





CENTRAL INTELLIGENCE BULLETIN

29 December 1959

DAILY BRIEF

SIRAB

91

I. THE COMMUNIST BLOC

USSR: The removal of Yury Maksarev as head of the State Scientific-Technical Committee suggests that this committee has run into difficulties in carrying out its part of the industrial automation and mechanization program called for at last June's party central committee meeting. A number of specific measures under this program were to have been completed by this time, and the lack of progress reports also suggests that the program may be lagging. Maksarev has been replaced by Konstantin Petukhov, who has been serving as chairman of the Moscow sovnarkhoz (council of national economy). (Page 1)

II. ASIA-AFRICA

Nationalist China: Chiang Ching-kuo, Nationalist China's security chief and the son of Chiang Kai-shek, acknowledged that three plane loads of supplies, including small arms and ammunition, were air-dropped to the Chinese Nationalist irregular forces in northern Burma during November. Chiang, who denied that the irregulars were planning an offensive, said the air-drop was mainly for morale purposes.

Air-drops to the Nationalist irregulars have previously been reported

about 20 officers were also sent to northern Burma recently to supervise the utilization of arms and to give political indoctrination. an additional resupply operation, to include heavier arms. is scheduled for air-drop to the irregulars in February. (Page 2)

TOP SECRET

^{*}Approved for Release: 2020/02/21 C03007367^{*}

Afghanistan: With the death on 25 December of elder statesman Shah Mahmud, uncle of the King and of Prime Minister Daud, the Afghan Government has lost an influential contact with the country's Pushtoon tribes. The government will view this loss as untimely, since it is facing mounting opposition to its modernization policies and is attempting to prevent the spread of unrest to the major tribes. (Page 3)

Laos: Premier Phoui's meeting with the King on 27 December in an effort to resolve the current political crisis proved inconclusive. The King apparently offered to rename Phoui as head of a provisional government which would include some members of the young reformist group (CDNI). The King also insisted that the National Assembly agree that its mandate had lapsed. Phoui anticipates some difficulty in persuading his political followers to accept this solution.)

(Page 4)

29 Dec 59

ii

SECRE1

I. THE COMMUNIST BLOC

Chief of Soviet State Scientific-Technical Committee Replaced

The removal of Yury Maksarev as head of the USSR State Scientific-Technical Committee suggests that this committee has run into difficulties in carrying out its part of the industrial automation and mechanization program called for at last June's party central committee meeting. The plenum had ordered a series of specific measures designed to create an environment within which all participants in Soviet industry-from the lowest worker to Gosplan officials--would find technological advances personally desirable and profitable.]

The success of this program is important for the fulfillment of industrial output goals for 1965 and for the achievement of significant progress in "catching up with the West." Many of the specific measures were scheduled to be drafted by the end of 1959 or earlier, and some plans may have been worked out. However, thus far these deadlines have passed without any public recognition, which suggests that the program may be lagging.)

[If the removal of Maksarev is, in fact, connected with a lag in the automation program, it suggests that the Soviet leaders are giving prompt and continuous attention to its progress and have no intention of allowing a default in the program. A default did occur in a similar program launched in 1955 and may have been a contributing factor in the abandonment of the Sixth Five-Year Plan in 1957.]

- CONFIDENTIAL

II. ASIA-AFRICA

Nationalist China Supplying Arms and Advisers to Its Irregulars in Burma

Chiang Ching-kuo, Nationalist China's security chief and son of President Chiang Kai-shek, told

three plane loads of supplies, including small arms and ammunition, were air-dropped to the Nationalist irregular forces in northern Burma during November. Chiang said that the irregulars were not planning an offensive and that the action was taken mainly to raise morale. He repeated his earlier charge that the Burmese Army was planning another offensive against the irregulars and suggested that the best solution to the problem was for America to persuade Burma to enter into local agreements with the irregulars.

a lieutenant colonel and about 20 company-grade officers were sent to Burma to supervise the utilization of arms and to give political indoctrination. ______ this was a one- or two-year assignment and that he was not replacing anyone. This is the largest contingent of officers to be assigned to the irregulars in recent years and probably constitutes an attempt to increase Taiwan's control over these forces.

additional supplies, which would include heavier arms and considerably larger quantities of small arms and ammunition, are scheduled to be air-dropped next February.

a total of seven aerial resupply missions were flown during April, October, and November of this year. these missions delivered a total of 150 light machine guns, 385 carbines, 685,000 rounds of ammunition, and unknown quantities of hand and rifle grenades, mortars, and parts for weapons.

29 Dec 59 CENTRAL INTELLIGENCE BULLETIN Approved for Release: 2020/02/21 C03007367

Afghan Government Loses Influential Contact With Pushtoon Tribes

The Afghan Government has lost an influential contact with the country's Pushtoon tribes with the death of elder statesman Shah Mahmud, uncle of the King and Prime Minister Daud. Shah Mahmud had more prestige among the tribes than any other member of the royal family and, although he had been much less active in government affairs since Daud replaced him as prime minister in 1953, he helped placate tribal opposition to Daud's policies.

The Daud government will view his loss as untimely, since its modernization policies are meeting mounting resistance. The tribes fear that road improvements in their territory will be used to extend the government's control over them. This fear has apparently been a main reason for the increasingly frequent and serious tribal incidents that began with the killing of a district official near the Pakistani border in December 1958.

Opposition apparently has become more widespread since the government began last August to encourage women to appear in public without the veil, its boldest social reform to date. The resulting antigovernment riots in Kandahar on 21 December are probably viewed by Daud as a serious challenge to his control.

Daud very likely intends, however, to press ahead with his modernization policies, believing that to give in to the country's conservative religious leaders or to allow Afghanistan's Pushtoon tribes to remain beyond the government's control would ultimately lead to the downfall of the royal family and to intervention by foreign powers.

CONFIDENTIAL

29 Dec 59 CENTRAL INTELLIGENCE BULLETIN Approved for Release: 2020/02/21 C03007367

Laotian Political Crisis

Premier Phoui saw King Savang on 27 December in an effort to resolve the current political crisis, but the meeting was inconclusive. The King is reported to have insisted that the National Assembly deputies should publicly admit that the assembly's mandate lapsed on 25 December. This accomplished, Savang would rename Phoui as the head of a provisional government based on the premier's present all conservative cabinet. The King added, however, that as a "conciliatory gesture," Phoui should allow the reformist Committee for Defense of National Interests (CDNI) to reenter the government "at once."

Phoui anticipates difficulty in getting the assembly deputies of his conservative Rally of the Lao People (RLP) to admit publicly that they had erroneously interpreted the Constitution and a 1957 electoral law in an effort to continue parliamentary government after 25 December. While Phoui can be expected to continue to maneuver to salvage as much of his position as is practicable, he is in a difficult position. He remains under the threat of military action by Generals Ouane and Phoumi, who are leading CDNI members, and with the King now openly prescribing a solution which substantially meets CDNI demands, the premier seems to have little choice but to find some face-saving means of acceding to their terms.

While constitutional matters have been in the forefront of the dispute between Phoui and the CDNI, the crisis stems basically from the efforts of the young CDNI activists to displace the older conservatives, who represent a few powerful clans, as the ruling elite of Laos. The CDNI accuses the conservatives of corruption and a lack of dynamism in meeting the serious problems facing the government. The conservatives, on the other hand, claim the young reformists are brash and inexperienced and tend to take ill-considered actions.?



29 Dec 59 CENTRAL INTELLIGENCE BULLETIN Approved for Release: 2020/02/21 C03007367

THE PRESIDENT

The Vice President

Executive Offices of the White House

Special Assistant for National Security Affairs

Scientific Adviser to the President

Director of the Budget

Director, Office of Defense and Civilian Mobilization

Director, National Aeronautics and Space Administration

Special Assistant for Security Operations Coordination

Chairman, Board of Consultants on Foreign Intelligence Activities Special Assistant for Foreign Economic Policy

Executive Secretary, National Security Council

The Treasury Department

The Secretary of the Treasury

The Department of State

The Secretary of State

The Under Secretary of State

The Under Secretary of State for Economic Affairs

The Deputy Under Secretary for Political Affairs

The Deputy Under Secretary for Administration

The Counselor

Director, International Cooperation Administration The Director of Intelligence and Research

The Department of Defense

The Secretary of Defense

The Deputy Secretary of Defense

Assistant Secretary of Defense for International Security Affairs

The Secretary of the Army

The Secretary of the Navy

The Secretary of the Air Force

The Chairman, The Joint Chiefs of Staff

Commandant, United States Marine Corps

The Director, The Joint Staff

Chief of Staff, United States Army

Chief of Naval Operations, United States Navy

Chief of Staff, United States Air Force

Assistant to Secretary of Defense for Special Operations

Director for Intelligence, The Joint Staff

Assistant Chief of Staff for Intelligence, Department of Army

Director of Naval Intelligence, Department of Navy

Assistant Chief of Staff, Intelligence, Department of the Air Force Supreme Allied Commander, Europe

Commander in Chief, Pacific

The Department of Commerce

The Secretary of Commerce

Federal Bureau of Investigation

The Director

Atomic Energy Commission

The Chairman

National Security Agency

The Director National Indications Center

The Director

-CONFIDENTIAL



TOP SECRET