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9 November 1960

CURRENT INTELLIGENCE WEEKLY SUMMARY



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CENTRAL INTELLIGENCE AGENCY

OFFICE OF CURRENT INTELLIGENCE

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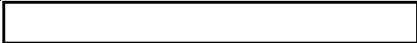
T H E W E E K I N B R I E F

PART I

OF IMMEDIATE INTEREST

THE SOVIET ANNIVERSARY CELEBRATION Page 1

Bloc leaders now gathered in Moscow for the anniversary celebrations of the Bolshevik Revolution are expected to concentrate on the Sino-Soviet problem in meetings which may continue until 19 November. Despite the heavy emphasis on Communist unity contained in both Soviet and Chinese comment on the anniversary, Moscow and Peiping have so far held firmly to their positions on the major points of conflict. The public celebrations have followed closely the pattern of recent years: a keynote declaration which advances claims to a series of foreign and domestic achievements and a brief military display.



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CUBAN DEVELOPMENTS Page 4

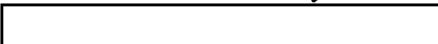
Observances in Havana of the anniversary of the Bolshevik Revolution included a special reception by the government-controlled labor confederation for the Soviet ambassador, who again pledged Soviet "aid and support" for the Cuban revolution. An increasing number of Cuban delegations are traveling in the Sino-Soviet bloc. There is some reason to believe that Che Guevara's visit to East Germany around 1 December will provide the occasion for Cuba's expected announcement of diplomatic recognition. The Castro regime continues its active support to Communist and other revolutionary groups in many Latin American countries; it likewise continues to strengthen Cuba's civilian militia.



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SITUATION IN LAOS Page 5

The situation in Laos continues to drift. Premier Souvanna Phouma is off on another fence-mending tour of the northern provinces; while in Luang Prabang he will have an opportunity to consult with former Premier Phoui, who seems about to try his hand at bringing about a reconciliation of non-Communist forces. However, Phoui's fall from power last January was attended by a great deal of bitterness, the scars of which may limit his usefulness as a mediator.



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SITUATION IN THE CONGO Page 7

The stalemate between Mobutu and Lumumba continues in Leopoldville. At the UN General Assembly, debate on the eight-nation Afro-Asian resolution to seat the Lumumba

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PART I (continued)

delegation is likely to become a full-dress debate on the Congo situation with sharp African and Communist attacks on the role of Belgium and the Western nations. In contrast to the relative political lull in Leopoldville, pro-Lumumba forces are active in Orientale Province.

[Redacted]

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PART II

NOTES AND COMMENTS

FRANCE-ALGERIA Page 1

De Gaulle's 4 November speech, in which for the first time he spoke of a future Algerian "republic," has occasioned the resignation of André Jacomet, the second-ranking French administrator in Algeria. The government evidently fears that the Jacomet incident may impel proponents of a French Algeria to defy De Gaulle's stern warning against obstructing his policy and is reported considering measures to remove recalcitrant civil and military officials. Meanwhile, the rebel provisional government still rejects De Gaulle's terms for negotiations and is parading its promises of Communist bloc assistance in the hope that his bid for international understanding will not soften the forthcoming UN resolution the Afro-Asian bloc is pushing.

[Redacted]

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SALVADORAN SITUATION Page 2

The Salvadoran Army is becoming increasingly apprehensive over the failure of ex-President Osorio, who was behind the overthrow of the Lemus regime on 26 October, to head off a strong bid for power by Communists and other pro-Castro leftists in the new provisional government.

[Redacted]

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SOVIET UN TACTICS Page 3

Moscow's desire for a close alignment with the Afro-Asian states has forced some modification in Soviet tactics in the UN. In deference to the wishes of these states, the Soviet delegation has abandoned pressure for an immediate debate on colonialism, and Afro-Asian introduction of compromise draft resolutions on disarmament has made it difficult for the bloc to carry out Khrushchev's

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threat to walk out of the Political Committee. Widespread opposition to Khrushchev's plan for reorganizing the Secretariat has also led the Soviet delegation to postpone a showdown on this issue. By linking the issue of the enlargement of the Security Council and the Economic and Social Council with the seating of Communist China, the USSR hopes to improve prospects for achieving Peiping's admission in the next General Assembly. [redacted]

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SOVIET BLOC ACTIVITY IN INTERNATIONAL CIVIL AVIATION . . . Page 5

The Soviet bloc is pushing ahead with its program to conclude civil air agreements with free-world countries. Thus far in 1960, bloc members have concluded or revived about 19 agreements with nonbloc countries, with Czechoslovakia accounting for almost half of these. Prague has extended its civil air routes to Indonesia in the east and Guinea in the south, and apparently is preparing to operate routes to both North and South America. [redacted]

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EAST GERMAN EFFORTS TO SOLVE AGRICULTURE PROBLEMS Page 7

In an effort to cope with agricultural problems and passive resistance among the peasants, East Germany has carried out and is expected to continue widespread shake-ups throughout district and local party and government organizations. Such administrative measures are unlikely to be effective, however, and there may be food shortages in urban areas during the coming months. [redacted]

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THE NORTH VIETNAMESE ARMY Page 8

North Vietnam apparently intends to reduce spending for its military forces this year. Economic considerations have dictated cutbacks in personnel and finances, but these curtailments are not to affect the basic effort to create a better equipped and technically competent army. Significant progress has in fact been made in modernization of the armed forces over the past several years, and North Vietnam now has acquired a limited air transport capability that may foreshadow the development of some tactical air strength. Much of the army's equipment has come from Communist China, in violation of the Geneva agreements of 1954. [redacted]

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SOVIET-IRANIAN RELATIONS Page 9

Moscow has apparently accepted an Iranian proposal for a "good-will mission" headed by Prime Minister Sharif-Emami and has invited the Shah's sister to visit the USSR, probably in the hope that such contacts will eventually result in Iranian willingness to make concessions on the issue of foreign military bases on Iranian soil. Both

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the Shah and the new prime minister wish to improve relations with the USSR; however, they have emphasized their determination not to agree to any arrangements with Moscow at the expense of Tehran's ties with the West.

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BLOC ECONOMIC ACTIVITY IN IRAQ Page 10

Bloc economic activity in Iraq is increasing. Czechoslovakia late last month extended a \$33,000,000 credit--raising total bloc economic aid to \$215,000,000--and additional Soviet technicians have arrived in recent months to speed up previously established programs. Qasim apparently is encouraging stepped-up bloc assistance in the hope of restoring the regime's declining popularity.

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MIDDLE EAST HIGHLIGHTS Page 11

Prime Minister Qasim's position appears increasingly insecure as the struggle between pro- and anti-Communist elements in Iraq intensifies. Communist-led strikes and riots in central Baghdad from 5 to 7 November were harshly suppressed by the Iraqi Army. In Jordan, a number of army units are being pulled back from the Syrian border area, although tensions between the UAR and Jordan continue.

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SOUTHERN RHODESIA Page 12

The Southern Rhodesian Government's latest effort to crack down on disorders and other political activity by African nationalists has brought widespread domestic criticism, the resignation of the chief justice, and British refusal to conduct constitutional talks with the Rhodesians in the present tense atmosphere. A proposed security bill which would provide long terms of imprisonment for minor breaches of the peace has led to charges in Southern Rhodesia that the colony has become a "police state."

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THAILAND AND SOVIET ECONOMIC AID Page 13

Prime Minister Sarit's recent announcement that he is prepared to accept Soviet economic aid offers is intended to underscore Bangkok's complaint that neutrals receive better treatment from the United States than does a "committed nation" like Thailand. The USSR is capitalizing on this restiveness, and may purchase more Thai rubber. Leftists and neutralist elements in Bangkok will be encouraged to engage in greater political activity and, if the government's restiveness continues, Thailand could ultimately adopt a more neutralist foreign policy.

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PART II (continued)

UPSURGE OF COMMUNIST SUBVERSIVE ACTIVITY IN SOUTH KOREA Page 14

Communist subversion and espionage have increased in South Korea. The national police, whose actions were a major cause of discontent leading to the April revolution, have become almost totally ineffective following successive purges and a reorganization. Concerned over the deterioration of internal security, the Chang Myong government is attempting to revitalize the nation's security forces. [redacted]

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BRITISH LABOR PARTY DISSENSION Page 15

The Parliamentary Labor party's election of Hugh Gaitskell as its leader by a 2-to-1 margin resulted principally from opposition to the left wing's effort to foster unilateral nuclear disarmament and neutralism in Britain. Many moderate Labor leaders, however, have privately expressed doubt that any resolution of the party's troubles is possible as long as Gaitskell remains leader. Future party developments will probably depend in large part on the position taken by George Brown, the expected winner in present balloting for deputy leader. Brown, although a right-wing trade unionist and advocate of a strong British defense policy, has been privately critical of Gaitskell's leadership. [redacted]

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POLITICAL AGITATION IN PANAMA Page 16

Activities of the powerful Arias Madrid family are causing political stresses in Panama which could threaten the month-old administration of President Chiari. Influential ex-Presidents Arnulfo and Harmodio Arias and Harmodio's son Roberto are actively exploiting Panama's deep-seated social discontent to arouse students and lower class elements. They seek in particular the ouster of the National Guard commandant, who despite his general unpopularity has been a major force for stability in Panama in recent years. [redacted]

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PART III

PATTERNS AND PERSPECTIVES

CHURCH AND STATE IN POLAND Page 1

After an attempt by Polish Cardinal Wyszynski and party leader Gomulka to work out a new modus vivendi early this year, church-state relations in Poland have deteriorated to their lowest point since the church-state

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PART III (continued)

agreement was reached in December 1956. The major moves against the church in the past year have consisted of confiscatory taxation, attempts to stop the teaching of religion in schools, seizure of church property--especially in the "Recovered Territories"--and a drive to popularize birth control. Recent information suggests the possibility of a temporary moderation by both antagonists, at least in part because of the obvious inability of either to win a complete victory. The long-term outlook for the church, however, is significantly worse than it was a year ago.

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BACKGROUND TO LAOTIAN POLITICS Page 6

Politics in Laos is primarily a struggle for power between shifting coalitions of the national elite, which is composed principally of members of the nation's aristocratic families. The adjustment of this elite to the concept of national unity and to the constitutional machinery imported after World War II is so tentative that the seizure of Vientiane by a single battalion last August has fragmented the country along traditional dividing lines. The substance of Laotian politics remains quasi-feudal, centering primarily on issues of personality, region, and family. Differences over alternative policy choices exist, but they are frequently subordinated to, or colored by, the more traditional political concerns. The Communist-dominated Pathet Lao, using mass organizational techniques, is challenging the older political order and in the present crisis is emerging as the strongest, nationwide political force.

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NATO PLANNING Page 12

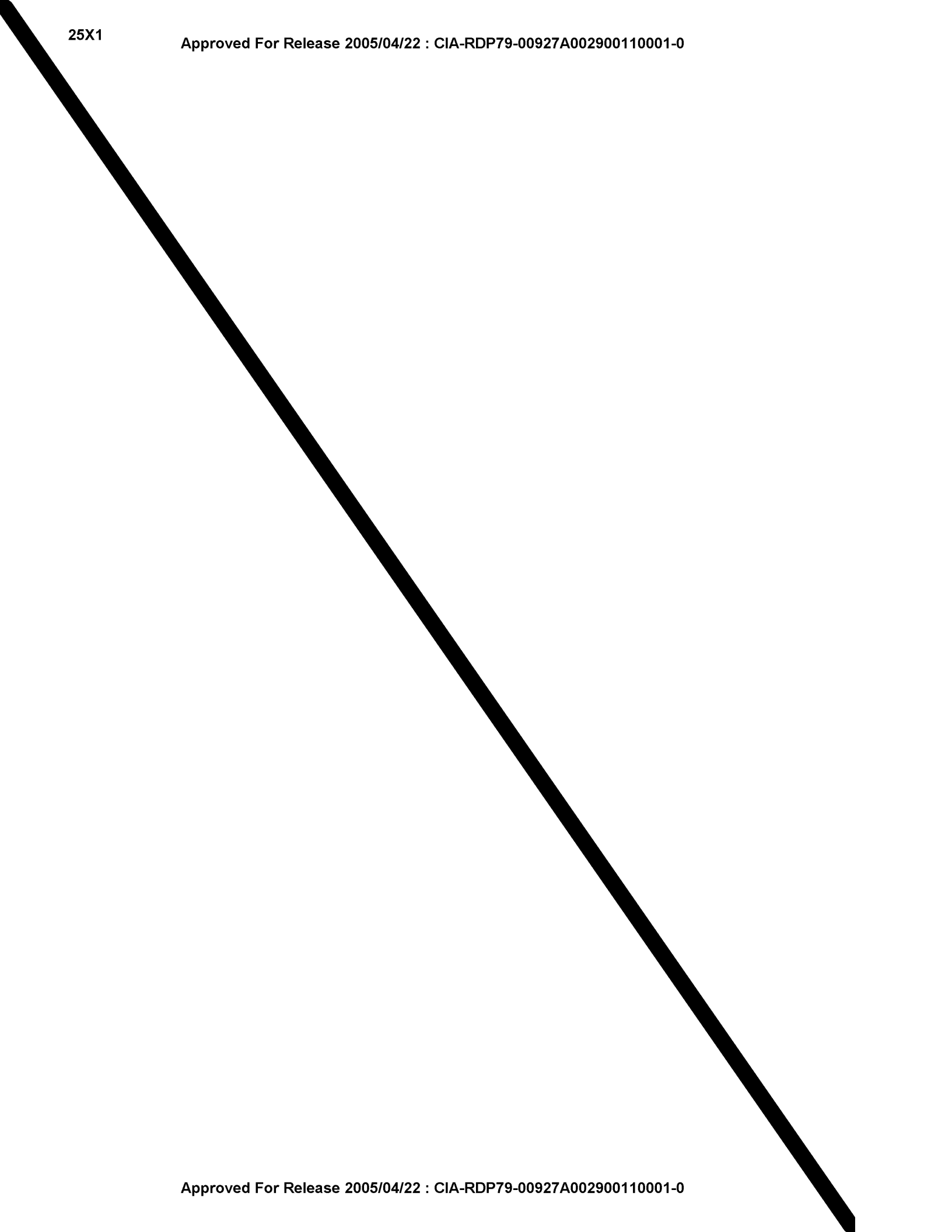
North Atlantic Council discussions this fall show an unusual sense of urgency over NATO's need to adjust to meet the changing conditions in economic as well as military spheres it will face in the next few years. Belief that the Sino-Soviet bloc's economic penetration of underdeveloped areas now constitutes the main threat to Western security has produced increasing willingness, even among the Scandinavians, to extend NATO's interest outside of Europe. Many members believe De Gaulle's drive to raise the status of France is frustrating progress.

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PART I

OF IMMEDIATE INTEREST

SOVIET ANNIVERSARY CELEBRATION

The celebration of the anniversary of the Bolshevik Revolution is being overshadowed this year by a gathering of the top leaders of world Communism for discussions of the Sino-Soviet dispute. Key statements by Soviet and Chinese leaders on the eve of the celebration indicate that neither side has retreated from its position.

Sino-Soviet Positions

Presidium member Frol Kozlov, in his keynote address on 6 November, reaffirmed in moderate terms the Soviet stand on points at issue with China and claimed that the USSR's position has been "confirmed by the course of events." He asserted that the Soviet party had "creatively developed Marxism-Leninism" at both the 20th and 21st party congresses in declaring that war is no longer inevitable even though imperialism still exists. In a statement evidently intended to indicate that the Soviet Union is determined to maintain its positions, he declared that the Soviet party remains "irreconcilable to any revisionist distortion or dogmatic deadening" of Communist theory.

Kozlov stressed that bloc unity is the source of the Communist world's strength, but noted that this strength depends on the ability of all parties to understand and apply doctrine in the "new historical situation." This implies that Chinese willingness to drop "dogmatic" thinking and accept Soviet changes in doctrine is

vital for preserving unity. Throughout the dispute the USSR has claimed that it has been right, and China wrong, in "creatively applying" Marxism-Leninism.

Chinese comments on the anniversary praised Soviet accomplishments and stressed Peiping's commitment to bloc unity. In a speech on 6 November, Foreign Minister Chen Yi noted that Moscow is the proper "center" of the world Communist movement--a formulation used by Mao in the more cordial days of November 1957 but one which has since been used only rarely.

Otherwise, Chen Yi held fast to the lines staked out by the Chinese in the dispute. He observed that the struggle against modern revisionism--Khrushchev's "creative" Marxism-Leninism--"must be carried through to the end." Chen added bite to the insult by citing as examples of Mao Tse-tung's "creativity" Chinese innovations--the "great leap forward" and the communes--which Khrushchev has found so objectionable.

Chen referred to Soviet experience during the Bolshevik Revolution to buttress arguments for the use of force in the present epoch. He characterized as the "most important universal truth of Marxism-Leninism" the assertion that Communism can come to power only through "revolutionary means."

Professions of high regard for Soviet achievements

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and bloc solidarity came also from Madame Sun Yat-sen in a 6 November article, but like Chen she did not retreat on substantive issues. She reiterated the Chinese belief that the Communist movement must "mainly rely" on struggle to "compel" the West to reach agreements.

In the opening round of what may prove to be an arduous series of interparty talks, both parties have offered courteous gestures, but a definite coolness remains.

Liu Shao-chi, who heads the Chinese delegation to Moscow, was given the place of honor at the 6 November rally and the 7 November parade, but Khrushchev has maintained a generally unsmiling and reserved attitude toward him. According to several diplomats present at the airport arrival ceremonies, both men were markedly undemonstrative in greeting, and the group of local residents assembled for the occasion was composed entirely of Chinese. At the rally, Khrushchev placed Liu on his right but, despite the presence of a Chinese interpreter behind them, spent most of the evening conversing with Poland's Gomulka on his left.

In Peiping, Mao, in a rare public appearance, attended a Soviet Embassy reception in honor of the anniversary. He apparently considered the situation serious enough to lend his prestige to the Chinese effort to manifest cordiality with

the Russians. This display of fellowship may reflect a fairly recent decision, however.

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Peiping did not decide to send a delegation to Moscow until 31 October.

The composition of the Chinese delegation suggests that Peiping is prepared for a major struggle to exclude all phrases objectionable to the Chinese from any document that might be issued at the conclusion of the interparty conclave. Aside from Liu Shao-chi, second-ranking Chinese leader, it includes five other politburo members responsible for party affairs--three of whom have already been involved in negotiations with the Russians in the present dispute--and some of the regime's leading theoretical writers.

Delegations from other Communist countries show the same complexion. Headed by the party first secretary in every case except North Korea, the delegations are composed of politburo members who deal with ideological matters and writers on theoretical problems.

There is some evidence that the party discussions will last until at least 19 November.

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The Chinese will apparently attempt to avoid a break in party or state relations with the Soviet Union--probably by expressing willingness to sign a communiqué such as that issued at the Bucharest conference of party leaders last June, which deferred both a showdown and a resolution of the dispute.

Military Display

The military parade in Moscow on 7 November lasted only eight minutes and generally followed the pattern of recent years. Aside from the usual display of armor and heavy artillery, a number of guided missiles were shown, including one surface-to-surface type reported to be slightly larger than those previously paraded, and several surface-to-air missiles reportedly of a type not seen before. Information from eye witnesses indicates that the latter represented a modification of the familiar SA-2 "Guideline," rather than a new model.

The military marchers were led by the newly appointed commander of the Moscow Military District, General of the Army Krylov. Defense Minister Malinovsky's speech to the troops stressed economic and scientific progress rather than military might. He emphasized that the Soviet Union had no plans to attack anybody, but that the threatening attitude of the imperialists forced it further to strengthen its defensive power.

Keynote Speech

Presidium member Frol Kozlov's 6 November keynote address presented the usual claims of achievements both at home and abroad, with no new departures

from standard Soviet policy positions. Stressing the validity of the peaceful coexistence line, he singled out Khrushchev's UN performance for praise, and asserted that Soviet foreign policy had proved effective and produced substantial results. He concluded a general review of the international situation and East-West problems by declaring, "We propose to the Western powers that they undertake honest talks between states on outstanding issues in international relations."

The speech revealed no new economic programs and reiterated the familiar themes of prefilling the Seven-Year Plan and catching up with the West. Kozlov's optimism concerning industrial achievements--an over fulfillment of 1960 targets and a 23-percent increase in gross industrial production in the last two years--was not duplicated in his agricultural pronouncements, which were more noncommittal than on any similar occasion in several years. He cited only the Russian and Belorussian republics for fulfillment of agricultural goals.

Kozlov admitted that the weather was "extremely capricious" this year and felt called upon to reassure Soviet citizens that bad weather no longer seriously affects food supplies to the population as it once did. His agricultural statistics failed to shed any light on the extent of agricultural failures this year, but the total grain harvest is expected to be about the same as last year's mediocre showing, and livestock production as a whole will probably not show much, if any, improvement. No mention was made of the cotton crop, which probably is less than last year's record harvest. [redacted] 25X1

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CUBAN DEVELOPMENTS

Observances in Havana of the anniversary of the Bolshevik Revolution included a special reception for the Soviet ambassador given by the government-controlled labor confederation and attended by high Cuban officials. Ambassador Kudryavtsev again pledged Soviet "aid and support" for the Cuban revolution.

Che Guevara, on the Moscow leg of his five-nation Sino-Soviet bloc economic mission, issued a statement for the 7 November festivities in which he implied a similarity between the early post-revolutionary struggles of the Soviet people, "the first in the world to take power in their own hands," and Cuba's current experiences. He added that the Soviet people "supported us by your warnings to the imperialists, thus destroying their machinations against Cuba." Moscow press reporting of a recent speech by President Dorticos suggests a Cuban-Soviet decision to claim that Cuban mobilization and the Soviet rocket threat have so far averted the "imperialist aggression" that a week ago was declared imminent.

East German Communist leader Paul Verner, who attended the Cuban Communist party congress last August, said late last month that Cuba will probably announce its recognition of East Germany in December

Verner added that the possibility of closer Cuban - East German economic cooperation will be thoroughly explored in the near future. He was probably referring to the scheduled arrival of Che Guevara's economic mission in East Germany later this

month or early next. Cuban journalists visiting East Germany on 4 November signed an agreement with "East German journalists" for cooperation in the "anti-imperialist struggle," according to the East German news agency.

An increasing number of Cuban delegations are now traveling in the Sino-Soviet bloc: a ballet troupe and a "peace" movement delegation are in the USSR; journalist delegations are visiting East Germany and USSR; and a "health" mission has been visiting Communist China.

Meanwhile, Cuba is apparently seeking to circumvent US export controls by expanding its trade relations with Canadian and Western European firms which could provide equipment unavailable in the bloc at this time. The press has reported the negotiation of a deal under which a "pool" of Canadian and British firms would sell Cuba equipment and buy Cuban sugar and gasoline --the latter presumably refined from Soviet crude. The sponsors of the "pool" would reportedly invite West European firms to join.

A Canadian Embassy officer in Havana told the US Embassy on 4 November that the press stories were presumably based on the activities in Cuba of a Canadian promoter who is known to have discussed such a scheme with Cuban economic officials. The Canadian expressed an unfavorable opinion of the promoter and doubted that any "responsible" Canadian interest would join in the scheme. However, he could not discount the possibility that some independent distributor in Canada may

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be interested in handling Cuban gasoline.

The Castro regime continues its active propaganda support for leftist-revolutionary groups in other Latin American countries and is reportedly aiding some of them materially. Former Guatemalan President Arbenz and Guatemalan Communist leaders Fortuny and Pellecer now are in Cuba and probably are receiving Cuban aid for revolutionary schemes in their country.

The sudden resurgence of leftist influence in El Salvador after the 26 October coup could lead to a situation easily exploited by the Cubans and could become a serious threat to the Guatemalan and other Central American governments.

Cuban propaganda media continue to attack Venezuelan President Betancourt, and to support the strong extreme leftist and Communist opposition to his government. Communist and Communist-infiltrated parties and groups in Brazil, Argentina, Chile, and

other countries have publicly declared their support for Castro in recent weeks

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Havana continues to strengthen its military potential, particularly through the civilian militia, on the pretext of preparing for an attack by "imperialist-backed counter-revolutionaries."

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Selected militiamen are being formed into units to handle some of the more complex weapons such as antiaircraft artillery received from the Soviet bloc.

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SITUATION IN LAOS

The situation in Laos continues to drift, with no solution to the crisis yet in sight. There has been little recent political activity because of a Buddhist festival during the first six days of November. With the holiday out of the way, the main participants in the crisis presumably are free to resume their efforts to resolve the impasse which has paralyzed Laos and threatened its dissolution as a national entity.

Premier Souvanna Phouma is off on another fence-mending trip to the northern provinces.

His main purpose is probably to reinforce the seemingly growing disinclination of the First Military Region and General Ouane, the armed forces commander, to break away from Vientiane. While there, he will have an opportunity to talk things over with former Premier Phoui Sananikone, who after several months' absence from the country appears about to re-enter the political fray. Phoui is in Luang Prabang "taking soundings" with a view toward bringing about a reconciliation among non-Communist elements in Luang Prabang, Vientiane, and Savannakhet.

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Such an effort might succeed, as Phoui is uncommitted to any of the factions which sprang up in the wake of Captain Kong Le's August coup. However, his usefulness may be impaired by residual bitterness from the conflict which led to his fall from power last January. One of Phoui's preliminary conclusions is that it will be important to encourage opposition to the Pathet Lao in Vientiane, rather than to rely solely on strengthening anti-Pathet forces in Luang Prabang and Savannakhet.

The Fifth Military Region commander in Vientiane claims some progress in his efforts to limit further Pathet Lao gains in the province and to wean Kong Le's Second Paratroop Battalion away from its seemingly close working relationship with the Pathet Lao. Kong Le is no longer commander of the battalion and now is in Sam Neua on what seems to be a political junket which has little relation to his nominal position as an aide to Souvanna in the latter's capacity as minister of defense.

Some of the methods used by the Fifth Military Region commander to control the Pathet Lao seem open to serious question, particularly his arrangement dividing the province into zones of responsibility for the government forces and Pathet Lao elements scattered through the province. He claims that this device will serve to freeze the Pathet Lao where they are; however, the arrangement tends to legitimize their present enclaves.

The newly created Committee for Neutrality and National Unity, a front group ranging from supporters of Souvanna to the pro-Communist Neo Lao Hak Sat (NLHS), has issued no statements since the fanfare attending its creation. The circumstances surrounding its establishment remain obscure, with officials in Vientiane seemingly reluctant to discuss the matter. There are indications that Souvanna may still go ahead with plans to form a moderate political party which would be distinct from the new committee.

Souvanna is reported to have told the National Assembly on 7 November that the Pathet Lao was becoming increasingly demanding in the Vientiane peace talks with the government. He claimed the talks could not continue under present conditions but did not say they would be broken off. At the same session, the assembly reportedly decided to begin negotiations with General Phoumi's Savannakhet group as soon as possible.

It is questionable whether Phoumi is in a mood to negotiate, however.

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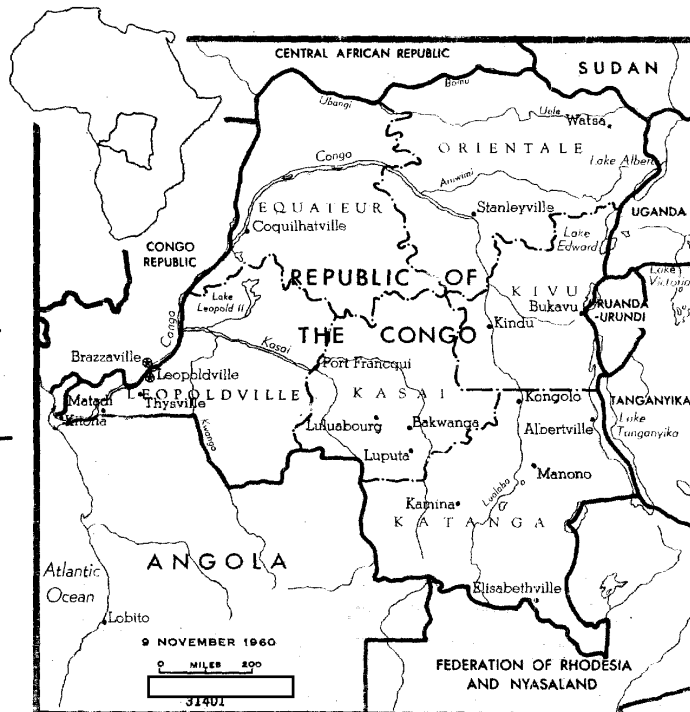
SITUATION IN THE CONGO

The focus of attention of the Congo problem has shifted from the capital at Leopoldville, where ousted premier Lumumba remains a virtual prisoner in the official residence, to the UN General Assembly meeting. The prospect for a full-dress UN debate on the Congo, instead of a limited discussion on the eight-nation Afro-Asian resolution to seat the delegation favoring Lumumba, has evoked action on the part of President Kasavubu and Katangan President Tshombé.

Kasavubu has flown to New York to lead the fight to seat his delegation. As the only Congolese political leader whose position is acknowledged by everyone, and possessing the ability to create a good impression as a quiet, sensible man in contrast to his demagogic Congolese opponents, Kasavubu may facilitate a solution of the seating issue. On 8 November the issue of seating a Congolese delegation headed by Kasavubu was referred to the Credentials Committee by the president of the General Assembly. However, on 8 November, several leading Congolese legislators sent a message through the Ghanaian delegation charging that Kasavubu had no right to speak as a representative of his government because parliament has not sanctioned his trip.

In a 7 November memorandum, Tshombé expressed the hope that Congolese and Katangan leaders would agree on a "new" formula for a political association which would be "in conformity with the regional peculiarities" of the Congo area. Tshombé's statement reiterates his stand that each province must have extensive rights of self-government, albeit with stronger economic ties. On the same day, Lumumba endorsed the UN role in the Congo and applauded the criticism of Brussels and the Mobutu government contained in the report of UN representative Dayal.

In Leopoldville, Mobutu and several of his technical



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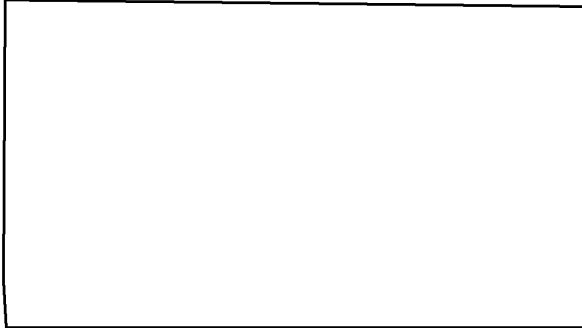
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commissioners voiced apprehension lest the UN embark on a policy of establishing a trusteeship over the Congo. Several commissioners have expressed contempt for the UN's "one-sided dealings" with pro-Lumumba elements; on 8 November Mobutu, who was in a rage over an alleged UN plot to occupy parliament and bring Lumumba back to power, charged that the Indians running UN affairs in the Congo were doing everything possible to restore Lumumba and turn the Congo into a Soviet state.

In contrast with the relative political lull in Leopoldville, the struggle in Orientale Province between pro- and anti-Lumumba elements continues unabated. Lumumba's deputy premier, Antoine Gizenga, has been organizing pro-Lumumba forces there--reportedly with considerable success.

Eleven deputies and senators, held under arrest by pro-Lumumba forces in Stanleyville since 15 October, have reportedly been seriously mistreated. The American ambassador comments that the UN's inability to effect their release casts doubt on the argument that a Congo parliament can be made to function in an atmosphere free from intimidation. Congolese Army elements at Watsa in northeast Orientale Province reportedly threatened on 4 November to march on Stanleyville if Gizenga's forces did not release pro-Mobutu officers.

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PART II

NOTES AND COMMENTS

FRANCE-ALGERIA

De Gaulle's 4 November speech, in which for the first time he spoke of a future Algerian "republic," has occasioned the resignation of André Jacomet, the second-ranking French administrator in Algeria. The government evidently fears that the Jacomet incident may spur proponents of a French Algeria to defy De Gaulle's stern warning against obstructing his policy and is reported considering measures to remove recalcitrant civil and military officials. The rebel provisional government continues to reject De Gaulle's terms for negotiations and is parading its promises of Communist bloc assistance in the hope that his bid for international understanding will not soften the forthcoming UN resolution the Afro-Asian bloc is pushing.

The initial reactions in French political and press circles to De Gaulle's speech ran along established lines, with rightists bitterly charging that De Gaulle went too far and liberals hoping that his preconditions might become less important. Jacomet's resignation has reportedly worried the government because of its impact on the army. He is a career civil servant personally appointed by De Gaulle two years ago. He was directly responsible to Delegate General Delouvrier for supervising and coordinating the work of all prefects in the 13 Algerian departments.

The most immediate repercussions may be felt in the army among the Special Administrative Section (SAS) officers who deal directly with

the Moslem population in organizing, administering, and developing native communities. Some SAS officers have complained that ever since De Gaulle first proposed self-determination for Algeria they have had difficulty assuring the Moslems they will not be abandoned to the rebels by France. Sharp opposition to the idea of an Algerian republic can also be expected from the "activist" army officers, particularly at intermediate levels, who may feel that De Gaulle let them down by not coming out firmly in favor of keeping Algeria French.

There has been increasing overt disapproval from high-ranking military personalities, who include Marshal Juin, General Salan, and the recently retired Air Force Chief of Staff, General Edmond Jouhaud, who is a native of the Oran area. Oran seems to be becoming an even greater hotbed of anti-Gaullism than Algiers. Army dissatisfaction is being encouraged by the rightist political leaders, and both military and civilian critics will be alert to any sign De Gaulle is planning a unilateral cease-fire, as he has hinted. Rightists are also aroused over his omission of any stipulation that Paris must control the foreign policy of an Algerian republic.

De Gaulle's failure on 4 November to follow up the scathing criticism of the United Nations in his September press conference suggests that he wants to encourage nations friendly to France to water down whatever resolution the Afro-Asian bloc may promote

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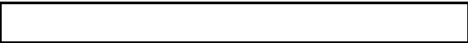
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later this month in the UN General Assembly.

The rebel government will probably persevere in its present uncompromising attitude toward negotiations, and at least will demand evidence of French good faith. The rebel leaders apparently feel that time is on their side in view of the support anticipated during the United Nations debate on Algeria, and the prospects of extensive material

assistance from the Soviet bloc. "Premier" Ferhat Abbas has stated in recent press interviews that there is no question of Chinese Communist volunteers, or of bloc aircraft, since the rebels do not need men and have no airfields from which to operate. He and other rebel spokesmen have firmly committed their provisional government, however, to accept Communist arms and supplies and to continue the war.

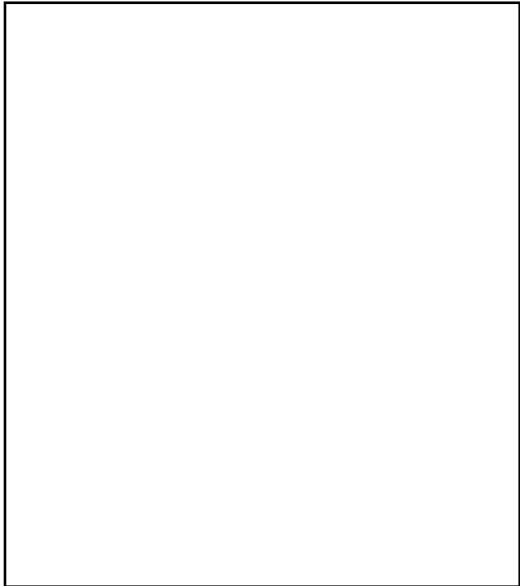


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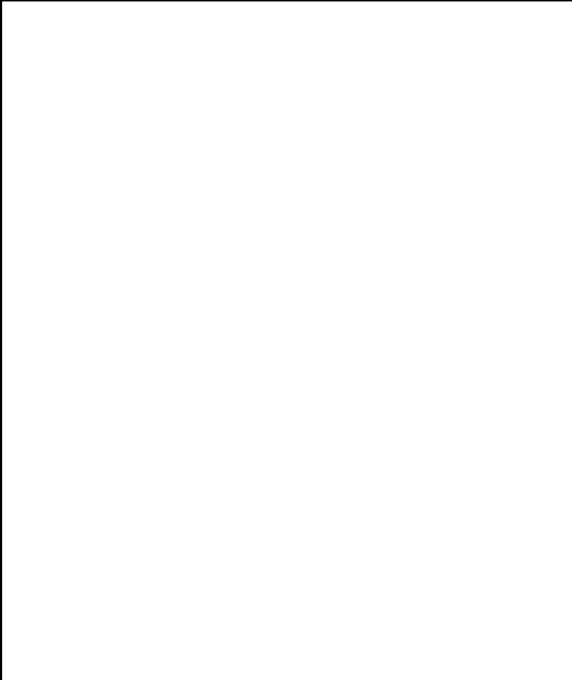
SALVADORAN SITUATION

The Salvadoran Army is becoming increasingly apprehensive over the failure of ex-President Osorio, who was behind the overthrow of the Lemus regime on 26 October, to head off a strong bid for power by Communists and other pro-Castro leftists in the new provisional government.

on the present junta have moved quickly to appoint numerous pro-Communists and suspected Communists to key subordinate posts, while joining with pro-US and politically inexperienced members of the junta in publicly stressing the liberal but non-Communist nature of the new government.



Several leftist cabinet members and the three civilians



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A military member of the junta told a US Embassy officer on 3 November that most of the initiative in political matters had been conceded to the civilians, who probably are not responsive to Osorio's directions. Osorio told the US Embassy that restrictive measures against the extreme left--he denies there are Communists in the gov-

ernment--cannot be considered at this time, since such action would disrupt the unity which the provisional government must have in order to implement urgently needed social and economic changes.

The regime already has been recognized in Latin America by Mexico, Paraguay, Ecuador, Panama, Nicaragua, Honduras, and Guatemala. Despite their recognition, however, other Central American governments are concerned over the situation, recognizing that a pro-Communist take-over in El Salvador would have serious implications for the stability of their own regimes.

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SOVIET TACTICS AT THE UN

While the bloc has continued to press vigorously for the adoption of the sweeping proposals outlined by Khrushchev during his stay at the UN, Moscow's primary objective of promoting a close bloc alignment with the Afro-Asian neutrals has forced some modification in tactics.

Since the beginning of this assembly session, the Soviet Union has tried to assume the leadership of anticolonialist forces, in order to win favor with the neutralist nations and, if possible, to weaken the Western alliance by revealing and exploiting the differences among its members regarding policy toward such areas as Algeria and the Congo.

General Assembly President Boland told a US official in late October he was under strong pressure from the Soviet delegation to have the Soviet colonial item debated in plenary session immediately. When Boland

said the Afro-Asian nations would probably desire more time to develop a resolution of their own, Soviet delegate Zorin objected strongly but relented when the neutrals indicated a desire to delay debate on this for several weeks. Several UN officials speculated that Moscow hoped to have the colonial item before the General Assembly prior to the present gathering of Communist leaders in Moscow as evidence of the effectiveness of Soviet policy. Faced with the choice of opposing the neutralist bloc or accepting a delay of the debate, however, the USSR accepted the delay.

The Soviet delegation has encountered similar difficult choices in prosecuting other portions of its program. In the disarmament debate in the UN Political Committee, for example, efforts by Afro-Asian neutralist delegations, led by India, to work out a compromise disarmament resolution have

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created a situation which now makes it difficult and embarrassing for bloc delegations to carry out Khrushchev's threat to walk out of the UN disarmament debate if the Soviet position is not accepted as the basis for discussion. The USSR probably is not interested in resuming disarmament negotiations, at least not until after the new US administration is installed; its present objective seems to be to induce the uncommitted nations to press the West to accept its proposal.

A member of the Soviet UN delegation has indicated privately that the Indian draft resolution offers the only possible hope for agreement, and that the bloc will seek to amend it to include provisions for establishing a 15-nation committee and specific directives for the committee to work out a treaty on complete and general disarmament. He warned that if these amendments are not accepted, or if the Indian resolution with Soviet amendments fails, the bloc will withdraw from the debate and wait for a special session of the General Assembly to reconsider disarmament next spring.

In an effort to encourage the neutrals to agree to Soviet amendments and press for Western acceptance, Soviet officials are creating the impression that the bloc is greatly "interested" in the Indian initiative and as a result has reconsidered its threat to walk out of the debate.

In a recent talk with Ambassador Thompson, First Deputy Premier Kosygin insisted that this proposal for a special session was not a propaganda maneuver but a serious bid to "give a push" to disarmament negotiations.

In the face of generally adverse reaction, the USSR apparently has decided to defer its program for reorganizing the UN executive, but to continue its attacks on Secretary General Hammarskjold. The USSR pressed its campaign in the Budgetary Committee, where the Soviet delegate charged Hammarskjold with "extravagant spending" and demanded a \$50,000,000 ceiling on the UN budget for 1961. However, when the question of the organization and work of the Secretariat came before the Budgetary Committee on 4 November, the Soviet delegate agreed to wait until next May for the special report on the structure of the Secretariat by a committee of experts appointed by Hammarskjold.

Although the Soviet Union apparently has thus postponed any formal action on its reorganization plan until the 1961 session, it will probably maintain its campaign against the structure of the UN and the conduct of Hammarskjold in dealing with the Congo crisis. The USSR has accused Hammarskjold of acting on behalf of the Western "colonialists" in the Congo and of failing to keep members adequately informed.

To show its displeasure, the bloc has refused to pay any share of the expenses in sending UN troops to the African republic. Nearly all the UN members have rallied to the support of the secretary general, the neutrals in particular. Despite this widespread opposition, the Soviet Union probably still hopes to force Hammarskjold's resignation through a campaign of continuous pressure--a tactic employed successfully in 1952 against the first secretary general, Trygve Lie.

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Another phase of UN reorganization is being considered in the Special Political Committee, which is debating Afro-Latin draft resolutions calling for enlargement of the Economic and Social Council by six members and the Security Council by two. The USSR has opposed these resolutions on the grounds that no attempt could be made to revise the UN Charter until Communist China had its "rightful place" in the Security Council. By linking the issue of the enlargement of UN councils with the admission of

Communist China, the Soviet Union hopes to increase the prospects for achieving Peiping's admission in the next regular General Assembly session.

In the meantime, the bloc may seek to center the debate on the question of a reallocation of seats, rather than on an enlargement of the councils, in order to support Khrushchev's demand for equal representation of East, West, and neutral blocs in all UN organs.

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SOVIET BLOC ACTIVITY IN INTERNATIONAL CIVIL AVIATION

The Soviet bloc is steadily pushing ahead with its program to conclude civil air agreements with free-world countries. Thus far in 1960, bloc members have concluded or revived about 19 agreements with nonbloc countries, with Czechoslovakia accounting for almost half of these. At least eight other agreements now are under negotiation, and still others have been proposed.

Czechoslovakia this year has extended its civil air routes to Indonesia in the east and Guinea in the south. From Guinea, Czechoslovakia could expand its air service to Brazil and other points in Latin America. In addition, Prague has revived its 1947 air agreement with Ireland, apparently as the first step in establishing an air route to North America. The Czechoslovak Government recently submitted a proposed bilateral agreement to Canada which now is under consideration in the Canadian cabinet. There is, furthermore,

increasing evidence that Prague is preparing to fly to Cuba--via either Canada or Bermuda--and may be planning to operate a service to Mexico as well.

Moscow recently embarked on a serious campaign to promote the sale of one of its high-performance aircraft--the IL-18--in the international market, presumably hoping to supplement the bloc's program of expanding its civil air routes. Although offers of these aircraft to free-world countries have frequently been reported in the past, no sales had been made. This summer, however, Avtoexport, a Soviet sales agency, was authorized to seek nonbloc buyers for the four-engine turbo-prop plane, and the commercial officers of 23 embassies were given a ride on the plane in Moscow as part of the sales promotion campaign.

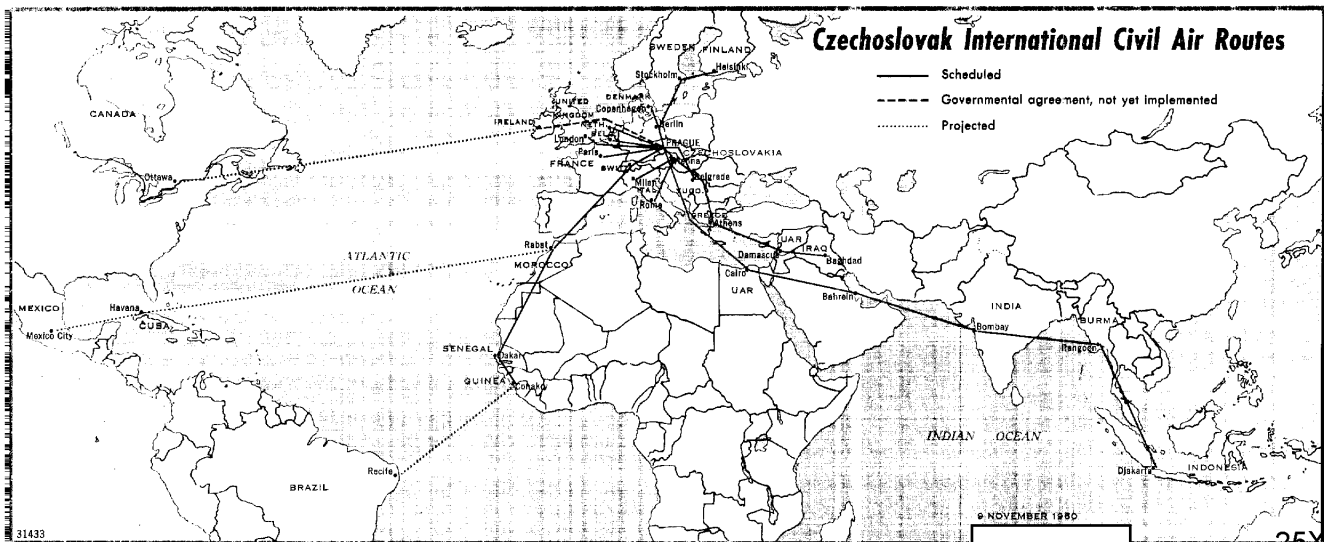
Since then, the USSR has contracted to sell four IL-18s to Ghana and may have agreed to provide two more in 1961.

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The sales agreement calls for Soviet flight and ground crews to operate the aircraft until Ghanaian crews can be trained. Similar IL-18 sales agreements may be under negotiation with Guinea and the UAR as well. Offers to sell this type of aircraft to Afghanistan and Ceylon also have been reported in recent months.

The Soviet Union earlier this year unveiled two new short-range transport aircraft, the turboprop AN-24 and the turbojet TU-124. Smaller than the IL-18 or TU-104 jet, these twin-engine aircraft apparently are comparatively rugged and simple, and their estimated landing and take-off characteristics suggest they can operate from relatively short runways. As these aircraft come to be produced in quantity, Moscow presumably will make them available to the underdeveloped countries in order to compete for transport sales with Western firms.

Under an agreement calling for the establishment and operation of a domestic civil airline by Czech specialists, the Czech civil airline recently sold Guinea four Avia-14 twin-engine, piston-powered, luxury-model transports. The first was delivered in July, with the others scheduled to be shipped in August. Czech technicians presumably have already begun work on the airline project in Guinea--the first such arrangement entered into by a bloc country.

Under the terms of the agreement, Guinean pilots and other airline personnel are scheduled to be trained in the bloc. The bloc's apparent willingness to participate in establishing and operating airlines, along with its aircraft sales under generous credit terms, should greatly enhance its drive to conclude air agreements with the less developed countries of the free world. (Prepared by ORR)

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EAST GERMAN EFFORTS TO SOLVE AGRICULTURAL PROBLEMS

East German party leaders, in a vigorous attempt to solve agricultural problems and overcome strong resentment of efforts to force peasants to work in collectives, are carrying out a continuing purge of local party and government officials. Despite the somewhat more optimistic agricultural outlook for 1960, as compared with the poor harvest of 1959, party officials have indicated an unusual concern over reported labor shortages, peasant indifference or resistance, lagging livestock procurement, and lack of storage facilities --all problems which have become worse since the completion of collectivization in mid-April.

Among the districts singled out for criticism for underfulfillment of procurement plans are Frankfurt/Oder, Halle, Magdeburg, and Neubrandenburg. Party investigations in these districts have attributed the failures to inefficient management of collective farms and peasant resistance to collectivization.

Willi Stoph, party boss, Ulbricht's trouble shooter for local problems, and Alfred Neumann, party cadre chief, recently visited Neubrandenburg District--long a special trouble spot--and carried out a drastic shake-up of the local party apparatus. The new district Socialist Unity party (SED) leader in Neubrandenburg previously headed the party apparatus in Ruegen County, where he appears to have been very

effective, transforming the area into a model dairy region. He is the second former subordinate of Rostock District leader Karl Mewis to be appointed to head one of East Germany's 14 districts in the last five months.

Mewis, a candidate politburo member, led the regime's all-out collectivization drive last spring. The promotion of his protegés suggests that the regime may intend to intensify pressure against the peasants.

The SED now is screening its entire membership in connection with the exchange of party cards for all full and candidate members. This screening, due to be completed on 31 January, probably will be used to eliminate weak officials in key local party and government posts.

Such measures may temporarily improve local administration, but will not eliminate basic difficulties stemming from too high production goals, lack of monetary incentives for farmers, shortages of manpower and farm machinery, and serious shortcomings in coordination between central and local authorities. Under these circumstances, both production and procurement are likely to continue at depressed levels, and food shortages may be more frequent during the coming months.

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THE NORTH VIETNAMESE ARMY

North Vietnam will reduce spending for its military forces this year, since it now relies largely on guerrilla violence and political agitation to accomplish its objectives in South Vietnam. Speaking to the third party congress in early September, General Vo Nguyen Giap, Hanoi's minister of defense and chief of staff, stated that economic considerations had dictated cutbacks in personnel and finances, but he made it clear that these curtailments would not affect the basic effort to create a better equipped, more efficient, and technically competent army.



VO NGUYEN GIAP

Three years ago Giap announced comprehensive plans for conscription, a trained reserve, standardization of equipment, improved organization and staff work, and a fixed pay scale. Hanoi has made some progress toward all these goals. Although no reserve units have been organized--a shortcoming partly compensated for by the existence of the militia--an effective conscription program has been put into operation.

The structure of tactical units has been modified to improve fire-power; new combat, support, and service units have been activated; and progress is being made toward standardizing Soviet-designed equipment. Remaining major deficiencies include a lack of armor and air support, a serious shortage of technical skills, and a transportation system inadequate for effectively sustaining conventional warfare.

One of the most significant developments during the past several years has been the acquisition of a limited air capability with considerable military potential. Although prohibited by the Geneva agreements of 1954 from acquiring combat-type aircraft, Hanoi has continued to renovate former French airfields and has acquired several new types of light transports. These developments, together with the organization of an air force headquarters in the Defense Ministry, sug-



NGUYEN CHI THANH

gest that the army now has plans for developing a tactical air arm.

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Since North Vietnam is almost completely dependent on the Sino-Soviet bloc for military support, the further development of its embryonic air force will be largely determined by over-all bloc policy toward Southeast Asia. Whether or not North Vietnam is able to develop its own tactical air arm, however, its air facilities could be an important adjunct to Communist air power in the Far East.

North Vietnam--lacking its own military industry--is almost certainly re-equipping its 300,000-man armed force with modern weapons imported in violation of the Geneva agreements. Communist China appears to be the main supplier. The North Vietnamese have so restricted the activities of the International Control Commission (ICC) responsible for

supervising the agreements that its members have been unable to detect specific violations.

General Giap practically admitted violation of the agreements when he told the party congress, "Compared with the backwardness of our equipment in the past, we have made important progress." The "past" to which he referred was the period during and just after the war with the French, when he whipped a ragtag collection of guerrilla bands into an army carrying almost every form of firearm turned out by US and European arsenals over the past 50 years. With Chinese logistic support and artillery, this army had defeated the French at Dien Bien Phu, but it obviously could not indefinitely function efficiently with its diverse equipment. 25X1

SOVIET-IRANIAN RELATIONS

The Soviet Government, which in the past two months has reduced its pressure on Iran, has apparently accepted an Iranian proposal for a "good-will mission," headed by Prime Minister Sharif-Emami, to be sent to the USSR. According to Sharif-Emami, Ambassador Masud-Ansari in Moscow has also been informed by Soviet officials that the long-standing invitation to Princess Shams, sister of the Shah and head of the Red Lion and Sun Society--Iran's counterpart of the Red Cross--is still valid. Apparently no date has been set for the visits.

Starting in late 1958, and particularly after the breakdown of Soviet-Iranian negotiations for a nonaggression pact and the conclusion of the US-Iranian bilateral defense pact in early 1959, the USSR began to attack Iranian participation in defense arrangements with Western countries. The Shah has offered on a number of occasions to give a guarantee to the Soviet Government to ban foreign missile bases from Iranian territory. Khrushchev, however, has demanded as the price of "normal" relations that the guarantee be extended to exclude foreign military bases of all types. This the Shah has refused to do.

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After Sharif-Emami in late August replaced the staunchly anti-Communist Egbal as prime minister, Radio Moscow relaxed its propaganda attacks on the Shah and Iranian policies. Ambassador Pegov also returned to his Tehran post after a "diplomatic" absence of nine months.

Soviet policymakers may have decided to drop demands for concessions in the hope that, by alternating a period of diplomatic and propaganda pressure with blandishments, a more favorable political climate might be brought about which would induce the Shah's regime to make concessions on the issue of foreign military bases.

The Shah has stated publicly on a number of occasions that he wished to improve relations with Moscow--a task Sharif-Emami has also said he considers one of the most important facing his government. Both have informed Western officials, however, that any improvement would not be made at the expense of Tehran's ties with the West or through concessions on the military base issue. The prime minister, who has displayed reluctance to head the good-will mission, told an American official he intends to refuse to discuss political matters with Soviet officials and will try to limit his talks to commercial relations.

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BLOC ECONOMIC ACTIVITY IN IRAQ

The bloc appears to be intensifying its economic activity in Iraq by extending additional aid and speeding up previously established development projects. Premier Qasim apparently is encouraging this stepped-up assistance in the hope of restoring his regime's declining popularity.

Czechoslovakia in late October extended a \$32,600,000 line of credit to be used for developing oil refineries, with associated chemical production, and hydroelectric and thermal power facilities. This raised total bloc economic aid to the Qasim regime to slightly over \$215,000,000.

In May, Moscow increased its original \$137,500,000 line of credit--extended early last year--with an additional \$45,000,000 for modernization of the Baghdad-Basra railroad line. Soviet engineers and technicians began preliminary work on this project almost immediately, and Moscow has announced it expects completion by the end of 1962. The project's auxiliary facilities, including rolling stock assembly and repair shops, are to be completed two years later.

The Soviet Union also appears to be accelerating the implementation of projects called for under the original plan. Additional Soviet

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technicians have arrived in recent months, raising the estimated total number of bloc technicians now in Iraq to well over 500. In October, Baghdad announced the formation of a three-man committee--including two Soviet economists--to advise the Qasim government on economic planning and development. Although the recent ar-

rivals and the frequent public announcements concerning Soviet aid activity suggest a definite acceleration in Moscow's assistance program, this increased activity may be considered at least partially in keeping with the implementation schedule outlined under the 1959 aid agreement. [redacted] (Prepared by ORR)

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MIDDLE EAST HIGHLIGHTS

Iraq

Prime Minister Qasim's position appears increasingly insecure as the struggle between pro- and anti-Communist elements in Iraq intensifies. Qasim's equivocal actions in recent weeks have cost him the confidence of important anti-Communists. [redacted]

Iraqi Communist leaders are concerned at the pressures being exerted against them by many government officials, as well as by nationalist groups. Pro-Communist Iraqi newspapers have charged that the government--though not Qasim directly--is carrying out a campaign of persecution against the country's "democratic forces"--the Communist-front publications, trade unions, friendship societies, and student and youth groups. The USSR has also shown concern,

as indicated by recent articles in Pravda and Trud.

The Iraqi Communists have been particularly irritated by their steady losses in recent trade union elections. After losing an election among Baghdad tobacco workers, the Communists complained of government "rigging" and engineered large-scale protest demonstrations and a sit-down strike in two factories in central Baghdad on 5, 6, and 7 November. The pro-Communist demonstrators became a rioting mob which clashed with army and police units. Large army reinforcements were moved in, the area was sealed off, and the troops used extreme methods to restore control. The severity of the action may have cost the army the sympathy of some non-Communist workers and students.

The new Communist newspaper which on 6 November ran an editorial supporting the strikers and

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attacking government labor policies was immediately closed down.

UAR-Jordan

Some of the Jordanian units sent to the Syrian border area following the assassination of Prime Minister Majalli on 29 August were reported returning to their permanent bases on 6 November. Two key senior officers of the Jordanian Army were killed in a vehicle collision on the same day. There has been no report of a similar troop withdrawal on the Syrian side.

The Jordanian move probably reflects diminished concern in Amman that any development requiring large-scale military action is imminent, but the possibility remains that terroristic acts will be undertaken by both sides.

President Nasir recently told an American official that he doubted whether UAR-Jordanian tensions would subside. He said that he had had to restrain the Syrians from retaliating for Jordanian-sponsored terrorist

activities in Syria and added it was not in the UAR's interest to cause a collapse of Jordan since the consequences could not be foreseen.

Israeli concern over a possible UAR effort to overthrow King Husayn has been voiced by Foreign Minister Meir in an interview published by the London Times on 6 November.

Mrs. Meir claimed that Nasir has clear designs to rule Jordan and declared Israel cannot accept Jordan's domination by any other country. According to Mrs. Meir, Israel could not remain "passive" in the event of a change of the status quo in Jordan.

The tense situation has also had its effects in Lebanon, where the government's recently stated determination to restrict the activities of Syrian exiles there has aroused popular disapproval. Some Lebanese believe that Prime Minister Salam abjectly gave in to UAR pressure and that Lebanon's role as a sanctuary for political refugees is being abandoned.

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SOUTHERN RHODESIA

The white-settler government of Prime Minister Whitehead in Southern Rhodesia is cracking down on native organizations in a manner reminiscent of the Verwoerd government's actions in South Africa. In the face of a wave of native disorders which started last July and in which

several persons have been killed, the government has mobilized extra security forces, has announced a strengthening of the defense establishment, and has proposed a drastic security bill which now is before the colonial legislature.

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The bill gives the government greatly increased powers to deal with violence and provides severe penalties for breaches of the peace. Stoning of vehicles will bring from 5 to 20 years' imprisonment; administering of subversive oaths, up to 20 years; and resisting police, interrupting essential services through strikes, or using "opprobrious epithets," up to 10 years. In addition the police are given wide powers to disperse meetings, to make arrests, and to conduct searches without warrants.

The government has been roundly attacked by many sectors of public opinion. Spokesmen of both the Protestant and Catholic churches and press and legal associations, as well as many influential newspapers, have criticized the scope and severity of the bill. Calling it panic legislation, they say it violates traditional principles of freedom and justice.

The most dramatic reaction has been on the part of Chief Justice Sir Robert Tredgold, who resigned on 1 November after alleging that the bill "outraged almost every basic human right and was an unwarranted invasion of the judiciary." Despite Tredgold's action, the government is determined to secure legislative approval of the bill

with no more than minor modifications.

Both of the leading white parties in Southern Rhodesia support the government's position. Only relatively uninfluential white liberals have supported Tredgold's call for a "national front" of all political parties in an effort to gain the cooperation of all races and ensure the continuation of the present constitutional system. African organizations have applauded the chief justice's resignation but have reserved their position about participating in a national government.

The flare-up in Southern Rhodesia has affected the self-governing colony's relations with Britain. Constitutional talks between Rhodesian and British officials--expected to concern greater political responsibilities for the Rhodesian Government such as relaxation of London's veto power over legislation affecting native affairs--have been postponed. They were to begin in early November, but Britain has balked at holding the talks in the present tense atmosphere and prefers that the question be examined next year. London seems to be taking a hard line to force Prime Minister Whitehead to come up with proposals more liberal toward African interests.

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THAILAND AND SOVIET ECONOMIC AID

Prime Minister Sarit's recent announcement that Thailand is prepared to accept Soviet economic aid was intended to underscore Bangkok's complaint that uncommitted Asian nations, such as Cambodia, have received preferential treatment over outright anti-Communist nations like

Thailand and that the American PL-480 grain sales in Asia threaten Thailand's foreign exchange holdings. Further, he has sharply criticized SEATO handling of the Laotian crisis and fears that, should Thailand be attacked, he could not count on SEATO for adequate defense assistance.

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Moscow's recent overtures to Bangkok were clearly timed to take advantage of Thai restiveness. Ambassador Nikolayev appears only to have made general proposals at a meeting with Sarit on 31 October, and the immediate prospect is only for efforts to increase trade relations. No scheduled meetings have been announced for discussions of economic aid projects. At present, it is only in the area of rubber sales that a trade increase is likely. According to Thai reports, there is no need for special arrangements, as there are no Thai restrictions on rubber sales to the Soviet Union.

Since the outbreak of the Laotian crisis in early August, the USSR has attempted to foster in Thailand a feeling of isolation in neutralist Asia. On 22 September, an official Soviet Government statement charged the Thai Government with intervention in the internal affairs of Laos, and in recent broadcasts to Southeast Asia Moscow has also sharply reminded the Thais of hazards implicit in military alliances such as SEATO. An article of 20 October in Sovetskaya Rossiya charged that SEATO plans to intervene in Laos with troops based in Thailand and urged Sarit to recall the

"recent U-2 and RB-47 provocations" and the consequent danger to all nations that accept American military assistance.

There is no suggestion in Sarit's public statements that a major change in Thai foreign policy is contemplated, and domestically Thailand remains as firmly anti-Communist as ever. Nevertheless, [redacted]

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[redacted] his receptivity to Soviet feelers will probably encourage leftist and neutralist elements in Thailand to greater political activity and confuse anti-Communist groups. Earlier this year, Bangkok approved a Soviet request to reopen the TASS agency office in the city. [redacted]

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Should the Thai Government's discontent in its association with the United States continue, Thailand might ultimately move toward a more neutral position.

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UPSURGE OF COMMUNIST SUBVERSIVE ACTIVITY IN SOUTH KOREA

South Korea's defenses against Communist penetration, weakened during the latter part of the Rhee regime, now have become almost totally ineffective. That Pyongyang views the

prospects for subversion as improved in the wake of the April revolution is shown in the recent approach to Vice Minister of Justice Kim Yon-chung by his younger brother,

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a North Korean agent, whom Kim immediately turned over to police.

curity forces used more and more to harass and repress Rhee's domestic political opponents, the number of Communist agents captured or killed in the first six months of 1960 dropped to 45 compared with over twice as many in the first half of 1959. Hated by the people and subjected to repeated purges and a reorganization coincident with the April revolution, the National Police have been reduced to near impotency.

The kidnaping of South Korean fishermen is becoming a standard Pyongyang tactic. After being questioned for information of intelligence value, the captives are put up in private hotel rooms, treated to haircuts, baths, and new clothes, and shown the sights of the North Korean capital. They then are given farewell gifts and sent home to tell friends and relatives about "the good life" in North Korea and the "advantages" of unification.

South Korean internal security became increasingly clouded under President Rhee because of the staging of bogus acts of subversion, falsification of statistics, and a propensity to label any political opposition as Communist. With the national police and other internal se-

Alarmed at the breakdown in internal security, the Chang Myon government is attempting to coordinate the nation's often jealously competitive security forces and to revitalize the discredited police. Home Minister Hyon Sok-ho, with the dual purpose of stemming the infiltration of North Korean agents and building up the public image of the police as the defenders of the republic, has ordered special anti-Communist police units formed and has called for full public cooperation in detecting North Korean agents. Hyon, a veteran of his Democratic party's intelligence operations against the Rhee regime, has sought to reassure demoralized police personnel that they can do their work without fear of further purges.

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BRITISH LABOR PARTY DISSENSION

The Parliamentary Labor party's election of Hugh Gaitskell as its leader by a 2-to-1 margin over "shadow" Chancellor of the Exchequer Harold Wilson in no way diminishes the party split over defense policy and leadership. The left wingers' intention to continue to campaign for unilateral British

nuclear disarmament is evident in their violent attacks on the Macmillan government's agreement to provide facilities for US Polaris-bearing submarines, as contrasted with Gaitskell's acceptance of the principle of such cooperation while seeking a more explicit statement of detailed obligations.

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Despite Gaitskell's re-election--which resulted principally from the emergence of opposition to the unilateralists--many moderate Labor leaders have privately expressed doubt that any resolution of the party's troubles is possible as long as he remains leader. The American Embassy in London anticipates that unless Gaitskell heals the rift, he will be defeated in next year's election for the party leader. Much will probably depend on the position taken by George Brown, who is expected to win the present balloting for deputy leader.

Brown, the "shadow" minister of defense, is the leader of the trade union group of MPs, and has long been considered on Labor's right. His attitude toward Gaitskell and defense has nevertheless been ambiguous.

Last spring he was the principal architect of Labor's new compromise defense policy, which went far to appease the unilateralists. In the weeks before the party conference in October, when it appeared likely that the trade union bloc vote for uncompromising unilateralism would upset this policy, he tried to persuade Gaitskell to make further efforts to compromise.

Once Gaitskell rejected this advice, however, Brown went down the line at the conference for the official policy, and since then has vigorously supported Gaitskell's efforts to reverse the conference's vote for unilateralism during the coming year.

At the same time, Brown's private comments to American



BROWN



GAITSKELL

Embassy officials indicate his low regard for Gaitskell's ability as a leader. Should Gaitskell's campaign against unilateralism make him more enemies, Brown, who is personally more popular throughout the party than Wilson, could easily keep an eye open to the left as a possible "unity" candidate for the leadership another year.

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POLITICAL AGITATION IN PANAMA

Activities of the powerful Arias Madrid family are causing political stresses in Panama which could split President Chairi's weak coalition and threaten his month-old administration.

Through Finance Minister Gilberto Arias, who represents the family's strong influence in the coalition, many key government posts have been filled by known leftists and seditious elements. For example, certain

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appointments made in the customs service can facilitate the activities of Communists and Castro agents, and members of the Panamanian Communist party were reported recently gloating over a proposed Arias appointment in the postal service.

Meanwhile, Gilberto's brother Roberto Arias has been ranting of "inevitable social revolution" to Panama's restless students and lower classes since his return from political exile last month. Although he denied recently that his speeches advocated revolutionary overthrow of the government and has moderated a little his remarks on the urgency of revolution, Roberto now is claiming the Canal Zone as Panama's tenth province, a propaganda tack he will probably follow further.

In April and May 1959, Roberto led an abortive revolt against former President de la Guardia--whose ambassador in London he had been--which coincided with a Cuban-sponsored expedition against Panama. Roberto is closely associated with irresponsible pro-Cuban revolutionaries, boasts of his friendship with Fidel Castro, and is known to be in contact with the Cuban Embassy in Panama City.

Behind his sons is the powerful lawyer, publisher, and businessmen, Harmodio Arias, himself a former president who for 40 years has plotted with

and used any group he considers useful in his determination to dominate Panama. Also recently returned to political activity is Harmodio's half-brother Arnulfo, who has strong demagogic appeal despite having twice been ousted from the presidency. Although Arnulfo usually operates alone, he has worked with Harmodio when it suited their joint purposes.

The activities of the Arias group are strengthened by ownership of three newspapers and some radio stations, which they use in strident campaigns for political or economic advantage. Through its news media, the family is also trying to obtain highly favorable coverage from a US news team now doing a TV study on Panama.

If President Chiari decides the Arias' maneuvers jeopardize his control of the administration, he may break with them although such action might bring down the government. At present the Arias Madrid press is conducting a campaign against National Guard Commandant Bolivar Vallarino, who in recent years has used his power to maintain political stability in Panama. Chiari thus far has resisted the pressure and, for fear of losing his strongest support, will probably postpone his plans to reorganize the unpopular National Guard into separate police and military groups and to oust or transfer Vallarino.

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PART III

PATTERNS AND PERSPECTIVES

CHURCH-STATE RELATIONS IN POLAND

After more than two years of probing for weaknesses, the Polish regime this year stepped up its offensive against the Roman Catholic Church in Poland through the imposition of confiscatory taxes on church incomes and properties, secularization of schools, seizure of church property in the "Recovered



GOMULKA

Territories," and a public campaign to popularize birth control. The last is potentially the most explosive issue, since only in this case is the church totally committed to outright opposition and unwilling to negotiate any compromise.

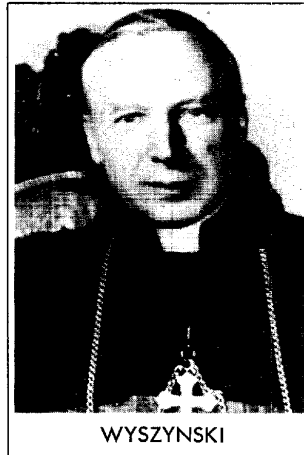
Both church and state hold strong positions. Cardinal Wyszynski has retained much of the popular support evident on his release from prison in 1956 and has recently shown a readiness to fight back. He is hampered in his relations with regime officials, however, by the attitude of some of his bishops and lower clergy, as well as a faction of the Curia in the Vatican which feels that the church in Poland should engage in a more militant campaign against Communism and that the

cardinal should be less inclined to compromise.

The faction in the Polish hierarchy desiring a more militant posture is particularly powerful in the countryside, where the church is strongest and the party weakest. The cardinal, nevertheless, appears to have maintained essential church unity in terms of basic goals and has been able to keep open a personal channel to elements in the Vatican who at least recognize the validity of his point of view.

Attempt at Reconciliation

On 14 January, in an effort to determine how far the regime was prepared to go in its campaign against the church,



WYSZYNSKI

as well as to "clear the air" for the resumption of activities of the dormant Church-State Commission, Cardinal Wyszynski at his own request met with party chief Gomulka. The atmosphere was decidedly better at this meeting than at their previous one in 1958, and both sides were said to be

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pleased with the results. The only serious area of disagreement reportedly was the matter of birth control, which is vigorously supported by the state both as a weapon against the church and a means to curb Poland's rapid population growth.

Following his meeting with Gomulka, the primate made several conciliatory efforts to ease the situation. During January the leading Catholic newspaper urged Catholics to support the regime's economic programs and printed an endorsement of the regime-sponsored "agricultural circles." In early February, Bishop Kaczmarek of Kielce, whose dismissal had been demanded by the regime in 1959, was sent on an "extended vacation."

By the time the Church-State Commission resumed functioning in March, reports were circulating in Warsaw that a compromise had been reached on limited objectives. The church was said to be willing to support the state's economic programs and ready to aid the regime's program to curb the wave of immorality sweeping Poland. Church officials were reportedly assured that no attempt would be made to interfere with the teaching of religion in the public schools.

On 17 March the Episcopate released a pastoral letter to Polish clergy exhorting the faithful to support such government objectives as temperance, industriousness, and the national economic effort.



PART OF THE CROWD, ESTIMATED AT OVER 300,000, PARTICIPATING IN VESPERS AT THE JASNA GORA MONASTERY, POLAND'S NATIONAL SHRINE, DURING THE AUGUST 1960 MARIAN CONGRESS. PILGRIMS HAD BEEN FORBIDDEN TO COME IN LARGE GROUPS.

When the commission recessed for Easter, cautious optimism was expressed in some Warsaw clerical circles over the status of church property and taxes. Nevertheless, regime officials continued to harass the church during this period, and the long negotiations over who was to control distribution of relief packages from American Catholics were broken off in early April.

Popular Discontent

Popular uneasiness about general internal conditions and continued regime pressures against the church eventually led to a series of disturbances.

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On 27 April a riot involving an estimated 2,000 persons erupted in Nowa Huta when workmen--beginning construction of a school--began to dig up a cross on a building site previously designated for the construction of a church.

Attempts on the same day by party workers in the provincial capital of Olsztyn to remove banners hung in honor of the Black Madonna--Poland's most revered national religious symbol--and replace them with banners and slogans for May Day celebrations resulted in disturbances on 1 May caused by a group of Catholics. These events reportedly so enraged regime functionaries that party secretary Zenon Kliszko, chief government representative on the Church-State Commission, broke off negotiations on 25 May and accused the church of antistate activities.

On 30 May a new riot, involving 5,000 persons, flared up at Zielona Gora, in the "Recovered Territories." The disturbance was sparked by a dispute between local authorities and Roman Catholics over the use of a church building owned before World War II by the German Evangelical Church. Each of these riots was forcibly broken up by police, and many persons were injured and arrested.

Regime Reaction

The regime, alarmed and infuriated by the deep-seated religious convictions of the populace, apparently decided at this point to step up, rather than diminish, its attacks against the church. Every real or imagined anti-regime action or statement on the part of the church was countered with an immediate, often drastic, reaction. Hitherto tentative programs of harassment became harsher.

Prohibitive taxes, which apparently had been imposed on a selective basis in the past, were now levied on virtually all church properties.

Four seminary preparatory schools were closed for nonpayment of taxes. Other church institutions--including an orphanage, several church schools, and a guest house run by a religious order--reportedly suffered a similar fate. In Siedlce, after the local bishop attacked the state-operated Catholic Charities organization (Caritas), land set aside for a seminary and building materials for its construction were confiscated for "back taxes."

Virtually every source of income has been taxed, with imposts of up to 60 percent levied on honoraria received by priests for such services as weddings and baptisms. Incomes of some priests have been so heavily hit that personal property, such as livestock, rectory equipment, or garden crops, has been seized and sold for taxes. Monasteries, convents, seminaries, and retreat houses have been charged an "extra space tax" for all floor space over the national housing allotment of eight square meters (approximately 10 square yards) per person. Priests are reportedly forced to pay a "bachelor tax," and the regime is said have recently imposed a tax on all church-owned loud-speakers.

Concurrent with this campaign, the regime expanded its drive to remove religious instruction from school curriculums. When the fall school term opened in September, many catechists found that their licenses to teach religion had not been renewed. In other areas religion was dropped from the curriculum because of "classroom shortages" or "scheduling problems." Whereas a year ago the rare parent who did not wish

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his child to receive religious instruction had to petition for a release, this year parents found they were forced to petition to have instruction.

introduced, but academic officials have been notified to remove from the school's library shelves all literature which opposes Communism and Marxist theory. An inspection of the library is expected, since several diocesan libraries recently were forced to remove anti-Communist literature or lock their doors.

Rumors have been rife in Warsaw and Lublin that the closing of the Catholic University has been made a priority target of the antichurch drive. Although difficult, the university's situation is not yet hopeless, and there is no evidence that the regime actually intends to close it.

Birth control propaganda is increasingly heavy, and the activities of the semiofficial Planned Parenthood Society have been greatly stepped up. As of August, the society claimed 120 local organizations with a total membership of 40,000, and it plans a fivefold expansion. It has strong financial support from the state and apparently intends to become self-supporting through the manufacture and distribution of contraceptives. In addition to organizing meetings and lectures for the populace, the organization publishes books and pamphlets, has prepared two movies for showings in urban areas, and is readying a third for the countryside.

In the "Recovered Territories," the Catholic Church has been using property which formerly belonged to German Protestant churches. The regime claims these buildings are state property, under a law authorizing confiscation of former enemy assets. In this area, where Polish roots are weak and where there are fewer close traditional ties between clergy and populace, the clergy has undergone maltreatment, including physical assault, false arrests, and trials on trumped-up morals charges.

This year public schools have added new courses in ethics, logic, and comparative religions, and increased the Marxist content of other courses. Special indoctrination sessions for teachers have been scheduled to prepare for these changes. Candidates for seminaries are now required to pass entrance examinations which contain questions on Marxism-Leninism, and the study of dialectical materialism is scheduled to be a compulsory course in seminaries, as well as in all other institutions of higher learning.

The Catholic University at Lublin--the only institution of its kind in Eastern Europe--has come under increasing government controls. A special office has been operating in Lublin for over a year supervising the activities of the university, which was hit with an exorbitant tax bill it was unable to pay. As a result its bank accounts were frozen, and it now lacks funds for operating expenses.

Although more students were allowed to register at the university this fall than had been expected, several faculties, particularly in the humanities, have been reduced in size. Compulsory courses in Marxism have not yet been

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Many priests are of German origin, and the area's bishops are at least nominally subject to the jurisdiction of Berlin's Cardinal Doepfner. This implied nonrecognition of the Oder-Neisse frontier by the Vatican has always been a sore point with the regime, which has attacked both the Vatican and Cardinal Wyszynski on these grounds. Recent sermons by Cardinals Wyszynski and Doepfner implying the permanence of these borders suggest that the Vatican may be attempting to mollify strong Polish feelings on this subject and thereby bolster Wyszynski's position.

Forthcoming Elections

There are no good signs that Gomulka will again ask the church's support in the national elections next year, as he did in 1957. Nevertheless, since Cardinal Doepfner's conciliatory sermon on 16 October--which was not publicized in Poland--strident regime propaganda against the church has ceased. Since the regime has always asked church support for its programs--the price for its toleration--there is some possibility that it will do so again for the parliamentary elections which will probably be held in April 1961.

There are some suggestions that the state has attempted to lump at least two of the major Catholic political groups into one election slate dominated by the party-sponsored PAX organization which promotes a Polish version of "peace priests." Cardinal Wyszynski's nine-man ZNAK (National Union of Catholic Activists) parliamentary group and two other "independent" Catholic factions allegedly are to be swallowed up by PAX. All but the ZNAK representatives apparently receive financial support from the state and have been attacked by Polish

bishops for "attempting to buy the Polish clergy" with loans to pay taxes.

Wyszynski's Position

Through the long summer of attacks, Cardinal Wyszynski and his advisers maintained a cautious attitude. By August, when the seriousness of the regime's actions became clear, the cardinal, through three leading lay Catholics, restated his position on internal affairs, religious freedom, and international matters. The tone was conciliatory, but he insisted on recognition of the church and its place in Polish affairs.

The regime immediately accused the church of attempting to create political opposition to the state and banned the traditional August processions to the national shrine at Czestochowa. The primate apparently decided the time for strong action had arrived and struck back with a public sermon decrying this insult to the Polish people. He called a meeting of Polish bishops on 4 September, at which a pastoral letter strongly condemning attacks against the church was drawn up for release on 21 September.

At this point state officials intervened, again threatened to draft seminarians into the army, and promised limited cooperation based on the 1956 concordat. The pastoral letter was officially withdrawn, but it was leaked to Western journalists and even read in some churches.

In a sermon at Malbork on 25 September, the primate turned to the question of the "Recovered Territories" and intimated that these areas had been returned to Poland through divine justice. The primate returned to the attack in an October sermon which condemned the state's violations of its agreement with

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the church, attacked the seizure of church property, and blamed the regime for the riot at Nowa Huta. At this point, Berlin's Cardinal Doepfner gave his 16 October sermon hinting at a possible shift in the Vatican's stand on Poland's western frontier.

In the meantime, Wyszynski has been attempting to overcome the erosive effects of the state's campaign. Through the formation of Catholic Intelligentsia Clubs, which are conducted by the laity, the primate hopes to maintain influence among restive, often anticlerical, Polish youths. To a certain degree he has been successful. Emphasizing his desire for support from younger Poles, the cardinal recently arranged for the addition of four young editors to the main Catholic newspaper. Local church societies have greatly expanded in scope to fill the vacuum left by the prohibition against nationwide church-sponsored groups. There are some indications that the regime already is beginning to attack these local groups.

The Future?

Events of the past ten months suggest that the church is a great deal stronger than the regime had estimated. Local disturbances showed that the populace is easily aroused by overt action against the church. Although the regime is not likely to renounce the gains it has made during its hard summer campaign --particularly the secularization of schools--the pause in attacks on the church since 16 October suggests that Gomulka's return from the UN session signaled a reassessment of the state's position.

Most recent reports from Poland indicate that moderating forces have begun to operate in the dispute because of the obvious inability of either church or state to win a complete victory. It is clear that the church in Poland has been weakened. Although political realities may force the regime to slow down its efforts to destroy its most powerful opponent in Poland, recent experiences have probably convinced the Communists that the battle eventually can be won.

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BACKGROUND TO LAOTIAN POLITICS

Politics in Laos is primarily a struggle for power among shifting coalitions of a narrowly based elite, most members of which are drawn from the principal aristocratic families. Although Laos is formally a constitutional monarchy with a parliament and other

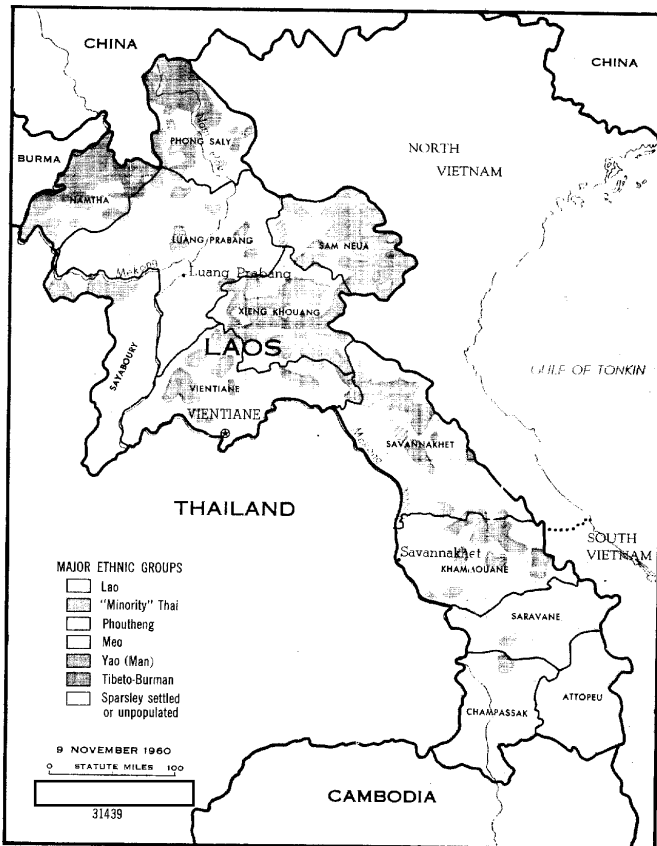
institutional trappings of modern Western political systems, the substance of Laotian politics remains quasi-feudal, centering primarily on issues of prestige, personality, family, and regional interest. There are differences over alternative policy choices, but these

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its approximately 2,000,000 population is illiterate, engaged in subsistence agriculture, and scattered throughout more than 10,000 small villages. Industry is virtually nonexistent; a cigarette factory and a soft-drink plant are the two largest processing enterprises. The road systems are, with minor exceptions, primitive. Westernization has been limited to the urban population of perhaps 100,000 and is strong only among the even smaller elite group.

The French protectorate established in 1893 rested lightly on the country. The French neglected Laos in favor of Cambodia and especially Vietnam, whose denser population and more favorable geographic position made them more profitable regions

for colonial development. Laos remains the most underdeveloped country in Southeast Asia, culturally and economically much as it was before its exposure to Western influence.

National Disunity

Laos is ethnically and linguistically one of the most complex areas in Asia. It is this fact together with a terrain of valleys and high mountains that has prevented the development of national unity and made Laos highly vulnerable to the divisive pressures of the Communist-dominated Pathet Lao guerrilla movement. The Lao ethnic group, comprising perhaps 50 percent of the population, has provided the "national" religion, history, and political elite.

issues are frequently subordinated to, or strongly colored by, traditional political concerns.

The adjustment of the Lao-tian elite to the concept of national unity and to the constitutional machinery imported after World War II is so precarious that the seizure of Vientiane in August by a single paratroop battalion commanded by a young captain, Kong Le, was sufficient to fragment the country along traditional dividing lines.

Laos has few of the sustaining features normally associated with the stability and successful functioning of such a complex parliamentary government as is outlined in its constitution. About 90 percent of

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The minority groups are culturally disparate and politically distinct from both the Lao and each other. While members of the minority groups, especially the aggressive Meos, hold some local offices as well as a few national posts, they are only loosely integrated into the national administration. The minorities distrust the Lao majority, and the Pathet Lao has exploited traditional animosities and feelings of cultural inferiority to build its base in the non-Lao areas along the Annamite mountain chain and in the provinces of Sam Neua, Phong Saly, Xieng Khouang, Luang Prabang, Saravane, and Attopeu.

Following the Kong Le coup, the country has, in effect, recapitulated its history by fragmenting along the fault lines of traditional rival petty kingdoms. An independent kingdom of Laos is a novelty created by administrative decree in 1946. In its early history Laos had been united as the Kingdom of Lan Xang, but from 1711 until the imposition of French colonial rule there were as many as three kings ruling simultaneously--in Vientiane, in Luang Prabang, and in Champassak.

Laos' internal weakness made it a prey to its more vigorous neighbors: the Vietnamese exercised paramount influence over Vientiane, while Luang Prabang and Champassak came under the aegis of Thailand. It was probably only the coming of the French that prevented the complete absorption of the Lao kingdoms by their neighbors.

Political Elite

Laos' relative isolation from the forces of cultural change introduced by the West, its difficult terrain, its political fragmentation during the 18th and 19th centuries, all have contributed to the preservation of the traditional social

structure and patterns of political participation. The traditional pattern of political allegiance to a regional chief provides the power base from which most Laotian politicians operate. The political elite--those with the education, contacts, and motivation to engage in national politics--is largely drawn from the royalty and key aristocratic families. Political orientation is often comprehensible only in terms of family and regional relationships.

Most of the key figures in Laotian politics since the war and many who are playing leading roles in the present crisis are members of the few leading families. Souvanna Phouma, neutralist premier of the Vientiane regime, is a member of the junior branch of the royal family. He has been the leader of a group that has its regional base in northern Laos. Tiao Somsanith, who headed the rightist government overthrown by the Kong Le coup, is a nephew of Souvanna and a member of the Souvanna wing in a coalition of politicians, the Rally of the Lao People (RLP), which under a variety of names has played a leading role in Laotian politics since 1949.

Another member of the junior branch of the royal family is Prince Souphannouvong, figurehead leader of the Communist-dominated Pathet Lao.



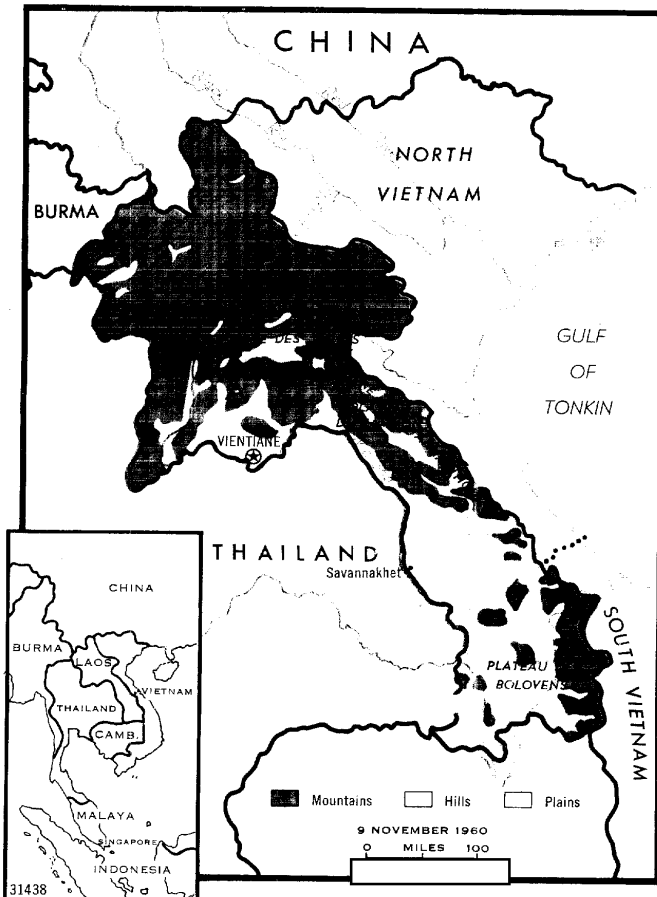
Vientiane's Principal Street

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for the Sananikones to bury the hatchet with General Phoumi, whom they consider responsible for engineering the downfall in December 1959 of a government headed by clan chief Phoui Sananikone--an indication that clan loyalties would play a powerful, perhaps determining, role in aligning the Sananikones.

The Savannakhet Revolutionary Committee of Prince Boun Oum and General Phoumi, aside from its professed anti-Communist orientation, is a merger of southern regional interests. Prince Boun Oum had been the heir to the southern kingdom of Champassak until he renounced his rights in favor of national unity. He became disgruntled over the secondary role to which he was relegated, and there have been

Members of the Souvannavong family, which had traditionally provided the chiefs for Vientiane Province, played a leading role in the early days of the Kong Le coup. Bong Souvannavong, maverick fellow-traveling politician, and his two extreme leftist sons, Bousabong and Thammala, served as advisers to Kong.

Another powerful Vientiane family, the Sananikones, have lost ground as a result of the coup. Ngon Sananikone, a minister in the Somsanith government, was not included in the present cabinet. Colonel Oudone Sananikone, a ranking army officer, has been "exiled" to Cambodia as a military attaché. Oudone, after arriving in Phnom Penh, commented that it was time

unconfirmed reports that he was considering a separatist movement.

General Phoumi owes his meteoric rise in Laotian politics to his intelligence and energy, but the base from which he started was his membership in the Voravong family, which has long been the dominant family in the southern province of Savannakhet. He is also a relative of Premier Sarit of neighboring Thailand.

There is no genuine middle class in Laos, but there is a middle group which usually has tenuous connections with the leading families and which has sufficient education and opportunities to rise to middle-level

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positions in the civil service and the army. The peasants remain politically passive, making few demands on the government and solving their problems without reference to the national political system.

Political Parties

Parties in Laos are little more than parliamentary groupings, typically shifting coalitions of politicians oriented around a prominent figure. Grass-roots organizations have been virtually nonexistent. Party labels have had little meaning to the villager, who has tended to vote on the basis of his traditional allegiance to a member of the leading family of his region.

In the parliamentary elections of 1958, this seignorial political pattern was successfully challenged by a broadly based political movement--the Neo Lao Hak Sat (NLHS)--organized as the legal front of the Pathet Lao. The NLHS, in electoral alliance with the small neutralist and leftist Santi-phab party, headed by Quim Pholsena, the minister of information in the present Vientiane government, won almost two thirds of the seats at stake in the 1958 election.

The victory of the NLHS reflected an actual grass-roots organization and the appeal of its promises for peace and social change, which contrasted dramatically with the corruption and weakness of the government. It had apparently managed to identify itself with the aspirations of the minority groups, and in some areas intimidation and threats may have played a significant role. However, the inability of the non-Communist politicians to join in a unified electoral front was responsible for the magnitude of the opposition triumph.

Reacting to the election debacle, a group of younger civil servants and army officers organized a reform group--the Committee for Defense of National Interests (CDNI)--to purge the government of corruption and to mobilize support for a more militant anti-Communist policy. CDNI leaders were drawn from the dominant clans, but they soon came into direct competition with old-guard politicians. Their differences were framed in terms of the means and effort necessary to check the NLHS, but also involved was the emergence of a new political generation and the development of a new power base--the army and the mass political organization.

While the CDNI never was broadly based, it did extend its organization throughout the country. It rapidly asserted its power and, with thinly veiled threats of a military coup, it reduced the parliament to an acclamatory body--in effect, carrying out a "creeping coup." The Phoui Sananikone government invested in August 1958 was pressed by the CDNI into a more militant anti-Communist position and, in January 1960, Phoui was granted full powers to operate for a year free of any interference by the National Assembly.

Finally in December 1959 Phoui and his government were forced to resign, and a rightist government headed by Somsanith and dominated by the CDNI was ultimately invested in May 1960. It was this government that was overthrown by the Kong Le coup. The CDNI now is moribund, its leading members scattered. The NLHS remains the best organized political party in Laos.

The Army

The 29,000-man Laotian Army has emerged as a key factor in the power constellation.

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At the time Laos received its independence in 1954, the army was poorly trained and equipped and lacked a corps of officers with senior command training or experience. Until late 1957 the army was fully occupied in improving its capabilities and containing Pathet Lao forces in Phong Saly and Sam Neua provinces.

Because of its nationwide organization and its communications facilities, the army assumed a progressively greater role in propagandizing for the central government. In the electoral campaign of 1958, the army played a leading role in supporting the candidacy of progovernment candidates and was ultimately drawn into active participation in politics, with many of its key officers serving as leaders of the CDNI.

The Kong Le coup apparently had as one of its original objectives the restoration of civilian control over the government. Its effect, however, has been to shatter the unity of the army. Many of the ranking officers and the commanders of three of the five military regions are backing General Phoumi's Revolutionary Committee in Savannakhet. The commander of the First Military Region, with headquarters in Luang Prabang, has maintained a cautious neutrality between the rival regimes and now has emerged as an independent power center. Vientiane is still under the shadow of Captain Kong Le and his paratroopers.

The allegiances of the junior officers are unknown, and the loyalty of the troops and their willingness to fight either each other or the Pathet Lao is also a matter of considerable doubt. There is no evidence that there has been any significant Communist penetration of the army. There is, however, a strong predisposition in Laos toward harmony and nonviolence that probably extends to the peasant ranks of the army. In the 1958 election, several of the military units which were polled separately gave a surprisingly strong vote to the NLHS-Santiphab grouping, apparently because it had successfully portrayed itself as the party of "peace."

The monarchy remains the single institution that could mediate between contending non-Communist groups, but even it is a limited solidarity symbol outside of the old kingdom of Luang Prabang, and the King, preoccupied with maintaining his position, is clearly reluctant to take any action entailing great risks.

In the confusion and disorganization of the present crisis, the Pathet Lao is pressing its advantage on several fronts: in negotiations for a unification settlement, in expanding its base areas, and in propaganda and subversion. Whatever the final balance of forces achieved among the Laotian elite, it will face a Pathet Lao movement which has considerably increased its capabilities.

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NATO PLANNING

Perplexity over how to deal with Sino-Soviet economic penetration of the underdeveloped areas, uncertainty over military doctrine in the face of rapid advancements in missile capabilities, and the pressure from De Gaulle's drive to recast the NATO alliance are causing members to show an unusual sense of urgency as they prepare for the annual December ministerial meeting of the North Atlantic Council. A study begun this fall of NATO's long-term objectives in political, economic, and military fields is providing the occasion for some ini-



SPAAK

tial discussion on how the alliance can adjust to meet changing conditions, even without the "fundamental reorientation" that some European statesmen call for.

Informal North Atlantic Council meetings have allowed representatives of member nations and Secretary General

Spaak to present their own ideas for progress in NATO's second decade in advance of formal government positions. These await presentation of the United States' proposals, which are to be made in time for council discussion before the foreign, defense, and finance ministers convene in Paris from 16 to 18 December.

Coping With De Gaulle

In his press conference on 5 September, De Gaulle took to the public his campaign to raise France's status in NATO. He recommended revision of the North Atlantic Treaty to allow for organized consultations on matters outside Europe, "at least among the world powers," and called for retaining national, as contrasted with integrated, defense forces. At the same time, he offered proposals for greater political coordination among the six Common Market countries. None of these ideas has yet been offered in the form of specific proposals to the North Atlantic Council, however.

Other NATO members are united in their opposition to any formal acknowledgment of a special position for France beyond its seat on the three-member military Standing Group. Britain and other non-Common Market countries continue to campaign against any institutionalization of the Common Market political consultations as potentially divisive to the wider alliance.

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The other Common Market countries are notably reluctant to accept relegation to a secondary position. While they consider that they cannot reject De Gaulle's ideas out of hand, no member apparently wants to get into the business of revising the treaty, and in early October Premier Debré is said to have told Adenauer that revisions might not be necessary to accomplish De Gaulle's ideas.

De Gaulle has nevertheless found a favorable response in principle to his wish to extend NATO members' cooperation on matters outside of Europe. Portugal, Belgium, the Netherlands, and to a lesser extent Britain have for some time shared France's desire to use NATO to secure more unified allied support against attacks in the UN on their colonial positions. Now, in recognition of the shift of the Soviet threat toward the underdeveloped areas, there are signs of greater willingness even among the Scandinavians and usually cautious Canada to expand NATO's interest outside the European area.

Most believe in principle that tightening present practices for consultation on worldwide problems would help, since in practice such consultation has often been inadequate or even omitted. Despite France's insistence on NATO solidarity on the Algerian question in the UN, the Debré government has so far failed to make an advance statement in the council concerning its own planned tactics in the UN on this question.

Spaak suggests the establishment of standing regional

committees and an increase in contacts with other regional organizations: CENTO, SEATO, and OAS. Regional committees, he holds, would be more likely to see that area problems are anticipated and to keep members moving in step than the present single committee of political advisers.

Soviet Economic Penetration

Soviet economic penetration of the underdeveloped areas has been described by Spaak as "75 percent of the threat today," and is the main factor influencing the more cautious members of



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the alliance to consider looking beyond Europe. Ideas for effective counteraction, however, range widely. Spaak, for example, would have NATO involve itself more directly in economic matters, while Britain and Canada prefer no departure from the present practice of exchanging information on national policies.

A Dutch idea for NATO's adoption of an "economic

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directive" to guide members' own activities has attracted considerable favor. Netherlands permanent representative Stikker, who formally offered his proposal in early October on a personal rather than official basis, explained that the directive could offer guidelines for common action by NATO members in other international organizations, such as the projected Organization for Economic Cooperation and Development (OECD). Stikker suggests that even though NATO would not be the organ to execute policies, the directive should deal with political aspects of aid to underdeveloped countries with an eye to combating Soviet penetration.

Military Policy

General recognition of the need for further integration of the alliance's military forces has induced further effort to find a way around De Gaulle's hostility to the principle. Since De Gaulle's press conference of 5 September, some efforts have been made to minimize differences. At their meeting in early October, both Premier Debré and Chancellor Adenauer spoke in conciliatory tones, Debré pointing to the limited agreement on unified air defense concluded in September. On 1 November, Adenauer again publicly spoke of the pressing need to integrate NATO forces.

Primary interest focuses on nuclear weapons: how to prevent wasteful duplication of national effort within NATO, and how to reassure European

members against a feeling of excessive dependence on the United States.

NATO as Fourth Nuclear Power

Pending presentation of US military proposals, discussion both within the North Atlantic Council and in the public press has shifted to the pros and cons of establishing NATO as a "fourth nuclear power" --stimulated by speculative press accounts of the Bowie advisory report to the State Department on NATO long-term planning and by General Norstad's remarks on the subject in England.

In general, greatest support of the idea comes from the atomic "have-nots," led by West Germany. Defense Minister Strauss has publicly stated the Adenauer government's interest in participating in such a program, and the German Social Democrats may be preparing to abandon their stand rejecting nuclear weapons for Germany. Dutch Liberal papers voice approval insofar as the program would deter France from going ahead unilaterally.

Most vociferous opposition has come from Britain, which would suffer a further diminution in its present standing as one of the two sources of nuclear military force within NATO. Commentators fear such a program would add to West German military strength, and generally doubt that De Gaulle can be headed off. They further question whether a NATO program would in fact increase the credibility of the deterrence.

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Last July, Prime Minister Macmillan spoke disparagingly in Parliament of the perils of relying on a weapon which had "15 fingers on the safety catch." An article in the pro-government Daily Telegraph described such an arrangement as even more impracticable than the present "ludicrous" double-key system for controlling the use of nuclear weapons. Some Dutch comment has emphasized the same control problem.

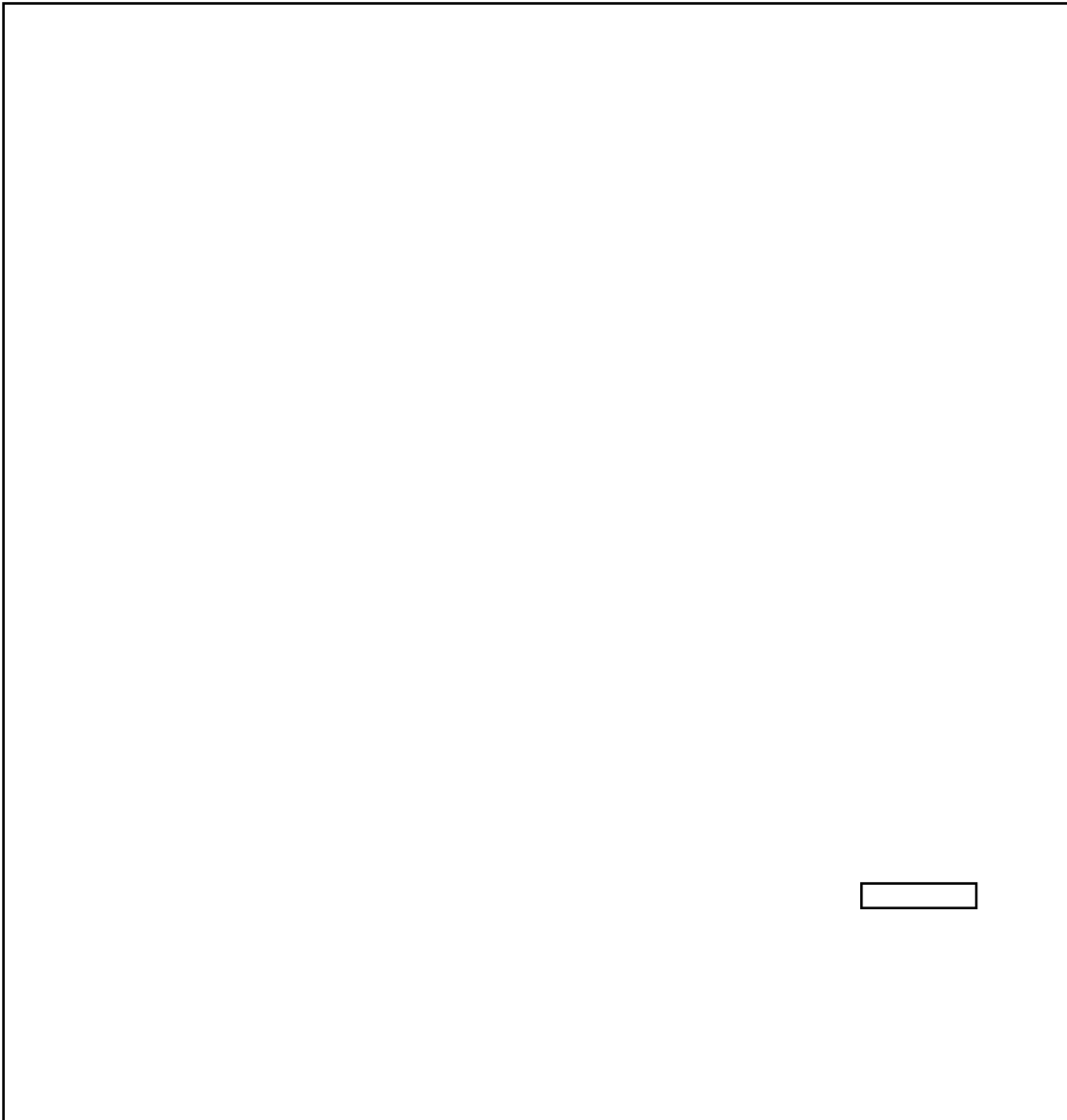
Some anxiety has also been shown lest Moscow follow suit and provide nuclear weapons to its Warsaw Pact allies.

De Gaulle shows every indication of moving France along its own path. The determination with which the Debré government rammed its strike force bill through the National Assembly indicates that Paris would consider participation in a NATO program only if it aided France in its parallel national effort.

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