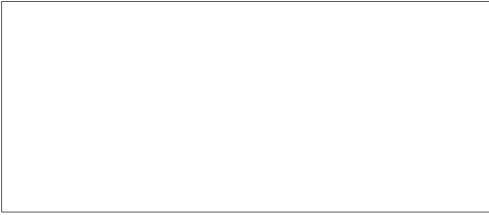


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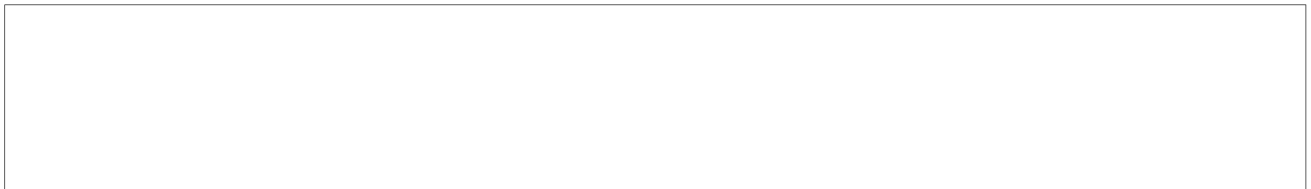
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CENTRAL INTELLIGENCE BULLETIN



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4 SEPTEMBER 1959

I. THE COMMUNIST BLOC

Communist China--Peiping may be preparing domestic purge as loss of prestige over economic shortcomings becomes evident.

USSR begins to exploit atmosphere surrounding forthcoming Eisenhower-Khrushchev talks in urging US allies to loosen ties. [REDACTED]

II. ASIA-AFRICA

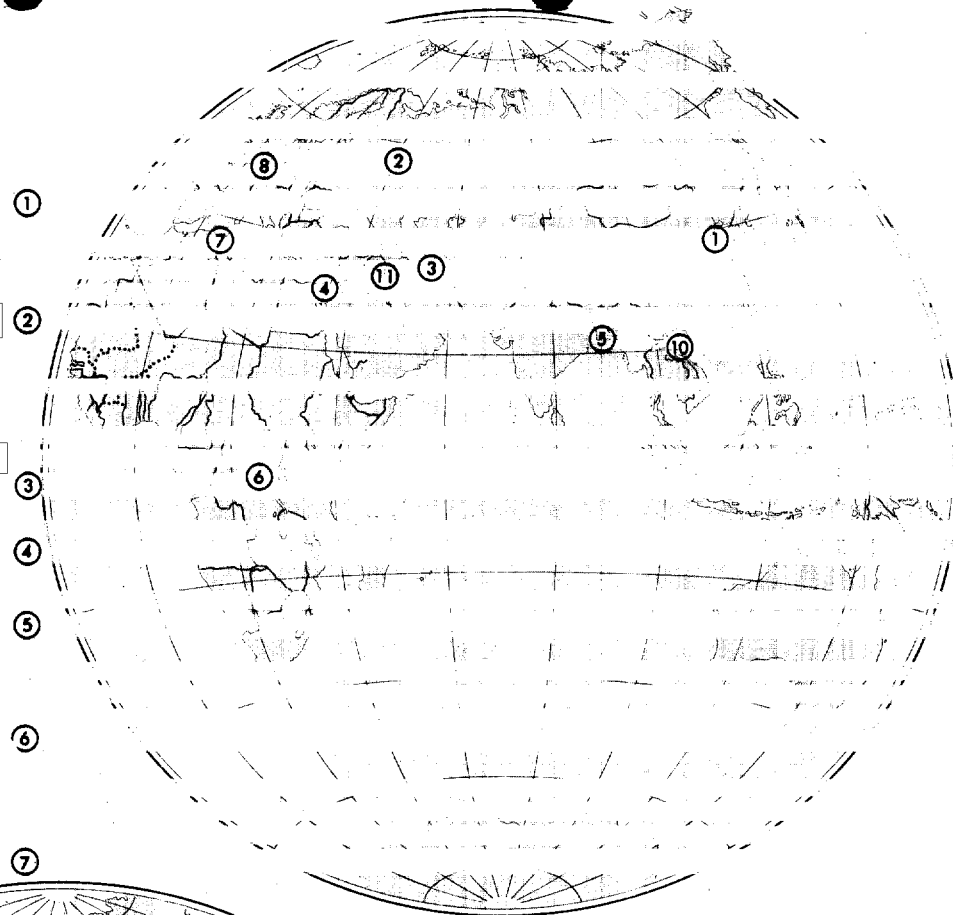
Iran to make gesture toward resumption of negotiations with USSR. [REDACTED]

Nasir may try to get arms from the West.

India--Army expected to restore conditions in Calcutta to normal.

Belgian Congo--Progress toward independence receives setback with resignation of Belgian minister of the Congo.

Algeria--Rebels attack near Tunisian border probably to relieve pressure from French in Kabylie Mountains; further clashes expected.

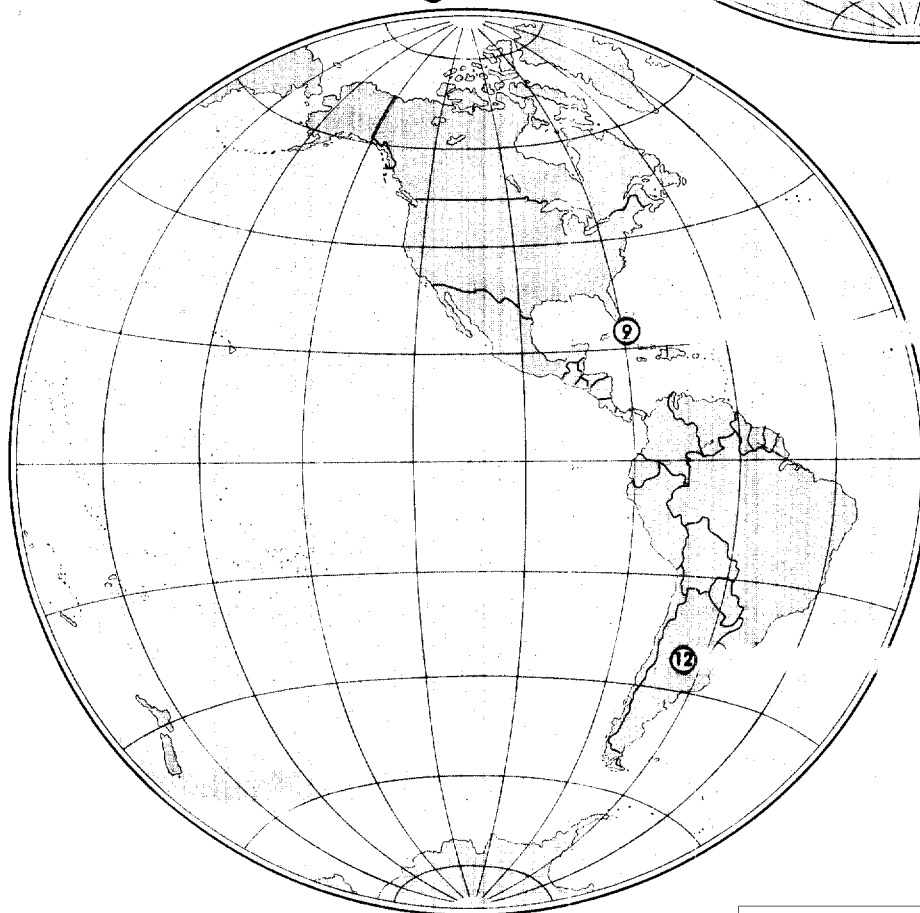


III. THE WEST

- ⑧ De Gaulle expected to proclaim Algeria's right to self-determination after "pacification"; Premier Debré reportedly organizing opposition.
- ⑨ Cuba--Some antigovernment activity apparently continues.

LATE ITEMS

- ⑩ Laotian cabinet decision to request UN and SEATO intervention reported.
- ⑪ Iraq--Senior army officers reported planning early coup.
- ⑫ Argentina--New army crisis flares over command appointments.

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CENTRAL INTELLIGENCE BULLETIN

4 September 1959

DAILY BRIEF

SIRAB

I. THE COMMUNIST BLOC

OK
Communist China: Chinese Communist attacks in the past week on "right opportunist" critics of the regime's economic policies indicate the serious concern of the top leadership with its loss of prestige stemming from the results of the "leap forward" and commune programs. References to the critics as "incorrigible" and guilty of "criminal activity" suggest that a shake-up--perhaps involving some central committee members but probably not extending into the party politburo--may be in the offing. Statements that "patterns"--implying Soviet methods--are not sacrosanct and insistence that Chinese innovations are in line with Marxist doctrine probably reflect Peiping's irritation over Moscow's criticisms of the communes and other Chinese departures from the Soviet pattern. [redacted] (Page 1)

NO
 USSR: A Soviet Foreign Ministry official, [redacted] attacked Athens' policies as "out of harmony with the prevailing general spirit," [redacted] The Soviet official declared that Moscow is waiting to see what Greece will do to "extricate itself" from the "impasse" brought about by close alignment with the United States. This and other recent Soviet statements on the Eisenhower-Khrushchev exchange of visits suggest that Moscow is seeking to exploit the visits to urge smaller allies of the US to improve relations with the bloc. [redacted]

II. ASIA-AFRICA

NO
Iran-USSR: Iran is evidently seeking a way to reopen negotiations with the USSR without appearing to capitulate to Soviet pressures. Iranian Foreign Minister Aram, on 2 September,

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instructed Ambassador Masud-Ansari to offer "in your meeting" with Premier Khrushchev to return to Tehran and propose, as the ambassador's "own views," the joint confirmation of the 1927 Soviet-Iranian Treaty of Guarantee and Neutrality with certain changes previously proposed by the Iranians.

[redacted] (Page 3)

OK UAR: { President Nasir is reported to have discussed with other UAR officials the possibility of again obtaining arms from the West, since he believes that the UAR should have an arms source other than the Soviet Union. Some of these officials subsequently made tentative approaches to American representatives in Cairo. There have been previous reports that the UAR was seeking to develop spare parts sources outside the Soviet bloc, and exploration of the possibility of obtaining some Western arms conforms with Nasir's current objective of balancing the UAR's commitments among the great powers. } [redacted]

NO India: Violent rioting which began in Calcutta on 31 August in protest against high food prices continued until 3 September when the previously planned general strike went into effect. Indian Army troops called in on 3 September are expected quickly to restore conditions to normal. There is no indication that the vandalism--for which Calcutta is renowned--has spread to other parts of West Bengal State. [redacted]

OK Belgian Congo: The resignation on 3 September of the Belgian minister of the Congo, Maurice Van Hemelrijck, may make more difficult the orderly political evolution of the Congo, where African political agitation is increasing. He had pushed for the formation of a provisional Congolese government in 1960 and had inspired general African confidence, while being subjected to criticism by conservative interests in Brussels and among the European settlers in the Congo. Van Hemelrijck's resignation, apparently because of cabinet opposition to a speed-up in the Congo's progress toward independence, will probably arouse growing African distrust of Brussels and could lead to the downfall of the Belgian cabinet.

[redacted] (Page 4)

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DAILY BRIEF

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NO

Algeria: An engagement near the Tunisian border on 2 September in which the French reportedly repulsed an attack by several hundred Algerians based in Tunisia probably represents a rebel attempt to relieve pressure on insurgent forces in the Kabylie Mountains and to demonstrate rebel capabilities during the Eisenhower - De Gaulle meetings. A rebel message of 24 August instructed commanders that "everything must be done on an extremely urgent basis to relieve... areas now bearing the effects of French operations." The French reportedly believe the rebels are gathering along the Tunisian border. Further clashes--possibly in Tunisian territory--may take place. (TOP SECRET DAUNT)

III. THE WEST

France-Algeria: (De Gaulle in his speech anticipated in mid-September will probably proclaim Algeria's right to self-determination once the army has achieved pacification. [redacted])

[redacted] De Gaulle envisages the creation of an Algerian assembly to determine the area's future status, but he may not say so or specify any timetable in his speech. His willingness to be specific will depend on whether he feels he has convinced army leaders in Algeria that any new proposals would not endanger French-Algerian ties. Paris journalistic circles believe Premier Debré is attempting to organize an effective opposition to De Gaulle's plans.)

[redacted] (Page 5)

OK - delete last half of last sent.

Cuba: There are continuing indications of antigovernment activity, particularly in the mountains of Pinar del Rio Province west of Havana. A recent trip by Fidel Castro to the area, ostensibly to visit agricultural installations, may have been made because of disturbances there. Meanwhile the Cuban Government appears to be moving closer toward a formal break in diplomatic relations with Haiti. [redacted] (Page 6)

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LATE ITEMS

*Laos: No significant change in the Laotian military situation has been reported during the past 24 hours. Laotian officials continue to express fear of large-scale attacks in Sam Neua Province at any time. [redacted]

OK (The Laotian Council of Ministers reportedly met on 3 September and decided (1) to send a communiqué immediately to the UN Security Council accusing North Vietnam of overt aggression and requesting UN intervention; (2) to declare a national state of emergency on 4 September and on the same date to request SEATO intervention; and (3) to approach the US embassy with a request that a US military advisory group be created, that US personnel be put in uniform, and that US training teams be sent to the combat area to work with Laotian forces there. This report, if true, would indicate an abrupt departure from Vientiane's previous policy of close consultation with its Western allies--the US, UK, and France--before undertaking any major international moves.) [redacted]

OK *Iraq: (Senior army officers under the leadership of the Military Governor of Iraq, Major General Abdi, are planning to attempt a coup by 7 September, [redacted] The plan allegedly calls for the assassination of Prime Minister Qasim and his replacement by the strongly anti-Communist Abdi, and is said to be supported by the First Division at Diwaniyah, 100 miles south of Baghdad. This report may be part of a Communist provocation effort to discredit Abdi and the anti-Communists. During the past two weeks, however, there has been a spate of reports of plans by various army leaders to replace Qasim.) [redacted]

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DAILY BRIEF

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I. THE COMMUNIST BLOC

Chinese Communist Party Shake-up May Be Developing

Seriously concerned over the loss of prestige resulting from its "leap forward" and commune programs, the Chinese Communist leadership is lashing out at "right opportunist" critics of its economic policies. In the past week, Peiping's commentary has damned the critics--which include party members--as "incorrigible" and guilty of "criminal activity." There has been no identification to date of any specific personalities as the "right opportunists," but economic planners as a group have been mildly criticized for lack of "adeptness."

The government's statements suggest that a party shake-up--perhaps involving some central committee members, but probably not extending into the politburo--is contemplated. American officials in Hong Kong note that Peiping's current charges resemble criticism during the purge of Kao Kang and Jao Shu-shih in 1954-55 and the provincial purges of 1957.

Apart from its anger at domestic critics, Peiping is indicating its displeasure with Soviet statements critical of the Chinese innovations. Recent Chinese commentary has sought to demonstrate that "ready-made patterns"--implying Soviet methods--are not sacrosanct, that Mao's solutions to China's problems necessarily must depart from Soviet "experience," and that Mao's innovations are in line with basic Marxist doctrine. Mao is again credited--as he has been in recent years--with "creatively integrating the universal truth of Marxism-Leninism with the practical conditions in China." The communes and other innovations are to continue, although in admittedly modified form.

The Chinese have already made concessions to the Soviet position on ideological issues concerning the "transition to

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NO - changed

*Argentina: President Frondizi has ordered troops into action against a "rebel command" set up in the army engineering school in Buenos Aires by Major General Carlos Toranzo Montero, who was dismissed as Army Commander in Chief on 2 September by War Secretary Anaya. Toranzo Montero, who has strong support in the army, announced late on 3 September that he intended to resume his former command "to maintain institutional order and obey national authorities," thus implying that his action is directed mainly at ousting Anaya rather than at Frondizi. Personnel at the rebel headquarters have been reinforced by some armed civilians, but Toranzo is probably counting on more important units to renew their declarations of support, issued when his dismissal was first announced. [redacted] (Page 7)

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DAILY BRIEF

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Communism" and probably feel that Moscow now should endorse their program. At the very least, they would hope to avoid the type of oblique criticism Khrushchev made last July in Poland when he disparaged the early Soviet commune experiment.

[Redacted]

[Redacted]

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II. ASIA-AFRICA

Iran May Reopen Treaty Negotiations With USSR

Tehran, [redacted]

[redacted] indicated for the first time since Soviet-Iranian nonaggression pact negotiations broke down last February that it is seriously seeking some formula for reopening talks with the USSR. The ambassador was instructed to tell Premier Khrushchev in his forthcoming meeting that he would be willing to return to Tehran and propose as his "own views" that the 1927 Soviet-Iranian Treaty of Guarantee and Neutrality be confirmed, with the changes proposed to Soviet Deputy Foreign Minister Semenov during the January-February negotiations.

The exact nature of the changes proposed at that time is not known, but Iran had insisted on formal nullification of Article 3 of the treaty, which commits both countries not to participate in any agreement directed against "the territory or safety" of either party. Article I of this treaty, however, also confirms the validity of the 1921 Treaty of Friendship which permitted the USSR to move troops into Iran under the condition that bases were being established on Iranian territory by forces intending to pursue a "policy of transgression" against the USSR. Tehran has maintained that this clause applied at the time to Russian emigrés and, hence, now is a dead letter.

The Shah reportedly has been growing increasingly nervous over the intensity and personal nature of the Soviet radio propaganda campaign. He has maintained a policy of no concessions to the USSR in the face of the propaganda attacks, but his instructions to Ansari could be an indication that he has weakened and is seeking a way to reopen negotiations without giving the appearance of weakness. [redacted]

[redacted]

~~TOP SECRET~~ [redacted]

Brussels Faces Growing Problems in Congo

Belgium may face a serious political and security problem in its Congo colony because of the resignation on 3 September of Maurice Van Hemelrijck, the minister of the Congo. Van Hemelrijck has gained considerable Congolese support through his efforts to promote the rapid Africanization of the Congo, but he has aroused increasing conservative opposition in Brussels and among European settlers in the Congo. Although the prime minister had backed him on several previous occasions, Van Hemelrijck recently failed to gain cabinet approval for speeding up the Congo's political evolution by establishing a provisional Congo government in 1960.

African nationalists will probably interpret the cabinet's decision as casting doubt on Brussels' intentions, although the government stated it would remain "faithful" to its declaration of last January to institute gradual political reform.

Van Hemelrijck's resignation occurs at a poor time for Belgium because native political agitation in the Congo is increasing and following an anti-Belgian theme. The best known African leader, Joseph Kasavubu, has gained considerable support in the southwestern part for making a separate state of that area and has been able to organize a successful regional boycott of municipal council elections, which are intended as the first step in Brussels' program for Congolese evolution.

Meanwhile, the economic problems of the resource-rich colony are of growing concern because of the low world prices for raw materials. Brussels this year, for the first time, will have to furnish budgetary assistance--probably at least \$10,000,000. Furthermore, the colony's uncertain political future has shaken investor confidence, and the value of Congo stocks in Brussels has fallen by 27 percent since January.

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III. THE WEST

[REDACTED]

De Gaulle's Views on the Algerian Problem

(De Gaulle may include the creation of an Algerian assembly as one step in a program for Algerian self-determination, although he probably will not say so or specify any timetable in his anticipated mid-September speech. Such a step would be in line with his repeated assertions that the Algerians, through elections, must have a say in planning their political future. It would also be an essential step if Algeria were to become a member of the French Community.)

(Algeria had an elected assembly, composed of equal numbers of French and Moslem deputies, from 1948 until early 1956. This body had extensive regulatory and financial powers, but its actions were subject to review by Paris. A new legislative body in Algeria would presumably conform to the precedent set by the rules which ensured a Moslem majority in the Algerian 1958 parliamentary and 1959 municipal elections and the precedent of local autonomy granted to the other states of French Africa under the Basic Law of 1956.)

[REDACTED], De Gaulle is ready to announce that the Algerian people will have the right to self-determination after the French Army has achieved pacification of the area. He has, however, showed a concern for French Army leaders' opposition to any "abandonment" of Algeria; his willingness to make any specific proposal will depend on whether he feels he has now convinced them that French-Algerian ties would not be endangered.)

(Paris journalistic circles believe Premier Debré is attempting to organize an effective opposition to De Gaulle's "liberal" plans. He would probably be supported in this by Deputy Premier Soustelle, former Premier Bidault, and extreme nationalist elements in both Algiers and Paris.) [REDACTED]

[REDACTED]

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The Situation in Cuba

Fidel Castro is evidently concerned over persistent anti-government activity in the western province of Pinar del Rio. He spent several days there this week, ostensibly to inspect agrarian reform progress, but the American Embassy in Havana received reports that the trip was due to disturbances centering in the Sierra de los Organos mountains at the northwestern tip of Cuba. A small guerrilla force is believed to have been operating there for some months. The first open opposition in Cuba to the agrarian reform law broke out among tobacco farmers in Pinar del Rio last May and unrest has continued.

Castro's trip to Pinar del Rio, as well as his personal intervention in the suppression of the conspiracy against the government in early August, may indicate his awareness of the disorganization and ineffectiveness of the Cuban armed forces. Most remaining army and air force personnel who had served under Batista were purged following the conspiracy. The removal of these holdovers, most of them technicians and mechanics, has further aggravated the already chaotic conditions in the armed forces, which have been a focal point of Communist penetration and efforts at subversion by antigovernment plotters. A belief that the government now is increasingly vulnerable because of the army's disorganization probably encourages oppositionist plotting, particularly among former Cuban military men.

Possibly in an effort to divert attention from domestic difficulties, Cuban officials have been accusing Haiti of complicity with the Dominican Republic in activity against Cuba.

[redacted] All Cuban Embassy personnel have been withdrawn from Port au Prince and, [redacted]
[redacted] Venezuelan President Betancourt told the Mexican ambassador in Caracas that Cuba intends to break relations with Haiti. [redacted]

[redacted]

~~TOP SECRET~~ [redacted]

~~SECRET~~

Argentine Rebel Command Set Up in Army School

Argentine President Frondizi has ordered troops into action against a rebel command in the army engineering school in Buenos Aires established by Major General Carlos Toranzo Montero, who was dismissed as Army Commander in Chief on 2 September by War Secretary Anaya. The tempestuous Toranzo Montero announced late on 3 September that he intended to resume his former command "to maintain institutional order and obey national authorities," thus implying that his action is directed at ousting Anaya rather than Frondizi. Personnel at the school have been reinforced by some armed civilians, but Toranzo Montero is probably counting on more important units to renew declarations of support for him in an effort to force a rapid showdown.

Toranzo Montero, a personal friend of Frondizi, has strong support within the army. His dismissal by Anaya evoked protests from the majority of generals, who were immediately arrested, and reportedly from more than half of the army garrisons. The important garrison in Cordoba Province on 2 September reportedly gave Anaya a 48-hour ultimatum to reinstate Toranzo Montero, and the US Army Attaché believes the dispute may result in "serious action in the field." While a personality clash between Anaya and Toranzo Montero may have precipitated the present difficulties, the dispute is mainly a renewal of the issue over appointments to key commands which caused a major crisis during June and July.

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The Deputy Under Secretary for Political Affairs

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Director for Intelligence, The Joint Staff

Assistant Chief of Staff for Intelligence, Department of Army

Director of Naval Intelligence, Department of Navy

Assistant Chief of Staff, Intelligence, Department of the Air Force

Supreme Allied Commander, Europe

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