

~~TOP SECRET~~

3.3(h)(2)

3.5(c)

30 May 1961

Copy No. C

Sid 10

CENTRAL

INTELLIGENCE

BULLETIN



~~TOP SECRET~~



~~TOP SECRET~~

~~SECRET~~

30 May 1961

CENTRAL INTELLIGENCE BULLETIN

CONTENTS

1. Laos. (*Page i*)
2. South Korea. (*Page ii*)
3. Iran: Amini says he will demand greater authority from Shah or resign. (*Page ii*)
4. Congo: Further maneuvering on reconvening of parliament. (*Page ii*)
5. USSR: Turnover of almost half of central committee members expected at 22nd party congress in October. (*Page iii*)
6. USSR - Communist China: Moscow apparently selling gold in Paris on Peiping's behalf. (*Page iii*)
7. West Germany: Planned 6 June meeting of SPD in West Berlin will probably be attacked by bloc as "provocation." (*Page iv*)
8. Turkey: Status report one year after military coup. (*Page iv*)

~~SECRET~~



30 May 61

CENTRAL INTELLIGENCE BULLETIN

Map Page

~~TOP SECRET~~

CENTRAL INTELLIGENCE BULLETIN

30 May 1961

DAILY BRIEF

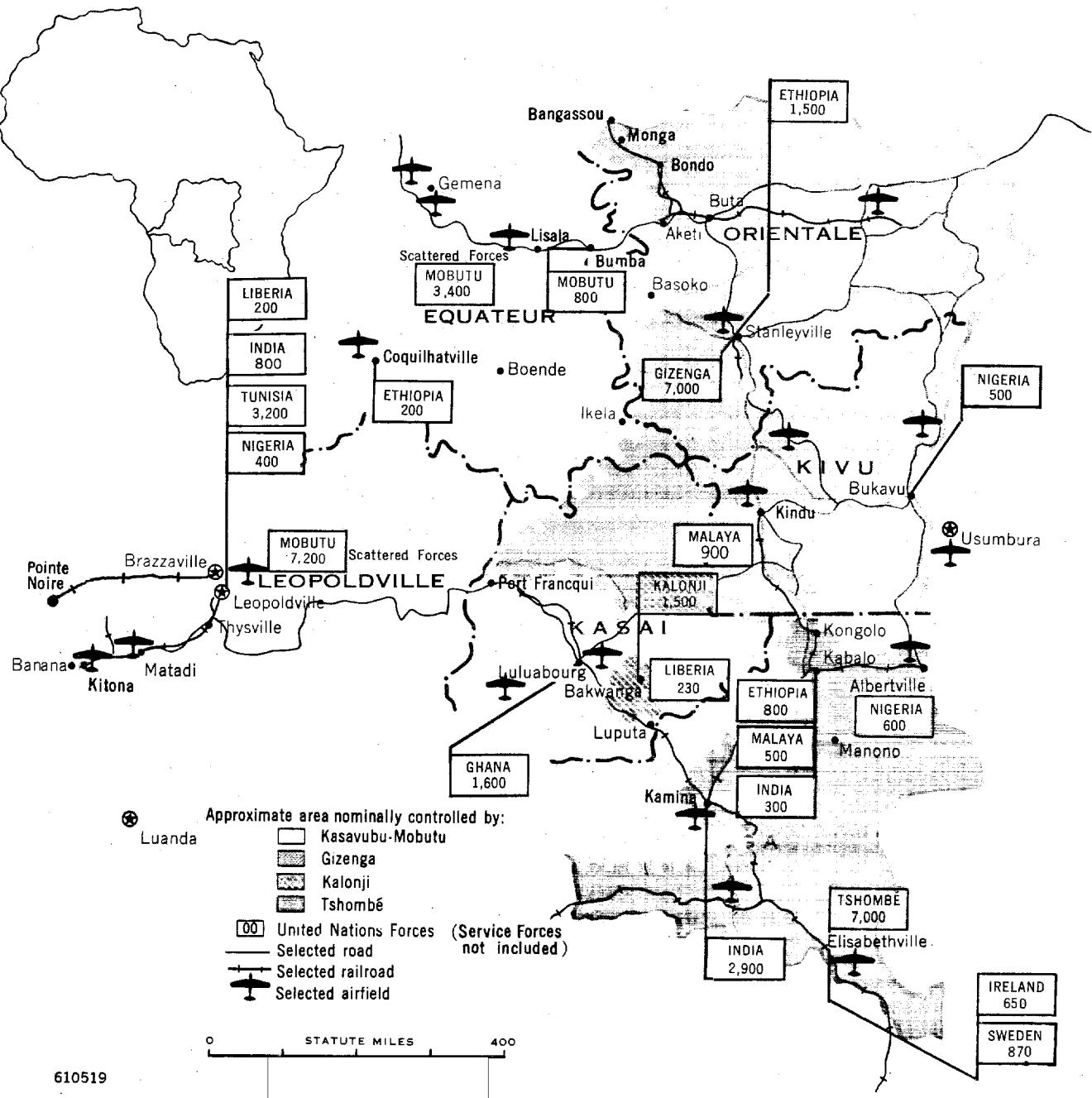
*Laos: Separate political and military talks between the royal government, the Pathet Lao, and the Souvanna Phouma group began at Namone on 29 May, following agreement to establish a military subcommittee. At the apparent insistence of the Pathet Lao, the "duties and policies" of a coalition government will be taken up first in the political talks, beginning with the 31 May session. Discussion of this item of the agenda is likely to be time consuming and will offer the Pathet Lao full scope for raising extraneous issues and for using the talks as a propaganda vehicle. For the parallel military talks, a four-point agenda was adopted relating to maintenance of the cease-fire and collaboration with the ICC.

The military situation remains generally quiet, although scattered guerrilla activity continues to be reported. The lull in the fighting in the Pa Dong area, apparently stemming from temporary depletion of the Communists' artillery ammunition stocks, persisted through 29 May. Souvanna and Souphanouvong are reported to have voiced no objection to the proposed ICC inspection of the Pa Dong front during a recent interview with ICC Chairman Sen in Xieng Khouang; however, they stated that they would have to "study" the matter before giving a formal reply, a tactic calculated to give their forces additional time in which to capture Pa Dong.

Bloc airlift operations continue to be scheduled through 30 May. (Map)

i

~~TOP SECRET~~

~~139932 40T~~~~139932 40T~~

30 May 61

CENTRAL INTELLIGENCE BULLETIN

Map Page

~~TOP SECRET~~

South Korea: Constitutional and administrative actions of the South Korean regime suggest that the leadership envisages an extended period of military rule. According to press reports, the present constitution has been suspended, and Foreign Minister Kim Hong-il told the American chargé on 27 May that a provisional constitution was being drafted to legalize the reforms that have been made, principally the transfer of the powers of the now dissolved National Assembly to the Supreme Council for National Reconstruction. The council's proposal to submit the constitution to a popular referendum appears to be designed to develop popular support. The council's reported plan to appoint military personnel to administrative positions at all levels of local government, including that of county chief, is almost certainly an effort toward long-term entrenchment in power.

Iran: Prime Minister Amini has said that he will demand greater authority from the Shah or will resign, since he believes far-reaching reforms are impossible in Iran as long as the Shah retains ultimate authority for himself. Amini fears that the Shah intends to play former security chief General Bakhtiar against him in an effort to perpetuate the monarch's position. [] the prime minister and his brother, retired General Mahmud Amini, are working on a "cooperative venture" to strengthen the prime minister's position.

Amini is reported anxious to reach an understanding with the National Front.

[] the Front may be preparing for a strike in the oil fields.

*Congo: The Leopoldville government apparently plans to reconvene parliament in early June as the next step following the 27 May adjournment of the Coquilhatville conference. President Kasavubu is expected to request UN guarantees for the safety of deputies being invited to Leopoldville from other areas. Gizenga continues to demand that parliament meet at Kamina,

30 May 61

DAILY BRIEF

ii

~~TOP SECRET~~

~~TOP SECRET~~

however, and he is still supported in this by the bloc and the radical African states. Hammarskjold observed on 22 May that while the UN was prepared to implement security measures for a meeting of parliament in Leopoldville, it could do so more easily at Kamina.

[redacted] There continue to be reports of internal dissension and economic stress within the Gizenga regime.

[redacted] foreign exchange equal to \$1,400,000 had been deposited in a Stanleyville account in Guinea by Peiping and that \$500,000 had been promised by the USSR.

(Map)

USSR: The shake-up in the Soviet bureaucracy which began in late 1960 and which Khrushchev accelerated this year in an effort to bolster lagging agricultural production and purge the party and government bureaucracies of corrupt and incompetent officials shows no signs of diminishing. As a result of the current campaign and earlier attrition, the turnover in the membership of the central committee elected at the 22nd party congress in October will certainly be greater than occurred in 1956, when 35 percent were replaced; current indications point to a turnover of almost 50 percent. Further high-level changes are probably in the offing.

USSR-China: [redacted]

[redacted] Communist China has sold gold in Paris, using the USSR as an agent. On 17 and 18 May the USSR credited about \$11,000,000 and \$3,000,000 respectively in sterling to China's account in Moscow, amounts which evidently represent the receipts from gold sales consummated in France on two preceding days. Other information suggests that all Soviet gold sales in Paris this year--

30 May 61

DAILY BRIEF

iii

~~TOP SECRET~~

~~TOP SECRET~~

roughly \$60,000,000--may have been Chinese gold. China has a substantial requirement for foreign exchange and is estimated to have had gold reserves on the order of \$100,000,000 to \$200,000,000 prior to these suspected sales.

West Germany: The announcement that the Social Democratic party (SPD) is planning a meeting of SPD Bundestag deputies in West Berlin on 6 June will probably be attacked by the bloc as an example of the type of "provocation" which makes a Berlin settlement urgent. This action is planned by SPD leaders in lieu of a plenary session of the Bundestag which Chancellor Adenauer opposes because he feels it would increase East-West tensions and focus attention on Mayor Brandt, his opponent in the September national elections. Brandt reportedly believes that even a meeting of the SPD Bundestag members will reassert the right to meet in West Berlin and also will put Adenauer's Christian Democrats in the position of showing a lack of sympathy for Berlin.

Turkey: The 27 May anniversary of the Turkish military coup passed without incident, and the ruling Committee of National Union (CNU) used the occasion for final Assembly approval of the new constitution, another step in the gradual return to civil government. Chief of State General Gursel has again reaffirmed the regime's intention to hold popular elections and organize the new parliament no later than October 1961. The previously reported arrests which took place in mid-May for plotting against the military regime apparently resulted from over-sensitivity of a few members of the regime rather than from any serious threat to the government. Meanwhile, the trials of political prisoners from the ousted Bayar-Menderes regime, now in their eighth month, are likely to be completed by mid-July. Some of the leaders of the previous government will probably be sentenced to death.

30 May 61

DAILY BRIEF

iv

~~TOP SECRET~~

~~CONFIDENTIAL~~

THE PRESIDENT
The Vice President
Executive Offices of the White House
 Counsel to the President
The Special Assistant for National Security Affairs
The Scientific Adviser to the President
The Director of the Budget
The Director, Office of Civil and Defense Mobilization
The Director, National Aeronautics and Space Administration
Chairman, Board of Consultants on Foreign Intelligence Activities
The Department of State
 The Secretary of State
 The Under Secretary of State
 The Director, International Cooperation Administration
 The Deputy Under Secretary of State for Political Affairs
 The Deputy Under Secretary of State for Administration
 The Counselor and Chairman of the Policy Planning Council
 The Director of Intelligence and Research
The Treasury Department
 The Secretary of the Treasury
 The Under Secretary of the Treasury
The Department of Defense
 The Secretary of Defense
 The Deputy Secretary of Defense
 The Secretary of the Army
 The Secretary of the Navy
 The Secretary of the Air Force
 The Assistant Secretary of Defense (International Security Affairs)
 The Assistant to Secretary of Defense (Special Operations)
 The Chairman, The Joint Chiefs of Staff
 Chief of Naval Operations, United States Navy
 Chief of Staff, United States Air Force
 Chief of Staff, United States Army
 Commandant, United States Marine Corps
 U.S. Rep., Military Committee and Standing Group, NATO
 Supreme Allied Commander, Europe
 Commander in Chief, Pacific
 The Director, The Joint Staff
 The Director for Intelligence, The Joint Staff
 The Assistant Chief of Staff for Intelligence, Department of Army
 The Director of Naval Intelligence, Department of Navy
 The Assistant Chief of Staff, Intelligence, Department of the Air Force
The Department of Justice
 The Attorney General
 The Federal Bureau of Investigation
 The Director
The Atomic Energy Commission
 The Chairman
The National Security Agency
 The Director
The United States Information Agency
 The Director
The National Indications Center
 The Director

~~CONFIDENTIAL~~

~~TOP SECRET~~

~~TOP SECRET~~