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CURRENT INTELLIGENCE WEEKLY SUMMARY



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PART I

OF IMMEDIATE INTEREST

SINO-SOVIET POLICIES FOLLOWING THE MOSCOW CONFERENCE

Private comments by top Soviet leaders on the meeting of world Communists in Moscow point up the USSR's problem in seeking to preserve at least a semblance of bloc unity by making concessions to the Chinese without jeopardizing the Soviet goal of arranging new top-level negotiations with the West. Soviet leaders have stressed their "victory" over the Chinese at the conference and have minimized the importance of the attacks on the United States contained in the declaration issued following the meeting.

This line was first established in talks between Ambassador Thompson and First Deputy Premiers Mikoyan and Kosygin on 6 December. Both Mikoyan and Kosygin attempted to make it clear that the militant tone of the declaration was a concession to Peiping which would not affect Soviet policy toward the West.

This approach was continued in subsequent remarks by Mikoyan at a Kremlin reception on 8 December. He stressed to the ambassador and Senator Cooper the USSR's hope for an improvement in US-Soviet relations. In another conversation with Senator Cooper, Mikoyan defended the anti-American charges in the declaration as based on Marxist analysis, but he pointed out that the Chinese Communists had demonstrated their devotion to peaceful coexistence by agreeing to the declaration and expressing their support in statements since the meeting. The

only issue raised by Mikoyan was whether the new American administration would open the way for increased trade, which he stated would help improve relations.

Sino-Soviet Relations

Soviet concern with preserving the appearance of Sino-Soviet unity that was laboriously presented in the Moscow declaration is reflected in recent censorship actions. American correspondents in Moscow have told the US Embassy that until the declaration was agreed on, the censors allowed them to speculate and report freely on Soviet-Chinese differences, but that censorship since then has been extremely strict and any reference to these differences has been deleted.

Since the declaration was issued, Chinese and Soviet editorials have leaned heavily on the theme of bloc unity, but differences in emphasis betray the underlying differences which still exist and make it clear that no real resolution was achieved at the three-week November meeting.

Soviet commentaries and the published documents on the conference continue to emphasize peaceful coexistence and the noninevitability of war as major results. While branding US imperialism as the main opponent of peace, the Soviet press stresses that the shift in the balance of forces in favor of the socialist camp has created

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the opportunity for a successful struggle against a new war.

Chinese treatment of the theme of bloc unity--which reached its zenith in a 10 December People's Daily editorial entitled, "The Closest Brothers, The Greatest Friendship"--is reminiscent of earlier extravagant paeans to Sino-Soviet solidarity. According to the 10 December editorial, Liu Shao-chi's visit to the Soviet Union consolidated and developed still further the Peiping-Moscow axis, writing a "brilliant" page in the history of Sino-Soviet friendship.

The Chinese encomiums to friendship and unity are not intended to imply uncritical obeisance to Moscow's dictates. The Chinese pronouncements elevate Peiping to Moscow's level, as China and the Soviet Union are described as the two "big powers" of the socialist camp--powers which have the biggest responsibility for maintaining bloc unity and for playing the greatest role in preserving peace.

Beneath the surface of unity, the Chinese statements suggest continuing divergences over fundamental issues. Peaceful coexistence is given a militant ring in the Chinese telling, with the thesis on noninevitability of war carefully limited to world wars and even then made more conditional than the Soviet version. Furthermore, the Chinese state flatly that they intend to pursue domestic policies which have angered the Soviets. On this point, Liu told an audience in Moscow that Peiping regards the communes as "experiments for ourselves" which have proved effective and

which the Chinese will firmly adhere to in the future.

Satellite Comments

All the European satellites except Albania have offered commentaries which generally support the USSR. Some of the statements and editorials have sought to convey an impression of Soviet victory over Peiping. Hungarian party First Secretary Kadar, for example, declared that the "prestige of the Communist party of the Soviet Union became stronger." The Bulgarian and Czech parties have held central committee meetings to discuss the Moscow conference, and plans have apparently been made for similar sessions in the other satellites.

The Bulgarian central committee meeting of 10 December adopted a resolution supporting the two documents signed in Moscow, expressing confidence in the work of the party's delegation, and asserting that the line of the Bulgarian party has been consistently correct. Kadar also emphasized the correctness of the Hungarian party's policy. The final resolution of the Czech plenary session, which took place on 7 and 8 December, expressed the same general points.

The East German party plenum has apparently been rescheduled three times, most recently for 14 December. The delay by the East Germans and other parties in holding central committee meetings probably indicates that they are considering very carefully how they are to exploit the Moscow statements. It may also reflect a disinclination to schedule meetings before that of the Soviet party central committee, which had been set for

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13 December but was postponed at the last minute.

Editorials in the presses of the three Asian Communist regimes reflect little significant change in attitude toward Sino-Soviet relations. Mongolia echoes Soviet views. North Vietnam continues its balancing act, accepting Soviet strategic formulations on peaceful coexistence but with due emphasis on the Chinese position, particularly on such matters as forceful revolutionary struggle in underdeveloped areas, the subject of disarmament is avoided. North Korea repeats most Soviet dictums, including that on general disarmament, but tends to emphasize the more bellicose aspects of the Moscow declaration.

East-West Issues

The main result of the Moscow meeting for Soviet foreign policy appears to have been a compromise, granting Khrushchev a period of grace and a relatively free hand to try to demonstrate the effectiveness of his policy in a further round of negotiations with the West. A member of the Polish UN delegation interpreted the meeting in this manner

At the UN, Soviet officials have indicated continuing interest in the new American administration's attitude toward establishing high-level contacts. A member of the Soviet delegation questioned a US official last week on this point. He hinted that the USSR was pre-

pared to resume disarmament talks next spring and indicated some flexibility on the Soviet proposals to include five neutral members in a new disarmament committee. However, Moscow's plan to convene a special General Assembly session, to be attended by the heads of government, received a setback when the UN Steering Committee voted to recess the current session from 20 December until early March, thereby undercutting the Soviet proposal.

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the Moscow conference did not change Khrushchev's intention to resolve the Berlin problem through an early summit meeting. Both the declaration and the Appeal to People's of the World, published on 11 December, included the demand for a German peace treaty and the creation of a free city in West Berlin. According to Western press dispatches from Moscow, Khrushchev told several foreign diplomats that the USSR would welcome Western proposals on Berlin which might offer a way out of the impasse.

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The 11 December "peace appeal" also stressed the standard propaganda themes on complete and general disarmament, prohibition of nuclear weapons and cessation of testing, elimination of foreign bases and withdrawal of foreign troops, and the immediate and unconditional abolition of colonialism. In general the appeal continues the more aggressive tone of the declaration and singles out US "imperialism" as the main enemy of peaceful coexistence.

That Moscow intends to adhere to this more militant tone

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may be reflected in a TASS statement, also issued on 11 December, attacking the UK-US agreement for an atomic-submarine base in Scotland. Timed to anticipate the NATO discussions on establishing a nuclear striking force, the statement repeated previous accusations against Prime Minister Macmillan of bad faith in expressing to Khrushchev a desire to return to the pre-summit atmosphere while at the same time negotiating for US bases. TASS also warned against the "naive" view that the USSR would retaliate only against the submarine and not against its home base.

Bonn-Soviet Trade Talks

On 12 December negotiations between West Germany and the USSR for a new trade agreement collapsed after Bonn's demand that West Berlin be included in the agreement was categorically rejected by the Soviet ambassador. During the talks the Soviet negotiators had brushed aside Bonn's attempt to include Berlin--either by an exchange of letters or by a unilateral West German oral statement. Only at the last minute did West Germany make the signing of the agreement conditional on this demand.

West Berlin Mayor Brandt and the opposition Social Democrats have indicated strong support for the government's position. Although Foreign Minister Brentano stated on 12 December that the Federal Republic would continue to try to reach agreement through diplomatic channels, another ministry official predicted that the treaty was "dead."

If no agreement is reached by 31 December, when the present pact expires, trade could continue on a reduced scale, but the lack of an agreement would probably increase the USSR's difficulties in selling its goods in the German market. The three-year trade pact concluded in 1958 did not specifically include West Berlin, but the USSR has tacitly allowed the city's trade to be treated as part of the West German "currency area."

East - West German Trade Talks

In its exploratory negotiations with East Germany on a new interzonal trade agreement, Bonn has also been insisting that West Berlin and West Germany be treated as one "currency area," and the East Germans so far have allowed the talks to continue within this framework.

The East Germans proposed on 12 December that the trade agreement and its annexes, abrogated by Bonn, be reinstated --the first time the regime has made such a proposal.

The East Germans have concurrently intensified their demands to raise the level of negotiations. In editorials of 11 and 13 December, Neues Deutschland charged that West German representative Kurt Leopold lacks authority to negotiate and declared that he is attempting to inject "political" questions into the negotiations --a reference to Bonn's demand that the East Germans formally disavow their requirement that West Germans secure passes to visit East Berlin.

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CUBAN DEVELOPMENTS

A high-level Soviet trade mission left for Havana on 12 December. Economic talks in Moscow by the Cuban mission headed by Che Guevara were interrupted for the second time on 13 December when Guevara left the Soviet capital for his scheduled visit to East Germany. It was announced that he would return to continue negotiations. The American Embassy in Moscow speculates that the Cuban-Soviet economic talks may have been too complicated for Guevara's delegation or that the meetings in Moscow have been unable to achieve agreement.

Talks were suspended earlier when Guevara's mission left Moscow on 16 November for negotiations in Communist China, North Korea, North Vietnam, and Mongolia. The Cuban mission had returned to Moscow on 8 December after concluding major trade and assistance agreements in Peiping and trade and exchange agreements with the Asian satellites.

The establishment of Cuban diplomatic ties with North Vietnam and Mongolia during visits to those countries by a portion of Guevara's mission suggests that Cuba may accord formal diplomatic recognition to East Germany during the visit there, leaving Albania the only bloc country unrecognized by the Castro regime. Recognition of East Germany would probably provoke a break in relations be-

tween Cuba and the Federal Republic.

On the domestic scene, the Castro regime, faced with growing but still uncoordinated resistance, is taking ever-stronger measures to combat it. Six Cubans were executed on 10 December on counterrevolutionary charges, and more executions are expected. The civilian militia, although not invariably reliable, now rivals the regular armed forces as an instrument for suppressing dissident activity. It is composed largely of the lowest income groups, where loyalty to Castro continues strongest. The American Embassy in Havana estimates that at least 15,000 political prisoners are now in Cuban jails. They are arrested arbitrarily, confined under extremely harsh conditions, and subjected to both mental harassment and physical brutalities.

The purging of the leaders of the electrical workers' union on 12 December will at least temporarily suppress the revolt of that union against domination by the Communist-controlled Confederation of Cuban Workers. The electrical workers' protest march on the Presidential Palace on 9 December was a rare show of defiance against Communist control, and resentment will continue to smolder among organized workers. The anti-Communist leaders of the electrical workers sought

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asylum in various Latin American embassies on 13 December. Members of the electrical workers' union were evidently responsible for the bombings in Havana power plants late last month.

Che Guevara, speaking in Moscow on 10 December, declared, "Counterrevolutionary terror will be met with equal terror."

In saying "We are not yet united and organized into a single party," he implied that the regime will shortly seek to fulfill this project. If carried out, this device would further strengthen police state controls and increase the scope of Communist entrenchment. At present, the Communists have the only organized party in the country. 25X1

ALGERIA-FRANCE

The riots in Algeria have not dissuaded De Gaulle from his plan for a national referendum on 8 January and the creation of an interim Algerian government with local autonomy. He appears determined to punish severely those responsible for the disturbances; many have already been arrested, and army commanders have made plain they will put down any further disorders. Activity in Algiers and Oran is returning to normal, although Moslem crowds in Algiers are still restive.

Except for rightists and Communists, the French public continues its support of De Gaulle and seems willing to await further word from him before taking a definite stand on the Algerian rioting.

The clashes between Moslems and Europeans may have precluded a solution based on cooperative communities of Moslems and Europeans in an Algerian republic closely linked with France--obviously De Gaulle's preference.

The government was prepared for trouble from Europeans upon De Gaulle's arrival on 9 December, and acted firmly. By evening of 8 December extraordinary measures had been taken, including detention of known agitators, searching of Europeans' cars, and surveillance of airfields. The security police had been reinforced and ordered to fire if necessary. During the first day of the rioting, army units began assisting the security police.

The vehemence of the Moslem demonstrations which began on 10 December and especially their pro-FLN flavor appear to have surprised French officials. There is no evidence that the riots were fomented by the FLN, but it seems clear that rebel agents exploited the Moslem mobs to their own ends once the disturbances were under way. The support shown for the FLN will no doubt be used to undercut the long-standing French position that the rebel government represents only a small minority of the Moslem population.

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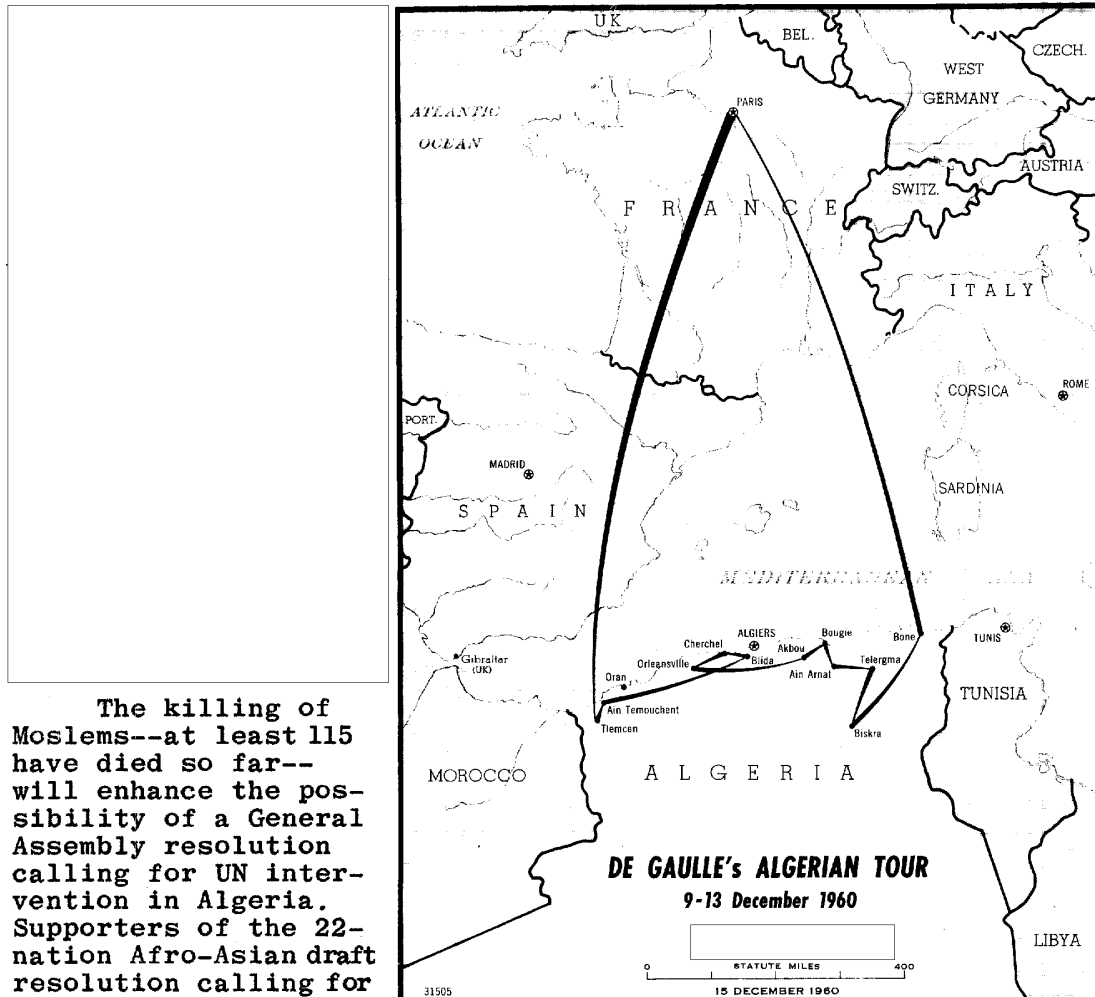
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Neither the Moslem nor European demonstrators had effective leadership, and the lack of strong leaders to control the two communities will make reconciliation more difficult. So far the Moslem reaction appears to be one of anger over the severe measures taken against their demonstrations by troops which had confined themselves largely to passive defense against the European rioters. Algerian Europeans and pro-French Moslems may yet make a last desperate effort to erect a separate French-Algerian republic.

a referendum in Algeria "organized, controlled, and supervised" by the UN are confident that the riots have increased general UN support for their resolution. French African states have met strong resistance to their efforts to modify this resolution, and it is unlikely that they will vote against it. The chairman of the Political Committee, where the debate has been going on for two weeks, intends to bring the issue to a vote before the end of the week, and the full assembly may vote on it before the 20 December recess.

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De Gaulle's decision to return to Paris ahead of schedule may have been based on a belief that his continued presence in Algeria would only encourage further clashes between Moslems and Europeans. He was warmly received by the Moslem population in the towns he visited, but there was considerable evidence of hostility from the Europeans. Paris officially explains the riots as the work of a "minority of fanatics" and not representative of true Moslem feeling. However, a sense of shock is evident in

metropolitan France over the violence of the Moslem demonstrations.

French security forces have rounded up known rightist supporters to prevent trouble in France following De Gaulle's return.

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25X1**CONGO**

Pro-Lumumba forces in Stanleyville have not carried out their threat to execute European hostages if Lumumba is not released by Mobutu. They have stepped up efforts to obtain foreign aid, however, and on 13 December proclaimed the Stanleyville regime, nominally headed by former Vice Premier Gizenga, the "lawful government of the Congo." The proclamation of the Gizenga government may be followed by its "recognition" by certain Asian and African states.

In the Security Council on 14 December, USSR delegate Zorin vetoed a Western resolution calling for humane treatment of all prisoners held in the Congo, after the council had rejected a Soviet resolution demanding Lumumba's freedom.

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The Soviet Union continues to demand the release and reinstatement of Lumumba. Following Gizenga's proclamation, Radio Moscow reported that the vice premier had assumed responsibility and moved the seat of government to Stanleyville. The USSR may contend that the Stanleyville regime is the legitimate government ruling in the name of the jailed Lumumba in order to justify any moves to extend material support to anti-Mobutu forces in Orientale Province.

The announcement on 12 December that Morocco will withdraw its 3,200-man contingent

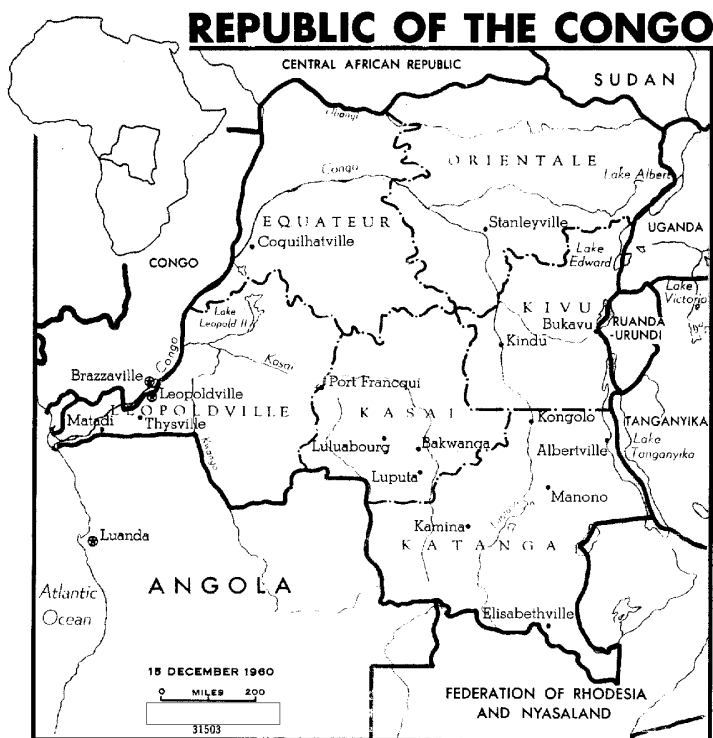
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from the UN Command poses the threat that the 20,000-man UN force may be reduced by as much as one third. The UAR announced earlier that it will call back its 500-man battalion, and Indonesia has indicated that it will pull out its 1,150-man contingent. Guinea is expected to withdraw its 600-man battal-

from Leopoldville and Thysville in the past week to unknown locations near Orientale Province. Within the province, Congolese Army units and dissident militia are each believed to number between 2,000 and 3,000 men. Although the loyalties of the army units are not clear, most are believed loyal to Mobutu, and pose a major threat to the dissident regime.



In Leopoldville, Mobutu has hedged his earlier announcement that he would continue his interim government into 1961, and reportedly is agreeable to reconvening parliament and establishing a new civil government in January. Mobutu has added, however, that such a step would be possible only if "most" of the Congo's scattered parliament can be gathered in Leopoldville, and if the government that emerges is satisfactory to President Kasavubu and himself.

ion, and the coup in Ethiopia raises the possibility that the 1,900-man Ethiopian contingent may be called home.

Mobutu, meanwhile, is under pressure from his commissioners to undertake military operations against Stanleyville. Several hundred Congolese Army troops are believed to have been moved

In a characteristic example of conflicting political initiatives, President Kasavubu advised Ambassador Timberlake on 12 December that he plans to call a round-table conference of Congolese political parties in late December rather than of parliament. Kasavubu stated that he expected that such a meeting would agree on a government acceptable to "provincial leaders"; Ambassador Timberlake

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observed that he himself was not so optimistic.

Although pro-Lumumba sentiment has receded in Leopoldville following the imprisonment of Lumumba, there is no general

agreement among various political factions on a new premier. It appears doubtful whether any arrangement will be satisfactory to Mobutu unless it guarantees him a large measure of power.

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LAOS

The military situation in the Vientiane area is fluid following the attempt, begun on 13 December, by forces loyal to General Phoumi to wrest control of the capital from Captain Kong Le's forces. As of 15 December, Phoumi's troops appeared to control the center of the town, but their further progress is hampered by artillery and mortar fire delivered by the slowly retreating defenders. The city apparently suffered extensive damage and numerous casualties--preponderantly civilian.

The key airfield, a few miles to the northwest of downtown Vientiane, is apparently still under Kong Le's control, although it has reportedly been neutralized by artillery fire. An attack on the airfield by Phoumi's troops may be in progress. Prior to 13 December, Soviet IL-14 transport aircraft

brought in 105-mm. howitzers, 120-mm. mortars, and possibly some anti-aircraft guns to bolster Kong Le's firepower. Reports that North Vietnamese gunners were also brought in are unconfirmed.

If finally dislodged from Vientiane and the airfield, Kong Le and his forces will presumably link up with Communist Pathet Lao guerrilla units, which are reported in considerable strength in the province of Vientiane. Such a combination would pose a formidable guerrilla threat to the capital. The vulnerability of Phoumi's troops was demonstrated on the morning of 14 December when a sudden counter-attack by Kong Le swept them out of downtown Vientiane. Near panic is reported to have seized Phoumi's forces, although they were rallied later in the day and re-entered the town.

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which is strongly rightist in coloration.

Although provisional in nature, the Boun Oum government has a strong claim to legality since it has the King's official sanction; however, approval by a National Assembly vote would strengthen its international credentials.

Quinim Pholsena, one of the two Souvanna government members who remained in Vientiane after Souvanna's flight, has publicly refused to recognize the legality of the new regime and has called upon all Laotians, over the Pathet Lao radio, to rally behind the Souvanna government, which he claims is still the legal one. Souvanna has remained silent on the issue in Phnom Penh, but can be expected to come

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King Savang on 12 December signed a royal ordinance ousting the government of Premier Souvanna Phouma, who had previously fled to Phnom Penh with six of his cabinet ministers. The King's action followed a National Assembly vote of no confidence registered in Savannakhet, headquarters of Phoumi's Revolutionary Committee. Souvanna's ouster paved the way for formation of a provisional government under Prince Boun Oum, coleader of the Revolutionary Committee along with Phoumi. Phoumi is deputy premier and minister of defense in the new government,

under strong leftist pressure to take a stand similar to Quinim's. Whether he would openly defy the King is problematical, however.

The Pathet Lao high command issued an order of the day on 13 December calling upon its regular units and "people's forces" to commence country-wide guerrilla warfare against the "traitorous" Phoumi group and its American and Thai supporters. Thus, even if Phoumi takes Vientiane and establishes the Boun Oum government there, the outlook is for intensified Pathet Lao guerrilla harassment throughout Laos.

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The Communist bloc appears intent on maintaining tension in Laos. At the very least, the bloc probably hopes to heighten international apprehensions and build pressure for a negotiated settlement which would permit Neo Lao Hak Sat representation in the government. The bloc continues its political support of Souvanna Phouma as the "legitimate" government.

Moscow has stepped up its charges of US intervention, and in a 13 December note officially charged the United States with direct "interference" in Laos. The note listed military equipment allegedly furnished the Phoumi forces. It recalled US participation in the 1954 Geneva Conference on Indochina and labeled American intervention in Laos a glaring violation of the Geneva declarations.

The USSR is apparently laying the groundwork for an attempt to re-establish the International Control Commission (ICC) in Laos on the basis that the United States is fomenting civil warfare, and possibly at the same time to stimulate an appeal for UN consideration of the crisis.

Prime Minister Nehru, according to a press dispatch from Bombay, has suggested that the reconvening of the ICC in Laos "might be helpful" in the present situation.

The Soviet press has not yet published any reports of Soviet military equipment being airlifted into Vientiane, but Moscow will probably continue supplying military aid for pro-leftist forces. First Deputy Foreign Minister Kuznetsov, in handing the Soviet note to Ambassador Thompson, argued that it was perfectly natural for the USSR to furnish supplies to the legal government of Laos.

Peiping, in the most recent of a long series of official bloc protests, on 14 December termed the situation very grave and warned that it will "do its utmost to uphold the Geneva agreements and check US imperialist interference." On the same day, Hanoi lodged a formal protest with the ICC against "armed intervention" by South Vietnam in Laos and again charged the US with creating a "direct threat to the security of North Vietnam."

ETHIOPIA

The group of security and Imperial Bodyguard officers which staged a coup against the regime of Emperor Haile Selassie on 14 December quickly seized control of Addis Ababa but was not able to extend its power outside the city. By 15 December the armed forces chief of staff, General Merid, had called up four battalions of army troops from outlying areas, expected to arrive

late in the day. With these augmenting the three battalions presently in Addis Ababa, he hopes to concentrate forces superior to the 5,000 Bodyguard troops and bring about the dissidents' surrender. Loyal air force units were being prepared for possible action against Addis Ababa.

Failing a peaceful solution, Merid proposes to use overwhelming

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force. Meanwhile, in Addis Ababa, students are demonstrating in support of the coup, and there are reportedly mixed feelings among the general populace.

Haile Selassie was flying back from Brazil on 15 December and was expected to land at some provincial city--possibly Asmara or Harar--to rally support against the government proclaimed in the name of Crown Prince Asfa Wossen. Before he left Brazil, the Emperor indicated that he would not accept the new government.

The coup leaders--Director of Security Lt. Col. Workeneh Gabeyhou and Brig. Gen. Menghistou Neway, the commanding general of the Bodyguard--were able to round up most of Ethiopia's government officials and have apparently secured the cooperation of the crown prince, although he may be acting under duress. They have proclaimed a constitutional monarchy--known to be favored by the crown prince--and have promised to speed up the modernization of the country's feudal society.

The crown prince, who had had little opportunity to exercise administrative power and who does not have a strong popular following, has announced his willingness to serve as a salaried head of state. Haile Selassie has been the only personage drawing support from all important elements

of the Ethiopian population, with its strong regional and ethnic divisive tendencies.

The Bodyguard is the best equipped military force in Ethiopia and, in view of its concentration in Addis Ababa, the most able to exert an influence on the political scene. It has recently been affected by considerable dissension over low pay and concern that Ethiopia was drifting into close relations with the bloc. The army of some 25,000 men is scattered throughout the empire, and some of its best units in the Addis Ababa and Harar areas have been depleted to furnish Ethiopia's 2,600-man contingent in the Congo.

Both the Bodyguard and the army suffer from factionalism.



HAILE SELASSIE



ASFA WOSSEN

Many of the younger officers who have received training in foreign or Ethiopian military schools favor speedy democratization of the nation; the older men remain loyal to Ethiopia's powerful regional chieftains and imperial traditions.

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PART II

NOTES AND COMMENTS

SOVIET PARTY MEETING POSTPONED

The decision to postpone from 13 December "to January" the Soviet party central committee plenum on agriculture was apparently a sudden one. A broadcast to Australia and New Zealand on 9 December just three hours before the TASS announcement of the postponement had discussed the plenum and stated that it would meet in Moscow on the 13th.

Moscow has not advanced an explanation for the postponement, but it came shortly after the conclusion of the prolonged bloc conference of Communist parties, which wrestled with the problem of Sino-Soviet differences, and at a time when Khrushchev was reported ill with the flu.

The bloc meeting lasted longer than Moscow expected, and this apparently necessitated the rescheduling of several events previously planned for late November and early December. A nationwide health conference was postponed from 24 November to 6-9 December, a cellulose and paper industry conference was changed from 29 November to 17 January, and the Armenian 40th anniversary celebration was postponed from 29 November to a later date so that--according to a Moscow rumor--Khrushchev could participate.

The bloc conference ended on 2 December, and Khrushchev apparently was taken ill on the 2nd or 3rd. He has not appeared in public since, but he received Chinese President Liu Shao-chi on the 7th and UAR Deputy Premier General Amir the day following, both at his house in Moscow. [redacted]

With the December schedule already tight, Khrushchev may not have recovered fast enough from his illness to prepare adequately for the plenum and may have chosen to postpone it to January rather than reschedule other events planned for December--the USSR Supreme Soviet is to meet on the 20th and the Russian Republic (RSFSR) Soviet on the 25th. Khrushchev's decision to postpone the meeting might also have been influenced by indecision or even disagreement among the top party leaders on policies proposed for consideration at the plenum.

The plenum was called to discuss the agricultural situation and consider plans for improving it--a particularly thorny problem in view of the poor showing in agricultural production for the second successive year. Several articles have appeared recently in the Soviet press upholding the validity of basic Soviet agricultural policy but sharply criticizing administrative officials for neglect and errors in carrying out that policy. Agriculture Minister Matskevich has been attacked in a manner suggesting that he has been singled out to be the principal scapegoat and that the plenum would consider proposals for reorganizing his ministry and forming new agencies for agricultural administration. [redacted]

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YUGOSLAVIA AND WESTERN EUROPE

Although the chief pre-occupation of Yugoslav foreign policy is to improve Belgrade's ties with the uncommitted states, Tito has also made significant progress in bettering relations with the Western European countries.

Foreign Minister Popovic's visit to Vienna from 24 to 26 November resolved virtually every problem which has disturbed Yugoslav-Austrian relations since the Austrian state treaty was signed. Austrian Chancellor Raab is expected to return the visit in February or March.

The joint communiqué issued at the end of Popovic's visit pledged Austria to return various securities and bank deposits taken from Yugoslavia during World War II and to honor the Austrian State Treaty in the treatment of its Slovene minority. Yugoslavia has insisted that the Slovenes in Austria were not enjoying rights guaranteed under the state treaty.

The communiqué also called for increased trade between the two countries and--in an apparent attempt by Austria to take advantage of Yugoslav good will in the uncommitted states --for cooperation in trade with third countries.

Vienna has agreed to grant credits, probably around \$7,000,000, for an economic reform which will allow Yugoslavia to bring its trade practices into closer accord with those of Western Europe. Belgrade agreed to drop its claim for social security payments for Yugoslavs forced to work in Austria during World War II, but it refused to consider Vienna's claims for Austrian property nationalized by Belgrade after the war.

Popovic's visit to Rome from 2 to 4 December was devoted primarily to discussion of broad

international issues; relations between the two states are already good. Italy reaffirmed its adherence to the agreement on Trieste. The two countries also discussed trade; Italy is one of Yugoslavia's chief trading partners. Rome reaffirmed its intention to support Yugoslavia's economic reform with a \$35,000,000 loan. Italian Foreign Minister Segni has accepted an invitation to visit Yugoslavia, but no date has been set.

Although Belgrade has been displeased with Western Europe's generally unenthusiastic response to its plea for support for its economic reform, its relations with other Western European states, except for West Germany and France, are generally satisfactory.

Despite negotiations in the last year, Yugoslavia and West Germany have not re-established diplomatic relations, which were broken off by Bonn in 1957 because Yugoslavia recognized East Germany. Bonn has indicated it will support the Yugoslav reform but it tried in early December to get in return a Yugoslav pledge not to sign a separate peace treaty with East Germany. Belgrade alleges it has already met this condition, although Popovic's remarks in Vienna indicate Belgrade is not yet ready to commit itself on the issue.

Relations with France are troubled by Yugoslavia's support for the Algerian rebellion. Algerian wounded have convalesced in Yugoslavia, and the Algerian provisional government has an unofficial representative in Belgrade. In the last year, French warships have stopped two Yugoslav merchantmen in international waters, and a Yugoslav Foreign Ministry spokesman implied on 9 December that Belgrade gives the Algerian provisional government de facto recognition.

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ANTI-US FEELING IN ECUADOR

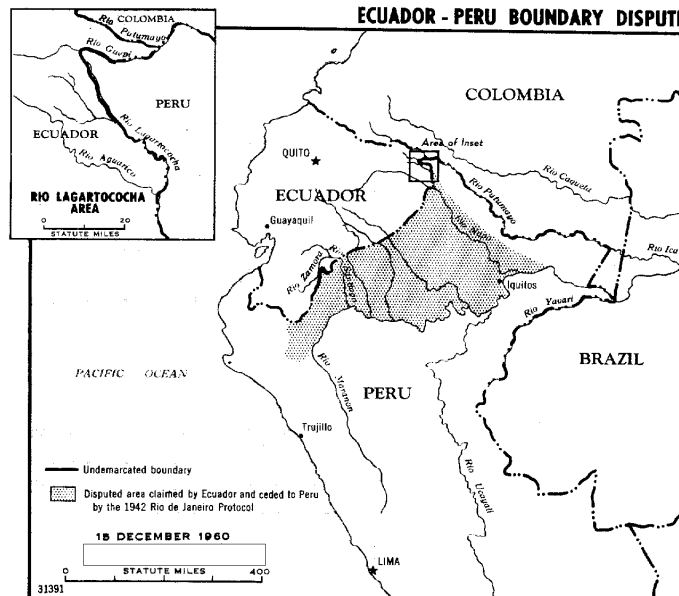
Anti-US sentiment and pressures for establishment of relations with the Sino-Soviet bloc are building up in Ecuador as a result of the 7 December declaration by the guarantor nations to the 1942 Rio Protocol, which provides for a definitive settlement of the 140-year-old border dispute with Peru and grants a favorable award of territory to the latter. The guarantor nations are the US, Argentina, Brazil, and Chile, and the declaration, which was in response to Ecuador's provocative campaign to denounce the treaty as null and void, upholds its validity.

Demonstrations against the US Embassy in Quito and the consulate general in Guayaquil began on 9 December and were followed by additional violence against US installations in these and other cities on 12-13 December--including insults to the US flag. The later unrest may be connected with a reported plan of the small but influential Ecuadorean Communist party for full exploitation of the anti-US sentiment and strong nationalistic feelings generated by the border issue.

While the other guarantor powers expressed grave concern over President Velasco's frequent denunciation of the protocol since he took office last September and insisted on a firm guarantor position upholding it, the United States has been primarily blamed for the

declaration--not merely by Communists but also by top government officials. The Ecuadorean Government is directly encouraging these outbreaks by inflammatory public statements, particularly those of the pro-Castro, anti-US minister of government, Manuel Araujo, who controls the police and is responsible for the maintenance of order.

The Velasco regime is also resorting to a variety of extremist threats designed to neutralize the guarantor declaration and win official and



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popular support for its cause in the hemisphere. These threats include the establishment of closer ties with Cuba and diplomatic relations with the USSR and China and withdrawal from the Organization of American States. Foreign Minister Chiriboga advised the US ambassador on 10 December that the declaration has crystallized the efforts of Araujo, Vice

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President Carlos Arosemena, and other cabinet members to "eliminate excessive dependence on the US" and seek relations with the USSR and China.

In a 10 December public statement timed to reinforce such threats, Chiriboga announced that Czechoslovakia would reopen its legation in Quito, which was closed by Ecuador's previous government in 1957. Araujo has publicly advocated the acquisition of Soviet military and other aid if necessary "to defend our country."

The Ecuadorean armed forces, who realize Peru's marked military superiority and are politically hostile to Araujo and friendly toward the US, represent a potentially moderating influence on Velasco. Velasco has publicly renounced war as a means of settling the border dispute. In Peru, where official and public opinion was elated over the guarantor declaration, the army is sending reinforcements to the border, including 12 tanks, and the navy has stationed major fleet elements off the northern coast --probably as a precaution against the outbreak of fighting.

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CANADA'S ECONOMIC DIFFICULTIES

Faced with the prospect of a severe economic recession this winter, Prime Minister Diefenbaker has recalled Parliament two months early to take remedial action.

Unemployment, which has already climbed to almost 7 percent of the labor force, will probably reach a postwar high of 10 percent during the winter. The main factor in the unemployment increase is the failure of manufacturing industries, which employ 27 percent of Canada's workers, to develop at the same rate as have the minerals and other raw materials industries.

Government officials privately admit that there is no hope this year of achieving the previously estimated balanced budget and a 6-percent increase in gross national product. Despite an 8-percent increase in Canada's export trade in the first nine months of this year, the balance-of-payments deficit is expected to be even higher than last year's record \$1.46 billion.

The economic downturn has already had sharp political repercussions. The American Embassy in Ottawa sees Diefenbaker as "obsessed" with restoring his government's rapidly declining popularity and with countering the Liberal opposition's telling charge that the Conservatives have totally failed in their pledge to broaden Canada's industrial base and to lessen its economic dependence on the US.

Diefenbaker's proposals at the opening session of Parliament on 17 November--establishing a productivity council and staging an all-out export promotion campaign--will have little immediate effect on either the economic slump or the government's standing. The prime minister also stated that the government was considering legislative measures to obtain greater participation by Canadians in the ownership and control of Canadian industry and resources, but he has not yet offered specific proposals. During the last year especially, Canadian public opinion has become increasingly vocal over alleged

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American economic, military, and cultural domination.

In the event Diefenbaker decides to call a general election next spring before the Conservatives' popularity falls further, he may campaign on a platform which has even stronger anti-American overtones than in

the 1957 elections. Minister of Trade and Commerce Hees' remark after his 9 December meeting with the Cuban trade mission --"they're wonderful customers" --reflects the government's current penchant for playing up its differences with the United States.

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NEW JAPANESE GOVERNMENT

Prime Minister Ikeda has temporarily succeeded in unifying his party by including representatives of all major factions in the cabinet formed on 8 December. Opponents within his conservative Liberal-Democratic party (LDP), however, consider that formation of the new cabinet ends the period of relative truce under what was commonly considered a "caretaker" government formed in July and now are waiting for Ikeda to make a misstep which could lead to his ouster.

Political mismanagement of the selection of the speaker of the House of Representatives delayed Ikeda's reelection two days, diminished his prestige, and set the stage for maneuvering against him.

Ikeda has retained strong incumbents in five important ministries--Foreign Minister Zentaro Kosaka, Finance Minister Mikio Mizuta, Education Minister Masuo Araki, Labor Minister Hirohide Ishida, and Minister for Econom-

ic Planning Hisatune Sakomizu-- and has appointed experienced bureaucrats rather than professional politicians to most other cabinet posts. However, no faction leaders have been included in the new cabinet, which leaves them free to maneuver against Ikeda and to avoid acceptance of responsibility for any mistakes his government may make.



IKEDA



KOSAKA

In a press conference on 9 December, Ikeda rejected the contention of opposition Socialists that new US economic programs for improving the international position of the dollar

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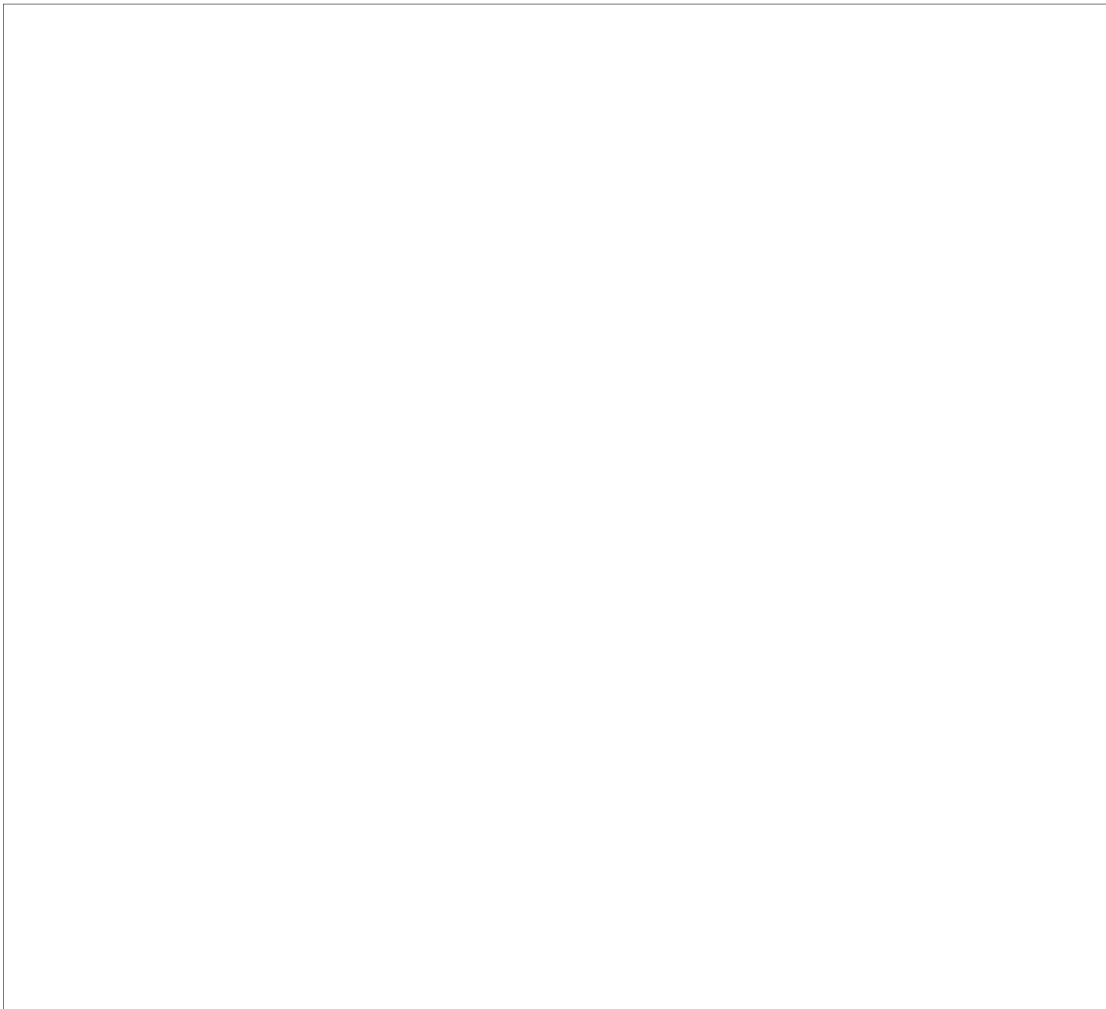
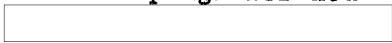
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would necessitate immediate re-
sumption of trade with Communist
China and said that, if there
were need to "refresh" Japan's
foreign policy, he preferred to
"place as much emphasis on re-
lations with West European and
Afro-Asian nations as on those
with the US." On 12 December,
in his government's first policy
speech, Ikeda also promised to
take the "necessary counter-
measures" to US dollar-protec-
tion measures but saw no neces-
sity to alter his party's eco-

nomie policies or pro-Western
orientation.

This apparent confidence
in the political correctness
of LDP policies may not be too
deep, however. Post mortems
on the 20 November election re-
veal concern among LDP leaders
over the long-range implications
of the continued increase of the
leftist popular vote and over
the apparent effectiveness of
the Socialist campaign for neu-
tralism.

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PART III**PATTERNS AND PERSPECTIVES****CASTRO'S IMPACT IN OTHER LATIN AMERICAN COUNTRIES**

The influence of Fidel Castro in Latin American countries other than his own tends to divide into two contrasting categories. The governing circles and most of the press in these countries have been growingly disturbed by his foreign policy attitudes and his disre-

petrified status quo--a symbol in some respects made more attractive by the same characteristics that disturb more sophisticated observers. His popular image bears some similarity to that within Brazil of President Getulio Vargas, "father of the poor," whose suicide in 1954 provoked a surge of anti-US emotionalism there.

Castro as Political Leader

For politically sophisticated elements throughout Latin America, the view of Fidel Castro as an idealist who ousted a tyrant has been replaced by one of a crude and foolish person who disregards his Latin heritage to derive strength from the USSR. Political leaders in the executive branches have been increasingly willing to make public criticisms of the Castro regime, although most leftist party leaders--frequently in the legislatures--have continued to endorse Fidel.

Many Latin American leaders, even some of moderate leftist orientation, were alienated by Cuba's wholesale, public ex-

gurd of established legal procedures, and they have largely given up their earlier favorable view of him.

Among the underprivileged masses and the students, however, he has become a symbol of action against the seemingly

ecutions, by the disregard of Cuban official visitors for formalities such as visas and gun permits, by Cuba's use of Soviet missile rattling, and by its bypassing of the Organization of American States. Closer identification between Cuban and other subversive activity was



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also a major factor in Cuba's alienation of Latin American political leaders and was influential in the adoption of an anti-Castro editorial position by the majority of the area's significant press.

Castro as Political Symbol

For the underprivileged and for the students, Castro has become a symbol of rapid social and economic reform. Many remember that 28 years elapsed between the beginning of the Mexican revolution in 1910 and the expropriation in 1938 of the foreign oil companies, while Castro's extensive expropriations have taken less than two years. Castro's image as a savior of the Cuban masses and as an apostle of social and economic reform is not tarnished among the poor by his disregard for due process of law, because they have commonly regarded the law as an instrument used by the rulers of a country to maintain and extend their prerogatives.

The appeal is strongest in each country among those who feel that only a revolution against all who have wealth and power holds any real promise for them, although other elements are also attracted. The appeal to less vocal Latin Americans is perhaps reflected in the three most recent presidential elections in the area--in Ecuador, Bolivia, and Brazil--where the victors are apparently more sympathetic to Fidel Castro than their predecessors.

Castro also symbolizes intractable opposition to the United States. Many feel that Latin Americans for too long have accommodated themselves to the power status of the United States. Castro therefore is welcomed by those of long-standing anti-US persuasion, and his appeal is generally stronger in countries close to the United States and

Cuba and weaker in the more distant countries--among non-Communists as well as among Communists.

Revolutionary Traditions

In Mexico and Bolivia, which have had sweeping social revolutions of their own, many tend to respond to Castro in terms of their own national experience. In Mexico particularly, many nationalistic and left-wing elements--high and low, educated and illiterate--see the Cuban revolution as the most recent application of the ideals and principles of the Mexican revolution of 1910. They support



it and minimize its shortcomings for this reason. Support of Castro and attacks on US treatment of him by former President Cardenas--who presided over the expropriation of foreign oil companies in Mexico in 1938--are influential in Mexico.

The Lopez government's implementation of agrarian reforms, nationalization of the electrical industry, and other nationalistic programs had their origins in Mexico's 1910 revolution, and the stepped-up implementation of these programs may satisfy some of Mexico's leftist-nationalistic pride and aspirations. The government may also, however, be forced to

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quicken its schedule somewhat to keep ahead of Cardenas and of internal pressures heightened by the Cuban revolution.

Castro influence in Bolivia --where the Cuban regime is emotionally identified with Bolivia's 1952 revolution--focuses on the strong push which has been increasingly evident over the past three months for Soviet economic aid. Some Bolivians have come to believe that Soviet aid may provide a genuine alternative for the US aid on which the country has been heavily dependent. Bolivia's net foreign exchange earnings came to only about \$43,000,000 in 1959, and neither the low-grade tin mines nor the small petroleum fields promise any dramatic production increases which would permit economic progress without foreign aid.

Castro's Expropriations

Castro's expropriation of American property has not in itself alienated the sympathy of most Latin Americans. In Uruguay, President-designate Haedo recently said publicly that the action is justified. Two governments have even suggested that it was model behavior. Ecuadorean President Velasco recently stated to some of his job-seeking political followers, "Castro governs because he had capital...and has expropriated it.... I admire Castro but... our country hasn't attracted capital. With tumult we won't gain anything." The statement suggested to American officials in Quito a new slant on Velasco's ostensibly "welcome" policy for foreign investment.

Bolivian President Paz told the American ambassador on 3 November that when people talk to him openly of the possibility of a "Castro-type" government he points out to them that Bolivia is not Cuba, that whereas American property in Cuba amounted to over a billion dollars, there is no more than \$6,000,000 worth in Bolivia. Financing of Bolivia's revolutionary reforms has been perhaps the major preoccupation of its leaders since they seized power in 1952.

Revolutionary Activity

Pro-Castro propaganda and subversion contributed to the unrest that led to revolutionary outbreaks in five countries in the past two months, although direct Cuban involvement is difficult to prove. Pro-Castro forces were the chief instigators of violence only in Venezuela. In other countries, pro-Cuban elements have been involved in activities which have posed a somewhat longer term threat to governmental stability.

In Peru, for instance, in mid-October 600 Indians with

CASTRO AND RECENT OUTBREAKS

El Salvador: The six-man civilian-military junta that replaced Salvadoran President Lemus on 26 October in a bloodless coup sought immediately to secure the backing of the pro-Castro and pro-Communist elements whose demonstrations last August and September critically weakened the Lemus administration.

Nicaragua: Pro-Castro elements cooperated with other opposition groups, including conservatives, in the unsuccessful rebel effort of 11-12 November. Cuban involvement in some of the numerous previous rebel incursions into Nicaragua has been more direct. Weapons were supplied by Cuba to the rebel force that was preparing to invade Nicaragua from Costa Rica in June 1959 but which was routed by Costa Rican forces.

Guatemala: The Cuban example apparently has almost no appeal except among Communist and pro-Communist groups. These groups were surprised by the army revolt of 13 November, although they subsequently sought to capitalize on the uprising.

Venezuela: A major faction of the pro-Castro Democratic Republican Union party, which withdrew from the governing coalition in mid-November, has been associated with Communist-leftist groups in promoting the extensive rioting of 19-28 October and 25 November - 2 December against the moderately leftist regime of President Betancourt.

Argentina: Pro-Castro propaganda has been used for virulent attacks on the government by the Communists and the outlawed Peronistas who carried out the short-lived rebel attacks in two provinces on 30 November. While the Peronistas are reported divided on the Cuban question, a number of important Peronista leaders are living in Havana and left-wing Peronistas are cooperating with Trotskyite Communists and left-wing Socialists in pro-Cuban activity.

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16,000 head of cattle--apparently inspired by a call from the Leninist Committee of Cerro de Pasco for a Cuban-type uprising--invaded land in the high Andes owned by one of the largest US investors in Peru. At a French-owned mine a principal labor agitator has let his beard grow and the workers have somewhat deified him.

The labor agitator is being called "Fidel" by his followers and asserts he will become a second Castro. These incidents illustrate the pressures contributing to a future revolution in Peru, where traditional social structures have probably changed less than in any other Latin American country.

Communist Exploitation

Castro's appeal to the masses and his intractable opposition to the United States have made him a political symbol of particular usefulness to Latin American Communists in other countries, and they have played a key role in rallying diverse elements to the Castro banner. They have supplied propaganda media, helped organize and support pro-Castro groups, and have contributed to the staging of pro-Castro rallies by leftist political leaders and intellectuals.

In Chile and Brazil, Communist-linked groups have apparently been led by the Cuban example to adopt more revolutionary positions. During violent Chilean demonstrations in Santiago in early November, left-wing Socialist leader Clotario Blest called for eventual revolution, saying, "Santiago will be the Sierra Maestra of Chile." Brazilian Communist peasant leader Francisco Juliao is organizing the destitute peasants of Brazil's northeast plantation area with appeals such as: "The example of Cuba is here. We want a pacific solution for your problems but if we cannot have it, we will come here to ask you to

seize weapons and make a revolution."

The Communist association has, however, been responsible for losses as well as gains for Castro's influence in other countries. In Costa Rica, Peru, and Venezuela, for example, mass-supported revolutionary political parties have developed an anti-Communism among their membership through ten and fifteen years' struggle with local Communists in the labor movement. Members of these parties were among the most enthusiastic of Castro's supporters immediately after his overthrow of the Batista dictatorship, but the Cuban Government's subsequent rapid identification with the aims and methods of the Soviet bloc and international Communism has alienated them. Only a minority defector wing of each party has retained pro-Castro sympathy.

Other Exploitation of Castro

In several countries political leaders who are not sympathetic to the Castro regime are nevertheless supporting pro-Castro elements because some part of the Cuban program is attractive.

In Peru, the reactionary anti-US wing of the oligarchy, which has for many years provided covert support to Peru's relatively ineffectual Communist party in order to undercut the anti-Communist Apra party's social reform program, has welcomed the formation of Rebel Apra, a pro-Castro group led by expelled members of the Apra party. The reactionary-leftist alliance has cooperated in prolonged attacks on American oil companies, forced the resignation of a well liked and effective key cabinet member, and cut into popular support for both Apra and the government's own conservative party.

In Colombia, Liberal Alfonso Lopez, son of a pro-labor president of the 1930s, took a strong pro-Castro stand in his effort of recent years to form

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his political movement with a program of social reform. Lopez has become disillusioned with the Castro regime, but pro-Castro sentiment is still strong among his followers. This group is the only significant protest movement--other than the Communist party--in Colombia.

In Brazil, President-elect Janio Quadros made extensive use of the Cuban situation during his election campaign. In an attempt to refute Communist allegations that he is a "Wall Street lackey," Quadros visited Castro in March of this year. Shortly before the Inter-American Foreign Ministers' meeting on Cuba in August, Quadros announced, "I am with those who are courageous enough to say that Fidel Castro deserves our confidence and our friendship."

Pro-Castro sentiment also enters into Latin American relations with the United States. Both Ecuador and the Dominican Republic have threatened to have closer relations with Castro or to emulate his regime as a tactic in recent negotiations. Ecuadorean President Velasco seeks to upset a treaty commitment on the Ecuadorean-Peruvian boundary and is pushing for US support with suggestions that otherwise pro-Castro forces would become powerful within Ecuador, and Ecuadorean-Cuban diplomacy will be coordinated. Dominican dictator Trujillo insists that a pro-Castro regime will be the only alternative to his own rule. Other countries such as Venezuela have spoken of the specter of Castro influence in an effort to gain US financial aid.

THE USSR AND THE ALGERIAN REBELLION

Moscow's attitude toward the Algerian rebellion has been closely related to the Soviet policy line toward Paris, because of France's key position in NATO and Moscow's apparent belief that some of the historic factors which worked to bring about Franco-Russian cooperation in the past might again be used to reach a measure of agreement at the expense of Germany and France's Western allies. In late 1959, following a long period of fence-straddling on Algeria, Khrushchev, speaking to the Supreme Soviet on 31 October, cautiously endorsed De Gaulle's proposals for settling the rebellion.

The Soviet premier took this step with full knowledge

that it would not be well received by the Afro-Asian, especially Arab, countries which the USSR has assiduously cultivated.

Soviet Campaign for Summit

Moscow's attitude toward the Algerian question at that time was almost completely subordinated to preparations for a summit meeting.

Not only was De Gaulle's attendance at a top-level session of concern from Moscow's point of view, but Khrushchev and his advisers also hoped that De Gaulle's determination to restore France's "grandeur" might bring about an understanding on some issues involving

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Berlin and the status of Germany, and possibly induce the French to take the lead among the Western powers in accepting the satellite regimes as permanent features in Eastern Europe. Khrushchev tried to woo the French President by agreeing to defer a summit meeting until after he had paid a visit to France and by hinting to him during the visit that the USSR was willing to make further concessions on disarmament and Berlin.

De Gaulle's refusal to respond--and particularly the French rejection of Soviet suggestions for even minor concessions in the final communiqué--appears to have been a turning point for Khrushchev.

The failure to get down to serious talks at Paris in mid-May and De Gaulle's strong support of President Eisenhower during the U-2 episode evaporated any remaining hopes Soviet policy-makers may have had of weaning De Gaulle away from the US and UK and thus publicly freed Khrushchev's hands on the Algerian issue.

Algerians Seek Soviet Support

Moscow's policy switch was also prompted by a change in the attitude of the Provisional Government of Algeria (PGAR) toward Communist bloc countries



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in the period immediately after the abortive summit meeting. The failure of the talks between the French Government and the rebels at Melun in June, after repeated efforts to overcome mutually contradictory conditions for holding negotiations, led the rebel regime to conclude that unless further pressure could be brought to bear, bilateral negotiations with De Gaulle offered practically no prospect of settling the rebellion except on French terms.

In an interview in October, PGAR Premier Ferhat Abbas summed up the situation, "We no longer believe in negotiations with the French Government. All our efforts to achieve good will have failed.... It was Melun which forced us (to go to the United Nations), for we have noted that there is an unbridgeable divide between France and ourselves."

The PGAR then decided that its best course lay in "internationalizing" the rebellion by seeking direct intervention by the United Nations and by openly

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soliciting bloc support. Soviet leaders apparently calculated that, pending a new summit drive which probably would not gather much momentum until several months after the new US administration had taken office, they could score significant gains by abandoning their cautious attitude toward the PGAR.

At the same time, they presumably were well aware that in extending recognition and promises of support to the PGAR, they would make compromise between Paris and the rebels--already a difficult task--even more difficult, since these moves would tend to strengthen the PGAR's determination to hold out for recognition by France as the sole spokesman for all Moslem Algerians and for safeguarding of future elections in Algeria from manipulation by the French Army.

Signs of a Soviet shift soon began to appear. On 10 July a Pravda "Observer" article implied--albeit in moderate language--that De Gaulle was guilty of hypocrisy, since he was talking much but doing little to settle the rebellion. This was followed in early August by a public appeal from Khrushchev asking De Gaulle to spare a condemned rebel and by increasingly tough Soviet propaganda treatment of the French President's policy on Algeria. Moscow's shift was capped by Khrushchev's public declaration of 7 October--several days after he talked at his request with members of the Algerian UN "delegation" in New York--that the USSR had extended de facto recognition to the PGAR.

Soviet policy-makers were reasonably sure that this step would not lead to an open rupture with France.

Khrushchev also tried to soften the impact by pointing out publicly that the French had actually taken the lead in giving de facto recognition to the PGAR by negotiating with the Algerians at Melun. In late November he observed to Dejean that the USSR had in the past shown great restraint on the Algerian question and, while bitterly disappointed over De Gaulle's support of the US attitude at the abortive summit meeting, still desired to have good relations.

Other Policy Factors

In taking advantage of the hiatus between summit campaigns to move on Algeria, Khrushchev was able to provide a dramatic backdrop to his strong anticolonial line at the UN General Assembly. The move presumably also helped Moscow in its efforts to undercut Chinese Communist criticisms that the USSR had failed to give adequate support to the "national liberation movement." Communist China had immediately recognized the PGAR following its establishment in September 1958. In late 1959 when Khrushchev endorsed De Gaulle's proposals on Algeria, Peiping remained silent in line with its efforts to discourage negotiations between the PGAR and Paris.

Moscow's changed stance has no doubt also been welcomed by leaders of the French Communist

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party (PCF), since it enables them to appeal for unity of action to the non-Communist French left, which favors a peaceful settlement of the rebellion. While reportedly forewarned, French Communists seemed to have been caught off guard in late 1959 when Khrushchev came out with his cautious endorsement of De Gaulle's proposals, and several days later they apparently executed a belated and unbecoming about-face.

Over the past summer the PCF and its various front groups have moved toward a pro-Algerian position; in August the PCF politburo--foreshadowing Moscow's own extension of de facto recognition to the PGAR--publicly declared that the PGAR is the valid representative of "all the Algerians against whom France is fighting."

In September the PCF appealed to French youth, peace, and other groups to join in mass protests against the government's Algerian policy and to call for Algerian independence. French Communist leaders feel that the growing opposition inside France to continuation of military operations will give them an issue to rally opposition elements, but they have refrained from moves which would give the government a pretext for cracking down on the PCF.

Soviet Backing of Rebel Regime

The USSR's political support of the Algerians is taking the form of pro-Algerian propaganda and presumably will include strong diplomatic support at the United Nations in support of the Algerian proposal for a UN-supervised referendum. Moscow will, however, probably stop short of actions which would seriously risk the prospect of French retaliation--

such as formal recognition of the PGAR and an exchange of diplomatic missions. Any Soviet military aid to the rebels will undoubtedly also be limited by the USSR's political objectives.

A likely form of military aid would be for the USSR, either directly or through one of the East European countries, to consign relatively small amounts of light arms and ammunition to cooperating Arab governments for them to arrange final delivery to the rebel formations inside Algeria. The operational arrangements for the movement of this equipment from the bloc to such Arab intermediaries as the UAR, Libya, Morocco, or Tunisia would probably be kept confidential in order to avoid interception by the French.

As an alternative, "cover" for shipment to North Africa might be provided by military shipments under formal agreements with the cooperating Arab states such as the Soviet-UAR arms deals or the recently announced Soviet-Moroccan arms agreement.

The precise types and quantities of bloc weapons to be supplied would also be affected by such obstacles as the electrified barriers which have all but stopped the flow of the arms into Algeria from Tunisia and Morocco, and by limitations imposed by the rebels' need to transport and service much equipment in the face of French military pressures.

While Rabat and Tunis can be expected to cooperate in transshipment of bloc arms to Algeria, they would probably refuse to allow regular Algerian military formations equipped with bloc aircraft or armor to be built up on their territories. Such units would require

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extensive logistical support from the bloc, including considerable numbers of bloc technical personnel, and would provide an open invitation to the French forces in Algeria to retaliate militarily.

The USSR might also make available "technical personnel" for the purpose of servicing rebel military equipment. Inasmuch as the presence of Soviet personnel in Algeria--short of large numbers of thinly disguised "volunteers" in regular military units--could not turn the military tide against

France, such assistance would probably involve relatively small numbers of military technicians, rather than personnel for combat.

Some publicity for Soviet military help to the Algerians would be necessary to enable the USSR to gain credit among the African and Asian countries. Moscow could be expected to be circumspect, however, about taking responsibility for military aid through admissions by Soviet officials or by the official Soviet press and radio.

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