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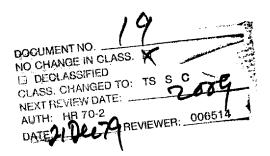
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10 November 1956

CONTINUED CONTROL

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CURRENT INTELLIGENCE BULLETIN



OFFICE OF CURRENT INTELLIGENCE

CENTRAL INTELLIGENCE AGENCY

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1. NASR "SUSPICIOUS" OF UN POLICE FORCE PLAN

Nasr told Ambassador Hare on 8 November that while he appreciated the necessity for a prompt reply to UN secretary general Hammarskjold's message on the formation

and activity of a UN force, he was a naturally "suspicious" person and had a number of questions he intended to raise concerning the UN plans. Nasr cited as examples such questions as the duration of the UN force's stay and its deployment. He also questioned the impact on the Egyptian public of the use of Canadian forces which, in the popular mind, might not be readily distinguished from British.

Comment

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General Burns is in Cairo to make arrangements for the entry of the UN police force.

UN authorities in New York are attempting to arrange for a landing in Egypt within a day or so of an advance contingent composed of Canadians and Scandinavians.

Nasr's attitude, as revealed by this interview as well as by his two-hour speech on 9 November "explaining" the events of the past two weeks, is one of revived self-confidence in his ability to parry Anglo-French action and to play off one group of powers against another. This attitude is apparently shared by the Egyptian public, whose morale has risen sharply since the allied air bombardment stopped, and by popular opinion in other Arab states.

Moslem sentiment there reversed itself between 6 and 8 November; Nasr is now a hero and Port Said is being called the "Stalingrad of the Arabs" by the Beirut press. (NOFORN)

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2. SOVIET MOVES IN THE MIDDLE EAST CRISIS

The USSR remains opposed to a UNsponsored international police force
which does not include bloc forces.
Soviet UN delegate Kuznetsov on
7 November said the UN plan was an
"undisguised attempt" to solve the
Suez dispute in favor of Great Britain
and France, and charged that it was a
violation of the UN charter because
only the Security Council was competent to act in cases involving armed
forces.

at the United Nations, Soviet UN delegate Sobolev told Arab delegates on 7 November that a conspiracy would develop during the next two to three weeks to impose on the Arabs a settlement in line with two resolutions introduced by the United States on 1 November. Under the terms of these draft resolutions, the General Assembly would es-

tablish committees to negotiate among the parties concerned a settlement of the Suez Canal question and the entire Arab-Israeli question. Sobolev's attempt to arouse Arab suspicions of UN action may foreshadow an attempt by the USSR to have Egypt reject the plan in its present form.

Since 29 October many families of the Soviet bloc personnel in the Middle East have been evacuated, and the files of the Soviet embassy in Tel Aviv reportedly have been burned.

An earlier report that the USSR had asked Turkey for permission to send five warships through the Dardanelles has been denied by the Turkish government. (NOFORN)

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4. BAGHDAD PACT POWERS SEEK GREATER INFLUENCE IN MIDDLE EAST

The insistence by Turkey, Iran, Iraq and Pakistan that the United States immediately join the Baghdad pact reflects their desire to maintain their influence

in the Middle East and to appease popular anti-British sentiment in their own countries. Other moves made by these four members of the Baghdad pact in their 5-9 November meeting in Tehran suggest that in the future they will seek to use the Baghdad pact organization not only for defense planning against the USSR but as an instrument for contesting Egypt's bid to dominate the Middle East.

In an effort to increase their own influence in the Arab world, the four nations are seeking credit for persuading the British to withdraw from Egypt. A British Foreign Office spokesman stated on 8 November that the demand of its Baghdad pact allies "weighed heavily in the decision to bring an end to military action in Egypt." London probably, however, primarily intended the statement to counter Soviet claims that the USSR had forced the cease-fire by its threats of force.

Iraq's attempts to expand its influence in Jordan by sending troops there have been blocked by Jordan's close association with Syria and Egypt, which desire to continue Iraq's isolation from the rest of the Arab world.

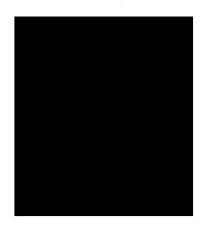
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6. THE HUNGARIAN SITUATION



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No Soviet troop movements in Hungary have been reported since the withdrawal of a number of Soviet tanks and motorized equipment from Budapest on the evening of 8 November. The situation in the Hungarian capital remained tense as Soviet soldiers continued a house-to-house search for insurgents who, reportedly, were holding out because of uncertainty as to whether or not they would be shot after surrender.

The status of fighting in the provinces is unclear. No rebel radios have been heard since early on 8 November. Press reports indicate continued fighting--possibly of a guerrilla warfare nature--in at least southern Hungary near Pecs.

The legation reported on 8 November that numbers of people were in the Budapest streets searching for food, in disregard of the Soviet-imposed curfew. The regime-controlled Budapest radio has indicated that extensive looting of storage depots, textile and furniture stores as well as food shops has taken place.

In an effort to speed the restoration of order, Budapest police headquarters announced on 9 November the creation of special guard groups, composed in part of armed workers. The regular police have proved completely inadequate and the regime has appealed to the civilian population as a whole to help prevent the looting.

Premier Kadar and other members of his cabinet continue to echo a soft line in domestic policies. Kadar, according to Budapest radio on 9 November, said that the "peaceful demonstrations of 23 October placed correct and justified

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demands before the party and the government!' Implying that Nagy's government was not itself a counterrevolutionary force, Kadar stated that Nagy tried to eliminate the counterrevolution through political maneuvers and in a peaceful manner, but achieved diametrically opposite results. (SECRET NOFORN)

7. YUGOSLAV OFFICIALS EXPLAIN ATTITUDE TOWARD SOVIET BLOC DEVELOPMENTS

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Yugoslav officials believe Khrushchev's policies remain in effect and cite Suslov's October Revolution speech as evidence. They believe they must seek to retain influence with the Soviet leaders "at no matter what cost," presumably to sustain Khrushchev's more liberal policy. They claim that serious efforts are being made by French, Italian, Bulgarian, and even Soviet Communists to blame Yugoslavia for Moscow's recent trouble in Poland and Hungary.

Foreign Secretary Popovic has said that although Kadar's Hungarian government was carried to power on Russian bayonets, he still was not convinced that the Kremlin would disavow the "many roads to socialism" concepts to which it had agreed in the Yugoslav-Soviet communique in June. A Yugoslav diplomat expressed the view, however, that Yugoslav ideas on relaxation of control had been "set back two years in the last week." He claimed that if the "schedule" had not been interrupted by the Hungarian catastrophe, there would have been changes in Czechoslovakia within a few weeks.

Belgrade blames the Soviet leaders for failure to push "democratization" and "national Communism" in Hungary fast enough to avoid trouble. The Yugoslavs also blame Nagy for being weak and indecisive, thus allowing events to get out of hand to the point where "Horthy adherents" were exercising some power and a fascist man-hunt of Communists was going on. Popovic stated that Nagy's concessions had also been exploited by foreign intelligence agencies and by Radio Free Europe, but he approved of US moderation in its statements on Eastern Europe.

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8. ASIAN CRITICISM OF SOVIET ACTIONS IN HUNGARY GROWS

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India, Burma, Ceylon and Indonesia are now trying to correct the impression created by their abstention on the UN General Assembly's resolution of 4 November condemning the USSR's aggression in Hungary and calling for a withdrawal of Soviet troops.

Nehru has strongly condemned the Soviet move and requested an explanation from Premier Bulganin. Krishna Menon on 8 November emphasized in the General Assembly that India's abstention did not imply "unconcern or lack of interest."

Ba Swe at the Asian Socialist conference in Bombay condemned the Soviet actions in Hungary as the "most despicable form of colonialism." A Burmese Foreign Ministry communiqué announced on 8 November that the Soviet ambassador had been informed of Burma's deep concern and was asked to convey to Moscow Burma's request for the withdrawal of Soviet troops.

The Ceylonese prime minister told a press conference on 7 November, "I feel that the steps taken by the Soviet Union in Hungary are to be deplored."

The government of Indonesia on 8 November issued a communique stating its regret that Soviet troops interfered with the process of democratization in Hungary. The communique added that this is not in accord with the spirit and principles of the Bandung conference.

In India, Ceylon, and Indonesia, growing popular pressure has been at least partially responsible for

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official criticism of Russian action in Hungary. It is unlikely, however, that the Hungarian issue, in which the Asian-African bloc is not directly involved, will arouse feelings as intense as those expressed on the Suez problem.

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9. EAST GERMANS OPENLY CRITICIZE SOVIET ACTION IN HUNGARY

Residents of Dresden, particularly workers and students, have reacted vigorously to the ruthless Soviet crushing of the Hungarian revolution,

On 4 and 5 November, groups of people were discussing events in Hungary and condemning Soviet actions in very strong terms, regardless of who might be overhearing them.

Dresdeners are particularly disturbed by Communist assertions that the East German people supported the Soviet action in Hungary. They are disturbed also by the failure of the West to give active support to the Hungarian rebels. The prevailing opinion in Dresden is that the outcome of the Hungarian revolution proves the futility of any attempt to overthrow the hated East German regime.

Comment

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Efforts of the East German regime to convince the people that the Hungarian revolt was a fascist putsch engineered by "Horthy emigrés" with the objective of restoring "reactionary capitalism" have failed. High party and government officials, aware of the tension and anti-Communist sentiment within the country, are making vague promises of better working and living conditions, but they have indicated they will make no real concessions or fundamental changes in policy and will ruthlessly suppress any antiregime activity. (NOFORN)

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- A. No Sino-Soviet Bloc country intends to initiate hostilities against the continental US or its possessions in the immediate future.
- B. 1. Recent Soviet activities reflect an effort to improve the Soviet military posture and readiness to deal with the critical world situation.
 - a. Soviet troop movements, alerts and other military activities in the Satellites and the USSR do not indicate intentions to initiate hostilities in the immediate future against non-Bloc territory in Europe, including Turkey, or US forces abroad.
 - b. As a result of its own statements and actions, the USSR is under much political pressure to come to the aid of the Arabs. There are many indications that the Soviets are preparing to provide volunteers and equipment, particularly in the form of pilots and aircraft, to Syria and some other Arab states in as yet unknown quantities. There are no known Soviet military moves which conclusively reflect a Soviet intention to intervene unilaterally in the Middle East.
 - 2. An unprovoked North Korean attack on South Korea is unlikely at the present time. Nevertheless, President Rhee, encouraged by tensions elsewhere, has launched a propaganda campaign for the reunification of Korea by subversion or force. This campaign, accompanied by subversion or force, could lead to a major incident between North and South Korea. (TOP SECRET NOFORN)