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CURRENT INTELLIGENCE WEEKLY SUMMARY



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THE WEEK IN BRIEF

PART I

OF IMMEDIATE INTEREST

EAST-WEST RELATIONS Page 1

Khrushchev, in his talks with De Gaulle, failed to gain any commitments or concessions which would strengthen the Soviet position at the summit. In contrast to his extravagant appraisal of his Asian tour, Khrushchev summed up the French visit as "fairly successful," admitting that on the major issues French and Soviet views do not "fully coincide." In the final round of private talks, as in the initial conversations, Germany remained the fundamental point of disagreement. Although there has been no authoritative Soviet reaction to the Eisenhower-Macmillan suggestion for unilateral pledges not to test small underground nuclear weapons, the Soviet delegate to the test-ban talks has said that formal inclusion of such a moratorium in a treaty banning tests above an agreed threshold is "of crucial importance."

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MIDDLE EAST HIGHLIGHTS Page 4

The Iraqi Army, with Qasim's backing, is taking an increasingly tough policy toward the Iraqi Communists.

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[Redacted]

Israeli Prime Minister Ben-Gurion has proposed a visit to the USSR to discuss Middle Eastern questions before the summit meeting. Representatives of Iran, Pakistan, and Turkey at a meeting of the CENTO military committee in late March gave firm support to the concept of establishing a CENTO command structure.

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CARIBBEAN TROUBLE SPOTS Page 7

The Castro regime is moving to tighten its control over Cuban universities and to squelch the recent manifestations of anti-Communist sentiment among politically active student groups. At the same time, it is actively facilitating Communist youth activities in Cuba and furthering Communist objectives among youth groups in the rest of Latin America. In the Dominican Republic, the position of the Trujillo dictatorship continues to weaken, although the dictator's use of terror tactics has kept down overt signs of internal opposition.

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PART II

NOTES AND COMMENTS

SOUTH AFRICA Page 1

The South African Government, alarmed by the effectiveness of the recent African work stoppage, has intensified its campaign of repression. The stringent provisions of the 30 March proclamation of a state of emergency have been supplemented by further restrictions on demonstrations by Africans. Police are using strong-arm methods in several areas.

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POLITICAL CONFLICT THREATENS CENTRAL AFRICA Page 1

In the Federation of Rhodesia and Nyasaland, growing African nationalism faces the increasing determination of the white minority of 300,000 to retain control. This poses a serious problem for Britain, which shares power with the white federal government. The three-way dispute is impeding the orderly evolution toward independence London hopes for. The situation probably will be aggravated by the nationalist agitation of the recently released African leader, Dr. Hastings Banda, who will push for early self-government in Nyasaland.

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PEIPING'S VIEWS ON "INEVITABILITY" OF WAR Page 3

The Chinese Communist party, in the current issue of its theoretical journal Red Flag, makes its most categorical statement thus far that war is not only probable but in some cases inevitable as long as imperialism exists. The article is clearly aimed at Khrushchev's proposition that bloc strength has progressed to a point where the "inevitable war" theory may be put aside in favor of "peaceful competition." This and recent bitter anti-American attacks reflect Peiping's belief that an East-West detente would impede its effort to eliminate US influence in Taiwan and the Far East. Khrushchev reportedly told bloc leaders in Moscow last February that Peiping's refusal to support Soviet policies was "harming the cause of international communism."

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CHINESE COMMUNISTS LAUNCH NEW DRIVE FOR URBAN COMMUNES . . Page 5

Peiping announced at the National People's Congress on 30 March that communes are now being established in cities, reviving an aspect of communalization virtually ignored since December 1958. A recent campaign to publicize the rapid expansion of collectivized living in major

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cities preceded the announcement. Organizational details of the new communes have been left obscure. Mao Tse-tung was present at the congress session, and his authority will probably be thrown behind the new drive.

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PEIPING CALLS FOR ANOTHER BIG LEAP FORWARD Page 6

Communist China's 1960 economic plan and budget make clear the regime's determination to continue to push the Chinese economy forward at "big leap" speed, although the percentage rate of growth planned for this year is less than that claimed for either of the two preceding years. China will probably be able to reach the goals set for major industrial items, but the agricultural goals--especially those for grain and cotton--are far beyond reach. Additional resources are being allocated to the development of agriculture this year, although the major share will still go to heavy industry.

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DISSENSION AMONG JAPANESE SOCIALISTS Page 9

A special convention called to reorganize the Japanese Socialist party in the wake of recent defections by one fifth of its Diet members has elected Inejiro Asanuma as new party chairman and enabled left-wingers to consolidate their control of the party. Some middle-of-the-road Socialists are expected as a result to join earlier defectors in the recently formed Democratic Socialist party (DSP). A more far-reaching impact, however, probably will be on the Sohyo labor federation, the Socialist party's main support. Moderate elements in many unions may switch their support to the DSP.

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THAILAND'S ATTITUDE TOWARD SOVIET BLOC MAY SOFTEN Page 11

Marshal Sarit, the Thai premier, may be considering certain gestures to the Sino-Soviet bloc as a means of registering his dissatisfaction with various aspects of US aid. He may also stimulate a new round of criticism

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of the United States in the Bangkok press. His reported decisions to permit government officials to participate in a trade promotion tour of European bloc countries and to allow TASS to reopen its office in Bangkok appear to be tactics designed to support a bid for greater American aid. [redacted]

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ALGERIAN REBEL ORGANIZATION IN FRANCE Page 12

The Algerian rebel National Liberation Front (FLN), which has suffered serious military setbacks in Algeria, retains a disciplined organization in metropolitan France. It provides a means of collecting funds and soliciting army recruits from among the approximately 275,000 Algerians in the metropole. Except for sporadic attempts at sabotage, however, the FLN's energy is largely directed toward maintaining supremacy over the rival Algerian National Movement (MNA). [redacted]

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MIKOYAN VISIT TO IRAQ Page 12

First Deputy Premier Mikoyan--the highest ranking Soviet official ever to visit the Arab world--is heading an official delegation to open the Soviet exhibition in Baghdad on 8 April. The visit is probably intended to counter recent signs of an improvement in Iraq's relations with the West and to induce the Qasim regime to soften its attitude toward Iraq's Communists. Soviet publicity for the visit suggests that Mikoyan will offer additional economic assistance, apparently in the hope that its political impact would restore flagging Iraqi hopes concerning quick benefits from bloc aid. [redacted]

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EAST GERMAN CHURCH-STATE CONFLICT SHARPENS Page 13

The chronic church-state conflict in East Germany has been sharpened by the defiant position of the Evangelical Church against the regime's measures to force the peasants into collective farms. The Evangelical Church is under pressure to reverse the stand against collectivization its bishops took in a letter addressed to Premier Grotewohl which was read from pulpits throughout the country. The unity of the East German clergy behind Bishop Otto Dibelius in West Berlin has set back party boss Ulbricht's long campaign to separate the church from its West German ties. [redacted]

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THE POLITICAL OUTLOOK IN FINLAND Page 14

Pressure continues in Finland to broaden the Agrarian government which has ruled since January 1959 with a parliamentary basis of only 47 seats out of 200. The Agrarians have contended that there is no practical alternative

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to their rule in view of the USSR's hostile attitude toward the present leader of the regular Social Democratic party. They may urge that Finland's interest in associating itself with the European Free Trade Association is an additional reason for not irritating Moscow at this time. The Social Democratic party's congress opening on 16 April, however, may bring about a change in the party's leadership which would force the Agrarians to modify their opposition to Social Democratic participation in the government.

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POSSIBLE CABINET SHAKE-UP IN SPAIN Page 15

Sharpening antagonism between supporters and opponents of the economic stabilization program Spain instituted in July 1959 has resulted in the dismissal of Housing Minister Jose Luis Arrese, who opposes the program. Influential ministers seem to be readying an all-out attack on the program. There is speculation that Franco may be preparing a cabinet reshuffle to avoid further ministerial bickering.

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LONDON'S PROBLEMS IN BRITISH GUIANA Page 16

The breakup of the British Guiana constitutional talks in London over arrangements for transitional measures toward independence may end the hitherto satisfactory working relationship between the British and Cheddi Jagan, Communist leader of the colony's dominant political party. Jagan has threatened to agitate for immediate independence and may have enlisted Castro's support during his 4 to 7 April visit to Havana.

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ELECTION SITUATION IN EL SALVADOR Page 18

In El Salvador's elections on 24 April President Lemus' middle-of-the-road party is expected to win all 54 seats in the National Legislative Assembly and nearly all the local offices at stake. Despite the President's popularity, however, there are signs of dissatisfaction in the armed forces and in his own party, and rumors of plotting are beginning to circulate. Small opposition groups supported by Communists and sympathizers with Castro's Cuban revolution will probably create some election disturbances.

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PART III

PATTERNS AND PERSPECTIVES

SINO-SOVIET DOCTRINAL DISPUTES Page 1

Chinese Communist leaders continue to adopt independent internal and foreign policies and to put Mao Tse-tung forward as the "discoverer" of new doctrines. In justifying their unorthodox domestic programs with equally unorthodox doctrinal formulations, implying that these could be applied elsewhere in the bloc, the Chinese in effect challenge the Soviet Union's "pre-eminence" in this field. Khrushchev apparently has decided it is time to deal with these Chinese claims. In some bloc countries Mao's authority in doctrinal matters appears to be increasing, and Khrushchev will probably find he cannot obliterate it by fiat.

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DISSATISFACTION AMONG FOREIGN STUDENTS IN THE USSR Page 6

Many of the almost 1,000 foreign students studying in the USSR are reportedly dissatisfied with their lot and disillusioned with the Soviet way of life. Reports of dissatisfaction concern chiefly students from the Asian-African underdeveloped countries. While some have been indoctrinated with a belief in Communism, many appear to resent Moscow's efforts to exploit them for propaganda purposes. They also resent their enforced isolation, a result of the regime's determination to protect Soviet students from foreign contamination. Moscow's plan to establish a special University of People's Friendship for foreign students from Asia, Africa, and Latin America will probably increase these students' sense of segregation and regimentation.

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WEST GERMANY'S ARMED FORCES Page 10

The West German military build-up now has reached a stage where combat effectiveness will increase rapidly. In all three services, most of the planned combat units will have been activated by the end of 1961. By the mid-1960s West Germany's army will probably be the strongest ground force in Western Europe and its air force a rival to France's in tactical air power. The Adenauer government seems determined to keep its forces integrated with NATO, but the pressures Bonn is beginning to exert for full equality within NATO raise problems for the alliance.

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BRAZIL AND ITS NEW FEDERAL CAPITAL Page 14

The scheduled inauguration on 21 April of Brazil's new federal capital, Brasilia, points up both the problems and successes of Brazil's intense effort to become a "developed" nation. Brasilia is one aspect of President Kubitschek's \$6 billion economic development program, now in its fifth and final year. The success of the program will favor the government's candidate in next October's presidential election; however, a recurrence of the balance-of-payments crisis or the food shortages of 1959 could tip the balance decisively toward the opposition.

[Redacted]

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PART I

OF IMMEDIATE INTEREST

EAST-WEST RELATIONS

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[redacted] talks between Khrushchev and De Gaulle and the routine communiqué which followed them indicate that the Soviet premier failed to gain any commitments or concessions which would strengthen his position at the summit. In contrast to his extravagant appraisal of his recent Asian tour, Khrushchev on his return to Moscow summed up the French visit as "fairly successful," admitting that on major issues French and Soviet views did not "fully coincide."

In his speech in Moscow on 4 April, however, Khrushchev implied that De Gaulle had made concessions to the Soviet position on a peace treaty. He claimed they had "established that there is a basis for working out an agreed position" on a number of most important questions, and he quoted the communiqué on Germany and Berlin as implicit support for this contention.

Khrushchev also claimed that his views on disarmament coincided with De Gaulle's. [redacted]

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[redacted] The Soviet delegate in Geneva used the communiqué's reference to a joint desire for the disarmament talks to achieve "definite agreed points of view" on complete and general disarmament in pressing the West to take up specific measures in the Soviet plan.

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Khrushchev appears to have accepted the concept of protracted negotiations on Germany and Berlin in agreeing to a French proposal for a reference in the communiqué to "progressive settlement" of these questions on a basis "agreed on through negotiations." He followed this up in his final press conference on 2 April by admitting that the conclusion of a peace treaty and a Berlin solution "demand some time."

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The communiqué's reference to a mutual interest in reinforcing European security may provide Khrushchev with an opening to raise this issue at the summit. In his television address in Paris, Khrushchev specifically included European security in a list of the most important international questions, along with disarmament, a German treaty and Berlin, and nuclear testing.

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Khrushchev's public statements during the final phase of his visit and his speech in Moscow provided further evidence that the immediate objective for his trip was to maintain a favorable pre-summit atmosphere and to project an image of Soviet reasonableness and flexibility in meeting Western views on key international problems.

As to the summit meeting, he said at a Soviet Embassy reception, "Naturally, it is impossible to settle all outstanding problems in one meeting." In his TV address he held out the possibility of achieving progress "if statesmen take account of mutual interests" and meet each other half way. His treatment of the possibility of a separate peace treaty with East Germany was intended to convey an impression of extreme reluctance to take such action.

From the outset of his visit, however, it was obvious that Khrushchev hoped to generate popular pressure in France for some accommodation to the Soviet position on Germany by arousing old antagonisms and sowing the seeds of suspicion of De Gaulle's ally in Bonn. He sought to create doubts about Germany's reliability by recalling the Hitler-Stalin pact and explaining that diplomacy is a "tricky game" in which the participants must understand that others can play the "same tricks on them."

He warned French parliament members that "West Germany

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might play the same kind of trick Hitler Germany played before World War II." He found it "a point to ponder" that, although Adenauer attacked the USSR in his speeches, Soviet trade with Bonn was growing-- "I would ask our French friends to put that under their hat."

French Reaction

Ambassador Houghton in Paris, in a preliminary estimate of the Khrushchev visit, reports that the degree of Khrushchev's success in generating popular fears over Germany is not yet clear, but that such fears are obviously latent among certain elements and already present among anti-German extremists such as Daladier, who thanked Khrushchev for reminding the French people of the German menace. Foreign Minister Couve de Murville told Houghton he believed Khrushchev had badly misjudged French feelings about Germany and that his remarks had had little if any effect on French public opinion.

Houghton feels Khrushchev's general circumspection and dignity and his stress on peace and Soviet-French friendship might overcome any hesitancy in the average citizen against reaching agreements with the USSR because of ideological differences. He thought the French Communist party's role in organizing mass receptions for Khrushchev might hurt the party, but estimated that non-Communist cooperation with the Communists on domestic issues would vary with the extent of the East-West detente.

The French Government took the unusual step of justifying the Khrushchev visit to the public in a nationwide radio-tele-

vision dialogue between Premier Debré and Information Minister Terrenoire. Debré said that Khrushchev's television appearance was required "by the laws of hospitality," denied that the communiqué was "of meager substance," and took special pains to explain that the Khrushchev visit was a necessary prelude to the summit. Debré also used the opportunity to state that France had few illusions about the practical results of a summit meeting, that France wants "absolute priority" on disarmament, and that an East-West detente could not be based on abandonment of the Western position on Germany and Berlin.

Couve de Murville said that De Gaulle was somewhat prejudiced in judging Khrushchev, since he had such a high regard for Stalin. De Gaulle found Khrushchev "clever, intelligent, and well informed," but not a "superior" person.

Test Ban Talks

In reaction to the Eisenhower-Macmillan statement of 29 March calling for unilateral pledges not to test small underground nuclear weapons, the USSR will probably insist that a moratorium on such tests be included in some form in a treaty banning all other tests. Moscow would seek to portray Western agreement to this arrangement as implying acceptance of the long-standing Soviet demand for a comprehensive ban on all tests.

Soviet chief delegate Tsarapkin at Geneva has asked why the United States favors such unilateral declarations rather than formal incorporation of a moratorium obligation in the treaty, emphasizing that

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the USSR regards this question as of "crucial importance."

In requesting more details on the Eisenhower-Macmillan plan, Tsarapkin took the position that the duration of a moratorium should coincide with that of the research and development program to make all tests detectable. Referring to an alleged statement by AEC Chairman McCone that four or five years would be necessary to develop a reliable control system over the cessation of all tests, Tsarapkin asked whether this is still the position of the United States.

The British delegation has been instructed to follow the United States' lead, but to agree, if pressed by the USSR, to the inclusion of the moratorium on underground tests below a certain threshold in the treaty banning tests above this threshold. London also believes that the moratorium and the joint research program should be conterminous.

Disarmament Talks

The Soviet delegation at the disarmament talks continued to insist last week that the conference recognize the principle of "complete and general disarmament" and proceed to work out basic principles toward this objective. Follow-

ing Khrushchev's strong criticism in France of the failure of the Western plan to offer common areas for agreement, Zorin characterized the Western plan as an inadequate response to the UN resolution and unacceptable as a basis for further negotiations. He stressed the standard theme that the West was seeking to negotiate "complete and general control," while evading specific disarmament measures, and urged that the conference revert to the main task of complete and general disarmament assigned to it by the UN.

Despite continued bloc criticism of the Western plan, the atmosphere of the conference continued to be relaxed and the tone of the debate moderate.

Zorin stated publicly that he will not agree to discuss partial disarmament measures until it becomes clear that the West is not interested in general and complete disarmament. This line provides further evidence that Soviet tactics are aimed at drawing the West toward at least agreement in principle to Moscow's formula of "general and complete disarmament" as the goal of the conference or, failing this, to place the blame on the West for a failure to agree. 25X1

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MIDDLE EAST HIGHLIGHTSIraq

Many recent reports indicate that the Iraqi Army is taking an increasingly

tough policy toward local Communists and that Prime Minister Qasim, despite the ambiguity of his public statements, is backing this policy.

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The Communist press complained on 4 April that "responsible officials" stopped citizens going to Baghdad to participate in the parade of Peace Partisans the day before.

Fears over an increasingly friendly official attitude toward the West are evident in the Communist press criticism of the regime's moves to take advantage of the modest US technical assistance program. Comparisons have been made between the "octopus trap of Point Four aid" and the further "sincere economic aid" Soviet First Deputy Premier Mikoyan is expected to extend during his visit to Baghdad beginning on 8 April. (See Part II, page 12).

Measures against the Communists have increased the influence of anti-Communist army elements within the regime and have narrowed Qasim's area of maneuver by alienating the Iraqi Communists, except for the splinter faction backed by him. Accompanying the stiffening attitude of the army has been an improvement in discipline and a decrease of Communist influence within the armed forces. The army now is the mainstay of the regime and is in a position to exert more effective pressure on the civilian government.

Jordan-UAR

Husayn left on 4 April for official visits to Iran, Turkey, Ethiopia, and Morocco, and then will go unofficially to Spain and possibly other countries.

Meanwhile, the Arab League Council's political affairs committee, which reconvened in Cairo on 31 March, decided that the Palestine issue was too delicate for it to handle, in view of the diametrically opposed positions of Jordan and the UAR. Further consideration of UAR proposals for a "Palestine entity and army" has therefore been deferred until the Arab League foreign ministers meet in a special session planned for the end of April.

Israel

Israeli Prime Minister Ben-Gurion, whose personal odyssey so far has taken him to meetings with Eisenhower, Adenauer, and Macmillan, also proposes to visit the USSR and France. Ben-Gurion reportedly has not insisted on a formal invitation from Moscow but would simply accept its "consent" to his visit.

The Soviet chargé d'affaires in Tel Aviv said on 31 March that his government was considering the proposal, but gave no indication of Moscow's response. The proposed visit poses a dilemma to Soviet leaders, since it would tend to undercut Moscow's efforts to

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foster an image of the Soviet Union as the big-power supporter of the Arab countries against an allegedly expansionist-minded Israel. A refusal, on the other hand, would show that Moscow's advocacy of contacts at the head-of-government level applies only when Soviet leaders feel such contacts may further their policy objectives.

Ben-Gurion presumably intends to present Israel's views on Middle East issues to the Soviet Government in case there is any consideration of the area's problems at the East-West summit conference. The Israelis would like a declaration by the Big Four powers that would guarantee the territorial status quo in the Middle East and encourage an Arab-Israeli settlement. Britain, France, and the United States joined in a declaration in 1950 which undertook to guarantee existing Middle Eastern frontiers, but Nasir continues to denounce it.

According to an announcement in Israel, Ben-Gurion has been invited to make an official visit to France. The French have been cool toward a De Gaulle - Ben-Gurion meeting, and this visit probably will not take place until after the summit conference.

De Gaulle has sought, over the opposition of some French circles, to disengage Paris from its close relationship with Israel in the interest of better relations with the Arab states, his immediate aim being to facilitate a settlement in Algeria. Despite this policy, however, there are indications that the French sent 12 more Super Mystere jet fighters to Israel

on 11 March. This would raise the estimated number of Super Mysteres the Israelis have to 44; they also have an estimated 57 Mysteres.

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Central Treaty Organization

At a meeting in Tehran in late March of the Military Committee of the Central Treaty Organization (CENTO), Pakistan, Iran, and Turkey strongly backed a plan to establish a CENTO command structure. Iran is seeking to have the Shah named commander in chief.

While the British representative personally agreed to the need for a command structure, he indicated his government could not accept the study on the subject submitted to the committee, because British military authorities had not had sufficient opportunity to examine the document. The British have felt that some gesture should be made toward Iran to prevent a "crisis of confidence" and were less firm than previously in support of the US position against a command structure.

After considerable debate, the Military Committee agreed to report to the CENTO Ministerial Council meeting in late April that it had taken "cognizance" of the study.

Yemen

Yemeni officials have become increasingly doubtful about the genuineness of American interest in furnishing economic aid to Yemen. Late last year they began urging fast US action to take advantage

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of the Imam's suspicion of Communist intentions and his reported decision to adopt a "pro-Western" policy.

They feel that the American response has been inadequate. A basic aid agreement was signed last fall, and a total of \$2,-000,000 in aid funds has been proposed for fiscal 1961. The major project under the agreement --a highway to be constructed between Taiz and Sana--is being negotiated. Yemeni officials contend that the planned construction period of "three to four years" must be shortened to avoid unfavorable comparisons

with the Chinese Communist Al Hudayda-Sana road project and to illustrate the United States' "real sincerity and esteem regarding Yemen."

The American Legation in Taiz reports that the Russians and the Chinese Communists have stepped up work on the projects they have undertaken within the scope of a \$25,000,000 Soviet line of credit and a \$16,000,000 Chinese Communist interest-free credit. In addition, activity under the Soviet military aid program seems to have been renewed. 25X1

CARIBBEAN TROUBLE SPOTS

The Castro regime is moving to tighten its control over Cuban universities and to squelch the recent manifestations of anti-Communist sentiment among politically active student groups. At the same time, the regime has provided television facilities and helped in other ways the national congress of the youth section of the Cuban Communist party which opened in Havana on 4 April.

In line with Castro's insistence that anti-Communism is counterrevolution, the government-dominated leadership of the Federation of University Students (FEU) at Havana University has convened special courts to try as "enemies of the revolution" students who supported newscaster Luis Conte Aguero's attacks on Communist influence in Cuba. This has intimidated Catholics and other anti-Communists among the stu-

dents, most of whom have thus far supported Castro.

Che Guevara has told students that the traditionally autonomous universities must be brought under close government supervision, and 25X1
2,000 carefully chosen students from rural areas will be sent to Havana University by the government. The regime will pay all their expenses and use them as shock troops to maintain control there.

The Communist youth congress has attracted delegates from the Sino-Soviet bloc and from various Latin American countries. Its theme of support for and defense of the Cuban revolution is another of the "unity" moves which have helped the Communists attain strong influence in the Castro government.

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Arrangements are probably being made at the congress to manipulate a preparatory meeting to be held on 25 April for the Latin American Youth Congress which Castro is promoting in Havana in July. Representatives of the 26th of July Movement are on a tour of Latin America to invite youth groups to the preparatory meeting. Although Catholic and other non-Communist Latin American representatives will probably make a strong effort to keep the congress from being dominated by the Communists, the Communists appear likely to control it.

Dominican Republic

The position of the Trujillo dictatorship continues to weaken. Although terror tactics have kept down overt signs of opposition, the dissidents have continued to plot, and the opposition is steadily spreading.

The Generalissimo's "resignation" on 1 April from the Dominican party, the country's sole political organization, appears to be simply a maneuver to strengthen his position. Dominicans remember the fate of those who rose to similar bait after earlier calls for opposition parties. If he wants his resignation rejected, his sycophants in the party will certainly comply--a move that would illustrate his unrealistic estimate of the present position.

Trujillo's pique at the United States for failing to give him moral backing and for refusing to sell him arms has recently resulted in an effort by his foreign minister to have an American Embassy official recalled. The foreign minister has also intimated that his government will not renew the present agreements covering loran facilities and a long-range missile proving ground. 25X1

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PART II

NOTES AND COMMENTS

SOUTH AFRICA

The South African Government, alarmed by the effectiveness of the Africans' recent work stoppages, has stepped up its campaign of repression. The provisions of the 30 March proclamation of a state of emergency--which established virtual martial law in the country's urban areas--have been supplemented by decrees placing further restrictions on demonstrations by Africans and authorizing the use of "force resulting in death" in the event of "suspected danger" to life or property. Although the government has slightly relaxed the African pass system--partly because it was unenforceable--it will not modify its control over the movement and employment of Africans.

Police are using strong-arm methods in several cities to "intimidate the intimidators" who they believe are responsible for the demonstrations and the widespread work stoppages. More than 400 persons have been arrested under the emergency regulations. A law authorizing the government to outlaw African organizations was promulgated on 5 April. [REDACTED]

The African labor situation has returned to normal in most areas. However, the week-

long strike, which caused an estimated \$60,000,000 loss in industrial production, demonstrated to both Africans and Europeans the potential economic leverage of the African community. The native labor force probably will be squeezed by growing pressures from both nationalist agitators and security forces, with a concomitant rise in tension.

The widespread international criticism of the Verwoerd government's actions--particularly the UN Security Council's resolution on 1 April--have made the Europeans in South Africa increasingly aware of their isolation; as a result, opposition to the prime minister has become more articulate and widespread. However, Verwoerd apparently retains the support of the conservative Afrikaner farmers who form the backbone of the ruling Nationalist party. The government's repressive program, moreover, probably has at least the tacit support of a large part of the European community. Thus a radical change in South African racial policies is unlikely in the near future.

UN Secretary General Hammaraskjold now contemplates a trip to Cape Town to confer with officials there and has begun consultations on this matter with South African UN delegate Fourie. [REDACTED]

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POLITICAL CONFLICT THREATENS CENTRAL AFRICA

In the Federation of Rhodesia and Nyasaland, growing African nationalism faces the increasing determination of the

white minority of 300,000 to retain control. This developing conflict poses a serious problem for Britain, which

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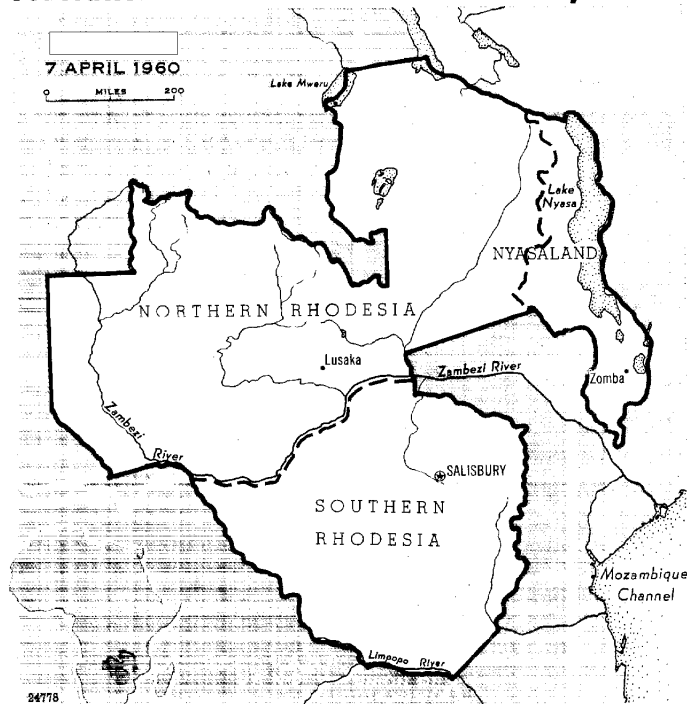
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shares power with the white federal government. The three-way dispute is impeding evolution toward independence. The situation will probably be aggravated by the nationalist agitation of Dr. Hastings Banda --the African leader in Nyasaland who was released from prison on 1 April.

British officials are trying to close the widening breach between the races and to counter the growing separatist tendencies in Nyasaland and Northern and Southern Rhodesia. The Africans expect quick tangible gains from a recent tour of the area made by British Colonial Secretary Macleod, but the American consul general believes a fundamental threefold program is necessary to avert early violence. The first step was the release of Banda. The program would also involve far-reaching constitutional changes in Nyasaland leading toward an African-dominated government soon, and similar but less extensive developments in Northern Rhodesia.

Such a program might satisfy the Africans until the future of the Federation is decided following a conference in London late this year. However, Federation Prime Minister Welensky would strongly resist African control of copper-rich Northern Rhodesia, where a European minority of 80,000 demands continuing close ties with the larger white community of Southern Rhodesia.

Federation of Rhodesia and Nyasaland

The three territories of the Federation have attained varying degrees of political and economic evolution. Southern Rhodesia, with some 220,000 of the Federation's European minority and the greatest economic development, enjoys a self-governing status limited by the control of the Commonwealth Relations Office over racial legislation. In Northern Rhodesia and Nyasaland, with much smaller white minorities and where the Colonial Office exercises control over internal matters, London has generally encouraged African advancement.

The Europeans appear to have little comprehension of the growing strength of African nationalism. The more observant minority is determined to resist even at the risk of bloodshed, as in South Africa. Welensky is extremely critical of the colonial powers for "scuttling"

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BANDA

their African responsibilities, and he distrusts Britain's apparently pro-African policy.

The pace of African advancement toward self-government in Nyasaland will quicken following Dr. Banda's resumption of overt nationalist leadership. He has called on his followers to avoid violence and, almost immediately after his release from jail, conferred with Macleod. Within a few days, he left for London to discuss Nyasaland's

future. By freeing Banda, London may have secured the native cooperation essential for constitutional advance toward self-government in that protectorate. Subsequent failure to satisfy African nationalists, however, might lead to renewed terrorism similar to that of March 1959.

During Banda's imprisonment, the Malawi Congress party agitated against the white-dominated Federation by means of sizable demonstrations and some violence. Moreover, the party may have established a series of "factories" in Nyasaland caves to manufacture crude weapons and ammunition in case the party eventually resorts to terrorism.

The threat of disturbances in the Federation has alarmed Portuguese authorities in neighboring Mozambique. They have strengthened military forces, established new border posts, and reorganized their defense and security system by creating 25X1 military strong points to reinforce frontier police and customs posts.

PEIPING'S VIEWS ON "INEVITABILITY" OF WAR

The Chinese Communist party, in the current issue of its theoretical journal Red Flag, makes its most categorical statement thus far that war is probable--and in some instances, inevitable--as long as "imperialism" exists. Using the 90th anniversary of Lenin's birth as a springboard, the journal warns Chinese Communists away from the pronouncements Khrushchev has made on the nature of the contest with the West. It implicitly criticizes the Soviet premier for a less dynamic opposition to "imperialism" than Peiping feels is required by its own and

world Communist objectives. The article is another example of the Chinese leaders' readiness to manipulate basic doctrine in justification of their own policies. (See Part III, page 1).

The Red Flag article is aimed at Khrushchev's justification for a detente--his proposition that bloc strength has progressed to a point where the "inevitable war" theory, so useful to the USSR as a spur to discipline and production during its earlier years, may be put aside in favor of "peaceful competition." The Chinese are

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attempting to empty the coexistence thesis of all meaning, buttressing their arguments with selected quotations from Lenin and the sayings of Mao Tse-tung.

Red Flag insists that "imperialism" has not changed and cannot change and that its economic system breeds war because it is based on "exploitation and oppression." It states that "the imperialist policy of plunder is bound to lead to war." This contrasts vividly with Khrushchev's statement to the Soviet 21st party congress that "there will be created real possibilities for eliminating war as a means of settling international issues." The Chinese stress that the "war maniacs" can only be thwarted by "fighting tooth and nail."

The journal claims that "within imperialism," colonial and civil wars are "inevitable" and that those fighting "imperialism" deserve strong bloc support. In a remark apparently intended to take issue with Khrushchev's insistence that the USSR will not aggressively export Communism, Red Flag states that to ignore such wars would be "extreme opportunism" and would betray the "socialist revolution."

While the Chinese emphasize the "inevitability" of "imperialist" wars, they skirt a direct pronouncement that a major East-West war is equally certain. Nevertheless, Red Flag conjures up for its readers the now-familiar image of implacable US hostility. "The peace desired by US imperialism is a peace which provides for

STATEMENTS ON WAR

CHINESE

"I think the American people and the people of all countries menaced by US aggression should unite to repel the attacks of US reactionaries and their lackeys. Only victory in this struggle can avert a third world war; it can not be averted otherwise."
Mao Tse-tung, quoted by Red Flag, 1 January 1960.

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"Only peaceful coexistence and peaceful competition between the two systems can prevent war."
Joint Soviet-Polish statement, 22 July 1959.

US domination of the whole globe--it is peace for the purpose of eliminating socialism." Red Flag charges that to realize its ambition, the United States is paying "lip service to peace" while preparing for a world war and "actively conducting" limited wars.

Red Flag's diatribe reflects the value Peiping places on having an external enemy with which to goad its people toward greater efforts, as well as frustration with the effect a prolonged detente would have on Communist China's ambitions to eliminate US influence in Taiwan and the western Pacific. Quoting Lenin, Red Flag states, "We are surrounded by people, classes, and governments who openly express the greatest hatred for us." With implications which could hardly be lost on Khrushchev, the Chinese draw again from Lenin to express their irritation: "Whoever has thought that it is easy to attain peace --that one has only to mention the word and the bourgeoisie will present it on a silver platter--is a very naive person."

Khrushchev's reported attack on the Chinese at the February Warsaw Pact meeting for refusing to support the USSR's attempts to reduce world tension apparently has had little effect on Peiping. He is said

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to have sharply criticized China's refusal to associate itself with policies adopted by "other socialist countries" and to have charged that this refusal "was harming the cause of international communism." While Khrushchev might not have expected such strictures to in-

duce the Chinese to change, he would probably hope that his condemnation would forestall any influence China's independent views have on the actions of other satellite regimes and that it would make clear the Soviet Union's intention not to change its policies to mollify the Chinese.

CHINESE COMMUNISTS LAUNCH NEW DRIVE FOR URBAN COMMUNES

The opening session of the National People's Congress in Peiping on 30 March was the forum for an announcement by Communist China's planning chief, Vice Premier Li Fu-chun, that "urban communes" are being developed "in a big way" in cities throughout the country. The statement was preceded in recent weeks by a campaign to publicize the rapid growth of facilities for "collectivized living" in major cities. Although urban communes had not been mentioned specifically, it was apparent that the facilities were a long step in that direction.

In the fall of 1958 urban communes were presented as an integral part of the program, but the regime experienced such difficulties in their organization that the attempt was virtually ignored after the end of that year. This coincided with Peiping's modification of its doctrinal claims for the whole commune program, presumably in deference to Soviet objections.

Peiping is attempting to minimize the lapse of more than a year in the urban commune movement by presenting the present drive as the outcome of a two-year period of experimentation. A People's Daily editorial of 31 March, which described the formation of urban communes as "an event

of great historical significance," claimed that they would be "a good organizational form for further organizing the economic and cultural life" of city residents.

The editorial claimed the organization of production was the first step in forming urban communes and referred to "commune and neighborhood" industry, but the exact form the communes will take has been left obscure. Some urban communes formed in the past have been organized around a single, large economic enterprise such as a factory or a mine, while others have been organized on the basis of districts and contained only small-scale industries. Both of these methods, and combinations of the two, will probably be used in the new movement.

People's Daily declared that communes were being established in "many" cities, suggesting that not all cities will proceed at the same rate. A local newspaper recently claimed that the Manchurian industrial city of Shenyang at the end of 1958 became the first to be totally communalized. The newspaper said the communes are organized on the basis of streets and contain an average of 30,000 members.

Mao Tse-tung attended the People's Congress session on

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30 March--his first public appearance in Peiping in five months. In keeping with the present campaign to present Mao as a creative Marxist-Leninist theoretician, it is likely that the drive for urban communes will be firmly linked

to his "ideology." Expansion of the commune movement indicates that Peiping is willing to risk Moscow's displeasure rather than abandon what it considers essential aspects of its current programs.

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PEIPING CALLS FOR ANOTHER BIG LEAP FORWARD

Communist China's 1960 economic plan and budget, which were presented to the opening session of the National People's Congress on 30 April, make clear the regime's satisfaction with the policies followed in 1958 and 1959 and its determination to continue to push the economy forward at "big leap" speed. The congress was told that the situation in the country is "wonderful," that economic work on all fronts is expanding "in ever-mounting waves," and that the "Communist consciousness" of the masses is higher than ever before.

Although the tone of the congress is definitely confident, the over-all rate of growth scheduled in the 1960 plan is lower than those claimed to have been achieved in 1958 and 1959. The gross value of industrial and agricultural production is to increase 23 percent this year, as compared with 48 percent claimed in 1958 and 31 percent claimed in 1959.

The 1960 goals for major industrial

products call for increases which in absolute terms are roughly equal to those achieved last year. They seem within the regime's reach, although in the case of some items--most notably steel, pig iron, and coal--continued sizable contributions will be required from the much-publicized small-scale enterprises. Agricultural goals are not specifically spelled out in the plan, which, like the revised 1959 plan, calls simply for an increase of "about" 10 percent in grain

COMMUNIST CHINA: PRODUCTION CLAIMS AND TARGETS				
	1957	1958	1959	1960 TARGET
TOTAL VALUE OF INDUSTRIAL AND AGRICULTURAL PRODUCTION BILLION DOLLARS	50.45	74.84	98.09	121.14
TOTAL VALUE OF INDUSTRIAL PRODUCTION BILLION DOLLARS	28.62	47.36	66.26	85.37
STEEL MILLION TONS	5.35	8	13.35	18.4
PIG IRON MILLION TONS	5.94	13.69	20.5	27.5
COAL MILLION TONS	190	270	347.8	425
CEMENT MILLION TONS	6.86	9.3	12.27	16
PAPER MILLION TONS	1.22	1.63	2.13	2.8
EDIBLE OILS MILLION TONS	1.1	1.25	1.46	1.7
ELECTRIC POWER BILLION KWH	19.3	27.5	41.5	55.5 - 58
COTTON CLOTH BILLION METERS	5.05	5.7	7.5	7.8
TRACTORS	—	957	4,871	22,000
TOTAL VALUE OF AGRICULTURAL PRODUCTION BILLION DOLLARS	21.83	27.28	31.83	35.77
FOOD GRAINS MILLION TONS	185	250	270	297
COTTON MILLION TONS	1.64	2.1	2.41	2.65
SOYBEANS MILLION TONS	10.0	10.5	11.5	na
HOGS	145.9	160	180	243

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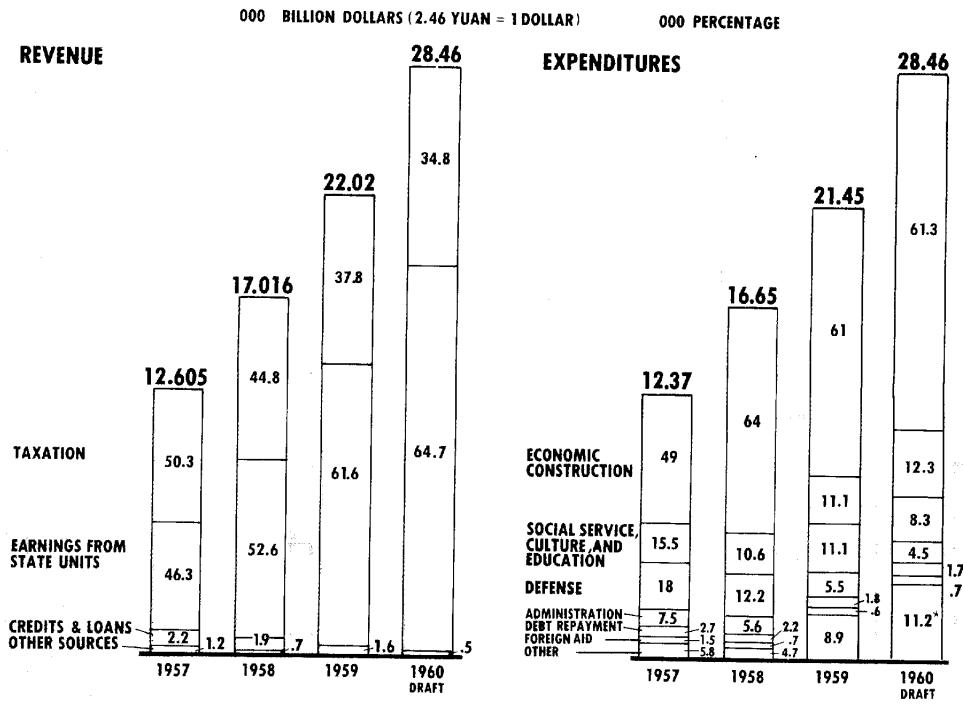
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COMMUNIST CHINA'S BUDGETS

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*includes credit funds at state bank (8.3%), other payments (0.5%), and reserve fund (2.4%)
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and cotton output. These goals suggest that Peiping is aiming to produce 297,000,000 tons of grain and 2,650,000 tons of cotton--levels of output almost certainly not attainable even if this should be an outstanding crop year.

The 1960 budget is balanced at levels almost one third above last year's. Direct military expenditures remain the same, suggesting that no abrupt change is contemplated in the size of the armed forces. Investment arrangements are designed to handle "more appropriately" the relations between industry and agriculture.

The planners now say that a more rapid development of

agriculture is indispensable to continued high-speed development of the whole economy, and they have allocated increased resources to this end. The state subsidy to poor communes and funds budgeted for agricultural capital construction are to increase this year by at least 50 percent, and sharply increased supplies of machinery, tractors, and trucks are being given to the farms. There is the promise of even more aid to agriculture over the next few years. This increased attention is the logical result of continuing pressures of population on food supply and of the need to raise per capita consumption of food.

It is clear, however, that heavy industry will continue to get the major share of available

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resources in 1960. While steel is still the "key lever" in China's industrialization, Peiping says that it will devote great efforts in 1960 to strengthening such "weak links" as the power and nonferrous metals industries. Weaknesses are also noted in transporta-

tion, which is admittedly unable to "keep pace" with over-all development. Construction of new rail lines, as well as double-tracking, is to be sharply increased, as is the production of locomotives and freight cars. [redacted] (Prepared by ORR)

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DISSENSION AMONG JAPANESE SOCIALISTS

Dissension and bitter factional rivalry in the Japanese Socialist party following election setbacks in 1959 and defection by 56 of the party's 249 members in the Diet have culminated in the resignation of party chairman Mosaburo Suzuki, his replacement by an advocate of Chinese Communist views, and the consolidation of leftist control of the party.

In a showdown election at the special convention on 24 March, leftist Secretary General Inejiro Asanuma narrowly defeated middle-of-the-road

factional leader Jotaro Kawakami for the party chairmanship. Leftists also gained control of 13 of the 15 seats on the party's central executive committee. The Socialist Diet members immediately defected to the Democratic Socialist party (DSP), and more are expected to do so. In addition to its Diet strength, however, the DSP may be influenced to shift its right-wing socialism back somewhat toward the center in order to prevent the development of factionalism in its own ranks.

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ASANUMA



KAWAKAMI

on the Sohyo labor federation, the Socialist party's main support. Several unions within Sohyo are experiencing severe internal pressures which reveal a significant trend against labor union radicalism.

A split was only narrowly averted recently in the important National Railway Workers' Union, and the latest Socialist shift may influence

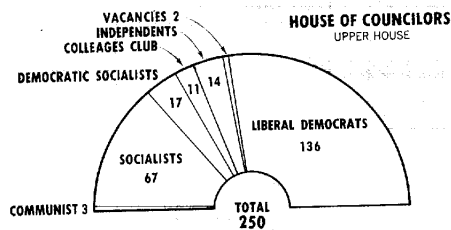
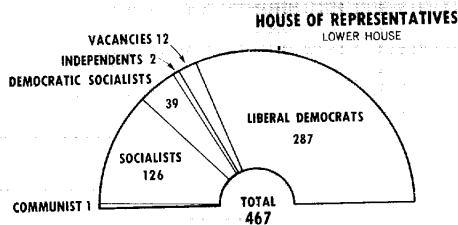
The convention results are not expected to change the Socialist party's basic policy, but the new leadership is likely to be more outspoken and aggressive in pursuit of its objectives. Asanuma, a one-time right socialist who has shifted progressively to the left, gained notoriety in early 1959 when he endorsed Communist China's foreign policy during a trip to Peiping.

Asanuma has reaffirmed his statement of last year that "American imperialism is the common enemy of Communist China and Japan." He also intends to continue opposition to the new US-Japanese security treaty. At the same time, the Socialists have echoed Communist propaganda attacks by asserting that West German Chancellor Adenauer's talks with Prime Minister Kishi during a visit to Japan in late March constituted "an effort to revive the Tokyo-Berlin axis."

The new Socialist posture probably will not only reduce the party's appeal to the Japanese electorate but probably will have a far-reaching impact

a sizable faction in that union to bolt to Sohyo's rival, Zenro. Moreover, despite Socialist party and Sohyo moves to maintain labor unity against

PARTY STRENGTHS IN THE JAPANESE DIET



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governmental and managerial efforts to reduce the labor force in the nation's depressed coal industry, approximately one third of the members of the Sohyo-affiliated coal miners' union at a leading mine have withdrawn and formed a second union backed by the DSP and Zenro.

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THAILAND'S ATTITUDE TOWARD SOVIET BLOC MAY SOFTEN

Marshal Sarit, the Thai premier, may be considering certain gestures to the Sino-Soviet bloc as a means of registering his dissatisfaction with various aspects of Thailand's relations with the United States. Sarit and other Thai officials in recent months have become increasingly critical of the United States over such issues as American plans to sell PL-480 rice to India, slow delivery of military equipment, and the level of economic aid to Thailand, both in absolute terms and in comparison with what Thailand considers the disproportionate amounts given to neutralist Cambodia and India.

These officials have on occasion given indirect expression to their feelings through articles planted in the Bangkok press. The most recent example is an anonymous letter carried in the 31 March edition of the English-language Bangkok Post.

Sarit has been staunchly pro-US since he came to power in September 1957, but he has been embarrassed in his dealings with his supporters by the fact that American aid has declined during this period. This decline has also coincided with a growing Thai desire for foreign capital to speed the country's economic development program.

The recent Thai decision to permit the TASS agency to reopen its office in Bangkok would also seem designed to dramatize Thai dissatisfaction with the United States. The



SARIT

office has been closed since October 1958, when TASS representative Trushin was expelled from the country for alleged espionage activities.

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Sarit probably has no intention of abandoning Thailand's policy of close association with the West, but in his present mood he may well turn to the Sino-Soviet bloc for economic aid.

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ALGERIAN REBEL ORGANIZATION IN FRANCE

The Algerian rebel National Liberation Front (FLN), which has suffered serious military setbacks in Algeria, retains a disciplined and potentially powerful organization in metropolitan France. Except for sporadic attempts at sabotage, however, its energy is largely directed toward maintaining supremacy over the rival Algerian National Movement (MNA). The FLN organization constitutes at present a means of collecting funds and army recruits among Algerians in France. It could be turned into a vehicle for stepped-up rebel paramilitary activity in France, should rebel fortunes in Algeria continue to decline.

The rebel high command has divided metropolitan France, like Algeria itself, into administrative districts, which are in turn divided into zones. Rebel activities in France are conducted by the Special Organization, which is responsible to the rebel government in Tunis. Although periodic police roundups of rebel militants during 1959 weakened the FLN organization in several areas, an official French service estimated in January 1960 that the rebels controlled close to 60 percent of the Algerians in France, who reportedly number about 275,000.

In contrast to Algeria, where rebel terrorist activity has been directed against Europeans as well as Moslems, such FLN activities in France have been directed primarily against the adherents of Mesali Hadj,

whose MNA continues to challenge the FLN as a spokesman for Algeria's Moslems. Despite occasional police casualties in this factional strife, French authorities have shown increased tolerance of the MNA as it has proved useful as a counterweight to the FLN. Assassination victims of the FLN-MNA vendetta reportedly numbered 715 during 1959, compared with 937 the previous year.

Rebel preoccupation with the MNA appears to have prevented FLN members from fully exploiting their capability for sabotage and other anti-French activity. However, the rebels also appear reluctant to unduly antagonize the French populace, the majority of which favors a negotiated solution in Algeria. Not since their attacks on various oil refineries in August 1958 have the rebels scored a major sabotage success. The rebel leadership continues to direct its primary attention to the hostilities in Algeria and to diplomatic activity aimed at prodding France into cease-fire negotiations. Its primary goals in France appear to be the collection of funds and the maintenance of the loyalty of Algerians residing in the metropole. Some recruits appear to reach the Algerians from France, often via Belgium or West Germany.

In Algeria itself, rebel military capabilities continue to erode as a result of French military pressure, frequent shortages of ammunition, and sagging morale.

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MIKOYAN VISIT TO IRAQ

First Deputy Premier Mikoyan is heading an official government delegation to open the Soviet exhibition in Baghdad on 8 April. Mikoyan--

the highest ranking Soviet official ever to visit the Arab world--will hold talks with Qasim and other top Iraqi officials.

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Soviet propaganda for the visit suggests Mikoyan will offer additional economic aid to Iraq. Under the \$137,500,000 credit of March 1959, the USSR is to build Iraq's first steel mill and a number of other industrial plants, construction of which in most instances will not begin until 1961.

The Soviet Union, in extracting maximum propaganda out of its economic aid to Iraq, nurtured Iraqi hopes for quick, visible economic results. Now, however, the initial advantage gained by the Soviet credit is beginning to be overshadowed by unreasonable Iraqi disappointment. Soviet authorities, aware of the pressures being generated in Baghdad by Iraq's deteriorating economic situation, may feel that additional economic aid would forestall any attempt to blame the USSR for the failures of Qasim's government.

Moscow probably will continue to publicize its activities as the various projects under the credit are implemented, and encourage Iraqi officials to take advantage of other bloc sources of aid.

In February, Iraq was considering a Czech offer of a \$30,000,000 line of credit which apparently could be used to finance small, easily implemented projects. Moscow may also offer to speed up some of its projects now under way or earmark some part of a new credit for immediate utilization.

Soviet leaders probably hope that the visit will counter recent improvements in Baghdad's relations with the West and soften the Qasim regime's attitude toward Iraqi Communists. The bloc press and radio, although carefully refraining from direct criticism of recent measures by the regime against Iraqi Communists, have indicated the concern of bloc leaders by quoting news stories in the Iraqi Communist press criticizing these actions. A lecturer in Moscow on 16 March censured Qasim along with such other "bourgeois nationalist" leaders as Nasir, Nehru, Sukarno, and Abboud-- for the tendency to discard local Communists after accepting their support in the "common struggle against imperialists."

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(Prepared jointly with ORR)

EAST GERMAN CHURCH-STATE CONFLICT SHARPENS

The Ulbricht regime is waging a campaign on many levels to break down open church opposition to forced collectivization of the East German peasantry and is attempting to force the Evangelical clergy to give public support to Communist objectives. This support would be adduced to "prove" that the church has made its peace with the regime.

Church officials have told the US Mission in Berlin that

the East German bishops, except for fellow-traveling Bishop Mitzenheim of Thuringia, were unanimous in believing the church must take a firm stand on the collectivization issue. On 11 March the Evangelical bishops delivered a letter to Premier Otto Grotewohl protesting the inhuman methods used in the collectivization campaign. Even Bishop Mitzenheim signed the letter, when finally he saw that the others were determined to go ahead. The text of

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this letter was read in churches and religious gatherings throughout the country.

Catholic priests have openly criticized the regime's methods in the collectivization campaign. West Berlin newspapers recently reported that a Catholic priest was arrested in Schwerin District and subjected to long interrogation. He was released after the farmers in his congregation joined a collective farm.

Regime officials are accelerating their drive to force rural Evangelical pastors to repudiate their leaders and support collectivization.

If the regime is successful in its renewed efforts to split the Evangelical clergy, it can be expected to take more forceful steps to bar contacts with Bishop Dibelius of Berlin-Brandenburg, who resides in West Berlin and heads the synod of the Evangelical Church for all Germany. Legal proceedings have



DIBELIUS

already been instituted against Dibelius in East Berlin, charging him with urging the populace not to obey the regime. Party boss Ulbricht is certainly aware, however, that the unfavorable publicity that would follow any move to arrest the bishop when he visits in East Berlin would probably not be palatable to the Kremlin on the eve of the summit meeting.

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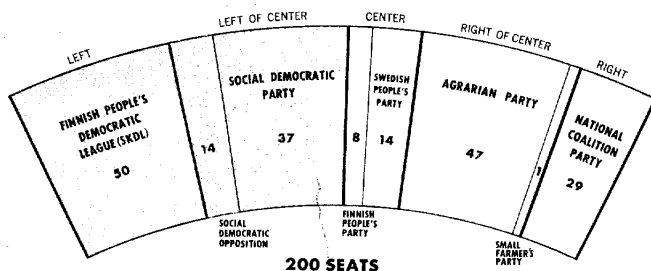
THE POLITICAL OUTLOOK IN FINLAND

Pressure continues in Finland to broaden the minority Agrarian government to include the regular Social Democrats as well as the small center parties.

The Agrarians have maintained their monopoly on the government since they took over in January 1959 following Soviet pressure on the coalition government of

Social Democrat Karl Fagerholm. They contend--largely for partisan reasons--that there is no practical alternative to their rule in view of Moscow's unfavorable attitude toward the Conservative party and the present leaders of the regular Social Democrats. An effective majority would require the participation of

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the Social Democrats or the Communist-front Finnish People's Democratic League (SKDL), which has the largest representation in parliament.

The outcome of the Social Democratic party congress opening 16 April may decide whether the Social Democrats will be included in a broadened government. Party Chairman Vaino Tanner, long a favorite whipping boy of the USSR, is retiring. His replacement by a moderate --presumably less likely to arouse Moscow's suspicions-- would force the Agrarian party leaders to face up to the question of broadening the cabinet. The Agrarians would thus be able to avoid early elections and a possible decrease in their parliamentary strength to the benefit of the SKDL and the small splinter Agrarian group, the Small Farmers' party.

The regular Social Democratic leaders have indicated that they prefer early elections, which they feel would largely eliminate the 14 Opposition

Social Democrats. The initiative for new elections rests, however, with President Kekkonen, who may oppose them for fear they would reduce his party's and his own influence.

Although the more conservative Agrarians may desire to re-establish the traditional cooperation with the Social Democrats, the Kekkonen faction, which controls most key positions in the party, may for both domestic and allegedly foreign policy considerations continue to obstruct efforts to broaden the government, and thus retain its dominant position. Kekkonen and his cohorts may in addition feel that an Agrarian government --of which the USSR appears to be least suspicious--is best suited to associate Finland with the European Free Trade Association (EFTA). Such a move is being considered by the Finns and has been recently discussed with the EFTA members, although President Kekkonen is believed to be rather lukewarm toward the idea.

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POSSIBLE CABINET SHAKE-UP IN SPAIN

Sharpening antagonism between supporters and opponents of the economic stabilization program Spain instituted in July 1959 has resulted in the dismissal of Housing Minister Jose Luis Arrese, and influential ministers seem to be readying an all-out attack on the program. There is speculation Franco may be preparing a cabinet reshuffle to avoid further ministerial bickering.

The government announced on 18 March that Arrese's post had been temporarily taken over by Minister Without Portfolio

Gual Villalbi. Arrese, a long-time Falangist who held the cabinet post of secretary general of the movement until early 1957, had privately accused Finance Minister Navarro Rubio, a prime supporter of the stabilization program, of falsifying statistics to block plans for a big new housing program. Arrese had apparently charged also that Navarro Rubio had caused a serious economic crisis in Spain.

Arrese's opposition to the initial austerity features of the stabilization program is shared by influential ministers

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who favor a resumption of large-scale government expenditures. Industry Minister Joaquin Planell, for example, is in a strategic position to obstruct expansion of industrial production by virtue of his control over import licenses. The labor minister and the present Falangist secretary general are also reported opposed to the program, presumably because the OEEC believes it should afford employers greater flexibility in dismissing surplus workers or at least transferring them to other types of work.

In February, Planell publicly defended controls over expanded production as necessary to avoid inflation, directly contradicting the view of OEEC spokesmen that Spain now needs an increase in private investment and an expansion of industrial output. Planell is apparently preparing for a major policy battle on this issue. Since inflation has been substantially halted, his position appears to reflect the desires of business interests intent on retaining the traditional pattern of low-volume, high-profit production.

LONDON'S PROBLEMS IN BRITISH GUIANA

The breakup on 31 March of the British Guiana constitutional talks in London over arrangements for transitional measures toward independence threatens to disturb the hitherto satisfactory working relationship between the British and Cheddi Jagan, Communist leader of the colony's dominant political party and now minister of trade and industry.

Britain's proposal to introduce internal self-government in August 1961 was received favorably, but the Guianese delegation objected to making this contingent on satisfactory operation of interim arrangements. London insisted that the Guianese take over control of the police only gradually and under British supervision, and that adequate provision be made for British officials in the local civil service.

The Guianese were prepared to accept British retention of control over defense and foreign affairs, except for certain aspects of trade, in the

constitution to be drafted by August 1961, but they were opposed to the governor's retaining the right to legislate in an emergency. London believes



JAGAN

that the Marxist convictions of Jagan--who will probably become the first prime minister--require retention of reserve controls. London agreed in principle, however, to discuss full independence in 1963, or earlier if British Guiana should join a then-independent West Indies Federation.

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Jagan's recent statements imply that he may end his amicable working relationship with the British and not cooperate toward implementing London's program. He stated publicly after the conference that he would agitate for immediate independence, and he underlined this by visiting Cuba.

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This is the first such contact between British Guiana and Cuba and may lead to subversive aid from Castro.

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While Jagan has reiterated his earlier threats to resign, he may hesitate to prejudice chances for foreign investment by any extreme move. He is seeking a loan from both the Development Loan Fund and the International Bank for Reconstruction and Development. The inability of the governing People's Progressive party (PPP) to show much economic improvement since the 1957 elections has led to some popular dissatisfaction, and the party itself has been restive over Jagan's autocratic domination of party councils. The next moves will be strongly influenced by the party congress to be held shortly after Jagan's return.

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ELECTION SITUATION IN EL SALVADOR

In El Salvador's elections on 24 April, President Lemus' middle-of-the-road party is expected to win all 54 seats in the National Legislative Assembly and nearly all the local offices at stake. Despite the President's popularity, however, there are signs of dissatisfaction in the armed forces and in his own party, and rumors of plotting are beginning to circulate.

The President's party, the Revolutionary Democratic Unification party (PRUD), has provided a stable, moderately progressive, and cautiously democratic government since 1950. PRUD's emphasis on party organization has given it a distinct advantage in elections over the weak and divided opposition groups, and since 1952 it has held all the legislative seats. Under PRUD's administration, some progress has been made in improving economic conditions. The recent dissatisfaction of the military stems partly from disgruntlement at not receiving the favored treatment accorded by previous presidents and partly from dislike of Lemus' hesitancy in suppressing Communist activity.

The greatest irritant seems to be the belief among the officers that Lemus is grooming Major Rubio Melhado as presidential candidate for the 1962 elections. One army colonel recently stated that a palace revolution was a "certainty" if the President persists in championing Melhado as his successor. On 29 March, Lemus ordered the transfer of 19 high-ranking officers, perhaps as a measure to disrupt a suspected plot against himself. The President's growing suspicion of his most capable associates, his refusal to delegate adequate responsibility to them, and his recent tendency to replace them with more pliable figures have lowered party morale and impeded progress toward bettering living conditions.

The small Reform Action party (PAR) will be the only party running candidates against the PRUD, but several groups, not legally recognized as parties, are expected to campaign for the PAR. These include the Communists and a small but vociferous group of sympathizers with Fidel Castro's revolutionary movement.

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PART III

PATTERNS AND PERSPECTIVES

SINO-SOVIET DOCTRINAL DISPUTES

Mao Tse-tung once said: "Dogma is less useful than cow dung," and Nikita Khrushchev is fond of repeating Lenin's colorful slogan: "Theory, my friend, is grey, but green is the eternal tree of life." These expressions of contempt are accurate reflections of the thought of both men concerning those who conceive of ideology as a body of absolute truths from which action flows. Communist teaching, however, posits a world in which theory and practice are intertwined, and on this level both leaders are intimately concerned with ideology.

Communist doctrine supplies a ritual language through which leaders communicate their intentions, define the razor's edge which divides loyalty from rebellion, distinguish friend from foe, and convey to the initiated an official interpretation of current situations and conflicts. Soviet orthodoxy can make sharp changes, turning yesterday's ideological conformity into today's nonconformity. Despite changes in its content, the function of Marxist theory in the Soviet system has remained the same: to assure ideological uniformity behind whatever course of action the Soviet Government has adopted at the moment.

Marxist ideology is said to be the cement that binds the Communist world together. This is true, however, only as long as there is but one high priest to expound the new formulations which are intended to interpret changes in objective reality. With the development in China of a willingness to justify courses of action without regard for current Soviet positions, Marxist ideology can

become at least a source of confusion rather than certainty, and at most a solvent that loosens the bonds of the Communist world.

Mao's Authority

The Chinese Communists, under Mao Tse-tung's undisputed control, have always sought to apply--"in a creative way"--the general principles of Marxism-Leninism to the actual conditions in China, and in this process they have frequently diverged in their views from Soviet doctrine.

Following the death of Stalin, Mao won increasing praise from Soviet leaders for his creative "originality" as a Marxist-Leninist theoretician. This was an acceptance of claims which the Chinese had been making for years but at which Stalin had boggled; Stalin was jealous of his own prerogatives as the only living creative innovator in Marxism-Leninism, and he recognized the dangers in acknowledging a center outside his control which could interpret and adapt theory for itself.

Immediately after Stalin's death, China's elevation to a position in advance of other bloc countries was made clear when Chou En-lai was allowed to march in the front ranks behind Stalin's coffin along with the surviving Soviet leaders. Mao's position was eloquently recognized when Malenkov published a photograph cropped to show him standing next to Stalin and Mao in 1950. Khrushchev and Bulganin undertook the first public journey of Soviet leaders to Peiping in 1954 and removed the most irritating causes of mutual disagreement that

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remained from the 1950 treaty. In 1955, Molotov made the Chinese joint leaders with the Soviet hierarchy when, in describing the split of the world into two blocs, he characterized the Communist world as "the world camp of socialism and democracy, headed by the Soviet Union--to speak more truly, headed by the Soviet Union and the Chinese People's Republic."

Earlier Disputes

A series of Chinese actions and declarations since 1955 reflected and added to the enhanced authority of Mao in the Communist world. When the Soviet leaders revamped Stalin's methods of control and incentive, both for their own people and for their relations with the rest of the Communist bloc, they apparently did not anticipate the divisive effects of the forces they had set in motion. Moreover, they were unable to advance a consistent explanation to counter the logical extension of their indictment of Stalin to Soviet society as a whole.

The Chinese did not fully accept Khrushchev's degradation of Stalin, and they were particularly halfhearted on the issue of the "cult of the individual," which continues to flower around Mao. In this case, although the USSR has retreated from the extremism of its original condemnations, the chasm between the two powers is still wide, as was demonstrated in December 1959, when Moscow and Peiping reiterated their positions on the anniversary of Stalin's death.

In 1956 the Chinese expanded their political and ideological activities with regard to over-all bloc affairs. During that year they encouraged the satellites in their

desire for greater independence from Moscow, and in February 1957 Mao enunciated his theory of "contradictions" between the leaders and the led in a "socialist" country. This thesis was almost completely ignored in the Soviet Union; the specific application which Mao had in mind--that the leaders were responsible for this contradiction--was never endorsed. In an interview with CBS reporters, Khrushchev expressly denied that such contradictions existed in the Soviet Union, although his denial was expunged from the TASS account.

Hungarian and Polish leaders in October 1956, driven by developments beyond their control, demonstrated that they were prepared to renege in their fidelity to Soviet leadership of the bloc, and they persisted in exaggerating the degree to which Mao would support them against the USSR. Fundamental internal criticism of Communist rule, brought on by Mao's doctrine of "contradictions" and the concomitant "hundred flowers" campaign, welled up in China in 1957.

These developments caused Mao to reconsider his earlier positions, and in June 1957 he reversed his temporary liberalism. This took the form of an attack on "rightists" within China--followed by a nationwide "rectification" campaign--and solid support for Moscow in a struggle against "revisionism" in the bloc. By 1958, when the second break with Yugoslavia occurred, Mao had shifted to a position far more rigid than Moscow's. Chinese strictures against Yugoslav revisionism have continued to the present, while Soviet output has tapered off.

Mao played a significant role at the meeting of Communist leaders held in Moscow in

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November 1957. Neither Chinese leaders nor propagandists had ever echoed the formulation that the Chinese were coequal with the Soviet Union in the leadership of the Communist world, and the Soviet Union itself had dropped the slogan within two years of its appearance. Mao's attitude and actions while in Moscow seemed to reflect the reality of the situation, however: in bloc affairs and in the formulation of doctrinal and programmatic theses both the Chinese and Soviet leaders shared the pinnacle.

Until the Chinese launched the "great leap" and began the development of their commune program in the middle of 1958, Chinese innovations in doctrinal matters were either greeted in Moscow by silence or were adjusted to Soviet doctrine through compromise. In this period, the Soviet succession question was still not settled and the problem of the USSR's control over its European satellites was an overriding one. By 1958, however, the USSR had managed to stabilize Eastern Europe, and Khrushchev had eliminated Marshal Zhukov, the last powerful force that stood between him and firm control at home.

The general claim that emerged from the Chinese programmatic papers on the commune movement was that Peiping had the right not only to work out particular solutions to specifically Chinese problems but also to elaborate the fundamentals of its "path to Communism." Not only did the theoretical justification appear sharply at variance with Moscow's canons, but the Chinese claim included an implication that Peiping's path could be followed by other "socialist" countries and

constituted a bolder challenge to the USSR's leadership and pre-eminence as the "first socialist country." Faced with this challenge and strengthened externally by the developments of the previous year and with a personal internal victory behind him, Khrushchev apparently decided it was time to deal with Chinese doctrinal claims.

Commune Aftermath

Although the Chinese abandoned some of their more extravagant claims to an early achievement of Communism through the medium of the communes, they maintained that the commune would be the best form of society for moving into Communism and that the communes themselves contain the "sprouts of Communism" in their supply and mess-hall systems. Despite Soviet pressure to substitute a less pretentious term for their large agricultural components, the Chinese have preserved the name with all its implications. They have dropped their defensive retrenchment on the question of the communes as the means of achieving Communism at some future date and have moved to re-establish the theoretical foundation for the commune program.

During the early controversy over Chinese claims for the communes, Khrushchev and other Soviet spokesmen raised fundamental objections--based on more customary Soviet views--revolving around the primitiveness of the Chinese economic machine, the necessity for material incentives in building Communism, and payment according to the work performed. Peiping now is claiming that Mao has made new "discoveries" in political economy which run directly counter to the Soviet position.

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At the 21st party congress, Khrushchev stressed that the only way to build a base for Communism was to increase the "material interest" of the workers in their labor. Mao now has "discovered," however, "the decisive principle for the encouragement of positiveness among laborers: politics taking command is first, while material incentives can only occupy the second position." Khrushchev asserted that "under socialism, all people...receive payment according to their work." People's Daily, discussing Mao's new "discovery," countered, "The people's Communist working style (is)..selfless labor with total disregard for remuneration."

People's Daily asserts that Mao has "discovered" the "definite elements of high-speed development of socialist construction," an outgrowth of Mao's theory of the "uninterrupted revolution." The Soviet Union has never accepted the thesis of "building socialism" by means of a "permanent revolution," stressing instead the building of socialism by stages.

Mao, Khrushchev as Ideologues

Concomitantly with the development of a theoretical foundation for its economic programs, Peiping is reserving to Mao the right to be considered the most eminent living Communist theoretician. A recent Chinese listing of classical writers of Marxism set Mao after Marx, Engels, Lenin, and Stalin. A provincial Chinese party leader has advanced criteria for the study of Marxism and recognition of a genuine Marxist as follows: "The only correct way to study Marxism is to use Mao Tse-tung's ideology as guidance and Mao Tse-tung's works as the key,"

and, "The yardstick by which to judge each individual as to whether or not he is a genuine Marxist is his comprehension of Mao Tse-tung's ideology."

Although Soviet spokesmen hailed Khrushchev's report to the 21st party congress as a "shining" and "genuine" contribution to the "theory of scientific Communism" and claimed that the works of the congress belonged with the classical works of Marxism-Leninism, there has been no intense, sustained attempt to build Khrushchev up as a great Marxist thinker. Khrushchev himself has accentuated his pragmatic approach, deriding "theoretical phrasemongers" whose "beautiful words remain empty promises." He wishes to be known primarily as a man who is best at combining theory and practice, who through practice enriches theory.

As a result of Mao's latest claims to eminence as an ideologue--claims which serve to buttress views antipathetic to those in the Soviet Union--Khrushchev may find it necessary to accelerate the development of his role as the arbiter of what is or is not permissible. His style does not lend itself easily to developing a picture of himself as a great and "original" thinker, however, while Mao already has considerable ideological authority as a "creative" Marxist thinker.

Khrushchev probably will rely for the moment on the counterweight of the authority of Soviet accomplishments. To counter Chinese contentions, he will probably call on the authority of Marx and Lenin and use formulations that are part of the baggage of Soviet ideology. He may also hope that continued use of the slogan of "collective leadership" and continued censure of the "cult of the

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individual" will work to undermine Mao's position in the eyes of Communists throughout the bloc.

Khrushchev probably recognizes, however, that simple outright opposition to the Chinese will not gain his ends. While attempting to contain Mao's challenge and reassert Soviet ideological primacy, he may offer formulas which, while countering Chinese claims, will still offer the Chinese more than they now have.

A hint of this was contained in his postulate on bloc relations introduced at the 21st party congress: "It would be theoretically correct to assume that socialist countries...will more or less simultaneously reach the highest phase of Communist society." While this concept undercut Chinese claims that their attainment of this goal had become imminent, it changed a previous tentative thesis on the "stages of Communism" which held that the Soviet Union would enter Communism first, followed by the European satellites, and finally by the bloc countries of the Far East.

New Soviet Party Program

Even without the Chinese challenge, the logic of Soviet methods of leadership would have required the focusing of doctrinal authority in Khrushchev, once he attained complete power within the Soviet Union. Khrushchev, however, is not a Stalin, keeping himself remote and unapproachable while producing "masterpieces" of Communist thought, or a Lenin, whose philosophical bent was early established. When changes of doctrine are necessary, therefore, Khrushchev's practical and administrative innovations are presented as "enriching" doctrine.

The stage now is set for the next step. A committee under Khrushchev is preparing, for presentation at the 22nd congress, a new Party Program to replace the one under which the regime has theoretically been operating since 1919. This fundamental document will establish criteria for a society "building the basis for Communism," set forth norms of behavior for Soviet Communist party members, and be applicable throughout the bloc. It will be said to be based on the political and economic realities as developed in Khrushchev's practical innovations over the past years. It will become a basic part of Communist theology, but it will not deter the Chinese from the path they have marked out for themselves.

Unity of the Communist international movement under sole Soviet leadership requires a strict conformity and does not allow for polycentrism or deviation. The Chinese, by manipulating doctrine in ways that do not follow a Soviet model so as to increase their prestige and to justify their unorthodox domestic programs, have created both deviation and a rival center of ideological authority.

While the Chinese continue to defer to the Soviet leadership of the bloc and have great need for Soviet scientific, economic, and military assistance, they reserve the right to adopt independent internal and foreign policies along with new doctrinal claims for Mao Tse-tung. By demonstrating an increasing willingness to justify their own unorthodox domestic programs with equally unorthodox doctrinal formulations, and by implying that these formulations could be applied elsewhere in the bloc, the Chinese are in effect boldly challenging Soviet leadership. 25X1

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DISSATISFACTION AMONG FOREIGN STUDENTS IN THE USSR

Disillusionment in varying degrees appears widespread among foreigners studying in the USSR. Although some have been indoctrinated with a belief in Communism, reports of such occurrences are rare. On the other hand, adverse reactions on the part of foreign students both to their own lot in Soviet universities and to Soviet life around them have been reported frequently over the past two years.

The problems of foreign students in Soviet universities have stemmed in part from the difficulties encountered by any foreigner in adjusting to a highly regimented and unfamiliar way of life. Their annoyance derives also, however, from the special restrictions imposed by Soviet authorities, who view all foreigners as suspect and recognize that a close view of Soviet conditions is likely to cause adverse reactions.

the equanimity with which they accept their frustrations varies greatly.

The exchange students are generally prepared for the irritants they encounter, and they accept them as a necessary evil compensated for by the special opportunity to study the Soviet scene at close range.

Some Communist scholarship students are undoubtedly disillusioned and frustrated, but their reactions are less frequently reported. An exception was the reaction of at least half the approximately 70 Italian students who attended Moscow University last year without the approval of their government. The dissatisfied members of this group consulted the Italian Embassy about going home, although they face charges

FOREIGN STUDENTS IN THE USSR
(excluding students from bloc countries)

Categories of Foreign Students

Foreign students study in the USSR under three different types of programs: bilateral exchange agreements, covering chiefly students from Western Europe and the United States; special Communist party scholarships offered to Communist-oriented students in both bloc and free world countries; and educational aid plans for underdeveloped areas, primarily to countries of the Near East and Asia. While the causes of complaint are much the same for all foreign students,

ASIA		WESTERN EUROPE	
Burma	20	Great Britain	17
Ceylon	5	Denmark	3
India	25	Finland	15
Indonesia	150	France	3*
Japan	3*	Iceland	5
Nepal	3*	Italy	70
	<u>206</u>	Norway	2
		West Germany	10
			<u>125</u>
NEAR EAST-AFRICA		LATIN AMERICA	
Afghanistan	6	Brazil	3*
Algeria	5	Ecuador	2
Belgian Congo	1	Peru	2
Cameroun	1	Uruguay	1
Ghana	3	West Indies	1
Guinea	33	Unidentified	6
Iraq	300		<u>15</u>
Nigeria	1	UNITED STATES	<u>24</u>
Senegal	1		
Somalia	3*	TOTAL	961
Sudan	40		
Togo	3*		
UAR	175		
Uganda	4		
Yemen	15		
	<u>591</u>		

* Exact number unknown, probably not more than three.

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when they return of evading military service.

A few scattered reports in 1957 and 1958 also attest to the shock suffered by students from Eastern Europe who had been taught to regard the USSR as the world's most advanced country and on arrival found it in many ways more primitive than their homelands.

The reactions of the third group of recipients of Soviet educational aid have been the most widely reported and generally the most adverse. They go to the USSR to obtain an education not available to them elsewhere, and their frustrations when they feel themselves blocked in this regard are greater than those of the Westerners whose purposes for studying are different. Moreover, unlike the Western exchange students, they are subject to both official and community pressures to accept political doctrines with which they are not necessarily sympathetic. In many cases their disillusionment has been exacerbated by their growing recognition that they are being exploited for propaganda purposes.

Living Conditions

Bad food and poor housing are the subject of frequent complaints. Some foreign students have been assigned quarters outside the Moscow University skyscraper. Their experiences in inadequately heated, cold-water flats in six-story buildings without elevators, six to eight persons to a room, have given them firsthand evidence of the hollowness of boasts about the material well-being of the Soviet people.

Inadequate medical supplies and facilities have also been a problem.

One foreign student reported being told by Soviet medical authorities that his severely inflamed appendix could not be removed, since all hospital facilities were overtaxed. He was ordered, instead, to try the ancient Chinese remedies of needles and cupping.

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Regimentation

A major irritant to foreign students has been the activity of Komsomol brigades--groups of Soviet students organized to police every aspect of student behavior. [redacted] student who had ordered some Western dance records was first told by the brigade he could not have them. After a heated argument, it was agreed he could receive them but would not be permitted to take them out of his room.

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A New Year's party given a year ago by the African group broke up in a fight when the Komsomol brigade entered the room and ordered all the girls out. The Africans inevitably regarded this interference as evidence of racial prejudice. Several Arab students have reported being told by Soviet acquaintances that the Komsomol brigade had warned them to break off their friendships with the Arabs.

Another African student reported that after he had danced often with a Russian girl at a university function, she received--and showed to the African--a letter from her Russian boy friend attacking her conduct. The boy friend said he did not mind her dancing with other students, but that the flaunting of her friendship with a "black man" was an insult to his personal honor. The same African commented that he found Little Rock

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and Notting Hill easier to bear than the sniggering he heard on the streets of Moscow when with a white companion, as the West does not share the USSR's "hypocritical" claim to be the African's only friend.

A second irritant is the student group which polices the cleanliness of student rooms. One Indian was annoyed that he drove the student inspectors out and reported them to the university authorities for slovenly dress, untidy haircuts, and dirty fingernails.

Travel restrictions are a continuing source of complaint, and permission to leave the area of study is rarely granted. An Iraqi student studying near Alma-Ata said he was forbidden to go even the few miles to that city "because there were American tourists there."

Moscow undoubtedly has reason for its concern. One Indian student who managed to get permission to visit a small village just outside Moscow returned with the comment: "For all their boasting, their villages are not much better than many comparable Indian villages." An Egyptian student was quoted along similar lines, adding that Egyptians were not only better off materially, but had freedom of religion to boot. Student disillusionment was probably accurately expressed by the Iraqi engineering student in the group near Alma-Ata who commented: "The best way to become an anti-Communist is to live here."

Soviet suspicion of foreigners has complicated the lives of foreign students in other ways. [redacted] in Alma-Ata; [redacted] one student had been expelled and sent home by the Soviet authorities for photographing a dirty bazaar. A large Arab

contingent received no mail from home for six weeks. These students refused to attend classes for a day and then presented their grievance as a group to university authorities. The mail was eventually produced after the students threatened to continue their strike, but no explanation of the delay was ever offered. There have been continuing complaints that both incoming and outgoing letters are never received.

Restricted Opportunities

More serious have been student charges that special security restrictions have handicapped them in their studies. Medical students have been forbidden to attend classes in radiology and bacteriology, a fisheries industry specialist has been prevented from visiting any fishing centers, a specialist in rare metals has been forbidden to study any except the most common metals, and an atomic-energy student was not allowed to visit Dubna, now an almost routine stop for foreign scientists.

A student of airport landing facilities who was permitted to see only those at Vnukovo airport said he could see far better equipment in his own country. There has also been the curious spectacle of a chemistry student who spent six months in the USSR without being allowed to see the list of chemistry courses offered by the university in which he was enrolled.

The UAR Government appears to be having second thoughts about the value of Soviet educational aid. From a peak of 600 students last year, UAR enrollment in Soviet institutions of higher learning has dropped to approximately 175 this year. [redacted] the UAR now plans to send only graduate students

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for a period of one year and will not consider either women or Syrian students, both being viewed as too susceptible to Communist indoctrination.

More advanced students, including several Indians, have complained that the academic perspectives in the USSR are so limited in comparison with what they felt they could accomplish elsewhere, even at home, that they felt much of their time was being wasted. Students have also complained that Soviet educational techniques, with the heavy emphasis on rote learning, resulted in time-wasting attention to fine points.

Student Resentment

Efforts to make propaganda of the presence of Asian and African students led one group from Ghana, Nigeria, Uganda, Cameroun, Togoland, and Senegal to organize formally in order to prevent exploitation of individuals. Soviet authorities countered by planting an informer within the group, by increasing petty harassment through obvious surveillance, and by depriving them of minor privileges.

The Indians have complained that strong Soviet efforts have been made to prevent them from associating with Westerners. The Soviet authorities have even made official representations asking the Indian Embassy to order Indian students to keep away from Westerners. The Africans have bitterly resisted efforts to keep them from communicating with their British and French embassies.

The ready acceptance by the Iraqi students near Alma-Ata of a rumor circulating this year to the effect that Komsomol brigades were beating up Egyptian and Syrian student pilots studying at Frunze revealed their own sense of iso-

lation in a hostile society.

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commented that in the future, Americans should be prepared to act as a wailing wall for Asians and Africans who turned to them for sympathy, companionship, and news of the outside world. He quoted an Arab who told him protestingly: "We are your friends, although you may not realize it--we have far more in common with you than with them."

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this year that every Indian student in Moscow had asked to be recalled. The Indians as a group have been especially repelled by the emphasis on power and expediency they have heard in explanations there of the Soviet system. Indian engineers receiving training in connection with the Bhilai steel mill project expressed shock over the harsh penalties imposed on an individual who had failed in the production plans through no fault of his own, and over the total lack of protection against such arbitrary punishment.

The New University

The recently announced University of People's Friendship planned in Moscow for the benefit of students from Asia, Africa, and Latin America will facilitate Soviet regimentation and control of the foreign students. From the latter's point of view, however, it may provide additional irritants. According to the American Embassy in Moscow, the announcement of the new university has already produced some initial unfavorable reactions. Students from Africa and the Near East and some Asian diplomats are reported to regard the university as a form of further discrimination against them, and some Latin Americans are said to question the Soviet decision to group them with the Asians and Africans.

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WEST GERMANY'S ARMED FORCES

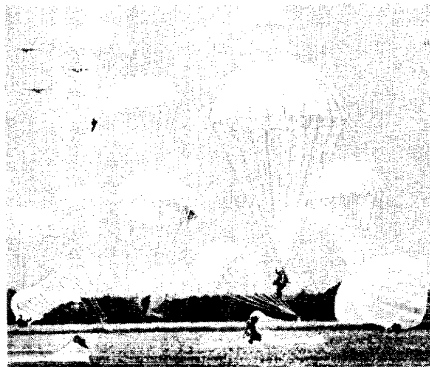
The West German military build-up now has reached a stage where combat effectiveness will increase rapidly. In all three services most of the planned combat units will have been activated by the end of 1961, and by the mid-1960s West Germany's army will probably be the strongest ground force in Western Europe, and its air force a rival to France's in tactical air power. The Adenauer government seems determined to keep its forces integrated with NATO, but the pressures Bonn is beginning to exert for full equality raise problems for the alliance.

The service leaders, for their part, accept the concept of the citizen soldier. The officer corps, conservative in outlook, is aloof from politics. The services are making an effort to orient officers along democratic lines by means of schools designed to acquaint them with democratic institutions.

To protect the rights of drafted soldiers, the legislature has installed a representative in the Ministry of Defense to investigate complaints. He has on occasion obtained the dismissal from service of an



WEST GERMAN M-47 TANKS



PARATROOPS IN PRACTICE DROP



DEFENSE MINISTER STRAUSS REVIEWING MANEUVERS

Domestic Considerations

A German contribution to the military strength of the West has become an increasingly accepted objective in West Germany in the last two years. Popular approval of the armed forces continues to grow, and even the opposition Social Democrats voted last October to omit from their revised party platform a plank opposing military service. The so-called "anti-atomic death" program, which they and the main labor organization sponsored in 1958, now is virtually moribund.

officer or noncom who has abused his men. Thus far, his relations with the high command seem good, officer morale and leadership have not suffered, and the morale of the enlisted men is excellent.

Relations With Allies

West German strategic planning is fully integrated with that of NATO. Most of West Germany's combat forces are to be committed to NATO, but there is a sizable non-NATO territorial reserve designated for logistic support and rear-area security. Bonn is among

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the strongest supporters in NATO of close integration in such fields as combined supply and transportation facilities, standardization of weapons, and joint scientific and weapons research.

This emphasis on NATO integration reflects in part the problems West Germany has encountered in obtaining from its European allies space for depots, maneuver areas, military airfields, and air-gunnery ranges. Such facilities are

problem is so serious that it threatens to place the entire German military build-up in a "deep freeze." A generally acceptable solution is not readily apparent, and an agreement on the full integration of NATO's logistic facilities --which Bonn clearly prefers-- probably cannot be achieved. Bonn has apparently made some progress recently in negotiating purely bilateral arrangements with such other NATO countries as Portugal, the Netherlands, Belgium, and

France, but it is uncertain these can satisfy Germany's needs. The sharply negative reaction from other NATO members to Defense Minister Strauss' initial overtures to Spain for facilities has ruled out any revival of this approach for the time being.

Army

The West German Army presently has about 158,000 men, two thirds of its planned strength of 220,000. In addition, the territorial defense force, which will have a professional cadre strength of 20,000 or 30,000 and

a mobilized strength of 200,000, is to provide civil defense and rear-area support. The fact that neither it nor the 25,000-man militarized state and federal border police is committed to NATO has occasioned some concern among Bonn's allies.

The basic fighting elements of the army are its armored brigades of 2,700 men each and its armored infantry brigades of 3,500. For command and administrative purposes, these are organized into 12 divisions, each controlling two to five

WEST GERMAN ARMED FORCES

	STRENGTH	UNITS OR EQUIPMENT
ARMY	158,000	3 corps headquarters 7 armored infantry divisions 2 armored divisions 1 airborne division 1 mountain division
NAVY	22,500	5 destroyers 11 training frigates 2 training submarines 4 motor torpedo boat squadrons 6 minesweeper squadrons 1 landing-craft squadron 2 fighter bomber air squadrons 1 antisubmarine air squadron
AIR FORCE	61,000 (1,000 pilots)	20 fighter, fighter-bomber, or reconnaissance squadrons 4 transport squadrons 1,130 jet aircraft (F-84F, RF-84F, Canadian Sabre 5 & 6, F-86K, T-33)
TERRITORIAL DEFENSE FORCE	13,000	
FEDERAL AND STATE BORDER POLICE	24,500	

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needed because of a lack of space in West Germany and because of its proximity to potential combat areas. According to Defense Minister Strauss, the West German forces have only 40 percent of their required maneuver area and are at present unable to fulfill their NATO requirement of maintaining sufficient military supplies for 30 days east of the Rhine and for 60 days west of the river.

The American Embassy in Bonn believes that the logistics

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brigades. This type of organization, established last year, is intended to provide flexibility under conditions of atomic warfare.

Each of the 11 divisions organized so far is capable of furnishing one well-equipped and well-led brigade for combat purposes. The enlisted men are well trained in basic soldiering, despite the short conscription period of 12 months, and the officers and

strength of 38 squadrons is planned by the end of 1961, and 60 by 1964. In terms of aircraft strength, the air force has a total of 1,130 jet aircraft on hand, but because of the serious shortage of jet pilots--which will continue until about 1962--only about 500 aircraft have been brought into combat units.

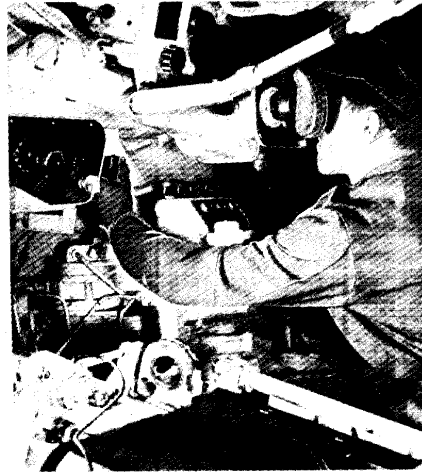
The air force--like the army--has been hesitant to order new equipment, fearing



WEST GERMAN TROOPS LOAD AN HONEST JOHN MISSILE



HOWITZER CREW IN ACTION



TANK GUNNER

senior noncoms are chiefly experienced combat veterans of World War II. Two armored brigades participated in joint NATO maneuvers in February. The army is fairly well equipped and has begun to receive rocket armaments--including the Honest John.

Air Force

The West German Air Force now has a total of 20 activated fighter, fighter-bomber, and reconnaissance squadrons and four transport squadrons. Of these, six fighter-bomber squadrons and one transport squadron are combat ready. A

it might be obsolete before reaching units. During the past year, however, it was decided to procure approximately 665 supersonic F104G fighters for air defense and long-range interdiction and some 300 subsonic G-91 lightweight fighters for short-range ground support of combat troops. The construction of most of the F-104Gs in Germany will make the country's aircraft industry the most sophisticated in Europe in terms of advanced construction techniques. The bulk of the F-104Gs and G-91s will come gradually into service after 1962, replacing the obsolescent Sabre and F-84F aircraft now on hand.

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The air force has also decided to purchase American Matador and Mace cruise-type missiles with ranges up to 1,000 miles, and to procure Nike and Hawk guided anti-aircraft missiles. For political reasons, Defense Minister Strauss has agreed to support the development of the short-range British Blue Water missile as a prospective standard NATO weapon.

Navy

The West German Navy is at present a training force with little or no combat capability. Despite the fact that the navy, with 22,500 of its eventual 28,000 men now in service, is nearer its over-all personnel goal than the other two services, it will probably reach full combat effectiveness later than the other two.

The navy's most modern ships are the new minesweepers and motor torpedo boats which are beginning to come into service in quantity. Its other surface units consist chiefly of destroyers of World War II vintage and training vessels acquired from the United States and Britain. Four new escort vessels are nearing completion, however, and the first of four destroyers under construction was launched on 27 March. The construction of 12 small 350-ton submarines will start next summer.

The naval air arm, which has a very limited combat capability, consists of two squadrons of British-built Seahawk fighter-bombers and one of Gannet short-range planes for antisubmarine warfare.

WEU Restrictions

The restrictions of the Western European Union (WEU)

Treaty of 1954, although not thus far an important obstacle to the development of the West German armed forces, are considered by German military leaders the chief barrier to long-range development. Under the treaty terms, Bonn agreed not to build atomic weapons, bacteriological or chemical munitions, long-range guided missiles, warships of over 3,000 tons, submarines of over 350 tons, or influence-triggered mines.

Procedures were provided for modifying these restrictions in some cases, however, and Germany has since been permitted to construct small antitank missiles, ground-to-air Hawks, air-to-air Sidewinders, and a training ship of about 5,000 tons. A request to build warships of 6,000 tons and to manufacture influence mines has been pending since November.

The WEU treaty would have to be renegotiated to permit Germany to make atomic, bacteriological, or chemical weapons on its own territory. Bonn recognizes that such a renegotiation could not be accomplished in the present climate of public opinion in Western Europe --particularly that in Britain. Bonn, however, could make financial and technical contributions to a French missile and nuclear weapons program and could possess such weapons without violating the letter of the WEU treaty restrictions.

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There is no reliable evidence that West Germany has yet undertaken any collaboration of this sort, but there have been hints that Adenauer may be contemplating such a possibility at some future date if German requirements for advanced weapons cannot be satisfied through NATO machinery.

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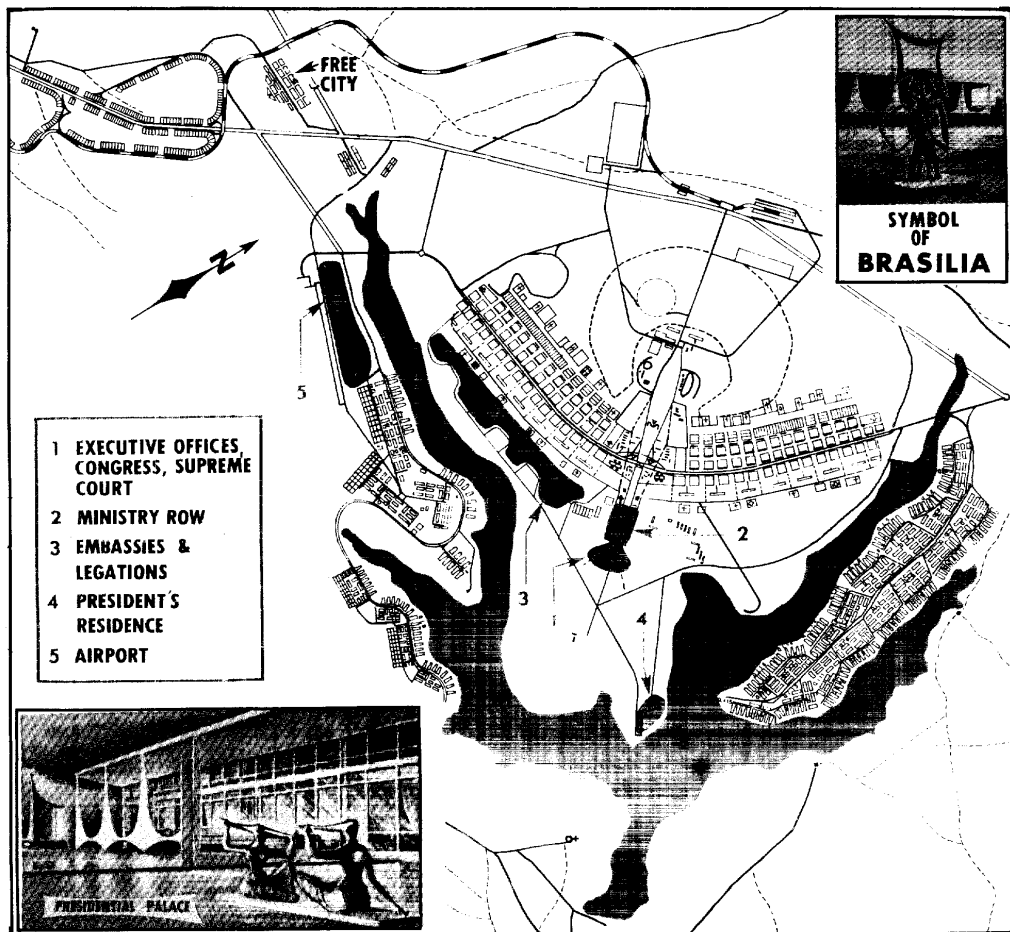
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BRAZIL AND ITS NEW FEDERAL CAPITAL

The scheduled inauguration on 21 April of Brazil's new federal capital, Brasilia, points up both the problems and successes of Brazil's intense effort to become a "developed" nation. President Kubitschek's program, ridiculed locally during the first two years of his administration, has at the start of the fifth and final year enlisted the enthusiasm of nearly every segment of the population.

Brasilia, located 600 miles inland from Rio de Janeiro in the sparsely settled central plateau, is ringed to the east

and northeast by the nine dust-bowl states and to the west and northwest by the six jungle-covered states and territories of the Amazon region. Kubitschek's determined drive to move the capital has stemmed from his belief in the need to develop the neglected northern two thirds of the country as rapidly as possible. This area, comprising some 2,000,000 square miles and some 25,000,000 inhabitants, contains only two cities of over 500,000, and until this year has had almost no road or rail connections with the rest of the country.

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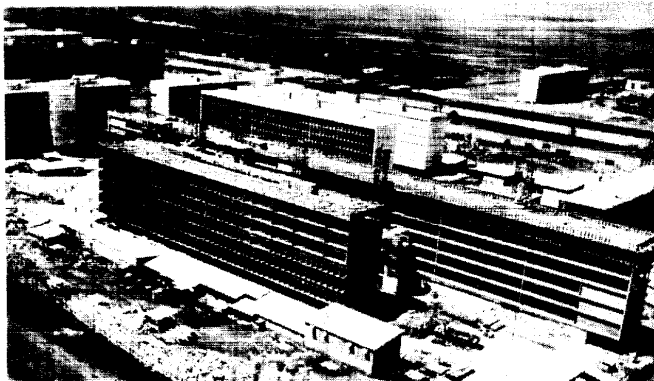
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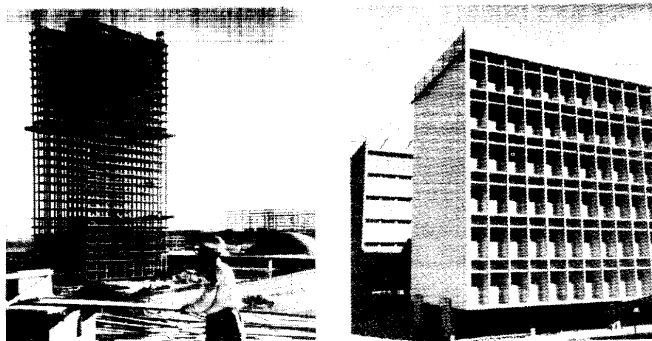
In early February, however, the first motor caravan reached Brasilia from the north over the newly bulldozed 1,500-mile jungle highway from Belem, the Amazon trading center.

Plans for the Move

Construction crews, the first of which were airlifted to the scrub-covered site in 1956, have been working around the clock for the past year to finish interstate supply roads, city streets, a power dam and water supply system, government buildings, and shopping and business area. They will also have readied apartments and houses for about 4,000 civil-service families by 21 April.



CONSTRUCTION IN BRASILIA



The first contingents of Kubitschek's personal staff left Rio de Janeiro for Brasilia in mid-March. By inauguration day, the congress, the supreme court, and the cabinet, plus about 1,000 selected civil servants, will be permanently installed. Daily courier flights between Brasilia and Rio de Janeiro have already begun and presumably will be continued for a year or more until the move is complete.

Rio de Janeiro, now the Federal District with a population of about 3,500,000, is to become the twenty-first state on 21 April and will be known as Guanabara, according to the constitutional provisions governing the move. The city's actual future status remains uncertain, however, as congress is still debating the desirability of a plebiscite which

would permit annexation to the neighboring state of Rio de Janeiro.

Brazil's Basic Problems

Kubitschek's view of his development program as the force that will propel the country toward its "manifest destiny" as a great power has focused attention on the weaknesses as well as the strengths of Brazil's social and economic structure. The statement of a Brazilian journalist 15 years ago that the southern, temperate-zone state of Sao Paulo is a locomotive pulling 20 empty freight cars--the rest of the country--is less true now but still has validity. Sao Paulo produces most of the country's heavy industrial goods and also most of its chief export, coffee.

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