CENTRAL INTELLIGENCE BULLETIN

4 October 1958

DAILY BRIEF

I. THE COMMUNIST BLOC

Hungary–US: Budapest is stiffening its policy toward the United States. The deputy foreign minister warned the US Legation on 2 October that, in response to "slanderous" attacks against Hungary by US Government representatives, Hungary would henceforth follow a more restrictive policy in granting visas, and he implied that the legation might be requested to reduce its staff.

(Page 4)
II. ASIA-AFRICA

**Lebanon:** Violent antigovernment demonstrations have again erupted in Beirut, and Lebanese Army troops have fired on Christian demonstrators. Chamoun, who still controls large elements of the Christian community, is showing a disinclination to cooperate with President Shihab. Shihab now is reluctant to have any precise date announced for the withdrawal of US troops.

**Iraq:** D. N. Pritt, British lawyer who received the Stalin peace prize in 1954 and was expelled from the Labor party in 1940 for Communist sympathies, has arrived in Baghdad as a guest of the government. He will probably advise the Iraqi director general of oil affairs on disputed accounts and possibly on broader legal problems involving Iraq's relations with foreign oil interests.
Cyprus-Greece: Violence on Cyprus, which has already resulted in deaths and injury to British civilians and service-
men, may be increased following the 3 October statement by
Archbishop Makarios which called on the Greek Cypriots to
"react firmly" against implementation of the British plan.
Student rioting in favor of Greek withdrawal from NATO has
been suppressed in Athens, but Greek Premier Karamanlis
remains under heavy pressure to resign or modify Greek
ties with the West. Prospects for agreement on a confer-
ence at the NAC meeting on 6 October continue dim.

Thailand: Marshal Sarit--despite his protestations to
the contrary--may be toying with the idea of permitting, for-
mer Premier Pridi, long a political exile in Communist China,
to return to Thailand. The US Embassy in Bangkok finds it
difficult to understand Sarit's motive, but from available re-
ports it would appear that he has been sold the thesis that
Pridi can solve Thailand's economic ills.
Hungary Stiffens Policy Toward the US

The acting Hungarian foreign minister warned the American chargé in Budapest on 2 October that the Hungarian Government "could not much longer tolerate slanderous attacks" by American representatives. The minister charged the United States with discrimination in issuing visas to Hungarians and said that henceforth Hungary would follow a more restrictive policy in visa matters. He referred to "such a large staff" at the US Legation--a clear threat that if American criticism of Hungary continues, the legation might be requested to reduce its staff. The US staff in Budapest is twice as large as its Hungarian counterpart in Washington. The chargé considers that, while Hungary may not now be contemplating a complete break in relations with the United States, the possibility of an eventual break cannot be ruled out.

The legation has recently noted an increase in surveillance and other harassing tactics against its personnel. Although there were some signs in the spring that the Hungarians wanted to improve relations, their policy toward the West and specifically toward the United States has hardened, particularly since the execution of Nagy and the resultant world clamor.

Hungarian party chief Kadar recently returned from a bloc meeting in the USSR, where he was given strict orders to adopt a much harsher position toward the United States than that of other bloc countries.
II. ASIA-AFRICA

British Leftist Lawyer in Iraq

British left-wing lawyer Denis N. Pritt, generally considered a Communist, is in Iraq as a guest of the government, presumably as an adviser on international oil relations. He had previously been consulted by the Iraqi Government during a renegotiation of the Iraq Petroleum Company concession contract which followed the favorable terms Iran obtained after nationalization of Iran's oil.

A member of Parliament from 1935 to 1950, Pritt was expelled from the Labor party in 1940 but continued to represent his constituency as an independent Laborite until defeated in the 1950 general elections. He has a long record of defending Communists, principally through his active participation in the pro-Communist International Association of Democratic Lawyers, and maintains active membership in the British Peace Committee and the World Peace Council. Pritt also defended Mau-Mau leader Jomo Kenyatta.
Cyprus

The marked increase in violence throughout Cyprus will probably be further accelerated as a result of Archbishop Makarios' instruction to the Greek Cypriots to resist "firmly" implementation of the British plan. At least two British women have been shot--one fatally--and there have been numerous armed attacks on security force vehicles. Arson, sabotage, and bombing attacks are also increasing.

In Athens, the Karamanlis government is under growing pressure to resign, and heavily armed police are patrolling the streets to prevent outbreaks of anti-British and anti-Turkish rioting. Minor clashes have occurred between police and demonstrating Greek students, and Greek labor organizations have called for a general strike to protest British moves on Cyprus.

Prospects remain dim that the NAC, during its meeting on 6 October, can arrive at a compromise which would open the way for tripartite talks concerning Cyprus. The Turks now insist they will have no part in discussing any Spaak proposals. Greek Foreign Minister Averoff has stated that Athens might accept a modified form of the British plan if it were agreed beforehand that a plebiscite on the question of independence, with both enosis and partition precluded, would be held in seven to ten years, but London almost certainly would reject such a proposal.
Possibility of Former Premier Pridi's Return to Thailand

The American Embassy in Bangkok notes with concern recent reports suggesting that Marshal Sarit, despite his protestations to the contrary, may be toying with the idea of permitting former Premier Pridi to return to Thailand. Even after his long absence as a political exile in Communist China, Pridi probably still enjoys some popularity as one of the founders of modern Thailand.

Several persons within Sarit's inner circle are known to be Pridi supporters. They are reportedly working assiduously to convince Sarit that Pridi is not a Communist, that he could help solve Thailand's economic problems, and that it would be desirable in terms of domestic politics for him to return. The arguments may be gradually gaining acceptance with Sarit, who is increasingly troubled by his inability to provide effective government.

There are still serious legal and political obstacles to Pridi's return, however. He is under a legal cloud because of his alleged implication in the regicide case of 1946, and the present King is known to be violently opposed to his return, as are Premier Thanom and other military followers of Sarit. Sarit is also aware that Pridi's return would be viewed with alarm in the West, where it would be interpreted as a softening of Thailand's anti-Communist posture.
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