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[Redacted] 21 February 1961

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CENTRAL INTELLIGENCE BULLETIN



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Laos: [The USSR's reply to Britain's proposal of 21 January for reactivating the ICC in Laos, delivered the day before King Savang issued his declaration on neutrality, underscores Moscow's determination to keep any East-West negotiations for a Laotian settlement within the framework of the 1954 Geneva agreements. Soviet Deputy Foreign Minister Pushkin,]

[probably in order to anticipate King Savang's statement, denounced the idea of a neutral nations commission as a move to shore up the authority of the Boun Oum government and to liquidate the machinery of the Geneva agreements, particularly the ICC. Avoiding a categorical rejection of the British proposal, the Soviet reply stated that the USSR had always supported the return of the ICC but insisted that the present crisis called for new terms of reference for ICC operations. Such new terms of reference could, according to the Soviet reply, be established only by a conference of the Geneva participants or a 14-nation meeting as proposed by Cambodia's Prince Sihanouk.]

[Although Moscow has not yet reacted publicly to King Savang's declaration of 19 February, Soviet Ambassador Abramov is making strong efforts in Phnom Penh to dissuade Prince Sihanouk or Souvanna Phouma from endorsing the King's neutral nations proposal. Malaya and Burma have promptly accepted King Savang's invitation to serve on the neutral nations commision; Cambodia has not yet responded.]

(Backup, Page 1)

[UAR: Ali Sabri, UAR minister for presidential affairs and Nasir's closest foreign policy adviser, told Ambassador]

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[Reinhardt on 17 February that the UAR sees no alternative to continuing its "moral" support for Lumumbist elements in the Congo until "unilateral outside assistance to Tshombé, Mobutu, and others" is stopped. The ambassador believes that the UAR might soon feel compelled to take closer co-operative action with the bloc and the Casablanca powers to support the Stanleyville regime.]

[UAR press and radio have continued their hostile campaign against US policy in the Congo since that time.]

(Backup, Page 4)

Congo: The 11-member UN Conciliation Commission, composed of the African and Asian states, most of whom have troops in the Congo, is to leave Leopoldville in the next few days for Geneva to write its final report. The commission's preliminary report, already submitted to New York, recommends the establishment of a broadly based Congolese government, the removal of the army from politics and its reorganization under a national defense council, the release of political prisoners, and parliamentary approval of the new government in that order. The recommendations reportedly were made unanimously, although some of them conflict with the policies of many of the members' governments.

Tshombé's forces are attempting to continue offensive operations against supporters of Gizenga in northern Katanga. On 17 February a UN Nigerian patrol encountered a reconnaissance unit of Katanga troops about 50 miles south of Manono, capital of the Baluba tribes' "Lualaba state," and was told by a Belgian officer leading the unit that he would capture Manono as part of a general Katanga offensive. The offensive is likely to be increasingly harassed by the Balubas, who have already made new incursions into the area recently returned to Tshombé's control.]

(Backup, Page 5) (Map)

Iran-Iraq: The long-smoldering dispute between Iraq and Iran over navigation rights on the Shatt-al-Arab River, which

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controls the approaches to the oil refinery of Abadan, has again broken out. Iranian insistence on 17 February that henceforth its personnel, rather than Iraqi pilots, handle tankers calling at the refinery has halted tanker traffic. Heretofore, only Iraqi pilots have worked on the run to Abadan. As many as two dozen tankers, chartered by the consortium of Western oil companies which operates Iran's oil industry, are probably already involved. Meanwhile a shortage of storage space has forced the Abadan refinery to cut back production from the normal 350,000 barrels a day to less than a third of this figure on 20 February. Output probably will be cut further--perhaps to 50,000 barrels a day--in an effort to avert a complete shutdown, which would further weaken Iran's already strained economy.

(Backup, Page 7) (Map)

***USSR:** Foreign Minister Gromyko told the Finnish foreign minister recently that neither he nor Khrushchev will attend the UN General Assembly session, which resumes on 7 March. He stated, however, that Khrushchev was still willing to come to the US for talks with the President. Gromyko's remarks suggest that Khrushchev has reversed his decision since First Deputy Premier Kosygin's assertion to the West German ambassador in early February that Khrushchev would attend the UN meeting. The Soviet premier probably recognizes that his decision to exploit Lumumba's death to the maximum and renew his attacks on Hammarskjold will make a sharp US-Soviet clash unavoidable, and that his personal participation in such a debate would undermine the prospects of a meeting with the President during the UN session. *708*

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Situation in Laos

[Although not yet responding to the neutral nations commission proposal made by King Savang, Cambodia has thrown cold water on another proposal advanced simultaneously by Laos.]

[that Prince Sihanouk will be unable to receive a proposed good-will mission headed by General Phoumi, pleading Sihanouk's heavy schedule from now until after the Cambodian New Year's celebrations in April. He added that Phoumi and his party were free to come to Phnom Penh for private talks with Souvanna Phouma but not as an official mission of the Boun Oum government.]

[Souvanna, meanwhile.]

[will under no circumstances serve in a broadened government with Prince Boun Oum. Souvanna indicated that he still favored a government of national union with Pathet Lao participation, but stated that a nonpolitical government headed by the King would be acceptable to him. Under the latter formula as envisaged by Souvanna, the King would serve as prime minister, supported by a nonpolitical first minister, with the various ministerial portfolios being allotted to senior civil servants. Such a government would serve only until new elections could be held.]

[Despite his seemingly adamant opposition to serving with Boun Oum, Souvanna's initial reaction was favorable to the neutral nations commission proposal. He admitted that this proposal, coupled with efforts to broaden the base of the Boun Oum government, went a long way toward meeting the views which he had previously put forward.]

[Prince Souphanouvong, leader of the Pathet Lao front, the Neo Lao Hak Sat, has denounced the neutral nations commission proposal as a "scheme of the US imperialists to intensify their aggression in Laos... sabotage the 1954 Geneva agreements... and turn Laos into another Congo." In his statement, broadcast by Radio Pathet Lao on 20]

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[February, Souphanouvong charged that the "imperialists and their lackeys" had pressed King Savang into endorsing this proposal, and therefore his address had "no value."]

[In Vientiane, Laos' UN delegate, Sisouk Na Champassak, who has returned to assist in the present effort to ease the crisis, reports that he is running into considerable opposition from Phoumi and others on the question of reorganizing the government. He claims their obstruction stems from fear of losing their ministerial posts.]

North Vietnamese elements are present in Sam Neua in "considerable strength." They personally heard orders being given in the Vietnamese language to elements attacking a Meo partisan position in Sam Neua last month.

North Vietnamese personnel constitute as high as 50 percent of some Pathet Lao units.

[In its reply to the British proposal on the International Control Commission (ICC), Moscow has made it clear that it will reject any Western-endorsed proposal on Laos which does not contemplate the convening of an international conference. The USSR undoubtedly views a conference such as that held in Geneva in 1954 as the surest means of obtaining an agreement, over which it can exercise control, on Pathet Lao integration into a coalition government. Soviet Deputy Foreign Minister Pushkin suggested that both the UK and the USSR, as co-chairmen of the 1954 Geneva Conference, invite the US, Canada, Burma, Thailand, South Vietnam, and presumably the signatories of the Geneva agreements, to attend a new conference in Laos.]

[In an apparent effort to avoid outright rejection of the British proposal, Pushkin said that the Geneva co-chairmen might approach India's Prime Minister Nehru about convening the ICC in New Delhi or some other convenient place outside Laos before the larger conference took place. The]

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[commission could discuss a resumption of its activities; consider what further powers it would require to take effective action; and report to the co-chairmen. Pushkin added, however, that only an international conference could provide the necessary terms of reference for ICC operations in Laos. The Soviet official warned that the only alternative to a conference was a prolongation and an intensification of the war in Laos.]

[Additional bloc airlift operations into Laos were carried out on 19 February.]

[Seven Soviet IL-14s and two North Vietnamese LI-2s were reflected in flights to Xieng Khouang and one Soviet LI-2 flew to Sam Neua. One Soviet MI-4 helicopter and one North Vietnamese AN-2 light transport also flew into Laos on that date]

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UAR Views on Congo and UAR-US Relations

[In an interview with Ambassador Reinhardt, Ali Sabri gave an involved explanation of the UAR "recognition" of the Gizenga regime. According to Sabri, Gizenga's representatives in Cairo will be accorded diplomatic status, but it has not been decided to give diplomatic titles to the representatives or their offices. The ambassador feels the UAR does not consider this recognition definitive, but the "best thing Cairo can do to compensate its friends and save its own face."]

[Sabri reaffirmed Nasir's 5 February remarks to the ambassador to the effect that the UAR realizes no one contender in the Congo can hope to achieve complete control. Reinhardt believes this suggests that the recognition of Gizenga is a maneuver to help maintain the Stanleyville regime's claim for participation in any future settlement on a Congolese government and appears consistent with the UAR-Ceylonese-Liberian Security Council resolution.]

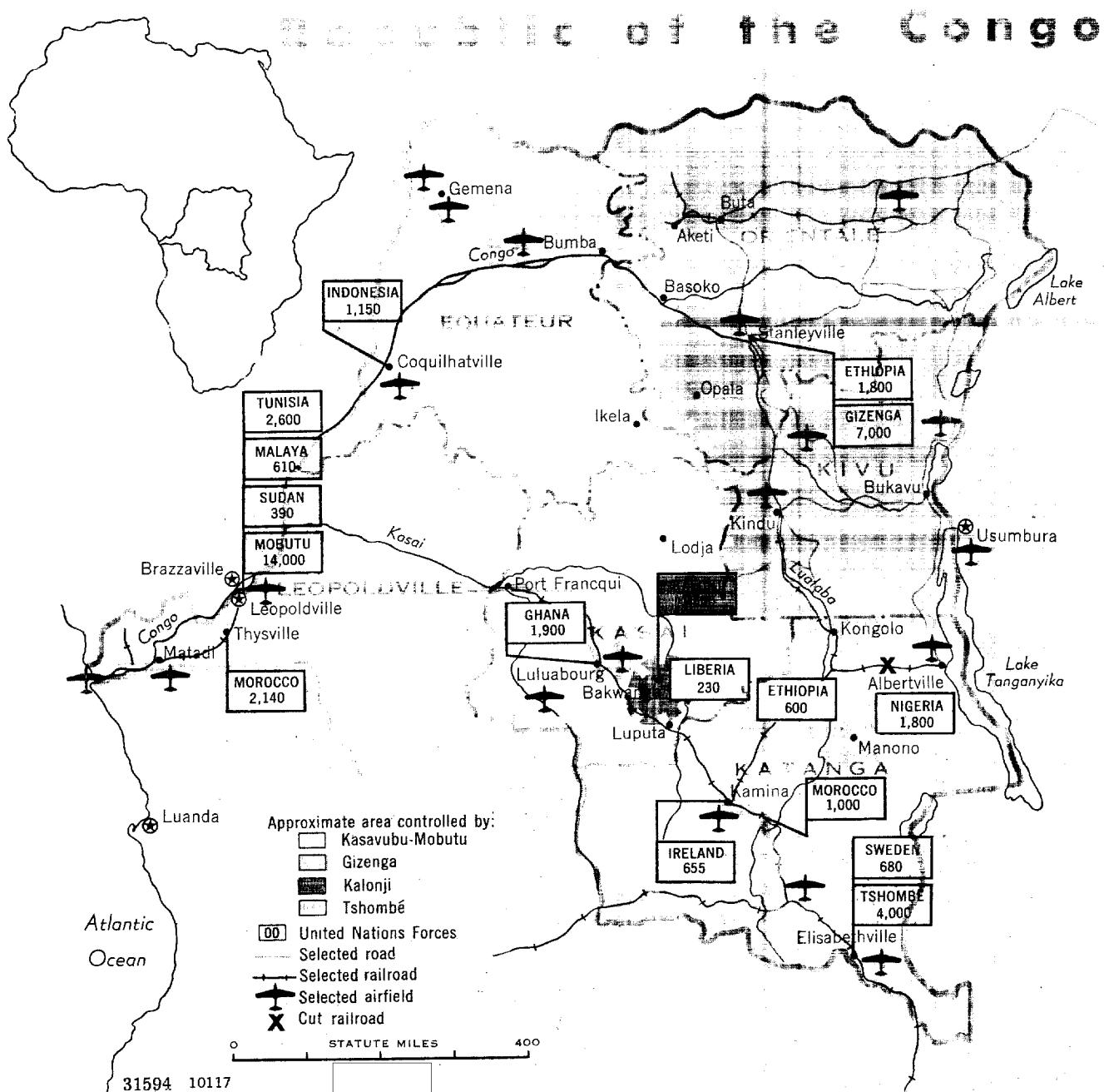
[Sabri also claimed that the US exaggerates the Communist danger in the Congo and the effectiveness of Soviet support of Gizenga. He added that although the UAR insists on the right to criticize UN Secretary General Hammarskjold's "mistakes" in the Congo, it does not go along with the extreme Soviet view. Sabri voiced concern over what he called the lack of progress in the UN and said his government believes the West intends to "stall" until the Stanleyville regime has been destroyed.]

[UAR propaganda organs have given full play to the incident of 18 February involving a USIS information officer in Cairo, whom the UAR has charged with unauthorized distribution of leaflets on the Congo situation. The officer was detained almost 11 hours and was handled somewhat roughly. The US Embassy reports that the leaflets contained only extracts of speeches by President Kennedy, Ambassador Stevenson, and Hammarskjold, which are not subject to censorship and do not require UAR government clearance. Nevertheless, Cairo's news media have called the incident a violation of UAR sovereignty and presented it as a clandestine anti-Lumumba effort by the US.]

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Situation in the Congo

The conciliation commission is subordinate to Hammarskjold's Congo advisory committee, and its members are nominally divorced from the policies of their governments. On it are represented those African and Asian nations which have had troops in the Congo--with the exception of Guinea, Mali, Indonesia, and the UAR, which refused to participate because the commission refused to recommend outright the reinstatement of Lumumba's "legitimate government." As a result of the absence of these neutralist states, the commission has definite moderate and pro-Western leanings.

Since its recommendations use the Iléo government as a starting point for re-establishing a national regime, the report is likely to be pleasing to Kasavubu. However, Tshombé, who is now almost completely isolated internationally and who is currently pushing a military campaign to consolidate his position, will probably be unwilling to accept it; in fact, recent reports indicate that Tshombé and his entourage are unlikely to accept any reconciliation proposals in their present mood.

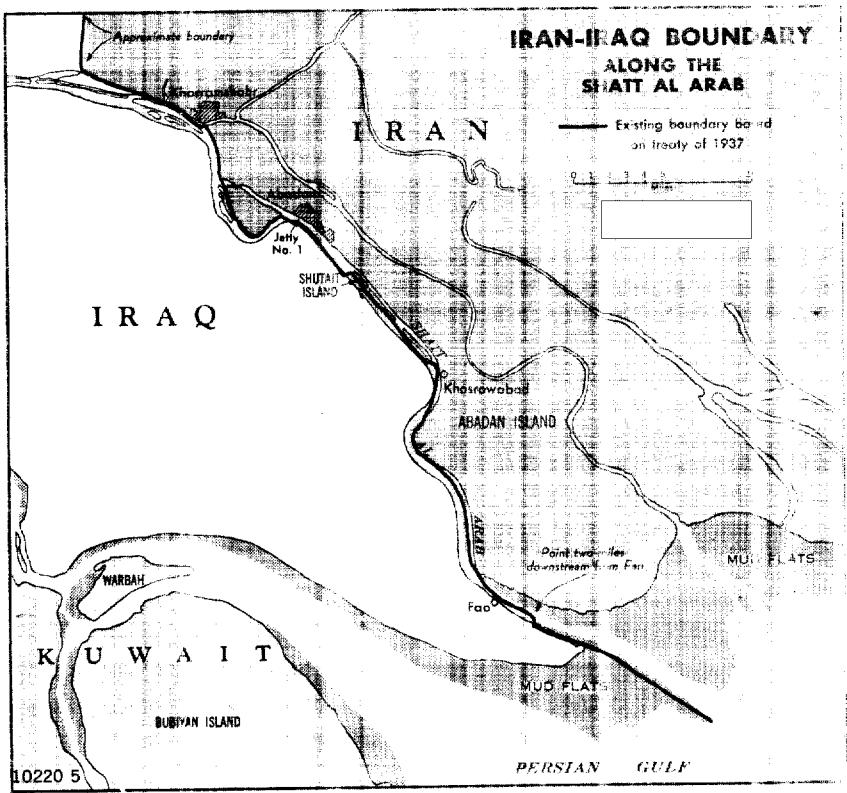
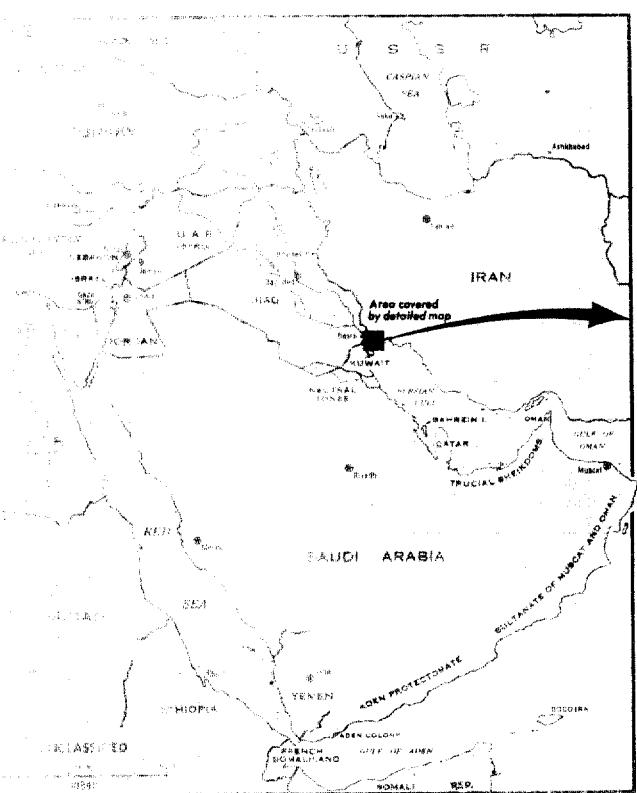
The reaction of the Gizenga regime will probably depend on the dissidents' estimate of their ability to resist continued economic, political, and military pressure from a broadly based Leopoldville government. Although Gizenga's position apparently is weakening, he has little to hope for in a rapprochement with Kasavubu and would be reluctant to accept a political solution imposed by the UN unless assured of significant influence in the Leopoldville government.

Tshombé's military offensive against Manono coincides with the establishment of a "Communist Congolese party" in the Baluba capital. Interior Minister Yuma of the "Lualaba state" [redacted] the party's creation to most of the Congo's prominent leftist leaders--including Gizenga--and to Khrushchev, Tito, and Chou En-lai. The move would seem to be a result of Yuma's own initiative; any

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party of this origin is likely to become a tribal Baluba movement and thus fail to become a major political force. There was a small Communist party operating in Leopoldville when the Congo became independent; there is no indication that it is active now.

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The Shatt-al-Arab Question

Between the Persian Gulf and a point a few miles north of Khorramshahr the Iranian-Iraqi frontier runs along the low-water mark on the Iranian shore of the Shatt-al-Arab except for two short stretches opposite the major Iranian ports of Khorramshahr and Abadan, where it follows the thalweg --the middle of the river--so as to leave these two ports in Iranian waters. Sea-going vessels bound for these Iranian ports thus have to pass through Iraqi waters. Navigation on the river is governed by the Iranian-Iraqi treaty of 4 July 1937.

For several years Iran has periodically agitated for a commission to negotiate changes in the 1937 treaty and has threatened to take unilateral action if Iraq refuses to co-operate. This treaty recognizes most of the Shatt as Iraqi territorial waters. Tehran has complained that the treaty was invalid because it was signed under British pressure. Despite this view, Iran was willing to leave control of the Shatt to Iraq as long as the Basra Port Authority was, for practical purposes, under British control.

An important change in the Iranian position took place following the July 1958 coup in Iraq which brought Qasim to power. Viewing the Qasim regime as basically unfriendly and wary of the presence of Soviet technicians in Basra, Iran began to demand a greater voice in control of the Shatt, including adoption of the thalweg principle along the entire length of the river. Since 1958 there has been a series of incidents between the two countries. Iran's present insistence on use of its pilots is its most ambitious effort thus far to pressure Iraq to begin negotiating. However, fully a third of Iran's oil production of more than 1,000,000 barrels a day is refined at Abadan, and with an already shaky economy the government could ill afford more than a token shutdown.

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