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20 October 1960



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CENTRAL

INTELLIGENCE

BULLETIN

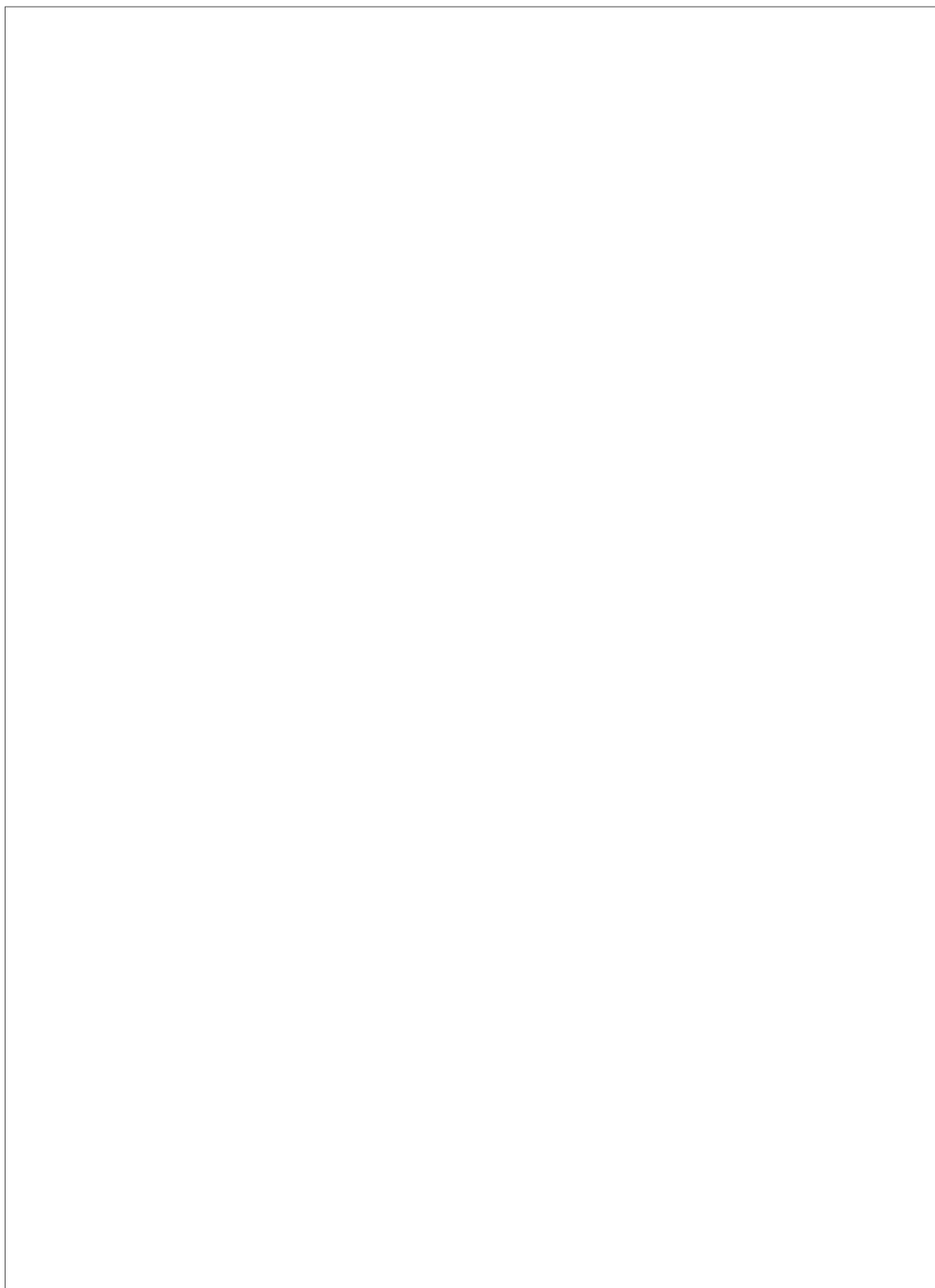


DOCUMENT NO. 43
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AUTH: HK TO-2
DATE: 10 JUN 1999 REVIEWER:



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20 OCTOBER 1960

I. THE COMMUNIST BLOC

Khrushchev, talking with Turkish foreign minister at UN, proposed mutual military withdrawal from common frontier, mentioned possibility of large-scale Soviet aid to Turkey.

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II. ASIA-AFRICA

Situation in Laos.

②

Cypriot officials voice concern over country's economic problems; Vice President Kuchuk expresses fear government may be forced to accept Soviet aid.

③

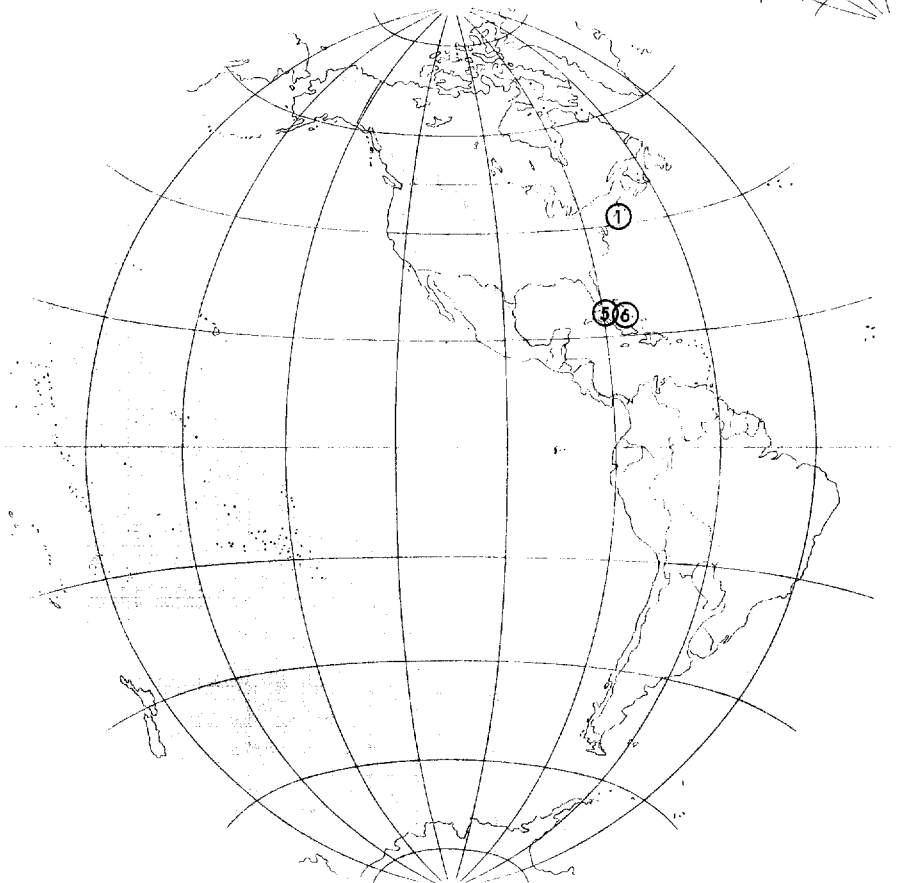
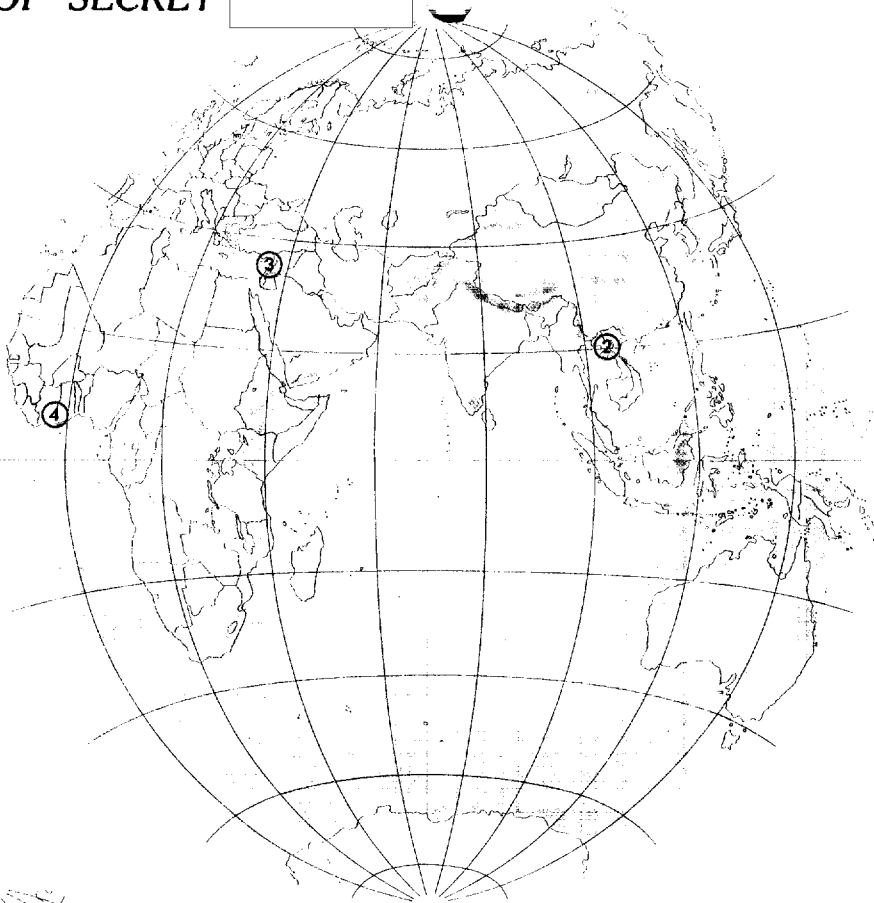
Leaders of former French territories in Black Africa to meet in Ivory Coast next week; conference will focus largely on Algerian problem.

④

III. THE WEST

Castro says he believes Sino-Soviet bloc will win East-West ideological struggle and hence it is necessary for him to align Cuba with the Communist countries.

⑤



⑥ Training of Cuban pilots in Czechoslovakia [redacted] another shipment of military cargo from Soviet bloc to Cuba noted; Havana reportedly plans recognition of East German regime. [redacted]

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CENTRAL INTELLIGENCE BULLETIN

20 October 1960

DAILY BRIEF

I. THE COMMUNIST BLOC

USSR-Turkey: [Khrushchev, during a meeting with Turkish Foreign Minister Sarper at the UN, suggested that the USSR and Turkey withdraw military forces several hundred kilometers from their common border and allow inspection of the demilitarized zone. He also mentioned the possibility of large-scale Soviet aid to Turkey. The proposal for a military withdrawal is similar to one made to Iran in July, which the Shah rejected. While Moscow probably does not expect Ankara either to accept such a special military arrangement, the proposal follows other Soviet efforts to encourage closer ties with the new Turkish regime, including several letters from Khrushchev, suggestions for increased contacts, and offers of economic aid.]

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II. ASIA-AFRICA

Laos: The Pathet Lao agreement on 18 October to turn back Sam Neua Province to government control fulfills a precondition set by Premier Souvanna for substantive talks. Government control of the province, however, will likely be only nominal. Pathet Lao terms for an over-all settlement-- which include a coalition government and integration of armed elements-- probably represent a maximum bargaining position. It is likely that the immediate aim of the Pathet Lao is to resume legitimate political activity so as to take advantage of the present situation. [redacted] (Page 1)

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Cyprus: Cypriot officials are expressing concern over the country's mounting economic problems and the possibility of Soviet moves to exploit the situation. Rumors that the USSR is

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about to offer over \$10,000,000 in aid have aroused considerable discussion in both press and official circles. Vice President Kuchel has expressed to a US official fears that the country's needs and the continuing Soviet propaganda may force the government--which would prefer more Western aid--to accept Soviet assistance. [redacted]

[redacted] (Page 3)

"French" African Conference: The "summit" conference of former French territories in Black Africa, scheduled to convene in the Ivory Coast at Abidjan on 24 October, will focus largely on the Algerian problem, and may result in the naming of a delegation to urge on De Gaulle a "liberal solution" in Algeria. This conference, organized by Ivory Coast Premier Houphouet-Boigny, reflects the mounting concern of many French-speaking African leaders over the prospect that nationalist pressures may make it impossible for them to support France when the Algerian issue comes to a vote in the UN. The American Embassy in Paris believes France may cut drastically, and possibly entirely, its financial aid to states which do not maintain solidarity with it. [redacted] (Page 4)

III. THE WEST

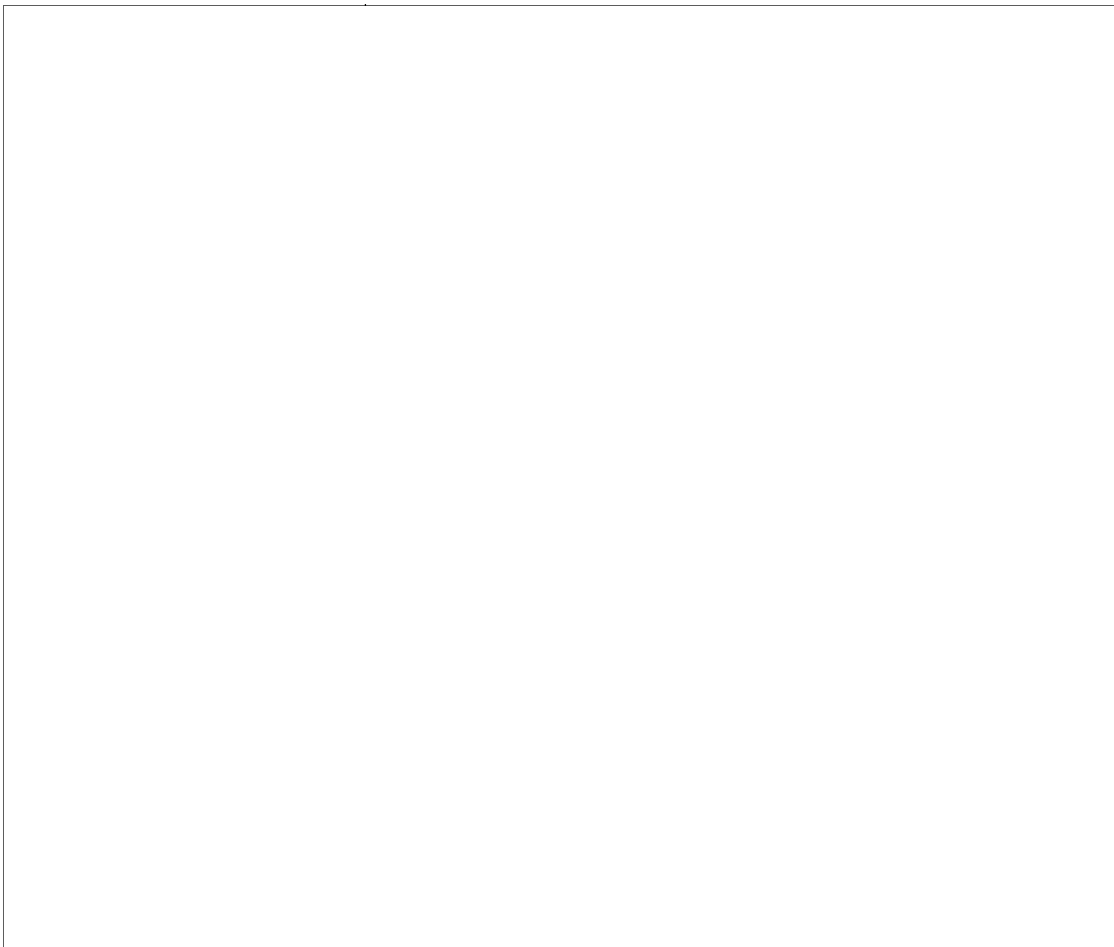
Cuba: Fidel Castro [redacted]

[redacted] believes capitalism is on its way out and that the United States is "finished" as a great power. Stating that he had no intention of letting up in his attacks on the United States, he expressed confidence that the Sino-Soviet bloc would win today's ideological struggle, and said it was therefore necessary for him to align Cuba with the Communist countries. Although Castro admitted that the general economic situation in Cuba was "bad," he praised the operations of the Cuban Petroleum Institute under the guidance of "excellent" Soviet technicians. [redacted] (Page 5)

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DAILY BRIEF

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IV. WATCH COMMITTEE CONCLUSIONS

On the basis of findings by its Watch Committee, the United States Intelligence Board concludes that:

- A. No Sino-Soviet bloc country intends to initiate hostilities against the United States or its possessions in the immediate future.
- B. No Sino-Soviet bloc country intends deliberately to initiate direct military action against US forces abroad, US

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DAILY BRIEF

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[redacted] allies, or areas peripheral to the Orbit in the immediate future.

There have been no significant new developments in the Berlin situation in the past week.

- C. Situations susceptible of direct exploitation by Soviet/ Communist hostile action continue to exist in Laos and South Vietnam. [redacted]

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The Situation in Laos

The Pathet Lao agreement, signed in Vientiane on 18 October, to restore Sam Neua Province to government control fulfills one of two preconditions set by Premier Souvanna Phouma for substantive negotiations. The other precondition was a cessation of Pathet Lao attacks on Laotian Army posts. [redacted]

[redacted] the Pathet Lao negotiators had agreed to stop attacks on areas loyal to the Souvanna government but reserved the right to decide for themselves which area fell within this category. Although Pathet Lao compliance on both of these points will probably be only nominal, Souvanna is likely to construe full acceptance and thus be willing to proceed with negotiations in Vientiane.

The Pathet Lao radio on 17 October broadcast a new version of Pathet demands for a settlement with the government, including unification of "all patriotic armed forces" and inclusion of the Pathet Lao's legal political front--the Neo Lao Hak Sat party (NLHS)--in a coalition government. These demands probably represent a maximum bargaining position. The Pathet Lao may be willing to defer entry into a coalition government if Souvanna offers assurances of early elections. The immediate Pathet Lao aim is probably to resume normal political activity through the NLHS so as to take advantage of the present favorable climate for such activity.

Apparently at the premier's instigation, the National Assembly has passed a resolution condemning Communism and stating that Pathet Lao functionaries would be integrated into the government structure only if they forswear allegiance to a foreign ideology. The Laotian UN delegate's strong attack on the USSR in the General Assembly's administrative and budgetary committee on 18 October may also have been stimulated by Souvanna for the same purpose.

[redacted] The First Military Region, with headquarters at Luang Prabang, is reliably reported to be planning to send a delegation to Savannakhet within a few days to coordinate plans with [redacted]

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[] General Phoumi for a contemplated effort to gain control of Vientiane. The attack, scheduled to begin in a week, reportedly will involve diversionary action by Phoumi's troops south-east of Pak Sane aimed at luring Captain Kong Le's paratroopers out of Vientiane, followed by an uprising of anti - Kong Le forces within the capital. It is problematical whether this plan is within the capabilities of the cooperating groups. []

[] a high-level representative of the Diem government has [] contacted Prince Boun Oum in Savannakhet indicating South Vietnam's readiness to furnish "much military equipment" to Phoumi's troops. The South Vietnamese Government is also described as ready to send 10,000 troops into Laos if the "situation becomes more advantageous and if they attack Savannakhet." []

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Cypriot Leaders Express Concern Over Bloc Aid Offer

Unconfirmed reports that the Soviet Union is about to offer Cyprus over \$80,000,000 in economic aid are causing concern among Cypriot Government leaders. According to one report, Andreas Ziartides, one of the five Communists in the 50-member House of Representatives, will announce details of the offer on his return from a visit to Prague. The Communist deputies are expected to follow up the announcement by placing before the House the entire issue of Soviet aid, and Cypriot Communists are reported to be organizing agitation and demonstrations to force government acceptance.]

Rumors of impending bloc aid offers have been circulating in Nicosia since a visit to Cyprus in early September by the Soviet ambassador to Greece, who at that time expressed his government's willingness to extend economic aid "without strings." Rumanian and Hungarian diplomats have since visited the island and made similar offers of economic and technical aid.

President Makarios, Vice President Kuchuk, and other Cypriot leaders have expressed fear that present economic conditions will make it difficult to reject firm bloc offers. Unemployment is reported increasing daily, a drought has drastically curtailed the production of certain cereal crops, and surpluses of citrus and vine products continue to increase.

Makarios and Kuchuk frequently have indicated their intention of relying on the West for aid. Britain, Greece, and Turkey have all promised assistance in limited amounts. A UN economic team is examining the island's economy, and it is expected that the UN Technical Assistance Program will supply help over the next two years. For the immediate future, however, Cypriot officials appear to be relying heavily on the outcome of current negotiations with the United States for about 4,000 tons of PL-480 grain.

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"French" African Leaders to Confer on Algeria

A new initiative toward resolving the Algerian conflict seems likely to result from the conference of leaders of former French territories in Black Africa which is scheduled to begin on 24 October in Abidjan, the capital of the Ivory Coast. Invitations to the meeting, organized by Ivory Coast Premier Houphouet-Boigny, apparently have been sent to the heads of 12 of the 13 "French" African states which became independent earlier this year--including Cameroun and Togo but not the Malagasy Republic--and most of them are expected to attend or send representatives. Mauritania, which becomes independent on 28 November, and Guinea, which Houphouet hopes can be induced to re-establish close ties with other former French territories, may also be represented.

The meeting is aimed primarily at concerting policy with a view to heading off a UN vote on a strong Algerian resolution--such as one endorsing the Algerian rebels' call for a UN-supervised plebiscite in Algeria. Houphouet and other pro-French leaders have displayed increasing concern over such a development, observing that no African leader could survive if he opposed an Algerian resolution. Present indications are that the meeting will result in the naming of a delegation charged with urging a "liberal solution" on De Gaulle and also aim at agreement on tactics to be pursued at the UN. [Senegal's UN representative has already indicated his preference for a resolution based on De Gaulle's repeated calls for a cease-fire and directed toward encouraging a resumption of direct talks between France and the rebels.]

Should the "French" Black African states not support France against a strong Algerian resolution, the American Embassy in Paris believes the French Government may curtail drastically, and possibly cut off entirely, the economic aid on which all these states depend. Direct French assistance amounted to over \$200,000,000 in 1960. Houphouet stated in August he had been told flatly by two high-ranking members of De Gaulle's regime, under circumstances which suggested De Gaulle's concurrence, that all economic and technical assistance would be cut off from African states which voted against France on the Algerian question.

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Fidel Castro Comments on Current Cuban Policies

In mid-September, Fidel Castro reportedly [redacted]

[redacted] that he believed capitalism is on the way out, that the United States is "ruined" as a major world power, that it is corrupt, two-faced, and insincere, and that American democracy is really a sham. He said he had no intention of letting up in his attacks since in its "present state of confusion" the United States must be kept on the defensive. He expressed confidence that the Sino-Soviet bloc would win the ideological war and he therefore deemed it necessary to align Cuba with the Communist countries. Since this conversation, Castro has appointed [redacted] ambassador to Communist China, and Cuba has become the first non-bloc nation to afford diplomatic recognition to North Korea.

Castro went to considerable lengths in describing himself as the rising leader of Latin America and Africa, and he stated that only by taking an uncompromising attitude toward the United States could he keep faith with his obligation to the peoples of these areas. He specifically indicated concern about the attitude of the Betancourt government in Venezuela toward the Castro government, saying that if the Venezuelans were not with him, he could "undermine their economy. . . and bring them to their knees."

Castro said that he felt he had Cuba "very well in hand politically," and scoffed at reports of differences among regime leaders. He said he was unconcerned about the large number of defectors among his original supporters, since "only the weak ones" were taking such steps. He emphasized that the people's militia, which he asserted would be reliable and well trained, would make any armed aggressors "extremely sorry for their efforts."

Castro admitted that Cuba's economic situation was bad and that considerable difficulty was being experienced in "production." His comments on Soviet technical assistance were enthusiastic, however, and he praised the Soviet technicians guiding the operations of the Cuban Petroleum Institute. "With all these excellent people in Cuba," he said, "we will defeat the corrupt capitalistic system." [redacted]

Soviet Bloc Military Assistance to Cuba

[redacted]
[redacted] Cuban pilots are engaged in flight training in Czechoslovakia. Between eight and 15 Spanish-speaking pilots have been noted in exercises, including practice take-offs and landings, during which clearly identified Spanish terms were used to designate particular movements. The type of aircraft involved has not been determined. More than 100 Cubans were reportedly sent to Czechoslovakia in July and August for various types of military instruction, including flight and maintenance training on bloc aircraft. This information suggests that bloc military aircraft, if not already in Cuba, can be expected to arrive by the time this training is completed. [redacted]
[redacted]

Recent reports state that the two Soviet vessels which delivered arms to Cuba during the first ten days of October carried antiaircraft artillery, Czech machine guns and ammunition, at least 100 jeeps, probably more tanks, and other unidentified equipment. [redacted]

The Soviet merchant ship Atkarsk left the Black Sea on 3 October carrying the fourth major shipment of bloc arms to Cuba since early September. Of the ship's 8,000 tons of cargo, more than 2,400 tons is known to be materiel. [redacted]
[redacted]
[redacted]

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Special Assistant for National Security Affairs

Scientific Adviser to the President

Director of the Budget

Director, Office of Civil and Defense Mobilization

Director, National Aeronautics and Space Administration

Special Assistant for Security Operations Coordination

Chairman, Board of Consultants on Foreign Intelligence Activities

Special Assistant for Foreign Economic Policy

Executive Secretary, National Security Council

The Treasury Department

The Secretary of the Treasury

The Department of State

The Secretary of State

The Under Secretary of State

The Under Secretary of State for Political Affairs

The Deputy Under Secretary of State for Political Affairs

The Deputy Under Secretary of State for Administration

The Counselor

Director, International Cooperation Administration

The Director of Intelligence and Research

The Department of Defense

The Secretary of Defense

The Deputy Secretary of Defense

Assistant Secretary of Defense for International Security Affairs

The Secretary of the Army

The Secretary of the Navy

The Secretary of the Air Force

The Chairman, The Joint Chiefs of Staff

The Director, The Joint Staff

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

Commander in Chief, Pacific

The Department of Commerce

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Federal Bureau of Investigation

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