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CURRENT INTELLIGENCE WEEKLY SUMMARY



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CURRENT INTELLIGENCE WEEKLY SUMMARY

~~CONFIDENTIAL~~

31 March 1960

T H E W E E K I N B R I E F

PART I

OF IMMEDIATE INTEREST

SOUTH AFRICA Page 1

In the face of rising racial tension in South Africa, the government has renewed its drive to suppress nonwhite nationalist movements. Two African nationalist organizations are competing for the support of the 3,500,000 urban Africans. The UN Security Council debate on the South African question will also add to internal friction, particularly if the council passes a strongly condemnatory resolution. [redacted]

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CARIBBEAN TENSIONS Page 2

Cuba is increasingly hospitable to Latin American Communist activity. The Communists join Castro in condemning the alleged aggressive plans of US imperialism to frustrate the Cuban revolution, and energetically exploit the appeal of his radical reforms and ultranationalistic programs. In the Dominican Republic, there are growing signs that Trujillo's dictatorship may be nearing its end. His ouster is likely to be so abrupt as to leave a power vacuum, which Castro is probably preparing to exploit. [redacted]

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EAST-WEST RELATIONS Page 4

The initial talks between De Gaulle and Khrushchev were devoted to a repetition of basic positions on Germany and various aspects of disarmament. Khrushchev has continued to stress the German menace and the "natural alliance" of France and the USSR, and has repeated his threat to conclude a separate treaty with East Germany. De Gaulle countered by playing down the gains for the USSR of a separate peace treaty and insisting that France will not recognize East Germany. De Gaulle feels that the discussions beginning on 1 April will yield more precise indications of Soviet intentions on summit issues. French reaction has varied, ranging from relatively large receptions in Paris and Marseilles, where Communist efforts were evident, to a marked coolness in Bordeaux and Rheims. The Soviet bloc delegations at Geneva are seeking to obtain Western agreement to a list of "agreed principles" on disarmament for endorsement at the summit. [redacted]

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CURRENT INTELLIGENCE WEEKLY SUMMARY

31 March 1960

PART I (continued)

MIDDLE EAST HIGHLIGHTS Page 7

Qasim's anti-Communist measures have encouraged the anti-Communists and have increased the army's influence over the political scene. The Arab League Council meeting in Cairo is almost certain to intensify the bitter quarrel among Nasir, Qasim, and King Husayn on the Palestine issue.

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PART II

NOTES AND COMMENTS

AFRICAN NATIONALISTS PREPARING NEW MEETINGS Page 1

Militant African nationalists will meet in four conferences to be held at Accra, Conakry, and Casablanca during the next two months. Projects to achieve greater African unity will be given heavy propaganda play, despite increasing strains within the growing bloc of emerging African states. Western colonial powers and the Union of South Africa will again be under heavy fire, particularly at the second Afro-Asian People's Solidarity Conference which is to be held in Conakry from 11 to 16 April with Soviet and Chinese Communist representatives taking part.

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FRENCH COMMUNITY DEVELOPMENTS Page 2

Paris has negotiations under way or in prospect for granting formal independence to the 11 African states which are members of the French Community. It hopes, however, to retain a greater number of common institutions and official ties than prevail in the British Commonwealth. Negotiations with the Malagasy Republic have been completed, and independence is expected to be proclaimed in June. French public opinion supports this political evolution, and the National Assembly is expected to make the necessary revisions in the French constitution.

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PROSPECTS FOR SPECIAL UN MEETING ON FRENCH NUCLEAR TESTING Page 3

UN Secretary General Hammarskjold is now polling UN members in response to a 14 March request--signed by 22 of the 29 members of the Asian-African bloc--for a special session of the UN General Assembly on French nuclear testing. Formal replies are not due until 14 April, and the few received so far have been unenthusiastic. If France

SECRET

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CURRENT INTELLIGENCE WEEKLY SUMMARY

31 March 1960

PART II (continued)

tests another nuclear device before mid-April, public opinion may impel a majority of UN members to agree to a special session. [redacted]

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ANGLO-GERMAN RELATIONS Page 4

Political and economic differences continue to strain Anglo-German relations. The British Foreign Office is under considerable pressure to gain for Members of Parliament access to documents of the American-operated Berlin Documents Center on ex-Nazis now prominent in West Germany. Chancellor Adenauer's approval for accelerating institution of a common external tariff by the Common Market countries has heightened British fears of early German discrimination against British goods. [redacted]

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THE PROPOSED TAMBRONI CABINET IN ITALY Page 5

The cabinet which Premier-designate Fernando Tambroni is expected to submit for parliamentary approval in early April is a slightly modified version of Segni's all-Christian Democrat government whose collapse on 24 February under pressure from the right brought on the current parliamentary crisis. The Tambroni cabinet, which features the outgoing premier as foreign minister, is designed by the party primarily as a stopgap. [redacted]

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ARGENTINE CONGRESSIONAL ELECTIONS Page 6

In the 27 March elections to renew one half of the Argentine Chamber of Deputies, the major opposition People's Radical party (UCRP) won more seats and about 3 percent more popular votes than President Frondizi's Intransigent Radical party (UCRI). The UCRI, which had feared greater losses, still has an absolute majority in the Chamber but probably faces increasing political difficulties with the unpopular US-backed stabilization program. [redacted]

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SECRET

iii

THE WEEK IN BRIEF

SECRET

CURRENT INTELLIGENCE WEEKLY SUMMARY

31 March 1960

PART II (continued)

SOVIET ECONOMIC AID TO THE UAR Page 7

The USSR is attempting to fortify its role as the UAR's primary source of foreign aid by speeding up implementation of its 1957 aid pact with Syria. New offers of aid may result from talks now under way at Damascus to renegotiate the agreement. In addition, major construction work will soon start on Egypt's Aswan Dam. There are, however, indications that Moscow is having difficulty meeting some commitments under its \$175,000,000 economic cooperation agreement with Egypt, and Cairo may seek Western assistance, now becoming increasingly available, in order to make up for Soviet deficiencies. [redacted]

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EAST GERMANS PLAN TO COMPLETE COLLECTIVIZATION THIS YEAR . Page 9

Encouraged by its success in rapidly completing collectivization in eight districts, primarily in the north, despite peasant resistance, the Ulbricht regime in East Germany now has decided to bring all remaining private farmers into collective farms by the end of this year. The speed of the campaign thus far, however, probably cannot be sustained in the southern parts of the country, where greater resistance is expected. Although this ambitious project will probably be soft-pedaled temporarily to encourage farmers to get on with spring planting and harvesting, it is likely to be resumed thereafter. [redacted]

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SINO-NEPALESE AID AND BORDER AGREEMENTS Page 10

The Chinese Communists, in an effort to expand their influence in Nepal, on 21 March gave that country an additional \$21,000,000 in grant aid, bringing their total there since 1956 to \$33,600,000. The Chinese also will establish a long-sought embassy in Katmandu and send technicians to Nepal. The Chinese accepted Nepal's request that the "traditional" boundary between the two countries be used as a basis for final demarcation, with "certain discrepancies" to be ironed out by a joint commission. Chou En-lai, in his coming talks with Nehru, probably will cite the agreement establishing the Sino-Nepalese border commission as a precedent for a similar agreement with India and as evidence of Chinese reasonableness. [redacted]

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NEW INDIAN DEFENSE MEASURES Page 11

In an effort to improve its defense posture against Communist China, India is strengthening administrative controls in the Himalayan border areas, expanding military reserves, seeking equipment from abroad to improve its capabilities for high-altitude military operations, and increasing its capacity to produce its own materiel. [redacted]

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CURRENT INTELLIGENCE WEEKLY SUMMARY

31 March 1960

PART II (continued)

NETHERLANDS NEW GUINEA Page 13

The Hague, long uneasy that Indonesia's growing military strength poses a threat to Netherlands New Guinea, is expected to renew pressure for assurances of military support from Australia, the United States, and Britain. While the Dutch show no disposition to negotiate with Indonesia about the territory, they appear increasingly inclined to join forces with Australia in sponsoring the development of a Melanesian union which would include New Guinea and adjacent trust territories.

[Redacted]

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[Large Redacted Area]

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PART III

PATTERNS AND PERSPECTIVES

THE CHINESE COMMUNIST MILITIA Page 1

The Chinese Communist militia is primarily a security and shock-labor force which Peiping views as an instrument of control over the population and as a means of implementing major internal reforms, such as imposition of rural communes. This militia is the largest paramilitary organization in the world, but most of its members have had little or no military training. In wartime, it could provide about 30,000,000 partly trained reserves to the regular forces and supply almost unlimited manpower for rear-area duties.

[Redacted]

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THE FRENCH ARMY IN POLITICS Page 7

Although De Gaulle has energetically reasserted civilian control over the military following the abortive French settler insurrection in Algiers in January, the Paris government must still cope with an antidemocratic mentality

SECRET

v

THE WEEK IN BRIEF

SECRET

CURRENT INTELLIGENCE WEEKLY SUMMARY

31 March 1960

PART III (continued)

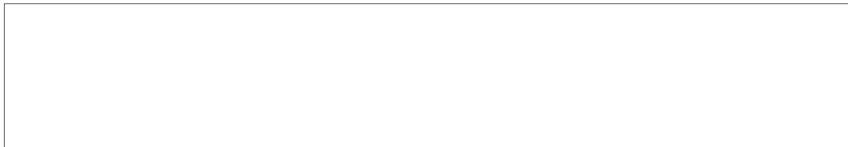
which many French officers developed in the course of their unsuccessful colonial campaigns. A minority of "activist" officers has fostered this attitude among conscripts and spread it among the civilian population through veterans organizations. De Gaulle is trying to convince the military that the retention of Algeria cannot be the principal goal of an army which must adapt itself to global commitments.

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ECONOMIC OUTLOOK FOR 1960 IN EASTERN EUROPE Page 10

Industrial output in the European Communist satellites is scheduled to continue growing at a high rate in 1960, although in most countries the planned rates of growth, ranging from 7.6 to 15 percent, are lower than those achieved in 1959. The consumer is to benefit to a small extent from large increases in industrial production, but the share of national income earmarked for consumption will decline slightly and that for investment will grow. Outstanding problems during the year will probably involve labor performance, inasmuch as a large share of the industrial gains is supposed to come from increased productivity. Polish workers are already reacting adversely to raised work norms, and workers in the other satellites are under similar pressures which are resented and occasionally resisted.

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SECRET

vi

THE WEEK IN BRIEF

SECRET**CURRENT INTELLIGENCE WEEKLY SUMMARY**

31 March 1960

PART I**OF IMMEDIATE INTEREST****SOUTH AFRICA**

In the face of rising racial tension in South Africa, the government has renewed its drive to suppress antigovernment movements. After an initial period of apparent hesitation, in which enforcement of the restrictive African pass system was temporarily suspended, the government moved to outlaw the African National Congress (ANC) and the Pan-Africanist Congress (PAC), together with other groups representing smaller minorities. A state of emergency has been declared in the country's urban areas, 234 leaders of all races have been arrested, and the army's 20,000-man civilian reserve has been partially mobilized. Most of the parliamentary opposition has supported the actions taken by the Verwoerd government.

Internal friction will be increased by the UN Security Council debate on the South African question, particularly if the council passes a strongly condemnatory resolution. On 30 March the South African representative withdrew from the council table after stating his country's objections to the decision to debate the issue. As a result of the substantive discussion of the issue, South Africa may soon withdraw completely from UN activities, charging that the Security Council debate constitutes an interference in its internal affairs.

The USSR followed up its basically factual press accounts of the South African riots with a TASS statement on 24 March deploring the Sharpeville vio-

lence. The Soviet statement said that "official quarters of the USSR," as well as the Soviet people, denounce the actions of the South African authorities and call for immediate measures to prevent further violence and to guarantee civil rights to Africans in accordance with the UN Charter. While Moscow's subsequent press attention has been relatively meager, Soviet UN delegate Sobolev voted for inscription of the issue on the Security Council agenda, and the USSR can be expected to give strong support to Afro-Asian efforts to gain UN censure of South Africa.

The South African Government will probably combine police repression with a relaxation of the most onerous aspects of apartheid. This course will not satisfy the nonwhites, who demonstrated their increasing willingness to take direct action in the highly effective work stoppage on 28 March. The ANC and the PAC are apparently competing for the support of the 3,500,000 urban Africans, and both groups are likely to increase the stridency of their antiwhite agitation. Intimidation of moderate Africans, which was an important factor in the 28 March riots, will probably be used increasingly by the militant African nationalists.

Although the government can probably contain outward manifestations of African unrest for the present, it is unlikely that tension will be reduced to pre-riot levels in the foreseeable future. It will be extremely

SECRET

SECRET**CURRENT INTELLIGENCE WEEKLY SUMMARY**

31 March 1960

difficult to reinstitute the pass system in any effective form. Without some kind of influx control, though, the cities will be flooded with large numbers of unemployed Africans. Moreover, the riots have placed serious strains on the European political parties..

Prime Minister Verwoerd apparently remains in control of the ruling Nationalist party only because there is no one else who offers a forceful program for dealing with the situation; however, he is plagued by a split between archconservatives and relative liberals within the party. The United party, which holds the largest bloc of opposition seats in the South African Parliament, is similarly divided. The Europeans are presently united by the African threat to their

**VERWOERD**

hegemony; when the situation has calmed somewhat, there may be a realignment of political organizations within the European community.

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CARIBBEAN TENSIONS

Castro's Cuba is increasingly hospitable to Latin American Communist activity. The Communists join Castro in condemning the so-called aggressive plans of US imperialism to frustrate the Cuban revolution, and energetically exploit the appeal of his radical reforms and ultranationalistic programs.

Communists or pro-Communists from 15 Latin American countries attended the ceremonies of the "Week of Solidarity With the Struggles of the Latin American Peoples" in Havana from 21 to 26 March. The "solidarity week" was proclaimed by the Cuban Labor Confederation (CTC), the Communist-infiltrated labor arm of the Castro regime,

and warmly endorsed by the Cuban Communist party. A manifesto called for an "anti-imperialist and anti-feudal revolution" in Latin America and the strengthening of Latin American solidarity with the Cuban revolution.

At the final rally, a Cuban CTC leader announced plans for a "great Latin American congress to create the apparatus to fight the common enemy, imperialism." He said Cuban delegations will leave on 1 May for other Latin American countries "to give them help and to request aid for the Cuban revolution." Many of the week's demonstrations stressed the "unfortunate" plight of Puerto

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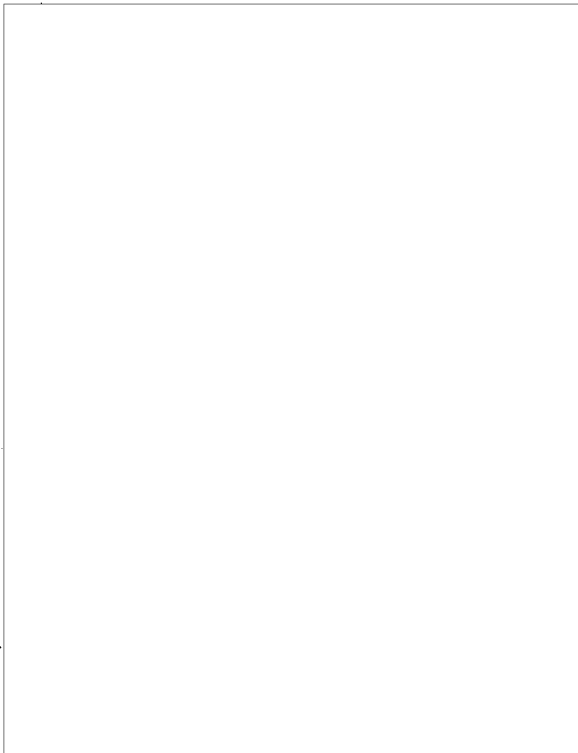
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CURRENT INTELLIGENCE WEEKLY SUMMARY

31 March 1960

Rico, "still under the bondage of the common enemy."

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The "Latin American Congress," which was promised at the "solidarity week" rally, could serve the purposes of the ostensibly non-Communist "peoples' conference" which was also planned during the early 1959 meetings in Moscow. The increased liaison among Latin American Communists, now possible in Cuba, and the hemisphere "peace conference" planned for Havana in May or June were also elements in the program developed then in Moscow.

Top Cuban officials meanwhile continue to employ attacks on the United States as a means of whipping up revolutionary fervor. The strident, combative speeches of Fidel

and Raul Castro on 27 March were apparently designed to give the impression that a mercenary invasion of Cuba, backed by "American imperialists," is a virtual certainty.

Dominican Republic

In the Dominican Republic, there are increasing signs that Trujillo's dictatorship may be nearing its end.

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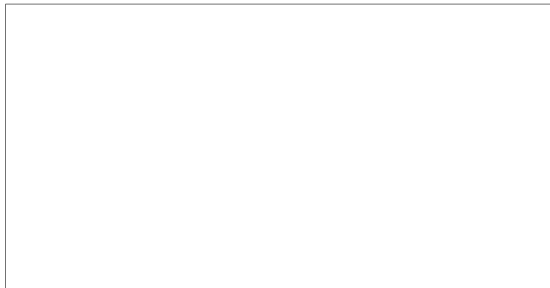
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The American Embassy reported on 24 March that the situation contains all the ingredients necessary to "blow the lid off the political barrel."

To counter the effect of recent Catholic Church condemnations of the regime, the Trujillo-controlled press has been playing up a suggestion that the Dominican people be given an opportunity to proclaim the generalissimo "Benefactor of the Catholic Church" in a national plebiscite. A high church figure told an American Embassy official that only the pope could bestow such a title and that Trujillo has been indirectly warned that pursuit of this maneuver could result in an open break with Rome.

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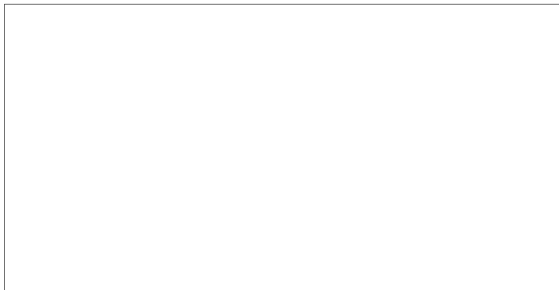


SECRET

SECRET**CURRENT INTELLIGENCE WEEKLY SUMMARY**

31 March 1960

25X1



said the country wants a change

of government and would welcome intervention by the United States or even Cuba. Trujillo's ouster, when it does come, is likely to be so sudden as to leave a power vacuum, which Fidel Castro is probably preparing to exploit through support of leftist and pro-Communist exiles.

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EAST-WEST RELATIONS**De Gaulle - Khrushchev Talks**

The first series of talks between De Gaulle and Khrushchev were devoted to a repetition of basic positions on the German question and various aspects of disarmament. French Foreign Minister Couve de Murville told the American ambassador that these conversations could be summed up with the words "nothing new." De Gaulle indicated to the British ambassador that there had been no meeting of minds on Germany, but that he expected Khrushchev to reveal more of his position on major questions in the private talks beginning on 1 April.

According to the British ambassador's account of last week's talks, Khrushchev tried to leave the impression, as he did with Italian President Gronchi in mid-February, that if the USSR does not obtain some satisfaction on the German question at the summit meeting, it will sign a separate peace treaty with East Germany. In his public statements in France, however, Khrushchev has avoided specifically linking the timing of a separate treaty to the outcome of the

May summit. In speeches on 25 and 29 March, he used the now-standard and vague formulation, threatening to take unilateral action "if all our possibilities are exhausted and our aspirations not understood."

De Gaulle opened the talks by disagreeing with Khrushchev's fears of West Germany and stressed that it was of "prime importance" that Bonn remain with the West in order to maintain the necessary "equilibrium" in Europe. Replying to the threat of a separate peace treaty, De Gaulle stated that France would not recognize East Germany and asked what the USSR could hope to gain by such a move. According to the French foreign minister, there was little mention of Berlin.

In discussions on disarmament, De Gaulle reiterated his refusal to be bound by any nuclear test ban unless accompanied by a disarmament plan providing for destruction of nuclear weapons. Khrushchev attempted to appear responsive to French views by endorsing the priority of controls on nuclear delivery systems.

SECRET

SECRET

CURRENT INTELLIGENCE WEEKLY SUMMARY

31 March 1960

In his speeches in Paris, Khrushchev continued the pattern of emphasizing the German menace and the "natural" French-Soviet alliance in containing it. Reflecting the impasse on the German question in their private talks, both De Gaulle and Khrushchev have engaged in some oblique public exchanges. At a dinner for Khrushchev on 23 March, the French President referred to the "unbounded" German ambition in two world wars "which has since then disappeared." Khrushchev seemed to reply the following day when he stated that he could not conceal his apprehension at the "tolerance and even encouragement of German militarism" or accept "attempts to prove that this militarism is something different from what it used to be."

Khrushchev, however, was more responsive to De Gaulle's remarks that the major international issues should be taken up "one by one with realism." Addressing the Diplomatic Press Association on 25 March, Khrushchev repeated his previous statements that all controversial issues cannot be solved in one or two summit meetings. He added that the main aim of the May meeting would be to find a "common language."

In an effort to appear accommodating to De Gaulle's views, Khrushchev also renewed his carefully worded endorsement of De Gaulle's 16 September program for a solution to the Algerian question. Khrushchev avoided rejecting multilateral aid to underdeveloped countries by tying this question to an agreement on disarmament, and he parried questions on an

arms embargo in the Middle East by repeating that the USSR would be willing to reach agreement that "no country should sell its arms to any other country."

French Reaction

French reaction to the visit has varied from large turnouts in Paris and Marseilles, where French Communist party efforts were evident, to cool receptions in Bordeaux and Rheims. In Paris, Khrushchev drew good but not tremendous crowds, but the receptions elsewhere have been enthusiastic only where French Communists have been able to organize the welcome. In Bordeaux the streets were nearly empty and the indifference of the population was noticeable, but at a stop in Trarbes the reaction was apparently enthusiastic.

The non-Communist Paris press described the visit to Marseilles as Khrushchev's "first triumph in France." Communist cheering sections were most prominent in Lille. At Rheims crowds were sparse. A French Foreign Ministry official feels that there has been "considerable genuine interest" in the provinces not inspired by the Communists.

Press reaction has ranged from reserve and detachment to open hostility, although most of the press accepts the talks as probably a useful prelude to the summit. Editorial comment has been increasingly critical of Khrushchev's stress on the German menace and hostile to advocacy of the need for a French-Soviet alliance. As a possible reflection of this reaction, Khrushchev during his tour of the southern

SECRET

SECRET

CURRENT INTELLIGENCE WEEKLY SUMMARY

31 March 1960

provinces has concentrated on extolling Soviet economic and technical accomplishments, with only brief references to Germany. In Verdun, for example, he passed up an opportunity to recall French-Russian cooperation against Germany, but returned to the German theme again in Rheims.

Other Pre-Summit Planning

Khrushchev may go to East Berlin to review the results of his talks with De Gaulle and strategy for the summit. He may also go to Czechoslovakia; the new Soviet ambassador to Prague avoided a direct answer when queried by the American ambassador about this. Khrushchev has been in all of the satellites since his last visit to Czechoslovakia in July 1957, and there has been some friction in Czechoslovak-Soviet relations that may need soothing.

The main purpose of the coming session of the Supreme Soviet, announced for 5 May, will probably be to provide a forum for a demonstration of support for Khrushchev on the eve of the summit meeting. In addition to reaffirming basic positions on the issues to be taken up at the summit, Moscow may use the occasion for a further "peaceful initiative," such as an announcement of a reduction in Soviet troops in Eastern Europe. Khrushchev told the West German ambassador in January that the overall reduction in Soviet forces would be followed by a "proportionate" withdrawal from

Eastern Europe, and a Soviet official at the disarmament talks in Geneva recently referred to this possibility.

Disarmament Conference

The tactics of the Soviet bloc delegations at Geneva last week suggest that they are under instructions from Moscow to obtain Western agreement to a list of "agreed principles" for a disarmament agreement which could be placed before the May summit meeting for endorsement. In private talks with the United States delegation, Soviet delegates have urged that such a list begin by endorsing "general and complete disarmament" as an "agreed goal." Other items would include the reduction and elimination of conventional forces and armaments, elimination of nuclear weapons and other means of mass destruction, and a general statement on international controls.

Bloc efforts to draw the Western delegations toward such a general statement of disarmament goals were evident in Soviet delegate Zorin's remark to the British delegate on 23 March that the USSR is anxious to proceed to detailed discussion of measures but that there must first be general agreement on final objectives. In formal conference sessions last week, Zorin took an optimistic line, contending that the talks had already produced useful results in revealing a "whole number of points of contact" between the two sides. The Bulgarian delegate claimed that all the Western delegates had now agreed that the goal of the conference was general and complete disarmament.

SECRET

SECRET

CURRENT INTELLIGENCE WEEKLY SUMMARY

31 March 1960

Despite these obvious efforts to demonstrate a wide area of agreement on principles, the debate last week did not narrow the gap between the two sides on the basic issue of international controls. Bloc delegates continued to hammer on their slogan of "no disarmament without control and no control without disarmament." They attacked Western proposals as attempts to substitute discussion of controls for discussion of specific disarmament proposals. Zorin served notice that while he was prepared to discuss controls in conjunction with specific disarmament measures leading to complete disarmament, he would not discuss controls for "hypothetical measures."

Zorin has attempted to refute Western criticism of the Soviet position on controls by repeatedly stating that the USSR favors strict international control over all stages of a disarmament program. He insists, however, that the extent of control must be "commensurate" with the various stages of the disarmament process.

This vague formula is no advance over the basic position outlined by Khrushchev to the United Nations last September that the functions of an international control organ will "correspond to the nature of the disarmament measures that are being carried out." Bloc

delegates have declined to spell out this position beyond the general proposition that the scope of the control system would be enlarged as the arms-reduction process advanced toward complete disarmament.

Nuclear Test Talks

Moscow has protrayed its proposal for a moratorium on small underground tests as having precipitated a crisis in US-UK relations. Soviet propaganda media have used extensive quotations from the Western press to create the impression that the Soviet initiative has led to "serious disagreements" between the United States and Britain, and provoked a sharp struggle within the United States. Soviet propaganda also stresses that the Soviet proposal "practically coincides" with British plans, and that a rejection would expose the British proposals as "mere hypocrisy."

Soviet propaganda describes the Eisenhower-Macmillan communiqué on nuclear test cessation as having "accepted in part" the Soviet proposal. Khrushchev declined comment when asked about the communiqué, but said that the prospects for agreement are "very good" if the United States and Britain accept "their own" proposals.

(Concurred in by OSI)

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MIDDLE EAST HIGHLIGHTS

Iraq

Iraqi Communists suffered three more rebuffs in the past week at the hands of the Qasim regime. On 27 March, Qasim com-

mitted the death sentences imposed on a dozen key officials of the former royal regime. This was followed on 29 March by the Ministry of Interior's rejection of the application

SECRET

SECRET**CURRENT INTELLIGENCE WEEKLY SUMMARY**

31 March 1960

for legal recognition from the Communist-front Republican party. The application of a group with suspected Baathist backing also was turned down.

Among those whose sentences were commuted are former Foreign Minister Fadhil Jamali (now 10 years' imprisonment), former Deputy Chief of Staff General Daghistani (3 years' imprisonment), and Nuri Said's son-in-law, Khalik Kanna (10 years' imprisonment). This clemency on Qasim's part was probably prompted mainly by his concern over sentiment in the army, where Daghistani is very popular, and a desire to curry favor in religious circles by announcing the commutations on the eve of the holidays at the end of Ramadan.

On 30 March, Qasim dramatically postponed the execution of five Baathists condemned for the attempt on his life last October. This action is likely to result in adverse Communist reaction.

Further clashes between Communists and nationalists have occurred in the past few days. The Communist press has bitterly complained that Iraqi police have stood aside while "patriots" have been assaulted. The capabilities of the security forces to maintain public order are likely to be sorely taxed during the parades and demonstrations which will accompany the opening of the Communist-front Peace Partisans Congress in Baghdad on 3 April.

The strength of anti-Communist elements has been increased by the Qasim regime's anti-Communist measures. Qasim is now more dependent than ever

on the army as his chief political support; consequently, key army officers, mostly anti-Communist, will probably play a vital role in future developments.

Arab League Council Meeting

The Arab League Council meeting beginning 31 March in Cairo is unlikely to end in any clear-cut decision on how to coordinate Arab policies on the Palestine question, the main topic scheduled for discussion. The UAR is expected to increase pressure for acceptance of its proposal--submitted at last month's meeting--for the establishment of a new Palestinian "entity" and army. The last meeting, at which Jordanian opposition to the proposal was intense, ended with the formation of a committee to look into the problem.

Qasim, who has consistently refused to send a representative to Cairo, has continued to denounce both the UAR and Jordan--grouping them with Israel--for their "occupation" of Palestine in Gaza and West Jordan. He has called for a return of the Palestinians to their "homeland" and on 27 March announced plans for the training and equipping of all Palestinianians in Iraq to form the core of an irredentist army.

In the absence of an Iraqi delegate, Jordan will probably continue as the chief opponent to the UAR's efforts to impose its will on the league members. King Husayn has tried to undercut Nasir's efforts by his offer of a plebiscite to Jordanian Palestinianians. The publicity given the arrest and confession

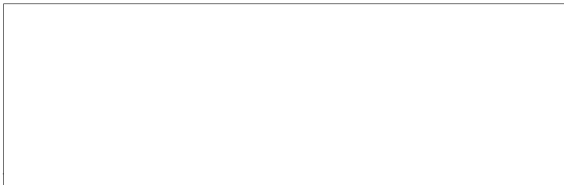
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CURRENT INTELLIGENCE WEEKLY SUMMARY

31 March 1960

25X1



Husayn has conditioned his offer of a plebiscite on the "willingness" of Palestinians in Jordan to have one. The outcome of such a vote--if a free

plebiscite should be held--remains uncertain. Although there is considerable dissatisfaction among Palestinians with their present status as Jordanian citizens, the hazards of independence or of isolated association with the UAR, in the face of possible Israeli occupation, probably would influence many voters to opt for the status quo. 

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SECRET**CURRENT INTELLIGENCE WEEKLY SUMMARY**

31 March 1960

PART II**NOTES AND COMMENTS****AFRICAN NATIONALISTS PREPARING NEW MEETINGS**

Militant African nationalists will meet at four conferences to be held at Accra, Conakry, and Casablanca during the next two months. Projects to achieve greater African unity will be given heavy propaganda play, despite increasing strains within the growing bloc of emerging African states. Western colonial powers--especially France--and the Union of South Africa will again be under heavy fire.

Ghana's ambitious Prime Minister Nkrumah, ever anxious to keep himself in the forefront of the pan-African movement, will be host at the first meeting from 7 to 9 April. Labeled an "emergency" conference to discuss "positive action for peace and security" in Africa, this meeting was hastily convoked a month ago after the Ghana-backed drive to force early UN action on France's nuclear testing program failed to bring immediate results. Representatives of both governments and popular organizations throughout Africa have been invited, and the Ghanaians claim delegates will arrive from at least 20 countries.

The promoters of the conference have indicated it will concentrate on coordinating efforts to forestall, or to react against, further French nuclear tests in the Sahara. The "threat" of "neocolonialism" and African "Balkanization"--favorite themes of Ghana's leader, who is deeply suspicious of France and its African protégés--was an item included on the original agenda. Recent events in South Africa now also appear

certain to attract much of the participants' attention.

Still more extreme and more sweeping anti-Western pronouncements can be expected from the second nongovernmental Afro-Asian People's Solidarity Conference (AAPSC), which is to convene in Conakry, Guinea, from 11 to 16 April. However, the solidarity movement, launched in 1957 and used by the Communists and the UAR's Nasir as a joint vehicle for exploiting Asian and African nationalism, has subsequently lost much of its momentum. In recent months its permanent secretariat has been torn by dissension between UAR-led neutralists and Communist representatives.

This dissension now seems certain to be continued at the Conakry meeting, to which Guinean President Touré, motivated presumably by his own pretensions to African leadership, agreed last fall. Close UAR control over conference preparations was assured when the Cairo-based secretariat, rather than a special committee, as proposed by the Communists, was charged with making the preliminary arrangements. Moreover, the UAR has made a strong effort to produce a majority of neutralist delegates.

The Communist bloc representatives and Communist members of some nonbloc delegations nevertheless seem certain to make a strong bid to gain control over the conference once it is under way. In this they will probably be aided--perhaps decisively--by the bloc's strong position in Guinea. The outcome, and perhaps

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SECRET

CURRENT INTELLIGENCE WEEKLY SUMMARY

31 March 1960

the future existence of the AAPSC, will be heavily influenced by the attitude of important but heretofore largely indifferent African elements.

The next meeting of the new 22-member steering committee of the Accra-based All-African People's Conference (AAPC) is to be held in Accra on 22 April. Means of implementing resolutions adopted by the AAPC plenary meeting in Tunis last January will be discussed; major attention

probably will be given to the forthcoming constituent conference of the proposed neutralist All-African Trade Union Federation. At that conference, set for Casablanca in mid-May, militant, leftist-oriented labor elements controlled by Nkrumah and Touré are expected to push hard--but almost certainly unsuccessfully for the present--for a clean break between affiliates of the new federation and the pro-Western International Confederation of Free Trade Unions.

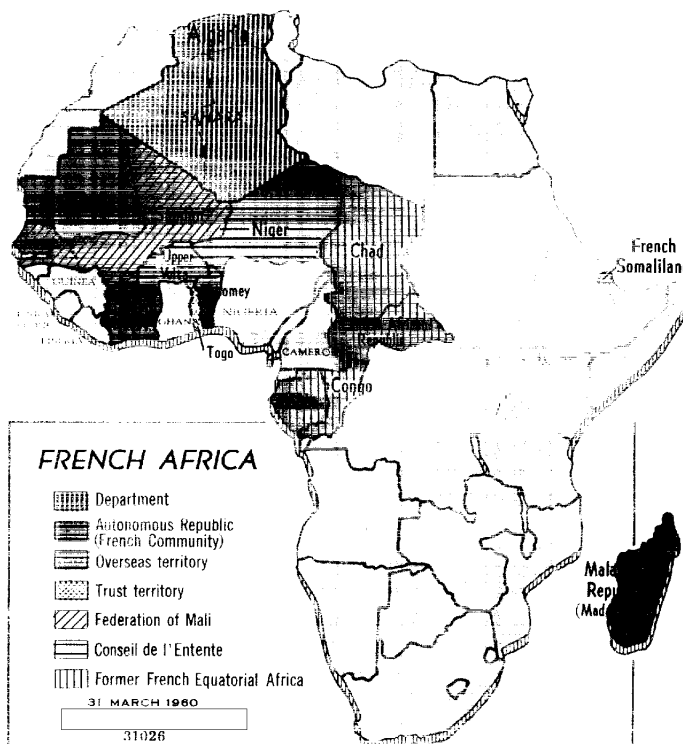
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FRENCH COMMUNITY DEVELOPMENTS

Paris has negotiations under way or in prospect for granting formal independence to the 11 African states which are members of the French Community. It hopes, however, to retain a greater number of institutions and official ties than prevail in the British Commonwealth. Negotiations with the Malagasy Republic (Madagascar) have been completed, and independence is expected to be proclaimed in June.

Most of the other Community states have been awaiting the outcome of these negotiations before pressing their cases. Mauritania has announced it will seek independence in

Negotiations with the Mali Federation have been prolonged by France's insistence that the magnitude of economic assistance after independence depends on continued French control of the naval base at Dakar and on a Mali commitment to support French policies in international organizations.



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SECRET**CURRENT INTELLIGENCE WEEKLY SUMMARY**

31 March 1960

1961. Ivory Coast Premier Houphouet-Boigny, a leader of the four-state, West African Conseil de l'Entente and steadfast supporter of close ties to France, has publicly accepted the evolution of the Community. The four equatorial African states, negotiating as a unit, are also reported ready to begin discussions with Paris regarding independence.

Economic problems are leading most of the new nations to consider some form of loose political cooperation. The states of former French Equatorial Africa are apparently moving in this direction, and recent meetings of the Conseil de l'Entente have strengthened ties and probably removed for the moment the danger of further fragmentation of this group.

Neither the French public nor parliament seems inclined to

oppose this development, and the government is likely to have little difficulty gaining ratification of the new accords or the revisions in France's constitution needed for independent states to remain Community members. Community institutions will also be revised to conform to the emerging confederative relationship. The most important Community institution --the Executive Council--will probably be replaced by regular meetings of the prime ministers.

Both French and African leaders appear to want a smooth transition to independence within the Community. French insistence on the maintenance of too many formal ties, however, would probably be unacceptable to most of the African states and could result in a complete severance of relations with France.

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PROSPECTS FOR SPECIAL UN MEETING ON FRENCH NUCLEAR TESTING

If France tests another nuclear device in the Sahara before mid-April, public reaction may force a majority of UN members to agree to a special session of the UN General Assembly to consider the subject of French tests. Secretary General Hammarskjold now is polling UN members in response to a 14 March request signed by 22 of the 29 members of the Asian-African bloc. Response so far has been sparse and unenthusiastic, but another French test might change this attitude before 14 April, when replies are due.

Sparked by the African group, the Asian and African members of the UN decided to ask for a special session after

France set off a nuclear device on 13 February in defiance of last fall's General Assembly resolution calling on Paris to refrain from such testing. Many Asian and African members were opposed to a special session because they were convinced the assembly had done all it could to prevent French testing. After a series of meetings, however, the group presented the request --feeling that since they talked so much about it, they had to do something.

Other factors weighing against a special session are the expense involved, the belief that special sessions should be held only in extreme emergencies, and the reluctance of many UN delegates to leave

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SECRET

CURRENT INTELLIGENCE WEEKLY SUMMARY

31 March 1960

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their home capitals to return to New York at this time. In addition, Hammarskjold is known to be opposed to such a session.

Forty-two affirmative votes --an absolute majority of the membership--are required to con-

vene a special session. At the present time, the Asian-African members estimate that they have 37 votes in favor, but in view of the unenthusiastic attitude of many of their claimed supporters and the known opposition of France and other Western powers, they do not seem confident of gaining the five additional votes required.

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ANGLO-GERMAN RELATIONS

Political and economic differences continue to strain Anglo-German relations, which earlier this year fell to a postwar low following anti-Semitic incidents in West Germany and revelation of Bonn's plans to establish supply bases in Spain. The basic divergence between Chancellor Adenauer and Prime Minister Macmillan over dealings with the Soviet Union, especially regarding Berlin and European security, may again come to the surface prior to the summit meeting.

British press charges of Nazi influence in West Germany have created pressure on the government from Parliament to arrange access to the records on the Nazi party and affiliated organizations now held by the American-operated Berlin Document Center. The Foreign Office is considering sponsoring such access, and sent a high official to Berlin on 23 March to obtain more information on the documents. The Foreign Office recognizes that indiscriminate use of material on former Nazis now prominent in the Federal Republic would hurt Anglo-German relations, but one official states that Foreign Secretary Lloyd's in-

clination to avoid parliamentary attacks for "shielding Nazis" may cause him to give in.

Long-standing differences between Britain and the Common Market (EEC) countries may provide a further irritant to Anglo-German relations. Adenauer on 15 March endorsed the EEC Commission's recommendations for lowering members' internal and external tariffs more rapidly and for taking the first step toward the common external tariff on 1 July 1960, 18 months earlier than scheduled.

A common EEC external tariff move would raise some duties in the Benelux countries and perhaps in West Germany-- areas which account for two thirds of Britain's EEC trade. London's hope has been that the impact of such a move could be reduced by arrangements between the EEC and the British-backed European Free Trade Association (Outer Seven). Adenauer's endorsement of the acceleration plan--blamed partly on the United States by British officials--has dimmed British hopes for making such arrangements and heightened fear of early German discrimination against British goods.

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CURRENT INTELLIGENCE WEEKLY SUMMARY

31 March 1960

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THE PROPOSED TAMBRONI CABINET IN ITALY

The cabinet which Premier-designate Fernando Tambroni is expected to submit for parliamentary approval in early April is a slightly modified version of Segni's all-Christian Democrat government whose collapse on 24 February under pressure from the right brought on the present parliamentary crisis.

The Tambroni cabinet, which features the outgoing premier as foreign minister, is designed by the party primarily as a stop-gap.

Tambroni was designated after efforts to form a center-left government under Segni collapsed on 21 March. Segni presumably

SECRET

SECRET

CURRENT INTELLIGENCE WEEKLY SUMMARY

31 March 1960

acceded to pressure from conservative forces in the Christian Democratic party (CD) who are hostile to a government that would have depended on the support, even if indirect, of Pietro Nenni's Socialist party.

In its endorsement of Tambroni, the CD directorate made clear that it regarded his government as transitional and enjoined him to work for passage of the most important legislation now before parliament. Pending legislation includes draft laws on agricultural development, education, and elections, among other matters. Apart from this, Tambroni has no announced program, and it remains uncertain where he intends to find a parliamentary majority. Tambroni, who has served previously as minister of interior and as minister of the treasury, is not a very popular figure, even within his own party, but he may be able to scrape together a majority, relying on scattered abstentions

and parliament's general weariness with the crisis.

It is not out of the question that Tambroni, an exceptionally shrewd and ambitious



TAMBRONI

politician, would, once voted into office, make every effort to shake off the "transitional" label and entrench himself securely in office.

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ARGENTINE CONGRESSIONAL ELECTIONS

In the 27 March elections to renew one half of the Argentine Chamber of Deputies, the major opposition People's Radical party (UCRP) won more seats and about 3 percent more popular votes than President Frondizi's Intransigent Radical party (UCRI), according to nearly complete but unofficial returns. Strong discontent over the US-backed economic stabilization program denied Frondizi the Peronista and other non-UCRI support which gave him a landslide presidential victory in 1958, but he retained the support his party gave him in 1957. The blank vote, advocated mainly by the Peronistas and Communists, had a slight plurality.

The UCRI, which had feared an even greater defeat, still

holds 111 of 192 seats in the Chamber but probably faces increasing political difficulties with the stabilization program.

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ARGENTINA
COMPARATIVE ELECTION RESULTS

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	1960* Chamber Votes	1960 % of Total	1957** % of Total
Blank***	2,074,838	24.9	24.3
UCRP	2,043,128	24.7	24.2
UCRI	1,775,364	21.4	21.2

* Unofficial nearly-complete returns.
** Constituent Assembly elections.
*** Protest vote, mainly Peronista, neo-Peronista, and, in 1960, Communist.

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31 MARCH 1960

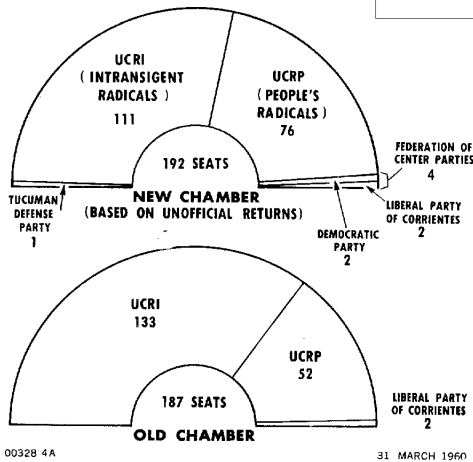
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CURRENT INTELLIGENCE WEEKLY SUMMARY

31 March 1960

ARGENTINA ELECTIONS FOR ONE HALF OF SEATS IN CHAMBER OF DEPUTIES (27 MARCH 1960)



anticipated, in view of strong popular discontent over austerity measures under the US-backed stabilization program. Frondizi has publicly admitted the unpopularity of his program but insists the program is necessary for Argentina's long-range economic rehabilitation. Since the program began in January 1959, living costs have doubled, the steepest rises including food produced within the country. Just before the elections, Economy Minister Alvaro Alsogaray announced a "price stabilization campaign" against unjustifiable price rises.

By retaining a majority in the lower house, as well as in the completely UCRI Senate, Frondizi has at least temporarily avoided the UCRP threat to scuttle his program. The conservatives, who now have four deputies, have criticized the program's execution, but approved its general outline in contrast to the complete condemnation of the UCRP. The propaganda value of the UCRP victory, however, will make Frondizi's task more difficult and subject it to even closer scrutiny by other Latin American countries considering stabilization programs.

The administration party fared better than most observers

SOVIET ECONOMIC AID TO THE UAR

The USSR is attempting to fortify its role as the UAR's primary source of foreign aid by renegotiating and speeding

implementation of the Soviet-Syrian economic cooperation pact of 1957. A Soviet team, led by a deputy chairman of the

SECRET

SECRET

CURRENT INTELLIGENCE WEEKLY SUMMARY

31 March 1960

USSR's foreign economic relations committee, now is in Damascus discussing changes, and possible expansion of projects called for under Moscow's \$150,000,000 line of credit, giving emphasis to projects which can be implemented immediately. The discussions also may result in new offers of Soviet aid.

In sending the delegation, Moscow apparently was prompted in part by Cairo's complaints that the USSR was not meeting its commitments under the 1957 agreement, which concentrates largely on hydroelectric, irrigation, and transportation projects. Soviet leaders, presumably well aware of Nasir's drive to step up economic development in the Syrian region, may have welcomed the opportunity to refurbish the Soviet aid program for the northern region; this has been stymied in part by Syrian lack of cooperation.

Moscow probably feels it can convince Cairo of its good will by reviving the Soviet-Syrian aid pact. This would tend to reduce Nasir's suspicions that Moscow is actively supporting Arab Communist agitation to regain independent status for Syria. In contrast to the USSR's efforts in Egypt, its activity in Syria has been lagging since creation of the UAR in 1958.

While the Soviet Union can be expected to step up the pace of its economic aid program in Syria, Moscow also will persist in its efforts to maintain its prominent position in the Egyptian region. The Soviet show project there unquestionably is the Aswan Dam, and Moscow apparently will do its utmost to complete the project rapidly and efficiently. Preliminary work began early this year, shortly

before Cairo announced that the USSR would construct the entire project. Subsequent statements by Nasir have ruled out Western participation in building the dam, but have invited aid for other economic projects. Soviet engineers probably will start major construction work in the next few months, now that the final blueprints have been submitted to Cairo for approval.

In addition, the Soviet Union is proceeding with the implementation of its \$175,000,000 line of credit which is largely oriented toward the industrial sector of Egypt's economy. Most of the projects agreed to under the credit have been contracted for, and in some instances actual construction work has begun.

There are, however, indications that Moscow is encountering some difficulties in meeting its commitments under this agreement. Any delay may hamper Cairo's goals for its new development program. Egyptian officials are also unhappy with Soviet performance to date on the Alexandria shipyard project.

Although certain deficiencies inherent in Soviet economic aid may at times disturb UAR officials, Cairo undoubtedly is cognizant of the offsetting advantages. Moscow not only has allowed low rates of interest and long-term payment schedules, but also will permit Cairo to repay credits largely in cotton. Thus, while Cairo may ultimately cancel certain projects under the Soviet credit and seek Western assistance, which is becoming increasingly available, it presumably will also maintain its policy of utilizing Soviet credits to their fullest extent. 25X1
(Prepared by ORR)

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CURRENT INTELLIGENCE WEEKLY SUMMARY

31 March 1960

EAST GERMANS PLAN TO COMPLETE COLLECTIVIZATION THIS YEAR

The Ulbricht regime has decided to complete collectivization of the East German countryside by the end of this year,

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The decision was apparently based on the success in completing collectivization during the first three months of 1960 in eight districts, most of them in the northern part of the country. This campaign raised the percentage of East Germany's socialized arable land from 52 to more than 80 percent. The speed of the campaign thus far probably cannot be maintained, however, in the southern parts of the country where greater peasant resistance is expected.

The East German regime has probably taken this decision in order to make even more emphatic its contention that East Germany, with a "popularly accepted socialist system," is a separate state from West Germany. The regime will try to cite complete collectivization to strengthen its claim that reunification on any but Communist terms is an impossibility.

The regime is troubled by many charges both within and outside East Germany that force is being used to collectivize the peasants; in fact, it has publicly admitted that some excesses occurred. Ulbricht's problem is clearly one of how to use coercion in the more resistant southern districts without appearing to do so.

Unlike the northern districts, where farmers generally live in villages, most peasants in the south live on individual farms.

The ruthless methods used by the Communists reportedly have led to sharp differences in the central committee and widespread criticism among rank-and-file party members.

The successful operation in the northern districts has not been carried out without cost to the regime. The resulting social upheaval has threatened to cause production losses, and increasing numbers of peasants may attempt to flee to the West. Precautions have been increased, and a recent report states that the zonal and sector borders around West Berlin are being cleared to aid authorities in halting flights. In spite of these measures, more peasants can be expected to attempt an escape as the hopelessness of their status as private farmers becomes evident.

Farmers will find only momentary encouragement in the fact that the regime now is soft-pedaling the collectivization drive and is encouraging them to get on with the spring field work. This lull is probably temporary, and if a reasonably successful harvest is attained, a full-scale campaign is likely to be resumed after the harvest.

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(Concurred in by ORR)

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CURRENT INTELLIGENCE WEEKLY SUMMARY

31 March 1960

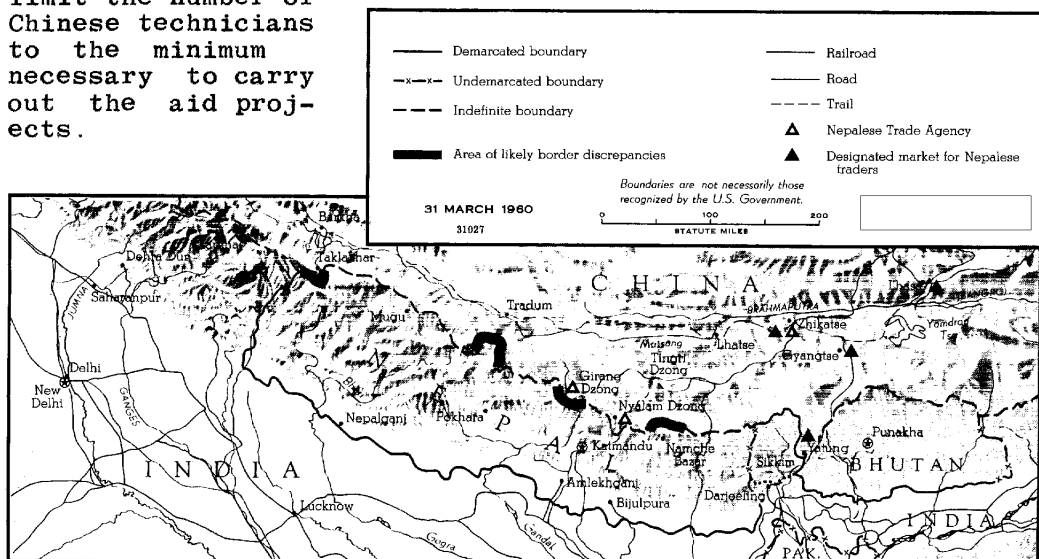
SINO-NEPALESE AID AND BORDER AGREEMENTS

Communist China is making a substantial effort to expand its influence in Nepal with grant aid--now brought to a total of \$33,600,000 by the Sino-Nepalese aid agreement signed in Peiping on 21 March. Besides accepting a new grant of \$21,000,000 to augment that of \$12,600,000 given in 1956, Nepal's Prime Minister Koirala agreed that Chinese technicians may come to Nepal to implement the development program.

Nepal, which has been wary of an influx of bloc experts, quickly utilized more than \$4,000,000 in cash under the 1956 agreement but has done little about the remainder, which was to be provided in the form of machinery and equipment for small industrial plants. Peiping, apparently anxious that its aid program appear successful, probably suggested that Katmandu accept Chinese technicians and discharge its responsibilities on the Chinese-financed projects without further delay. The Nepalese, however, probably will limit the number of Chinese technicians to the minimum necessary to carry out the aid projects.

Koirala also agreed that the Chinese may open an embassy in Katmandu, a matter Peiping has been pushing for at least a year. In 1956, the Chinese received Nepal's approval to open a consulate general in Katmandu and several trade agencies elsewhere but agreed to delay establishment of these posts. Chou En-lai, who is expected to visit Nepal in late April, now may press for permission to open these posts as well as the embassy. Nepal has a consulate general in Lhasa and trade agencies in Tibet, and will open its own embassy in Peiping.

According to the joint communiqué released on 25 March after Koirala's 11-day trip to China, the two nations will sign a treaty of peace and friendship during Chou's return visit. Peiping reportedly is pressing the Nepalese to include a clause in this treaty on nonparticipation in military alliances, but Koirala managed to put off discussion of this.



25X1

SECRET

SECRET**CURRENT INTELLIGENCE WEEKLY SUMMARY**

31 March 1960

In a third document, also signed on 21 March, Peiping accepted Nepal's request that the "traditional" boundary be used as a "basis" for final border demarcation. A joint commission will set out markers and work out exact alignments in areas where boundaries shown on Chinese and Nepalese maps do not coincide. In those few areas, "actual jurisdiction" over the ground will determine which side gets the territory, and, if there is disagreement on this point, the matter will be settled in consultation. Both sides have agreed to withdraw armed military units 12.5 miles from the frontier, leaving the border zone under civil administration.

The jurisdiction and boundary commission clauses will allow Peiping to prolong final demarcation if it wishes, yet they acknowledge its position that jurisdiction is a significant factor in determining ownership. The Chinese have repeatedly advanced this contention in their dispute with India, and, when

Chou visits Nehru for border talks in April, he undoubtedly will cite these aspects of the agreement with Nepal as a precedent for a future agreement with India and as an example of Peiping's flexibility.

Koirala's objective had been to secure Peiping's recognition of the customary boundary. This, he felt, would forestall border incidents and possible entanglement in the Sino-Indian dispute. While the Chinese may have used Koirala's concern about the boundary in bargaining for greater economic and diplomatic contacts, the Nepalese prime minister in turn was able to get the border agreement and increased financial aid by playing on Peiping's desire to impress India with its reasonableness. He probably feels the agreements consolidate Nepal's neutral position and balance its relations with the major powers in such a way as to gain maximum benefit from each. (Prepared jointly with ORR)

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NEW INDIAN DEFENSE MEASURES

Since the fall of 1959, the Indian Government has intensified measures designed to improve its over-all defense posture, especially in the Himalayan border regions. Sino-Indian difficulties along the border resulted in an increase of about 2 percent--and possibly more--in the original 1959-60 defense allocation of \$578,400,000 in the current and capital accounts while the 1960-61 allocation will be about 11 percent higher. Finance Minister Desai has hinted that he may have to ask for even more "if circumstances necessitate it."

The bulk of the increase is intended for the army; a

large portion will go toward higher pay and more benefits for military personnel. In addition, the Territorial Army, a stand-by reserve force, is to be revitalized; the National Cadet Corps, which provides youths with elementary military training, is being broadened to include 50,000 youths; and investment in India's government-owned ordnance facilities will be slightly augmented.

The provinces, too, have been affected. Administration in Assam and the North East Frontier Agency (NEFA) has been tightened up. More intensive administration of the border areas is planned in Uttar Pradesh and Himachal Pradesh. Uttar

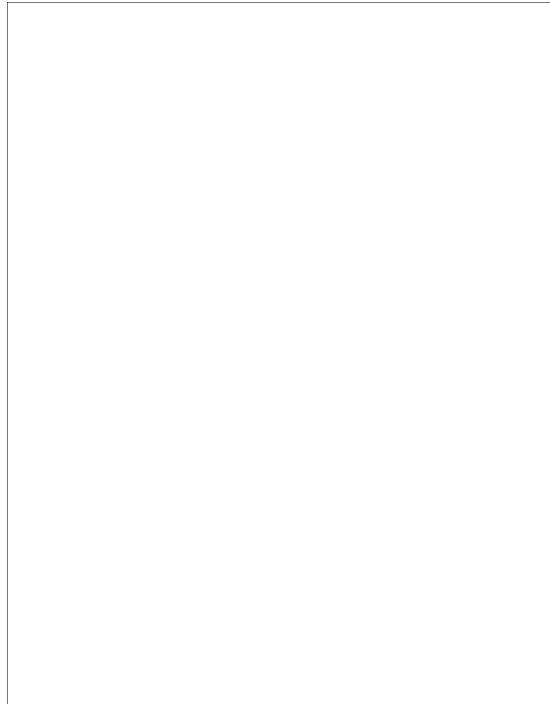
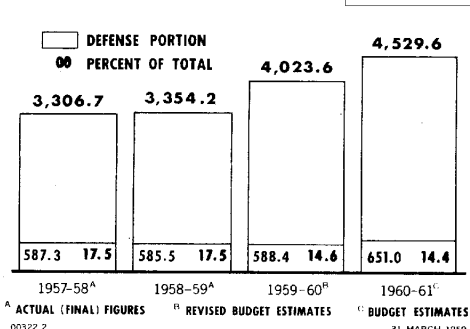
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CURRENT INTELLIGENCE WEEKLY SUMMARY

31 March 1960

INDIAN BUDGET (MILLION DOLLARS)



Pradesh has budgeted nearly \$2, - 000,000 in 1960-61 for improving border communications and for other development programs. About 16,000 National Cadets will receive training in that state alone.

Measures to improve military capabilities in the Himalayan region have included:

- (1) the purchase of 1,000 pack mules from abroad;
- (2) the establishment of "a high-altitude research laboratory" in Uttar Pradesh to study "all aspects of life" for troops at high altitudes;
- (3) the transfer of nearly a division from the Punjab to the Assam area;
- (4) the regrouping of another division in the Assam area;
- (5) the establishment of a corps headquarters to supervise these divisions; and
- (6) an apparent intensification of operations to quell the rebellious Naga tribesmen, against whom New Delhi has spent nearly \$5,000, - 000 during the past two years.



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SECRET**CURRENT INTELLIGENCE WEEKLY SUMMARY**

31 March 1960

NETHERLANDS NEW GUINEA

Renewed tension between The Hague and Djakarta is in prospect as a result of growing concern in the Netherlands for the security of West New Guinea. Long uneasy over Indonesia's growing military strength, the Dutch have again been disturbed by recent reports of the construction--with Soviet aid--of a marine institute on Amboina (Ambon) in the Moluccas. They see further cause for worry in Indonesian Army Chief of Staff

efforts to build up their defenses in New Guinea. They consider the issue a question of NATO solidarity, and will probably renew pressure for assurances of military support from the United States and Britain, as well as from Australia. They have in the past threatened to divert NATO-committed equipment to the island.

Although still determined not to relinquish the colony



Nasution's recent statements that his government plans to intensify the "struggle" for New Guinea.

In view of Indonesia's success in strengthening its military position by purchases from the bloc as well as from the Netherlands' allies, the Dutch can be expected to continue their

to Djakarta, The Hague realizes some adjustment of policy is necessary. Dutch officials fear that a fifth UN General Assembly debate on the issue would result in a closer vote than any of the previous four, and one official has recently suggested that the Indonesian

SECRET

SECRET**CURRENT INTELLIGENCE WEEKLY SUMMARY**

31 March 1960

claim be referred to the International Court of Justice. Djakarta would almost certainly oppose any such approach, maintaining its position that the only acceptable solution is cession of the area to Indonesia.

There are still differences of opinion in the Netherlands over the long-term future of West New Guinea. The beginnings of a policy may emerge, however, from the current consideration of recommendations by T. H. Bot, the Interior Ministry's state secretary on New Guinea affairs,

that Dutch-Australian cooperation and coordination in the development of New Guinea be accelerated. Bot hopes this would eventually lead to the development of a Melanesian union, including Australian-administered trust territories on the main island and adjacent to it. There is renewed interest in this approach as a result of the successful joint efforts of the Dutch and Australians since 1958 to improve economic and social conditions on the island.

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SECRET**CURRENT INTELLIGENCE WEEKLY SUMMARY**

31 March 1960

PART III**PATTERNS AND PERSPECTIVES****THE CHINESE COMMUNIST MILITIA**

Shortly after Marshal Lin Piao became minister of national defense in October 1959, there were indications that steps were being taken to revitalize the vast Chinese Communist militia organization after a period of partial obscurity in late 1958 and most of the following year. The relatively well-drilled and well-equipped militia division that appeared in the parade in Peiping on 1 October was given considerable publicity; in November a number of articles on the militia appeared; and in December and January a series of regional militia conferences were held.

Peiping released information in early February on a national militia conference recently held in that city. This conference, attended by Chou En-lai, Marshal Ho Lung, Chen Yi, and other notables, passed a resolution to "continue the policy of further intensifying militia construction and the large-scale organization of

militia units." A series of rallies has since been held throughout the country.

Militia After 1949

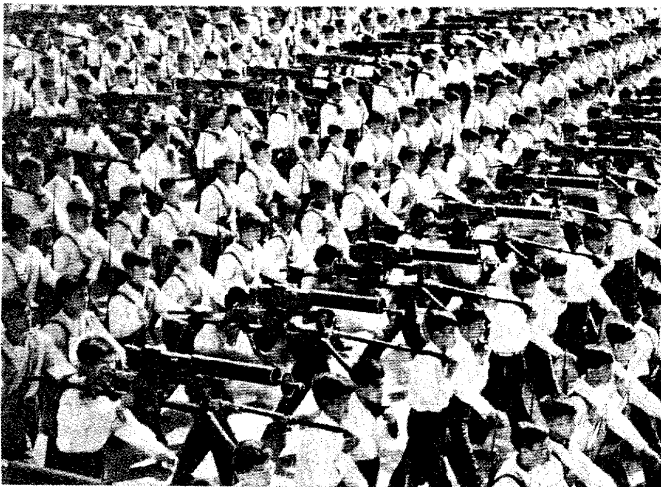
Prior to the takeover of the mainland in 1949, the

"...To turn the whole nation into soldiers through the militia system has many advantages.... It can build up reserve forces with a high degree of political consciousness and military training.... It can set up unified labor organizations.... It can scientifically distribute labor power, raise the people's labor efficiency, and promote a big leap forward in production. It can increase the organization, discipline, and militancy of the people." --*Philosophical Study*, 10 January 1959

"The organization of militia divisions is a good thing. It should be universally popularized. Militia divisions are military, labor, educational, and physical culture organizations all rolled into one." --*Mao Tse-tung, People's Daily*, 1 October 1959

Communist militia, at that time virtually indistinguishable from other military units in the Chinese Communist armies, was a significant force in the large-scale guerrilla operations against the Nationalists. After victory had been achieved, however, interest in the militia declined both on the part of the professional military, who became primarily interested in modernizing the regular army, and the Communist irregulars, who wanted to return to civilian life.

Early in 1950 the regime began to take more notice of the militia and promoted the organization of units throughout the country. There were no age limits and apparently few physical



Militia Division in 1 October 1959 Parade, Peiping.

SECRET

SECRET**CURRENT INTELLIGENCE WEEKLY SUMMARY**

31 March 1960

requirements for militia candidates, but political reliability was stressed. Despite the minimal requirements and the promise of extra rations, there was very little initial response to Peiping's appeals.

Nevertheless, the regime felt that the militia had been of considerable value in furthering domestic policies; moreover, the concept of armed masses was basic to Mao's military doctrines. In late 1950, therefore, the organization was further expanded, a more formal structure developed, and additional roles were assigned.

The militia's duties were redefined to include: (1) assisting the regular army in all its functions and taking over some garrison duties; (2) maintaining peace and order in the villages; (3) assisting in tax collection and the collection of all foodstuffs; (4) recruiting and supervising civilians in construction projects; (5) taking a population census; (6) combating bandits and apprehending spies, saboteurs, and counter-revolutionaries; and (7) in time of war, maintaining and preserving order in rear areas, protecting and transporting wounded, and fighting alongside the regular army and public security troops.

During the Korean war, the militia was increased in size and was given more public security duties to perform. It is not believed to have participated directly in military operations in North Korea.

Conscription and the Militia

Until 1954 the regime stressed that recruiting for the militia should not be compulsory, but in March of that year all males between the ages of 18 and 45 were required to enlist in local units. The

structure was broken into two major components: "cadre" militia and universal militia--a distinction which has taken on increasing importance. The more carefully selected cadre militia was made up of able-bodied men between 18 and 25 who had been recommended by the cadre company commander, undergone a period of political observation, and been approved by lower level party and government officials.

One of the early goals of the militia was to pave the way for the establishment of a compulsory military-service program. In 1955 the first conscription law was passed and men were drafted into the People's Liberation Army. The

"From now on retired servicemen will join the militia every year; they will adopt the method of apprenticeship to train soldiers in various categories.... They may train a naval reserve in connection with the fishing and shipping industry, an air reserve force in combination with civil aviation... a tank reserve through the operation on tractor stations.... In this way militia training can be combined with production and construction." --People's Daily, 1 May 1959

"The active assistance of People's Liberation Army units to the various local departments in militia work has markedly raised the political consciousness and the military standards of militiamen.... The PLA units also systematically train military instructors and enable them to teach general military theories as well as conduct actual drills." --New China News Agency, 13 March 1960

militia had only a small administrative role in carrying out this first draft, but by 1958 nearly all conscripts for the army were taken from militia ranks, where they were to have received some military training and indoctrination.

Peiping then incorporated the reserve program into the militia, and the reserve ceased to exist as a separate entity. Demobilized servicemen, veterans, and former reservists were urged or compelled to go into cadre militia units, where they were used as instructors. There now are about 7,000,000 of these,

SECRET

SECRET**CURRENT INTELLIGENCE WEEKLY SUMMARY**

31 March 1960

and this proportion can be expected to expand considerably in the future, as demobilizations begin to affect the 500,000-800,000 conscripts inducted by the regular armed forces each year since 1955; conscripts remain on active duty for three years in the ground forces, four years in the air force, and five years in the navy. An able-bodied male in Communist China now can expect to spend most of his adult life associated with military or paramilitary organizations.

Militarization of Population

In mid-1958, the militia received considerable impetus from the vast commune development program. An enormous supply of trained and "disciplined" manpower was needed to carry out communal projects. Furthermore, the regime, anticipating strong resistance to its plans, apparently felt extraordinary controls over the population were needed before the socioeconomic structure of the country could be reorganized. The militia was thus made one of the principal instruments for implementing such controls, and a huge "everyone a soldier" campaign began. To stimulate enlistments, nationalistic propaganda themes and such slogans as "Liberate Taiwan" and "Hate the United States" were stressed.

The attacks on the Nationalist-held offshore islands that fall may have been undertaken, at least in part, to further this program.

Numerically, the gigantic recruitment program appears to have been a success; some regions reported that every able-bodied man and woman between the ages of 15 and 50 had enrolled. According to the Communist press, there were more than 220,000,000 people in the militia at the end of September 1958. They were organized into 155 divisions, 345 independent regiments, 392 independent battalions, and 435 independent companies. The unit designations were, and still are, little more than convenient labels attached to militia units for administrative purposes.

The decline of military activity in the Taiwan Strait and a slowing down of the commune movement tended to minimize both the real and ostensible reasons for pushing the militia, and Communist press and radio commentary on it declined toward the end of 1958. There was no indication of any change in its size or structure, but
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 [redacted] military training for members of the universal militia may have been de-emphasized



Artillery Training

SECRET

SECRET**CURRENT INTELLIGENCE WEEKLY SUMMARY**

31 March 1960

and their activities directed toward special construction tasks or emergency operations such as flood work and drought and insect-plague relief. Cadre units, on the other hand, apparently continued and expanded their training programs.

Training

Most members of the militia have had little or no military training beyond a few indoctrination lectures and a minimum of close-order drill. About 30,000,000 have received some generalized instruction, primarily in infantry tactics, and about 14,000,000 have fired live ammunition either in militia units or while on active duty in the army.

Training for the militia varies considerably from unit to unit, depending on the location of a unit and its function, as well as on local political, economic, and military conditions. Cadre militia in "front" areas--such as Fukien Province, opposite the Nationalist garrisons of the offshore islands--are given comprehensive instruction with the most modern weapons and equipment available and are, in fact, integrated with the army for much of their periods of active duty.

Cadre units in metropolitan areas are often given more specialized training than their rural counterparts, possibly because of the more advanced technical skills of the members and the greater availability of instructors and equipment. In Shanghai, for example, naval engineering, naval navigation, radar operations, and telecommunications were taught in 1959.

Rural cadre units usually are drilled in rifle squad defensive and offensive tactics and combat supply and engineering

problems. Universal militia--by 1959 these were usually called ordinary militia--are more likely to be given instruction in first aid, fire fighting, or highway construction.

Throughout the militia program, there is considerable effort to relate the civilian activity to training: a farm tractor driver often becomes a tank driver; a shipyard worker studies naval damage control. Militia regulations emphasize that such instruction must not interfere with production. Thus urban cadres customarily drill before and after the working day, and in rural areas training usually is given on a full-time basis during slack periods in the growing season and during the winter.

A militia handbook states, "Political training should be made the basis of militia training, with military training taking second place." This is carried out in practice, as militia on full-time training duty are required to spend up to three hours each day on political studies. Defectors have indicated that most, and in some instances all, instruction given ordinary militia members is political.

Weapons, ammunition, and equipment for militia are usually issued only for the duration of the specific training periods, except where the militia is performing security duty. The present practice differs considerably from that of previous years, when small arms were issued on a permanent or semipermanent basis. The change was probably made when the number of men exceeded the available supply of small arms, but there is some indication that the regime felt it would be safer to maintain a close control of all available weapons as some of the less popular

SECRET

SECRET**CURRENT INTELLIGENCE WEEKLY SUMMARY**

31 March 1960

internal reforms were put into effect. There are no government uniforms available to the militia, although a few of the wealthier communes have supplied some of their units.

Control of the Militia

Regulations state that in case of mobilization, militia units--probably only cadre types--will be drafted into the regular units with which they train. In case of conflicts with bandits or reactionaries, militia serving alongside or in army and public security units will come under the command of those units. The over-all control of the militia in peacetime probably comes under the

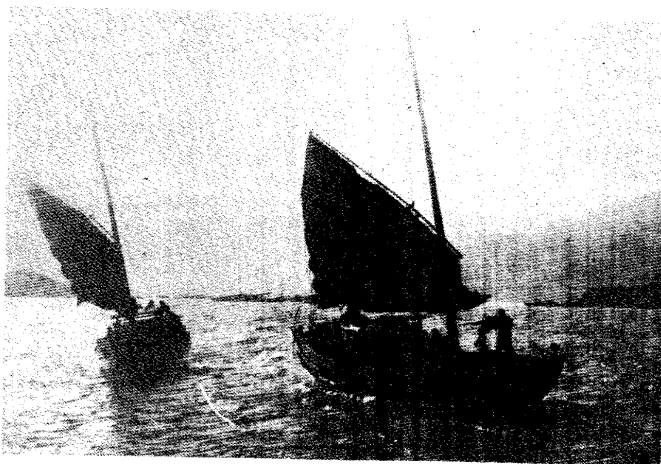
Department of Mobilization of the Ministry of National Defense; at lower echelons a combined army-party-government structure appears to be charged with the control of the various units.

A militia manual states that these forces are subject to the direct command of the People's Liberation Army at all levels, but that party committees have the responsibility for organizing the headquarters of the militia, for organizing training, and for commanding the militia. To promote party control, secretaries of party cells are required to serve concurrently as political commissars in militia units.

Types of Units

In various sections of Communist China the militia takes on unique characteristics. In coastal areas, for example, small naval craft seem to be permanently assigned to the militia, and fishing boats belonging to militiamen are frequently armed with automatic weapons--including 37-mm. guns. These craft have often been effective in protecting fishing fleets and on occasion have driven off or crippled South Korean and Chinese Nationalist vessels. The presence of these units also minimizes the possibility of other fishermen defecting to Taiwan.

In many areas there has been considerable emphasis on recruiting women. In some instances these



Naval Militia

SECRET

SECRET**CURRENT INTELLIGENCE WEEKLY SUMMARY**

31 March 1960



Female Militia Members

women are given combat infantry training, although usually they are only given a few first-aid and political lectures. Women are incorporated into both cadre or universal organizations or even organized into all-women units.

Still another type of unit that has appeared in some parts of the country is the Rear Service Militia, composed of youths under 15 and infirm males over 50. These perform various menial tasks in lieu of military training during peacetime; in wartime they are to handle supplies and care for the wounded.

Native units were formed in Tibet during 1959 for use against rebels, but the experiment apparently was not successful and was soon terminated. Some Tibetan militia reportedly took advantage of the arms and the training to mount operations against the Communists.

Summary

The diversity in the kinds of militia troops, the different ways in which regulations are applied, and the varied type of training given throughout China indicate that the regime has developed the militia with considerable flexibility and expediency and has attempted to gain all possible advantages --political, military, and

economic--with only a minimum of expenditure; efforts to establish nationwide uniformity in regulations and operations are clearly secondary to these considerations.

The great majority of the 200,000,000-260,000,000 Chinese said to be in militia units, with the little military training they have, could not form a first-line reserve. Nazi Germany, scraping its manpower barrel toward the end of World War II, was barely able to boost its armed forces over 10,000,000, well under 15 percent of the population. Hence, even with the "equality" of women for militia service, it is impossible to give full military weight to an organization whose membership by Chinese claims approaches 40 percent of the population.

Despite its experience with the militia, Communist China appears still to consider the present organization embryonic in form; for example, the regime has stated that in "five years" the militia will take an effective part in tactical operations. The organization, now primarily a security and a shock-labor force, may take on greater military significance as a "storage place" for regular army units if Communist China should make some disarmament moves.

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SECRET

SECRET

CURRENT INTELLIGENCE WEEKLY SUMMARY

31 March 1960

THE FRENCH ARMY IN POLITICS

Although De Gaulle has energetically reasserted civilian control over the military following the abortive French settler insurrection in Algiers in January, the Paris government must still cope with an anti-Republican mentality which many French officers developed in the course of their unsuccessful colonial campaigns. A minority of "activist" officers has fostered this attitude among conscripts and spread it among the civilian population through veterans organizations. De Gaulle is trying to convince the military that the retention of Algeria cannot be the principal goal of an army which must adapt itself to global commitments.

Political Forces in Army

Most French Army officers prefer to confine their interests to matters of national defense, and they have no desire to involve the army directly in politics. Prior to January, many of these would have been swayed by their desire to avoid any threat to the unity of the army, and there was a serious danger they might follow the lead of extremists intent on changing government policy. Chief of Staff Ely, for example, argued in cabinet meetings that the preservation of army unity was the overriding necessity in viewing any government action against the insurgents. Nevertheless, he supported De Gaulle, as did the great majority of top officers. These men had long subordinated France's position in Algeria to other elements of national defense policy--creation of an independent nuclear deterrent, relations with NATO, or the modernization of conventional forces.

Nevertheless, a different perspective prevailed in lower officer echelons, and De Gaulle's reminder to the army in early

March that it has global responsibilities reaching far beyond Algeria was probably aimed at officers whose political ideology has been warped by a narrow interpretation of France's postwar problems.

Many of them have been disillusioned by the ineffectiveness of the republic. They view the struggle for Algeria as the culmination of a long battle against "the politicians" who, they feel, were responsible for an ignominious withdrawal from Indochina and the loss of Tunisia and Morocco, and they supported De Gaulle because they felt he would put an end to the debilitated democracy of the Fourth Republic. Disappointment at De Gaulle's adherence to democratic forms, however, has subsequently led many of these officers to oppose him, and the preservation of France's position in Algeria became their rallying point.

Spearheading these elements is a group of middle-grade officers who are convinced that the only way to defend France against the Communist threat is to adopt the "revolutionary war" techniques the Viet Minh used against the French in Indochina. This group would indoctrinate the armed forces with these techniques and, if necessary, apply them in the domestic political sphere as well by creating an authoritarian regime which, it holds, could meet the Communist challenge.

These officers pushed the creation of psychological warfare schools in which all new officers and draftees are indoctrinated. Elite troops such as parachute regiments, Foreign Legion elements, and specially trained African units have been singled out for special political indoctrination. While this has resulted in disciplined, efficient fighting

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SECRET

CURRENT INTELLIGENCE WEEKLY SUMMARY

31 March 1960

units, it has widened the rift between the fighting man and the society he is pledged to defend. An anonymous army major writing in the semiofficial army magazine Message of the Armed Forces emphasized this rift when he attempted a theoretical justification of disobedience when the state fails to take army views into consideration.

Army's Impact on Politics

In the long run, the most important aspect of this attitude will be its impact on French political life. The French Army now is barely 30 percent professional, with the lower officer and enlisted categories largely conscripts and reserve officers fulfilling their military obligation.

Although this opens the army to the moderating influence of a continuous and extensive turnover of personnel, the return of conscripts to civilian life after 27 months of indoctrination widens the political influence of the psychological warfare officers and provides a channel for their ideas to the general population. The widespread use of veterans' organizations and service magazines edited by psychological warfare officers and addressed to the demobilized civilian has proved an efficient means for continuing political indoctrination.

Direct identification of military personages with political movements has not been extensive in the past in France, and even in the 1958 National Assembly elections, few high-ranking military leaders played an active role. Despite the military overtones of the 13 May coup, in the ensuing elections only 17 generals and colonels ran for office in metropolitan France, and only five of these were elected.

The military has much indirect support, however, from the large number of veterans

groups, and rightist political parties and cabinet members have frequently identified themselves with policies considered favorable to the armed forces. Although veterans have devoted themselves largely to pressing for continued or increased pensions, the exposure to authoritarian political ideas while on active duty has had an impact on their broader political orientation. Veterans and reserve army groups in Algeria showed in January that former military men were willing to move outside the legal framework, if necessary, to assure government adherence to their desires.

In metropolitan France, veterans groups have rarely participated directly in national elections, and the total membership of the various segments of the badly split veterans' movement is not large. The French Ministry of the Interior has admitted, however, that these groups have a strong influence not only in extreme right-wing circles, but also in the classical right and the political formations opposed to Communism.

Extreme Rightists and the Army

Much right-wing identification with pro-army policies probably results from a similarity of interests in increasing the national strength and maintaining the French position in Algeria rather than from any direct influence of the army on political groups or personalities. As a result of the Algerian war, support for the army has been most evident in the Independent party, in the Algerian Unity of the Republic party, and in a portion of the Gaullist Union for the New Republic.

Ties between the army and such fascist organizations as the Young Nation headed by Pierre Sidos, Robert Martel's Popular Movement 13, or Georges Sauge's National Catholicism movement are difficult to pinpoint, but probably result more from the

SECRET

SECRET

CURRENT INTELLIGENCE WEEKLY SUMMARY

31 March 1960

initiative of the extreme right-ist groups than of army elements. Sauge, an ex-Communist who now preaches an extreme form of Christian crusade against Communism, has been quite successful in getting army officers to attend sessions at his Center for Advanced Studies and Social Psychology, and he reportedly floods army posts with propaganda pamphlets.

Algeria Still the Key

The key to the uneasy military-political relationship is the eventual disposition of Algeria. French control of Algeria has become for the army a symbol of continued greatness for France and of the preservation of Western civilization from Communist subversion. Moreover, the army's economic and social work has tied it so closely to Algeria that anything short of the kind of Algerian solution it wants would be likely to stir up dangerous new risks for Paris.

Hard on De Gaulle's reaffirmation of civilian control over the armed forces following the insurrection in Algiers, the government moved to separate the military and political functions of army leaders in Algeria and to make the administration there more responsive to policy directives from Paris. Police services in Algeria were reorganized and placed under the direct control of the civilian delegate general. Officers who had been serving as departmental prefects were replaced by civilians, and the army was reminded that its primary mission is to conduct the war. On the eve of De Gaulle's 3-5 March trip to field installations the separation of military and civilian responsibilities was emphasized in a government directive ordering the army to "concentrate on operational action and remain above political discussions and electoral operations."

Specific trouble spots in the army were handled directly. Three generals whose sympathies were suspect--Jacques Faure,

André Gribius, and Henri Mirambeau--were relieved of their commands. Several colonels who had been close to paratroop General Massu or who had been implicated in the Algiers insurrection were recalled and later indicted. The reserve territorial units, many of whose troops had manned the barricades, were disbanded, and their members assigned to other components to fulfill their periodic active-service requirements. Finally, the army's psychological action bureau, which had blatantly propagandized the integrationist cause, was dissolved and its functions distributed to other army services. Psychological warfare sections were retained at the divisional and lower levels, however, to meet legitimate needs.

De Gaulle was nevertheless careful to praise the army as a whole for its social and economic program in Algeria. The vigorous statements on the pacification campaign he made in his March visit were partly designed to warn the Moslem rebels, but they were also aimed at assuring the army that its importance was recognized. De Gaulle's success in reconciling the army to traditional French democratic processes will, however, be limited as long as the war with the Moslem rebels continues.

De Gaulle's prestige is sufficient to guarantee the technical reforms; his difficult task will be to divert the army's present interest from Algeria by offering it the chance of new success and new prestige in other fields. The army has been encouraged to take pride in France's nuclear progress and to recognize France's growing international responsibilities, so that Algeria will be viewed in the broader perspective which the civilian population has generally accepted. The most likely prospect for the immediate future is a continuation of the uneasy truce which leaves the government prey to intemperate decisions by military "activists" or civilian extremists.

SECRET

25X1

SECRET**CURRENT INTELLIGENCE WEEKLY SUMMARY**

31 March 1960

ECONOMIC OUTLOOK FOR 1960 IN EASTERN EUROPE

Industrial output in the East European Communist satellites is to continue growing at a high rate in 1960, although in most countries the planned rates of growth for 1960, ranging from 7.5 to 15 percent, are lower than those achieved in 1959. Bulgaria, having failed by a close margin to achieve the 28-percent increase in industrial output planned for 1959, has set a less ambitious goal for 1960--about 15 percent. It is followed closely by Rumania--with 14 percent--then Czechoslovakia with 10 percent and Hungary with about 8 percent. Poland has scheduled the lowest rate of growth--7.6 percent; East Germany has not yet announced its plans.

Industrial Plans

During 1960, in conformity with past practices, the consumer is to receive some benefit from large increases in industrial production; perhaps as much as 5 percent more industrial goods than last year will be available to the consumer. Generally, however, the share of national income earmarked for consumption will decline slightly, and that for investment will increase. The rapid growth of output of heavy industry will support both increased investments in the satellites and larger exports of machinery to the Soviet Union and China. The satellites now export twice as much machinery as they import, with the Soviet Union the major market.

The major share of industrial growth in 1960 is to come from increases in labor productivity. In most of the satellites, revisions of work norms, amounting to a speed-up, are being implemented or are planned for the near future.

Such reforms are well advanced in Czechoslovakia, East Germany, and Rumania, are under way in Poland, and are scheduled in Bulgaria. Newly commissioned plants and some replacement of obsolete machinery are also to play a role. Also planned are increases in industrial employment, except possibly in Poland--where the regime is attempting to carry out strict economy measures--and in East Germany, where the flight of refugees is continuing, although at a reduced rate.

Achievement of these substantial industrial goals is also predicated on growing imports from the USSR, since, in general, the satellites are deficient in such industrial raw materials as iron ore, non-ferrous metals, rubber, petroleum, wool, and cotton. Individual trade agreements for 1960 call for a considerable expansion of trade between the USSR and the satellites.

Although prospects for a rapid increase in industrial production in the satellites are favorable, certain important aspects of the industrial plans may be underfulfilled. Construction of some large industrial projects has tended to lag behind schedule, and production of certain key types of machinery may be below planned investment and export requirements. The poor quality of production will continue to cause problems and will keep satellite machinery at a competitive disadvantage in Western markets.

Agriculture

Agriculture continues to be the weakest sector of the satellites' economies. The production by collective and state farms has shown little

SECRET

SECRET

CURRENT INTELLIGENCE WEEKLY SUMMARY

31 March 1960

response to such regime measures as larger investments and allocations of fertilizer--and, in the northern satellites, was adversely affected in 1959 by the weather.

There were increases in crop production over last year, especially in Rumania and Hungary, but meat production fell in East Germany and Poland, where the resulting meat shortages have tended to increase discontent. There have been reports of short industrial strikes in both Poland and East Germany in protest against inadequate

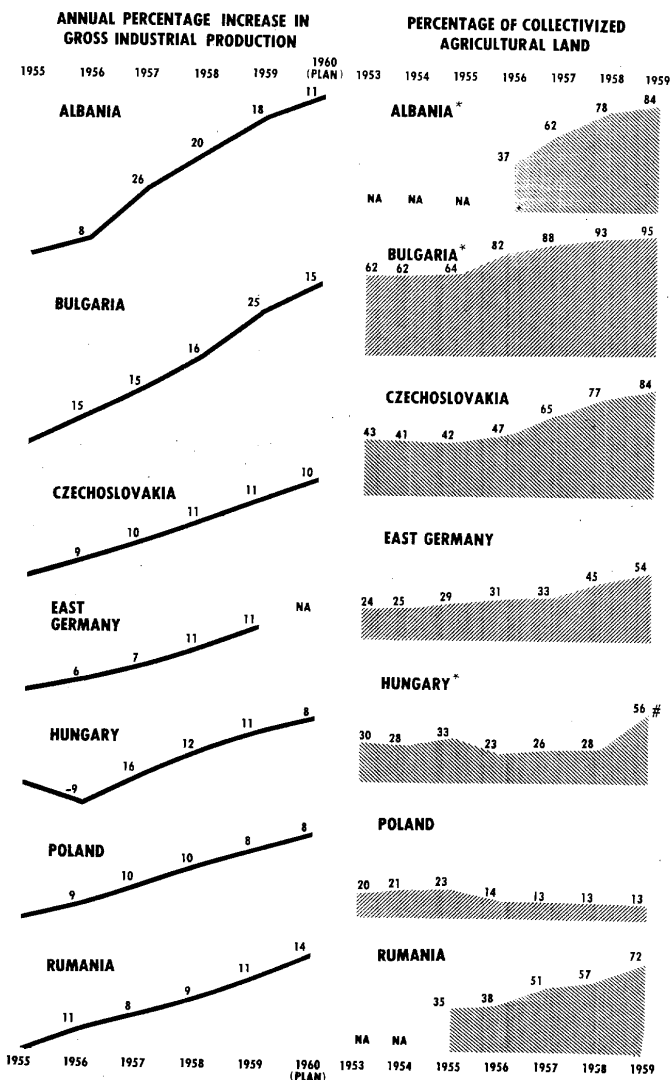
supplies of certain foods, and freight cars loaded with meat for export are said to have been broken into by mobs. At least sporadic shortages will continue through June.

Prospects for a substantial increase in agricultural output, especially in bread grains, for 1960 are not good. Bad weather during the fall hampered grain sowing in some areas and reduced planted acreage. Unusually good weather this spring could correct this shortcoming to some extent, but a bumper crop is very unlikely, particularly in the northern satellites.

Collectivization Policies

All satellite regimes except the Polish will continue their programs to increase state control over agriculture in 1960. In Bulgaria, Czechoslovakia, and Albania, where 80 to 100 percent of the land is already socialized, these programs will be mainly concerned with the amalgamation of existing collectives and with improvements in the organization and management of the farms. Efforts to squeeze out the remaining private farms will continue.

In Hungary, the amount of arable land now being worked collectively or by state farms increased from 27 percent to 57.5 percent of the total during 1959, and to 70 percent by mid-February 1960. The regime now is concerned with the need to consolidate its gains, and few new collectives are likely



* Percentage of arable land only.
Increased to 70 percent by 2 March 1960.

SECRET

SECRET**CURRENT INTELLIGENCE WEEKLY SUMMARY**

31 March 1960

to be formed until after the harvest. Steady pressure to bring private farmers into collectives is likely to continue in Rumania and has been speeded up in East Germany. In Poland, however, where collective farms account for only one percent and, together with state farms, for about 13 percent of all agricultural land, there will probably be no renewed efforts to collectivize.

There may, nevertheless, be some increased tension in Poland between the regime and the peasant, as the regime attempts to extend its influence in farm areas through the organization of government-sponsored "agricultural circles." The Gomulka regime also plans to collect large arrears of taxes and has made the delivery of coal to the peasants contingent on stipulated meat deliveries to the state. It is unlikely, however, to take the strong measures that would be necessary to achieve these objectives in full.

The recent Moscow conference on agricultural and related matters appears to have been concerned predominantly with means of raising lagging agricultural output. It appears that coordination of certain economic efforts, including

agricultural, was also discussed.

Reactions to Economic Problems

Popular morale probably suffered in all of the satellites in 1959, but the greatest setback was in Poland, the country with the most personal freedom. There is little prospect of any significant increase in the standard of living during 1960; a large share of the anticipated increase in industrial output is to be used to reduce the adverse trade balance. Moreover, there will be continuous attempts to raise work norms, employment in some industries will be reduced, and Gomulka's strongly adverse attitude toward protests and strikes is unlikely to change. There are indications of rapidly rising discontent among the Polish urban workers.

In the other satellites, laborers are under pressure to work harder. Gains in wages, if any, will probably not compensate for the increase of effort demanded. In East Germany and Czechoslovakia, where an effort to increase work norms is well under way, the industrial labor force has stepped up its passive resistance to regime plans. 25X1

(Prepared by ORR)

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