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OFFICE OF CURRENT INTELLIGENCE

The Angolan Situation

8 May 1961

The rebellion in northern Angola, which has been going on for nearly two months, shows no signs of subsiding. Portuguese official releases are known greatly to have understated the casualties; it is probable that several hundred whites and several thousand Africans have been killed. The terrorists are able to move more or less freely, with the acquiescence or cooperation of the local native population, through an area about 175 miles and up to 130 miles wide, extending south from the border with the Congo. Scattered attacks and numerous arrests have been reported in the south, but several factors--the openness of the terrain, the more efficient administrative control, and the relative absence of economic discontent--have so far prevented the southward spread of all-out rebellion.

The rebellion, which began in February, was reportedly instigated by the Leopoldville-based Angola Peoples Union.

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State Department review completed

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that less than a dozen agitators were sent into Angola from the Congo. We have no information on the numbers involved in the rebellion, but those with firearms. would probably be no more than a few hundred. There are undoubtedly many more armed with primitive weapons. anti-Portuguese sentiment has been aggravated by falling cash incomes, the result of steadily declining coffee prices. The American consul in Luanda believes that the repressive measures undertaken by both the military forces and white vigilante groups will ultimately drive more natives into rebellion. There are some 600,000 natives in the northern area, and about 5,000 whites. Angola's total population is approximately 4 million natives and 110,000 whites.

The two districts where the unrest is concentrated grow most of the Angolan coffee crop--the main export from the province and the chief dollar-earner for Portugal. Harvesting of the current crop should begin in May and last through October; unless order can be restored quickly, much of it will be lost. A shortfall in coffee production would have a disastrous effect on the Angolan economy, which is already in a slump as a result of a drop in prices for most of its agricultural exports. Moreover, loss of the crop would

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lead to increased unemployment among both Africans and whites; it might thus intensify discontent among the former and separatist sentiment among the latter.

Portugal is reinforcing its army contingents in Angola although it is hampered by logistical difficul-

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Portuguese military officials recently expressed confidence that the situation could be brought under control; however, they do not expect significant success until the beginning of the dry season this month, and they admit the operation will take at least three or four months.

It is questionable whether the Portuguese economy can bear the strain of a long military campaign to suppress unrest in Angola. The American embassy in Lisbon believes that economic collapse could come in less than two years unless order is restored.

Pro-regime elements in Portugal, who favor reforms in the overseas provinces and at home have been blocked, temporarily at least, by cabinet changes on 25X1

13 April and 3 May. The reshuffle, in which Salazar dropped defense minister Gen. Botelho Moniz, the leading advocate within the cabinet of reform, and took over his portfolio and also replaced the Foreign, Interior, Army and Overseas ministers and chief of staff of the armed forces, represents a move to the far right. For Portuguese Africa it indicates that the regime will vigorously pursue a "stand firm" policy. Moniz' ouster was in part due to his disagreement with Salazar over increasing military commitments in Africa. The new foreign minister, Alberto Franco Nogueira, belongs to the "patriotic" school which maintains that reforms overseas can be instituted only if Portugal can avoid giving the impression that it is yielding to foreign pressure. The regime has also gone on record as determined to pacify Angola before it will consider the question of reforms.

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