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5 May 1961

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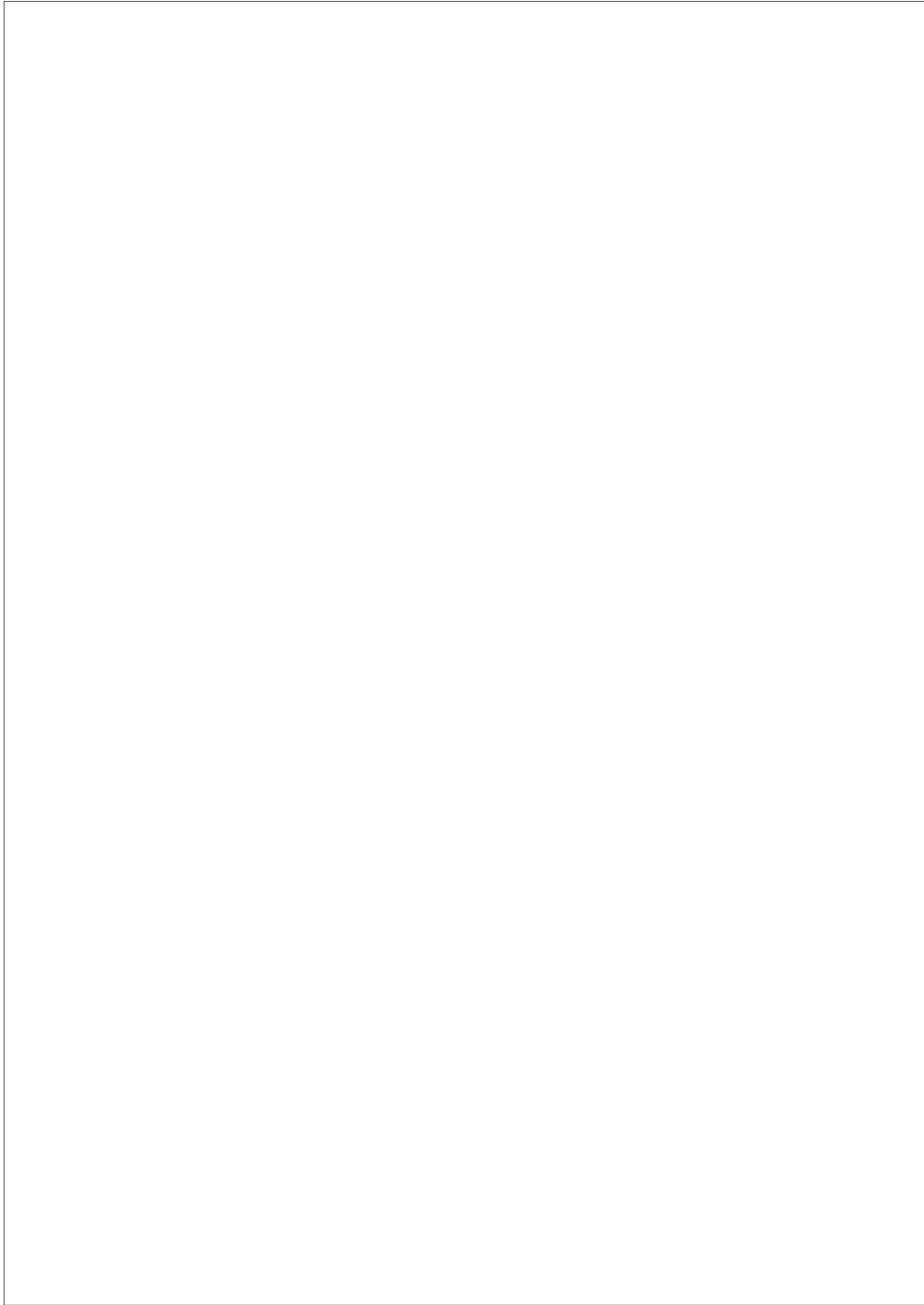
CENTRAL INTELLIGENCE BULLETIN



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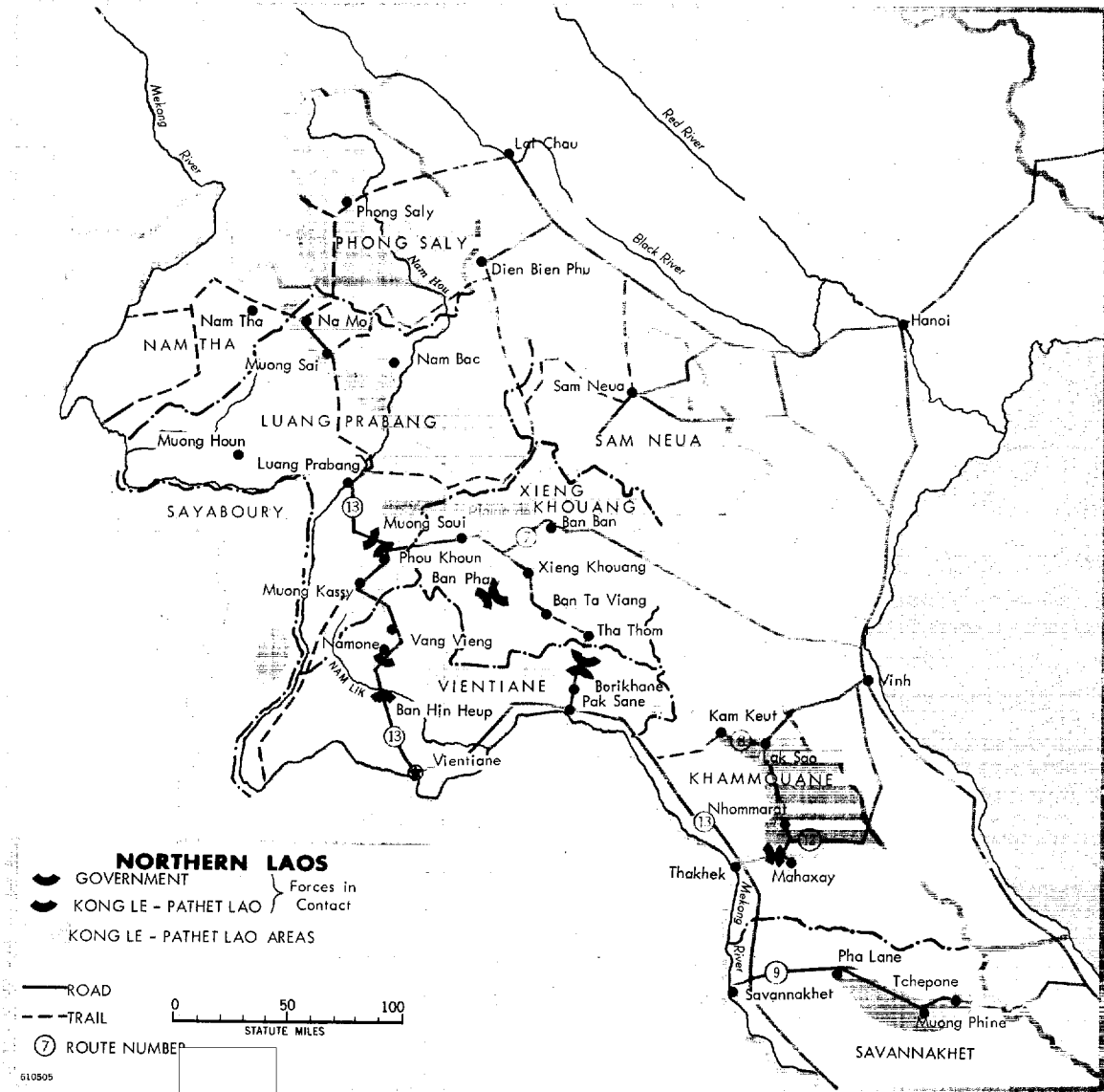
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CENTRAL INTELLIGENCE BULLETIN

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DAILY BRIEF

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Laos: Procedures for formally establishing the cease-fire in Laos have not yet been agreed upon. General Phoumi has countered Souvanna's proposal that political and military talks begin in Namone on 5 May with a suggestion that the talks be limited to military topics and that they be held in neutral territory just above the Nam Lik.

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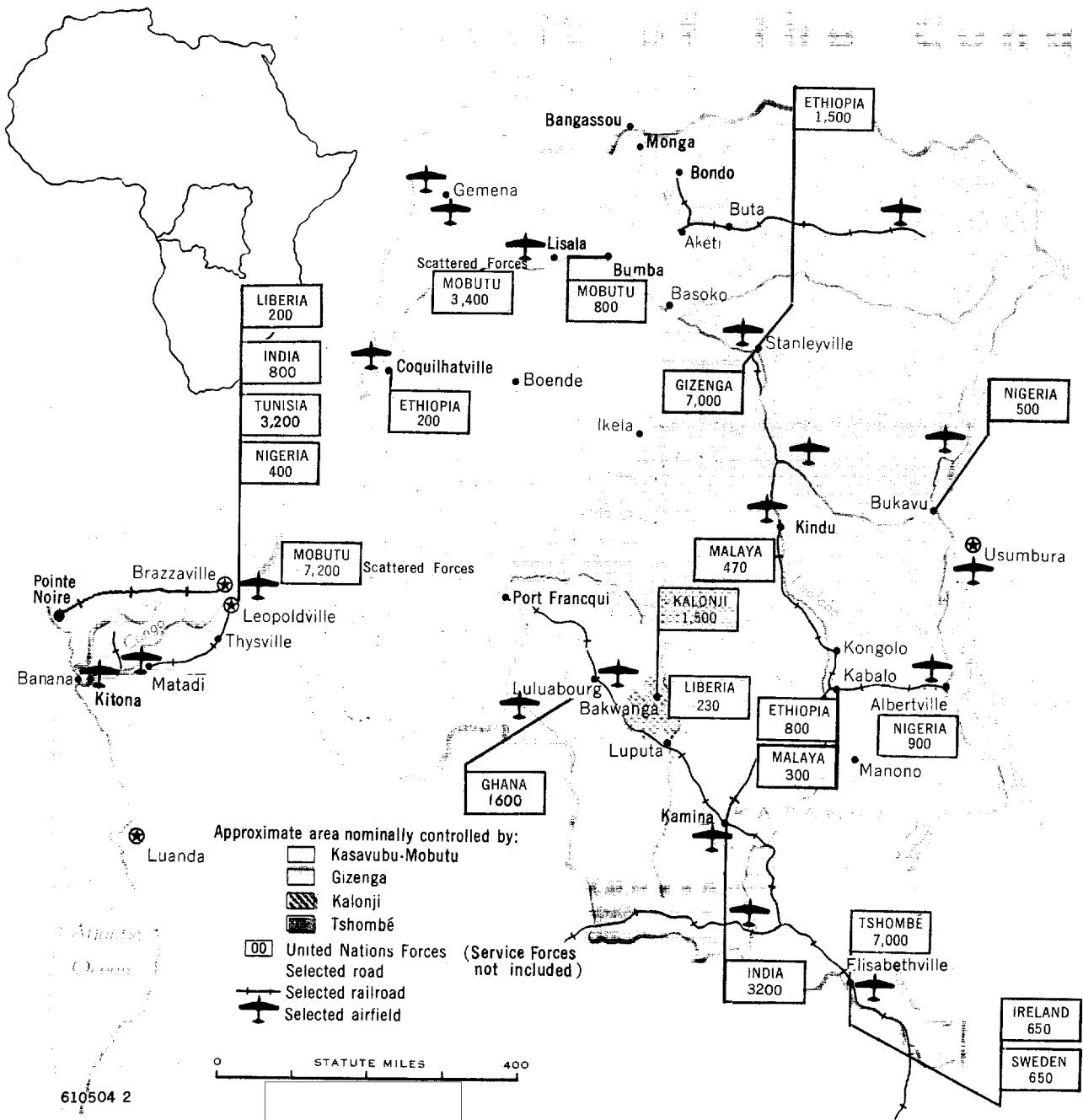
[redacted] Pha Lane, about 40 miles east of Savannakhet, is now in enemy hands. Aside from this development, there has been little change on the major fronts, although there are continuing unconfirmed reports of Pathet Lao guerrilla operations in western Luang Prabang Province.

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[redacted] Soviet airlift operations into Laos continue.] [redacted]

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Congo: In Elisabethville, remarks by UN officials implying that the UN will not intervene on Tshombé's behalf may have shaken the initial disposition of Tshombé's lieutenants to cooperate with the UN. In Coquilhatville, the inconclusive character of resolutions so far passed without the presence of representatives of the Gizenga and Tshombé regimes may stimulate new efforts, particularly by the army, to "encourage" participation of Elisabethville and Stanleyville representatives in the conference.

[Ghanaian President Nkrumah is alarmed at casualties incurred by Ghanaian troops in a clash with Congo Army forces at Port Franqui, and

unless Ghanaian troops were reinforced he would withdraw them from the Congo.

Although military operations have lately been on a reduced scale there is a danger of new violence in northern Katanga, where a (Malayan force plans to disarm an unspecified number of hostile Katanga gendarmerie.)

France-NATO: (Paris apparently intends to press strongly its argument for an independent French nuclear striking force at the 8-10 May Oslo conference of NATO foreign ministers and will certainly do so during President Kennedy's visit to France 31 May - 2 June. The French deputy permanent representative to the NAC advised his Foreign Ministry in a 12 April memorandum that French participation with the US and UK in strategic nuclear planning for the alliance is the only guarantee that Europe will not be "sacrificed" in a nuclear war, and that such participation is unlikely unless France acquires its own striking force. Foreign Minister Couve de Murville, purportedly reflecting De Gaulle's personal views, told Ambassador Gavin on 19 April that France considered it "unrealistic" to assume that the US would initiate the use of strategic nuclear weapons "merely because Germany or France were being overrun," and that therefore France could not surrender its responsibility for national defense "to NATO or anyone else.") (Backup, Page 3)

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France: [The Joint Atomic Energy Intelligence Committee (JAEIC) issued the following statement on 4 May:]

1. [The fourth French nuclear test, previously reported in the JAEIC statement of 25 April 1961, was detected by one acoustic station and by four electromagnetic stations of the Atomic Energy Detection System as having occurred at the Reganne Proving Ground at 0508Z on 25 April 1961, and had a yield of 1/4-2KT. Radioactive debris from this test was intercepted on 28 April 1961 and a preliminary analysis of this debris indicated that the French test device utilized plutonium as the fissionable material.]

2. [A report has been received that the French were testing a prototype device of a weapon planned to be compatible with the Mirage IV bomber and expected to yield 15 to 17 kilotons. They further reported that the yield was about 1 KT and that the test was a failure.]

3. [The Mirage IV bomber can accommodate a weapon with a diameter of approximately 45 inches and a weight of 3,000-5,000 pounds. If the device tested were intended for this bomber and failed to give the expected yield, it would indicate that the French weapon development program is lagging and/or encountering severe design problems.]

France-Algeria: [De Gaulle

[redacted] had been "surprised and bitterly deceived" by the recent coup attempt in Algeria. De Gaulle believes a complete reorganization of the French Army and administrative security services is needed, and said he is less upset by those who actively opposed him than by "fence-sitting" officials who waited to see which side would win out in the crisis. Contrary to numerous press stories, De Gaulle [redacted] does not anticipate making changes in his cabinet at this time.]

[De Gaulle anticipates that negotiations with the Algerian rebels will begin about 11 or 12 May, but professes pessimism about the prospects of these negotiations because of divisions within the rebel leadership. Describing tension among the]

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[European settlers in Algeria as greater now than ever before, De Gaulle questioned how long the Moslems will remain calm, and indicated he feels new outbreaks of terrorism in both Algeria and France are probable.]

Communist China - USSR:

While Sino-Soviet trade talks were concluded with the signing of the annual trade protocol on 7 April, discussions begun in February involving Soviet long-term assistance and technical aid for China are still dragging on, and do not appear to be going smoothly. Technicians are not likely to return unless some position agreement is reached in these talks.

rw

India: A bumper rice harvest, combined with an increase in other food-grain crops, has resulted in a new high in Indian food-grain production during 1960-61. While these results reflect in part New Delhi's strenuous efforts to expand acreage and yields, the key factor appears to have been generally favorable weather. The average food-grain production over the past three years nonetheless represents a gain of about 42 percent over production a decade ago, thus more than keeping pace with India's 22 percent population rise during the same period. (Backup, Page 5)

ck

Iran: The strike of government-employed teachers demanding higher pay which started in Tehran on 2 May is snowballing into larger popular demonstrations against the regime. Large crowds were reported on 4 May to be demanding the resignation of Prime Minister Sharif-Emami, and the army has been called in to help maintain order. Employees of other

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government ministries are considering joining the demonstrations. Communist sympathizers, who are strong in the Ministry of Education, will welcome the occasion to harass the government, although they did not instigate the strike.

*Army and police units are reported very much in evidence. These forces have the capability of maintaining order, but the degree of their loyalty to the government is uncertain. A repetition of the violence which has already caused the deaths of two teachers would further alienate the already considerable body of moderate opinion, which is turning against the Shah.

[redacted] Backup, Page 6)

Ghana: Changes in government and party positions announced in Accra on 1 and 2 May represent the latest in a series of moves by Nkrumah aimed at extending his direct personal control over virtually all key governmental functions and over the apparatus of the ruling Convention People's party. The changes apparently are motivated largely by domestic considerations--especially Nkrumah's dissatisfaction over the pace at which Ghana's development programs are being implemented--but also reflect frustrations he has encountered in his pan-African policies. The cabinet reshuffle has weakened the regime's "old guard," and appears to have strengthened younger and more radical elements, many of whom are impressed by the social and economic experiences of Communist countries. [redacted]

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~~SECRET~~Laos

[The political situation in Vientiane is becoming more unstable as a result of widespread disgruntlement within the governmental structure over the bleak military and political outlook. Ambassador Brown reports there is increasing dissatisfaction among the armed forces and the National Assembly with the Boun Oum - Phoumi leadership. There is talk in local political circles of a possible move by the deputies to bring about a change in the government when the assembly reconvenes on 11 May. Sihanouk's report that King Savang was planning a shake-up on that date stemmed from a misunderstanding of Savang's remark that the formation of a new government might be discussed when the assembly reconvenes,]

[Sihanouk has notified the British and Soviet ambassadors in Phnom Penh of his intent to stay away from the Geneva conference. He is described as being in a highly emotional state, feeling that he was insulted during his visit to Luang Prabang and accused by King Savang in so many words of meddling in Laos' affairs. Sihanouk's agitation also reflects his serious concern over Cambodia's welfare as a result of Communist gains in Laos.]

[] the 14-nation conference on Laos be postponed a week or ten days. [] further time would allow both Sihanouk and King Savang to be persuaded of the value of the conference. [] more time was also needed to coordinate Western positions. In Bangkok, Thai Foreign Minister Thanat Khoman has expressed the view that the opening date of the conference will have to be postponed to enable the ICC sufficient time to do its work and report to the co-chairmen.] []

North Vietnam announced on 4 May that its delegation to the 14-nation conference had been appointed and would be led by Foreign Minister Ung Van Khiem. []

[] the Chinese

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Communists are planning to send a sizable delegation. [redacted]
 [redacted] three TU-104's would fly from Moscow to Pei-
 ping on 5 May and that these aircraft would be used by the
 Chinese delegation to the conference in Geneva. A fourth TU-
 104 is being held in reserve for the Chinese. While the Chi-
 nese probably will not fill these airplanes to capacity, each
 TU-104 is capable of carrying at least 75 passengers. [redacted]
 [redacted]

[redacted] President Diem and South Vietnamese military leaders,
 at a 3 May meeting in Saigon, are reported to have decided
 to form a task force of three infantry battalions and position
 them on the Vietnamese-Lao border at Route 9 for possible
 intervention in Laos. Some Vietnamese military elements in
 civilian clothing have previously entered Laos to help repel
 the Communist forces. [redacted]
 [redacted]

[redacted] since Com-
 munist incursions into southern Laos posed a grave threat to
 South Vietnam, the Diem government must take immediate
 countermeasures. These included the possible dispatch of
 Vietnamese troops into Laos along Route 9 as far west as
 Muong Phine. [redacted] this was the recommen-
 dation of General Don, Vietnamese army commander of the
 Second Military Region just below the 17th parallel.]

[redacted] General Phoumi is reported to have asked South Vietnam
 on 1 May for help in stabilizing the situation in the Tchepone
 area. As of 4 May, the former Laotian garrison at Tchepone
 was still holding a defensive perimeter two miles southeast of
 the town. At a minimum, Diem probably feels that the situa-
 tion in Laos is sufficiently threatening to require troops on
 the frontier to guard against possible Communist incursions
 into Vietnamese territory.] [redacted]
 [redacted]

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[REDACTED]

France Renewing Arguments for Independent Nuclear Force

[There were indications last year that De Gaulle intended to "wait for a new US administration" before renewing his demands for US nuclear assistance and tripartite strategy and policy coordination. He reopened one of these subjects in his 11 April press conference when, after reiterating his familiar argument against integration of French forces in NATO, he sharpened his long-standing demand for tripartite Western policy and strategy coordination in terms of the "necessity to thoroughly clarify the question of the use of nuclear armaments of both Western powers who possess them.]

[De Gaulle's views were elaborated on 19 April by Couve de Murville, who told Gavin that he thinks "NATO"--and implicitly a variety of related problems--will be the first item of interest in the forthcoming talks between the French and US presidents. According to Couve, NATO is unrealistic as now conceived, particularly as regards the strategy of US nuclear retaliation to save Europe from being overrun by the Soviets. He said De Gaulle believes that in any major Soviet attack Germany would be overrun and the "battle of Europe" decided in France. Couve stated that the West would necessarily use tactical nuclear weapons against Soviet forces but would not use strategic weapons against the USSR unless the latter first used them against the US. Therefore France has concluded that "warfare under NATO auspices" would result in the total destruction of western Europe. With this prospect, Couve said any nation is "extremely reluctant" to give responsibility for its own defense to anyone else, such as SACEUR.]

[Ambassador Finletter reported on 3 May that he had been shown copies of French deputy permanent representative Jurgensen's memorandum in connection with the latter's summary of what he expects to be the French position on military matters at the Oslo conference. The memorandum's discussion of the need for and ways of maintaining strategic nuclear weapons in Europe described the idea of a multilateral NATO deterrent as "not necessary," asserted that purely maritime deployment of missiles is unsatisfactory, and argued that therefore "possession by France on its territory of its own"]

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[nuclear strike force is in the interest of all western Europe." The memorandum concluded that France must either "go it alone" to acquire its own strike force, or must receive from the US technical cooperation, both nuclear and missile, similar to that given the UK. The memorandum hinted that if this were provided, France's position in NATO would be more cooperative.]

[In view of past French performance at North Atlantic Pact sessions during periods of De Gaulle's efforts to assert France's claims to a special position with the US and UK in NATO, the French may criticize and stall in Oslo conference discussions--primarily with the idea of laying the groundwork for De Gaulle's talks with President Kennedy in Paris.]

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Indian Food-Grain Production at New Highs for 1960-61

As a result, government food-grain stockpiles now amount to nearly 3,000,000 long tons, the highest level since independence was attained in 1947. The program to build up these stockpiles as a buffer against adverse weather in future years is being aided substantially by New Delhi's purchases of American surplus agricultural commodities under the PL-480 program.

The improved food supply situation will help the ruling Congress party, facing elections in Orissa State next month and nationally early in 1962. In addition, it will help the career of Food and Agriculture Minister S. K. Patil, an energetic Bombay politician who originally shied away from the job because of the possible hazards to his ambitions. While he now is in a position to capitalize on agriculture's successes and has strengthened his party position by assuming several key responsibilities for the 1962 elections, he must accelerate the pace of food-grain production during the next five years.

The Third Five-Year Plan (1961-66) calls for an additional increase in food-grain production--by more than 31 percent over this year's 76,000,000 long tons--largely through improvement of techniques and extensive production and use of chemical fertilizers. This food program is at the heart of the Third Plan, and the importance of achieving its goals is emphasized by the fact that India's population--now about 438,000,000--has already exceeded the level expected for 1966 made by Indian planners during preparation of the Second Five-Year Plan in 1955.

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[REDACTED]

Demonstrations in Iran increase in intensity

[The present demonstrations are more serious than those following the rigged parliamentary elections earlier in the year--demonstrations which had been confined almost entirely to university students and attracted little public support. The strike has been planned for some time and climaxes a period of increasing teacher activity which has included peaceful one-day strikes in Tehran and the provinces. Prime mover in the teachers' activities has been Mohammad Derakhshesh, chairman of the "Licentiates Society," who was arrested on 1 May in an attempt to head off the strike. He has since been released. The standard teacher's salary is about \$40 per month, little better than that of many common laborers. The government budget for this year provides for an additional \$4,400,000 to raise salaries by 10 to 15 percent, but the demonstrators now are demanding an even greater increase. A probable further complication is Derakhshesh's desire to demonstrate his influence with the teachers. His rival for leadership of the teachers, who was government-sponsored, was elected to parliament.]

[The schools and the bazaar are closed and there are rumors that employees of the Ministry of Justice and the Ministry of Health, as well as bus and taxi drivers, may join the strike. The antigovernment National Front is reported to be debating whether or not to throw its support to the strikers. The National Front will have an opportunity to turn out in force on 5 May to attend the commemoration services being held on the 40th day after the death of former Prime Minister Mos-sadeq's finance minister.]

[The army, unlike the police, is not trained in riot control, and further large demonstrations could lead to more bloodshed. However, the willingness of the army to fire on the demonstrators has not been tested; if it refuses, this would probably mark the beginning of a precipitous decline in the prestige and influence of the Shah.] [REDACTED]

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~~CONFIDENTIAL~~Nkrumah Widens Personal Role in Ghana

President Nkrumah, who was endowed with far-reaching executive authority under the republican constitution Ghana adopted last July, announced in mid-February that he planned to take over the secretary generalship of the Convention People's party (CPP) as of 1 May. [In the same speech he expressed dissatisfaction with the "ideological deficiencies" of many of his supporters and promised to strengthen the mechanism of the CPP.]

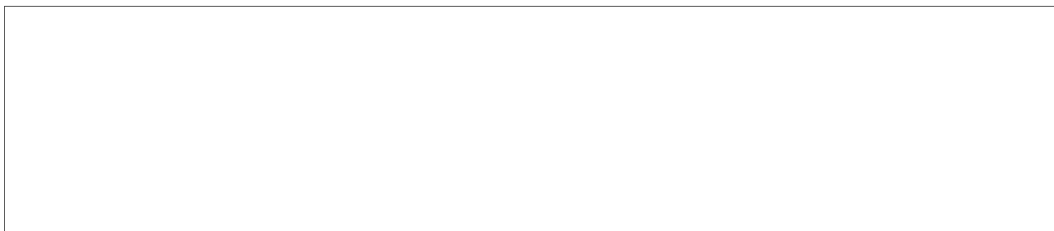
Nkrumah's wider purpose and his dissatisfaction with increasing intra-party bickering were brought into clearer focus early last month in a major policy address calling for tighter party discipline and the complete subordination under the CPP of Ghana's labor, farmers, cooperative and women's organization. At the same time, he demanded that members of parliament must either liquidate their private investments or resign, and pledged, in unprecedentedly forceful fashion, to root out the traditional evil of official corruption. In subsequent public statements on 18 April and 1 May, Nkrumah announced modifications in the government's structure and innovations in the party apparatus--such as directing regional administrative officers to act also as regional party secretaries--increasing his own direct influence over the regime. He described his campaign as a move to "put our house in order" in anticipation of new phases of the pan-African movement abroad and the "industrial and technical revolution" at home.

The American Embassy in Accra reports that these initiatives by Nkrumah have sharply accentuated differences in outlook among ministers, and other party and government leaders. This was particularly apparent during the week preceding the announcement of the new government when a group composed primarily of early Nkrumah supporters, many of whom, such as Finance Minister Gbedemah and Agriculture Minister Botsio, have acquired substantial personal holdings, waged a better struggle against the radicals. The absence of any dramatic personnel changes in the new cabinet indicates that the older leaders apparently succeeded in forcing Nkrumah to forego, at least temporarily, the sweeping changes which seemed

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to have been in the offing. Nevertheless, both Gbedemah and Botsio have had their powers curtailed while former Minister of Social Welfare Quaidoo, who attacked the party and indirectly Nkrumah in parliament on 25 April, has been dropped from the cabinet entirely. The left wing's representation, meanwhile, has been strengthened by the inclusion of former CPP secretary general Adamafio as minister of state for presidential affairs.



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The Director for Intelligence, The Joint Staff

The Assistant Chief of Staff for Intelligence, Department of Army

The Director of Naval Intelligence, Department of Navy

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