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NEAR EAST/AFRICA DIVISION  
OFFICE OF REPORTS AND ESTIMATES  
CENTRAL INTELLIGENCE AGENCY

WORKING PAPER

MAY 3 1950

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NEAR EAST/AFRICA DIVISION

Vol. V No. 17

INTELLIGENCE SUMMARY

For Week Ending  
3 May 1950

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NEAR EAST/AFRICA INTELLIGENCE SUMMARY

GREECE

Quiet before the storm? The life expectancy of the Plastiras coalition government remains uncertain despite the vote of confidence it recently received. The parliamentary support accorded the coalition at the outset has given it a chance to take some important steps not requiring specific legislative approval. An exchange of ministers with Yugoslavia has already been arranged as a preliminary to exploring such outstanding problems as the return of the 9,000-odd Greek children in Yugoslavia, the restoration of mutual communications, and the development of trade channels. The Cabinet has utilized existing laws to initiate the screening of Greece's estimated 30,000 political prisoners for possible return to civilian life and has meanwhile decided to abolish the controversial Makronisos detention camp for civilians. Unification of the armed forces under Marshal Papagos, which serves to quiet right wing fears that Plastiras would dominate military policy, is now being implemented without controversy. The economic officials of the Cabinet, who appear to be both capable and wholeheartedly behind the ECA economic program, have already started enforcing drastic measures to collect delinquent taxes from shipowners.

Within the next few weeks the Cabinet will have to deal with Parliament on various specific issues, however, and when it does it is likely to run into difficulties. As expected, rightist opposition to Plastiras has in no way abated, while the extreme left has expressed dissatisfaction with the government's policy both on internal and on foreign matters. The greatest threat, however, comes from Liberal leader Venizelos, who has displayed a frivolous, unenthusiastic, and even resentful attitude towards the coalition and appears quite capable of pulling out of it at the first suitable occasion. There is little doubt that most of his 54 deputies would follow him out of the government camp, leaving the coalition twenty or thirty votes short of a majority. Venizelos' opportunity may well arise out of attempts by extreme rightists and extreme leftists to use their influence in the labor unions to promote renewed demands for inflationary wage increases. Even if the Cabinet manages to sidestep this problem, controversy is almost equally likely to develop over the manner of holding local elections or over the new budget, new tax measures, or other legislation necessary to the economic program. On all these issues Plastiras is unlikely to pick up many outside votes and thus needs the solid support of his own coalition.

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#### TURKEY

Kind words for investors: The election platform announced last week by the ruling People's Republican Party (PRP) contained no surprises except for the somewhat unaccustomed stress it placed on the party's words of encouragement to private enterprise. For once, the PRP not only talked of encouraging and assisting domestic and foreign private investors but also promised equal treatment for private and state enterprise. Such a statement represents a tacit admission that equal treatment does not now exist, a point which the PRP has always been most reluctant to concede. The fact remains, however, that Turkey will remain an etatist state, heavily weighted in favor of state-owned enterprises, regardless of campaign promises or probable election results; the lack of opportunities for private accumulation of capital in a nation where the state has dominated industry and commerce for many years is alone sufficient to prevent the speedy assumption by private investors of major responsibility for continued economic development. Statements such as those made by the PRP do, however, indicate that the atmosphere is clearing somewhat. As time passes, opposition pressure and Turkey's need for foreign investment may well promote a loosening of the bonds of discrimination by which Turkish private capital is now confined, even though the government is likely to be more solicitous of dollar suppliers than of Turkish entrepreneurs.

#### SYRIA

Political Crisis: The continuing vituperative anti-US campaign in Syria has precipitated a serious political crisis. The extreme nationalist Moslem Brotherhood, which advocates closer ties with the USSR and the establishment of Islam as the state religion, is using the campaign as a means of arousing popular support and of increasing its influence in the government. However, influential members of the Constituent Assembly as well as the politically powerful army leaders are unlikely to accept a government dominated by the extreme nationalists.

Fuel has been added to the original blistering anti-US attack of Minister of National Economy Dawalibi by the rumor that the US had urged the Saudi Arabian Government to bring pressure on Prime Minister Asm to dismiss Dawalibi from his position. Apocryphal reports of this nature can be disseminated indefinitely, and there is evidence that the Soviet Legation in Damascus as well as the Moslem Brotherhood is egging Dawalibi on. Moslem Brotherhood deputies in the Constituent Assembly

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have urged the government to seek Soviet diplomatic support against the pro-Israeli policies of the US and the UK. The Azm Government has taken no action either to curb the press under the Syrian press law, to discipline Dawalibi, or to dissociate itself from the opinions expressed by both. The refusal to take such action is an attempt on its part to court popular favor, but there is some doubt whether it will be able to control and retain the support of the extreme nationalist forces that have been unleashed.

Although a number of independent deputies in the Assembly have attacked the proponents of a pro-Soviet policy, opposition to the Moslem Brotherhood campaign is apparently centered in the army, which hopes for US arms and equipment and which is strongly anti-Soviet. Defense Minister Hawrani, who is believed to have represented the interests of the army in the Azm Government and who was considered to be the dominant figure in the cabinet, has resigned. Neither he nor the army leaders have been associated with the anti-US campaign. His resignation will probably lead to a major cabinet reshuffle, probably precipitating a showdown between the nationalist and army groups and possibly bringing about the downfall of the present Azm Government.

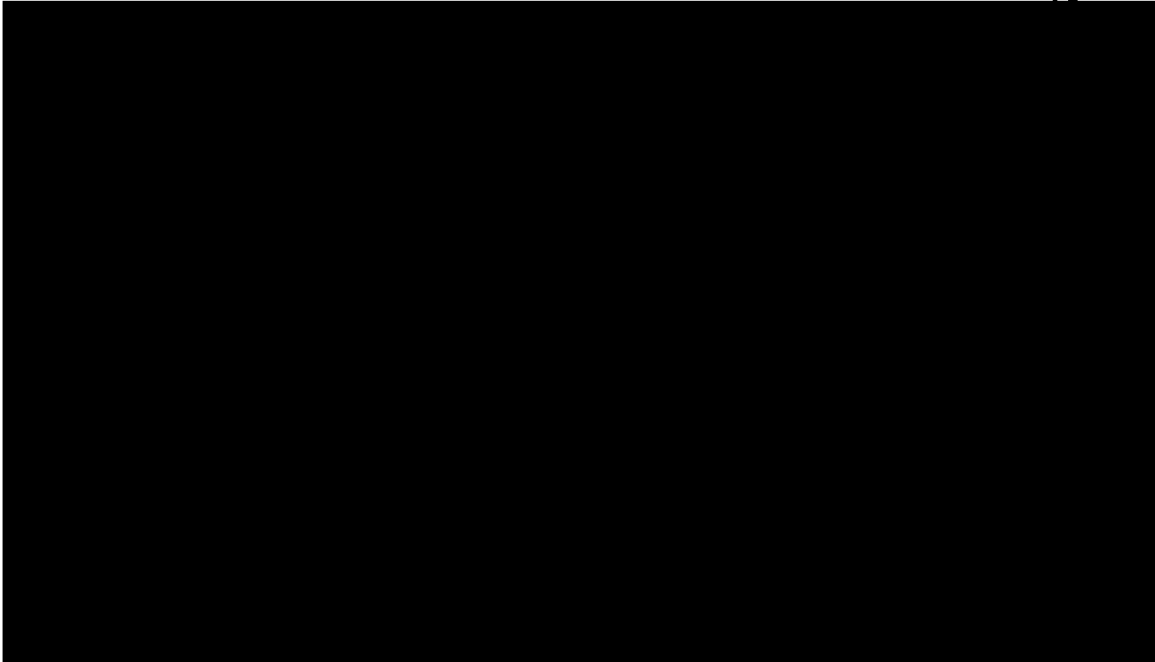
#### PALESTINE

Abdullah's Annexation of Arab Palestine: The formal annexation of Arab Palestine by King Abdullah will have little effect upon the administration of the area since the process of integration has been going on for some time and, as a result of the recent elections, is now virtually complete. It has, however, produced reactions in several quarters. At the recent Arab League meeting in Cairo the delegates from the other Arab states in effect sanctioned Jordan's continued occupation and administration of the area but warned Abdullah that they could not approve his reported intention to incorporate Arab Palestine into his kingdom. The resolution contained an escape clause, however, which provided that the future of Arab Palestine should be determined by the wishes of its inhabitants. An Arab League meeting has now been called for 7 May to discuss action to be taken against Abdullah, but it seems probable that the League will eventually accept the move as a fait accompli although not without fulminations against Abdullah accompanied by threats of sanctions and expulsion from the League.

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NOTED IN BRIEF

Greek leftists are utilizing the Cyprus "enosis" issue in an effort to embarrass Prime Minister Plastiras in his relations with Great Britain. In recent speeches in Parliament, the two leading members of the leftist Democratic Front lavishly supported the Cypriot plea for union with Greece and demanded that the Greek Government clarify its position on the question. Meanwhile, the Free Greece radio has publicized an appeal from the Cyprus Communists to Plastiras asking that the latter bring the Cyprus question before the UN. While such tactics are unlikely to move the Greek Government from its present "hands-off" policy regarding Cyprus, the ultra-leftists will probably continue to use the enosis issue as a source of propoganda against both Plastiras and the British.

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The carryings on at the funeral of Turkish Marshal Cakmak should do little to enhance the reputation of the opposition Nation Party, of which the former Chief of Staff was honorary President. The Nation Party seems to be getting most of the blame for the fact that the dignity appropriate to a national hero's funeral procession was marred not only by ritualistic chanting in Arabic (which is forbidden under

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Turkish law) but also by the action of a member of ill-mannered enthusiasts who seized the revered Marshal's coffin. Although it is not yet known to what extent the Nation Party was actually responsible for these breaches of propriety, there seems to be little doubt that the party's chances at the polls have been lessened.

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Bulgaria has sent another note to the Turks, this time protesting against the refusal of the Turkish courts to condemn for murder a number of Bulgarians who had killed members of a Bulgarian airplane crew whom they had forced to fly them to Turkey. The Bulgarian demand for extradition of the escapees is hardly likely to be met. The new note serves, therefore, only to continue Turkish-Bulgarian relations in their present very bad state -- which, no doubt, is precisely what is wanted by the masters of the current Bulgarian regime.

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A recent report that Iranian Premier Ali Mansur has advised the Shah to revert to a "neutral" policy vis-a-vis the great powers lends additional weight to suspicions that Mansur may incline toward a relatively soft policy toward the USSR. It is unlikely, however, that the Iranian Government would do anything which would prejudice its relations with the US. Mansur, who considers himself a shrewd bargainer, may be inclined to broaden the discussions regarding the resumption of normal Soviet-Iranian trade relations which have apparently been going on this spring, while the alleged US Embassy opposition to Mansur's appointment may have galled the Shah as well as Mansur. Nevertheless, most of the important men in the government realize that Iran must continue to look to the US for moral and economic support. The recent appointment of Amanullah Ardalan as Minister of Interior adds another pro-US figure to the Cabinet and thus should serve as an additional deterrent to any attempts by Mansur to grant concessions to the USSR in the belief that he could do so without disastrous results to Iran.

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Despite general optimism regarding the Nehru-Liaquat agreement of 8 April on minorities, forces making for strife between India and Pakistan are still active. Fanatically communal organizations such as the Hindu Mahasabha and J. P. Mitter's Indian Council for the Protection of Rights of Minorities have not relaxed their determination to create trouble. Mitter is allegedly training a force of 2,000 men for early raids on East Bengal. S. P. Mookerjee, who resigned as Indian Minister of Industry and Supply over Nehru's "softness" toward Pakistan, is reportedly continuing to talk against the Nehru-Liaquat agreement. While the most vociferous professional anti-Pakistanis have temporarily been silenced by the authorities, others are still at large.

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