJECT OF SUPPLEMENTAL FUNDS

Mr. PASSMAN: Will all of the \$222 million that you are requesting be expended in fiscal 1975 if the Congress approves it?

General FISH: Yes, sir.

Mr. PASSMAN: Or only part of it?

General FISH: It would be our intent and a requirement to obligate it within that time. The combat situation as projected would require that amount.

AVAILABILITY OF EXCESS EQUIPMENT

Mr. PASSMAN: General FISH, of the excess equipment, do you have any of that available for your program?

General FISH: We have some excess equipment that we have under the rules that were passed by the Congress that are charged against the ceiling. In fact, specifically, we have charged some \$61,000 in excess equipment against the legislative ceiling.

Mr. PASSMAN: That is rehabilitation cost?

General FISH: No, sir. That is actual value, but not less than one-third of acquisition cost.

OUTCOME OF SUPPLEMENTAL REQUESTS BOARD

Mr. PASSMAN: I want to address this question to General FISH and also to the Secretary. What will happen if the Congress should just say, "No, we are not going to approve your request?"

General FISH: In the first instance, of course, we would be unable to obligate any more past the \$15 million that I mentioned. Then, of course, the deliveries would continue to the extent that the material was in the pipeline.

Obviously, the people on the scene, the Cambodians themselves, would then have to take a look at their situation. I am sitting here accurately forecasting how they would judge their situation.

Mr. PASSMAN: Who would judge what?

General FISH: The Cambodians on the scene, the Government of Cambodia Armed Forces. They may restrict the expenditure so it might last a few more days than what we have indicated.

Mr. PASSMAN: You are talking about days, not of weeks or months?

General FISH: That is right.

Mr. PASSMAN: Let's be realistic about this. It is very serious business.

General FISH: That is right.

Mr. PASSMAN: I am only speaking for myself. This would be a repudiation of the policy of Mr. Truman, Mr. Eisenhower, Mr. Kennedy, Mr. Johnson, Mr. Nixon, and Mr. Ford, would it not?

General FISH: I couldn't disagree with anything you say.

APPEALS TO OTHER NATIONS

Mr. PASSMAN: General FISH, as some of the witnesses have brought out earlier, we have a lot of wealthy nations in the world that are supposed to subscribe to the same policy and philosophy that we do. Have we appealed to these nations to help out in this program?

General LISH SU: I think that is proper for Secretary Habib to answer.

Mr. PASSMAN: What is the answer, Mr. Secretary?

Mr. HABIB: We have, Mr. Chairman, privately and publicly. Even more importantly, the Cambodians themselves have appealed. They have gone and asked and in some cases they have gotten these fractional amounts that I spoke of a while ago.

Mr. PASSMAN: Is it lack of confidence in Cambodia's abilities or is it a fact that experience shows if they don't put it up we will not a combination of both?

STATE OF COMMITMENT

Mr. HABIB: I think it is probably a lack of commitment and a lack of feeling that after all we will take care of it.

Mr. PASSMAN: I see.

Mr. HABIB: I think there is a certain element of that, to speak very honestly.

ROLE OF JAPAN

Mr. PASSMAN: Japan is having some problems but they are waxing fat with wealth. They have a very strong economy and they will return no doubt with certain adjustments. They actually have more to gain by saving Indochina than we do, do they not?

Mr. HABIB: I wouldn't say more. I would say they have a very real interest.

Mr. PASSMAN: They are closer to the scene, aren't they?

Mr. HABIB: They have a very real interest.

Mr. PASSMAN: Japan is closer?

Mr. HABIB: They also have a commitment from us which I would imagine they would want to keep thinking about. It is the umbrella that provides them security.

UNIQUE POSITION

Mr. PASSMAN: If we break one commitment we may have to break others. I have to take that position and it is not going to be very popular.

Mr. HABIB: I have heard others say that.

Mr. PASSMAN: Are we making any real effort to get other nations to help out?

Mr. HABIB: They have been spoken to and you have gotten these modest amounts.

FISCAL DEFICIT

Mr. PASSMAN: Mr. Secretary, I don't believe it is just policy that we can't look at it. I think we have to look at this tremendous deficit that the President's budget accounts for \$55 billion in excess and that those budget accounts. I think the interest on the public debt is now approaching \$40 billion.

IMPORTANCE OF ECONOMIC AID

Is it economic aid so important to Cambodia as military aid?

Mr. HABIB: I made that one absolutely right. The import of given the nature of it. It is basically right now.

Mr. PASSMAN: The gift in its entirety be devoted to that?

Mr. HABIB: That is correct.

Mr. PASSMAN: You know, minister for some 21 years. I think I had some of our people look at Korea, those people possible regarding our general lot of money in this country.

Korea wanted to purchase equipment financing whatsoever country. They purchased the program for the rice in the United Kingdom.

Of course, U.S. rice is a big

SELLING AMERICA

Is there anything particularly going abroad and encouraging?

Mr. HABIB: Mr. Chairman, get him to judge in Congress.

Mr. PASSMAN: No, no, don't.

Mr. HABIB: We are used to.

Mr. PASSMAN: Is there commodities for cash?

Mr. HABIB: No, sir, the principal interest of the Congress as I know, I used to—

Mr. PASSMAN: You are better.

Mr. HABIB: I am ducking.

Mr. PASSMAN: You are to.

Mr. HABIB: I am for price for a long time.

Mr. PASSMAN: There is a room also interested in selling.

Mr. HABIB: I didn't see him going over.

Mr. PASSMAN: I personally

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Mr. PASSMAN: Have you sold any military assistance from any government excess equipment or in 1975?

secretary Habib to  
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re public debt is now

s military aid?

Mr. HART. I think that you are only opening your mind. You  
are absolutely right. The requirement for economic assistance is as  
important given the nature of the debt there and what has happened  
to it. It is basically right now, too.

Mr. PASSMAN. The lifting of the ceilings requested would almost in-  
evitably be devoted to the provision of food, am I correct?

Mr. HART. That is correct.

KOREA

Mr. PASSMAN. You know it has been my privilege to chair this com-  
mittee for some 21 years. I have been out to the field. Last many, many  
times I and some of our recipients of aid are very appreciative. As I  
look at Korea, those people are determined to reciprocate as far as  
possible regarding our generosity of the past and they are spending a  
lot of money in this country.

Korea wanted to purchase 210,000 tons of rice for cash with no gov-  
ernment financing whatsoever and I encouraged this purchase from our  
country. They purchased that rice from our country and paid \$8 more  
per ton for the rice in the United States than if they had bought it from  
Thailand.

Of course U.S. rice is a better quality.

SELLING AMERICAN COMMODITIES ABROAD

Is there anything particularly wrong with a member of Congress  
going abroad and encouraging cash business if it is available?

Mr. HART. Mr. Chairman, you take a bureaucrat like me and try to  
get him to judge a Congressman?

Mr. PASSMAN. No, no, don't judge me, but is there anything wrong?

Mr. HART. We are used to being judged by Congress, not judging.

Mr. PASSMAN. Is there anything wrong with selling American  
commodities for cash?

Mr. HART. No, sir, the promotion of American exports is as much an  
interest of the Congress as it is of the bureaucracy like myself. As you  
know, I used to—

Mr. PASSMAN. You are being just a little bit evasive.

Mr. HART. I am ducking all over the place. I will admit it.

Mr. PASSMAN. You are for selling U.S. commodities yourself.

Mr. HART. I am for promoting American exports, and I have been  
for the longest time.

Mr. PASSMAN. There is a man by the name of Mr. Leggett in this  
room also interested in selling rice.

Mr. HART. I didn't see him. He comes from another great rice grow-  
ing area.

Mr. PASSMAN. I personally don't believe it is wrong.

ADDITIONAL AID

Mr. PASSMAN. Have you or do you plan to provide Cambodia with  
military assistance from any other source other than the MAP pro-  
gram excess equipment or the drawdown authority during fiscal year  
1975?

General Fiser: Yes. In addition to the MAP program excess equipment and drawdown authority we are providing \$16 million for military pay and allowances of U.S. military equipment delivery team personnel in Cambodia \$1 million for military pay and allowances of U.S. personnel engaged in maintaining the U.S. aircraft being used by Bird Air Co. and \$11.3 million of redistributable MAP property no longer required by other MAP recipients. These amounts are not charged to the MAP appropriation but are charged against the legislative ceiling for Cambodia.

USE OF FUNDS

Mr. Passman: Could you tell the committee what the money that is obligated in fiscal year 1975 for military assistance to Cambodia has been used for in detail?

General Fiser: Yes, sir.  
[The information follows.]

*Fiscal year 1975 Cambodia military assistance program as of Feb. 1, 1975*

Total .....	\$29,577
Aircraft (including spares).....	2,197
Ships (including spares).....	2,411
Vehicles and weapons (including spares).....	4,000
Ammunition .....	149,168
Communication equipment and supplies.....	600
Other equipment and supplies .....	17,280
Construction .....	710
Repair and rehabilitation of equipment.....	8,260
Supply operations.....	51,000
Training .....	1,578
Technical assistance .....	1,701
Administrative (MIDIPO) costs <sup>1</sup> .....	1,701
Redistributable MAP material <sup>2</sup> .....	(1,205)
Overseas excess defense articles <sup>3</sup> .....	(511)

<sup>1</sup>Chargeable to Cambodia column, but not to MAP appropriation.

MILITARY SITUATION

Mr. Passman: What is the present military situation in Cambodia? Does it appear this country can survive the Communist onslaught?

General Fiser: The enemy dry season offensive which began on January 1, 1975, has for the most part been contained in the sectors around Phnom Penh. However, government forces have been unable to gain the upper hand and some major units, particularly the 7th Division manning the city's northwest sector, have been hard pressed.

From footholds near the city, insurgent gunners have launched almost daily attacks by firing 120mm Phnom Penh and Pochantong Artillery. The continuous enemy pressure could precipitate an exodus of foreigners from the country.

The enemy has achieved significant success in Cambodia east to include the Mekong River. Escapes are that as many as 100,000 refugees are estimated to have used this vital supply route. Critical oil outputs to Cambodia could become government forces have been unable to conduct defensive operations around Phnom Penh and to successfully protect Mekong positions. As a result, Communist forces

have dug in troops and held a guntlet along the Mekong riverment convoy operations.

Despite heavy losses, government forces have succeeded around Phnom Penh in inflicting troops. However, government forces have been unable to clean and secure fighting and losses have within government offensive efforts required to defend obtain replacements for the Communist onslaught situated quickly and rede Logistic support is essential quite stocks of ammunition.

OFFIC

Mr. Passman: When will Cambodia run out?

General Fiser: Within the essential requirements can unexpected requirements of on-site obligations of on-site capability is quite limited to fulfill requirements by the on order.

Mr. Passman: How many are in Cambodia?

General Fiser: The official number is 200 persons. The present as of 8 January 1975

- Defense attaché.....
- Military security guard.....
- Military equipment delivery team.....
- USAFID, Port Mgmt. Admin. Staff.....
- Civilian personnel.....
- Civilian direct hire.....

Mr. Passman: What is the present situation in Cambodia?  
General Fiser: Sir, with Cambodia.

NO COPY

Mr. Passman: Does the United States have any legal commitment to Cambodia?

Mr. Fiser: The United States has a commitment

operational excess equipment worth \$16 million for equipment delivery, pay and allowance. U.S. military equipment under the MAP program. These amounts are charged against the

of the money transferred to Cambodia.

as of 1 Feb 1975

-----	8,791,777
-----	2,195
-----	2,121
-----	4,040
-----	149,168
-----	636
-----	17,290
-----	11
-----	8,269
-----	51,000
-----	1,778
-----	1,701
-----	1,701
-----	(1,305)
-----	(511)

tion

uation in Cambodia? Communist onslaught? Since which began in the sectors have been unable particularly the 7th Division have been hard pressed. Penh and Pochentong precipitate an exodus.

major effort to maintain as many as 41 but supply route. Isolated forces have been Phnom Penh and similar Communist forces.

covering troops and a few operations to control the continuous damage along the Mekong and heavy losses to government operations.

Despite heavy losses, government forces have given a good account in Laos. They have succeeded in holding the Communists at bay around Phnom Penh, inflicting losses to the enemy in excess of 8,000 troops. However, government forces have been unsuccessful in attempts thus far to clear and secure the banks of the Mekong and continuous fighting and losses have weakened some of the major units. In addition, government offensive thrusts have been limited because of the efforts required to defend Phnom Penh. Steps are being taken to obtain replacements for units, especially hard pressed. To survive the Communist onslaught, government forces will have to be reconstituted quickly and redeploy for operations along the Mekong. Logistic support is essential, especially the continued supply of adequate stocks of ammunition.

OBIGATION OF ALL FUNDS

Mr. PASSMAN: When will the present funds for military assistance for Cambodia run out?

General FISH: Within the next few days all funds will be obligated. Essential requirements can only then be met from the pipeline, and if unexpected requirements arise, such as a need to increase contract airlift, deobligations of on-order stocks will be necessary. However, the capability is quite limited to obtain significant financing for emergency airlift requirements by deobligating funds now applied against stocks on order.

U.S. PERSONNEL

Mr. PASSMAN: How many and what type of U.S. personnel are located in Cambodia?

General FISH: The official U.S. presence in Cambodia is limited by law to 200 persons. The following U.S. personnel were physically present as of 8 January 1975:

Defense Attache.....	18
Marine security guards.....	11
Military equipment delivery team.....	67
Contract air communications.....	7
USARP (Civil Aid Administration).....	24
Contract air personnel.....	8
Civilian contractors.....	60
	<u>196</u>

PIPELINE

Mr. PASSMAN: What is the undelivered amount in the pipeline presently credited to Cambodia?

General FISH: Sir, we have \$42 million in the delivery pipeline for Cambodia.

NO COMMITMENT TO CAMBODIA

Mr. PASSMAN: Does the United States have a formal treaty with Cambodia or any legal commitment to provide aid?

Mr. HARR: The United States has no formal treaty with Cambodia or any legal commitment to provide aid of any sort.

## PEACE NEGOTIATIONS

Mr. PASSMAN. Are any peace negotiations in the works at the moment?

Mr. HABIB. There are no peace negotiations underway at the moment. The Cambodians themselves have tried for years and continue to try to enter into negotiations with their opponents. They have received nothing but rebuffs. Our own efforts have, to date, been equally unsuccessful despite our support for the Khmer attempts, the UNGA resolution, and certain contacts we have had. We are, nevertheless, actively and urgently continuing our efforts to get negotiations underway.

## OUTLAYS

Mr. PASSMAN. General Fish, I share my colleague's concern on this question. For the benefit of the committee, would you explain more fully just what is meant by the statement that the proposal will not increase 1975 outlays.

General FISH. Yes, sir. As background, the requirements for Vietnam are financed with funds appropriated under the title "Military Assistance, South Vietnamese Forces"; those for Cambodia under the title "Military Assistance." By law, the procedure in obligating these funds is to place orders for materiel—primarily ammunition and POL—on the military departments, obligating "Military Assistance, South Vietnamese Forces" funds or "Military Assistance" funds, as appropriate. The military departments furnish materiel out of nearest available stocks. The funds obligated for materiel ordered are paid to the military departments' appropriations which originally financed the materiel where they are treated as collections. Net U.S. Government outlays are not immediately affected by these transactions. Later, as the military departments procure replacement items, the military department procurement appropriations will make outlays in payments to contractors. At this point, net U.S. Government outlays will be increased; however, since the outlays generally lag obligations by several months, or sometimes longer, the supplement funds should not result in outlays prior to June 30, 1975.

Mr. PASSMAN. This budget amendment will also require an authorization, will it not?

General FISH. Yes, sir; it will.

## LAND CONTROL

Mr. PASSMAN. What percentage of the land area and people in Cambodia are under the control or influence of the Communist forces?

Mr. HABIB. It is not possible to give precise figures of land and people in Cambodia under the control or influence of the Communist forces. Our best estimates are that some 80 percent of the land and 35 to 40 percent of the population is not under Government control. We put it this way since there are large sectors of the country which are occupied by neither side. It is to be noted that there are considerable areas along the entire length of the Cambodian-South Vietnamese border which are occupied and controlled by the North Vietnamese and Vietcong.

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Mr. PASSMAN. The original Cambodia in fiscal year 1973 \$200 million that has been in drawdown authority, and new revised total for military are you asking for this \$ request?

General FISH. The fiscal year Cambodia as outlined in the congressional \$362,500,000 MAP and \$27.5 billion of \$390 million.

Projected ammunition cost request was submitted, \$345,514,000 and is almost \$8 million program (excluding \$46,500,000 results from consumption in fiscal year 1974).

The heavy impact of inflation supply operations originally \$51 million of the current availability of the addition for fiscal year 1975 are estimated 500,000 over the original estimate.

In summary, the revised amount to an increase of \$100 million above the original request for Cambodia.

## REPLENISH

Mr. PASSMAN. In fiscal year authority under section 506, do you ever plan to ask for a supplement used in this drawdown?

Also, by not replenishing, are we depriving our own defense?

General FISH. No, we do not replenish the defense stocks. The \$250 million used in the fiscal year 1976 budget when Congress appropriate appropriations will be reimbursed.

Mr. PASSMAN. Is there still and explain what is being diverted from intended uses?

Also, what type of controls?

Mr. HABIB. Not uniquely, it is endemic and low level, involving small merchants by soldiers.

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Mr. PASSMAN: The original budget request for military assistance to Cambodia in fiscal year 1975 was \$362,000,000. But if you consider the \$200 million that has been obligated in MAP already, the \$77 million withdrawal authority, and the \$222 million budget reduction, the new revised total for military assistance comes to \$497 million. Why are you asking for this \$135 million increase above the original request?

General FISH: The fiscal year 1975 administration request for Cambodia as of 1974 in the congressional presentation document includes \$362,000,000 MAP and \$27,500,000 supply operations for a total program of \$390 million.

Projected ammunition costs were \$20,000,000. Since the administration request was submitted, the ammunition costs have been revised to \$35,000,000 and is almost 80 percent of the presently proposed \$497 million program (excluding supply operations). This increase of \$16,500,000 results from both rising costs and slightly higher total consumption in fiscal year 1975.

The heavy impact of inflation is further revealed in the fact that supply operations originally estimated at \$27,000,000 now account for \$31 million of the currently funded smaller programs. Assuming availability of the additional \$222 million total supply operations for fiscal year 1975 are estimated at \$76 million, an increase of \$49,000,000 over the original estimate of \$27,500,000.

In summary, the revised ammunition and supply operations costs amount to an increase of \$96 million and account for most of the increase above the original request of \$390 million for military assistance for Cambodia.

REFRESHMENT OF DRAWDOWN

Mr. PASSMAN: In fiscal year 1974 you used \$250,000,000 in drawdown authority under section 506 for military assistance to Cambodia. Do you ever plan to ask for a supplemental to replenish the defense stocks used in this drawdown?

Also, by not replenishing these stocks, does that have the effect of depriving our own defense forces of needed equipment?

General FISH: No, we do not plan to ask for a supplemental to replenish the defense stocks used in this drawdown. We are requesting the \$250 million used in fiscal year 1974 drawdown authority in the fiscal year 1976 budget which has been delivered to the Congress. When Congress appropriates this \$250 million, the military departments will be reimbursed.

CORRUPTION

Mr. PASSMAN: Is there still widespread corruption in Cambodia and explain what is being done to insure U.S. funds are not being diverted from intended uses?

Also, what type of controls do we have over U.S. funds?

Mr. HARR: Not uniquely, corruption does exist in Cambodia. Much is endemic and low level involving minor theft, pilferage, shakedown of small merchants by soldiers, and the like. There have also been re-

ports of corruption at higher levels, one of the most widely alleged being the example of so-called phantom soldiers; that is, soldiers for whom military commanders received funding allocations but who do not actually exist.

The GKR, with strong U.S. encouragement, has introduced measures to curtail all forms of corruption, to make it less profitable and more difficult and to stiffen penalties for it. These measures include:

- A central military payroll system designed to help eliminate the possibility of funding allocations for nonexistent troops.
- The institution of frequent devaluations of the exchange rate in pace with the rate of inflation: (the politically difficult step virtually eliminates the incentive for collusion between importers and suppliers to over- and under-invoice commodity procurement).
- A major budgetary improvement program in order to achieve greater control over military expenditures.
- The arrest of officials allegedly implicated in the diversion of aviation gasoline.
- Successive decreases in military payroll strength levels.

The above measures deal principally with internal corruption associated with local currency, not directly associated with the commodities financed by U.S. aid. Regarding these commodities, a strict system of program monitoring and controls is in effect.

With respect to the second part of the question, measures instituted to insure that U.S. funds are not diverted from their intended use include the following:

- Supplying no funds, only commodities and services, for the bulk of the program.
- Maintenance of a realistic exchange rate which minimizes incentives for collusion in the allocation of scarce foreign exchange.
- For the exchange support fund, hiring of an ESF manager, an independent auditing firm (Price Waterhouse), and an independent import verification firm (Société Generale de Surveillance). Also, maintaining a list of commodities ineligible for importation with ESF funds.
- For the Cambodia commodity import program, the following safeguards are used:

(a) Approval of commodity eligibility by AID/W prior to financing.

(b) Approval of price for most commodities by detailed price review by AID/W prior to financing. Commodities not receiving a prior review are subject to a post audit.

(c) Arrival accounting in order to reconcile receipts against original shipments.

(d) Frequent AID audits concentrated in sensitive commodity areas.

(e) Selective end-use checks.

(f) Systematic screening of all letters of credit allowing AID intervention in any transactions suspected of irregularities.

For the refugee program, a deliberate decision was made to grant dollar funds required directly to registered United States and international voluntary agencies, rather than through local government channels. Program monitoring is accomplished by the voluntary agencies under the review of the USAID refugee office and is subject to AID's auditing and review.

--End use audits of commodities by AID audits

--Inspections by the General Accounting Office

A recent review of about 1 percent—ply lines through ene

Mr. PASSMAN. Can you provide a greater degree of control over the

General FISHER. Signifying the fact that Cambodia is engaged in a desperate struggle for ammunition management.

Mr. PASSMAN. How does this compare to the South Vietnam?

General FISHER. The expenditure rate per intensity of combat involved is greater in Cambodian expenditure on artillery and mortar.

Mr. PASSMAN. Do you think the Cambodian ammunition management in these desperate circumstances is as effective as it is in South Vietnam where it is difficult to

Mr. PASSMAN. Will you be able to produce peace negotiations?

Mr. HARBO. We have had peace negotiations, but they would not prevent the destruction of the country. That continued U.S. commitment to defend itself cannot win and must

Mr. PASSMAN. Is there any hope for Phnom Penh in light of this?

General FISHER. It is open. Also, some of the

Mr. PASSMAN. How is it reaching the Cambodians?

-Find use a lot of AID in Public Law 480 in direct contribution by AID audits.

-Inspected by the Inspector General of the Department of the General Accounting Office.

A recent review of USDA's rice receipts at a loss rate for rice of about 1 percent - a very low rate for a tropical country with long supply lines through enemy territory.

USE OF AMMUNITION

Mr. PASSMAN: Could the Cambodians economize in the use of the defensive supplies provided by the United States, such as ammunition, to a greater degree?

General FISH: Significant economies have been effected, in spite of the fact that Cambodia is an underdeveloped country engaged in a desperate struggle for survival. In late September, 1974, a meaningful ammunition management system was established.

Mr. PASSMAN: How does their ammunition expenditure rate compare to the South Vietnamese and United States when we operated in Vietnam?

General FISH: The expenditure rate per weapon is higher than the expenditure rate per weapon for South Vietnamese forces but the intensity of combat in relation to the relative size of the forces involved is greater in Cambodia. As compared with US forces, the Cambodian expenditure rate is higher for small arms but lower for artillery and mortars.

Mr. PASSMAN: Do they waste a great deal of ammunition?

General FISH: While Cambodia has made significant progress in its ammunition management system, it is probable that under the present desperate circumstances the Cambodian forces are not achieving maximum effectiveness in the use of ammunition. The reasons vary but include the fact that much fighting is taking place in isolated enclaves where it is difficult to exercise careful centralized control.

PEACE POSSIBILITIES

Mr. PASSMAN: What proof do we have that continued fighting will produce peace negotiations since it has not worked so far?

Mr. HARR: We have no proof that continued fighting will produce peace negotiations. However, it is obvious that cessation of US assistance would not produce negotiations but merely the collapse and destruction of the legitimate government of Cambodia. We do believe that continued US aid provided to enable the Cambodian Government to defend itself will eventually convince the insurgents that they cannot win and must negotiate.

U.S. SUPPLIES

Mr. PASSMAN: How do you propose to get the US supplies to Phnom Penh in light of the latest problems facing the river convoys?

General FISH: Efforts will continue to be made to keep the Mekong open. Also, some critical items will be moved by contract airlift.

Mr. PASSMAN: How much US supplies have been destroyed before reaching the Cambodians?

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General EISEN: Since August 1973, approximately 1256 tons of ammunition have been lost.

Mr. PASSMAN: What roles are U.S. personnel, civilian and military, presently engaged in or on behalf of Cambodia and is the U.S. military conducting reconnaissance flights or any other military related activity in or over or from off the shores of Southeast Asia?

If so, please indicate the specific areas and indicate if this could be considered a violation of present U.S. law.

Mr. HABIB: U.S. personnel concerned with Cambodia perform a variety of tasks, some normal Embassy functions and others specifically connected with military and economic assistance to Cambodia. The civilians are career Foreign Service and AID personnel. The military are attaches and members of the military equipment delivery team. There are no advisors in Cambodia.

(a) The United States does conduct unarmed reconnaissance flights.

(1) The flights are conducted over both Cambodia and South Vietnam.

(c) This is not a violation of U.S. law. On August 3, 1973, the Department of Defense issued a press release in which were given permissible and prohibited activities in, over or off the shores of Cambodia. Among the permissible activities were unarmed reconnaissance flights for the purpose of getting intelligence.

On August 3, 1973, in comments to the press after an appearance in Congress, Admiral Moorer, Chairman of the Joint Chiefs of Staff, expressed the view that unarmed reconnaissance could be conducted over Cambodia because it was not a combat activity and, in view of our ongoing MAP program in the country, there was a need to know what the enemy was doing.

On August 10, 1973, Major General James, Deputy Assistant Secretary of Defense—Public Affairs—mentioned that some unarmed reconnaissance flights were being flown over Cambodia. This was again reiterated by Mr. Friedman on June 4, 1974, when the question was raised again at another news briefing.

Mr. PASSMAN: Mr. Shriver?

#### STUDY OF MILITARY REQUIREMENTS

Mr. SHRIVER: Thank you, Mr. Chairman.

During the hearings last June, Mr. Vest told us there was a study in progress at that time regarding Cambodia's military assistance requirements for the next years, and that a copy of the study would be furnished to the committee.

Was that ever done? Did we ever get it?

Mr. HABIB: I am sorry, but I will have to ask you that. I wasn't here. I only took this out last fall.

Oh, yes, the Secretary of Defense provided the Congress with a confidential letter, probably signed by me, setting forth his projection into the future. That should be available to the committee, but that was --

Mr. SHRIVER: You didn't tell me what the projection was.

Mr. HABIB: I could try to give you a summary.

Mr. SHRIVER: Do we have  
Mr. HABIB: No, sir.

Mr. SHRIVER: The President and the one for Vietnam, a need to up-aid the credibility countries which might be hit.

The argument seems to be attempts to furnish the arms, we can be counted on in other

Would you go the next of Middle East?

Mr. HABIB: I think what ways had in mind when the globally applicable, yes, sir.

Mr. SHRIVER: So would the

Mr. HABIB: Yes, sir. I think understanding that it is global.

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Mr. SHRIVER: How much inflation?

Mr. HABIB: Do you have a

General EISEN: Yes, sir, all on the inflation factors that percent for ammunition. If you know we are required a the ceiling, so U.S. personnel cent, and all other inflation, ammunition, and the transport, so in real terms we are parison with former years.

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Mr. SHRIVER: One of the it do you get that?

General EISEN: It is all of Singapore primarily.

AMERICAN

Mr. SHRIVER: Many of us, in site, are concerned about who are still classified as in

Mr. HABIB: Yes, sir.

Mr. SHRIVER: I presume that

Mr. HABIB: No. Contrary to refused to provide us with that provide us with regard to that

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## U.S. AID TO

Mr. SHAWVER: Do we have any U.S. advisers now in Cambodia?

Mr. HARRIS: No.

## U.S. CREDIT

Mr. SHAWVER: The President's message to Congress on this request of credit for Vietnam and your statements here today stress the need to uphold the credibility of the United States and other friendly countries which might be faced with similar aggression.

The argument seems to be that if we don't come through on agreements to furnish the arms for these countries to defend themselves we can't be counted on in other conflicts.

Would you go the next step and relate that to the situation in the Middle East?

Mr. HARRIS: I think what the President and the Secretary have always had in mind when they have made those statements is that it is globally applicable, yes, sir.

Mr. SHAWVER: So would the same thing for instance relate to Israel?

Mr. HARRIS: Yes, sir. I think they have had that in mind. That is my understanding that it is globally applicable.

## INFLATION FACTORS

Mr. SHAWVER: How much of this request is necessary because of inflation?

Mr. HARRIS: Do you have any estimate on that, General?

General FISHER: Yes, sir, about 30 percent. We do have some figures on the inflation factors that are involved. They are on the order of 30 percent for ammunition. Transportation has been about 40 percent. You know, we are required also to charge administrative costs against the contract, so U.S. personnel pay has also been inflated by about 6 percent and all other inflation about 10 percent. The big items are the ammunition and the transportation and that is 30 percent and 40 percent, so in real terms we are not buying as much in dollar value comparison with former years.

## OIL SUPPLIES

Mr. SHAWVER: One of the items which was mentioned was oil. Where do you get that?

General FISHER: It is all offshore, sir, not from the United States. Some of it is primarily

## AMERICANS MISSING IN ACTION

Mr. SHAWVER: Many of us in the Congress and over the country I am sure are concerned about the thousands of families with loved ones who are still classified as missing in action in Southeast Asia.

Mr. HARRIS: Yes, sir.

Mr. SHAWVER: I presume there is still no cooperation coming from Hanoi.

Mr. HARRIS: No. Contrary to the terms of the agreement they have refused to provide us with the information which they contracted to provide us with regard to the missing in action. This is of course

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something which the Congress has expressed a great deal of interest in and the administration has pursued through every avenue and will continue to pursue until we get a proper accounting of those men.

Mr. STRIVER: And if South Vietnam and Cambodia were allowed to fall to military pressure from Hanoi, how would you judge our chances of ever finding out anything about those men?

Mr. HAYES: I would consider them diminished. Insofar as the agreement is not observed they are increasingly diminished, the chances are

## CORRUPTION

Mr. STRIVER: We keep hearing from some constituents who are opposed to our involvement in Southeast Asia that the government in South Vietnam is corrupt, a dictatorship. I think likewise as Cambodia is related to this situation, that maybe there should be something specific in the record relative to corruption that may exist either in Cambodia or in South Vietnam.

Mr. HAYES: Mr. Congressman, again in all frankness and in an attempt to be completely forthcoming with this committee, it would not be my intention to tell the committee and to tell you that there isn't any corruption or there isn't any diversion, but I would say this: that in my experience and knowledge of the area, neither the corruption nor the diversion has ever taken away in any way from the continued and reaffirmed desire of the people involved not to accept the domination of those who may have been opposing them.

Now I can't put a figure on corruption, I can't put a figure on diversion. My guess is it is probably less than we fear and in a total lot more than we would desire.

## U.N. RESOLUTION ON NEGOTIATIONS

Mr. STRIVER: The United Nations General Assembly passed a resolution calling for early negotiations among the Cambodians. What has been the effect of that resolution?

Mr. HAYES: The U.N.G.A. resolution calling for early negotiations among Cambodians and requesting the Secretary General to use his good offices has produced the following results to date: The PRC permanent representative in New York called the resolution a "setup on paper" at the end of the debate. President Lon Nol of Cambodia immediately welcomed the resolution and invited the Secretary General to visit Phnom Penh and to go anywhere he wished in the Government-controlled areas. Sam Rongy rejected the idea of the Secretary General's visit to Peking, if he should go to Phnom Penh. The Secretary General has initiated some preliminary contacts but has stated that he could not do anything unless he was asked to by both sides. The United States voted for it and has expressed full support for the resolution. Although the effect of the resolution has not yet been measurable, we considered it helpful as a possible step toward a resolution and because for the first time the U.N. is directly involved in Southeast Asia negotiations.

Mr. STRIVER: Would you food assistance to Cambodia is up to the authorizing com-

Mr. HAYES: Cambodia is less than one-third of production of a rice exporte dependent on the United States for other critical imports. level of U.S. rice import the current obligational ceiling 211,000 tons. This is sufficient even at sharply reduced output rice in July 1975. The the GFR for the July to the gap. Cambodian come 1975 U.S. crop rice estimate of December. Thus additional at least 100,000 to tons of wheat must be provided a minimum 1-month reserve food. Cambodia has received only calendar year 1974 rice to its rice requirements required for minimum 1975 million ceiling leaves no rice and wheat to fill these

Economic and Public moderate rice needs we consider the Cambodia reduction of the ceiling for P at the expense of AID ceiling, or exempting for the additional rice (95 tons) to meet the essential and also permit the \$15 per cent ceiling to be used for oleum machinery and support freight movement.

## INQUIRY

Mr. STRIVER: Mr. Hayes, who is and who is not a American or then required from each of those several violations record a more detailed period since the signature presented in such a way as to not constitute

Mr. HAYES: Follow-

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MR. SULLIVAN: Would you describe further the need for additional food assistance to Cambodia? How much are you talking about? What is up to the million in commitments is that?

MR. HARRIS: Cambodia's agricultural production is largely rice, now less than one-third of previous levels. The country's status has gone from that of a rice exporter to a massive rice importer and making her dependent on the United States for two-thirds of her rice supply and for other critical imports needed for survival. The absolute minimum level of U.S. rice imports required this year is 311,000 tons. Under the current obligational ceiling, we have been able to purchase only 211,000 tons. This is sufficient to carry Cambodia only through June even at sharply reduced distribution levels. This leaves the GKR without rice in July 1975. There are no other rice resources available to the GKR for the July to December period. Other donors cannot fill the gap. Cambodian domestic production will remain insufficient, and 1975 U.S. rice crop will not arrive in Cambodia until late November or December. Thus, additional ceiling relief for food purchases including at least 103,000 tons from the current U.S. rice crop and 31,000 tons of wheat must be provided now to avert supply gaps and provide a minimum 1-month reserve of rice in the critical July-December period. Cambodia has received no wheat or wheat flour imports since early calendar year 1974. This commodity is needed as a food supplement to its rice requirements. In view of the essential obligations required for military assistance and IPR cost, the balance of the \$377 million ceiling leaves no room for the purchase of the additional rice and wheat to fill these needs.

Economic and Public Law 480 and are interrelated. Because of immediate rice needs, we already have used \$155 million of authority under the Cambodia economic aid/Public Law 480 \$377 million portion of the ceiling for Public Law 480 rice purchases that were made at the expense of AID funded commodity import funds. Lifting the ceiling or exempting food aid from it will permit the purchase of the additional rice (at least 103,000 tons) and wheat (up to 31,000 tons) to meet the essential food requirements of the Khmer population, and also permit the \$155 million in AID funds, impounded by the present ceiling to be used for other critically needed goods such as petroleum, machinery, and raw materials as well as to provide funds to support freight movement costs.

#### REQUIREMENTS UNDER THE PARIS ACCORDS

MR. SULLIVAN: Mr. Harris, you commented in your statement about who is and who is not abiding by the Paris records. I don't think many Americans or their representatives in Congress know just what is required from each of the parties in those records. You have mentioned several violations by Hanoi, but would you provide for the record a more detailed listing of those requirements and what has happened since the signing of the agreement? I would hope this would be presented in such a way which would be useful and understandable to us and to our constituents.

MR. HARRIS: Following is a list of the major violations of the Paris

agreement by North Vietnam and the Provisional Revolutionary Government (Vietcong):

The North Vietnamese have sent more than 170,000 troops into the South, resulting in a buildup of their main force army in the South from about 160,000 at the time of the agreement to about 230,000 now, despite the tens of thousands of casualties they have suffered in the continued fighting and the rotation of some of their troops back to the North. Moreover, the rate of this infiltration has escalated in the past few months. The most recent development in this regard is the movement of the North Vietnamese Army's 968th Division, which had been operating in southern Laos for several years, into the Central Highlands of South Vietnam during December and January. Since the earlier infiltration had been in regimental or smaller size units and as replacements, the movement of the 968th marks the first time since the agreement that an entire division has entered the South as a unit.

The North Vietnamese have sent vast amounts of armament and military supplies into the South, well in excess of the one-for-one replacement level permitted by the agreement. Consequently, the number of their armored vehicles has tripled; their field artillery strength has increased more than 50 percent; their antiaircraft artillery strength has more than doubled; and their armament stockpiles have grown to the point that they could sustain an offensive on the scale of 1972 for over a year without further replenishment.

In Laos, Cambodia, and the defilitarized zone, the North Vietnamese have improved their military logistics systems and base areas; and they clearly continue to make use of Laos, Cambodia, and the DMZ to carry out their aggression against South Vietnam.

The PRG has refused to deploy its personnel to the joint teams which under the agreement were to oversee the cease-fire.

Both North Vietnam and the PRG have refused to pay their prescribed share of the expenses of the International Commission of Control and Supervision.

The Communists have not only failed to cooperate in resolving the status of American and other personnel missing in action, they have actively obstructed United States and South Vietnamese efforts to do so—in December 1973, for example, they ambushed an unarmed United States-South Vietnamese team searching for the bodies of missing Americans, resulting in the death of one American and one South Vietnamese. Moreover, since June 1971, the North Vietnamese and PRG have broken off all negotiations on MIA's by refusing to meet with United States and South Vietnamese representatives in the four-party joint military team.

The PRG in May 1973 broke off all negotiations with the South Vietnamese Government on the political negotiations in Paris, and the Communists have consistently refused to participate in the talks mandated by the agreement. The Government has repeatedly called for a truce to permit resumption of these negotiations. In the past, it has answered these calls with demands for the Government's cooperation in a cease-fire or for a renewed talks.

The North Vietnamese have rejected out of hand specific South Vietnamese offers to begin the direct North-South negotiations called for

The PRG has rejected the Government's offer to begin the direct North-South negotiations called for in the agreement.

At the time the agreement was signed, the Government was conducting a large-scale offensive as possible before it returned to a level of fighting was sustained. Communist forces have not only refused to accept the pressure, and as the month progressed, they have moved substantially. In November, they launched a large-scale offensive in Quang Tri, the heaviest concentrated fighting since the agreement. Also in late 1973, they seized several South Vietnamese towns such as Tong Lo Chau in Quang Tri, and they have continued to pressure still further in regional offensives, most notably in the Ben Cat-Duc area southwest of Hue, their most serious attack since the agreement. The North Vietnamese Government indicates that the Communist forces will continue to move further in the coming months.

Mr. SURIVER. The only work in Laos, I wonder that very poor country, to do it, I suppose it is how you can create that.

Mr. HARRIS. As you have an effective cease-fire in part to the circumstances in Vietnam and Cambodia have always recognized. Minister is acceptable fighting of the past few days a representative here, there was, of course something which is in with the Khmer Rouge and desire of the support and reach its effect. Since now, regrettably, yet opposition forces in those

Revolutionary Council

000 troops into the army in the South about 20,000 now suffered in the con- troops back to the ediated in the past egard is the move- on which had been the Central High family. Since the y size units and as first time since the uth as a unit.

of movement and of the one-for-one equal. The num- l artillery strength aircraft artillery nt stockpiles have nsive on the scale of the North Vietna- is and base areas dia and the DMZ

o the joint terms fire to pay their pre- mission of Con-

e in resolving the action they have mesc efforts to do unarmed United oches of missing n and one South Vietnamese and refusing to meet tives in the form

s with the South in Paris and the ron--which were eatedly called for he other side his nent's overthrow

acific South Viet- tions called for

The RGV has rejected several specific proposals by the South Viet- nese Government to hold the internationally supervised elections specified in the agreement.

At the time the agreement was signed the Communists were con- ducting a large-scale offensive to seize as much territory and popula- tion as possible before the cease-fire could take effect. Although the level of fighting was subsequently reduced, they reformed and re- trained their units and built up their armament and supplies. The Communist forces never ceased to maintain considerable military pressure, and as the months passed they began to escalate this pressure substantially. In November 1973, for example, they launched a divi- sion-size offensive in Quang Duc province which brought about the heaviest concentrated fighting of the post-agreement period up to that time. Also in late 1973 and the first part of 1974 they attacked and seized several South Vietnamese base camps in remote border areas such as Long Le Cham in western military region 5. They escalated the pressure still further in the summer and fall of 1974 with several regional offensives, most notable among which were multidivision thrusts in the Ben Cat area northwest of Saigon and in the Thuong Duc area southwest of Da Nang. And in early December they launched their most serious attacks thus far, seizing the entire Province of Phuoc Long (including its capital Song Be—the first Province capital to fall since Quang Tri was captured in the 1972 offensive) and bring- ing the level of casualties and destruction back up to what it was before the agreement. The North Vietnamese have now overrun 11 district capitals, all of which were indisputably under the control of the South Vietnamese Government at the time of the agreement. Our intelligence indicates that the Communists intend to intensify their attacks even further in the coming months.

#### SUCCESS IN LAOS

Mr. SMITH: The only place where negotiations have appeared to work in Laos. I wonder why that is—why they could get together in that very poor country when none of their neighbors seem to be able to do it. I suppose it is desire on both parts to do it, but I don't know how you can cite that desire. Would you comment?

Mr. HARRIS: As you have said, the only place where negotiations and an effective cease-fire have worked is Laos. We believe that this is due partly to the circumstances in Laos, which so much differed from those in Vietnam and Cambodia. First, there was the King whom both sides have always recognized. Then there has been the fact that the Prime Minister is acceptable and respected by both sides. Throughout the fighting of the past few years, it was also noteworthy that there was always a representative of the Pathet Lao in Vientiane itself. As you note, there was of course a desire for peace on both sides, but that is something which is hard to create, especially with Hanoi and with the Khmer Communists. Finally, we believe that willingness and desire of the supporters of both sides to see peace restored in Laos had a dominant effect. Similar resolve in Cambodia and South Vietnam do not, regrettably, yet seem to be shared by the supporters of the opposition forces in those nations.

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## MILITARY AID FROM CHINA AND RUSSIA

Mr. SHRIVER. General Fish, you mention Chinese and Soviet-supplied weapons being used by the insurgents in Cambodia. I thought we had sort of an informal understanding with China and Soviet Union that restraint in supplying such weapons would be maintained to keep the hostilities from interfering with our efforts toward détente. Have they sharply increased their military aid to Hanoi and other forces in Southeast Asia? Give some figures on that if you have them.

General FISH. There is no informal understanding with either China or the Soviet Union which would restrain the supply of weapons from these countries to the insurgents in Cambodia. With respect to quantities of military aid Hanoi or forces in Southeast Asia may be receiving from China or the Soviet Union, we cannot speak in precise terms because our knowledge about the exact quantities of military supplies and equipment are incomplete. Nevertheless, it is possible to deduce a meaningful military aid comparison by looking at the trends of the military situation in South Vietnam and Cambodia. We know empirically that Soviet and Chinese military aid to North Vietnam is adequate to allow Hanoi to carry out military actions in South Vietnam and Cambodia at about whatever scope and intensity it desires.

## NEED FOR SUCH A LARGE INCREASE

Mr. SHRIVER. According to your figures, Cambodia will run out of essential ammunition and other supplies completely in late March or early April. That is, they will use up the \$86 million worth of supplies that they now have available in a period of about 2 months. Yet you are requesting \$222 million for ammunition and supplies for the following 3 months. That would appear to represent a substantial increase in the rate of use—at least that is the way it looks on paper. Using your estimate of \$1.5 million used daily, it would seem they could get along until June 30—the end of the 1975 fiscal year—with about \$135 million—\$1.5 million times the 90 days from April 1 through June 30. Would you explain this?

General FISH. In addition to the \$1.5 million needed for daily ammunition and fuel costs, it is necessary to reestablish a 30-day stockpile of ammunition and fuel in Phnom Penh, to pay transportation costs, and to provide a small quantity of additional equipment needed to clear the Mekong riverbanks and replace combat losses. These additional factors increase the cost from \$135 million to \$222 million for the remainder of fiscal year 1975.

Mr. SHRIVER. When is the next rainy season in Cambodia?

General FISH. It will begin next May or June.

Mr. PASSMAN. Thank you, Mr. Shriver.

Mr. LONG?

## APPROPRIATED THIS EAR

Mr. LONG. Mr. Secretary, you say that we have given how much, approximately \$700 billion, for this year?

Mr. HAMB. That is the military budget for South Vietnam.

Mr. LONG. And how much for Cambodia?

Mr. HAMB. Cambodia so far on the military side?

Mr. LONG. Yes.

Mr. HAMB. Including the drawdown authority, it is \$275 million.

Mr. LONG. You say that give these extra appropriations used up, and they will be vying between now and the right?

Mr. HAMB. No, sir, that General Fish was saying at some point you could reach—

Mr. LONG. Except for an—  
Mr. HAMB. It depends on out, whether or not there is a situation, whether it is a few days.

Mr. PASSMAN. Didn't you—  
Mr. HAMB. Sixty.

Mr. LONG. Sixty days, at the beginning of the next fiscal year.

You said if we don't give the Cambodians will be left without this fiscal year, right?

Mr. HAMB. It could be a reaction projected, yes, sir.

## CONSE

Mr. LONG. Is it possible that—  
Mr. HAMB. They have done say, and they are hiring mercenaries, but there comes a time when they are under attack.

Mr. LONG. Is there any other—  
Mr. HAMB. Not substantially.

Mr. LONG. So they can eat—

Mr. HAMB. Not sufficient.

Mr. LONG. You say there is—

Mr. HAMB. Not to mention—

Mr. LONG. Would you say give them this money that—  
to defend themselves for the—

General FISH. That would—

## ADVIC

Mr. LONG. That would—  
did the U.S. Ambassador do the Cambodians so they would which Congress had authorized why did we fail to make that would carry throughout the—

Mr. HAMB. The Cambodians upon the appropriation by of it, and it was clear as provided.

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CHIEF OF STAFF

USSR

these and Soviet supplies in Cambodia. I thought that China and Soviet supplies could be maintained efforts toward detente to Hanoi and other that if you have them doing with either China supplies or weapons from North Vietnam to guarantee. Asia may be receiving work in precise terms because of military supplies is possible to determine at the trends of the world. We know equipment North Vietnam is additional in South Vietnam intensity of desires.

RUSSIA

anybody will run out of supplies in late March or April worth of supplies about 2 months. Yet you need supplies for the following a substantial way it looks on paper only it would seem they 1975 fiscal year—with 90 days from April 1

million needed for daily establish a 30-day stockpile to pay transportation for equipment needed combat losses. These additional to \$222 million for

in Cambodia?

AT

have given how much,

South Vietnam

aside?

only it is \$275 million

Mr. LOXCE: You say that it has been used up and that if we do not give these extra appropriations, all the shot and shell will have been used up and they will be virtually without ammo to carry on the fighting between now and the beginning of the next fiscal year—is that right?

Mr. HARRIS: No, sir, that's not quite what was said. I think what General Hays was saying was if you account for pipeline and time at some point you could reach—

Mr. LOXCE: Except for about 30 or 40 days.

Mr. HARRIS: It depends on the rate of utilization, as he also pointed out, whether or not there would be adjustments in the rate of utilization, whether it is a few days one way or the other.

Mr. PASSYAN: Didn't you say 60 days at the present rate?

Mr. HARRIS: Sixty.

Mr. LOXCE: Sixty days and we have 5 months left between now and the beginning of the next fiscal year.

You said if we don't give you this money, then you will be left the Cambodians will be left virtually without ammo for the last 3 months of this fiscal year, right?

Mr. HARRIS: It could reach that stage, yes, sir, at the rates of utilization projected, yes, sir.

CONSERVATION OF SUPPLIES

Mr. LOXCE: Is it possible that they can string out the fewer shots?

Mr. HARRIS: They have done so. They have been running it out, as they say, and they are firing much fewer shots in the very interests of conserving it, but there comes a limit to what you can conserve when you are under attack.

Mr. LOXCE: Is there any chance they can string that out?

Mr. HARRIS: Not substantially.

Mr. LOXCE: So they can carry through.

Mr. HARRIS: Not sufficiently substantially to mount an—

Mr. LOXCE: You say there is no chance at all.

Mr. HARRIS: No, sir, not in their lines, no, sir.

Mr. LOXCE: Would you say it is a virtual certainty that if we don't give them this money that they will be completely out of the ability to defend themselves for the last 3 months of the year?

General HARRIS: That would be our judgment.

ADVICE GIVEN CAMBODIANS

Mr. LOXCE: That would be your judgment. Tell me what advice did the U.S. Ambassador and defense attaché in Cambodia render to the Cambodians so they would not run out of military resistance items when Congress had authorized for this fiscal year? In other words, why did we fail to make them parcel out their shot and shell so it would carry throughout the whole year?

Mr. HARRIS: The Cambodians were well aware of the limits placed upon the appropriation by Congress. Our people made them aware of it and it was clear as to what could be bought with what was provided.

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Mr. LONG. Were they allowed to believe that they might get a supplemental appropriation?

Mr. HABIB. No, sir.

Mr. LONG. I know that in Congress it was said, "Don't worry too much about that cut. We will probably vote them some extra money somewhere along the line."

Mr. HABIB. No, sir. The rate of expenditure has been enforced by the rate of conflict.

## CONTROL OF AMMUNITION

Mr. LONG. So you say that they have no control really over how much ammunition they use.

Mr. HABIB. Not as long as they try to hold on. For example, when you try to open the river up, opening the river requires an expenditure of ammunition. If they want to open the river, and they have to, they have to expend the ammunition. At the same time there have been some substantial reductions in use, and I think you have some figures on that, haven't you, General?

General FISHER. Yes, sir. I would like to make a couple of quick comments and ask Mr. Habib to enlarge on them.

When it became clear that the funding level, as the dialog continued in the Congress, was going to be tight, very stringent measures were put into effect, and they were effective. Ammunition expenditures were reduced to about 270 short tons per day, but since the 1st of January, with the increased level of violence that the Ambassador has referred to, it has reached 570 short tons per day.

Last week, with the much heavier pressure, it reached 700 tons per day.

## AMMUNITION USE FORECAST

Our forecasts would say that, owing to the cyclical nature of this war, with the weather controlling some of the activity, May and June would be at a lower level of violence, in spite of what the enemy would like to do. A lower level would be forced upon them.

Mr. LONG. Because of the bad weather?

General FISHER. Yes; so we see it tapering off. A reasonably good figure would probably be on the order of 450 short tons a day in May with a still further reduction in June. Our estimates and our requests have taken those figures into account.

Mr. von Marbod. Do you have something to add?

Mr. von MAMMON. Dr. Long, as you know, our request for fiscal 1975 for military assistance to Cambodia totaled \$390 million. The Conte amendment which was enacted during the month of December reduced to a total of \$275 million the amount we could provide to that country. No encouragement was offered the Cambodians. The time-span since the ceiling was placed on military assistance to Cambodia is relatively short.

Mr. HABIB. I might add also if I could, sir, that the offensive in Cambodia really began on the 1st of January. It has only been running just a bit over a month.

w.

Mr. LONG. You are aw Department did report th ing ammunition?

Mr. HABIB. He also re some of the abuses which

Mr. LONG. When I was told that they just are st their guns off. It makes

Mr. HABIB. Feel safer.

Mr. LONG. Yes.

Has there been any ev situation has improved si

Mr. HABIB. Yes, sir. I h just last week. On a fu improvement along the li in their previous inspectic

## BASIS FOR

Mr. LONG. Does the est request here reflect the i of these suggestions for le

Mr. HABIB. As I unde to that, these estimates minimal requirements; an

General FISHER. Yes, sir.

Mr. HABIB. The earlier

General FISHER. We did- to be a level that would a one that would keep the Government forces to dis that.

Mr. HABIB. From what i

General FISHER. We reje

Mr. LONG. You didn't

Mr. HABIB. It is not t purpose is not to gain m ephemeral objective at th the military situation so h

## CAMBODIA

Mr. LONG. Admiral Mc request to this committee, a sense of urgency in deali

What evidence can you ment is valid or invalid at

Mr. HABIB. I would su

WASTE OF AMMUNITION

Mr. LONG: You've said that the Inspector General of the Security Department did report that the Cambodian Armed Forces were wasting ammunition?

Mr. HARR: He also reported, I believe, that they had collected some of the duds which he felt were necessary to be collected.

Mr. LONG: When I was in Phnom Penh a year ago, August, I was told that they just ate, shot and shell happily. They just love to shoot their guns off. It makes them feel better, feel more cheerful.

Mr. HARR: Feel safer.

QUESTIONS CONTINUED

Mr. LONG: Yes.

Was there been any evidence or documentation to show that the situation has improved since the Inspector General reported this waste?

Mr. HARR: Yes, sir. I had a conversation with the Inspector General just last week. On a further checkup, they discovered substantial improvement along the lines that they themselves had recommended in their previous inspection.

BASIS FOR SUPPLEMENTAL ESTIMATES

Mr. LONG: Does the estimate of your appropriations supplement I request here reflect the idea of what the Cambodians need in view of these suggestions for less waste in the use of ammunition?

Mr. HARR: As I understand it, and I will let General Fish speak to that, these estimates were based upon a calculation of sort of minimal requirements, am I correct?

General FISH: Yes, sir.

Mr. HARR: The earlier figures thrown around were a lot higher.

General FISH: We did—we made an estimate of what we considered to be a level that would allow an improved position rather than just one that would keep the situation under control. It would allow the Government forces to distinctly improve their situation. We rejected that.

Mr. HARR: From what it is at the moment?

General FISH: We rejected that for, as the Secretary said—

Mr. LONG: You didn't want to see them improve their position?

Mr. HARR: It is not that. The amounts are so great, our basic purpose is not to gain military victory which we would think is an operational objective at the moment. Our basic position is to stabilize the military situation so hopefully one can get a negotiated settlement.

CAMBODIAN SENSE OF URGENCY

Mr. LONG: Admiral Moorer, when he presented the 1975 fiscal year request to this committee, noted that the Cambodian forces still lack a sense of urgency in dealing with the enemy troops.

What evidence can you provide to indicate that the above statement is valid or invalid at the present time?

Mr. HARR: I would suppose one would take the casualty rates since the first of the year, which would indicate they have a new sense of urgency. They have been fighting quite a bit.

Mr. LONG: You think casualty rates are a reflection of urgency?

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Mr. HABIB. Are an indication of willingness to fight, yes, sir. They are the best indication I know of as to the level of conflict.

Mr. LONG. It would be in this country. Whether it would be in Cambodia, I don't know.

Mr. HABIB. I think it is there also. The description of what it takes to run a convoy up the river, in terms of preparation, landings along the bank of the river, running the convoy, supporting it, putting down the Marines and what-have-you to go in to clean the guns, the description of it would lead me to believe—and I have read the descriptions very carefully—would lead me to believe they have met your criteria in that regard.

## MILITARY ADVISERS

Mr. LONG. What advice have we given the Cambodians to increase their military effectiveness?

Mr. HABIB. We don't advise the Cambodians on how to increase their military effectiveness. In many ways these people know how to fight. They have had a lot of experience. We don't have any advisers with them. We do have, as you know, the Embassy which, with its small military team that supervises the movement, the delivery of the goods supplied under the military assistance program, but we have not been providing military advice to them. They know how to fight.

Mr. LONG. Of course they are fighting with our resources.

Mr. HABIB. Yes, sir.

Mr. LONG. That does make a difference.

Mr. HABIB. We are enjoined by an act of Congress from giving them advice.

Mr. LONG. Are military leaders ever, say, flown over to Thailand or Saigon to talk and confer with our own military people?

Mr. HABIB. Yes; I think so.

Mr. VON MARBON. We do conduct training in Thailand for the Khmer Army and Air Forces.

Mr. LONG. That is what I am talking about.

Mr. HABIB. I think there is that general kind of exchange.

Mr. LONG. I don't care whether they get the advice on Cambodian soil or somewhere else.

Mr. HABIB. I took it you meant advice with the Cambodian forces.

Mr. LONG. If they were getting that advice somewhere this might be a factor. I just wondered whether it has been effective at all in our trying to counsel them.

Mr. VON MARBON. Have we somebody to give the details of that? I think you deserve a detailed answer.

General FEAR. We have General Cleland from the Joint Staff who can help us, but the air force specifically has markedly improved its effectiveness during this last year. I will ask General Cleland to address that.

Do you have any comments?

General CUMMINS. Good to see you again, sir.

I was running quite a bit of delivery to the GKR when you were in Cambodia.

Mr. LONG. I thought you looked familiar.

General CLELAND. To answer your question, we do not advise in country. We do provide training to the Cambodians outside of country. The main example is the Cambodian Air Force. It started as a royal

flying club, and to be a member of the royal Air Force was employed upon.

However, in the past, the purchase of a new and different aircraft where they can and do be furnished by the U.S.

By this I mean they are providing the escort ground forces where the convoys were moving as previously provided.

They are doing this with aircraft, and the old C-119. They have made remarkable gains on the east side of country, and the remainder of the Khmer Army.

EF

Mr. LONG. I have heard that really doesn't kill anybody, same goes with most anybody, you really have combat.

Would you make any that is being conducted?

General CLELAND. Yes, they have greatly improved since we have established fire support units a few years ago. They have, at the moment, they sent their units to the United States and by turn trained the Khmer Army, providing additional training.

They did this all on their own. It is adjusted by forward

Mr. LONG. What can you tell me?

Mr. HABIB. The pay is not good.

Mr. LONG. It is not money on the basis of the number of people. Half or 60 percent of the money goes out to the people.

What can you tell me about the IG for the State?

General FEAR. This is a centralized pay system that a centralized pay system is being established.

Mr. LONG. Has that been established?

of that yes sir. The  
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It started as a royal

being. It had to be in the Cambodian Air Force, or had to be  
on 10, on the way I hardly remember. In August 1972, and I  
200, he was employed in country. So the Air Force was not a  
idea.

However, in the past, at the Cambodian Air Force, in the  
-top of it, we had dynamic command, the air support to the  
y air force, and the people who were in support were  
or furnished by the U.S. Air Force.

By this time they are putting bombs on some of the Cambodian  
ground forces where the Cambodian ground force ask for them. They  
are providing the escort for the convoys which in 1972 when the  
convoys were moving up and down the river, the U.S. Air Force had  
previously provided.

They are doing this with the F-28, a post-World War II, our  
aircraft, and the old C-47s with a 60-caliber machinegun in the door.  
They have made remarkable improvement, due to training on-  
side of country, and the really galling leadership of the new com-  
mander of the Khmer Air Force.

EFFECTIVENESS OF ARTILLERY

Mr. LOUC: I have heard reports that artillery the way it is used there  
really doesn't kill anybody. It mostly just lands in the jungle, and the  
same goes with most of the aircraft bombing. If you want to kill  
anybody, you really have to do it with rifle fire and hand-to-hand  
combat.

Would you make any comment on that, whether the type of warfare  
that is being conducted over there is really effective at all?

General CHAND: Yes, sir. The artillery is quite effective, and has  
greatly improved since the time when you were in Cambodia. They  
have established fire control, which was practically nonexistent 2 1/2  
years ago. They have done this themselves. If I might digress for a  
moment, they sent their artillerymen to Thailand to be trained by the  
United States and by the Thai. This cadre came back, and they in  
turn trained the Khmer artillery batteries. At the same time we were  
providing additional tubes to make up for the lack of U.S. air support.

They did this all on their own. They have effective artillery, which  
is adjusted by forward observers.

PHANTOM ARMY

Mr. LOUC: What can you tell us about the ghost payrolls?

Mr. HALL: The phantom army?

Mr. LOUC: It is rumored that we were providing large sums of  
money on the basis of a—phantom army is a good word for it. Our  
moneys go out to the leaders' pockets—the generals and so on—but  
the number of people who are actually fighting may be not more than  
half or 60 percent of the numbers of soldiers we have been paying for.

What can you tell us about this business of the phantom payroll?

General FISHER: This of course again is addressed by Mr. Constante  
the IG for the State Department. One of his recommendations was  
that a centralized pay system be established to have better control.

Mr. LOUC: Has that been established?

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General FISHER. It has. To say there are no phantoms left would be something that I couldn't positively demonstrate, but the information we have is that the problem has been greatly reduced.

You know those soldiers are not paid out of this appropriation though. They are paid out of the aid, I believe, economic and supporting—

## CAMBODIAN MILITARY PAYROLL

Mr. LONG. I am not quite clear about that, just how they are paid.

Mr. NELSON. It is generated out of economic aid.

Mr. HABIB. The funds go into the budget and the budget is used to pay them.

This is Mr. Murphy from AID.

Mr. MURPHY. We finance imports, Dr. Long, that are needed to keep the economy turning. These are purchased, brought into the country by commercial importers, who pay for them in local currency, and pay the government the local currency. The local currency in turn is used by the government to support—

Mr. LONG. Are these grants or concession loans?

Mr. MURPHY. Grants.

Mr. LONG. So we basically give the government a substantial amount of stuff which they sell and use that money to pay their troops: is that right?

Mr. MURPHY. Yes.

Mr. LONG. That gives us a pretty loose control over how they use the money, doesn't it?

Mr. MURPHY. As the General said, Dr. Long, there is a centralized pay system that has been established.

Mr. LONG. How do we know? In fact you have already indicated that you can't control all of the things, but how would we be able to say that we have cleaned up much or all of this phantom army business?

Mr. MURPHY. That is something the General knows better than I.

## U.S. CITIZENS IN CAMBODIA

General FISHER. I think the answer to that question, Dr. Long, is that to the extent that we can create a judgment with the number of people that are allowed in country, you know the total U.S. citizens allowed is 200, and we watch that head count very, very carefully. With the IG from the State Department and his recommendations, which have been implemented, we believe that the problem has been greatly reduced, and to the degree that spot-checks have been able to be made—

Mr. LONG. How do you make these spot-checks?

General FISHER. Again it is the matter of the delivery teams and the personnel that are in country. What they can observe.

Mr. LONG. Can you get signed receipts from the people who get the pay?

General FISHER. I have discussed it with the IG from the State Department, and he was of the opinion that phantoms are markedly decreasing. He was the one, of course, who defined the problem in the first place.

## PAYROLL

Mr. HABIB. His general crepancies in payroll, but often the result of assignment. I should tell the committee leadership in Phnom Penh be resolved. The strong matter has also been emphasized. We think now they have a big problem. We know it eliminated, and we enforce.

I think it is fair to say, than he was. Whether it is compared to quite go that magnitude now compared.

Mr. LONG. Maybe I won't.

Mr. HABIB. We will look

## CAMBODI

Mr. LONG. At the time, lem. Incidentally, I went to husbands were in the army, women and the kids follow in the barracks. They have little cooking things. It is gets killed, the kids and the

I talked to a woman with two children. She never had out resources of any kind. There was no feeling that these people as human beings phantom payrolls with people with a considerable feeling.

Mr. HABIB. It rankles as

Mr. VON MARBO. Our "in town" payroll was being used out of the men carried on fact—

Mr. LONG. You don't find

Mr. HABIB. You will find to take care of them.

Mr. LONG. I was out in the

Mr. HABIB. Fortunately, tary agencies who are supp

Mr. LONG. Phnom Penh, shoes, hustling any way th along.

I have one or two more qu

## EMPLOYMENT OF WOMEN IN CAMBODIA

Mr. HARRIS: His general judgment is that there still exists some discrepancy in payroll but these are now relatively minor and they are either the result of assignment or rather than deliberately set. One thing I should tell the committee is that we have often rounded the Khmer leaders up in Phnom Penh of the concern we have that this problem be resolved. The strong concern that the Congress has shown in this matter has also been emphasized frequently to the Khmer leadership. We think now they have the political will to resolve the payroll problem. We know that they have made it clear that this is to be eliminated and we enforce the efforts all along.

I think it is fair to say that the Inspector General is better satisfied than he was. Whether it is completely eliminated, nobody is ever prepared to quite go that far, but he does believe that it is of a minor magnitude now compared to what it was before.

Mr. TONG: Maybe I would have to take another trip out there.

Mr. HARRIS: We will look forward to that.

## CAMBODIAN MILITARY DEPENDENTS

Mr. LOSE: At the time I was there we felt it was a very bad problem. Incidentally, I went out and talked to some of the women whose husbands were in the armed services who were killed. You know the women and the kids follow the troops right into battle. They live right in the barracks. They have little curtains drawn up. They have their little cooking things. It is a very pathetic business. If the husband get killed, the kids and the wife are left out there.

I talked to a woman whose husband was killed. She is left with two children. She never has a chance to marry again. She is left without resources of any kind. She cried a little. It was very heartbreaking. There was no feeling that anybody was worried about taking care of these people as human beings and the thought that there were phantom payrolls with people making money on them sent me back with a considerable feeling of indignation.

Mr. HARRIS: It rankles as it should.

Mr. VAN MATRAN: Our investigators found that part of the 'phantom' payroll was being used to support the orphans and the dependents of the men carried on the roll. That by no means justifies the fact-----

Mr. LOSE: You don't find any women and orphans saying so.

## REFUGEE CAMPS

Mr. HARRIS: You will find them in the refugee camps where we try to take care of them.

Mr. TONG: I was out in the refugee camps.

Mr. HARRIS: Fortunately we still have many of the American voluntary agencies who are supporting those people as best we can.

Mr. LOSE: Phnom Penh is full of orphan kids who are out shinning shoes. Justing any way they can make a dollar. Somehow they get along.

I have one or two more questions.



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Mr. HAYES: The last one objective.

Mr. LOSE: Whose objective?

Mr. HAYES: The people in Phnom Penh, the Khmer Government. That is the objective.

Mr. LOSE: If you were the Communists, that and the Soviet Union which is helping them, and all the others, if I knew that policy and we are an open society, people can read the newspapers here, and so on, would you go to the negotiating table?

Mr. HAYES: Not until the military situation has been reestablished. Then I might have to think about it again.

Do I want to go through all this again the next day or so?

#### QUESTION OF COMMUNIST INTEREST

Mr. LOSE: Wouldn't you say if they are not going to do anything to try to beat us—and all they are trying to do is hold on and on and on—why shouldn't we just keep up the pressure in the hopes that someone will just finally give up altogether? Everyone knows that this war just sort of barely seeps through from one fiscal year—and parts of fiscal years—to others.

Mr. HAYES: But they, too, have to.

Mr. LOSE: If you were the Communists, wouldn't you say—let's keep up the pressure?

#### ACCOMMODATION NECESSARY

Mr. HAYES: You know your people were saying that in 1973 when the Paris agreement was signed. Why did they come and negotiate then and sign the agreement? You say they might have signed it because they didn't intend to live up to it. I don't think it is necessarily as simple a judgment as that. I think that one must presume some logical approach to end results in this situation, and our opinion is—and the general opinion is—that the end of the war is not possible by simple military victory, that it has to involve some kind of accommodation, adjustment, negotiation, compromise, call it what you will.

#### PUBLIC OPINION

Mr. LOSE: If I were a Communist I would feel pretty darned encouraged at this point. I would say, 'The end of the war looks to me to be fairly close, not more than a year or so away, by virtue of the exhaustion of the American public opinion.'

Mr. HAYES: You are presuming then that there will not be any funds provided. If that is the case then they are not going to negotiate, you are absolutely right.

Mr. LOSE: I think it is clear to everybody in the country that it is touch and go right now in Congress.

Mr. HAYES: That is why we are here.

Mr. LOSE: And it no, this year, next year. Why shouldn't the Communists hold on and put on the pressure? Why should they go for negotiation?

Mr. HAYES: It is a real problem.

U.S. TAX DOLLARS

Mr. LONG. If it were your money, would you keep pouring it down the drain?

Mr. HABIB. It is my money, a small portion of it. I feel it too, believe me, as much as anybody. It is my money.

Mr. LONG. I know that sounds good.

Mr. HABIB. No; it is.

Mr. LONG. I haven't found very many people in the high circles, or even the lower circles of our Government, that spend Government money as if it were their own.

Mr. HABIB. I am as conscious of the importance of precaution over the spending of the taxpayer's money as it is possible humanly to be, certainly no less conscious than anyone in the Congress, Mr. Congressman.

Mr. LONG. That would read well in any newspaper.

Mr. HABIB. That is right. I hope it does too. I hope it does.

Mr. LONG. I think I have completed my questions.

Mr. HABIB. I, as a bureaucrat, am not any more spendthrift than anybody else is.

Mr. PASSMAN. Thank you, Dr. Long.

Congressman Ottinger, Congressman Leggett and Congressman Moffett are with us.

After the witnesses have finished their testimony, we will then hear from our colleagues in the Congress.

Mr. Conte?

Mr. CONTE. Thank you, Mr. Chairman.

At the outset, Mr. Chairman, I want to welcome Secretary Habib to the committee. I have known him for a good many years, and he is one of the finest of our career men in the State Department with one of the most illustrious careers of any State Department official.

1975 OUTLAYS WILL NOT BE INCREASED

Mr. Secretary, when the President sent up his message he said, "I ask the Congress to consider a proposed supplemental." He wanted \$300 million for military assistance to the South Vietnamese forces and a budget amendment for additional authorizing legislation for \$222 million for military assistance for Cambodia in fiscal year 1975. I don't understand his statement that "these proposals will not increase 1975 outlays."

Is it the intent of the administration not to spend any of this money in 1975?

Mr. HABIB. Would you please explain that to the Congressman?

General FISU. First of all, it is primarily ammunition. Under the rules that the Congress has made, we have to charge it as we order it delivered. We put on the MAP orders to provide the ammunition and the fuel to Cambodia. However, the replacement action that will really result in replacing the inventory and result in an outlay, that takes more time, so it will be past the fiscal year before the actual outlay for increased production to replace this ammunition occurs.

Mr. CONTE. The outlay will occur in the following year?

Mr. HABIB. That is correct.

Mr. CONTE. But you are actually giving them the material now, is that right?

Mr. HABIB. We will have the authority to be able to control the expenditure, the flow of the expenditure, the is four or five months. I starts flowing on an out to outlay it.

Mr. CONTE. It is just payment of that car for General FISU. If it had to commit yourself been produced.

We have a lot of ammunition. But the production order outlay will take place as they come from some.

Mr. CONTE. I understand.

POPULATION AND

Mr. CONTE. Mr. Secretary, do you have any control of the population and land area?

Mr. HABIB. The best information is that 60 to 70 percent of the Government of Cambodia is government-owned land. I don't know who owns the rest of the land. As you know, in Cambodia, the area around it, even around the rice-growing area, is either no man's land.

All of the area in the country is not government-controlled.

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Mr. CONTE. General, since 1970?

General FISU. I would like to be more accurate. If I may, I will provide the information for you.

MILITARY ASSISTANCE PROVIDED

As of June 30, 1974, we have provided \$61.3 million for military assistance to Cambodia.

Fiscal Year	Amount
1970	.....
1971	.....
1972	.....
1973	.....
1974	.....
Total	.....

Mr. HARR: We will place orders and we have to have the obligation authority to be able to place the orders, but the actual cost of the equipment, the outfit, to pay somebody for doing this, that's four or five months. It will be some time before the money actually starts flowing out and although we have the authority now to outlay it.

Mr. COXII: It is just like my buying a new car and postponing the payment of that car for 12 months.

General FISH: If it was a matter of your ordering a new car and you had to commit yourself now, you would pay for it until it has actually been produced.

We have a lot of ammunition that will be delivered to Cambodia. But the production order to a place it will be placed and the actual outlay will take place as progress payments are made for the products as they come from some manufacturers.

Mr. COXII: I understand.

POPULATION AND AREA CONTROLLED BY GOVERNMENT

Mr. COXII: Mr. Secretary, how much of Cambodia is actually under the control of the Lon Nol regime? What percentage of the population and land area?

Mr. HARR: The best estimate we have of the percentage of population is that 60 to 70 percent of the population is within the control of the Government of the Republic of Cambodia. In terms of territory, I don't know whether anybody has run a plumb line over the ground. As you know, basically the government controls Phnom Penh, the area around it encloses around major cities, certain areas up around the rice growing area around Battambang and the rest of it is either no man's land or land well within the control of the Khmer.

All of the area in the Northeast and all of the area along the border is not government-controlled. They can't get into it even.

MILITARY AID SINCE 1970

Mr. COXII: General, how much military assistance have you given Cambodia since 1970? And how much assistance of other types?

General FISH: I would have to provide that for the record, sir, for accuracy. If I may, I will do that.  
[The information follows.]

MILITARY ASSISTANCE PROVIDED CAMBODIA DURING PERIOD 1970 THRU 1974

As of June 30, 1974, we have provided to Cambodia \$753 million in material and services and \$61.3 million in excess defense articles at requisition costs.

Fiscal year	[In millions of dollars]	
	Grant	Excess
1970	4.9	0.4
1971	109.9	12.2
1972	123.6	16.7
1973	174.5	21.5
1974	340.1	10.5
<b>Total</b>	<b>753.0</b>	<b>61.3</b>

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## ECONOMIC AID SINCE 1970

Mr. HABIB. We will give you the economic figures also.  
[The information follows:]

## CAMBODIA—U.S. ECONOMIC ASSISTANCE BY FISCAL YEAR

	Fiscal year—					1975 (pro- jected)
	1970	1971	1972	1973	1974	
CIP.....		70.0	136.5	45.0	54.4	64.9
Exchange support fund.....				23.5	18.3	13.1
Humanitarian.....				1.2	* 21.3	* 20.0
Technical support.....			.6	.6	1.2	2.0
AID total.....	(None)	70.0	37.1	77.3	95.2	100.0
Public Law 480 program.....	(None)	6.8	20.6	25.8	182.5	* 150.0
Grand total.....	(None)	76.8	57.7	103.1	277.7	250.0

\* Includes cash grant of \$20,000,000.

\*\* Includes \$17,200,000 in local currency generation under CIP.

\*\*\* Includes \$10,000,000 in local currency generation under CIP.

\*\*\*\* Includes amounts programmed for rice and wheat.

\*\*\*\*\* Includes USDA-paid freight (\$10,000,000 estimated).

## ENEMY INCENTIVE TO NEGOTIATE

Mr. CONTE. You stated in your remarks, Mr. Secretary, that "It has never been our expectation that the conflict would end in a conclusive military victory by Cambodia Government forces." Will you tell us please what incentive there is for the insurgent forces to negotiate a settlement when the other side has no intention of winning?

Mr. HABIB. Congressman Long posed the same problem. I am afraid I have got to give you the same answer. The answer is the judgment as to the willingness and will of the Communists to continue the struggle, while they recognize that their opponents may not be able to win, they are in doubt as to whether they will be able to win. At some point, just as it has been before in this extended conflict, people have to make decisions as to whether to seek their objectives by other means.

In the case of Cambodia, the government in Phnom Penh has offered the other means, the other means being through a negotiated compromise settlement.

The U.N. is on record as favoring it and also willing to facilitate it. The United States, through our President, has made it clear that our policy calls for a peaceful compromise settlement. At what point the other side is prepared to take up that offer is indefinable.

I would say this, as Congressman Long himself pointed out, it is not possible that they will see it clear to take up that option as long as they see the possibility of an early total victory.

## STALEMATE

Mr. CONTE. How about the other side of the coin, that by preserving the military balance in Cambodia, they continue the present stalemate.

Mr. HABIB. No, I think that as far as the government in Phnom Penh is concerned, they have made it very clear they are willing to seek a compromise settlement. They have stated it again and again

publicly. They have called for any circumstances, will how that may come about any such effort would hope each other.

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Mr. CONTE. How long Cambodia?

Mr. HABIB. It's hard to equation is not under your principle, the principle is that we have pursued one prepared to defend their States has been willing to the resources for them to do

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Mr. CONTE. In that case what you are asking for I assuming there isn't a assistance do you think?

Mr. HABIB. The administration of today, I think. The that your assumption that ment is not a correct assumption could run down the cost we would then do what circumstances, and that is I ment for funds but now certainly none for military

PROP

Mr. CONTE. You are ing on Cambodian aid food under Public Law

Mr. HABIB. That is correct.

Mr. CONTE. How much?

Mr. HABIB. About \$70

Mr. MURPHY. Yes; it 24,000 tons of wheat. We So we need the difference yet.

Mr. CONTE. Why do Affairs Committee and amount of food assistance

Mr. MURPHY. We are

Mr. HABIB. We are

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Mr. CONTE. But you also?

publicly. They have called upon the other side to meet with them under any circumstances, without any prior conditions to just discuss how that may come about. Obviously the first order of business in any such effort would hopefully be a cease-fire so they can stop killing each other.

CONTEXTUAL ASSISTANCE

Mr. CONN: How long do you think we should give assistance to Cambodia?

Mr. HARRIS: It's hard to tell what is going to happen when half the equation is not under your control. I think one has to follow the principle, the principle I would enunciate and the same principle that we have pursued now for many years—that when people are prepared to defend themselves in such circumstances the United States has been willing and should continue to be willing to provide the resources for them to defend themselves.

HOW MUCH AID NEXT YEAR

Mr. CONN: In that case, if this thing continues and we give you what you are asking for here, this will get you through this year, and assuming there isn't a negotiated settlement next year, how much assistance do you think we should give Cambodia next year?

Mr. HARRIS: The administration has submitted its budget request as of today. I think the figure is there. The answer is I would hope that your assumption that we cannot move to a negotiated settlement is not a correct assumption. If your assumption is incorrect, we could run down the cost of the thing very quickly. I would hope that we would then do what we have done in other places in such circumstances, and that is help rebuild. So there might be still a requirement for funds but nowhere near the magnitude now expressed, certainly none for military purposes.

PROPOSAL TO PROVIDE MORE FOOD

Mr. CONN: You are asking for the elimination of the overall ceiling on Cambodian aid which I introduced in order to provide more food under Public Law 480 programs?

Mr. HARRIS: That is correct.

Mr. CONN: How much food do you propose to send to that country?

Mr. HARRIS: About \$70 million additional. Am I correct, John?

Mr. MURPHY: Yes, the precise number is 344,000 tons of rice and 24,000 tons of wheat. We have now provided for 211,000 tons of rice, so we need the difference, 133,000 tons. We haven't provided on wheat yet.

Mr. CONN: Why don't you then come in here before the Foreign Affairs Committee and just ask for an increase in the ceiling by the amount of food assistance?

Mr. MURPHY: We are doing that.

Mr. HARRIS: We are doing that. That is part of the proposition.

PUBLIC LAW 480 COMMODITIES

Mr. CONN: But you are asking for an increase in military assistance also?

11-50

YEAR	1973	1974	1975 (pre- review)
year—	45.0	54.4	64.9
	20.5	17.3	13.1
	1.2	21.3	20.0
	b	1.2	2.0
	67.3	92.2	100.0
	25.8	182.5	4315.0
	93.1	277.7	250.0

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Mr. HABIB. Yes. The military and economic are separate. The increase in the ceiling applies in terms to allow us to provide the Public Law 480 commodities necessary to feed the population. The amount that has been provided within the ceiling is insufficient to feed the population.

Mr. MURPHY. But we need no additional authority, Mr. Conte. The authority present under Public Law 480, plus the authorized \$100 million appropriation for economic aid, will adequately take care of our needs. The problem is we have now used \$92½ million under Public Law 480 and a half million of the dollar appropriation. We are at the ceiling. We still have the Public Law 480 authority but we can't use it. So all we are asking under this on the economic side is you simply take that \$177 million ceiling off so that we can use authority that is presently in our hands under Public Law 480.

Mr. PASSMAN. That cleared it up. You needed no additional money for economic aid. You only wanted the ceiling lifted to proceed?

Mr. HABIB. That is right.

## FOOD REACHES THE PEOPLE

Mr. CONTE. I know that Mr. Long asked you some questions in this regard, but are you convinced that this Public Law 480 food actually gets down to the people?

Mr. HABIB. Yes, sir; we are. The areas in which it goes are fairly limited. The great bulk of it is consumed in Phnom Penh and in the city enclaves to which it goes. It has to be fed to them. They can't live without it.

## RECONNAISSANCE FLIGHTS

Mr. CONTE. Mr. Secretary, it has been reported in the newspapers that American pilots are flying reconnaissance missions over Cambodia and other parts of Indochina. If this is so, what happens if one of these planes is shot down?

Mr. HABIB. That has not happened, sir. I don't know.

Mr. CONTE. General, do you want to answer that? Do we get into another Gulf of Tonkin situation?

Mr. HABIB. I wouldn't think so.

General FISHER. We would hope not. If one of them were shot down, our reaction would depend upon the actual circumstances. For example, Khmer Armed Forces in the area might be in the best position to pick up survivors. I can't foresee anything like that you referred to as the Gulf of Tonkin. The will of the Congress is clear. I say I think the will of the Congress is clear how they wish us to operate, and we would operate in accordance with that.

Mr. CONTE. Thank you, General.

## RIVER BLOCKADE

As I understand the situation, the access to Phnom Penh for food supplies is largely through the convoys through the Mekong River.

General FISHER. Yes.

Mr. CONTE. The insurgents largely control the river. Won't that control increase, General, as the river levels drop during the dry

General FISHER. Certainly for the Communists to choke because there is a narrow channel going on right now, because this is why they make the in spite of this to get convoy weekend. It's apparent they are able to cope with the situation this is at considerable cost.

Mr. CONTE. If you close it into the capital?

General FISHER. We don't know, this is a judgment we have demonstrated a capability and Air Force, to get the convoys upstream.

DEPT.

Mr. CONTE. I want to ask is Cambodia dependent upon figure this will continue? Cambodian economy will have this military stalemate.

Mr. MURPHY. At the present Mr. Conte, is down to one-third, historically was a refugees who are afraid to go to one-third. So presumably was given by Japan, a few-thirds difference. That is what is required to carry us the convoy that could arrive the probably be late November or early

Mr. CONTE. Of this year?

Mr. MURPHY. Of this year for about a 120-day lead time with the country and the circumstances. That is assumed

PURCH

Mr. CONTE. General, you need is for ammunition. We spend your entire military

General FISHER. Sir, at the So even though we have spent about 90 percent of it through the period.

Mr. CONTE. \$15 million we

General FISHER. That is correct

Mr. CONTE. How many r

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General I said that is one of the things that these convoys  
for the Communists to choke off river supplies. I don't think it could  
because they've narrowed the channel and you've got to see what is what  
is going on right now because we are in the midst of the dry season.  
This is why they make the attempt at this time. It has been possible  
in some of the past to get convoys in the river even as recently as over the  
weekend. It is apparent that the Khmer Government forces have been  
able to cope with the situation although as I stated in my statement  
this is at considerable cost of increased ammunition and fuel.

Mr Coats: If you close off the river how do you get that food sup-  
ply into the capital?

General I said: We don't think they will be able to close it off. Of  
course this is a judgment. We think the Khmer government forces  
have demonstrated a capability and combined knowledge Army, Navy  
and Air Force to get the river opened up for periods necessary to get  
the convoys up stream.

DEPENDENCY ON U.S. FOOD

Mr Coats: I want to ask Mr Murphy for what portion of their food  
is Cambodia dependent upon the United States and how long do you  
figure this will continue? Would it not be accurate to say that the  
Cambodian economy will continue in a shattered state as long as we  
have this military assistance?

Mr Murphy: At the present time Cambodian production of rice  
Mr Coats is down to one-third what was prewar level. Cambodia you  
know historically was a rice exporter. The war and the plight of the  
refugees who are afraid to plant into the cities has cut the rice down  
to one-third. So presumably with exception of the small quantity that  
was given by Tip in a few thousand tons we are making up the two-  
thirds difference. That is what the 14,000 tons is. That 14,000 tons  
is required to carry us through November because the first possible  
convoy that could arrive there from fiscal year 1976 funds would prob-  
ably be late November or early December.

Mr Coats: Of this year?

Mr Murphy: Of this year. So we have to provide in this fiscal year  
for about a 120-day lead time between the time we sign the agreement  
with the country and the time the rice is off-loaded under the best of  
circumstances. That is assuming no difficulties with the convoys.

PURCHASE OF AMMUNITION

Mr Coats: General you say that the major Cambodian military  
need is for ammunition. Why didn't you and why don't you now  
pend your entire military assistance budget on ammunition?

General I said: Sir, at the present time we only have \$15 million left.  
So even though we have spent the entire remainder in fact we will  
spend about 90 percent of it on ammunition that would not carry us  
through the period.

Mr Coats: \$15 million would not?

General I said: That is correct.

Mr Coats: How many rounds of ammunition would that buy?

Mr von Marlow: That would buy roughly 7,000 short tons of ground  
ammunition on.

Mr. CONTE: How many rounds?

Mr. VAN MARPOT: I can give you a table providing that information. I can also give you a breakout by class of ammunition. The big items for Cambodia are 60-millimeter mortars, 105-millimeter howitzers and small arms ammunition.

Mr. CONTE: Get that for the record, please. [The information follows.]

MUNITIONS ITEMS

Based on current prices and recent usage in Cambodia, \$15 million will buy approximately 22,000,000 rounds of small arms ammunition, 19,000 mortar rounds, 680,000 grenades, 119,000 artillery shells, 6,000 mines, 12,000 rockets, 2,500 bombs, and 7,400 flares.

NATURE OF CAMBODIAN COMMITMENT

Mr. CONTE: I have one or two more questions, Mr. Chairman. Will you tell us, Mr. Secretary, exactly what the nature of our commitment in Cambodia is? In other words, is it a treaty, an executive agreement, or is it something else that commits us to Cambodian assistance?

Mr. HARRIS: We don't have a mutual security treaty with Cambodia. I think the Secretary defined the commitment in the most restrictive terms when he said, I think not long ago, that when they took up arms to resist what was happening to them, we helped them and we said we would help them and we continued to help them. It's derivative in effect of our participation in the area. But no less an obligation thereby.

MILITARY ASSISTANCE

Mr. CONTE: Is any of this aid going to assist the refugees? I would like to know how many refugees there are and what sort of program or arrangements there are for the refugees?

Mr. MURPHY: A very substantial amount of the economic aid is for refugees. Mr. Conte, in two ways. We have a program which is designed in which we are giving support to a number of voluntary agencies, such as CARE, Lutheran World Relief, Catholic Relief Services, UN, and so forth.

The part of it that is military because they are getting some of the food and other things are generally by the coordination program that we have established out of our \$100 million appropriation that is to be used in that area. It is people all around the world to be sure.

Mr. HARRIS: I would like to refer to the record that you said that you are not getting involved with the concept and execution of the coordination of food and other things to the refugees. Are you correct? I think you are doing something on the refugees in Cambodia.

REPORT ON CAMBODIAN RECEIPTS

... of the economic aid of a million was dispersed in the form of ... 200,000 ... 1970 ... 2,245,000 not registered ...

... in government camps or of living with friends and receiving assistance in the form of the government of ... international organization.

AID provided in fiscal year 1975 by voluntary organizations, World Vision and International ... in local currency through the commodity import program available to these organizations. (Cambodian foundation fund)

For fiscal year 1975, \$8 million in currency costs of seven percent and materials, including voluntary and international.

It's interesting to note 60,000 new refugees have begun on the first of January, refugees were planting crop areas and it throws Public Law 95-116.

Mr. CONTE: Thank you. Mr. PASSMAN: Thank you.

QUESTIONS

Mr. CONTE mentioned Cambodia. If we do not have a legal commitment.

Mr. HARRIS: That is correct. All treaty commitments and the appropriate.

Mr. PASSMAN: I want to ask Mr. HARRIS: How is it that you have committed us?

Mr. HARRIS: That is correct. Mr. PASSMAN: I was going to ask them in the Pacific.

Mr. CONTE: But they are part of that. The question is whether those in the Pacific would be long-term.

I am grateful to the legal department to the Secretary that he has been able to spend time on Mr. Sec

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tion. The big items  
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of government camps and centers. The remainder are on their own  
of living with friends and relatives. Approximately 600,000 persons are  
receiving assistance in the form of food, shelter, clothing, etc. from  
from the government or the United Nations or public voluntary agencies or  
voluntary organizations.

AID provided in fiscal year 1974 approximately \$19 million through  
voluntary organizations, you know, the Catholic Relief and CARL,  
World Vision, and International Committee of the Red Cross. In addi-  
tion in local currency the equivalent of \$16 million was generated by  
the commodity import program and this has already been made available  
to these organizations and to a newly established semi-autonomous  
Cambodian foundation for resettlement and development activity.

For fiscal year 1975 \$20 million is proposed for dollar and local  
currency costs of seven direct hired technicians, resettlement equip-  
ment and materials, relief services, food and additional 12 units to vol-  
untary and international agencies.

It's interesting to note that as of January 20 we estimate that  
60,000 new refugees have been created by the current offensive which  
began on the first of January. The offensive has not only generated new  
refugees but it also has set back refugee crop programs. That is the  
refugees were planting their own crops. It forced them out of the  
crop areas and it throws an additional burden on the need for imported  
Public Law 480 rice.

Mr. COSTA (interrupting) Mr. Chairman,

Mr. PASSMAN: Thank you very much, Mr. Con-

QUESTION OF LEGAL COMMITMENT

Mr. Conde mentioned something about our legal commitments to  
Cambodia. If we do not provide the appropriation we have not vio-  
lated a legal commitment, have we?

Mr. HAIN: That is correct, sir. May here we have treaty commit-  
ments. All treaty commitments are based upon, as you know, the con-  
sent and the appropriation by Congress.

Mr. PASSMAN: I want to get that in the record.

Mr. HAIN: It is correct, sir.

Mr. PASSMAN: If we should deny all funds, we have violated no legal  
commitments?

Mr. HAIN: That is correct.

Mr. PASSMAN: It was correct to try to avoid an affirmative question.

Mr. HAIN: Yes, sir.

Mr. PASSMAN: If this response prompt, perhaps at least a statement  
of a point in that whole regard, may you stand by and during the  
course of the program, you pointed to those nations, particularly  
those in the Pacific with which we do have mutual security agreements,  
is being these nations that would perhaps lose confidence in us because  
we would no longer keep our word if we backed off from Cambodia?

I am grateful to the Chairman for pointing out that we have no  
legal obligation to Cambodia in that regard. I can't for the life of  
me see how that being the case that it serves the best interests of  
this country to spend all of this money. However, the questions I have  
to answer on Mr. Secretary's behalf.

78

## U.S. MILITARY ASSISTANCE BEGUN

I would like to go back and ask questions which will, I think, prompt short answers. When was it we first provided military assistance to Cambodia? What fiscal year was it?

Mr. HABIB. There were two periods, I think. In the current period, I think 1970.

Mr. ROUSH. That was the fiscal year 1970?

Mr. HABIB. Fiscal year 1970, yes, sir.

General FISH. \$8.2 million in 1970.

## AMOUNT PROVIDED IN FISCAL YEAR 1974

Mr. ROUSH. What did we provide in fiscal year 1974?

General FISH. \$374 million. Fiscal year 1974, my figures here show \$374 million.

## MILITARY AID IN FISCAL YEAR 1975

Mr. ROUSH. We are proposing, if we should meet your request, to provide for fiscal year 1975 a total of \$499 million in military assistance. Is that correct?

General FISH. \$497 million is my figure, sir. \$275 million plus the \$222 million that is now being discussed before the committee.

## ECONOMIC AID IN FISCAL YEAR 1975

Mr. ROUSH. All right. I have \$222 million plus \$200 million, plus \$75 million. You are correct. Then this year, if we should meet the authorization as far as domestic aid is concerned, through Public Law 480 funds we would provide \$77 million. Is that correct? Is that the authorization ceiling for that?

Mr. HABIB. No, sir.

Mr. MURPHY. We have used \$92½ million under Public Law 480 and we need another \$73 million. So that would be \$156 million.

Mr. ROUSH. How much under economic assistance?

Mr. MURPHY. \$100 million.

## TOTAL AID TO CAMBODIA IN FISCAL YEAR 1975

Mr. ROUSH. We are providing somewhere between \$675 million and \$700 million then in total aid to Cambodia for fiscal year 1975, is that correct?

General FISH. I make it \$762.5 million.

## FISCAL YEAR 1976 REQUIREMENTS

Mr. HABIB. I think your figures are in the ballpark.

Mr. ROUSH. What are you asking for, for fiscal 1976? I know this isn't before us right now, but I should think it would be a logical follow-on here. What are you asking for fiscal year 1976 by way of military assistance for Cambodia? I haven't had a chance to read my budget. They just delivered it to my office.

General FISH. It's \$425 million.

Mr. ROUSH. Is that just military assistance?

General FISH. Yes, sir.

Mr. ROUSH. What are you  
Mr. MURPHY. The division  
the moment as between con  
Roush.

## QUESTION OF

Mr. ROUSH. Can we be sat  
will not be coming in for an  
insofar as military assistance

General FISH. I would say  
to what degree you can fore  
Congress and the executive br

Mr. HABIB. The amount re  
quirement for the year, Mr. Co

## SIZE OF CAM

Mr. ROUSH. General, a few  
is the size of the government  
bodia?

General FISH. About 222,000

General CLELAND. That is in

Mr. HABIB. Break it down  
lar forces and territorials.

General CLELAND. For the  
the territorial forces, about 81

Mr. ROUSH. You will have  
distinction between the regul

General CLELAND. Sir, the  
are as close as you could get  
torials live in their home area

Mr. ROUSH. Go ahead.

General CLELAND. In addit  
port forces of about 75,000, a  
navy.

## NUMBER

Mr. ROUSH. What are the  
surgen's have under arms?

General FISH. General Tigl

General TIGHE. The numb  
around 60,000.

Mr. ROUSH. They are giving

General TIGHE. Yes, sir, tha

Mr. ROUSH. You say it's a l

General TIGHE. Yes, the re

General CLELAND. Looking  
a discrepancy.

## NORTH VIETNAM

Mr. ROUSH. How many, i  
Cambodia? Are they actively  
General TIGHE. We estima

which will I think added military assist in the current period

1974

1974? figures here show

1975

ject your request to in military assist-

75 million plus the he committee

1975

\$200 million plus we should meet the ad through Public hat correct? Is that

Public Law 480 be \$136 million

1975

\$175 million and 1975 is that

1976? I know, this could be a logical in 1976 by way of chance to read my

Mr. ROUSH: What are you asking by way of economic assistance?  
Mr. MURPHY: The division of economic assistance for Indochina at the moment as between countries has not been figured out yet. Mr. ROUSH:

#### QUESTION OF ADDITIONAL FLOUSES

Mr. ROUSH: Can we be satisfied, Mr. Secretary, in general that you will not be coming in for another supplement for fiscal year 1976 insofar as military assistance is concerned?

General FISHER: I would say it would not be our intention. Of course, to what degree you can forecast the future and the policies that the Congress and the executive branch want to follow.

Mr. HYATT: The amount requested is on the assumption of the requirement for the year. Mr. Congressman:

#### SIZE OF CAMBODIAN ARMED FORCES

Mr. ROUSH: General, a few questions concerning the military. What is the size of the government forces fighting or under arms in Cambodia?

General FISHER: About 222,000. Is that correct, General Cleland?

General CLELAND: That is including territorials.

Mr. HYATT: Break it down for them. Give them the figures for regular forces and territorials.

General CLELAND: For the regular combat forces, about 150,000. For the territorial forces, about 51,000.

Mr. ROUSH: You will have to pardon me, General, but what is the distinction between the regulars and the territorial forces?

General CLELAND: Sir, the regular forces are maneuver units. They are as close as you could get to our regular establishment. The territorials live in their home area and are more like militia.

Mr. ROUSH: Go ahead.

General CLELAND: In addition, there are the headquarters and support forces of about 75,000, a 10,000-man air force, and a 15,000-man navy.

#### NUMBER OF INSURGENTS

Mr. ROUSH: What are the number of troops, General, that the insurgents have under arms?

General FISHER: General Tighe can answer that best.

General TIGHE: The number at the present time is estimated to be around 60,000.

Mr. ROUSH: They are giving the 222,000 a hard time.

General TIGHE: Yes, sir, that is a large body of insurgents.

Mr. ROUSH: You say it's a large body of insurgents, General.

General FISHER: Yes, the regular combat portion is very large.

General CLELAND: Looking at regular combat forces, you have quite a discrepancy.

#### NORTH VIETNAMESE FORCES IN CAMBODIA

Mr. ROUSH: How many, if any, North Vietnamese troops are in Cambodia? Are they actively engaged in combat?

General TIGHE: We estimate there are less than 2,000 North Viet-

80

names actually engaged in combat. There are however somewhere around 2,000 to 3,000 North Vietnamese who are involved in logistics activities inside the country.

Mr. ROUSSE: Is that in addition to the 2,000 engaged in combat?

General FISHER: Yes, sir. In addition to that number, there is a substantial additional number up to some 20,000 VC out of South Vietnam working inside Cambodia in the logistics and support fields.

#### U.S. MILITARY PRISONERS IN CAMBODIA

Mr. ROUSSE: How many U.S. troops do we have in Cambodia? I understand the limitation.

General FISHER: None.

Mr. ROUSSE: We have a few with the Embassy, don't we?

Mr. HARRIS: We have no troops per se.

Mr. ROUSSE: People who belong to the Armed Forces then?

Mr. HARRIS: General Fisher, will you give the breakdown of the military personnel in Cambodia?

General FISHER: 113 people in military uniform. It varies from day to day in order to stay within the ceiling. But these are the ones concerned with the logistics, the delivery and activity. 113 military is a good average.

General CLIFLAND: There is also the military attaché's office.

General FISHER: Including the military guards at the Embassy also.

Mr. ROUSSE: One's and plus and one's and including.

General CLIFLAND: The Marine Guard is included in the 113.

#### CIVILIAN MILITARY ADVISERS

Mr. ROUSSE: Do we have any civilian military advisers?

General FISHER: No advisers of any sort.

#### MOVEMENT OF SUPPLIES

Mr. ROUSSE: I just thought I would ask. How do we get our supplies into Cambodia?

General FISHER: Mainly through the convoys up the Mekong River. Some shared amounts come in by air.

Mr. ROUSSE: Is that which comes in by air in planes controlled by Cambodian forces?

General FISHER: I would like to have Mr. von Marbod comment.

#### CONTRACT AIR CARRIER

Mr. von Marbod: At the present time we have a contract with Bird Air, Inc. of the State of Washington. They provide five crews to supply Phnom Penh by air and to air drop rice and other materials into Cambodia. We provide them five C-130 aircraft and they fly approximately 10 to 12 sorties a day.

Mr. ROUSSE: At what time period do these planes operate by U.S. Air Force pilots?

Mr. von Marbod: The contract. We discontinued it some months

ago. We have no current proprietary crewed flights.

Mr. COXII: Will the ge-

Mr. ROUSSE: Yes, sir, cert-

tain.

Mr. COXII: Could you get Bird? What is it costing the

Mr. von Marbod: The cost is currently about \$1.8 million.

Mr. COXII: How much a

Mr. von Marbod: I would record Mr. Conte.

[The information follow-

The terms of the contract are to this date, the average for cost to a payment of approximately

BACK

Mr. COXII: Also provided Bird Co.

Mr. von Marbod: Yes, sir.

[The information follow-

The Bird Air Co.'s administrative population with general offices in the Department of the Air Force, contract to Bird Air Co. for air into Cambodia.

Previously, the Bird & Sons six jet Ranger helicopters to supply supplies in Laos. However, this Cambodia.

NEXT

Mr. COXII: Thank you for ammunition. Yet by pipeline is \$12 million and

General FISHER: Sir, as I mentioned, much money was left that way. \$15 million is all we have left. Things are in the pipeline again.

Mr. COXII: On top of the pipeline.

General FISHER: That is the pipeline.

Mr. COXII: And then \$29 million.

General FISHER: Of things.

Mr. COXII: But it hasn't

General FISHER: That is the

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Q We have no intention plan to reintroduce United States Air Force  
into evacuated flights either to an air base or to drop job

A Mr. COXIE Will the gentleman from Pennsylvania yield?  
Mr. ROUSH Yes, sir, certainly

BACKGROUND OF COST OF AIR CO

Mr. COXIE Could you tell me what kind of a contract that is with  
Bud? What is it costing the Government?

Mr. VON MARPOD The total cost for that contract this fiscal year  
is somewhere about \$1.8 million

Mr. COXIE How much are we paying per trip?

Mr. VON MARPOD I would have to provide that information for the  
record Mr. COXIE

[The information follows]

UNIT AIR COSTS

The terms of the contract identified a cost of \$250 per hour. Based on experience  
to this date, the average for a full round trip has been 2 1/2 hours. This would equate  
to a payment of approximately \$195 to Bud Air per trip

BACKGROUND OF AIR COMPANY

Mr. COXIE Also provide for the record some background on the  
Bud Co

Mr. VON MARPOD Yes, sir, I will do that

[The information follows]

BUD AIR CO

The Bud Air Co is a division of Bud & Sons, Inc., a Washington State cor-  
poration with general offices in Oakland, Calif. On September 27, 1973, the  
Department of the Air Force announced the awarding of a \$1.75 million letter  
contract to Bud Air Co for airlift support of the U.S. military assistance program in  
Cambodia

Previously, the Bud & Sons Co had a contract with USAID/AFOS to provide  
six jet-kinetic helicopters to support the USAID relief and humanitarian pro-  
grams in Laos. However, this action is not related to the airlift support of  
Cambodia

MATERIAL IN PIPELINE

Mr. COXIE Thank you. You said we only had \$15 million remaining  
for ammunition. Yet, by your own statement, you say the delivery  
pipeline is \$42 million and in-country stocks \$29 million

General FRISBIE Sir, as I understood your earlier question, it was how  
much money was left that we could spend for ammunition. That is the  
\$15 million is all we have left. The rest has already been spent. But the  
things are in the pipeline getting there. This is the value of the pipe-  
line

Mr. COXIE On top of the \$15 million, you have \$42 million in the  
pipeline

General FRISBIE That is right. It's the value of the material in the  
pipeline

Mr. COXIE And then \$29 million in-country stock?

General FRISBIE Of things in country. That is the value of it

Mr. COXIE But it hasn't been fired or anything? It's still there?

General FRISBIE That is right

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\$86 MILLION IN AMMUNITION

Mr. CONN: Actually, to set the record straight, you have about \$86 million here in ammunition.

General FISHER: Yes, sir. We have discussed that, and that is right. That is what they are going to have to run on.

Mr. CONN: So when we change that record, when I ask you how many rounds of ammunition \$15 million would buy, I would like to know what \$86 million would buy.

General FISHER: Yes, sir. Roughly the answer in short tons would be about \$2,350 a short ton. So that is the arithmetic of it.

Mr. CONN: When you are talking about tons, I think of gravel or something. Give it to me in rounds.

General FISHER: We will.

[The information follows.]

MUNITIONS ITEMS

Based on current prices and recent usage in Cambodia, \$86 million of military assistance would buy approximately the following munitions items: 1,114,000 rounds of small arms ammunition, 1,108,000 rounds of mortar ammunition, 393,000 grenades, 685,000 artillery shells, 57,518 mines, 70,300 rockets, 11,400 bombs, and 31,000 flares.

AMMUNITION SUPPLY ESTIMATING

Mr. PASSMAN: I believe you stated categorically, for the record, earlier that under the present rate of expenditure you have only a 60-day supply.

General FISHER: Yes, sir. I tried not to make it categorical.

Mr. PASSMAN: I thought so. I thought you said at the present rate of expenditures.

General FISHER: Yes, sir.

Mr. PASSMAN: Then everything would be gone in 60 days.

General FISHER: Right.

Mr. PASSMAN: If they drag it out, they will have to use less.

General FISHER: That is right.

Mr. PASSMAN: And they can only drag it out up to the 60 days.

Mr. O'BRYEN: Mr. HARRY, it's getting late. I think Mr. ROUSH has asked most of the specific questions that I have been interested in. Let me ask you a couple of general questions.

LIBERATION COMPLETES NEGOTIATED SETTLEMENT

In response to Mr. O'BRYEN, earlier you indicated that a negotiated settlement is the preferred settlement. Right?

Mr. HARRY: Yes, sir.

Mr. O'BRYEN: You implied that in the absence of any negotiated settlement that it is the policy of the United States to continue supplying money to Cambodia.

Mr. HARRY: Yes, sir.

SUPPORTIVE DUTY IN CHINA

Mr. O'BRYEN: I think you said that you had a...

what happened in China, which occurred in China.

Mr. HARRY: I suppose if two or two such circumstances in history, it's not a question. I could say yes, that is right some time with you pointing circumstances in the same expectations. In a way, yes.

Mr. O'BRYEN: In defending out precedent for us to ab would amount to a considerable Communist takeover? When I asked about C...

Mr. HARRY: That I didn't mean. No, I did not.

Mr. O'BRYEN: Your reason.

Mr. HARRY: And also out on. It went on in a different...

NO OPI

Mr. O'BRYEN: At the bottom, there is no open-ended question we have to ask. Your commitment on the part of me by saying that we hope...

Mr. HARRY: By virtue of moment. The Congress must can be no open-ended committed commitments.

Mr. O'BRYEN: Of course that is not, and everybody else in my shall it out, they are going to want to know, which involvement soon. And if the table, it just seems to me, even there is no negotiated...

CONSID

Mr. HARRY: Mr. Congressman, 30 or 30 years, then I think Congressman Long said, why...

Mr. O'BRYEN: I understand it, this money or it would be so no more come the next fiscal year.

Mr. HARRY: That is if you'd it go.

Mr. O'BRYEN: Right.

Mr. HARRY: That is to determine out to you what the consequences...

what happened in China is simply that it was a military victory which occurred in China. Is that right?

Mr. HAYBIE: I suppose if I said that I am not in the dilemma between two such circumstances which occurred at two different times in history, it isn't a question one answers by saying "yes." That is right. I could say yes if it is right, but on the other hand I could spend some time with you pointing out the differences that there are in the circumstances in the situations in our own involvement in our own expectations. In a way, yes; in a way, no.

Mr. OBYE: In defending your original statement—that it was without precedent for us to abandon—your words would amount to a conscious act to abandon a small country to a forcible Communist takeover, an action without precedent in our history. When I asked about China you indicated that—

Mr. HAYBIE: That I didn't consider that a conscious act of abandoning. No, I did not.

Mr. OBYE: Your reason for that is that it was a military defeat?

Mr. HAYBIE: And also our relationship with the people involved went on. It went on in a different form, but it went on.

NO OPEN-ENDED COMMITMENT

Mr. OBYE: At the bottom line let me simply ask this. I know you said there is no open-ended commitment. To me it seems that is the only question we have to ask. You have indicated that there is no open-ended commitment on the part of the United States. You defend that statement by saying that we hope we can get a settlement.

Mr. HAYBIE: By virtue of the law, there can be no open-ended commitment. The Congress must appropriate the funds each year. There can be no open-ended commitment. The United States never makes open-ended commitments.

Mr. OBYE: Of course that is true. If I go home and justify to my farmers and everybody else in rural Wisconsin why we have to continue to shell it out, they are going to want to know for how long and they are going to want to know whether we do have a definite policy to end our involvement soon. And if the other side isn't nice enough to come to the table, it just seems to me that what you are saying is that in the event there is no negotiated settlement, we are just going to go on and on and on.

CONSEQUENCE OF DEADLINE

Mr. HAYBIE: Mr. Congressman, if you set a deadline of 1 year or 2 years or 3 years, then I think you get back to the circumstances that Congressman Long said a while ago—they will never come to the table.

Mr. OBYE: I understand it. That is why I feel if we are going to cut this money off, it would be silly to give you some money now and say no more come the next fiscal year.

Mr. HAYBIE: That is if you have decided that you are prepared to see it go.

Mr. OBYE: Right.

Mr. HAYBIE: That is a determination for which we have tried to point out to you what the consequences are. I think you understand that.

you have about \$86

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LOSS OF CAMBODIA

Mr. ORLY. I understand. Again I want to quote the same statement I did before, that Cooper Fish indicated that Cambodian armed forces have increasingly had to rely on the superiority of U.S.-provided firepower and logistical systems to offset Communist advantages of supplies and aggressiveness.

In the end, assuming that there is no increase in the annual dollar commitment on the part of this country to Cambodia, and assuming for the moment that there would not be reached a negotiated settlement in the end doesn't what we have been told about the military situation imply that they will probably go down my way?

Mr. HAYIB. Are you also assuming that the other side will maintain the level of conflict at the existing level?

Mr. ORLY. I am not assuming anything.

Mr. HAYIB. But you have to assume that if the other side maintained the present level of activity, your presumption is correct, and if we do not put the resources into it, your assumption is correct.

HOPES FOR NEGOTIATED SETTLEMENT

Mr. ORLY. It seems to me the only question we have to ask is how much confidence we have in the hopes that there may be a negotiated settlement in the not too distant future. Isn't that really the only question we have to decide?

Mr. HAYIB. That is one side of the coin. On the other side of the coin you also have to consider the question as to whether or not you are unprepared to provide those resources which they would require to defend themselves. There is that side of the coin also. They go together.

Mr. ORLY. I for one have absolutely no confidence that a negotiated settlement would be forthcoming. I really think that it is a mighty weak need for us to believe.

Mr. HAYIB. Let me say very strongly, I do not agree with that statement. I base my disagreement upon an understanding of the circumstances of negotiations and what might be involved that beyond what I can discuss in this session.

Mr. ORLY. I understand that. But that is no different from anything we have heard before.

Mr. HAYIB. It is quite a bit different.

Mr. ORLY. With all due respect, sir, I don't think so. What I am concerned about is what Mr. Kucinich indicated earlier. I see my district turning isolationist every day. I come from a State which has to the old F. D. Roosevelt tradition.

Mr. HAYIB. It is probably very well.

Mr. ORLY. It is all right, sir, of the few people who would vote on our getting involved. With the A. D. F. W. I have had that tradition in the State of Wisconsin ever since.

SEPARATE ABILITY TO COMBAT

Mr. ORLY. Both sides are very different. The main thing which Mr. Kucinich said, I think that my constituents—and I think the same thing for

the chairman, for instance, now would be reproduced Eisenhower, Kennedy, Johnson and Cooper Fish have made

Such would we would have even more support if loss of our troops in the middle of the

I am convinced that if we that we are putting slavish consideration of the wisdom through commitments that we are going to return to the nobody but and 1930s and which led to

SI

I realize this is more of a stand the sense of urgency I feel just as deeply and I say that if we continue this just somewhere down the line and Beville earlier pointed out in the last one in Vietnam, that kinds of commitments we ought

QUESTION OF

I talked to four or five of them if we went to war in I to send troops and they said no and I think every day.

Mr. HAYIB. Mr. Congress everything you said. I also States policy has reflected reality which has been growing.

None of us who have any responsibilities of the United sort of concern that you have of the American people the kinds of commitments that possible and peaceful world.

It is a much bigger question that regard

US

But I would say this that responsibility to exercise have to take into account the part of our people. I think to our people that we have very well the disturbing effect respect to the development

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... side... who... have... view... to... not... only... of... the... loss... of... currency... that... also... to... the... even... more... important... to... us... if... compared... on... the... price... of... other... and... friendly... actions... in... the... vicinity... of... U.S... contracts... to... them... and... to... fight

I am convinced that if not only our allies but our own people feel that we are putting slavish adherence to commitment ahead of consideration of the wisdom through which we both make and review those commitments that we are going to have just that. We are going to have a return to the nobody but us philosophy that we had in the 1920's and 1930's and which led to World War II.

SENSE OF URGENCY

I realize this is more of a speech than a question but I can understand the sense of urgency you feel in asking for these funds. But I feel just as deeply and I have a concern which is every bit as serious that if we continue this just based on the slim reed that there may be some more down the line another negotiated settlement which as Mr. Bevell earlier pointed out might or might not be more successful than the last one in Vietnam that our people are not going to support the kinds of commitments we ought to make.

QUESTION OF AMERICAN WILLINGNESS

I talked to four or five groups last weekend and a lot of each one of them if we went to war in Europe tomorrow would they be willing to send troops and they said no. I think that that is a very serious situation and I think every day that this continues contributes to that.

Mr. HART. Mr. Congressman, I couldn't agree more with almost everything you said. I also am concerned and I think the United States policy has reflected the concern over this withdrawal mentality which has been growing in this country.

None of us who have anything to do with the foreign policy responsibilities of the United States can have anything but the same sort of concern that you have expressed with respect to the willingness of the American people to support the kind of foreign policy, the kinds of commitments that we have developed in the interests of a stable and peaceful world.

It's a much bigger question than Cambodia. I agree with you in that regard.

U.S. RESPONSIBILITIES

But I would say this that you and I and others like us who have the responsibility to exercise the authority given to us in these fields have to take into account the totality of the problem and then explain it to our people. I think for a number of years it can be explained to our people that we have responsibilities in the world. I know very well the disturbing effect that the last 10 years have had with respect to the development of the kind of foreign policy that we were used to or we were looking forward to as well. But that doesn't deny the validity of the argument. And it doesn't deny the requirements of the immediate situation.

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## LACK OF ASSURANCE

It would seem to me that I could solve my difficulty in persuading you if I would say to you, Mr. Congressman, I swear to you that tomorrow I can produce an agreement and we would get a peaceful settlement. I can't say that in all honesty. But I can say this to you in all honesty, that it can be done, that it will not be done in the face of military weakness, that it will only be done in the face of the kinds of military circumstances that move people to a compromise settlement.

The elements in the situation over which we have some influence—our own policy, the policy of our allies—have moved in that direction already. The elements of the situation over which we do not have control have not reached that conclusion yet. I think that they can be brought to that conclusion. I have reason to believe they can be brought to that conclusion.

If I could give you blanket assurance of the sort that you ask from me, I would give it to you. But I can't in all honesty give it to you, so I hesitate to do that.

Mr. ORLY. I understand that.

Mr. HARRIS. We had a period when people would make promises rather easily about these kinds of circumstances. I am very cautious and very careful not to do that with you.

Mr. ORLY. In light of the past history of this whole problem, I wish I could say that that assurance is enough for me. But it isn't.

Mr. HARRIS. I realize that.

## CAMBODIA AND UNITED STATES NATIONAL INTEREST

Mr. ORLY. I think there is a very good reason why the American public has lost its ability to differentiate. I think it is because their politicians have lost an ability to differentiate.

For the life of me I do not see why Cambodia is considered central to our own national interests. I don't even see where other countries in that area see our involvement in that area as central to their own national interest.

Mr. HARRIS. When you put the matter in absolute terms, central to our interest, quite obviously I have no response for it. Obviously, Cambodia in and of itself is not central to our national interest. Our national interest is constituted of a whole series of elements, whether it's Cambodia, whether it's Vietnam, whether it's NATO, whether it's our policy in the Middle East. Cambodia, among the influences bearing upon American policy today, is not the central issue.

But in looking upon our responsibilities with respect to Cambodia, the commitments we have made, the obligations we have assumed, the conditions which we have set forth for the Cambodians in respect to our readiness to assist them, when I look at the whole complex of it, I can see where Cambodia fits as one piece in the complex of American foreign policy interests. But to argue that it's central to the interests, I would never argue that in front of this committee.

Mr. ORLY. I can see where every country on that map fits somewhere.

Mr. HARRIS. That is correct.

Mr. ORLY. Because we happen to be a piece of the same geography.

WOLF

Mr. HARRIS. That is correct moment and the relationship United States has played in its attempt to bring peace and equilibrium to the region. What I am asking is not asking you to change your mind.

Mr. ORLY. All I am suggesting is hanging on to the idea in other places which I am suggesting.

Mr. HARRIS. And I am sure it will have an effect in the possibly greater interest to you.

Mr. ORLY. The logic of the same old involvement over and over.

Mr. HARRIS. It's not the same idea that what we are doing is not accurate.

WOLF

Mr. ORLY. Mr. Secretary, a lawyer.

Mr. HARRIS. No sir, I'm not a political scientist either.

Mr. ORLY. I am not a lawyer, but I ought to be one because I have seen in a long time.

Mr. HARRIS. Thank you. Thank you.

Mr. PASSMAN. Mr. Coughlin.

JOHN COUGHLIN

Mr. COUGHLIN. So I am going to Cambodia for the week, stock and bond, all right.

General FISKE. That is correct.

Mr. HARRIS. That is one of the things asked for from the Congress.

Mr. COUGHLIN. That is correct.

Mr. HARRIS. Asbestos can be used in Cambodia.

Mr. COUGHLIN. That is correct.

Mr. HARRIS. War is one of the things that is going on in the world since World War II.

Mr. COUGHLIN. Don't the people of the world?

Mr. HARRIS. As somebody divided it up to so many different countries, a thousand

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Mr. HARRY: That is correct. The interdependence of the world at the moment and the relationship of the United States per se, the role the United States has played in the world, the role the United States has played in its attempt to bring about some kind of stability and rational peace and equilibrium in the world, as well as elsewhere, is well known to you. What I am asking you to do is not abandon a piece of it. I am not asking you to change your concept of the whole policy.

Mr. ORLY: All I am suggesting is that the pieces that you are insisting on hanging on to are making it more difficult for us to have an effect in other places which are of greater interest to us.

Mr. HARRY: And I am saying to you that if you let the pieces go it will have an effect in the other areas which are of interest to us, of possibly greater interest to us also.

Mr. ORLY: The logic of that is simply that we have to continue the same old involvement everywhere, without discrimination.

Mr. HARRY: It's not the same old policy, Mr. Congressman. I think the idea that what we are pursuing in Cambodia is the same old policy is not accurate.

WITNESS COMMENTED

Mr. ORLY: Mr. Secretary, can I just ask you one question. Are you a lawyer?

Mr. HARRY: No, sir. I never took a law course in my life. I am not a political scientist either. I never took a course in political science.

Mr. ORLY: I am not a lawyer either, but let me suggest you probably ought to be one because you make the best defense of a bad case I have seen in a long time.

Mr. HARRY: Thank you. I take that as a high compliment.

Mr. PASSMAN: Mr. Coughlin?

TOTAL COST OF AID TO CAMBODIA

Mr. COUGHLIN: So I am sure I have the figure straight, the total aid to Cambodia for the year was \$762 million. Is that everything, lock, stock, and barrel, all the faucets, as the chairman would say?

General TISU: That's roughly what we added up to.

Mr. HARRY: That is on the assumption that we get what has been asked for from the Congress in the current request.

Mr. COUGHLIN: That is everything?

Mr. HARRY: As best as can be told. You had better hedge, yes, sir.

General TISU: We will check for the record.

Mr. HARRY: To our full knowledge, yes, sir.

Mr. COUGHLIN: That amounts to about \$100 for every man, woman and child in Cambodia.

Mr. HARRY: War is one expensive business, as we have learned. As the chairman himself stated earlier, it's something like \$150 billion in Indochina since World War II.

Mr. COUGHLIN: Don't they earn only about \$90 per capita?

Mr. HARRY: As somebody once suggested, if we took the budget and divided it up to so many dollars per person, you could give every man, woman and child a thousand dollars, which is more than they have.

seen in their lives. It's the tragedy of the situation, but that does not change the nature of the situation. You are right.

Mr. PASSMAN: Would the gentleman yield?

Mr. COCHRAN: Yes, sir.

Mr. PASSMAN: You had better check your response to these questions before you make it a positive statement because you do have a pipeline in the aid program and that will have to be added to this total. You had better have a look at the other spigots because you do have other programs.

Mr. HAYB: That is why I hedged a bit. Thank you. No one knows how to add better than you do. I know that.

Mr. PASSMAN: I do know you have a pipeline and you want to make it all inclusive. Is that fair enough?

Mr. HAYB: We will check the figures because as I said, I am not trying to dodge. I am just trying to make sure we don't mislead.

Mr. COCHRAN: It has been stated in the testimony here, but every single penny of the \$762 million was vital to Cambodia's survival, so we are talking about an all-or-nothing proposition—\$762 million or nothing.

Mr. HAYB: No. Part of the amount that is included in that \$762 million has already been appropriated by the Congress—pardon me—has already been authorized. Some of it has not yet been appropriated. Some of it has been appropriated.

Mr. COCHRAN: On the continuing resolution.

Mr. HAYB: Yes. Some of it has been appropriated and some of it has not been.

Mr. COCHRAN: It's either \$762 million or nothing in terms of Cambodia's survival. That is the decision that we are faced with.

Mr. HAYB: I would put it in another way. I would say that the marginal amount is the supplementary amount. The supplementary amount is necessary given the present level of expenditures.

Mr. PASSMAN: Will my colleague yield again?

CONTINUING RESOLUTION

For the benefit of the new members under the continuing resolution actually you have obligated or can obligate up to two thirds of the funds for the year or 8 months. So when we work this bill up subsequently we would be really considering only 4 months out of 12 because we have given them the authority to obligate funds for 8 months.

COST TO EXECUTE

Mr. COCHRAN: I understand that Mr. Chairman.

What I am trying to get at is what is it going to cost the American taxpayer for the year to support Cambodia?

Mr. HAYB: Yes.

Mr. COCHRAN: What total figure?

Mr. HAYB: We will check the figure and so that we can get a figure in the record.

Mr. COCHRAN: Mr. Chairman, it's five. That's all I have.

Mr. PASSMAN: Thank you very much.

AMOUNT

Mr. FERRY: Mr. Secretary, million. You are now asking another \$222 million.

Mr. HAYB: No, sir. I think request if you want to go through I would ask Mr. von

General FISH: 399 million.

Mr. FERRY: You are getting committee to increase your original

Mr. HAYB: By virtue of and the increased costs we

Mr. FERRY: And you are in question of General FISH.

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General, you are requesting to increase their military by almost 50 per cent over what is that tree?

General FISH: Let me see asking for \$173 million for Congress was \$299 million.

Mr. FERRY: Using that shirt and asking \$256 million and you show that you used \$177 million. Is that correct?

General FISH: Yes, sir.

Mr. FERRY: Taking the difference and asking us to use \$181 million more.

General FISH: I think that Mr. Congressman. The point of the difference stated.

of this. You have to see how it could be handled.

Additionally, we have all our money and we won't make any more. The end of the country on to the next fiscal year, even until in the next budget.

Mr. FERRY: Using your original figure of \$299 million and the new figure of \$480 million?

General FISH: Yes, sir.

Mr. FERRY: I am sure that if you do the committee of Federal Reserve into the program.

AMMUNITION AND SUPPLIES

Mr. FERRY: Mr. Secretary, your original authorization was for \$275 million. You are now asking this committee to increase that 56 percent, another \$222 million.

Mr. HARR: No, sir. I think you would have to go back to the original request if you want to go to what the administration proposed. I think I would ask Mr. von Marbo or General Fish to give you that.

General Fish: \$390 million was the original request.

Mr. FERRY: You are getting conciliatory. You are asking this committee to increase your original request over 30 percent.

Mr. HARR: By virtue of both the increased level of consumption and the increased costs, yes, sir.

Mr. FERRY: And you say it's not a bottomless pit. Let me ask a question of General Fish.

REVIEW OF COSTS

General Fish: You are requesting that this committee allow Cambodia to increase their military force, or their military use of ammunition on almost 50 percent over what they have used during the first 7 months. Is that true?

General Fish: Let me see. I will check that figure for you. We are asking for \$173 million for ammunition, and our initial request to Congress was \$299 million for ammunition.

Mr. FERRY: Using that sheet, the second column, I said on the column including \$206 million which the other chart shows you have spent, you show that you used \$163 million worth of ammunition through 7 months. Is that correct?

General Fish: Yes, sir.

Mr. FERRY: Taking the difference in column 5 of \$204 million, you are asking us to use \$151 million for the remaining 5 months for ammunition.

General Fish: I think that I should put those figures in perspective, Mr. Congressman. The point here is that we are now in the dry season. The offense started the 1st of January. It's just as with all other seasons, you have to seasonally adjust them. And the straight line line you could mislead anybody who would read the record.

Additionally, we have called down some of the supplies that were in Cambodia and we want in this proposal to propose that they run down until the end of the fiscal year. There will have to be a stock to carry on into the next fiscal year, and it's at the modest level that has been maintained in the past. You can't do the straight-line calculation.

Mr. FERRY: Using your figures, these balances which you have actually spent to date, with your remaining authority, how many days of supplies and ammunition stock, you said roughly we had 60 days?

General Fish: Yes, sir.

Mr. FERRY: I propose that that would get us through to February 28 or to the beginning of February. You are still telling us that you are going to use the money for ammunition that you are going to use during the next 5 months of the previous 7 months.

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General FISIL. You are reading that \$171 million as ammunition we are going to use.

Mr. EARLY. I am not using the \$171 million, sir. I am using column 5, which would be the aggregate of your already appropriated \$275 million plus your request of \$222 million, or \$497 million, and you are asking for \$344 million for ammunition in that column.

General FISIL. That is correct, sir.

Mr. EARLY. That is over column 2, \$163 million, that is an \$181 million increase?

General FISIL. Yes, sir.

Mr. EARLY. Therefore you are saying that over the first 7 months you have been spending at a rate of \$37 million. You are now asking us to go to a rate of almost \$49 million. You are escalating the amount of ammunition you want to use.

General FISIL. No, that is the amount we are going to buy but not necessarily use.

Mr. NELSON. There are two factors here. I am Frank Nelson, on the general's staff here.

First of all, there is a big change in the cycle between the wet and the dry season. We are going to use more ammunition even with conservation.

Second—

#### WET AND DRY SEASONS

Mr. EARLY. Would you explain the wet and dry season?

Mr. NELSON. All right, sir. I would rather turn to General Cleland, who spent 2 years over there.

Mr. HARB. This is fairly simple. The current campaign started on the 1st of January.

Mr. EARLY. Is that the wet season?

Mr. HARB. It happens to be the middle of the dry season. The dry season in Cambodia begins about the end of November and goes until about the month of May. The current campaign began the 1st of January. That is not to say there was not fighting going on between July 1 and January 1.

There was, but it was at a somewhat, a substantially, lower level than the level that has been going on since the offensive began, and it's a substantially lower level than what is anticipated between now and the rest of the dry season, because there is every indication that the Khmer Communists intend to maintain the level of activity at this high level, or even increase it.

#### QUESTION OF ESCALATION

Mr. EARLY. Mr. Secretary, you are asking this Congress to approve \$497 million for military aid to Cambodia for 1975.

Mr. HARB. That's correct.

#### FISCAL YEAR 1976 ESTIMATES

Mr. EARLY. You remarked to Congressman Obey that the President has requested \$425 million for fiscal 1976. Is this indicative of de-escalation?

Mr. HARB. The request for of requirements for a given le estimates as best you can.

Mr. EARLY. I didn't follow t

Mr. HARB. The request for the best assumptions that you price levels.

Mr. EARLY. You were pretty lose entirely if you didn't got when we speak of the \$425 mill

Mr. HARB. That's correct, I and end up this fiscal year wit produce, the request for next;

Mr. EARLY. So President Fou

Mr. HARB. He is reducing the Congress in the next fiscal requested for this fiscal year, th

Mr. EARLY. Mr. Secretary, is

Mr. HARB. Yes, sir.

Mr. EARLY. You are asking we are going to decrease for fisc

Mr. HARB. That is the arithr

Mr. EARLY. It's strange arith

Mr. CONTE. Will the gentlem

Mr. EARLY. Yes, Mr. Conte.

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Mr. CONTE. In fiscal year 19 military and now you are bump

General FISIL. No, sir. We ask give the country amount, this d ing, crating, handling, and ti worldwide account. But we do value of such services as actual cal year; so in the total then operations, as we call it. For Ca country line and the supply million.

Mr. CONTE. Take \$300 million

Mr. HARB. Yes, sir. That was

Mr. CONTE. \$100 million more

General FISIL. That's correct,

Mr. HARB. An increase in cos

Mr. CONTE. Mr. Early asked bump up to—

BEST ESTIMAT

Mr. HARB. You are presupp a supplemental in 1976. I think i If we had thought there was g amount in 1976, the presumpi these figures would have includ it's strange arithmetic at all, M



In effect, then, we are being told that Cambodia has a greater claim on \$222 million than American agriculture. I do not agree with this assessment of national priorities, I do not believe the House will agree with this assessment, and I hope that this committee will speak for us by not recommending passage of this proposal.

Just how important is this aid to Cambodia? The President's message says that it is vital that we make this money available immediately; yet in this same request he assures us that the proposal "will not increase 1975 outlays", so the money is not needed for at least 5 months. General Sosthene Fernandez, commander in chief of the Cambodia Armed Forces, has said that Cambodia could probably survive if we did not appropriate one more dime. Thus, it appears that the only urgency here is to involve the 94th Congress in Indochina the same way the 93d, 92d, 91st, and other Congresses were involved. It has been said of the elephant that it never forgets anything and it never learns anything. While that is apparently true of this Republican administration, I hope that the Democratic Congress will show itself to be smarter than that.

The President has said that these dollars represent "minimal resources" to Cambodia; yet by every account the Cambodian Army is better equipped than their opponents. He speaks of "adequate assistance" to Cambodia, but no ceiling is in sight. Last Thursday, Lieutenant General Graham, in testimony before the Defense Appropriations Subcommittee, gave his views that the only meaningful comparison of our aid to that given to the other side was whether we were giving them "enough to do the job." This incredibly subjective view, if it is in fact the administration's view, condemns the American taxpayer to eternal payments on an eternal war. The U.S. Arms Control and Disarmament Agency reports that since 1964 we have sent \$387 million in direct arms aid to Cambodia, while the Soviet Union and China combined have sent only \$22 million; in other words, for the last 10 years we have outspent the other side almost 18 to 1. In that period, both Cambodian sides have received a total of \$488 million, 88 percent of which was supplied by the United States. We will be sending to Cambodia more than four times the amount we sent to Laos in the last year received military aid from the Defense Department if we approve this supplemental request; this is simply too much money at a time when we are sorely pressed at home. Mr. Chairman, hard times are upon us; we can no longer afford open-ended commitments to open-ended wars abroad. I urge you not to consider this matter favorably.

TABLE III. WORLD ARMS TRADE-RECIPIENT COUNTRIES BY MAJOR SUPPLIERS, CUMULATIVE 1964-73

[Billions current dollars]

	Total	United States	Soviet Union	France	United Kingdom	Czechoslovakia	People's Republic of China	Poland	Czechia	Federal Republic of Germany	All others
AFRICA											
Niger	1										
Nigeria	131	11	30	2	30	6				14	38
Rwanda	2										
Senegal	6	1		4							
Sierra Leone											
Somalia	77	1	69							3	4

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Mr. HARRIS: The request for 1976 is based upon a certain assumption of requirements for a given level of activity in 1976. You make these estimates as best you can.

Mr. FARRY: I don't follow that at all.

Mr. HARRIS: The request for fiscal year 1976 is made on the basis of the best assumptions that you can as to what will be required and the price levels.

Mr. FARRY: You were pretty specific in your comments that we would lose entirely if you didn't get the \$222 million. You are very general when we speak of the \$125 million for fiscal year 1976.

Mr. HARRIS: That's correct. If you can get the \$222 million through and end up this fiscal year with the kind of position that that would produce, the request for next year is at the level of \$125 million.

Mr. FARRY: So President Ford is declassifying?

Mr. HARRIS: He is requesting the amount that is being requested of the Congress in the next fiscal year is compared to the total amount requested for this fiscal year; that is correct.

Mr. FARRY: Mr. Secretary, is your department supporting that?

Mr. HARRIS: Yes, sir.

Mr. FARRY: You are asking us to increase with the suggestion that we are going to decrease for fiscal year 1976?

Mr. HARRIS: That is the arithmetic of the request, yes, sir.

Mr. FARRY: It's strange arithmetic.

Mr. COCHRAN: Will the gentleman yield there?

Mr. FARRY: Yes, Mr. Conte.

#### COST INCREASE

Mr. COCHRAN: In fiscal year 1975 you asked for \$362.5 million for the military and now you are bumping that up to \$497 million?

General FERRY: No, sir. We asked for another \$390 million. When we give the country amount, this does not include the charges for packaging, crating, handling, and transportation, which are carried in a worldwide account. But we do allocate to the country program the value of such services as actually spent for the country during the fiscal year, so in the total there is an additional amount for supply operations as well. For Cambodia, the request is on two lines, the country line and the supply operations line, and that totals \$390 million.

Mr. COCHRAN: The \$390 million. You are still asking for \$497 million?

Mr. HARRIS: Yes, sir. That was addressed earlier.

Mr. COCHRAN: \$100 million more than you originally came up here for?

General FERRY: That's correct, a higher level.

Mr. HARRIS: An increase in cost.

Mr. COCHRAN: Mr. Farry asked about the 1976 amount. That could bump up to—

#### BEST ESTIMATE OF REQUIREMENTS

Mr. HARRIS: You are presupposing there will be a requirement for supplemental in 1976. I don't know anybody can operate on that assumption. If we had thought there was going to be a requirement for a higher amount in 1976, the presumption would be the people who work up these figures would have included it in the 1976 request. I don't think it's strange arithmetic at all, Mr. Eudy. I think what it amounts to is

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the best estimate as to what is required to maintain a certain level of supply.

Mr. EARLY. Mr. Secretary, what we are talking about, not assuming a supplement from \$425 million to reach \$497 million, if we approve this figure, but what Mr. Obey was talking about, that sooner or later we have got to tell the public the truth. By this assumption you are going to request \$497 million for Cambodia in the budget that was submitted at 12 o'clock today by the President, which says with inflation and all we are only going to spend \$425 million for fiscal 1976.

Mr. HABIB. That is not what he said in my understanding of what he is doing. He is requesting the Congress to appropriate \$425 million.

TRUTH

Mr. EARLY. He is telling the Congress that he doesn't need as much money as he had in his \$497 million request. Can you say we are telling the public the truth?

Mr. HABIB. I certainly believe the President would not intentionally mislead the public on any items of this sort. Neither would anybody who works up the figures. I could assume a situation if you want in which we wouldn't need more than \$100 or \$200 million of that and you wouldn't need the \$25 million either.

Mr. EARLY. Wouldn't you call that lying to the public?

Mr. HABIB. No, I would not. I said I could assume but I don't.

Mr. EARLY. But if you did?

Mr. HABIB. But I don't assume that level.

Mr. EARLY. If you did assume that, would that be lying to the public?

Mr. HABIB. Sir, let me just give you an example. I don't consider any of it lying to the public. Let me just give you an example which I think illustrates the whole thing.

Mr. EARLY. Before you get away from that, Mr. Secretary, you have to tell me about that assumption. You said that if you assumed you told the public you only needed \$100 million in the budget which was

Mr. EARLY. Wouldn't you call that lying to the public?

FIGURES ARE BEST POSSIBLE

Mr. HABIB. May I give you the example that I want to and you will see exactly what I mean. When we came up for 1975, the estimate of what was required for Laos was \$100 million. That was before the cease-fire and before we knew what the level of requirements was really going to be. The Congress has imposed a ceiling of \$50 million after the cease-fire, and we do not intend to ask for, and we do not need, a supplement for Laos.

The reason I cite that example is it all depends upon the level of conflict. It all depends on the level of utilization of the resources. What the administration has to do when it presents its budget for 1976 is to give you the best possible figures if you as to what it thinks is necessary to be appropriated for the fiscal year which has now begun.

Mr. EARLY. You are saying that in the fiscal sense the President says we are going to reduce aid by \$70 million in Cambodia?

Mr. HABIB. The net result was that we should ask the requirements for Cambodia

Mr. EARLY. Which is a

Mr. HABIB. The arithmetic

REDUCED FID

Mr. EARLY. You think think you need \$425 million

Mr. HABIB. Let me go a better. I thought that today the manner in which the money is used. When the hearing is held for year 1976, the presumption is the entire amount. What what we are going to use?

Mr. EARLY. We have to

Mr. HABIB. The credit is consistent in our calculations, best possible judgment of judge what is going to be to judge what is going to point that out to you also.

SOURCES

Mr. EARLY. General Fisi, you recognize an improvement you see improvements in your sources for that? two statements and in last worry about Phnom Penh, are inconsistencies. The information source? We have no advisers

General FISI. That's correct

Mr. EARLY. Can you tell the increased efficiency of that there is not a misuse of things of last year?

General FISI. We do have reports. They are on the secret offices all over the world do, is occurring in the area.

Mr. EARLY. What is the report General FISI. About 25.

Mr. EARLY. Are they rest from a wheel anywhere they go

General FISI. I don't know are not restricted to the Embassy

Mr. EARLY. But is this the ton army isn't there any more

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Mr. HARRY: The net result of all my calculations that I've done that was that you would need a little over \$125 million to cover the requirements for Cambodia in fiscal year 1976, plus \$125 million, which is \$250 million more.

Mr. HARRY: The arithmetic is correct, is that correct?

INDUCED FISCAL YEAR 1976 REQUIREMENTS

Mr. HARRY: You think you need \$197 million in '76, but you only think you need \$125 million in 1976?

Mr. HARRY: Let me go at it this way, if I could, if it explains it any better, I thought that you've tried to point out the requirements and the manner in which the supplement of that we are considering will be used. When the hearing comes up for the use of the funds for fiscal year 1976, the presumption will be that those responsible must justify the entire amount. What you are saying to me is how do you know what we are going to use?

CREDIBILITY

Mr. HARRY: We have to establish credibility with the people.

Mr. HARRY: The credibility can only be established if we are consistent in our calculations, and the calculations must be based upon the best possible judgment of what is going to be needed. It's easier to me to judge what is going to be needed over the next 4 or 5 months than it is to judge what is going to be needed over the next 16 months. I might point that out to you also.

SOURCE OF INFORMATION

Mr. HARRY: General Fish, you said in your opening statement that you recognize an improvement in the Cambodian Army. You say that you see improvements in getting the ammunition to our ally. What are your sources for that? From everything I have read through the two statements and in last year's hearings here they said we had no worry about Phnom Penh, we had no worry of losing the war, there are inconsistencies. The information then was inaccurate. What is your source? We have no advisers over there, is that true?

General Fish: That's correct.

Mr. HARRY: Can you tell this committee how you can substantiate the increased efficiency of the Cambodian Army, how you recognize that there is not a misuse of ammunition, as was suggested in the hearings of last year?

General Fish: We do have an attaché's office there. They do make reports. They are on the scene. They are not advisers. But as attaché offices all over the world do, they attempt to keep us advised on what is occurring in the area.

Mr. HARRY: What is the number of personnel in that office?

General Fish: About 25.

Mr. HARRY: Are they restricted to the Embassy or do they have a free wheel anywhere they go?

General Fish: I don't know what you mean by 'free wheel'. They are not restricted to the Embassy.

Mr. HARRY: But is this the same Embassy that states that the phnom-pen army isn't there any more?

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General FISH. I don't believe the Embassy researched that. The IG of the State Department, Mr. Constante, was the individual who reported it in detail, and also has further recommended to the Cambodian Government corrective measures. Those measures have been put into effect and the judgment now is that they have been effective in reducing the degree of phantoms on the rolls.

Mr. PASSMAN. Thank you very much, Mr. Early. I want to commend the new members of this subcommittee for making a very great contribution to the hearings.

## ANNUAL BUDGET REQUEST

This is a complicated bill. The budget request that reaches the Congress usually in January of each year is only an estimate, and in thousands of cases, even in our domestic programs they have to come back for a supplemental appropriation, many times 20, 30, or 40 percent over the original estimates, so this is par for the course. You advance your best estimates. If it's insufficient and changing conditions warrant making a supplementary request, you make that request but you leave it up to the Congress to determine whether or not you made a good case. Is that correct?

Mr. HABIB. That has been our practice, Mr. Chairman.

## CONCLUDING REMARKS

Mr. PASSMAN. As this grand old gentleman, Dr. Hannah, used to say: "Mr. Chairman, you are wasting time. There is an asking price and a taking price. What we are submitting today is the asking price. We will get around to the taking price subsequently."

Oh, how many times I have repeated that for the record.

Mr. CONTE. It's illustrative and instructive, Mr. Chairman.

Mr. PASSMAN. Oh, yes.

In this entire aid program it has always been an illustrative program based on their best judgment. You have the right to transfer in and out of the AID program as such.

I know that the members of this subcommittee are going to weigh very carefully the testimony you have presented to this committee. As I said earlier, I am only one member of this subcommittee. I have my ideas and these people have theirs. As is often said when two men are in business and they always get along, one is often unnecessary. We need to have these different opinions but we are going to be as considerate as we can be.

I might say for the committee there is a possibility that Secretary Kissinger will appear before the committee. I don't hesitate to say for the record, having a few leaders down at the White House won't get you very much money. And I might say they are very fine leaders. Here is where you had better make your case, and of course the Senate side, too, if you will pardon me for saying that.

Mr. HABIB. We will report your view to him, Mr. Chairman.

Mr. PASSMAN. I am not going to commit suicide if he doesn't come, but he is being invited anyway. This concludes the hearings on the budget amendment for Cambodia. You have been forthright and you have answered these questions.

Mr. HABIB. We thank you for your very interesting discussion. We are ready to come back at Mr. PASSMAN. If Mr. Kissinger said today he had better say it

## STATEMENTS

We will now receive statements on Cambodia aid request.

If you don't mind we will first hear that would put Mr. Leggett Moffett.

Without objection, I should like to hear by Congresswoman Abzug of [The statement follows:]

## STATEMENT

Mr. Chairman, I am grateful for the House's request for \$222 million. This request, in my opinion, ignites the American people. I hope that this will be as well as the request for \$300 million.

The United States has already spent \$1 billion in aid to Cambodia in year 1975, the appropriation for the conference committee granted \$750 million. The House had not authorized. Now it is almost gone, and the administration would bring our military aid to a halt.

Just before recess, the Congress passed a bill for \$300 million for military aid to Cambodia, plus another \$100 million for the food for peace program. In the program thoroughly and learnedly, the administration has put to military use the aid that is able to get around these allocations of \$30 million for Cambodia actually sent \$192.2 million. I don't see a ceiling until we have found a way to get the money to the needy refugees instead of to the military.

About 85 percent of our military aid to Cambodia is used wastefully—at the rate of one bullet for every 100 dollars. Many eye witnesses have reported that the rate of prefer shooting at random rather than at targets. This may be due to a reluctance to report, an American officer complained to me. On January 24, the White House announced that the ammunition to Phnom Penh were to go. It seems obvious that there is no money for the citizens.

There is also no international agreement to themselves, the insurgents and the people can only benefit—some every single day. This is an increasing bombing cutoff of August 1975. President Ford has said "peace" but Lon Nol will never negotiate into his coffers.

That money amounts, incidentally, to \$1 billion. We do with that money in the United States? And why are we getting a secret war in Cambodia?

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Mr. HAYN: We thank you for your courtesy, Mr. Chairman and for your very interesting discussion with the members of the committee. We are ready to come back to any time on any subject you wish.

Mr. PASSMAN: If Mr. Kissinger can add anything to what has been said today he had better say it. That includes these hearings.

STATEMENTS OF MEMBERS OF CONGRESS

We will now receive statements from Members of Congress on the Cambodia aid request.

If you don't mind we will follow the seniority system. I believe that would put Mr. Leggett first, then Mr. Ottinger, and then Mr. Moillett.

Without objection, I should like to insert in the record a statement by Congresswoman Abzug of New York.

[The statement follows.]

STATEMENT OF HON. PHILIP S. ABZUG

Mr. Chairman, I am grateful for this opportunity to comment on the administration's request for \$222 million in supplemental military aid to Cambodia. This request in my opinion ignores the stated will of Congress and of the American people. I hope that the Congress will stand firm in opposing it, as well as the request for \$300 million more for South Vietnam.

The United States has already spent \$150 billion on the wars in Indochina—dollars that might have helped to stave off the recession at home. For fiscal year 1975 the appropriation for Cambodia alone was \$275 million. After the conference committee granted \$75 million in drawdown authority which the House had not authorized. Now that money, which was to last until June, is almost gone and the administration is back asking for more. This new request would bring our military aid alone to \$497 million for Cambodia.

Just before recess the Congress authorized a ceiling of \$200 million on military aid to Cambodia plus another \$177 million in economic aid. Now the President asks that that ceiling be lifted so that commodities may be supplied under the food for peace program. In the past few years the Congress has studied that program thoroughly and learned how such money is converted into local currencies and put to military use also. And by various stratagems the administration is able to get around these amounts. Congress was told of food for peace allocations of \$30 million for Cambodia in fiscal year 1974 but the administration actually sent \$192.2 million. I hope there will be no lifting of the congressional ceiling until we have found a mechanism that permits food to go directly to the needy refugees instead of to the ruler and his generals.

About 85 percent of our military aid to Cambodia goes to supply ammunition. Many eye witnesses have reported in our major papers that this ammunition is used wastefully—at the rate of 600 tons a day. Apparently the Cambodians prefer shooting at random rather than engaging their troops. I suggest that this may be due to a reluctance to kill fellow Cambodians. In a recent press report an American officer complained that the soldiers preferred to shoot into a bush pond. On January 24 the Washington Post reported that buses carrying ammunition to Phnom Penh were stopped partly because their crews refused to go. It seems obvious that there is no great enthusiasm for the war among the citizens.

There is also no international agreement attempting to divide Cambodia. Left to themselves, the insurgents and the Lon Nol regime will be forced to negotiate. The people can only benefit—some 300 Cambodians are being killed or wounded every single day. This is an increase of casualties since the congressionally imposed bombing cutoff of August 1973—and it is being carried on with our tax dollars. President Ford has said that America's objective is a negotiated peace, but Lon Nol will never negotiate as long as American money keeps flowing into his coffers.

That money amounts incidentally to about \$16 million per day. What could we do with that money in the United States? Why are we using it to help Cambodia? And why are we getting more deeply involved every day in this new secret war in Cambodia?

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I am deeply concerned by the reports of our increasing participation, and by the risks it poses, in violation of the congressional ban against military involvement in Indochina. To at least six appropriation bills the Congress has attached a provision which states in essence that " \* \* \* no funds heretofore or hereafter appropriated may be obligated or expended to finance the involvement of U.S. military forces in hostilities in or over or from off the shores of North Vietnam, South Vietnam, Laos, or Cambodia, unless specifically authorized hereafter by the Congress."

Yet for many months, American pilots in American planes have been furnishing reconnaissance information to the Lon Nol government. The administration claims that this is not a violation of the law because it does not constitute direct military involvement.

We also train Cambodian pilots at Udorn Air Base in Thailand; and from Thailand, U.S. C-130 Hercules transports, piloted by civilians, have been flying about 10 flights a day into Phnom Penh and airdropping supplies to Neak Luong. According to the New York Times, January 16, a so-called civil contractor in Thailand was given several Air Force planes with the insignia painted out. The pilots, so-called civilians, are mostly "returned" U.S. Air Force officers.

Worst of all, our military advisers are directing the war, under the direction of the U.S. Ambassador, according to a report of the House Foreign Affairs Committee. In the Washington Post, June 6, 1974, Phillip A. McCombs states that Ambassador John Dean is "even ordering specific big military operations."

This is obviously a dangerous game which is being played without the knowledge or consent of the American people. Recently a U.S. crewman in a civilian airplane carrying Government reinforcements was wounded. If American lives are lost, the administration might well provide armed escorts for their transports, then "protective" strikes on anti-aircraft positions. The next step could be emergency troop landings or bombings. Secretary Schlesinger stated on January 14 that "Congress \* \* \* might well authorize the use of American force," in Indochina. I believe the Secretary is mistaken in his assessment of the Congress and the public. I do not believe that we will ever again fall into the trap of believing that endless funds and endless killing will solve anything in Indochina.

And what American interest could possibly be served by continuing this risk?

Around the world, the United States is now striving for détente with Communist countries—yet these few million Asians in Indochina remain, supposedly, our enemies. Why are we so fiercely intent upon killing them, while making friends with China and Russia and every other Communist country except Cuba?

It is, we are told, a "commitment." In fact, it is a commitment from one government group to another, not from people to people. Americans were never asked whether they wanted to make such a commitment. They vehemently expressed their revulsion to the secret bombing of Cambodia in 1972, when they finally learned of it. And what American harbors hate for any Cambodian?

Yet, Americans are being asked to sacrifice to keep this war going. Mr. Ford has actually asked for a cut of \$123 million in cancer research, and a \$445.4-million cut for health research and services. While unemployment lines grow longer, while our older citizens and our poor struggle just to keep alive, we are asked to send \$222 million more to Lon Nol for ammunition. Why?

To do less, we are told, would destroy our "credibility." Other countries would not believe that American protection can be relied upon. Perhaps it is time that these nameless "other countries"—mostly dictators with corrupt regimes—started relying on themselves instead of on American protection.

There is a principle which should apply to all American aid: Does the country in question practice some form of democratic government? Or, is it repressing its citizens? Does it serve the real interest of the American people—not the multinational corporations—to give aid? Under these conditions the Lon Nol government would not qualify.

In addition to opposing this supplemental request, I am sufficiently concerned about the situation in Indochina that, with 27 cosponsors, I have introduced a resolution of inquiry, House Resolution 3229, directing the Secretary of Defense to supply further information on the extent of our involvement there. I have also introduced in the 94th Congress H.R. 168, which calls for total termination of funding or military involvement of any kind in Indochina.

I believe that there will be no for the conscience of Americans—exploits once and for all.

MR. PASSMAN. Mr. Leggett, at this time.

STATEMENT OF HON. ROBERT L. FROM THE

MR. LEGGETT. Thank you. I have a prepared statement closures be inserted in the record. MR. PASSMAN. Without objection, at this point.

[The statement follows.]

STATEMENT OF

Mr. Chairman, I deeply appreciate subcommittee today on the subject.

I am opposed to sending one in fiscal year. We have already had we thought ought to be spent for \$275 million ceiling is less than extremely presumptuous of the bombardment of such requests as

Having told you that I am opposed my reasons.

By continuing to shower money in Indochina, we encourage a pro more very effective. According to the condition is even higher now than despite supposed austerity measures Cambodian soldiers advancing their M-16 ammunition ahead of them, tank fire. This blind fire is necessary their positions by unnecessary fire rather shoot at nothing than look the experience of our own American Continental soldier was "one is the mother of invention, then I more inventiveness and a lot fewer something worth fighting for, they won't.

There is also the question of Vietnam. The President's request, he Republic." Yet one day after he submitted a list of proposed rescissions totaling over \$265 million. A list:

Agricultural Extension Service	----
REAP	-----
Water bank program	-----
Forestry incentives program	-----
Farmer's home administration	-----
ASCS	-----
Agricultural marketing service	-----
Forest service	-----

Total -----

ing participation and by...  
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To do this is  
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I am opposed to sending out more U.S. dollars for Vietnam Indochina. We have already made our determinations in Congress. So far we thought ought to be spent for these purposes. In the case of Cambodia the \$275 million going is less than 1 month old and I personally feel that it is extremely presumptuous of the administration to keep us under a continued bombardment of such requests as they have since the cease fire.

Mr. PASSMAN: Mr. JACOBI, we will be very happy to hear from you at this time.

STATEMENT OF HON. ROBERT J. FLEET, CHAIRMAN, SUBCOMMITTEE ON FOREIGN AID, SENATE COMMITTEE ON FOREIGN RELATIONS, CALIFORNIA

Mr. JACOBI: Thank you very much, Mr. Chairman. I have a prepared statement. I ask that the statement with the enclosures be inserted in the record at this point.

Mr. PASSMAN: Without objection, it will be inserted in the record at this point.

[The statement follows.]

STATEMENT OF HON. ROBERT J. FLEET

Mr. Chairman, I deeply appreciate the opportunity to appear before you this afternoon to discuss the subject of increased military aid to Cambodia.

I am opposed to sending out more U.S. dollars for Vietnam Indochina. We have already made our determinations in Congress. So far we thought ought to be spent for these purposes. In the case of Cambodia the \$275 million going is less than 1 month old and I personally feel that it is extremely presumptuous of the administration to keep us under a continued bombardment of such requests as they have since the cease fire.

Having told you that I am opposed to approving this request, let me give you my reasons.

In continuing to shower money on the war-making machines we have created in Indochina, we encourage a profane style of warfare that is expensive but not very effective. According to the Cambodian military, consumption of ammunition is even higher now than it was at the height of last year's dry season despite supposed austerity measures. Pictures returned to us by newsmen show Cambodian soldiers advancing through empty fields empty of opposition and firing M-16 ammunition ahead of them and being covered by incessant smaller and tank fire. This blind fire is necessary because the Khmer Rouge don't give away their positions by vanishing, and Cambodian soldiers apparently would rather shoot at nothing than look for something to shoot at. Contrast that with the experience of our own American Revolution, where the proud boast of the Continental soldier was "one shot, one man." If it is true that necessity is the mother of invention, then I believe it is time we started exporting a lot more inventiveness and a lot fewer dollars. If the Cambodians feel they have something worth fighting for, they will find a way to fight it, if they don't they won't.

There is also the question of where this never-ending flow of dollars comes from. The President's request he tells us is vital to the survival of the Khmer Republic. Yet one day after he submitted this request for \$222 million he submitted a list of proposed recessions and deferrals for agricultural programs totaling over \$265 million. A list of these proposed domestic cuts include:

	Millions
Agricultural Extension Service	8.2
RFAP	170
Water bank program	2.1
Forestry incentives program	.25
Farmer's home administration	7.25
ASCS	21.9
Agricultural marketing service	2.6
Forest service	26.3
<b>Total</b>	<b>265.0</b>



CAMBODIA

[U.S. fiscal years millions of dollars]

	U.S. overseas loans and grants - obligations and loan authorizations															Total less repay- ments and interest				
	Foreign Assistance Act period																			
	1950	1951	1952	1953	1954	1955	1956	1957	1958	1959	1960	1961	1962	1963	1964		1965	Total FAA period 1962-73	Total loans and grants 1946-73	Repay- ments and interest 1946-73
Total																	285.0	481.4	10.6	470.8
Before operations																	239.3	435.8	10.6	425.2
Operations																	45.7	45.6	0.0	45.6
Emergency operations																	207.3	395.9	10.6	385.3
Emergency operations - (1)																	53.1	53.1	10.6	42.5
Emergency operations - (2)																	6.8	20.5	25.8	6.8
Emergency operations - (3)																	6.8	20.5	25.8	6.8
Emergency operations - (4)																	19.9	25.8		45.7
Emergency operations - (5)																	6.8	6		7.4
Emergency operations - (6)																	(9.7)	(9.7)	( )	(9.7)
Emergency operations - (7)																	(2.3)	( )	( )	(2.3)
Emergency operations - (8)																	( )	( )	( )	( )
Emergency operations - (9)																	( )	( )	( )	( )
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Emergency operations - (19)																	( )	( )	( )	( )
Emergency operations - (20)																	( )	( )	( )	( )

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CAMBODIA

[U.S. fiscal years millions of dollars]

	U.S. overseas loans and grants - obligations and loan authorization															Total less repay- ments and interest				
	Foreign Assistance Act period																			
	1950	1951	1952	1953	1954	1955	1956	1957	1958	1959	1960	1961	1962	1963	1964		1965	Total FAA period 1962-73	Total loans and grants 1946-73	Repay- ments and interest 1946-73
Peace Corps																				
Other																				
Assistance - total																	67.6	23.6		91.2
Loans																	8.3	164.0	187.2	138.0
Grants																	59.3	77.6	100.0	64.2
Total																	67.6	23.6	187.2	138.0
Peace Corps																				
Other																				
Assistance - total																	67.6	23.6		91.2
Loans																	8.3	164.0	187.2	138.0
Grants																	59.3	77.6	100.0	64.2
Total																	67.6	23.6	187.2	138.0



VIETNAM

[US fiscal years - millions of dollars]

U.S. overseas loans and grants—obligations and loan authorizations

Program	Post war relief period 1916-48	Marshall plan period 1949-52	Mutual security act period 1953-61	Foreign Assistance Act period												Total FAA period 1962-73	Total loans and grants 1946-73	Repay ments and interest 1946-73	Total less repay ments and interest
				1962-65	1966	1967	1968	1969	1970	1971	1972	1973	1974	1975					
I Economic assistance—Total			1 541 9	951 6	736 5	568 1	536 7	413 5	476 7	575 7	451 6	501 7	654 1	571 9	5 115 1	6 298 1	228 6	6 069 5	
Loans			97 3	851 6	736 5	563 1	536 7	113 5	476 7	575 7	59 2	173 0			238 2	330 3	228 6	101 7	
Grants			1 447 6								395 4	322 7			4 876 9	5 967 8		5 967 8	
(a) AID (including USAID)			1 106 6	659 1	593 5	494 4	398 2	314 2	365 9	337 7	386 8	313 4			3 912 2	5 016 8	89 4	4 927 4	
Peace Corps			(3)	(3)	91 9											86 7	89 4	-2 7	
See J for major grants			(3)	(3)	1 371 7	659 1	533 5	431 4	338 2	314 2	365 9	387 7	386 8	313 4	3 912 2	4 930 1		4 930 1	
(b) Food for Peace (PL 480)			(3)	(3)	(1 391 2)	(572 2)	(583 1)	(483 8)	(391 8)	(293 1)	(361 0)	(383 9)	(345 2)	(312 3)	-	(3 828 4)	(4 871 8)		-
(c) Food for Peace (PL 480)			78 3	193 5	113 0	73 7	138 5	99 4	110 8	188 0	67 8	188 3			1 203 0	1 281 3	139 2	1 142 1	
Title—Total			16 4	126 2	93 2	73 3	96 6	60 8	75 6	161 9	62 5	179 0			937 1	1 993 5	139 2	814 3	
Repayable in US dollars—Loans															238 2	238 2	138 6	99 6	
Payable in foreign currency—Planned for country use			15 4	126 2	98 2	73 3	96 6	60 8	75 6	164 9	3 3				698 9	715 3	6	714 7	
Total sales agreements including US sales			(22 2)	(146 2)	(113 7)	(138 7)	(122 9)	(77 6)	(103 1)	(206 0)	(4 1)	(-)			(906 9)	(906 9)	(-)	(906 9)	
Title II—Total			61 9	67 3	44 8	4	41 9	38 6	35 2	23 1	5 3	9 3			269 9	327 8	(-)	327 8	
Emergency relief				7	51 7	38 6		41 7	38 2	35 2	23 1	4 8	7 6		240 9	241 6		241 6	
Voluntary relief			61 2	15 6	6 2	4	2	4				5	1 7		25 0	86 2		86 2	

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VIETNAM

U.S. overseas loans and grants—obligations and loan authorizations

Program	Post war relief period 1946-48	Marshall plan period 1949-52	Mutual security act period 1953-61	Foreign Assistance Act period												Total FAA period 1962-73	Total loans and grants 1946-73	Repay ments and interest 1946-73	Total less repay ments and interest
				1962-65	1966	1967	1968	1969	1970	1971	1972	1973	1974	1975					
(c) Other economic and social																			
Peace Corps																			
Other																			
II Military assistance—Total			526 3	955 4	875 1	1 208 5	1 163 2	1 710 8	1 777 0	1 495 0	2 399 5	2 118 2	945 0	760 0	10 000 0	10 000 0		10 000 0	



FORD REVEALS \$349 BILLION BUDGET TOTAL

(By Peter Millers)

President Ford said yesterday that he will send to Congress Monday a \$349 billion budget for the coming fiscal year. Spending, which is noted as almost \$1 billion a day.

The budget would increase total Federal spending about \$5 billion or 11 percent over this fiscal year's limited outlays, with most of that increase attributed to inflation. Without the likely inflation rate, the cost of government would not grow much since the President reiterated that he will propose no big spending programs.

Even without such programs, the President told reporters, the projected deficit for fiscal 1976, which will start July 1, is \$52 billion, a record for time of peace—and that projection assumes that Congress will go along with \$17 billion in spending limitations and reductions Mr. Ford is proposing.

Those limitations include such things as a 5 percent ceiling on this summer's scheduled cost-of-living increase in social security benefits, which otherwise will rise 7.5 percent.

Congress has already indicated it will not go along with this. If it backs up all the cost-cutting recommendations he has made, the President said, the deficit will rise to nearly \$70 billion.

The President spoke at the start of a budget briefing for reporters in the State Department auditorium. Such briefings are held every year, with the understanding that nothing from either the budget or the briefing will be published or broadcast until the budget is actually sent to Congress. This time, however, the White House permitted use of it. President's comments on defense of the budget.

Mr. Ford noted he was the first President to appear at a budget briefing since Harry S. Truman on January 19, 1952. The budget that year, he said, had jumped to \$85 billion, a sum then described as astronomical, and Truman called it the biggest he'd ever seen.

Harry, Mr. Ford said, I hope you left some aspirin for me. The budget and the likely deficit have presented Mr. Ford with both a political and an economic problem. The political problem is that like other members of his party, he has a strong aversion to depleting deficit spending, and now finds he is forced to do so. Next year's deficit will be on top of an estimated \$32 billion to \$40 billion this fiscal year, also a record for peacetime.

The economic problem is to recommend a budget enough to stimulate the economy out of the recession, or not so much as to create future inflation.

VIETNAM: US IS IS UP IN VIETNAM

(By Philip A. McComb)

Saigon, Feb. 25 (AP)—During a two-week period in January, South Vietnamese government forces killed 14 times as many military communists as the Communists could kill, according to reliable sources.

The ratio varied throughout the country. In the northern quarter and in the provinces of Quang Binh, the ratio was 30-1. In the southern provinces of Binh Dinh, the government killed 17 times as many Communists as the Communists killed in a week. In Quang Nam, the ratio was 15-1.

Government sources said Communist forces in the area have been reduced to a few hundred men. The Communist forces of 10,000 men were reduced to a few hundred men. The Communist forces of 10,000 men were reduced to a few hundred men.

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Government sources said Communist forces in the area have been reduced to a few hundred men. The Communist forces of 10,000 men were reduced to a few hundred men. The Communist forces of 10,000 men were reduced to a few hundred men.

In this view, next year's must Congress has so far appropriate is to avoid possible military dis-

Without the \$500 million supply will be strained to find enough quarter of fiscal 1975—but will.

Another view is that Saigon's the \$400 million supplement. It able to survive, but the net effect causes in government casualties.

A great deal depends on. No expect that the current limited 1975. If it should intensify, the squeeze could become pronounced.

Since the fall of Phuoc Long, fighting around the country. It announced that the number of mil-

But analysts say this is not. Even government officials say provincial capitals will fall to the

Reports reaching Saigon from the lower central Highlands say in anticipation of Communist ass-

Many civilians have also fled west of Saigon. Other important

If the level of fighting continues for months, experts say that ammunition will be 25 percent below

This minimum is outlined as fight without resupply from the to the 1972 spring offensive, plus of fighting.

This is considered a lower limit to take a minimum of 60 d-

Thus while there appears to could develop quickly should the supplement and be granted by C-

The Communists, on the other ammunition inside South Vietnam level for year and a half without

The Communists are said to have and the government to have. Even if the government fires

the Communists, the experts say. You had 800 incidents in the the government fires a few top

normous expenditure might then. A few Communist soldiers fire government artillery into. Since

posts the number of artillery for. The U.S. government had had the 9 to 1 for the last

had by then. During the first quarter of 19 the Communist losses and during

figures show. For 1975 as a whole, the govern compared to 17 percent as much a

and that the total number of revealed. In general, however, the govern

each year during 1974 and 1975. The number of Communist killed

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gress Monday a \$319 noted comes to almost \$5 billion or 11 per cent of total increase in cost of government will propose no big the price of a deficit for law of piece— \$17 billion in spend ing on this summer's which otherwise will this if it works at all dent said the deficit reports in the State with the understand a published or heard however the White e of the budget budget but in a since he said and mumped human called it 'the me with both a political other members of his m. and now funds be out in estimated \$22 view fait to stimulate the me inflation

South Vietnamese in is the Communists, northern quarter and important provinces there is the Com munist as much share that the ch a me offer hit l more ammunition a subject of debate advantage in men in this. Others say that having met that they by get done on less of the \$500 million seeking for South analyst What will

... the flow of new arms... (S70) ... Without the \$90 million supplement... (S20) ...

... North Vietnamese intentions... Most analysts have expected that the Communist limited offensive war... (S17) ...

... Since the fall of Phuoc Hoa Province to the Communists... (S17) ...

... If the level of hoarding continues at the same intensity... (S17) ...

... This ammunition is deemed as enough ammunition inside South Vietnam to fight without resupply from abroad for 60 days... (S17) ...

... Thus while there appears to be enough ammunition now... (S17) ...

... The Communists on the other hand are said to have stockpiled enough ammunition inside South Vietnam to supply intensive fighting... (S17) ...

... You had 800 incidents in the delta in a recent week... (S17) ...

... A few Communist soldiers being the rifles at an outpost... (S17) ...

... The 1971 government artillery expenditure during 1 week in February... (S17) ...

... During the first quarter of 1974 however the government fired 17 times while the Communists fired... (S17) ...

... For 1974 as a whole the government fired 12 times as much as the Communists... (S17) ...

... In general however the government fired somewhat less than 5 million rounds... (S17) ...

... The actual ratio may tend to show government in power is less than it... (S17) ...











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For us to continue military activity and to have the administration and the Department of Defense come here and make a statement that they are up to their eyeballs in military activities right now in Cambodia, seems to me to be a clear break of faith with the American people and a breach of law.

As I see it, in section 907 of the second supplementary Appropriations Act of 1973 there was a specific legal prohibition against the use of Federal funds to support directly or indirectly to support combat activities in or over or off the shores of Cambodia. That apparently has been violated right along. It mystifies me. It must mystify the American people.

The continuing Appropriations Act of 1974 is an aid. None of the moneys herein appropriated under this act may be expended to support directly or indirectly, combat activities in or over or off the shores of Cambodia. I think the people had a right to expect that this provision, too, would be carried out.

I let the administration to come here and say that if Congress stops these funds we are going to be responsible for the loss of lives in Cambodia seems to me distinctly improper and unfair. What is continuing to cause the loss of life in Cambodia is our continued illegal support of military activity there. It is not going to stop until we stop. I think the likelihood is very great that even if the Lon Nol Government fails and even if the Communists take over, there will be considerably less loss of life than there will be if we continue to perpetuate military activity. But at any rate, the issue has already been decided and the administration has no right to flout the law. This is a very disturbing aspect of the situation and the committee should not put itself in the position of condoning the administration's illegal activity.

The administration also made the broader decision or at least announced the decision to the American people, that the United States wasn't going to be the policemen of the world any longer, that the United States wasn't going to continue to take responsibility, nor were we able to take responsibility for the political situation in all the far-flung places of the Earth. I think this is one place where the line has to be drawn. I don't feel that I am being unreasonable in advocating an end to military aid to Cambodia. Rather, I am forwarding as I see it, the best interests of the American people in not supporting another cent for military activity in Southeast Asia—not winddown over 3 years but a complete cutoff. We have had enough of military activity in Southeast Asia, far more than enough.

I will be glad to support moneys to reconstruct an area which the United States helped to destroy, but not 1 more cent for killing people in Southeast Asia. My most sincere wishes that this is in the best interests of the United States.

Thank you very much.

Mr. PASSARAN. As I mentioned to Bob Leggett, we are always glad to have Members of Congress appear before this subcommittee and bring with us their views. Certainly when we consider this request, all of these views will be taken into account.

I want to commend our new member here, Congressman Moffett. He seems to take an active interest in knowing what is going on before this subcommittee. It certainly indicates that you are looking at what



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... the evolution of the Navy in Southeast Asia... the Government sanctioned practices about the events of Southeast Asia—

... Mr. Chairman in my view we'd like this to be a very constructive... We can't have this kind of a situation where we're just spending money and not getting anything out of it.

... No program is more deserving of termination or no fund request more deserving of denial than the Cambodia aid program. And no congressional action could be more responsibly, patriotically, and in the interest of self-determination and the ability to save... to the administration's request.

... Mr. Chairman I come here today in the same constructive spirit I tried to reflect when I opposed our Cambodia intervention in 1970. I can only hope that these few words will contribute to your decision on your part and on the part of my other colleagues in this body to reassert our congressional responsibility and to finally bring to a halt our tragically misguided efforts in Cambodia and the rest of Southeast Asia.

... Mr. MORTON Mr. Chairman let me thank you for the dispatch and openness with which you treated my request. I am most appreciative of that.

... Mr. PASSMAN Thank you.

... Mr. MORTON I am grateful also for the presence of the gentleman from Massachusetts, Mr. Come, whose district borders on mine and whom I have come to respect a great deal in this area of concern as well as others.

... I am here today more than anything else to voice my objections to an outmoded foreign policy one which has been based on lies, misrepresentations and fantasies. I did it 5 years ago in resigning a position at the Department of Health, Education and Welfare after President Nixon's so-called invasion or announcement of his invasion into Cambodia. I am here again in that same constructive spirit.

... I don't have a great deal to add to what Mr. Leggett and Mr. Ottinger said or what Mr. Obeys said earlier except to reiterate something that I feel is happening in my district which is probably not unique. I am holding office hours in places like delicatessens, laundromats, and so forth. I am in touch with people there. There is no question but that people are angry about the requests for increased aid and about aid in general to Southeast Asia.

... A fellow came up to me who had left Germany as Hitler was about to take over and he said with sorrow in his face, "I came to this country in the 1930s because we refused to stand behind dictators and we went out to fight them and now I see that we appear to rush to stand up behind corrupt dictators."

... I am not implying that all the virtue in this situation is on the other side. Don't misunderstand me, but there is no question that we are involving ourselves in a civil war there that we continue to involve ourselves in a civil war that we continue to be the major factor in



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Mr. PASSMAN. Certainly I share those sentiments because this is  
very well indicated by his presence here.

I want all of you to come back as often as you think you can make  
a contribution. The committee is honored.

FRIDAY, DECEMBER 4, 1975

INCREASED AUTHORIZATION FOR ISRAELI PORTUGAL  
AND PORTUGUESE COLONIES IN AFRICA

WITNESSES

HON. JOHN E. MURPHY, DEPUTY ADMINISTRATOR, AGENCY FOR  
INTERNATIONAL DEVELOPMENT

HON. ALFRED L. AHERTON, JR., ASSISTANT SECRETARY, BUREAU  
OF NEAR EASTERN AND SOUTH ASIAN AFFAIRS, DEPARTMENT  
OF STATE

HON. JAMES G. LOWENSTEIN, DEPUTY ASSISTANT SECRETARY,  
BUREAU OF EUROPEAN AFFAIRS, DEPARTMENT OF STATE

ALFRED D. WHITE, DEPUTY ASSISTANT ADMINISTRATOR, BUREAU  
FOR NEAR EAST AND SOUTH ASIA, AGENCY FOR INTERNA-  
TIONAL DEVELOPMENT

ANDREW WESTWOOD, ASSISTANT DIRECTOR FOR LEGISLATIVE  
PROGRAMS, OFFICE OF LEGISLATIVE AFFAIRS, AGENCY FOR IN-  
TERNATIONAL DEVELOPMENT

STEPHAN BRINLEY, LEGISLATIVE PROGRAMS COORDINATION  
STAFF, OFFICE OF LEGISLATIVE AFFAIRS

ELI BIZIC, OFFICE OF ISRAELI AFFAIRS, DEPARTMENT OF STATE  
EDWARD ROWELL, OFFICE OF IBERIAN AFFAIRS, DEPARTMENT  
OF STATE

Mr. PASSMAN. The committee will come to order.

We shall consider this morning the increase in two items provided  
for in the Foreign Assistance Act, 1974, namely, the \$25 million for  
Portugal and Portuguese Colonies in Africa that was added by the  
Congress without a budget request from the administration and the  
increased amount for Israel which was increased from \$50 million in  
the budget request to \$324,500,000 in the authorizing legislation.

Subsequent to the hearings, we were told that the administration  
expressed both of the amounts. Is that correct?

Mr. MURPHY. Yes, sir, Mr. Chairman.

Mr. PASSMAN. Let us begin with the amount that I am going  
to increase amount for Israel. It is a million in the struggle for  
survival of the State, to correctly it was the President Harry  
Truman who recognized Israel 10 minutes after they declared their  
independence, so we have a responsibility which it is to be  
recognized. They have had their problems almost since they became a  
nation.

I think the statistics will show that there is a high rate of loss  
outside the confines of Israel is the highest in the world. I question  
whether you will find a record like that any people who have made  
a greater sacrifice to protect their nation and to see that it survives  
than the Israelis.

I believe you did answer in the affirmative on both of my statements.  
Mr. Murphy.

Mr. MURPHY. That is correct, Mr. Chairman.

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