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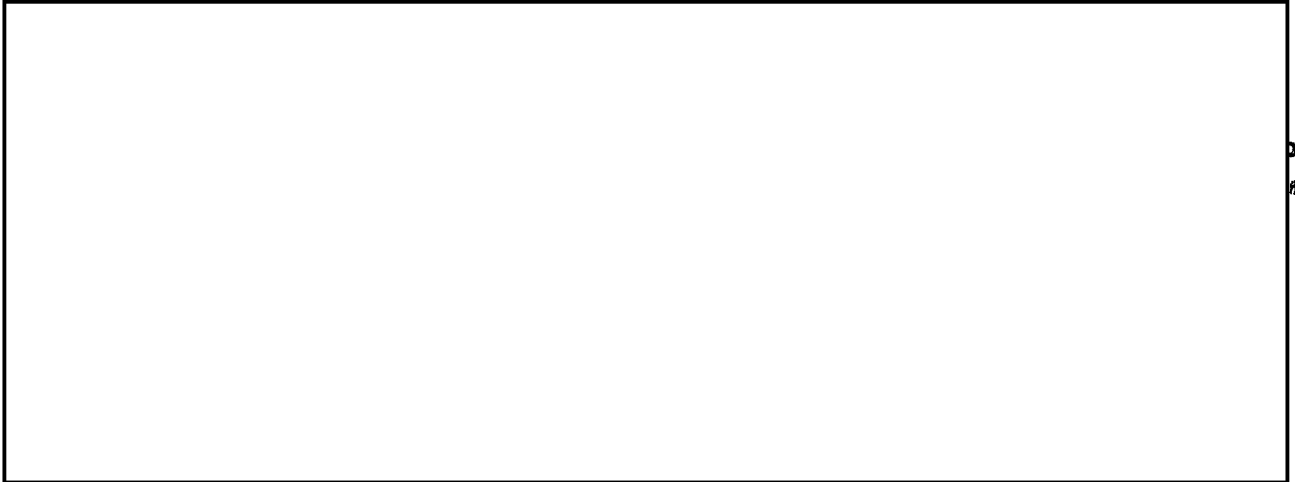
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III. The Indus Basin Canal Waters Dispute

Eugene Black, President of the International Bank for Reconstruction and Development (IBRD), has made a trip to India and Pakistan in an effort to solve the dispute over the use of the canal waters of the Indus River Basin which has existed since 1947. He has made certain concrete suggestions which both countries have agreed to discuss in meetings in London commencing in August 1959. These waters, the sole source of supply to their intricate canal system, are the lifeblood of millions of people in West Pakistan. The Indus flows from Tibet across Kashmir into Pakistan. Three major west-bank tributaries, the Jhelum, the Chenab and the Ravi drain southwest Kashmir, converge and join the Indus in West Pakistan. In undivided Punjab under British rule, 26 million arid acres were brought under irrigation - four times the area irrigated from the Nile - by thirteen complex canal systems. Most of the canal systems are now in Pakistan. The land is almost completely dependent upon water from the canals except in the wet monsoon season. If deprived of their use literally millions of Pakistanis would starve. Thus, this is possibly an even greater issue than that of the sovereignty of Kashmir. At the same time, India is determined to exploit the river water for the creation of hydro-electric power facilities in East Punjab. Pakistan's fear of the terrible famine that would follow the cutting off of these waters led, in 1951, to her accepting the good offices of the IBRD, in an effort to find a solution. Now, eight years later, with financial assistance from the US, Britain, Canada and Australia, division of the waters and the construction of vast engineering works, India and Pakistan may be approaching a solution of this vital problem. Maintenance and increase of Indo-Pakistan tension is a major Communist objective, one to which the Communists seem to be giving higher priority since the Tibetan revolt. Such increased tensions could quickly divert Indian attention from Tibet, promote anti-West and especially anti-US attitudes, encourage renewed activity by front groups, and provide new opportunities to local Communist parties in their efforts to gain influence in the area.

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112. The Normalization of UAR-Jordanian Relations

The UAR and Jordanian Governments have accepted a plan that promises to lead to a rapprochement between the two countries. An announcement to this effect was made in Amman on 21 July by Arab League Secretary-General Abdal-Khaliq Hassunah and Jordanian Premier Hazza al-Majali. Hassunah representing President Nasir stated that the agreed plan would result in the reopening of the UAR-Jordanian border and the re-establishment of diplomatic relations between the two countries. Quoting "informed sources," a Reuters report from Amman said that the UAR-Jordanian agreement also provides for suspending the vitriolic press and radio propaganda campaign of recent months. Premier Majali said the Amman talks also endorsed the need to strengthen the Arab League, a development which, he said, "would eliminate most of the causes of existing differences among Arab states." Jordanian-Egyptian relations never have been good, primarily because of King Husayn's refusal to become a minion of Nasir. In response to Nasir's February 1958 power move in creating the United Arab Republic comprised of Egypt and Syria, Kings Faysal and Husayn countered by proclaiming the federation of Iraq and Jordan. When Faysal was assassinated and his regime overthrown by Qasim on July 14, 1958, King Husayn charged that both the Communists and Nasir were implicated. Husayn broke off diplomatic relations with Cairo when Nasir recognized the Qasim regime. Until very recently Cairo propagandists had been conducting a particularly vicious and unsavory campaign against Husayn. Jordanian media of course reciprocated, but did not indulge in Cairo muckraking. The Hassunah-Majali talks in Amman and the announcement of an agreed plan which appears to be an augury of improved UAR-Jordanian relations comes amid indications of a hardening Arab attitude to the internal Communist menace. Nasir's apprehension about communism's threat to the "Arab nation" coupled with Iraqi Premier Qasim's recent actions show a growing awareness of the Communist threat. The Amman agreements represent another important step towards an Arab solidarity which should be progressively more difficult to penetrate by international communism.

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113. Indian Sponsorship of Chicom UN Membership

India has submitted to the UN, for the ninth successive year, a request that the UN consider the question of seating the Chicoms as the China representative. Since independence Nehru has claimed to base Indian foreign policy on the principles of Panch Shila: mutual respect for other countries' territory; non-aggression; non-interference in the internal affairs of other countries; peaceful co-existence; equality and mutual benefit. However, Nehru has never treated the Bloc and the West by the same standard. India refused to vote for UN condemnation of the Soviet suppression of the Hungarian uprising. Then, the rationale was that such condemnation would not contribute to a solution, despite the fact that international moral indignation was the only peaceful weapon available. During the Korean War, the Indo-China crisis of 1954, and the Chicom attack on the off-shore islands, Nehru's version of non-alignment has meant effective support of Communist policy. In the case of the Chicom intervention in Korea, Nehru went so far as to say that both sides were to blame for the aggression. Nehru has thoroughly denounced all military alliances of Asian countries with the West, whereas he has not denounced the Sino-Soviet alliance. On the other hand, Nehru does not abide by the principles of Panch Shila when political reality so dictates such as in Nepal, over which India has sought to exercise considerable control, and in Kashmir where moral principles have been subordinated to public emotional pressures and what India considers its military security. The hypocrisy of Nehru's anti-imperialism can be seen from his failure to characterize the USSR's long history of aggressive acts against East Europe as imperialism. Finally, Nehru's approach to Tibet has been characterized by an unwillingness of the Indian Government to use the full force of its moral suasion to help the Tibetans. After the initial revulsion by the Indian people and the Nehru flare-up with Communist China, he has tried to calm the situation claiming that he can thereby moderate Chinese-Tibetan policy. However, he is, in fact primarily attempting to return Sino-Indian relationships to normal.

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114. The Manolis Glezos Trial

The July 9-22 Athens espionage trial of Manolis Glezos and 16 other defendants has been the subject of a major Communist propaganda campaign. Glezos was sentenced to five years' imprisonment, four years' exile, and eight years' loss of political rights. Six of the other defendants received sentences ranging from one year to life imprisonment, nine were acquitted, and charges were dropped against one person. During the week ending 12 July, 17% of all Moscow's radio commentaries dealt with the trial. The volume by late July 1959 had dropped to less than half this figure and may drop further, but indications are that Communist propagandists in coming weeks will continue to devote a significant volume of attention to the Glezos case. The trial undoubtedly will be the subject of annual propaganda attention on its anniversary date and will be related to other events in other areas in future Soviet propaganda offensives. Soviet propagandists shrewdly built their campaign around the leftist Glezos, a World War II Resistance hero who in 1941 dramatically removed a German swastika from the Acropolis. (Glezos was not then a Communist.) The Athens court on 22 July 1959 found Glezos guilty of having been a contact of Constantine Koligiannis, a member of the Politburo of the Illegal Greek Communist Party (KKE) and director of a Communist espionage network in Greece. When arrested, on December 5, 1958, Glezos was editor of the neo-Communist paper *Avghi* and the organizational secretary of the Communist front United Democratic Left (EDA). Glezos previously had served a two-year prison term for subversive activities during the 1947-48 Greek guerrilla war. Communist propaganda alleged that Glezos was being tried because he led the "popular" opposition to US missile bases in Greece. Apart from the Communist front, there was little sympathy for Glezos in Greece. However, in non-Communist circles in Greece and abroad, there was strong sentiment that the prosecution was based on outmoded security legislation dating from 1936 which called for Glezos' trial before a military court. The Greek Government rejected Communist propaganda as "unacceptable provocation." Premier Karamanlis on July 10 said: "It is surprising that a case of espionage threatening the security of the country... a case which is being tried in accordance with the existing laws of the state, has caused the mobilization of international Communism." The prosecution said that International Communism's propaganda about Glezos' 1941 feat was designed to "cover up its own responsibility for espionage in Greece and to defame Greek justice."

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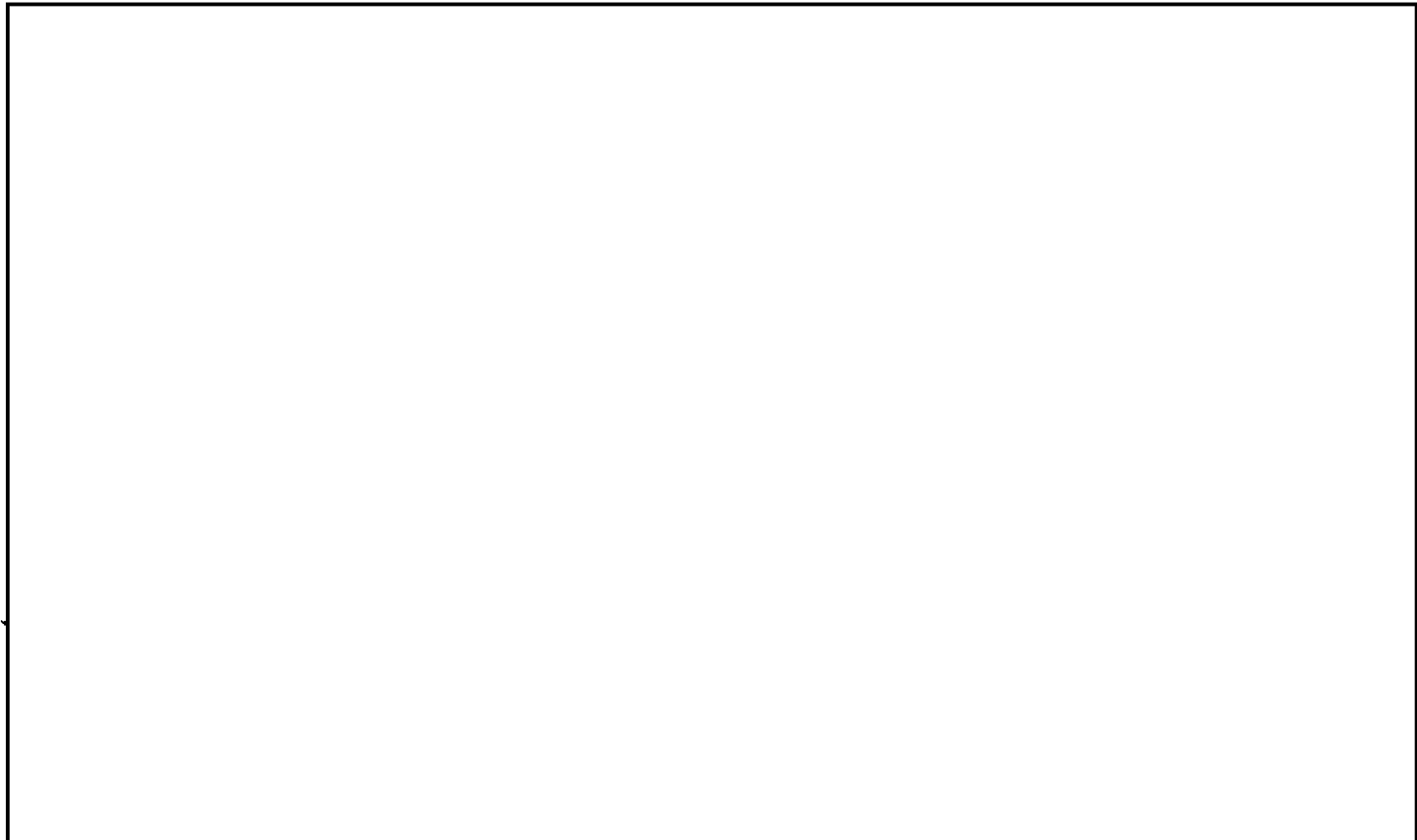


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The twenty-one Republics comprising the Organization of American States have unanimously agreed to convene a Foreign Ministers Meeting in Santiago, Chile, on August 12, for the purpose of discussing and resolving the international tensions that have been generated throughout the Caribbean as a result of Fidel Castro's overthrow of Batista last January. Recent months have seen invasions of Panama, Nicaragua, and the Dominican Republic by expeditionary revolutionary forces based on or supported from Cuba and similar forces have used the territory of Honduras and Costa Rica as bases causing serious internal problems in those countries. The U. S. has taken a leading role in convening the Meeting not only because of its desire to keep the highly strategic Caribbean area free of fighting, but also because a continuation of the tensions could seriously embarrass the U. S. in its world position by playing into Communists' hands. The central U. S. position is that a continuation of direct or indirect aggression aimed to overthrow Caribbean governments cannot be permitted. Some members are expected to distract attention from the purpose of the Meeting by introducing extraneous matters, such as pressing for condemnation of dictators, consideration of substantive economic motions or creation of a Convention on Human Rights. These and similar issues in the view of the U. S. should be reserved for the OAS Quito Conference of Heads of Government, scheduled for February 1960. Other U. S. objectives at Santiago are to create an OAS Committee to continue the moral authority of the FM Meeting for another several months and to persuade the OAS Council to undertake the study of existing inter-American peace mechanisms, and recommend improvements.

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August 1959 will mark the 20th anniversary of the signing of a non-aggression pact, complete with secret annexes, between Stalin and Hitler. This agreement marked a complete reversal of the relations between the two countries which had steadily deteriorated since Hitler assumed power in 1933. Hitler had decided to invade Poland in early September. He needed Russian neutrality during this early phase of his conquests. After Molotov had replaced Litvinov in May 1939, Ribbentrop, the German Foreign Minister, was sent to Moscow to bring the negotiations to quick conclusion. The pact was signed on 23 August 1939, and made known to the world the next day. The secret protocols which supplemented the pact became known only after the war through the release of captured German diplomatic documents. The first protocol spelled-out the Soviet and German spheres of influence in Eastern Europe including the division of Poland and the Baltic Countries. The Soviet government agreed to pay \$7,500,000 for an extra strip of territory. A year later, in November 1940 further secret protocols were being negotiated between the USSR, Germany, Japan and Italy for a division of the world. The draft of the secret protocol says: "The Soviet Union declares that its territorial ambitions center south of the national territory of the Soviet Union in the direction of the Indian Ocean". However, on 18 December 1940, Hitler issued his secret directive on Operation Barbarossa, code name for the invasion of Russia. At the same time he moved German troops into the Balkans. This put an end to the friendly negotiations. News of the non-aggression pact created bewilderment among the German and Russian peoples, who for years had been exposed to anti-bolshevik and anti-fascist propaganda respectively. The Anti-Comintern Pact formed in 1936 between Germany and Japan was reinterpreted as a defense measure against the Allies.

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117. Khrushchev Endorses The Polish Road

During his visit from 14 to 21 July Khrushchev spoke on many occasions and in unequivocal terms in support of Gomulka's policy of independence in Poland's internal affairs. For his part, presumably as a quid pro quo for Khrushchev's endorsement of his programs, Gomulka voiced Poland's solidarity with the "camp of peace" on all major international issues including the Soviet positions on Berlin and nuclear disarmament. In a speech on 21 July in Warsaw Khrushchev stated "...one cannot demand that the Polish party, in solving any question of the internal life of Poland pursue a policy which coincides fully with the policy of the Communist Party of the Soviet Union. Each people must build socialism and advance toward communism by taking into consideration its national, cultural, and ideological peculiarities." In none of Khrushchev's speeches was there any indication of pressures on the Poles to depart from their independent road and Gomulka himself seemed determined to emphasize this when, in a speech at Kzezow welcoming Khrushchev, he declared "...only we are responsible for everything that goes on in this country." Perhaps of greatest significance was Khrushchev's position on Polish Agriculture, outlined in Bi-Weekly No. 18, Item number 110, The Polish Road in Agriculture. In a speech to peasants in Poznan, from which Western newsmen were barred, Khrushchev commented that while the USSR's experience proved that the Soviet collective was the best system of socialist agriculture, they could not and would not be forced on the Polish peasant. "Naturally, people should not be dragged into a cooperative by force. The cooperative is the best form of organization of the peasant's work, the best form of organization of production, and one cannot drive a man toward a better life with a whip." In the speech, which was published in the Polish and Soviet press, Khrushchev voiced the most outspoken criticism of the commune system yet heard from a high Soviet official. Citing the USSR's commune experiment Khrushchev stated it is "the wrong way" to start on the "road to socialism." These statements were clearly designed for Polish internal consumption to allay any fear of hasty socialization of Polish agriculture.

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