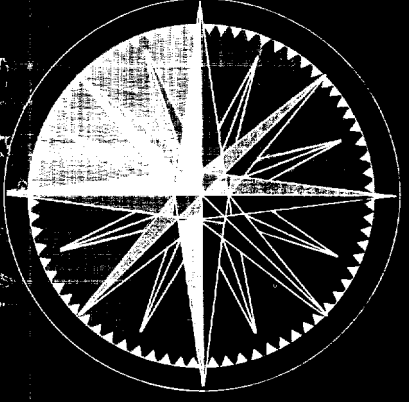


*file*

23 October 1964

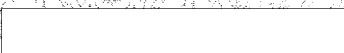
OCI No. 0354/64  
Copy No. 71



# WEEKLY SUMMARY

## CENTRAL INTELLIGENCE AGENCY OFFICE OF CURRENT INTELLIGENCE

State Dept. review  
completed



25X1

*228526*

SECRET

GROUP 1 Excluded from automatic  
downgrading and declassification

**Page Denied**

**SECRET**

## C O N T E N T S

(Information as of 1200 EDT, 22 October 1964)

THE COMMUNIST WORLD

	<u>Page</u>
<b>THE COUP AGAINST KHRUSHCHEV</b>	1
The long accumulation of grievances and dissatisfaction with Khrushchev's leadership may have been brought to a head by his behavior at a late September meeting of top party and government officials and their reading of the consequences of the economic changes he apparently recommended then.	
<b>THE CHINESE COMMUNIST NUCLEAR TEST</b>	3
Although the successful Chinese test registers progress in nuclear technology and points the way to future growth in military strength, the immediate gain has been political. Peiping's gains are largely in Africa and Asia.	
<b>DEATH OF SOVIET MILITARY AND SECURITY LEADERS</b>	6
The appointment of successors to Marshal Biryuzov and Major General Mironov, killed on 19 October in a plane crash in Yugoslavia, may provide clues to the new regime's military and political policies.	
<b>CURRENT SOVIET MILITARY SHIPMENTS</b>	7
Recent Soviet military shipments have included major deliveries to Algeria and probably Somalia, maintenance deliveries to Egypt, a token cargo to Cambodia, and one lone IL-14 (Crate) piston-engine transport--probably specially configured for military use--for Cuba.	
<b>DETENTE IN THE BALKANS</b>	8
For the first time since World War II, the Communist and non-Communist governments of the area are discussing long-standing problems in realistic terms, and exploring expansion of communications, trade, and travel.	
<b>CLASH BETWEEN POLISH REGIME AND WRITERS</b>	9
The regime appears to have suffered a significant setback in its long struggle to establish control over Polish writers.	

**SECRET**

23 Oct 64

CURRENT INTELLIGENCE WEEKLY SUMMARY

Page i

**SECRET**

ASIA-AFRICA

Page

**NEW CHARTER PROMULGATED IN SOUTH VIETNAM**

10

The charter's provisions reflect an effort to reconcile differing civilian and military groups, but it remains to be seen whether the military will be satisfied with the role assigned them.

25X1

**ELECTION CAMPAIGN IN PAKISTAN**

11

A revived opposition is beginning to worry President Ayub's regime as it prepares for a series of nationwide elections beginning next week.

25X1

**EAST AND CENTRAL AFRICAN LEADERS MEET**

13

The conclave in Dar es Salaam reflects the growing seriousness with which African nationalists view the struggle against white domination of southern Africa.

**CONGO DEVELOPMENTS**

14

Government forces have made limited military gains, and the European business community seems to be regaining confidence.

**SECRET**

23 Oct 64

CURRENT INTELLIGENCE WEEKLY SUMMARY

Page ii

**SECRET**EUROPE

Page

25X1



**EFFECT OF COMMON MARKET CRISIS ON THE KENNEDY ROUND** 16  
 The French determination to obtain a unified grain price agreement will probably delay and possibly disrupt the Kennedy Round.

**AREA NOTE** 17  
 On De Gaulle's Tour

**EURATOM BUDGET AND POLICY DEBATES** 18  
 The current discussions are likely to have important implications for EURATOM's future. The basic issue is a French move to have EURATOM programs more European oriented and less dependent on the US, and coincidentally, more in line with French interests.

WESTERN HEMISPHERE

**THE COMING CUBAN DIPLOMATIC OFFENSIVE AGAINST THE US** 19  
 The initial Cuban effort to maneuver the US toward acceptance of the Castro regime will probably be made during the coming UN General Assembly session. Algeria, Russia, and many nonaligned nations promise diplomatic support.

**NEW PRESSURES IN PANAMANIAN-US RELATIONS** 20  
 Critics of President Robles are denouncing the current Canal Treaty discussions as unproductive



**AREA NOTES** 21  
 On Colombia and on Bolivia

**SECRET**

23 Oct 64

CURRENT INTELLIGENCE WEEKLY SUMMARY

Page iii

**SECRET**

The Communist World

**THE COUP AGAINST KHRUSHCHEV**

Khrushchev fell victim to a carefully planned and skillfully executed palace coup. Although his downfall was the product of a long accumulation of grievances and dissatisfaction with his leadership in both domestic and foreign affairs, one immediate cause which brought these disparate forces and issues to a head probably was Khrushchev's behavior at the late September meeting of top party and government officials on a new long-term economic plan.

There are indications that Khrushchev made a fundamental attack on the entrenched economic policies and vested interests which he believed had frustrated his program of economic reform. The crucial issue probably was his bid to break the stalemate on the long-contested issue of economic priorities. The abridged account of his speech claimed that since the USSR has developed its heavy industry and brought its defenses "to an appropriate level," the "main task" in the future should be to accelerate the output of consumer goods and to raise the standard of living. Khrushchev seemed to imply that defense priorities would be downgraded. He may have served notice that he intended to force through a major reorientation in priorities at the November plenum.

In addition, Khrushchev may have hinted at important personnel changes in the party and administration. Fear of being ousted from places of authority and privilege may well have been one of the factors that forged the anti-Khrushchev

alliance in the party presidium. Pravda's 17 October listing of Khrushchev's errors--drifting in Communist construction, hare-brained schemes, immature conclusions, and hasty decisions divorced from reality--seemed to relate primarily to economic-administrative problems.

Another immediate cause may have been dissatisfaction with Khrushchev's handling of the split in the Communist world.

The plotters in the party presidium seem to have made their first basic decisions shortly after Khrushchev left for his Black Sea retreat at Sochi on the morning of 30 September. Most of the other top leaders remained in Moscow for a few days. By 5 October, when Brezhnev departed for East Berlin, the decision to move against Khrushchev later in the month probably had been made.

25X1

Khrushchev almost certainly was aware that he faced a major challenge when he and Mikoyan returned to Moscow on 13 October.

25X1

**SECRET**

23 Oct 64

CURRENT INTELLIGENCE WEEKLY SUMMARY

Page 1

**SECRET**

## The Communist World

25X1

[redacted]

to reports from Communist correspondents in Moscow, Khrushchev defended himself vigorously on his return and then demanded a full central committee meeting when he found the presidium in virtually solid array against him. The anti-Khrushchev coalition, apparently assured of a heavy majority, had already convoked the central committee on 14 October and the vote to depose Khrushchev was taken on that date.

The first public acts of Khrushchev's successors following the 16 October announcement of his ouster were to reassure the Soviet people and the world that they have no intention of repudiating doctrines and policies developed since the 20th Party Congress in 1956. In addition to consolidating and legitimizing their rule, the initial pronouncements of the new leaders appear intended to serve notice that they will not abandon or compromise "principled" positions long at issue with the Chinese Communists. Subsequent public and private statements reflected concern to prevent the removal of Khrushchev from damaging Soviet relations with non-Communist governments by stressing continuity in foreign policy and claims that the overriding factor in the coup was Khrushchev's errors in domestic policy and administration. A Soviet diplomat in Ottawa, for example, told a US official on 20 October that the action against Khrushchev was

prompted by his impulsive, erratic domestic policies and that foreign policy issues, including Cuba, the struggle with China, and the disarray in the Communist movement, did not figure in the indictment.

Although Khrushchev's successors may not have yet taken any firm decisions, they have little freedom of maneuver in dealing with Peiping. It would not be easy for them to dissociate themselves from Khrushchev's China policy. They have reaffirmed their intention to "actively work" for a conference of all parties--a meeting which Peiping insists should not be held for at least four or five years. A Soviet spokesman has privately indicated that plans for both this conference and the preparatory meeting in December will go forward, despite Chinese opposition. Since Khrushchev's ouster, the Soviet press has continued to report foreign Communist backing for the December meeting. Moreover, friendly overtures to the US and Yugoslavia, as well as repetition of foreign policy positions long attacked by Peiping, show no signs of a desire to conciliate the Chinese.

Although the Peiping leaders so far have maintained a correct but noncommittal stance toward the new Soviet regime, their real feelings probably were accurately reflected in a remark by the Chinese ambassador in Moscow [redacted]

25X1

[redacted] that Khrushchev alone was not responsible for the

25X1

**SECRET**

**SECRET**

The Communist World

deterioration in Sino-Soviet relations. Gesturing toward the Soviet presidium members at the cosmonaut reception, the ambassador said, "they are all responsible."

One of the most difficult problems facing the new regime was underlined by the generally negative reaction to the coup by parties in both Eastern and Western Europe. While the Eastern European governments, except Albania, sent pro forma

congratulations to the new leaders, Poland, Czechoslovakia, Hungary, East Germany, and Yugoslavia pointedly praised Khrushchev's merits. This reaction clearly served notice that they will resist any Soviet efforts to reverse Khrushchev's policy of accommodation to Eastern European desires for greater autonomy. Several Western parties publicly dissociated themselves from the action against Khrushchev and called for a fuller explanation.

25X1

25X1

#### THE CHINESE COMMUNIST NUCLEAR TEST

**SECRET**



**SECRET**

The Communist World

After the test, the main thrust of Peiping's propaganda was defensive. Although the jubilant official announcement played up the magnitude of the Chinese achievement, it stressed Peiping's peaceful intentions and sought to justify the development of a nuclear capability as a response to US "threats." Peiping followed up its call on 16 October for a summit meeting of all nations by sending formal messages to the heads of all governments proposing a conference to discuss "complete prohibition and thorough destruction of nuclear weapons."

Although the successful test registers progress in nuclear technology and points the way to future growth in military strength, the immediate gain has been political. Despite the competing story of Khrushchev's downfall, China's nuclear explosion has had a major psychological impact.

A preliminary evaluation of reaction around the world based mainly on news coverage indicates that on balance the test has probably raised Communist China's international standing by dramatically underscoring Peiping's claim to great power status.

Chinese efforts to neutralize the inevitable adverse reaction began shortly before the test. Sometime during the first week in October Peiping apparently began quietly to advise some of its friends abroad that a test was coming fairly soon and solicited backing for China's "right" to test. Indonesia, Burma, Ceylon and perhaps some African countries seem to have been approached in this way.

Since then the Chinese have relied largely on selective quotes from statements by Afro-Asian sources to support their case except for a major editorial attack on the US published on 22 October. Avoiding any suggestion of public sabre-rattling, Peiping is apparently employing private channels to "explain" the growth of Chinese power.

Peiping's gains are most evident in Asia. China's Communist allies--North Korea and North Vietnam--have applauded vigorously and may now be closer to Peiping than before. Government spokesmen in Indonesia and Cambodia have given warm support to the Chinese. The press response in Pakistan has been favorable and officials have expressed the view privately that the case for seating Peiping in the UN has been strengthened. Ceylonese newspapers have taken the same line.

**SECRET**

**SECRET**

## The Communist World

African response to the test has been scanty but the reaction thus far suggests that Chinese prestige has gone up, and support for seating Peiping in the UN may grow even though there has also been criticism of the nuclear proliferation. The prime minister of Northern Rhodesia announced on 18 October that his country would vote to seat the Chinese Communists. A Nigerian radiobroadcast on 19 October called on all members of the Organization of African Unity to recognize Peiping and to join in an effort to "reopen" the UN representation question.

Initial reaction in the European Communist states--important factors in the Sino-Soviet struggle--has been unfavorable. The press in East Germany, Czechoslovakia, Hungary, and Yugoslavia has been critical. Poland, Rumania, and Bulgaria have thus far withheld comment. Over-all, the Chinese nuclear test appears to have added another element of uncertainty to a situation already confused by the power shift in Moscow. This seems likely to confer a temporary advantage on Peiping in the Sino-Soviet conflict. (SECRET NO FOREIGN DISSEM)

\* \* \*

**SECRET**

**SECRET**

The Communist World

**DEATH OF SOVIET MILITARY AND SECURITY LEADERS**

The deaths of Marshal of the Soviet Union S. S. Biryuzov and Major General of State Security N. R. Mironov in a plane crash in Yugoslavia only five days after the ousting of Khrushchev could have important military and political implications. The new Soviet regime, striving for a smooth transition of power, is suddenly faced with the need to replace both the No. 3 military leader and the man responsible for party control of Soviet intelligence and security organizations.

As chief of the General Staff and a first deputy minister of defense, Marshal Biryuzov was a key figure in the implementation of Soviet military policy. He was one of the most ardent Khrushchev supporters in the top hierarchy of the Soviet military. His promotion from commander of the Strategic Rocket Forces up to chief of the General Staff, replacing Marshal Zakharov in March 1963, was considered a victory for those who favored Khrushchev's position of primary reliance on strategic missile warfare and a lesser role for the ground forces.

There are indications that a decision to reduce the strength of the armed forces, particularly the ground forces, was made at about that time, and that this

decision was being carried out this year, reducing the armed forces to 2.8 million men. There has been considerable resistance in the Soviet military to the decision to reduce the role and, consequently, the strength of the ground forces. The selection of Biryuzov's successor may indicate the new regime's position on this and other important issues of military policy.

As chief of the Administrative Organs Department of the central committee of the CPSU, Major General Mironov had operational control of the secret police (KGB), the internal law enforcement apparatus, the judicial system, and the Main Intelligence Directorate (GRU) of the General Staff. Mironov, like Brezhnev, was a "Khrushchev man" in the sense that he was a product of the Ukrainian party and largely owed his career to Khrushchev's patronage. He appears to have been especially close to Brezhnev. His appointment as chief of the Administrative Organs Department in 1959 was very probably made on Brezhnev's recommendation. The choice of Mironov's successor could provide an important clue to relative political strengths of the new regime's leaders.

25X1

**SECRET**

**SECRET**

## The Communist World

## CURRENT SOVIET MILITARY SHIPMENTS

Recent Soviet military shipments have included major deliveries to Algeria and probably Somalia, maintenance deliveries to Egypt, a token cargo to Cambodia, and one lone IL-14 (Crate) piston-engine transport --probably specially configured for military use--for Cuba. Most of these shipments were made under agreements at least one year old.

Algeria, which had received tanks, armored vehicles, and trainer aircraft in mid-1964, now is getting its first Soviet naval craft and combat aircraft. The increased tempo of deliveries follows the return home of Algerian air and naval trainees, some of whom had been in the USSR for about 18 months. Twelve MIG-17 (Fresco) and four MIG-15 (Fagot) jet fighters have just arrived and four motor torpedo boats believed covered by the October 1963 arms pact were delivered last week. An additional shipment of miscellaneous military supplies and vehicles also arrived this week.

The first major shipment under last year's \$35-million - Soviet-Somali arms agreement now is being delivered. [redacted]

[redacted] The shipment follows the return to Somalia of the first of several hundred military personnel trained in the USSR [redacted]

[redacted] 25X1

In addition to recurring shipments of maintenance materiel, Egypt may have received in mid-October its first two MI-6 (Hook) helicopters--a 75- to 100-passenger aircraft. [redacted] 25X1

Indonesia is about to receive the second of three submarine support ships ordered in 1961. It also is possible that two additional KOMAR guided missile boats--to complete Indonesia's order for 12--are en route. [redacted] 25X1

Earlier this month Cambodia received another token delivery of Soviet equipment--two MIG-17 aircraft, a few armored vehicles, and some anti-aircraft artillery. These deliveries have more political than military significance.

There still is no evidence suggesting early Soviet military deliveries to Cyprus. [redacted] 25X1

**SECRET**

**SECRET**

## The Communist World

**DETENTE IN THE BALKANS**

During the past several months an atmosphere of detente has emerged in the Balkans for the first time since World War II. Although many basic antagonisms persist, the Communist and non-Communist governments of the area seem willing to explore realistically the prospects for resolving long-standing problems and expanding communications, trade, and travel. The Cyprus dispute and the development of a more independent outlook by the Balkan Communist states have apparently acted as the catalysts.

Bulgaria and Greece have made the most progress in overcoming their differences. This past summer, they negotiated a blanket settlement covering Greece's World War II reparations claims against Bulgaria, resumption of road and rail communications, and Bulgarian access to the free port of Salonika. Bulgaria's foreign minister visited Athens in July to sign the agreements, and the Greek foreign minister went to Sofia in late September to discuss their speedy implementation. In the communique issued at the end of the Sofia meeting, Bulgaria renounced its historic territorial claims to large areas of Greece.

Bulgarian-Turkish relations also have taken a turn for the better. The Turkish minister of commerce was in Sofia in late September--his visit overlapping that of the Greek foreign minister--to discuss means to improve relations generally and particularly to promote trade. An agreement on tourism was negotiated a few weeks later, and others can apparently be expected on matters of lesser importance. Ankara has apparently

abandoned its previous insistence that any talks must include the status of the Turkish minority in Bulgaria.

Rumanian relations with Greece have improved to the extent that negotiations are under way on long-standing Greek claims for property nationalized by Rumania.

Greece and Yugoslavia are negotiating in Athens on a series of problems, including border traffic and most-favored-nation trading status for Belgrade. The talks are said to be going well.

25X1

With the exception of Albanian relations with Yugoslavia and Bulgaria, relations between the Balkan Communist states are generally normal, if not warm. Yugoslavia and Rumania are the only ones which appear to be successfully expanding cooperation, as demonstrated by the meeting of Tito and Gheorghiu-Dej in early September to inaugurate an ambitious, joint hydroelectric and navigation project on the Danube.

25X1

**SECRET**

**SECRET**

The Communist World

## CLASH BETWEEN POLISH REGIME AND WRITERS

The regime appears to have suffered a significant setback in its long struggle to establish control over Polish writers. The latest crisis came on 5 October when party writers rejected the party's point-by-point refutation of their complaints about their standard of living, censorship, and the lack of a clear cultural policy.

The party's position had been presented by Zenon Kliszko, party chief Gomulka's right-hand man and personal representative for culture. A few hours after the writers rejected Kliszko's presentation, the regime arrested Melchior Wankowicz, a respected and popular writer and television personality who also holds US citizenship, and charged him with "transmitting abroad materials slanderous to People's Poland."

The timing of the arrest probably reflects Gomulka's rage at the writers' challenge to his authority. Wankowicz has been under investigation since last March, when he joined 33 other leading Polish intellectuals in protesting to Premier Cyrankiewicz about restrictive cultural policies. When the protest remained unanswered, the signers released it to Western news media.

[redacted] His trial will begin on 26 October.

25X1

The party's struggle with the writers has been in progress ever since Gomulka consolidated his power in early 1957 and has always been complicated by Gomulka's deep personal distrust of intellectuals. Gomulka undoubtedly feels he has made significant concessions since his uncompromising statement to party writers in 1963 that "they would work for the party or not at all." The material needs of writers have been partly met this year, and promises of improvement in censorship and publication policy have been made. Nevertheless, Gomulka has continued to insist on strong party controls.

After four years of demoralization, the writers are once again remarkably united in their opposition, and their behavior suggests that they have strong support within the regime. The fact that Wankowicz' trial will take place in camera probably has heartened them, because it suggests that the regime has decided to downplay the trial.

If nothing more serious than Wankowicz' expulsion from Poland results, the writers probably will continue their fight.

25X1

**SECRET**

**SECRET**

Asia-Africa

**NEW CHARTER PROMULGATED IN SOUTH VIETNAM**

The promulgation of a provisional government charter by the High National Council on 20 October may make it possible for a new government to be formed by the 27 October deadline. The charter's provisions reflect the council's efforts to reconcile the views of General Minh and his civilian sympathizers with the conflicting demands of General Khanh and military commanders.

The charter provides for a chief of state with limited powers, increasing the prospect that the military may accept Minh in this role, and for a premier, expected to be a civilian, to determine policy, subject to approval of the council acting temporarily as a popular assembly. It remains to be seen whether a four-man National Security Council, intended to give the armed forces a strong voice in defense matters, will satisfy Khanh's demand that the military enjoy a "place of honor."

The selection of the premier may determine whether Minh and Khanh can compose their differences and work together. The checks and balances written into the charter, and its somewhat vague wording, could encourage internal maneuverings and continued government inaction.

There are signs that the Buddhists, who strongly supported Khanh's promise to reform the government along civilian lines, are now increasingly fed up with his maneuvers to retain power. They may be restrained, for now, however, from provoking further trouble by their apparently growing concern that the Viet Cong are exploiting their activities. The Buddhist leadership recently issued its strongest public anti-Communist statement to date.

Although there are indications that the government's meeting last week with tribal delegates has, for the present, muted the complaints of the mountain people, many tribal leaders appear skeptical that the government really intends to give more attention to their interests.

Communist military activity has declined markedly from the high incident rate of the previous four weeks. The intensity of this activity, however--in terms of GVN - Viet Cong casualties and weapons losses--remain high. Three battalion-size and three company-size attacks were reported during the week, but the over-all pattern of Viet Cong activity continued to emphasize small-scale attacks, ambushes, terrorism, and harassment against government lines of communications.

25X1

**SECRET**

**SECRET**

Asia-Africa

**ELECTION CAMPAIGN IN PAKISTAN**

Recent indications of widespread popular support for Pakistan's revitalized opposition parties are beginning to cause serious concern within President Ayub's regime, which is preparing for a series of nationwide elections.

The first period of polling, scheduled for three weeks beginning 31 October, will be for 80,000 members of local government councils, or "basic democracies." Serving as an electoral college, the "basic democrats" will elect a president next March and national and provincial assemblies in April and May.

Since the government's impressive success in by-elections last year, regime adherents had been complacent and the opposition generally apathetic. These attitudes have changed since mid-September, however, when Miss Fatimah Jinnah suddenly agreed to run against Ayub as the joint opposition candidate.

As the sister of the late Mohammed Ali Jinnah, revered founder of the nation, the 72-year-old Miss Jinnah enjoys a practically unassailable place of honor in Pakistan, and her name has a near-mystical appeal among the masses. She has almost no experience that would qualify her for presidential duties as now defined, but this matters little to her because she apparently plans to have the constitution amended to re-establish a prime minister as the real chief executive.

[redacted] Ayub, however, ordered his party, the Pakistan Muslim League, to ignore Miss Jinnah as much as possible and concentrate its fire on the opposition leaders supporting her. This technique is having little visible effect. Miss Jinnah draws conspicuously larger and more enthusiastic crowds than Ayub in the hustings. The government's uncertainty in dealing with her has brought new hope and unity to the hitherto hopelessly divided opposition.

Government supporters, nevertheless, are certain to use all the powers of the administration, including the police, and seem to have more campaign funds. Even if the opposition parties should do well in the "basic democracies" elections next month, most of the 80,000 electors are likely to be strongly reminded, when it is time to elect a president in March that Ayub created the "basic democracies" and that their status and influence will be greatest under him.

Pakistan's relations with its allies may be further strained as the government and opposition try to outdo each other as good patriots. Each side is already beginning to whisper that its opponent is accepting US financial support, and such accusations may become more frequent during the coming months.

25X1

25X1

**SECRET**



**Page Denied**

**SECRET**

Asia-Africa

**EAST AND CENTRAL AFRICAN LEADERS MEET**

The recent meeting of East and Central African leaders in Dar es Salaam reflects the growing seriousness with which they view the struggle against white domination of southern Africa. The meeting will be followed by the independence of Northern Rhodesia (Zambia) on 24 October--an event long awaited by many African nationalists who hope to use Zambia as a base of operations.

The top leaders from Tanganyika, Kenya, Uganda, and Zambia apparently agreed on a common approach to the potentially explosive Southern Rhodesian situation. They flatly rejected the white government's proposed referendum on independence and appealed to the new British Government to grant speedy independence to Southern Rhodesia on the same constitutional basis as other former British territories in Africa. Some form of joint representation to London is likely but the assembled leaders undoubtedly also discussed the establishment of an African nationalist government in exile. Zambia's Prime Minister Kaunda obtained agreement in principle for the construction of a railroad between his landlocked country and Tanganyika. Such a route is economically unjustifiable, but it is politically essential to make Zambia less dependent on

Southern Rhodesia and Mozambique. A source of funds for the project has not yet been found.

The guerrilla campaign which got under way in Mozambique late last month was a major topic. It is receiving strong support from Tanganyika. The OAU's African Liberation Committee met in Dar es Salaam simultaneously, under the chairmanship of Tanganyika's Foreign Minister Kambona, and resolved to concentrate its resources on the Portuguese territories.

The political crisis in Malawi was probably reviewed. Although Malawi was not officially represented, its former foreign minister Chieme and two other recently deposed Malawi ministers have been granted asylum in Dar es Salaam and have found some sympathetic support there in their feud with despotic Prime Minister Banda. African nationalists disapproved of Banda's friendly relations with the Portuguese.

Although the Congo situation was discussed, it is not yet known what attitude the leaders adopted. They are all anti-Tshombé in varying degrees. Both the prime minister and foreign minister of Burundi were in Dar es Salaam while the meeting was in progress.

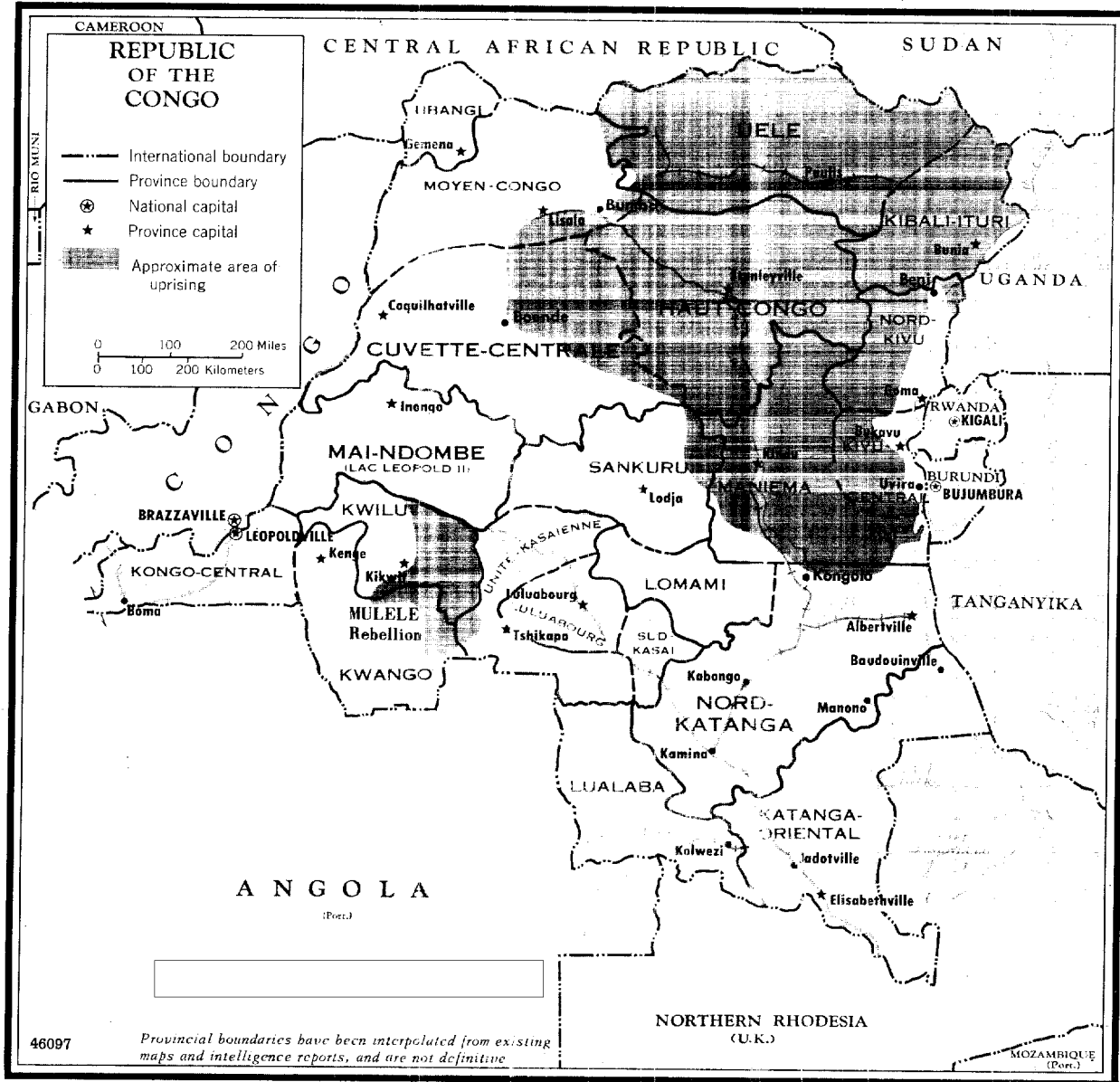
25X1

**SECRET**

23 Oct 64

CURRENT INTELLIGENCE WEEKLY SUMMARY

Page 13



25X1

**SECRET**

Asia-Africa

## CONGO DEVELOPMENTS

The government has made limited military gains in north-western Congo and slow advances continue in other areas.

On 16 October, a small mercenary force captured Bumba, 260 miles downriver from the rebel capital, Stanleyville. Since then, the insurgents in the area--hitherto more effective than most--have been in a state of considerable confusion.

Government forces in central Congo are continuing their drive on Kindu. Rebels in the area are reported to be close to demoralization. An offensive has not yet been mounted toward Kindu from the south. Tshombé's top Belgian military adviser, Colonel Van Der Walle, apparently feels he has insufficient transport to support an attack.

In eastern Congo, government troops, after abandoning Uvira on the Burundi border on 16 October, moved back into the town two days later. [redacted] officer with the Congo Army troops there noted that the rebels in the region are tougher fighters than he had expected. Some appear to be well trained in guerrilla tactics.

The threat to the lives of the Americans in Stanleyville --including the five-man US consular staff and some 20-25 missionaries, missionary wives, and children--apparently has abated for the time being. According to Stanleyville Radio rebel "Defense Minister" Gaston Soumialot sent a message on 19 October to the King of Burundi assuring him that "the lives... of foreign citizens in Stanleyville are not in danger."

Soumialot's message also indicated a desire that "qualified" members of the OAU's ad hoc commission on the Congo come to Stanleyville to inspect conditions. It is probable that the principal "qualification" for the members is that they come from one of the radical African states represented on the commission, or that they have radical sympathies.

The Belgian and European business community in the Congo meanwhile is showing increasing optimism. Some small and medium enterprises which closed during the height of tension over rebel successes are reopening in Leopoldville and recalling former employees.

25X1

25X1

**SECRET**

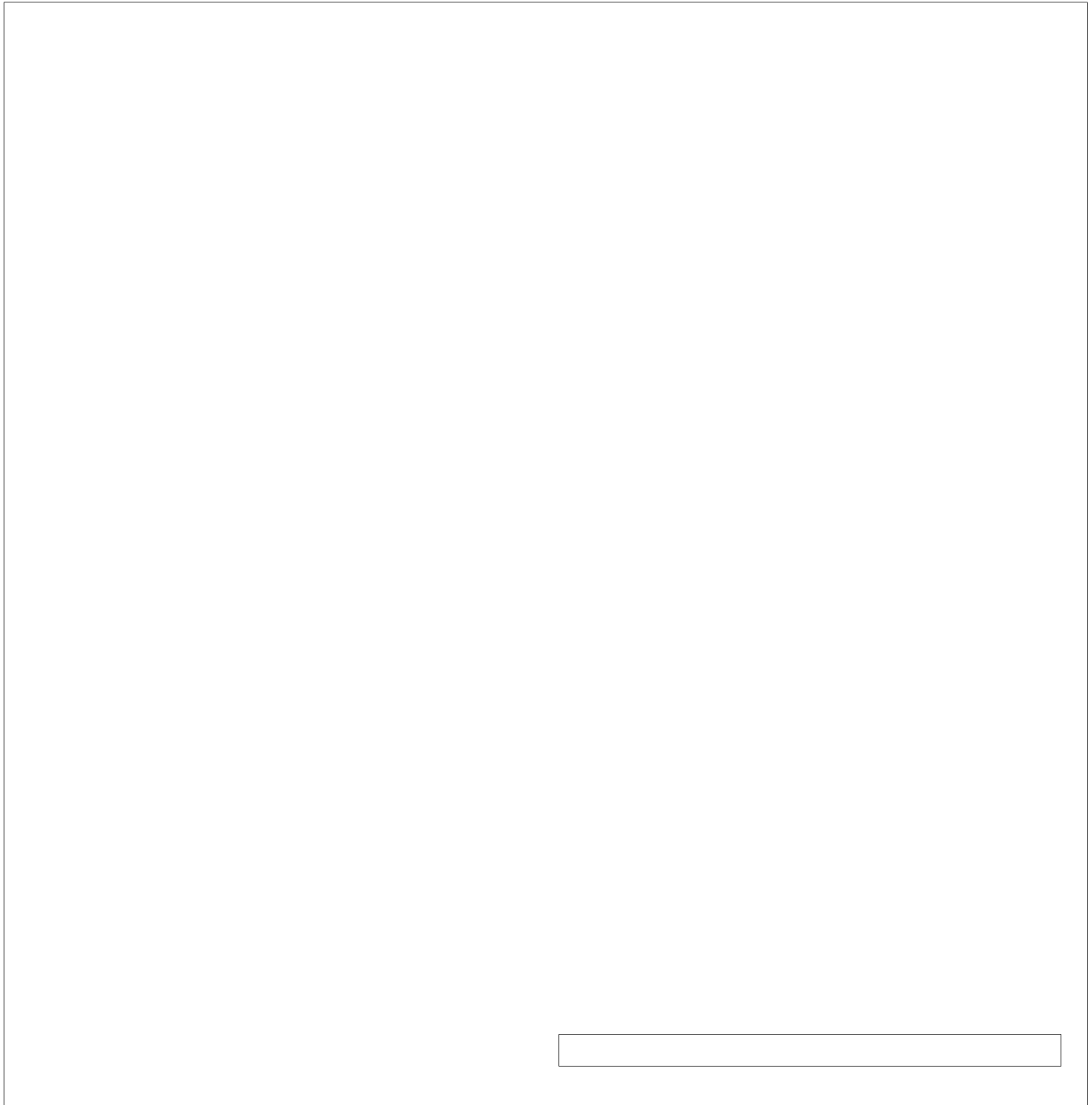
23 Oct 64

CURRENT INTELLIGENCE WEEKLY SUMMARY

Page 14

***SECRET***

25X1



25X1

***SECRET***

23 Oct 64

CURRENT INTELLIGENCE WEEKLY SUMMARY

Page 15

**SECRET**

Europe

**EFFECT OF COMMON MARKET CRISIS ON THE KENNEDY ROUND**

French determination to obtain agreement on unified grain prices in the Common Market has brought the community its worst crisis in two years and will probably delay and possibly disrupt the Kennedy Round. Following a meeting of the French cabinet on 21 October, the French information minister quoted De Gaulle to the effect that France "would leave" the EEC if West Germany does not agree to unified grain prices. The minister added that without such agreement, the EEC would find it impossible to negotiate with the US on trade matters.

Although French spokesmen have been saying for a month that Paris would press the grain price question, its willingness to risk so much has not been evident nor are its reasons for doing so entirely clear. A ranking French official told a US Embassy officer on 20 October that the decision to fight for unified grain prices was taken early in September, that an agreement was politically indispensable because of pressures from farmers, and that Paris would not retreat.

Not only strong domestic considerations, however, are involved in De Gaulle's ultimatum. On balance it would also appear to be part of a new bid to push European unity forward

under French leadership. In choosing this issue for a showdown with Bonn, De Gaulle can count on widespread support from within the community, where it is recognized that a grain price agreement would give European unity a major advance. De Gaulle probably also suspects the US of having tacitly encouraged Erhard's intransigence, and by calling into question Erhard's loyalty to the community concept, he may also hope to weaken Erhard's position on other matters of US interest--such as the MLF.

While the initial German reaction has been skeptical as to how far De Gaulle would actually go, there is little question that his stand faces Erhard with a nasty problem. The chancellor is on record as saying he would not let the grain price question result in a Kennedy Round failure. On the other hand, despite informed speculation that Erhard was prepared to make a favorable decision last month, recent domestic political setbacks have now made it very difficult for him to agree until after next year's national elections. Even then it may be politically risky for him to reverse himself.

In any case, it is now clearly evident that the fate of the Kennedy Round hangs on the outcome of this tug of war

**SECRET**

**SECRET**

Europe

within the EEC. Even before the new pronouncement from Paris, the EEC Commission was facing enough substantive and tactical problems within the community to make it difficult to arrive at a position flexible enough to meet US demands on the rules for handling agricultural negotiations. It is the US position that such rules are a prerequisite for opening up the bargaining on industrial tariffs by the scheduled 16 November date for presenting exceptions lists.

Commission officials have been working to reach some agreement with the US in time to meet this schedule--probably in the

hope that successfully starting the Kennedy Round would pressure the Germans on the grain price question and also prevent backsliding away from a relatively liberal list of exceptions from tariff cuts it has reportedly prepared. The new French action, however, will prevent even a beginning in the trade talks unless the Germans acquiesce on grains. In addition, the lack of pressure for meeting the 16 November date will give Paris more time to try to accommodate protectionist pressures from French industry regarding the exceptions lists.

25X1

## AREA NOTE:

De Gaulle's Tour: President de Gaulle's arduous South American tour produced no tangible political result, although it did demonstrate that his health is unimpaired. He probably feels that his trip served the purpose of providing a forum for expounding his view that "the era of the two hegemonies" is drawing to a close and that prospects are improving for the lesser powers to

enhance their international standing by exerting their "independence." De Gaulle continued to receive warm, if not tumultuous, public receptions near the tour's end, but his increasing emphasis on the so-called "third force" theme apparently elicited little favorable response from his official hosts.

25X1

**SECRET**

23 Oct 64

CURRENT INTELLIGENCE WEEKLY SUMMARY

Page 17

**SECRET**

Europe

**EURATOM BUDGET AND POLICY DEBATES**

The current debates over EURATOM's budget and the cooperation agreements between individual members and the US are likely to have important implications for EURATOM's future. The basic issue is the French attempt to persuade EURATOM to adopt a program less dependent on the US, more "European," and in effect, supplemental to the French national program. The French are thus urging EURATOM to cut back on research projects which grew out of the 1958 US-EURATOM cooperation agreement, and coincidentally fighting bitterly to retain their own bilateral ties with the US.

The EURATOM Commission has proposed increasing by \$38 million the \$450-million allocation for the present five-year research and development program, but there is no chance of the Six agreeing to so large an increase. The members are, however, committed to revising the five-year program, and the EURATOM Council will meet again on 29-30 October to see if a compromise can be reached.

The limited increase which the Six may authorize will necessitate some sacrifices in the program, and will raise fundamental policy questions. The Six agree in principle that EURATOM should concentrate its resources on a limited number of carefully defined projects. The French and others, however, are reluctant to support activity which might compete with their national programs.

Specifically, all the states share France's desire in varying degrees, for increased community research emphasis on fast breeder reactors, the ORGEL (organic cooled heavy water moderated) reactor and thermonuclear fusion. France has national interests in all these fields.

Nevertheless, the members and the EURATOM Commission have rejected the more extreme French arguments for concentrating solely on these fields to the exclusion of US-type reactors. A recent report by a committee of the European Parliament also favored continued research and development of both the natural-uranium reactors favored by France and the enriched uranium type favored by the US. France may place increased emphasis on its national program if it is not satisfied with the general outcome of EURATOM's "new look."

The French attitude may also be crucial to the success of US efforts to transfer existing bilateral agreements between the AEC and individual EURATOM countries to EURATOM itself. Both West Germany and the Netherlands have indicated that their attitudes will depend not only on how Belgium decides to handle its agreement--scheduled for renewal next year--but also to a large extent on whether or not France can be persuaded to accept EURATOM as an intermediary. Paris has always been concerned over losing certain prerogatives under its bilateral arrangements with the US.

25X1

**SECRET**

23 Oct 64

CURRENT INTELLIGENCE WEEKLY SUMMARY

Page 18



**SECRET**

Western Hemisphere

**THE COMING CUBAN DIPLOMATIC OFFENSIVE AGAINST THE US**

President Dorticos returned to Cuba on 18 October, probably bringing assurances of support from Russia, Algeria, and many nonaligned nations for Cuba's promised diplomatic offensive against US "aggression." Fidel Castro pledged some months ago that Cuba would start such an offensive after the US elections.

The initial Cuban effort will probably be made in the forthcoming session of the UN General Assembly, with the objective of maneuvering the US toward acceptance of the Castro regime as a permanent feature in this hemisphere. Havana presumably hopes that world opinion can be turned against the US, and that this would help bring a change in US policy.

At the Cairo conference, Dorticos obtained passage of resolutions denouncing US economic pressures on Cuba, and calling on the US to settle its differences with the Castro regime. The nonaligned nations also called for the evacuation of the US naval base at Guantanamo Bay. The Cubans may feel confident that the signatories of these resolutions in Cairo are now bound to support the Cuban effort in the UN. The UN delegations of the less-developed countries generally may also favor Havana's position on these issues.

During Dorticos' two-day visit to Algeria after the conference, President Ben Bella publicly announced his readiness to do "everything possible" to facilitate a US-Cuban detente. It is likely that Cuba will depend heavily on Algeria to muster further support for its position.

The new Soviet leaders took advantage of President Dorticos' four-day visit in Moscow to reaffirm the USSR's strong support for the Castro regime and its intention to press ahead with efforts to bring about a relaxation of US pressures on Cuba. The 17 October joint Soviet-Cuban communiqué noted that Cuba is still being threatened by the "aggressive actions" of "US imperialist circles." The communiqué also attacked the July OAS sanctions imposed on Cuba as a "gross violation of the UN charter." Soviet officials shifted tactics last August from a frontal assault on the risky issue of US overflights, and embarked on a vigorous campaign to arouse doubt and apprehension in foreign diplomatic circles over the broader range of the US economic offensive against Cuba. The communiqué nevertheless reiterated Moscow's endorsement of Castro's "Five Points." One of them calls for "the cessation of all violations of Cuba's air space."

25X1

**SECRET**

**SECRET**

Western Hemisphere

**NEW PRESSURES IN PANAMANIAN-US RELATIONS**

Dissatisfaction over relations with the United States is again increasing in Panama and could cause serious problems for the new Robles government.

Critics of President Robles are denouncing the current discussion over the Canal treaty as unproductive. They probably hope to discredit Robles before he can show significant accomplishments either in his domestic policies or on the Canal issue.

Robles is also under growing pressure from his own non-descript political supporters. Several progovernment deputies joined in strong attacks on the US when the National Assembly recently passed a resolution condemning the "unjust aggression" of US forces last January. Panamanian news media are helping to maintain the anti-US mood which has persisted throughout this year. The radio station identified with defeated presidential candidate Arnulfo Arias has several times charged the Robles government with deceiving the Panamanian public about the Canal treaty talks.

In a TV interview on 20 October, the ambitious and strongly nationalistic Miguel Moreno, who was Panamanian ambassador in Washington from April until October, disclaimed any role in the talks. He implied that the Panamanian public is justified in fearing that no significant

modification of the treaty is in prospect.

The Panamanian National Guard will probably be prepared to handle any violence that might occur during the 3-5 November independence celebrations. Panamanians have used this holiday period in the past to demonstrate against the US presence in the Canal Zone.

The urban poor and unemployed in Panama City and Colon, whose frustrations made possible the violence last January, regard Robles as a tool of Panama's ruling elite. The lower class gave local majorities to Arnulfo Arias in last May's elections. They could again be incited to violence by the pro-Communist left, unless Robles can soon effect some major improvements with immediate impact. The leftists continue to work hard to gain control of Arias' mass-appeal Panamanista Party.

25X1

25X1

**SECRET**

**SECRET**

Western Hemisphere

## AREA NOTES

Colombia: Dissatisfaction with President Valencia remains intense, but there are as yet no signs of an active movement to oust him. Valencia, however, is said to be increasingly suspicious of War Minister General Ruiz Novoa, who continues to take soundings and precautionary measures which could be preliminaries to a possible coup. The US Embassy believes that present political conditions do not seem propitious for a coup, but that the situation could change rapidly with little warning.

There is also dissatisfaction with the inherent rigidities of the present constitutional system. The mandatory two-thirds congressional vote to approve legislation has tended to immobilize the government. Any attempt, however, to alter the ground rules under which the National Front government presently operates would be very difficult. Under these circumstances, public and military sentiment may grow that a coup is the only solution.

25X1

Bolivia: Bloody student riots in Cochabamba on 21 October have subsided while students and city officials seek to resolve their differences. However, the riots are a symptom of growing nationwide hostility toward the government.

while Julio backs the President. At the same time opponents exiled by Paz last month for alleged plotting against the government are infiltrating back into Santa Cruz and may join dissident groups already engaged in antigovernment activity.

In the department of Santa Cruz, for example, two contending political chieftains--Luis Sandoval Moron and Ruben Julio Castro--are on the verge of armed conflict. The struggle for political hegemony there has implications on the national level since Sandoval supports Vice President Barrientos in his struggle for power with President Paz,

Barrientos flew to La Paz late on 21 October to consult with President Paz on the precarious situation in Cochabamba. Although his precise motives for the trip are unclear, a showdown with Paz may be in the offing.

25X1

**SECRET**

**Page Denied**

**SECRET**

**SECRET**