BACKGROUND ON U.S. AND SOUTH VIETNAMESE RELATIONS WITH CAMBODIA

Summary

Encouraging new trends in Cambodian policy include: (1) An evident interest in better relations with the U.S. and with Thailand and the Republic of Viet-Nam; (2) A more outward-looking economic policy of regional and international cooperation; (3) More obvious and public concern over the problem of VC/NVA abuse of Cambodian neutrality. We had hoped for a reinforcement of these trends through our border declaration and still hope for an eventual re-establishment of relations in the near future. On the other hand, VC/NVA use of Cambodian territory continues on a large scale and is a matter of great concern to us.

VC/NVA Use of Cambodia

The principal VC/NVA base areas are indicated on the attached map. In eastern Cambodia (Ratanakiri and Mondolkiri), control by VC/NVA and montagnard insurgents extends well outside the base areas and covers the entire eastern halves of the provinces. Elsewhere, VC/NVA control is more closely confined to the base areas, but includes such sensitive locations as the...
tip of the Parrot's Beak, 35 miles from Saigon. The base areas provide locations for regrouping, storage of supplies, and sanctuary for headquarters and other vulnerable installations. We are even more seriously concerned over the supply of arms and ammunition through Cambodian territory to the VC/NVA.

U.S. Border Declaration

Taking into account the Cambodian concern over this VC/NVA presence, expressed with increasing openness, and Cambodian signs indicating they desired better relations with the U.S., the USG on April 16 declared: "In conformity with the United Nations Charter, the United States of America recognizes and respects the sovereignty, independence, neutrality, and territorial integrity of the Kingdom of Cambodia within its present frontiers." Sihanouk had made clear publicly and privately his desire to exchange chargés d'affaires following his acceptance of our declaration. In press conferences after our April 16 statement, Sihanouk first immediately welcomed the declaration and then later rejected it (April 30) on pretext that the USG had reservations as revealed by U.S. press speculation. We have yet to receive official communication from the RKG on this subject. We are now quietly probing RKG intentions through the Australian Embassy in Phnom Penh.

Cambodia and Its Neighbors

We are still encouraged by indications of Sihanouk's desire for an early rapprochement with Thailand,
and for better relations with the GVN. Although he said in a press conference April 16 that Cambodia is so committed to the "socialist" Vietnamese that it cannot now envisage diplomatic or consular relations with the "nationalist" GVN, his very terminology constituted a significant olive branch. He probably now recognizes that a non-Communist GVN is likely to survive for the foreseeable future, and in the same press conference he indicated a desire for better informal relations with such a government, in such spheres as economic cooperation and working arrangements along the border. Our assessment is that if the political position of the GVN becomes more evidently secure Sihanouk will draw back from his commitment to North Viet-Nam and the NLF, and will look for ways of normalizing his relations with Saigon.

The French have told us in the strictest confidence that they are trying to bring about a better atmosphere between Cambodia and its three neighbors. We appreciate their constructive effort and of course welcome any progress. However, we see no immediate role which we ourselves should play, and plan to confine ourselves to the immediate problems of U.S.-Cambodian relations. President Thieu has made clear to Ambassador Bunker that he is anxious to improve relations with Cambodia and has sought our advice on the best means to do so.
CAMBODIA

VC BASE AREA

CONFIDENTIAL
7 MAR 69

GULF OF SIAM