

Dr. Lilly

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By	MMK NLDDE Date 10/16/14

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August 20, 1959

MEMORANDUM FOR: Special Assistant to the President for Security Operations Coordination

**SUBJECT: Report on Southeast Asia (NSC 5809)
Agenda Item 1, Planning Board Meeting,
August 21, 1959**

There have been no significant recent developments which were not encompassed or foreseen in the subject report and hence this report continues to be currently valid.

The recent favorable election in Malaya Federation indicated a slightly higher pro-western result than the report had presumed.

**Roy M. Melbourne
Acting Executive Officer**

**Attachment:
Intelligence Support Material,
OCB Report on Southeast Asia,
dated 20 August 1959**

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20 August 1959

Intelligence Support Material, Planning Board Meeting, 21 August 1959



OCB Report on Southeast Asia

The following material will serve to update our intelligence support for the OCB meeting of 12 August:

BURMA

CIA: Judicial Minister U Chan Htun Aung told Parliament on 13 August that general elections will be held in Burma in January or February 1960 on schedule. This announcement reflects Prime Minister Ne Win's growing confidence that the "Stable" faction of the Anti-Fascist People's Freedom League will win over the "Clean" faction which has Communist support. (CIA Daily, 17 Aug., S)

LAOS

CIA: The situation in northeast Laos continues relatively calm. Army units are reported starting offensive operations against Communist salients in Sam Neua and Phong Saly provinces, and several antigovernment incidents in Luang Prabang Province have been reported. (CIA Daily, 17 Aug., S)

STATE: In spite of the present unexplained lull in the fighting in northern Laos, the seriousness of the Communist challenge there cannot be over-estimated. The ability of the Lao Army to provide internal security is limited not only because it is small and poorly trained but also because to the north lies Communist Vietnam where the insurgent forces can obtain temporary haven as well as moral and very probably material support. Deleterious to Lao morale too is the fear of direct North Vietnamese intervention which would be beyond the Lao Army's ability to contain. (Current Foreign Relations, 12 Aug., S)

MALAYA

CIA: A Reuters report of 11:00 AM on 20 August states that the anti-communist Chinese-Malayan-Indian Alliance Party, which has governed Malaya since the country became an independent British Commonwealth member two years ago, scored a sweeping electoral victory yesterday. With two results still in doubt, the Alliance had 71 seats, three by acclamation, in the 104-seat House of Representatives. The leading opposition group, the Pan-Malayan Islamic Party, trailed with 13 seats, while the Socialist Front elected eight members. (FBIS 20 Aug.)

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SINGAPORE

CIA: It is becoming increasingly evident that most of the extremist leaders of Singapore's ruling People's Action party (PAP), whom the new government released from jail in early June, have failed to live up to their pledges to submit to the party's direction and are, instead, actively undermining the present "moderate" leadership. The growing activity and influence of this pro-Communist group in labor and student circles appear to make a fight for control of the party inevitable unless the "moderate" PAP leaders acquiesce in a sharp move to the left. The primary threat to Prime Minister Lee appears to be centering around the popular and able Lim Chin Siong, who is developing the General Employees Union as a base of power and who remains the principal hero of left-wing Chinese youth. Lee is apparently uncertain how to curb Lim's influence without at the same time making a martyr of him. (CIA Daily, 19 Aug., S-Noform)

THAILAND

USAF/CIA: The Red Cross representatives of Thailand and North Vietnam, who have been meeting in Rangoon since late in June, signed an agreement on 14 August for the repatriation of 40-50,000 Vietnamese refugees in northeastern Thailand who want to go to North Vietnam. (Some 90% of these refugees are believed to favor return to North Vietnam.) The agreement provides for repatriation by sea, with the first ship scheduled to leave Bangkok for Haiphong in January 1960. The Thai Red Cross will have charge of the repatriation process in Thailand, but two North Vietnamese Red Cross representatives will be sent to Bangkok as "advisors" to "assist" in carrying out the agreement. (SIRAB, 19 Aug., S; CIA Daily, 18 Aug., C)