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30 May 1959

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CENTRAL

INTELLIGENCE

BULLETIN



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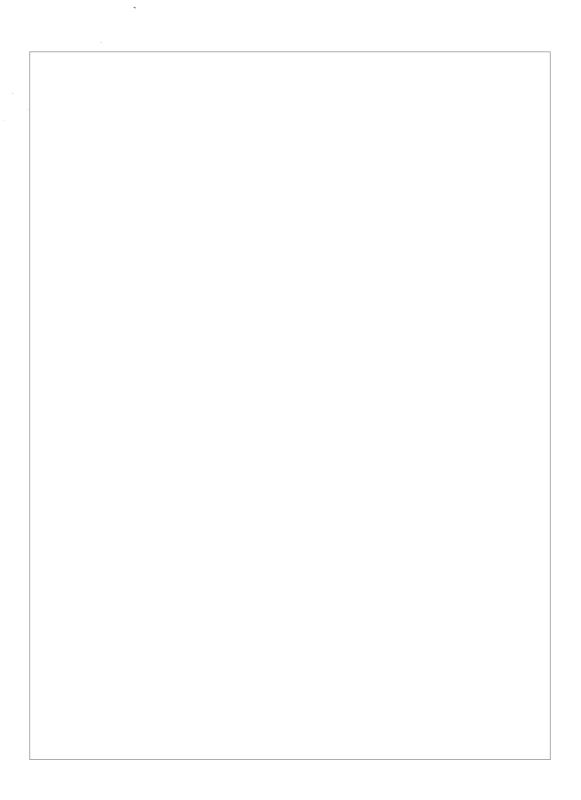
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CENTRAL INTELLIGENCE BULLETIN

30 May 1959

SIRAB

DAILY BRIEF

I. THE COMMUNIST BLOC

	Communist China - Communes: In an effort to win
•	more support for the communes and to give the workers more incentives, Peiping has introduced payments geared
Υ	to specified work norms and suggested that communes must
)1~	be more concerned with agriculture than industry. In some
	areas of South China, the operation of communal mess halls
•	has been suspended. (Page 1)
	USSR-Iran: The Soviet note of 28 May to Iran protesting
	the arrest of two Iranian nationals employed by the Soviet Embas-
	sy in Tehran is another step in Moscow's campaign against the
	Shah's regime. The note, which charged Iran with 'crude provoca-
NK	tions" against the embassy, may also be designed to counteract
U.	Iranian efforts to prevent clandestine distribution of subversive
	pamphlets. (Page 2)
	(Page 2)
	*East Germany: Former East German party leader Karl
οŁ	Schirdewan, who was purged in February 1958, reportedly has
	told his intimate friends that he has decided to "subjugate"
	himself to party First Secretary Walter Ulbricht. The public
	announcement of Schirdewan's decision will disillusion those
	East and West Germans who saw in Schirdewan a counter to
	Ulbricht's hard-line policies. (Page 3)

II. ASIA-AFRICA

*Greece-USSR: Athens is taking a firm line publicly toward Khrushchev's series of speeches in Albania, and Foreign Minister Averoff has expressed his opinion that there

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would be an early and favorable decision on the question of establishing missile bases in Greece. Privately, however, Greek officials show deep concern. Averoff has noted the increasing Soviet pressure and requested as "very desirable" a firm public declaration of American support to "quiet Greek public fears on which Khrushchev is obviously working." (Page 4)

Turkey-Iraq: Turkish officials have shown continued anxiety about Iraq in recent conversations with American and British officials. Turkey wishes to continue supporting Qasim, but sees the need to plan for all contingencies, including a Communist take-over. Ankara has no specific plan for blocking such a take-over; and Prime Minister Menderes has made it clear that he wishes the United States and Britain to take the lead in this regard. (Page 5)

Laos: The Laotian Government is planning to arrest Prince Souphannouvong, leader of the Communist-front Neo Lao Hak Zat, and three other top party figures, according to the Laotian defense minister. Souphannouvong has been under house arrest. The action may be delayed until the government gathers sufficient proof of illegal activities in connection with the rebellion of the Pathet Lao. Meanwhile, in an apparent effort to intimidate the Laotian Government, Radio Hanoi claimed on 29 May that North Vietnamese troops and police forces "have been ordered to strengthen their defenses along the Vietnamese-Laotian border and be on the alert for any provocations."

Japan: Most observers believe that the Socialists will gain seats largely at the expense of the independents in the 2 June elections for Japan's upper house, but probably not enough to endanger Prime Minister Kishi's position. Large Socialist gains would strengthen the left wing of the Socialist party which has been pushing an anti-American program and would result in a resurgence of serious factionalism among the conservatives. Although Kishi has predicted the conservatives would gain four or five seats, Ambassador MacArthur believes Kishi would be satisfied if the conservatives hold their own.

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Burma-Israel: Tel Aviv's continuing effort to increase its influence in Asia and Africa is reflected in a Burmese announcement that Prime Minister Ne Win will visit Israel beginning 6 June. Israeli President Ben Zvi in turn has accepted an invitation to visit Burma. Burmese Army officers are being trained in Israel in the management of paramilitary groups to control border problems, and Israel participates in shipping and banking ventures recently undertaken by the Burmese Army. The Israelis believe that they are especially effective representatives of the free world among uncommitted Asian and African states. (Page 7)

Liberia: President Tubman has apparently decided to associate Liberia much more closely than heretofore with the militant African nationalist movement. Tubman has agreed that Monrovia will be the site of the forthcoming conference of independent African states on Algeria—a conference bound to irritate France. He plans to meet with Guinea's Touré and Ghana's Nkrumah in July, and hopes to host another conference, to be attended by independent and near-independent African states, to discuss broad questions of African unity.

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DAILY BRIEF

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I. THE COMMUNIST BLOC

Chinese Communist Communes

The Peiping regime has been making substantial changes in the operation of its communes designed to increase their popularity and provide incentive for the peasants. The regime has introduced a payments system under which the peasant is assigned a certain daily work norm and is paid according to the rate of fulfillment. While communes still include both agricultural and industrial enterprises, the regime has made it clear that agriculture has first priority on communal funds and labor force. The regime has instructed commune cadres to allot private plots to peasants to raise hog feed and to guarantee them a profit on their hog raising activities.

Operation of communal mess halls—the most prominent feature of the commune system—has been suspended in some areas of South China and perhaps elsewhere. The announced purpose is to give the peasants "a little more freedom," but members have been warned that the suspension is only temporary and subject to cancellation at harvest time.

The regime's "tidying-up" measures do not indicate that it has abandoned the commune system. The top leadership appears committed to the belief that communes are the best way for China to speed up its socialist construction and bring about the eventual transition to Communism and is pushing forward with experimental work on communes in large cities.



Soviet Protest to Iran

The USSR sent a note of protest to Iran on 28 May regarding two Iranian nationals employed by the Soviet Embassy in Tehran who were arrested on 14 May for distributing propaganda materials issued by the embassy. The note, which accused the Iranian Government of "crude provocations" and seeking to create "unbearable conditions for the embassy's operation," is another step in Moscow's war of nerves against the Shah's regime.

In arresting the two employees, the Iranian Government probably hoped to discourage the flow of clandestine and overt propaganda publications, as well as to underscore Iranian efforts to bring about a cessation of Moscow's radio propaganda campaign. Bloc transmitters and the clandestine "National Voice of Iran" are continuing their attacks.

Soviet broadcasts introduced a new note on 25 May with claims that the Shah, having outlived his usefulness to the United States, now will be thrown into "the dustbin of history." The US Embassy in Tehran feels that the Shah himself has a "gnawing fear" that the US might seek to promote his replacement if an attractive middle-class leader appeared.

Soviet officials are continuing to suggest that Tehran take "some specific step" to improve relations, after which Moscow would end its propaganda attacks. Tehran maintains, however,
that the attacks must be ended prior to such a move.



Leading Critic of East/German Party Leader Recants

Karl Schirdewan, who formerly was one of First Secretary Walter Ulbricht's top deputies in the East German Socialist Unity (Communist) party (SED) and was purged from the central committee in February 1958, is reportedly telling his intimate friends that he has decided to "subjugate" himself to Ulbricht.

Ulbricht has written Schirdewan every six months since the purge to ask him where he stands politically. Until now Schirdewan had stood his ground, but after receiving the most recent letter he decided it was time to change tactics; he sent the first secretary a reply which was in effect a declaration of loyalty and which, while not a full-scale confession, did admit to "certain errors." In return for this, Schirdewan expects to receive a government position, perhaps a post in the Ministry of Interior.

Schirdewan has said that he is revealing this information to his friends because he does not want them to be shocked when Ulbricht publicly announces his "self-criticism" and partial rehabilitation. He does not expect such an announcement, however, until after the Geneva conference ends.

(Schirdewan has rationalized this sudden change by claiming that Ulbricht has moved increasingly closer to his ideological views. By writing this declaration, he hopes to escape from his political isolation and use his government position to regroup, work his way into the SED apparatus. and build a case against Ulbricht.



II. ASIA-AFRICA

Greece Voices Conceyn over knrusnymevs speeches in Albania

Greek Prime Minister Karamanlis has publicly taken a firm line against Khruschev's warnings to Greece on the danger of allowing rocket bases to be established on its territory. Karamanlis, in a formal statement to the press, said the Soviet premier's threats to establish rocket bases in Albania in retaliation are "evidently intended to frighten the Greek people."

Foreign Minister Averoff, in a statement reported by the Greek radio, has responded to Khrushchev by saying that Greece will make its own decision on the subject of bases on its own territory and that it will not accept pressure or threats.

Privately, however, Greek officials are showing deep concern over what they regard as increasing Soviet pressures. Foreign Minister Averoff, on 28 May, requested a firm public declaration of American support to quiet Greek fears "on which Khrushchev is obviously working." He expressed the opinion that the Greek Government would make an "early and favorable" decision on missile bases. He noted, however, that some work still had to be done to prepare the Greek public and that Greek leaders had to confer further with their military chiefs.



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Turkey Seeks Contingency Planning to Cover Communist	
Threat in Iraq	
A Turkish Foreign Ministry official informed Ambassa- dor Warren on 23 May that his government is anxious to de- velop a plan to cover all contingencies in Iraq.	
Turkish leaders	
concede there have been recent indications that Qasim is stif- fening resistance to Communist pressure. They intend to con- tinue to reassure him that there are no Turkish intrigues against him. In the past, Zorlu had hinted that Turkey might consider direct intervention in Iraq.	
The Turks apparently did not give King Husayn of Jordan any encouragement in his "third force" plan for redressing the balance in Iraq by using irregulars recruited in Iraq and operating from bases in Turkey and Iran. Zorlu has said that this "third force" could only be useful "in a most extreme situation." Turkey has little prospect for using such elements for subversion. The Turkish-speaking minority in Iraq is only 75,000, and Iraqi Kurds would not welcome Turkish control	



Japanese Socialists Expected to Gain in Elections

Most political observers in Tokyo believe that the Socialists will gain some seats in the general elections on 2 June, but not enough to endanger conservative Liberal-Democratic control of the upper house of the Diet. A Socialist increase of as many as ten or twenty seats, however, would jeopardize Kishi's position as prime minister and might lead the conservatives to review their policies of close ties with the United States and firmness against Communist China. It would also make it more difficult for the government to secure ratification of the revised US-Japanese security treaty, which is expected to be submitted to the Diet in the fall.

The conservatives have a psychological advantage as a result of victories in local elections late last month, but are handicapped by the advent of the rice-planting season, by lagging voter interest, and by having to contest 52 percent of the seats they now hold in contrast to the Socialists' 40 percent. Although Kishi has predicted the conservatives will gain four or five seats, Ambassador MacArthur believes he will be satisfied if the conservatives hold their own. It is possible that both Liberal-Democrats and Socialists will win seats at the expense of the conservative-oriented "Green Breeze" party and the independents.

A substantial advance by the Socialists could vindicate their recent shift from a "neutralist" policy toward a pro-Communist foreign policy. The radical left wing of the party would be in a much stronger position and leftist labor influence on party policies would be substantially increased. On the other hand, losses or only minor Socialist gains would place the right wing in a better position to try to moderate leftist policies at the party convention this summer and make it more difficult for the Socialists to offer united opposition to government policies.

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Burmese Prime Minister to Visit Israel

Burmese Prime Minister Ne Win, in his first trip outside Burma since becoming prime minister, will make a one-week visit to Israel beginning about 6 June. Israel's President Ben Zvi in turn has accepted a Burmese invitation for a visit tentatively planned for early November.

These visits reflect both the good relations which have long prevailed between Burma and Israel and the increasing involvement of Israeli technicians in various joint projects with Burma, stemming from a 1956 economic cooperation agreement. Cooperation between the two countries includes the training in Israel of Burmese Army officers in the organization and management of border agricultural settlements, preparatory to the establishment of paramilitary settlements along Burma's frontiers to control illegal immigration and Chinese Communist infiltration. The director general of the new Burmese shipping line--the Five Star Line--is an official of the Zim Navigation Company of Haifa, and Israelis are also participating in banking ventures recently undertaken by the Burmese Army's Defense Service Institute.

Technical assistance, which Israel has also extended to Ghana, forms an important part of Tel Aviv's intensive campaign to win friends throughout the world in competition with the Arabs. In Southeast Asia, Israel also has diplomatic relations with Thailand, Laos, and the Philippines, has announced an agreement to establish relations with Cambodia, and is seeking to establish them with South Vietnam.



Liberia Stepping Up Role in African Nationalist Movement

Liberia's President Tubman appears determined to associate his country more closely with the militant African nationalism of Prime Minister Nkrumah of Ghana and President Touré of Guinea. Although Tubman was recently re-elected over only token opposition to another four-year term, he now apparently feels that he must make a major effort to remove from the ruling Americo-Liberian oligarchy the stigma--wide-spread among other Africans--of being the "black agents of the imperialists."

The new policy line has recently been reflected most strikingly in Tubman's agreement to Monrovia as the site of the conference on Algeria which nine of the independent African states are planning to hold in August. At this gathering, which is bound to annoy France, Liberia may go along with a forthright statement of support for the Algerian rebels. It will probably hesitate, however, to extend diplomatic recognition to the rebel's provisional government.

In another gesture obviously aimed at demonstrating Liberia's solidarity with African nationalism, two exiled extremist nationalist leaders from Cameroun have recently been accorded warm receptions in Monrovia. Tubman is reportedly planning an early public statement similar to that by Nkrumah and Touré, which endorsed the extremists' demands for UN-supervised legislative elections before Cameroun receives independence, now scheduled for 1 January 1960.

Plans appear well advanced for Tubman, Nkrumah, and Touré to meet in Monrovia in July, presumably in an attempt to reconcile separate Liberian and Ghana-Guinea proposals for associating the independent African states more closely. Tubman apparently hopes this meeting will pave the way for yet another conference in Monrovia, to be attended by all independent and near-independent African states.



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Special Assistant for National Security Affairs

Scientific Adviser to the President

Director of the Budget

Office of Defense and Civilian Mobilization

Special Assistant for Security Operations Coordination

Board of Consultants on Foreign Intelligence Activities

Special Assistant for Foreign Economic Policy

Executive Secretary, National Security Council

The Treasury Department

The Secretary of the Treasury

The Department of State

The Secretary of State

The Under Secretary of State

The Under Secretary of State for Economic Affairs

The Deputy Under Secretary for Political Affairs

The Deputy Under Secretary for Administration

The Counselor

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Director for Intelligence, The Joint Staff

Assistant Chief of Staff for Intelligence, Department of the Army

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