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16 December 1960

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CENTRAL

INTELLIGENCE

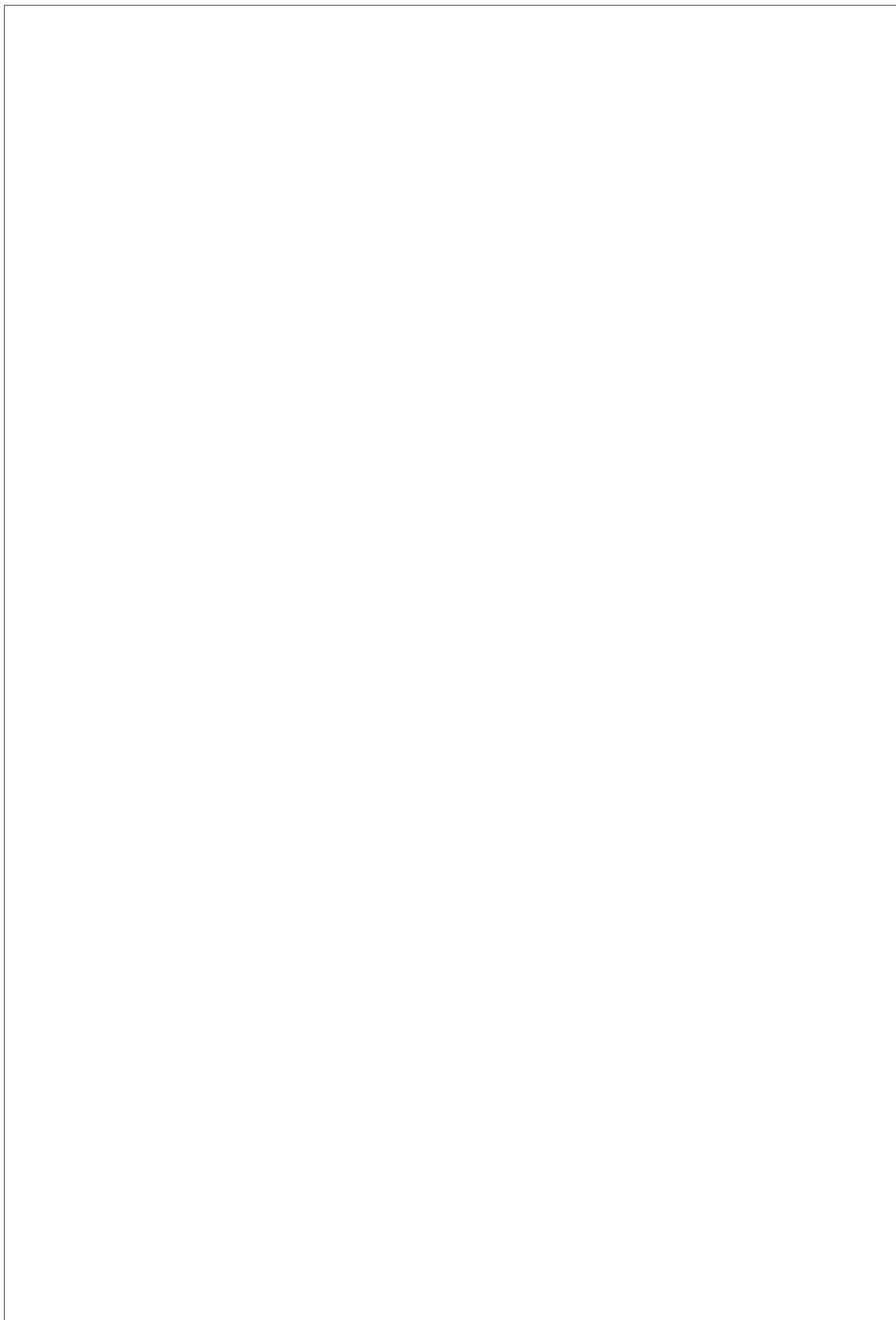
BULLETIN



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16 DECEMBER 1960

I. THE COMMUNIST BLOC

North Vietnam tells free world diplomats that Hanoi has decided not to remain inactive in Laos.

(1)

II. ASIA-AFRICA

Nepalese King's take-over of government control appears motivated by domestic rather than foreign policy considerations.

(2)

Congo--Armed clashes between Congo Army and pro-Lumumba militia from Orientale Province may take place at any time.

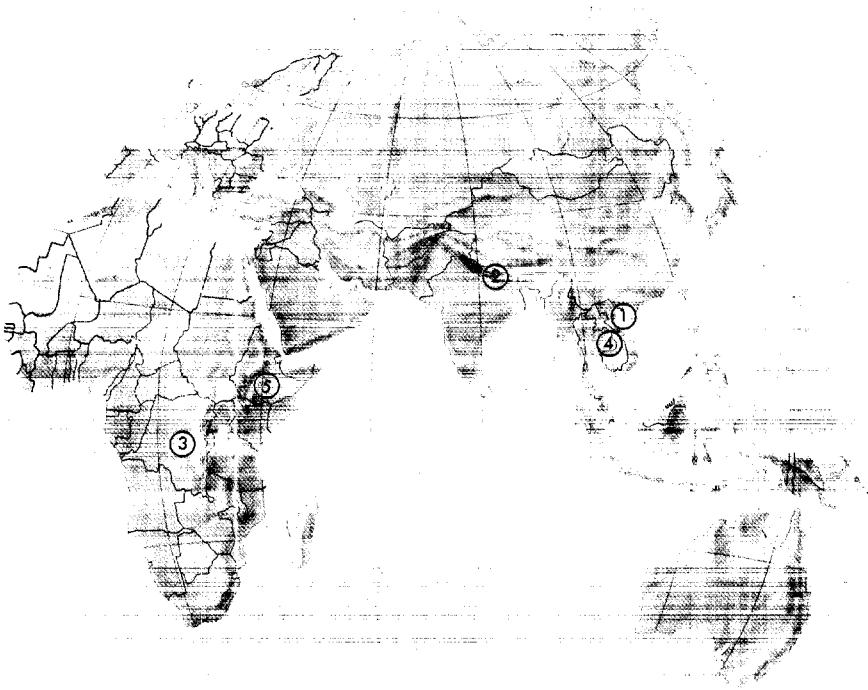
(3)

The situation in Laos.

(4)

Ethiopia--Action of Imperial Bodyguard against Emperor Haile Selassie confined to capital, Addis Ababa; important army and air force officers appear loyal to Emperor.

(5)

**III. THE WEST**

(6) Peronistas may make another effort to unseat Argentine President Frondizi.

(7) Guatemala--New effort to oust Ydigoras regime may be near.

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CENTRAL INTELLIGENCE BULLETIN

16 December 1960

DAILY BRIEF

I. THE COMMUNIST BLOC

SPECIAL ITEM

North Vietnam--Laos:

North Vietnam "has decided not to remain inactive" in Laos.

Hanoi had a "right to intervene" because of attacks allegedly mounted from Thailand against Vientiane. Indonesian and Indian representatives in Hanoi were given essentially the same message. The Communist design apparently is to exert the necessary psychological and military pressure to impress the West with the risks of further military assistance to Phoumi and to develop international sentiment for a political settlement favorable to the Communists in Laos.

Hanoi and Moscow have been intervening by openly supplying military equipment to Kong Le units in Vientiane and greatly strengthening the Pathet Lao bastions in Phong Saly and Sam Neua provinces. However, there are at present no firm indications that either the North Vietnamese or the Chinese Communists are preparing an attack utilizing regular units of their armed forces against anti-Communist forces in Laos in the immediate future. Most of the major North Vietnamese units remain in the Hanoi area and there has been no evidence that any of these have been deployed toward the border areas. However, elements of the 316th Division at Dien Bien Phu and the 335th Division at Moc Chau could be infiltrated into Laos where they would be used to strengthen the Pathet Lao forces operating from Phong Saly and Sam Neua. In addition to

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[infiltration and incorporation of North Vietnamese troops into the Pathet Lao, the Communists could step up the effort, already underway on a considerable scale, to supply military equipment and technicians.]

[At least 17 Chinese Communist military transports have been identified in the shuttle operation which began on 13 December and terminates at Nanning, a rail center on the line to North Vietnam. On 15 December, two Chinese Communist civil transports flew from Peiping to Hanoi and are scheduled to return to Peiping on 16 December. An IL-14 flew to Vientiane on 15 December but apparently did not land as the airfield has been under artillery fire. It may have dropped supplies to Kong Le forces, however. On 16 December, all five of the Soviet IL-14's which had been airlifting material to Vientiane were

[flying from Hanoi to Vientiane. It is not yet known whether they landed or paratropped supplies. Four of the five additional Soviet IL-14's scheduled for Hanoi arrived at Peiping from Irkutsk on 15 December and departed for Hanoi on 16 December. The fifth IL-14 is scheduled to fly to Peiping on 16 December.]

[In addition to Hanoi's private warnings, the bloc by its propaganda seeks to foment international alarm and justify Communist support for leftist forces in Laos. Hanoi, on 14 December, lodged a protest with the ICC for Vietnam charging that South Vietnamese troops were "present in the ranks of Phoumi Nosavan's" forces. In an official statement, also issued 14 December, Peiping charged the US with "crude interference" in Laos and endorsed Hanoi's demands for recall of the Laotian ICC. Peiping, in addition, in a 16 December People's Daily editorial, coupled a promise to uphold the 1954 Geneva agreements on Indochina with a threat to "exert its utmost efforts" to "check US imperialist interference" in Laos. The bloc effort to get international support for a negotiated settlement favorable to the Communists may gain some impetus from Indian Prime Minister Nehru's 15 December remark]

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[that he had suggested to the USSR and Great Britain--cochairmen of the 1954 Geneva Conference--that the ICC be reactivated in Laos.]

II. ASIA-AFRICA

Nepal: King Mahendra's arrest of Prime Minister B. P. Koirala and his cabinet on 15 December and his assumption of direct rule appear to have been motivated by domestic and personal rather than foreign policy considerations. Influenced by anti-Koirala intriguers among his palace clique, the King has grown increasingly dissatisfied with the performance of Koirala's Nepali Congress party government; he apparently also has feared the popular Koirala as a potential threat to the monarchy and his personal supremacy. Mahendra's position is sufficiently strong to ensure his retention of personal control of the situation; he appears intent on direct rule for a period of time.] (Page 1) OK

Congo: Pro-Lumumba forces in Stanleyville are attempting to secure foreign assistance for large-scale military operations against the Leopoldville government, and armed clashes between the Congo Army and Stanleyville militia may take place at any time.

Lumumba's erstwhile army chief General Lundula appealed to Cairo for "planes, ammunition, and soldiers." Although Cairo appears undecided concerning the extent to which it is prepared to support the dissidents, it will probably provide some arms and ammunition through its UN battalion in Equateur Province as long as it remains in the Congo.

Congo Army forces on 12 December intercepted a 100-man force of Stanleyville militia about 320 miles northwest of Stanleyville. They freed eleven Europeans who had been captured. and arrested the militiamen.

*^{secret} Laos: Little change in the military situation in the Vientiane area has been reported. Although the Kong Le forces appear

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to be avoiding an all-out clash with General Phoumi's troops, they continue harassment by artillery and mortar fire, sniping, and scattered hit-and-run attacks on Phoumi's forces. Phoumi's artillery has neutralized the airfield but does not appear to have captured it.

In Phnom Penh, [redacted]

[redacted] Souvanna Phouma, now in exile in the Cambodian capital, [redacted] a development of international importance would occur before 18 December which [redacted] would completely change the situation in Vientiane. [redacted]

[redacted] this may refer to armed aid to the Pathet Lao, action in the UN, or a call to the Geneva powers. Souvanna is said to have had two one-hour conversations with the Soviet chargé on 13 and 14 December respectively. Souvanna also reportedly sent a representative to consult with members of the Chinese Communist Embassy on 14 December.

[redacted] Souvanna held a meeting of his "ministers" in which he reiterated his position that his is the only legal Laotian government. When his colleagues vetoed his suggestion that the government be moved to Pathet Lao-controlled Sam Neua, Souvanna decided to remain in Phnom Penh to await the return of Prince Sihanouk, now visiting in Communist China, at which time he will request full facilities from the Cambodian Government for the establishment of a government-in-exile.

Ethiopia: The action of the Imperial Bodyguard against Emperor Haile Selassie has been confined to the capital, Addis Ababa, ~~and most important army and air force officers appear to be loyal~~ ^{last 2} ~~sents~~ ^{of P.D.} to the Emperor. Several battalions from outlying areas are being rushed to the Addis Ababa area, and General Merid, the loyalist chief of staff of the armed forces, was delaying his attack on Addis Ababa until the reinforcements arrived. However, in midafternoon of 15 December heavy firing and some street fighting were reported in the capital. Meanwhile, Haile Selassie, who is en route by air

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from Brazil, was expected to arrive in Ethiopia on 16 December, presumably at Asmara, where the army commander appears to be completely loyal. [] (Page 2)

III. THE WEST

Argentina: Peronista elements will probably make another attempt to oust President Frondizi, [] OK expects the effort to be better coordinated than [] the abortive Peronista attacks on 30 November. [] Peronista exiles [] in Uruguay are reported urging action soon. The armed forces are maintaining special security precautions during their continuing investigation of the 30 November attempt and are united in their opposition to Peronista plotting. [] (Page 3)

[] Guatemala: A new effort to oust the Ydigoras regime may be near. Leaders of various opposition parties are in contact with a dissident faction of the army which is reportedly planning a coup. [] this military group numbers over 300 officers, many of whom are high ranking. If so, the President clearly faces a more serious threat than was posed by the abortive military revolt on 13 November which required four days to suppress. [] OK

[] the dissidents are "completely anti-Communist and anti-Castro." However, the Communists are aware of the plotting and, []

[] have been contacted by the military dissidents. Also, the Castro regime in Cuba is known to be conducting subversive activities among Guatemalan Communists and other extremists. []

IV. SIGNIFICANT INTELLIGENCE REPORTS AND ESTIMATES

(Available during the preceding week)

Implications of the Acquisition by Israel of a Nuclear Capability: Israeli Motives and Intentions, Repercussions in Free

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World, and Arab and Soviet Reactions. SNIE 100-8-60. 8 December 1960.

Middle East Oil: Importance to the Free World and to Middle Eastern Countries, the Challenge of Soviet Oil Exports, Trends Toward Increased Government Control, Reaction of the Operating Companies to Pressures Against Them, and Future Prospects. Tables. NIE 30-60. 13 December 1960.

Prospects for the Castro Regime: Political Situation Including Role of the Communist Party and Opposition Groups, the Economy and Bloc Economic Assistance, Castro's Standing in Latin America, and Status of the Militia. SNIE 85-3-60. 8 December 1960.

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King of Nepal Assumes Direct Control of Government

King Mahendra's arrest of the Nepali Congress party cabinet of Prime Minister B. P. Koirala on 15 December, his suspension of the 1959 constitution, and his assumption of direct rule appear to have been motivated by his long-smoldering dissatisfaction with the government's performance. Domestic and personal issues appear to have been his major considerations, a fact emphasized by the King's public assurance that Nepal's nonaligned foreign policy will remain unchanged.

In his statement, the King accused the government of inefficiency and corruption and of failure "to give the country stability and lead it to progress." It is apparent also, however, that he has been afraid that the popular Koirala would in time eclipse the monarchy and threaten the King's supremacy.

Mahendra's position is considered sufficiently strong to ensure his control of the situation; he has assumed personal control of the government before, but not since the 1959 elections which resulted in a three-fourths majority in Parliament for Koirala's Congress party. With that strength and with Koirala's personal appeal, the party had offered the country its best hope of achieving stability and economic development.

Mahendra is neither as sophisticated in international matters nor as able an administrator as Koirala. Thus, if he decides to rule directly for some time--as appears his intent--the government may exhibit more naiveté in dealing with Peiping and Moscow, somewhat greater distrust of New Delhi, and perhaps more reserve with the West. Within Nepal, political unrest and economic deterioration are likely to increase.

The Indian Government, which had strongly supported Koirala, may decide to lend covert support to democratic elements should Mahendra fail to restore representative government in the near future.

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~~SECRET~~Situation in Ethiopia

The action by the Imperial Bodyguard against Emperor Haile Selassie has been confined to the capital, Addis Ababa, and military forces loyal to the Emperor are already challenging the hold of the coup leaders there. The powerful Ethiopian Coptic church and most army and air force officers have remained loyal. General Merid, chief of staff of the armed forces, has called up about four battalions of troops from the provinces to reinforce his three battalions drawn up on the outskirts of Addis Ababa. Bodyguard strength within Addis Ababa probably totals about 5,000 men, who are widely dispersed because of the necessity of guarding a large number of key transport and communications installations.

General Mérid reportedly had planned, upon the arrival of the Emperor in Ethiopia--presumably at Asmara or another military center--to try to persuade the Bodyguard to surrender peacefully. Failing that, he was prepared to use force--including the Air Force--to restore the situation. Fighting in the streets and heavy firing broke out in Addis Ababa on the afternoon of 15 December. On the morning of 16 December, however, representatives of the Bodyguard asked the American ambassador to inform the army that the coup leaders wished to arrange talks with the army in order to stop further fighting. They also stated they wished to send a message to the Emperor.

The revolutionary government on 15 December proclaimed Crown Prince Asfa Wossen King of Ethiopia, and named as prime minister Ras Imru--the present ambassador to Moscow, who is considered anti-American. A former Bodyguard leader, General Mulugheta Bulli, was named the new army chief.

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Peronistas May Attempt New Coup in Argentina

Peronista elements will probably make another attempt to oust Argentine President Frondizi,

[redacted] the effort to be better coordinated than the abortive Peronista attacks on 30 November. [redacted] Peronista exiles in Uruguay are reported urging action soon. The Argentine armed forces are maintaining strong security measures, probably as a precaution against renewed plotting as well as to investigate the recent attacks. The armed forces are united in the opposition to any resurgence of Peronista power, although the army was reportedly embarrassed by the number of lower ranking officers implicated.

The pattern of the 30 November attacks--by small bands mainly of civilians led by retired officers--seemed to confirm strong suspicion that a widespread Peronista uprising had been planned. Attacks were made at three separate points in Salta and Santa Fe provinces and were accompanied by several bomb explosions in Buenos Aires on rail lines connecting important centers. At Tartagal, Salta--35 miles from the Bolivian border--attackers occupied the air field, the army command post, and other government offices.

[redacted] the objective of the attacks on the infantry post in Rosario, Santa Fe, was to seize the armory and arm Peronista labor elements to coordinate with uprisings in Santa Fe, Mendoza, and Mar del Plata. The attacks at Rosario were led by retired General Miguel Iniguez, who led the abortive Peronista revolution in June 1956. His whereabouts at present is unknown.

The armed forces are making a thorough investigation to determine whether plans for a broader Peronista uprising may exist. This caution has been encouraged not only by the statements of Peronista leaders that their only path to freedom is through rebellion--though they formally deny connection with the recent action--but also by the continued discovery of caches of explosives in various parts of the country.

The military are also concerned about Castroism, which they consider a new form of Peronism, as well as the residence in

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Cuba of important Peronista leaders.

[redacted] it had been confirmed that Geronimo Remorino, foreign minister under Peron, "last week was at the Hotel St. Regis in New York, on the way to Havana, with the declared intention of arranging the sale of explosives to the Cuban Government. I think this would involve contact and action by the followers of Peron and Castro."

[redacted]

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~~CONFIDENTIAL~~**THE PRESIDENT**

The Vice President

Executive Offices of the White House
Special Assistant for National Security Affairs
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

Commander in Chief, Pacific

The Department of Commerce

The Secretary of Commerce

Federal Bureau of Investigation

The Director

Atomic Energy Commission

The Chairman

National Security Agency

The Director

National Indications Center

The Director

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