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5 December 1960

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# CENTRAL INTELLIGENCE BULLETIN



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5 DECEMBER 1960

**I. THE COMMUNIST BLOC**

USSR, through contacts at UN, offers Bolivia substantial economic assistance. ①

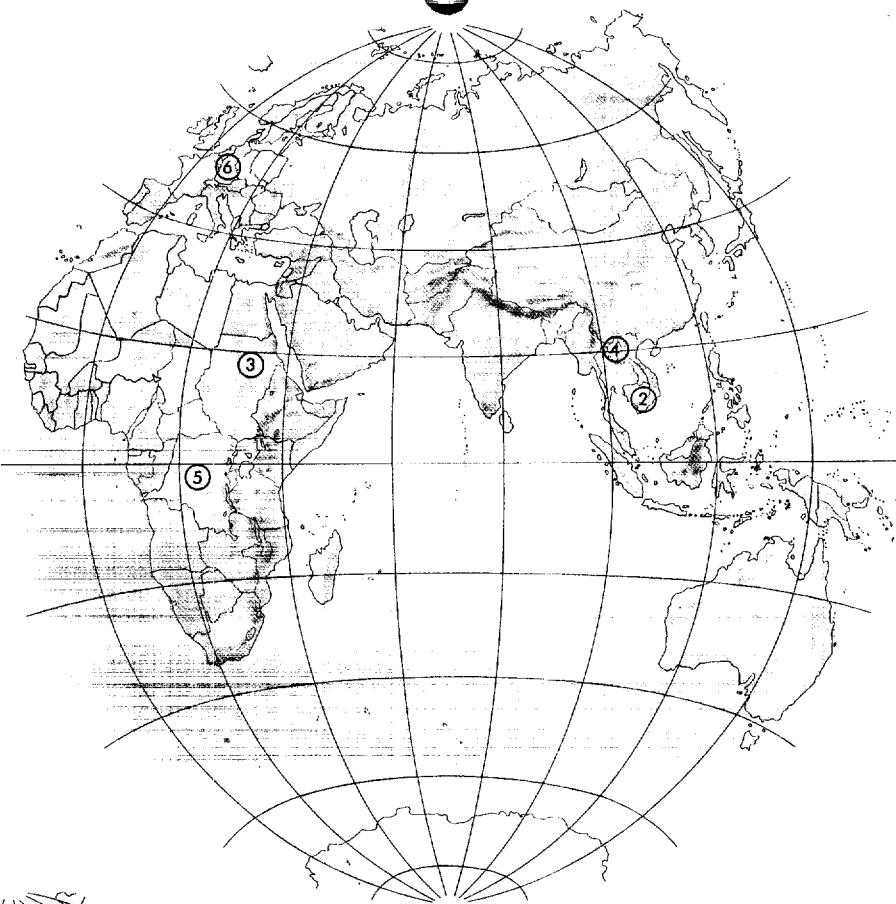
**II. ASIA-AFRICA**

South Vietnamese President, concerned over reports of planned North Vietnamese aggression, decides to mobilize additional forces. ②

Sudanese regime moves toward closer ties with UAR and neutrality between East and West following Nasir visit. ③

Laos--Phoumi's troops reportedly gaining advantage over Kong Le's Vientiane forces; proposed National Assembly meeting unlikely to be held in near future. ④

Congo--Lumumba's followers in Stanleyville move toward "secession" of Orientale Province; apparently hope to extend their influence further in Congo interior with help of "foreign powers." ⑤

**III. THE WEST**

⑥ West German cabinet sharply divided on question of handling trade negotiations with East Germany.



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## CENTRAL INTELLIGENCE BULLETIN

5 December 1960

## DAILY BRIEF

## I. THE COMMUNIST BLOC

USSR-Bolivia: Soviet UN delegate Zorin has informed the Bolivian delegation that he is authorized to negotiate a Soviet offer of economic aid and that Moscow is ready to provide a \$100,000,000 credit "if the recent US \$10,000,000 loan is considered insufficient," according to Bolivian permanent UN representative Tamayo. Zorin also said that if Bolivian reluctance to send a mission to Moscow for aid talks is based on a feeling that previous Soviet offers were too small, "this could be taken care of." Hoping to exploit pressure within Bolivia on President Paz to accept a Soviet offer to build a tin smelter, Moscow probably would like to conclude a broader economic aid agreement with La Paz and to arrange an exchange of diplomatic missions.

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## II. ASIA-AFRICA

South Vietnam: President Diem

[redacted] is concerned over reports that North Vietnam may be planning aggressive action in early December and that he has decided on the immediate mobilization of additional forces. He professed to regard the reports as of unquestioned validity. [redacted] *OK Delete last sentence*

[redacted] little credence to reports of unusual North Vietnamese troop movements; [redacted] normal operations. The Viet Cong, however, has the continuing capability to mount large-scale guerrilla attacks. Diem may be taking advantage of the reports to emphasize the need for a previously requested increase in the troop ceiling of South Vietnamese forces.

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Sudan: Nasir's state visit to the Sudan from 15 to 25 November has resulted in further moves by the Abboud military regime toward closer ties with the UAR and neutrality between East and West. Soviet propaganda has recently made a special point of commenting favorably on the Abboud government, and on 27 November the Soviet ambassador to Khartoum reportedly offered a \$50,000,000 line of credit. The regime is said to be seriously considering this offer but may act cautiously in order to avoid provoking a possible coup attempt by conservative Sudanese political and military elements. [ ] (Page 2)

OK

Laos: Reports of the fighting between Vientiane forces and those of General Phoumi in the Ca Dinh River area are confused. Despite indications of considerable demoralization in the Vientiane ranks, Phoumi does not appear to have pressed his advantage north of the Ca Dinh; [ ]

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[ ] the reoccupation of the village of Pak Ca Dinh after the withdrawal of advance Phoumi elements. Propaganda of the Pathet Lao in the past few days has emphasized their alleged military successes in the Luang Prabang area, suggesting the Communist-dominated insurgent movement may be planning an early attack on the royal capital in conjunction with elements of the Vientiane force which recently moved northward. In Vientiane, leftist agitators seem to have intimidated government officials and assembly deputies, and the proposed National Assembly meeting in Luang Prabang is unlikely to be held in the immediate future.

[ ] (Page 4) (Map)

Congo: The arrest of Lumumba has triggered a movement among his followers in Orientale Province to "secede" from the Congo.

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The statement by one pro-Lumumba spokesman that unidentified "foreign powers" have promised aid suggests that certain of Lumumba's followers in Stanleyville still hope to extend their influence further in the Congo interior. Representatives of the

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Stanleyville Lumumbists apparently have made at least two trips to the Soviet bloc in search of aid during October and November.

Several African states have expressed apprehension regarding the circumstances of Lumumba's arrest, and are concerned that he may face summary execution. Mobutu's statement that he plans to extend the tenure of his interim government for an indefinite period beyond his self-imposed 31 December deadline will arouse additional criticism from the Soviet and Afro-Asian blocs.

### III. THE WEST

West Germany - East Germany: The West German cabinet, while authorizing the initial trade talks with East Germany (which took place on 2 December), is reported to have divided sharply on the question of the extent to which Bonn should insist that East Germany lift its harassments on access to West Berlin before renewing the interzonal trade pact. Adenauer was absent from the 30 November meeting because of illness and instructed the cabinet to reach no final decision on the issue, but indicated a willingness to be flexible on the level of the negotiations if East Germany would informally pledge to lift its restrictions on Berlin access. Erhard, apparently supported by most of the cabinet, asked immediate reinstatement of the interzonal trade agreement with no strings attached, in the hope that East Germany would not demand higher level talks and would not retaliate with additional harassments on freight traffic between West Germany and West Berlin.]

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**South Vietnamese President Diem Concerned Over  
Rumors of Early Communist Offensive**

President Diem is professing concern over reports passed through high-level sources--stemming principally from speculations by the French delegate general in Hanoi--that the North Vietnamese may be preparing overt aggression against South Vietnam in early December. Diem [redacted]

[redacted] has ordered immediate mobilization of additional forces by calling up reservists. There is no reliable evidence available either to Western observers [redacted]

Hanoi is preparing a military attack against South Vietnam or Laos. [redacted]

Diem may be taking advantage of the reports of unusual troop movements to emphasize his determination to raise the troop ceiling of South Vietnamese forces; his actions may also reflect an intention to put off needed political and social reforms by playing up the security problem. Some of the troop movements reported in and around Hanoi may be movements of North Vietnamese units to and from field training areas. In addition, North Vietnam is apparently preparing this year for its first nationwide annual conscription program; reports indicate that as many as 80,000 may be inducted from an estimated 125,000 reaching conscription age.

Having had considerable success with guerrilla operations in South Vietnam, Hanoi is expected to continue, and probably intensify, this mode of warfare rather than launch an attack across the demarcation line which would risk SEATO intervention. The Communist guerrillas have shown continued capability to mount large-scale attacks in the southernmost provinces while simultaneously stepping up activity in the central mountain regions north of Saigon. [redacted]

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## Sudanese Military Government Considering New Soviet Aid Offer

The Soviet ambassador, who met with Sudanese Prime Minister Abboud on 27 November, offered a \$50,000,000 line of credit.

Earlier in November the Sudan received its first bloc aid when the USSR presented a gift of five armored personnel carriers. Abboud promptly announced that 25 more would be bought. Negotiations are near completion for Sudanese purchase of 100,000 tons of Soviet wheat. Soviet propaganda has recently made a point of commenting favorably on the Abboud regime, despite the regime's consistent efforts to harass and repress the local Communist party.

The influence on Abboud of UAR President Nasir appears to be leading the Sudanese Government not only toward closer ties with the UAR but also toward a position of complete neutrality between East and West. Nasir's methods of governing, some of his policy ideas, and his success in obtaining aid from both the bloc and the free world clearly made a strong impression on the Sudanese leader both during his July visit to the UAR and during Nasir's return visit to the Sudan from 15 to 25 November.

The Abboud regime is reported to be seriously considering the new Soviet offer but may act cautiously in order to avoid provoking possible civil disturbances or even a coup attempt by conservative political and military elements. The leader of the large and influential Ansar religious sect, which has many adherents in the army itself, is one of 18 prominent opposition leaders who are insisting on a return to civilian government. [The regime has officially ignored their petition containing this demand and has banned all press comment; they are reported to have responded by printing thousands of copies to be distributed all over the country. The Abboud regime is maintaining strong security precautions, is soliciting statements of support from the citizenry,

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[redacted] and is calling the provincial military governors to Khartoum to try to assure continued loyalty of the forces of all five of the regional army commands [redacted]



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### The Situation in Laos

[Reports of the fighting between Vientiane forces and those of General Phoumi in the Ca Dinh River area, about 120 miles east of Vientiane, are confused. Despite indications of demoralization in the ranks of the Vientiane forces--apparently caused mainly by 105-mm. artillery fire--Phoumi does not appear to have pressed his advantage north of the Ca Dinh.]

[the reoccupation of the village of Pak Ca Dinh following the withdrawal of advance Phoumi elements.]

[Vientiane has reinforced its garrison at Pak Sane--about 40 miles west of the present fighting and the point where Captain Kong Le, who seems to be directing the Vientiane forces' operations, is likely to make his main stand should the Phoumi forces resume their advance.]

Pathet Lao radio has claimed that Pathet guerrillas were collaborating with Kong Le's forces against Phoumi in the Ca Dinh area, an assertion which Premier Souvanna Phouma has denied and which does not appear to be borne out by reports on the fighting. [According to the Vientiane Ministry of National Defense, there are about 500 Pathet Lao troops scattered throughout the area, but there is no evidence that they have as yet participated in the fighting.] Propaganda of the Pathet Lao has also dwelt on their alleged military successes in the Luang Prabang area, suggesting the Communist-dominated insurgents may move on the royal capital in a diversionary movement, possibly in conjunction with Vientiane elements which late last month began to move northward toward Luang Prabang. [The capabilities of the Vientiane force have been substantially reduced, however, by the defection, with two companies, of the nominal task force commander, Captain Southep. Southep is reportedly now at Phoumi's headquarters in Savannakhet.]

Preparations for the proposed National Assembly session in Luang Prabang, agreed to last week by Phoumi and an assembly delegation from Vientiane, appear at a standstill following a leftist-agitated demonstration outside the National Assembly

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building on 1 December. The deputies adjourned their meeting without voting approval of the Luang Prabang session; it will probably be held only if enough of the deputies can slip out of Vientiane to form a quorum with the 20 pro-Savannakhet deputies who were already outside Vientiane and now are in Luang Prabang in anticipation of the meeting. [The intimidating influence of leftist extremists and their supporters in the Vientiane garrison] the seven deputies responsible for the agreement for a Luang Prabang session are hiding out in Souvanna's offices.

Phoumi meanwhile has not responded to Souvanna's invitation to send a delegation to Vientiane to continue the search for a political settlement. He is unlikely to agree to the proposal, particularly so long as the military situation continues in his favor.

The USSR has begun delivery of its promised petroleum supplies to Souvanna Phouma. Five IL-14s will shuttle between Hanoi and Vientiane to deliver the supplies. Although Vientiane is not short of gasoline and other petroleum products now, the Soviet stocks will provide Souvanna with a reserve against the possibility that Thailand might reimpose its economic blockade.

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[Redacted]

West German Cabinet Reported Divided on Interzonal Trade Talks

[The West German cabinet, while authorizing the initial trade talks with East Germany which took place on 2 December, is reported to have divided sharply on the question of how strongly Bonn should insist that East Germany lift its harassments on access to West Berlin before renewing the interzonal trade pact.]

[the cabinet meeting which discussed this issue on 30 November was chaired by Vice Chancellor and Economics Minister Ludwig Erhard, since Adenauer was ill, and was attended by representatives of the West Berlin government and the opposition Social Democratic party (SPD).]

[Adenauer earlier instructed the cabinet to reach no final decision and said Bonn should try to extract at least an informal commitment from East Germany not to interfere with access to Berlin. Adenauer indicated willingness to be flexible on the level of negotiations in return for such a pledge. Erhard said he had always opposed cancellation of the interzonal trade agreement, and urged reinstatement of the agreement with no strings attached, in the hope that East Germany would not demand higher level negotiations. Most of the other cabinet members appeared to agree in this view. However, the SPD deputy chairman, Herbert Wehner, said that his party would oppose renegotiating the agreement without conditions on Berlin access.]

[Redacted] East German officials on 17 November indicated informally to a Bonn Economics Ministry official a willingness to have the provisions of the present interzonal trade agreement continue in operation until spring 1961. At that time, East Germany would reportedly demand two separate agreements--one with Bonn and one with West Berlin instead of the old single agreement with the West German "currency area." East Germany, however, is not]

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[likely to give any guarantee against interfering with Berlin traffic.]

?West German negotiator Kurt Leopold [redacted]

[redacted] but said that the atmosphere of the meeting was fairly good and that he had urged that East Germany repeal its 8 September decree restricting travel to West Berlin. His next meeting is scheduled for 6 December.]

{Current negotiations in Bonn over a new Soviet - West German trade agreement also mirror West Germany's difficulties over Berlin. Moscow refused to have the new agreement cover both the Federal Republic and West Berlin, and the West German negotiators apparently decided not to insist on the point. Mayor Brandt,

[redacted] thought Bonn's next steps were not at all clear.]

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Scientific Adviser to the President

Director of the Budget

Director, Office of Civil and Defense Mobilization

Director, National Aeronautics and Space Administration

Special Assistant for Security Operations Coordination

Chairman, Board of Consultants on Foreign Intelligence Activities

Special Assistant for Foreign Economic Policy

Executive Secretary, National Security Council

The Treasury Department

The Secretary of the Treasury

The Department of State

The Secretary of State

The Under Secretary of State

The Under Secretary of State for Political Affairs

The Deputy Under Secretary of State for Political Affairs

The Deputy Under Secretary of State for Administration

The Counselor

Director, International Cooperation Administration

The Director of Intelligence and Research

The Department of Defense

The Secretary of Defense

The Deputy Secretary of Defense

Assistant Secretary of Defense for International Security Affairs

The Secretary of the Army

The Secretary of the Navy

The Secretary of the Air Force

The Chairman, The Joint Chiefs of Staff

The Director, The Joint Staff

Chief of Staff, United States Army

Chief of Naval Operations, United States Navy

Chief of Staff, United States Air Force

Commandant, United States Marine Corps

Assistant to Secretary of Defense for Special Operations

Director for Intelligence, The Joint Staff

Assistant Chief of Staff for Intelligence, Department of Army

Director of Naval Intelligence, Department of Navy

Assistant Chief of Staff, Intelligence, Department of the Air Force

Supreme Allied Commander, Europe

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National Security Agency

The Director

National Indications Center

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