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Approved for Release: 2020/03/13 C03184157

4 FEBRUARY 1960

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I. THE COMMUNIST BLOC

USSR giving Burma samples of small arms.

II. ASIA-AFRICA

Indian non-Communist opposition leaders to campaign against any Nehru-Chou Enlai meeting without Peiping's acceptance of India's border pre-conditions.

Indian Congress party now strong enough to control any Kerala State coalition government; increased popular vote indicates continued strong Communist hold on lower classes.

Only minor firing incidents occurred on Israeli-Syrian border on 3 February; Hammarskjold may call Security Council session if troops not withdrawn from demilitarized zone.

European settler groups opposed to British Colonial Office position on status of Kenya; constitution dictated by London and more acceptable to Africans seems likely outcome of constitutional conference.





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4 February 1960

DAILY BRIEF

I. THE COMMUNIST BLOC

SIKNY I. I USSR-Burma:

ernment is giving the Burmese samples of six types of small arms ranging from carbines to a heavy machine gun together with ammunition. It is not clear whether the initiative for this action came from Burma or the Soviet Union. Burma tried unsuccessfully to purchase bloc arms in 1957, but has given no recent indication of interest in them; under a 1958 purchase agreement, the US has provided Burma with \$40,000,000 worth of military materiel. Khrushchev is to visit Rangoon 16-18 February.

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II. ASIA-AFRICA

Sino-Indian Border Dispute: Two non-Communist opposition parties in India, accepting rumors that Nehru is considering meeting Chou En-lai without insisting on preconditions, intend to make it as difficult as possible for Nehru to do so. Their efforts, both in Parliament and with the public, may minimize the effectiveness of any mediatory efforts attempted by Khrushchev during his visit to India between 11 and 16 February and delay the date on which Nehru would feel it politically possible to announce any plans for Sino-Indian talks.

India: Almost complete returns in the Kerala State election place the Congress party, with a near majority of assembly seats on its own, in a strong position to control any coalition government formed with its Socialist partner. The increased

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percentage of popular votes won by the Communist party, however, indicates it still has a firm hold on the lower classes in Kerala and can effectively exploit any shortcomings of the new government. (Page 3)

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Watch Committee Conclusions: The following developments are susceptible of direct exploitation by Soviet/Communist hostile action which could jeopardize the security of the US in the immediate future:7

New incidents are probable along the Israeli-UAR Armistice. Line, but neither Israel nor the UAR appears to be preparing for general hostilities.

Israel-UAR: Only minor firing incidents reportedly occurred on 3 February between Israeli and Syrian forces. Local UN officials have ordered both sides to withdraw their military from the demilitarized zone; it is not yet clear, how ever, to what extent either has complied. UN Secretary General Hammarskjold had stated earlier that he intended to call a meeting of the UN Security Council if the parties failed to comply.7 (

Kenya: (European delegates to the Kenya constitutional conference, which began on 18 January in London, appear disillusioned with "pro-African" views expressed by Colonial Secretary Macleod, and some may leave the conference. Rightist elements among the Europeans reportedly regard differences among the various Kenya groups as so great as to preclude agreement on a constitution. Moderate Europeans appear disappointed that their advocacy of only a gradual increase in the African franchise has not been supported by the Colonial Office. The present impasse suggests that London will have to dictate a constitution which, without satisfying any group fully, would be more acceptable to the Africans than to the European settlers.] (Page 4)

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DAILY BRIEF

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I. THE COMMUNIST BLOC

Burma to Receive Soviet Small-Arms Samples

The USSR "has now decided to hand over" to the Burmese Embassy in Moscow "samples" of Soviet small arms,

The Burmese ambassador in Moscow will receive two units each of two types of carbine, a rifle, two light machine guns, and a heavy machine gun as well as five rounds of ammunition per weapon for transport to Rangoon. It is not clear at this time whether the initiative comes from the USSR or Burma; however, the Soviet gesture may be connected with Khrushchev's plan to visit Rangoon from 16 to 18 February. If a Soviet arms purchase is being considered, Burma probably intends these weapons for the police, not the army. The Burmese police now have a limited supply of bloc small arms and transport.

Burma has demonstrated no interest in bloc arms since 1957. It contracted for \$40,000,000 worth of equipment from the United States in June 1958. The army is equipped largely with British materiel, supplemented by supplies from Israel, Japan, Sweden, and Yugoslavia. Although a Burmese trade delegation to Moscow in June 1959 included one military member--a major responsible for defense industry--its mission was to reduce Burmese credits in the USSR by purchases or by transferring the credits to Czechoslovakia and Communist China to offset trade deficits there. Burmese experiences with bloc-manufactured equipment have been generally unsatisfactory, and there is a strong preference for Western materiel.

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II. ASIA-AFRICA

Indian Opposition Parties May Delay Sino-Indian Border Settlement

(Leaders of the conservative Swatantra party and of the moderate Praja Socialist party in India apparently now believe that Prime Minister Nehru is considering abandoning his preconditions for negotiations on the Sino-Indian border dispute. These preconditions are that Peiping accept the Mc Mahon line as the traditional boundary in eastern India and withdraw its troops from occupied territory in northeastern Ladakh.)

(Leaders of both parties intend to make any shift in Nehru's public stand as difficult as possible. They plan to issue statements opposing any sellout of Indian territory, and they hope to debate this subject in Parliament after the new session opens on 8 February.]

While Nehru, other members of his government, and Indian military chiefs reportedly are willing to exchange northeastern Ladakh for a firm guarantee of the McMahon line boundary in Assam, their problem is how to avoid the appearance of ceding any territory to China prior to the opening of negotiations. Nehru's present position was reached in large part as a result of public pressure, and it will be difficult for him to abandon this stand without satisfying public opinion.]

Khrushchev's visit to India between 11 and 16 February might provide Nehru with a face-saving formula for claiming that he had assurances that Communist China would agree to a reasonable settlement. The recently announced Sino-Burmese border agreement might also make it easier to convince the Indian public of China's willingness to make concessions. However, protests such as those planned by the Swatantra and Praja Socialist parties might weaken Nehru's hand and render ineffective any efforts made by Khrushchev.

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CENTRAL INTELLIGENCE BULLETIN

Results of Kerala State Elections

Almost complete returns in India's Kerala State election give the anti-Communist coalition close to three quarters of the 127 seats in the state assembly. The Communist party has lost about half of the 60 seats it held previously. Seven former Communist ministers were defeated.

The Congress party, which will have a near majority of assembly seats on its own, is in a strong position to control the coalition government likely to be formed with the Praja Socialist party (PSP). Although it had been generally agreed that PSP leader Pattom Thanu Pillai would be designated to head any Congress-PSP government, the Congress party may now insist on naming its own leader as chief minister. In any case, these two parties--formerly bitter rivals--probably will be unable to maintain the same degree of cooperation while in power as they have in opposition to the Communists. Their task will also be complicated by Kerala's increasingly serious economic problems, such as unemployment and food shortages, thus making it difficult to improve on the record of past governments without heavy financial assistance from the national government to speed development programs.

The extent of the majority won by the anti-Communist coalition is a serious setback to the Communist party. Despite their loss of many seats, however, the Communists retained a sizable share of the popular vote, indicating they still have a firm hold on the lower classes and can effectively exploit any shortcomings of the new government. Communist leaders will point to their increased percentage of the popular vote as proof that the Communists have not lost any support in Kerala as a result of the strong agitation against the Communist government or because of the party's position on the Sino-Indian border dispute. This factor will lessen the damage to Communist prestige elsewhere in India.

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CENTRAL INTELLIGENCE BULLETIN

European Delegates Critical of "Pro-African" Trend, In Kenya Conference

[European delegates to the Kenya constitutional conference in London appear disillusioned with "pro-African" views expressed by Colonial Secretary Macleod, and some may leave the conference. In an address on 1 February, Macleod indicated that eventually Africans might have the "predominant voice" in Kenyan politics. Ronald Ngala, the head of the African nationalist bloc at the conference, has conceded that Macleod's statements have gone "a very long way to meet the African demands."]

The leader of the rightist United party has characterized Macleod's proposals to the conference as "totally unacceptable," but to date has stopped short of threatening a walkout. The Colonial Office position--set forth in closed session--appears to have had its greatest impact on Michael Blundell's moderate New Kenya Group, which had hoped to gain government backing for its position favoring a gradual increase of African participation in government but a sharply limited franchise.]

<u>/In the absence of agreement at the conference, London</u> may have to dictate a constitution as it did in 1954. Such an imposed constitution would probably not satisfy any group fully, but it would be more acceptable to the Africans than to the Europeans.

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Executive Offices of the White House

Special Assistant for National Security Affairs

Scientific Adviser to the President

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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 for Political Affairs

The Deputy Under Secretary 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

Commandant, United States Marine Corps

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

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

Federal Bureau of Investigation The Director

Atomic Energy Commission

The Chairman

National Security Agency

The Director

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