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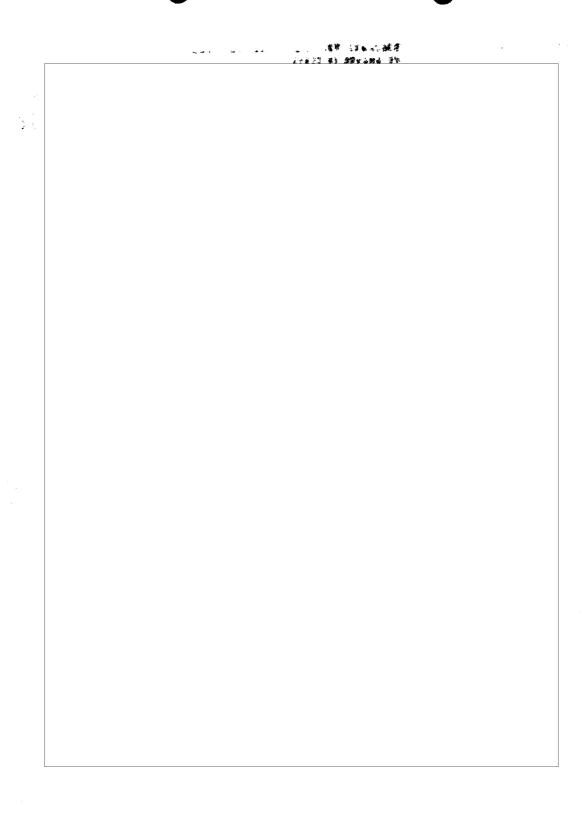
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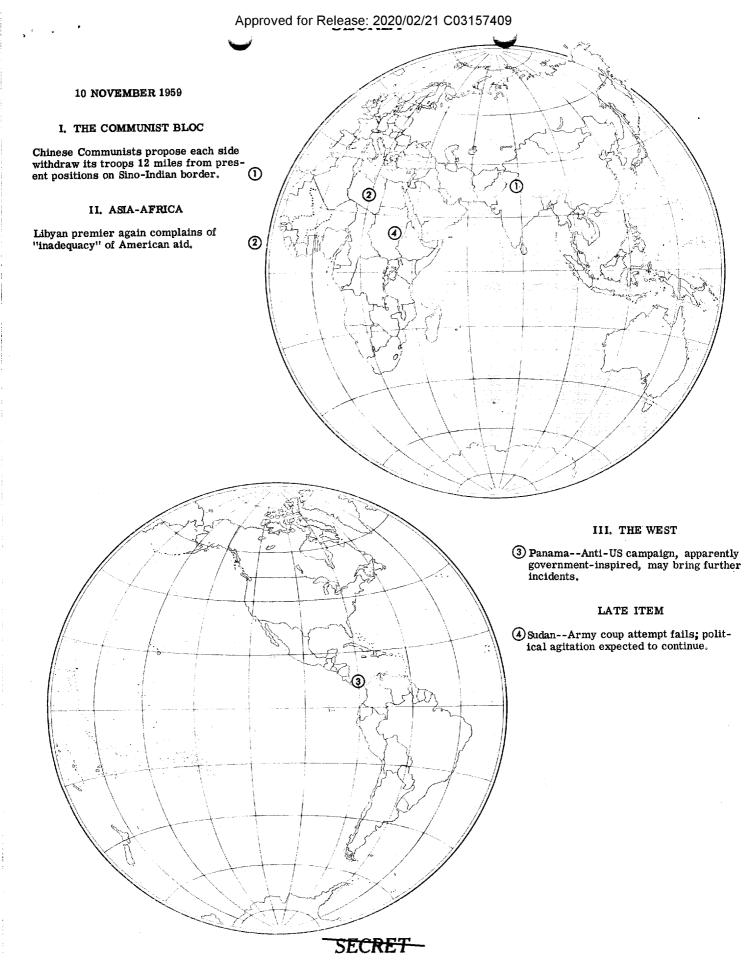
CENTRAL

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BULLETIN







Approved for Release: 2020/02/21 C03157409

CENTRAL INTELLIGENCE BULLETIN

10 November 1959

DAILY BRIEF

I. THE COMMUNIST BLOC

SIRAB Communist China - India: Chou En-lai's letter of 7 November to Nehru portrays Peiping as wishing to head off new border clashes which would result in further deterioration of Sino-Indian relations. Chou proposed a mutual 12-mile troop withdrawal from the McMahon line in the east and from the line up to which each side exercises actual control in the West. Chou urged Nehru to meet with him "in the immediate future" to discuss a permanent settlement. Chou's letter seems intended to leave Nehru with the choice of agreeing to Peiping's initiative--which makes no concessions on Chinese territorial claims--or of appearing the intransigent party.

> Nehru reportedly told Congress party leaders on 9 November that while "the spirit of the Chinese letter is not bad," the demilitarization proposal would benefit China, not India. Nehru may eventually agree to some such arrangement, on the northeastern frontier of Assam, since Chou implies he is ready to accept the McMahon line there as a basis for negotiations. He is not likely, however, to agree to maintain the "status quo" in the Ladakh region of Kashmir, since this would amount to accepting Chinese control of large sections of Indian-claimed territory.

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II. ASIA-AFRICA

Libya: Premier Kubaar, claiming that the issue of the American Wheelus Air Base is a "live bomb" in his hands, has again complained over the "inadequacy" of American aid. In a talk with the British ambassador, Kubaar also said that his government would prefer to lose the economic benefits deriving from the air base rather than face a continuation of the "tensions which its presence creates." Libyan-American negotiations on the base have been in process, in their latest phase, for nearly a year.

III. THE WEST

Panama: A mounting anti-US campaign, apparently government-inspired, has developed since the demonstrations against the Canal Zone and other US installations on 3 November. Propaganda films and documents are reportedly to be supplied to Panamanian missions abroad in an effort to influence world opinion. The tacit support of the De la Guardia administration for plans of opposition leaders to intensify friction over canal issues may result in further violent incidents and a continuing deterioration of US-Panamanian relations.

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LATE ITEM

*Sudan: A group of disgruntled junior army officers failed in the first stages of a coup attempt launched early this morning, and the Abboud military government has announced the arrest of the ringleaders in the Khartoum area. The group's supporters in the Eastern and Central commands apparently did not commit themselves. The government is still under pressure from elements, ranging from the conservative Ansar religious sect to the Communist party. These elements are demanding a return to civilian government, using propaganda, agitation and strikes in their efforts to undermine the regime.

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DAILY BRIEF

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I. THE COMMUNIST BLOC

Chou En-lai Suggests Troop Withdrawal on Sino-Indian Border

Chou En-lai's letter to Nehru of 7 November portrays Peiping as wishing to head off new border clashes which would result in a further deterioration of Sino-Indian relations. Chinese Communist leaders recently have shown concern that the border dispute might lead to a pro-Western shift in New Delhi's foreign policy and, by proposing that both Indian and Chinese troops withdraw 12 miles from their present frontier positions, Chou apparently hopes to prevent encounters similar to the 21 October Ladakh incident which inflamed Indian opinion.

Chou's suggestion that the troops withdraw, leaving the demilitarized zone under "civil administrative personnel," actually is only a refinement of his previous call for return to the "status quo" under which Peiping "respects" but would not acknowledge the McMahon line and would be left in unchallenged possession of northeastern Ladakh. Besides soliciting a military disengagement with no real Chinese concessions, Chou's letter seems intended to break the impasse created by Nehru's stipulation that Chinese troops must withdraw from disputed outposts before negotiations. This "prior condition" apparently was viewed by Peiping as inimical to its eventual bargaining position and damaging to its prestige.

Chou attempts to leave Nehru with the choice of accepting the Chinese proposal or appearing the intransigent party, but there is a note of urgency in the Chinese premier's request that Nehru meet with him "promptly" to discuss a border settlement and thwart "those who seek to disrupt" Sino-Indian relations.

Nehru, following intensive consultation with his cabinet on Chou's letter, reportedly told Congress party leaders on 9 November that while "the spirit of the Chinese letter is not bad," the demilitarization proposal would benefit China, not India. Nehru may eventually agree to some such arrangement on the northeastern

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frontier of Assam, since Chou implies he is ready to accept the McMahon line as a basis for negotiations. Nehru is not likely to agree to maintain the "status quo" in the Ladakh region of Kashmir, however, as this would amount to accepting Chinese control of large sections of Indian-claimed territory.

New Delhi probably will counter with its own demilitarization proposal in order to protect Indian interests while at the same time furthering progress toward negotiations. Nehru,	
who recently vetoed a Chinese suggestion that Indian Vice President Radhakrishnan visit Peiping, probably will consider Chou's proposal for a meeting of the two prime ministers as premature (SECRET NOFORN)	

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II. ASIA-AFRICA

III. THE WEST

Panamanian Government Encouraging Anti-US Attitudes For Political Reasons

For reasons of political expediency, Panama's De la Guardia administration is expected to continue its demands for more canal benefits, and it may provide further tacit support to extremists who seek to promote new anti-US outbreaks. Another demonstration is reported to be scheduled for 28 November-the anniversary of Panama's formal independence from Spain-in order to "reaffirm Panamanian sovereignty over the Canal Zone."

The government has apparently begun an anti-US publicity campaign, and there are growing indications of plans to use all public information media to influence world opinion against the US and for Panama.

Evidence from authoritative sources indicates that the Panamanian Government refused to take measures to end the violent demonstrations of 3 November.

the Panamanian National Guard headquarters instructing troops not to interfere in fighting near Zone borders. Minister of Government and Justice Hector Valdes reportedly pleaded unsuccessfully at great length with President de la Guardia for authority to use National Guardsmen to disperse the crowds. The President refused, Valdes said, replying that he wished to divert the outburst away from himself and his administration and gain support for the government.

It is extremely doubtful that any Panamanian Government could survive were it to reject perennial Panamanian demands for increased benefits from the Canal Zone. Faced with the necessity of winning widespread domestic support before next May's presidential election, the administration will probably redouble its efforts to present itself as the champion of those forces fighting for greater control over the Panama Canal.

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LATE ITEM

Junior Officer Coup Fails but Political Tensions Remain High in the Sudan

The Abboud military government has announced the arrest of the ringleaders of a dissident junior officers group which began a coup attempt in the Khartoum area early this morning. The group falled in the initial stages of its efforts to take control of Khartoum military units. (Its plans had called for the arrest of government leaders, after which supporters of the conspiracy were to lead troops to the capital from the Eastern and Central regional commands. The disgruntled officers outside the Khartoum area apparently did not commit themselves, however, and as yet there has been no indication of government action against them.)

Strong religious and political elements, usually antagonistic toward each other, have been intensifying their pressures to undermine the Abboud regime and force a return to civilian government. They include the head of the powerful, conservative Ansar religious sect, the leaders of the major political parties, and those officials of the Sudanese Communist party who are not in jail.

These elements have have been behind a small spread strikes by university	walkout of i ity and seco	railroad workers ondary school stu	and wide- dents.
before the 17 November co	elebrations		overnment
to commemorate the anniv	ersary of i	its assumption of	power.
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