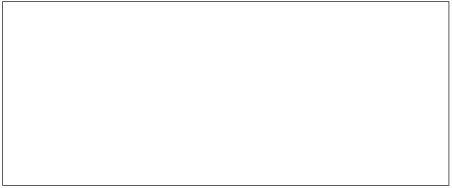
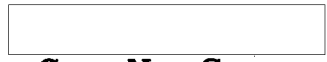


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27 June 1961



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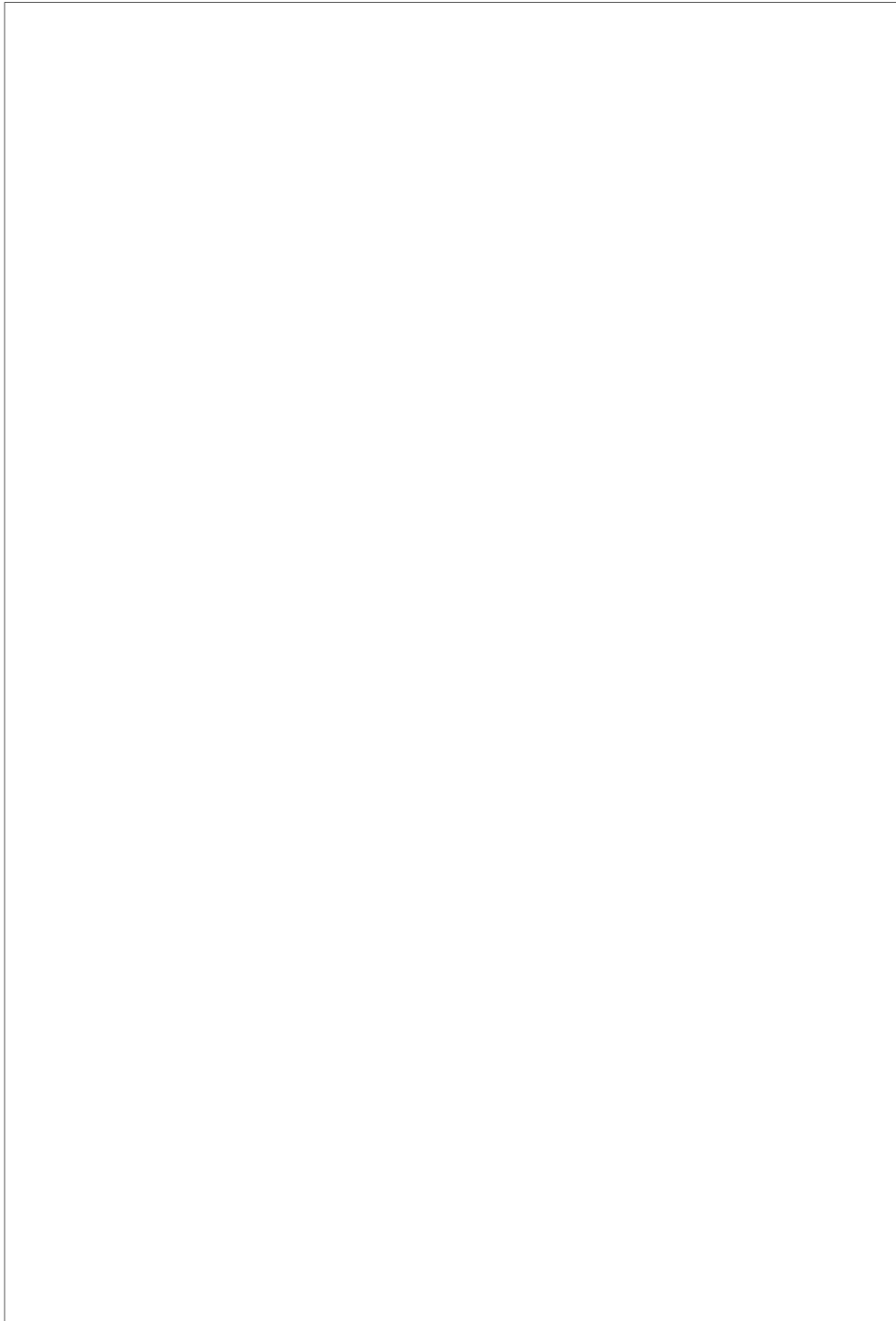
# CENTRAL INTELLIGENCE BULLETIN



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27 June 1961

## CENTRAL INTELLIGENCE BULLETIN

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1. Laos. (*Page i*)
2. France-Algeria: Ambassador Gavin believes French are ready to proceed with partitioning of coastal Algeria if Algerians do not indicate some readiness to compromise soon. (*Page i*)
3. Iraq-Kuwait: Qasim's Kuwait claim may have been motivated by need to rally internal support; UK would probably resist any Iraqi attempt at force. (*Page ii*)

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## CENTRAL INTELLIGENCE BULLETIN

27 June 1961

## DAILY BRIEF

\*Laos: [Lt. Col. Siho, entrusted by General Phoumi with responsibility for the security of Vientiane, has reportedly told a Thai liaison officer that he is planning a "preventive coup" against Brigadier General Kouprasith, commander of the Fifth Military Region which includes Vientiane. ]

[ Siho intends to carry out the coup "very soon," and has requested Thailand's support. Siho is described as fearful for his personal safety should Souvanna Phouma be returned to power as prime minister. Siho's plans are said to include the capture of King Savang in Luang Prabang. ]

[ In early June, Siho was reported preparing counter-coup plans because of information allegedly received by his intelligence net of pro-Souvanna coup plotting. The broad areas of agreement indicated in the 22 June Zurich communiqué by the three princes may have given Siho an added sense of urgency, convincing him that creation of a coalition government is only a matter of time. Siho might believe that only through a take-over of Vientiane and capture of the King would he have the necessary power either to prevent a coalition government or, failing this, to bargain for a position of continued influence. ]

[ The enemy has resumed light artillery shelling on Meo positions a few miles southwest of Pa Dong. ]

Bloc airlift operations continue to be scheduled through 27 June.

[ (Backup, Page 1)

France-Algeria: [ Ambassador Gavin believes Paris is "prepared to force an early solution" of the Algerian problem, "come what may," and that France will soon divide the coastal area of Algeria if the PAG is not more forthcoming. Minister for ]

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[Algerian Affairs Louis Joxe outlined to Gavin on 22 June a plan for concentrating in the Algiers and Oran regions pro-French elements from the predominantly Moslem parts of Algeria. Since Joxe had told the British ambassador on 14 June that partition would be "absurd," the emphasis he places on this approach now may reflect a meeting he had with De Gaulle before seeing Gavin. Paris may believe that maneuvering toward partition could induce a greater readiness to compromise on the part of the PAG, which has indicated violent opposition to a "Palestine-type" division of Algeria. De Gaulle has long considered, as a last resort, however, making provisions for the withdrawal of all Europeans from Algeria, and the proposal outlined by Joxe could be the first step in such a move.]

(Backup, Page 2) (Map)

Iraq-Kuwait: Prime Minister Qasim's declaration that Iraq will "peacefully" annex Kuwait reiterates Iraq's long-standing claim to Kuwait and probably was motivated by Qasim's need for an issue to try to rally support for his regime. Technically, Kuwait sovereignty antedates that of Iraq, and their common boundary was recognized by Iraq when it became independent in 1932. According to the American consul, the Kuwaitis are "stunned, infuriated, and appear frightened."

[Britain has been stocking certain arms, including tanks, in Kuwait since 1958, and maintains a small military mission in mufti there to train the Ruler's defense forces. It is unlikely that Iraq would attempt to annex Kuwait by force; any Iraqi military move against Kuwait would probably be met by British military opposition under the terms of the new UK-Kuwait agreement.]

(Backup, Page 4) (Map)

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27 June 61

DAILY BRIEF

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The major point of Chinese Communist Foreign Minister Chen Yi's speech at the Geneva conference yesterday was his adamant rejection of any international control which would in any way hamper the activities of the pro-Communist elements. His speech, as played up by the Chinese Communist news agency, charged that the US is determined to "destroy through international control" the "powerful patriotic force" which has emerged in Laos, and stated that if the US persisted in its stand, the only result could be "rekindling the flames of war!"

*OK for all*

Elaborating on the role the Chinese envisage for the ICC, Chen declared that that organization should control the withdrawal of foreign military personnel from Laos, but should not be responsible for control of foreign forces reintroduced at some future date. This, he said, would be primarily the responsibility of the Laotian government, a government the Chinese anticipate to be friendly to the Communists.

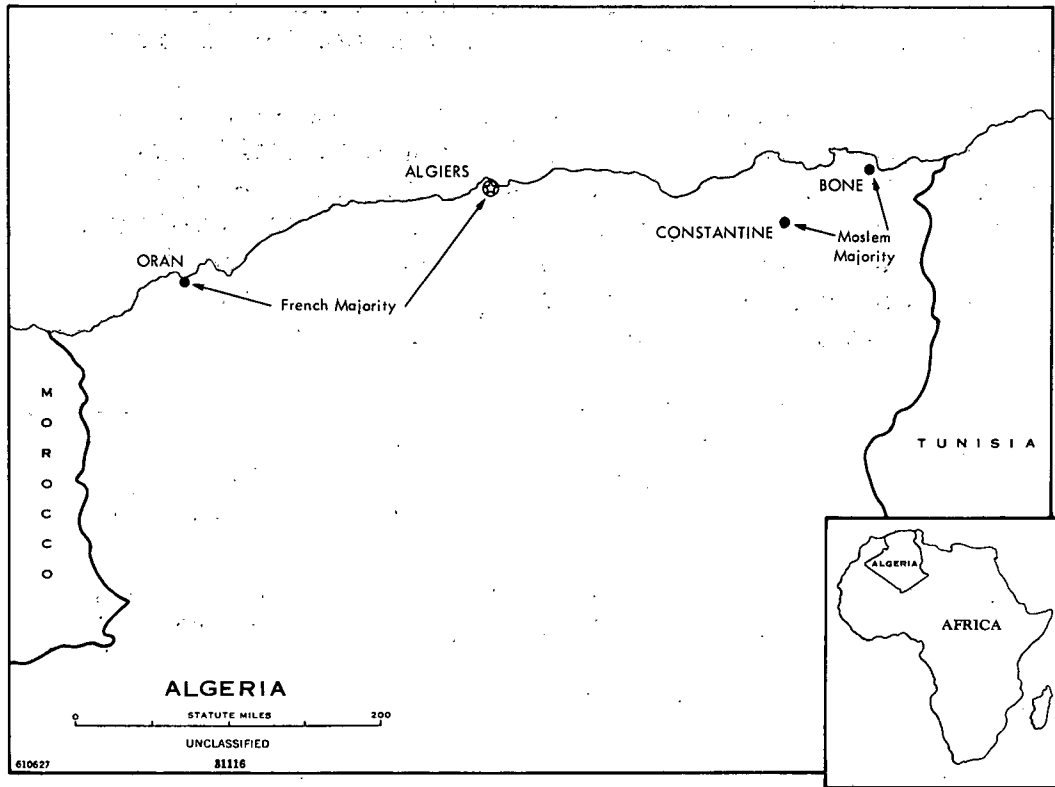
Declaring that a Laotian settlement requires the abolition of "whatever is incompatible with the neutrality of Laos," Chen called for abrogation of SEATO, a point which Peiping has reiterated several times in recent weeks. [redacted]

No airlift operations were noted on 25 June, but operations were scheduled for 26 June. During the period 19 through 25 June, there was a total of 75 sorties, delivering an estimated total of about 155 tons of cargo.


Two Soviet IL-14s which have been involved in airlift operations since their arrival in North Vietnam in December are now returning to the USSR. This could be an additional indication of a diminution of Soviet responsibility for airlift operations into Laos. [redacted]

[redacted]

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French Outline Plans For Partition of Algeria

[Joxe was markedly more pessimistic about the possibility of achieving an agreement with the PAG than he was just before the Evian talks began. He decried the obtuseness of the PAG negotiators, who persisted in reading into every French offer the intention of keeping Algeria French. He insisted that the PAG should by now recognize that France does not wish to hold on to Algeria, and he spoke with some heat when he pointed out the economic and propaganda burden it represents. At the same time, however, he stated his flat opposition to the PAG claim to the Sahara, which is a major factor in PAG suspicion of French intentions.]

[Joxe indicated that Paris intends to send some European settlers and pro-French Moslems to France and move the others into two coastal areas around Algiers and Oran so that the government can protect them. His assistant, Bruno de Leusse, in an earlier conversation with American officials had pointed out that it would be infinitely easier and require many fewer men to protect a small enclave than it had been to carry on war in all of Algeria and man both the Tunisian and Moroccan frontiers. Joxe stated that the other major centers had Moslem majorities and Moslem prefects and that they would not be used for regrouping settlers. He professed to have no idea what would happen to the areas left under Moslem control.]

[Joxe had previously tended to dismiss the concept of Algerian partition as unworkable, but his views may have changed as a result of fresh impressions of military and settler restiveness during his visit to Algeria last week and his subsequent discussions with De Gaulle.]

[The current farm crisis in France and mounting international tension add new urgency to the possibility De Gaulle held out in his 11 April press conference of diverting elsewhere some of the massive expenditures France is now making in Algeria. In his speaking tour of eastern France this week he is expected to clarify his position on all these issues. Meanwhile, Premier Debré is expected to make a major speech in the National Assembly on Wednesday, and he may delineate the French position further at]

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[that time. There is some speculation the French may try to arrange one more formal session of the Evian talks before writing off the negotiating effort as a loss.]

[PAG negotiators at Evian have insisted the territorial integrity of Algeria is the crucial issue. They have sharply opposed French efforts to exclude the Sahara, to retain military bases under French control, and to implement regional self-determination within Algeria. The PAG views these proposals as designed solely to maintain French political influence in a future Algeria and to retain the economically rich and developed areas under French rather than Algerian control. A move to implement partition proposals would convince PAG leaders that France does not want to negotiate a settlement, and it would probably lead the PAG to break off the Evian negotiations, step up military efforts, and seek satisfaction in the United Nations.]

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### Qasim Lays Claim to Kuwait

Although Qasim would doubtless like to acquire Kuwait's oil revenues of about \$420,000,000 a year, his primary objective in claiming Kuwait as Iraqi territory at this time appears to be to bolster his sagging popularity at home and to rally the Iraqi people behind him in a crusade to regain a "lost province." His claim appears to lack legal justification. The present Iraqi-Kuwaiti border was demarcated in 1913; it was formally accepted by the Iraqi government in 1923, and this acceptance was reiterated in 1932 when Iraq joined the League of Nations.

[While Baghdad Radio has broadcast numerous pledges by Iraqi army commanders of support for Qasim's move][the American Embassy in Baghdad reported yesterday that the general reaction in Iraq was one of incredulity and ridicule. If faced with the prospect of becoming a laughing stock, Qasim might be tempted, despite his reference to "peaceful" annexation, to make a military move against Kuwait; more likely, however, he may try to retrieve his position by some dramatic move in a new direction, possibly through nationalization of the Iraq Petroleum Company owned by British, American, and French interests.]

Saudi Arabia has been the first of the Arab countries to spring to Kuwait's defense. King Saud sent a message of support to the Ruler of Kuwait, and the Saudi chief of staff has been sent to Kuwait as a demonstration of Saudi-Kuwaiti solidarity. Qasim's claim poses a potential threat to Saudi interests in the Neutral Zones which lie on Kuwait's southern and western borders and which are jointly owned and administered by Saudi Arabia and Kuwait. Oil deposits of the southern Neutral Zone and its offshore area are being exploited by American, British, and Japanese companies.

Other Arab countries have been less quick to take sides in the dispute. However, Cairo Radio yesterday broadcast without comment a Kuwaiti government statement rebuffing the Iraqi claim, and the UAR-controlled Middle East News Agency reported that the general Arab reaction to Qasim's move was critical.

In Kuwait itself, the reaction has been strongly against Qasim, with large popular demonstrations of support for the Ruler. The

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Kuwait Radio has reacted by broadcasting statements of recognition by Arab ruler leaders, including Nasir and King Husayn, on the occasion of the new British-Kuwaiti agreement last week.

[The British government, embarrassed by this contretemps between two of its most important sources of oil, limited its immediate public reaction to a mild statement supporting Kuwaiti independence. It apparently hopes that the dispute will be settled within the framework of the Arab League.]

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The Special Assistant for National Security Affairs

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The Director of the Budget

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