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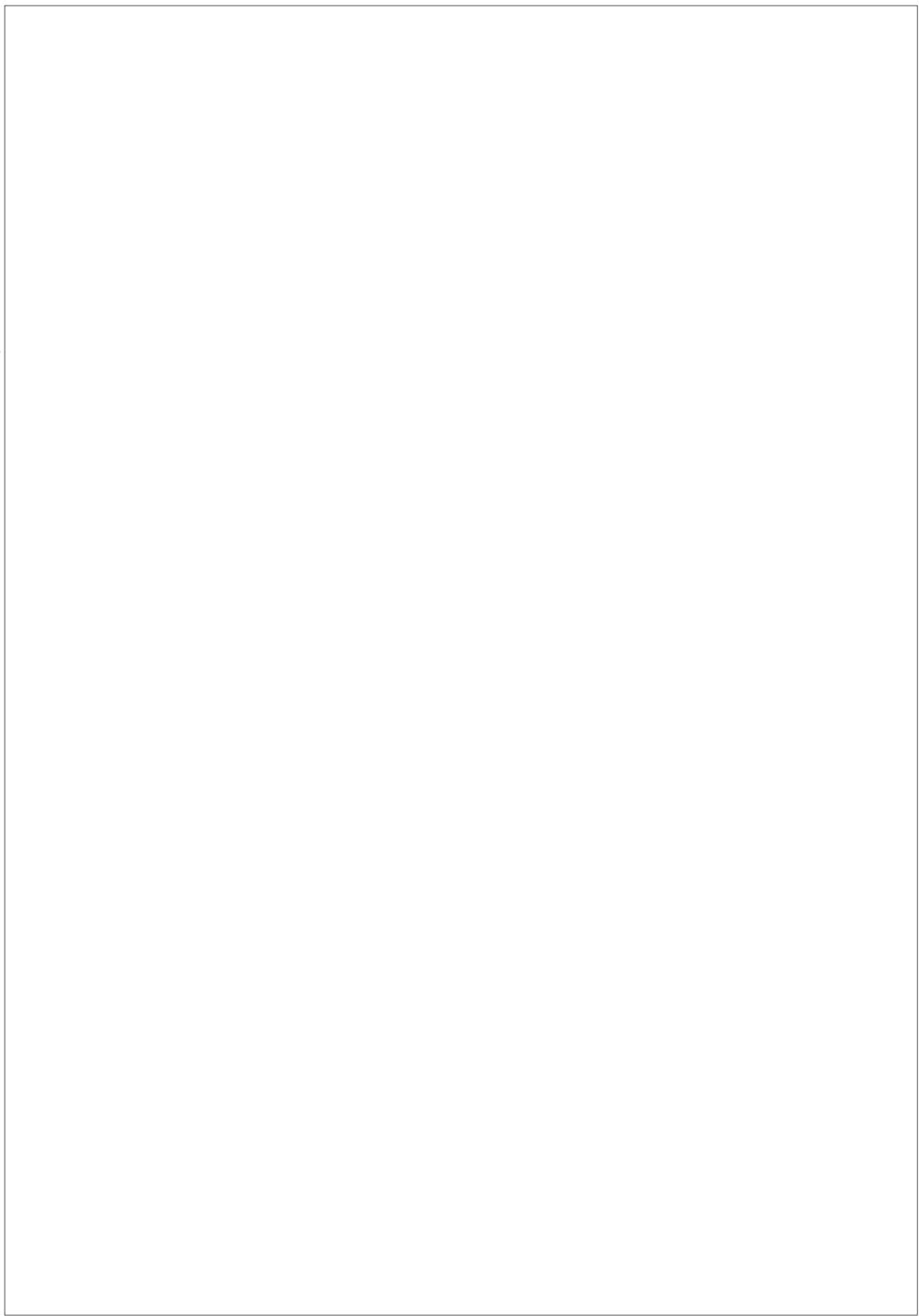
CENTRAL

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BULLETIN



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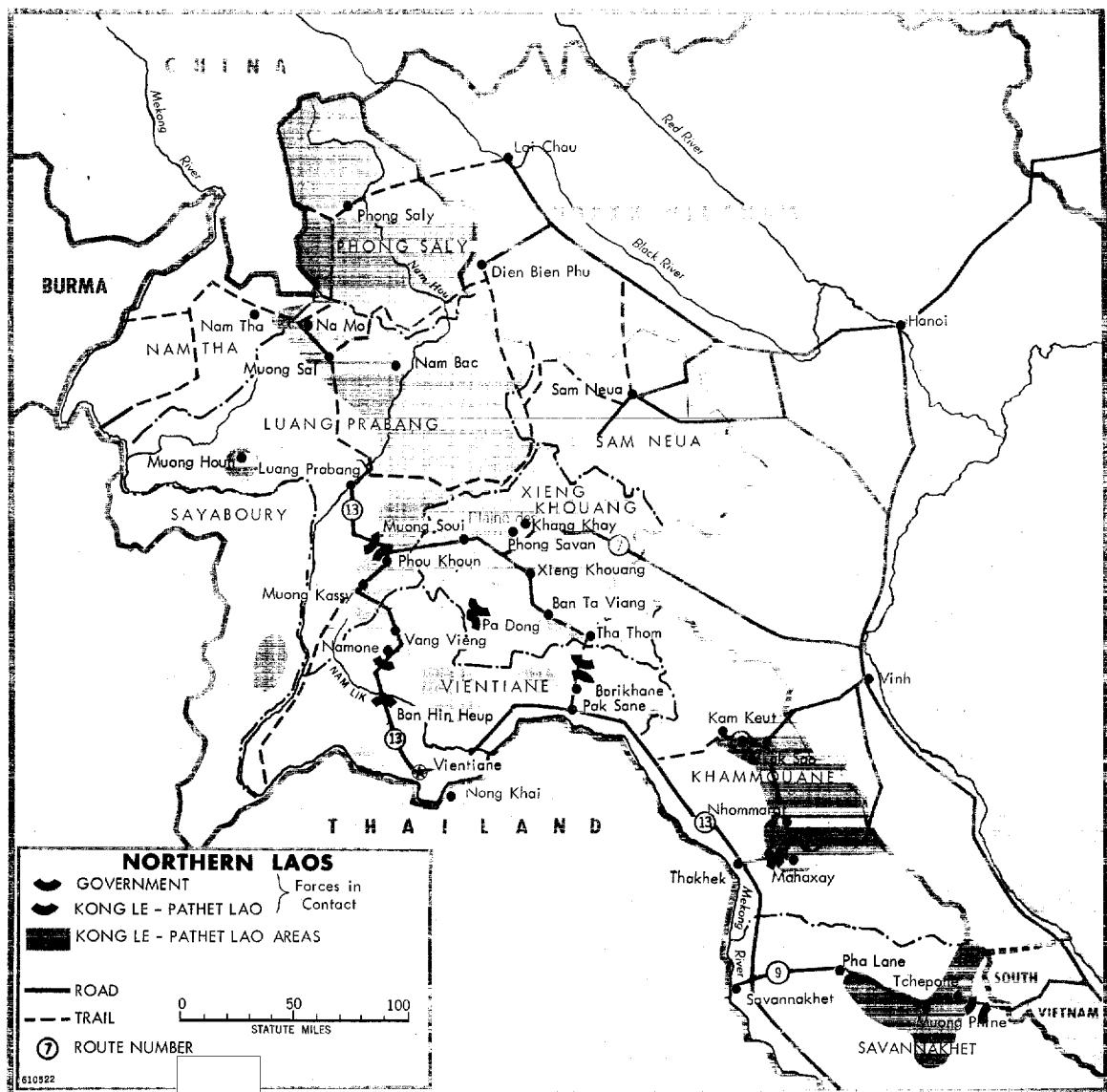
23 May 1961

CENTRAL INTELLIGENCE BULLETIN

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DAILY BRIEF

Serial

Laos: The Boun Oum government, following a National Assembly resolution supporting its position and with the backing of King Savang, has reaffirmed its refusal to attend the Geneva Conference unless recognized by all participants as the only legal government in Laos. It is continuing to use the tactic, however, of urging that the representatives of five government political parties be seated in Geneva on an equal basis with the Neo Lao Hak Sat (Pathet Lao) and Souvanna Phouma's group, which Vientiane recognizes only as non-governmental factions. This approach, certain to be rejected, would give the Pathet Lao and Souvanna representation as only two of seven equal political groups in Laos. Sihanouk's attempt, meanwhile, to bring Boun Oum, Souvanna, and Souphanouvong together for talks at Geneva failed, with both Souvanna and the government rejecting his invitation.

[The 22 May meeting at Namone between the three Laotian groups resulted in another deadlock as to whether cease-fire or political matters should be discussed first. The atmosphere at the meetings is reported to be increasingly acrimonious.]

[The military situation remains generally unchanged, with Kong Le - Pathet Lao forces continuing their probing attacks against Meo elements of the Laotian Army in the Pa Dong area and a few minor skirmishes reported elsewhere in the country.]

Despite recent emphasis in bloc propaganda statements on the "dangerous" situation in South Vietnam, the Communist delegations at Geneva have made no move to inject this issue into the conference. They may fear that to raise this matter at this stage would alienate some of the neutrals. Krishna Menon has said the Indians feel the conference should deal only with Laos.

Bloc airlift operations into Laos were scheduled through 23 May. [] (Backup, Page 1) (Map)

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South Korea: [South Korea's revolutionary government is still consolidating its power and neutralizing elements which might oppose it. Colonel Kim Chong-pil, who is reported to be the principal adviser of the coup strongman, Major General Pak Chong-hui, told an American official on 22 May that everyone involved in the new regime has been too busy with internal affairs to pay much attention to relationships with the United States. He asserted that the United States should not be concerned, since the revolutionary leadership was anti-Communist and pro-US. The officer said that this was true despite the resentment engendered by statements of American officials in Seoul on 16 May, which had urged support of the former Chang Myon government.] *No*

[The adviser to Pak admitted that military command principles in relation to the UN Command had been violated, but said that the intent was to make the relationship between South Korean military forces and the UN Command as close as in the past. He said the leadership feels that Army Chief of Staff Lieutenant General Chang To-yong has too many duties in the present arrangement--he is chairman of the Supreme Council for National Reconstruction, head of the cabinet, and minister of defense--and that a new chief of staff should be appointed.]

Interservice rivalries and tension between the senior and the more numerous junior officers of the revolutionary leadership are continuing. The marines and paratroops in Seoul are reported to have refused on 21 May to obey an order by Chang To-yong to return to their camps.

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Burma: Although there has been an over-all decline in insurgent activity during the past decade, the Shah and Karen separatist movements in the eastern part of the country have gained momentum since U Nu resumed the premiership last year. [These movements, which have no strong ties with each other, are suspected by Rangoon of having obtained arms and recruits from the evacuating Chinese Nationalist irregulars. The government reportedly is now planning to expand its campaign against them, despite the onset of the rainy season.]

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Cyprus: Relations between the Greek and Turkish communities remain strained, [with activists on both sides reportedly seeking arms and preparing for a possible breakdown of the Cypriot Agreements which established the present government.] These political problems, and chronic economic difficulties facing President Makarios' government, have recently been compounded by a deteriorating situation in the organized labor movement. A Communist was recently chosen as the workers' representative in the Cypriot delegation to the June conference of the International Labor Organization. Simultaneously, the island's largest labor federation not already dominated by the Communists elected as its head an ineffective personality who appears to be falling under Communist influence.

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South Africa: The Verwoerd government has increased its security precautions as a result of a continuing threat of non-white strikes and demonstrations. An inter-racial committee heavily infiltrated by Communists, has called on non-European workers to stay at home on 29 and 30 May, in protest against the Union's assumption of republic status on 31 May. The government, which earlier had ordered several non-white and liberal European leaders to refrain from attending political gatherings, on 19 May imposed a sweeping ban on all meetings until 26 June. Four militia units and a number of Citizen Force units have been called up, and arrests of Black Africans in the last few days probably total more than a thousand. Foreign

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Minister Louw recently told Ambassador Satterthwaite that the government hopes these measures will prevent shootings such as that at Sharneville last spring.

British Guiana? London intends to grant full internal self-government to British Guiana after the 21 August election in the colony, and complete independence in 1963 or 1964, in spite of the fact that the Communist-led People's Progressive party (PPP) continues to occupy a dominant political position there. The PPP will probably retain control of the legislature after the election, since the two main opposition parties are now attacking each other after their attempts to form a merger failed. During the past year Cheddi Jagan, who is leader of the PPP and will probably become premier in August, has been increasingly open about his Marxist views, and the party's Communist contacts have increased, particularly in Cuba. London deposed Jagan as chief minister in 1953 for trying to further Communist aims.

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DAILY BRIEF

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[French Ambassador Falaize, commenting recently on the inadequacy of the ICC's means in Laos, observed that it was a question of "absolute penury." Only the French military mission's C-47s can transport the ICC to the Xieng Khouang area, since rebel authorities have made it known they will give landing authorizations only to French crews. Falaize also noted that housing and logistic support were "unmentionable." He added that the ICC was thrown into Laos without preparation and in poor circumstances. He stressed the importance of permitting ICC observer groups to be spread throughout the country with adequate means to fulfill their missions. He felt that, at the very least, ICC representatives should be stationed at such landing fields as the Plaine des Jarres, Savannakhet, and Luang Prabang to exercise surveillance over arms traffic and deliveries by both sides pending agreement which would permit the ICC to control these activities.]

[Meanwhile, British Ambassador Addis has told Ambassador Brown in Vientiane that he is fully convinced that the enemy is engaging in a calculated effort to capture Pa Dong and that he and Falaize are pressing the Indian and Canadian ICC chiefs to send teams to investigate cease-fire violation complaints.]

[General Phoumi told Ambassador Brown on 22 May that there had been some misunderstanding of the government's position at the Namone talks. He said it was willing to take up political matters as the Pathet Lao and Souvanna representatives were insisting, but only on condition that agreement be reached first on the formation of joint teams for on-the-spot investigations of cease-fire violations. Phoumi also stated that he might be favorably disposed to attend an ICC-sponsored meeting with Souvanna and Souphanouvong at some neutral point in Laos. He said that during an interview the previous day the ICC commissioners]

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[redacted] had pressed him to meet with Souvanna and Souphanouvong. The interview was ostensibly arranged to discuss financial matters in connection with the ICC.] [redacted]

Airlift operations on 21 May were canceled. The reason for this cancellation is unknown, but weather could be a factor. On 19 May there were 19 airlift and airlift-associated sorties--10 of which were probably into Laos. On 20 May there were 30 sorties, up to 12 of which probably went into Laos. Through 20 May it is estimated that there have been 2,621 airlift sorties by bloc transports--2,287 by Soviet transports and 334 by North Vietnamese aircraft--carrying an estimated delivered cargo of 4,880 tons.

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South Korea

Colonel Kim is emerging as chief of security for the revolutionary government.

[redacted] he was in charge of all intelligence for the new regime and that he was "generally" responsible for policy steps taken to consolidate the revolution.] Kim is the brother-in-law of coup leader Major General Pak Chong-hui and a member of the group of discontented junior officers that actively agitated for the removal of senior generals following the fall of the Rhee government early last year. Both he and Pak were instrumental in the ouster at that time of then army chief of staff Lt. General Song Yo-chan and Song's immediate successor Lt. General Choi Yuong-hui.

Kim, a long-time intelligence officer, dwelt at considerable length on the stanch anti-Communist orientation of the coup leaders and how the weak anti-Communist stand of the Chang Myon administration made its ouster necessary to save the country.

The insurgents continue to move against military officers whose loyalty to the revolutionary government is suspect. Three more general officers, including Deputy Chief of Staff Lt. Gen. Chang Chang-kuk, have been relieved of command and arrested in this process. All officers associated with former Rhee lieutenant Yi Pom-sok, leader of the defunct National Youth Corps, reportedly are slated to be given "minor assignments" to minimize any chance of their effectively hindering the revolution. Yi reportedly was planning a coup of his own when Pak seized power.

Apprehension appears to be growing among civilians who originally supported the coup or were apathetic to the overthrow of the Chang Myon government over the adoption of increasingly repressive tactics by the revolutionary leaders. [redacted]

[redacted] some 3,000 persons have been arrested, but it is unclear how many are hoodlums and criminals and how many are political offenders. Most newspapers have been forced to adopt a position of complete endorsement of the new regime and give a distorted picture of American reaction implying that Washington supports the revolution.

Meanwhile, new Foreign Minister Kim Hong-il appears to be attempting to allay American concern regarding the

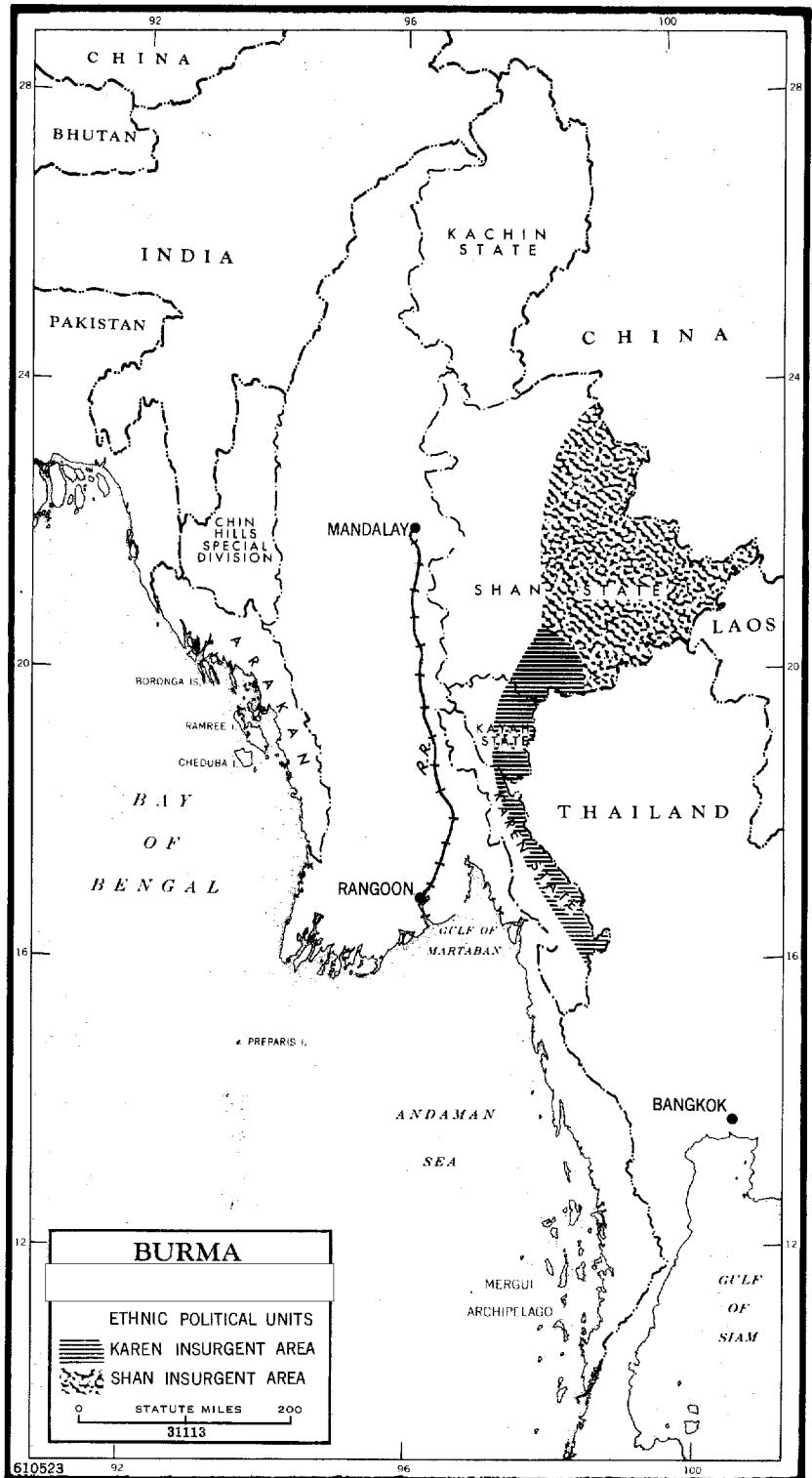
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revolutionary government. At his first press conference Kim gave assurances that the new government's foreign policy will not differ basically from that of the Chang Myon administration. He added that negotiations would be continued for the normalization of South Korean - Japanese relations and that the new regime opposed the "march North" unification policy of the old Rhee government. Kim is a former South Korean ambassador to Nationalist China and a retired lieutenant general. He is believed to be strongly anti-Communist and to favor an authoritarian government similar to that of Chiang Kai-shek on Taiwan.

Peiping's People's Daily, in an editorial of 21 May, claims the US "stage-managed the coup" and labels the coup leaders "fascist." Pyongyang has broadcast reports of atrocities allegedly perpetrated by US personnel and has depicted the coup as a US-sponsored effort to "force more unbearable calamities on the South Korean people." [redacted]

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Burmese Army to Extend Its Anti-Insurgent Campaign

Insurgency in Burma stems primarily from the dislike and distrust of the ethnic minorities in the Burmese highlands for the Burman-dominated government. These groups joined the Burmese Union reluctantly when the British granted independence in 1948, and the largest minority elements, the Shans, Karens, Kayahs, and Kachins, insisted on separate states drawn along ethnic lines as the price of participation. Since then Rangoon's "Burmanization" policies and the arbitrary actions of army personnel in the hill country have built up the minority peoples' distaste for the Burmans. In addition to Shan and Karen demands for independence, the non-insurgent Chin and Arakanese communities--and even the Mons, who are almost entirely absorbed into other ethnic groups--are demanding statehood for themselves, and the combined minority communities, under the leadership of Burma's former President Sao Shwe Thaik (a Shan prince), are proposing a looser federal structure for the Union government.

Except among the Shans and Karens, antigovernment military action has been largely brought under control. The Communist forces which revolted in 1947 and 1948 have been reduced to the status of bandits. The evacuation to Taiwan of over 4,000 Chinese irregulars in April has left a relatively small force of about 1,200 in the country along the Burmese-Thai border. Many of these, although they still reject Burmese authority, appear anxious to merge quietly with the local populace. [However, as of early April the Burmese Foreign Office reported that some 500 irregulars had joined the Karen National Defense Organization, and since that time press reports of army skirmishes have suggested that Chinese irregulars are collaborating with the insurgents]

Following General Ne Win's retirement from the prime ministership in April 1960, military pressure against the insurgents slackened appreciably. Troops were diverted to the China border area on survey and demarcation missions and, later, to the joint campaign with the Chinese Communists against the Chinese Nationalist irregulars. [Many of the army's senior

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[redacted] officers, who had opposed the return of civilian government, lost their enthusiasm for the struggle against the insurgents. The Shan and Karen insurgents took advantage of this respite to regroup and have recently launched strong attacks against government-held towns and the Rangoon-Mandalay railway.

[redacted] The commitment of six of the army's 13 infantry brigades to the suppression of these marauding bands underscores the government's concern with the deterioration of internal security. However, unless these units are prepared to operate through the rainy season as they did during General Ne Win's administration, the campaign is likely to have little lasting effect.] [redacted]

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The two basic political problems between the Greek and Turkish communities stem from their leaders' disagreement on implementation of provisions in the Cyprus constitution calling for a 7:3 ratio between Greeks and Turks in the civil service and for separate municipalities for the Turks in the island's five largest cities. The stalemate has caused a sense of frustration within the Turkish community which could lead to more active hostility against the Greek Cypriot majority. Rumors that members of both communities are smuggling and storing arms and that underground organizations are being formed are causing nervousness.

The murder on 13 May of a British citizen in Kyrenia and the subsequent arrest of a former leader of the Greek Cypriot organization EOKA have heightened tension. Both Makarios and the minister of interior, himself a former EOKA leader, immediately denounced the murder. The possibility exists that the act was designed by intransigent former EOKA elements to embarrass the more moderate government.

[Meanwhile, the government is plagued with substantial unemployment and is seeking funds in Britain and the United States for development programs. According to a Greek Cypriot weekly newspaper, the government may seek a loan from the USSR if unsuccessful in negotiations with the West.]

The Communists appear to be on the verge of taking over the labor movement. The largest federation on the island is Communist dominated, and it now appears likely that the only other significant Greek Cypriot federation will fall under Communist domination or will break into small competing factions. The anti-Communists within the federation and the government were unable to cooperate in supporting an anti-Communist candidate.

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Communist-Led Party Continues Dominant in British Guiana

[The People's Progressive party (PPP) of British Guiana is strongest among the East Indians, most of them in rural areas, who make up half the colony's population. They are generally unconcerned about the Communist associations of Cheddi Jagan, his American-born wife Janet, and other top party leaders. The party is by far the best organized in the colony. It is preparing to bolster its propaganda outlet--now centered in a weekly paper Thunder--with a daily printed on presses financed by American, British, and possibly some Cuban Communists. This press began printing a youth organization monthly magazine last month.]

[In a preliminary estimate of the August election prospects, the US consul in Georgetown predicts that 11 of the 35 legislative seats will probably be won by the PPP, 10 by the People's National Congress--a predominantly Negro socialist party led by Lyndon Burnham--and 4 by the newly established United Force led by Peter D'Aguiar and other businessmen who have little popular appeal. The PPP could pick up 8 of the 10 doubtful seats to win a majority if its two rivals continue to work against each other, particularly in view of the Guianese tendency to vote along racial lines.]

[The PPP obtained a majority in the legislative council in the 1957 elections and holds five ministerial posts--a majority--in the British governor's executive council. Cheddi Jagan is minister of trade and industry, and his wife is minister of labor, health, and housing.]

[Cheddi Jagan has privately admitted his Communist convictions, and Janet is a publicly acknowledged Communist. Members of the PPP have visited East Germany, the Soviet Union, and Communist China this year, and the Jagans have]

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[made two trips to Cuba, receiving promises of clandestine support in April 1960. Last August Cuba offered a \$5,000,000 loan at 2-percent interest for development of timber resources, plus additional sums for a large hydroelectric project. Little has been done to conclude the loan.]

[On 18 March 1961 Cuba agreed to buy 200,000 tons of rice over the next six years at higher prices than those paid by traditional purchasers in the West Indies.]

[While attending the recent meeting in Santiago of the UN Economic Committee for Latin America, Jagan stated on 10 May that the advice of Soviet and Chinese as well as Western economic experts should be sought. The favorable impression he made on other delegates]

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