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5 June 1961

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CENTRAL INTELLIGENCE BULLETIN



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5 June 1961

CENTRAL INTELLIGENCE BULLETIN

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DAILY BRIEF

Serial

Laos: Souvanna Phouma has stated that he intends to be in Geneva on 7 or 8 June, according to Western newsmen who interviewed him at the Plaine des Jarres airfield on 2 June. Souvanna, prior to his departure with Souphanouvong by IL-14 for Hanoi, repeated that he wants neutralism, not Communism, for Laos and that he had so informed Communist leaders in Moscow, Peiping, and Hanoi.

Kong Le is reported to have told the visiting correspondents that he had done much recruiting and now has five battalions of parachutists. The newsmen felt that the Plaine des Jarres area had been thoroughly sanitized; only a few military personnel were in sight, and almost all of these were Kong Le troops.

Meanwhile, plans for a meeting of Souvanna, Souphanouvong, and Boun Oum in Nice, with Phoumi participating, apparently are proceeding. Phoumi, who has heard unofficially that the meeting of the three princes under Sihanouk's auspices has been agreed to, plans to leave for Nice on 5 or 6 June if the meeting is confirmed.)

[The Pa Dong area was generally quiet on 3 and 4 June.] planning for air resupply of enemy troops engaged against government Meo forces there and for the launching of new attacks.]

No Bloc airlift operations were scheduled for 4 June.]

[Page 1) (Map)

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Dominican Republic: The press conferences on 3 June by President Balaguer and General "Ramfis" Trujillo, in which they emphasized the regime's "democratic" goals, indicate no change from the propaganda line promulgated by the late dictator, who often went to considerable lengths to try to convince world opinion that his regime was moderating its policies. While President Balaguer may possibly wish he could play a part in democratizing the regime, there is no indication that he has the courage and leadership to play any role other than his accustomed one as a puppet for those exercising real power. Balaguer's statement that John Abbes was removed as de facto head of the Military Intelligence Service (SIM) prior to the assassination is belied by a reliable American citizen who observed Abbes in SIM headquarters on 1 June. "Ramfis," other members of the Trujillo family, and their close associates are dominant in the regime and clearly understand that they will lose everything the moment they permit a free opposition.

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Guatemala: President Miguel Ydígoras, confronted with mounting criticism from the anti-Communist factions of his divided opposition on the one hand and with increasing Communist activity on the other, has publicly charged that Cuban-supported revolutionary forces are preparing to attack Guatemala from bases in Mexico. The Mexican Government, apparently confident that the charges lack substance, has called on the OAS for an immediate investigation. Current information fails to substantiate the Guatemalan charges and refutes the Guatemalan claim that Raul Castro was in Mexico preparing the "Communist invader force."

Guatemalan army garrisons in the western and southern parts of the country have been alerted to expect imminent uprisings. Ydígoras has many enemies, civilian as well as military, and one or more of these

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groups may attempt an uprising in the near future, but there is no information to suggest that a major Communist and Castro-led movement is about to break out in Guatemala.

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Albania-USSR: The USSR may be withdrawing some of its diplomatic and trade specialists from Albania.

flight reservations for one-way trips from Tirana to Moscow were made for ten persons constituting families who may be associated with the Soviet Embassy in Tirana and for one person associated with the USSR's trade representation there.

the Albanians in late May expelled the Soviet naval attaché and an unspecified number of military experts. In another development, one of the two Soviet cargo/transport vessels that arrived in Albanian waters on 19 May was scheduled to pass through the Bosphorus into the Black Sea on 4 June. The usual turn-around time for such ships in Albania is four or five days. Meanwhile, there has been no indication of any replacement for the submarines which left Vlone Bay on 26 May.

South Korea: South Korean insurgent leaders reportedly are considering the adoption of a new constitution patterned on that of the French Fifth Republic, providing for a strong executive. After the fall of the Rhee government last year there was considerable interest among more conservative South Korean elements in such a constitution. However, a spokesman for the ruling Supreme Council for National Reconstruction has vigorously denounced as "absolutely groundless" and "irresponsible" recent press speculation forecasting an early return to civilian control. US Chargé Green in Seoul notes that, so far, embassy contacts with government officials and members of the junta tend to indicate that those insistent on an extended period of military rule continue to exercise decisive influence in the Supreme Council.

Meanwhile, the regime is moving ahead with plans to promulgate a "basic law" that will in effect set aside those provisions of

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the present constitution dealing with civil rights and the National Assembly and "legalize" the assumption of power by the Supreme Council. The leadership is concerned that unless legal continuity is maintained with the Rhee and Chang Myon governments, Seoul's claim to be the only legitimate Korean government will be regarded as no more valid than that of Pyongyang. The foreign minister has announced that special missions will visit various noncommitted nations to win greater support in the UN for South Korea.

USSR - Somali Republic: Moscow, continuing to broaden its ties with African states through the extension of long-term economic aid, announced on 2 June that it will provide the Somali Republic with \$44,400,000 in long-term credits for industrial and agricultural development and with a \$7,800,000 credit to finance commodity deliveries. The Soviet Union will also build two hospitals, a printing plant, a school, and a radio station as gifts. The announcement was contained in the communiqué marking the end of a ten-day visit to the USSR by Somali Prime Minister Abdirascid. The economic agreement is in line with the announced intention of the moderate Somali Government to accept aid from all sources; it has been pending since last April when a Soviet good-will mission visited the East African nation. Mogadiscio appears to be headed toward early conclusion of similar aid programs with Czechoslovakia and possibly Communist China.

Iran: Following a conversation with the Shah on 31 May, Prime Minister Amini was reported "greatly encouraged" by the Shah's reaffirmation of support for the government and for Amini's reform program. The Shah demonstrated this support by not countermanding Amini's order canceling the appointment of former Prime Minister Eqbal as ambassador to Spain. This appointment apparently had been ordered by the Shah about the middle of May without consultation with Amini and was regarded by many Iranians as evidence of the Shah's intention to undercut

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[the prime minister. Amini hopes to see the Shah frequently to sustain his support for the government. The Shah and Amini have no essential differences on foreign policy and particularly on the necessity of Iran's membership in CENTO. In spite of the present appearance of cooperation, however, there has been no change in the basic source of conflict between the two--the monarch's unwillingness to refrain from direct participation in the government.]

Latin America - Communist China: The Chinese Communist trade mission which recently visited Brazil and Chile and is now in Argentina is arousing interest, particularly in business circles. Representations from important business firms in Argentina overcame the Foreign Ministry's initial reluctance to admit the group. Brazil and Chile plan to send trade missions, and Brazil may sign a trade agreement. However, it is still reluctant to grant political recognition. [] (Page 7)

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~~TOP SECRET~~The Situation in Laos

[redacted] Souvanna was seen off for Hanoi by Russians in civilian clothes; [redacted] they were from the official Soviet installation apparently at Phong Savan. [redacted]

[redacted] food seemed plentiful, although there was a shortage of salt.

[redacted] [Phoumi's plans to go to Phnom Penh for a meeting with Souvanna and Souphanouvong apparently were changed by a request from Sihanouk and Boun Oum.] [redacted]

[redacted] Nice was proposed as a meeting place to preclude the need for Sihanouk and Boun Oum to travel to Phnom Penh.) [redacted]

A drop zone in the Pa Dong area has been arranged by enemy forces there at the request of GHQ, Plaine des Jarres. [redacted]

[redacted] Two further examples of friction between Kong Le and Pathet Lao troops have been noted recently [redacted] An unidentified Kong Le unit complained on 2 June that it had "no place to stay.... The post is occupied only by the Pathet Lao.

They are assuming the entire control." [redacted]

[redacted] "We are living outside the post because the brethren and the Pathet Lao are still in control and assuming full responsibility. Whenever they leave there will be a shortage of mosquito nets and clothing." [redacted]

[redacted] the presence of North Vietnamese and Chinese in the Route 9 area of Laos, east of Tchepone. [redacted] there are two [redacted]

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[South Vietnamese special forces teams observing in the area, said his men had reported that most of the Communist troops there are Vietnamese, identifiable by their North Vietnamese dialect and their color, which is lighter than that of the Pathet Lao. He also claimed that many of the radio transmissions in the area were in "Peking dialect."]

Peiping and Hanoi are continuing their charges that Laotian forces, aided by the US, are violating the Laotian cease-fire. Chinese broadcasts of 3 and 4 June attacked Vientiane's resupply operations in the Pa Dong area, while Hanoi charged on 3 June that two more US aircraft had flown over North Vietnamese territory.

Airlift operations for 3 June were apparently canceled, and preliminary field information indicates that no flights were scheduled into Laos for 4 June. Weather conditions could account for this inactivity.

A Soviet IL-14 and a Soviet IL-18 are en route from Moscow to North Vietnam, both of them apparently involved in freight-carrying missions. A Soviet AN-10--the commercial passenger version of the AN-12--which arrived at Peiping from Irkutsk on 1 June continued on to Canton on 3 June. There are indications that the flight of seven Soviet LI-2s from Hanoi to Canton on 1 June is associated with the arrival of this AN-10. The LI-2s were scheduled to return to Hanoi on 2 June, but this schedule was canceled because of the delay in the arrival of the AN-10 at Canton. One load report indicated that the AN-10 was carrying 42 passengers but no freight.

It is possible that some of the Soviet airmen who have been flying airlift missions into Laos are being replaced by new crews which may have arrived at Canton aboard the AN-10. The AN-12 which arrived at Canton from the USSR on 31 May left Haiphong on 3 June, apparently in a return flight to the USSR.

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~~SECRET~~The Dominican Republic

The American consul doubts that anti-Trujillo forces control any portion of the national territory. The consul is convinced that a provisional government could quickly be assembled by the opposition if current police terrorism were to be relaxed, but that no anti-Trujillo leader can be expected to step forth under present circumstances. General Estrella, the dissident army brigade commander who sent a note to the consul on 2 June requesting urgent military assistance to help "maintain public order and prevent foreign intervention," is believed by the consul to be in hiding without means of communicating to the public.

[redacted] 400 to 500 persons have been arrested in the capital since the assassination. [redacted] many Dominicans are now "prepared to take great risks to do whatever is necessary," [redacted] this would require US military help.

[redacted] the terrorism reported by the consulate in the capital is also occurring in rural areas. [redacted]

[redacted] a brigade commander near the Haitian border to inspect all vehicles with diplomatic license plates. Any "fugitives" traveling in them are to be captured, "alive if possible."

[redacted] Ramon Grullon, a Dominican Communist leader now in Mexico, told associates on 31 May that 'all of you should prepare to go to the Dominican Republic immediately,' [redacted]

[redacted] Grullon had contacted colleagues in New York and Havana and they had agreed to hold a meeting in Cuba on 9 June. They reportedly hope to obtain funds there. On 2 June, leaders of the Dominican People's Socialist (Communist) party in Cuba issued a statement warning of an impending "imperialist maneuver" designed to prevent the Dominican people

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from establishing an "independent and democratic" regime. The statement was carried the next day in English by the Czechoslovak news agency.

[redacted] Castro had ordered clandestine organizations in Cuba and Puerto Rico to prepare to leave immediately for the Dominican Republic. The Castro regime will almost certainly attempt to infiltrate clandestine groups into the Dominican Republic, but no large-scale or overt operations are likely at this time. [redacted]

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~~SECRET~~The Guatemalan Situation

In recent weeks the Guatemalan press and various rightist and moderate opposition leaders have repeatedly pointed to increased activity among the Guatemalan Communists as indicating that the Communists may regain their domination of the country.

Communist leaders are, in fact, acting more boldly now than at any time since the fall of the pro-Communist Arbenz regime in 1954, and they are presumably actively reorganizing their party and front groups. The Communists, with some 1,100 party members and perhaps an equal number of sympathizers, still have a long way to go, however, before they can regain their 1954 strength.

There are reports that the Communists have reached a tactical agreement with the President whereby they will be given relative freedom of action in return for their promise not to attack him. While such reports are unconfirmed, they are consistent with Ydigoras' divide-and-rule tactics, which have kept his diverse opposition off balance for the past three years. Ydigoras has in the past shown a willingness to work with the Communists when he thought it would be to his temporary benefit.

Currently, Ydigoras blames his anti-Communist opponents for the increased Communist activity because the Guatemalan Congress watered down his proposed anti-Communist legislation last March. He recognizes, however, that he cannot permit the Communists unrestricted freedom without risking strong action against his government by the firmly anti-Communist military in cooperation with anti-Communist factions among the political opposition. It is possible that the President's current charges are designed to pave the way for a new crackdown on domestic Communists.

Whether or not Ydigoras has a temporary alliance of expediency with domestic Communist leaders, he does recognize the ultimate danger to his regime represented by the Communists and the Castro

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regime. He realizes that he is probably Castro's primary target in Latin America. Former President Arbenz, now an honored exile in Cuba, inaugurated a regular Cuban radio program beamed at Guatemala in a speech on 30 May. Arbenz was careful in his speech not to implicate the Castro regime in any overt action against the Guatemalan Government, saying that "revolutions are not exported. . .(but) made by the people" inside their countries. He urged Guatemalans, however, to "organize and unite. . .for the (ultimate) liberation of Guatemala."

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~~TOP SECRET~~Latin America - Communist China

The Chinese Communist trade mission, headed by Nan Han-ch'en, chairman of Peiping's Committee for Promoting International Trade, aroused interest in political as well as economic relations.

[redacted] the UAR maintains diplomatic relations with Nationalist China and, if so, whether it is gradually evolving toward a break in those relations. In fact, the UAR has recognized Communist China for several years. The Brazilian Government announced last February that it would vote to discuss placing the question of Chinese UN representation on the UN agenda but has stated that the question of diplomatic relations with Taipei or Peiping is unresolved.

Brazilian President Quadros agreed to the establishment of a permanent "nonofficial" trade office in Brazil and, according to a Cuban press report, will establish a Brazilian trade office in Peiping.

[redacted] the Brazilian Government will send an economic mission to Communist China as well as to other Far Eastern countries "in the near future." The visiting Chinese mission is reported to have signed contracts to purchase hides and leather during a visit to the southern Brazilian state of Rio Grande do Sul, and expectations were aroused for the eventual signing of a bilateral trade agreement. Two members of the mission are said to have met secretly with leftist Labor Minister Castro Neves.

A trade exposition held during the mission's visit to Santiago is said to have sold \$50,000 in goods, and the Central Bank of Chile plans to send a trade mission to Communist China.

A group of Argentine businessmen representing some eight export-import firms left Argentina for Communist China on 6 May. After attending the Chinese Export Commodities Fair in Canton, they were guests of honor at a banquet given in Peiping by the vice chairman of the China Council for the Promotion of International Trade.

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