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#### 21 JULY 1960

#### I. THE COMMUNIST BLOC

Soviet memorandum to Austria on Berlin free-city problem offers no new proposals but hints Soviet willingness to explore question with West Berlin mayor.

Communists increase pressure on Western military missions in East Germany in effort to extort some acknowledgment of East German jurisdiction. (2)

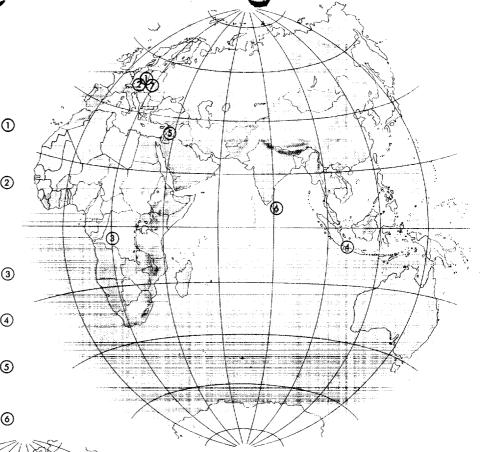
#### II. ASIA-AFRICA

Republic of Congo--Lumumba's reiteration of threat to request Soviet troops generates opposition within the government.

Indonesian Army refuses President Sukarno's request for release of recently arrested Communist politburo member. 4

Lebanese President Shihab maneuvers to increase army influence over government.

Ceylon--New government to be formed by neutralist socialist party likely to be unstable despite parliamentary majority. (6)



#### III. THE WEST

(7) Top West German Socialists endorse West Berlin Mayor Brandt as chancellor candidate.



# Approved for Release: 2020/03/13 C03185143

# CENTRAL INTELLIGENCE BULLETIN

21 July 1960

# DAILY BRIEF

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## I. THE COMMUNIST BLOC

USSR-Berlin: Gromyko's memorandum on Berlin, given to the Austrian foreign minister in early July with the intention that it be passed to West Berlin Mayor Brandt, does not offer new proposals on a West Berlin free city but hints at Soviet willingness to explore the question with Brandt. The memorandum warns that Brandt should not miscalculate the extent of Western support and strength, and emphatically repeats Moscow's pledge to meet force with force after a separate peace treaty has transferred Berlin access controls to East Germany. Moscow probably hopes by a combination of threats and hints of flexibility to stimulate an initiative from the West German Social Democrats. Failing this, however, Moscow would probably publish the memorandum and point to a refusal to negotiate as further justification for any step toward a separate peace treaty.

(Page 1)

East Germany: Moscow is at least acquiescing in the exertion of greater pressure by the East Germans on the Western military liaison missions in East Germany in an effort to extort an acknowledgment of some degree of East German jurisdiction. East German party boss Ulbricht in his press conference of 19 July charged that the US and British missions had been caught spying. East German officials are spreading the word that the USSR no longer feels its own liaison missions in West Germany are important. Soviet authorities, reportedly surprised by the Western powers' failure to retaliate against viet missions, are permitting East German pressure tacut have not committed themselves firmly on the East ans' alleged desire to abolish the missions. (Page 2)

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### II. ASIA-AFRICA

<u>Republic of the Congo</u>: Premier Lumumba's reiteration of his threat to request the dispatch of Soviet troops to the Congo appears designed to obtain a UN resolution demanding the immediate withdrawal from the Congo of all Belgian troops. Lumumba's recent actions, however, appear to have generated considerable opposition within the government, notwithstanding his statement that a request for Soviet intervention would not imply 'political conditions." The Congo legislature reportedly is considering a resolution censuring Lumumba for ''dictatorial'' and ''pro-Communist'' acts, and one opposition leader has called for the overthrow of the Lumumba government.

\*In the event of a formal appeal from the Congo Government for Soviet intervention, it is unlikely that Moscow would respond by dispatching Soviet forces. Moscow might temporarily avoid an outright rejection, however, while attempting to exploit the threat of such action as a means of stimulating pressure for the speedy and complete evacuation of Belgian forces from the Congo.

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Indonesia: The Indonesian Army reportedly has refused President Sukarno's request for the release of a recently arrested member of the local Communist politburo who is concurrently a vice chairman of the government's National Planning Council. the army hopes to avoid a head-on clash with Sukarno on the Communist issue, but for the time being is standing firm on this specific incident. The army reportedly has issued summonses for all eight members of the politburo for interrogation on the Com-

munists' antigovernment statements of 8 July, but so far it has located only one of the eight. (Page 4)

Lebanon: President Shihab's abrupt resignation and his subsequent withdrawal of it on the same day by "popular request," as well as the reported appointment of the commander of the army and the chief of staff to ministerial posts, probably indicate a desire by Shihab to reconfirm his mandate and increase army influence

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Lover the civilian government. Army commander Gen. Adil Shihab, the President's cousin, has taken over the defense portfolio, and Chief of Staff Lt. Col. Yusuf Shumayat has been appointed deputy minister of interior. Both are retaining their military posts.

both the President and General Shihab believe the military must dominate the Lebanese political scene in order to maintain stability.

\*Ceylon: The moderately socialist Sri Lanka Freedom party (SLFP) emerged from the national elections on 20 July as the strongest single group in Parliament, holding slightly more than a majority of seats. The Governor General almost certainly will call on Mrs. Sirima Bandaranaike, widow of the late prime minister and active leader of the SLFP during the two election campaigns this year, to form a government. Mrs. Bandaranaike may seek the support of the Trotskyite group and the smaller orthodox Communist party to strengthen her majority. The new government is likely to follow the neutralist foreign policy and moderate domestic program of the former Bandaranaike regime. Broad ideological and personal differences among the SLFP leaders will again make for unstable and ineffectual government.

## III. THE WEST

West Germany: Endorsement by top Socialist leaders of West Berlin Mayor Brandt as chancellor candidate for the 1961 West German national election and the naming of a shadow cabinet so far in advance of the regular party convention in November suggest that the Socialists feel it may take some time to convince the electorate of the sincerity of their new foreign policy line supporting a strong Germany in NATO. Brandt and party Deputy Chairman Herbert Wehner, who have joined forces to control the party, are reported successful so far in quelling rank-andfile opposition to their course. (Page 6)

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# [IV. WATCH COMMITTEE CONCLUSIONS

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With respect to the question of Sino-Soviet bloc intentions to initiate hostilities, the Watch Committee Conclusions remain negative.

The Director of Intelligence and Research of the Department of State believes that the following note should be added as applicable to the Watch Committee Conclusions: "Although the above conclusions remain negative, the increased militancy of Soviet foreign policy could give rise to situations in which the danger of hostilities would be perceptibly increased."

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### New Soviet Memorandum on Berlin

During Khrushchev's trip to Austria in early July, Soviet Foreign Minister Gromyko gave the Austrian foreign minister a memorandum on Berlin to be passed to West Berlin's Mayor Brandt. The memo hints at Soviet willingness to explore the problem with Brandt but makes no new proposals. Asserting that it is not in the interest of West Berlin authorities to have the Berlin problem solved through unilateral action, Moscow claims that Brandt is aware the Berlin situation is abnormal and is looking for a way out of the blind alley. As the best solution of the Berlin problem, the memo puts forth the standard Soviet proposal for a free city under guarantees by the four powers and the UN and supported by an East German obligation to maintain access to the city.

Warning Brandt against miscalculating the extent of Western strength and support, the memo specifically dismisses Western willingness to fight over the question of East German control of access routes. Moscow also resorts to a reiteration of its pledge to meet force with force in support of East Germany after a separate peace treaty transfers access controls.

Moscow probably hopes by a combination of threats and hints of flexibility to stimulate new initiative from the West German and Berlin Social Democrats. Inasmuch as the Social Democrats appeared more willing than the Adenauer government to explore a similar Soviet initiative last January, Moscow has probably been encouraged to believe that its latest move will either elicit a response or become a divisive issue in both Bonn and Berlin. In the absence of a favorable reply, Moscow will probably publish the memo as part of its effort to demonstrate a willingness to negotiate and point to German refusal as further justification for any steps toward a separate peace treaty.

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# Pressure on W-stern Military Liaison Missions-in East Germany Increases

In a letter to the American commander in chief in West Germany on 17 July and in a press conference two days later, East German party boss Ulbricht charged that members of the US and British military liaison missions in East Germany have spied on military objectives. To support his claims, he produced maps, photographs, and documents allegedly taken from mission officers by East German police. Earlier, on 20 May, while Khrushchev was in East Berlin, Ulbricht asserted that "US officers" had been caught with espionage material and called for the abolition of the missions. The East Germans reportedly are spreading word that Moscow is no longer interested in maintaining its own liaison missions to the Western commanders in chief in West Germany.

Moscow is at least permitting East German efforts to increase pressure on the missions, probably in an effort to extort some acknowledgment of East German authority over their movements. In a letter replying to British protests against East German assaults on the British mission, the Soviet commander in chief on 4 July declared the mission had "carried out activities which, under the present circumstances, could lead to undesirable consequences," adding that he could guarantee safety only "so long as members of the mission strictly observe the laws and regulations of the German Democratic Republic."

Soviet authorities do not at present want the missions abolished, but are surprised at the lack of Western retaliatory restrictions against the Soviet missions in West Germany, in conjunction with the stiff Western protests against East German harassment. They reportedly have authorized the East Germans to intensify pressure on the missions to test Western firmness on the issue.]

Moscow would probably be willing to sacrifice its own missions, if it could erode Western occupation rights in East Germany by halting the activities of the Western missions. In the meantime, for the period 13-21 July, Soviet authorities have imposed the most extensive restrictions on mission travel known to date, barring mission members from the larger part of East Germany.



# Congo Premier May Ask for Soviet Troops

The reiteration by the Congolese cabinet of Premier Lumumba's threat to request that Soviet troops be sent to the Congo appears designed to obtain a UN resolution demanding the immediate withdrawal of all Belgian troops from the country. Although the leftist-dominated cabinet resolved to make "an immediate appeal" to the Soviet Union or to other nations of the Afro-Asian bloc, Lumumba subsequently indicated that he would delay action pending events in the UN Security Council on 20 July. He added, however, that he would seek help from "the devil or anybody else" to force Belgian troops out of the Congo.

Although the cabinet remains largely responsive to Lumumba's anti-Belgian polemics, his recent performance appears to have generated considerable opposition elsewhere in the government. The Congo legislature reportedly is considering a resolution censuring Lumumba for "dictatorial" and "pro-Communist" acts, and his bitter rival within the National Congo Movement, Albert Kalonji, has called for the overthrow of the Lumumba government. Lumumba probably plans to take advantage of the UN occupation to stabilize his regime and to develop a police force responsible to himself.

Belgian officials in Katanga have assured Premier Tshombé of Brussels' willingness to provide technical and other assistance and, according to the American Consulate, have attempted to give the impression that their presence constitutes de facto recognition of Katanga's independence. Brussels continues hesitant concerning formal recognition, but Lumumba's pro-Communist tendencies may prompt nations such as South Africa. the Rhodesian Federation, or Portugal to recognize Katanga



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#### Sukarno and Indonesian Army Clash on Communist Issue

(The Indonesian Army has refused President Sukarno's request for the release of Sakirman, a recently arrested member of the local Communist party politburo who is also a vice chairman of the government's National Planning Council.) Sakirman was arrested on 16 July, apparently as the result of antigovernment statements issued on 8 July by party Secretary General Aidit and two Communist dailies.

the army had issued summonses for all eight members of the politburo for interrogation on the party's new antigovernment line, but so far has located only one of the eight.

The army's actions are reported to have been ordered by Army Chief of Staff General Nasution from North Sumatra, where he was then on tour. Nasution also issued from North Sumatra on 18 July an unusually strong anti-Communist statement in which he accused the Communists and the various insurgent groups as a whole of constituting that small segment of the population which opposed government policy.

The army has also banned the Communist daily, <u>Harian Rakjat</u>, reportedly again on orders from Nasution. This action appears to have been a countermove to the banning of an anti-Communist paper, Nusantara, on Sukarno's orders during Nasution's absence.

Although reports are conflicting as to the extent of the moves by both Sukarno and the army, army action appears to have been sufficient to increase tension between the two

the army hopes to avoid a headon conflict with Sukarno on the Communist issue.] The success of the army's holding action on the Communist party depends on Sukarno. The President, however, seems likely to continue his policy of balancing the army against the Communists, and Nasution's latest actions may encourage him to proceed with his intentions to reshuffle the army high command.



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CENITDAL INTELLICENCE RILLETIN Approved for Release: 2020/03/13 C03185143

## Ceylon's Moderate-Socialist Freedom Party to Form New Government

The outcome of Ceylon's national elections on 20 July leaves the prospects for stable parliamentary government still doubtful. The Sri Lanka Freedom party (SLFP), committed to the socialistneutralist policies of the late Prime Minister Bandaranaike, has emerged as the largest single party in Parliament. It holds slightly more than a majority of seats alone, and, with its leftist supporters, a generous majority. The relatively conservative United National party, winner of a slim plurality in the elections last March, has suffered considerable losses, although the final party standings are not yet clear. The three leftist parties have again lost some ground.

Governor General Goonetilleke will almost certainly request SLFP President Mrs. Bandaranaike to form a government. While she was not a parliamentary candidate, she was the party's most active campaigner and its choice for the prime ministership, and thus can be appointed to the position pending a parliamentary by-election. In order to assure a solid parliamentary majority, Mrs. Bandaranaike may seek the support, although probably not the active participation in the government, of the Trotskyite Lanka Sama Samaj and the smaller orthodox Communist party, which were partners in a no-contest agreement with the SLFP.

The SLFP's strong showing on its own will reduce its dependence on the extreme leftist minority and enable the new government to retain the essentially moderate outlook of the former Bandaranaike regime. The deep ideological and personal conflicts among the SLFP politicians and the probable battle for behind-the-scenes control will weaken the government, however, and will limit its ability to deal with the economic and social problems arising from the past four years of instability.

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The executive committee of the Social Democratic party (SPD) on 19 July endorsed West Berlin Mayor Willy Brandt as the party's new standard-bearer and chancellor candidate in the 1961 West German national election. The committee also named a shadow cabinet which--along with Brandt's candidacy--must be formally ratified at the SPD national convention in November. These actions--so far in advance of the convention--suggest that the Social Democrats feel it may take some time to convince the German electorate of the sincerity of their new foreign policy line supporting a strong Germany in NATO. The shadow cabinet represents a good cross-section of the party, both ideologically and geographically, and is probably intended to assure the voter that all shades of opinion will receive consideration in a new government. The principal weakness of the previous leadership was its inflexibility and devotion to narrow class doctrines.

Brandt's nomination also indicates that he and Deputy Chairman Herbert Wehner have joined forces to control the party. So far they reportedly have been able to quell rank-and-file opposition to their course.

Wehner's recent pronouncements on foreign policy were closely coordinated with Brandt in every detail. He also stated that Wehner has endeavored to work closely with Brandt and is extremely careful to avoid clashing with him. Wehner's strong support of Brandt is prompted by his belief that the SPD's only hope of winning in 1961 lies in having the dynamic young mayor as party standard-bearer.

One of Brandt's close advisers, the Berlin Senate's representative in Bonn, Guenter Klein, has raised the question of whether Brandt can return to Berlin as mayor should he fail to win the chancellorship. Klein feels this would be difficult because Brandt would have become too deeply committed in West German politics to withdraw, and that if he did withdraw and return to West Berlin, Wehner would probably gain control of the party and become its leading contender for chancellor in 1965.



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