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17 March 1961

CENTRAL INTELLIGENCE BULLETIN

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*Laos: Kong Le - Pathet Lao forces, while continuing to exert pressure north and south along the Vientiane -Luang Prabang highway, have also been attacking government units in southern Xieng Khouang Province on the southern approach to the Plaine des Jarres. Reports reaching Vientiane describe the situation in the Ban Ta Viang - Tha Thom area as grave, and Phoumi's forces were ordered by the local area commander to withdraw to Tha Thom, the government's main base. As of 16 March, however, government forces apparently had still not made such a withdrawal.

the enemy is also launching clearing operations against small pockets of government troops closer to Xieng Khouang town who, together with hit-and-run attacks by progovernment Meo guerrillas, have been hampering the enemy's freedom of movement.

Congo: Tshombé,

States aircraft should transport Indian troops into Katanga, "it would be wise to proceed with the evacuation of American families residing in Katanga." Opposition in Katanga to the arrival of the Indian contingent apparently has been encouraged by local Belgians who have spread the idea that the Indians are the forerunner of an "Indian colonial penetration into the Congo."

several Afro-Asian nations, including India and Sudan, are urging a large-scale reinforcement of the UN force, since withdrawal of troops "would mean surrender to Tshombé

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and would permit him and his colleagues to carry out what they wished." (Hammarskjold's advisory committee on the Congo, which is composed largely of African and Asian members, has generally expressed approval of the growing tendency of the Congolese to negotiate among themselves, although they regret that Gizenga has not been included and fear that Tshombé has "bamboozled" the other leaders.)

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(Backup, Page 1) (Map)

USSR: Khrushchev's statement at Akmolinsk on 14 March that the "time is not far off" when a man will be put into space is a significant indication that the USSR will make such an attempt in the near future. In view of the demonstrated pattern of Soviet efforts to accomplish significant "firsts" in space, US publicity that a Mercury astronaut will make a suborbital flight in space within the relatively near future probably will trigger an early Soviet attempt. The current deployment of the Sibir ships in the Pacific suggests that another space launching may be imminent. (Backup, Page 2)

<u>Cambodia - South Vietnam</u>: Cambodian - South Vietnamese relations have again become strained over the issue of alleged ill treatment of the Cambodian minority in South Vietnam. In a 14 March speech, Prince Sihanouk charged that South Vietnam was treating its Cambodian minority as second-class citizens and again raised Cambodian territorial claims against South Vietnam. Cambodia had earlier asked Hammarskjold to send a UN observer to investigate the conditions behind the flow of refugees from South Vietnam. Cambodian army units on the border reportedly are being augmented.

(Backup, Page 3)

Iran: In a major shake-up in Iran's security forces, the Shah has removed from office General Timur Bakhtiar, director of the National Intelligence and Security Organization (SAVAK), General Hedayat, chief of the Supreme Commander's Staff (SCS), and General Haj Ali Kia, the latter's chief of intelligence. The

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Shah's motives in taking these actions are not yet established. He has replaced officials long associated with his unpopular policies, in what may be an attempt to rebuild public confidence in his government. The Shah may also wish to eliminate those who might be in a position to challenge his control. Bakhtiar is known to have toyed with such ideas in the past.

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(Backup, Page 4)

Morocco: King Hassan II is reported to have given sub stantial financial and material aid to dissident bands of Mauritanian tribesmen which are being groomed for irregular military action in the Spanish Sahara, and presumably also in OK neighboring Mauritania. The acquisition of the western regions of the Sahara Desert is a major objective of Moroccan national these policy. Mauritanians have been trained in guerrilla warfare tactics by such bands were implithe Moroccan Army. cated in the seizure last week end of a group of oil prospectors, including three Americans, operating in the Spanish Sahara near (Backup, Page 5) the Moroccan border (Map)

Portugal: Prime Minister Salazar is consulting government leaders on "remodeling" the Portuguese cabinet next week. informed the US Embassy of this development believes the premier is responding to pressures exerted on him by the Portuguese military. Salazar is probably also reacting to international criticism of Portugal's rule in Africa. The anticipated changes suggest that the new cabinet will be more ready than the present one to make some modifications in Portuguese policy. (Backup, Page 7)

SELECTED INTELLIGENCE REPORTS AND ESTIMATES

(Available during the preceding week)

Situation and Prospects in the West Indies: Domestic Political Scene, the Economy, and Foreign Policy Especially Toward UK and US. U.S.I.B. NIE 87.1-61. 14 March 1961.

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Situation in the Congo

In his interview with the US consul, Katanga President Tshombé was reserved but cordial and did not discuss the specifics of the Indian troop movement. It is impossible to determine whether Tshombé intends to carry through his implied threat against Americans, but the consul believes that if violence does occur, it will have been instigated by Tshombé's Belgian advisers. According to another report, a European in Elisabethville stated on 15 March that "immediate and serious internal disorder will result throughout the Congo" if Indian troops are brought in.

Afro-Asian representatives at the UN apparently have not yet developed a position toward the Tananarive conference. Most of them, with the exception of Guinea, are reserving judgment on the conference. However, at the 13 March meeting of the advisory committee, Hammarskjold raised the question whether Kasavubu's installation as head of the confederation invalidated his claim to recognition by the UN, which has acknowledged him as chief of the republic set up last June. This question was later raised publicly by Ghana, which asserted in a 15 March statement that Kasavubu had abdicated "by accepting an office which is dependent upon the dissolution of the Congo Republic."

the Sudanese Government has postponed the withdrawal of its troops from the Congo as a result of a strong plea from Hammarskjold. The government reportedly has not decided whether to remove these forces or not. A previous report indicated that the unit would be withdrawn but would be replaced at an early date.

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Soviet Readiness for Manned Space Flight Attempt

The USSR probably demonstrated to its own satisfaction in August 1960 the basic capability to accomplish recovery of man from orbit in the Sputnik V operation, with its cargo of dogs and other biological specimens. Three primary factors, however, probably militated against Moscow's making a manned attempt in the fall of 1960: the scientific desire to study over a period of time the effects of space exposure on the biological specimens; the technological desire to demonstrate reliability in orbiting and recovery techniques; and Moscow's estimate that time was available to make these studies and tests and still be the first nation to place a man in space. The tests and studies which could have been performed in the interval between Sputnik V and Sputnik IX, however, could have satisfied little more than its minimum scientific and technical requirements.

The Sibir ships are proceeding southeasterly into the Pacific about 900 miles apart, the first having left on 1 March and the last being still in the Petropavlovsk area. This unique single-file departure may indicate that they will play a different role from that in prior operations. In any case, the deployment of the ships would permit much longer radio contact with an orbiting satellite, an important objective in an experiment involving man in space.



Morocco May Resume Campaign for Territorial Expansion Southward

King Hassan II may view the activities of Military irregulars in the western Sahara as a means not only of implementing policy but also of diverting attention within Morocco from his inaction regarding constitutional reform.

Morocco's claims to Spanish-controlled Ifni, Spanish Sahara, Mauritania, and the western portion of the French-governed Algerian Sahara province of Ain Sefra, were asserted by Istiqlal party leader Allal el-Fassi immediately after independence was obtained five years ago. The party apparently encouraged raids on European establishments by marauding nomads, and in the fall of 1957 tribesmen and Moroccan irregulars attacked the Spanish garrisons in Ifni and in northern Spanish Sahara. Since then the Moroccan Army has occupied the outlying areas of Ifni. Spain transferred to Morocco in April 1958 a substantial strip of northern Spanish Sahara, now known as the territory of Tarfaya. Concerted Spanish and French military counteraction quashed irregular activities farther south.

The captured oil prospectors were operating in a concession granted by Spain to the United Oil Company. an American firm. apparently desiring to implicate the Moroccan Government in the affair, claims to be in possession of instructions from the governor of Agadir Province to local authorities to investigate petroleum research activities of the American firm and undertake to terminate them.

armed men had been infiltrated from Morocco into Mauritania by way of Spanish Sahara to create internal disturbances there when the UN General Assembly reassembled.

has proof that the band which seized the oilmen was directed by a Moroccan Army officer in a deliberate provocation.

claims to have evidence the capture of the oilmen was planned well in advance and was carried out by the Moroccan Army. The counselor of the Spanish Embassy in Rabat, however,

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Cambodian Refugees From South Vietnam

The relations between Cambodia and South Vietnam have deteriorated further since a Saigon daily, <u>Saigon Mai</u>, broke a press truce between the two countries and launched a series of inflammatory anti-Cambodian articles in early February. Prince Sihanouk, who is always suspicious of Vietnamese intent, is convinced that this attack was government inspired. He appears to have seized upon the refugee problem as justification for a retaliatory move. This problem is primarily the result of unsettled conditions in southern Vietnam and the clashes between the government forces and Communist guerrillas.

Prince Sihanouk's speech, however, went further than to denounce the Diem government's treatment of its Cambodian minority and raked up the whole issue of Cambodia's claims to the former French colonial area of Cochin China, South Vietnam's southernmost region. He castigated the French colonial rule both for having consistently sacrificed Cambodian territory to Vietnamese interests and for having failed to protect minority rights when the territory was turned over to the Vietnamese in 1954. His statement that the United Nations, concerned with the welfare of tens of thousands of Europeans in Africa, should be even more concerned with the mistreatment of the several hundred thousand Cambodians in Vietnam is the first public suggestion that he is seeking UN intervention in the dispute with Diem.

The US Embassy in Phnom Penh suggests that Sihanouk may have been attempting to forestall leftist elements from making political capital of these areas of Cambodian discontent. Regardless of his intent, however, this outburst from the chief of state threatens to destroy the slow progress toward rapport which had been under way over the past year.

Major Shake-Up in Iran's Security Forces

Brig. General Hassan Pakravan, formerly first deputy of SAVAK in charge of foreign operations, now has been appointed chief of the organization. He is a competent intelligence officer but not a strong administrator. Brig. General Hassan Alavi-Kia, who was second deputy under Bakhtiar in charge of domestic intelligence and security and now Pakravan's deputy, has indicated that he expects to provide the real guidance for the organization. Bakhtiar believes that while these two men are technically best qualified to direct SAVAK, neither is strong enough to withstand the political pressures they will face. Bakhtiar claims he told the Shah he could no longer associate himself with policies which will cause the downfall of the regime.

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The new chief of the Supreme Commander's Staff is General Abdol Hossein Hejazi, formerly commander of the ground forces. Various high-ranking military and civilian officials have privately expressed the opinion that Hejazi is a poor choice for the post because he is weak, is unable to control his generals, and is a "rubber stamp" for the Shah.

The chief of intelligence for the Supreme Commander's Staff, General Haj Ali Kai, has been replaced by Lt. General Azizollah Kamal, who has been in command of the III Corps. Kamal has been described as "a very nice, sincere old man" but a weak commander.

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believes that the men and their equipment may have been seized by nomads, or irregulars, for ransom.

Although Rabat apparently is working to release the oilmen, the Istiqlal newspaper in an editorial on 15 March warned "foreign companies that only Moroccan sovereignty could guarantee peaceful conditions for oil or mineral exploitation and only concessions granted by Morocco would be recognized in zones presently under French or Spanish yoke."

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Salazar to "Remodel" Portuguese Cabinet

told embassy officials that General Botelho Moniz, minister of defense, "comes out of the reshuffle stronger than ever." Moniz, who claims to have the backing of 90 percent of the military, has been pressing Salazar since the Santa Maria episode in January and the February disturbances in Angola to make changes in Portuguese policies in Africa or risk the loss of military support of the regime. Moniz has reportedly felt for some time that the military might be forced "to take matters into their own hands."

The events in January and February have also emboldened the civilian opposition in Portugal. In early February, in an **unprecedented action**, Salazar permitted the President to receive three members of the opposition who presented a formal request for political concessions. Salazar has also felt it was necessary for the opposition to "let off some steam" in the controlled press. Mounting international criticism of Portugal, particularly as regards its African policies, and the realization that Portuguese Africa has been selected as a target for special attack by anti-colonialist countries in the UN may also have led Salazar to believe he must at least make gestures in the direction of change.

The most significant change slated appears to be a shift in the Ministry of the Presidency. The holder of this position is generally regarded as the most likely successor to Salazar, and the present incumbent, Theotonio Pereira, is an ultraconservative dedicated to continuing Portugal on the path chosen by Salazar. The reported new appointee to this key post, Dr. Marcello Caetano, is probably the most respected and popular figure in Portuguese politics. As a former minister for the overseas areas, he is familiar with the basic problems at issue and is reported to have become more liberal in his views in recent years. He and Moniz have political foes in common and could be expected to work well together. Moniz

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may have also achieved a victory in getting his supporters into the Overseas Ministry, and into the three military ministries.

Pereira is slated to take over the Foreign Ministry. The present foreign minister, Marcello Mathias, would return to his previous post as ambassador in Paris.

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The Under Secretary of State

The Director, International Cooperation Administration

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The Deputy Under Secretary of State for Administration

The Counselor and Chairman of the Policy Planning Council

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

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The Assistant to Secretary of Defense (Special Operations)

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