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19 August 1960

# DAILY BRIEF

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### I. THE COMMUNIST BLOC

### II. ASIA-AFRICA

\*Republic of the Congo: UN forces in the Congo have reportedly been authorized to shoot in their own defense following new anti-Western and anti-white incidents which were apparently instigated by Lumumba. On 18 August, a Canadian officer of the UN force was injured and other Canadians subjected to indignities by Force Publique soldiers at the Leopoldville airport.

the Force Publique could be incited to action against the UN troops, or to new depredations against whites in general. Secretary General Hammarskjold, meanwhile, has stated that he will invite any nation in the Security Council which disagrees with his recent actions in the Congo to present its views, possibly in the form of a resolution. He appears confident that a critical resolution will obtain only the votes of the two Communist nations. The British, meanwhile, are exploring means of averting a showdown between Lumumba and Hammarskjold, believing that UN operations could not continue in the face of a determined Congolese demand for withdrawal.]

(Page 1)

Iran: General Timur Bakhtiar, chief of the Iranian National Intelligence and Security Organization (SAVAK),

believes Iran is headed for revolution as a result of the election policies followed by the Shah and Prime Minister Eqbal, and that the Shah will lose courage and flee when he realizes the situation has gone out of control. Last week and again on 17 August Bakhtiar submitted his resignation to the Shah. On the first occasion, he withdrew it after a "heated discussion" during which the Shah accused Bakhtiar of pulling out at an "important time" when the Shah is planning a two-week trip to Europe in September. (Page 3)

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Burma - Communist China: Prime Minister U Nu, gratified by Chinese Communist concessions in recent border negotiations, has proposed that the conclusion of the border treaty be made a major attraction of each country's national day. In a letter to Chou En-lai, U Nu told of his intention to bring a distinguished delegation and cultural exhibit to Peiping to celebrate the treaty's signing on 1 October, and has invited Chou to visit Rangoon on 4 January, Burma's independence day, for the exchange of treaty ratifications. U Nu also asked China's permission to mark the agreement with symbolic gifts of food to the border tribesmen in Yunnan Province and suggested that Burma would like to divert some of its trade with Japan to China.

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## III. THE WEST

Mexico-USSR: The Lopez Mateos government has invited a Soviet parliamentary delegation to come to Mexico in connection with the 15-17 September celebrations of the 150th anniversary of Mexican independence,

By extending a specific invitation for the parliamentary delegation, Mexico hopes to forestall a possible visit by Khrushchev. On 12 July the Mexican Foreign Ministry issued emphatic instructions to all its diplomatic missions not to invite foreign representatives of higher rank than vice president.

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<u>West Germany - Cuba</u>: Following the breakdown on 5 August of trade negotiations between Cuba and the Federal Republic, Bonn believes that the Castro regime may extend diplomatic recognition to East Germany. Paul Verner, a high-ranking East German Com-b kmunist party official now in Havana, could be the vehicle for an attempt to get the Cubans to accept establishment in Havana of a consulate general, and West Germany is trying to block such action. (Page 6)

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West Germany: Foreign Minister Brentano has stressed to Ambassador Dowling that it is essential to equip NATO forces with medium-range nuclear missiles, and that this whole question must be discussed "calmly and earnestly" by NATO members as soon as practicable next spring. This may indicate that the Bonn cabinet has accepted Defense Minister Strauss' reported view that West German forces should be equipped with Polaris missiles. In several NATO countries, especially Britain, there are serious misgivings over the possibility that Bonn might be provided with Polaris missiles, even though nuclear warheads would remain under US control. [Page 7]

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## IV. SIGNIFICANT INTELLIGENCE REPORTS AND ESTIMATES

# (Available during the preceding week)

Main Trends in Capabilities and Policies, 1960-1965. Annex B, Tables of Sino-Soviet Bloc Military Strengths and Characteristics of Selected Weapons and Equipment. NIE 11-4-60. 16 August 1960.

## LATE ITEMS

\*South Korea: The House of Representatives on 19 August, by a vote of 117-107 with one abstention, approved the nomination of Chang Myon as prime minister. Chang has indicated he will appoint a cabinet broadly representative of all Democratic party groups, in an attempt to bridge the intraparty breach between his supporters and those of Kim To-yun, the first nominee for the premiership. The government also may include one or more OK independents. The near-even strength of Chang and his opponents suggests that the new government, which is subject to a simple majority of the powerful lower house, might be shortlived. The balance of power between the feuding Democratic factions appears to rest with a combination of the 40-odd independents in the house. However, Chang's constitutional authority to dissolve the house and call new elections after a vote of no confidence may have a restraining influence on the members, who

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presumably would be reluctant to face elections again so soon.

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\*Laos: Premier Souvanna Phouma in Vientiane is urgently trying to arrange some understanding with General Phoumi in Savannakhet to avert possible civil war. Souvanna is bitter over King Savang's attitude in withholding royal sanction for his government, thus undercutting its authority. In contrast to Souvanna's anxiety, Phoumi seems increasingly confident over prospects for his counterrevolutionary effort, and is refusing to make any settlement until rebel paratroop Captain Kong Le relinquishes control of Vientiane. Phoumi is proceeding with deployment of troops around Vientiane, and anticipates that this pressure, combined with stepped-up psychological warfare operations, will frighten the capital into submission. (Page 8)



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## The Situation in the Congo

Premier Lumumba's fulminations against Secretary General Hammarskjold and against non-African contingents of the UN occupying force have led to new anti-Western and antiwhite incidents in Leopoldville. On 18 August, a Canadian officer was clubbed and other Canadians forced to lie down and be searched by members of Lumumba's Force Publique during a "security check" at Leopoldville airport. UN troops were subsequently authorized to shoot if necessary in their own defense. On the same day, US Ambassador Timberlake was barred by Congolese soldiers from entering Lumumba's residence.

physical presence of a UN force in the Congo was by itself insufficient to maintain order. "thousands" of armed and undisciplined Force Publique soldiers were still at large in the Congo and that the situation had become critical in Leopoldville, where such units had come under the personal authority of Lumumba. the Force Publique could be incited to action against the UN troops or even against whites in general.

Lumumba's most recent anti-UN proclamations have coincided with seemingly stepped-up bloc and Communist activity in the Congo. Two leading officials of the Belgian Communist party reportedly plan to arrive in Leopoldville on 23 August to supervise the establishment of a "true" Communist party in the Congo. On 16 August, a four-man delegation from the East German Foreign Ministry left Berlin unannounced for Prague, from where it was to fly to the Congo on an unstated mission. At the same time, members of the Czech delegation to the International Labor Organization in Geneva stated that Prague was prepared to assist the Congo "in all possible ways," including personnel, materiel, and finances. The Czech interior minister had stated on 13 August that Prague was sending the Congo "immediate" aid worth about \$300,000

In New York, Secretary General Hammarskjold has stated that he will invite any nation in the Security Council which SECRET

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disagrees with his recent actions in the Congo to present its views, possibly in the form of a resolution. He appears confident that a critical resolution will obtain only the votes of the two Communist members.7

Concerning a possible UN withdrawal from the Congo, Hammarskjold professed to regard such a demand by Lumumba as unlikely. He expressed the conviction that Lumumba is being advised by Communists in Leopoldville, but stated that he could see no alternative to Lumumba at this time.

The British Foreign Office is exploring means of averting a showdown between Lumumba and Hammarskjold, believing that the UN operations could not continue in the face of a determined Congolese demand for withdrawal. The preliminary British views are that the best way of supporting the UN effort would be by tackling the constitutional dispute between Lumumba and Tshombé, perhaps by having the UN Security Council appoint a committee of three African nations to seek to resolve the issue.

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# Iranian Securit, hief Predicts Revolution

Lt. Gen. Timur Bakhtiar, chief of the Iranian National intelligence and Security Organization (SAVAK),

believes Iran is headed for revolution, that the armed forces cannot be relied on, and that he believes the Shah will flee to Europe when he realizes things are out of control. Bakhtiar claims the Shah is turning his property into cash.7

Bakhtiar, considered a loyal supporter of the Shah, attempted to resign on 11 August, at the same time warning Prime Minister Eqbal that rigging of the current parliamentary elections and other policies were leading the country to revolution. He withdrew his resignation after a tense interview with the Shah during which the latter angrily rejected Bakhtiar's suggestion that the elections be declared void and the irregularities blamed on Eqbal. Bakhtiar claims that Eqbal forced him to use SAVAK, which is part of the prime minister's office, to aid in rigging the elections.

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ders from Bakhtiar that SAVAK is not to interfere in the elec-

The Shah, preparing for a short trip to Europe in late Auggust or early September, granted Bakhtiar a two-month leave of absence after he returns. Bakhtiar hoped then to leave SAVAK and return to a troop command position, possibly as chief of the ground forces, feeling he would be in a better position to take immediate action if the Shah flees. He is known to have been in touch with other groups for many months engaged in "contingency planning" for just such an occurrence. On 17 August, however, he reportedly resubmitted his resignation.

SAVAK and other security organizations are keeping a close watch on the elections in Tehran. Balloting in the capital has been orderly thus far, but a small disturbance could spread quickly. Clashes over the elections continue in the provinces, and reportedly during one incident in a northwestern constituency about 150 persons were injured when fired on by security forces.

Soviet propaganda attacks on the Iranian Government and the Shah are continuing at a high level.

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## U Nu Plans Special Fetes to Celebrate Sino-Burmese Border Treaty

Prime Minister U Nu, highly gratified by the relatively minor Chinese Communist concessions during recent border negotiations in both Peiping and Rangoon, has suggested that China and Burma make the treaty signing and exchange of ratifications a chief function of their respective national holidays.

In a letter to Chou En-lai, U Nu reported that his official delegation for the 1 October signing of the treaty in Peiping will be the three men who have served as Burma's prime ministers since independence: U Ba Swe, currently the president of the opposition AFPFL, who laid the foundations for the current treaty in 1956; General Ne Win, Burma's military commander in chief, who signed the preliminary border agreement in January 1960; and himself. At the same time, he warmly invited Chou to visit Rangoon on 4 January, Burma's independence day, for the formal exchange of treaty ratifications. An acceptance of the invitation, which seems probable, would afford Communist China the opportunity to exploit the border treaty to project an image of reasonableness toward Asian countries.

Of U Nu's other proposals to Chou, only one may cause difficulty--permission for Burma to send token gifts of rice and salt to approximately a million Yunnanese residents in the border area in celebration of the signing. In order not to appear to be a recipient of Burmese charity, Peiping may either politely refuse permission or counter by suggesting reciprocal Chinese gifts to border residents in Burma. U Nu's proposal to bring a large troupe of Burmese boxers, actors, and artists to Peiping with him, as well as his proposal to bring Burmese movies for distribution throughout China, fits well into established patterns of cultural exchange missions.

Peiping will probably regard U Nu's stated desire to expand Sino-Burmese trade relations as the first fruit of its conciliatory approach to the border disputes. It was Chou En-lai who first brought up the subject of trade possibilities in conversations with U Nu during his April visit to Rangoon.

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Mexico Invites Soviet Parliamentary Mission to Independence Celebrations

his government has invited a Soviet parliamentary mission to attend the celebrations from 15 to 17 September of the 150th anniversary of Mexican independence. Madero reported on 11 August that the invitations had been delivered to the President of the Supreme Soviet, who promised to inform him "within a few days" of the composition of the mission.

The Lopez Mateos government is anxious to forestall the widely rumored possibility that Khrushchev--if, as speculated, he appears at the UN General Assembly on 20 September--will stop off in Mexico en route to New York.

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of all foreign missions to the celebrations was not yet known, but that it was felt none would be headed by an official higher than vice president, chief of a legislative or judicial branch, or foreign minister. This limitation, they said, was deemed necessary in view of the inability of President Lopez Mateos to give proper attention to officials of higher rank because of his other activities in connection with the celebrations. Instructions plainly spelling out this policy were cabled to all Mexican diplomatic missions on 13 July.

Mexico's reluctance to welcome Khrushchev

a Foreign Ministry official had remarked privately to him, "The Mexican Government does not intend to make any exceptions to the principle, at least for so embarrassing a person." There would be nothing to prevent Khrushchev from making the trip, however, if he insisted.



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#### Bonn Anticipates Cuban Recognition of East Germany

Bonn believes that the Castro regime may extend diplomatic recognition to East Germany. Paul Verner, a high-ranking East German Communist party official now in Havana attending a Cuban Communist party congress, could be the vehicle to get the Cubans to allow his government to establish a consulate general in Havana, and West Germany is trying to block such action.

In view of the breakdown on 5 August of West German - Cuban trade negotiations, Bonn has little bargaining power. It hopes, however, to persuade the Cubans to do no more than the UAR, which in September 1959 permitted the establishment of an East German Consulate General in Cairo but issued a public statement denying that this action constituted diplomatic recognition. East Germany now is recognized only by Yugoslavia and the bloc countries.

Cuban recognition could lead to a rupture of ties with West Germany. Bonn's policy--known as the "Hallstein doctrine"-calls for breaking off diplomatic relations with any country other than the USSR that recognizes the Ulbricht regime.

The trend toward closer Cuban economic and political ties with the bloc, which has developed at an increasingly rapid pace since the Cuban-Soviet trade and assistance agreements were signed last February, suggests that recognition of East Germany, with which Cuba already has economic agreements, could come at any time. Antonio Nunez Jimenez, executive secretary of Cuba's powerful Agrarian Reform Institute, went to East Germany as head of an economic mission early last month. During the visit he made a formal address at Humboldt University, saying: "We have declared that we desire diplomatic relations, not only with the Soviet Union, but with all socialist countries."



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## West Germans Indicate Desire for Polaris Missiles

West German Foreign Minister Brentano has stressed to Ambassador Dowling that NATO forces must be equipped with medium-range nuclear missiles. Commenting that MRBMs now mean what machine guns meant in World War I, Brentano told Dowling they are fundamental to European defense, and that this is the vital NATO question which should be discussed with the new US administration as soon as practicable next spring.]

Dowling surmises that Brentano's comments indicate cabinet acceptance of the position reportedly taken by Defense Minister Strauss that German forces should be equipped with Polaris missiles. Publicly the West Germans have maintained that they have not asked for MRBMs, and that NATO rather than Bonn must decide whether to accept the American offer of such weapons to NATO. On 17 August, Bonn rejected a Soviet protest made on 19 July against alleged plans to equip the West German Army with Polaris missiles. NATO countries have serious misgivings about providing West Germany with MRBMs even though the United States would retain custody of the nuclear warheads.



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### Situation in Laos

Premier Souvanna Phouma has sent emissaries to General Phoumi at his Savannakhet headquarters in south-central Laos in an urgent effort to reach some understanding that would avert civil war. Discussing the situation with Ambassador Brown on 18 August, Souvanna said: "Phoumi should know that there are no Communists or Pathet Lao in my government." Souvanna complained of lack of help in his efforts to avoid bloodshed, and was particularly critical of King Savang's refusal to sanction his government. Souvanna indicated he felt the King's pose as a "prisoner" of troops in Luang Prabang loyal to General Phoumi was contrived.

In contrast to Souvanna's anxiety, General Phoumi appears increasingly confident over prospects for his counterrevolutionary campaign. Phoumi continues to retain the loyalty of all military commands with the exception of Vientiane,

Savannakhet stresses the high morale and will to win of Phoumi's forces.

(Phoumi has also obtained impressive backing among civilian leaders, including many deputies and other high officials. Kou Abhay, respected elder statesman,

was in sympathy with Phoumi's aim to restore order in Vientiane and to punish rebel paratroop Captain Kong Le, but that he hoped hostilities could be avoided.7

While willing to negotiate with the Souvanna Phouma government, Phoumi refuses to come to any settlement until Kong Le withdraws his troops from Vientiane. Kong Le ostensibly has turned over authority to the new government, but his troops still control the town, and Premier Souvanna admits that "no one is technically in charge" at this time.7

General Phoumi says he is proceeding with deployment of troops around Vientiane, but does not intend to attack the capital. He feels this pressure, combined with propaganda leaflet drops and other psychological warfare measures, will be sufficient to frighten the capital into submission. However, he apparently is determined to push the issue, since he feels a protracted stalemate could be readily exploited by the Pathet Lao dissidents.



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The situation in Vientiane is generally calm, and international air flights were resumed, at least temporarily, on 18 August. There is imminent danger, however, of flooding by the Mekong River, swollen by heavy rains. Because of this threat and the unsettled political situation, dependents of American personnel in the town were evacuated to Thailand on 19 August



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