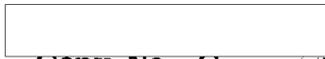


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27 December 1960



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# CENTRAL

# INTELLIGENCE

# BULLETIN

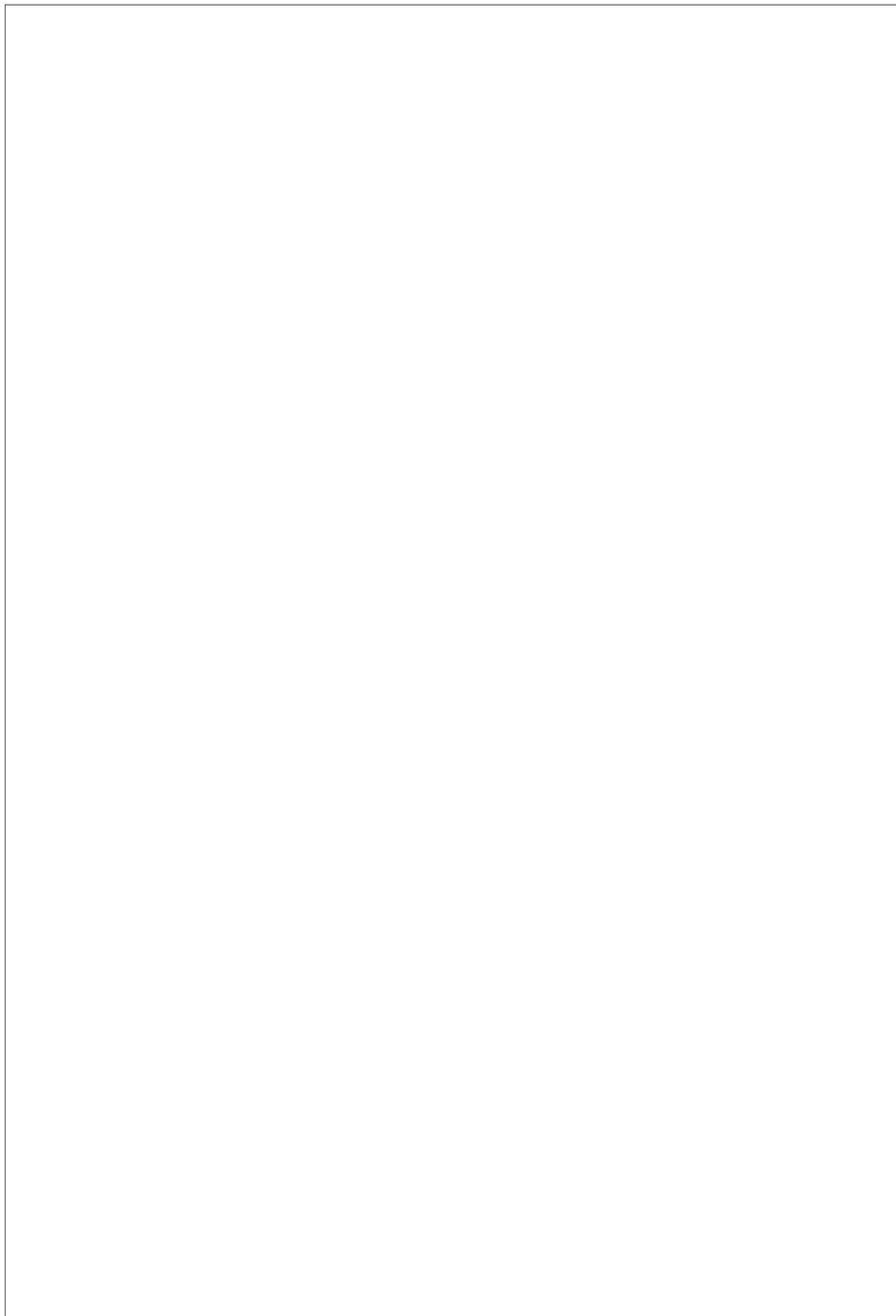


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27 DECEMBER 1960

I. THE COMMUNIST BLOC

Taiwan Strait--Almost no Communist shelling in past month. Nationalists continue some shelling.

II. ASIA-AFRICA

Laos--Peiping endorses USSR's "just stand" on ICC and Geneva Conference: bloc air support continues.

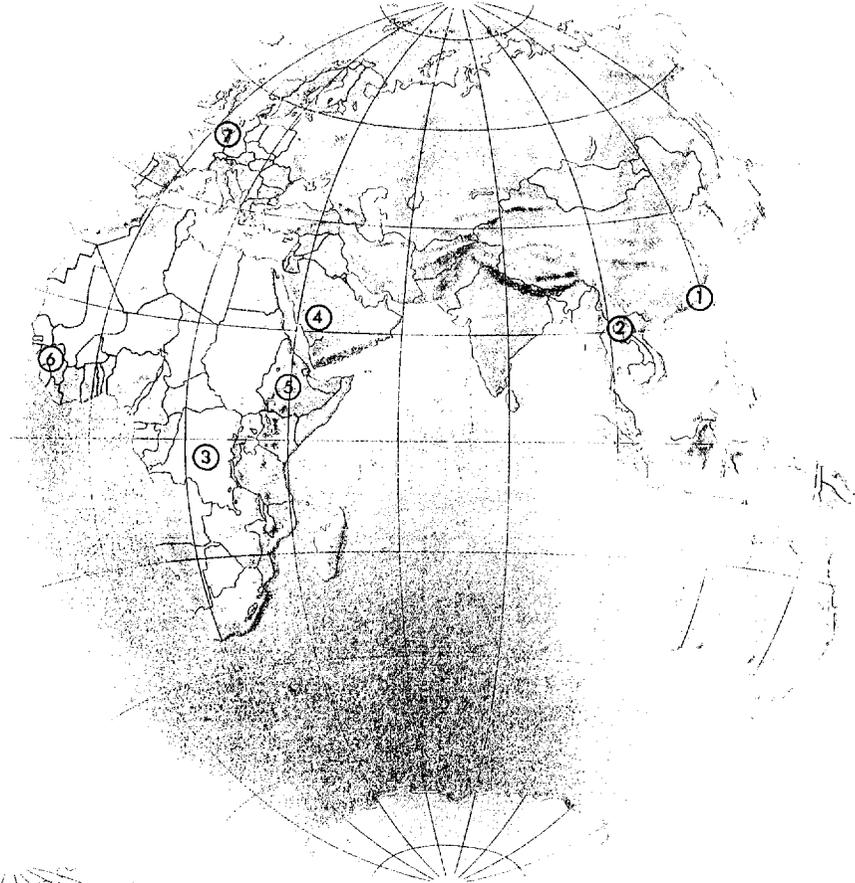
Congo--Hammaraskjold implies he will try to take UN out of Congo if Mobutu uses force in Orientale Province.

King Saud promises some reforms; popular reaction to his take-over generally favorable. Some officers continue to plot against King.

Ethiopia--Security precautions continue high; Emperor's decision to reconstitute Bodyguard likely to antagonize army.

Ghana, Guinea, and Mali release new propaganda on "union."

- ①
- ②
- ③
- ④
- ⑤
- ⑥



III. THE WEST

- ⑦ Belgian cabinet threatened by Socialist-inspired strikes.
- ⑧ Bolivia reportedly offered \$150,000,000 in economic aid by USSR.



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## CENTRAL INTELLIGENCE BULLETIN

27 December 1960

## DAILY BRIEF

## I. THE COMMUNIST BLOC

\*Communist China - Taiwan: [Communist shelling of the offshore islands has almost completely ceased for the past month. Only one firing of 33 propaganda rounds has occurred since 27 November--the lowest ebb since the odd-day firing pattern was established in October 1958. The "liberate Taiwan" theme has been a negligible ingredient in mainland propaganda since mid-1960. On the few occasions when the Taiwan issue is mentioned, however, Peiping continues to underscore its determination to use force if necessary while expressing hope for a peaceful solution.]

[In contrast to the Communist behavior, Chinese Nationalist batteries have increased the number of high-explosive shells fired against the mainland since mid-November. Much of the shelling has been registration and practice firing and is apparently intended to maintain morale and combat readiness among the troops on the islands; in addition, Taipei seems to believe it is politically advantageous to keep a state of tension in the strait.] [redacted] (Page 1)

## II. ASIA-AFRICA

\*Laos: Peiping, in a People's Daily editorial on 25 December, endorsed the "just stand" taken by the Soviet Government in formally requesting British support for reactivating the International Control Commission in Laos and reconvening the Geneva Conference. The Chinese Communists would expect to participate in such a conference. The editorial implied, however, that Communist China would disapprove any Soviet effort to bring the Laotian situation before the United Nations. Lao-tian Government troops meanwhile have occupied Phong Hong,

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about 40 miles north of Vientiane; the slight resistance offered by Captain Kong Le's troops is in line with other indications that the bulk of his force are withdrawing northward toward Van Vieng, a Pathet Lao stronghold which has recently received Soviet airdrops. [redacted]

Seven Soviet AN-12 heavy transports have been scheduled for flights from Canton into North Vietnam. Such flights will improve the efficiency of the Communist airlift into Laos by eliminating one step previously observed--that of offloading cargo at Canton for transshipment to Hanoi aboard IL-14s. An AN-12 can carry as much cargo as six IL-14s. [redacted]  
(Page 3)

\*Congo: [redacted] Hammarskjold has sent a letter to Kasavubu implying that he will ask the Security Council to take the UN out of the Congo if Mobutu uses force in an attempt to take Orientale Province--still nominally controlled by Antoine Gizenga's "government." Hammarskjold told US officials, however, that he does not expect civil war in the Stanleyville area, since he believes neither Gizenga nor Mobutu is strong enough to force a military showdown. Hammarskjold plans to be in the Congo on 3 and 4 January. [redacted] Khrushchev, after a delay of ten days, responded to Gizenga's appeal for support by reiterating Soviet promises of support and sympathy but avoiding any specific commitment of assistance. [redacted] Sudan continues to refuse transit to UAR planes bound for Stanleyville, but President Abboud admits that flights over remote areas of the country could probably be made without Sudanese knowledge. [redacted]

[redacted] (Page 5)

\*Saudi Arabia: Since reassuming personal control of the government on 21 December, King Saud has promised on 24 and 25 December to take steps to eliminate economic "stagnancy" and decentralize the government, to have a constitution drawn up, and to make other moves suggestive of greater democratization. [redacted] Saud also reportedly sent an emissary to assure Nasir

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27 Dec 60

DAILY BRIEF

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of the "progressive" nature of the new government.} These moves and the relatively liberal character of his cabinet appointments indicate that Saud hopes at least to create the impression of sponsoring a reformist government. {The first popular reactions to the King's take-over appear to be favorable, although educated Saudis reportedly have adopted a wait-and-see attitude.}

A group of dissident Saudi military officers continues to express dissatisfaction with King Saud's resumption of control of the government.

Representatives of the officers' group told the chargé that their movement was inspired by the UAR's success with its revolution and that they felt the time was favorable for action because of the "intense disputes among the members of the royal household." The UAR chargé, noting that his views were unofficial, pointed out to the officers the "economic and international" difficulties they would face if they undertook a coup and advised them to be patient and remain vigilant. (Page 6)

\*Ethiopia: {Although all the leaders of the attempted coup against Emperor Haile Selassie are now reported to have been killed or captured, considerable sympathy for the coup effort persists, and the Imperial Government's position may still be precarious. Because of the elaborate precautions considered necessary for the Emperor's safety, the royal family has not attended the funerals of the government ministers killed by the rebels. The Emperor reportedly decided on 21 December to reconstitute the Imperial Bodyguard, and some junior officers and men have already been released from custody. This action could seriously antagonize the army, which crushed the revolt. Officials of the government claim to have captured documents which they say clearly indicate Soviet and Czech involvement in the coup attempt, but the officials have not produced the evidence they claim to have.} (Page 7)

27 Dec 60

DAILY BRIEF

iii

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\*Ghana-Guinea-Mali: The "union" announced on 25 December by the presidents of Ghana, Guinea, and Mali, after a two-day meeting in Conakry, represents a further symbolic gesture by these three radical and leftist-inclined African states. There will probably be few tangible results beyond the establishment of some joint diplomatic missions and the "coordination" of economic policies. Nkrumah's announcement, after a visit to Bamako last month, that Ghana and Mali had decided to establish a joint parliament has since been greatly modified, in private, by the Malian President. The Ghana-Guinea "union" proclaimed in 1959 still lacks substance. The membership of Mali in the French Community and Ghana in the British Commonwealth, along with Guinea's close ties with the Communist bloc, would make it difficult to arrange a genuine union.

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### III. THE WEST

\*Belgium: The Socialist-instigated strikes, designed to force modifications of the government's fiscal austerity bill, have reached general strike proportions in the "red belt" of industrial south Belgium. In an effort to placate the workers and to retain the support of Roman Catholic trade unions, Premier Eyskens has adjourned parliament until 3 January and is seeking a compromise. However, the Socialist leaders now apparently aim to topple the cabinet and are likely to reject any moderate proposal. If in addition the Roman Catholic trade unions desert the government, its chances for surviving are slim.

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\*Bolivia-USSR: A Soviet parliamentary delegation which arrived in La Paz on 21 December for an 11-day visit has apparently offered a \$50,000,000 credit to construct a tin smelter in Bolivia and an alleged additional credit of \$100,000,000. President Paz has replied that a technical commission leaving for Europe and Moscow will study the details of the offer. Moscow is probably interested in arranging an exchange of diplomatic missions as well as an economic aid agreement.

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27 Dec 60

DAILY BRIEF

iv

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[REDACTED]

Decline in Chinese Communist Shelling  
Of the Offshore Islands

{ Communist artillery action against the offshore islands since 27 November has been confined to the firing of 33 prop-aganda rounds against the Chinmens on 13 December. The Matsus have not been shelled since 27 October. This marks the lowest ebb in shellings since the odd-day firing pattern was established following the October 1958 crisis in the Taiwan Strait. }

{ According to an unconfirmed press report of 23 December, Peiping announced over the loudspeaker opposite the Chinmens that it plans to abandon the odd-day firing pattern. The Chinese Nationalist Defense Ministry denied knowledge of such an announcement. The regularity of the shellings during the past two years has tended to detract from their propaganda impact, and Peiping now may be planning to schedule them at more infrequent intervals. }

{ In contrast to the Communist behavior, there has been an increase since mid-November in the number of high-explosive shells fired against the mainland by the Chinese Nationalist batteries. Much of the shelling has been registration and practice firing and probably is intended to maintain morale and combat readiness in the event Peiping steps up action in the strait. Taipei also may hope to provoke the Communist guns into action, feeling that continued tension in the area is politically advantageous. In the past, Peiping has often responded in kind to heavy Nationalist shellings of the mainland. }

{ The "liberate Taiwan" theme has almost disappeared from Chinese Communist propaganda, dropping from the peak during Peiping's "anti-US imperialism" week in late June. In the few references made to the subject, however, Peiping continues to couple its assertions of preference for a peaceful solution to the Taiwan issue with insistence on its readiness to use force if necessary. This line was taken in a 5 December broadcast which }

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{stated that the Communists still entertained hopes of peaceful negotiations with Chiang Kai-shek.}

{The current lull in Chinese Communist militancy toward Taiwan was also reflected at a 28 November propaganda briefing of Communist newsmen in Hong Kong. Peiping's professed position, as set forth by the spokesman at the briefing, was that the "military liberation" of Taiwan had been put off because China wished to avoid the risk of a full-scale war which would jeopardize its economic achievements.}

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~~SECRET~~Situation in Laos

Peiping, in a People's Daily editorial on 25 December, endorsed the "just stand" taken by the Soviet Government in formally requesting British support for reactivating the International Control Commission (ICC) in Laos and reconvening the Geneva Conference. The Chinese Communists would expect to participate in such a conference. The editorial implied, however, that Communist China would disapprove of any Soviet effort to bring the Laotian situation before the United Nations. The editorial accused the Thai Government, and by implication the United States, of scheming to make the UN interfere in the internal affairs of Laos. [redacted]

[redacted] the main purpose of his trip to Vientiane had been to gather evidence of US interference, to be used in presenting charges in the Security Council.

North Vietnam, in a memorandum published in Hanoi on 22 December and in a letter of 25 December to the co-chairmen of the 1954 Geneva Conference, continued its drumbeat of charges against the United States for "intervention" and "acts of aggression" in Laos. Both communications appeal for the reactivation of the ICC and the reconvening of the Geneva Conference.

Laotian Government troops have occupied Phong Hong, about 40 miles north of Vientiane on the road to Luang Prabang. The lightness of resistance offered by Captain Kong Le's forces is in line with other indications that the bulk of Kong Le's troops are withdrawing northward toward Van Vieng, a Pathet Lao stronghold which has been the site of recent Soviet airdrops. [redacted]

[redacted] morale among irregular troops with Kong Le is poor. Kong Le's support may eventually be reduced to the hard core of his Second Paratroop Battalion; if properly integrated with the Pathet Lao, however, the paratroopers could pose a potent guerrilla threat to the government.]

King Savang's current visit to Vientiane is aimed at buttressing the new provisional Boun Oum regime through ceremonial

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association with the monarchy. [General Phoumi and his advisers seem to be of two minds regarding the desirability of having the National Assembly formally invest the new government through a vote of confidence. Although such action would tend to legalize the new government in the eyes of world opinion, some of Phoumi's advisers claim that it would constitute a retrogression from the "revolution" said to be represented in the actions of Phoumi's Savannakhet Revolutionary Committee since 10 September. It seems clear that the Phoumi group would like to rewrite the constitution immediately so as to weaken the assembly and strengthen the executive.]

Steps are apparently being taken to improve the efficiency of the Sino-Soviet bloc airlift into Laos. Seven Soviet AN-12 heavy transport aircraft, six of which arrived at Canton from Peiping on 24 December and the seventh probably on 26 December, have been scheduled for flights to North Vietnam on 27 December. One is to fly to Hanoi and the remaining six are to go to Haiphong. This will be the first time bloc transports of military subordination have flown into North Vietnam.

The flight of these aircraft to bases in North Vietnam will eliminate one step [redacted] in the airlift--that of offloading cargo at Canton for transshipment to Hanoi aboard IL-14s. Seven AN-12s could carry between 105 and 140 tons of cargo--six times as much as an equal number of IL-14s. Offloading at bases in North Vietnam will free the Soviet IL-14s which had been engaged in shuttle operations between Canton and Hanoi for flights directly to Laos.

Both Soviet and North Vietnamese transports continue to ferry supplies into Laos. At least five Soviet IL-14s were engaged in flights to Laos on 24 December. Five were scheduled for flights to the Vientiane area on 25 December, and four additional flights were scheduled for Sam Neua on the same day. In addition, several North Vietnamese transports were scheduled for flights to Sam Neua and Dien Bien Phu on 25 December. [redacted]

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~~SECRET~~Hammaraskjold's Views on Congo 

{ UN Secretary General Hammaraskjold has sent a letter to President Kasavubu implying that he will ask the Security Council to take the UN out of the Congo if Mobutu uses force in an attempt to take Orientale Province--still nominally controlled by the "government" of Antoine Gizenga. On 25 December Lumumba supporters entered adjacent Kivu Province and arrested the governor and several other provincial officials. Mobutu may be expected to take some kind of retaliatory action. }

{ Hammaraskjold told US officials that he does not expect civil war in the Stanleyville area, since he believes that neither Gizenga nor Mobutu is strong enough to force a military showdown. The US ambassador in Leopoldville, however, believes that barring substantial airborne assistance from the bloc or the UAR, economic collapse will come to Orientale Province in two to four weeks, and that there may then be attacks on Europeans and their shops. He points out that since the Europeans are widely scattered throughout the province, it will be very difficult for the UN force to protect them. The Sudan continues to refuse transit to UAR planes bound for Stanleyville, but President Abboud has admitted that planes could overfly remote areas of the country without Sudanese knowledge. }

{ Hammaraskjold, who plans to visit the Congo on 3 and 4 January, hopes soon to get the Guinean troops out of the country, as he considers them Communists for all practical purposes. He does not think that either the UAR or India will withdraw its forces, and he hopes to be able to keep the Moroccan troops in the Congo. The army personnel who returned to Morocco on 25 December were members of a special training mission and not part of the Moroccan UN force. }

Soviet Premier Khrushchev, after a delay of ten days, responded to an appeal for support from Gizenga by reiterating promises of Soviet support and sympathy but avoiding any specific commitments for assistance to the Stanleyville group. Moscow may be awaiting the outcome of the Rabat meeting of African leaders, to begin on 3 January, before taking a definite stand toward Gizenga and his rump government.

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~~TOP SECRET~~King Saud Promises Government Reforms

Since reassuming personal control of the Saudi Arabian Government on 21 December, King Saud has promised domestic reforms and foreign policies apparently designed to forestall possible criticism by Arab nationalists both within and outside his kingdom. [redacted], the King also sent a secret emissary to inform UAR President Nasir that the new government will initiate progressive measures that should exempt it from propaganda attacks by Cairo's Voice of the Arabs. The King apparently received no assurances from Nasir. [redacted] the emissary shortened his trip as a result of critical statements made in Cairo about the new Saudi Government. }

In policy statements of 24 and 25 December, Saud stated he would take steps to improve the Saudi economy, decentralize the government, provide for constitutional rule, and guarantee freedom of the press "within reasonable limits." He also pledged a policy of close cooperation with the Arab states and "complete neutrality" in dealing with other foreign governments. He promised to "exert all efforts" to aid the Arabs of Palestine, Algeria, Oman, and the Arab south--Aden and the Aden Protectorate--as well as to "adopt all methods" to win the Buraimi Oasis dispute with the UK. (The first popular reactions within Saudi Arabia appear to be favorable toward the King's reassumption of authority, but educated Saudis reportedly have adopted a wait-and-see attitude.) [redacted]

In Jidda, the UAR chargé has met again with two representatives of a group of Saudi military officers planning a revolt against the monarchy. [redacted] the officers felt dissension within the Saudi royal family favored action at this time. [redacted] was again cautious in advising the officers, giving them his "unofficial" view that they should consider the economic and international difficulties they might face and urging patience and vigilance. [redacted]

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~~SECRET~~Ethiopian Government's Position Still Precarious 

{Although all the leaders of the attempted coup against Emperor Haile Selassie now are reported to have been killed or captured, considerable sympathy for the coup effort persists, and the Imperial Government's position may still be precarious. Apprehension within the American community has abated, and Addis Ababa now is much calmer.}

{Elaborate security precautions, however, are considered necessary to protect the Emperor. The palace in which he is residing is under heavy armed guard, and army troops are preparing entrenchments. For security reasons the royal family did not attend the funerals of government ministers who were killed by the rebels. Sympathy for the objectives of the coup is reported still to be strong in some government ministries.}

{The Emperor reportedly decided on 21 December to reconstitute the Imperial Bodyguard, and some junior officers and men have already been released from custody. If the Bodyguard is reorganized as a large, elite corps, the army, which crushed the coup, will be seriously antagonized. Army leaders reportedly favor rotating army divisions to serve as a guard for the Emperor, and fear that Haile Selassie may try to exploit the traditional hatred between the army and the Bodyguard to maintain his own position.}

{Officials of the government claim to have captured documents at the headquarters of the Imperial Bodyguard which, they say, clearly indicate Soviet and Czech participation in the coup effort. They have not produced this evidence, but the Soviet ambassador was reportedly seen at the rebel foreign ministry and Bodyguard headquarters during the coup, the Soviet Embassy was reported stocking up on food prior to 14 December, and a Soviet ship off the Ethiopian coast acted in a suspicious manner during the coup. The actions of individual Yugoslavs were reportedly also open to question, but the embassy apparently remained neutral.}

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~~CONFIDENTIAL~~Bolivia Apparently Considering Large Soviet Credit Offer

A Soviet parliamentary delegation which arrived in La Paz on 21 December for an 11-day visit has apparently offered a \$50,000,000 credit to construct a tin smelter in Bolivia and an alleged additional credit of \$100,000,000. Bolivian President Paz has been under strong domestic pressure to explore Soviet overtures concerning economic aid since Khrushchev suggested the possibility to Bolivia's UN delegation last September. Paz told the Soviet parliamentary delegation on 22 December that a technical commission leaving for Europe and Moscow will study the details of the offer. One press report indicates that the commission will leave in the last half of January.

Any offer to construct a tin smelter is particularly attractive to Bolivians, although the economic feasibility of such a project is controversial. Tin is Bolivia's most important export, and virtually all must be sent to a smelter in Britain in which former owners of the expropriated Bolivian mines have a part interest. Many Bolivians feel that nationalization of the mines--a key objective of the sweeping revolution of 1952--will never be completed until the country has its own smelter.

Moscow is probably interested in arranging an exchange of diplomatic missions as well as an economic aid agreement. Bolivia recognized the USSR in 1945, but representatives have never been exchanged. Czechoslovakia is the only bloc country which has a mission in La Paz.

~~CONFIDENTIAL~~

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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 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

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Director, International Cooperation Administration

The Director of Intelligence and Research

**The Treasury Department**

The Secretary of the Treasury

**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

Assistant to Secretary of Defense for Special Operations

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**

The Secretary of Commerce

**Atomic Energy Commission**

The Chairman

**Federal Bureau of Investigation**

The Director

**National Security Agency**

The Director

**National Indications Center**

The Director

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