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24 August 1962

CURRENT INTELLIGENCE WEEKLY SUMMARY



CENTRAL INTELLIGENCE AGENCY

OFFICE OF CURRENT INTELLIGENCE

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CURRENT INTELLIGENCE WEEKLY SUMMARY

24 August 1962

THE WEEK IN BRIEF
(Information as of 1200 EDT 23 Aug)

SOVIET FOREIGN POLICY DEVELOPMENTS Page 1

Moscow's abolition of the Soviet commandant's office in Berlin on 22 August was intended to remove the most important remaining symbol of four-power responsibility for all of the city. Although this decision probably does not foreshadow an early breakoff of the Soviet-US talks, it does suggest that Khrushchev believes there is little chance of obtaining further Western concessions at this time and that he is now mainly concerned with strengthening the USSR's position for signing a separate peace treaty with East Germany. This latest move has not been accompanied thus far by any efforts to create an atmosphere of imminent crisis, and Khrushchev has reaffirmed that a negotiated settlement is possible.

At Geneva, the USSR has made it clear that it will reject any nuclear test ban which does not cover all tests, including underground explosions. With the advent of a new government in Iran, the USSR has revived its campaign to improve relations with that country.

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CONGO. Page 5

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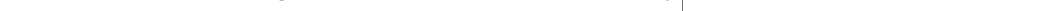
The Leopoldville government has accepted the UN-sponsored plan for reintegrating Katanga, but Adoula probably doubts that it will bring Tshombé into line. There is no indication that Tshombé is ready to make meaningful concessions;

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Small-scale fighting which broke out last week in northern Katanga has ceased. The situation remains tense there and in Kongolo and Elisabethville.

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LAOS Page 7

The coalition government has reached agreement on the establishment of three International Control Commission checkpoints to monitor the withdrawal of foreign troops from Laos. Agreement had been delayed by refusal of the Pathet Lao to permit inspection sites in their territory on the grounds that no foreign troops are there.

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SOUTH VIETNAM. Page 8

Viet Cong units reportedly are concentrating in the area north of Saigon and in the highlands adjacent to Laos. These concentrations may be preliminary to large-scale attacks. The Communist Liberation Front has called once more for a neutral government in South Vietnam.

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ALGERIA. Page 9

The list of candidates for the 2 September Constituent Assembly elections is a compromise between Ben Bella and Algerian military leaders, who have again demonstrated their power by blocking his efforts to hand-pick candidates. Since the list is certain to be elected, the resulting assembly is likely to reflect the divisive viewpoints that have hampered the creation of an effective central government.

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[Redacted]

[Redacted]

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HUNGARIAN PARTY DISCIPLINES FORMER STALINIST OFFICIALS . . Page 12

The recent ouster of Stalinists from the Hungarian party is the climax of a three-year effort by First Secretary Janos Kadar to overcome opposition to his policies. The timing appears to have been influenced by the approach of the November party congress. As evidence that Kadar is "liberalizing" the Hungarian party, the acts could also be intended to serve as a gesture toward improving relations with Yugoslavia and as concessions designed to encourage Acting UN Secretary General Thant to visit Hungary during his pending tour of Eastern Europe.

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[Redacted]

CHURCH AND STATE IN POLAND Page 14

The Gomulka regime has taken a significant step in its drive to force the church to confine its activities strictly to religious ceremonies. On 13 August it announced that all remaining Roman Catholic schools and orphanages--a small percentage of those once in existence--will by the end of the 1963 school year be sequestered by the state. Despite this and other harassments the church retains basically strong popular support and the regime's attacks against it probably will continue at a gradual pace and in low key.

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[Redacted]

VOSTOKS III AND IV Page 15

The recent dual Soviet man-in-space operation demonstrated two significant achievements: the ability to launch a second satellite into close proximity to a first; and the prolonged use of the life support system to about half the time needed for a manned landing on the moon and return. It is still not clear whether the USSR intends to place priority on manned flight in near-earth operations or to compete with the US in landing a man on the moon. This operation is considered an important milestone leading to either objective.

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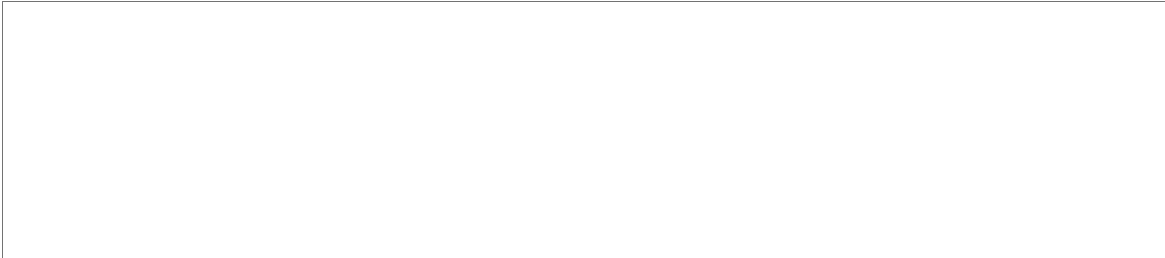
CURRENT INTELLIGENCE WEEKLY SUMMARY

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COMMUNIST CHINA Page 16

Several recent interviews given Western newsmen by Chinese Communist Foreign Minister Chen Yi indicate the regime is scaling down its agricultural and industrial programs to realistic levels. Chen's remarks also suggest that domestic difficulties have induced an attitude of restraint on certain foreign policy issues, notably the Indian border and the Taiwan Strait. He said that sporadic shelling will continue against the offshore islands, but intimated that Peiping does not intend to provoke a crisis in the area.

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SOUTHERN RHODESIA Page 18 25X6

African nationalists in Southern Rhodesia are likely to adopt more violent tactics to protest white economic and political domination. They have been encouraged to take more militant action by the attention recently given Southern Rhodesia in UN discussions. The Africans are still poorly organized, however, whereas the government is arming itself with tough new security measures.

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THE POLITICAL SITUATION IN BELGIUM Page 19

There may be reshuffling of the Social Christian (PSC) - Socialist party (PSB) coalition government after Parliament reconvenes on 2 October. No progress was made in the last session on any of the major problems confronting the government, and serious splits developed within the PSC and between the coalition partners over most of the measures considered by Parliament. New elections in the immediate future are not likely, since the present government took office only in April 1961, but a shift in the premiership appears inevitable and two or three other unpopular ministers may be replaced.

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PORTUGUESE DEFENSE EXPENDITURES Page 20

Portuguese defense spending is increasing, due mainly to the military campaign in Angola. The increase may absorb more than half of all government outlays by the end of the year. The soaring defense costs will probably slow implementation of government plans for economic development and increase public dissatisfaction with the Salazar regime.

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ARGENTINA Page 21

The prospect of an immediate overthrow of the Guido government has receded, but dissension in the army, the erosion of the government's prestige [redacted] 25X1
[redacted] still threaten the regime.

BRAZIL Page 22

A commitment by the conservative congress to act favorably in September on measures sought by the leftist administration of President Goulart has eased the country's political crisis, at least temporarily. Leftist political elements are apparently organizing a country-wide political bloc to coordinate campaigning for the October congressional elections. [redacted] 25X1

COLOMBIA Page 23

President Valencia and Colombian military leaders are intensifying operations against bandit and insurgent groups to halt the rural violence in many areas of Colombia. Government officials are concerned over recent assassinations of several Colombian political leaders and the increased evidence of Communist efforts to organize an armed revolutionary movement. [redacted] 25X1

EDUCATION AND INDOCTRINATION IN CUBA Page 25

Extensive educational and mass indoctrination programs have been developed by the Castro regime in an effort to ensure continuation of its public support, now derived mainly from Cuban youth groups. Cuba's educational system, drawing on technical and material support from the bloc, is still expanding and its instructional material is evolving along increasingly Marxist lines. "Old Communists" in the field of education have apparently suffered little of the downgrading recently applied to veteran party members in Cuban political organizations. [redacted] 25X1

SPECIAL ARTICLES

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THE ROYAL REGIME IN MOROCCO. Page 4

King Hassan II has proved to be an able political tactician during the year and a half of his reign. Although he relies heavily on the army and the security forces, he has won considerable personal popularity with the public, and the palace remains the dominant political element in the country. Other political leaders, even those in his own government, dislike and distrust him, but the opposition has been too faction-ridden to do more than snipe at administrative confusion [redacted] Partly to steal the thunder of leftist critics, the King officially follows a foreign policy of nonalignment, but he appears to want to stay fairly close to Western protection. He is particularly concerned over the future attitudes of independent Algeria.

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WEEKLY REVIEW

SOVIET FOREIGN POLICY DEVELOPMENTS

Moscow's abolition of the office of the Soviet commandant in Berlin on 22 August was intended to remove the most important remaining symbol of four-power responsibility for all of the city. The timing of this move probably was dictated by renewed Western insistence that the USSR acknowledge its responsibility for East Berlin by participating in a meeting of the four commandants to discuss means of easing tensions produced by the recent incidents at the Berlin Wall. Although the decision to dissolve the commandant's office probably does not foreshadow an early breakoff of bilateral talks with the US, it does suggest that Khrushchev sees little chance of obtaining further Western concessions at this time and that he is now mainly concerned with strengthening the USSR's position for signing a separate peace treaty with East Germany.

The Soviet communiqué announcing the abolition of the commandant's office suggests that this will not have any immediate practical effect on Allied military access to West Berlin. Responsibility for "control over the movement of personnel and supplies" of the Western garrisons has been transferred "temporarily" to the commander in chief of the Soviet forces in Germany. The Soviets apparently do not intend to withdraw from the Berlin Air Safety Center (BASC) in the near future, and thus abandon their control over military air access. The failure of the communiqué to refer specifically to BASC's future suggests, however, that some move to subject civilian air access to East German control may be in the offing. Moscow may also be prepared to permit the Ulbricht regime to incorporate

East Berlin into East Germany and to impose new requirements on Allied military personnel entering East Berlin in an effort to force the West either to recognize GDR sovereignty over East Berlin or to forego further patrol activity there.

The dissolution of the commandant's office marked the culmination of a series of maneuvers over the past months to bypass the Western commandants in Berlin and to transfer all remaining four-power relations and functions from the commandants to the level of the commanders of the Soviet and Western forces in Germany. The USSR had rejected a Western proposal of 25 June for a meeting of the four commandants to discuss means of easing tensions in Berlin. The acting Soviet commandant repeated this rejection when the three Western commandants renewed the proposal on 19 August. The Soviet communiqué of 22 August charged that the Western commandants were trying to take advantage of the existence of the Soviet commandant's office to interfere in the internal affairs of the "sovereign and independent" GDR and its capital.

In addition to the immediate purpose of blocking Western efforts to oblige the USSR to acknowledge its responsibility for East Berlin, the Soviets probably believe that the abolition of their commandant's office will further erode Western rights based on the four-power status of the city and make it more difficult for the West to justify its position that the continued presence of Western forces under existing agreements is not a negotiable question.

The decision to terminate the commandant's office has not

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been accompanied thus far by any efforts to create an atmosphere of imminent crisis. The East German reaction to recent disorders in West Berlin was harsh, featuring charges that "fascist hooligans" and "young political rowdies," enjoying the protection of Mayor Brandt, had attacked Soviet personnel and terrorized the West Berlin populace. Moscow radio warned on 20 August that tension in Berlin "has now turned into a direct threat of a serious conflict" but concluded that these disorders simply show that a peace treaty must be signed with delay. Moscow added that the USSR "is not closing the door to negotiations on the German and Berlin problems."

Khrushchev Speech

In his speech at the 18 August Moscow ceremony honoring the two Soviet cosmonauts, Khrushchev repeated the standard formula that a separate treaty will be signed only if "we fail to meet with understanding on the part of the Western powers." He cited both the Laos and West New Guinea settlements as evidence that it should be possible to settle the questions of a German peace treaty, admission of both German states to the UN, and creation of a free-city status for West Berlin. On the question of Western troops' remaining in West Berlin, Khrushchev apparently tried to leave an impression that his position was hardening. He said that the USSR would agree to a temporary presence of troops under UN auspices but would not accept forces of NATO members under the UN flag. He made no reference to his earlier public proposal to replace Western forces with contingents from four smaller NATO and Warsaw Pact states under UN authority.

Despite Khrushchev's public rejection of any NATO troops in West Berlin, the Soviets continued to hint privately at flexibility on this issue. A member of the Soviet UN delegation sounded out a US official on 17 August regarding a "UN solution" which would permit US, British, and French forces to remain in West Berlin, supplemented by contingents of Warsaw Pact and other NATO troops, all under the UN flag.

The Soviet ambassador to Bonn took a cautious line after returning from Moscow, stating on 18 August that there is "no definite date" for signing a separate treaty and that Moscow expects further talks between Rusk and Dobrynin.

Possible Initiative
On Berlin in UN

There have been further indications that Khrushchev may come to New York next month to place the Berlin and German questions before the UN General Assembly and possibly to create an occasion for a meeting with President Kennedy.

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Khrushchev's principal purpose in appearing before the UN probably would be to generate additional pressure

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on the West to be more forthcoming in negotiations for a Berlin settlement. He might envisage this as his final effort to probe for Western concessions before deciding to proceed with a separate peace treaty. Recent Soviet pronouncements suggest that Khrushchev will propose a "compromise" under which the Western "occupation regime" would be replaced by some form of UN role in guaranteeing the independence and security of West Berlin. He may also call for the admission of both German states to the UN and seek UN endorsement of the need for a German peace treaty, portraying this as the prerequisite for progress on disarmament and a general improvement in East-West relations.

The possibility cannot be excluded, however, that Khrushchev has decided to proceed toward a separate peace treaty or invoke other measures to heighten Berlin tensions and believes that taking the issue to the UN would inhibit Western reactions.

Geneva Talks

The USSR rejected on 20 August proposals for a nuclear test ban treaty which would include tests in the atmosphere, outer space, and under water, but not underground explosions. A Soviet spokesman at Geneva said a partial test ban "will not settle the problem" of ending the nuclear armaments race "because the Americans would continue testing weapons underground." He added that the USSR remains "dedicated" to the eight neutralist members' "com-

promise" memorandum as the "sole" basis for a treaty banning all tests.

In a talk with Ambassador Dean on 15 August, Soviet delegate Kuznetsov made it clear that the USSR will not relax its insistence on a test ban based exclusively on national detection systems, with no international supervision or obligatory on-site inspections. He contended that on-site inspection is an entirely political question and that the divergent views of Soviet and US scientists are irrelevant. Kuznetsov hinted, however, that prospects for agreement may improve in the next few years with changed circumstances, including perfection of detection systems which might make the US more willing to forego on-site inspection.

Soviet-Iranian Relations

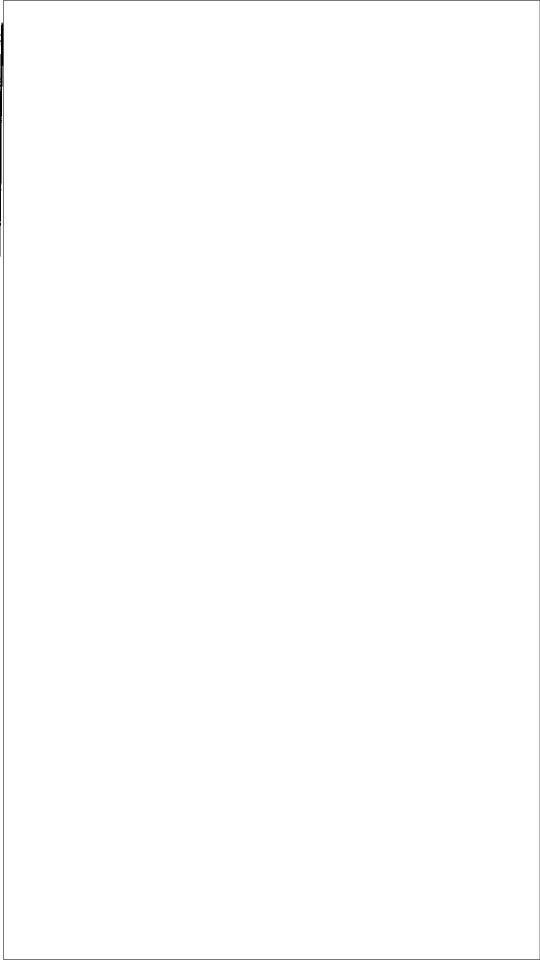
The fall of the Amini government in Iran in mid-July moved the USSR to revive its campaign to improve relations with Iran and to draw that country away from its ties with the West. In contrast with the abusive campaign against Amini and the Shah, Communist propaganda has moderated its attacks on Iran and Radio Moscow has pointed out the benefits for Iran of an "independent" foreign policy, particularly the possibility of technical aid from the USSR. Iranian newspapers have reported rumors of new Soviet loan offers.

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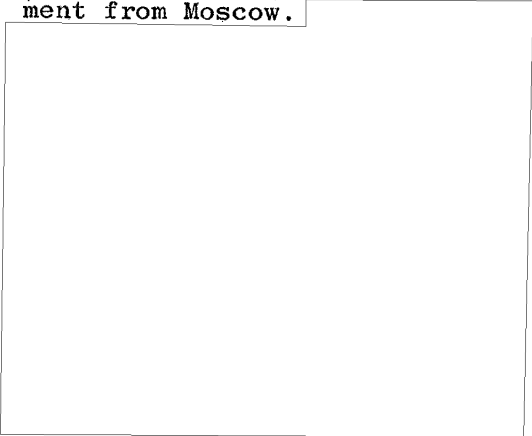
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Soviet Ambassador Pegov has been quite active in Tehran in the past month, both in receiving a Soviet proposal for a nonaggression treaty and in exploiting the signing of the annual barter agreement between the two countries. Pegov characterized this agreement, which reportedly raises the level of trade 20 percent, as a precursor of improved relations and an expansion of cultural, technical, and economic ties. The Iranian Government has given no indication of interest in Soviet suggestions for expanding relations and hopes to exploit the Soviet good-will campaign to extract a payments agreement from Moscow.



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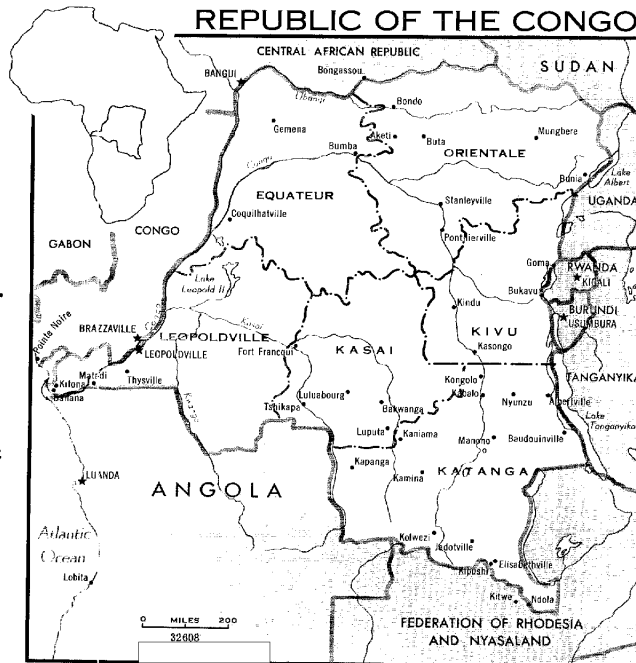
SECRET**CURRENT INTELLIGENCE WEEKLY SUMMARY****CONGO**

The Leopoldville government has accepted the UN-sponsored plan for reintegrating Katanga with the rest of the Congo. Prime Minister Adoula and his ministers probably still doubt, however, that the plan will bring Tshombé into line. They requested no important changes in the UN proposals but said that the suggested 50-50 split of Katanga's mineral revenues between Elisabethville and Leopoldville would not satisfy their needs.

Tshombé has publicly reiterated his willingness to join a Congo federation. He has offered to turn over to Leopoldville or to an international body that part of Katanga's revenue which is not "indispensable" to its administration and economy, but there is no indication that these are more than gestures. In fact his recent statement that Katanga would accept reintegration as "an autonomous region" under a new federal constitution may reflect a hardening of his bargaining position since his return from Europe. He fears that the UN will present him with a Congo reconciliation proposal on which the world will already have agreed and about which he will have had little to say. Reportedly, Tshombé is not seriously worried by threats of an economic blockade against Katanga. He believes that such sanctions would affect the European rather than the African population, and he is probably confident that the Portuguese and Northern Rhodesians would maintain supply lines into Katanga.

On 21 August Tshombé left Elisabethville for a ten-day tour of south Katangan tribal areas. To maintain the UN's timetable, UN representative Gardiner plans to go to Elisabethville and present the UN proposal to Tshombé's deputy, but this may postpone any Katangan reply beyond the ten-day limit envisaged by the UN.

On 16 August President Kasavubu promulgated legislation creating 16 new Congolese provinces instead of the present five. North Katanga was not mentioned. The US ambassador believes that the longer range position of the central government will not be significantly changed by this legislation,



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nor will it affect Adoula's relations with Tshombé. Leopoldville's authority might even increase as the relative political weight of each province dwindles.

Small-scale fighting broke out last week south and west of Albertville as Congolese and Katangan units collided apparently while moving to occupy as much disputed North Katangan territory as possible. Fearing a Katangan offensive, the UN moved a Malayan battalion into Albertville and issued an ultimatum to Katanga to cease action at once or risk UN intervention. Fighting has stopped for the moment. The UN also fears the situation at Elisabethville could become critical and has advised US officials that it may need airlift assistance to reinforce its troops in

Katanga. One of the best Congolese battalions is to be incorporated into the UN contingent at Kamina. The Katangans are still keeping 60 railroad carloads of UN gasoline and 50 carloads of UN supplies at the Rhodesian border. The UN may have to airlift rations to replenish dwindling stocks in Elisabethville.

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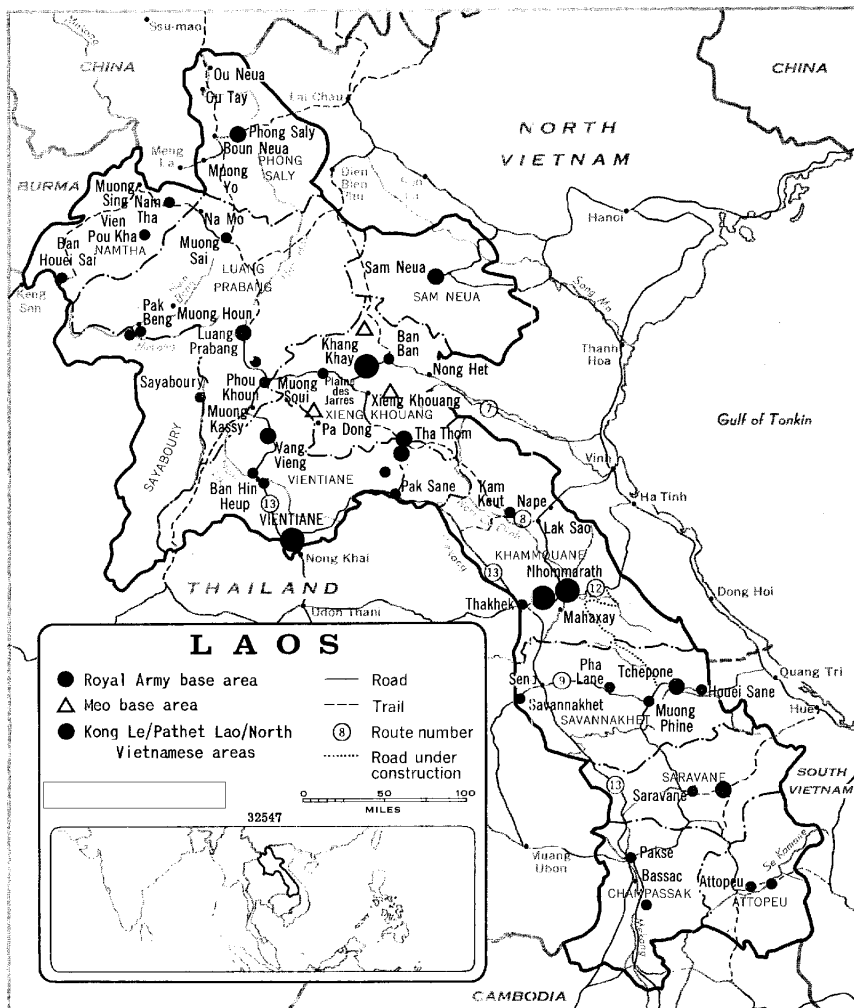
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LAOS

Without conceding the presence of foreign troops within the territory they control, the Pathet Lao on 23 August agreed to the establishment of International Control Commission (ICC) inspection teams at Vientiane, the Plaine des Jarres, and Nhommarath, a town in south-central Laos. Souvanna, who earlier had expressed preference

forward post of limited strategic importance--is a gesture toward the observance of the Geneva provisions which at the same time prevent ICC access to areas of greater sensitivity. There has been no firm evidence of withdrawal of North Vietnamese troops from such Pathet Lao strongpoints as Tchepone, Ban Ban, and Sam Neua.



for nine checkpoints throughout Laos--several to be located within Pathet Lao territory--feels that the compromise solution has preserved the "principle" of ICC inspection.

The Pathet Lao decision to allow the stationing of an ICC team at Nhommarath--a

Elsewhere, Communist mopping-up operations against Meo guerrillas continue. On 20 August, Pathet Lao and North Vietnamese in battalion strength, using artillery and mortars, captured a Meo outpost of company strength near Sam Neua town.

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SOUTH VIETNAM

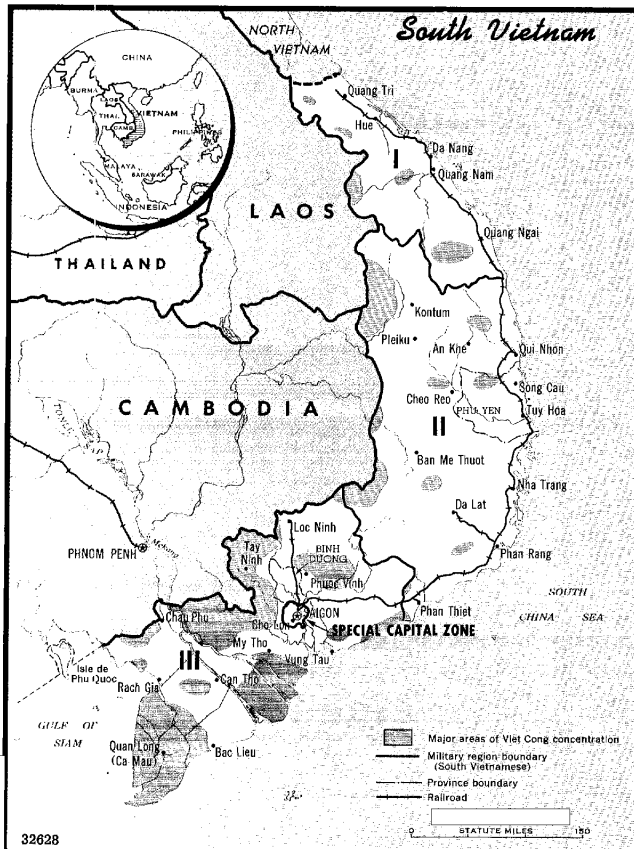
Reports from the South Vietnamese Third Corps Area Command indicate that several Communist units with a total strength of about 1,000 men have moved into positions north of Saigon. The Viet Cong may be planning a large-scale attack in provinces near the capital to counter both the military and propaganda impact of recent government successes.

Other Vietnamese reports point to a similar concentration of Viet Cong forces in the highland area adjacent to Laos. Battalion-size units, probably including some recently infiltrated cadres, are said to be grouping in the Kontum, Pleiku and Ban Me Thuot areas. Viet Cong strategy apparently is to protect key infiltration routes and to combat the government's tribal resettlement program.

Officials in Saigon are showing concern over the possibility that a settlement on the Laotian pattern, which they believe would lead to an eventual Communist takeover, may be applied to South Vietnam. Continued Western press criticism of Diem apparently has also contributed to suspicions of American intentions.

rumors may be part of the Viet Cong's effort to sow confusion.

The Viet Cong - sponsored National Front for the Liberation of South Vietnam, in a 14-point statement broadcast by Hanoi on 18 August, renewed



its appeal for a "neutral and independent" government in South Vietnam--a government in which it would hope to be the dominant faction. It aimed especially at arousing support in Cambodia and Laos by offering to form with those countries a neutral zone in Southeast Asia. The Front regards a period of "neutrality" in South Vietnam, after the US presence is removed, as a prelude to reunification under Hanoi. The statement placed somewhat greater stress on this aspect than

In a late July speech, President Diem's influential sister-in-law, Madame Nhu, attacked the failure of the "frivolous free world" to cope with Communist subversive warfare, and described "so-called allies...who mouth the enemy's propaganda" as "the real traitors."

Saigon is also probably worried by more rumors of coup plotting. As usual, some government sources think that senior South Vietnamese army officers have US or French backing for a move against Diem. There has been no good evidence of such plotting, although many military officers remain dissatisfied with Diem's prosecution of the counterinsurgency effort. Some of the

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ALGERIA

The electoral lists for the 2 September Constituent Assembly elections are a compromise between Ben Bella and Algerian military leaders, who have again demonstrated their power by blocking the former's efforts to hand-pick candidates. Since the listed candidates are certain to be elected, the resulting assembly is likely to reflect the divisive viewpoints that have hampered the creation of an effective central government.

The list of 196 candidates contains 72 military personnel, but only two wilaya commanders. The chief of staff of the Algerian National Army (ALN), Colonel Boumedienne, and the commanders of Wilayas I, V, and VI--generally regarded as supporting Ben Bella--are not included, suggesting that they prefer to remain identified primarily as military leaders. There are, however, large numbers of other officers from these three wilayas on the lists. When confronted with specific legislation and the problems of drafting a constitution, the military group is more likely to fragment along regional and personal lines than to maintain itself as a bloc.

All members of the PAG are on the lists except Saad Dahlab and Hocine Ait Ahmed, who resigned, Lakhdar Ben Tobbal, who has left the country, and Mohamed Khider and Rabah Bitat, who apparently desired to concentrate on reorganizing the FLN into a

political party. Labor and student organizations have 13 representatives on the lists, while most of the 16 Europeans are persons who actively cooperated with the nationalists during the rebellion, rather than "liberals" who were not actually in the rebel camp. So far as can be ascertained at present, none of the candidates is primarily a peasant representative, although an ambitious agrarian reform is the cornerstone of Ben Bella's program.

The assembly is also to appoint the first Algerian government. PAG Information Minister Yazid told the US consul general in Algiers on 18 August that an attempt will be made, presumably by the political bureau and the military leaders, to agree prior to the elections on a government which the assembly could nominate. He indicated, however, that this would be difficult, perhaps impossible.

Meanwhile, Ben Bella and the political bureau are apparently having difficulty in establishing an effective administrative organization.

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SECRET**CURRENT INTELLIGENCE WEEKLY SUMMARY****HUNGARIAN PARTY DISCIPLINES FORMER STALINIST OFFICIALS**

Disciplinary action last week against 26 members of the Hungarian Communist party probably marks the climax of First Secretary Kadar's three-year effort to disperse opposition in the party to his policies and leadership. One politburo member was demoted and 25 other party members were ousted by the central committee during its expanded meeting of 14-16 August in which all district party leaders participated. The disciplinary steps and an announcement that 190 former party members who had been jailed between 1949 and 1953 had been "completely" rehabilitated were described as closing the book on injustices committed within the party in the Rakosi era of "cult of personality." All the victims had been accused by a special party commission of varying degrees of responsibility for the political trials and incarcerations of party members during that period.

At the session, former Stalinist leaders Matyas Rakosi and Erno Gero were deprived of their party membership. Both have long been used by the regime as examples of what can happen under "rule of the cult of personality." Rakosi apparently is still in the USSR, to which he fled in 1956; Gero is believed to have returned to Hungary in 1961.

Karoly Kiss, the last remaining high-level holdover from the Rakosi era aside from Kadar, was removed from the

politburo but allowed to retain his membership on the central committee and his positions in the government. He had been removed from his position on the party secretariat last fall, and probably will not be re-elected to the central committee at the November party congress. Of the 23 others deprived of party membership, 17 were former judiciary, prosecution, or police officials. Six were accused of forming a factional group with Rakosi. No names were divulged, suggesting that none of the victims is currently prominent in the party.

The party that was re-constituted in 1957 contained many members who did not agree with Kadar's policies, and it was not until the last party congress--in 1959--that he was able, by expanding the central committee, to obtain a clear majority supporting his views.

Since 1959, and particularly within the last nine months, the Kadar regime has been striving to eliminate the still considerable opposition at the lower levels of party and government administration. A key issue in the recent past has been agricultural policies, with the hard-liners arguing in favor of harsher methods and against the use of such measures as incentives. In response, Kadar has eased opponents out of positions of influence in the government and economy in favor of qualified non-party people. A party

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journal this summer noted that because of their attitudes certain people--the hard-liners--would have to leave their party jobs. At the same time, some capable former supporters of Rakosi-type policies--such as former politburo member Hidas and economic theorist Friss--have made their peace with Kadar and are working in responsible positions outside the party.

Although the regime admits that opponents of Kadar still exist in the party and administration, it appears that Kadar has succeeded in rendering impotent the "sectarian and dogmatic" opposition in the party. His patient efforts to install people who would be loyal to him are beginning to pay off, and the forthcoming congress should leave him at his strongest since 1956.

The ouster of Rakosi and Gero from the party is probably

also a gesture toward improving relations with Yugoslavia. Moscow and East Berlin, reporting the ouster, quoted the Hungarian indictment that these two individuals, among other iniquities, had "voiced groundless suspicions against...leaders of other fraternal parties...and thus caused immeasurable damage on an international scale."

Kadar may also have hoped that the party's actions last week would be favorably regarded by Acting UN Secretary General Thant. Thant, who is to begin a tour of some East European capitals on 24 August, has maintained that he could not visit Hungary unless Kadar made some gesture toward complying with the UN resolution. There is no evidence yet, however, that Hungarian officials have re-issued an invitation to Thant to visit the country.

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CHURCH AND STATE IN POLAND

Poland's Communist party is continuing its drive to force the church to confine its activities strictly to worship. The Gomulka regime announced on 13 August that all remaining Roman Catholic schools and orphanages will be sequestered by the state by the end of the 1963 school year. Since 1960 all but 17 of 50 religious schools and 30 of 460 orphanages have been closed without violence or even markedly adverse public reaction, testifying to the effectiveness of the party's tactics of gradual encroachment on church prerogatives.

The closing of church schools and orphanages, which began in 1960, was formalized by a school reform law promulgated in July 1961, which specifically forbade members of religious orders to teach. However, most of these institutions operated as usual throughout the 1961-1962 school year and it was during the past two summer vacation months that most of the closures were effected.

The party's attack on the church has not been limited to primary and secondary education. The regime has gradually forced the Catholic University at Lublin --the only institution of its kind in the bloc--to give up all its nontheological faculties except humanities. Now the 100 students of the university's English department reportedly will not be permitted to participate in a required seminar sponsored by the Ministry of Higher Education, and thus will be ineligible to receive their degrees. The university also is under the threat of seizure for nonpayment of ruinously exorbitant back taxes and suffers from competition by the state university at Lublin for its professors and students. Its graduates are often rejected by prospective employers at the instigation of the party. The ultimate aim of the regime is to reduce the university to the status of an advanced theological seminary.

In the past year the state apparently has stepped up personal attacks against priests, including beatings, false arrests and convictions on trumped-up criminal and moral charges, and confiscation

of church and personal property --including even clothes and furniture--of those priests who refuse to pay ruinously high taxes. Increasing numbers of nuns are being forced out of work in hospitals, and many convents have been closed on the pretext that the nuns occupy more living space than is allowed by law.

Atheistic propaganda has increased. Birth control agitation has lessened because the regime demographic forecasts show a natural downturn in the expected birth rate; nevertheless both birth control and legalized abortion remain as official state policies which are vigorously opposed by the church. Since 1960 official contacts between the episcopate and the government have been virtually nonexistent.

The regime's position has been strengthened by a recent law on public gatherings, which in effect gives the police discretionary power over all church gatherings. The law has been used in Poznan, for instance, to break up a meeting of students within a church, because the topic under discussion was judged to be non-religious. In other cases outdoor processions have been banned. The party has met the church's resistance by drafting seminarians into the army and by countless daily harassments of any recalcitrant clergy.

Stefan Cardinal Wyszynski, primate of the church in Poland, has called repeatedly and publicly for redress of these wrongs, but without effect. The Sejm (parliament) leadership has rejected two requests by the cardinal for an investigation of church-state affairs. His relations with Catholic deputies in the Sejm appear to have deteriorated as a result of differences over the role of Catholic laymen in Poland vis-a-vis the Communist regime.

Despite the primate's efforts to fight back, the regime appears to have been remarkably successful in isolating the hierarchy from the community, especially in urban areas. The church retains basically strong popular support, however, and the regime's attacks against it probably will continue to be marked by cautious gradualism.

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SECRET**CURRENT INTELLIGENCE WEEKLY SUMMARY****VOSTOKS III AND IV**

The recent dual Soviet man-in-space operation demonstrated two significant achievements: the ability to launch a second satellite into close proximity to a first; and the prolonged use of the life support system to about half the time needed for a manned landing on the moon and return. It is still not clear whether the USSR intends to place priority on manned flight in near-earth operations or to compete with the US in landing a man on the moon. This operation is considered an important milestone leading to either objective.

The announced purposes of the tests were to establish communications between the two cosmonauts, to study the differences in their behavior in the same space environment, and to investigate the coordination of their action.

Soviet statements indicate that a major part of the experiment was oriented toward the collection of physiological data related to the maintenance of life in a space environment. In contrast to the earlier one-day flight in Vostok II, manned flights of several days' duration pose many new problems such as the removal of waste products and the generation of oxygen for extended periods. Further, more prolonged flights will be necessary to develop a capability for meeting the life support requirements of a manned lunar flight. A landing on the moon and return will require six to ten days, and a circumlunar flight a minimum of about five days.

The flight also enabled the Soviets to investigate the communications problems involved in such an operation. Soviet statements indicate that communications were adequate for the mission intended.

The most perfectly synchronized launching of Vostok IV into close proximity to Vostok III and into an orbit almost identical to the one in which Vostok III had been launched a day earlier constitutes the successful completion of the first stage of a rendezvous mission. For such a mission, it is necessary to place the two vehicles near enough together to permit a powered flight maneuver to close the remaining distance.

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According to Soviet statements the two capsules landed about 200 kilometers apart in an area north of Lake Balkhash.

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CURRENT INTELLIGENCE WEEKLY SUMMARY

COMMUNIST CHINA

Several recent interviews given Western newsmen by Chinese Communist Foreign Minister Chen Yi afford some insight into Peiping's anxiety about its economic problems. Chen pictured Peiping's current attitude as one of sober realism. "We have learned that building a country is not an easy thing," he said, and added that the regime is presently scaling down its industrial and agricultural programs to levels which "can be achieved."

He admitted that the grain crop for the first half of 1962 would be worse than the poor harvest during the same period of 1961, and that the shortfalls in agriculture over the past three years had affected the whole economy and greatly reduced the rate of China's industrial construction. He conceded that at least 20 percent of China's communes are in "bad condition," and that many of Peiping's "several million" opponents on the mainland have exploited economic difficulties in attacking the regime. The foreign minister displayed considerable sensitivity over foreign criticism that mainland industrial and agricultural shortfalls prove Peiping has failed; he argued that 13 years of Communist control was not enough time to permit any conclusions.

Chen's remarks suggested that domestic difficulties have induced an attitude of restraint on certain foreign policy issues, notably the Taiwan Strait and the Indian border. In an interview with Japanese newsmen on 29 May, at the time when Chinese Communist troops began their buildup in the Taiwan Strait area, Chen displayed what appeared to be genuine concern over the possibility that Taipei, aided by the US, would attempt an invasion to exploit mainland economic difficulties. In interviews with Western newsmen at Geneva in mid-July, Chen seemed less apprehensive. He claimed that the Communist buildup had forced Taipei to change its plans, and that the US had given assurances

to the Chinese Communists at Warsaw that it would not back Taipei in an attack, thus creating a "detente" in the Taiwan Strait.

Chen stated that if the United States "restrains" Chiang Kai-shek, a "dangerous situation" in the area will not develop, although "sporadic shelling will take place in the accustomed manner." His remarks on this score constitute the nearest to a pledge not to attack the Nationalists which Peiping has yet given, and probably reflect a Chinese Communist decision to avoid any substantial military pressure on Taipei until the mainland economic situation substantially improves.

The foreign minister made it clear that Peiping still demands a withdrawal of US forces from Taiwan before any "rapprochement" can be reached in Sino-US relations. In his interview with the Japanese, Chen indicated that Peiping did not foresee an early rapprochement. "We cannot retreat," he said, and he indicated that the Chinese believe Washington has no intention of modifying its position either. Chen's purpose was apparently to suggest that Peiping was willing to live with the present stalemate indefinitely and would not be forced to make concessions to the US because of China's economic difficulties.

On the subject of relations with India, Chen expressed fear that leaders in New Delhi would attempt to exploit China's economic difficulties to "push their advantage" in Ladakh. Chen indicated that China would strive to prevent clashes along the border. He stated, however, that it would be "impossible" for Chinese forces to withdraw from their positions in the face of Indian military pressure. A border settlement, he indicated, ought to be worked out according to the principle of the "line of effective control," that is, acceptance of China's and India's claims to the territory currently held by their respective forces.

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CURRENT INTELLIGENCE WEEKLY SUMMARY

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CURRENT INTELLIGENCE WEEKLY SUMMARY

SOUTHERN RHODESIA

Africans in this self-governing British colony are turning increasingly toward violence to protest white economic and political domination. African nationalists are poorly organized, but they have been encouraged by the outside sympathy they feel they have gained in recent discussions of Southern Rhodesia in the UN General Assembly.

Southern Rhodesia's leading African party, the Zimbabwe African People's Union (ZAPU), has announced that it will refuse to participate in next spring's legislative elections. The elections are to be held under the terms of the 1961 constitution, which "safeguards" 15 of 65 legislative seats for Africans although Africans outnumber whites 13 to 1. The party will probably attempt a campaign of terrorism: intimidation, especially in towns, of other Africans who refuse to follow the party line; strikes and demonstrations against Europeans generally; sabotage of communications facilities; and eventually, attacks on individual Europeans and government officers.

ZAPU's main strength is among urban Africans, but rural branches of ZAPU are being rapidly organized.

ZAPU president Joshua Nkomo, on returning to Salisbury in late July after the successful presentation of the Africans' case to the UN, demanded independence for the colony within a short time. He threatened a "complete economic breakdown or bloody revolution" should Britain refuse to negotiate.

Prime Minister Whitehead's government is meeting ZAPU's challenge with new legislation which empowers it to ban not only specific groups of persons engaging in unlawful activity but the parent organization to which the groups belong. Stiffer penalties are to be levied against leaders. Meanwhile, government leaders have declared that they will ignore a recommendation by the UN last June to change the constitution.

Southern Rhodesia's 5,000-member police force, called the British South African Police, is the best prepared of the local forces in Central Africa to repress internal disturbances. The government would also use Rhodesia and Nyasaland federal and territorial troops--largely white--to assist in maintaining law and order, as it has in the past.

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CURRENT INTELLIGENCE WEEKLY SUMMARY

THE POLITICAL SITUATION IN BELGIUM

The position of the Social Christian (PSC) - Socialist party (PSB) coalition government is extremely weak and its continuation in office after Parliament reconvenes on 2 October is problematical. No progress was made in the last session on any of the major problems confronting the government, and Prime Minister Lefevre of the PSC lost heavily in public esteem by his inept handling of the legislative program. Serious splits developed within the PSC and between the coalition partners over most of the measures considered by Parliament. The only bright spot in an otherwise dismal legislative record was the performance of Foreign Minister Spaak, whose vigor and skill were primarily responsible for keeping the feeble coalition together. New elections in the immediate future are not likely, since the present government took office only in April 1961, but a shift in the premiership appears inevitable and two or three other unpopular ministers may be replaced.

Trouble for the coalition began last spring when the Catholic party only halfheartedly endorsed the fiscal reform bill, designed to overhaul the archaic tax structure and increase tax revenues. On another issue, the Flemish Catholics demanded, over bitter Socialist opposition, that the Education Ministry be divided into separate Flemish- and French-speaking halves. A government collapse was narrowly averted largely through the intervention of Spaak, but the education dispute ruined the efforts of the government to fix a linguistic frontier between the two sections of the country, another high-voltage political issue. Resentful Catholic conservatives then joined the opposition Liberals in amending and delaying the fiscal reform bill until its passage became impossible before Parliament adjourned early in August. Consequently, the PSC finance minister has threatened to resign unless the crippling amendments are removed, while the Socialists, who are committed to fiscal reform, have warned Lefevre that their continued participation in the coalition

will depend upon the success of the measure.

Socialist prospects in any future election are brightened by the weakened state of the Catholic party, which is torn by internal dissension on almost every issue. The Socialist party is in better shape since the principal threat to its unity has disappeared. The Walloon popular movement in the Liege district had threatened for some time to draw left-wing elements in Belgium into a separatist organization under a firebrand left-wing Socialist leader, André Renard. Renard's death last month, however, deprived the movement of much of its momentum and took considerable pressure off the Socialists.

In the field of foreign affairs the government and the country have been well served by Spaak. His skillful handling of the Congo problem and his strenuous efforts on behalf of European integration have made him the outstanding public figure in Belgium. His influence has kept the shaky Lefevre coalition in office for the last six months. His Congo policy, however, is encountering bitter resistance from powerful financial interests represented in the opposition Liberal party as well as in the Catholic party, such as Paul Struye, president of the Senate, who was instrumental in mangling the fiscal reform program. The campaign being waged by these people on behalf of Tshombé will test Spaak's ability to hold Belgium in line in the coming months behind the US-UN plan for reintegration of the Congo.

Although Spaak has agreed to an economic blockade of Katanga, on condition that the UN protect Belgian property there, a resumption of fighting is likely to fan anti-American and anti-UN feeling in Belgium to a point beyond Spaak's ability to control it. Such a development may rally public opinion behind the Lefevre government, which has so far held a neutral course in the matter, and give it another lease of life at least until the Congo question is settled and public opinion can be focused on domestic affairs.

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CURRENT INTELLIGENCE WEEKLY SUMMARY

PORTUGUESE DEFENSE EXPENDITURES

Portuguese defense spending is increasing, due mainly to the military campaign in Angola. The increase may absorb more than half of all government outlays by the end of the year. The soaring defense costs will probably force a slowdown in the implementation of government plans for economic development, and increase popular dissatisfaction with Prime Minister Salazar's regime.

The 1961 Portuguese defense budget exceeded eight percent of the estimated gross national product, the highest proportion of GNP devoted to defense in a West European country. The original 1962 defense budget, \$157.6 million, was six percent higher than the figure for 1961. On 12 July a supplemental \$45 million appropriation brought another rise of 29 percent. [redacted]

[redacted] outstanding obligations and rising expenses will require a further increase of \$87 million by the end of the year. These increases would bring the overall national budget to \$568.6 million, a rise of 38 percent over 1961, with the defense share \$290 million or 51 percent.

The finance minister, in his budget message last January, said that the six-percent in-

crease would not require any cut-back in economic development projects, but a reduction now seems inevitable in the light of the great rise in defense expenditures. This rise will not only retard the much needed development of the economies of Portugal and its African holdings, thereby reducing the country's prospects for eventual association with the European Economic Community, but also is likely to divert funds which could be used to raise low Portuguese living standards.

In addition to an increase in popular discontent, the regime may encounter growing political pressure from Lisbon banking and financial interests which resent further increases in internal taxes imposed this year in both Portugal and Angola as one means of meeting rising military costs. One tax in this category, announced by the government in June, is a new levy on business profits, ranging from 5 to 30 percent and affecting most companies which had been operating in Angola for more than five years. The need to meet rising defense costs may spur the regime to demand substantial financial assistance from the US as one condition for a renewal of the Azores bases agreement, due to expire at the end of this year. [redacted]

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CURRENT INTELLIGENCE WEEKLY SUMMARY

ARGENTINA

The prospect of an immediate overthrow of the Guido government has receded, but dissension in the army, the weakened power and prestige of the government

still threaten the regime.

With the appointment of retired General Cornejo Saravia as secretary of war, rivalries within the army shifted from open confrontation of troops to intra-army contention over positions of command and control. The rebel faction has succeeded in placing its supporters in the key positions of commander-in-chief of the armed forces, chief of the general staff, and a number of commands at interior posts. General Federico Toranzo Montero, instigator of the crisis, has returned to his command at the 4th Army Corps headquarters in Salta.

On the other hand, the position of the loyalist faction has been strengthened by the appointment of General Julio Alsogaray--brother of Economy Minister Alvaro Alsogaray--as commander of strategic Campo de Mayo garrison and the appointment of General Carlos Ongania as commander of the Cavalry Corps. Both are firm supporters of the Guido government and of constitutionality. The shuffle of army commands has divided power fairly evenly between the two groups. The air force continues to be a strong supporter of the gov-

ernment. The navy--at least for the present--also appears to back the government.

The refusal of more than 400 junior officers to accept the authority of Chief of the General Staff Carlos Turolo led to his resignation on 22 August. The appointment of General Bernardino Labayru as Turolo's successor may be a significant victory for the rebel faction.

Press reports state that General Labayru has privately expressed the opinion that the Guido government is unconstitutional and should be replaced by a strong military regime.

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SECRET**CURRENT INTELLIGENCE WEEKLY SUMMARY****BRAZIL**

A commitment by the conservative congress to act favorably in September on measures sought by the leftist administration of President Goulart has eased the country's political crisis, at least temporarily. Congressional leaders have agreed that congress will reassemble in Brasilia from 10 to 15 September, despite the pressures of campaigning for congressional elections on 7 October. At that time, a firm date prior to mid-April 1963 will be set for a plebiscite on the year-old parliamentary system. In addition, a limited concession will be made on the administration's request for facilitating amendment of the constitution. The parliamentary system appears widely unpopular in Brazil, and a plebiscite is likely to result in a return to a strong presidency.

The Goulart administration is apparently optimistic that congressional leaders will keep their commitment to take action in September. An administration official has stated that air force planes would be used to assemble the congressmen and that "since everyone agrees, if a few votes are missing nobody will complain if those votes show up in the 'yes' column anyway."

Congressional action to authorize the plebiscite would be a partial victory for President Goulart. It would be likely to increase his ability to help candidates from his leftist Labor party in the October congressional elections. A congressional failure to follow

through on its commitment, on the other hand, would be likely to result in a new crisis.

Political uncertainty is reflected in a deterioration of the foreign exchange situation. A sharp drop in the freely fluctuating tourist exchange rate in early August was followed recently by a 20-percent drop in the official exchange rate. Negotiations with West Germany for \$50 million in economic aid have been suspended because of Brazilian insistence that all aid shipments should be transported in Brazilian ships, although Brazil probably does not have sufficient tonnage to handle them. 25X1

Meanwhile, leftist political elements are apparently organizing a country-wide political bloc to coordinate campaigning for the congressional elections. President Goulart's ultra-nationalist brother-in-law, Leonel Brizola, who is the foremost critic of the Alliance for Progress in Brazil, is reportedly to be coordinator in southern Brazil from Rio de Janeiro to the Uruguayan border. Former Foreign Minister San Thiago Dantas, a former fascist who has in recent years been the chief ideological adviser of Goulart's leftist Labor party, is to head the campaign in the central states, while pro-Communist Miguel Arraes is to be in charge in the impoverished northeast. 25X1

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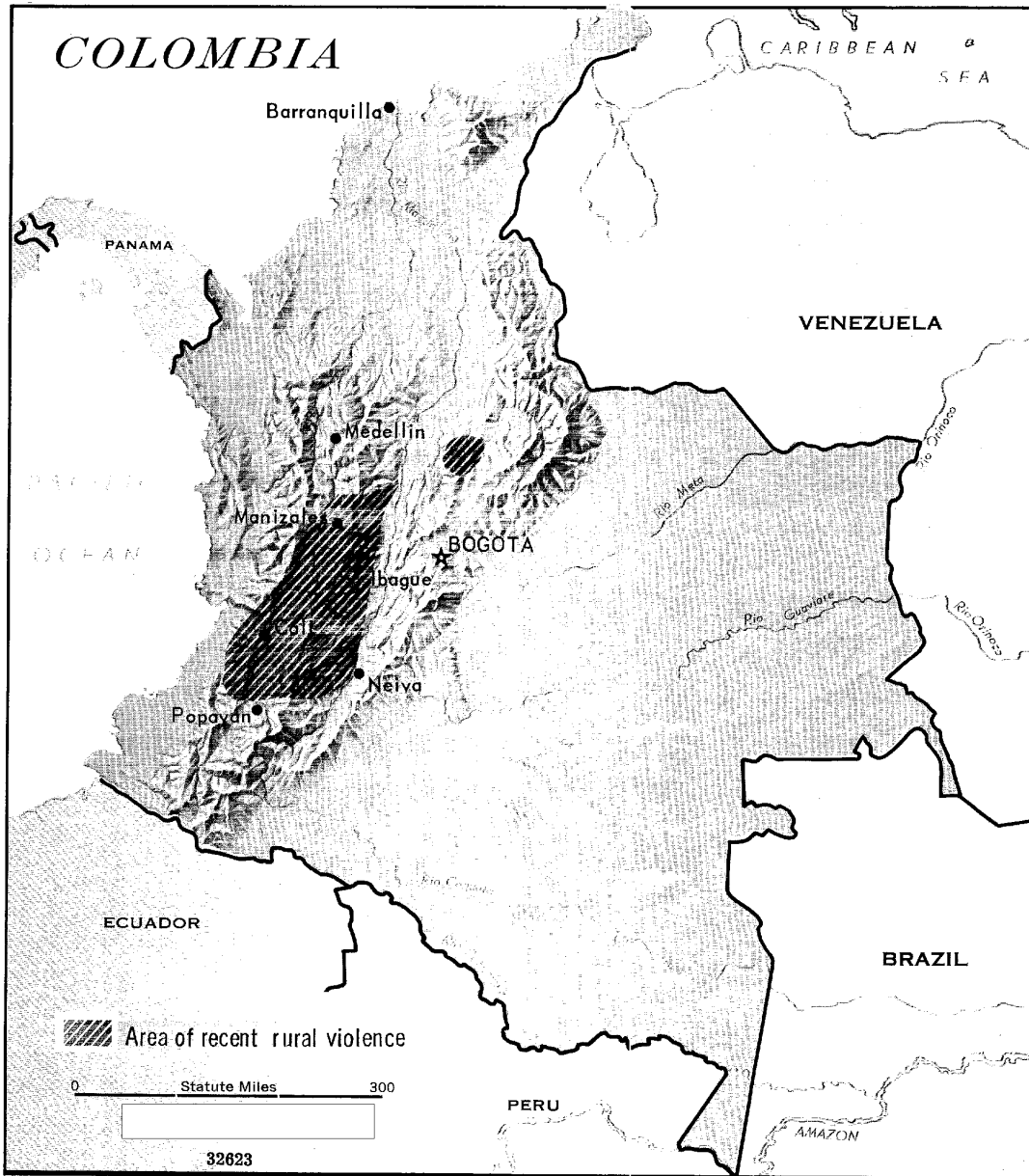
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CURRENT INTELLIGENCE WEEKLY SUMMARY

COLOMBIA

President Valencia and his military leaders are intensifying operations to eliminate bandit and insurgent groups which continue to terrorize many rural areas of central and western Colombia. Valencia, who took office on 7 August,

considers rural violence to be Colombia's most serious problem. The most violent outbreak since late 1961 occurred on 15 August when bandits using grenades and automatic weapons killed 25 persons traveling on a bus 90 miles north of Bogota.



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SECRET**CURRENT INTELLIGENCE WEEKLY SUMMARY**

Military operations appear to be increasing in all areas of heavy violence. Several notorious bandit leaders have been captured or killed and their bands dispersed.

President Valencia's appointment of General Ruiz Novoa as minister of war is expected to add further impetus to the drive against violence. Ruiz is considered the most able officer in the army and a strong proponent of civic action as a means of removing the causes of rural unrest. One of the principal obstacles to reducing the violence is the lack of cooperation between the rural population and the army. Ruiz hopes to gain the confidence of the peasants by increased army participation in social and economic projects.

While most of the armed bands are essentially nonpolitical, there is some evidence that the violence in certain areas may be resuming the political character that prevailed during the 1949-53 period of Liberal-Conservative hostilities. Four prominent political leaders, including two congressmen, have been assassinated in

recent weeks. Colombian officials fear that some members of the Liberal party--resentful that the National Front system of alternation has installed a Conservative in the presidency when a majority of the electorate is Liberal--may be resorting to violence to express their dissatisfaction.

There is also increased evidence of Communist efforts to coordinate the outlaw bands into an insurgent movement. The pro-Castro United Front for Revolutionary Action was formed in March 1962 and has been increasing in strength, reportedly with substantial financial aid from Cuba. This organization, rather than the less violent Colombian Communist party, appears to be the instrument of Cuban plans to incite armed revolution in Colombia.

While the 42,000-man army probably still lacks adequate communications and training to neutralize all active bandit groups in the foreseeable future, the renewed campaign could substantially reduce unrest in many rural areas.

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CURRENT INTELLIGENCE WEEKLY SUMMARY

EDUCATION AND INDOCTRINATION IN CUBA

Extensive educational and mass indoctrination programs have been developed by the Castro regime in an effort to ensure continuation of its public support, now derived mainly from Cuban youth groups. Cuba's educational system, drawing on technical and material support from the bloc, is still expanding and its instructional material is evolving along increasingly Marxist lines. "Old Communists" in the field of education have apparently suffered little of the downgrading recently applied to veteran party members in Cuban political organizations.

In contrast to the disorganization and poor planning which threaten Cuba with economic disaster, there is firm and complete regime control of all activities in the field of mass education and indoctrination. A host of new educational institutions have sprung up in revolutionary Cuba, all aimed at further preparing all sectors of Cuban society to live and work under "socialism." Much of the impetus came in 1961, Cuba's "Year of Education," when an all-out effort was made to reduce the illiteracy rate--an estimated 25 percent. Regime claims in December 1961 that only 271,000 "unteachables," (3.9 percent of the population) remained unable to read and write after the campaign may well be exaggerated; the campaign's efforts in laying the groundwork for the further extension of "socialism" in Cuba must nevertheless be considered of major significance.

Most of the drive and direction behind Cuba's mass indoctrination program is furnished by long-time Communist party stalwarts, whose status has apparently changed little despite the relative disgrace into which other "old" Communists have fallen since the ouster in late March of veteran Communist Anibal Escalante. The present rector of the University of Havana, Juan Marinello, was president of Cuba's Popular Socialist (Communist) party (PSP) from 1939 until the party was

"dissolved" in August 1961. At the head of Cuba's important "School of Revolutionary Instruction"--designed to train political cadres in the finer points of Communist theory and practice--is Lionel Soto, who has been active in Cuban Communist affairs since the late 1940's.

"old" Communists continue to overshadow young, inexperienced, and weaker "new" Communists at the national, provincial, and local levels of Cuba's educational system.

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The government's pervasive propaganda and indoctrination apparatus is, according to most accounts, only now beginning to reach a high degree of efficiency in Cuba's primary and secondary school system. The public school curriculum changed little during Castro's first two years in power, but a special program for each grade level emphasizing "social studies" was begun during this period. At present the curriculum is completely Marxist in nature, distorting both historical and geographic facts. Textbooks now in use in Cuba are restricted to the works of prominent Cuban Communists or other Communist-oriented authors, and "popular" themes for children's compositions are said to include "the new socio-political system in Cuba," "the wonders of the revolutionary government," "Castro's visit to the UN," and so on.

According to a recent government announcement, more than 18,000 young Cubans now are abroad on all-expenses-paid trips to bloc countries for training of varying types and duration. Judging from present trends, such travel for study will continue to increase. At home a steady increase in the number of school facilities and scholarship programs has been given priority by the regime. According to Havana's Communist newspaper Hoy in early June, more than 71,000 students were then studying in Cuban institutions under government scholarships.

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SECRET**CURRENT INTELLIGENCE WEEKLY SUMMARY****THE ROYAL REGIME IN MOROCCO**

Partly by default of other political elements, King Hassan II dominates the politics of independent Morocco. Regarded by other Moroccan leaders as a francophile playboy when he succeeded his popular father a year and a half ago, he has proved to be an able political tactician

25X6 [redacted] He has obtained a large measure of support from the Moroccan people, partly by adopting as his own slogans developed by the political leaders and intellectuals who had hoped to rule while the King reigned. Hassan relies heavily on the army, both as a political weight and as a source of administrative talent, and on the security forces. In foreign affairs, the King publicly espouses nonalignment and from time to time makes appropriate neutralist gestures, but his policy in practice is to stay within easy reach of the Western umbrella. He is especially concerned over the future attitudes of Algeria.

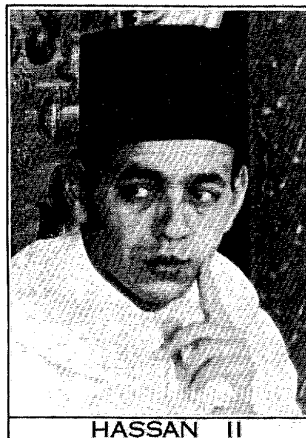
Hassan's unpopularity with most of Morocco's partisan political leaders was established well before he came to the throne. His father, King Mohamed V, flouted Moroccan tradition by proclaiming Hassan crown prince and grooming him as his successor. When Mohamed formed a "royal" government in May 1960, Hassan was named deputy premier, in which post he was the active head of the cabinet. His role was attacked by the opposition and strongly resented by his fellow ministers.

The government that Hassan formed in June 1961 and still heads is an essentially defensive coalition of conservative and traditionalist groups. Its primary aim is to keep the leftist opposition, the National Union

of Popular Forces (UNFP), from power. It has succeeded in large part because of factionalism and ineptitude in the opposition.

The King has not, however, developed significant positive policies of his own or supplied effective leadership to his cabinet. The administration flounders in [redacted] uncertainty as to what line the King may adopt. Only one member of the government, Ahmed Reda Guedira, the minister of interior and agriculture who functions as deputy premier, is a confidant of the King. As such, he is regarded with distrust by other ministers. Even in the area of provincial administration, the King keeps his distance from civilian politicians, relying

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HASSAN II

increasingly on the army to fill high-level posts.

As crown prince, Hassan had urged his father to let him use the army to suppress the UNFP; as King, he has adopted the tactic of ignoring the left while taking over its proposals. For example, early in his reign he announced a

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SECRET**CURRENT INTELLIGENCE WEEKLY SUMMARY**

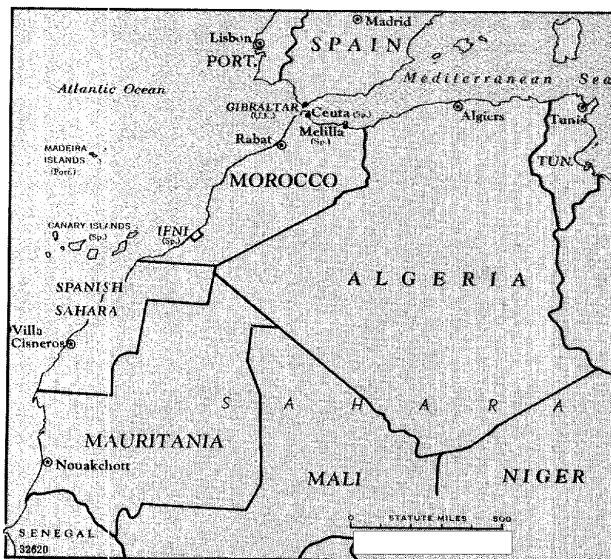
"mobilization" of the masses for work and social progress, an idea out of the left's book. One of the first projects undertaken was the construction, largely by the army, of some 1,200 schools; Hassan showed that he had acted while the politicians talked. But at this point the administrative weakness of Hassan's regime appeared; there was no comparable crash program to train teachers for the 1,200 schools. Similarly, the King won acclaim in rural areas by announcing the abolition of an unpopular tax on agricultural production, but the tax continues to be collected.

Hassan has declared he intends to fulfill his father's promise to submit a constitution to popular referendum before the end of 1962. He is reported to have named a committee of jurists to prepare a draft for submission to the constitutional council established by his father and then to him before placing it before the voters. Hassan admires De Gaulle and his methods, and the final draft is likely to provide for a powerful chief of state on the model of the constitution of the Fifth Republic.

The quarrel between the King and the UNFP centers at present on the method of drafting the constitution. The UNFP argues that the constitution must "come from the people"--that is, be prepared by a popularly elected assembly rather than imposed by the King. It refused to participate in the constitutional council and has demanded the election of a constituent assembly. Although some UNFP leaders are republican in sentiment, most concede that a monarchy, preferably patterned on the British system, is probably best suited to Morocco.

For the moment at least, the UNFP acts mainly as a gadfly, criticizing the royal regime rather than proposing new moves. It has a collegial leadership and suffers from differences and divisions. Potentially, however, it is a dynamic political force, inasmuch as it encompasses organized labor and most intellectuals as well as youth and urban elements. The tone of its second congress, held last May in Casablanca, was revolutionary, and it claims to be concentrating on solidifying and expanding its organizational structure.

In foreign affairs, Hassan has followed the policy of "non-dependence" enunciated by his father. Although as crown prince he has resisted French pressures, the King's relations with France improved after Paris agreed at the time of his accession to the early evacuation of the remaining French military personnel in Morocco. Relations have been close since Hassan's meeting with De Gaulle last May, when he was promised financial assistance.



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CURRENT INTELLIGENCE WEEKLY SUMMARY

Hassan's territorial aspirations--Western Algeria, Ifni, Mauritania, and Spanish Sahara are all Morocco irredenta--complicate his relations with his neighbors. Morocco provided asylum, bases and procurement facilities for Algerian military forces, but Hassan fears the establishment of a strong Algerian republic and is probably looking around for friends in the event of a future conflict. He is now moving cautiously to avoid antagonizing Algerian leaders regarding disputed border areas where Moroccan agitators and local officials early in July attempted to re-establish Moroccan control.

Hassan endorses the principle of a Maghreb federation. However, he has pointedly snubbed President Bourguiba and maintains no diplomatic relations with Tunisia. A prime mover behind the formation of the "radical" Casablanca bloc--Morocco, Algeria, Ghana, Guinea, Mali and the UAR--Hassan is no longer vying so openly to direct that grouping.

Moroccan relations with the US are friendly. Hassan is committed to a state visit to the United States next March. He has made no effort to advance the date--the end of 1963--for withdrawal of American forces from the four remaining American bases in Morocco and has asked American assistance in converting the bases for Moroccan use. A substantial US economic program is aiding in the development of Morocco's basic economic facilities, while a small military assistance program is supplying essential communications and transport equipment for the army and the small Moroccan air arm.

The King would like to see these programs expanded.

Hassan's relations with the Soviet bloc also have been cordial. As crown prince he solicited a gift of 14 MIGs from the USSR, and his government recently concluded an arms purchase agreement which included heavy artillery and tanks. A number of Soviet military technicians remain in Morocco despite the King's professed desire that they leave.

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Soviet bloc offers of economic aid are frequently reported. Morocco has established an experimental tea-growing project after technicians from Communist China made an extensive survey of potential areas for tea cultivation in Morocco. It has also signed contracts with Poland to build and equip a sugar beet refinery and with Czechoslovakia to develop copper deposits.

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The leftist opposition is strongly neutralist, and Hassan's flirtations with the bloc are in part an aspect of his attempts to steal the left's thunder. However, even though he is personally pro-Western, he is eager to continue to extract all benefits that he can from cold war tensions.

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