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21 October 1960

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CENTRAL

INTELLIGENCE

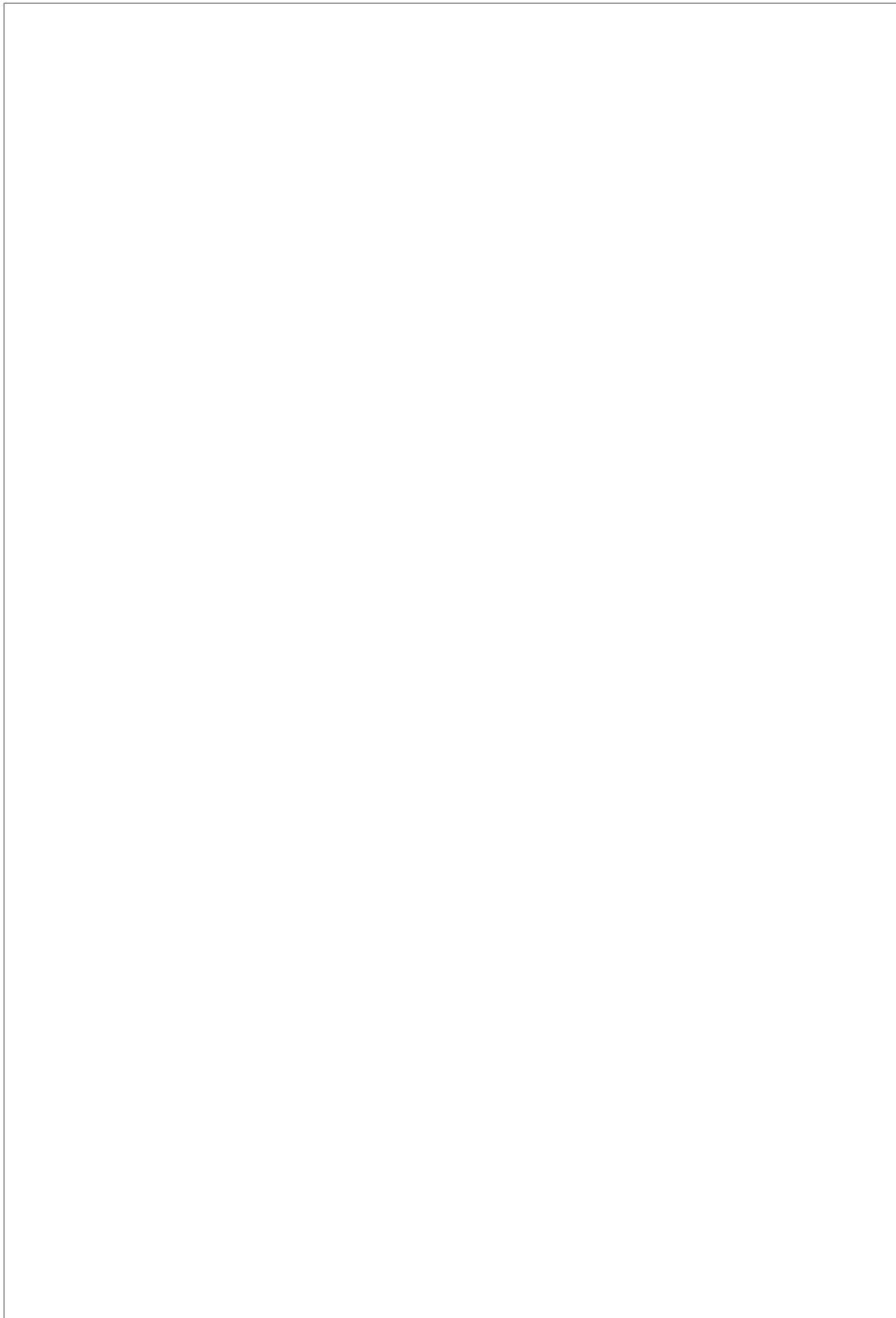
BULLETIN



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21 OCTOBER 1960

I. THE COMMUNIST BLOC

Chinese are delaying decisions on 1961 trade with other bloc countries; this probably is due in part to agricultural difficulties, but Sino-Soviet dispute may also be factor.

(1)

II. ASIA-AFRICA

UAR Commander in Chief Amir apparently to visit USSR shortly; probably will try to get USSR to accelerate delivery of military equipment.

(2)

British, determined to keep Uganda intact, will reject formal Buganda request for separate independence by early 1961.

(3)

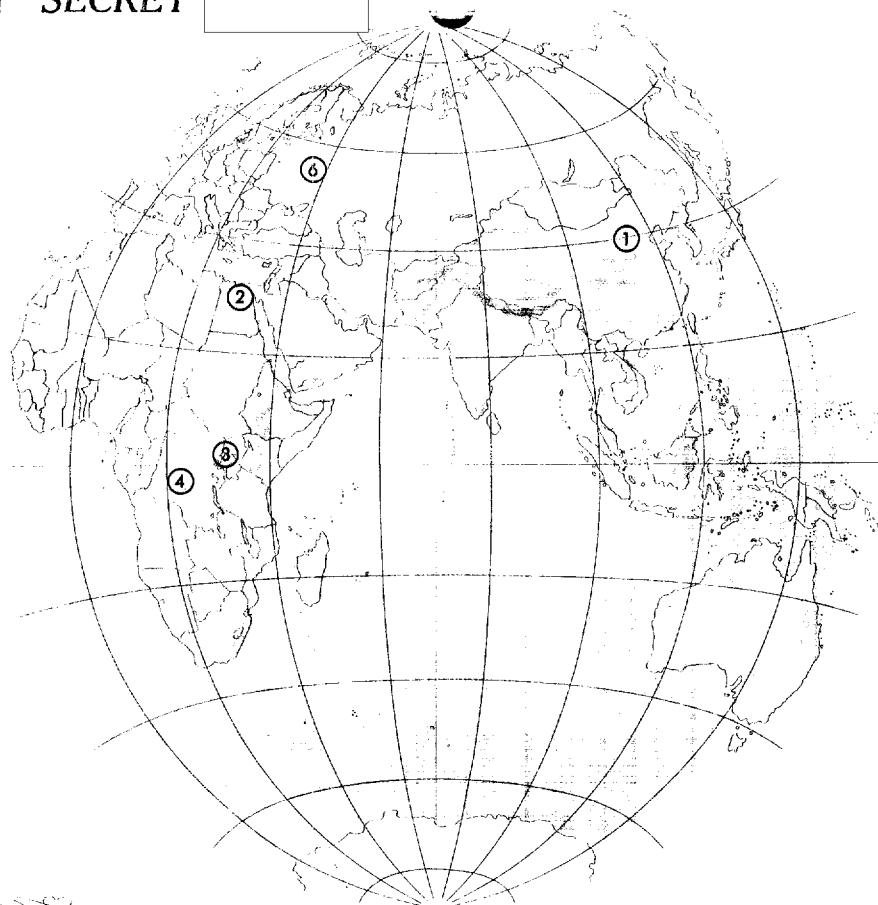
Situation in the Congo.

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III. THE WEST

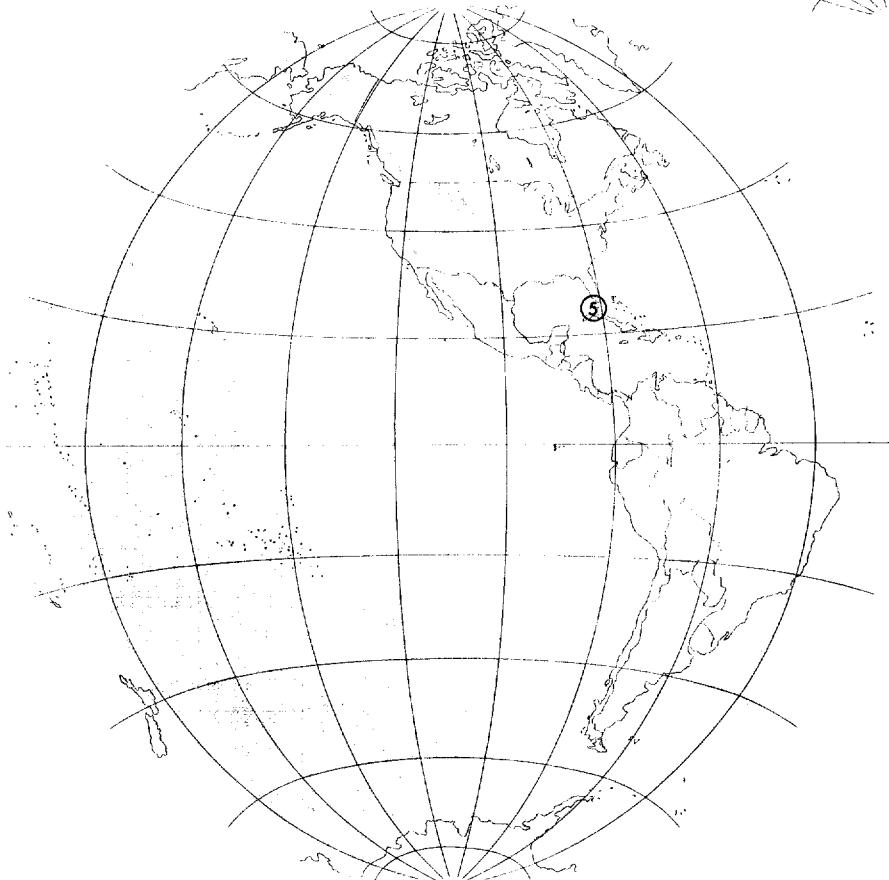
Castro regime may be preparing to stage another "incident" to back up charges of US aggression against Cuba.

(5)



LATE ITEM

(6) Khrushchev's 20 October speech seen as strong effort to buttress Soviet position at November meeting of world Communist leaders in Moscow.

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CENTRAL INTELLIGENCE BULLETIN

21 October 1960

DAILY BRIEF

I. THE COMMUNIST BLOC

Communist China:

Peiping is postponing decisions [redacted] on the extent and nature of its 1961 trade with the rest of the Communist bloc. The level of trade this year has also been affected by Chinese delays in signing some new contracts and cancellation of some import orders. These developments probably are attributable in part to Communist China's internal economic difficulties, notably in agriculture over the past two years, although the basic dispute between the USSR and China may have contributed to China's uncertainty over its future trade prospects. Drought and flood have cast a shadow over China's foreign trade potential, since up to two thirds of China's exports to other bloc countries consist of agricultural products and goods processed from them.

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II. ASIA-AFRICA

UAR-USSR:

[redacted] arrangements for a visit to the Soviet Union by UAR Commander in Chief Amir. No date for the trip is mentioned, but the tone [redacted] suggests the very near future. Although the reason for the visit is not disclosed, Amir probably will try to get the USSR to accelerate delivery of military equipment from the bloc, and possibly discuss arrangements for additional new equipment.

[redacted] (Page 2)

Britain-Uganda [redacted] London will refuse Buganda's formal request for separate independence from the Uganda protectorate by early 1961. The request for independence, made on 4 October, followed the Buganda legislature's passage of a resolution

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last month declaring that Buganda would not participate in Uganda protectorate affairs. The British are determined to keep the protectorates intact, however, and are prepared to alter the Buganda government and, if necessary, even replace the present ruler, who has considerable popular support. Present British plans for the protectorate call for independence by about 1963.

(Page 3) (Map)

Republic of the Congo: The warning of Governor Kamitatsu of Leopoldville Province on 20 October that his province will "secede" from the Congo unless Mobutu ends his "reign of terror" in Leopoldville was designed primarily to provide propaganda support for Lumumba. Although spokesmen for Kasavubu's Abako party in Leopoldville have periodically threatened secession in the past, the threat had not previously been used by Kamitatsu's African Solidarity party, the only other political organization of any significance in the province.

Western diplomats in the Congo were "anesthetizing" UN representative Dayal with their protestations of support for Congo unity. He urged that Cairo come forward with a Congo program based on a reconvening of parliament and the neutralization of Western influence in the country.

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III. THE WEST

Cuba: The Castro regime, which on 18 October requested the UN General Assembly to consider its charges of US aggression, may now be preparing to stage another "incident" to back up such accusations. The American Embassy, which has received several reports that five or six Cuban planes at the major air base south of Havana have been

painted with US insignia, believes these aircraft might be used in such a move. The Castro regime has used such tactics before, notably last March when it hired two Americans to stage a flight to Cuba and then used the flight to "prove" US complicity with Cuban "war criminals." The UN General Assembly's Foreign Committee will probably take up the Cuban request early next week; Castro himself may return to the UN to press his charges, either there or in plenary session.

*An official of the Cuban Embassy in Ottawa told an American Embassy officer there on 19 October that he believes the Castro regime will respond to the imposition of new US restrictions on exports by breaking diplomatic relations.

LATE ITEM

*USSR: Khrushchev's speech in Moscow on 20 October, ostensibly a report on his activities at the United Nations, was in reality a vigorous defense of his estimate of the international situation and his general foreign policy line in recent years. Khrushchev's principal purpose probably was to reiterate his views in the strongest possible terms in preparation for the meeting of world Communist leaders in Moscow next month. The speech contained no evidence that any progress has been achieved in reducing the areas of disagreement with the Chinese Communists; on the contrary, Khrushchev pointedly rejected the policy of "adventurers" who think the "social order" can be changed by war. The Soviet premier repeated his New York proposals for reorganizing the United Nations structure, and implied that the Security Council should be enlarged by adding such neutralist powers as India and Indonesia as permanent members. He also repeated the warning

that the Berlin question "must be solved in 1961!"

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DAILY BRIEF

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Uncertainty in Communist China Over Trade Prospects

Peiping is postponing decisions on the extent and nature of its future trade with the rest of the bloc, [redacted]

[redacted] Peiping, in the process of conducting a survey of its economy, feels it is not in a position to estimate its 1961 export capabilities. The Chinese have delayed signing new contracts and have canceled some import orders, which will affect the level of trade this year. The cancellation of imports applies only to orders which have not been formalized in contracts; formal contracts signed earlier by the Chinese are still in effect, and deliveries to China are continuing as usual. Export contracts are apparently still being honored, but Peiping is delaying any new commitments.

Peiping's indecisiveness about trade plans for next year is probably attributable in part to the regime's recognition of its internal economic difficulties. The Chinese have been uncommonly vague about economic accomplishments this year and have been especially worried about agriculture. Difficulties of maintaining agricultural production because of drought and flood this year throw China's trade potential into doubt. Agricultural products, both raw and processed, make up approximately two thirds of China's exports to the bloc.

China's dispute with the USSR probably has also contributed to its uncertainty over future trade. In addition to the existing debt to the Soviet Union, Peiping has been running a deficit in its balance of payments with the bloc. [redacted]

[redacted]

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~~TOP SECRET~~UAR Commander in Chief Amir Scheduling Visit to Moscow

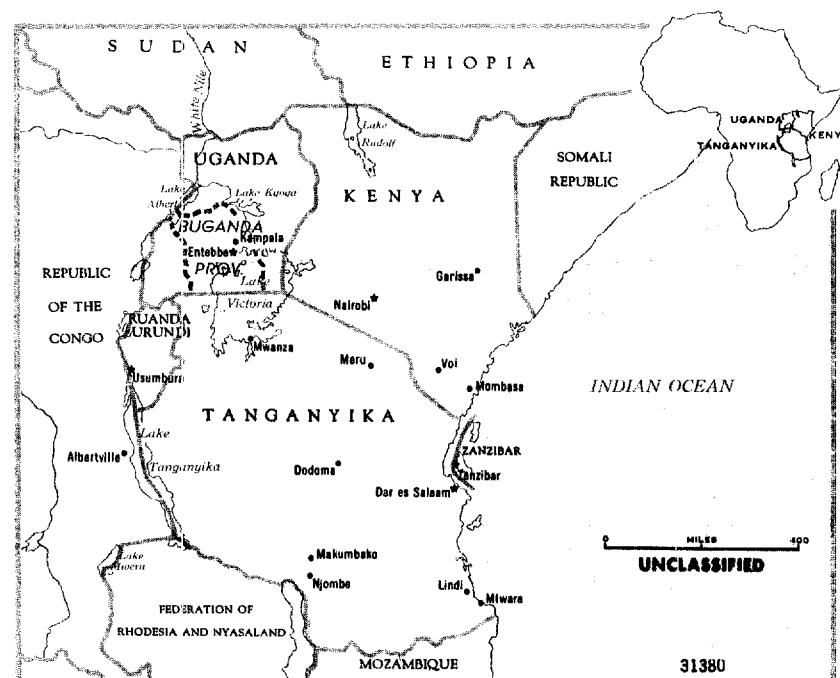
Arrangements are being made for UAR Vice President and Commander in Chief Abd al-Hakim Amir to visit Moscow.

The initiative for the visit was not disclosed and no date has been set, but Amir will probably try to get the USSR to accelerate the delivery of military equipment from the bloc and possibly discuss arrangements for additional new equipment.

Amir had "ordered" the UAR Embassy to contact Soviet authorities to determine "what they have to offer for armaments." The embassy was instructed to report to Cairo "the types, numbers, and prices offered, and particularly the new offers." [redacted] the matter of a new arms "contract or commitment" with the USSR already had been discussed in Cairo.

Moscow apparently has been reluctant since 1958 to honor Cairo's requests for more large-scale arms aid, although it continues to supply the UAR with some military equipment and earlier this year agreed to provide MIG-19 jet fighters. The MIG-19s, however, have not yet been delivered. [redacted]

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Impending Political Crisis in Uganda

London will refuse Buganda's formal request for independence separate from the Uganda protectorate by early 1961 and is prepared to take firm action to handle the political crisis this decision will precipitate. The 4 October independence request followed the Buganda legislature's passage of a resolution last month declaring that Buganda, the protectorate's largest and richest province, would not participate in Uganda affairs. The British are determined to keep the protectorate intact, and are prepared to alter the Buganda government and, if necessary, even replace the present ruler--or Kabaka--who has considerable popular support.

Fearful of losing their influence, the traditional rulers of Buganda have long opposed British efforts to introduce more responsible government on a protectorate-wide basis. Discussions in London between the Kabaka and Colonial Secretary Macleod were suspended in mid-September after London refused to promise that Uganda's new constitution to be drafted in mid-1961 would guarantee Buganda special rights in a weak Uganda federation.

While not opposed to some degree of federalism, London is determined to push constitutional reform to prepare Uganda for independence as a single state. British officials in Uganda have set some time between 1963 or 1964 as a target date for independence, with the proviso that "outside pressure" could advance this by about six months. These officials are recommending that Britain try to undercut Buganda's opposition by lobbying at the UN, with the argument that Buganda's desires are undemocratic and not in keeping with the "wind of change." Although only one percent of the Buganda electorate has so far registered, London is determined to proceed with protectorate-wide elections in February or March for members of the legislature.

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~~The Situation in the Congo~~

The warning on 20 October by Cleophas Kamitatsu, governor of Leopoldville Province, that his province will "secede" from the Congo unless Mobutu ends his "reign of terror" in Leopoldville is designed primarily to provide propaganda for deposed premier Lumumba. Although spokesmen for Kasavubu's Abako party have periodically threatened secession in the past, the threat had not been invoked by Kamitatsu's African Solidarity party (PSA), the Abako's main rival. Kamitatsu's statement may reflect the desire of PSA chief Antoine Gizenga to undermine Mobutu by portraying him as an obstacle to Congo unity.

Western diplomats in the Congo were "anesthetizing" UN representative Dayal with their protestations of support for Congo unity. He urged that Cairo come forward with a Congo program based on a reconvening of parliament, the removal of the Congo Army from politics, and the expulsion of all Belgians. He added that all "foreign activity" should be ended except that devoted to "consolidating the national economy under the supervision of the central government."

Lulua villages in Kasai Province appeared to have suffered heavy damage in the sporadic tribal fighting between the Balubas and Lulus. Defeated Lulua tribesmen have reportedly fallen back on the city of Luluabourg, as fighting has shifted to Katanga. There Baluba attacks pose a serious threat to the government of Moise Tshombé, and recent statements by the Katanga leader have reflected dissatisfaction with the measures taken by UN forces to maintain security.

Elsewhere, five Soviet IL-18s in Accra, which have been used by Ghana while it awaited delivery on five IL-18s purchased from the USSR, have scheduled return flights to Moscow on about 21 October. Two other IL-18s--presumably the first of those ordered by Ghana--were scheduled to arrive in Accra on 20 October.

the returning Soviet aircraft would carry Soviet diplomatic personnel who were evacuated from Leopoldville in September.

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Khrushchev Reports on UN Activities

Khrushchev's speech in Moscow on 20 October, ostensibly a report on his UN venture, was in reality a vigorous defense and justification of his estimate of the international situation and his general foreign policy course in recent years. Using the disarmament issue as the basis for his remarks, Khrushchev presented a strong indictment of the positions taken by the Chinese Communists, specifically rejecting the views of "adventurers" who believe that the social order should be changed by "unleashing wars." In contrast, Khrushchev endeavored to draw a picture of the international situation as sharply divided into three power groupings, with future international alignment of the neutralist states at stake. In effect, he claimed that only by a combination of propaganda, agitation, and diplomatic activities, as typified in his UN performance, would the bloc isolate and defeat the West by winning over these uncommitted states.

The detailed manner in which Khrushchev developed his position on the points at issue with the Chinese Communists provides further evidence that no progress has been achieved in reducing the areas of disagreement. The speech was, therefore, probably intended to present the strongest and most convincing case for Soviet views and serve as a preview for the Communist world of the position the Kremlin will take in the forthcoming meeting of Communist parties in Moscow. Khrushchev's determination to undercut Chinese criticism of his policies in dealing with the "national liberation struggle" was also reflected in the pains he took to reiterate his de facto recognition of and support for the Algerian rebels. He described the Algerian situation as a "just war"--the type which "we support"--and warned that if the French "colonialists" do not leave Algeria they will be forced out in a "military debacle."

On the issues which Khrushchev raised at the UN, he advanced claims of maximum success. Elaborating on the question of reorganizing the UN, he asserted that his attendance at the meeting was not only worthwhile but necessary in order to present the "fundamental proposition" that the present structure of

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the UN is obsolete and must be modified to reflect the actual balance of power in the world. He added that the UN could not expect future Soviet respect for its decisions until a reorganization had been effected in the Security Council, the executive organs, and the office of the Secretary General.

On East-West questions Khrushchev is apparently setting the stage for a possible bloc walkout for the UN Political Committee's discussion of disarmament to be followed by a campaign for a special UN session attended by the heads of government next March or April. He also repeated his warning, [given] to Macmillan, that the Berlin question "must be solved in 1961." However, he reaffirmed his pledge to stand by his post-summit commitment to seek a new summit meeting before taking unilateral action, provided Bonn did not engage in further "provocations." In the USSR's first authoritative response to Bonn's denunciation of the interzonal trade agreement, he warned that East Germany would be forced to reply to further provocations with economic measures.

[redacted]

[redacted]

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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

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