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25 January 1961

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CENTRAL INTELLIGENCE BULLETIN



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25 January 1961

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DAILY BRIEF

Laos: There seems little prospect that the bloc will accept a British proposal to approach the King of Laos directly with the aim of reactivating the International Control Commission.

[redacted] North Vietnam's Premier and Foreign Minister Pham Van Dong states that the British proposal was unacceptable because the Laotian King "is not considered to be independent."

[redacted] the Communists would accept an ICC only if it "recognizes the Souvanna Phouma government." In addition, the Boun Oum government has expressed strong reservations about the ICC's return.

[redacted] Government forces, meanwhile, are said to be within three miles of the Kong Le - Pathet Lao strong point at Muong Kassy on the Vientiane - Luang Prabang road, and have called for strikes by T-6 aircraft to reduce expected enemy resistance. Government and enemy forces facing each other on Route 13 north of the Phou Khoun road junction have sent out reconnaissance patrols, but no engagement has yet taken place. Fighting continues in southern Xieng Khouang Province, where government forces still retain the Tha Thom airstrip.] [redacted]

(Backup, Page 1) (Map)

Congo: The UN is moving speedily to implement the UAR's request that its troops be withdrawn from the Congo. [redacted] Meanwhile, the Ghanaian foreign minister, who is in Cairo attending a meeting of representatives from states which support Lumumba, reportedly has put further pressure on Sudan to permit passage of clandestine shipments to Gizenga, so far apparently without result. In another development, France apparently is joining Belgium in allowing army officers to

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[serve as military advisers to Tshombé's forces in Katanga Province.]

*Morocco's announcement yesterday of a decision to withdraw its troops from the Congo probably will put Ghanaian President Nkrumah under increased pressure to withdraw Ghana's 2,400-man UN contingent, despite his personal belief that the African neutralists could wield more influence if their forces remained in the Congo.

(Backup, Page 4)

UAR-Africa: On 23 January President Nasir--addressing the UAR National Assembly--again attacked Western "imperialist" policies in Algeria and the Congo, claiming they are designed to divide and suppress the people of Africa. Nasir also called for the end of "imperialist maneuvers" in the United Nations, which he described as the proper instrument for accomplishing African freedom and prosperity. He repeated previous warnings on the alleged role of Israel as one of imperialism's tools in Africa.

Nasir's continued interference in African affairs is bringing him into sharper conflict with the West and contributing to a drift away from his avowed policy of "positive neutrality" and toward a greater dependence on the Communist bloc for diplomatic and material support.

Cairo is giving refuge and financial assistance to many radical African nationalists, and Nasir has personally tried to pressure African chiefs of state into following his policies.

West Germany: A West German Foreign Ministry official told American officials in Bonn that the East Germans are continuing to require passes for West Germans entering East Berlin, but that Bonn expects a de facto relaxation of the pass requirement probably by the end of January or early February. Such a relaxation was one of the major points of the agreement

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on 29 December which allowed West - East German inter-zonal trade to continue. The East German negotiator has claimed the delay is a "face-saving" device of the Ulbricht regime and implied it would be only temporary. Nevertheless, Bonn is still urging that NATO restrictions on travel of East Germans to NATO countries be continued pending clear evidence of East German compliance with the terms of the agreement. The Allied restrictions and Bonn's cancellation of the trade agreement last fall were precipitated by the East German imposition last September of new controls on the travel of West Germans to and within Berlin.

El Salvador: The Salvadoran armed forces, gravely concerned over the steady Communist gains since the 26 October coup replaced the weak administration of President Lemus with a six-man military-civilian junta, may oust the junta if convinced that it does not intend to implement the commitments extracted on 16 January. The military leaders are reportedly receiving only partial compliance with their 16 January demands that the governing junta curtail Communist and pro-Castro activity in El Salvador.

The military leaders appear to have resolved at least partially the differences among themselves. Many officers, however, still fear taking any drastic action that might lead to bloodshed and the assumption of unpopular political responsibilities by the army. OK

Meanwhile, the Communists are steadily strengthening their mass support for any showdown with the military. Since October, Communists and pro-Communists have been appointed to important posts throughout the bureaucracy and have been permitted free rein outside the government. Their drive to organize the peasants is progressing rapidly throughout the country and they are increasing their influence in labor and student groups.

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DAILY BRIEF

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Bolivia: Agitation among tin miners led by Communists and extreme leftists threatens to disrupt an arrangement whereby the US and West Germany are cooperating with Bolivia to reorganize and re-equip the tin mines on which Bolivia's economy depends. The West German Government may withdraw its technicians, who are essential to the project, should the present unrest lead to the violence which is characteristic of Bolivia's mining areas. An increase in extremist agitation has been brought about in recent months by Soviet overtures concerning economic aid, including a \$150,-
000,000 credit offer. OK) (Backup, Page 6)

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DAILY BRIEF

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~~TOP SECRET~~Situation in Laos

Prospects seem poor for early reactivation of the International Control Commission in Laos. Both Premier Boun Oum and Quinim Pholsena, spokesman for the Communist-recognized "government" of former Premier Souvanna Phouma, have criticized Britain's compromise proposal of 21 January to Moscow that the ICC be activated through the agency of King Savang as "head of state," thereby avoiding the question of recognition of the competing regimes. Boun Oum has expressed a preference for the establishment of a commission of neutral nations. Quinim claimed, in a statement rebroadcast on 24 January by Hanoi, that the Laotian King is a prisoner of the "pro-US reactionaries," and that all administrative details must be handled by the "legal government" headed by Prince Souvanna Phouma.

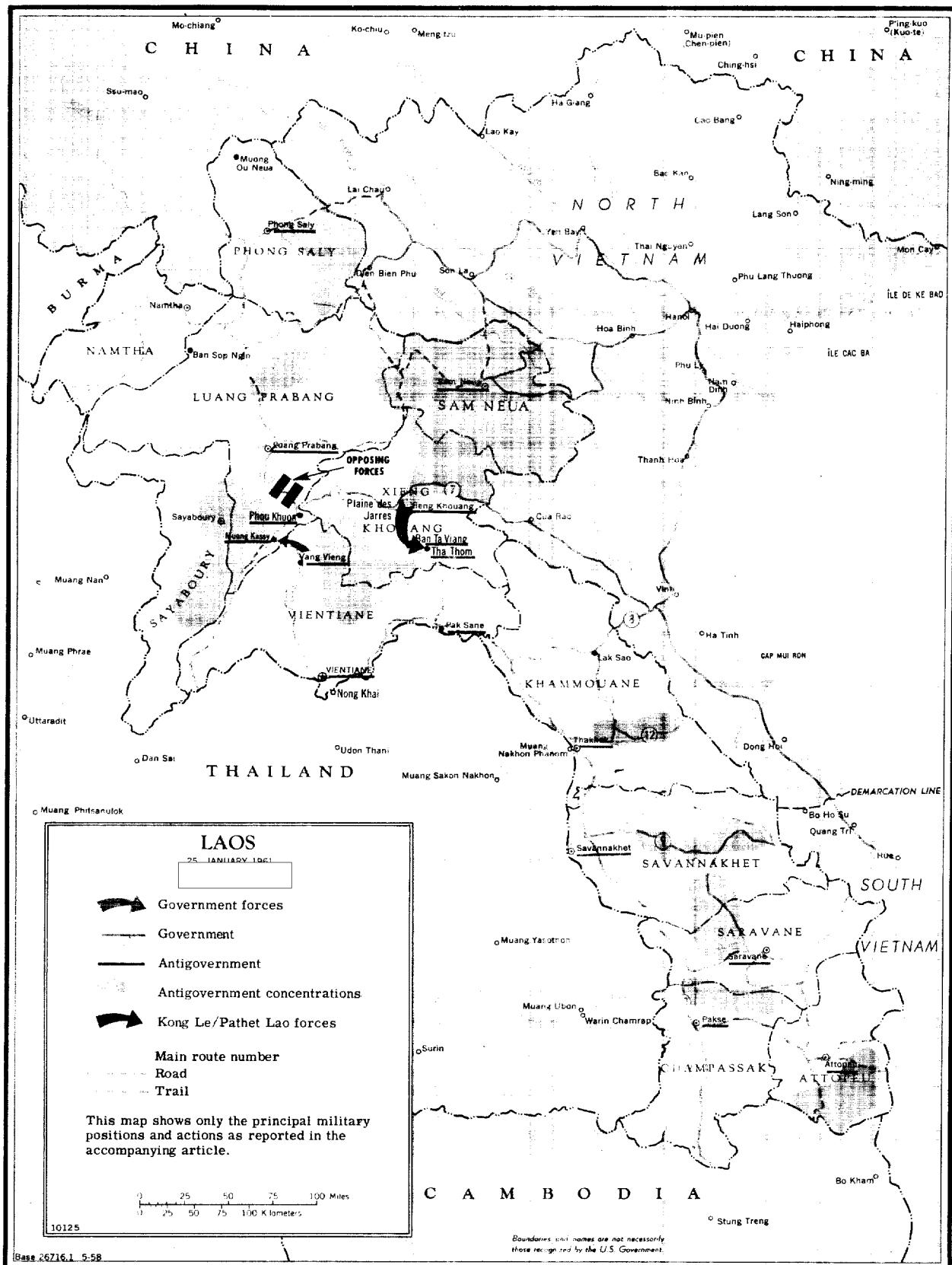
North Vietnamese Premier Pham Van Dong made the same points [redacted] in terming the British proposal "unacceptable," [redacted]

[redacted] The USSR has made no formal reply as yet to the UK proposal, but is unlikely to accept any immediate Western proposals which would stabilize the developing military situation while Communist forces in Laos continue to make substantial gains. The Communist bloc, while calling for the return of the ICC, has recently placed emphasis on convening an international meeting along the lines of the 1954 Geneva Conference to deal with the Laotian crisis. During the past week, Soviet Foreign Ministry officials have clearly expressed to various Western diplomats Moscow's preference for such a conference. [redacted] (RN)

An ICC, composed of an Indian chairman and representatives from Canada and Poland, was established in Laos, Cambodia, and Vietnam under terms of the 1954 Geneva Conference--chaired by Britain and the USSR--which ended

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the eight-year Indochina war. These three separate but interrelated commissions, responsible to the co-chairmen, were charged with maintaining the armistice and supervising implementation of political terms that varied according to country. The agreement for Laos provided for the integration of the Pathet Lao fighting forces into the national community and the subsequent holding of country-wide elections. The government claims its obligations were fulfilled by the short-lived 1957 "Vientiane agreements" under which the Pathet Lao agreed to relinquish military control of Sam Neua and Phong Saly provinces in return for a legal status as the Neo Lao Hak Sat (NLHS) party and two portfolios in the cabinet, and by the supplementary National Assembly elections held in May 1958 which resulted in a sweeping leftist victory. In July 1958, under increasing pressure by the Lao-tian Government to get out, the ICC adjourned sine die on a Canadian proposal which was carried over Communist objections. Then, as now, Vientiane resented the ICC's presence because it tended to equate the Pathet Lao with the royal government and hampered military efforts against the insurgents. [The Indian chairman, on technical and legalistic grounds, frequently voted with the Polish representative against the Canadian.]

[On the military side, government troops advancing north from Vang Vieng on the Luang Prabang road are about three miles from Muong Kassy, where a combined force of Kong Le - Pathet Lao troops is expected to make a determined stand.

The commander of the government forces has called for strikes against Muong Kassy by T-6 aircraft to soften the position, but operational plans also call for an attempted flanking movement to avoid enemy holding positions on the road. [A temporary shortage of food and 105-mm. artillery ammunition has delayed the government's advance, giving the enemy more time to organize defenses. About 15 miles north of the Phou Khoun junction a government force consisting of two infantry battalions faces a Kong Le - Pathet Lao force presently estimated at about the]

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strength of one battalion supported by artillery. No contact between these forces has been reported as yet, although both sides have sent out reconnaissance patrols. Meanwhile, fighting continues in southern Xieng Khouang Province, where government forces are attempting to retain control of the Tha Thom airstrip.

[redacted] Tha Thom was under heavy attack and might have to be relinquished. Government control of Tha Thom is essential to block an enemy advance south to Pak Sane. Tha Thom is also a point of departure for any future drive to retake the Plaine des Jarres, which Kong Le - Pathet Lao forces have held since 1 January.] [redacted]

Soviet and North Vietnamese aircraft continued airlift operations into Laos through 24 January and are scheduled for flights on 25 January. [redacted]

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~~TOP SECRET~~Situation in the Congo

The UN is moving with alacrity to implement the UAR's request of 23 January that its battalion be withdrawn from the Congo. A UN official stated on 23 January that the evacuation was scheduled for 1 February and that all the battalion's equipment would be airlifted at the same time in order to give Cairo no opportunity to renege. India, Ethiopia, Sudan, and Iran have been asked to furnish replacement troops.

[The announcement yesterday by Morocco that it also is withdrawing its troops from the Congo is a further sign of Rabat's growing ties with the militantly neutralist African bloc which includes the UAR, Ghana, Guinea, and Mali. The announcement said the UN was being asked for return of the troops to Morocco "before the end of this month," but the Moroccan Information Minister indicated a realization that logistical problems could keep this deadline from being met. Guinea's 700-man force in the Congo is already scheduled for withdrawal early next month. Mali now has no forces in the Congo. The Moroccan decision presumably will mean increased pressure on Ghanaian President Nkrumah to withdraw Ghana's 2,400-man UN contingent, despite his personal belief that the neutralists could wield more influence if their forces remained in the Congo.]

[Meanwhile, Lumumba's international supporters apparently are stepping up their pressure on Sudan to permit passage of clandestine shipments to Gizenga's Stanleyville government. Ghanaian Foreign Minister Ako Adjei, who recently visited Khartoum on the way to Cairo, reportedly joined the ambassadors of the USSR, Communist China, and the UAR in a plea to Sudanese officials to permit overflights by UAR aircraft. These efforts have so far been unsuccessful. However, pressure is likely to increase as a result of the consultations among Lumumba supporters at the recent meeting of the Afro-Asian Solidarity Organization's executive committee.]

[France apparently is joining Belgium in allowing army officers to serve as military advisers to the forces of Katanga's President Tshombe.]

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[Tshombé asked Colonel Roger Trinquier to become an adviser, and the French Army has granted him a long leave of absence for this purpose. Trinquier reportedly is attempting to recruit other officers. The French Government apparently was pleased at the opportunity to send Trinquier, a rightist plotter, out of the country.]

[Gizenga apparently remains fearful of an attack by Mobutu, although such an attack is unlikely and Gizenga's forces and his allies have extended their control throughout Orientale and Kivu provinces and into northern Katanga Province without meeting serious resistance. Both he and his representative in Cairo appear to have little understanding of the difficulties confronting any attempt to supply large-scale aid to Stanleyville, and their apprehensions are likely to grow as delays in the delivery of assistance continue.]

[Gizenga's government has received \$400,000 from the USSR, \$250,000 of which has actually been delivered to Stanleyville. In addition, a small quantity of Soviet arms reportedly has been smuggled to the Congo in UAR aircraft, and Communist China and the UAR are providing substantial financial support for Gizenga's mission in Cairo.]

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Agitation by Leftist Extremists Impedes Western Economic
Aid Plan in Bolivia

Agitation led by leftist extremists is impeding a triangular US - West German - Bolivian plan to reorganize and re-equip the tin mines, which are the basis of Bolivia's economy. The government has just settled a strike, which began on 17 January and prevented an initial survey of the mines, but continued agitation may prompt West Germany to withdraw its technicians, who are vital to the project.

The triangular plan is West Germany's first substantial venture in economic assistance to a Latin American country. The Bonn government is backing a private firm's offer to provide financial, technical, and managerial skill for the mines, where production has declined since 1945. The United States has supplemented the German offer with a \$10,000,000 credit for mine development.

The five-month-old administration of President Paz Estenssoro is under strong domestic pressure to make demonstrable progress in economic development, especially since Paz is the leader of the party which won the sweeping leftist revolution of 1952 but has since been unable to improve living standards substantially.

Extremist agitation has been increased in recent months by Soviet overtures concerning economic aid, particularly Soviet offers to construct a tin smelter in Bolivia and to extend a \$150,000,000 credit. Previously the largest credit offers by the USSR in Latin America have been \$100,000,000 each to Argentina and Cuba.

A press report on 21 January stated that President Paz has announced Soviet offers of aid for hydroelectric power and lead mining, probably as projects under the proposed \$150,000,000 credit. Earlier this month a Bolivian government spokesman announced that Czechoslovakia had decided to offer to install an antimony smelter in Bolivia. [redacted]

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The Deputy Under Secretary of State for Administration

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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

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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

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Federal Bureau of Investigation

The Director

National Security Agency

The Director

National Indications Center

The Director

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