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CENTRAL INTELLIGENCE BULLETIN

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2 December 1958

DAILY BRIEF

I. THE COMMUNIST BLOC

II. ASIA-AFRICA

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Libya: Plotting continues for the overthrow of the government. Some Libyan officials believe King Idriss is not acting vigorously enough against subversive elements, which have support from the UAR and the Soviet Union, and has not taken adequate steps to ensure the succession of the crown prince, Hasan al-Rida. Meanwhile, Prime Minister Kubaar has announced to Parliament his intention to renegotiate the American aid and base agreements. (Page 1)

<u>Pakistan:</u> The Ayub regime is pressing for further modernization of its armed forces, and the President is reported to have approved the purchase of three submarines from Britain. Alleging border violations by unidentified twinjet aircraft, the Pakistani defense secretary has requested F-100 jet fighters and up-to-date radar equipment from the United States. (Page 3)

Thailand-Cambodia: Thai-Cambodian relations continue badly strained. Thai demands for the restoration of diplomatic relations at the ambassadorial level and the return of 32 detained Thai nationals will only antagonize Cambodia further. Many Thai military leaders are urging Marshal Sarit to undertake strong measures. (Page 4)

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Laos: Army officers in cooperation with key civilian reformist leaders are said to be considering a military take-over of the government in early January. Such action would probably be intended to coincide with a government crisis expected during a special session of the National Assembly tentatively scheduled for that time. (Page 5)

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*Japan: A crisis is developing within the opposition Japan Socialist party over plans of the left wing of that party to form a joint front with the Japan Communist party in opposing revision of the security treaty with the United States. The left-wing Socialists, who slightly outnumber the right wing, intend to send a "good-will" mission to Communist China to discuss strategy for defeating the security treaty. Right-wing Socialists are fighting the proposed front with the Communists and may split from the party if the move is approved.

111. THE WEST

Honduras: Certain military leaders, restive under the Villeda Morales administration, continue to plot to install a junta. The year-old Villeda government still has considerable popular support. and a coup attempt could spark serious disorders. (Page 6)

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DAILY BRIEF

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I. THE COMMUNIST BLOC (No Back-up Material)

II. ASIA-AFRICA

Libyan Situation

Plotting for the overthrow of the Libyan Government is continuing, but there is no firm evidence that a coup attempt is imminent. A clique of influential individuals, headed by Royal Chamberlain Busayri Shalhi and backed by Cairo and the USSR, is reported considering plans for eliminating or at least discrediting King Idriss' chosen successor, Crown Prince Hasan al-Rida.

The 69-year-old King is said to have taken no effective moves to limit the activities of this clique, and he has delayed giving the crown prince any executive functions which might contribute to an orderly succession. Libyan officials who support the prince are reported ready to retire unless the King acts soon.

Several reports on the deteriorating situation are of British origin and probably reflect London's concern over the possibility of a further loss of British influence in the area. Public disapproval in Libya of Prime Minister Kubaar's policies has been carefully nurtured by pro-UAR and other anti-Western elements, however, and there is little popular support for his government. Kubaar's speech on 30 November calling for renegotiation of the American aid and base agreements was at least partially designed to counteract adverse criticism of his pro-Western policies.

The loyalty of the Libyan Army and security forces in the event of a crisis is uncertain, but the presence of approximately 2,800 British troops in the country probably would act as a



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deterrent to any immediate attempt to overthrow the government by force.

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Pakistan Pressing for Further Modernization of Its Armed Forces

The new Pakistani military regime is pressing for further modernization of its armed forces. The timing of the action indicates it may have been based as much on Pakistan's desire to test Western attitudes toward the new regime and US intentions regarding future military aid programs as on Karachi's analysis of immediate military needs.

The Pakistani defense secretary has asked the United States to replace Pakistan's F-86 jet fighters and ten-yearold radar equipment with F-100 fighters and more modern materiel. As justification for the request, the secretary claimed there have been 34 violations of West Pakistan's air space this year.

President Ayub is reported to have authorized the purchase of three modern submarines from the United Kingdom, one within the next year and the other two later. Pakistan previously approached the US, Britain, and Sweden for submarines but was discouraged by the first two countries because of the heavy financial burden such vessels would entail and because Pakistani acquisition of a weapon not possessed by India would probably revive the arms race in South Asia.

A decision to renew the request for submarines at this time may in some measure reflect Ayub's desire to ensure the Pakistani Navy's support for his government. Last May, prior to his assumption of power, Ayub told the American ambassador that Vice Admiral Chaudhri, commander in chief of the navy, had been "very persuasive" on the subject of submarines.



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Thai-Cambodian Relations

Thailand has abruptly stiffened its terms for a resolution of the crisis set off by Cambodia's withdrawal of its ambassador last week on the grounds that it had been unduly criticized by the Bangkok press. The Thais now insist on the renewed exchange of ambassadors and the return of 32 Thai nationals recently apprehended by Cambodian border authorities before Thailand cancels the "precautionary measures" it has taken to ensure its security. Some leaders of the ruling Thai military group advocate punitive military measures against Cambodia.

Marshal Sarit has made two hasty trips to the border to dramatize the seriousness with which he views the crisis. Sarit is said to have admitted privately that the crisis has been useful to him in restoring unity in the ruling military group. The crisis also distracts attention from his failure to take effective follow-up action after his abrogation of the constitution on 20 October. While Sarit may intend merely to keep the issue alive for domestic political reasons, there is always the danger that the situation may get out of hand.

Thailand's attitude, which will convince Premier Sihanouk that the Bangkok regime is hostile, probably rules out any early settlement of differences. In the past, Sihanouk has warned that Cambodia would react to any threat from its "SEATO-supported" neighbors by seeking aid from the Communist bloc.



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Military Take-over of Laotian Government Planned

Army officers, in cooperation with key civilian reformist leaders, are said to be planning a military take-over of the government in early January. Such action, probably timed to coincide with a cabinet crisis expected during a special session of the National Assembly tentatively scheduled for that time, presumably would be intended as a last resort to ensure an effective anti-Communist government.

Prime Minister Phoui Sananikone, although primarily a politician with a vested interest in the parliamentary system, has also come to believe that an army coup probably offers the only workable solution for purging the country of Communism and of providing long-range government stability. In a memorandum to the American ambassador, Phoui points to the serious danger that disgruntled elements within conservative ranks may join the opposition to overthrow his government during the special session of the assembly.

Phoui, still hoping that his government can survive the special session, would prefer that a coup be deferred until absolutely necessary. He believes, however, that a coup mounted by both civil and military elements would have the support of army, police, and administrators as well as the population.

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III. THE WEST

Honduran Military May Seize Power This Week

Armed forces leaders in Honduras are considering action as early as this week to oust the government of President Ramon Villeda Morales.

They are hesitating, nowever, because they prefer first to have some unofficial indication of US approval and firm assurances of economic aid

The military leaders have become increasingly restive under the civilian government they grudgingly helped install a year ago, after constitutional government had been in abeyance for over three years. Friction between the civil government and the autonomous armed forces has been mounting steadily, and each has good reason to suspect the other of scheming against it. Opposition political parties, too weak and divided for effective action by themselves, have long been trying to stimulate and exploit this tension between the civilian administration and the military leaders.

Villeda, named President by the Constituent Assembly elected in September 1957, heads the first government in Honduran history to be based on a free election. His administration has lost some of its popular support, however, because of governmental inefficiency and graft and a serious financial crisis. The President now realizes the gravity of these shortcomings and seems intent on overcoming them. His remaining popular backing is sufficiently strong to suggest that a coup attempt at this time would spark serious disorders

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