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19 May 1960

CURRENT INTELLIGENCE WEEKLY SUMMARY



CENTRAL INTELLIGENCE AGENCY

OFFICE OF CURRENT INTELLIGENCE

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CURRENT INTELLIGENCE WEEKLY SUMMARY

19 May 1960

THE WEEK IN BRIEF **CONFIDENTIAL**

PART I

OF IMMEDIATE INTEREST

EAST-WEST RELATIONS Page 1

While Khrushchev probably did not intend to torpedo the summit conference when he began to exploit the aircraft incident on 5 May, he completely miscalculated the nature of Washington's reaction and then interpreted American official statements as defiance of the USSR and as an affront to his own prestige and that of the Soviet Union. Khrushchev apparently had decided before he left for Paris on 14 May to break up the summit meeting by confronting President Eisenhower with patently unacceptable demands regarding the U-2 incident, cast in the most insulting terms.

Khrushchev's press conference in Paris on 18 May suggests that for the foreseeable future he will vigorously press his bitter anti-American campaign on the U-2 issue. Moscow has already requested an urgent session of the UN Security Council. However, his treatment of other East-West issues, together with the line being taken both publicly and privately by other Soviet spokesmen, is designed to create the impression that the USSR does not intend to make any sharp reversals in the other major lines of its foreign policy. Khrushchev has continued his threats of retaliation against those countries which have American bases, and pressure on them will probably increase.

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TURKISH INTERNAL SITUATION Page 3

There have been few demonstrations in Turkey during the past week, but the political climate remains tense, and new outbreaks of violence may be imminent. The cities of Istanbul and Ankara continue under martial law, the universities in those cities remain closed, and the parliamentary investigating committee continues to probe the activities of the opposition Republican People's party (RPP) and the press. The army continues to maintain publicly its traditional aloofness from internal politics,

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CONFIDENTIAL

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CURRENT INTELLIGENCE WEEKLY SUMMARY

19 May 1960

PART I (continued)

CUBA AND THE CARIBBEAN Page 4

Castro's National Institute of Agrarian Reform in its first year has transformed most of the Cuban economy and is continuing to expropriate agricultural land and establish new industrial enterprises, including a refinery to process Soviet crude oil. There are new indications of closer relations with Communist China. Castro's takeover on 16 May of Cuba's last outspoken independent newspaper will heighten criticism of his regime in Latin America. Elsewhere in the Caribbean, international feeling against the Trujillo regime in the Dominican Republic continues to grow, but there is little change in Trujillo's domestic situation.



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PART II

NOTES AND COMMENTS

ALGERIAN LOCAL ELECTIONS Page 1

The local elections to be held in Algeria on 29 May are opposed by both the Algerian rebels and European extremists; each group is anxious to prevent the emergence of any group favorable to an Algerian solution based on association with France. This opposition, together with widespread indifference, appears to jeopardize De Gaulle's hope that the elections will create a "third force" of Moslem moderates.



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MOROCCAN LEFTISTS SCORE GAINS Page 1

The left-wing Moroccan National Union of Popular Forces has recently gained in prestige and strength. Its labor wing has received formal backing from the King, and it has won numerous seats in local chambers of commerce and industry, previously strongholds of the rightist Istiqlal party. Leftist leaders have also renewed attempts to wrest control of all military and police forces from the King and are demanding a constitution clearly defining governmental responsibilities.



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TENSION HIGH IN BELGIAN CONGO Page 2

Prospects for an orderly transfer of power from Belgium to a Congolese government have decreased as a result of spreading racial disorders and a sharpened power struggle among Congolese leaders. Belgian moves to strengthen

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CURRENT INTELLIGENCE WEEKLY SUMMARY

19 May 1960

PART II (continued)

security forces in the wake of recent unrest have been denounced by the leader of the National Congo Movement, Patrice Lumumba, who may hope to establish himself as the de facto premier of a united Congo prior to the agreed 30 June independence date.

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DISORDERS IN NORTHERN RHODESIA Page 4

The recent African nationalist disorders in the mining areas of the British protectorate of Northern Rhodesia emphasize the growing political and racial tension there. The government has acted vigorously to repress the disturbances and to outlaw the responsible African political party, but disorders are likely to recur because native grievances are not being satisfied.

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MIDDLE EAST HIGHLIGHTS Page 5

Election maneuvering is becoming more intensive in Lebanon. Efforts to draw up slates of candidates are creating new frictions in both Christian and Moslem ranks

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INDIAN COMMUNISTS FAIL TO RESOLVE POLICY SPLIT Page 6

Indian Communist leaders have failed in a new effort to resolve their deep differences over the party's future course of action. The policy dispute between proponents of a moderate line and those favoring more aggressive tactics is focused on the degree of support to be given Nehru. The moderate faction, supported by Moscow, has retained control, but the extremists, encouraged by Peiping's harder line, seem to be gaining ground. Should Moscow, in the wake of developments at the summit conference, revert to a hard line, the position of these extremists presumably would be strengthened.

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SWEEPING SOUTH KOREAN GOVERNMENT CHANGES Page 7

South Korean Acting Chief of State Huh Chung is making sweeping personnel changes in the government, but at the same time is trying to minimize the adverse effects on government operations. Prospects for improved relations between Seoul and Tokyo have been dimmed by Huh's firm opposition to the present program for the repatriation of Koreans in Japan to North Korea.

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iii

THE WEEK IN BRIEF

SECRET

CURRENT INTELLIGENCE WEEKLY SUMMARY

19 May 1960

PART II (continued)

POLITICAL MANEUVERING FOR NEW GOVERNMENT IN LAOS Page 8

The Social Democratic party, newly formed by the militantly anti-Communist Committee for Defense of National Interests (CDNI), will probably be called on by the King to form a new Laotian Government. Selection of a compromise figure such as the party's parliamentary leader Tiao Somsanith seems likely. Installation of CDNI leader General Phoumi would probably trigger a renewal of insurgency by the Pathet Lao, which retains the capability to wage large-scale dissident activity. Chou En-lai and North Vietnamese Premier Pham Van Dong have termed the situation in Laos "dangerous" and called for reactivation of the International Control Commission.

[Redacted]

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PRO-COMMUNIST INFLUENCE IN SINGAPORE LABOR AND STUDENT CIRCLES Page 10

Pro-Communists appear to be making steady progress in their program of consolidating strength in Singapore's labor movement and in Chinese schools, although for the time being they are avoiding an open showdown with the government. Increasing pro-Communist influence is reflected in the withdrawal of the Singapore Trades Union Congress (STUC) from the International Confederation of Free Trade Unions and the appointment of six prominent extremists to the STUC secretariat.

[Redacted]

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INDONESIA Page 10

The Indonesian Government has not developed a mass campaign protesting Dutch moves to augment military forces in Netherlands New Guinea (West Irian), but the Indonesian Communist party has coordinated anti-Dutch student demonstrations in four major cities. Army and civilian officials appear to be awaiting President Sukarno's return from a global tour in early June, presuming that he will chart the course of Indonesia's reaction to Dutch moves. In the interim, the Indonesian Navy is conducting training exercises in waters adjacent to West Irian. The West Irian issue increasingly diverts public attention from the anti-Communist, anti-Sukarno campaign of the Democratic League and from Sino-Indonesian friction over the Overseas Chinese problem.

[Redacted]

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SINO-INDONESIAN DISPUTE SHARPENS Page 11

Peiping's determination to champion the "rights and interests" of Overseas Chinese in Indonesia has led to new frictions in Sino-Indonesian relations and precludes an early settlement of the dispute between the two countries.

[Redacted]

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iv

THE WEEK IN BRIEF

SECRET

CURRENT INTELLIGENCE WEEKLY SUMMARY

19 May 1960

PART II (continued)

[redacted]
Peiping has [redacted] brought the dispute into the open with an angry protest over the house arrest of a Chinese consul for interference in the processing of Overseas Chinese desiring repatriation. Djakarta's response has been to demand the withdrawal of this and another consul. [redacted]

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OUTLOOK FOR CHINA'S STEEL INDUSTRY Page 12

Communist China, which produced only 2,850,000 tons of steel in 1955, expects to turn out more than 18,000,000 tons this year and may well be producing at an annual rate in excess of 35,000,000 tons in 1965. This would make China the third or fourth largest steel producer in the world. Even this amount, however, would still be far from adequate--in terms of quantity, quality, and variety--to meet all the demands of the country's burgeoning industry.

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COMMONWEALTH MEETING HIGHLIGHTS Page 14

Despite the much-publicized dissension over South Africa's racial policies, the two-week meeting of Commonwealth prime ministers which concluded on 13 May found an unusually high degree of agreement on general international developments. Nehru's preoccupation with dangers posed by Communist China marked the principal change from previous meetings, and he refrained from complaining about defense pacts. Cordiality seemed to develop between Nehru and Pakistani President Ayub during the meeting.

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COMMON MARKET DEVELOPMENTS Page 15

The decision of the council of the European Economic Community (EEC) on 12 May to proceed with a modified version of President Hallstein's acceleration plan is the most important EEC development of the past two years. In several respects, the EEC is already ahead of schedule, and its internal development and consolidation are now likely to be further advanced. By reaffirming the intention of the six member countries to proceed with the establishment of a full customs union, the EEC has apparently given the rest of Western Europe little choice but to come to terms with it.

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FRENCH COMMUNISTS WINNING ELECTORAL SUPPORT Page 16

In a number of French local elections since the January rightist revolt in Algeria, non-Communist candidates of the left have demonstrated increased unity and have formed some successful tactical alliances with the Communists. While these alliances are as yet too few to

SECRET

v

THE WEEK IN BRIEF

SECRET

CURRENT INTELLIGENCE WEEKLY SUMMARY

19 May 1960

PART II (continued)

indicate a nationwide pattern, the trend has received support from influential Le Monde editor Jacques Fauvet, who on 7 May publicly recommended that the left ally itself with the Communists to halt the "disappearance" of French democracy under De Gaulle's Fifth Republic. [redacted] 25X1

IMPENDING SPLIT IN FINNISH LABOR ORGANIZATION Page 18

The defeat of the moderate Social Democrats in the 14 May meeting of the executive council of the Finnish Confederation of Labor (SAK) is expected to split Finland's major trade union organization. Some unions will, in that event, gravitate toward an existing stand-by organization under moderate control, leaving the remainder of SAK dominated by the Communists and radical Social Democrats. SAK's rupture would aggravate both Socialist factionalism and the continuing parliamentary impasse. [redacted] 25X1

PANAMANIAN ELECTION AFTERMATH Page 19

Announcement of the results of Panama's 8 May national elections may be delayed for a further week or more. Opposition presidential candidate Roberto Chiari is widely believed to have defeated both his opponents, including the favored candidate of the government party. [redacted] 25X1

RESENTMENT AGAINST US COMPANIES IN PERU Page 20

Mounting resentment against US and other foreign companies in Peru was demonstrated in the effective nationwide 24-hour general strike called on 13 May to protest recent "massacres" of workers and peasants at two US-owned properties and earlier incidents on the premises of other foreign companies. This resentment is likely to play a part in the long-standing controversy over the legal status of oil lands belonging to a Standard Oil Company subsidiary when this issue is considered at a special session of the Peruvian Congress some time after 20 May. [redacted]

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CURRENT INTELLIGENCE WEEKLY SUMMARY

19 May 1960

PART III

PATTERNS AND PERSPECTIVES

VLADIMIR DUDINTSEV'S A NEW YEAR'S TALE Page 1

The publication of the latest work of controversial writer Vladimir Dudintsev again demonstrates the Soviet regime's dilemma in attempting to control its restive intelligentsia without sacrificing its post-Stalin relaxation of tension. The story, A New Year's Tale, is veiled in symbolism and is unorthodox in content. Its ambiguities permit it to be interpreted as an attack on dogmatism and materialism in the Communist party. Apparently reluctant to focus public attention on such an equivocal work, Soviet authorities have almost ignored its publication. Their restraint, however, will encourage other artists and writers to further unorthodoxy.

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PORTUGAL AND ITS AFRICAN POSSESSIONS Page 4

Portugal is increasingly disturbed over the impact of Africa's political evolution on its own African possessions, which are the last substantial part of the continent under unmodified colonial rule. The territories are of considerable economic importance to Lisbon, which seems determined to maintain its paternalistic regime there by tough police action and to demand implicit Western support of this policy. While no serious native outbreaks in Portuguese Africa have been reported, agitation directed from neighboring territories is clearly on the rise.

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IRAQ: NATION OF MINORITIES Page 7

Although Iraq is overwhelmingly Moslem in religion and largely Arabic in culture, its population is composed of numerous mutually antagonistic groups, including Arabs, Kurds, Turkmans, Yezidis, Assyrians, Sunni and Shia Moslems, and Christians. The long history of minority frictions, added to the instability of the present revolutionary government, could lead to widespread disorders should a new attempt be made to overthrow Qasim.

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SECRET**CURRENT INTELLIGENCE WEEKLY SUMMARY**

19 May 1960

PART I**OF IMMEDIATE INTEREST****EAST-WEST RELATIONS**

While Khrushchev probably did not intend to torpedo the summit conference when on 5 May he began to exploit the aircraft incident, he completely miscalculated the nature of Washington's reaction and then interpreted American official statements as defiance of the USSR and as an affront to his own prestige and that of the Soviet Union. Khrushchev apparently had decided before he left for Paris on 14 May to break up the summit meeting by confronting President Eisenhower with patently unacceptable demands regarding the U-2 incident, cast in the most insulting terms.

Several Soviet and satellite sources claim privately that Khrushchev's behavior in Paris stemmed from a feeling of "humiliation" in the face of the American "defiance," which had the effect of placing the USSR in the position of a "second-class power." Following the meeting of the heads of government on 16 May, the Soviet premier reportedly complained bitterly to bloc diplomats about President Eisenhower. [redacted]

Khrushchev also stated he had been prepared to close out the incident immediately if the President had said he was unaware of the flights or had disapproved. Bloc diplomats in Moscow emphasized to American officials that Khrushchev had

been placed in a "bad position" of inequality because of the American statements, which they viewed as indicating that overflights would continue.

The abruptness and closely held nature of Moscow's shift was reflected by considerable evidence that the Soviet propaganda apparatus was forced into a complete reversal following Khrushchev's opening statement in Paris on 16 May. [redacted]

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Post-Summit Policy

Khrushchev's 18 May press conference suggests that he will vigorously press his bitter anti-American campaign in an attempt to brand the US as responsible for preventing a summit meeting and a relaxation of tensions. In an effort to secure the initiative following the collapse of the summit, Gromyko requested an urgent meeting of the UN Security Council to "examine the question of aggressive acts by the air force of the US, creating a threat to peace."

SECRET

SECRET

CURRENT INTELLIGENCE WEEKLY SUMMARY

19 May 1960

25X1

Khrushchev indicated earlier that Moscow would counter any setback in the Security Council with action in the General Assembly. Moscow will also attempt to keep the issue alive with a trial of the American pilot.

Khrushchev's extemporaneous remarks on other East-West issues at his press conference, together with the line taken privately by Soviet spokesmen, are designed to give the impression that Moscow does not intend to make any sharp reversals in the other major lines of its foreign policy.

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In an apparent reference to the American announcement of 7 May, Khrushchev warned, however, that if the US conducted tests for research purposes, the USSR would follow by testing "nuclear weapons." He also said that the USSR was "almost convinced" that the West did not want disarmament and that if Moscow met with further "procrastination," it would take the disarmament question to the UN.

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Khrushchev took a similar position in his press conference, but he warned that the USSR had almost reached the "limits" of its effort to conclude a treaty with both Germanys and that when this point was reached, the treaty would be signed and announced to the world.

The charge that the United States wrecked the Paris talks with its "provocative" actions against the Soviet Union remains the central theme of Moscow's propaganda. President Eisenhower's statement of 16 May that overflights have been suspended was not reported at first, but bloc commentators have followed Khrushchev's lead in dismissing the statement as a mere "maneuver to avoid responsibility." Soviet media report mass meetings in the Soviet Union denouncing American "treachery and provocation," and both President Eisenhower and Secretary Herter are personally attacked in bitter terms. Following selective jamming of broadcasts on the plane incident, Moscow on 17 May apparently resumed massive jamming of VOA Russian-language broadcasts.

Despite the harsh attacks against the US, Moscow broadcasts have conveyed no immediate

SECRET

SECRET**CURRENT INTELLIGENCE WEEKLY SUMMARY**

19 May 1960

sense of crisis and have given no undue stress to claims of Soviet military strength. In an unusual move shortly after Khrushchev's 18 May press conference, TASS began transmitting an account of a New York Times article in which "diplomats in Moscow" are cited as claiming that Khrushchev plans no change in his policies of basing military strength on rockets, raising the standard of living, and widening contacts with the outside world.

Chinese Communist Reaction

As the summit approached, Chinese leaders seemed resigned to the fact that the meetings would be held but maintained their line that "no unrealistic illusions" should be entertained toward the United States, the "number-one enemy of world peace." On 14 May, Mao Tse-tung stated that despite "big or small achievements," the winning of world peace must depend "mainly" on resolute struggle. He went

on to say that he hoped that these people--i.e., Khrushchev--who have described Eisenhower as a man who "cherishes peace" would be awakened by recent "aggressive" American actions. Mao's remarks suggested some apprehension that an accord might be reached which would undercut his policy of unremitting hostility toward the US and a desire to go on record as saying that summit results would not change China's foreign policy.

Peiping's initial comment on the summit breakdown implies that the conference has justified Peiping's distrust of Khrushchev's policy of detente. It is probable, however, that any Chinese action in the wake of the summit will be in line with the over-all Sino-Soviet bloc policies Khrushchev will develop out of the wreckage of the summit.

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TURKISH INTERNAL SITUATION

There have been few demonstrations in Turkey during the past week, but the political climate remains tense, and new outbreaks of violence may be imminent. The cities of Istanbul and Ankara continue under martial law, the universities in those cities remain closed, and the parliamentary investigating committee continues to probe the activities of the opposition Republican People's party (RPP) and the press.

The large reception staged by the Democratic party (DP) for Premier Menderes on his arrival at Izmir on 15 May resulted in brief scuffles between government and RPP supporters. A small student demonstration against the government erupted in Izmir on 17 May. Other clashes may follow throughout Turkey as the DP attempts to stage similar rallies in rural districts and urban communities--a move which

SECRET

SECRET**CURRENT INTELLIGENCE WEEKLY SUMMARY**

19 May 1960

would stimulate counterdemonstrations by the opposition.

Menderes' repeated references in Izmir to "early elections" have caused some consternation among RPP leaders, who fear that the government might attempt to capitalize on their party's present weakened condition by such a move. Other reports from Turkey, however, indicate that the prestige of the government has reached an all-time low--particularly in the cities--and it is unlikely that Menderes would call for an election unless he were relatively certain of winning it. The attitude of the rural voters, among whom Menderes has always enjoyed widespread support, is not known, but some of them may have been influenced by returning university students, sent home after the demonstrations began in late April.

Economic activity in Turkey's principal commercial city of Istanbul is reported at a standstill, with all businessmen viewing the future as uncertain. The American consul general reports that general services are totally dependent on the continuation of a martial law and that any attempt to return the city to normal police control would result in new and probably more violent disorders.

The hatred of opposition elements--including the RPP, the press, and the students--for the premier reportedly has increased in recent days, and they are gaining confidence in their ability ultimately to defeat him.

The next move appears to be up to the government, as the RPP continues to follow a policy of watchful waiting. The possibility that Menderes will attempt to placate the opposition by purging the police, abolishing the parliamentary investigating commission, and dropping certain cabinet members cannot be precluded but would not be in line with his previous hard attitude toward the opposition. Failure of the government to take further drastic repressive action following the recent disorders may indicate either conflict within the DP or the influence of the army.

The army, while carrying out directives to maintain order, has publicly continued its traditional aloofness from politics;

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CUBA AND THE CARIBBEAN

The Castro regime completed on 17 May the first year of its agrarian reform program, which has already transformed most of the Cuban economy. On 15 May the National Institute of Agrarian Reform (INRA) took over

the entire 272,000 acres of the United Fruit Company's sugar growing lands and divided them into 27 cooperatives. The company's two sugar mills were not taken, but INRA Director Nunez Jimenez suggested to the cane

SECRET

SECRET**CURRENT INTELLIGENCE WEEKLY SUMMARY**

19 May 1960

growers that if the mills did not want to handle the harvest from the seized lands, the workers have the right to take over the mills in the name of INRA.

Nunez Jimenez said that \$6,000,000 in 20-year bonds would be paid for the cane land, although the company values them at \$56,000,000. Following several recent Supreme Court decisions raising evaluations of expropriated properties, a government-controlled agrarian court system headed by the Communist legal adviser of INRA reportedly will be established soon.

By the end of the 1960 sugar harvest, which is now almost completed, most cane land will have been taken over by INRA. There is an unverified report that INRA will seize the mills just before the grinding ends in order to have the proceeds of at least part of the year's sugar sales available to help meet its very high expenses. INRA admits to having spent over \$100,000,000 in its first year, and at its current estimated rate of outlay will triple that amount soon.

It is the government's most powerful instrument, since besides its dominance of agriculture, fishing, cattle raising, and commodity marketing, INRA controls much rural construction, 18 radio channels, a number of hospitals and tourist centers, 36 sugar mills, and various other industrial enterprises. It is building a refinery to process Soviet crude oil which is already being delivered in small but increasing quantities under the Soviet-Cuban trade agreement ratified on 12 May.

INRA Director Nunez Jimenez reportedly will leave in the near future to study collective farms in the USSR, presumably as a model for the 764 cooperatives now operating in Cuba and the 800 sugar cooperatives he announced in April would be established on nearly 3,000,000 acres of expropriated cane land. When its planned takeovers are completed, probably in mid-summer, INRA will control about half Cuba's land area and the largest part of the arable land.

Meanwhile, there are new indications of closer relations with Communist China. Major William Galvez Rodriguez, inspector general of the Cuban Armed Forces, reached Peiping in early May on an extended good-will tour of neutralist and bloc countries. He had at least two audiences with Mao-Tse-tung and, according to the New China News Agency, said on 12 May that the Cuban people desired to intensify their "intimate relationship" with the Chinese people and to unite with them in opposition to the "imperialists of the US."

On 16 May, Castro's former minister of finance is reported to have said that the Cuban Government is "under heavy pressure" to recognize Communist China immediately and that he felt the move was imminent. A Cuban-China Friendship Association was inaugurated in Havana on 14 May, with enthusiastic support from Cuban extremists, including some Castro officials.

The Castro-controlled news agency, Prensa Latina, which is increasingly criticized in other Latin American countries for its biased reporting, is widening its European activities which started with a conference

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SECRET**CURRENT INTELLIGENCE WEEKLY SUMMARY**

19 May 1960

with Communist bloc news agencies in Havana in January.

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Branch offices are being opened this month in Paris, London, Rome, and Prague. Prensa Latina Director General Ricardo Masetti--an Argentine whose experience while working for the Peron propaganda machine evidently taught him the value of collaborating with Communists, since he employs many of them--was in Paris for the summit meeting. He will also visit Italy, Czechoslovakia, and the USSR.

With the takeover on 16 May of Prensa Libre, the Castro regime took over the last remaining outspoken independent newspaper in Cuba. As with the closing of the Diario de la Marina on 10 May, the government was careful to make the action appear to be the spontaneous result of popular resentment--especially among workers and students--against the paper's "counterrevolutionary" anti-Communist editorial policy. The workers have "patriotically" offered the papers to the government, giving it the difficult job of deciding how to support the dailies, both with large plants and staffs. Castro already has several newspapers under his control which

are suffering from the scarcity of private advertising.

These two seizures will heighten criticism of the Castro regime in Latin America. Many hemisphere newspapers have already likened the closing of Diario de la Marina to Peron's repression of La Prensa of Buenos Aires, and the Brazilian Press Association has passed a resolution criticizing the takeover.

Antagonism Against Trujillo

International feeling against the Trujillo regime in the Dominican Republic continues to grow, although there is little change in Trujillo's domestic situation. The Venezuelan drive to isolate Trujillo by persuading other Latin American governments to break relations has been coolly received by Argentina and Chile, but Bolivia is now considering breaking relations with the Dominican Republic, and Colombia has aligned itself even more decidedly with the Venezuelan position. The Colombian foreign minister told the American ambassador in Bogota on 10 May that action within the Organization of American States against the Dominican Republic would provide a precedent for inter-American action against Cuba.

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SECRET**CURRENT INTELLIGENCE WEEKLY SUMMARY**

19 May 1960

PART II**NOTES AND COMMENTS****ALGERIAN LOCAL ELECTIONS**

The local elections to be held in Algeria on 29 May are opposed by both the Algerian rebels and European extremists; each group is anxious to prevent the emergence of any group favorable to an Algerian solution based on association with France as envisioned by De Gaulle. This opposition, together with widespread indifference, appears to jeopardize De Gaulle's hope that the elections will create a "third force" of Moslem moderates.

Up for election are 452 seats on advisory "general councils" in Algeria's 13 departments. French spokesmen have indicated that voter participation of 60 percent would constitute a "victory" for De Gaulle. It appears doubtful, however, that voter participation will reach 50 percent without the army playing an active role in turning out the vote. Army spokesmen have said they will not provide transportation for voters except where security conditions so require.

The Algerian rebels have attacked the elections as a "sinful masquerade," and have exhorted Algerians to boycott them. Rightist Europeans, although still disorganized as a result of arrests in connection with the January insurrection, are apathetic concerning the

elections and opposed to any candidate who does not favor the integration of Algeria with France. In addition, French authorities are faced with a general discouragement among Moslems concerning the prospects for an early cease-fire and with traditional voter apathy concerning local elections.

Ignoring rumors that the elections might be postponed, French authorities are working to achieve a maximum turnout and arguing that "abstention aids the rebellion." The rebels, however, are expected to step up terrorism in the time remaining before the balloting. The near-fatal assassination attempt on Algerian deputy Robert Abdeslam in early May may have already discouraged some Moslems from running for office.

Paris hoped at one time that these elections would produce a new groups of "valid" Moslem spokesmen who would cooperate with the French Government and previously elected Algerian representatives in working out an Algerian settlement. Although the new general councilors may participate in a proposed Paris round table on the Algerian problem, the present tendency in the French Government is to play down the significance of the elections and to stress the merely administrative nature of the general councils.

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MOROCCAN LEFTISTS SCORE GAINS

The left-wing Moroccan National Union of Popular Forces (UNFP) has recently gained in prestige and strength. Its labor wing has received formal

backing from the King, and it has won numerous seats on local chambers of commerce and industry which heretofore had been strongholds of the rightist

SECRET

SECRET**CURRENT INTELLIGENCE WEEKLY SUMMARY**

19 May 1960

Istiqlal party. Leftist leaders have also renewed attempts to wrest control of all military and police forces from the King.

King Mohamed V, [redacted]

[redacted] was persuaded last year by the crown prince and other conservative advisers to permit the police to move against the leftists. Several score leaders were imprisoned and some clandestine arms seized by the police. Left-wing leaders, who occupy most cabinet-rank posts, remained in office, however.

Since then, the King apparently has become skeptical of the activities of the crown prince and other conservatives; he appears to be attempting to redress the balance between rightist and leftist groups. Investigation of a purported leftist plot to assassinate the prince has notably slowed, and some of the leftists imprisoned on this charge have been released, probably on the King's intervention.

The King has recently encouraged the left by granting audiences to leftist leaders of the Moroccan Labor Union (UMT)--which forms the base of the UNFP--and by presiding over the May Day labor celebration in Casablanca. At the same time, he has declined to recognize

the rival labor group formed in March by the Istiqlal party. The UMT also gained materially when representatives of the non-Communist International Confederation of Free Trade Unions (ICFTU) strongly backed it and snubbed rightist Moroccan labor leaders seeking ICFTU affiliation.

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The "astonishing victories" won by the UNFP in the chambers of commerce and industry in nationwide elections on 8 May include all seats in Tangier and a majority in Casablanca. Emboldened by these gains, the UNFP can be expected to seek the maximum number of seats when communal councils are elected on 29 May.

It will also press for early provincial and national elections and demand the promulgation of a Moroccan constitution clearly defining government responsibilities, e.g., limiting the King's authoritarian power. Toward this end the Moroccan cabinet recently approved a draft decree reorganizing the government and subordinating police and military services to the appropriate ministries. This measure apparently has been quietly vetoed by the King. Nevertheless, leftist sympathizers within the government are certain to continue to harass the director of national security and to be critical of the royal armed forces.

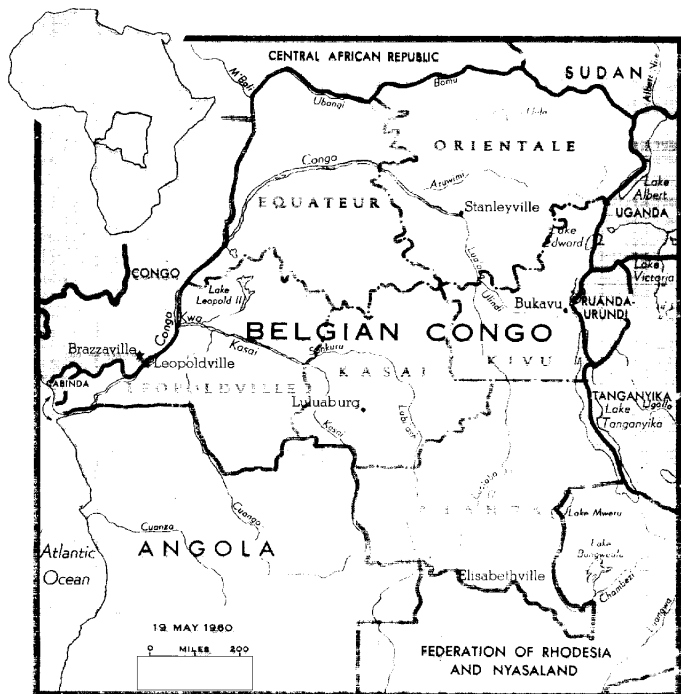
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TENSION HIGH IN BELGIAN CONGO

Prospects for an orderly transfer of authority from Belgium to a Congo government have decreased as a result of spreading racial disorders and a sharpened power struggle among Congolese leaders. Belgium's moves to reinforce its secu-

rity forces in the wake of recent political and tribal unrest have been denounced by the leader of the National Congo Movement, Patrice Lumumba, who may hope to establish himself as de facto premier of a united Congo prior to the agreed 30 June independence date.

SECRET

SECRET**CURRENT INTELLIGENCE WEEKLY SUMMARY****19 May 1960**

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Growing instability throughout the Congo in early May was highlighted by scattered strikes in Katanga Province, civil disobedience and passive resistance campaigns in Kivu and Orientale provinces, and renewed tribal warfare in Kasai and Leopoldville provinces. Lumumba is reported to be inciting antiwhite sentiment in some areas in connection with the legislative campaign. Voting for a Congolese legislature began on 11 May and is scheduled to continue through 25 May.

Belgium's initial hesitancy in connection with the spreading of disorders has apparently ended; Belgian officials on 16 May advised Ambassador Burden in Brussels of their intention immediately to strengthen Belgian land, sea, and air forces in the Congo. Defense Minister Gilson observed that Europeans in the Congo were in a state of near

panic, and that he was taking all steps to ensure their being fully protected until 30 June.

Belgian action to reassert administrative and military control in the Congo coincided with apparent moves by Lumumba and Abako leader Joseph Kasavubu to establish themselves in positions of political power prior to independence. In separate statements, the rival leaders called for the establishment of a provisional Congolese government to rule the colony in the period leading up to independence. Lumumba added that the people

are "capable of seizing power" if a provisional government is not established. He termed the reinforcement of Belgian forces



LUMUMBA

in the Congo an "invasion" designed to intimidate the populace and to influence the elections in favor of pro-administration candidates.

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SECRET

CURRENT INTELLIGENCE WEEKLY SUMMARY

19 May 1960

Although Lumumba has strong support in Kivu and Orientale provinces, he is distrusted and opposed in many areas. A move by Lumumba to seize power prior to independence would probably inspire strong adverse reactions in

Leopoldville and Katanga provinces and might prompt the Conakat party in Katanga and the Abako party in Leopoldville to attempt to implement their periodic threats to secede from the Congo.

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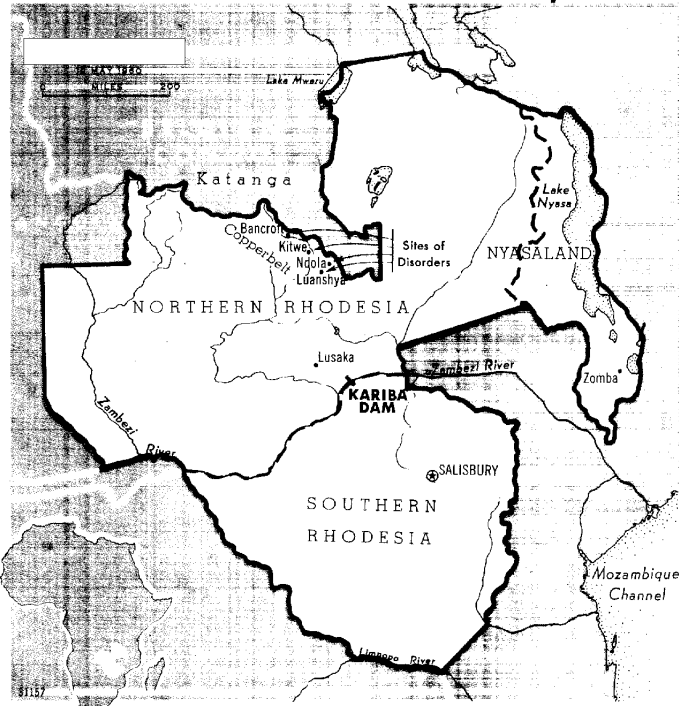
DISORDERS IN NORTHERN RHODESIA

The recent African nationalist disorders in the mining areas of the British protectorate of Northern Rhodesia emphasize the growing political and racial tension there. The government has acted vigorously to

The troubles began on 8 May after a political meeting of the African United National Independence party (UNIP) was broken up by the police; Africans attacked Europeans and their property. The reinforced police

re-established order and made many arrests, but outbreaks occurred at several points in the Copperbelt mining area during the next few days. To pacify the aroused European settlers who were demanding strong action and threatened to form vigilante committees, which would have precipitated racial clashes, and government took prompt action against the offending African nationalists. Provincial UNIP branches were outlawed, and party leaders were forbidden to enter the Copperbelt region.

Federation of Rhodesia and Nyasaland



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repress the disturbances and outlaw the responsible African political party, but disorders are likely to recur because native grievances are not being satisfied.

Meanwhile, the powerful European mineworkers' union obtained a promise of support from Sir Roy Welensky, prime minister of the Federation of Rhodesia and Nyasaland, and the federal minister of commerce assured the settlers that a "federal army was standing by ready to preserve law and order to avoid another Cyprus." The

SECRET

SECRET**CURRENT INTELLIGENCE WEEKLY SUMMARY**

19 May 1960

80,000 Europeans in Northern Rhodesia wield an influence disproportionate to their numbers and can count on strong support from the dominant whites of Southern Rhodesia, who would oppose any concessions giving the copper riches to Africans. Thus London faces a difficult task in trying to balance white settler and African interests and in avoiding widespread African rioting or a breakup of the Federation.

The security situation in Northern Rhodesia has been deteriorating in the last few months. The Africans have improved their political organizations and have been aroused to nationalist extremism by the Belgian Congo's rapid approach to independence. In common with

the natives of Nyasaland--the Federation's other protectorate under British Colonial Office control--the Africans in Northern Rhodesia are increasingly opposed to the settler-dominated Federation. The nationalists demand its early breakup, and they believe they have the sympathy of British Colonial Secretary Macleod, who recently toured the area.

UNIP leader Kenneth Kaunda, who visited the United States during the period of rioting, is expected to see Macleod this month. If Kaunda does not obtain support for his nationalist stand, he will probably be forced by extremists among the leadership of the UNIP to instigate further disturbances in Northern Rhodesia.

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MIDDLE EAST HIGHLIGHTSLebanon

Although much maneuvering is taking place and negotiations are going on between various interested politicians toward the formation of alliances, there is still no clear picture of election lists. A neutral caretaker cabinet headed by Ahmad Dauq, former ambassador in Paris and a Sunni Moslem, has assumed office and will carry out the elections beginning 12 June. It is planned that his cabinet will resign shortly after 3 July when the elections are complete.

The reconciliation between former President Chamoun and Maronite Patriarch Maushi has stiffened the morale of candidates not supported by the UAR and improved the chances for collaboration among them. Pierre Jumayyil and his Phalange party

appear to be still siding with President Shihab, who is endeavoring to keep Jumayyil from joining forces with Chamoun.

Frictions in the non-Moslem community are continuing. A cleavage in the Phalange is said to be developing between a group led by Jumayyil and others who desire a moderate attitude toward the 1 May killing of Christians, and a group whose leaders are pressing for cooperation with Chamoun. The Greek Orthodox minority is also split between pro- and anti-Chamoun factions.

Lebanese Moslems are also split. Sunni Moslem politicians are competing for UAR support and are unable to agree on election slates. Some incidents of violence have occurred between various factions.

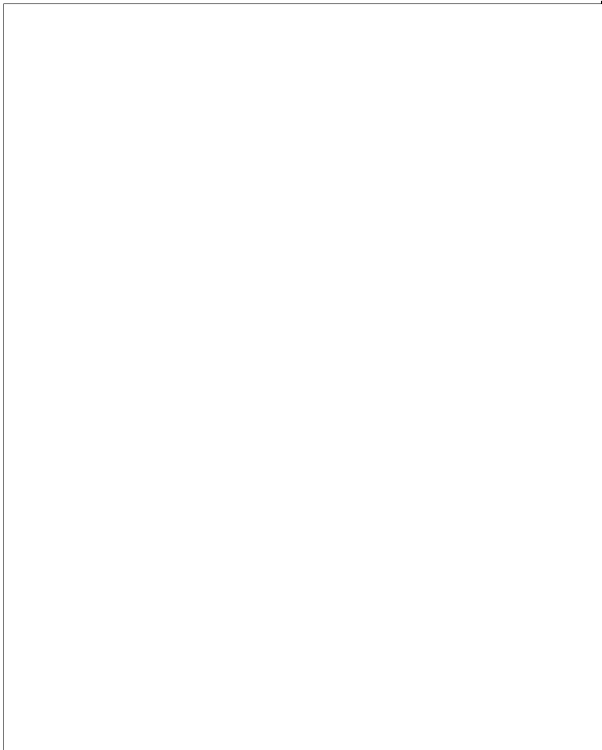
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CURRENT INTELLIGENCE WEEKLY SUMMARY

19 May 1960

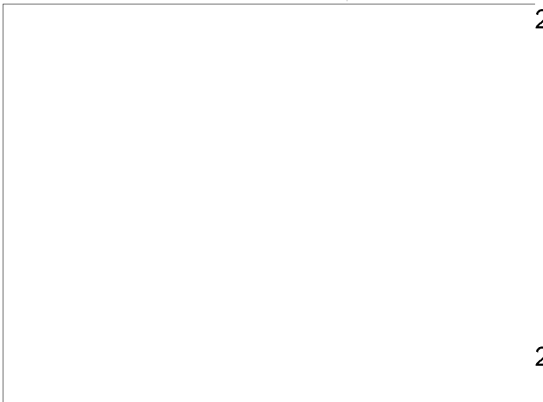
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Nasir's release of the information at this time may reflect his irritation over the American sale of arms to Israel --the subject of bitter comment in the Cairo press. The delivery last year of American 106-mm. rifles to Israel--apparently not known to Cairo until their appearance in Israel's Independence Day parade on 2 May--contributed to the anti-American tone of Nasir's speeches early this month.



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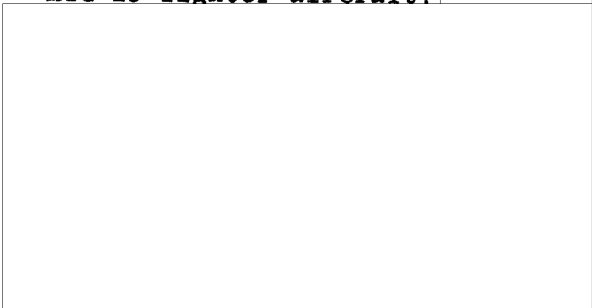
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UAR

Nasir stated on 12 May that the USSR had recently promised him "immediate" delivery of MIG-19 fighter aircraft.

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25X1



25X6

The UAR is estimated to have 228 jet fighters, of which about 140 are MIG-17s.

25X1

25X1

INDIAN COMMUNISTS FAIL TO RESOLVE POLICY SPLIT

Indian Communist leaders have failed in a new effort to resolve their deep differences over the party's future course of action. The showdown between proponents of a moderate line

and those favoring more radical tactics expected during the executive meetings held from 3 to 12 May now has been postponed until a party congress can be convened in January 1961. The

SECRET

SECRET**CURRENT INTELLIGENCE WEEKLY SUMMARY**

19 May 1960

Communist Party of India (CPI) meanwhile is to be guided by the moderate "Amritsar thesis" adopted at the last congress in 1958; this emphasized a peaceful, parliamentary approach to gain power.

Chronic factionalism among CPI leaders was greatly accentuated as a result of the damaging effects on the party of the Sino-Indian border dispute and the Communist electoral defeat in Kerala State. Several meetings of the party secretariat and central executive committee during the past few months have ended in a deadlock between the "moderates" and the hard-line extremists.

The policy dispute now seems to be centered on the degree of cooperation which the party should extend to Prime Minister Nehru personally and to his more "progressive" policies. The extremists have argued for some time that Nehru has surrendered to "reactionary" Congress party leaders; they point to his acceptance of large-scale Western economic aid and his firm stand during Chou En-lai's recent visit as proof.

The moderate faction contends that Nehru should be "res-

cued" and that certain government economic policies must be supported. On the Sino-Indian border issue, which nearly precipitated a breakup of the CPI last fall, the party outwardly has closed ranks. Sharp differences remain, however, between the "nationalist" moderates and the "internationalist" radicals on the question of relations with Peiping.

Ideological confusion among the Indian Communists has been compounded by recent indications of similar differences over theory between Peiping and Moscow. Extremist leaders have seized on the Chinese party's articles in Red Flag to bolster their arguments in favor of a harder line. The moderate faction has drawn on Moscow's support and has patterned its tactics on Khrushchev's policy of easing cold-war tensions. While the moderate leadership so far has retained control, advocates of more aggressive tactics have gained some ground recently. Should Moscow, in the wake of developments at the summit conference, revert to a hard line, the position of these extremists presumably would be strengthened.

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25X1

SWEEPING SOUTH KOREAN GOVERNMENT CHANGES

South Korean Acting Chief of State Huh Chung is making sweeping personnel changes in the government, but at the same time is trying to minimize the adverse effects on government operations. There have been increasing arrests and shifts

of government personnel identified with the old regime, which has tended to mollify public opinion.

Martial law commander Lt. Gen. Song Yo-chan has warned that the government must soon

SECRET

SECRET

CURRENT INTELLIGENCE WEEKLY SUMMARY

19 May 1960

stop firing police officials if the police organization's effectiveness is to be restored.

New Defense Minister Lt. Gen. Yi Chong-chan has announced that all military commanders, including the chiefs of the three services, will be punished if they are found to have been involved in election irregularities.

Passage of a constitutional amendment greatly reducing the powers of the president and establishing a cabinet with a prime minister responsible to the legislature appears likely to be enacted about mid-June despite threats by Rhee's discredited majority Liberal party to resign from the legislature unless "illegal" retaliations against local Liberal leaders are halted. Should the dissidents manage to hold up legisla-

tion, public disorder and violence might be renewed.

Prospects for improved relations between Seoul and Tokyo have been dimmed by Huh Chung's firm opposition to the present program for the repatriation of Koreans in Japan to North Korea. Huh has publicly warned that cessation of the program is an essential condition for a final settlement of outstanding differences, but stated that its continuation does not preclude resumption of negotiations. Subsequently, however, he "forcefully and explicitly" told Ambassador McConaughy that so long as the repatriation to North Korea continues, negotiations with Japan cannot be resumed.

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25X6

POLITICAL MANEUVERING FOR NEW GOVERNMENT IN LAOS

The militantly anti-Communist Committee for Defense of National Interests (CDNI) appears to have gained a decided edge in the maneuvering for a dominant voice in the formation of a new Laotian government. The CDNI has formed a new political party, the Social Democratic party (SDP), based primarily on the National Assembly deputies who ran under CDNI auspices in the 24 April elections. The new party has apparently also

attracted a few defectors from former Premier Phoui's Rally of the Lao People (RLP), the other major non-Communist political grouping in Laos. Reports vary as to the SDP's potential parliamentary strength, but it probably now controls from 30 to 40 of the 59 deputies in the new assembly.

The King will in all likelihood give the SDP the first opportunity to form a government.

SECRET

SECRET**CURRENT INTELLIGENCE WEEKLY SUMMARY**

19 May 1960

The SDP may attempt to form a government without the participation of the two remaining major factions of the RLP, headed respectively by Phoui and Souvanna Phouma, another former premier who was the architect of the 1957 integration agreement between the royal government and the Pathet Lao.

The RLP seems in imminent danger of dissolution, with Souvanna Phouma hinting strongly that he would like to form his own party. Both Phoui and Souvanna probably still cherish the hope that international pressures on the King will assure their inclusion in the new government, and they can be expected to do what they can in the assembly to prevent the early installation of a largely CDNI government.

Which of the SDP leaders the King will designate to form a cabinet is still in doubt. The party membership reportedly professes a strong preference for Gen. Phoumi, the CDNI strong man and defense minister in the present caretaker government. Phoumi, however, perhaps undeservedly, has come to symbolize anti-Communist extremism in Laos. Even if he divests himself of his military associations by resigning his commission, his installation as premier would probably be the single development most likely to trigger a revival of Pathet Lao insurgency.

Phoumi would probably be content with the deputy premiership or the defense portfolio, with someone like Tiao Somsanith, the present interior minister, fronting for him as premier. Somsanith's selection as the SDP's parliamentary leader suggests he may well be designated to make the first attempt to form a government.

The Pathet Lao probably have increased its capability to wage large-scale dissidence in Laos and may feel that its loss of legal strength in the

recent elections dictates a return to widespread open hostilities. A number of centers designed to indoctrinate cadres and train them in guerrilla tactics reportedly are in operation in North Vietnam.

A significant step-up of dissidence, however, would require the prior approval of Peiping and Hanoi, and there is no indication that these regimes wish to provoke a Laotian crisis at present.

The joint communiqué issued by Chou En-lai and Premier Pham Van Dong on 14 May at the end of Chou's visit suggests that the Communists do not intend to launch a major propaganda campaign against Laos, at least until a new government is formed in Vientiane and there is some clear indication that it will pursue a strongly pro-Western course similar to that of its predecessor.

The communiqué largely reiterated standard Communist demands, and made no mention of the recent election irregularities which virtually eliminated Communist representation in the Laotian National Assembly. Although Chou and Pham Van Dong termed the present situation in Laos "dangerous," they indicated that it could be restored to normal by "peaceful consultation" between the "parties concerned"--presumably including Communist China and North Vietnam, who were signatories to the Geneva agreements of 1954.

Peiping and Hanoi also called for the reactivation of the International Control Commission created in the Geneva agreements and for the implementation of a policy of strict neutrality in Laos. The Communists believe such a policy would provide the best environment for the Neo Lao Hak Sat, the Pathet Lao's political front, to strengthen its position as a legal party while continuing to benefit from low-level dissident activity. 25X1

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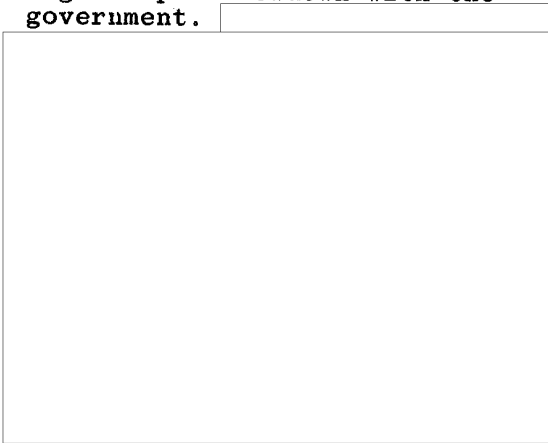
CURRENT INTELLIGENCE WEEKLY SUMMARY

19 May 1960

PRO-COMMUNIST INFLUENCE IN SINGAPORE LABOR AND STUDENT CIRCLES

Pro-Communists in Singapore appear to be making steady progress in their program of consolidating their strength, especially in labor unions and Chinese schools, although for the time being they are avoiding an open showdown with the government.

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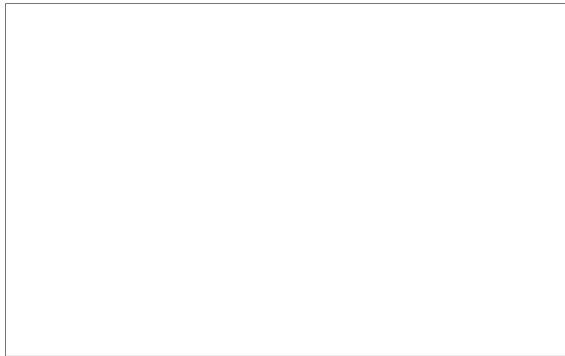


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Although the top STUC offices remain in moderate hands, the US Consulate General fears that the organization's Indian, Malay, and moderate Chinese leaders will be no competition for the extremist Chinese in Singapore's predominantly Chinese labor movement. It believes the entire labor movement may fall into the hands of extremists sooner than previously feared.

The PAP government is also disturbed over the amount of Communist influence in Nanyang University--a privately operated all-Chinese institution in Singapore--as well as in numerous Chinese middle schools. The government is engaged in moves designed to gain administrative control over the university and to make it into a "national," rather than a purely Chinese, institution. This is an extremely touchy maneuver because of Communist influence among, and the strong chauvinistic feelings of, many Nanyang University students and key financial supporters.

Increasing pro-Communist influence was also reflected in the appointment to the STUC secretariat of six prominent extremists who had served jail terms for subversive activities under the previous Singapore government. Prime Minister Lee Kuan Yew justifies the appointments as a means of identifying the extremists with the government's labor policy of "industrial peace with justice" and places the moderate leaders of the ruling People's Action party (PAP) in a better position to control extremist activities.



25X1

INDONESIA

Indonesian domestic and diplomatic activity now is concerned mainly with Dutch plans to augment land and air forces in Netherlands New Guinea (West

Irian) and to send naval units on a flag-showing cruise to the Far East.

In the absence of a government-controlled mass campaign

SECRET

SECRET

CURRENT INTELLIGENCE WEEKLY SUMMARY

19 May 1960

against Dutch plans, the Indonesian Communist party has attempted to seize the initiative. Despite an army ban, student anti-Dutch demonstrations--clearly coordinated by the Communists--occurred in four major cities in Java in mid-May, and earlier in the month students attacked and damaged the Dutch chancery in Djakarta. The Communist platform which emerged during the demonstrations called for severance of relations with the Dutch, seizure of remaining Dutch assets in Indonesia, submission of the dispute to the United Nations, and all-out support of President Sukarno.

Caught off guard, civilian government officials took no action against the demonstrations, apparently being reluctant to crack down on activities which ostensibly reflected genuine national apprehension. Immediately following the demonstrations, however, the government announced that action would be taken against assemblies which violate regulations, and in East Java the army commander specifically banned demonstrations on West Irian.

The army has reiterated that all anti-Dutch activities must be channeled through the army-controlled West Irian Liberation Front. Both civilian and army officials appear to

be awaiting President Sukarno's return in early June from a global tour, presuming that he will chart the course of Indonesia's reaction to Dutch moves.

The Indonesian Navy, in a show of force, is conducting naval and air training exercises in waters adjacent to West Irian. 25X1

The Foreign Ministry continues its approaches to Afro-Asian governments for cooperation in obstructing Dutch moves. The ambassadors of the UAR, Pakistan, and Iraq have made public statements in Djakarta denouncing Dutch actions.

The West Irian issue increasingly diverts public attention from the anti-Communist, anti-Sukarno campaign of the Democratic League. The Communists are using the issue against the league, identifying both the Dutch and the league as opposed to President Sukarno. The party is also eager to use West Irian to divert attention from the Overseas Chinese issue. Although official attention will be temporarily deflected from West Irian to renewed friction over Chinese problems, the general public is likely to remain preoccupied with anti-Dutch issues.

25X1

SINO-INDONESIAN DISPUTE SHARPENS

Peiping's determination to champion the "rights and interests" of Overseas Chinese in Indonesia has led to new frictions in Sino-Indonesian rela-

tions and precludes an early settlement of the dispute between the two countries.

Peiping on 14 May publicized a protest over the house arrest

SECRET

SECRET**CURRENT INTELLIGENCE WEEKLY SUMMARY**

19 May 1960

in late April of a Chinese consul in East Borneo. The consul had interceded with local Indonesian authorities over "deliberate delays" in processing Overseas Chinese; he subsequently was confined to his residence for 41 hours and given a deadline for leaving town. The Chinese claim the Indonesians mounted machine guns to intimidate Chinese students who planned to help the returnees carry their belongings.

An Indonesian Foreign Ministry official termed "improper diplomatic practice" the Chinese Communists' publication of their protest without waiting for an Indonesian reply, and he explained that the Chinese consul's abusive manner forced army authorities to confine him. Djakarta has asked for the withdrawal of this and another consul for interference in the repatriation program.

Peiping's decision to issue the protest is the culmination of a series of behind-the-scenes recriminations between China and Indonesia. On 10 April the In-

Indonesian chargé in Peiping walked out of the National People's Congress during a speech by Fang Fang, deputy chairman of the Overseas Chinese Affairs Commission, in which Fang had accused the Djakarta regime of showing a "comprador mentality" and said it was in danger of becoming a military dictatorship.

Relations have also been exacerbated by Indonesia's mishandling of the departure from Sumatra of a Chinese ship carrying repatriates.

Ambassador Huang Chen obviously has made little progress in the joint Sino-Indonesian committee which was set up ostensibly to handle problems arising from implementation of the dual nationality treaty but actually has been used as a channel to convey Peiping's "demands" on Djakarta concerning persecution of Overseas Chinese. The Chinese can be expected to use various methods of maintaining their pressure, including petty harassment of the Indonesian Embassy in Peiping.

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OUTLOOK FOR CHINA'S STEEL INDUSTRY

Communist China, which produced only 2,850,000 tons of steel in 1955, expects to turn out more than 18,000,000 tons this year. No long-range goals for 1965 have been announced, but China may well be producing at a rate in excess of 35,000,000 tons annually by that time, making it the third or fourth largest producer of steel in the world. To reach this level,

the Chinese would have to add little more in the way of steel-making capacity during the next five years than was installed over the past five--3,400,000 tons a year as against 3,100,000. Additions to capacity at this rate should prove feasible for Peiping.

In pursuit of these large increases, the regime is depending

SECRET

SECRET**CURRENT INTELLIGENCE WEEKLY SUMMARY**

19 May 1960

on a policy, introduced in simplified form in 1958, of building domestically improvised facilities to supplement the large, integrated plants being constructed, modernized, and expanded with Soviet assistance. These plants still play the key role in the expansion of the industry as a whole, but the contribution made by plants using China-made facilities is increasing.

spread use of the side-blown converter, which is similar to an experimental converter developed in the United States in the 1940s.

These plants require only a small outlay of capital and, if a proper grade of pig iron is used and supervision is adequate, can produce steel of a quality acceptable for any general use. At present, however, the necessary control is frequently lacking. In March of this year, for example, less than half the converter steel made in Shanghai was what they described as first-rate, and, while this had risen to 85 percent in April, the reject rate still is high.

The authorities in Peiping intend these small "modern" installations eventually to evolve into units which come closer than they do today to being "modern" in the Western sense. They probably will not be expanded at past rates and will contribute some 7,000,000 tons of steel in 1965, as against 5,500,000 this year and 3,000,000 last year.

Although imports of iron- and steel-making equipment will continue over the next

The wasteful "native" furnaces which sprang up in the fall of 1958 have been abandoned, largely because they failed to contribute a product useful to the national economy. Instead, the regime is centering its attention on what it describes as small- and medium-size "modern" plants. The outstanding feature of these is their wide-

five years, Communist China's ability to make more sophisticated types of such equipment will improve, again with Soviet help. The USSR is aiding in the expansion of heavy machinery plants at Mukden and Taiyuan and in the construction of a huge new Soviet-designed and -equipped plant at Fularki in northern Manchuria. These plants--which

COMMUNIST CHINA'S STEEL MAKING INDUSTRY
MILLION METRIC TONS

	1959 PRODUCTION	ESTIMATED BREAKDOWNS	1965 CAPACITY
MAJOR SOVIET AID PROJECTS:			
Anshan	5.6		6.0
Wuhan	0.5		3.0
Paotou	0.0		3.0
Tsitsihar	0.4		0.5
	6.5		12.5
PLANTS BEING ENLARGED AND INTEGRATED WITH BLOC AID:			
Tayeh	0.5		1.3
Taiyuan	0.4		2.0
Maanshan	0.3		1.0
Chungking	0.86		1.5
Shihchingshan	0.65		1.3
Hsiangtan	0.0		1.2
	2.71		8.3
INTEGRATED PLANTS WITH CHINESE-PRODUCED EQUIPMENT:			
Chiuchuan	0.0		1.5
Hsichang	0.0		2.0
Lungyen	0.0		1.5
Shaokuan	0.0		1.5
	0.0		6.5
PARTIALLY INTEGRATED PLANTS:	1.14		1.2
LOCAL MEDIUM AND SMALL "MODERN" PLANTS:	3.0		7.0
TOTAL	13.35		35.5

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19 MAY 1960

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SECRET**CURRENT INTELLIGENCE WEEKLY SUMMARY**

19 May 1960

will be able to turn out up-to-date, highly productive components for China's iron and steel plants--should be completed by 1962.

At 35,000,000 tons, China's steel output in 1965 will top the 29,400,000 tons produced in 1959 by West Germany--the world's third largest producer last year. Even at this rate, however, China's steel production will be far from adequate --in terms of quantity, quality, and variety--for all the requirements of its burgeoning industry. China's rapid industrialization drive is already beginning to place demands on the steel industry to produce not just more steel but a wider variety of quality products.

The scope of these demands will almost certainly broaden as the technological complexity of China's industry grows. In the past the regime has concentrated on producing a limited range of products featuring crude steel of simple specifications. Finishing capacity has lagged behind, and, in 1959, an estimated 2,000,000 tons of crude steel had either to be stockpiled, remelted, or assigned to primitive handicraft use. These aspects of the industry will have to be given more attention in the future, even at the cost of a lowering in the rate of growth in crude steel output, if Peiping's industrial and military economy is to mature.

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COMMONWEALTH MEETING HIGHLIGHTS

Despite the much-publicized dissension over South Africa's racial policies, the two-week meeting of Commonwealth prime ministers which concluded on 13 May found an unusually high degree of agreement on general international developments.

The Indian prime minister's preoccupation with problems posed by Communist China marked the principal change from previous years. Even though Nehru saw Peiping as unlikely to embark on any substantial aggressive moves soon, he was greatly worried about future relations and seemed to regard Communist China as "bursting at the seams."

Nehru still advocated admitting the Peiping regime to the United Nations, but he thought perhaps the Chinese Communists preferred to remain outside in order to have an issue to complain about. In contrast to former conferences, Nehru and others refrained from objecting to defense pacts, and

there was general support for the West's approach to dealings with Khrushchev in the pre-summit period.

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A cordiality seemed to have developed between Nehru and Pakistani President Ayub during the meetings. Ayub is said to have refrained from making an issue of Kashmir, and

he may have decided to

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SECRET

SECRET**CURRENT INTELLIGENCE WEEKLY SUMMARY**

19 May 1960

accept that situation as it is. Although the Indus waters agreement was not ready for signing during the conference, Nehru agreed to go to Rawalpindi to sign it.

Nehru and Ayub found themselves in accord in appraising Indonesian domestic instability, and neither saw anything that could be done. In an effort to strengthen British ties with Pakistan, Macmillan acceded to Ayub's pressure to reiterate British recognition of the Durand line as Pakistan's border with Afghanistan.

Anger at South Africa's racial policies was aggravated by the undiplomatic behavior of Pretoria's representative, External Affairs Minister Louw. The bitter aftertaste of the "informal" debates will probably increase the inclination of the Malaysians or others to ease South Africa out of the Commonwealth when South Africa makes its formal appeal to continue its membership as a republic following the referendum which is to be held in the Union on this subject.

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COMMON MARKET DEVELOPMENTS

The decision of the council of the European Economic Community (EEC) on 12 May concerning the "rate of realization of treaty objectives" is the most important EEC development of the past two years. The EEC is already ahead of schedule in several respects, and its internal development and consolidation are now likely to be further advanced. By reaffirming the intention of the six member countries to proceed with the establishment of a full economic union, the council has apparently given the rest of Western Europe little choice but to come to terms with it.

The council's decisions are generally in keeping with the acceleration plan advanced by President Hallstein last March. Tariffs among the EEC members, which would have been reduced another 10 percent on 1 July, will be reduced instead 20 percent. This will mean a 30-percent reduction in internal tariffs in just 18 months, and unless there are unfavorable developments in

the business cycle, the 10-percent reduction scheduled for December 1961 may also be doubled. A new timetable has been drawn up for the institution of a common agricultural policy, and the members have declared their willingness to proceed as "rapidly as possible" to implement other community policies.

On the crucial problem of the EEC's common external tariff, the council also accepted the substance of Hallstein's proposals but not the timing. The rates eventually applicable to imports from nonmembers will be "provisionally" reduced by 20 percent, and the initial step toward putting them into effect will be taken "no later" than 31 December. This is six months later than Hallstein had proposed but a year ahead of the schedule set forth in the EEC treaty. Although interpreted as a conciliatory gesture toward the European Free Trade Association (EFTA or Outer Seven), the delay is due in part to a need for parliamentary action in some of the EEC countries.

SECRET

SECRET**CURRENT INTELLIGENCE WEEKLY SUMMARY**

19 May 1960

There is little reason evident for the Outer Seven to take comfort either from this delay or the council's "declaration of intent" to negotiate actively to maintain "traditional trade ties," particularly between the two groups. The declaration calls for US and Canadian participation in any such negotiations, declares that "GATT principles" must be observed, and specifically recalls the EEC offer of late 1959 to establish a "contact committee" with the Outer Seven.

These provisos suggest that the EEC has no new approach in mind--that it is willing to discuss trade difficulties in specific commodities of primary interest to the Six and Seven, but not to negotiate an over-all trading association between the two. This would leave the members of the Outer Seven little choice but to accept the same treatment the EEC accords the rest of the world trading community or individually to seek direct EEC association.

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FRENCH COMMUNISTS WINNING ELECTORAL SUPPORT

In a number of French local elections since the January rightist revolt in Algeria, non-Communist leftist candidates have demonstrated increased unity and have formed some successful tactical alliances with the French Communist party (PCF). Influential Le Monde editor Jacques Fauvet publicly recommended on 7 May that the left ally itself with the Communists to halt the "disappearance" of French democracy.

The Communist candidate in a February cantonal by-election to replace a Radical in Calvados Department won a surprise victory over the Independent party candidate, with the Communist vote increasing 1,000 votes over its 1955 total. The PCF withdrawal in the March municipal elections at Quimper, Finistère Department, gave the Socialist-Radical list a surprise victory over the favored Gaullist - Popular Republican list. Opposition to the government's policy of expanded aid to church schools was a major factor in the Quimper

upset and also in a cantonal election in April at Dormans, Marne Department, where a Socialist candidate who won 352 votes on the first round withdrew and the Communist candidate picked up 351 votes in the runoff.

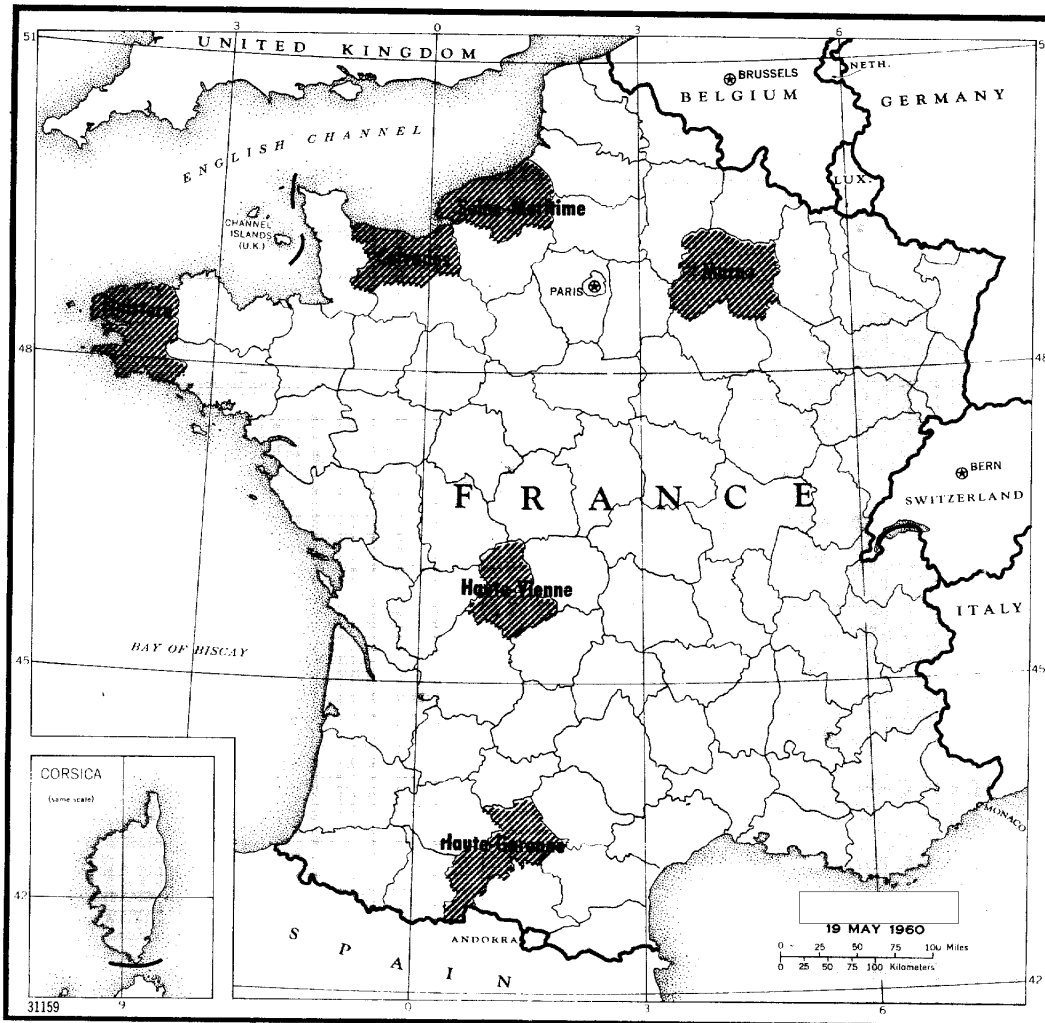
The strategic position of the newly formed Unified Socialist party (PSU) is apparent in this context. The PSU, which counts former Premier Mendes-France in its ranks, was constituted to provide a non-Communist opposition to De Gaulle. One component of the party, however, has long been committed to cooperation with the Communists, and another is composed of former PCF members.

PSU successes in several alliances with the Communists may give increasing pause to the French Socialist party, which has rejected a popular front. Shortly before the PSU was formed, its Mendes-France group won a cantonal by-election in the Seine-Maritime Department over the Gaullist candidate when the

SECRET

SECRET**CURRENT INTELLIGENCE WEEKLY SUMMARY**

19 May 1960



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Communist and center-left candidates withdrew in that group's favor.

In mid-April in the strongly Socialist and anti-Communist department of Haute-Vienne, the PSU candidate with Communist support beat a Socialist candidate. Although candidates of the left were defeated at D'Elbeuf, Seine-Maritime Department, by a Gaullist, and at Castenet, Haute-Garonne Department, by a Popular Republican, cooperation between non-Communists and Communists was evident.

Isolated instances of local alliances with the PCF occurred in the Fourth Republic. While alliances are too few to indicate a pattern, those reported this year suggest that the new willingness of the traditionally divided left-wing splinter groups to cooperate among themselves will increasingly lead to what Fauvet terms "tactical agreements, limited in scope and time," with the Communists, as a logical reaction "to increasing obliteration of democracy" in France under De Gaulle.

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CURRENT INTELLIGENCE WEEKLY SUMMARY

19 May 1960

IMPENDING SPLIT IN FINNISH LABOR ORGANIZATION

The defeat of the moderate Social Democrats in the 14 May meeting of the executive council of the Confederation of Labor (SAK) and the resignation of Chairman Heinonen are expected to split Finland's largest trade union organization into two rival groups. Some unions in that event will gravitate to the moderate Joint Organization of Trade Unions (AYJ), leaving the remainder of SAK dominated by the Communists and left-wing Socialists.

The trade union split has been shaping up even since Vice Chairman Vihtori Rantanen failed to win the SAK chairmanship in 1959 and began building up a working coalition of radical Social Democrats and Communists. In an effort to counter Rantanen's strategy, Heinonen had sought the admission of four additional right-wing unions and declared he would resign if the vote was unfavorable.

At the 14 May meeting, Rantanen countered by seeking the admission also of two left-wing unions, and Heinonen was defeated 48 to 43. Heinonen has resigned effective 18 June. Rantanen is expected to take over as acting chairman until the SAK congress in early 1961, when his formal election as chairman is likely.

While the withdrawal of the moderate unions may be gradual and will be complicated by internecine struggles in the local unions, Finland may soon have two strong trade union organizations. At present, AYJ has about 26,000 members. SAK has about 240,000, of whom an estimated 100,000 are pro-Com-

munist; there are also some independent Communist unions, and they would probably join the rump SAK. AYJ may benefit from the inclination of employers to deal with moderate Social Democrats and thus ultimately win the affiliation of some former left-wing Social Democratic workers.

The factional struggle within the trade union movement



RANTANEN

will also aggravate the Social Democratic party's split, recently confirmed by the re-election of right-wing Chairman Vaino Tanner, between the regulars and the Opposition Social Democrats. The continued division of the Social Democrats precludes any reconciliation with the Agrarian party and consequently the formation of a strong majority government similar to those formed in the postwar period by these two groups. The minority Agrarian cabinet in turn will become increasingly dependent on the parliamentary support of the Communist-front Finnish People's Democratic League

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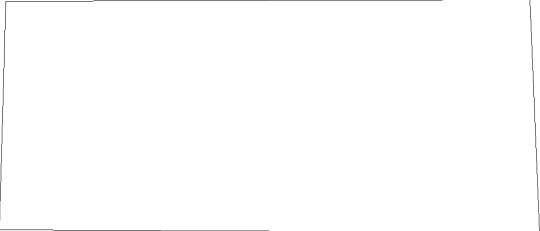
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CURRENT INTELLIGENCE WEEKLY SUMMARY

19 May 1960

PANAMANIAN ELECTION AFTERMATH

The De la Guardia government continues to delay the announcement of the results of the 8 May presidential and legislative election in Panama. Opposition presidential candidate Roberto Chiari is widely believed to have defeated Ricardo Arias, the government-backed pre-election favorite, and both Arias and Victor Goytia--who apparently finished third in the race--have charged



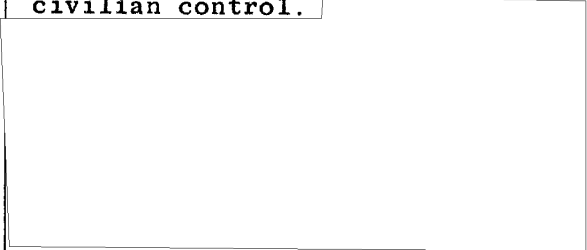
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Chiari is a member of Panama's wealthy ruling clique and a former vice president who served briefly as president in 1949 before being ousted in a coup. He was supported for the presidency in the recent elections by the National Opposition Union (UNO), one of two four-party alliances aligned against the government's National Patriotic Coalition party. His platform included the pledge to bring the National Guard, Panama's only military force, under civilian control.

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CHIARI



that improper procedures were permitted during the balloting. An official tabulation of returns begun on 14 May will require at least a week for completion, and the verification of challenged ballots could, under the provisions of Panama's electoral law, postpone the publication of final election results until 31 May.

Although Chiari joined all other candidates during the pre-election campaign in vowing to continue the nationalistic canal policies of the present government,

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if Chiari became president, the period of "name-calling" and exacerbation of US-Panamanian difficulties should be over.

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the Chiari government would seek an early increase in the annual canal payment to Panama and would press for the right to fly the Panamanian flag in the Canal Zone.

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Political tension has subsided since election day.



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SECRET**CURRENT INTELLIGENCE WEEKLY SUMMARY**

19 May 1960

RESENTMENT AGAINST US COMPANIES IN PERU

Mounting resentment against US and other foreign companies in Peru was demonstrated in the nationwide 24-hour general strike called on 13 May to protest recent "massacres" of work-

their labor and public relations policies. The Cerro de Pasco Corporation has long been under fire for refusing to allow peasants to occupy its idle lands, and the general strike call was

occasioned in part by the deaths of three Indians at the hands of Peruvian police during an attempted invasion of company lands on 2 May. The strike call was also a protest against the deaths of three workers in labor disorders at a US-owned sugar plantation on 7 May.

The strike was one of the most effective ever called in Peru; the Peruvian Labor Confederation (CTP), which called it, claims participation by some 2,000,000 workers, or 20 percent of Peru's total population.

The CTP, which is dominated by the leftist but non-Communist APRA party, acted under pressure of numerous strong public statements against the incidents by student and labor groups. Government troops and police helped keep the strike and related student-worker meetings orderly, but there were numerous denunciations, with varying



ers and peasants at two US-owned properties and earlier incidents on the premises of other foreign companies.

Several US companies have been under strong criticism for

vehemence, of US companies and of the Peruvian Government for maintaining policies allegedly inimical to the rights of workers and peasants and for failing to carry out agrarian reforms.

SECRET

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SECRET

CURRENT INTELLIGENCE WEEKLY SUMMARY

19 May 1960

The long-standing and bitter controversy over the legal status of oil lands belonging to the International Petroleum Company, a Standard Oil Company subsidiary and Peru's largest producer, is scheduled for consideration at a special session of the Peruvian Congress to be called after 20 May. The company faces possible annulment of rights to its

petroleum properties--which it owns outright rather than under concession--unless a compromise can be made acceptable to the company and the government, which considers that the present arrangement "violates national sovereignty." Both rightists and Communists have exploited the nationalistic aspects of the case for political reasons.

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CURRENT INTELLIGENCE WEEKLY SUMMARY

19 May 1960

PART III

PATTERNS AND PERSPECTIVESVLADIMIR DUDINTSEV'S A NEW YEAR'S TALE

The publication by the Soviet literary journal Novy Mir of Vladimir Dudintsev's latest work, A New Year's Tale, is one more step in the stubborn efforts of Soviet writers to push back the boundaries prescribed by the regime's cultural policy. As such, it again demonstrates the regime's dilemma in attempting to control and use the restive intelligentsia without sacrificing the limited relaxation of tension.



DUDINTSEV

Both Dudintsev and Novy Mir are old offenders against the party's literary canons. Dudintsev's stubborn defense of his first novel, Not By Bread Alone, ended in his participation in "the feat of silence" in the spring of 1957, when 12 rebellious writers refused to recant in the face of massive official criticism. Since the beginning of the post-Stalin literary "thaw," Novy Mir has been a leader in publishing unorthodox works, despite disciplinary replacements on its editorial board.

Both in content and in form, A New Year's Tale

represents a sharp break with the approved "socialist realism," the task of which is to inspire enthusiasm in the broadest possible audience for the regime's economic and political programs. The scene is laid "in a city created by my imagination," writes the author; nevertheless, "it is possible to set our watches according to Moscow time," and Dudintsev hopes that "perhaps there is some curious person who will find places in my fable that interest his own sober routine life."

The plot deals with a scientist working in a research institute and concerned only for his academic prestige and material comfort until a colleague convinces him that love is more precious than prestige and physical well-being. Simultaneously, he is shocked into a recognition of the value of time by the discovery that he has only a year to live. He decides to devote that year to earning his fellow man's gratitude by bringing light to the people of the dark land on the other side of Dudintsev's fantasy world. In the pursuit of this goal, he also earns friendship and a woman's love, and in bringing light also cures his own illness.

Unorthodoxy in Content

The most startling of the passages which the author warns may "interest" the reader's real life are narrated by a secondary character in a flashback which lays the scene for the story itself:

"Some years ago, not far, far away but in our own city, the following thing happened. One Sunday in the park of culture, in one of its shadiest

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SECRET**CURRENT INTELLIGENCE WEEKLY SUMMARY**

19 May 1960

secluded spots, sixty or maybe a hundred well-dressed men gathered for a discussion which they had decided to conduct in the open air. Later it became known that in our park there had taken place, one might say, a two-hour symposium of bandits and thieves who belonged, as they say, 'to the law' (apparently intended to imply a society or brotherhood).

"Among those in that audience, there are strict regulations; the breaking of these regulations means a death penalty. Those who are accepted into the 'law' must be recommended by several sponsors. A motto is engraved in India ink on the chest of a new member of the society; several words by which it is possible to recognize immediately that he is their man... The congress of 'bandits - law experts' passed six death sentences, five of which were carried out... (The sixth man) was the leader, the president, or as they say, the 'pakhan' of the whole society of 'law experts'; the oldest and cleverest of all the bandits."

In Dudintsev's world, there are only three groups of people --the bandits, the scientists, and the nameless, faceless masses who work, mine coal, and grow cabbages on the other side of the planet. The bandits and scientists coexist in self-contained groups whose paths never cross, but who share the sunlight of their side of the planet. The masses, however, live in darkness on a distant "continent." The Russians, in fact, traditionally refer to themselves as the "dark" people, and coal and cabbages are often cited as typical Russian products.

The bandits value material possessions. Their "pakhan,"

however, had suffered a change of heart and desired only to win friendship and real love. He had resigned from the society, explaining his position in a long letter which was printed in a special leaflet "because it was a document of great importance and it was quite necessary to make use of it."

Dudintsev emphasizes his use of the word "law," for which there appears to be no idiomatic justification, by enclosing it in quotation marks. Its sole function in the plot is to identify the bandit society. The related word "zakonniki" which he applies to the "bandits - law experts" usually applies to those who study the letter of the law in minute detail. Dogmatism and authoritarianism in the USSR are usually justified on the basis of the Communist party's alleged position as the unique repository and infallible interpreter of the "law" of historical development.

Candidates for party membership must be vouched for by three sponsors, and members receive a party identification card. There have been ample instances of dogmatic party elements passing sentence on erring members. It must be noted, however, that the analogy is incomplete, since there are also unidentified "prison authorities" who arrest and imprison the chief bandit.

A further parallel can be drawn between the renegade bandit's letter of resignation, printed in a special leaflet, and Khrushchev's "secret speech" which was widely disseminated in party circles in pamphlet form. The ex post facto discovery that the "congress" of well-dressed men was in reality a meeting of bandits and thieves

SECRET

SECRET

CURRENT INTELLIGENCE WEEKLY SUMMARY

19 May 1960

recalls the revelations of this speech. This analogy is also incomplete, however. The reformed bandit is soon murdered by his ex-followers, and it is the hero who brings light to masses laboring in darkness. It seems probable that Dudintsev was deliberately ambiguous on these as on many other points.

One of the more serious criticisms leveled against Not By Bread Alone was the charge that the hero had not turned to the party for help. Dudintsev may have compounded his earlier "error" here. Not only are the "law experts" revealed as greedy and materialistic bandits and thieves, but there is also a veiled implication that they are alien to the life around them. The title which they gave their leader--"pakhan"--is not a Russian but a Tadzhik word. And far from being a possible source of help, the bandits murder the only man who understands the hero's problem.

Another possible reflection of the party is found in the character of the "cadre director" who works with the scientists. He and his wife flaunt rich clothes; in contrast to the two heroes, who find happiness in working for others, he regards these as mutually exclusive goals, and he is unable to imagine any standard of values other than material possessions. His angry query--"If time is nothing but a tiny particle, do we have no heroic past? Do we have no great solar future?"--remains unanswered. It is also the cadre director who insists that the reformed bandit should be reported to the authorities as an escaped criminal. A similar argument, centering around a story published in the Leningrad literary journal Neva, shook Soviet literary circles last fall.

Criticism of Soviet Society

Dudintsev refers to the area in which the dark masses live as "materik," not "kontinent." Both words mean continent, but "materik" has a second meaning of "subsoil." Some Western critics have considered and rejected the idea that these masses might be laboring in the "darkness of capitalism." It is also possible to interpret the three groups as a savage commentary on the gulf between the dogmatic authority of the party, the intelligentsia, and the workers in the USSR.

The hero's personal philosophy also implies criticism of aspects of life in the USSR. "The most precious thoughts are not those squeezed out laboriously at a desk, but those which come to us like a whiff of wind." Books are available "even if they were locked up in the state safe behind seven seals." "The worship of material things must unmistakably give way to the beauty of man's soul, which cannot be bought or stolen. We cannot force anyone to love us by threatening him with weapons."

There are hints of rebirth and reincarnation, and an insistence on the link between the present and antiquity in the recurring theme of a lotus blossom grown from a seed which "had lain for 2,000 years in a stone tomb." A second recurring theme--an owl, which appears to represent a reminder of the finiteness of the individual's life span and hence of the need for individual integrity--"looks as if it had been hewn by a paleolithic man." It too is associated with antiquity, having been drawn and carved by unknown races in many lands.

Nowhere in the story is there any trace of the "new element" which, according to

SECRET

SECRET

CURRENT INTELLIGENCE WEEKLY SUMMARY

19 May 1960

Communist orthodoxy, was interjected into the historical process in 1917, and which the regime has always insisted must be reflected in literature.

Unorthodoxy in Form

The heavy use of symbolism is itself a break with official esthetic standards. According to a recent pronouncement of the Soviet Academy of Arts, revisionism--one facet of which is experimentation with form and style--is introducing chaos into Marxist-Leninist esthetics. Leninist principles demand that art "serve not the selected few, not the upper 10,000, but millions." Symbolism is not only suspect as a possible attempt to bypass the censor, but it is also unintelligible to these "millions."

Dudintsev's symbolism is both a protection and a handicap. Its ambiguities make it difficult for his critics to pin down any more grievous error than lack of socialist form, but it also limits his audience. The authorities' recognition of this latter factor probably explains the paucity of Soviet critical comment thus far.

The newspaper of the USSR Writers' Union, Literary Gazette, praised the author's

idea of bringing happiness to others but deplored the ambiguities which aroused "perplexing questions" in the reader's mind. A Moscow youth paper noted that the "transparent" story contained "serious ideological errors" and was written from "exactly the same ideological position" for which Dudintsev had previously been "justly" criticized.

If the regime's reaction has not been sufficiently strong either to risk focusing public attention on an unorthodox work or to undermine the carefully cultivated relaxation of tension, neither will it be sufficient to deter other writers and journals from following the example set by A New Year's Tale in questioning established values. It is this problem which the regime has not yet solved and which it will continue to face. A Polish newspaper reprinted the story immediately, without comment. A Hungarian journal has just published it with a faintly defensive note to the effect that the author had been misinterpreted in the West. Other writers and artists both in the USSR and in the bloc may be encouraged to further unorthodox works, each time confronting the authorities with the problem of discipline versus relaxation.

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PORTUGAL AND ITS AFRICAN POSSESSIONS

Portugal is increasingly disturbed over the impact of Africa's political evolution on its own African possessions, which are the last substantial part of the continent under

unmodified colonial rule. The territories are of considerable economic importance to Lisbon, which seems determined to maintain its paternalistic regime there by tough police action

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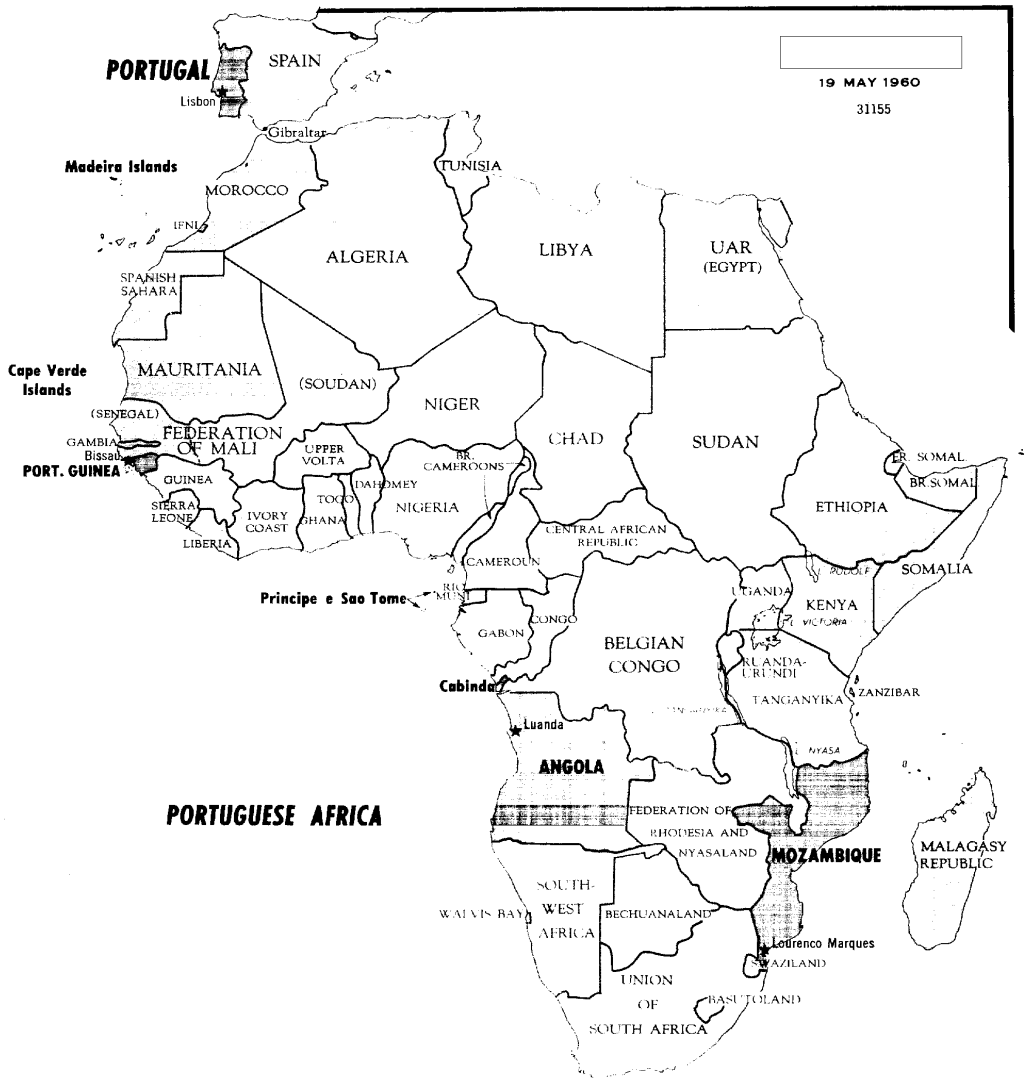
CURRENT INTELLIGENCE WEEKLY SUMMARY

19 May 1960

and to demand implicit Western support of this policy. While no serious native outbreaks in Portuguese Africa have been reported, agitation directed from neighboring territories is clearly on the rise.

Sovereignty over the territories of Angola, Mozambique, and Portuguese Guinea appeals to Portuguese national pride, as symbolizing four and a half centuries of imperial rule. The territories also mean solid

economic advantages. Although little developed as compared with other African areas, they provide the Portuguese consumer with such agricultural products as coffee, sisal, and cotton, and earn substantial amounts of foreign exchange that help transform mainland Portugal's persistent trade deficit into a comfortable payments surplus. The importance Lisbon attaches to them is further reflected in its 1959-1964 economic development



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SECRET

CURRENT INTELLIGENCE WEEKLY SUMMARY

19 May 1960

program, in which nearly a third of the billion-dollar investment envisaged is to be expended overseas, most of it in Angola and Mozambique.

Portuguese Colonial Theory

The Portuguese are convinced that their long colonial experience has given them greater understanding than other powers on how to deal with the Africans. In general Portugal wants evolution "without panic and excessive haste."

The African territories are all regarded legally as overseas provinces of metropolitan Portugal. Portuguese Africans who meet certain educational requirements are regarded as "assimilated" members of European society; those without assimilated status are ruled in a strict paternalistic manner. The Portuguese believe this system will eventually lead to a society in which whites and blacks cooperate with little or no racial antagonism.

In practice, however, the assimilation policy has made little progress. Efforts to provide educational and other welfare facilities--such as Belgium provided for Africans in the Congo--have been limited by Portugal's paucity of human and material resources. Furthermore, even the assimilated Africans are forced into menial jobs by the general availability of immigrant Portuguese labor, since Angola has a white minority of some 115,000 and Mozambique 50,000. As a result, political or economic advancement is impossible for most of the 10,000,000 natives in Portuguese Africa, and the relatively ad-

vanced Africans are often discontented and critical of the regime.

Lisbon nevertheless professes to see itself as defending Western interests by hanging on to Angola and Mozambique at all costs. Early in April the director of the Portuguese Lusitania News Agency stated in an address at Oxford University that the Portuguese "intend to remain in Angola and Mozambique--dead or alive."

Although drawn toward the Union of South Africa as a result of their common opposition to African nationalism, the Portuguese apparently disapprove of South Africa's extreme racial policies.

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Security Precautions

Portugal's chief reliance for preventing "excessive haste" in Africa seems to be in firm police action.

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SECRET**CURRENT INTELLIGENCE WEEKLY SUMMARY**

19 May 1960

Portugal has also made an unofficial agreement with Belgium to take over control of the mouth of the Congo River after 30 June, according to a statement made by the commander of the Belgian Navy to the American naval attaché in mid-May.

Diplomatic Moves

Maintenance of Portugal's position in Africa seems to have become one of the major aims of Portuguese diplomacy. There is little doubt that Lisbon attaches more importance to a continuation of the status quo in the overseas provinces than to NATO.

At the United Nations, Portugal's activities center mainly on varied efforts to forestall any moves for UN intervention in matters relating to the administration of Portuguese Africa. This is probably a major reason for Portugal's present strenuous efforts to win "the Western European seat" on the Security Council at the end of this year.

Outlook

Although no serious native outbreaks have been reported to

date in any of Portugal's African possessions, observers doubt that Lisbon will be able to stave off trouble for very long. The snail's pace of advancement of the natives' interests is not likely to satisfy local desires. Discontent is likely to be further stimulated by subversive activity from neighboring territories as they come under African control.

Such movements, directed at Portuguese Guinea and Angola, are now active in Guinea and the Belgian Congo, and similar organizations, aimed at the overthrow of Portugal's rule in Mozambique, may be set up in Nyasaland and Tanganyika when Africans in those territories take over the governments. Nationalist ideas may also enter Mozambique from South Africa, to which an estimated 250,000 natives migrate annually to work in the mines and elsewhere in the Union's industrial economy. With external pressure increasing and internal discontent among the Africans on the rise, the Portuguese security police and the military are likely to find the task of maintaining public order increasingly difficult.

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IRAQ: NATION OF MINORITIES

Religious institutions and ethnic differences play a primary role in shaping the life and outlook of Iraq's population. Although over 90 percent of Iraq's 6,500,000 people adhere at least nominally to Islam, the State religion, sectarian and ethnic differences made the country a nation of minorities.

Each of Iraq's numerous religious groups, both Moslem and otherwise, has its own religious laws, social habits, and traditions. The religious community system, which gives its members a sense of cohesion, at the same time nourishes antipathies and social differences, which act as forces for separatism within the

SECRET

SECRET**CURRENT INTELLIGENCE WEEKLY SUMMARY**

19 May 1960

national framework of the Iraqi state.

Under the monarchy these forces were for the most part suppressed. Iraq's minorities have bitter memories of the Assyrian massacres of 1933, and Kurdish uprisings of 1922, 1927, 1930, 1932, and 1943, as well as numerous tribal uprisings. Since the 1958 revolution, tensions between the various communities have increased with the continuing instability of the revolutionary regime.

The Arab Moslems are basically divided into the two antipathetic sects--Sunnis and Shias, each with its own shrines, leaders, and even religious law courts.

Sunni Moslems

The Sunni Moslems are composed of Arabs, Kurds, and Turkomans whose sole meeting ground is a common religion. The Sunni religious community has no priesthood or religious hierarchy which might serve to unify its members, although there are a number of religious offices for dealing with and guiding Sunni spiritual life. The Sunnis are "orthodox" Moslems who claim to stand for the original simplicity of Islam. They regard the Ko-

ran supplemented by the traditions of the Prophet Mohammed as the sole and sufficient repository of the Moslem faith.

The Sunni Arabs, politically dominant since the time of the Ottoman Empire, regard themselves as superior to their Kurdish and Turkoman coreligionists. The Arabs of the sect number about 1,250,000 and inhabit the Western half of the country. The nomadic Arab Bedouin tribes are mainly Sunnis.

Iraq's estimated 800,000 Kurds are concentrated along the northeastern borders with Turkey and Iran. They speak various dialects of Kurdish, an Indo-European language distantly related to Persian. Dour and somewhat fatalistic, they are noted for their warlike behavior and despise the Arabs. Their social organization is based on tribe and clan, but a Kurdish leader in modern times--the so-called sheik--has been either a holy man or the head of a family renowned for its holiness, rather than a tribal chief.

Although the Kurds are often stereotyped as a single cohesive element, tribal rivalries keep them in almost constant turmoil. The most important tribes are the Babans, Barzinjis, Baradostis,



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SECRET**CURRENT INTELLIGENCE WEEKLY SUMMARY**

19 May 1960

Zibaris, and Barzanis. The Zibaris and Barzanis are presently at odds with each other, and the Iraqi security forces are attempting to umpire the fighting.

It is doubtful that the Kurds could be unified into an effective force. Dreams of a Kurdish state carved out of parts of Turkey, Iraq, and Iran nevertheless are still nurtured by many Kurds

However, Mulla Mustafa, leader of the Barzanis who returned from refuge in the Soviet Union with some 800 followers after the 1958 Iraqi revolution, has followed a policy of supporting the Qasim regime.

Qasim has sought to emphasize Kurdish participation in the Iraqi Government and cultural autonomy by such gestures as the founding of a Kurdish Academy, a medical school in the Kurdish center of Mosul, and broadcasts in Kurdish over Radio Baghdad. Indeed, Qasim's emphasis on Arab unity and the brotherhood of Arabs and Kurds has disturbed many Kurdish leaders, who fear being engulfed in a larger Arab mass.

The Turkomans, numbering about 100,000, are village and town dwellers also living in the northeastern part of the country and are descendants of the pre-Ottoman Turkish invaders of Iraq. Speaking Turki, a dialect of Turkish, many Turkomans have been government functionaries since Ottoman times, while many others are small shopkeepers. During the Kirkuk disturbances of July 1959, many Turkoman shops were burned and their owners killed by Communist-led mobs. Politically the Turkomans look toward Turkey; however, they too have been the object of Qasim's solicitation.

Shia Moslems

Iraq's Shia population is approximately 3,800,000, outnumbering Sunni Arabs and Kurds together. They are mostly farmers and are concentrated in southeastern Iraq. The split between the Sunnis and Shias began in the first century of Islam; the Sunnis called for an elected caliph--commander of the faithful--while the Shias advocated a hereditary succession through the Prophet Mohammed's son-in-law Ali. Shia Islam became the state religion of Persia in the 16th century, and Persian cultural influence has been strong among the Shias of Iraq ever since.

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The gulf between the Shias and their Sunni compatriots is deepened by a number of strange Shia practices--the passion play each year commemorating the death of Ali, their cult of saints, practice of temporary marriages, and the concept that some day a last "Hidden Imam" will reappear to rule the world and give his faithful adherents their due.

Shia resentment of the Sunnis is especially strong in the predominantly Shia areas around Diwaniya and Nasiriya, centers of unrest during periods of political or economic crises. The influence of religious leaders among the Shias is much stronger than among the Sunnis. The mujtahids, earthly representatives of the Hidden Imam, guide their followers in all aspects of life and have representatives throughout the Shia communities. The more revered mujtahids reside in Karbala and especially Najaf; they can, when they wish, exercise considerable political influence.

It is these divines who have aroused the greatest resistance among the Shias to policies of the Qasim regime which they considered pro-Communist.

SECRET

SECRET**CURRENT INTELLIGENCE WEEKLY SUMMARY**

19 May 1960

They have encouraged their followers to attack known Communists. Iranian influence in Najaf and Karbala is strong; these cities are the most important centers of Shia pilgrimages after Mecca, and thousands of Iranians visit and study there every year.

In the southern Iraqi marshes are found the nominally Shia marsh dwellers called the Madan, an Arabic term synonymous with yokel. In the eastern part of the country are some 60,000 Lurs, Shias who speak a dialect of Persian. Claimed as Kurds by Kurdish nationalists, the Lurs are not politically conscious.

Heterodox Moslem Sects

In some districts of the Assyrian plains and foothills, several obscure Moslem sects exist. Among the more important of these are the Sarlis, Shabaks, and Kakais, all speaking Kurdish dialects. Another group is the Qizilbash (Red Heads), who have many adherents among Turkoman villagers. Although Moslems, they revere the Virgin Mary, and practice confession, absolution, and communion.

The Christians

Iraqi Christians are indigenous inhabitants, except for the majority of Assyrians and some Armenians. Most speak Arabic in addition to their community language and mix freely with their Moslem neighbors. The principal Christian sects are Jacobites, Nestorians, Chaldeans, Armenian Orthodox and Catholics, Greek Orthodox, and Protestants.

The Jacobites are survivors of the Monophysite community organized in Syria and Mesopotamia in the 6th century. They are presumed to number fewer than 100,000, located principally in the plain south-east of Mosul.

The Nestorians, who are often referred to as Assyrians, date from 5th century divisions in the early Christian church. They number a little over 30,000. During the period of the British mandate, they were formed into a special military guard group known as the Assyrian Levies, which was used in suppressing Kurdish revolts. Following the disbanding of the Levies in 1930, tension arose between the Nestorians and the Iraqi Government. In 1933 the Iraqi Army carried out a series of massacres in which hundreds of Nestorians were killed, and many emigrated to the Jazira section of north-eastern Syria. They have never become reconciled to living under Moslem domination.

Forming the largest Christian church in Iraq, the Chal-



ASSYRIANS

deans are Uniates, having recognized papal supremacy in the 18th century in order to secure French protection. The country's 100,000 Chaldeans are mostly peasants residing in villages on the Mosul plain; their native language is Syriac.

Iraq's Armenians, both Orthodox and Catholic, are mostly urban dwellers and recent arrivals in Iraq, having migrated from Turkey following World War I. Estimates of their number

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SECRET**CURRENT INTELLIGENCE WEEKLY SUMMARY**

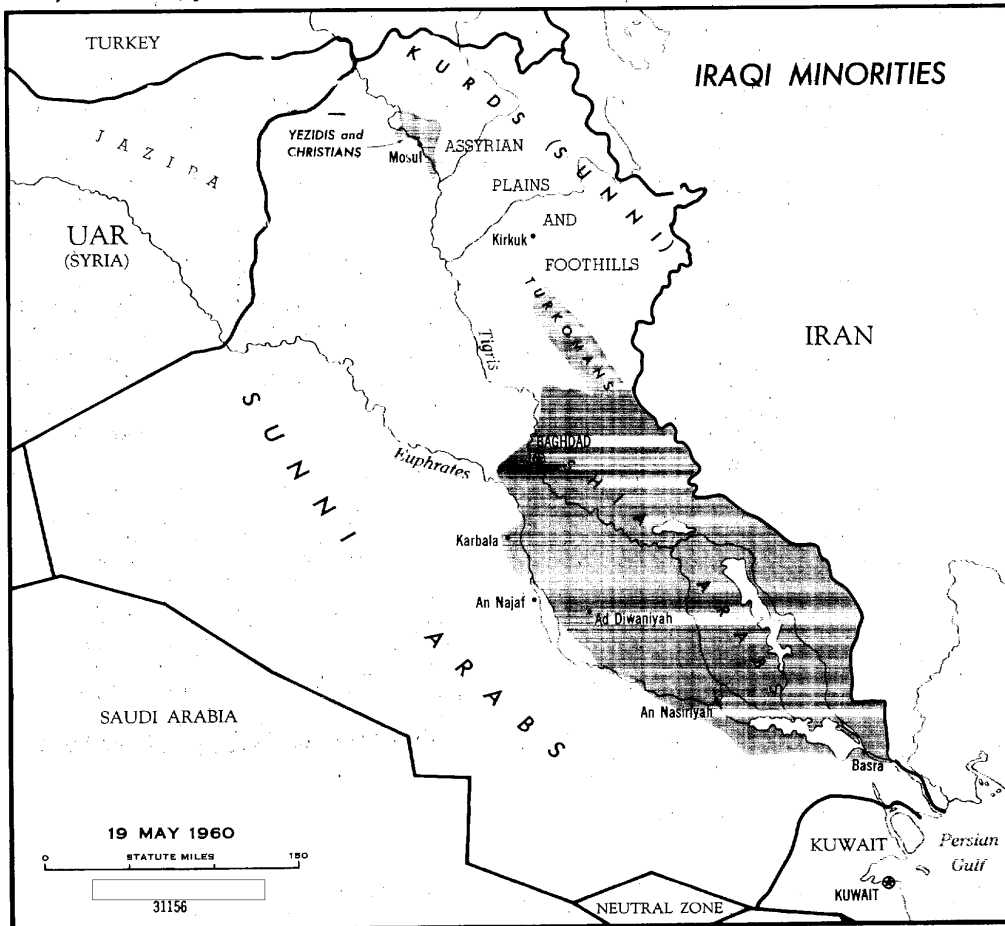
19 May 1960

range from as low as 4,000 to around 15,000. While relations with their neighbors are generally good, they resist assimilation. They form a large part of Iraq's body of professional and artisan classes, especially as mechanics in the oil fields.

Minor Groups

The 50,000 Yezidis, who live almost entirely in the Mosul area, are often called "devil worshippers," but this is inaccurate. They regard Satan, whom they never mention by name, as a fallen angel who will someday be reconciled with God, and they take considerable

The Yezidis are a racial as well as a religious minority, being probably of Kurdish origin. In times of trouble, they side with their Kurdish neighbors. Despised by the majority of Iraqis and at the bottom of the social scale, they have participated less in the country's development than any other minority. Their taboo on pronouncing the sound "sh," because it exists in the word for Satan, has impeded their education. Since the revolution, they have sided with the Qasim regime and have cooperated with the Kurds in fighting the Bedouin Shammar tribesmen.



pains to propitiate him. Their rites show signs of Christian Moslems, and Zoroastrian influences.

The 7,000 Sabaeans, also called the Mandaeans, are a pagan sect of ancient origin and diverse elements. Their

SECRET

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distinctive characteristic is the importance they place on baptism and frequent ceremonial ablutions, for which reason they always live near fresh water. They are urban dwellers scattered among the towns south of Baghdad; they enjoy a high reputation as silversmiths and boat-builders.

Although most of the Iraqi Jewish community emigrated to Israel in 1950-51, some 8,000 to 10,000 remain, mostly in Baghdad. Their lack of numbers has made them politically insignificant. Most are engaged

tries disrupts the growth of a real Iraqi nationalism. Kurds look to their compatriots in Turkey, Iran, and Russia, depending on the internal Iraqi situation. Christians identify themselves with Christian groups in other Arab countries. Tribesmen belonging to larger tribal federations often seek assistance from outside their frontiers to further their interests. Differences in religion, language, culture, and ethnic origin are accentuated by the religious community system.

Age-old antagonisms lie just beneath the surface. Incidents which would pass almost unnoticed in the West often spark violence such as the Turkomen massacres in 1959, the perennial Kurdish turmoil, Kurdish-Arab tribal raids, and Sunni-Shia rivalries.

These factors add to the already increasing strains resulting from the revolution--strife between Communist and anti-Communist elements, economic depression, agrarian disorganiza-



YEZIDIS



SABAEAN

in commerce and banking.

Minorities as Political Force

Iraq's inchoate national symbols and traditions derive largely from Arab Islamic culture and ideals. However, the influence of groups having ethnic ties in neighboring coun-

tion, subversive efforts by outside powers, internal political maneuvering, and near administrative chaos--could end in widespread insurrection and civil war if Qasim's grip should slip.

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