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USIB-D-16. 2/16 15 July 1959

UNITED STATES INTELLIGENCE BOARD

Validity Study of NIE 54-2-58

The Outlook for Political Stability in Ceylon

Published 9 December 1958

The attached validity study of NIE 54-2-58 was noted by the Intelligence Board on 14 July (USIB-M-48, item 7 b).

Executive Secreta	ary

Attachment

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Validity Study of NIE 54-2-58

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The conclusions of NIE 54-2-58 remain valid. Political instability has indeed increased. Although the Bandaranaike government is still in power, the estimate that there was an even chance it would not last its full term until 1961 is more than supported by current evidence. The resignation of Gunawardena was not forecast in 54-2-58, but it was in keeping with the estimate of paraliamentary and governmental disunity. As was estimated in 54-2-58, we still believe that the communists groups are unlikely to achieve sufficient power or unity to overthrow a non-communist government in the foreseeable future.