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23 May 1958

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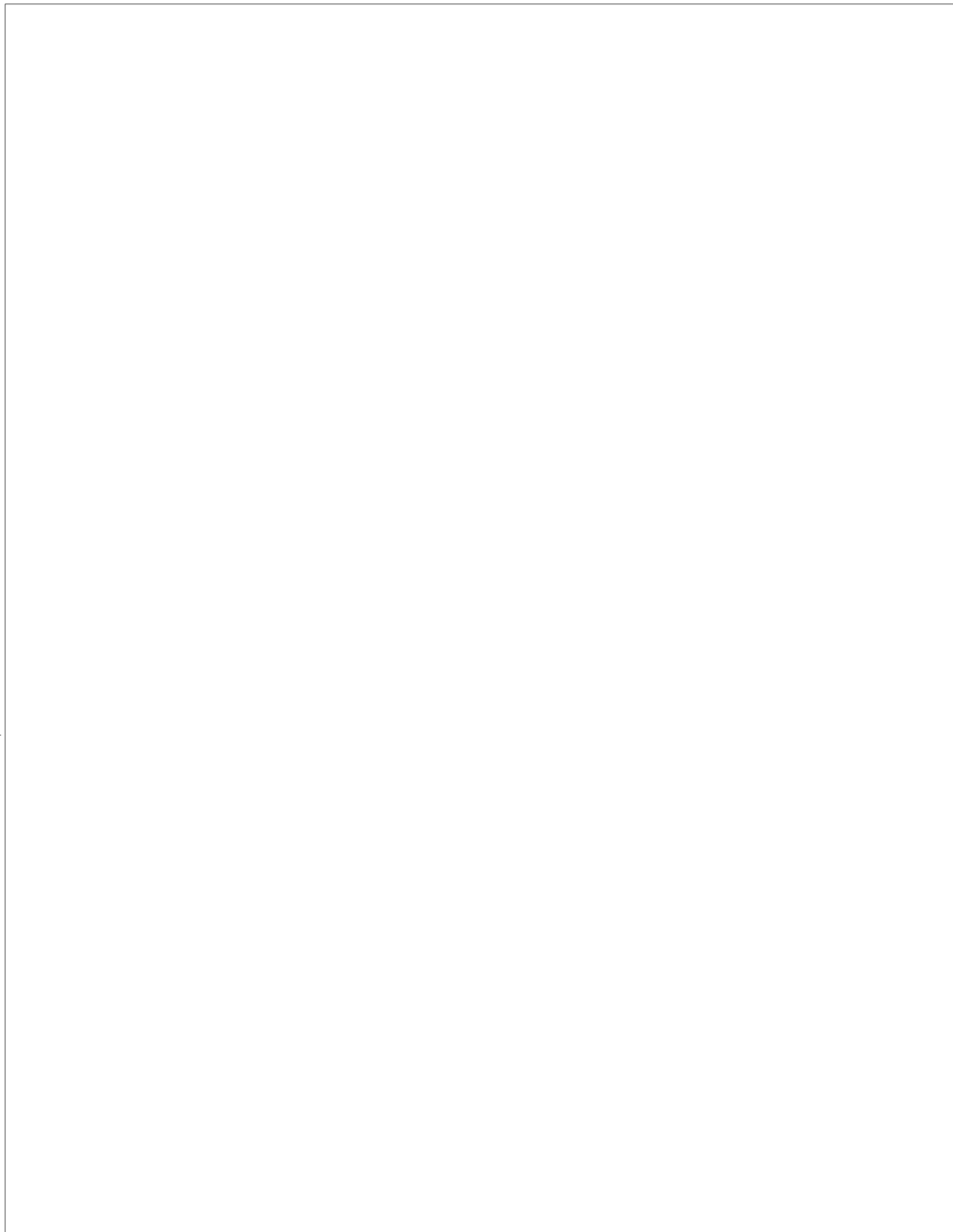
# CENTRAL INTELLIGENCE BULLETIN



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23 MAY 1958

**I. THE COMMUNIST BLOC**

Khrushchev may be planning harsh campaign against Tito, an action which would raise broader issue of Moscow's control over satellites.

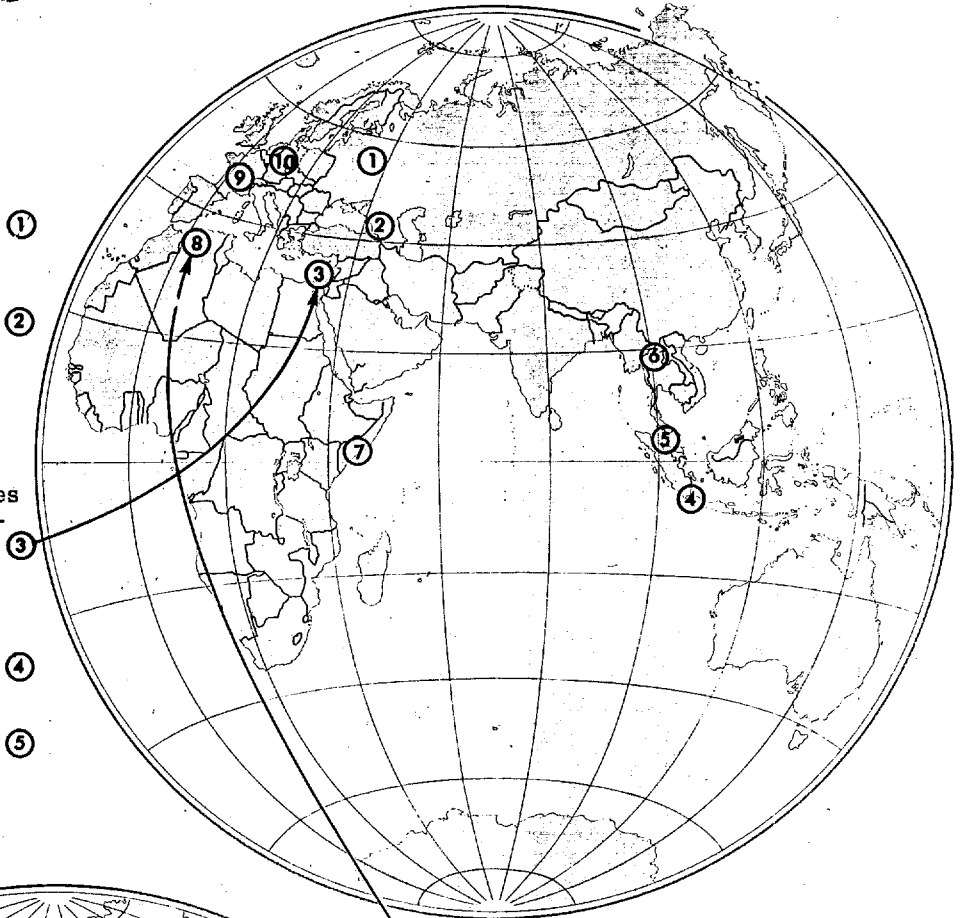
Some Soviet ground units may be on alert status in Transcaucasus Military District.

**II. ASIA-AFRICA**

Lebanon - Renewed efforts to unseat Chamoun likely as political compromises fall and fighting continues. UAR propaganda increasingly anti-Western.

Indonesia - First of Soviet IL-14 transport aircraft ordered by central government have arrived.

Malaya - Communist insurgents surrendering at unusually high rate.



⑥ Laos - Military leaders considering coup if conservatives do not unite against Communists and allies.

⑦ Somalia - Anti-Western extremists may have plan to bomb US Consulate General.

⑧ North Africa - Clashes between French and local forces in Tunisia and Morocco raise possibility of major incidents. French in Algeria continue to defy Paris.

**III. THE WEST**

⑨ Pflimlin's call for vote on constitutional reform issue is tactic to rally popular support; not likely to reduce military opposition.

⑩ Adenauer says he must have a summit meeting for political reasons or clear proof that the USSR is blocking one.

⑪ Panama - State of siege declared in wake of riots and strike aimed at overthrow of De la Guardia.



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# CENTRAL INTELLIGENCE BULLETIN

23 May 1958

## DAILY BRIEF

SRAB

### I. THE COMMUNIST BLOC

no

Soviet-satellite relations: Khrushchev's reported remarks to Nasir that Tito is a "traitor" and that Stalin's methods against him were correct reflect a more extreme attitude toward Yugoslavia than has been suggested in any Soviet propaganda thus far. If Khrushchev has decided to launch an extremely vigorous anti-Yugoslav campaign, he will have to insist on a higher degree of conformity from the satellites. Should he fail in obtaining this, Moscow will have to reassert more direct control. The extraordinary meetings of the bloc leaders in Moscow this week may mark a significant stage in a retreat from the generally flexible Soviet policy toward the satellites highlighted at the 20th Party Congress. [redacted] (Page 1)

no

Soviet military activity: The USSR may have alerted some military units, possibly in connection with Moscow's public statements against Western intervention in the Middle East. [redacted]

[redacted] at least several ground units there are probably in a state of operational readiness as some Soviet units were during previous crises in the Middle East. [redacted] (Page 3) (Map)

### II. ASIA-AFRICA

no

\*Lebanon: Efforts to bring about a political compromise have apparently failed. Renewed efforts by the opposition to unseat President Chamoun may develop, and there are reports

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that some army leaders are considering action against Chamoun. The defense minister has resigned to protest the cabinet's decision to take Lebanon's case against the UAR to the UN Security Council. The dissidents captured Balabakk on 21 May, and another dissident force is reported moving westward, possibly toward Tripoli. Propaganda from Cairo and Damascus is becoming more vehement in its attacks on the Chamoun government and in its allegations that Western powers are intervening in Lebanon.

[redacted] (Page 4) (Map)

*No* Watch Committee conclusion - Middle East: A deliberate initiation of hostilities in the Middle East is considered unlikely in the near future. However, serious incidents are likely to recur. In Lebanon, where the continuing crisis represents a threat to the existence of the state as presently constituted, the opposition to Chamoun is being exploited by a number of neutralist and anti-Western elements, including UAR sympathizers and the Lebanese Communists. There is no evidence available to indicate any intention by the Soviet bloc, or by Israel to become involved militarily. There is evidence of considerable intervention by the UAR, including armed irregulars, but military dispositions do not indicate an intention openly to intervene in force. [redacted]

*No* Indonesia: Four of the eleven Soviet IL-14 aircraft en route to Djakarta from Czechoslovakia arrived in Medan on 22 May. [redacted] five of the six IL-14's observed in transit there on 21 May appeared to be combat cargo or troop carrier types, fitted with brackets possibly suited for airdrop of cargo carried externally. [redacted]

*No* Watch Committee conclusion - Indonesia: Significant numbers of Soviet bloc arms and technicians are arriving in Indonesia. There are no developments indicating a Sino-Soviet bloc intention to become directly involved in military

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operations in Indonesia. The situation continues to favor local Communist and Sino-Soviet bloc exploitation. There is, however, some evidence that this fact is becoming increasingly recognized by certain Indonesian leaders. [redacted]

*yes*  
Malaya: Communist terrorists are surrendering at an unusually high rate [redacted]

[redacted] not all these surrenders are the result of government operations, suggesting that the change in Malayan Communist policy from one of terror to one of subversion--first ordered in 1951--is being stepped up. [redacted]

(Page 6)

*yes*  
Laos: Military leaders are seriously considering a coup if conservative political elements are unable to form a united front against the Communists and their allies.

[redacted] (Page 7)

*yes*  
Somalia: The possibility that a small, anti-Western element with the Somali Youth League may resort to violence is suggested by a report that this group is planning to bomb the USIS office in the American consulate general in Mogadiscio. The plan may have been inspired by news of recent attacks on US installations in Lebanon. [redacted] (Page 8)

*no*  
North Africa: A clash between French and Tunisian forces on 22 May and a reported French raid 40 miles inside Moroccan territory on 21 May are the type of incidents which may presage major retaliatory action by the French. In Algeria, French military and civilian leaders continue their determined stand in opposition to the government in Paris. [redacted] (Page 9)

*no*  
Watch Committee conclusion - North Africa: The reported growing restlessness of French troops in Tunisia, together with the continued crisis in Algeria, is likely to lead to serious incidents in Tunisian territory and set the stage

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for the internationalization of the present internal French-Algerian problem. No evidence is yet available of Soviet bloc efforts to exploit the current crisis in North Africa, except in propaganda. [redacted]

### III. THE WEST

*yes*

\*France: Pflimlin's decision to ask the National Assembly to vote on 23 May on the general desirability of amending the constitution to strengthen the executive is a tactic intended to gain more support from the French public. Constitutional reform is regarded by most Frenchmen as the best way to revitalize the Fourth Republic. A press report that De Gaulle might--under certain conditions--accept Pinay's plea to mediate between Paris and Algiers may also tend to reduce rightist pressures against Pflimlin. None of this maneuvering seems likely to affect the attitude of the military, who remain opposed to Pflimlin; but they are not known to be considering any imminent action against the government. [redacted] (Page 10)

*no*

West Germany: Adenauer has told the American Ambassador that he is concerned over the course of negotiations for a summit meeting. He insists that for domestic political reasons he must have such a meeting or else a clear demonstration for the West German public that Moscow is blocking it. He also believes that the anti-nuclear weapons campaign of his political opponents in West Germany is more successful than he had previously expected. [redacted] Page 11)

*no*

Panama: Widespread rioting in parts of Panama City adjacent to the Canal Zone and a general strike against the government led President de la Guardia to declare a state of siege on 22 May. Thus far there have been no anti-American overtones in the disturbances. Powerful opposition

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politicians are known to be promoting the riots in an effort to oust moderate de la Guardia. These politicians have been behind the recent campaigns for greater recognition of Panamanian claims in the Canal Zone.   
(Page 12)

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## I. THE COMMUNIST BLOC

### Moscow Bloc Meeting Probably Coordinating Action Against Yugoslavia

Yugoslav officials now have concluded, against the background of the extraordinary bloc meeting in Moscow this week, that Khrushchev has decided to take a progressively harder and more aggressive line against them. As yet, it appears unlikely that the more extreme measures taken in bloc countries adjacent to Yugoslavia after the 1948 break, such as threatening military moves and deportation of minorities of Yugoslav descent, will be reinstated, and Soviet propaganda has not reached the 1948 level of vituperation. Khrushchev's reported [ ] remark to Nasir, however, that Tito is a "traitor" and that Stalin's methods against him were correct, if translated into official policy would appear to call for an exceptionally vigorous Soviet retaliation against Tito.


The extraordinary meetings in Moscow this week may mark a significant stage in the retreat from the generally flexible Soviet policy toward the satellites highlighted at the Soviet 20th party congress. Coordination of bloc action against Yugoslavia, as well as practical measures to tighten bloc unity and economic integration, will probably require the USSR to insist on a higher degree of conformity among the satellites, and, failing this, to reassert more direct controls.

The emphasis by Soviet papers on the party rather than government roles of the assembled bloc leaders in Moscow suggests that the meeting has political as well as economic purposes. The presence in Moscow of at least three Soviet ambassadors to the satellites further highlights the importance of the meeting.

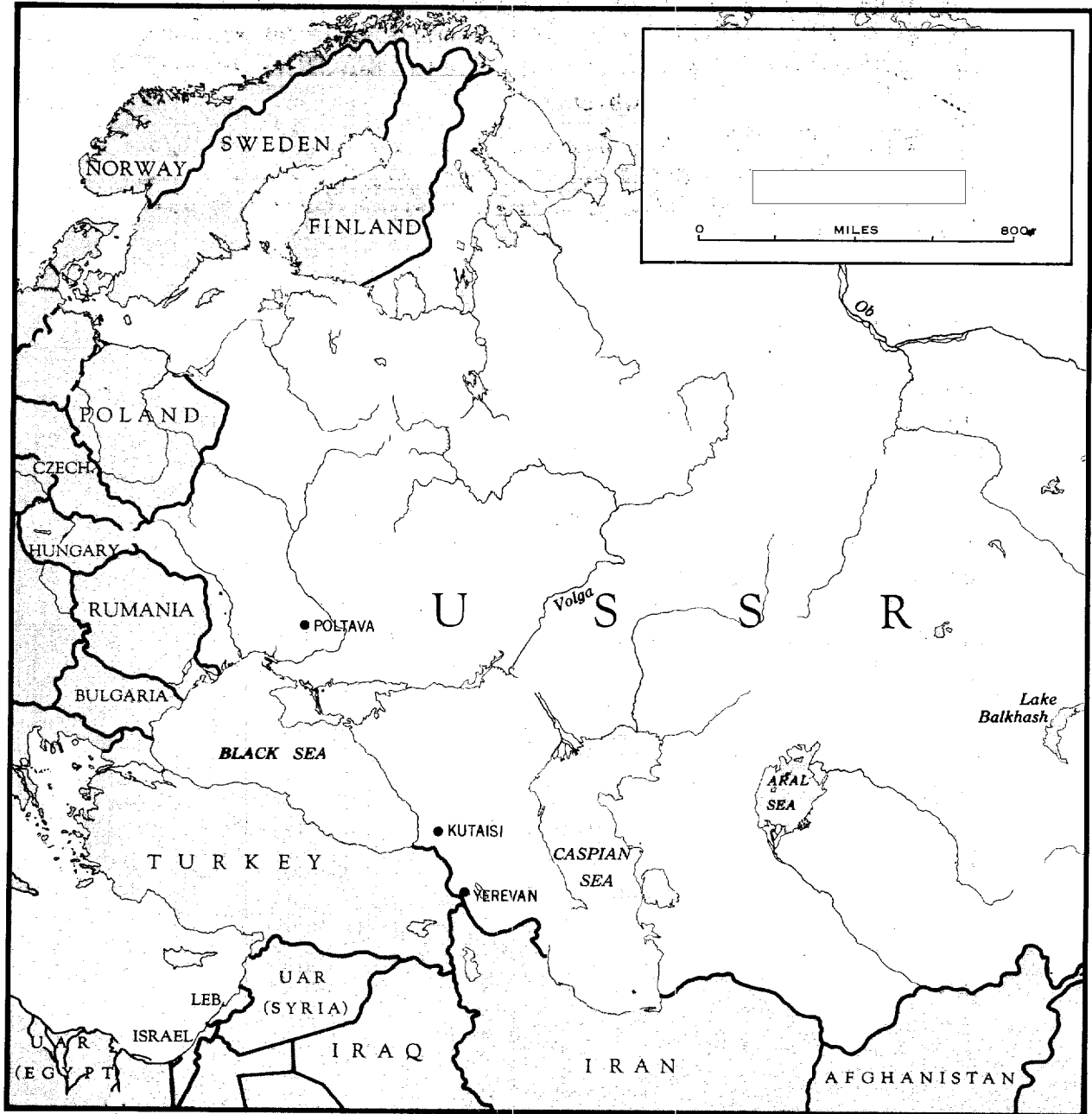
The meeting puts Poland in a particularly vulnerable position. Moscow probably is attempting to force Gomulka into such close alignment with the bloc on the Yugoslavia

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issue that his compliance would compromise his position that every Communist country must control its own internal affairs, the keystone of his Polish road to socialism. Gomulka is likely to continue to resist any attempts to infringe on his internal control in Poland, despite being under more severe pressure than ever before.



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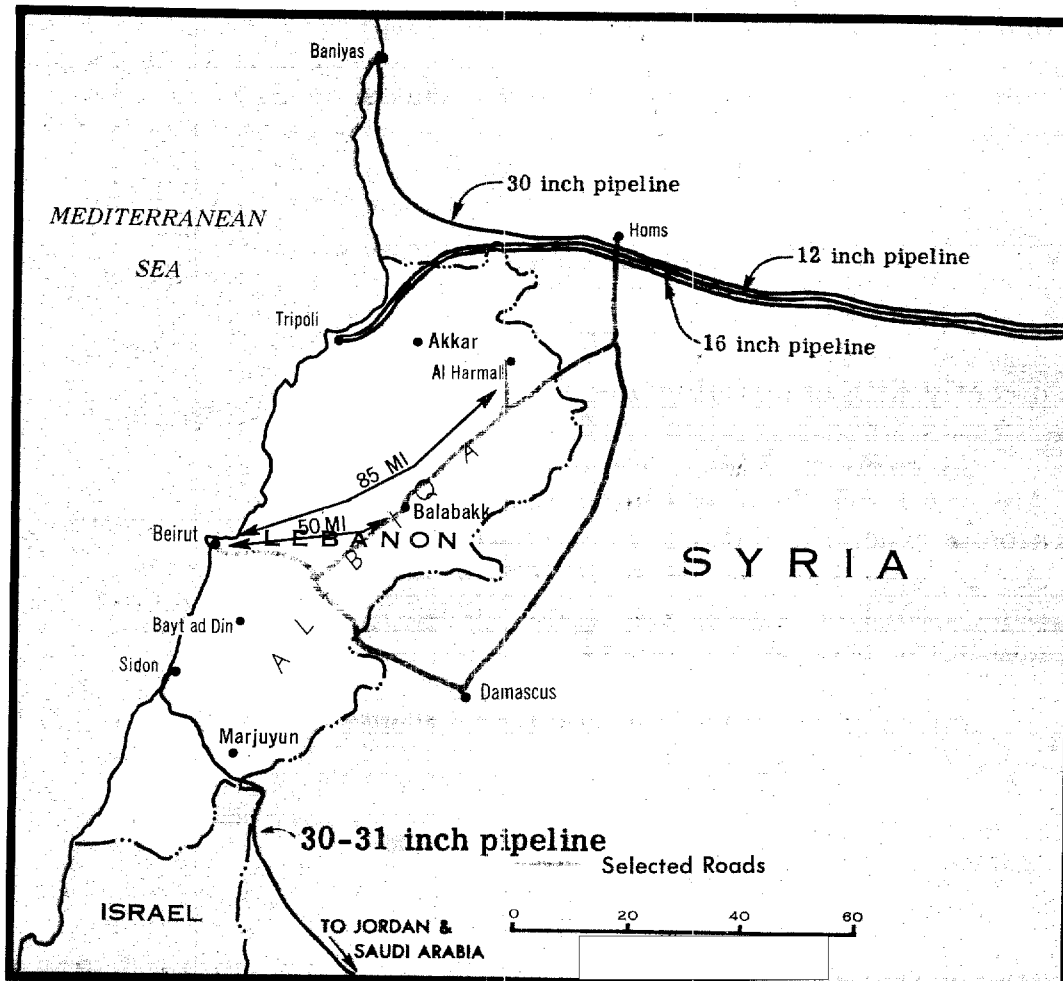
As early as 2 May, the headquarters of the 11th Tactical Air Army may have assumed direct control of its fighter divisions. These divisions are normally controlled by the Tiflis Air Defense District Headquarters in the Transcaucasus. Such a shift in control was noted during the autumn of 1957, and in the Suez crisis as well.

[REDACTED]

The USSR has avoided committing itself publicly to a course of action in the Middle East and has limited itself to political propaganda aimed at inhibiting Western action. There has been no indication that the USSR intends to intervene militarily. Political propaganda has increased since the announcement of American support for Lebanon on 15 May but has not yet risen to the level of intensity reached during the Middle East crisis last fall. [REDACTED]

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## II. ASIA-AFRICA

### The Crisis In Lebanon

Efforts to resolve the political crisis have failed so far, and action by some army leaders to unseat President Chamoun is reported under consideration. The decision by the Lebanese cabinet to take its case against UAR intervention to the UN Security Council has apparently precipitated the resignation of the minister of defense, a follower of Minister of Finance Pierre Edde. Other resignations, including Edde's, may ensue. [REDACTED]

Armed tribesmen and Baathist elements, reported to be accompanied by a small number of Syrian fedayin, captured Balabakk and burned the city hall on 21 May. Another rebel force including Syrian army personnel in mufti is said to be moving from the al-Harmal region over the mountains toward the Akkar area. This group may head toward Tripoli, or swing down into the Biqa Valley toward Balabakk. The Bayt ad-Din situation remains unchanged following a "truce" between government and insurgent forces. Opposition forces accompanied by an estimated 200-300 UAR army men are moving in the direction of Marjuyun. Moslem opposition leader Rashid Karamah and other traditional local leaders have lost effective political control of the situation in Tripoli, and the city is now dominated by leftist elements, according to an anti-Chamoun Moslem leader. [REDACTED]

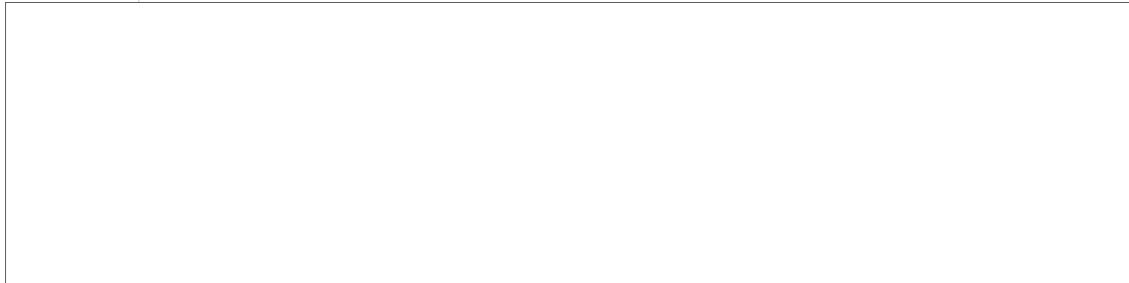
Cairo and Damascus radios have stepped up their propaganda battle against the Lebanese Government and the United States during the past 48 hours. The Damascus radio has openly called on Lebanese Druze to support the opposition. Committees for relief, propaganda, and contributions have been established in Damascus "to coordinate work and ensure contacts with nationalist leaders in Lebanon." Reports are being circulated that "volunteers" for the "preservation of Lebanon's independence" are petitioning Interior Minister Sarraj to be "allowed to fight alongside the Lebanese people" against the Chamoun government and any outside intervention.

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A Cairo broadcast has appealed to the Lebanese security forces to defect from Chamoun and his "gangs." Damascus radio on 22 May declared, "Everyone knows that the rulers of Lebanon are killing the Lebanese people at American instigation." [redacted]

[redacted]  
[redacted] Lebanese authorities seized a vessel making for Beirut with six men and machine guns, possibly coming either from Gaza to Syria. [redacted]

[redacted] Israeli forces would carry out "military moves on the Lebanese frontier" to intimidate the "Lebanese populace," but that the moves were not believed a prelude to "war-like" action. [redacted]



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### Increasing Rate of Communist Surrenders in Malaya

The Federation of Malaya on 28 May will announce the defection of 100 Malayan Communist party terrorists in the state of Perak during the past few months, the highest rate yet achieved. These defections followed a major security operation which involved the return to the jungle of defected Communist officials who induced their comrades to surrender. A similar operation which is still under way in the state of Johore is having comparable success but is not being publicized. In addition to these defections, other surrenders are now higher than normal.

[redacted] the surrenders were not necessarily all induced by government military pressure. [redacted] the Malayan Communists are now accelerating implementation of the decision, taken in 1951 but only slowly implemented, to switch strategy from terrorism to subversion. Under present government amnesty terms, those terrorists who surrender and demonstrate their loyalty to the Malayan Government will not be prosecuted for any "emergency-connected" offense committed before 1 September 1957, and will be helped to regain a normal place in society.

Although it appears highly unlikely that the Malayan Communist party will surrender formally in the near future, the party undoubtedly regards the shift of selected individuals from terrorism to subversion as advantageous. It is conceivable, however, that the party, rather than accept what it regards as unfavorable surrender terms, will continue and accelerate the individual surrenders to the point of virtual cessation of military activity. [redacted]

[redacted]

[redacted]

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### Possibility of Military Coup in Laos

Laotian military circles are considering a coup d'etat to prevent Laos from falling under Communist domination. Most of the army's top officers are reportedly involved in preliminary planning under the direction of Defense Minister Ngon Sananikone. The army chief of staff claims that he has "bluntly" warned conservative political leaders to unite against the threat posed by the Communist Neo Lao Hak Zat (NLHZ) or face an army "take-over."

The army is increasingly concerned that the conservatives have made no perceptible progress since the elections toward submerging their differences. The new government will probably be essentially the same as the outgoing one under Premier Souvanna Phouma, unless the Communists choose to precipitate a cabinet crisis in the hope of forcing new general elections. There are indications that Prince Souvannouvong, the leader of the NLHZ, has become extremely influential in the cabinet. Communist infiltration into government ministries has been stepped up.

Although the military leaders can probably overthrow the cabinet by a coup at any time, their ability to provide stable government is questionable. Their potential political allies are already divided, and they may not be able to count on the full support of the troops under their command. The 24,000-man Laotian Army is not highly disciplined, and many of its men reportedly voted recently for leftist candidates. More than two battalions formerly served with the Pathet Lao.

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Somali Extremists Threaten to Bomb USIS Library  
In Mogadiscio

A small number of young Somali extremists are planning as a gesture against the West, to bomb or set fire to the USIS library located in the American Consulate General in Mogadiscio, [redacted] the plan was inspired by extensive reports in the Mogadiscio press of the destruction of installations in Lebanon.

The American consul general, who minimizes the possibility of such an incident, informed the Italian and Somali authorities and received a promise of extra protection from the police, who are investigating.

The young extremists may be interpreting the call of the pro-Egyptian president of the Somali Youth League for a "gesture" against the West as a demand for action. Cairo has pursued a tough anti-Western propaganda line in Somalia for several years, using radio broadcasts, teachers and other agents, but, [redacted] the present plot does not appear to involve Egyptians. [redacted]

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[redacted]

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## North African Situation

The clash between French and Tunisian military forces on 22 May at Gafsa in central Tunisia and the reported French air and ground raid on a Moroccan post 40 miles inside Moroccan territory are the sort of incidents which might trigger a major French retaliatory effort against Tunisia and Morocco. Consul General Lyon in Algiers has reiterated that the danger has increased because of the absence of restraint by civilian authorities in Algiers. French-Tunisian difficulties at Remada in remote southern Tunisia, he said, could incite French forces in Algeria to move into Tunisia "to teach them a lesson," a move which would be highly popular in Algiers.

The 22 May clash occurred when Tunisian forces, on instructions from Tunis, vainly attempted to prevent the take-off of four French jet aircraft which had arrived in Gafsa on 21 May for reconnaissance in connection with the Remada incident. The French commander at Remada on 17 and 21 May ordered his troops to take up at least two positions outside the base where they technically have been confined since 8 February. [redacted]

[redacted] the French commander in chief in Tunisia not only canceled orders to the Remada unit to withdraw from these new positions, but also ordered observation aircraft and fighters to Gafsa. [redacted]

Although details of the Moroccan incident are not available, the Paris government has expressed anxiety over the situation of French troops in Morocco. A Foreign Ministry spokesman claimed that the French commander in Morocco was not as cool-headed as the commander in Tunisia, and that Morocco's demands that troops be confined to their barracks might result in incidents. [redacted]

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~~SECRET~~The French Crisis

Premier Pflimlin's personal staff chief estimates the government's chances of surviving the present crisis at 50-50, with the next 8 to 10 days as the most crucial period. The Paris embassy notes that Pflimlin has now imposed his will on his government, particularly since the Socialists, after their initial demoralization, have rallied firmly to him. The Independent party minority which has been supporting Pflimlin, however, now seems inclined to withhold their votes on the next important issue that comes before the National Assembly, thus making him dependent on Communist support, a development which would probably lead him to resign. A press report that General de Gaulle might--with certain conditions--accept Independent Pinay's plea that he mediate between Paris and Algiers may help reduce rightist pressure on Pflimlin.

The cabinet's decision to ask the assembly to vote 23 May on the desirability of amending the constitution to strengthen the executive and to call later for a vote of confidence on the text of specific amendments may be a tactic intended to rally more support from the hitherto apathetic public. Constitutional reform has been regarded by most French as the panacea for the ills of the Fourth Republic. The 23 May vote will not bind the deputies to anything specific, however, and the fundamental differences on this question will re-emerge when Pflimlin presents the amendments later.

None of this maneuvering seems likely to affect the attitude of the military, who continue to oppose Pflimlin, but are not known to be considering any imminent action against the government. Defense Minister Chevigne is devoting all his efforts to assessing the loyalty of commanders and units in metropolitan France. Interior Minister Moch is reported doing likewise in the security forces, possibly motivated by his belief that the police and national gendarmerie are not completely reliable. Although the government's in its effort to win back the allegiance of the military, has been conciliatory towards the Algiers officers, the possibility that younger officers may precipitate some form of rash action is a continuing danger.

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### Adenauer Concerned Over Summit Meeting

Chancellor Adenauer informed Ambassador Bruce on 20 May that he is concerned over the prospects for a summit conference. He believes that continued stress on unification in connection with the Soviet violation of 1955 Geneva Conference decisions is creating an "unnecessarily bad atmosphere" for negotiations.

Adenauer is convinced that Khrushchev wants a summit meeting and needs it to strengthen his domestic position. The chancellor is apparently influenced by German Ambassador Kroll's report that on 19 May Khrushchev stressed a desire for a summit meeting and indicated there was nothing to keep the Western powers from bringing up German unification under a general heading such as a German peace treaty.

Adenauer said that for domestic political reasons, he must either have a summit meeting or be able to convince the German public that Moscow is blocking it. He feels that the campaign against nuclear weapons in West Germany is more successful than was expected, and apparently fears its effect on the five forthcoming state elections, which will determine control of the upper house.

Ambassador Bruce feels that, while Adenauer continues to support US policies in Europe, he is relying less and less on Foreign Ministry advisers and this will make him more unpredictable in the future.

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### State of Siege in Panama

The 22 May riots in Panama against President de la Guardia's administration have led him to declare a state of siege and may erupt into full-scale revolution. The strong national guard, whose repression of student demonstrations earlier this week resulted in one death and widespread and violent resentment, has announced that it is slowly regaining control of Panama City. The guard has orders to kill. The students have been joined in a general strike against the government by labor unions and other groups, but appear to have lost control of the disturbance to hoodlums. The latter are probably incited by powerful opposition politicians like Harmodio Arias who are trying to oust the President. Similar riots are occurring in Colon, the northern terminus of the canal.

Although there has been no evidence of anti-US sentiments thus far, Arias and others have led recent agitation for greater US concessions to Panama in the Canal Zone, and may raise the issue to further arouse the mob. Much of the fighting is close to the zone and any incident with US forces now stationed along the boundary would undoubtedly be given disproportionate emphasis.

De la Guardia is not strong politically and cannot count on complete loyalty within his own cabinet or party coalition, where he is considered too moderate in his dealings with the United States. The national guard, which is generally regarded by Panamanians as brutal and corrupt, has been his main source of strength.

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