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14 March 1961

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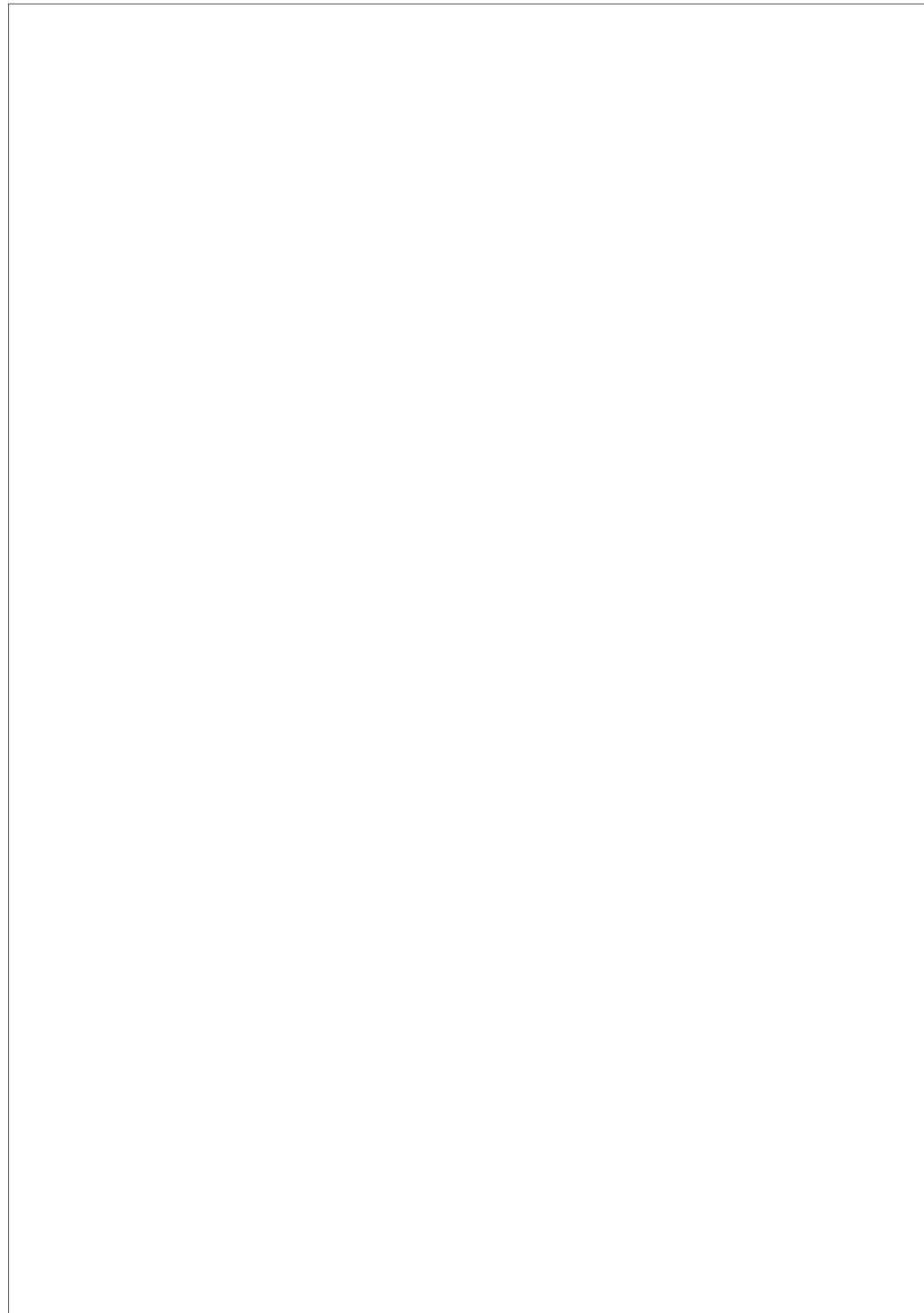
INTELLIGENCE

BULLETIN



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CENTRAL INTELLIGENCE BULLETIN

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DAILY BRIEF

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Congo: The Gizenga regime, unable to obtain bloc aid and in desperate economic straits as a result of the blockade of the Congo River, is making conciliatory gestures toward the US and indicating a more moderate attitude toward Leopoldville. An American official who visited Stanleyville recently was given red-carpet treatment, including a private interview lasting more than an hour with Gizenga, who usually is inaccessible to outsiders. General Lundula, Gizenga's chief of staff and one of the moderate members of the Stanleyville group, sent a message to two of the participants at the Tananarive conference who have been associated with Orientale, suggesting that they come to Stanleyville to discuss a "national entente and amicable settlement."

Meanwhile, contacts with the bloc are continuing. [] all of [] the chief of Gizenga's [] P 3 mission in Cairo is to return there on 16 March from a trip to Moscow. At that time the mission hopes to sign a commercial agreement with Poland "of the type signed with Czechoslovakia."

The Tananarive conference's proposed revision of the Congolese constitution, in its formal recognition of separatist sentiment, would virtually eliminate central authority in the country by requiring unanimous agreement of the states on any action. Further talks are to be held in the Congo among the participants.

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Laos: Kong Le - Pathet Lao forces apparently continue efforts to exploit their successes along the Vientiane - Luang Prabang highway. Pathet Lao guerrilla forces in the area apparently are being activated to assist in this effort; General

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Phoumi is reported to have admitted that Muong Kassy was taken by irregular troops.

On the political side, there are reports that the Lao government delegation arriving in Phnom Penh today for additional talks with Souvanna Phouma will also meet with Pathet Lao representatives. The Indian ambassador to Vientiane, reporting on a [redacted] conversation with Phoumi, claims the Lao army commander expressed the hope that such talks would be productive, with Souvanna acting as a referee rather than participant.

Peiping and Hanoi seem particularly disturbed by the Phnom Penh meeting between Souvanna Phouma and Phoumi. While avoiding any direct criticism of Souvanna, they are rebroadcasting Pathet Lao statements clearly intended to remind Souvanna that his position would be weak were it not for the support of pro-Communist military forces in Laos. Peiping, on 12 March, carried a Pathet Lao item which did not mention Souvanna by name but pointedly implied that he could not control developments in Laos.

*A 13 March Pathet Lao broadcast likened the recent Phoumi-Souvanna communiqué to the 19 February proposal of King Savang for a neutral nations commission and noted that Souvanna had already rejected this proposal. The broadcast declared that the Pathet Lao would "oppose all concessions which are against the interests of the nation."

*USSR-UN: [redacted]
Khrushchev reportedly has instructed the Eastern European satellite governments that the bloc's general line at the resumed session of the General Assembly should be to improve the atmosphere for East-West negotiations. In these instructions, the Soviet premier did not introduce any novel concepts. He indicated that the Soviet scheme for general and complete disarmament would not be modified but that the USSR would be ready to engage in bilateral talks with the US. Khrushchev hinted, however, that if the US refused to take a "constructive" approach, the USSR would renew its demand for a

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[special assembly session on disarmament, presumably attended by heads of government. He set forth a negative line on the Congo crisis, indicating that the bloc's main purpose should be to oppose any decisions damaging to the Gizenga regime.] (Backup, Page 3)

Nationalist China:

[4,500 of the 6,000 to 7,000 irregulars which the Chinese Nationalists claim are in the area are willing to be removed to Taiwan; 1,500 dependents reportedly are also willing to be evacuated. While Chiang Kai-shek has agreed "in principle" to the evacuation and US officials in Taipei believe that he will cooperate, they point out that he still feels the evacuation will damage Nationalist interests.]

[it is unlikely that more than about 3,000 irregular troops will agree to evacuation.]

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Iran: Prime Minister Sharif-Emami has appointed non-political technicians to the key ministries of foreign affairs, interior, and finance in his new cabinet. The prime minister's resignation on 11 March and his reappointment was a pro forma maneuver in connection with the installation of a new parliament following the recent election. Nevertheless, the occasion has enabled him to strengthen the cabinet, especially in the appointment of General Amir-Azizi as interior minister.]

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~~TOP SECRET~~Situation in the Congo

Gizenga and other members of his regime, in conversation with an official of the US Embassy in Leopoldville who was in Stanleyville last week, stated that they have decided as a matter of policy to cooperate with the UN, despite their dislike of that organization. Stating that they are not Communists, they asked for understanding and aid from the United States. Gizenga was critical of Kasavubu, but said he recognized him as Congolese chief of state. Gizenga also said that if his security were assured, he would be willing to attend a session of the Congolese parliament, and, if then voted out of the government, would take a position in the parliamentary opposition.

The American Embassy official reports that there are four centers of political power in Stanleyville. Gizenga and his group apparently occupy a position between that of Lundula, characterized as "almost too moderate and reasonable for Stanleyville," and Interior Minister Gbenye, who is described as a "potentially dangerous, vindictive, stupid racist." These three elements still work together, but Orientale provincial president Manzikala's provincial administration apparently is at odds with all of them. Manzikala seems to be trying to build up enough strength to challenge Gizenga, but his prestige declined after Gizenga refused to let him go to Tananarive. Manzikala, generally considered a moderate, [redacted]

[redacted] standard Stanleyville demands for a reconvening of parliament and the expulsion of foreign troops. He also echoed the Communist line that Hammarskjold should no longer be recognized as secretary general. [redacted]

[redacted] may have been an attempt to gain the initiative as an opponent of conciliation.

The economic situation in Stanleyville is critical. Gizenga told his Cairo representative [redacted] that unless help came by 15 March, he would not be able to pay his troops. He further stated that he recognized the consequences which would follow "if the government even on one occasion has difficulty in paying the salaries of the soldiers." [redacted]

The Tananarive conference recognized the existence of eight "sovereign" states--a division which has already been challenged

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by Jason Sendwe, a Baluba tribal leader who claims to have set up another state in northern Katanga. Other separatist demands are likely to come from Equateur Province, where the Mongo and Bangala tribes have been competing for domination of the provincial government. The conference's resolution is likely to produce further fragmentation.

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~~SECRET~~Khrushchev Sets Bloc Line for UN General Assembly

[Khrushchev pointed out that since the US election, the Soviet Union had "done everything" to improve relations with the US and thus open the way to a solution of the most important international problems. He cited the release of the RB-47 fliers, withdrawal of the Soviet item on "aggressive" actions of the US Air Force from the General Assembly's agenda, and Moscow's decision not to publish its note protesting an alleged "violation by an American aircraft of the USSR's northern frontier" after the President had stated that such flights would not be repeated. Although Khrushchev complained about the "contradiction" between US declarations and actions, he said the bloc's general line should be to work for improving the atmosphere for negotiations, but, at the same time, to manifest "firmness of principles" so as to obtain "concrete" solutions.]

[On disarmament, Khrushchev claimed that the USSR's scheme for general and complete disarmament has already gained the support of a "majority of humanity" and that the US and its allies are becoming isolated on this issue. He indicated that the Soviet position would not be modified, that bloc delegations should work to have the General Assembly endorse the principles of general disarmament, and that they should support the 12-nation resolution, drafted by India last fall, calling for general disarmament. He made it clear, however, that these tactics would not preclude bilateral US-Soviet negotiations, should the US "assume a more flexible position" and take the initiative for such talks. He said that if, on the other hand, the US "withdraws from constructive discussion," this would create a favorable situation for renewing the Soviet proposal for a special assembly session on disarmament, presumably attended by heads of government.]

[With regard to the Congo crisis, Khrushchev claimed that the USSR had been prepared for serious discussion with the US to work out a common line, but that American actions show that the US intends to support the "colonialists." In this situation, said Khrushchev, the bloc's general line will be to oppose any]

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[decisions which could damage the interests of the "legal government of the Congo," i. e., Gizenga's Stanleyville regime.]

[Although the question of Laos has not been placed on the assembly's agenda, Khrushchev urged that bloc delegates seize every opportunity to express support for the views of Souvanna Phouma and Prince Sihanouk, particularly the proposal for an international conference on Laos. He defined bloc interests as keeping Laos out of any "political and military bloc" and ensuring that it pursues a policy of "genuine neutrality."]

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~~SECRET~~Evacuation of Chinese Nationalist Irregulars

[The Chinese Nationalist irregulars in the Burma-Thailand-Laos border area are scattered and semiautonomous, and the degree to which they will respond to Taipei's efforts is problematical. Most of the 3,000 irregulars now in Laos probably will consent to evacuation. This group includes a large proportion of the 1,000 Taiwan-trained Special Forces which were sent to the area during 1960. They are regular army personnel and responsive to orders. Others, who have been in the area since 1949 and retreated into Laos from Burma after surrendering their bases, have lost their means of livelihood.]

[The 3,000 to 4,000 irregulars farther south, in the Burma-Thailand border area, have been relatively independent of Taiwan. The Burmese Army has pressed them less vigorously than the group which retreated into Laos, and the Thai inhabitants tend to support them against the Burmese. Many of these irregulars have homes and families in Thai refugee villages and have achieved relatively high standards of living. As they have returned to these villages, with Thai approval, when Burmese pressures became too strong in the past, it is unlikely that many of them will opt for repatriation to Taiwan]

[Although the Burmese Government has expressed gratification for United States efforts to speed the evacuation of irregulars from Burma and the anti-American press campaign has subsided, the issue remains extremely sensitive in Rangoon. The government considers the irregulars entirely dependent on foreign assistance and asserts this could not be supplied without tacit American approval; the army is bitter over the heavy casualties it has sustained in the recent campaign against the Chinese; and the country as a whole fears that the irregulars provide a standing justification for Chinese Communist incursions into Burma. It is probable that the government will renew its campaign of press denunciation and public demonstrations against the United States]

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[for its associations with Nationalist China if and when the irregulars stir up trouble for the Burmese Government.]

[To deal with an influx of several thousand men and their dependents, a resettlement center is being prepared near the provincial capital of Taichung. The minister of national defense plans to organize the returnees into a fourth special forces unit because of their experience, language, and ethnic origin.] [redacted]

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~~SECRET~~New Iranian Cabinet

General Amir-Azizi, minister of interior in Iran's new cabinet, replaces General Alavi-Moqadam, who under the Shah's direction was primarily responsible for rigging the recent parliamentary elections. This is perhaps intended to give the impression of punishment for Alavi-Moqadam; at the same time, however, it is rumored that he will be given an ambassadorial post, perhaps in Turkey or Spain, suggesting a reward for carrying through the elections successfully in spite of protests by the nationalist opposition.

Amir-Azizi has established a record for honesty and hard work in his two years as chief of the gendarmerie and has greatly reduced the corruption which has long plagued that force.

The new foreign minister, Hossein Qods-Nakhai, is a career Foreign Ministry official who has been ambassador in London and is among Iran's foremost literary men. He is believed solidly pro-Western, has a reputation for scrupulous honesty, and has been described as Iran's ablest diplomat.

Other new appointees, as well as the holdovers from the previous cabinet, are competent and nonpolitical. [Lt. General Timur Bakhtiar apparently still remains as chief of the National Intelligence and Security Organization (SAVAK), although Prime Minister Sharif-Emami had said that Bakhtiar--as well as General Abdullah Hedayat, chief of the Supreme Commander's Staff, and General Haj Ali Kia, the staff's chief of intelligence--would be replaced. It is possible that these changes will yet be made. The Iranian ambassador in Washington, Ardeshir Zahedi, son-in-law of the Shah, reportedly has complained to the Shah about Bakhtiar's "conduct and contacts" during a recent visit in the United States.]

The new cabinet appears generally of greater competency than the previous one; the Shah will still make all important decisions. The prime minister and the parliament will continue to limit themselves to approving the Shah's decisions. []

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The Director, International Cooperation Administration

The Deputy Under Secretary of State for Political Affairs

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