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11 May 1962

CURRENT INTELLIGENCE WEEKLY SUMMARY



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CENTRAL INTELLIGENCE AGENCY

OFFICE OF CURRENT INTELLIGENCE

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SECRET**CURRENT INTELLIGENCE WEEKLY SUMMARY**

11 May 1962

T H E W E E K I N B R I E F
 (Information as of 1200 EDT 10 May)

SOVIET FOREIGN POLICY DEVELOPMENTS Page 1

Moscow reacted to the NATO meeting in Athens and statements by US leaders last week by sharpening its tone on Berlin and Germany. This reaction suggested that the USSR is uneasy over the future course of Berlin negotiations. Hints that Moscow's patience may soon be exhausted and charges that the US is retreating from its earlier "sober approach" in the bilateral talks on Berlin were aimed at exploiting Western differences over Berlin and inducing the US to step up the pace of the talks. Despite these efforts to increase pressure on the West, the Soviets avoided any threat of a break-off and reaffirmed their interest in "honest and serious talks."

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SOVIET INTERNAL DEVELOPMENTS Page 3

Although indecision and drift are still evident in many areas of Soviet policy, there have been increasing signs within the past few weeks that the Soviet leaders have reached decisions on some outstanding domestic problems and are moving toward the resolution of others. Most notable of these problem areas are the treatment of Malenkov, Molotov, and others of the "antiparty group"; the extent and pace of de-Stalinization; the allocation of resources; and lagging production in the agricultural sphere.

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ANDREY KIRILENKO--NEWEST OF THE TOP SOVIET LEADERS Page 4

The sudden promotion of Andrey Kirilenko to full membership on the Soviet party presidium at the April central committee plenum brings another of Khrushchev's old Ukrainian associates into the Soviet Union's top policy-making body. Kirilenko was also named first deputy chairman of the central committee Bureau for the RSFSR, which, under Khrushchev's personal direction, administers party business in that republic.

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SPUTNIK XVI Page 6

Sputnik XVI, launched on 26 April and recovered three days later, appears to have been part of a new phase in the Soviet space flight program directed toward extending the duration of manned flights in near-earth orbits, an essential step toward manned lunar exploration. Although designated Cosmos IV in Soviet announcements, Sputnik XVI differed in several respects from the first three Cosmos satellites. It appears instead to have been related to flights of the Vostok series, which involved the Gagarin and Titov flights.

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LAOS Page 7

Antigovernment forces which took Nam Tha on 6 May are pressing toward Ban Houei Sai, on the Thai border, where the government commander hopes to establish a defense perimeter. Souvanna, in Paris, has called upon Souphannouvong

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to withdraw his forces from Nam Tha. Phoumi, meanwhile, has cited the attack as proof that the Communists do not want a peaceful settlement. The Soviets have turned down a British request to call for a report from the International Control Commission on the incident. [REDACTED]

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FRANCE-ALGERIA Page 10

The mounting OAS terrorism in Algiers and Oran makes it likely that further French-Algerian talks will be necessary. There is growing concern both in Paris and in the provisional Algerian government in Tunis lest the security situation require postponement of the self-determination referendum now envisaged for early July. However, the French Army's failure to respond vigorously to government directives for drastic anti-OAS action suggests that it is still trying to avoid an all-out and bloody showdown. [REDACTED]

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SOUTH VIETNAM Page 11

Little change has been noted in the level of Viet Cong activity, with the number of attacks in the last week of April only slightly below the previous week's. Despite a high Viet Cong casualty rate and continued government pressures, some areas of the country have reported further security deterioration since January. Saigon has sent a second note to Phnom Penh charging Cambodian responsibility in a recent border incident, but both governments profess a desire to play down the episode. [REDACTED]

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WEST NEW GUINEA Page 12

The Netherlands' offer on 7 May to resume talks with Indonesia is unlikely to be acceptable to President Sukarno. Dutch Foreign Minister Luns has warned that willingness to discuss the dispute does not mean that the Netherlands has agreed to hand over administration of West New Guinea to Indonesia as Sukarno has demanded as a basis for further talks. [REDACTED]

CONGO Page 13

UN authorities in the Congo have sought to use the recess in the Adoula-Tshombé talks to clarify substantive differences prior to a resumption of negotiations. The two sides remain far apart, particularly over the division of powers between the central and provisional governments. UN officials, who are likely to play a more active role as mediators than in the past, have indicated that they are prepared to put pressure on Adoula as well as Tshombé. [REDACTED]

RESISTANCE GROUPS IN CUBA Page 15

Passive resistance is fairly widespread in Cuba, but because of the tight control by the security forces, active resistance is still limited to a few scattered and poorly

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equipped groups. There are, however, some recent signs of increased activity among opposition groups. There have been [redacted] new pockets of guerrilla activity in recent weeks, and two major fires in Havana have been attributed to sabotage. [redacted]

ARGENTINA Page 16

President Guido has completed his cabinet, despite continued differences among the military over some of the appointees and future political policies. Foreign Minister del Carril's initial speech on 5 May stressed Argentina's pro-Western position. Economy Minister Alsogaray has described the financial crisis as grave; he cited a fall of more than \$500,000,000 in foreign exchange reserves during the past year and a cumulative government deficit that now approaches that same amount. [redacted]

VENEZUELA Page 17

Antigovernment plotting by extremists of both left and right continues to threaten political stability in Venezuela. Rural violence is increasing, and the Communist party is engaged in guerrilla activities designed to discredit President Betancourt's government and cause its eventual collapse. Government security forces seem capable of suppressing large-scale Communist outbreaks, however, and Betancourt will probably take increasingly severe anti-Communist measures, partly in response to pressure from the military and from [redacted]

SINO-INDIAN BORDER DISPUTE Page 18

India's efforts this spring to assert its position in Ladakh by moving to isolate advance Chinese outposts has led to a new exchange of threats between New Delhi and Peiping. New Delhi's hard line, coupled with Peiping's announced determination to hold what it considers its own, has set the stage for small-scale clashes along the frontier during the next few months. [redacted]

KHRUSHCHEV'S VISIT TO BULGARIA Page 19

Khrushchev, in his mid-May visit to Bulgaria as head of a party and state delegation, will probably stress his support for Bulgarian party boss Todor Zhivkov's de-Stalinization campaign. Zhivkov has had difficulty with domestic Stalinists since the ouster of Stalinist ex-party boss Vulko Chervenkov from his party and major government posts last fall. The party leaders evidently want to resolve this problem before the party congress scheduled for late August. [redacted]

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EXPANSION OF EAST BERLIN'S SCHOENEFELD AIRPORT Page 21

East Germany's Schoenefeld Airport is the Berlin terminal for all Soviet bloc civil and military aircraft. The airport, located just south of Berlin, could have handled, without modification, a substantial increase in traffic. For several years, the East Germans have been engaged, on a priority basis, in an elaborate expansion and construction program to make the airport a major European terminal. They hope it will replace West Berlin's Tempelhof and Tegel airports, where facilities are relatively cramped. The East Germans will probably increase their efforts to attract traffic away from West Berlin in order to control non-Allied freight and passenger traffic to the city by air in the same way they now do on railroads and highways.

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RUANDA-URUNDI Page 23

The special UN Commission for Ruanda-Urundi is strongly anti-Belgian and will almost certainly recommend to the General Assembly in June that Belgian forces be replaced with Africans after 1 July, the tentative independence date. The governments of Ruanda and Urundi, under pressure from the commission, have both taken a position against the retention of any foreign troops. U Thant says the UN now is in a position to supply training and possibly some command personnel but not troop replacements. Tribal warfare on a wide scale seems likely to break out, particularly in Ruanda, unless arrangements can be made to provide strong internal security forces.

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ITALIAN PRESIDENTIAL ELECTION Page 24

The election of Italy's new President, Antonio Segni, was bitterly contested largely because he has not favored Christian Democratic Premier Fanfani's experiment in center-left, Socialist-backed government. Segni's election is likely to encourage his supporters within the Christian Democratic party to step up their efforts to sabotage important parts of the program on which the government's existence is based. Resentments aroused within the government coalition by the election will complicate the choice of a new foreign minister to replace Segni.

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SPAIN Page 26

Spain's first serious labor agitation in four years has involved 75,000 workers in walkouts and led Madrid on 4 May to declare a three-month state of emergency in several northern provinces. Opponents of the Franco regime are stepping up efforts to exploit the situation--strikes are illegal in Spain--but will probably be unable to profit politically from this unrest unless the current economic upswing is drastically affected.

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SPECIAL ARTICLES**CAIRO RADIO Page 1**

Cairo radio has one of the most powerful broadcasting systems in the world and is utilized extensively by Nasir for advancing his aims in Africa and the Middle East. Announced plans call for further expansion of its transmitter strength and for a more diverse and voluminous propaganda output. The broad themes it develops are the virtues of nationalism, the iniquities of imperialism, and the power and dignity of Nasir's Egypt. However, it frequently strikes at more specific targets with viciousness.

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BRITISH AFRICAN POLICY DEVELOPMENTS Page 5

The Macmillan government is making new efforts to overcome sharp internal conflicts in its remaining East and Central African colonies in order to achieve orderly transitions to independence. Senior cabinet member R. A. Butler arrives on 11 May in the white-ruled federation of the two Rhodesias and Nyasaland in search of a formula that will reduce Africans' hostility to federation and allow some future association of the three territories. In East Africa, London must cope with antagonisms among non-European groups. In recent weeks these antagonisms have delayed constitutional advance in Kenya and Zanzibar and threaten to bring about violent outbreaks in Uganda, which is scheduled to become independent on 9 October.

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WEEKLY REVIEW

SOVIET FOREIGN POLICY DEVELOPMENTS

Moscow reacted to the NATO ministerial meeting in Athens and statements by US leaders last week by sharpening its tone on Berlin and Germany. This reaction suggested that the USSR is uneasy over the future course of Berlin negotiations. Hints that Moscow's patience may soon be exhausted and charges that the US is retreating from its earlier "sober approach" in the bilateral talks on Berlin were aimed at exploiting Western differences over Berlin and inducing the US to step up the pace of the talks. Despite these efforts to increase pressure on the West, the Soviets avoided any threat of a break and reaffirmed their interest in "honest and serious talks."

The Talks on Berlin

Moscow used an authoritative Pravda "Observer" article on 3 May, timed to coincide with the NATO meeting, to indicate its displeasure with the US position in the Berlin negotiations and to dispel any notion that the Soviets are satisfied with the results of the talks to date. Pravda complained that the "slightest indications of a sober approach" in the West to the German and Berlin problems "fade away as soon as they appear," and charged the US with raising new obstacles to an agreement and deliberately stalling the talks. These strictures reflected the Soviet leaders' sensitivity to recent statements by Secretary Rusk and General Clay which contradicted the relatively optimistic assessments of the Berlin talks made late last month by Khrushchev and Gromyko.

Pravda also accused West German leaders of attempting to upset the US-Soviet negotiations and warned that "provocative visits" to West Berlin by Bonn leaders might "complicate" the talks and "frustrate" an agreement. This outburst was occasioned by President Luebke's latest visit to West Berlin to participate in May Day ceremonies

there and by Chancellor Adenauer's visit to the city on 7 and 8 May to address a labor congress.

The "Observer" article bluntly restated Moscow's position on Berlin and Germany and hinted that further negotiations would be futile if the US adhered to its position that termination of the Western "occupation regime" in West Berlin and withdrawal of "occupation troops" are not negotiable. Pravda reiterated Soviet objections to the US-proposed international access authority and insisted that unrestricted Western access would be possible only by agreement with East Germany.

Walter Ulbricht echoed these themes in a carefully staged interview with the editors of Pravda and Izvestia, published on 7 May, in which he repeated that the prerequisites for his proposed international arbitration agency to settle access disputes are termination of the "occupation regime" and creation in West Berlin of a "peaceful, demilitarized, and neutral free city." Ulbricht again indicated that a "contractual settlement" could be negotiated which would protect the freedom of and access to the city, but he rejected any international access authority invested with the right to control the lines of communications across East Germany. As a precedent for a Berlin settlement giving East Germany "100 percent control" over communications across its territory, Ulbricht cited the United Nations Headquarters agreement with the US which accorded the US the right to issue entry visas.

Reaction to NATO Meeting

A Pravda dispatch warned that the decisions announced at Athens to put Polaris submarines at the disposal of NATO and on the "nuclear arming of NATO" could be an "irreparable blow" to further East-West contacts and could "undermine" the USSR's

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trust in the "sincerity of proposals submitted to it." Pravda stated that the Warsaw Pact countries will not leave these decisions unanswered and called attention to the "silence" of the NATO ministers regarding a non-aggression pact between NATO and Warsaw Pact countries. East European comment also took the line that the Athens meeting had endangered the US-Soviet Berlin talks.

Situation in Berlin

Mayor Brandt has expressed concern over the increasing attempts of Soviet Embassy officials in East Berlin to expand contacts in West Berlin government, business, academic, and cultural circles. In conversations with West Berliners, they are asserting that under a "free city" agreement, guaranteed by the four powers, the USSR will participate in West Berlin affairs on an equal footing with the Allies. They are also predicting that the city sooner or later will fall to the Communists, indicating that it would be prudent to establish good relations in the interim.

In a 9 May call on Ambassador Kennan in Belgrade, Soviet Ambassador Yepishev, who is soon to take up new duties in Moscow, stated that the "only" serious remaining problem with regard to Berlin is the question of the troops to be stationed there. He repeatedly gave his "personal assurance" that if the Soviet Government went into an agreement on Berlin, it would do so with the intention of carrying it out "punctiliously" in spirit and letter.

The Soviets continue to show interest in improving Soviet-US relations in Berlin. In a meeting with the chief of the US Military Liaison Mission on 29 April, General Yakubovsky, chief of the Soviet

forces in East Germany, said long-standing agreements on the use of the autobahn by Allied forces are still valid and that the USSR has no desire to make changes or initiate a new agreement. While Yakubovsky agreed that the checkpoint procedures along the autobahn should be designed to provide expeditious processing of military convoys, he continued to insist that advance notification be given on the transit of all military vehicles.

Disarmament and Nuclear Testing

Moscow has apparently begun to prepare the Soviet people for an imminent resumption of Soviet nuclear testing. Soviet leaders have repeatedly stated that US tests would oblige the USSR to resume testing of "new types" of its own nuclear weapons, and almost two weeks after the US began atmospheric tests, Moscow radio has started reporting workers' meetings in the USSR protesting this "new criminal act of the American warmongers" and demanding the immediate termination of the US tests. A member of the Soviet delegation at the Geneva disarmament conference recently indicated to Western delegates that the USSR is "fully prepared now" to begin testing.

The Soviet delegation recently made a halfhearted attempt to secure a recess in the disarmament conference during June and July, with the understanding that it be reconvened on 1 August in New York. After failing to draw Western and neutralist support for this proposal, Soviet chief delegate Zorin announced at the 10 May session that the USSR was willing to go on negotiating in Geneva "without a break." He is expected back in New York for the UN General Assembly session next month.

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WEEKLY REVIEW

SECRET**CURRENT INTELLIGENCE WEEKLY SUMMARY****SOVIET INTERNAL DEVELOPMENTS**

Although indecision and drift are still evident in many areas of Soviet policy, signs have been increasing within the past few weeks that the Soviet leaders have reached decisions on some outstanding domestic problems and are moving toward the resolution of others. Following the 22nd party congress last October, the regime seemed hesitant and uncertain on what policies to pursue in several domestic areas. The most notable of these problem areas were the treatment of Malenkov, Molotov, and others of the "antiparty group"; the extent and pace of de-Stalinization; the allocation of resources between heavy and light industry and between industry and agriculture; and the critical problem of lagging production in agriculture.

With the adoption and implementation of Khrushchev's new schemes for reorganizing the management of agricultural production and changing the crop-rotation pattern, a sense of firm direction was imparted to the chronically troublesome agricultural field. Party secretary Ilichev's warning on 22 April--in a speech honoring Lenin's birthday--against contraposing heavy industry and consumer-goods production or industry and agriculture could indicate that agreement on a general formula for handling resource allocation problems has also been worked out. A decision to continue primary stress on heavy industry while at the same time somewhat increasing resources devoted to agriculture and light industry

appears the most likely possibility.

No real progress seems to have been made in defining the limits of de-Stalinization, but there appears to have been considerable slackening in the pace of the drive, and a more cautious approach is evident. Moderation also seems the agreed course in regard to the antiparty group. Malenkov, who was displaced as arch-villain of the group by Molotov at the party congress, now has been returned to his pre-congress role, and Ilichev, who argued at the congress that the group should bear responsibility "before the party and the people," described it in his Lenin anniversary speech as "ideologically and politically defeated," giving the impression that the matter was closed.

There is no known connection between these various policy problems and the abrupt downgrading of Ivan Spiridonov--former central party secretary and party leader of Leningrad. The only issue on which Spiridonov has clearly spoken out is that of the antiparty group. At the 21st party congress he was in the forefront of the attack--calling for the ouster of the group from the party. At the 22nd congress, however, he refrained from mentioning further disciplinary action, although he charged the group members with responsibility for mass repressions during the Stalin era. Spiridonov's recent position appears to be between the two extremes of further sanctions and leniency.

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While it is always difficult to distinguish policy issues from disputes over power, the Spiridonov affair appears more clearly than usual an example of the latter. The fact that Khrushchev and not Kozlov on 3 May went to Leningrad--Kozlov's power base--to speak at the meeting which effected Spiridonov's removal as Leningrad party boss will be widely interpreted in the party as publicly associating Khrushchev with a move detrimental to Kozlov's position. This is the first time in over five years that Khrushchev has participated in the dismissal of a local party official.

Khrushchev's remarks in Leningrad have not been published, up to the present time.

It seems likely that if a policy dispute were at the base of Spiridonov's ouster, some indication of the issues involved would have been forthcoming.

The secrecy which has surrounded these recent changes suggests that the situation is still unsettled; some early clarification of Kozlov's involvement seems likely, however. Meanwhile, a first attempt has been made to gloss over the problem. In a symbolic effort to portray unity, Kozlov, Spiridonov, and Kirilenko--the official reappointed to the presidium at the time of Spiridonov's ouster from the secretariat--were dispatched together to represent the Soviet Union at an East German Embassy reception on 7 May.

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ANDREY KIRILENKO--NEWEST OF THE TOP SOVIET LEADERS

The sudden promotion of Andrey Kirilenko to full membership on the Soviet party presidium at the April central committee plenum brings another of Khrushchev's old Ukrainian associates into the Soviet Union's top policy-making body. Kirilenko was also named first

deputy chairman of the central committee Bureau for the RSFSR, which, under Khrushchev's personal direction, administers party business in the Russian Federation. These appointments are the first changes in the composition of the presidium and the bureau since the

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22nd party congress last October.

Kirilenko was born in the Ukraine in 1906 and became a member of the party in 1931. No information is available on his background or education, but his career as a party official specializing in industrial affairs suggests training as an engineer, perhaps in the field of heavy machine building. In all likelihood he spent his early professional years in the Ukraine and may have been established as a lower level party functionary by 1938, when Khrushchev began his 11-year stint as party overlord in the republic. Kirilenko had clearly come to Khrushchev's attention by the end of World War II, and his progress up the political ladder since that time has been marked by Khrushchev's patronage.

By 1946, Kirilenko was serving as party second secretary in a steel and chemical industry center in Zaporozhye Oblast, working under Leonid Brezhnev--now a presidium member and "President" of the Soviet Union. In February 1947

Kirilenko was promoted to first secretary in nearby Nikolayev Oblast and given the task of getting that area's transport machinery industry back on its feet. His success during the ensuing three years won him the Order of Lenin and a promotion; in July 1950 he was named party chief in Dnepropetrovsk Oblast, "the Pittsburgh of the Ukraine." He replaced his former boss Brezhnev, who had been moved up the line to become first secretary of the Moldavian Republic. Kirilenko remained in Dnepropetrovsk for five years.

He left in November 1955 to assume direction of the party in Sverdlovsk Oblast, hub of the Urals heavy industrial complex. This move was clearly part of Khrushchev's preparations to bring his own men to the fore at the 20th party congress in February 1956. At the congress, Kirilenko was elected to full membership on the party central committee and was additionally chosen to serve under Khrushchev as a member of the newly formed Bureau for the RSFSR.

Kirilenko continued to head the party organization in Sverdlovsk until his promotions last month, when he moved to Moscow for full-time duty. He had been elected a candidate on the party presidium at the central committee plenum of June 1957, probably as a reward for his reported help in engineering Khrushchev's victory over the antiparty group, but was dropped at the 22nd party congress last October. The reasons for this setback have never become clear, but his return--as a full member of the party presidium--leaves little doubt that he has become a powerful political figure who may be in a position to seek revenge against those who pushed his demotion last fall.

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SECRET**CURRENT INTELLIGENCE WEEKLY SUMMARY****SPUTNIK XVI**

Sputnik XVI, launched on 26 April and recovered three days later, appears to have been part of a new phase in the Soviet space flight program directed toward extending the duration of manned flights in near-earth orbits, an essential step toward manned lunar exploration.

Although designated Cosmos in Soviet announcements, Sputnik XVI was unlike the first three Cosmos vehicles. The announced purposes of that program are broad enough, however, to include Sputnik XVI's probable mission.

Analysis of the Sputnik XVI operation establishes a relationship both to flights of the Vostok series, which involved the Gagarin and Titov flights, and to an apparently unsuccessful attempt last December to orbit either a modified Vostok vehicle or a new vehicle

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Sputnik XVI and the December 1961 operation probably had similar missions.

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The movements of the Soviet space event support ships after participation in the Titov flight last August indicate that the USSR probably intended to initiate flight testing as early as October in the phase represented by the December operation but encountered technical difficulties.

The movements of these ships between the time of the December and April operations suggest that they were expecting a rescheduling of the operation.

Sputnik XVI is expected to lead to manned flights of from three to ten days' duration. On his flight last August, Titov was in space slightly over 24 hours.

Manned lunar missions, including circumlunar flights, will require flights of from five to ten days. Other critical problems which must be solved before lunar missions can be undertaken include radiation shielding, midcourse guidance, high-speed re-entry, and development of large-thrust booster systems.

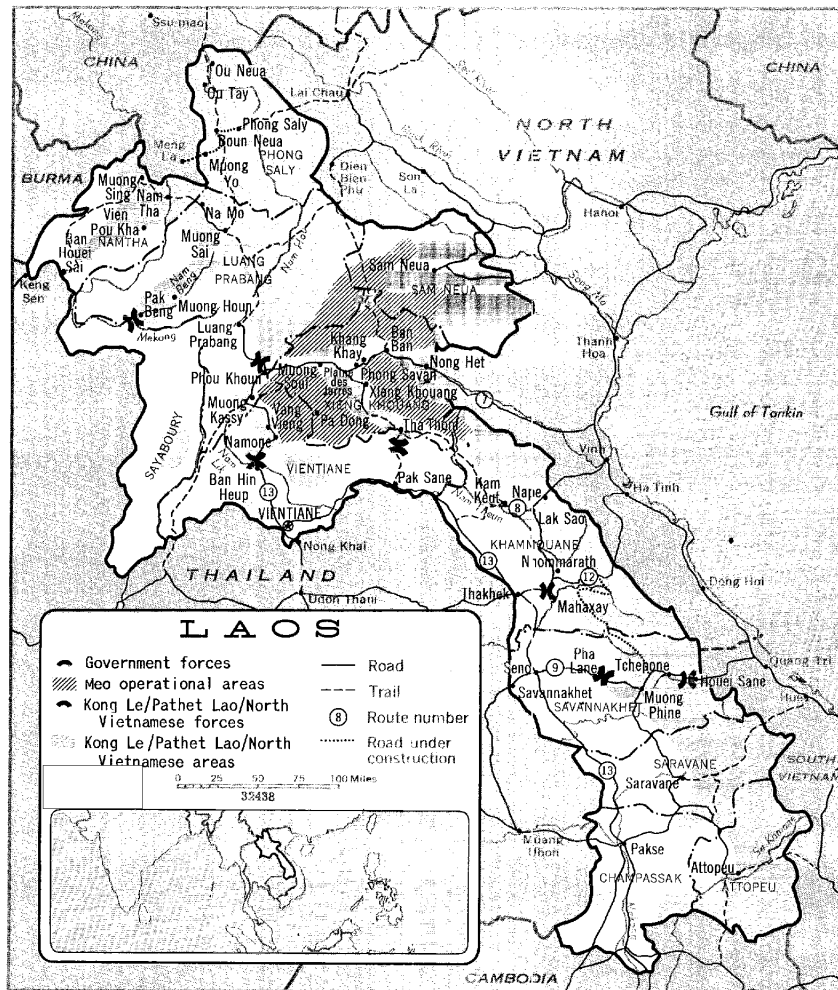
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LAOS

The Pathet Lao - North Vietnamese forces which captured the provincial capital of Nam Tha on 6 May are advancing toward the government fallback position at Ban Houei Sai, a town on the Mekong River border with Thailand. Government forces, disorganized and lacking heavy weapons and ammunition reserves, have been fighting only a token delaying ac-

tion against the pursuing forces, comprising an estimated two Pathet Lao and two North Vietnamese battalions. Lao-tian Army commander General Bounleut, who is directing the defense in northern Laos, hopes that the retreating troops can be regrouped to make a stand a few miles outside Ban Houei Sai. This town can be supported logistically from

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Thailand via Keng Sen, a road-head located approximately 30 miles upriver.

The attack on Nam Tha had been preceded by the fall on 3 May of Muong Sing, near the Chinese border and 20 miles northwest of Nam Tha. Although Vientiane claims Chinese military intervention, there is no firm evidence that Chinese Communist troops were involved in the actions at either town.

Souvanna, in Paris, has expressed disapproval of the

Pathet Lao moves as "contrary to my instructions." In an apparently futile move, he has asked Souphannouvong to withdraw his Pathet Lao troops to their pre-attack positions.

Phoumi, who returned to Vientiane on 9 May from goodwill visits to several Asian capitals, has cited the Nam Tha attack as proof that the Communists do not want a peaceful settlement. He indicated, however, that he is still willing to resume negotiations with Souvanna in an effort to ease the crisis.

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The close parallel between Soviet propaganda on the Nam Tha attack and that of the other Communist powers, together with the fact that the USSR shifted its airlift to northwestern Laos early last month, suggests that, at the least, Moscow concurred in the present breach of the Laotian cease-fire. Gromyko's remarks to British Ambassador Roberts in Moscow on 8 May are consistent with this view. The Soviet foreign minister turned down Roberts' request that the USSR and Britain--as cochairs of the Geneva conference--make a joint appeal to the International Control Commission for an early report on the Nam Tha incident. Gromyko claimed that such a request was unnecessary because the commission was already on the scene. He contended that the Pathet Lao was "forced to repulse the sallies of Phoumi's troops" in order to curb the "arrogance" of the Vientiane leader.

Bloc policy in Laos for the past month seems based on the assumption that the political impasse will continue indefinitely. The Communist leaders, therefore, apparently are not concerned that the present offensive will make a political solution even more difficult and remote. Soviet Ambassador Abramov's remarks on 22 April to the British and French ambassadors in Vientiane clearly showed Moscow's confidence that a prolonged delay in resolving the stalemate in Laos would be more to Communist advantage than an early settlement. The Communists probably anticipate that the impasse will steadily increase the erosion of Souvanna Phouma's political and military position.

The fact that the Nam Tha offensive occurred while both Souvanna and Kong Le were out of the country underscores the Communists' indifference to the declining influence of the neutralist forces and to Souvanna's prospects for forming a national coalition government. This indifference probably stems from a shift in emphasis in the thinking of Soviet leaders which now places the Laotian problem in the larger context of the conflict in South Vietnam. Abramov noted in his 22 April remarks that if the Laotian impasse dragged on for two, three, or even seven years, the Soviets were prepared to wait, but that, in this event, a solution in Laos would be likely before the problem of South Vietnam is settled.

The Communists obviously have a strong interest in maintaining the Soviet airlift into Laos and in keeping a corridor open through southern Laos for supplying the Viet Cong forces in South Vietnam. A settlement based on the Geneva agreements would make these operations more difficult, even if it did not impede them completely. Given the present prospect for a prolonged stalemate in which Laos, for all practical purposes, will remain partitioned, bloc policy will be focused on strengthening the military and political position of the Pathet Lao forces and enhancing capabilities for assisting the Viet Cong forces in South Vietnam.

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WEEKLY REVIEW

SECRET**CURRENT INTELLIGENCE WEEKLY SUMMARY****FRANCE-ALGERIA**

French and provisional Algerian government (PAG) officials are increasingly concerned over the Algerian situation as mounting Secret Army Organization (OAS) terrorism threatens to incite massive Moslem retaliation. PAG premier Ben Khedda's 10 May radio address to the Moslems in Algeria added little to previous PAG appeals for calm, and seemed to have no immediate effect on the Europeans. There is growing concern that Paris may be obliged to postpone the self-determination referendum, now envisaged for early July.

Minister for Algerian Affairs Joxe told a US Embassy officer on 4 May that he intends to seek De Gaulle's authorization to meet with PAG officials in hopes of dispelling their doubts as to the French desire to restore order. Joxe commented that his prolonged negotiations which culminated in the Evian accords were "child's play" compared with the present implementation phase. The likelihood of further, probably secret, French-PAG talks on the security situation was also hinted at in PAG information minister Yazid's press statement of 8 May that "other measures must be worked out" to cope with the OAS.

Still another possible channel for talks has been suggested by High Commissioner Fouchet's personal staff chief, who believes a round-table

meeting between Algerian rebel leaders and 15 or 20 prominent settlers might "clear the atmosphere." The possibility that the OAS would be at least indirectly represented is hinted in Provisional Executive President Fares' press statement last week that he is ready to talk with "everybody."

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The US Embassy reports that the period since the 19 March cease-fire has "clearly been a disappointment" to Paris because of the increase of OAS terrorism, despite the capture of the top OAS leadership, the danger that weakening Moslem discipline may produce major racial clashes, and the slow establishment of the Provisional Executive's administrative control.

Military reluctance to press the clean-up of Algiers and Oran has been evidenced not only in the few reinforcements thus far sent to those cities but in the frank admission made last week by retiring Sureté Nationale Director for Algeria Jannin that "surgery

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has to be performed here, and our people are unwilling to do it." He said the military are pressing the government to hold the referendum no later than 1 July--corresponding to the period informed French official comment has usually mentioned--on the grounds that the army could no longer fulfill its mission after that date if De Gaulle continued his present rate of troop withdrawals. While there are probably as many as 370,000 troops still in Algeria, only about 50,000 at most have been sent into Algiers and Oran.

De Gaulle has scheduled a press conference for 15 May and will tour four south-central departments from 17 to 20 May. According to the press, security officials are reportedly worried over a tour at this time, in view of reports that OAS assassins are infiltrating France via Spain. The trial of ex-general

Raoul Salan, captured OAS head, begins on 15 May, and there are reports that the group responsible for the attempt to assassinate De Gaulle last September will stand trial this month.

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SOUTH VIETNAM

During the week ending 30 April, 120 armed Viet Cong attacks were reported, marking little change from recent weeks. Total Communist casualties for the period were reported as 569, as compared with 182 for the government. In the Second Corps zone of the central Vietnam, the Viet Cong concentrated on harassment of army engineer units and

sabotage of roads under repair, apparently to prevent completion of the road work in this area before the rainy season. In the southern or Third Corps zone, no large-scale attacks were reported during the last three weeks in April, but a Civil Guard post was heavily damaged by an unknown number of Communists on 6 May, and a

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battalion-size Viet Cong action was reported on 4 May.

In the last week of April, government forces conducted three large-scale actions in the northernmost military zone and four helicopter operations in the southern zone. One such airlift operation resulted in the capture of 189 suspects, of whom 49 were identified as Viet Cong regulars and 61 as local guerrillas. Despite the high Viet Cong casualty rate and continued government pressure, the American consul in Hue recently reported that, except in Kontum Province, where conditions improved in recent months, security in the northern provinces has continued to deteriorate gradually since the first of the year.

Saigon has sent a second note to Phnom Penh, still charging Cambodian responsibility in the 20 April raid on a South Vietnamese border village. Both sides profess willingness to moderate the issue, but face-saving considerations appear to be delaying moves toward a settlement.



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WEST NEW GUINEA

The Netherlands Government on 7 May offered to resume discussion with Indonesia on the West New Guinea dispute, provided both parties are free to bring to the agenda all items they deem relevant. Foreign Minister Luns warned, however, that willingness to discuss the proposals formulated by Ellsworth Bunker in early April did not mean that his government agreed to hand over administration of West New

Guinea to Indonesia. He professed to be concerned with the difficulty of persuading the Dutch cabinet and public opinion that the Bunker formula provided the latitude for useful negotiations. Luns said he doubted that the Indonesians would act in good faith with regard to self-determination for the Papuans and questioned the value of any guarantees that might be given.

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Somewhat earlier, Luns had been bitterly critical of Bunker's proposals, which he claimed had undermined Dutch confidence in the US and had required an accelerated buildup of Dutch military strength in the territory. He said there would soon be 10,000 Dutch troops in West New Guinea and 2,500 Papuans with military training, as well as adequate naval strength. He said air strength still required improvement.

The Netherlands' offer is unlikely to be acceptable to Sukarno. The Indonesian President has held the position that although he accepts the Bunker proposals "in principle," he will negotiate only on the basis of the transfer of West New Guinea administration to Indonesia. He claims that should the Dutch make this concession, he would be willing to discuss other matters.

The Netherlands representative at the UN delivered a formal note on 3 May accusing Indonesia of aggression and spelling out Indonesia's acts of violence against West New Guinea territory during and since the three-day secret Dutch-Indonesian talks of mid-March.

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CONGO

UN authorities in the Congo have sought to use the current recess in the Adoula-Tshombé talks to clarify substantive differences prior to

a resumption of negotiations. On 7 May, the senior UN representative, Robert Gardiner, flew to Leopoldville to report to Adoula concerning his

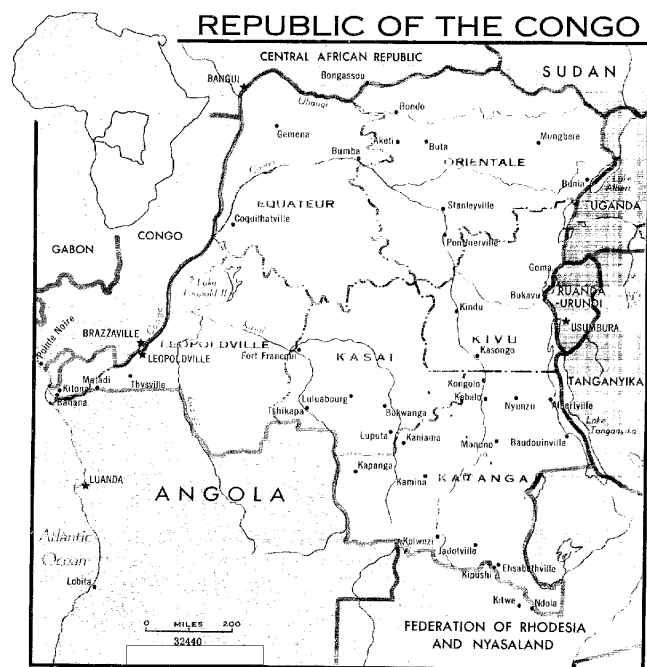
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The prospect that Adoula might appeal to "neutralist" states for bilateral military aid may have diminished temporarily as a result of the 7 May action by the Congolese parliament in clearing the way for a trial of leftist leader Antoine Gizenga. The Chamber of Deputies approved 64 to 22 a report which cited Gizenga's efforts to obtain UAR assistance in overthrowing Adoula, and voted to divest Gizenga of his parliamentary immunity. Radical African states, most of which are lukewarm toward Adoula, would probably not respond favorably to an aid request which coincided with the trial of the Congo's leading "nationalist."

The UN Command announced on 4 May that it would attempt to disband the massive Baluba refugee camp outside Elisabethville. Repatriation of approximately 40,000 Balubas to their tribal areas in Kasai Province began on 8 May. The refugee camp, which sprang up after anti-Tshombé Balubas sought UN protection during 1961, has long been a health and security hazard; the UN repatriation effort was launched with Tshombé's concurrence.

There have been unconfirmed reports of fighting between central government and Katangan forces in northern Katanga near Nyunzu. The Leopoldville government first confirmed and then denied that fighting had taken place; the security situation in northern Katanga has long been precarious, and there have been indications of unrest among Congolese Army units in Albertville.

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25X1 conversations with Tshombé. Although the two sides remain far apart, particularly in matters relating to provincial autonomy, a UN official has observed that Gardiner's efforts may save "considerable time" once negotiations are resumed.

Tshombé, who ostensibly has been ill with the flu, has stated that he will shortly return to Leopoldville. There are indications that he may be prepared to accept a formula by which Katanga, in a reunified Congo, would contribute half of its revenues to the central government. No overall agreement appears likely, however, as long as Adoula continues to reserve to himself most governmental powers and Tshombé envisions an essentially confederal arrangement. In contrast to the first round of talks, when the UN remained largely in the background, UN officials will probably play a prominent role as mediators when talks are resumed.

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RESISTANCE GROUPS IN CUBA

A majority of the Cuban people of all socio-economic backgrounds now seem resentful toward the present regime, largely because of the economic privations it is imposing and its pervasive authoritarianism. Most Cubans are behaving with at least outward apathy, however, evidently believing there is no recourse with sufficient chance of altering the situation to justify the risks of open antiregime activity. The ability of thousands of Cubans to leave the country has acted as a safety valve, releasing from the immediate scene the most desperate and highly motivated opponents of the regime.

Passive resistance, such as job slowdowns and deliberate inefficiencies, is fairly widespread in the cities as well as the countryside, according to reports from Cuba. Active resistance, however, is limited to a few scattered and poorly equipped groups continually harassed by the regime's large, effective internal security machine. Nevertheless, there have recently been some signs of increased activity by these groups.

While the reported death or capture of several anti-regime leaders during the government military drive beginning in mid-April against guerrilla bands in the Escambray Mountains has dealt a blow to these bands, there have been persistent reports of an increasing number of desertions from Cuban military units and the creation of new pockets of guerrilla activity. At the same time, there has been an increase in acts of sabotage in the Havana area; two major fires there in the past two weeks were attributed to sabotage, presumably by clandestine resistance groups.

Castro made his public attack on veteran Communist Anibal Escalante in a

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speech in which he nevertheless made clear his own continued dedication to Communist objectives.

Even if Castro's duplicity toward his non-Communist former comrades-in-arms should lead them actively to oppose him, it is unlikely now that, short of assassinating him, they could

act decisively against the regime. Any plots they might develop would probably quickly become known to the Communist-controlled Department of State Security. To succeed, these plots would need to be accompanied by large-scale civil resistance, and this is not immediately in prospect.

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ARGENTINA

President Guido has completed his cabinet, despite continued differences among the military over some of the appointees. Foreign Minister Bonifacio del Carril's initial speech on 5 May praised the United States highly and stressed Argentina's pro-Western position. He invited any officials differing with this policy to resign--with an obvious reference to those who had advised a soft policy on Cuba. The Foreign Ministry has announced that with the exception of Venezuela, Uruguay, Costa Rica, and Mexico, all countries which had diplomatic relations with the Frondizi regime now have acknowledged continued relations with Argentina.

Economy Minister Alvaro Alsogaray on 7 May announced plans to deal with the financial crisis, which he described as the most serious Argentina had ever known. He cited the drop in foreign exchange reserves from \$700,000,000 to \$180,000,000 during the past year and the mounting budget deficit of some \$500,000,000. Official foreign trade statistics released on 4 May report a trade deficit for 1961 of \$496,200,000. Alsogaray said the armed forces had agreed to economize by deferring planned purchases and by the early release of recruits.

The two major non-Peronista parties, the Intransigent Radical

Civic Union (UCRI) and the People's Radical Civic Union (UCRP), now are meeting in separate conventions and may develop new positions on the key problem of elections. Interior Minister Perkins--formerly of the UCRP--has again urged reunification of the two parties, which together would be the largest single political group; however, both parties are split on the unification issue.

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VENEZUELA

Antigovernment plotting by extremists of both left and right continues to threaten political stability in Venezuela. The leftist-inspired revolt by a marine battalion on 4 May is the most recent outbreak occasioned by the Communist campaign to discredit President Betancourt's administration through agitation and violence. Extreme rightists among the military and business groups--dissatisfied with the government's failure to quell the continuing unrest--are determined to effect the collapse of the regime.

A concerted drive is being made by the Communist party to organize and train guerrilla forces throughout the country in preparation for a coordinated revolt sometime in the future.

[redacted] rural violence is increasing; several guerrilla camps have been discovered along with evidence of Cuban arms assistance. The government recently announced the capture of more than 100 Communist-trained extremists engaged in guerrilla activity in eastern and western Venezuela. Government security forces appear capable of suppressing any large-scale outbreak by the Communists.

The governing coalition--comprised of Betancourt's Accion Democratica (AD) party and the Social Christian party--has

also been weakened by internal splits. In March 1962 a dissident faction defected from the AD, giving the opposition a majority in the lower house. This faction's attitude toward administration programs will be decisive. Although still in control of the Senate, the government may be blocked in Congress on important legislation, particularly that needed to approve foreign aid agreements.

Betancourt's political difficulties are aggravated by the economic depression which has prevailed since 1959. Venezuela's economy is gradually recovering, but unemployment remains high. The country faces a severe balance of payments deficit which may reach \$150 million in 1962, according to the Venezuelan Central Bank. Economic problems have impeded Venezuela's efforts to carry out social reforms needed to implement the Alliance for Progress.

Nevertheless, Betancourt is generally expected to serve out his term, which ends in early 1964, since he has widespread support among organized labor, the rural population, and the business community, and most military leaders appear to be loyal. He is now under increasing pressure from the armed forces and conservative groups to outlaw the Communist party and take other measures to suppress leftist subversion. However, the Social Christians have threatened to leave the coalition if the Communists are outlawed. [redacted]

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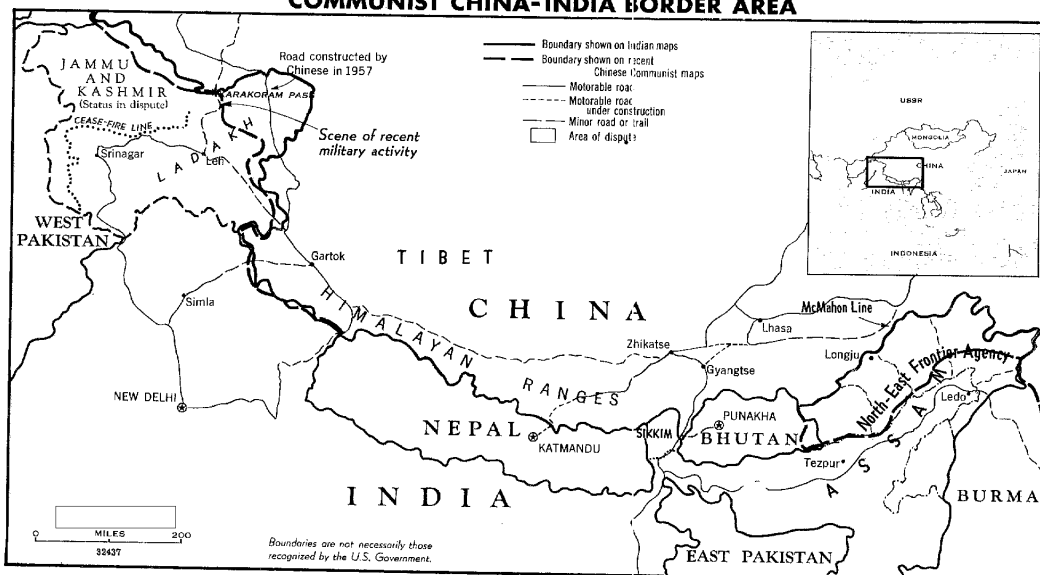
SECRET**CURRENT INTELLIGENCE WEEKLY SUMMARY****SINO-INDIAN BORDER DISPUTE**

India's frustration with what it regards as a creeping advance by the Chinese Communists in Ladakh and the arrival of good weather in the area have led to a series of probing operations there aimed at isolating advance Chinese positions. The decision to undertake this action had been under consideration since at least last January; the actual orders to leapfrog Chinese outposts in the area southeast of the Karakoram Pass apparently were issued in mid-April.

Peiping's protest on 30 April, following India's establishment of outposts which "threaten" advance Chinese positions, drew public attention to the affair and led the Indian Army to order a more general alert for the northern defense network. In dismissing the Chinese note before Parliament on

3 May, Prime Minister Nehru reaffirmed his intention to hold all Indian positions, and subsequent army orders to forward posts have echoed this line. Patrolling has been stepped up, posts in the northeast are being augmented with army regulars, units have been told to hold their ground regardless of Chinese actions, and India's thinly spread forces in Ladakh are being reinforced by two battalions from Srinagar.

The Chinese in the past few years have moved to occupy sections of the disputed area of Ladakh, making New Delhi resort to force should it wish to dislodge them. The Chinese thus have been able to plump strongly for the status quo, and their notes on the border stress the wisdom of preserving the existing situation all along the border and frequently

COMMUNIST CHINA-INDIA BORDER AREA**SECRET**

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mention willingness to negotiate.

Peiping rejects, however, New Delhi's demand for prior withdrawal of Chinese forces from forward positions in Ladakh. The Chinese presumably feel that such a withdrawal would put them at a disadvantage at the negotiating table, where they apparently intend to press for a compromise solution involving acceptance of Chinese claims in Ladakh and Indian claims in the North-East Frontier Agency. Peiping's sense of urgency was demonstrated during the recent meeting of its National People's Congress: the border issue was the only topic raised that was publicized while the congress was still in session.

Difficulties in logistics and terrain, requiring the use of pack animals and airdrops, will tend to limit engagements to company-level forces.

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KHRUSHCHEV'S VISIT TO BULGARIA

Khrushchev's mid-May visit to Bulgaria as head of a party and state delegation is probably intended primarily to demonstrate his support for Bulgarian party boss Todor Zhivkov's de-Stalinization campaign. To date, the campaign has been generally restrained and indecisive, largely because of the strength of Stalinists in the Bulgarian party. That Khrushchev hopes for a quick resolution of the campaign is suggested by the fact that the eighth Bulgarian party congress--

a more logical occasion for a visit by Khrushchev--is less than four months off. The decision to visit Bulgaria this month may have been made after a first-hand report from Soviet party secretary and agitprop chief Leonid Ilichev, who led an unusual "ideological" delegation to a Bulgarian conference on de-Stalinization on 23 and 24 April.

Following the attacks on Stalinism and the antiparty group at the Soviet 22nd party

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congress last fall, the Zhivkov leadership reopened a limited de-Stalinization campaign. At a central committee plenum in late November, Stalinist ex-party boss Vulko Chervenkov was ousted from the politburo, a move followed in early December by his dismissal as deputy premier. The central committee ordered a nationwide campaign to erase the effects of Chervenkov's "cult of personality," to discredit him, and to make him the scapegoat for all of Bulgaria's ills which could be attributed to the period 1950-56, when he was head of the party and government.

Bulgarian efforts to de-Stalinize since 1956, however, have in large part been half-hearted paper measures, chiefly because the party membership is largely sympathetic to the Stalinist approach and retains its loyalty and admiration for Chervenkov--the personification of Stalinism in Bulgaria. As a result, a full-scale prosecution of de-Stalinization in the party would be disruptive to the entire regime. Chervenkov sought to capitalize on this difficulty by refusing to accept his demotion at the November plenum.

There are signs that Zhivkov has been unable or unwilling to prosecute de-Stalinization since the November plenum. Also, pre-electoral speeches by regime

leaders in February revealed differing views on the way to handle the question. On 15 March, Georgi Tsankov, also a notorious Stalinist, was removed as minister of interior but retained his membership on the party politburo; no public explanation whatever has been given for his removal from the government post. Although the leaders of the Writers' Union, some of whom were compromised in the Chervenkov suppression of the writers' revolt in 1957-58, were criticized by the membership last December and January, no changes have been made. Nor has there been any apparent shake-up in either the central or provincial party apparatus.

Soviet concern with the Bulgarian party situation may have led to the decision to send the Ilichev delegation to the 23-24 April conference. The agenda was prepared at a two-day central committee meeting on 20 and 21 April. Bulgarian party secretary Mitko Grigorov delivered the main address, which called for further "unmasking" of the errors of Chervenkov--including the revision of textbooks containing his "erroneous" theories. While Grigorov's remarks do not appear to signal drastic new measures affecting the party membership, Ilichev also addressed the conference. His speech apparently was very critical of the Bulgarian party, and neither Bulgarian nor Soviet media have so far been willing to publish it.

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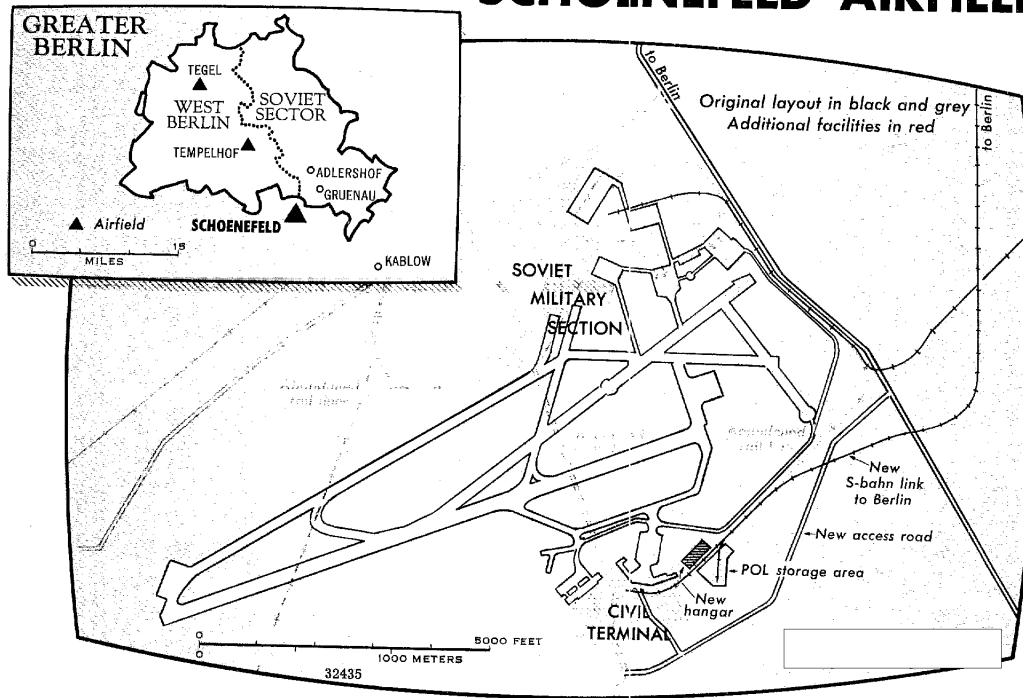
SECRET**CURRENT INTELLIGENCE WEEKLY SUMMARY****EXPANSION OF EAST BERLIN'S SCHOENEFELD AIRPORT**

East Germany's Schoenefeld Airport is the Berlin terminal for all Soviet bloc civil and military aircraft. Located just south of the city, it is well equipped and could handle, without modification, a significant increase in traffic. For several years, however, the East Germans have been engaged, on a priority basis, in an elaborate expansion and construction program to make the airport a major European terminal. They hope it will replace West Berlin's Tempelhof and Tegel airports--now used for all regular flights by Western carriers to Berlin--where facilities are relatively cramped.

At the present time, the only Western carriers with a Berlin franchise are Pan American, British European Airways,

and Air France. The East Germans apparently hope to attract airlines from non-NATO countries, which have long been denied a share of West Berlin's profitable passenger and freight traffic, and many from NATO countries which do not have a Berlin franchise now. The East German regime, in fact, has suggested that landing privileges will be accorded on a first come, first served basis. The major obstacle to Western airlines' use of Schoenefeld on a regular basis is that international law requires that landing rights be negotiated on a government-to-government basis. Since East Germany has not been granted diplomatic recognition, Western commercial carriers have been able to use Schoenefeld only for occasional chartered flights.

EAST GERMAN EXPANSION OF

SCHOENEFELD AIRFIELD

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Construction to expand the airfield began in early 1959. An 11,000-foot runway, capable of handling the largest Soviet planes, was completed last summer, and Aeroflot began regular jet service between Berlin and Moscow on 3 April 1962. This runway connects with a concrete-asphalt landing strip which was recently extended to 6,800 feet for medium-range flights. In addition, there are two 2,700-foot runways, and two more runways are to be finished by 1965. The airfield is well equipped with navigational and landing aids: airport control, direction finding equipment, beach approach system, approach control, instrument landing system, ground control approach, a broadcast station in Berlin, and obstruction lights as well as rotating runway and approach lights. Schoenefeld, furthermore, is the site of the control center for the Soviet zone. Long-line telephone and teletype services and complete aerological service are provided. The field also has adequate fire-fighting and snow-removal equipment.

Two underground fuel storage dumps, with an estimated capacity of 800,000 gallons, are located near the southeast edge of the field and are served by a railroad spur. An average of four tank cars of fuel arrive each day. A pipeline will connect this storage area with a new 20,000-metric-ton POL storage facility being constructed about ten miles east of the field at Kablow.

The field has terminal and administration buildings completed or under construction, workshops, a motor transport section, power plant, and warehouses. Schoenefeld is capable of providing field maintenance for aircraft. Two large hangars

with maintenance shops are located at the southeast end of the field, and a new six-bay hangar is about 75 percent complete. In addition, there are barracks and dependents' quarters, a mess hall, VIP and tourist hotel accommodations, and medical and recreational facilities.

Access routes to the airport are being improved. An express highway to East Berlin was opened on 28 April. Construction reportedly has begun on a seven-mile highway which will connect Schoenefeld with the Berlin autobahn ring so that travelers can go from the airport to West Berlin by autobahn without going through East Berlin. A new electrified S-Bahn line between Adlershof and Schoenefeld airport, which was constructed on a priority basis to enable rapid travel between Schoenefeld and the Ost Bahnhof, the main railroad station in downtown East Berlin, was inaugurated on 26 February 1962. A short double-tracked spur will branch off from the Adlershof-Gruenau line and terminate west of the airport. It probably will carry POL to the storage center on the field. A single line which already connects the western part of the airport with the POL facilities will be improved.

The improvement and expansion of Schoenefeld Airport is an integral part of Walter Ulbricht's goal of asserting the sovereignty of his regime. The East Germans also hope to use the facility as a control lever over air traffic between West Berlin and the outside world. The East Germans already effectively control all non-Allied freight and passenger traffic entering or leaving West Berlin via rail and highway. The only access to

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West Berlin which is not subject to some form of East German surveillance is that which enters the city via the air corridors to the Allied airports in West Berlin. Thus, if commercial carriers could be attracted away from Tegel and Tempelhof to Schoenefeld Airport, the controls which then

could be instituted against freight and passengers entering West Berlin would considerably weaken the city's independence and viability, thus furthering the Communist goal of isolating West Berlin from West Germany and the free world.

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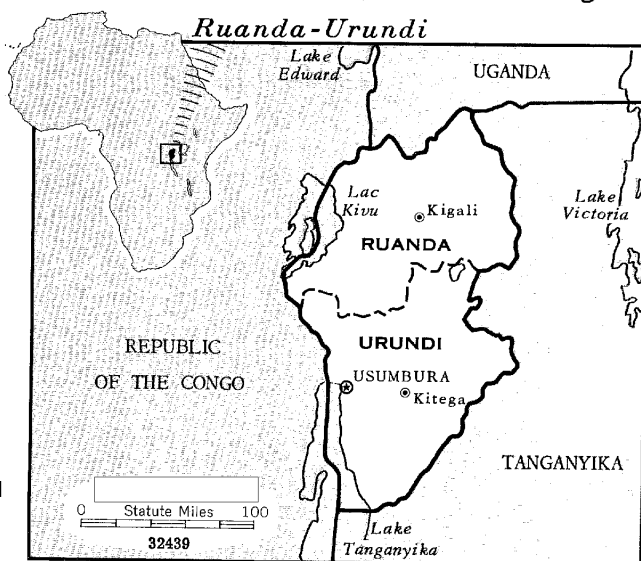
RUANDA-URUNDI

The special UN Commission for Ruanda-Urundi appears likely to recommend to the 16th General Assembly session resuming in June that Belgian troops be withdrawn from the territory after 1 July, the tentative date for its independence. Tribal warfare and administrative chaos reminiscent of the events following Belgium's withdrawal from the Congo seem likely to follow. Although such a recommendation could be reversed by the General Assembly, the fact that the governments of both Ruanda and Urundi have themselves declared formally against retention of any foreign troops--either Belgian

or UN--after independence makes reversal unlikely. Assistant Secretary Williams, who talked with both Ruanda President Kayibanda and Urundi Premier Muhirwa on 4 and 5 May, said the possibility that Belgian troops would be retained in Urundi is almost nil--and highly unlikely, although possible, in Ruanda.

The UN Commission's members are from Morocco, Liberia, Togo, Haiti, and Iran. They toured Ruanda-Urundi in April and May and have just completed a formal conference in Addis Ababa with Ruanda and Urundi leaders. The commission has consistently exhibited a strong anti-Belgian bias and has insisted that the 23 February General Assembly resolution appointing the commission precluded the retention of Belgian troops after independence. It has blamed Belgium for all of Ruanda-Urundi's problems, and holds that Belgian troops and many Belgian technicians must be withdrawn rapidly.

Before the Addis Ababa conference, Urundi had refused to commit itself on retention of Belgian troops, although Ruanda leaders had indicated a willingness to allow them to stay and were reported to have made a secret agreement to this



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effect with Brussels. The commission's attitude and fear of criticism by African radicals, however, apparently led both Kayibanda and Muhirwa to inform the commission by letters that they wanted no foreign troops after 1 July. US officials note that the local governments are not overly concerned about the preservation of law and order and are actively looking forward to independence and Belgium's withdrawal as an opportunity to liquidate their opponents.

U Thant has told US officials that if the UN Commission does recommend against retention of Belgian troops, he will ask the General Assembly to overrule it. He has made it clear that the UN is unable to supply security forces to replace the Belgians, although it could supply some training officers for native forces and possibly some command personnel. UN Commission members and Ruanda and Urundi authorities claim that Brussels is exaggerating the threat of disorders and that native forces (700-800 in each area) are adequate. The commission has suggested that 80-100 African replacements be recruited to augment each native

force, a suggestion which might have some appeal to the radical African states. Brussels now has 1,200 paratroops in Ruanda-Urundi, and feels that 800 is a bare minimum for law and order. Ruanda and Urundi authorities appear similarly unconcerned over Belgium's possible withdrawal of economic assistance, apparently convinced that the United States will fill the gap. Both states have already made approaches for US financial help.

Belgium considers Ruanda-Urundi a political and economic liability--the territory costs it over \$20 million annually--and wants to divest itself of responsibility. To avoid a repetition of the Congo situation, Foreign Minister Spaak has been willing to leave Belgian troops, but only if requested by the local governments and under some kind of joint participation with the UN. Brussels has made it clear that if in the end Belgian troops are asked to leave, they will do so promptly. Brussels also states that it could not continue to furnish economic and technical assistance, because the 2,000 Belgian technicians in the area would leave too. Many of the Belgian community, which totals some 5,000, are already departing or making plans to do so. 25X1

ITALIAN PRESIDENTIAL ELECTION

The bitterly contested election of Italy's new President, Antonio Segni, was in large degree a struggle between proponents and opponents of Christian Democratic Premier Fanfani's current experiment in center-left, Socialist-backed government. Although he served as foreign minister, Segni does not favor the present government formula. His election will encourage his supporters within the Christian Democratic

party to try to sabotage some of the major reform plans on which the government's existence is based. Resentments aroused within the government coalition by the election will complicate the choice of a new foreign minister to replace Segni.

Segni's coolness toward the present government springs largely from his own attitude toward reform--an attitude frequently characterized as that

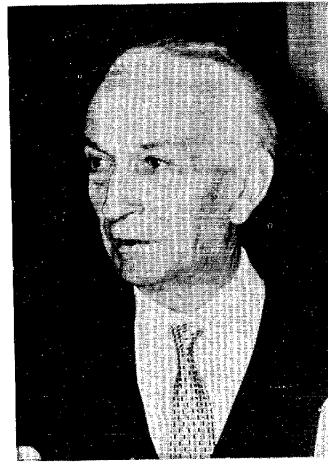
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SECRET**CURRENT INTELLIGENCE WEEKLY SUMMARY**

of a 19th century liberal. As agriculture minister under Premier de Gasperi, Segni pushed a program which stressed the economic aspects of land reform, and he probably distrusts the Fanfani government's land program, for instance, as involving too many social reform measures such as reducing the isolation of rural communities, rather than emphasizing productivity. Segni apparently objects also to the collaboration between his own Christian Democratic party and its Nenni Socialist backers in parliament.

Segni is temperamentally averse to precipitate action, however, and will presumably reappoint Fanfani after the government submits its resignation--pro forma after the election of a new president. He is also likely to dissuade his supporters from any immediate moves. Nevertheless, Segni's coolness toward the government program will make him a rallying point over the next few months for those who seek to dump Fanfani. If the right-wing Christian Democrats are successful in blocking implementation of the new government's program, the Nenni Socialist party will be under pressure from its left wing to withdraw support, which is essential to the government's working majority.

The election has left much bitterness among the progovernment parties over the way elements among both the Christian Democrats and Socialists refused to follow party discipline in the balloting and over charges that a number of leaders--especially Fanfani himself--had breached their voting commitments. The Communists, always seeking an opportunity to disrupt the collaboration between their former Socialist allies and the Christian Democrats, might try to exploit this situation by demanding a parliamentary confidence vote



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while tempers in the progovernment parties are still aroused.

Choice of Segni's replacement as foreign minister will test the depth of the wounds within the coalition itself. Runner-up Saragat's bitter reaction to his defeat suggests that he might see fit to withdraw his Social Democratic party from the cabinet if the new minister should be neither himself nor a man of his choice. On the other hand, the Christian Democratic right wing would be unhappy with such a choice because the Social Democrats and the other small coalition party already have five representatives in the 24-man cabinet. This right-wing faction might fight instead for a colleague such as former Premier Pella, who would be unacceptable to the party's left wing.

Fanfani may see fit to take over the ministry himself, or to reshuffle the cabinet, possibly moving Interior Minister Taviani to the post, but thereby opening a contest for the Interior Ministry. One contender for the post is said to be Christian Democrat Giuseppe Medici, minister for administrative reform and chairman of the Senate Foreign Relations Committee.

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SPAIN

Spain's first serious labor agitation in four years has involved 75,000 workers in walk-outs and led the government on 4 May to declare a three-month state of emergency in several northern provinces. Opponents of the Franco regime are stepping up efforts to exploit the situation--strikes are illegal in Spain--but will probably be unable to profit politically from this unrest unless the current economic upswing is drastically affected.

The strike of coal miners and industrial workers in Asturias and the Basque provinces of Vizcaya and Guipuzcoa was three weeks old when the government suspended various civil rights and reinforced police units there. While there has been no violence, a high official of the government-controlled labor syndicates says this strike is "the largest, most costly, and most political since the civil war." As in the past, the government has attributed it to "Communists," and there is apparently some Communist involvement. Pro-monarchist elements and the labor organizations of the clandestine Socialist and Anarcho-Syndicalist political parties have also been implicated.

The only overt attempts by other groups to exploit the strike to date came on 5 and 7 May from Madrid University students who demonstrated in support of the strikers by way of registering disapproval of

the government's favoring the church-controlled University of Navarre at Pamplona.

No serious political opposition to the regime now is in sight, and Franco seems to have recovered completely from a hunting accident in late 1961, which had aroused speculation on a successor.

If the strikes are prolonged, however, or if threatening coal shortages encourage stoppages elsewhere, there may be serious economic repercussions, since an essential phase in the second stage of the economic stabilization program is to step up industrial output in order to increase exports. Spain's gold and foreign exchange reserves are at a record level--\$859,000,000 at the end of 1961--but its unemployment total of at least 280,000 out of a work force of 12,000,000 is an economic problem of some consequence, because the per capita GNP is only \$300.

The government is reluctant to grant substantial pay raises on a nationwide basis lest this bring a return of inflationary pressures that have been curbed since the end of 1959. However, collective agreements which have already provided pay raises for several hundred thousand workers in various industries may incite other workers to strike for wage boosts.

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SECRET**CURRENT INTELLIGENCE WEEKLY SUMMARY****SPECIAL ARTICLES****CAIRO RADIO**

Cairo radio has one of the most powerful broadcasting systems in the world and is utilized extensively by Nasir for advancing his aims in Africa and the Middle East. Announced plans call for further expansion of its transmitter strength and for a more diverse and voluminous propaganda output. The broad themes it seeks to drive home are the virtues of nationalism, the iniquities of imperialism, and the power and dignity of Nasir's Egypt. When circumstances require, however, it hits more specific targets.

The System

Cairo's international radio propaganda emanates from a complex of medium- and short-wave transmitters in the Cairo and Alexandria areas. With an estimated total power of nearly 2,000,000 watts, Cairo radio next year will place in international service an additional 1,000,000-watt transmitter purchased from a manufacturer in the United States for \$1,250,000.

Employing a staff of over 3,000, about half of whom are technicians and broadcasters, Cairo transmits internationally in some 27 languages for a total of 107 hours daily. Increased programming to Africa will increase these totals to 31 languages and 113 hours daily by next July. This same system transmits Cairo's home regional services as well.

The operating budget of the UAR broadcasting service for 1962 is reportedly the largest in its history, having

increased by more than 30 percent over 1961 to the equivalent of \$2,660,000. According to published figures, well over half of budgeted funds goes for internationally beamed programs. Since the published budget shows no provision for new equipment or debt service, or for clandestine and other unavowed activities in the radio field, the actual cost of Nasir's international radio propaganda effort is probably considerably greater than Cairo has revealed.

**Administration and
Policy Guidance**

The UAR's international radio propaganda apparatus is subject to the general guidance of Minister of State for Presidential Affairs Ali Sabri, one of Nasir's confidants and long his principal adviser on psychological warfare. Minister of State Abd al-Kadir Hatim, another trusted associate of Nasir with long experience in propaganda and radio, holds executive responsibility for information policy and media, and also has direct access to Nasir. Below this level, the chain of command has always appeared somewhat vague. The director general of the state broadcasting service apparently has never exercised genuine authority.

Cairo radio still closely follows guiding priorities enunciated by Nasir in the early days of the Revolutionary Command Council. In conformity with his blueprint of modern Egypt's destined spheres of interest, it concentrates most intensively on influencing the policies of other Arab governments by appeals to pan-Arab

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sentiment and the universal Arab hatred of Israel. Next, it seeks to promote emulation of the Egyptian revolutionary example throughout Africa by attacking imperialism and espousing all forms of African nationalism. Finally, Cairo radio seeks to establish Egypt as the spiritual and intellectual center of the Islamic world.

When confronted by sudden shifts in the UAR's international posture, Cairo radio's various department chiefs sometimes rely for policy guidance on cues received via the grapevine from individuals in the circle around Nasir. Cairo's radio and press propaganda nevertheless are closely coordinated with the regime's diplomatic and clandestine activities. Radio news reportage especially shows the influence of intelligence collection.

Regular Broadcasts

Cairo's main instrument of pan-Arab propaganda is the long-established Voice of the Arabs program, on the air about 120 hours weekly and heard throughout the Arabic-speaking world. Interspersed with entertainment, its news and editorial features ring the changes on the themes of Arab unity under Egyptian leadership and the villainy of Israel. This program regularly features special broadcasts directed to various regional targets--including such sensitive areas as Somalia, the Persian Gulf sheikdoms, and the Arabian Peninsula. Arab audiences in neighboring countries also have the opportunity to listen to Cairo's home service, which is relayed on short and medium waves 133 hours weekly.

North Africa is likely to receive substantially increased attention from Cairo radio after installation of the new

1,000,000-watt transmitter next year. UAR broadcasting officials have indicated that this facility is intended to strengthen medium-wave coverage of North Africa, as well as Chad, Nigeria, and Mali. Except in Libya, Cairo radio's impact in North Africa is considerable, and UAR planners apparently expect even better prospects for extending Egyptian influence in the Maghreb states in the wake of an Algerian settlement.

Cairo's Voice of Africa program is the principal vehicle for pan-African propaganda directed toward East, Central, and South Africa. On the air about 49 hours weekly, it broadcasts in Swahili, Somali, and an increasing number of other African languages. The main targets of Cairo's "liberation" propaganda are South Africa, the Rhodesias, Tanganyika, Kenya, and Uganda. Cairo broadcasts to West Africa in Hausa and Fulani, as well as in French and English, for approximately 30 hours a week.

Emphasis on Egypt's position as the Arab cultural center is a leading theme in Cairo's broadcasts to the western hemisphere and to South and Southeast Asia. Programs in Portuguese, Spanish, and Arabic are beamed to Latin America for a total of 19 hours weekly. The South and Southeast Asia service broadcasts in eight languages, including Arabic, for more than 60 hours weekly and has included, for example, features designed for the Moslem minority in the Philippines, as well as instruction in Arabic.

Clandestine Broadcasts

One of Cairo's favorite and possibly most effective techniques has long been the clandestine broadcasting of material violently hostile to the West and designed to stir up unrest in the target countries.

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There are at present three pro-Nasir stations purporting to be located outside the UAR; in fact, however, all three transmit from Egyptian soil. On the air for relatively brief periods daily, these clandestine programs show great sensitivity to developments in target areas and frequently contrast strongly in tone and content with the regular services of Radio Cairo.

Voice of the Arab Nation

The so-called Voice of the Arab Nation is the UAR's current medium for free-swinging psychological warfare against other Arab governments. Since Syria's break with the UAR last September, this station, in a feature called "The Filthy Hands," has regularly been attacking the ruling regimes of various other Arab countries, vilifying their leaders, and calling for revolution.

This campaign proceeds from last year's dismal experience with Syria, which led Nasir to conclude that further advance toward Arab unity and Arab socialism will not be possible until reactionary and feudalistic Arab societies are "reformed" from within. Attacks on Jordanian King Husayn--often referred to as "the little King" and as "Husayn Gardiner," an allusion to his marriage to a British subject--have focused on his alleged submissiveness to British and American influence. As recently as 15 April, the Voice of the Arab Nation was again calling on the Jordanian Army "to revolt... to rise against your enemy King Husayn.... It is your duty to finish him off. Destroy his throne." During the same transmission, the people of Yemen were exhorted to "rise against the despotic rule of Imam Ahmad" and hang him.

The attack on the house of Saud centers on the King, who is represented as responsible for rampant tyranny, corruption, nepotism, and sacrilege in Saudi Arabia. Depicted as a profligate "King of the harem" and pawn of the United States, Saud is constantly described as engaged in financing undercover activities directed against his neighbors at the expense of the impoverished population of his kingdom.

For purposes of "The Filthy Hands" programs, Cairo lumps Iraq with Jordan and Saudi Arabia as countries in which the people starve while the rulers amass millions. Qasim is customarily described as a reclusive neurotic, totally lacking in physical courage, and is bitterly criticized as an obstacle to Arab unity and economic advance. Frequent appeals directed primarily to the Iraqi Army extol revolution as the path to true independence.

The Syrian Situation

The clandestine Voice of the Arab Nation has played a useful tactical role in Nasir's recent handling of the Syrian situation. In contrast to the purposely restrained treatment of Syrian developments in early April by the Egyptian press and regular radio services, the Voice of the Arab Nation commented freely and critically on the motives and behavior of the key figures involved. Syrian President Qudsi and Commander in Chief Zahr al-Din were attacked as reactionaries trying to defeat the will of the people as championed by the pro-UAR factions in Aleppo and elsewhere.

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In a broadcast on 19 April, the Voice of the Arab Nation was still threatening, "Until the Syrian Government proves its true intentions and its sincere desire to realize the principles of the Arab people in Syria--the principles of unity and socialism--we will remain the rumbling voice which speaks on behalf of the millions of Arabs and which exposes plots and conspiracies and combats treacheries."

Voice of Free Africa

On the air since 1957, the clandestine Voice of Free Africa is Cairo's outlet for unconventional broadcasting to East and Central Africa. In the past it has been even more venomous than the Voice of the Arab Nation, at one time calling on Africans to support the Mau Mau in Kenya and inciting wholesale murder of the "pig-dog" whites in the "enslaved" territories throughout the region.

With the approach of independence in most of these colonies, the Voice of Free Africa has become more temperate, although it still attempts to preserve the fiction that it is an East African station. This is particularly useful in connection with broadcasts in support of various African political movements espoused by Cairo. The Voice of Free Africa frequently broadcasts speeches and articles purporting to come from leading African politicians, including Kenyatta and Oginga Odinga of Kenya.

Highly influential with the Arab population of Zanzibar, Cairo is trying to encourage cooperation by that territory in efforts to unify the Kenya African independence movement.

Free Voice of Iran

Cairo's latest venture in clandestine broadcasting is the Free Voice of Iran, which carries propaganda in Persian attacking the Shah's regime on behalf of the left-wing Iranian National Front and its affiliated student movement. In response to inquiries about these broadcasts, Nasir has not concealed their origin in Egypt but has insisted that he is only reacting to a campaign against himself initiated by the Iranians.

Vitriolic to an extreme, some of the Free Voice of Iran programs have probably been furnished by National Front representatives. In addition to attacks on the Shah's character and morals, they include fairly circumstantial references to the state of relations between the Shah and his principal ministers, and show signs of access to some detailed information on current developments. A measure of technical ingenuity was displayed in a broadcast on 18 April referring to a US intelligence agency report allegedly warning against the propagation of democracy in Iran. As in Cairo's attacks on Husayn and Saud, charges that Western governments control the Shah's foreign and domestic policies are linked with open appeals for his "liquidation" and the violent overthrow of his regime.

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BRITISH AFRICAN POLICY DEVELOPMENTS

The Macmillan government is making new efforts to overcome sharp internal conflicts in its remaining East and Central African colonies in order to achieve orderly transitions to independence. Senior cabinet member R. A. Butler arrives on 11 May in the white-ruled federation of the two Rhodesias and Nyasaland in search of a formula that will reduce Africans' hostility to federation and allow some future association of the three territories. In East Africa, London must cope with antagonisms among non-European groups.

In the three West African territories and in Tanganyika, which have already completed the transition, London faced less difficult problems; there were no sizable bodies of white settlers, as in the Rhodesias and Kenya, and tribal antagonisms were less acute. Although the Macmillan government has been generally unyielding to pressures by the white settler groups through right-wing elements in the Conservative party, such pressures must constantly be taken into account.

Problems in the Federation

The white minority raises particularly vexing issues in Southern Rhodesia where--comprising some 7 percent of the population--it has had the responsibility for internal self-government since 1923. Establishment in 1953 of the Federation of the Rhodesias and Nyasaland was intended to bring economic growth by joining Northern Rhodesia's copper and Nyasaland's labor surplus with Southern Rhodesia's coal and

secondary industries. Britain also hoped the arrangement would promote racial harmony and especially block alignment of Southern Rhodesia with South Africa. Such hopes have foundered on the growing militancy of African nationalists, especially in Nyasaland and Northern Rhodesia, who view the Federation as designed to perpetuate white rule.

In the face of this African hostility, London for some time has recognized the impossibility of retaining the Federation as now constituted. It seeks, instead, to salvage something that will keep the territories in association, with the same economic and political goals in mind.

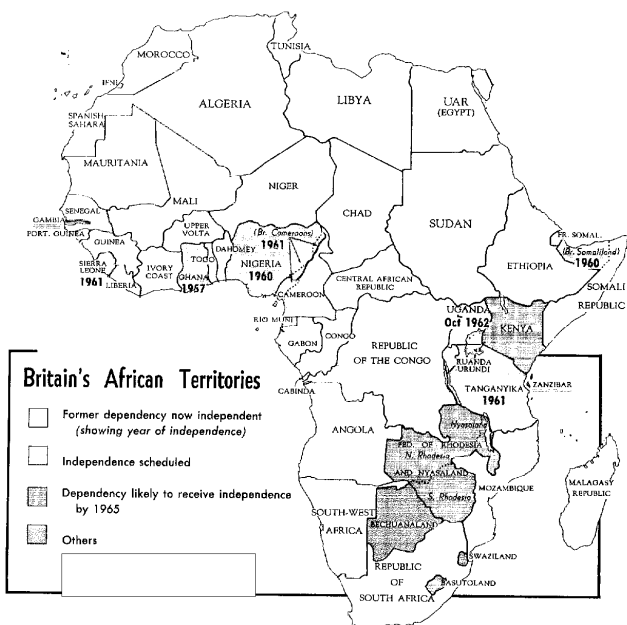
In order to achieve an orderly review, Britain first had to contain the most extreme pressures for secession. London appears to have achieved this by a combination of reassurances to Nyasaland's dominant African nationalist, Hastings Banda, that his secessionist views would be heeded, and by a constitutional concession to the Africans of Northern Rhodesia. In February the Colonial Office shifted that colony's intricate electoral rules slightly so as to bring either a coalition government of Africans and liberal whites or a slim African legislative majority in the balloting this fall.

In making this adjustment, London stood firm against federal Prime Minister Sir Roy Welensky's campaign to block any change. Welensky's attempt to spark a right-wing Tory revolt in London fell flat, and left the Macmillan

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government less restricted by back-bench pressure than it had been for the past year.

Macmillan took a further step toward a Rhodesian solution in mid-March when he centralized responsibility for all affairs in the Federation under Home Secretary R. A. Butler. Previously, the federal government and Southern Rhodesia had been the responsibility of the Commonwealth Relations Office, and Northern Rhodesia and Nyasaland had been under Reginald Maudling's Colonial Office; dissension and delays had followed this arrangement.

Butler ranks second in the cabinet to Macmillan, and his reputation as a "modern Tory" reformer should help his initial dealings with the Africans. Even Welensky has stated that under Butler he expects greater understanding than before. Butler's two-week familiarization trip to the area is de-

scribed by the Economist as "of greater significance than any previous visit by a British minister."

Prospects for a Solution

Butler arrives in a local climate unusually favorable to British policy. Welensky has seriously weakened his position by a series of miscalculations, including the calling on 27 April of federal elections which were boycotted by most elements other than his own supporters. In contrast, all major European and African elements apparently intend to contest this fall's territorial elections in Northern Rhodesia.

Southern Rhodesian Prime Minister Whitehead has gained increasing stature as a moderate by pioneering moves to bring Africans into the political arena for the first time. In territorial elections to be held this October, a new constitution allocates 15 out of 65 legislative seats to Africans; by registering in large numbers, they may win up to five more. Whitehead's recent approach to Nyasaland's Banda to consider possible future association of the territories apparently was cordially received.

Nevertheless, the deep antagonisms within and between the different racial communities persist. The principal African nationalist party is boycotting the Southern Rhodesian elections. Pre-election rivalry between the two main African parties in Northern Rhodesia has already erupted into violence and caused Butler to caution Kenneth Kaunda, leader of the stronger party, to restrain his followers.

Furthermore, the US Consulate General in Salisbury notes that

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Welensky retains strong backing from the white community and controls the most important security forces. It believes Welensky is capable of a rash act such as declaring the Federation independent. Although he could not make such a declaration stick for long, he could enforce his action for the short term and probably destroy the efforts of Britain and moderates in the Federation to bring the races closer together and preserve some of the federal relationship.

The UN Investigating Committee

A new element worrying Britain is the heightened international interest in its handling of both Rhodesias for the UN's Committee of 17 on decolonization has singled them out for attention. London fears that the committee may disturb the delicate balance of conflicting forces which gives Britain its limited leverage to promote an orderly transition to independence.

Four cabinet members personally explained British policy to a subcommittee of the Committee of 17 when it visited London in mid-April. They sought to impress it with Africans' political gains and Britain's lack of ability or intention to suspend the new Southern Rhodesian constitution and impose one giving the African majority a greater role. The government's efforts do not appear to have succeeded, and Britain faces the prospect that the committee's activities will lead to extensive discussions in the UN General Assembly. Such discussions might strengthen the resolve of the main African nationalist group in Southern Rhodesia to dissuade fellow Africans from cooperating in the electoral

process, and it may bolster more intransigent African elements in Northern Rhodesia.

The UN's handling of this problem could also have heavy implications for London's cooperation with the UN in Congo operations and more generally. The UN committee's involvement has already evoked considerable resentment in Britain. The influential liberal, generally anticolonial Guardian observed that "Southern Rhodesia is in better shape than at any time since 1923" and warned that bad handling by the committee could produce "a situation worse than the Congo." British officials publicly and privately warn that the government cannot abrogate the constitution, as the subcommittee recommended on 30 April. The US Embassy in London believes the government is firmly resolved to continue along present policy lines.

East Africa

In East Africa, Britain's main problem is coping with dissension within the non-European community, following a decision some two years ago that Kenya's one-percent white minority would have to make its way in an African-dominated territory. Even though internal dissension may cause delays, the Macmillan government is sticking to its policy of moving these territories toward independence as fast as local conditions indicate a reasonable prospect for future order.

Rival Kenyan parties failed to reach agreement in the seven-week constitutional conference that ended in early April. Their differences proved so deep that Colonial Secretary Maudling took a half-step backward and

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gave the leadership of a closely balanced coalition government to the British Governor. This is intended to be a short-lived interim arrangement, pending a compromise between Jomo Kenyatta's Kenya African National Union (KANU)--representing the Kikuyu and other major tribes--and the Kenya African Democratic Union (KADU), a grouping of the lesser, mainly nomadic tribes. KANU demands a strong unitary government, whereas KADU wants regional interests deeply entrenched in a federal structure.

It would take little to upset the balance. In order to lessen personal antagonisms, London has extended the leave of the Governor, who only last year assailed Kenyatta for his role in the Mau Mau campaign, so that the more conciliatory acting governor can facilitate cooperation. Britain refused to give a portfolio to a KANU extremist whose presence might have aggravated tensions--a stand Kenyatta accepted.

The acting governor hopes that the two parties will face the colony's political and economic problems constructively and so get into a habit of cooperation that will lead to agreement on a constitution. The joining of the two parties in the coalition government represents the largest measure of harmony yet achieved in the colony. Scheduling of further steps toward independence awaits their agreement, and also the results of a fact-finding commission London is appointing to look into Somali separatism in the Northern Frontier District.

A constitutional conference on Zanzibar broke up in disarray in early April because local parties could not agree on a basis for early independence.

London is allowing the present limited self-government arrangement to continue in this small island protectorate. Last June, it took four companies of British troops to quell violence between the African majority and the Arab minority, and with the representatives of the Arabs leading the coalition government and the African masses in opposition, tensions remain high. The Colonial Office plans to extend the franchise--which will aid the Africans--and appoint a commission to delimit new constituency boundaries to prepare for further moves toward independence at a later date.

Uganda's independence is scheduled for 9 October, but a territorial dispute between the two tribal kingdoms threatens civil strife in the months ahead. A commission of the British Privy Council recommended on 3 May that the disputed territory be split between the kingdoms of Buganda and Bunyoro. London hopes this can be done quickly so that the storm may die before October. A constitutional conference in London starting on 4 June will deal with the remaining controversies, including the demands of four small principalities for federal status similar to that accorded Buganda.

Meanwhile, delay in independence in both East and Central Africa involves continuation of ultimate responsibility for security and a prolongation of Britain's military obligations. Although the Kenya base may now be retained somewhat longer than seemed likely a few months ago, delays impose a further demand on Britain's already strained military manpower in Germany and elsewhere at a time when the army is being reduced.

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