





CENTRAL INTELLIGENCE BULLETIN

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25 April 1960

DAILY BRIEF

I. THE COMMUNIST BLOC

II. ASIA-AFRICA

Middle East: The refusal of a US federal court to issue a restraining order against two unions picketing the Egyptian ship Cleopatra in New York appears to make a boycott of American shipping and airlines in the Middle East almost inevitable. The federation of Arab unions has announced that a full boycott of American ships will go into effect on 29 April from Morocco to Aden unless picketing of the UAR ship is stopped. (Page 1)

<u>Turkey</u>: The Turkish Government's harassment of its political opposition may lead to protest demonstrations during the meeting in Istanbul of the NATO Ministerial Council in early May. The opposition Republican People's party may sponsor such demonstrations to dramatize its plight and to emphasize its charge that the Menderes regime has "sold out" to the United States and is incapable of protecting Turkish interests. (Page 3)

<u>Cambodia:</u> Prince Sihanouk's anger over South Vietnam's recently renewed claims to Cambodian-administered offshore islands may serve as the catalyst for the development of closer Cambodian ties with Peiping when Chou En-lai visits Cambodia from 5 to 9 May. The American ambassador in Phnom Penh believes that Sihanouk, who is a great admirer of Chou, may be amenable to a treaty of friendship and nonaggression with Communist China and may ask Chou for increased economic aid.] (Page 4) (Map)

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*Taiwan Strait: Some 50 Chinese Communist jet fighters were moved from other areas into bases opposite the Taiwan Strait last week. The Chinese Nationalist High Command, which believes that the Chinese Communists will start some sort of hostile action prior to the summit conference, has shown its concern by placing the offshore island garrisons on an alert status. While it is possible that the aircraft movements on the mainland presage stepped-up Communist efforts to interfere with Nationalist patrols,

believe it more likely that the moves

noted were rotational flights. (Page 6) (Map)

South Korea: The cool reception given President Rhee's announcement on 24 April that he will withdraw from partisan politics and turn the reins of government over to a coalition cabinet suggests that this alone is not enough to rally popular support for the government. There is considerable evidence that the constitutional amendment planned by Rhee would allow him to retain control by leaving him the power to appoint and dismiss cabinet members. An uneasy calm prevails over most of the country, with demonstrations continuing in some localities. Students and professors of universities in Seoul predict that unless the government meets basic student demands for new national elections and punishment of police responsible for repressive acts, new disturbances are inevitable when the army leaves the cities. (Page 7)

III. THE WEST

H. <u>Italy</u>: The failure of Fanfani's effort to form a center-left government has aggravated the strains within the Christian Democratic party, threatening party unity. Despite the strong opposition within the party's left wing to Tambroni's dependence on neo-Fascist support in winning lower-house approval for his all - Christian Democratic cabinet two weeks ago, President Gronchi has now called on Tambroni to proceed with seeking Senate approval. Christian Demfur ocratic party leaders, who fear losses if new elections are held now, may try for a strictly caretaker government pending a party congress to debate the question of whether to seek support from the right or the left.

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Venezuela: The Communist-influenced Venezuelan Workers' Confederation (CTV), which supported the government during the abortive 20-21 April military uprising, has since presented a set of recommendations to President Betancourt, allegedly including a demand that Communists be included in the present three-party government coalition. The admission of Communists into the government is adamantly opposed by the majority of the officer corps. The combination of CTV pressure on the regime and leftist attacks on the military could lead to a break between the armed forces and the left-wing elements in the government, thereby forcing Betancourt to side with or oppose the military--in either case precipitating a new power struggle. (Page 10)

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I. THE COMMUNIST BLOC

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II. ASIA-AFRICA

Boycott of American Transportation in Middle East Imminent

The 23 April refusal of a US federal court to restrain two unions--the Seafarers International and the International Longshoremen's Association--from picketing the Egyptian ship Cleopatra in New York appears to make a boycott of American shipping and airlines in the Middle East almost inevitable. In denying the petition for an injunction against the unions, the federal judge referred to the Arab boycott of Israel and stated that it causes a "loss of jobs to US seamen" and that "Congress has prohibited federal courts from issuing injunctions in labor disputes."

The powerful executive committee of the International Federation of Arab Workers, meeting in Cairo on 23 April prior to the court decision, announced that a full boycott—refusal to load, unload, supply, or repair any American ship--will go into effect "from Agadir to Aden" on 29 April unless the picketing against the Cleopatra is lifted. Ships of other countries following the example of the American unions also will be boycotted. Such a boycott would impede but not officially bar American ships from transiting the Suez Canal.

The Arab Air Transport Unions have decided to boycott all American aircraft in Arab airports, presumably also on 29 April. The American air attaché in Cairo says such a move would put the US Military Air Transport Service, as well as commercial lines, "out of business" in the area.

The injection of the Arab-Israeli conflict into the situation is likely to make it very difficult to keep the boycott from spreading throughout the Arabic-speaking countries. The Moroccan Government has declared its "complete support of the UAR position," and stevedores in Libya and Jordan are said to be readying themselves

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to comply with the federation's stand. The oil-producing states of Kuwait and Saudi Arabia may find it difficult to resist pressures from Cairo for at least token participation in the boycott, and there may be "spontaneous" work stoppages by port workers. UAR-influenced workers in the important bunkering port of Aden are preparing to follow the UAR lead. The boycott may be extended to cover American goods. The assault in New York on a sailor from the Cleopatra and the reported loss of his eye will further inflame Arab opinion.

UAR officials have told the American Embassy in Cairo that they could not "restrain Arab workers indefinitely," and reports from Alexandria and Latakia state that workers have refused to unload several American vessels. apparently with official blessing. Meanwhile, the UAR Foreign Ministry has instructed its missions in Denmark, Norway, Finland, and Sweden to warn these governments of the adverse effect on their "commercial interests," should a sympathetic boycott of UAR ships be carried out.

Turkish Opposition Party May Sponsor Disturbances During NATO Meeting in Istanbul

The Turkish Government's three-month ban on all political activity--a ban which began on 18 April and is aimed at restricting the opposition Republican People's party (RPP)--has heightened political tension in the country and may lead to demonstrations during the meeting of the NATO Ministerial Council in Istanbul from 2 to 4 May. The RPP may sponsor demonstrations to dramatize its plight to the large number of foreign journalists and delegation members who will be present.

The RPP, which resents the government's tendency to picture the United States as the protector of the Menderes regime, may use the occasion to emphasize its charge that the government has "sold out" to the US and is not capable of protecting Turkish interests. The Turkish press has already given extensive coverage to unrest in South Korea. Opposition papers will probably seek to compare the situation in Turkey with that in South Korea.

The RPP considers unconstitutional the 15-man committee set up on 18 April by the Democratic party - dominated Grand National Assembly with powers to investigate "illegal" activities of the RPP. It was this committee which invoked the suspension of political activity. The RPP has declared that it will not be bound by any of the committee's decisions, and influential RPP spokesmen have privately suggested to the committee that creation of a "new government" is a "revolutionary action" which may have to be dealt with "by revolutionary means."

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South Vietnamese Territorial Claims May Lead to Closer Cambodian Ties With Communist China

[Tensions between Phnom Penh and Saigon, resulting from South Vietnam's note of 9 March requesting that Cambodia renounce claims to a series of small offshore islands, continue unabated, and Prince Sihanouk's anger over the issue could provide a basis for increased Chinese Communist influence in his country. The Cambodian press, laying the groundwork for Premier Chou En-lai's visit from 5 to 9 May, is already billing it as a reminder "that Cambodia is not alone." In a public speech on 22 April, Sihanouk asserted that "Cambodia will fight to the death" if attacked and, if necessary, will call on Communist countries for help.]

(South Vietnam's ill-timed diplomatic offensive appears to have halted Cambodia's recent trend toward closer association with neutrals instead of the bloc and has left Sihanouk anxious to gain revenge.)

In the presence of foreigners Prince Sihanouk is attempting to treat South Vietnam's claims as a joke but, according to US Ambassador Trimble, he actually views them as a serious threat. They have put him in a highly emotional state, vulnerable to the "suave blandishments" of Chou, for whom he has an exaggerated personal regard. Ambassador Trimble believes that under current circumstances Sihanouk might respond favorably to possible Chinese proposals for a treaty of friendship and nonaggression similar to those entered into by Burma and Nepal.

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Taiwan Strait

Three recent movements of Chinese Communist aircraft into the Taiwan Strait area have, temporarily at least, increased the number of jet fighters there by about 50. On 20 April two MIG-17s flew from Ning-po to Lung-tien; on 20 and 21 April about 20 jet fighters flew from the Suichi (Fort Bayard) area via Canton to Cheng-hai, near Swatow; and on 22 April about 28 fighters flew from near Chu-hsien to near Lien-cheng. While these movements may presage stepped-up Communist efforts to interfere with Nationalist patrols, US intelligence officials on Taiwan believe it more likely that the moves noted were rotational flights.)

The Nationalist High Command, aware of these movements and having received other information it has interpreted as indications the Communists might be preparing to step up hostilities in the Taiwan Strait, placed the offshore island garrisons on an alert status. Except for the air moves, however, there has been no confirmation of any recent unusual Communist military activity. The Nationalists' intelligence reporting may be colored by their High Command's recent estimate that Communists will initiate hostilities of some sort prior to the start of the summit conference in order to force Peiping's participation in that meeting,]

Communist China continues to underscore its hostility to any East-West agreement suggesting acceptance of the "status quo" for Taiwan. There is no "liberate Taiwan" campaign in present Chinese Communist propaganda, however, and Peiping will probably seek to avoid such hostile action as would reflect unfavorably on the "peaceful" Asian tour now being made by Chinese Premier Chou En-lai

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South Korea

The cool reception given recent announcements that President Rhee will withdraw from partisan politics and turn the reins of government over to a coalition cabinet suggests that this alone is not enough to rally popular support for the government. Students and professors of Seoul universities predict that unless the government meets basic student demands for new national elections and punishment of police responsible for repressive acts, new disturbances are inevitable when the army leaves the cities. Martial law commander Lt. Gen. Song Yo-chan has warned Rhee that martial law cannot be maintained indefinitely, and that when the time comes for the army to withdraw, the people will once again rise up against the police, who again will be incapable of handling the situation.

Meanwhile, Ho Chong, a highly competent politician and former prime minister, has announced that Rhee has asked him to form a caretaker cabinet until the constitution can be amended to establish a parliamentary form of government in "two or three" months. Ho is one of a number of former lieutenants that Rhee has consulted on the current crisis. Of the group, Ho probably has the greatest personal integrity and possibly commands considerable popular respect, at least in Seoul, where recently as mayor he refused to be a puppet of Rhee's Liberal party.

There is considerable evidence that the amendments planned by Rhee would allow him to retain control by leaving him the power to appoint and dismiss cabinet members. Furthermore, under the proposed amendments the controversial office of vice president would be eliminated and the line of succession altered so that the premier and after him the speaker of the National Assembly would succeed to the presidency upon Rhee's death. Both offices would likely be filled by men loyal to the regime, in view of the administration's large majority in the legislature.

Home Minister Hong Chin-ki has admitted that the presidential elections on 15 March were rigged to 7

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assure the election of Rhee lieutenant Yi Ki-pung, who otherwise would have lost to incumbent Vice President Chang Myon, leader of the opposition Democratic party. Hong implied that this was necessary to prevent Chang's succession to the presidency, since "everyone knew" that Rhee was old and feeble, unable to lead the country, and likely to die soon. Song Yo-chan has publicly announced that there was no evidence that the recent riots had been instigated by the Communists.

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Situation in Italy

Amintore Fanfani's failure to form a center-left government has brought the Italian political crisis to a dangerous phase. Right-left strains within the Christian Democratic party, mainstay of Italy's postwar governments, threaten the party with disintegration, to the benefit of the neo-Fascists and Communists. In February the Liberal party withdrew support of Antonio Segni's all - Christian Democratic government on the grounds that, although it depended on the rightist parties in parliament, it was moving to the left. Segni then resigned on 24 February rather than depend for support solely on the Monarchists and neo-Fascists.

Subsequently, the Christian Democratic party directorate authorized Segni to form a government of the center-left which would depend on Nenni Socialist abstention for a parliamentary majority. The Democratic Socialists and Republicans, who were to be partners in such a government, voiced their approval, as did the Socialists, but just as the government appeared about to be formed, Segni withdrew, apparently under pressures from right-wing elements in his own party.

Fernando Tambroni subsequently formed an all - Christian Democratic cabinet but was ordered by his party to resign rather than depend on the neo-Fascists, who provided his majority in the lower house. The Christian Democratic directorate then authorized Amintore Fanfani to try a center-left government, but Fanfani withdrew when party right-wingers objected to dependence on the Nenni Socialists.

President Gronchi has now asked Tambroni, who remains premier-designate, to seek Senate approval. Gronchi has thus passed over the possibility of forming a government based on Liberal and Monarchist support; in so doing, he presumably felt that many leftwing Christian Democrats would reject even a moderate centerright coalition.

In order to avoid elections now--in view of the leftward trend of the electorate, these would be damaging to the Christian Democratic party--Gronchi probably hopes that a strictly caretaker government, whether headed by Tambroni or someone else, can be formed to carry on until the Christian Democrats can hold an emergency national congress to make a clear-cut decision for either right or left orientation.

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Aftermath of the Venezuelan Military, Uprising

The Venezuelan Workers' Confederation (CTV), which demonstrated in support of the government against the abortive military uprising on 20 and 21 April, has presented a set of recommendations to President Betancourt for reform measures and punishment of the rebels.

these include trial of the conspirators by "popular tribunals" and possibly demands for Castro-type executions of the key leaders. The CTV may also be promoting the inclusion of the Communists in the three-party coalition regime, a move opposed by the majority of the officer corps and by President Betancourt. Communists have a strong minority voice in the CTV.]

The brief uprising by dissident military elements was promptly suppressed by government security forces, but the CTV, which is closely allied to the Cuban Labor Confederation and is largely pro-Castro, is apparently claiming considerable credit for quelling the unrest. Moreover, Cuban President Dorticos' formal offer of arms and men to assist Betancourt in suppressing the outbreak will further strengthen the vocal pro-Castro leftists and Communists in Venezuela. The divergent attitudes toward Castro among Venezuelan political groups--Betancourt, most of the government, and the military are critical of him--have already been a cause of strain among the coalition parties and within Betancourt's own Democratic Action party.]

[Many Latin American radios have expressed support for the regime. Radio Moscow and the New China News Agency continue to charge that the abortive revolt was abetted by the "US imperialists," by the "lackeys" of the Dominican Republic, and by "former dictator Perez Jimenez."]

(A serious threat to the balance of political power could develop if these leftist and pro-Castro pressures, which have been accompanied by some renewed attacks on the military, lead to an open break between the radical civilian groups and the armed forces.]

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