





12.OCTOBER 1960

I. THE COMMUNIST BLOC

Khrushchev cancels visit to North Korea.

II. ASIA-AFRICA

Laos--Little accomplished at initial talks between Souvanna and Pathet Lao; a Soviet delegation due to arrive in Vientiane on 13 October.

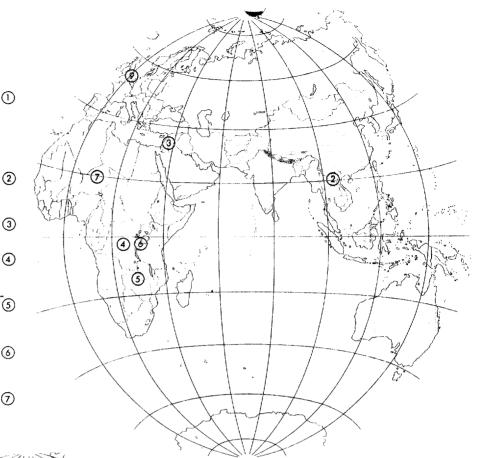
Israel, with UN approval, has begun dredging Jordan River channel despite strong UAR objections.

Congo--UN refuses to allow arrest of Lumumba.

Rhodesia and Nyasaland--Tension likely to increase in wake of Monckton commission report.

Ruanda-Urundi--Belgian policies in period prior to independence provoking tribal chiefs and leading to unrest.

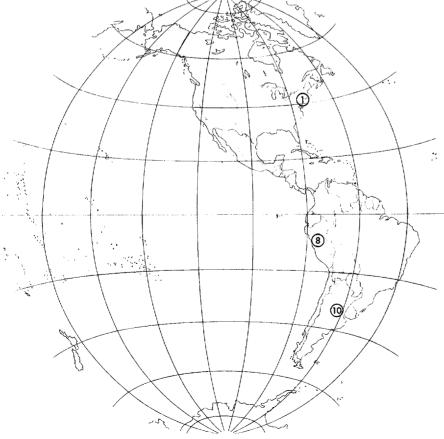
Niger, newly independent state within French Community, determined to act independently of France.



III. THE WEST

(8) Peruvian President ready to break diplomatic relations with Cuba.

- Britain--Macmillan does not believe that a serious Soviet attack on Western position in Berlin underlies current narassment, which he sees as ''isolated actions.''
- (DArgentina--Frondizi may be forced by military pressure to take firmer anti-Communist, anti-Peronista line.



CENTRAL INTELLIGENCE BULLETIN

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12 October 1960

DAILY BRIEF

I. THE COMMUNIST BLOC

*USSR - North Korea: The postponement of Khrushchev's visit to North Korea, scheduled for early October, may stem from the failure of the latest attempt to ease the Sino-Soviet dispute. It seems likely that Khrushchev had hoped to meet with Mao or other top Chinese Communist officials during his visit. Meetings between top Soviet and Chinese leaders in Peiping, reported to have taken place in mid-September, may have revealed the impossibility of arranging such a meeting. The need for high-level party review of Soviet policy in the wake of Khrushchev's UN venture and for his participation in preparation for the November conference of Communist parties probably also influenced Khrushchev's decision to remain in Moscow.

II. ASIA-AFRICA

Laos: Little apparently was accomplished during the opening session of the peace talks between the Souvanna Phou- \mathcal{P}^{2} and ma government and the Pathet Lao. They are to meet again on 13 October. Souvanna has told Ambassador Brown that he will insist on a general cease-fire and on restoration of government authority in Sam Neua Province as preconditions for substantive discussions. A delegation of Soviet officials, presumably to complete the establishment of diplomatic relations, is scheduled to arrive in Vientiane on 13 October.

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Israel-UAR: Israel, with the consent of the UN Truce Supervision Organization, has begun dredging 300 meters of the Jordan River channel south of the Banat Yaqub bridge in the Israeli-Syrian demilitarized zone. The UAR opposes this project, believing it to be part of an Israeli scheme for ultimate diversion of the river despite Israeli claims to the contrary. Syrian troops overlooking the river so far have not attempted to stop the dredging, but the situation contains elements of danger.

*Republic of the Congo: The refusal of the UN Command on 11 October to permit the arrest of deposed Premier Lumumba by the Mobutu government has maintained for the time being the uneasy stalemate of political forces in Leopoldville. Mobutu appears likely to continue to press for UN withdrawal of its protection of Lumumba, and a government spokesman has threatened a "nationwide uprising" if the UN does not do so. The UN statement that Lumumba could be arrested only if parliament were to withdraw his immunity may prompt Mobutu to reconvene parliament, whose members have lately been increasingly critical of Lumumba.

The US Embassy at Accra reports that a planeload of Ghanaian troops departed on the morning of 11 October, but returned, allegedly because of bad weather, without reaching its destination. According to an African diplomat in Accra, the purpose of this mission was to have been to rescue Lumumba in Leopoldville and establish him as head of a Congolese government_in_evile

Federation of Rhodesia and Nyasaland: Tension is likely to increase in the British-controlled Federation of Rhodesia and Nyasaland as white settlers react to pro-African proposals of the advisory Monckton commission report released on 11 October. The settlers are already highly incensed at African rioting this past week end in several urban centers in Southern Rhodesia. They will demand that their government strongly oppose the commission's recommendations that African influence be greatly increased in the Federation's legislature and in the administration of Northern Rhodesia. Prime 7

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(Minister Welensky has been assured of the support of the main opposition party if he resigns in order to renew his popular mandate at the polls before taking part in constitutional discussions with Britain, probably later this year. (Page 3)

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<u>Ruanda-Urundi:</u> Belgium's plans for bringing the trusteeship territory of Ruanda-Urundi to independence as two separate states by April 1962 appear inadequate to prevent new outbreaks of tribal warfare in the northern state of Ruanda. According to an American official who recently visited the territory, the Belgians there are determined to retain their influence after independence and are prepared to use force if necessary to attain this end. Tribal tension reportedly is at a high pitch as a result of Belgian efforts to replace the extremely conservative tribal rulers with moderate, pro-Belgian political parties. (Page 4) (Map)

<u>Niger-France</u>: Niger's President Diori, who in the past has been one of the most pro-French African leaders within the French Community, recently indicated to US Charge Norland his regime's determination to act independently of France. Diori told Norland that Niger would not accept French aid if it were conditioned on Niger's following French direction in foreign policy. He also said he was thinking of requesting the departure from northern Niger of French military elements which he alleged are carrying on pro-French activity among nomadic Tuareg tribesmen. Like Ivory Coast, Dahomey, and Upper Volta--Niger's partners in the four-state association known as the Conseil de l'Entente--Niger became independent in August and now is preparing to negotiate with Paris cooperation accords such as formally link other members of the Community with France.

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(Page 5) (Map)

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<u>Peru-Cuba</u>: Peruvian President Prado has stated that he is ready to break diplomatic relations with Cuba on the grounds that Cuba is supporting Peruvian Communists. Peru hopes that Argentina, Colombia, and certain Central American states will follow suit so that Peru will not become a particular target for Cuba and the USSR. Guatemala and Nicaragua broke relations with Cuba earlier this year. (Page 6)

Britain: Prime Minister Macmillan has told Ambassador Whitney that he does not believe a serious Soviet attack on the Western position in Berlin underlies present Soviet policy; he considers recent harassments "isolated separate actions." Macmillan accepts Khrushchev's statement that he does not intend to bring the Berlin situation to a head before spring. Ambassador Whitney concludes that the current prospects that the British will agree to economic countermeasures are dim. (Page 7)

Argentina: President Frondizi is again under military pressure to modify certain "administrative" aspects of his petroleum policy, to take firmer anti-Communist action, and to dismiss advisers who favor wooing Peronista political support from Peron. Army Commander in Chief Toranzo Montero told the army is united behind these demands. In several similar crises in the past, Frondizi has adopted a cautious position, meeting most military demands. (Page 8)

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The Situation in Laos

The first session of the peace talks between the Souvanna Phouma government and the Pathet Lao, held in Vientiane on 11 October, was probably devoted mainly to procedural matters. The chief Pathet Lao negotiator, Phoumi Vongvichit, took advantage of the occasion to deliver a strong attack on American imperialism. General Ouane, a member of the government delegation, is quoted as asserting that the Pathet Lao had indicated that real peace could be attained only if General Phoumi's Savannakhet movement were crushed. The two sides are to resume their talks on 13 October.

Premier Souvanna has told US Ambassador Brown that if the Pathet Lao reject his demands for a country-wide cease-fire and restoration of Sam Neua Province to government control, he will simply tell them "to go away" and think about the problem some more. He claims that in any event, he will pursue delaying tactics in an effort to string the talks out as long as possible.

General Ouane, reportedly concerned over the possible outcome of the negotiations, claims that if the talks go badly he will go to Luang Prabang to resign from the government. Ouane had previously reported that he expected the Pathet Lao would demand fixed enclaves for their military personnel, reintegration of their civil functionaries into the government, and reversion to the 1954 Geneva accords and the 1957 Vientiane integration agreements.

Reports from Phong Saly Province indicate that the Pathet Lao, in an apparent effort to gain additional territory on which to base their claims in the negotiations, were continuing to exert strong pressure on government posts in the southeastern part of the province. One post reportedly has fallen to the Pathet Lao, and a more important post--Sap Nao--is said to be under strong enemy pressure.

A senior Laotian Foreign Ministry official has informed Ambassador Brown that a Soviet delegation will arrive in Laos

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on 13 October and will probably "not come empty-handed." In addition to completing the establishment of diplomatic relations between the USSR and Laos, the delegation will probably extend offers of aid to the Souvanna government. Recent Soviet propaganda commentary on the Laotian situation has emphasized the dire consequences of the Thai economic blockade and has accused the United States of "stifling" the legal government by suspending aid. Souvanna may be tempted to accept any Soviet offer of aid in order to increase his area of maneuver.

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Tension Rising in Rhodesian Federation

Release of the Monckton commission report on 11 October is likely to increase racial tension in the British-controlled Federation of Rhodesia and Nyasaland. This advisory report of a largely British study group is designed to prepare for later constitutional discussions in London between representatives of Britain and the Federation. However, its basically pro-African outlook may so inflame Rhodesian white settlers as to endanger cooperation between Salisbury and London.

The report calls for continuation of the federation of three constituent territories but endorses a loosening of their ties and later secession under certain conditions. It also proposes a great increase of African membership in the federal parliament until parity with the whites is attained. Some of its most far-reaching conclusions dealt with the colonial territory of Northern Rhodesia, which was clearly envisaged as a future African state. The report hoped that constitutional advance would lead to full self-government with an African majority in the legislature and an elective African majority in the executive council. Other provisions called for an end to racial discrimination in the Federation.

The federal government of Prime Minister Welensky has previously indicated its opposition to any such proposals, and earlier in October Welensky was assured of support from the Dominion party, the white opposition party, if he chose to resign and call new elections to renew his popular mandate.

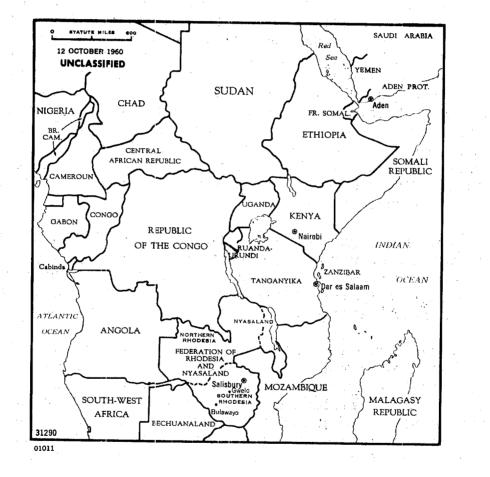
Racial tension is already high following a week end of African riots and strikes. On 8 October African rioting in Salisbury resulted in at least seven deaths, over 80 injuries, and considerable property damage. Later at Gwelo an African nationalist meeting erupted into looting and arson. At Salisbury African transport workers struck on 11 October; at Bulawayo 2,000 African factory workers have kept up a wage strike.

As a result of these actions, white civilians on 11 October reportedly demanded permission to take the law into their own hands and shouted down the appeals of senior government officials to respect the law.

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Unrest Likely in Ruanda-Urundi

Belgium's plans for bringing the trusteeship territory of Ruandi-Urundi to independence as two separate states appear inadequate to prevent new outbreaks of tribal warfare in the northern state of Ruanda. According to an American official who recently visited the territory, tension between the Batutsi--Ruanda's traditional ruling ethnic group--and the numerically predominant Bahutu has reached a high pitch as a result of Belgian efforts to replace the highly conservative Batutsi with moderate, pro-Belgian political parties. Order is now being maintained, except for a few scattered outbreaks, by three battalions of Belgian troops; however, these are scheduled to depart when the territory becomes independent.

Belgium envisages a program of rapid political advancement for the territory, with elections scheduled in both states early next year, to be followed by the establishment of a national government in each area. The target date for complete independence is April 1962. However, Belgian officials in the territory reportedly are determined to guide its political development so as to maintain their country's influence after independence and are prepared to use force if necessary to attain this end. The Belgians reportedly hope that by following this policy, they can avoid "another Congo situation and another Lumumba."

Governmental structure in both Ruanda and Urundi will be greatly simplified, and Belgium may be able to create a fairly competent African government in Urundi, where there is relatively little ethnic tension. In Ruanda, however, the Bahutu party which will probably form the government reportedly will be able to function only with the support of Belgian administrative personnel and troops; such a government would probably be unable to maintain its control over the opposition groups unless it requested continued Belgian military assistance.

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Niger Rejects French Direction in Foreign Policy

Niger, one of eight French Community states in West and Equatorial Africa which became sovereign last August, intends to assert its independent status and will not accept French direction in foreign affairs in return for continued economic aid. President Hamani Diori, heretofore one of the most pro-French African leaders within the Community, told American Charge Norland in late September that Niger will not accept French aid if it is conditioned on Niger's following French direction in foreign policy, "such as voting for France on the Algerian question." Nevertheless, Diori indicated that Niger and its partners in the four-state association known as the Conseil de l'Entente--Ivory Coast, Dahomey, and Upper Volta--would begin negotiations with France in mid-October for technical, diplomatic, military, and other bilateral agreements. Unlike the other seven French Community states which have gained their "international sovereignty" so far, the Entente states were unwilling to negotiate such "cooperation accords' before being admitted to the UN, a goal attained on 20 September.

Alleging that "a few stupid French" were causing frequent incidents along the Niger-Algerian frontier by trying to incite nomadic Tuareg tribesmen in northern Niger to "stay with France" by going to Algeria, Diori said he was thinking about requesting the departure of French military elements now stationed in the area. Other French army officers reportedly have made contact with potentially dissident Tuaregs in northern Mali in the hope of blocking expected efforts by the Mali Government to aid the Algerian rebels.

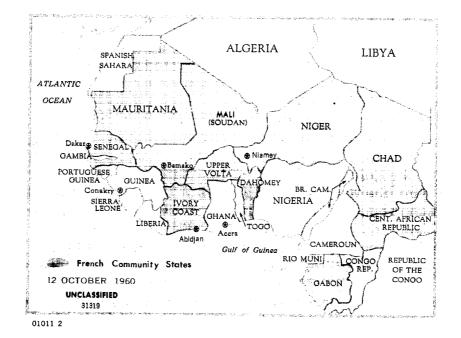
Diori, who is also president of the Entente for the current year, stressed his desire to have an American representative resident in Niger, "since certain French will never understand that we are independent until other diplomatic representatives are at Niamey to prove it." At present Norland, who resides in Abidjan, represents the United States in all four Entente states.

[Ivory Coast President Houphouet-Boigny--the creator and dominant figure in the Entente--and Upper Volta President Yameogo have also indicated recently that their states would not support France on the Algerian issue at the UN.

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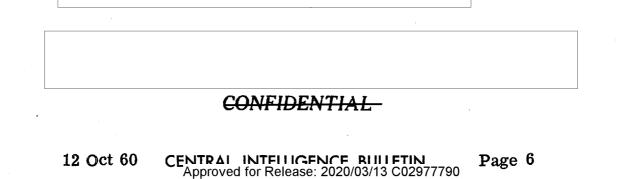
Peru May Break Diplomatic Relations With Cuba

Peruvian President Prado told the American charge d'affaires that he is ready to break relations with Cuba on the grounds of a letter from the head of the Peruvian Communist party to the Cuban ambassador in Lima thanking him for a contribution to the party and expressing appreciation for sending party members to Cuba for training. Prado said he does not mind taking the lead at this time in breaking relations, but hopes Argentina, Colombia, and certain Central American governments will follow suit so that Peru will not be a particular target for Cuba and the USSR.

The Peruvian Government's antagonism for Cuba has been heightened over the past year by the frequent alliance within Peru of the Communists, an influential pro-Castro group, and the reactionary wing of Peru's oligarchy. This alliance has intensified agitation on emotional issues--such as those involving US petroleum investment or the Peruvian-Ecuadorean boundary dispute--in an apparent effort to stalemate the government's economic development efforts.

The Argentine Government apparently believes that Cuba is seeking to provoke a break in relations but that such a break now would be counterproductive for Argentina's ambition to increase its influence in Latin America, and would mean the loss of valuable information derived from the long-standing friendship between Argentine Ambassador Amoedo and Fidel Castro. Colombia requested the withdrawal of the Cuban ambassador last month, and its interest in breaking relations with Cuba would probably be reawakened by a Peruvian initiative.

Guatemala and Nicaragua broke relations with Cuba earlier this year. El Salvador, which now is emerging from a serious political crisis complicated by pro-Castro manifestations, may soon follow suit. The Panamanian Government reportedly may declare the Cuban ambassador persona non grata, although Panamanian President Chiari is facing serious domestic difficulties which would probably be complicated by such a step.



British Resisting Countermeasures in Berlin Situation

[Following a conversation with Prime Minister Macmillan, Ambassador Whitney concludes that prospects are dim for achieving British agreement to economic countermeasures in retaliation against East German harassments of West Berlin. The prime minister expressed the belief that a serious Soviet attack on the Western position in Berlin does not underlie present Soviet policy, and that recent harassments constitute isolated, separate actions. Macmillan accepts Khrushchev's statement that he does not intend to bring the Berlin situation to a head before spring, by which time a summit conference should be possible. 7

(In the absence of a specific agreement, British officials have underlined their determination that implementation of Western policy on curtailing East German travel should not constitute economic countermeasures. In mid-September Britain agreed with the US and France to stop providing temporary travel documents in many categories. Now, however, it argues that it meant that enough such documents and visas should be granted to permit the maintenance of East German trade missions in Western countries at their present levels. The British are willing only to subject the East Germans to minor administrative inconvenience.?

The British resistance to imposition of economic countermeasures at this time is shared by the French Government, and North Atlantic Council discussions have revealed that most other NATO governments feel likewise. Bonn is having serious second thoughts on whether its 30 September denunciation of the interzonal trade agreement should be followed by a substantial curtailment of trade. especially in view of the lack of NATO-wide support.

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Argentine Army Pressures for Policy Changes

Argentine President Frondizi is again under strong military pressure to take firmer anti-Communist action, to dismiss advisers who favor wooing the Peronistas away from Peron, and to modify certain aspects of his petroleum policy to improve the efficiency of the state oil company. Other related demands reportedly include federal control over several provincial governments accused of Peronista or leftist leanings, a new electoral law allowing small minority parties congressional representation, and a change in economic and financial policies to reduce state controls and opportunities for graft. The complaints mainly concern the degree of execution of agreed-upon policies.

The American air attache in Buenos Aires comments that the armed forces seem to be taking a firmer position on these points--especially on Peronism and Communism--than they have in past crises. He expects Frondizi to avert an armed revolt by yielding to military demands as he has in the past.

The last time Frondizi faced serious army pressure of this type was in September 1959, when army Commander in Chief Toranzo Montero successfully demanded the ouster of then War Secretary Anaya because the army insisted that he was too conciliatory toward the Peronistas. Toranzo, again the main army spokesman, told the peronistas, and will oust Frondizi if he rejects them.

(Frondizi, whose economic and political policies are under fire from segments of his own party as well as from all opposition groups, will probably tread cautiously in the face of the army demands.

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