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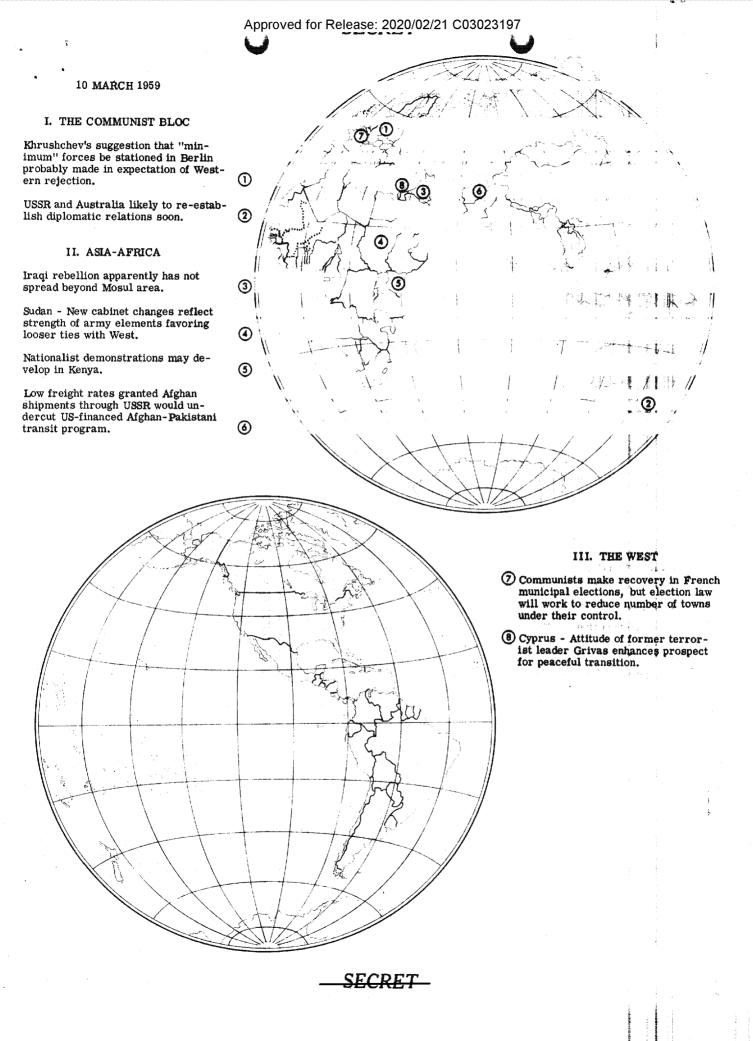
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CENTRAL INTELLIGENCE BULLETIN

10 March 1959

DAILY BRIEF

I. THE COMMUNIST BLOC

USSR: Khrushchev has followed up his conditional offer of 5 March to extend the 27 May Berlin deadline with a suggestion that "minimum" Soviet, Western, and neutral forces could be stationed in West Berlin under a UN guarantee to supervise the free-city status after the USSR transfers its control functions to the East Germans. Moscow may estimate that the West will reject this additional modification of its original proposal, which provided that the free city of West Berlin should be demilitarized, and that such a rejection would further justify transfer of control functions to and a separate peace treaty with the East Germans.) (Page 1)

USSR-Australia: Relations between the USSR and Australia are expected to be re-established, probably in the near future. Soviet Deputy Foreign Minister Firyubin, who arrived in Australia on 4 March for the annual ECAFE conference, was flown to Canberra in Prime Minister Menzies'

aircraft for a meeting with Menzies on 6 March. In February the Australian cabinet approved in principle the re-establishment of relations and authorized talks between the Austral-

ian ambassador and the Soviet Embassy in Washington 7

'II. ASIA-AFRICA

*Iraq: The revolt of the Mosul garrison appears to be losing ground, and rebel units do not control the city. Baghdad is calm and army units are preparing to march out, presumably to Mosul. The Communists plan to stage a "mammoth" demonstration on 10 March which might bring serious danger to

SECRET

foreigners. Several army units have demonstrated their loyalty to Baghdad, according to Iraqi Army messages. The Iraqi Government has ordered a number of UAR Embassy personnel to leave Baghdad on 24-hour notice.

(Page 2) (Map)

deleter Just 217's *Sudan: The dissident army commanders who forced the formation of a new Supreme Military Council have now succeeded in ousting from the government Major General Wahab, the most important remaining Ansar sect - Umma party adherent. In cabinet changes made by the council on 9 March, the three dissident commanders gained cabinet posts in addition to their newly won seats on the council itself. These changes increase the possibility of forceful counteraction by the relatively pro-Western leaders of the Ansar sect and Umma party; small groups of Ansar tribesmen have reportedly been moving into the Khartoum area with some 400 there by the evening of 9 March. Pro-Egyptian and Communist elements are also maneuvering to take advantage of the fluid situation, hoping eventually to force their way into a coalition government.

Kenya: The government's recent action against the leading African nationalist party may provoke the proviolence faction to start demonstrations which the moderate leader, Tom Mboya, might feel obliged to support. (Page 6)

Afghanistan-USSR: Afghan shipping costs to Europe through the USSR apparently will be about one half the costs of shipping by the traditional sea and overland routes through Pakistan. The new rates, which can be paid in Afghan currency, were established by an Afghan-Soviet agreement signed in January 1959. Although the USSR's bargain rates would undercut the US-financed Afghan-Pakistani transit program set up in June 1958, Afghanistan will probably continue to make considerable use of facilities through Pakistan in order to avoid dependence on the Soviet route. (Page 7)

10 Mar 59

DAILY BRIEF

ii

SECRET

III. THE WEST

France: In the first round of municipal elections the Communist party seems to have recovered a considerable part of its losses in the November national elections—largely as a result of popular discontent with the government's austerity program. Runoffs next Sunday in municipalities under 120,000 are expected to reduce heavily the number of towns under Communist control, however, because the new electoral system encourages non-Communist parties to form alliances to exclude the Communists from office. (Page 8)



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Cyprus: A serious threat to the peaceful transition of Cyprus seems to have been eliminated by EOKA leader Grivas' farewell order to his followers on 8 March to lay down their arms and work for the new republic. Grivas and his close followers will be flown to Athens, under British amnesty, probably within two weeks. Bishop Kyprianos, an archrival of Makarios, remains unshaken in his demand for the political union of Cyprus and Greece. He has pledged himself, however, to work peacefully for the island's reconstruction. (Page 9)

10 Mar 59

DAILY BRIEF

iii

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I. THE COMMUNIST BLOC

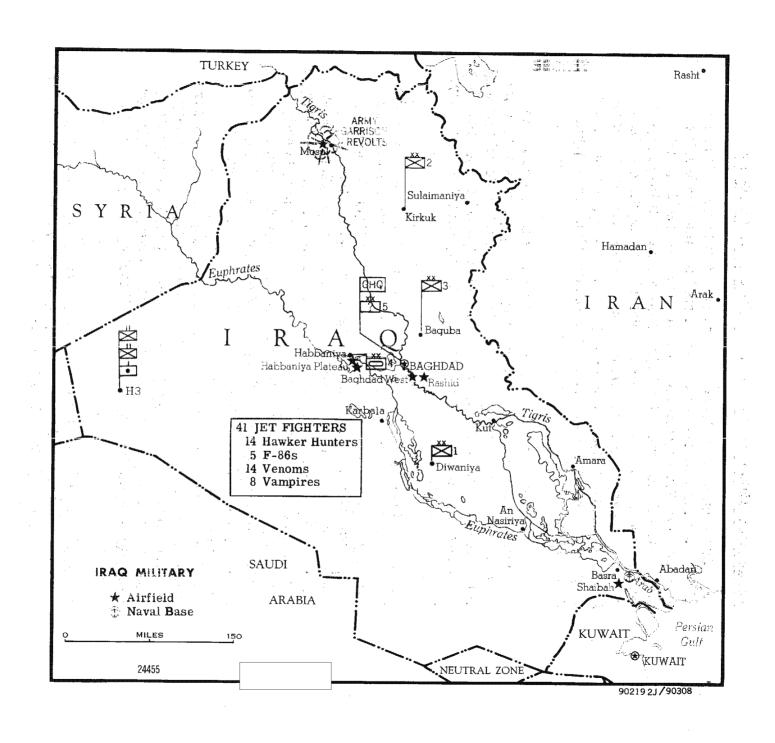
Khrushchev Makes Further Show of Flexibility on Berlin

Khrushchev is continuing to use his visit to East Germany as a forum for pronouncements designed to undercut Western objections to Soviet proposals and to increase public pressure for a summit meeting. On 9 March Khrushchev followed up his earlier conditional offer to extend the 27 May Berlin deadline with a suggestion that "minimum" Soviet, Western, and neutral forces could be stationed in West Berlin, under a UN guarantee of free-city status, after Soviet control functions are turned over to the East Germans.

Khrushchev probably believes that a Western rejection of this additional modification of the original Soviet proposal, which provided that the free city of West Berlin should be demilitarized. could be used as additional justification for transferring control functions and signing a separate peace treaty with East Germany. While Khrushchev's speech is the first public suggestion that Western forces could remain in West Berlin. Soviet spokesmen have taken this line in several private conversations. Khrushchev told the Ceylonese ambassador on 1 March that he is ready to make "many concessions" on Berlin and indicated that access to West Berlin could be guaranteed by the presence there or neutral troops or forces of the four powers. He complained, however, that Prime Minister Macmillan was not prepared to accept such a guarantee and had failed to offer any counterproposals.7 the Western powers could keep their troops in Berlin if they wished and that an international control commission could be created to protect the rights of the free city of West Berlin.

TOP SECRET

Page 1



II. ASIA-AFRICA

The Iraqi Revolt (As of 0001 EST, 10 March 1959)

The revolt of the garrison at Mosul appears to be losing
By late afternoon on 9 March the provincial governor in Mosal reported to Baghdad that, although there was widespread disorder in the city, accompanied by much looting and arson, the
rebel "army units have not come down to the city." He added that a number of "conspirator soldiers and officers" were killed during the morning of the 9th, and he ended his message with an appeal that troops be sent to restore order.
Also indicative of the abortive nature of the revolt is an appeal from Colonel Shawwaf, the commander of the rebel garrison, stating that the "morale of the garrison has fallen after the equivocation of the rest" of the army commands which did not join the rebel cause. Shawwaf requested a UAR air demonstration to raise the morale of his troops and the Kurdish tribes, some of which have backed him.
Reports from Baghdad state that, as of 2000 hours Baghdad time, the city was calm and that army units were preparing to march out, presumably to Mosul. the rebel radio is being jammed and disappointedly declare that the "nationalists in Baghdad have not done anything whatsoever." The Communists have taken advantage of the situation to pass out leaflets calling for a mammoth demonstration on 10 March to demand the immediate execution of "traitors," the arming of the "people," a comprehensive purge of the government, and withdrawal from the Baghdad Pact.
Indicating belief of UAR complicity in the coup plot, demonstrators have paraded in front of the Defense Ministry shouting "down with President Gamal Nasir," Baghdad radio continues to broadcast that the rebellion is "crushed" and that Shawwaf is dead. Orders have gone out from Baghdad to Irbil50 miles east of Mosulfor motorized police to proceed to Mosul. The garrison of Amara has

Page 2

declared its support for Qasim, a acknowledged and carried out an o	nd the 2nd Division at Kirkuk order from Baghdad,
UAR authorities in Damascus fering from a welter of encouraging the situation in Iraq. A number of cluding several believed to be in its ordered to leave Baghdad on 24-horizontal several believed.	ng but erroneous reports on f UAR Embassy personnel, in- ntelligence work, have been

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10 Mar 59

CENTRAL INTELLIGENCE BULLETIN

The Sudanese Situation

The Sudan's Supreme Military Council has ousted from the cabinet Maj. Gen. Ahmad Abd al-Wahab, who was the strongest remaining adherent of the Ansar sect and Umma party, and given cabinet posts to the three dissident commanders in addition to the council seats they gained on 5 March.

These cabinet changes disturb the uneasy compromise which Premier Abboud had achieved on 5 March and increase the possibility of forceful counteraction by the leaders of the Ansar sect and the Umma party. There is strong evidence that the commanders will press for a loosening of governmental ties with the major Western powers. Continuing factionalism within its highest organs and quarrels over policy changes will keep the government unstable.

The police are on special alert,
and police reports indicate that some 400 Ansar
tribesmen had entered the Khartoum area by the evening of 9
March with small groups continuing to come in by car and truck.
Pro-Egyptian and Communist party elements are also maneuver-
ing to take advantage of the fluid situation and particularly of the
weakening of the Interior Ministry through the displacement of
Wahab. The Communists are again distributing propaganda and
planning demonstrations against the Umma party; they are also
working to re-establish their relationships with the left-wing
elements of the other political parties in an effort to force their
way into a new coalition government.
no UAR involvement
in arranging the coup effort but do show that the Egyptian Em-
bassy believed at least one of the dissident commanders to be
firmly pro-Egyptian. During the 3-5 March period of great un-
certainty, the dissident
officers contacted known pro-Egyptian and Communist party
figures to have them ascertain from the UAR and Soviet em-
bassies what aid the dissidents could expect in the event Ethio-
pian forces moved in from the southeast or if Ansar tribesmen
began to mobilize in the west.

Nasir agreed that they should be informed of UAR willingness--in the event of "any foreign aggression"--to support them,

- SECRET -

10 Mar 59 CENTRAL INTELLIGENCE BULLETIN

Page 4

to supply arms, and to grant a loan. Apparently the Egyptian reply was not, however, conveyed to the dissidents in this form, since the immediate crisis appeared to be abating and Cairo was anxious to leave its embassy in Khartoum as much maneuvering room as possible to influence all the elements in the revised Sudanese Government.

CENTRAL INTELLIGENCE BULLETIN

Nationalist-inspired Disorders May Develop in Kenya

Discontent in Kenya may soon break out in violent demonstrations as a result of a government move on 6 March against an alleged African campaign to undermine lawful authority. Thirty-four Africans associated with Tom Mboya's Nairobi People's Convention party were arrested, although only two were detained, including the leader of the party's proviolence wing, Elijah Omolo Agar. If Agar's supporters start demonstrations, Mboya may have to participate despite his reported aversion to violence.

For several weeks officials in Kenya have expected that Mboya may start a civil disobedience campaign if London does not meet African constitutional demands. Mboya wants greater legislative power and assurances that African rather than white settlers will ultimately control the government. Recently both the Africans and the European-settler minority have apparently hardened their attitudes.

London has not yet agreed to "round-table" discussions on the Africans' terms, but a new policy statement for East Africa is to be issued soon, probably in April. In principle, Britain will propose the establishment of "parliamentary democracy" in Kenya with safeguards for minority interests. This principle and the governor's remark that some Europeans may leave Kenya suggest that the new policy will envisage an African political evolution which will be rapid in European eyes, but still short of African expectations. At the same time, major concessions to the Africans might provoke demonstrations on the part of settler hotheads.

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USSR Offers Afghanistan Improved, Cheap Transit Facilities

In an apparent effort to offset the US-financed Afghan-Pakistani transit program set up in June 1958, Moscow has given Kabul guarantees of improved transit conditions through the USSR. Under the June agreement, Pakistan has given the Afghans improved facilities at Karachi port and is expediting the movement of Afghan goods through its territory. Reported details of the 8 January 1959 protocol to the Afghan-Soviet general transit agreement, however, indicate Afghan shipping costs to Europe through the USSR will be about half the costs of shipping by the traditional sea and overland routes through Pakistan.

The USSR apparently has agreed to accept payment for all transit charges in Afghan currency converted at more than three times its normal value. This will relieve the pressure on Afghanistan's holdings of foreign exchange. In addition, the USSR has recognized Afghan complaints about delays of goods crossing the Soviet Union and has given guarantees that Afghan imports and exports will transit Soviet territory in not more than 42 days.

The Afghans probably regard this development as further vindication of their policy of using assistance from one coldwar power to stimulate concessions from the other. Although they are likely to increase their use of the Soviet transit route, they will probably continue to make considerable use of facilities through Pakistan in order to avoid dependence on either.

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III. THE WEST

French Communists Regaining Electoral Strength

In the first round of municipal elections on 8 March, the French Communist party seems to have recovered about half the votes it lost in the November parliamentary elections, according to the US Embassy's analysis of still incomplete returns. Since the heaviest losses, compared with last November, were suffered by the Gaullists, it appears that the normally pro-Communist protest vote which had temporarily either jumped on the Gaullist bandwagon or abstained from a "useless" attempt to stem the tidal wave now is beginning to swing back to the Communists. Popular discontent with the government's austerity program is probably the most important factor in this shift. The Communist ticket's share of the popular vote, which formerly could be expected to reach about 25 percent, dropped to less than 19 percent in November.

In the large cities, where municipal councils are still chosen by proportional representation, the Communists made an even stronger showing but failed to obtain control. Final returns from Paris give them 29 seats out of 90 on the new municipal council, as opposed to 27 elected in 1953. In the twelve large cities over 120,000, the Communists polled a higher total vote than they did in either the November national elections or in the 1953 municipal contests.

In most of the approximately 1,400 smaller municipalities which now have Communist mayors, the party is expected to lose control in the runoff elections on 15 March. A new electoral law gives the list winning a plurality all the seats on the town council, and local combinations will probably be directed mainly against the Communists.

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Cyprus

EOKA leader George Grivas, whose prolonged silence had caused apprehension among British officials and embarrassment to Archbishop Makarios, finally announced his acceptance of the Cyprus settlement on 9 March. In a farewell order, Grivas, while admitting that the Cyprus agreements did not meet EOKA's aspirations, called on his followers to lay down their arms rather than precipitate "national disruption." He also asked all Greek Cypriots to unite around Makarios and assist him in creating an independent republic.

It is expected that Grivas will soon accept the amnesty terms offered him by the Cyprus Government and leave for Greece with several of his top aides. The Greek Government, which had much to lose in the forthcoming municipal election if Grivas had publicly denounced the Cyprus settlement, is expected to present the EOKA leader with new honors and a promotion to general in the Greek Army.

Grivas' call on Greek Cypriots to unite around Makarios will assist the latter in future controversies with extremes of both the right and left. Makarios' rival, Bishop Kyprianos of Kyrenia, upon return from exile on 8 March, called for a continuation of the struggle for "enosis"--union with Greece. Kyprianos indicated, however, that for the present he would cooperate in the reconstruction of Cyprus.

Cypriot Communists have not yet broken with Makarios, who appears desirous of maintaining this truce as long as he can. An eventual split appears inevitable, however, as the Cypriot Communists have joined the Greek Communists and the Soviet radio and press in denouncing the Cyprus settlement recently signed by the archbishop.

- CONFIDENTIAL

10 Mar 59

CENTRAL INTELLIGENCE BULLETIN

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