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UNITED STATES OF AMERICA
DEFENSE LIAISON OFFICE
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24 January 1984

TERU: ~~Army Liaison Officer~~ *WPA*
~~Defense Liaison Office~~
~~American Consulate General~~
~~Hong Kong~~

TO: Department of the Army
Deputy Chief of Staff for Operations and Plans
ATTN: DAMO-SSA
Washington, D.C. 20310

SUBJECT: China Foreign Area Officer Trip Report

REFERENCES: a. DAMO-SSA ltr dtd 26 Nov 82,
 Subj: LOI for overseas FAO Speciality Training

 b. Hong Kong FAO Course FOI dtd 1 Nov 83

In accordance with the above references the trip report of Major(P) Michael Byrnes, Major Jay Allen and Captain(P) Kevin Rice for travel to Singapore, Pakistan, India, Thailand and Burma conducted from 27 November 1983 to 22 December 1983 is forwarded as an enclosure. Individual FAO trip observations, relevant correspondence, and cost data are attached to the report as annexes.

Kevin M. Rice
Kevin M. Rice
CPT. IN
China FAO

1 Encl w/annexes
Annex A Observations on India - MAJ Allen
Annex B Observations on Pakistan - MAJ(P) Byrnes
Annex C Observations on Thailand - MAJ(P) Byrnes
Annex D Observations on Burma - CPT(P) Rice
Annex E Observations on Singapore - CPT(P) Rice
Annex F Relevant Correspondence
Annex G Cost Data



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SUBJECT: China Foreign Area Officer Trip Report

1. GENERAL: During the period 27 November 1983 - 22 December 1983, Major(P) Michael Byrnes, Major Jay Allen and Captain (P) Kevin M. Rice visited Singapore, Pakistan, India, Thailand and Burma.

2. PURPOSE: To give the above officers an opportunity to gain firsthand knowledge of the political, economic, social, and geographic conditions in the areas visited.

3. GENERAL ITINERARY:

<u>Location</u>	<u>Dates</u>	<u>Significant Activities</u>
Singapore	28-29 November	<ul style="list-style-type: none">- Tour of Nanyang Technological Institute Chinese Language Center.- Tour ESSO oil refinery- Dinner with Intel Computer Company representatives- Tour old Chinatown- U.S. Embassy briefings (Pol, Econ and DAO)
Karachi, Pakistan	30 November	<ul style="list-style-type: none">- Tour city, visit Muhammed Ali Jinnah's mausoleum- Briefing at American Consulate General
Islamabad, Pakistan	01 December	<ul style="list-style-type: none">- U.S. Embassy briefings (Pol, Econ, DAO, DEA, Refugees, USAID)- Visit with Director of Pakistan Military Intelligence Brigadier Hamid Gul- Cocktail party at Assistant Army Attache's home

Gilgit, Pakistan	02 December	<ul style="list-style-type: none"> - Drive along Karakoram Highway to Hunza - Meet with Pakistani Army Major at U.S. Assistant Army Attache's home
Islamabad and Rawalpindi, Pakistan	03 December	<ul style="list-style-type: none"> - Tour Rawalpindi Islamabad area - Margala Hills, Parliament, Presidential Palace, Raj Bazaar
Peshawar, Pakistan	04 December	<ul style="list-style-type: none"> - Visit Taxila Museum - Drive from Islamabad to Peshawar - Tour Peshawar and Sarafa Bazaar - Briefing by U.S. Consul General - Lunch with U.S. Defense Attache Beijing at Peshawar Intercontinental
Lahore, Pakistan	05 December	<ul style="list-style-type: none"> - Tour Lahore Fort and Aurangzeb's Mosque - Briefing by U.S. Consul General Lahore
New Delhi, India	05-06 December	<ul style="list-style-type: none"> - Night Sound and Light Show at Teen Murti House - U.S. Embassy Briefings (Pol, Econ, DEA, DAO) - Meeting with Pakistani Attache to India, Brigadier Beg - Cocktail Party at U.S. Assistant Army Attache's home - Depart for Pathankot by overnight train
Pathankot and Dharamsala, India	07-08 December	<ul style="list-style-type: none"> - Visit Mogul fort at Nurpur - Drive from Pathankot to Dharamsala - Tour McLeod Ganj and Dharamsala - Visit Tibetan carpet factory - Discussions on Tibetan situation in PRC with General Secretary of the Information Office of His Holiness The Dalai Lama - Tour library of Tibetan manuscripts and artifacts

		- Visit Church of St. John in the Wilderness and Lord Elgin's (Viceroy of India) Tomb
New Delhi and Agra, India	09-10 December	- Drive from New Delhi to Agra - Visit Taj Majal, Agra Fort and Emperor Akhar's Tomb
Bangkok, Thailand	11-12 December	- Tour Grand Palace - U.S. Embassy briefings (Pol, Econ, DAO, DEA and Refugees) - Dinner with Thai Army battalion commander and police lieutenant colonel - Dinner with U.S. Assistant Air Attache - Lunch with Assistant Army Attache, and PRC military attaches
Thai-Kampuchean border	13 December	- Visit Khao Dang Refugee Camp
Bangkok, Thailand	14 December	- Visit floating market - Tour Bangkok
Chiang Mai, Thailand	15-16 December	- Consulate General briefings (DEA, Pol, Econ, USDA, USIS, Air Force Detachment) - Tour Chiang Mai and talks with local Chinese population
Rangoon, Burma	17 December	- Walking tour of Rangoon - Tour Shwedagon Pagoda
Mandalay, Burma	18 December	- Tour Mandalay: Chinatown, St. Joseph's Catholic Church, Maha Muni Pagoda, Mandalay Hill
Maymyo, Burma	19 December	- Drive to Maymyo - Talk with Chinese in Maymyo - Visit Chinese Buddhist temple - Visit Maymyo botanical garden
Mandalay, Burma	20 December	- Visit Chinese tombs in Mandalay, Mandalay University and the sole bridge spanning the Irrawaddy River.

Rangoon, Burma

21 December

- Meeting with U.S. Ambassador
- U.S. Embassy briefings (Pol, DAO)
- Lunch with U.S. Defense Attache and PRC military attaches

Hong Kong

22 December

- Terminate trip.

4. TRIP PLANNING AND EXECUTION:

- a. Singapore, Pakistan and Thailand do not require visas of U.S. nationals for stays of less than 15 days. A Burma visa takes only 2-3 days to process. India visa requires a letter from U.S. Consulate stating the nature of military officer's visit.
- b. Local U.S. Embassy and Consulate employees met us at various airports. This was especially helpful in clearing customs in Karachi, Pakistan and Rangoon, Burma.
- c. Local U.S. Consulate and Embassy transportation was used in many countries. This was useful and reduced trip expense.
- d. The following hotels, although within per diem, were in FAO's opinions overpriced: Bangkok Hilton, Lahore Hilton and Agra Mughal Sheraton.
- e. Initial messages were sent out to DAO's approximately 60 days in advance. Messages informed DAO's of approximate dates of visit and requested suggested itinerary. Once suggested itineraries had been received and pre-trip research on each country was completed, messages were sent confirming dates of visit and arrival times.

5. RECOMMENDATIONS:

GENERAL:

- a. In support message, query DAO's in each country to be visited whether to travel on official or tourist passport. It is best to use official passport while travelling in Pakistan and Burma, this will facilitate customs clearance in those countries.
- b. In support message, request meetings with PRC, Pakistani, Indian, Nepalese, Burmese and Thai attaches in various countries.
- c. Do not use a Hong Kong travel service in planning trip. U.S. Consulate and Embassy recommendations on places to visit are superior. Embassy's can usually get special rates at hotels and in one case a plane was made available for a trip to Gilgit, Pakistan.

SINGAPORE:

- a. If time is lacking, consider eliminating Singapore from the itinerary and travelling there later via Skypack courier service.

INDIA:

- a. Consider eliminating Agra from Indian visit and replacing with trip to either Calcutta or Bombay. Calcutta has India's largest Chinese community.
- b. Itinerary in India should be fixed early as Indian Army Headquarters requires itinerary well in advance of an officer's visit.
- c. Request visit to Indian textile factory and briefing on Indian Army regimental system.

THAILAND:

- a. Chiang Rai and Chiang Mai have Chinese communities. Many of the Chinese there speak excellent Mandarin. A visit to these communities is worthwhile.
- b. Request visit to Thai Command and General Staff School in support message.
- c. Request tour of textile factory run by Chinese entrepreneur in Bangkok.
- d. Request aerial border tour of Thai-Burma border through American Consulate General Chiang Mai, Thailand.
- e. Consider taking train from Bangkok to Chiang Mai to observe the terrain upcountry.

BURMA:

- a. If time permits, schedule visits to Lashio, Maymyo and Taunggyi, Burma to get acquainted with Shan state.
- b. Consider taking train from Rangoon to Mandalay to observe the ter-
upcountry.
- c. Request to stay at former American Consulate General in Mandalay,
since it is both inexpensive and located in the center of the city.
- d. Request visit to Japanese direct investment or joint venture pro-
gram in Burma.



Kevin M. Rice
CPT. IN
China FAO

cc*:

USDAO Bangkok
USDAO Beijing
USDAO Islamabad
USDAO New Delhi
USDAO Rangoon
USDAO Singapore
CMDT DLI
FAO School
WESTCOM
CGSC
TRADOC
ACSI
DIA

*NOTE: Annexes F and G, relevant correspondence and cost data are not
included with courtesy copies.

ANNEX A: INDIA - Major Allen

I. INTRODUCTION: India was the largest country visited. It was also the most diverse: the extremes of wealth and poverty, wide variety of regional cultures and languages, and high level of technical and scientific achievement, set India apart from south and southeast Asia's other countries. These characteristics, operating within the framework of democratic government, provide a background for examination of two central questions. First, what is the nature of India's relationship with the Soviet Union? Why does the world's largest democracy have closer ties to the U.S.S.R. than to the United States? Why are Indo-American, as well as Indo-Chinese, relations concomitantly poor? Second, what place, if any, do the Tibetan refugees in India and the Dalai Lama's government-in-exile have in Indo-Chinese relations? What are the refugees' intentions, policies and objectives? Are these useful in understanding the treatment that the PRC accords the Tibetans specifically or PRC minority peoples in general?

II. POLITICAL

a. Internal. This section and the following one are based on briefings presented by Ernestine Heck and Margaret Shoemaker, political officers at the U.S. Embassy in New Delhi, and David Weiss, a political officer at the U.S. Embassy in Islamabad. Although Ms. Shoemaker acknowledged serious separatist problems, growing trends of regionalism, and intra-party strife in the ruling faction of the Congress Party, she saw a more secure future for India than for Pakistan. She based this analysis on two factors. The first was Indian nationalism. Aside from separatist agitation in Assam and among the Sikhs, the vast majority of the people living in India regard themselves as Indians. In Pakistan, the government is still trying to achieve this national identification. There, people define themselves as members of, first, a family, then a tribe and a province, with loyalty to Islam also ranking very high. Thus, a comparatively secure national consciousness may permit India's government to deal confidently with the Soviet Union, developing relatively close ties.

Ms. Shoemaker's second factor was the Indian economy. Again contrasting India's situation with Pakistan's, she characterized the latter's prosperity as based exclusively on agriculture and remittances, with heavy dependence on imports. India's broader, more complete economic base produced practically all goods necessary for domestic consumption. Though a systemic analysis of India's economy can find shortcomings with Ms. Shoemaker's approach (this will be discussed in Section IV), there is no question that the broad-gauge security that a full economic base affords is an important part of a well-developed, functioning sense of nationalism.

b. External. A wide range of external factors--geographic, political, and strategic--is applicable to understanding the complex skein of relations among India, the PRC, the U.S., and the U.S.S.R. Certainly India's geographic proximity to both the Soviet Union and the PRC explains a good deal. Some measure of American unreliability as an Indian ally over the years is also to the point. But perhaps Ms. Heck's characterization was best able to explain why India has relatively close relations with the U.S.S.R.: India is basically satisfied with the nature of the relationship it has with the U.S.S.R. She went on to indicate two qualifications. First, India does not seem willing to expand its relations with the Soviet Union. Second, though supplies of Soviet military equip-

ment represent an important part of the U.S.S.R.'s ties to India. India has recently shown it intends to look to other sources for new equipment.

This desire for diversified sources of military equipment is not alone among Indian intentions. These shed light on Indian-U.S. differences as well. India wants to be the South Asian subcontinent's preeminent regional power, minimizing any independent roles for Pakistan, Bangladesh, or Sri Lanka. U.S. policy on Afghanistan, power projection into the Indian Ocean, and the Persian Gulf does not accord India this role. In her briefing, Ms. Heck also indicated that, from an Indian point of view, the U.S. was too public and vocal concerning its policy differences with India and that this, too, contributed to poor relations.

However, differences in government policy must be viewed along with other indications of a more favorable regard for the U.S. Major Doug Givoni, an Indian FAO and recent graduate of the Indian staff college, told us that his Indian classmates were strongly pro-American. It was also his sense that his classmates' pronouncements were sincere, and not made simply because he was American. Major Don Schrieber, the Assistant U.S. Army Attache, related a similar experience in giving a ride to a group of Indian government workers who were hitchhiking in New Delhi. After introductions were made and as conversation ensued, Major Schrieber's passengers took pains to emphasize their personal good feelings and high regard for America. Major Schrieber told us he did not think the exchange was any sort of planned "snow job." The preceding may well represent part of a common Western and British political tradition that India and the U.S. share. In addition, thousands of Indians annually pursue higher education in the United States.

In conclusion, a wide variety of factors as well as current regional differences all compel a divergence of policy and views. Undoubtedly the American initiatives with the PRC and Pakistan cannot help the state of Indian-U.S. relations. Additionally, U.S. actions supporting the PRC in its efforts to become a major borrower from the International Monetary Fund do nothing to improve Indian-U.S. ties. However, the state of official relations should not obscure two things: first, the United States and India share a significant political heritage; second, there are indications of America's popularity and importance to Indians on a personal level.

c. Tibetan Refugee Discussions. The most worthwhile portion of the time spent in India was two extended discussions with officials from the Information Office of His Holiness the Dalai Lama, a part of the Tibetan government-in-exile located in Dharmasala. The visits afforded a substantial opportunity to study the perceptions, reactions, and initiatives of those representing a people to whom the PRC accords minority group status. Tibet and Tibetans' positions are unusual in this respect. Both historical precedent as well as their current activities in India and elsewhere argue for a genuine Tibetan nationalism unique among China's minorities.

Our conversations at the Information Office took place over two days. On the afternoon of the first day we visited with two men, both younger officials. They made the following points during our exchange.

First, they believe that the current Chinese anti-crime campaign is simply an anti-nationalist drive in Tibet. Its targets there had almost exclusively been people advocating Tibetan nationalism and "human rights" (speaker's words).

Second, people in Tibet have little difficulty leaving to visit

Tibetans living in India. However, visitors must leave family members in Tibet while they are out of the country. These hostages render them "inclined to return" (speaker's words). Once in India, visiting Tibetans faced difficulties from Indian officials prone to regard them as Chinese spies.

Third, based on information gathered by three fact-finding delegations that the Chinese have permitted to visit Tibet, it was the spokesmen's position that the living standard of the Tibetan people has not improved. They pointed out that this is contrary to Chinese pronouncements. In some unspecified respects, the spokesmen maintained that conditions in Tibet are worse than they were in 1959.

On the morning of the next day, we talked to a third, older man in the same office we had visited the previous afternoon. He seemed to be the supervisor of the two men we had seen the day before. The discussion covered the following points.

First, he stated that any improvement in Sino-Soviet relations was not a major factor in his organization's plans. He said that while Soviet declarations on the Tibetans' behalf were welcome, they were essentially window-dressing, because freedom of religion does not exist in the Soviet Union. Tibet was only a pawn in the Soviet-Chinese exchanges.

He expressed appreciably more worry about any improvement in PRC-Indian relations. Though U.S. Embassy officials regarded any possibility of improvements as remote, it remained a major concern to the Tibetans. Strangely, however, possible loss of their haven outside Tibet was a secondary issue to the disposition of the territory in dispute between India and the PRC. Since the Tibetans regard a portion of the disputed territory as theirs, the spokesman expressed the opinion that neither India nor the PRC had the right to discuss disposition of what did not belong them.

Second, responding to a question concerning the PLA and military activity in Tibet, the spokesman told us that it was very hard to know the strength of PLA units there. Their sources of information led them to estimate between 400-500,000 troops. CIA support for Tibetan guerilla training that went on in Nepal stopped in 1972 as one of the results of the Shanghai communique. He added that, in fact, military and guerilla-type operations against the Chinese in Tibet had not been successful.

Third, he was highly circumspect in discussing the possibility of a compromise settlement with the PRC that would grant Tibet something less than full autonomy. He said that Tibetans and their leaders outside Tibet had discussed this and done some work on it. However, he did not think that a solution of this type would find any considerable support among those still living in Tibet. In fact, they might well oppose such a settlement.

Finally, he defined the principal mission of the Dalai Lama's organization as one of keeping the issue of Tibet before the world: to inform, publicize, and propagandize. Yet he told us that in doing so, they published no materials in Chinese.

Our final formal discussion was with Lodi Gyaltzen Gyari, General Secretary of the Information Office. He spoke excellent English and his discussions exhibited an impressive knowledge of current and past Chinese history and politics. Unlike the three men to whom we had previously spoken, he was not a one issue man. Though he was certainly totally dedicated to the cause of Tibetan liberation and independence, he showed a far more complete understanding of the place of the Tibetan struggle within world and regional issues.

In discussing the efforts of the Chinese to convert and co-opt younger Tibetans, he told us he could not state with complete assurance that no Tibetans were openly cooperating. However, based upon the roles given Tibetans in the government and other official bodies, there were no Tibetans whom the Chinese trusted. The Tibetans still in official positions remained those with pre-1949 ties to the Communist Chinese movement, increasingly old, infirm, and dwindling in numbers.

He recognized that the Tibetans could not find a receptive Chinese audience on Taiwan. Though he admitted, "I admire very much" Chinese culture, regarding Tibet as a part of China is a "chronic disease most Chinese have." (his words).

In discussing a negotiated compromise settlement with the Chinese resulting in something less than full autonomy for Tibet, he was more forthcoming than the previous spokesman. He declined to rule out any possibility, but told us that he regarded direct negotiation with the Chinese as unlikely. He was similarly pessimistic, but less forthcoming, concerning armed or more violent action against the Chinese in Tibet. He also mentioned a compromise settlement not being favorably received in Tibet.

Though the Chinese position on Tibetan autonomy remains unchanged, he told us that there are currently a number of signs that his group interprets favorably. All three fact-finding delegations that the Chinese permitted to return to Tibet received positive and emotional receptions. He contended that this "panicked" (his words) the Chinese. A fourth and fifth delegation, previously agreed to, were cancelled. His reading of this was that the Chinese were perceiving how little progress they had achieved in all their years of occupation. In this same connection, he also mentioned that the Chinese seemed to be backing away from their invitation to the Dalai Lama to return to Tibet. Based on the receptions that greeted the fact-finding delegations, a visit by the Dalai Lama could well prompt an uncontrollable reaction.

After our talk, the General Secretary had one of the men we had talked to the previous day conduct us on a tour of the Tibetan manuscript library and research facilities in the complex. During the tour, our guide expressed a strong personal desire for an armed resistance component to the effort to free Tibet. He indicated that while the Dalai Lama could not advocate this, the fact he had not expressly forbidden it was generally interpreted as a recognition of its necessity. This statement went considerably beyond the tentative and circumspect statement by the General Secretary.

Our guide related that the Indian government was providing guerilla training for Tibetans at an installation in Uttar Pradesh. He also told us that there were Tibetan units of the Indian army stationed in the high-altitude approaches from China on India's northwest and northeast.

There can be no doubt that the official positions of the Information Office personnel were at the very least one-sided. Other than the General Secretary, the spokesmen were almost entirely unrealistic true-believers concerning the question of Tibetan liberation. Though completely sincere and dedicated to their cause, it would probably be a mistake to infer too much about China's national minorities' policy from their explanation of the Tibetan situation. It would be equally unwise to place a great deal of credence in the statements of our library tour guide on armed resistance. However, his statements concerning Indian guerilla training for Tibetans and Tibetan units in the Indian army merit further study.

III. MILITARY: Major Don Schrieber, the Assistant Army Attache in New Delhi, was the primary source for information in this section. The two previously-mentioned political officers, Ms. Heck and Ms. Shoemaker, as well as Captain Hubert L. Quick, Jr., Deputy U.S. Defense Supply Advisor at the American Embassy in New Delhi, provided some material as well. Briefing officers characterized the Indian Army as professional, competent, and fully confident of its abilities to execute its mission. Indian military planners define the most likely threat as Pakistan, and the greatest threat as the PRC.

It was, in fact, the PRC that provided the Indians with demonstrable proof that they had a serious need for modern military planning and equipment. The Indian army is still embarrassed by its 1962 defeat at the hands of the Chinese. We received an indication of that year's equally profound political shocks on our first night in India. We attended a sound-and-light show at Teen Murti House in New Delhi. The performance reviewed the major events of India's struggle for independence and post-World War II history, using actors' dramatic readings and recordings of actual participants' voices. The setting itself was meaningful, as Teen Murti House was Jawaharlal Nehru's residence while he served as India's Prime Minister. The recording of his breaking, quavering voice announcing the military conflict with the PRC was a compelling indication of how traumatic that event must have been.

But though embarrassment remains, confidence accompanies it. Major Schrieber related that many Indian military officers had expressed full confidence in the Army's ability to undertake either of two major missions. They could attack Pakistan and successfully press the campaign to the Afghan border. They also felt capable of defending against simultaneous offensives from Pakistan and the PRC.

Its British heritage and overwhelmingly Soviet equipment inventory present several other interesting aspects of the Indian Army. Tactics, doctrine, and the use of the regimental system clearly indicate British origins. Similarly, the Indian Army consistently eschews any sort of political role, unlike its immediate neighbors to the east and west. In this respect, Major Schrieber characterized the Indian Army as uncomfortable in any sort of internal security role.

On the Soviet side, approximately 70 percent of the Indian Army's equipment is of Soviet origin. The Soviets continue to offer equipment at bargain prices as well as grant India extensive permission for domestic production of a wide variety of equipment. Nonetheless, India has recently begun to diversify its sources of supply, buying chiefly from Western Europe. Ms. Heck attributed this to Soviet unwillingness to provide India with the most sophisticated and modern equipment. What limited items the Indians do purchase from the United States is on a strictly commercial basis as they do not wish to accord the U.S. the leverage of Foreign Military Sales contracts.

In conclusion, the Indians perceive their Army as adequate to the immediate needs of their country. A longer-term perceived threat from the PRC, as well as U.S. policy that provides Pakistan, an historic enemy, with modern weapons, as well as Soviet reluctance to provide the most modern equipment, compelled India to look to other sources of supply. This move for further modernization may allay Indian suspicions and fears. However, a large number of weapons systems can pose great burdens on supporting supply and maintenance networks, and create substantial problems in a large-scale or prolonged conflict.

IV. ECONOMIC: Mr. George Kenney, a counselor in the U.S. Embassy's economic section presented a different analysis from that of Ms. Shoemaker discussed in Section IIa. "I'm not at all impressed" was Mr. Kenney's summary characterization. India manufactures its own goods for internal consumption in large measure, he pointed out, because importing goods that are also manufactured in India is against the law. As a result, the country's industrial plant is inefficient, poorly managed, and does not produce goods of the best quality. In spite of a high rate of savings, Mr. Kenney found the economic system to be so inefficient--owing to monopolies, corruption, and protected markets, among other things--that the return on invested capital was very low.

Balance of payment difficulties were not a part of the Indian economic picture, according to Mr. Kenney, as international trade was not an important consideration in India's economic planning. He told us that many Indian businessmen and economists had related to him complete willingness to accept lower economic growth rates rather than seek export markets. This, and the foregoing, led Mr. Kenney to summarize economic India as an "inward-looking society" dominated by "inertia, suspicion and inefficiencies." (his words)

Though Mr. Kenney presented a persuasive argument, other developments during 1983 may indicate more progressive developments. The Indian government is granting concessions to companies willing to locate factories in remote areas and to those producing goods for export. It is also opening important sectors of domestic production to foreign activity in joint ventures, notably automotive production, electronics, energy exploration, and power generation. Here, Suzuki of Japan heads a growing list of foreign concerns working in collaboration with Indian companies. Indeed, the first quarter of 1983 saw government approval of 176 proposals for joint economic ventures. 560 were approved for all of 1982. The time since December of 1983 has also seen growing worries about balance of payment problems in Indian and world banking circles.

Agriculture, which Mr. Kenney did not dwell on at length, also contributes to a potentially questionable future economically. After a succession of good harvests, the 1982-83 drought resulted in a harvest of only 126-8 million tons, down from the 1981-82 result of 133 million tons. Though good harvests have helped build government food reserves, poor agricultural conditions can mean little good for the 148,000,000 Indians in the labor force who earn their living from agriculture.

However, while the character of the Indian economy possesses both strengths--a relatively complete economic base whose production can meet domestic needs--and weaknesses--substantial economic inefficiencies--it is in the economic area that one aspect of ties to the Soviet Union is important. To the extent that India trades with the U.S.S.R., the transactions are carried out in rupees, rather than in a hard currency. This is a substantial concession to the Indians, but has led to the creation of large rupee reserves in the U.S.S.R. as the Indians find little there to buy.

V. CONCLUSIONS.

a. The nature of the Indo-Soviet relationship. The strength and substance of their nationalism permits the Indians to feel able to deal with the Soviets. Geography and U.S. policy, however, probably make this a necessity from an Indian point of view. India has borders with both Pakistan and the PRC. Indian relations with both these countries are far

from cordial. Strategic planning finds Pakistan the most likely threat and the PRC the greatest. In this setting, American policy does not lean in India's direction. The Soviet presence in Afghanistan has brought about close American support of Pakistan's government, most critically in multi-billion dollar arms assistance. America's continuing initiatives to improve its relationship with the PRC has an important place in both India's and America's strategic relationship with the Soviet Union. In the International Monetary Fund, however, American support for the PRC is resulting in less aid for India, heretofore the IMF's largest borrower. Thus, again from an Indian point of view, U.S. policy results in a "zero-sum" exercise: gains for Pakistan and particularly the PRC result in equal losses for India. More generally, U.S. policy on the Persian Gulf and power projection into the Indian Ocean, does not accord with Indian desires or perceptions of itself as the Asian subcontinent's preeminent power. Under these conditions, with the addition of Soviet economic incentives and substantial arms aid at attractive prices, the Indian-Soviet relationship is understandable, though hardly natural from the perspective of compatibility of their political systems.

B. The Tibetan refugee question. The situation of the Tibetan refugees in India is not unlike 1997 and the people of Hong Kong. For the Tibetans and the people of Hong Kong, there is no other issue. For the governments concerned, however, there are many other more pressing problems. This is not to say that the Tibetan refugees have no place in the complex of Indo-PRC relations. The prospect of any improvement in relations certainly worried the Tibetan spokesmen in Dharamsala. It is also likely that any kind of military or guerilla training support from India mentioned by the Tibetan spokesman would be a real detriment to any progress in Indo-PRC relations. The refugees' objective, Tibetan liberation through propagandizing and negotiation, is noble and unrealistic in equal parts. The Tibetans in India are indeed articulate spokesmen for a point of view that finds little or nothing of a positive nature in Chinese policy in Tibet. Having outside spokesmen of this nature is unique for a Chinese minority, though Uighurs have fled to the Soviet Union claiming periods of oppression. Discontent among minority peoples like the Tibetans is probably inevitable. It seems unlikely, however, in Tibet at least, for the discontent to bring any fundamental change to the Chinese position. The PRC will certainly not accord Tibet independence. The prospect of an uprising to secure independence is also unlikely.


Jay Allen
Major AGC
China FAO

ANNEX B: PAKISTAN - Major Byrnes

I. INTRODUCTION

a. General. Six days were spent in Pakistan from 30 Nov to 5 Dec 83. Briefings were received from the Embassy and from the Karachi, Peshawar, and Lahore Consulates. Discussions were conducted with the Pakistani Army Director of Military Intelligence, BG Hamid Gul; Zhou Jiang (周江) and Wang Xubo (王旭博) the PRC Military Attache and Assistant Military Attache; BG Abid the previous Pakistani Military Attache to the PRC, and BG (RET) Basit the head of the Strategic Studies program at Quaid E Azam University. Other notable activities included a visit to an Afghani refugee camp and a ride along the Chinese constructed Karakoram Highway from Gilgit to Hunza.

b. Geostrategic Environment. Pakistan's location accords it a very important geostrategic position. With the Middle East on one side, the Asian heart land on another, and the Subcontinent on the other, Pakistan enjoys a strategic position not warranted by population, natural resources or military strength. The Iranian revolution and the Soviet invasion of Afghanistan have radically altered the geostrategic environment of the sub-continent and the entire region. Pakistani's themselves are aware of their important geostrategic position. BG Hamid Gul, the Director of Military Intelligence, pointed out that Pakistan was not only a bulwark to Soviet penetration of the Hindu Kush and thus the subcontinent, but it was also a key obstacle blocking Soviet attempts to encircle China. Pakistan's location and Muslim character also provide the opportunity for Pakistan to play a significant role in the world Muslim movement and with the states in the Persian Gulf area.

c. The Issue. Given the current nature of the geostrategic environment in which Pakistan finds itself, this report will examine the following question: "Can Pakistan capably manage its foreign affairs and maintain sufficient economic progress and political stability to play a role consistent with U.S. objectives in the region?" U.S. objectives in the region are defined as: (1) Stability in Persian Gulf area; (2) Containing Soviet and Indian expansion; (3) Maintaining cordial relations with the PRC. In addressing this issue, specific attention will be focused on political, military, social and economic factors.

II. POLITICAL FACTORS.

a. General. Pakistan, a predominately Muslim state, is now in its sixth year of martial law under the leadership of General Mohammad Zia Ul Haq. Sunni Muslims account for 65-70% of the population of about 90 million. Islam is the common denominator tying together the four provinces and the major ethnic groups, the Sindhi, Baluchi, Punjabi, and Pushtans. Pakistan shares a long 3,600 miles of border with Iran, Afghanistan, China and India. Of these four countries only China, which shares the shortest and most defensible section of border, can be considered a friendly neighbor.

b. Internal Political Factors.

(1) Martial law. General Zia's martial law regime, which was established in 1977, has been in power longer than any previous Pakistani regime. According to official figures 288 military officers on active duty are involved in martial law administration. There are a number of retired officers' in government positions, but no accurate figures were available. U.S. State Department officials in Pakistan agree that martial law has brought stability and prosperity to Pakistan. This observation is supported by major economic indicators such as industrial and agricultural growth rates, annual GNP increases and the healthy debt servicing rate.

(2) Current political status. State Department officials indicated that most Pakistani's are satisfied with the regime, and that the regime has a fairly broad basis of support. General Zia has promised to hold democratic elections by March of 1985 but the actual date and form the elections will take have not yet been announced. Local press reports from the pro-government, paper The Pakistani Times, and the leftisit oppositon paper, The Muslim, indicated that political parties would not be allowed to participate in the elections. Support for this policy came from discussions with various Pakistani's on the street who expressed the opinion that democratic elections were incompatible with Islam. Zia has publicly tied his regime to Islamization of Pakistan. Government spokesmen stressed that Islam was the basis upon which the state of Pakistan was founded and that it is now the glue which binds Pakistanis together into a nation. State Department officials saw Islamization as an attempt to preempt a more fundamentalist movement and as a political device to maintain Zia's regime in power.

(3) Political opposition. Opposition to the regime comes from a number of sources including the Pakistan Peoples Party (PPP), the Movement to Restore Democracy (MRD), Islamic fundamentalist, and various anti-government factions in Baluchistan and Sindh provinces. According to the local press, government officials, and State Department officials, the strength of the opposition is declining and as long as the regime can maintain the current level of economic progress this trend should continue. Most of the opposition is internally based although Iran supports the fundamentalist Shi'ite Muslim groups. Afghanistan supports the Al-Zulfikar (Bhutto) organization. India reportedly supports the PPP and the PPP led MRD especially in the Sindh province. Recent opposition activity in the Sindh led ny the MRD, has been defused by the government. State Department officials were quick to point out that these MRD led activities were not directed at a restoration of democracy (no one I talked to was clear on how democracy was to be restored in a state where it has never really existed) but at strengthening the power of large land owners in the Sindh.

c. Foreign relations. Although the geostratigic situation in the region has posed definite threats to the security of Pakistan, State Department officials in Islamabad pointed out that it has also presented Pakistan with some positive opportunities. Pakistan has been able to develop closer relations with some of the more conservative Arab regimes in the Middle East and to assume a more prominent position in the Muslim world. It has also accorded Pakistan a greater role in the non-aligned and Third world movements and it has strengthened Sino-Pakistani friendship. The geostrategic situation has brought about a greater U.S. interest towards Pakistan as represented by the recent three billion dollar arms transfer package designed

to bring about a technical improvement in the combat effectiveness of the Pakistani military. This aspect has consequently had a negative impact on India-U.S. relations. It also has broadened the area of strategic interests common to both the U.S. and the PRC. Finally, the current geostrategic situation has led General Zia to seek to reduce Indian animosity.

(1) Being in the geostrategic spotlight for the past few years has provided Pakistan with the opportunity to play a more prominent role in the Islamic world and to strengthen its relations with various wealthy Muslim states in the Persian Gulf area. In the past few years, Pakistan has hosted an annual meeting of the Islamic Conference and has emerged as a major spokesman for the conference. Pakistani relations with Saudi Arabia, Kuwait and Iran have also improved during this time. Saudi Arabia and Pakistan have signed a number of agreements dealing with domestic security cooperation and exchange of information on subversive organizations. A sizeable number of Pakistani laborers are working in Saudi Arabia and a Pakistani tank brigade is stationed at Tabuk, ostensibly to protect Mecca. A number of Pakistani training advisory units are located in various countries in the Gulf region. Relations with Iran have also warmed in the last few years. However, as BG Gul pointed out, although Pakistan seeks to cultivate Iran's friendship, the revolutionary character of the regime is cause for concern. Not only has Pakistan improved its position in the Persian Gulf region but it has also taken a leading role in the non-aligned and the third world movements.

(2) The changed geostrategic situation in the region has further strengthened Sino-Pakistani relations. The Pakistanis consider the PRC to be a reliable friend but realize that technically, the PRC's contribution to improving Pakistani military deficiencies is limited. Zhou Jiang, the PRC Military Attache to Islamabad, maintained that Sino-Pakistani relations were based on long standing friendship and significant parallel strategic interests. Mr. Zhou saw Pakistan as a key obstacle to Soviet attempts to encircle China. Both PRC and Pakistani officials see the U.S.S.R.'s presence in Afghanistan as the principle threat to peace in the region. China and Pakistan also share a common view of India. Both BGs Gul and Beg indicated that under the conditions of the current strategic environment, China's traditionally reliable support is seen as even more critical for Pakistan's security. BG Gul and BG Beg both indicated that the PRC was an especially important counter against potential Indian designs to take advantage of the current situation. Both indicated that China had little capability to intervene to aid Pakistan in the event of a Soviet-Pakistani confrontation but they believed that the China factor was sufficient to keep both the Soviets and Indians off balance.

(3) Pakistani relations towards the U.S. were characterized by State Department officials as correct but cool. In turn, the U.S. policy was to support Pakistan, not necessarily the current regime. The U.S.-Pakistan relationship is based on the following parallel interests: (1) the maintenance of stability in the Middle East; (2) keeping the Soviet Union out of the subcontinent; (3) the containment of India; and (4) a commonality of views on China. State Department officials noted that Pakistanis consider the U.S. to be a unreliable partner. The U.S. however, is viewed as a good supplier of sophisticated weapons such as the F-16. This perspective was confirmed during discussions with Pakistani military officials who questioned America's reliability in times of need but who praised U.S. weapons and military schooling programs. State Department officials stressed, however, that too

close of a formal relationship between the U.S. and Pakistan was not necessarily in the interest of either side. The main reasons are that: (1) It would compromise the non-aligned status of Pakistan, who, although non-aligned, had a number of significant parallel interests with the U.S. (2) it could drive either the Soviets or India or both to initiate a more force oriented policy to deal with the perception of an increased threat.

d. Political Conclusions.

(1) Pakistan plays an important geostrategic role in an area which is a focal point in East-West confrontation and also a focal point for subcontinent relations. Recent Pakistani initiatives in the region indicate a significant capability to manage its foreign affairs so as to be able to play a key role in the region. General Zia's cultivation of the Islamic world, the third world and non-aligned movements have all added to the ability to obtain support for his foreign policies. The current geostrategic environment has also provided an opportunity to further strengthen Sino-Pakistani policies on the basis of common strategic interests. The U.S. also shares similar regional policy positions with China and this has added more depth to U.S.-Sino relations. American interests have also provided Pakistan with the opportunity to improve bilateral relations with the U.S. and to acquire badly needed advanced military equipment. The initiatives with the U.S.S.R. and India also positively reinforce the view that the Pakistanis are diplomatically and intellectually capable of assuming an expanded role in the region that is consistent with U.S. objectives. In short, Pakistan's adept handling of its foreign policies in a tense environment, indicate a sophisticated ability which augurs well for stability in the region. Pakistan's location and the events of the past five years have combined to place Pakistan in an important geostrategic position. Pakistani leaders recognize this fact. They have the intellectual competence to play a role, but currently lack viable military strength to complement their effective diplomatic efforts.

(2) Pakistan's internal political status has the potential of precluding Pakistan from becoming a major actor in the area. The present regime is attempting the difficult tasks of combining Islamic and democratic principles into a viable political system. There exists not only a lack of national cohesion, but also the ever present problems presented by the various ethnic groups and the different provinces. General Zia has proven to be an effective leader, but the unrepresentative character of his regime, his failure to alter the semi-feudal character of land ownership, and his Islamic fundamentalist leaning have caused some concern among U.S. officials. The official U.S. position is that the U.S. supports Pakistan, not any particular regime. Under the current geostrategic situation, while the Zia regime has its problems there is sufficient reason to continue to assume Pakistan will act in a manner consistent with U.S. objectives in the area.

III. MILITARY FACTOR.

a. Strategic Considerations. Geographically, Pakistan is in a strategically vulnerable position. Bordered by revolutionary Iran, Soviet occupied Afghanistan, and a wary and irredentist India and finally by the PRC, Pakistan's border extends for 3,600 miles. Due to its configuration this is a long border relative to total land area. Additionally, Pakistan faces a two front threat without any strategic depth. The political capital, major agricultural, industrial and population centers are located in the vulnerable Punjab. There are some interesting strategic parallels with Pakistan's major friend in the region, the PRC. The industrialized northeast of China and the capital of Beijing are located close to a hostile border without the benefit of significant defensible hindering terrain. Both Pakistan and the PRC are faced with enemies equipped with similar armaments and operating with some doctrinal similarities. One can only speculate on whether the Chinese and Pakistani's have exchanged defensive concepts concerning their strategically similar problems.

b. Terrain. The western and northern borders are bounded by a series of mountain ranges that rise from 5,000 feet in the Southwest to over 20,000 feet in the Northwest. There are few roads going in east-west directions and they are all poor avenues of approach. In addition, they can easily be interdicted by ground forces or air power. The terrain along the western and northern border is marked by very steep relief with little or no vegetation. Terrain observations were conducted during a drive along the Islamabad-Kabul highway, to within 15 kilometers of the Khyber Pass. On the Pakistani side this is a good, broad avenue providing maneuver space for a multi-divisional advance. The main impediments to a mechanized thrust along this avenue are the urban areas of Peshawar and Nowshera and a series of steep gulches that run north and south across the avenue in the Nowshera area. The northwest represents some of the more formidable terrain in the region. In this area there is only one good road net crossing the Pakistani border. This is the Karakoram Highway system that crosses the border at the Mintaka and Khunjerab passes and was built along the Old Silk Road by joint Pakistani and Chinese People's Liberation Army units in the late 1960's. It stretches some 450 miles from Kashgar in the PRC, to Gilgit in Pakistan. This road is, however, susceptible to interdiction by weather and frequent landslides and can easily be interdicted by ground forces or air power. Terrain wise, Pakistan's most vulnerable flank is in the Punjab, along the Indo-Pakistan border. Here the terrain is wide-open and flat. The major road and rail nets run in a north-south direction with only a few east to west links.

c. Status of the Pakistani Army. The 16 division Pakistani Army, (14 Infantry, 2 Armored) is highly regarded by the U.S. military attaches in Islamabad. Leaders are capable, troops are well trained, morale is good but equipment is obsolete, thus constraining combat effectiveness. Current plans to upgrade forces include the acquisition of M48A5's, M13A2's, ITVs, TOW missiles, ANTSQ-37 and M198 Howitzers. Ground based air defense remains a serious deficiency. Discussions with senior Pakistani officers indicate the senior leadership has a good grasp on the strategic, tactical and logistic problems facing Pakistan. They impress one as being students of warfare who are experts in their profession. The senior leaders we met were aggressive, capable, and confident. An appreciation of combined air-ground operations however, was notably absent from all discussions which took place.

d. Martial Law and Military Effectiveness. Out of an officer corps of 16,000, some 288 officers are officially reported to be involved on a full time basis in martial law administration. It was not clear how many officers were involved on a part time basis. In separate discussions with BG's Gul, Beg (the Pakistani military attache to India) and Amid, all stated that military involvement in martial law inevitably had a negative impact on military effectiveness, but that the involvement was viewed as necessary for the good of the nation. The U.S. military attaches in Islamabad also saw the involvement of the Army in civil administration as having a negative but not significant impact on military professionalism.

e. Military Conclusions. Strategically, Pakistan's location places it in a very vulnerable position. While terrain in the west and north attenuates some of this vulnerability, the east remains a critical problem for Pakistan. Pakistan's military force is a highly professional military organization. It is well led and trained, and has high morale. Unfamiliarity with joint service operations and equipment deficiencies limit military effectiveness. Sophisticated arms supplied by the U.S. may enable Pakistan to play a more effective role in the region. Finally, the positioning of an armored brigade in Saudi Arabia may be a portent of a more dynamic Pakistani role in the region. As it stands now, military involvement appears to have a beneficial impact on both political and economic stability without a negative impact on either professionalism or effectiveness.

IV. SOCIAL FACTORS.

a. Islamization. General Zia has instituted an Islamization program to return Pakistan to more fundamental Muslim values. What this Islamization means for the future of Pakistan is not clear. Islam is a total, all encompassing religion. Muslims believe Islam alone is truth, that it is meant for the whole world and it is a precondition for salvation in the hereafter. The Christian concept of a division between temporal and spiritual realms has no counterpart in Islam. It legislates injunctions and prohibitions in every sphere of life be it economic, cultural, political or social. Those who do not accept the total submission to Allah are Kafirs or infidels. Non Muslims cannot become the citizens of an Islamic state. Discrimination is permitted and encouraged when dealing with Kafirs. This Islamic totalitarian view leads logically to the Jihad (holy war) which is considered the "highest peak of Islam," and a standard of the religion. The Jihad concept has both physical and intellectual or moral components. That is, a Jihad can be waged orally or economically without the use of physical force or violence. Contributing to the fervor of Jihad is the concept of "Shahid", the holy martyr who earns eternal salvation by giving his life in the defense of Allah. Islam considers that Arabia and the Arab peoples occupy a central position in the Islamic religion. Because of its totalistic outlook and the concept of Jihad, Islam is often depicted as a fanatical movement. Recent suicide attacks in the Middle East have been cited as examples of such fanaticism. Whether this fanaticism can be ascribed to a fundamentalist Islamic state in Pakistan was a topic discussed with a number of State Department officials. The general consensus was that the potential fanatical character of Islam in Pakistan would be tempered by the moderating influence of the South Asian culture. The fanatical nature of Islam in this sense, could be ascribed to cultural as much as to religious factors. Further more, discussions with Pakistani military leaders indicated a distrust of fundamental Islamic societies such as Iran.

b. Population Growth. Like many other developing countries Pakistan has a significant population growth problem. The current 3% growth rate is diluting the increases of the GNP. Although the regime has a population control program on paper, the growth rate has not yet been brought under control. State Department officials in Pakistan see the population growth rate along with the continuing feudal nature of Pakistani society as the two most disturbing trends having the potential to affect the future of Pakistan.

e. Social/Cultural Conclusions.

(1) A certain amount of Islamization could enhance Pakistan's geo-strategic role by giving Pakistan more leverage within the Muslim community of nations. This phenomena already has begun to develop, and it has produced both diplomatic and economic benefits.

(2) The other side of the coin is that continued Islamization could prove to be a destabilizing force pushing Pakistan into unrealistic domestic and external positions. It could also become the source of problems with China over the latter's handling of its sizeable Muslim community. The population problem, unless controlled quickly, could bring about economic dislocation and consequently political instability.

V. ECONOMIC FACTORS. Recently, Pakistan's economic situation has been very stable. In 1982, the GNP grew at a rate of 6%, inflation decreased although there is no agreement on the current inflation rate or amount of decrease. Both the agricultural and industrial sectors grew by 3-6%. Overall, in spite of the world recession, Pakistan has maintained a positive growth rate. However, U.S. officials in Pakistan pointed out the following underlying problems: (1) The Pakistani industrial sector is poorly developed. The Pakistani's prefer to import industrial products rather than invest the required capital to promote an indigenous industrial infrastructure. (2) The already mentioned population growth rate nullifies much of the economic growth. (3) A good amount of economic prosperity is attributable to foreign remittances. These remittances mostly from workers in Saudi Arabia and other Persian Gulf states amount to three billion dollars a year. This amounts to about 50% of Pakistan's foreign reserves. Additionally, most of the remittances are used for consumption instead of savings. (4) Pakistan has one of the lowest personal savings rates in Asia at 13%. In comparison, India's stands at 24% and Thailand's at 22%. (5) The refugee problem is a serious economic liability for Pakistan. The two million plus refugees living in Pakistan cost the government about one million dollars a day in spite of significant efforts by the UN and private relief agencies. The refugee problem also has social and political overtones. Many Pakistani's feel that the refugees obtain better care than many citizens of Pakistan and that Afghans are taking too many jobs from Pakistanis. Politically, the refugees have united with some of the Islamic fundamentalist groups which could pose a threat to the current regime. Pakistan is taking serious steps to rectify these problems. Recently, personnel changes have been made in the economic leadership within the government. For example, Dr. Mahbub Ul-Haq, a former high official with the World Bank was brought back to Pakistan to manage a new Five Year Plan which started in 1983.

b. Economic Conclusions. Pakistan's present economic situation is stable but the economic foundation is not well developed. While headway has been made in the five problem areas mentioned above, much has yet to be done to improve Pakistan's economic situation. Recent personnel changes in the economic leadership indicate a determination to shore up the weak economic foundation. The direction at the previously discussed Islamization could be a major factor in economic development. Confidence in the regime's stability is a major element in continuing to receive foreign investment and aid. If this confidence, and thus the economy is shaken, Pakistan's ability to play a constructive role in the region will become problematic.

VI. OVERALL ASSESSMENT. Pakistan's location and regional events in the past five years, have placed significant geostrategic responsibilities on a nation which has existed as an international actor for less than 40 years. Internally, Pakistan is still trying to settle on a form of government that seeks to combine democratic and Islamic elements. Ethnic diversity adds to the strains of political development. These internal political obstacles must be overcome to achieve the requisite political stability necessary for Pakistan to play a role consistent with U.S. objectives in the region. In the area of foreign policy, the current regime under General Zia has adroitly managed its international relations, thus proving to be a constructive actor in the region. Militarily, Pakistan is in a strategically vulnerable position. Material and moral support from the PRC, and sophisticated technology from the U.S., enable Pakistan's professional military establishment to attenuate this strategic vulnerability. The political involvement of the military, could however, weaken the all-important professional foundation on which the Pakistani military is built. If the political involvement does not become debilitating, Pakistan will be capable of playing a role consistent with U.S. objectives in the region. Socially, both the Islamization program and the population growth problem do not bode well for being able to play a role consistent with U.S. objectives in the region. The same could be said of the economic factors, although significant progress has been made in the past 18 months.

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ANNEX C: THAILAND - MAJOR BYRNES

I. INTRODUCTION

a. General: A total of six days were spent in Thailand from 11 to 16 December. Briefings were obtained from various Embassy officials in Bangkok, LTC John Cole, JUSMAG Thailand; Harland Lee the Consul General in Chiang Mai; and from Drug Enforcement Agency (DEA) officers in Chiang Mai; Discussions were conducted with Hou Gang (侯刚) the PRC Assistant Military Attache to Thailand, Shao Shanqing (邵善清) also of the PRC Military Attache's Office, and LTC Lertratana Ratanavanich the Aide de Camp to the Deputy Chief of Staff of the Thai Army. Other notable activities included discussions with overseas Chinese in Bangkok and Chiang Mai, and a visit to a Cambodian refugee camp on the Thai-Cambodian border.

b. The geostrategic environment. Thailand, long a key U.S. ally in Southeast Asia, plays an important role in the region. Bordered by socialist Burma on the west, Vietnamese dominated Laos and Cambodia on the east, and Islamic Malaysia on the south, Thailand is a main bulwark to Vietnamese expansion in the region. This role has focused increased international and regional attention on Thailand.

c. The issue. A central issue resulting from the current situation in Southeast Asia, is the ability of Thailand to act as a reliable bulwark to Vietnamese expansion in southeast Asia. Political, military and economic factors will be examined to determine their impact on this central issue.

II. POLITICAL FACTORS

a. General. Thailand is a constitutional monarchy and although the military is clearly in a dominant political position, Thailand remains an open, democratic society. The Thai people are overwhelmingly Buddhist and the Thais are the predominant ethnic group.

b. Internal.

(1) General. Since the establishment of the constitutional monarchy in 1932, Thailand has alternated between open, democratic regimes and authoritarian military rule. Changes in government have been mainly the result of power struggles at higher levels, rather than the result of mass movements. Although there are five political parties there are no great ideological differences separating them. Coalitions are easy to form because the primary concern of political actors is to obtain a share of power and not espouse a particular political line. Patron-client relationships tie together the three dominant elite groups; the senior military leaders, the bureaucracy and the business leaders (largely ethnic Chinese). Although not formally a political party, the Army is very involved in politics and is a major power broker in the political arena. Whatever the character of the regime, sufficient stability has been maintained over the past 15 years to promote an annual average economic growth rate of 7 percent.

(2) Military involvement in politics. The military has been in control of political power since the end of WWII. The senate is largely made up of military or police officers. The prime ministers mostly have been serving general officers. Recently, however, there have been signs that other groups have been acquiring additional power. In March 1983, a set of

constitutional amendments designed to perpetuate the political power of the Army was defeated in parliament. A number of U.S. Embassy officials maintain that there is a recognition in some sectors of Thai society that the problems of a modern state are too complex for military officers to handle. However, according to a U.S. officer in the JUSMAG, the recent military success by the army over the Communist Party of Thailand (CPT) has led to a belief by the Army that the strategy of placing political work ahead of military action is not only suitable for defeating communist insurgency, but it also can be applied by the military as a strategy to solve political, social and economic problems. As a result of this, some in the Army believe that the military, not the politicians have the capability to devise and implement the most suitable nation building policies. The impact on military effectiveness and professionalism of the army's involvement in politics will be examined below.

(3) Bureaucracy. The bureaucracy, made up of career civil servants carries out the day to day functions of government. One State Department official characterized the bureaucracy as inefficient; that in Thailand red tape is cut lengthwise. As the official pointed out, however, money and favors are the lubricants that reduce bureaucratic friction. Positions within the bureaucracy are looked upon as prestigious and as a means of achieving upward social mobility.

(4) Monarchy. The monarchy is a very revered institution in Thailand. Constitutionally, the monarchy has no formal power, but in the last few years King Bhumibol Adulyadej has significantly increased the influence of the monarchy. Building on the traditional reverence for the monarchy he has played an active role in Thai society. He gets out among his people, listens to their problems and provides solutions whenever he can. The monarchy is a strong legitimizing force in the political arena.

c. External.

(1) U.S.- Thai relations. U.S. State Department officials characterize U.S.-Thai relations as warm and friendly but caution that Thailand is maturing and is increasingly carrying out an independent foreign policy, including seeking to cultivate stronger regional ties. Discussions with mid-level Thai army officers indicate some dissatisfaction with the U.S. concerning arms transfer policies.

(2) Sino-Thai relations. In the past few years Sino-Thai relations have warmed considerably. The major factor in this warming of relations has been Vietnamese aggression in Cambodia. As a part of the process of improving Sino-Thai relations the PRC has cut off aid to the CPT. Recent visits to Thailand by high ranking PRC officials such as the Peoples Liberation Army Chief of the General Staff Yang Dezhi and the foreign Minister Wu Xueqian have highlighted the increased PRC interest in Thailand. State Department officials noted however, that the Thais still mistrust the PRC and they are not sure of the relationship with their neighbor to the north. The PRC Assistant Military Attache pointed out that the Thais are wary of a close relationship and they are very good at drawing the line limiting the relationship; the implication being, that while the Chinese might want a closer relationship, the Thais remain cautious. He also forcefully reiterated the PRC stand on keeping open the option of teaching Vietnam a second lesson. He said that this was not merely a diplomatic device, but that the PRC was very serious about this matter.

(3) Thai-Vietnamese relations. The main emphasis of Thai foreign policy is the issue of the Vietnamese occupation of Kampuchea. As previously noted the Vietnamese factor has colored Thai relations with other nations. In dealing with Vietnam, Thailand has displayed what U.S. State Department officials characterized as a new dimension of political maturity. Thailand is combining its traditional suppleness with a policy of standing fast against Vietnamese political and military initiatives. Discussions with Thai based U.S. military officers and several Thai army officers indicated that Thai military leaders are confident of stopping a Vietnamese invasion. At the same time, Thailand has kept open channels of communication with the Vietnamese as evidenced by the June 1983 visit to Thailand of the Vietnamese Foreign Minister Nguyen Co Thach.

d. Political Conclusions. Thai politics are marked by the pursuit of power and influence not in the interest of ideological goals or higher political purpose but for institutional or personal gain. The current Prime Minister Prem Tinsulanonda and the monarchy appear to be above the political squabbling. From a purely political point of view the participation of the military in the political process has had a beneficial impact on domestic stability. But the pursuit of self-interest found both in the military and bureaucracy could constrain Thailand's ability to block Vietnamese expansion especially in situations where institutional or self interest and national interest diverge. In the foreign policy arena, Thailand continues to demonstrate an ability to adapt to changing strategic conditions and still retains independence and freedom of maneuver. Thailand has capitalized on the parallel strategic interests it shares with both the PRC and the U.S. in its efforts to deal with the Vietnamese problem. In short, Thailand's internal political situation gives rise to doubts about Thailand's ability to thwart Vietnamese expansion while diplomatically Thailand's position in this matter is much more secure.

III. MILITARY FACTORS.

a. Status of the Thai Army. By most accounts, the Thai Army is well led, equipped, and trained. The question continually raised by Thai based U.S. military personnel is what is the impact of political involvement on combat effectiveness. The civilian view in the U.S. Embassy differs from the military view. The civilian view is that some senior military leaders are not too sophisticated, the army is top heavy with rank, and military personnel are too involved in politics and personal pursuits. The U.S. military view is more sanguine. Discussions were conducted with a Thai Army lieutenant colonel who simultaneously is an aide to a senior Thai General and a battalion commander. His opinion was that the military was required to participate in governing the state and that this did not have an adverse impact on military effectiveness or professionalism. This view differs sharply with the Huntington model which precludes involvement of the military in politics. According to this definition, political involvement is bound to have a negative impact on professionalism. U.S. military officers in Thailand indicated that they had been observing two trends that they thought would lead to an increase in professionalism. One trend was the external threat posed by Vietnam; the other was the increasing sophistication of Thai military equipment and thus military organization. So far, however, there has been no consequent observable increase in professionalism. The contrast between the Thai Army's participation in politics and that of the Pakistan Army's is instructive. The Thai officers enter the political arena without restriction and on a voluntary basis. The Pakistani officers are selectively ordered in small numbers to take

up civilian positions. The opinion of Thai based U.S. military officers is that while many Thai officers are serving the state through political involvement some officers are seeking personal gain. Pakistan based U.S. officers are of the opinion that the majority of Pakistani officers are serving the state.

b. Military Conclusions. Most observations of the Thai Army concern the Army headquarters not the field units. Information on the field units was very difficult to obtain. The U.S. Attaches in Bangkok admitted that it was difficult to get an accurate view of the combat effectiveness of Thai field units. It could be that Thai field units are of sufficient quality to give Thailand the requisite military power to be an effective check against Vietnamese expansion. However, looking at the Army from a Bangkok vantage point, one can easily draw different conclusions. In Bangkok the Army appears too involved in non-military pursuits to be able to maintain a military force capable of stopping the experienced and battle tested Vietnamese Army. It would not appear that the Thai Army would take the initiative to push back the Vietnamese. In a strategic sense, the Thai's might effectively assume a blocking force posture allowing a stronger or more willing power to actively deal with the Vietnamese problem.

IV. ECONOMIC OBSERVATIONS.

a. General. In recent years Thailand has enjoyed a substantial economic growth rate. In 1982 in spite of the world recession, Thailand managed to achieve a 4-5 percent increase in the GNP. Both agriculture in which 80 percent of the population is engaged, and industry managed to maintain reasonable growth rates. The Thai's savings rate is 24 percent and public and private debt are maintained at manageable levels. Tourism is the number one foreign exchange earner although the export of Thai labor is a close second. Like many other developing nations the Thai's export their labor to the Persian Gulf area. Thailand has a negative trade balance with the Japanese. Such an imbalance with Japan is not at all unusual in Southeast Asia. Discussions with businessmen, government officials and State Department economic experts in Singapore, Pakistan, Thailand and Burma indicated the Japanese have been most successful at penetrating the local markets. There was much ill will toward the Japanese due to the one sided agreements sought and often achieved by Japanese business men. In the words of one businessman, the Japanese want everything but they are unwilling to give anything in return. Because Thailand is a major food exporter it is able to get something in return.

b. Economic Conclusions. The Thai economy is a vital element of Thai national power. In the recent past the economy has made good progress with a steady and respectable growth rate. The economy is strong enough to provide an economic base for Thailand to play a dominant strategic role in the region.

V. OVERALL ASSESSMENT. Can Thailand act as a reliable bulwark against Vietnamese expansion in Southeast Asia? This may be the wrong way to phrase this question. It may not be so much a question of "can" but of "will Thailand decide to act as a check to Vietnamese expansion." Economically it appears, that Thailand has the capability to perform this role. There are no substantial socially oriented impediments. Politically and militarily it may be more a question of will or determination rather than capability. Unless changes take place in the domestic arena, the question of will and determination present serious questions about the ability of Thailand to block Vietnamese expansion.

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ANNEX D: BURMA - Captain Rice

I. GENERAL: During the period 17 - 21 December 1983, three Hong Kong based China FAO's visited the Socialist Republic of the Union of Burma. Burma, like China, is a multi-national state. In travelling to Burma, the FAO's wanted to evaluate four areas of interest. First, what is the geo-strategic importance of Burma to the PRC? Second, what is the status of the ethnic Chinese community in Burma? Third, how does Burma's minorities policy compare with the PRC? Finally, what are the prospects for improved Burma-United States relations?

II. POLITICAL

a. Internal.

Burma has a long land border with India, China and Thailand and limited borders with Laos and Bangladesh. Much like China, Burma's land borders are predominantly mountainous terrain. China's and Burma's borders both are inhabited by ethnic nationalities. The Burmese, the same as the Han Chinese, populate the fertile river valleys in the interiors of their respective countries. Unlike China, Burma is fighting in several of her border regions attempting to subdue insurgents. The Burmese government is fighting most notably in the Shan State. The Burmese army mounts periodic expeditions against Shan rebels with limited success. The region that the Army must fight in is favorable to a guerrilla force. The terrain is extremely rugged with practically no roads in the area. The Shan insurgency is financed by opium growing and smuggling. A variety of private and well equipped armies operate in Shan State. Previously, the Burmese Communist Party (BCP) and its military wing received financial aid from the People's Republic of China. According to State Department Officials in Rangoon, the PRC has largely stopped its aid which initially hurt the BCP's efforts. To acquire more funds, the BCP moved into the opium business. The BCP continues its operations within Shan state albeit with a lower profile.

The Karen rebels of Kawthule State in southeastern Burma have stepped up their operations in recent years. The Karens are predominantly Christian in a Buddhist Burma. The Karens have a finely articulated political platform and an active propaganda apparatus. They insist on independence from Burma. According to the United States Defense Attache in Rangoon, there is no evidence the Karens traffic in drugs. The Karens have been seeking international recognition of their movement. Recently, they kidnapped a French engineer and his wife in Burma. The French couple were later released unharmed. As part of their propaganda drive for international recognition, the Karens have sent the United States Consul General in Chiang Mai, Thailand large glossy calendars for the year 1984. The Karens will undoubtedly continue to try and draw international recognition of their movement.

Burma is wary of its poor and overpopulated Muslim neighbor Bangladesh. The U.S. Defense Attache in Rangoon estimated that 3-5% of the Burmese population is Moslem. He claimed that the Burmese government harasses its Moslem population. He cited an example of a mosque in downtown Rangoon which was partially destroyed in the 1973 earthquake which the government has been unwilling to repair. The Moslem population has not been integrated into Burmese society nor is it likely to be integrated in the near future.

While China has had her ups and downs in the handling of her minority peoples, she has managed to prevent large armed insurgencies and has achieved a modicum of loyalty from them. In Burma, on the other hand, most minority

groups are still agitating for independence. While internal policies are undoubtedly an important factor, Burma's inability to develop rail and road networks binding the country together is also an important cause of Burma's insurgent problem.

b. External.

Burma endeavors to remain strictly non-aligned in all its external relations. Recently, however, there has been a slight shift towards the West. Burma was previously one of the few countries that maintained diplomatic relations with both South and North Korea. The recent assassination by the North Koreans of several South Korean cabinet ministers has resulted in a severing of diplomatic relations between North Korea and Burma. United States-Burmese military relations are slowly growing as more Burmese military officers receive training under the IMET program in the United States. The former U.S. Pacific Fleet commander also visited Burma in 1982. Most U.S. government officials in Rangoon cautioned that U.S. - Burma relations still are lacking in substance.

Sino-Burmese and Indian-Burmese relations are governed by the fact that all of northern Burma lies between these giant neighbors and could easily be severed by either one. This influences the Burmese government in their treatment of its ethnic Indian and Chinese people. Indians and Chinese are third class citizens within Burma and are prevented from serving in the armed forces. Sino-Burmese relations have warmed slightly in recent years with the cessation of PRC aid to the Burmese Communist Party.

The People's Republic of China is always cognizant of Soviet attempts to encircle her. China has hostile forces on her southern flanks in the states of Vietnam and Laos. India has signed a peace and friendship treaty with the Soviet Union and receives a large amount of military hardware from the USSR. China can be expected to exert a strong influence to insure Burma's non-alignment. Any possibility of Pro-Soviet governments stretching from the Punjab in the west to the Tonkin Gulf in the east is inimical to Chinese national interest. Hence, the geostrategic importance of Burma to the PRC is significant.

III. MILITARY

a. Terrain.

The Irrawaddy River flows from north to south and divides the country in two. The importance of the Irrawaddy to Burma cannot be underestimated. The river provides central Burma with a fertile rice growing area and is an important transportation link. The variety of river traffic can be seen at Mandalay where ferries and barges ply the waters. Just to the south of Mandalay, lies Burma's only bridge over the Irrawaddy. The bridge is of steel and concrete construction. Ten massive concrete supports are sunk into the river and bear the weight of the bridge. The bridge is approximately one mile in length. The bridge handles two way vehicular traffic and also a standard gauge and narrow gauge railroad running down the center of the bridge.

Significant mountain ranges with peaks at elevations of more than 7,000 feet run north to south on the Shan Plateau in Shan State. The rugged terrain and few roads have severely hindered Burmese military operations in this area. Many villages and communities are isolated from the outside world in this inaccessible terrain. In southeastern Burma, the Isthmus of Kra has witnessed increased drug trade between Thailand and Burma. The isolated Isthmus of Kra

is a smuggler's paradise with the many small islands of the Mergui Archipelago lying just offshore.

Burma's rugged terrain and poor transportation system are divisive influences in the central government's attempts to unify the country. China has taken strong initiatives in the last 20 years to build road and rail networks to its more remote border areas; Burma has not. The lack of roads in Burma also hinders the Burmese military in its efforts to eliminate insurgents. Burma's terrain and undeveloped communication system will continue to hamper Burmese government attempts to resolve problems with its ethnic minorities.

b. Military Forces.

The United States Defense Attache in Rangoon estimated Burmese Armed Forces at 7,000 Navy personnel, 10,000 Air Force personnel and 180,000 Army personnel. The armed forces have antiquated equipment that is poorly maintained. The Burmese military remains very secretive and there is little contact between Burmese military officers and military officers of other nations. In the last several years, the Burmese have sent a small number of military officers for formal schooling to the United States. Once these Burmese officers return to Burma, the U.S. Embassy is unable to maintain contact with them due to Burmese restrictions. The U.S. Defense Attache related that many officers that previously received a military education at Fort Leavenworth, Kansas have now moved into senior positions in the Burmese military leadership. Prospects for better U.S. - Burma relations may rest with the above-mentioned Burmese officers.

IV. SOCIAL.

a. Religious Affairs.

Burma is a Buddhist country. In the Irrawaddy River valley, the Buddhist influence is omnipresent. Stupas, pagodas, and monks are literally everywhere. The religious influence extends into government where there is a cabinet position for Home and Religious Affairs. The Burmese government expelled most foreign Christian missionaries years ago. The U.S. Defense Attache noted that the Christian missionaries had embarrassed the central government on several occasions. An incident was cited when a Christian missionary had single-handedly organized flood relief in western Burma when the government had been ineffective in providing aid. The Buddhists were also concerned that the Christian missionaries who were highly educated, independent and dedicated were converting too many people to Christianity. A Burmese Catholic priest interviewed in Mandalay at St. Joseph's Catholic Church maintained that the government allowed the people to practice Catholicism without harassment. However, he also recounted that nearly all Catholic church land had been nationalized by the government. In Mandalay, a city of 600,000 people there are between 500 and 700 Catholics according to the local priest.

The Burmese allow the Chinese to practice Buddhism in their own temples. In Maymyo, there is a large relatively new Chinese Buddhist temple at which local Burmese also worship. The Chinese were also allowed to acquire the land to build a small medical clinic and hospital behind the Buddhist temple. The Chinese Buddhist temple in Maymyo is maintained in excellent condition.

b. The People.

The Burmese are a friendly, easy-going people. The land is plentiful

with bananas, papayas and other fruit growing wild. The people in the Irrawaddy River valley do not have to work hard to make a living. The Burmese interviewed all said they felt friendly towards Americans. When questioned about their sentiments towards Americans, they said they admired the U.S. because of its technological development. Several said they distrusted the USSR because of Afghanistan, Kampuchea, and the shooting down of the KAL airliner. One Burmese interviewed, who was a university graduate in Physics, but driving a taxi, said "the Burmese have to like their government." He disagreed with the assertion made by one U.S. officer that the Burmese people like their government.

The Chinese in Burma were estimated by one State Department official at 5-6% of the population. In Rangoon, Mandalay, and Maymyo there are sizeable Chinese communities. In Rangoon, the Chinese people's standard of living was comparable to the Burmese. In Maymyo, the Chinese standard of living was higher than the Burmese. The Chinese owner of the Shanghai restaurant in Maymyo said there were approximately 1,000 Chinese families in Maymyo or almost 3,000 Chinese. He said that most of Maymyo's Chinese had brought their wealth with them when they arrived in Burma in 1948 and 1949. A Burmese who knew Maymyo well and had business contacts with some Chinese there said the Chinese in Maymyo were wealthy because of smuggling and the opium trade.

The Chinese maintain regional links through regional associations in the cities visited. For example Cantonese associations were visited in Mandalay and Maymyo. They are not allowed to publish Chinese newspapers or maintain their own schools. The Chinese in Rangoon said that Chinese culture in that city was slowly dying out. The Chinese population of Mandalay was estimated to be over 10,000 people by local Chinese. The Chinese in Mandalay also consider themselves much better off than the Chinese in Rangoon. The Chinese interviewed were nearly all pro-Taiwan and had come from Fujian, Guangdong, and Yunnan provinces. The Chinese in Burma are definitely third class citizens. They most often describe their situation as "oppressed" and "not very free".

V. ECONOMY.

The Burmese economy has shown growth in spite of the world recession. In 1982, there was a 6.7% real growth in the gross domestic product. Agriculture remains a strong point. Throughout markets in Mandalay, Rangoon and Maymyo there is an abundance of fresh produce and consumer items. The black market in Burma continues to thrive. One is continually propositioned on the street for U.S. dollars, watches, etc. Burma attempts to maintain strict control over currency flow into and out of the country. Currency forms are filled out by all people arriving in Burma and are checked upon departure. The official exchange rate for the Burmese Kyat is as follows:

- Cash US\$1.00 = 7.8 kyat
- Traveller check US\$1.00 = 8.2 kyat

In Bangkok, Thailand one can buy kyat at 19.5 kyat per US\$1.00 while in Hong Kong the rate is 37 kyats per US\$1.00. Fuel is rationed by the Burmese government. In Mandalay, taxis of the Mandalay-Maymyo Taxi Association are allowed 5 gallons of fuel per week. The official rate for fuel is 4 kyat per gallon. On 19 December 1983, the black market rate for fuel in Mandalay was 30 kyat a gallon. Naturally, most taxis require more than 5 gallons of fuel a week so most fuel is purchased on the black market.

In spite of the above thriving black market in consumer items and currency, Burma's gold and foreign exchange reserves continue to climb. Burma's economic

growth has been due to agricultural and manufacturing exports. Burma also receives sizeable amounts of economic aid from Japan and West Germany. To a lesser degree, the USSR, PRC, United States and Great Britain continue to render economic aid to Burma. Burma is slowly developing her economic infrastructure yet desperately needs to revamp the distribution side of her economy.

VI. CONCLUSION.

Burma is of significant geostrategic importance to the PRC. Burma's importance lies in the fact that it is located between India and China. China is extremely sensitive of USSR attempts to encircle her. China is strongly interested in preventing any tilt towards the Soviet Union by Burma as this would give the Soviets influence from the Punjab to the Gulf of Tonkin. The Chinese within Burma most often describe themselves as oppressed and lacking in freedom. While politically the Chinese are third class citizens in Burma, economically, their situation in Mandalay and Maymyo is as good if not better than the Burmese. The Chinese in Burma maintain regional associations and are largely pro-Taiwan in their political orientation.

Burma and China are similar in that ethnic minorities populate their border regions. Burma has been less successful than China in managing its minority problems. China has experimented with a variety of minority policies over the last 30 years while improving road, rail and communications networks to remote regions. Burma has fought a prolonged insurgency in several ethnic nationality areas while making little progress in establishing a good communications network. Recent Karen and Shan insurgent fighting against the central government has demonstrated Burma's failure to pacify her ethnic minorities. United States-Burmese relations are restrained and proper. Although Burma sends a small number of officers to military schools in the United States, there has been no move towards a closer relationship. Burma pursues a strict policy of non-alignment and is unlikely to alter that policy in the near future.


Kevin M. Rice
CPT IN
China FAO

ANNEX E: SINGAPORE - Captain Rice

I. GENERAL. During the period 28-29 November, three Hong Kong based China FAO's visited Singapore. The trip to Singapore was short. Its aim was twofold. First, an attempt was made to understand how Singaporeans regard themselves. Do they see themselves as overseas Chinese or as Singaporeans? Second, the FAO's wanted to gain an appreciation of Singapore as a modern nation and its economic importance within the region.

II. SOCIAL.

Singapore's population is 77% Chinese. Mandarin Chinese is spoken and most Singaporeans are also fluent in English. At Nanyang Technological Institute Chinese is taught to foreigners from all over the world. In an interview with the head of the Chinese Language Department, the department chairman described efforts by the Singapore government to encourage the use of Mandarin Chinese. He said that the government continued to promote the use of Mandarin but Singaporeans were using English more and more in place of Mandarin. Later, an ESSO public affairs representative also noted that Mandarin was decreasing in use while the use of English was increasing.

During a long talk with Mr. K.C. Lee the Singapore representative of an American computer company, Intel, the idea of a Singapore national identity was explored. The Intel representative was a 27 year old native born Singaporean, of Chinese extraction. He said his parents viewed themselves as overseas Chinese, although they, like most of the older Singaporean Chinese had never been to China. Mr. Lee however, considered himself a Singaporean and was proud of his nation and its accomplishments. He fully supported Prime Minister Lee Kuan Yew and maintained that the Prime Minister was the ideal leader for Singapore. Mr. Lee who had attended university in Scotland confirmed that English was used more often than Mandarin Chinese throughout Singapore. He said that modern Singapore has little in common with the PRC and disdained its political system.

III. ECONOMY.

Singapore is a modern international city-state that is probably one of the cleanest cities of its size in the world. During a tour of the ESSO oil refinery, it was evident that Singapore pays a great deal of attention to preserving a relatively unpolluted environment. Surrounding the ESSO oil refinery on a number of sister islands are several other large oil refineries. There was no pollution evident in the water. The refinery was the most modern type with a large computer control room monitoring all oil storage tanks and pumping operations. The plant was undergoing a security upgrade with the installation of TV cameras and ground sensors along its perimeter. Armed guards also patrolled the refinery perimeter. Returning by boat to the Jurong Industrial Area, one is impressed by the large and modern ship repair facilities along the waterfront.

According to American Embassy officials, American investment in Singapore is the largest of any foreign country, estimated to be US\$4.2 billion. Singapore has the second highest per capita income in Asia. The population is well-educated and hard working. Public housing in Singapore is of a high quality and is increasingly spread out on the island. Singapore's economic importance to the region derives from its geographic position. U.S. Embassy officials stressed Singapore's excellent telecommunications, modern docking and unloading facilities and access to large nearby markets.

IV. CONCLUSION.

The younger generation of Singaporeans has developed a sense of national identity. They are proud of their country's progress and achievements since independence in 1965. Economically, Singapore's importance is likely to increase. Its highly skilled and educated labor force combined with stable government policies encourages investment. Singapore's strategic position amongst the developing countries of ASEAN provides it ready access to large markets.

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CD: ACTION 87/3 Jan 84
DEPARTMENT OF THE ARMY
HEADQUARTERS UNITED STATES ARMY AVIATION CENTER AND FORT RUCKER
FORT RUCKER, ALABAMA 36362

REPLY TO
ATTENTION OF:

ATZQ-TSM-A

24 January 1984

SUBJECT: System Management Update - Attack Helicopters

THRU: Commander
US Army Aviation Center
ATTN: ATZQ-CG
Fort Rucker, AL 36362
Handwritten: #100 26 JAN 84

TO: Commander
US Army Training & Doctrine Command
ATTN: ATCG
Fort Monroe, VA 23651
Handwritten: [Signature]

1. The purpose of this letter is to update you on activities of TSM-Attack Helicopters. Since our last report in July 1983, significant milestones have been accomplished and new initiatives remain outstanding.
2. The Apache program (Enclosure 1) has met all of its major milestones to date and the first production aircraft (PV01) successfully completed its first maiden flight in January 1984, with PV02 scheduled to fly 2 February 1984. Hughes Helicopters, Martin Marietta Corp., and the Army are currently negotiating the third year production contract with contract signing probably sometime in March 1984 if the current \$322M difference between the Army and the contractor can be settled. PIII contract of 112 aircraft would bring the Army's total buy to 171 aircraft. Several areas within the Apache program are still requiring intensive management and commitment to keep the program on the projected timetable. TSM-A will continue to focus upon the following major areas of concern which could impact on the training and fielding of the Apache: Combat Mission Simulator, NBC Operability, Automatic Test Equipment, and Training Supportability (laser driven).
3. The Cobra C-Nite program was briefed to the Under Secretary of the Army on 25 October 1983. The C-Nite program is in response to the VCSA directive to identify a low cost flir alternative for the Cobra. C-Nite program promises to be a valuable addition to the ability of the Army to fight at night and should help resolve several of the Army's critical Battlefield Development Plan Deficiencies. HQDA DCSRDA has indicated that the CSA has approved \$142M for the C-Nite program which will equip 500 Fully Modernized Cobras with Flirs.

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24 January 1984

SUBJECT: System Management Update - Attack Helicopters

4. We will continue to provide you with periodic reports to keep you informed. We are dedicated to keeping the programs on course and achieving TRADOC goals.

1 Encl
as



JOHN R. MC QUESTION
Colonel, Aviation
TRADOC System Manager
Attack Helicopters

CF:
CDR, USACAC (ATDC-C)

ATZQ-TSM-A

APACHE UPDATE

1. PRODUCTION STATUS:

a. The first production aircraft (PV01) rolled off the assembly line on 30 September 83. After a great deal of ground testing, PV01 made its first successful maiden flight on 9 January 84. PV02 will make its maiden flight on 2 February 84.

b. Hughes Helicopters and the Army have entered into phase three contract negotiations for 112 aircraft with a projected contract signing date of March 84. However, currently the Army and the contractors are \$322M apart in contract negotiations and it could delay contract signing.

2. FUNDING STATUS: The most recent Selected Acquisition Report (SAR) for the AH-64 showed the following costs, in escalated dollars, for 515 production aircraft:

Flyaway Unit Cost	\$ 8.76 Million
Procurement Unit Cost	\$11.83 Million
Program Unit Cost	\$13.98 Million
Total Program Cost	\$ 7,327.3 Billion

3. CURRENT/FUTURE ACTIONS:

a. The following is a brief analysis of TSM-Attack's list of particular areas of concern which could impact on the training and fielding of the Apache:

(1) AH-64 Combat Mission Simulator (CMS). The AH-64 CMS remains the crucial element of the Army's planning for training in support of the AH-64 fielding. Development is still proceeding along a highly compressed schedule in order to provide USAAVNC with the prototype CMS by 1 August 85. Due to rapid breaking events in the CMS program, coupled with a widely held perception, that the RFT dates for the CMS at Forts Rucker and Hood cannot be met without extraordinary managerial emphasis, the TSM-A has called for a DA/DARCOM/TRADOC CMS Risk Assessment Review scheduled for 25 January, to assess the total impact upon training at Forts Rucker and Hood if RFT dates are not met. Further, a joint letter from DCSRDA and DCSOPS in December 83 stated the Army's requirement for production combat mission simulators has increased from 4 to 6. TRADOC supports the need for 6 production CMS's and is currently assessing need dates based on the new Apache distribution plan.

(2) AH-64 NBC Operability. Since early 1981, a program has been underway to develop a protective mask that is compatible with AH-64 systems (e.g., the Integrated Helmet and Display Sight System (IHADSS), and the Optical Relay Tube

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(ORT)). In order to provide a suitable mask at aircraft IOC, an accelerated development schedule culminating with a DEVA IPR in September 85 is being pursued. This schedule is very optimistic and reflects concurrent DT/OT testing during the December 84-April 85 timeframe. Documentation to support the requirement (LR) has been submitted through CAC and LOGCEN to TRADOC and OT issues and criteria have been drafted and are undergoing staffing for submission to the TMEC. Since aircraft resources will be extremely limited during this period, every effort is being made to ensure that protective mask testing does not adversely impact USAAVNC AH-64 training at Fort Rucker.

(3) AH-64 Eye Safe Laser System. The AH-64 TADS laser is not eye safe and approximately 80% of the AH-64 individual/crew/unit combat skills require proficiency in laser related tasks. TSM-A, USAAVNC and ATSC reviewed an unsolicited proposal from Martin Marietta Corporation (MMC) to provide a MILES compatible eye safe laser training system for the AH-64. However, the MMC application required specialized targets and was cost prohibitive. As an interim solution, a MILES laser will be installed in place of the current laser. Although it's not the final solution it will provide the Army a capability to do limited force on force training. TSM-A and DOTD, USAAVNC developed an urgent Training Device Letter Requirement for an eye safe laser system for the Apache. The TDLR left Fort Rucker to ATSC who has the responsibility for expediting to HQDA NLT 4 February 84. The eye safe laser problem was a major issue in the Functional Area Analysis briefing and has the highest attention at HQDA. DCSOPS/DCSRDA indicates money is available and is prepared to task DARCOM to solve this problem as soon as possible. TSM-A will continue to monitor the laser issue closely, as its impact upon training is far-reaching.

(4) AH-64 Automatic Test Equipment (ATE). The AH-64 Automated Test Equipment (OQ-290(V)2/MSM) and Test Program Set (TPS) development continues to pose some very serious questions in respect to supporting AH-64 fielding. Embedded within the AH-64 ATE program are four important sub-issues which we are closely monitoring:

(a) Production Van Development---Low Risk. The 40' prototype van has provided valuable testing data input towards improved design of the 35' production van. The final design IPR for the van is planned for February 84.

(b) Training Development---Low Risk. The contractors (Hughes/Martin Marietta) have completed the draft operator/repairer POI and conducted validation training for Army personnel during December 83. The POI will be amended in April 85, with TRADOC review, based on new logistic analysis, trainee comments and TECOM ATE system testing results.

(c) Personnel Availability (35C, ATE Operator)---Medium Risk. Although the BOIP/QQPRI has been approved and the 35C MOS decision has been made, the recruiting effort will not support FY85 fielding of two AH-64 ATE stations (12 personnel). The current, MILPERCEN supported, plan calls for borrowing 35C personnel from the

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(V)1 ground ATE fielding program. This is possible due to certain delays in the (V)1 fielding.

(d) Test Program Set (TPS) Development---High Risk. The TPS consists of the hardware, software, and documentation necessary to test and diagnose AH-64 Line Replaceable Units (LRU). TPS development is significantly behind schedule and will certainly impact upon ATE capabilities during TRADOC fielding (August 84) and to some lesser extent during FORSCOM fielding (April 85). The primary problem in TPS development is the lack of production configuration flight hardware and data to use in software development. A significant contributing problem continues to be the lack of a DARCOM proponent for AH-64 ATE which creates a management vacuum in TPS development programming, logistic support analysis reviews, provisioning decisions, validation reviews, and workload analysis studies. We are tracking this issue very closely, pending an early 1984 resolution by DARCOM.