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COPY NO. 45
OCI NO. 6115/58
31 December 1958

CURRENT INTELLIGENCE WEEKLY SUMMARY



DOCUMENT NO. 10
NO CHANGE IN CLASS. ☐
☐ DECLASSIFIED
CLASS. CHANGED TO: TS S C
NEXT REVIEW DATE: 1989
AUTH: HR 70-2
DATE: 15 Aug 79 REVIEWER:

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CENTRAL INTELLIGENCE AGENCY
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PART I**OF IMMEDIATE INTEREST****SOVIET POSITION ON BERLIN**

The Soviet leaders are maintaining a firm posture in their public pronouncements on the Berlin question.

In his speech to the Supreme Soviet on 25 December, Foreign Minister Gromyko warned that if the dangerous situation in West Berlin is not removed, this "may become a second Sarajevo." He emphasized that "any provocation in West Berlin, any attempt at aggressive action against the German Democratic Republic, could start a major war." First Deputy Minister of Defense Marshal Sokolovsky echoed this line, warning that any Western resort to force in connection with Berlin would lead to a war involving the use of intercontinental ballistic missiles with thermonuclear warheads against the United States. Gromyko strongly reaffirmed the USSR's determination to transfer to the East Germans control over Allied access, if the West rejects the Soviet proposals on Berlin.

In contrast to this uncompromising public position, Soviet officials are continuing in private talks to stress the USSR's desire for a top-level meeting. Soviet Ambassador Vinogradov told the American ambassador in Paris on 23 December that the United States and the Soviet Union should get together and compose their differences. He said the Soviet leaders did not intend that their Berlin proposals should be interpreted as an ultimatum and indicated that he personally would be in favor of a summit

meeting on the German problem in general.

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East-West Talks

A TASS statement of 23 December on the communiqué issued by the NATO ministerial meeting deliberately distorted the Western position on the

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relationship between the German question and European security arrangements. According to TASS, "leading circles" in the USSR have noted that the NATO powers no longer "condition a solution of the European security problem on a settlement of the German question." In an obvious appeal to West European proponents of various disengagement schemes, TASS said the USSR would be ready to discuss questions of European security and reiterated such long-standing Soviet proposals as a reduction of foreign forces in European countries, a nonaggression treaty, creation of a nuclear-free zone in central Europe, and treaties of friendship and cooperation between the USSR and Western countries.

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The Soviet Foreign Ministry handed notes to the Western powers on 25 December stating that the USSR would henceforth refuse to accept Western notes and documents which contain "incorrect designations" of the German Democratic Republic, such as the "Soviet Zone of Occupation" and the "East Zone of Germany." Soviet and East German authorities can be expected to claim that any modification in the Western formula made as a result of this protest represents a further step toward at least de facto recognition of East German sovereignty.

There are indications that Soviet authorities are already making preparations for transferring their East Berlin headquarters from the Karlshorst compound to a new location outside the city. In apparent preparation for a transfer of controls, East German military personnel were noted on 19-20 December carefully observing Soviet officers who were controlling documents at a Berlin checkpoint.

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THE USSR SUPREME SOVIET SESSION

In a whirlwind legislative session from 22 through 25 December, the USSR Supreme Soviet approved the state budget for 1959, Khrushchev's proposals for a reorganization of the

school system, and a revised criminal code. Speeches before the meeting included one by Foreign Minister Gromyko on the Berlin situation and the Geneva nuclear-test talks. The

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session also appointed party official Aleksandr Shelepin as head of the secret police.

The Budget

The 1959 budget shows a sharp rise in revenues and expenditures--about 12 percent over last year's, as compared with an average increase of 4 percent annually since 1953. Over two thirds of the increase will go toward financing the national economy, primarily into investment for further rapid industrial expansion. Centrally planned capital investment is to grow 11 percent, as compared with a planned growth of 7.4 percent in 1958 and an expected actual increase of 9.2 percent.

Explicit defense spending, planned at 96.1 billion rubles, is at virtually the same level as it has been since 1956. Unstated defense expenditures, however, appear in other budget categories, and the general growth of planned expenditures is sufficiently large to permit continuation of the rapid growth of those military programs so financed.

Scientific research establishments are allocated about 27 billion rubles as compared with approximately 18 billion for 1958. This increase, however, may result partly from changes in accounting categories.

Educational Reform

The theses on the reorganization of the school system, published for public discussion in November, were enacted virtually without change. The law, however, fails to mention the proposal to retain special schools for artistically gifted children or the pro-

posal that would, in effect, permit parents in minority areas to choose one compulsory language for their children--Russian or the native language. Both suggestions were strongly attacked in the press.

Criminal Codes

The new criminal codes--principles on which the republics are to model their codes--do not differ significantly from the draft codes published for public discussion last spring. The new codes formalize the legal concessions approved at the 20th party congress, but reject most of the more liberal proposals called for earlier in the public debate.

Some of the new features of the codes include the elimination of the analogy clause, under which a crime not covered by a specific clause in the code was tried under the clause most analogous. The new codes reject earlier suggestions made by some Soviet lawyers that the presumption-of-innocence principle be recognized. The age of criminal responsibility has been raised from 14 to 16 years and parole provisions altered--persons sentenced for minor crimes must serve at least half their terms, those convicted of major crimes their full sentence.

Legacies of the Stalin era long since abandoned were dropped from the new codes. These include the label "enemy of the people," the view that confession is sufficient proof of guilt, and the special extra-legal tribunals. Probably because of the abandonment of the analogy principle, the code is more specific on the nature of treason, including--for the first time under this category--

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"conspiring for the purpose of seizing power." Formerly this would have been tried as a counterrevolutionary crime.

Foreign Policy

In response to questions submitted to the government by a group of Supreme Soviet delegates, Foreign Minister Gromyko on the last day of the session made a speech in which he struck a firm and unyielding tone on both the Geneva nuclear-test talks and Berlin. (See Part I, page 1.)

Gromyko's remarks on the prospects for agreement at Geneva were very pessimistic. He charged the United States and Britain have decided to prevent an agreement and attacked the West's insistence on linking extension of a one-year test suspension to progress on other disarmament measures, and Western views on decision-making procedures in the control organ. He warned that no agreement will be possible if the West does not abandon these "invalid conditions."

Serov's Replacement

The appointment of Aleksandr Shelepin as head of the

secret police (KGB) is probably intended to make the security forces more immediately responsive to party control. Shelepin, a full member of the Soviet central committee with no prior experience in police work, has been in charge of one of the two personnel departments of the party central committee since April 1958. Before that he headed the Soviet youth organization (Komsomol) for over five years.

Shelepin may be charged with carrying out a shake-up in the KGB staff, possibly including a reorganization of the security forces. This would be in line with the intention Khrushchev expressed privately to Western officials of reducing the role of the secret police still further. Khrushchev may have in mind divesting the KGB of some of its domestic responsibilities as a gesture to ease public apprehension about police power. He presumably has no intention of reducing the role of the security forces in foreign espionage and in counterespionage, however.

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NASIR AND THE IRAQI SITUATION

UAR President Nasir's speech on 23 December attacking Arab Communists has inspired pro-UAR elements in Iraq to a stronger effort against increasingly pervasive Communist influence. Pro-UAR Baathist and

Communist demonstrators have clashed repeatedly in Baghdad during the past week. Troops and police are reported to have been called in there and in other towns and to have made numerous arrests of Baathist partisans.

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Prime Minister Qasim's personal position remains equivocal. Qasim once again has assured American officials of his desire for Western friendship and is reported to have commuted the death sentence of ex-Foreign Minister Jamali, Iraq's fieriest anti-Communist under the old regime. The pro-UAR members of the Qasim cabinet remain deeply concerned over Communist influence, even though some of them insist that the Baathists will certainly overwhelm the Communists in a showdown and others assert that Qasim himself will move "very soon" against the Communists. This latter line, incidentally, is also being put forth by the Israelis, who fear that emphasis on the growth of the Communist threat in Iraq could lead to a rapprochement between the West and their archenemy Nasir.

Qasim appears primarily concerned with his own security, as he has been at least since his former deputy, Colonel Arif, refused to accept assignment as Iraqi ambassador to Bonn. He is surrounded at all times by bodyguards

The UAR's propaganda barrage meanwhile continues unabated. Cairo and Damascus press editorials this week emphasize the "link" between Communists, imperialists, and Zionists, thus putting all Arab enemies in one basket. The campaign led to a near-riot at Damascus University when pro-Communist students tore up a pro-Nasir testimonial. At the Arab Literary Conference in Kuwait an Iraqi delegate was accused of distorting Arab history to bring it into line with Marxist theory.

The Communists possess only one major Arab press organ outside Iraq. In Iraq, however, they not only control a majority of the newspapers but also are able to use the government radio station under the control of Information Minister Salim Fakhri, a party member.

Nasir reportedly intends to follow up the propaganda campaign with new security efforts against the Communists in Egypt and Syria, even though Iraq is his real target. Khalid Bakdash, leader of the Syrian Communist party, has again gone underground and may have fled to Eastern Europe. In Syria, the anti-Communist drive serves a double purpose of partially distracting the Syrians from the economic and administrative ills which have followed their union with Egypt. The presence of UAR Interior Minister Zakaria Muhieddin at the high-level three-man commission which

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deals with the troubles of the Syrian region has given the commission an anti-Communist gloss. This effect was reinforced last week

by the Syrian region's Interior Minister Sarraj, who warned against the danger of Communist "opportunists" who pose for Arab unity.

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THE CRISIS IN CUBA

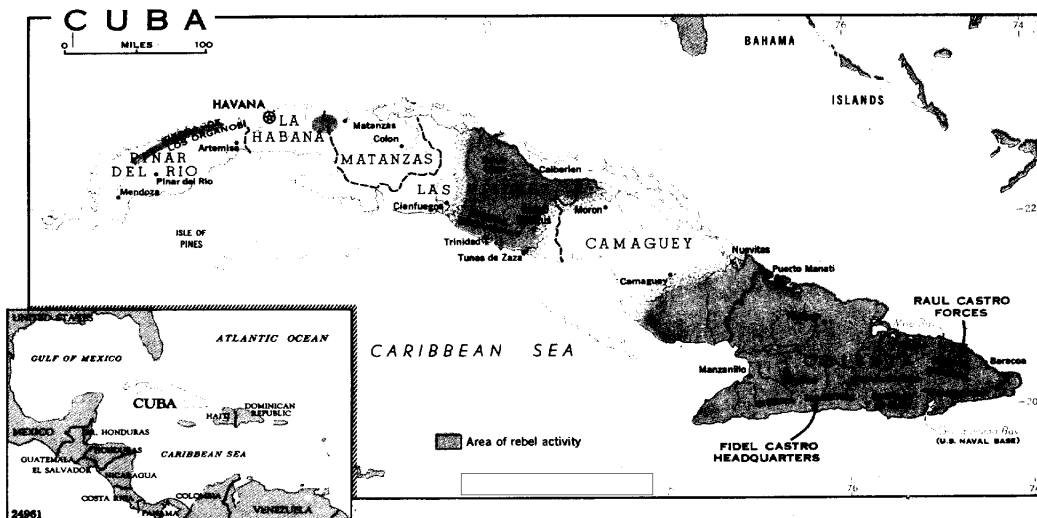
On 31 December, rebels in Las Villas Province in central Cuba continued to make gains although government troops were for the first time challenging the rebel campaign. Air and ground attacks had apparently placed the rebels on the defensive in several areas, including the provincial capital of Santa Clara. The government's indiscriminate bombing of towns held by the rebels was causing considerable damage, and the press reported large numbers of civilians migrating west toward Havana.

In Oriente Province, rebel units were approaching the city of Santiago, and the government, which had withdrawn most of its forces from outlying posts to the city, was reinforcing its positions. There were unconfirmed reports that Guantanamo City had fallen to the rebels. Castro's forces were also making gains in Camaguey Province.

Despite some gains in the counteroffensive in Las Villas,

the government's position remains precarious. Internal conflict in the armed forces appears to have resulted in a power struggle between ranking officers of the high command; continued arrests and changes in command will probably hinder the effectiveness of the government campaign. Many high officers are said to believe that the government cannot defeat the rebels, and some are reported preparing to leave the country. The government is also suffering a shortage of arms and is believed to be negotiating with the Dominican Republic for arms shipments.

The increasing tempo of the rebellion is resulting in further deterioration of the already weakened economy. The fighting in Las Villas, center of the cattle industry and third most important sugar producing area, has already caused meat shortages in Havana. The repair of disrupted transportation facilities in the three eastern provinces will also be



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delayed by the fighting and may hinder marketing of the sugar crop, despite the announced in- tention of both the government	and the rebels to allow uninter- rupted harvesting of the crop, which is scheduled to begin in early January.	25X1 <div style="border: 1px solid black; height: 1.2em; width: 100%;"></div>
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PART II

NOTES AND COMMENTS

SOVIET REGIME DEMANDS MORE APPLIED SCIENCE

The Soviet regime in mid-December warned the scientists of the USSR, as it had earlier warned Soviet writers and educators, that they may not stand aloof, but must actively participate in the solution of the "vital tasks" set by the party for the further development of the Communist state.

The warning, couched in terms of approval for applied science as opposed to basic theoretical research, included high praise for controversial biologist T. D. Lysenko and sharp criticism of biologists who oppose his views. Repeated praise of Lysenko is probably designed primarily to obtain greater practical results from scientific research in agriculture. It has the additional effect, however, of appearing to give regime support to his theories on inheritance of acquired characteristics and pose a potential threat to basic theoretical research in biology.

After Stalin's death, Lysenko's critics began to be heard, and he resigned as president of the USSR Academy of Agricultural Sciences in 1956. Since then he has regained some of the standing he lost. However, he has not regained the dictatorial control over Soviet biological science which he enjoyed in Stalin's lifetime.

Pravda published an article on 14 December praising

Lysenko's "particularly great contributions" to Soviet biology and harshly criticizing his opponents for hampering the mobilization of Soviet scientists for the further development of the national economy. The next day Khrushchev, in his agricultural report to the central committee plenum, made a highly laudatory reference to Lysenko for his work in biology. Khrushchev then noted failings in various scientific institutes which had "separated themselves from life" and suggested that the salaries of the staffs of research institutes for plant growing, livestock breeding, and mechanization be made dependent on the practical results of their scientific research.

On 17 December Lysenko addressed the central committee. He attacked President of the USSR Academy of Sciences A. N. Nesmeyanov and the secretary of the academy's Biology Section for failure to accept his views and charged that they preferred "theoretical assumptions from which no practical conclusions can be drawn." Pravda on 18 December announced that Lysenko's views had received the support of the central committee.

On the same day the first secretary of the Azerbaijan Communist party reiterated to the central committee the 14 December Pravda criticism of Lysenko's opponents and urged that all forces of science be

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united, to work not in the defense of abstract dissertations but toward the solution of topical problems in the development of agriculture.

On 19 December the central committee decree approving Khrushchev's agricultural report noted that certain scientists were "estranged" from collective and state farms and that their research made

no useful contribution to agriculture. The Ministry of Agriculture, the Ministry of Finance, and the Lenin All-Union Academy of Agricultural Sciences were directed to work out a system of payments to scientific workers which would help the development of farm production and science, presumably along the lines suggested by Khrushchev.

(Concurred in by OSI)

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POLITICAL REPERCUSSIONS OF FRENCH AUSTERITY PROGRAM

France's bold new austerity program, while offering the first genuine prospect of stabilizing the country's postwar economy, is nevertheless accompanied by political hazards. It is arousing opposition among broad segments of the population, and the French Communist party (PCF) has seized on it as the most profitable public issue for achieving working-class "unity of action" in the period since De Gaulle came to power.

Since the restrictive effect of the program will be felt most immediately by low-income groups, the PCF can be expected to use the issue to rally working-class support and attract Socialist backing. The Communist-dominated General Labor Confederation had already called for "unity from below" as a means of exerting pressure on the non-Communist unions to join in "common action" on economic issues.

Prior to the program's announcement, the Socialist-oriented Force Ouvriere (FO) had repudiated any economic steps involving deflation or devaluation, and the Christian

Workers' Confederation (CFTC) had publicly called for increases in social welfare expenditures, but both unions have hitherto refrained from overt opposition in order to "give De Gaulle a chance."

The propaganda advantages of a strong campaign against such a program will encourage Socialist leaders to adopt a sharper opposition line than party leader Guy Mollet may have originally envisaged. Mollet, whose immediate resignation from the cabinet was averted only by a personal appeal from De Gaulle, now may find his self-assigned role of "loyal opposition" leader to the future government complicated by PCF success in its efforts for unity from below.

The key factor in the success of the austerity program will probably be how well De Gaulle succeeds in convincing leaders of the largest assembly group--the Union for the New Republic (UNR)--that the plan does not negate their position on economic expansion. Michel Debre, currently considered De Gaulle's most likely choice for premier, recently reaffirmed UNR support for economic

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expansion, and UNR Secretary Roger Frey has taken the position that deflation could only lead to unemployment and thus jeopardize chances of weaning workers from the Communists. Nevertheless, the chief UNR economic theoretician, who argues that economic expansion must be maintained and that either investment cuts or tax increases would jeopardize it, has already announced his support for the plan.

De Gaulle probably decided against the UNR thesis because he sees austerity as a move toward enabling France to stand on its own feet economically,

but he probably was also influenced by the likelihood of attracting foreign aid, if necessary, as a last resort. The promise of support from various European central banks enhances the program's prospects for success.

Although France probably has the economic capability to bear both a stabilization program and the current drain of resources in Algeria, the unknown elements of the Algerian situation--particularly the duration of military pacification--pose both economic and political threats to the prospects of the austerity program.

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MOROCCO'S NEW GOVERNMENT

The cabinet of Istiqlal left-wing leader Abdallah Ibrahim, invested by King Mohamed V on 24 December, will give Morocco a broadly based government probably less sympathetic to Western interests than any of its three predecessors since Morocco gained its independence in 1956. The new government plans to "consolidate Morocco's independence," alleviate unemployment, and organize local elections sometime in 1959.

Ibrahim, who is both foreign minister and premier, has recently become closely identified with the powerful Moroccan Labor Federation and other radical elements which

have demanded measures such as "Moroccanization" of agricultural holdings and nationalization of much of the economy. Thus he is likely to give considerable latitude to Deputy Premier and National Economy Minister Bouabid, who favors a directed economy.

Party Secretary Balafrej and other prominent spokesmen of the Istiqlal's right, or essentially bourgeois, wing appear to have been bypassed by a new alignment of forces representing the restless urban and rural masses. The left wing's acquisition of all important ministries suggests that the King made greater concessions to Istiqlal extremists

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than he intended in order not to delay further the formation of a government.

Although the new government contains at least three Berbers, including Driss M' Hammedi as minister of interior, it will probably have great difficulty in dealing with the most pressing internal problem --Berber tribal dissidence. M'Hammedi's acceptance of the interior portfolio suggests that the King yielded to Istiqlal extremists' demands that the police be placed under the control of the interior minister. However, the designation as defense minister of a royalist partisan with little political stature indicates that the King has retained, at least for the time being, effective control over the army.

Previous statements of prominent left-wingers, as well as the likelihood that the cabinet will feel it necessary to balance a potentially unpopular and repressive domestic policy with an expansionist foreign policy, indicate that the Ibrahim government will renew pressure for the evacuation of foreign forces from Morocco. There are about 28,000 French and 10,500 Spanish forces still in the country, as well as five American-operated air bases. The new government is also likely to extend more energetic support to the Algerian rebels. Such actions, especially if accompanied by any move to expropriate French-owned agricultural lands, might precipitate vigorous counter-measures, possibly including independent action by French military elements in Algeria or Morocco.

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INDONESIA

President Sukarno and Premier Djuanda apparently are taking the first steps to limit the Indonesian Army's previously expanding political powers. Wide press publicity, presumably with Sukarno's sanction, was given the President's statement at a recent security conference that the army should concentrate on security matters and "leave civilian affairs to the civilian government." Direct authority over barter trade has been transferred from the army chief of staff, General Nasution, to the cabinet. Although the responsible cabinet minister--the minister for economic stabilization--is an army officer, he will be circumscribed by Djuanda and the cabinet.

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The development of firmer curbs on army power probably will depend on the effectiveness of a diverse group of political and military elements who stand to lose by Nasution's growth in stature. The principal pressure will come from the Communist party, which for some time has been quietly conducting an antimilitary and anti-Nasution campaign. Other pressures being brought to bear come from other political parties and, to a lesser extent, from the navy and air force. Furthermore, Sukarno may be concerned that Nasution is a personal threat, and the President may therefore move to depose him.

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MEETING OF NORTH VIETNAM'S NATIONAL ASSEMBLY

North Vietnam's National Assembly, as the first order of business at its recent four-day session, approved a revamped version of the Three-Year Plan for economic development (1958-60) announced last spring. Principal emphasis is still on

increasing agricultural output--particularly food production--and the main target is to produce 7,600,000 tons of paddy rice in 1960 compared with 4,500,000 claimed for 1958--the best production record to date. To achieve this

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high goal the regime is relying on its ability to complete the basic socialization of agriculture by the end of the plan period.

Hanoi previously has stressed a gradual approach to this knotty problem, although a recent issue of the party's theoretical journal, Hoc Tap, has suggested the possibility of achieving a Chinese-style "great leap forward" in this field. The plan now calls for a great majority of the nation's farm families to be enrolled in at least lower-level cooperatives by the end of the plan period. Private enterprise in handicrafts and trading is also to be virtually liquidated by that time.

While industry is not an area of priority attention, the regime does hope to build more enterprises to turn out raw materials and to be able by 1960 to provide a great part of the country's needs in consumer goods. Hanoi, while asking the people to rely primarily on their own efforts in working out the plan, acknowledges that the assistance of other bloc countries will be crucial. Most of the 90-odd new industrial plants called for in the plan will be built with equipment and by experts provided by bloc countries.

In addition to ratifying the state plan the assembly approved the membership of the Scientific Research Commit-

tee, a new body chaired by Truong Chinh, vice premier and third-ranking figure in the regime. Six members of the committee are cabinet ministers, and its secretary general is vice minister of national defense. Although the specific function of this board remains unclear, it may be empowered to coordinate government-wide operations.

In presenting the major report to the assembly, Premier Pham Van Dong emphasized that since mid-1958 a new "revolutionary surge" has swept the country--thus implying that the regime feels it has moved out of the doldrums which have impeded progress since the land reform fiasco of 1956-57.

President Ho Chi Minh apologized for not having finished the new constitution--drafting began in December 1956--and promised it would be ready by June. The thorniest problem in writing it centers on the approach Hanoi should take toward South Vietnam and on the provisions for re-electing Southern deputies to the assembly. For the first time since the armistice Hanoi preferred to have no speaker at this assembly session discuss its progress toward the reunification of Vietnam, suggesting that the regime now is almost willing to admit publicly that it has been stalemated on this issue. 25X1
(Prepared jointly with ORR)

VENEZUELAN TAX INCREASES AFFECT FOREIGN OIL COMPANIES

The Venezuelan junta's recent action increasing the ordinary income tax law in effect modifies the 50-50 division of profits between the government and the oil and iron mining com-

panies, so as to grant the government an estimated 60 to 65 percent of the profits. The move, retroactive on 1958 income, could have an adverse effect on the oil industry and

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on the Venezuelan economy in general. President-elect Betancourt may seek an even higher share of oil company profits for the government after his inauguration early next year.

Although all major Venezuelan parties and their leaders were committed prior to the 7 December elections to seek a revision of the 50-50 profit-sharing with the companies, the junta maintained that it intended to honor existing arrangements during its tenure. In practice, the new retroactive tax reportedly will give the government at least 60 percent of the industry's profits. Betancourt, who claimed that he was aware of but did not collaborate in the measure, had stated he would revise profit sharing only after careful study and negotiation with the companies.

The junta's action may have been designed in part to obtain additional revenue immediately

to meet obligations inherited from former dictator Perez' regime and to avoid foreign borrowing, which is politically unpalatable in Venezuela. Although the junta seems responsible for the method used, the action is likely to undermine confidence in Betancourt and his promises on profit-sharing revision and to reawaken serious doubts in the business community about his intentions toward private enterprise.

In a statement which apparently is representative of strong industry reaction, President Haight of Creole, Venezuela's largest producer accounting for about 40 percent of production, denounced the tax and the method of adoption, and pointed out its probably harmful economic effects. He said some of the companies that had paid almost \$700,000,000 for new concessions granted in 1956-57 might feel defrauded by the junta's action.

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CONFLICT IN THE ITALIAN CHRISTIAN DEMOCRATIC PARTY

The Christian Democratic party (CD), which has dominated the Italian Government since the end of World War II, faces a period of severe internal stresses as the party secretary general, Premier Fanfani, supported mainly by left-center elements, strives to consolidate his control over the party.

The CD has always contained a wide variety of political views and economic pressure groups, held together by Catholicism. Some factions are simple interest groups like the small farmers' organization led by Paolo Bonomi; others are mere personal followings. The right-wing groups, which include such "notables" as former Premiers Pella and Scelba, generally favor maintenance of the economic status quo and an alliance of their party with those further to the right such as the Liberals, the Monarchists, and possibly the neo-Fascists--although in the past they have apparently

also sought temporary tactical accords with the Communists.

The left-wing groups, which include President Gronchi and



FANFANI

the important labor leader Pastore, press for speedy implementation of the large socioeconomic reform program long since accepted by the party in

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principle. Some of these groups favor a limited working understanding with the Nenni Socialists if they can be isolated from their Communist allies. One of these leftist "currents,"



PELLA

Fanfani's "Democratic Initiative," has been attracting increasing sentiment from the center factions and is now probably the strongest group in the party.



SCELBA

The Christian Democratic party is influenced from the outside both by its own confederation of trade unions, CISL, and by the lay organization of the Roman Catholic Church, Catholic Action, under the leadership of rightist Luigi Gedda.

Fanfani's Approach

Alcide de Gasperi as party secretary tended to leave the various factions free to operate with a considerable degree of autonomy; but since De Gasperi's death in 1954, Fanfani has been building up his own organization in which many of the old party war horses have found themselves increasingly circumscribed. In the 1958 national elections, Fanfani was able to consolidate his position as party secretary by purging many of his opponents from the party's electoral lists. His left-center wing emerged from the elections as the dominant element in the party



NENNI

with the support of the enlarged Christian Democratic labor representation.

Fanfani also has influential backers in business circles. Vittorio Valletta, head of the FIAT automobile firm, and Enrico Mattei of the government oil monopoly, ENI, are noteworthy examples. In running the party, moreover, Fanfani tends to be authoritarian and to regard it mainly as his own instrument of control.

At present most of his backing is labor oriented, but he can count on continued labor support only to the extent that he succeeds in pressing reforms.

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The recent decline in the influence of non-Communist unions, which has been aggravated by the development of a new employer-sponsored Christian Democratic union in competition with CISL, may in the long run weaken labor support for the party.

Right-wing Opposition

When organizing his government last July, Fanfani was obliged to give cabinet recognition to such individual Christian Democratic right-wingers as Treasury Minister Andreotti, whose election was a personal victory. Although these right-



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wing opponents reluctantly allowed Fanfani to form a coalition with the Democratic Socialists, dependent on the benevolent abstention of the Republicans, the right-wingers have on numerous occasions voted against government-sponsored measures in Parliament.

Right-wing resentment over Fanfani's tightening control was exacerbated when the premier agreed, under pressure from the Social Democrats, to undertake an investigation of the Bankers Anonymous investment scandal, which involved an implication of negligence on Andreotti's part. The resent-

ment broke into the open when ex-Premier Mario Scelba apparently encouraged his fellow Sicilian Christian Democrats to disregard Fanfani's order to disband their new regional government formed with Communist and neo-Fascist support.

The party's right wing, again including Scelba, was also apparently involved in attacks against Fanfani's foreign policy. Recent extensive changes in the Foreign Ministry, which Fanfani heads, have been cited as evidence that Italy is loosening its ties with NATO. This rumor may have originated with disgruntled Foreign Ministry officials. No drastic reorientation of Italian foreign policy seems in prospect, although increasing economic prosperity has encouraged greater independence in foreign affairs.

The most effective attack on Fanfani's position is probably the systematic practice of defeating the government in secret parliamentary votes--in several of which it has been apparent that a number of Christian Democratic deputies voted in opposition. Fanfani met this attack by calling for a vote of confidence on 6 December, but, despite his victory, his opponents reverted immediately to their blocking tactics, and on 11 December he lost another technical vote.

It is apparent, therefore, that the Christian Democratic right wing is not ready to accept responsibility for Fanfani's overthrow in a recorded vote, but will probably continue to vote against him on secret ballots in an attempt to destroy his prestige. Parliament, now in recess, is scheduled to reconvene on 20 January, and Fanfani has indicated that he fears he cannot hold the present government together much beyond that time.

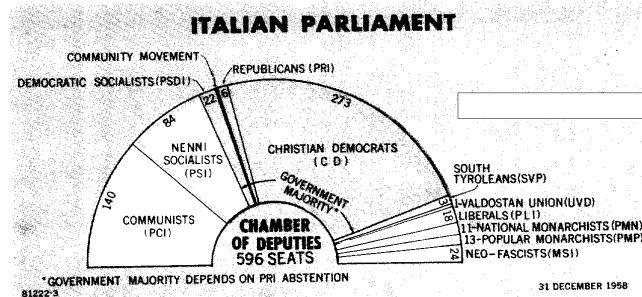
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SECRET**CURRENT INTELLIGENCE WEEKLY : SUMMARY****31 December 1958****Fanfani's Resources**

Fanfani's great weakness in his precarious margin of votes in the Chamber of Deputies. His strongest card at present appears to be the backing of President Gronchi. The President can call for new elections if the government falls, and the Christian Democratic right-wingers fear even greater electoral losses than they suffered in 1958.

Earlier help may come from the mid-January congress of the Nenni Socialist party (PSI), where Nenni plans to push a policy of independence from the Communists and freedom to cooperate with the government on specific issues. If the congress should result in

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**Conclusions**

The next few months promise to be critical for Fanfani's effort to reshape the Christian Democratic party. He must balance his desire to consolidate control over the party against the need to expand its approval. He is inclined toward au-

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some kind of understanding between Fanfani and a large part of Nenni's following to provide the government a working majority on social reform measures, the premier could be freed from dependence on his own party's right wing. On the other hand, should pro-Communists dominate the PSI congress, Fanfani's position vis-a-vis his right-wing colleagues would be considerably weakened.

thoritarian methods within the party, yet he must compromise with influential factions in order to hold it together. A master of equivocation, he must also show the vigor needed to increase further the popular vote won in the 1958 elections.

The Christian Democratic congress, scheduled for next spring, was purposely planned to follow the Nenni Socialist congress, which will be held from 15 to 18 January. Fanfani's effort to determine the direction his party will take may depend on the outcome of that congress.

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PROBLEMS IN FRENCH TROPICAL AFRICA

The 15 major territories of French Tropical Africa, which have a population of more than 30,000,000, have been experiencing a rapid political evolution. In 1946, Paris startled the colonial world by granting full French citizenship, including virtually universal suffrage, to its African subjects. Although these privileges did not bring legislative equality nor any commitment to independence, they led to a growth of power at the African territorial capitals and also at Dakar and Brazzaville, where France's West and Equatorial African territories respectively have been administered.

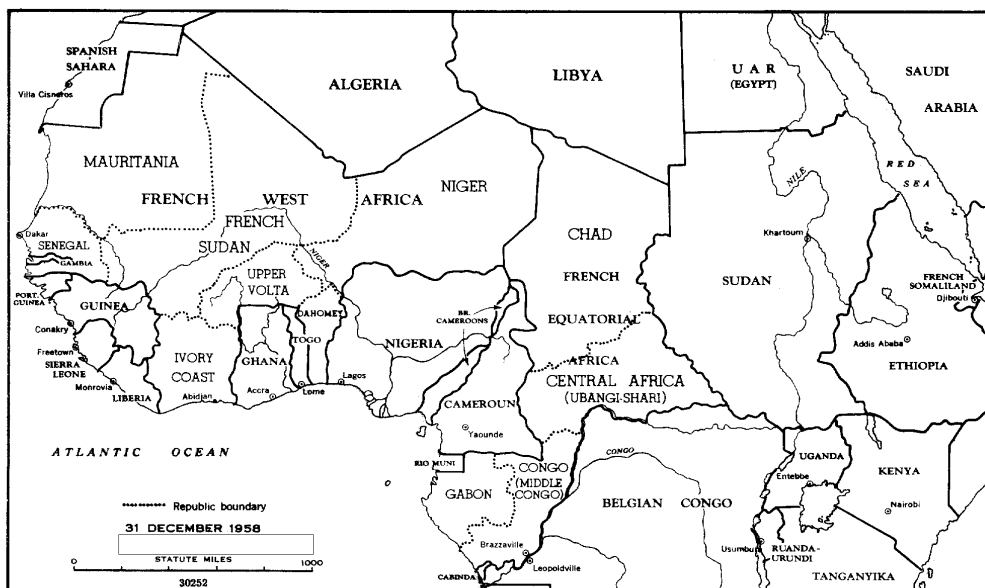
In 1956, France gave way to the demands of African nationalists and passed a basic reform law (loi cadre) under which territorial assemblies, which had been largely consultative, received genuine, though still limited, legislative powers. They gained control over the budget and taxation and received the right to form ministerial councils which, however, were basically under the control

of the French governors. By 1957 the governors' powers had been reduced and African premiers presided over the councils. The trust territories of Cameroun and Togo advanced even faster and now enjoy virtually complete autonomy.

As the territorial assemblies received most of the attributes of self-government, many African leaders began to demand genuine legislative and executive institutions at Dakar and Brazzaville. Younger nationalists, even those within conservative African parties, talked of a "commonwealth solution" for French Africa, and their ideas gained rapid support.

The French Community

In line with this growing African demand, the constitution for the Fifth Republic incorporates a new concept known as the French Community, which differs markedly from the British Commonwealth. The Community--an association of Metropolitan France, Algeria, overseas departments and territories,

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and 12 African autonomous republics which have exercised their option to join--will be under strong metropolitan French influence. Through the Community organization, Paris will have responsibility for foreign affairs, defense, currency, and economic policy, and in the absence of specific agreements with the republics it will also control justice, higher education, and communications. In contrast, the Commonwealth is composed of fully independent nations linked by economic and political arrangements.

The tropical African territories which have chosen republic status have lost their former representation in the French National Assembly and Senate, but they will be represented in the Community's Executive Council and Senate and entitled to participate in the election of the President of the French Republic, who is also President of the Community.

The Executive Council, though not a cabinet, is to carry out the instructions of the President where Community interests are concerned. Its membership includes the prime ministers of all the republics and French cabinet ministers with responsibility for matters affecting Community affairs. The council will probably be divided equally between French and African officials.

The Senate--a consultative body on primarily economic affairs--has no control over the Council or President, and its exact numerical make-up is not specified in the Constitution. Because delegates from both the French and African legislatures will be apportioned on the basis of population and responsibilities in the Community, it is likely that French influence will dominate.

In Tropical Africa, only French Somaliland and the rela-

tively unimportant Comoro Islands near Madagascar chose to remain overseas territories. All other areas have become republics, some with the intent of exercising within a few years their constitutional option of achieving complete independence through a legislative resolution and a popular plebiscite.

The Problem of Federation

The paramount issue now being debated in the African republics--excluding Madagascar--is the question of transforming the heretofore largely administrative groupings of West and Equatorial Africa into politically meaningful "primary" federations. Among African nationalists there is increasing desire for regional associations to unite the new and unstable states within a more viable unit. Many French African leaders--albeit suspicious of Prime Minister Nkrumah of Ghana--are impressed by the present efforts of Ghana and Guinea to coordinate many aspects of their foreign relations.

Since 1904, when governments-general were first established at Dakar and Brazzaville, there has been a gradual centralization of economic and administrative liaison for the vast areas of the two federations. The two capitals have acquired distinct personalities, and after World War II they took on added importance as the political symbols of African nationalism.

Stimulated by the concept of the Community, however, the representatives of three territories have recently attacked the intermediate position of the federations in favor of direct ties with France. The Ivory Coast and Gabon, rich in resources, resent subsidizing the poorer regions, while Caucasian Mauritania fears close political identification with the Negro territories of French West Africa.

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Disagreement over this issue, particularly in West Africa, may well split the leading political party in French Africa, the African Democratic Rally (RDA). The party's moderate president, Felix Houphouet-Boigny, a rich planter from the Ivory Coast and a minister of state in recent French governments, opposes a primary federation with strong political institutions. However, he is rapidly losing support within the RDA, and several RDA-controlled territories--including the Upper Volta, which had been considered strongly influenced by him--have indicated support for a strong federation.

Many RDA leaders, among them Gabriel d'Arbousier, a vice president, feel Houphouet-Boigny is wrong in trying to oppose the popular African federation movement and in carrying on a vindictive campaign against Guinea's Sekou Toure, premier of the only French territory to opt for immediate independence and idol of many nationalists throughout West Africa.

Houphouet-Boigny suffered a serious blow to his prestige in late October when he was unable to control violent riots against African workers from Togo and Dahomey in his own political citadel of Abidjan. Within a few months he may retain only the allegiance of his tightly controlled organization in the Ivory Coast and the support of conservative tribal chieftains elsewhere who are rapidly losing their influence.

The Senegal Government, led by the rival African Regroupment party (PRA), has circulated copies of a federal constitution to other territories; a meeting of representatives from parties and governments was scheduled for late December to review the proposed draft. PRA leaders expect representatives from at least six West African areas. The constitution generally par-

allels d'Arbousier's ideas on a strong federation and provides for a federal president, council, and assembly, with power over fiscal policy and customs, civil service, labor regulations, the judiciary, development plans, budget, and arbitration.

Delegations from almost all of the new republics went to Paris in mid-December for consultations regarding the size of economic and financial aid which the African republics can expect from France. Paris reportedly has attempted in vain to work out a compromise on the federation issue to satisfy the Ivory Coast and forestall the breakup of the RDA.

The situation among the four states of French Equatorial Africa is less complicated, but the same dangers of Balkanization are present. Gabon, rich in resources, has resisted efforts to create a strongly centralized federation, and Barthélemy Boganda of Ubangi-Shari failed in late November in his efforts to form a Central African Republic embracing all four Equatorial territories. While primary federation has many strong supporters, representatives of the four territories decided in mid-December to have only consultation on a number of economic and social matters.

Cameroun and the UN

One of the greatest stimulants to African nationalism in West Africa has been the rapid political evolution of the trust territories of Cameroun and Togo, both of which have advanced further than the other French areas and now have been promised independence in 1960. In the case of Cameroun, French policy has been under question by the Asian-African bloc in the United Nations, and a full-scale debate is likely in February.

Since 1955, when the Communist-influenced Union of the

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Cameroun Population (UPC) was outlawed following violent riots at Douala, the UPC has both conducted guerrilla warfare in the southwestern region of Cameroun and has sent representatives to the UN Trusteeship Council and General Assembly to lobby against France and the present moderate Cameroun Government. This lobbying, along with the prevalent distrust of colonial powers felt by several Asian nations, has led the Asian-African bloc to question the representative nature of the present Cameroun Government and to demand a special UN-conducted plebiscite not only on independence but also on the leadership of the present government.

The visiting mission which had previously been sent to the area did not have time to complete its report--which was essentially favorable to the French view that any further popular consultation is unnecessary--before the termination of the regular UN General Assembly in mid-December. The assembly, at the instigation of the Asian-African representatives, accord-

ingly took the unusual step of voting to reconvene on 20 February to consider the mission's report and to decide on the necessary steps for Cameroun independence in 1960.

Cameroun's problem is complicated by Britain's trusteeship over the smaller party of the onetime German colony which has been administered as part of Nigeria. The difference in the timing of independence for Cameroun and Nigeria--January as opposed to October 1960--raises a problem for the Camerounian, British, and French officials, who favor different solutions to the question. London had not planned to conduct a plebiscite in British Cameroons until mid-1960, but it now fears that a plebiscite delayed until after Cameroun has achieved independence might lead the inhabitants of British Cameroons to vote to rejoin their independent kinsmen instead of selecting regional status in a federal Nigeria. The Camerounians, on the other hand--and the UPC in particular--are increasingly interested in re-unification.

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THE ROLE OF WOMEN UNDER CHINESE COMMUNISM

The Chinese Communists have made the "liberation" of women from household "drudgery" a key feature of the commune program. Peiping claims that this step is being taken in order to free more women for productive labor and to give them equal status with Chinese males--a precondition for the eventual achievement of Communism. The regime apparently intends to use this feature of communal living to

make a final assault on the traditional family system.

Assault on the Family System

Breaking down the old Chinese family system has been a fundamental policy of the Chinese Communists. Traditionally the Chinese family has assumed roles in local government, welfare activities, and finance and business which the Communists must take

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over in order to perpetuate their power. Under the old system, male supremacy was the order and women were relegated to second-class citizenship. Early in the game the Chinese Communists decided that the emancipation of women was the

key that would unlock the tradition-bound family.

With the establishment of the present regime in 1949, women became equal to men under law, although in fact there was little change in their status.



ON A CONSTRUCTION PROJECT



ON THE FARM



IN THE MINE



IN THE FACTORY

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In May 1950 the regime enacted a marriage law which the Communists publicized as doing for women what land reform was to do for the peasantry. The marriage law banned arranged and child marriages, forbade polygamy, concubinage, and sale of children, facilitated divorce for women, encouraged the remarriage of widows, and generally arranged for protection of the rights of women.

The sudden release of women after centuries of male domination resulted in excesses--especially an alarming increase in murders of and suicides by women--which by 1953 forced Peiping to stop enforcing the marriage law and to substitute a longer term educational program. Nevertheless, the marriage law was a sharp blow at male supremacy and thus weakened the traditional family structure.

Peiping continued to undermine the family, though less obviously than under the marriage law. The regime damaged family cohesion through a variety of practices including turning children against their parents, spying into the activities of all members of a family, separating family members at will, and making party decisions in matters which used to be the prerogative of the family head. During this early period of the regime, women were encouraged to work in factories, enterprises, and offices.

Economic Considerations; Communes

In 1957 larger economic considerations dictated a sharp reversal in the party line on women. Concerned in late 1956 and early 1957 over numerous problems arising from an over-extended economy, the regime adopted a more conservative economic program which, among other things, contributed to an already troublesome labor surplus. Women therefore were re-

leased from the factories and told that their primary responsibility was in the home seeing that the country's program of thrift and economy was carried out in every kitchen.

Beginning early in the spring of 1958, however, and once again in response to a larger economic consideration--the "giant leap forward"--the role of women was again reversed. The party began in April to refer to housework as "dull and trivial" and spoke of liberating housewives from "drudgery." These were the early rumblings of the commune program.

The party has clearly stated its purpose in freeing women for labor in the communes.

A Chinese wife answers her complaining husband:

"...You probably want to have the kind of home you had in the past, one in which the whole family served your personal needs--wash basin filled with warm water in the morning, your clothing properly washed and pressed, wash basin again filled with warm water in the evening so that you could wash your feet, and something tasty prepared for you at night. This kind of life, you would say, looks something like a home. But what kind of home is this? It lags far behind the age in which we live today--of upsurge in every field of endeavor. It is without a whiff of socialist smell!"

People's Daily, 6 July 58

The employment of women will be a "great beginning in the transformation toward Communism of the traditional way of life of the old society." In other words, female participation in all sorts of occupations from running mess halls to building roads will not only provide additional labor but will change people's attitudes.

Chinese women now are working side by side with men in industry and agriculture; in such fields as culture, education, medicine, and public services, they are already or are gradually working toward running the show. In a show of favoritism for women, Peiping this past summer reserved for female applicants over 80

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percent of a quota for technical students. However, within the party--where women account for about 10 percent of the membership--and at the policy-making level, Chinese women are unimportant. There is as yet no Furtseva in China.

It seems likely that in addition to its avowed purpose of freeing women from housework, Peiping also hoped that women would be sufficiently enthusiastic about their new status and flattered enough by all the sudden attention to help push through the commune program--which the regime could reasonably have expected to be unpopular. For all her subjugation to the male, the older Chinese woman exerted tremendous influence and in-

directly ran most Chinese families. The Communists had earlier seized on this tradition to make Chinese women party bloc wardens--the eyes of the party.

The inevitable result of the emancipation of women in the communes has been a "giant leap forward" in the breakup of traditional family life. This has not been achieved without apparently serious misgivings. The party has felt constrained to offer assurances that members of a family will live together in the communes. It has not, however, withdrawn its aim of destroying the "old feudal patriarchal family," and probably feels confident that the commune is the instrument which will accomplish this.

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