

3.5(c)

18 December 1957

Copy No. 138

3.3(h)(2)



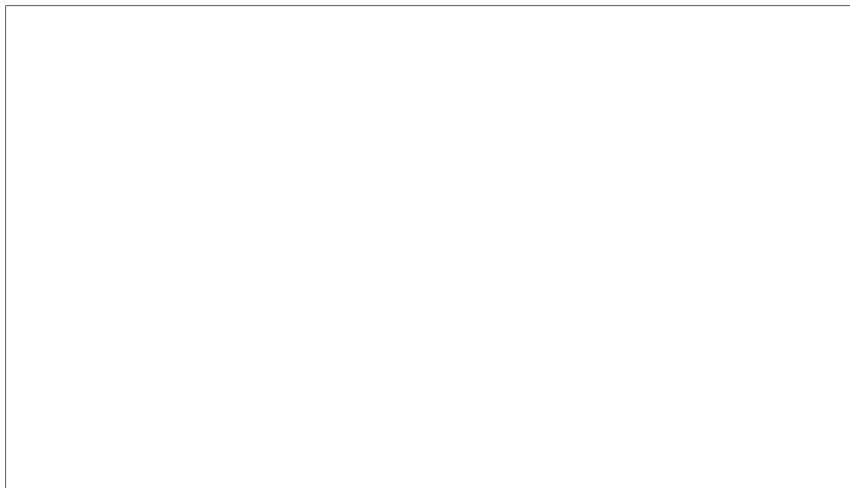
CURRENT INTELLIGENCE BULLETIN

DOCUMENT NO. 39
NO CHANGE IN CLASS. 7
DECLASSIFIED
CLASS. CHANGED TO: T S C
NEXT REVIEW DATE: 2010
AUTH: HR 70-2
DATE: 1480 REVIEWER:

OFFICE OF CURRENT INTELLIGENCE CENTRAL INTELLIGENCE AGENCY



~~TOP SECRET~~



CONTENTS

JRAB

[Redacted]

OK

1. SITUATION IN INDONESIA [Redacted] (page 3).

OK

2. THAI ELECTION RESULTS [Redacted] (page 5).

[Redacted]

OK

3. INDIAN REACTION TO EISENHOWER'S REPLY TO NEHRU
[Redacted] (page 6).

OK

4. HANOI'S MINISTER OF NATIONAL DEFENSE MISSING
[Redacted] (page 7).

OK

5. SOVIET BLOC EXPANDS ECONOMIC RELATIONS WITH
YEMEN [Redacted] (page 8).

OK

6. RUMANIAN LEADERSHIP MAY BE SPLIT OVER POLICY
TOWARD UNITED STATES [Redacted] (page 9).

~~TOP SECRET~~

1. SITUATION IN INDONESIA

Comment on:

President Sukarno is very despondent and his staff believes he is in a "serious mental state," according to information received by the American naval attaché. Sartono, the speaker of Parliament, has announced that he is to take the oath of office as acting president on 20 December, although the President is not scheduled to depart on "sick leave" until early January.

The latest report [redacted] states that Sukarno is apparently leaving because of the "advice" of both "military and government leaders!"

[redacted] Premier Djuanda and Chief of Staff Nasution realize that the only hope of redressing the present situation is to get Sukarno out of the country.

Mohammed Hatta has publicly refused to reassume the vice-presidency on the grounds that he would have no executive power to prevent implementation of policies with which he disagrees. He has agreed, however, to meet with Sukarno, the cabinet, and the parliamentary committee which is trying to re-establish the Sukarno-Hatta partnership. The results of this meeting may reveal whether or not Sukarno's influence has been, or is about to be, limited. The pattern of government during Sukarno's absence may also become apparent.

Outside Java, a Sumatran independence declaration is reported scheduled for 20 December, the first anniversary of autonomy in Central Sumatra. [redacted]

[REDACTED]

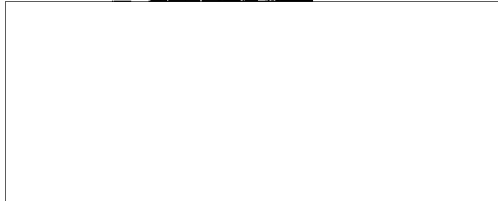
In East Indonesia, rebel activity has flared in South Celebes and on the island of Ambon, apparently stimulated both by food shortages and by the opportunity presented by confusion in Djakarta. Both rebel movements are of long standing. Although the Indonesian army is capable of containing this revived activity, it is an additional strain on the army's strength.

[REDACTED]

~~SECRET~~

2. THAI ELECTION RESULTS


Comment on:



The extremely poor showing of leftist candidates in the 15 December parliamentary elections in Thailand should convince Marshal Sarit and the ruling military group that continuation of Thai-

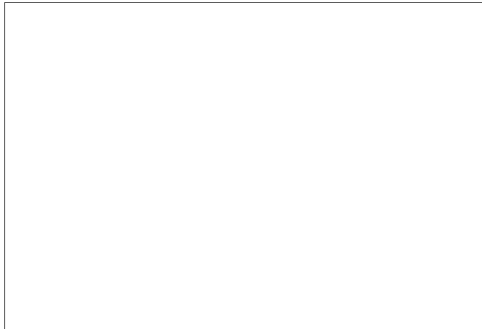
land's pro-Western foreign policy poses no threat to their political interests. With final results available for 133 out of the 160 contested seats, the left-wing Economist party has won only six seats. The Economists and an assortment of other leftist parties may not win even as many as the 22 seats they held in the last assembly.

The lack of popular appeal of the leftists' anti-SEATO, neutralist platform was especially apparent in the Bangkok area, where the strongly pro-Western Democratic party swept 11 out of 12 seats, despite the strong support given the leftist candidates by Bangkok's predominately leftist press. Elsewhere in the country, personalities and local problems weighed more heavily than national issues, as is shown by the fact that independents have so far won 49 seats. Most of these independents had been members of the former government party that was headed by former Police Director General Phao.

Sarit should have no difficulty forming a workable and pro-Western government based on the 123 appointed members whom he controls. The prospect is that he can count on the support of most of the 49 independents, the 35 moderate Unionists, and perhaps even some of the 31 Democrats thus far elected. His biggest problem will be to find a reputable and well-known prime minister. If he fails in his efforts to induce Provisional Prime Minister Pote to continue in office, he may well assume the job himself. He would probably prefer, however, to remain in his present capacity as armed forces commander. 

3. INDIAN REACTION TO EISENHOWER'S REPLY TO NEHRU

Comment on:



Prime Minister Nehru and the Indian press received President Eisenhower's 16 December reply to Nehru's appeal for the cessation of nuclear tests with "coolness" and some "disappointment." Nehru's noncommittal statement to parliament on 17 December also suggests that his hopes for peace have not been raised. He noted that differences still remain between the

United States and the USSR. Nehru agreed with the President that cessation of tests alone is not sufficient, but he said, "My immediate appeal was that one step should be taken, and I submit the time has come to take that step." Nehru pointed out that the flying of hydrogen bombs over Europe created "an atmosphere which makes danger more acute."

The Indian press has displayed some skepticism of Soviet motives and, like Nehru, has noted that a ban on testing should be followed by controls over production of fissionable materials for weapons purposes. The influential Times of India, however, set what may become the general pattern of Indian reaction when it said, "The impression will linger, and it is an unfortunate one, that once again Soviet cooperation has been nullified by American noncooperation."



4 HANOI'S MINISTER OF NATIONAL DEFENSE MISSING

North Vietnamese General Vo Nguyen Giap, minister of national defense, vice premier, and party politburo and secretariat member, has not been seen at any

official function nor mentioned in Hanoi broadcasts since October. Giap is one of the three top-ranking officials after Ho Chi Minh in North Vietnam. His prolonged absence is unprecedented and may reflect a struggle within the leadership.

Giap's absence from Army Day celebrations scheduled for 22 December would be a strong indication that he is the target of the current press campaign against hero-worship and leaders who "transform each sphere of their respective activities into an empire." Giap would almost certainly have aroused the party leadership against him if he had tried to use his position and popularity with the troops to build up an independent power center.

A leadership reshuffle would probably not result in a basic change in Hanoi's foreign policy.

5. SOVIET BLOC EXPANDS ECONOMIC RELATIONS WITH YEMEN

Comment on:

The newly appointed Yemeni ambassador to Moscow informed the Imam on 6 December, in regard to Yemen's search for civil aircraft to replace its aging DC-3's, that the Czech minister of trade had offered

to sell at least two 18-passenger aircraft at "a special price, much lower than prices in America and Europe." An offer to fly a demonstration plane to Yemen at Czech expense shows the extent of Czech interest in the deal. Despite the reported low cost of the planes, the Yemeni ambassador stated he would not be "remiss in the matter of inducing them to reduce the price" even further.

Soviet bloc pilots in Yemen have already begun to operate some of the aircraft now owned by Yemeni airlines.

While the Soviet bloc continues to expand its contacts with Yemen by underpricing--arms are provided at a 66-percent discount--the bloc also attempts to stress to Yemen, as to other underdeveloped countries, that these deals are purely commercial rather than political or strategic. The Soviet ambassador in Cairo reminded the Yemeni legation in mid-November that the first payment on recently delivered harbor development equipment, apparently only \$35,000, was overdue.

~~CONFIDENTIAL~~

6. RUMANIAN LEADERSHIP MAY BE SPLIT OVER POLICY TOWARD UNITED STATES

Comment on:



Disagreement appears to exist within the Rumanian leadership over the foreign minister's desire to improve relations with the United States. Policy vacillation has been evident during Rumanian Party First Secretary Gheorghiu-Dej's illness of the past two months.

The chief of protocol, in commenting on the failure of the government to have a representative present at the airport on 12 December for the departure of American Minister Thayer, said that he and the foreign minister had wanted to be present, but gave the impression that the Foreign Ministry had been instructed to send no representative. The slight occurred on the day Gheorghiu-Dej made his first public appearance in over two months at the reception for Yemeni Crown Prince Badr.

Earlier reports indicated that the foreign minister had hoped to convince Dej that the regime must make some political concessions before American-Rumanian relations can be improved. The legation has noted a marked increase of emigration visas, particularly to West Germany, and reported that Premier Chivu Stoica had promised to facilitate the emigration of dual American-Rumanian citizens. Rumanian efforts to improve relations with the United States last year were interrupted by the Hungarian revolution.

~~CONFIDENTIAL~~