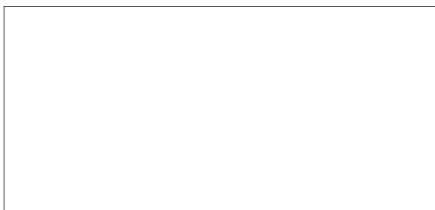


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26 April 1961

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CENTRAL INTELLIGENCE BULLETIN



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CENTRAL INTELLIGENCE BULLETIN

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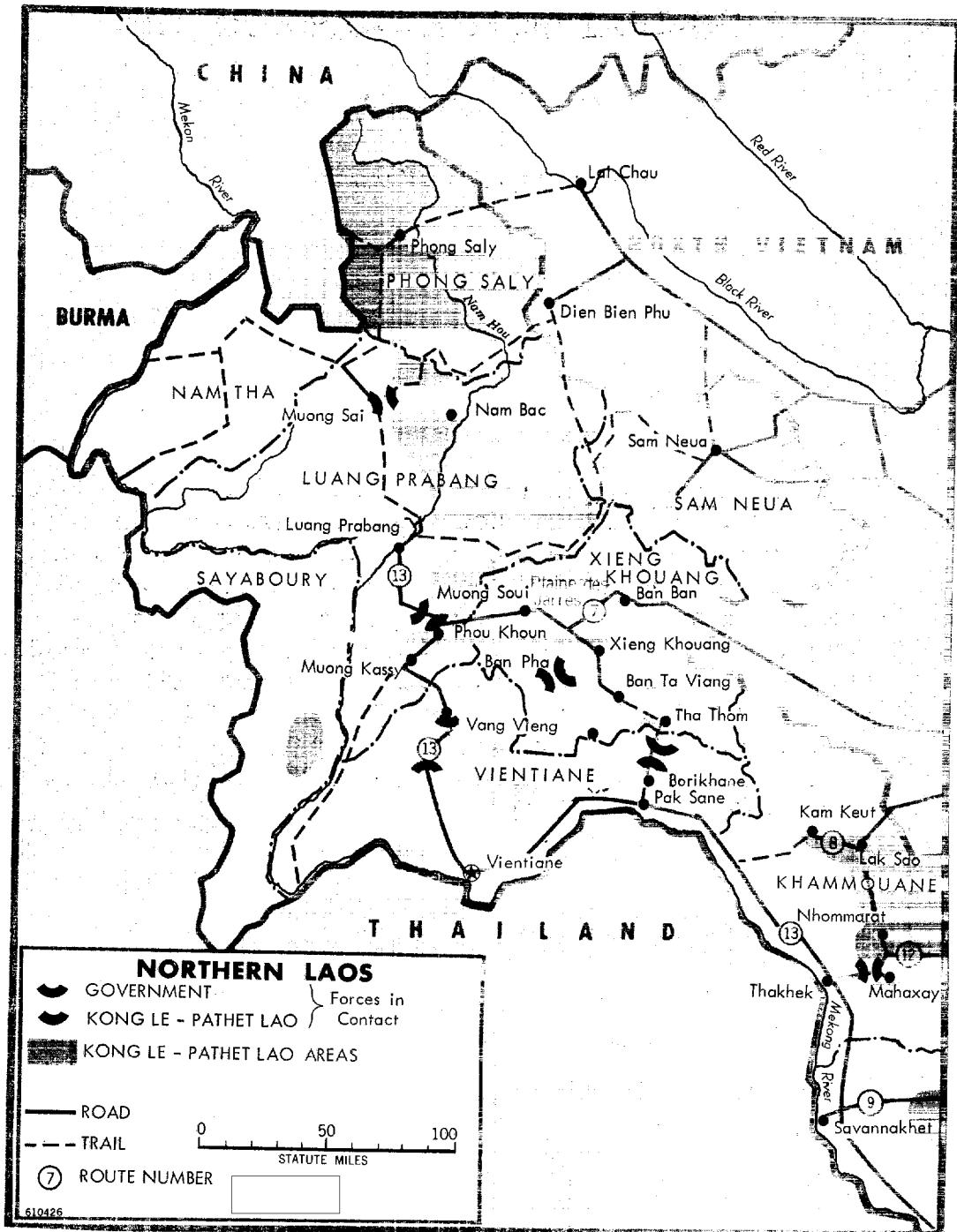
DAILY BRIEF

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*France-Algeria: [As of 0300 EST) The sudden collapse OK
of the military insurrection seems to have come largely from ^{in backup} the realization by the rebelling units that they had obtained ^{delete} no effective support outside Algeria. The Provisional Algerian ^{sent 2-3} Government displayed considerable restraint during the insurrection and seems ready to move quickly toward negotiations. De Gaulle also will probably push for early negotiations, now that he need have less concern for rightist and military opposition. Acts of terrorism by rightist fanatics, however, are still to be expected.] ^{of P4}

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***Laos:** Souvanna Phouma has acted quickly to seize the initiative following the cease-fire appeal by the Geneva co-chairmen. In a joint statement with Chou En-lai on 25 April, Souvanna--speaking as the "Premier of the Royal Government of Laos"--agreed on the formal establishment of full diplomatic relations between Laos and Communist China, and on the future signing of economic and cultural agreements. Souvanna, emphasizing the need for Laotian representation at the forthcoming international conference, has also invited representatives of the Pathet Lao and the Savannakhet group to meet at Xieng Khouang on 28 April "to enlarge the government and transform it into a provisional coalition government." Souvanna's pre-emptory statement, broadcast by the Pathet Lao radio, implies that the "Laotian Government" will be enlarged irrespective of Vientiane's stand.

The statement expresses Souvanna's support for the message of the Geneva cochairmen calling on interested parties in Laos to appoint delegations to enter negotiations and discussions for a cease-fire and armistice, but does not specify timing. Pathet Lao chief Souphanouvong on 25 April announced that cease-fire orders to Pathet Lao troops will be issued, but also did not specify any timing. However, shortly afterward, Peiping broadcast a statement issued by Kong Le, as "commander in chief of the Laotian armed forces," which called on Phoumi to send a delegation on 28 April to Xieng Khouang to discuss "rules governing a cease-fire and armistice." Peiping followed this immediately with a Pathet Lao statement expressing readiness to send a delegation "at any time" to participate in a cease-fire conference "of all parties concerned in Laos." Vientiane on 25 April declared its acceptance of the cease-fire appeal, and transmitted orally through the British its suggestion to hold military talks at Luang Prabang.

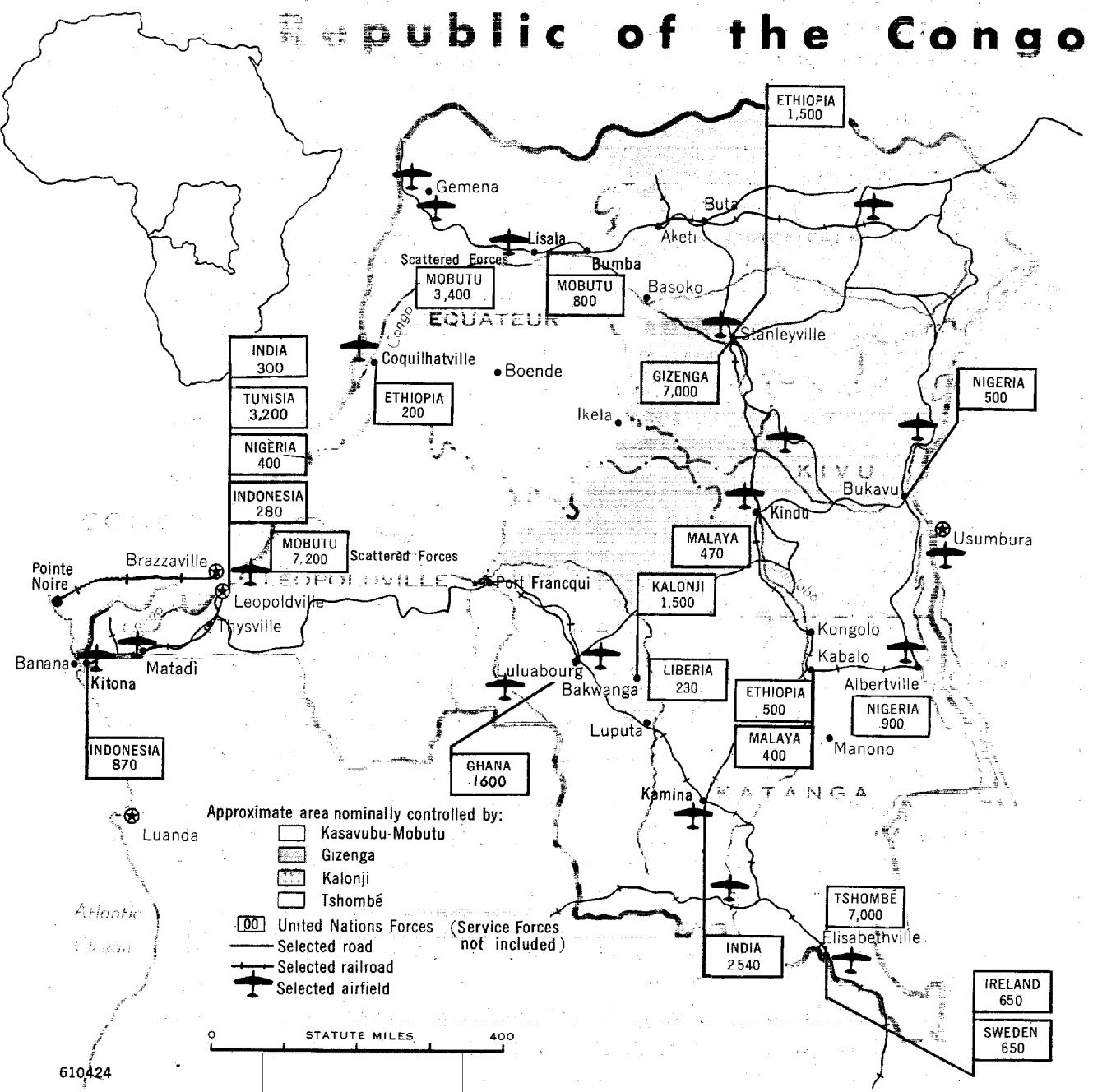
[Enemy forces have apparently edged closer to Thakhek; on 25 April, government positions about 15 miles east of the town were under artillery fire. North of Phou Khoun junction, on Route 13, enemy attacks continue but reportedly are still being repulsed. North of Luang Prabang, the post of Muong]

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[Sai has come under direct fire for the first time, and the town has been burned. Government troops, however, still held the town on 25 April.]

Scheduled Soviet airlift operations for 25 April reflected undiminished operations for that day, but only two Soviet LI-2s have been scheduled for flight into Laos on 26 April. Weather is apparently not a factor. [] (Backup, Page 3)

Congo: Katanga President Tshombé's walkout from the political conference at Coquilhatville will render largely ineffectual any agreements reached there, and is a major setback to efforts to achieve Congo unity. Tshombé left the conference on 25 April after attacking the recent agreement between President Kasavubu and the UN Command which called for the withdrawal from the Congo of all foreign advisers except those invited by Kasavubu to remain.

Tshombé's walkout coincided with indications that the Congolese army factions in Leopoldville and Stanleyville are themselves engaged in negotiations concerning a political solution in the Congo. []

[] pro-Gizenga officers in Orientale Province have urged the formation by early May of a central government which they could "follow,"--i.e., presumably one including representatives of Gizenga. In line with Gizenga's often-expressed position, these officers also demanded the reconvening of the Congolese parliament. The continued failure of Congolese political leaders to make progress toward a Congo confederation may lead to increased political activity by the various army factions. []

France: [The Joint Atomic Energy Intelligence Committee (JAEIC) issued the following statement on 25 April 1961 (1430 EST).]

One acoustic station of the Atomic Energy Detection System (AEDS) has reported a valid signal which may have been associated with the French nuclear test at 26.5N, 00.1W (assumed) on 25 April 1961 about 0500Z. Other acoustic stations farther from the site have experienced background noise levels.

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[which should have made the signal from a French test 'barely detectable.' It is possible that analysis of the actual recordings when available to the AEDS Headquarters will reveal other valid signals than the one reported above.]

[Other components of the AEDS have not reported significant data as of this date.]

[Based on analysis of the single acoustic record it is not possible to estimate yield at this time.]

Conclusion: While the characteristics of the acoustic record [] appear to be those of a valid acoustic signal from a nuclear explosion of low yield. confirmation of this fact must await the results []

UAR: Cairo has ordered diplomatic missions in Latin America to promote the line that NATO "has become an aggressive pact against the freedom of peoples." []

[] UAR diplomats to be careful to emphasize that "the imperialist nations in NATO" were directing the pact toward a policy of which some of the NATO members were unaware, and alleged that NATO was linked with the policies of the Zionists in Palestine, France in Algeria, Belgium in the Congo, Portugal in Angola, and the United States in Cuba.

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Argentina: President Frondizi's request for the resignation of Minister of Economy Alsogaray on 24 April was probably intended primarily as a public relations move to counter popular discontent over economic conditions, rather than a shift in policy. Alsogaray, who took office in June 1959, has become the symbol of the austerity aspects of the US-backed stabilization program initiated in January 1959. Alsogaray's policies succeeded in stabilizing the currency and attracting foreign investment that will have later impact on economic growth, but industry has complained of stagnation and labor

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of lowered real wages. A close collaborator of Alsogaray, Roberto Aleman, the economic counselor of the Argentine Embassy in Washington, has been appointed the new minister of economy. [redacted] (Backup, Page 5)

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~~SECRET~~The Collapse of the French Military Insurrection

The military rising in Algeria ended yesterday almost as quickly and quietly as it started. Paratroop forces were withdrawn from Oran and Constantine during the day and by midnight police and regular army units loyal to Paris had moved into Algiers. Within two hours, and after only sporadic fighting, Generals Challe, Salan, and Jouhaud, the leaders of the insurrection, had left the government buildings in trucks loaded with paratroops, according to press reports. The whereabouts of the generals is uncertain, although they probably went first to the Foreign Legion base at Zeralda near Algiers. Other units actively engaged in the insurrection reportedly returned to their barracks.

The ending of the insurrection was largely the result of De Gaulle's tough stand and the popular backing he received. The US Embassy in Paris comments that public opinion rallied in a more determined way than in either May 1958 or January 1960. There is reason to believe that this popular support for De Gaulle was reflected in the behavior of those military units in Algeria predominately composed of conscripts. Although few of those units were willing to fire on the paratroops, they apparently gave no positive support to the rising. It is also possible that it was the demonstrations of popular support for De Gaulle which prevented any moves in metropolitan France by forces opposed to the government from materializing. When naval units at Toulon and regular army units in Germany responded to the government's orders of 25 April, the insurrectionists probably realized how narrow their support was.

De Gaulle is publicly committed to try the leaders of the insurrection for treason. The bulk of the military establishment, however, is likely to come in for high praise from De Gaulle, who is eager to press ahead with his plans to develop a modern national defense force.

Once the smoke clears De Gaulle will probably consider that his victory over the insurgents has given him a new mandate for negotiations with the Provisional Algerian Government (PAG) and additional flexibility once talks are under way. [The leadership of the PAG, obviously concerned that the insurrection would be successful, sent word to Paris that it would be receptive]

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[to any suggestions on steps it might take to oppose the Algiers junta. The PAG was also reportedly ready to issue a statement signifying its willingness to open negotiations with France on the understanding that parallel negotiations would not be conducted with a rival Moslem group, but held up the statement so as not to hamper De Gaulle during the insurrection.] Despite the improved prospects for opening negotiations, however, the two sides remain divided on many substantive issues. [redacted]

[redacted]

[redacted]

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~~SECRET~~Situation in Laos

Besides obtaining Souvanna's agreement to exchange ambassadors, the Chinese Communists have moved to increase their presence in Laos with an agreement to build a road for the Laotians. The location of this road was not spelled out in the joint statement, but the Chinese may be planning a link between northern Laos and the Chinese border across North Vietnam. [There is a report that in February and early March Chinese laborers were working on a section of road between the Chinese border and Lai Chau in North Vietnam]

In his statement with the Chinese, Souvanna also joined in demanding the withdrawal of Chinese Nationalist irregulars "running riot" in Laos. Peiping insists that Taipei's recent effort to withdraw Nationalist irregulars was only a "sham," and the Communists may attempt to inject this issue into the 14-nation conference on Laos.

Claiming "our troops and people are in the position of a victor," Souphanouvong on 25 April demanded that the US stop its military aid to the Vientiane government. Souphanouvong proposed that Souvanna Phouma convene a meeting of opposing Laotian groups to "decide on a cease-fire... and to discuss important related questions."

[General Phoumi's principal reason for rejecting Western advice to have Vientiane's statement specify the precise time when the cease-fire should be considered effective is that he did not wish to have the government appear to be "begging" for a cease-fire. He says he would consider issuing a second statement containing such specifics after the Pathet Lao publicly accepted the cease-fire in principle.]

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~~TOP SECRET~~UAR Encourages Anti-NATO Sentiment in Latin America

During the past two to three years the UAR missions in most Latin American countries have been increasingly active. The UAR's deputy foreign minister made an extensive tour of the area last year, and exchanges of other high-level visits have occurred. UAR diplomats have paid particular attention to the large Arab colonies in Brazil and Argentina, and Cairo appears to be assigning some of its most trusted men to Latin American capitals.

President Nasir will probably visit the area this fall.

Charges from Cairo, and from Nasir himself, that NATO is at least an indirect instrument of "imperialist oppression" are not new. UAR propaganda has repeatedly claimed that NATO--and particularly American support of the organization--has made available the arms and men for the suppression of the Algerian rebels and the Lumumbists in the Congo.

The Cuban situation has touched off one of Cairo's most vituperative anti-American campaigns, although public demonstrations have not been allowed to reach the pitch attained during the Congo crisis last February. The American Embassy in Cairo recently commented that the UAR's interest in Cuba is probably based on the Nasir regime's genuine belief that Castro is fighting for political and economic freedom, which the UAR tends to equate with the "right" to accept aid from "any source"--i. e., the bloc.

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~~CONFIDENTIAL~~Argentine Minister of Economy Resigns

Argentine President Frondizi stated in an official communiqué that his acceptance of the resignation of Minister of Economy Alsogaray merely signified the completion of the initial phase of the US-backed stabilization program and that the government was resolved to complete the program, which would now emphasize expanded economic development. Alsogaray refused to comment on the reasons behind the request. [redacted] Alsogaray had made too many enemies among the military, Frondizi's Intransigent Radical party, the conservatives, and liberal groups who criticize the hardships the stabilization program has caused for labor. His resignation had been rumored for several months. Other resignations are being submitted by key members of Alsogaray's economic team and Central Bank officials, according to the American Embassy in Buenos Aires.

The press reports that War Secretary Fraga, who was the central figure in opposing former Army Commander in Chief Toranzo Montero in late March, has also tendered his resignation and that others may follow. Foreign Minister Taboada may be replaced by Donato del Carril, who has been ambassador to the US since October 1959.

One financial official believes that Frondizi's action was unrelated to military pressures--which have frequently been aimed at Alsogaray--but that it may be connected with new foreign policy developments. Presidents Frondizi and Quadros, during their meeting on 21-22 April at the Brazilian border town of Uruguaiana, emphasized economic development in one of their joint declarations.

Roberto Aleman, who has been appointed minister of economy, strongly supports the US-backed stabilization program and Alsogaray's policies. He reportedly is expected to intensify Alsogaray's efforts to balance the budget and transfer state enterprises to private ownership as a means of reducing the federal deficit, the primary source of inflation.

[redacted]

[redacted]

~~CONFIDENTIAL~~

~~CONFIDENTIAL~~**THE PRESIDENT**

The Vice President

Executive Offices of the White House

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 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

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