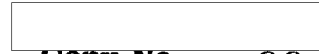


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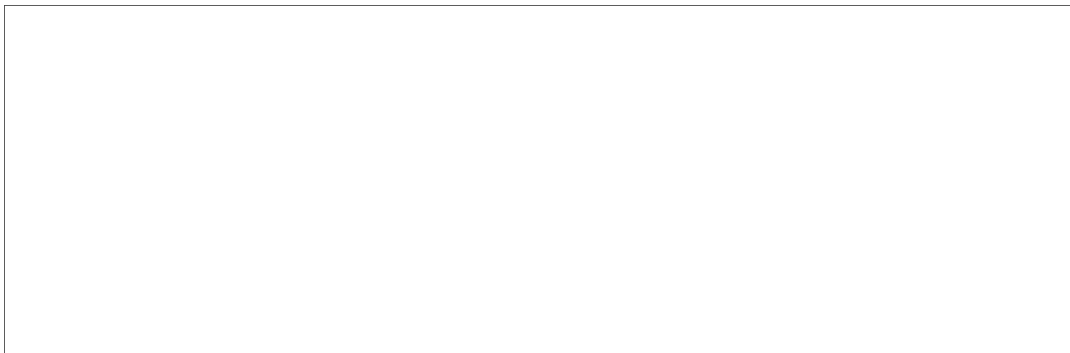
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CENTRAL INTELLIGENCE AGENCY



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CONTENTS

GENERAL

1. Soviet diplomats comment on UN charter review and membership (page 3).

SOUTHEAST ASIA

2. Masjumi party may head new Indonesian coalition (page 4).

SOUTH ASIA

3. Comment on new Pakistani prime minister-designate (page 5).

NEAR EAST - AFRICA

4. Cyprus issue may bring fall of Greek government (page 6).
5. Tension in Morocco mounts as Grandval proposes three-point program (page 7).

LATIN AMERICA

6. Venezuela seeking visit from Soviet farm delegation (page 8).
7. Comment on political unrest in Brazil (page 9).

THE FORMOSA STRAITS (page 10)

~~TOP SECRET~~

~~TOP SECRET~~ []

GENERAL

1. Soviet [] UN charter review and membership:



COMMENT

The USSR's opposition to a UN charter review conference reflects sensitivity to having the Soviet record in the UN, especially on the veto, publicized at this time. Several other UN members, including Britain, doubt the advisability of such a conference during a period of "detente" between the USSR and the West.

Despite Moscow's efforts to achieve a closer relationship with the Afro-Asian countries and such "neutrals" as Austria, it has given no indication that it will support any one of these countries for UN membership individually or in a package that does not include Communist states. There is growing sentiment in the UN, especially among smaller nations, for admitting new members by some prearranged agreement between the United States and the USSR. Moscow probably believes, therefore, that time is on its side.

~~TOP SECRET~~**SOUTHEAST ASIA****2. Masjumi party may head new Indonesian coalition:**

[REDACTED]

The reported success of the Masjumi in forming a coalition cabinet excluding the National Party, which headed the outgoing Ali coalition, is a victory for the anti-Communist leadership of the army in its efforts to provide a political atmosphere favorable to its interests.

The proposed cabinet, which apparently has not yet been approved by Vice President Hatta, reportedly will be headed by a member of the Masjumi. The coalition includes 11 parties, five of which participated in the Ali cabinet. These parties hold a total of 145 of the 234 seats in parliament.

The Masjumi hopes to hold the country's first national elections as scheduled on 29 September. Before doing so, however, it could be expected to inspect critically the election machinery set up under Ali.

~~TOP SECRET~~

~~TOP SECRET~~ [REDACTED]**SOUTH ASIA****3. Comment on new Pakistani prime minister-designate:**

[REDACTED] Acting Governor General Mirza's nomination of Finance Minister Chaudri Mohammad Ali to be prime minister of Pakistan was made possible by an offer of support from some United Front leaders. This shift in support enabled Mirza to bypass Awami League leader H. S. Suhrawardy, who earlier was reported to have been offered the premiership as the price of support from his party.

Both Mirza and new Moslem League leader Chaudri Mohammad Ali have co-operated actively with the United States in the past and no change in foreign policy is expected. Neither of the two leaders is from East Pakistan, and this fact will almost certainly occasion deep resentment in that area.

If Chaudri Mohammad Ali is successful in forming a coalition government, the shaky political arrangement on which it would be based will limit its freedom of action. [REDACTED]

NEAR EAST - AFRICA**4. Cyprus issue may bring fall of Greek government:**

[REDACTED] Cypriot Nationalist leader Archbishop Makarios is prepared to take the Cyprus issue to the Greek people if Athens fails to give all-out support to self-determination on Cyprus in the UN General Assembly, according to the Cuban permanent UN representative, Nunez-Portuondo, who recently visited Cyprus. Nunez told Ambassador Byroade in Cairo that Makarios is convinced the Rally government of Prime Minister Papagos would fall as a result of such action. The archbishop also believes nothing will come of the Anglo-Greek-Turkish talks starting in London on 29 August.

Nunez has the impression that the Greek government, particularly Foreign Minister Stephanopoulos, is not "vitaly concerned" with the Cyprus cause, but was forced to support it by public opinion. Nunez was struck by Makarios' vigor and capable leadership and by the merits of the Cypriot case.

COMMENT

Greek UN delegate Palamas told Ambassador Lodge on 2 August that failure of the London talks could be used by the opposition to overthrow the Greek government. This statement is credible in view of the high pitch of Greek feeling on the Cyprus issue and dwindling popular support for the disintegrating Rally regime.

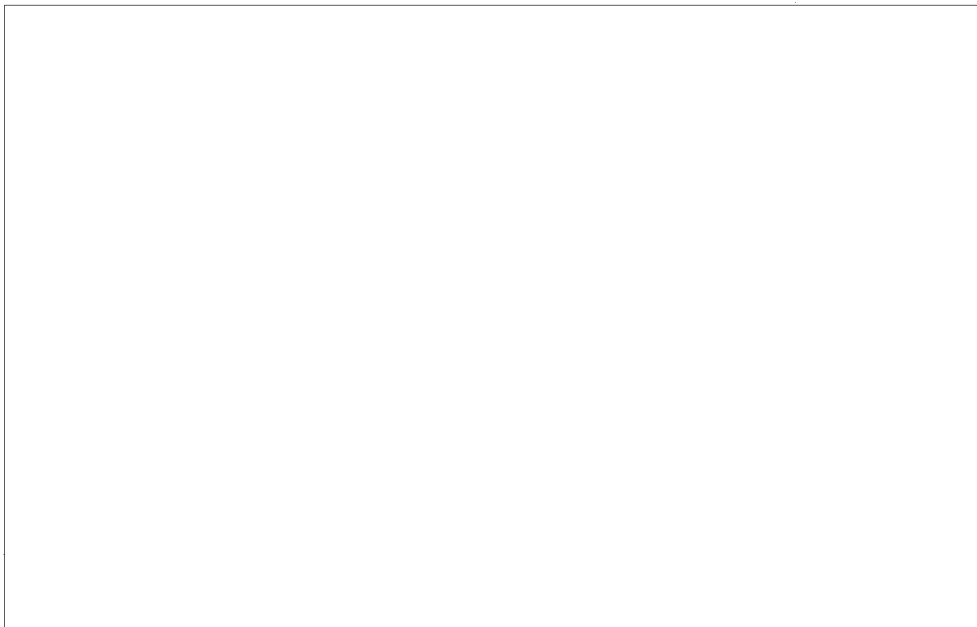
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5. Tension in Morocco mounts as Grandval proposes three-point program:

Resident General Grandval has drafted a three-point program for Morocco calling for the retirement of Sultan Mohamed ben Arafa, the creation of a three-man regency council, and the transfer of former sultan Mohamed ben Youssef to France.

French army and air force commanders have been reinforcing garrisons at Casablanca, Fez, Meknes, and Marrakech in anticipation of trouble, although Grandval expects none if his program is accepted by Paris. Press reports, however, imply that Premier Faure has yielded to the forces opposing removal of Ben Arafa and has already rejected Grandval's proposals. Such reports may set off widespread nationalist demonstrations in Morocco.

Meanwhile, the American consul general in Rabat reports that tension is high as Faure's decision is awaited in Morocco and that the sultan's government shows signs of disintegrating.

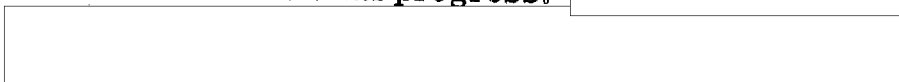


COMMENT



Caracas broke relations with Moscow in 1952 and has only negligible trade with the Soviet bloc.

Venezuela has made repeated but largely unsuccessful efforts to impress foreign countries with its material progress.



and may hope now to counter foreign criticism by winning favorable comments from the Soviet delegation.

~~TOP SECRET~~

7. Comment on political unrest in Brazil:



An unusually large number of rumors of plots for coups and countercoups have circulated in Brazil during the current campaign for the presidential election scheduled for 3 October.

The ticket seeming to have an edge at present is that headed by Juscelino Kubitschek, a former governor of Minas Gerais state, and Joao Goulart, former labor minister who was forced out of his post by the military because of his Communist ties and demagogic efforts to build up a labor following for the Vargas administration. The public announcement on 8 August that the Communist Party will support Kubitschek and Goulart in the elections will alienate many voters, however.

Large-scale demonstrations against the government and certain military officers may develop on 24 August, the first anniversary of the suicide of President Vargas. The majority of the armed forces, however, do not appear to favor a coup at this time.

The only conservative presidential ticket, that headed by retired General Juarez Tavora, has been gaining ground in recent weeks. Should Tavora's election seem assured, the role of the army will continue to be that of guaranteeing a free election and a constitutional change of governments.

~~TOP SECRET~~

WEEKLY SUMMARY
(4-10 August 1955)

THE FORMOSA STRAITS

Report of the IAC Current Intelligence Group
for the Formosa Straits Problem

1. The lull in the military situation has continued. [redacted]

2. None of the six Chinese Communist airfields along the East China coast opposite Formosa is occupied as yet. Nantai, Swatow and Chenghai appear serviceable. The runway at Lungtien is serviceable but taxiways and re-ventments are still under construction. The runways at Lungchi and Chingyang were reported nearly complete a week ago, and may now be completed. [redacted]

3. [redacted]

[redacted] two Chinese Nationalist RF-86 reconnaissance planes were engaged by two probable FAGOT (MIG-15) jet fighters at an altitude of 41,000 feet roughly 50 nautical miles south of Nanking. [redacted]

4. On 3 August, Chinese Nationalist aircraft attacked the British freighter Inchwells off the Min River estuary, inflicting shock damage from near misses and causing several personnel casualties. Although Taipei has issued several warnings to the Nationalist air force and navy against attacking neutral shipping, it is considered unlikely that these warnings will prevent further Nationalist attacks on British shipping.

[redacted]

~~TOP SECRET~~

~~TOP SECRET~~ [REDACTED]

5. Chinese Communist propaganda has continued to express a desire for higher-level negotiations with the United States. On 5 August, Peiping misquoted Secretary Dulles to imply that the United States would undertake such negotiations if Communist China were to renounce the use of force. [REDACTED]

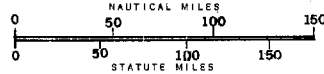
6. Apparently in anticipation of either developments at Geneva or higher-level talks, the Chinese Communists seem to have been preparing a position on the principle of renunciation of force. Peiping's comments on this line have strongly indicated that any Chinese Communist offer to renounce force would be tied to Peiping's long-standing demand for a withdrawal of American forces from the China area. [REDACTED]

~~TOP SECRET~~ [REDACTED]

FORMOSA STRAITS SITUATION

Primary roads

Secondary roads



+++++ Railroad

+++++ Proposed railroad

COMMUNIST AIRFIELD LEGEND

PRIMARY
SECONDARY

- ▲ OPERATIONAL
- ▲ SERVICEABLE
- ▲ UNKNOWN

■ UNDER CONSTRUCTION

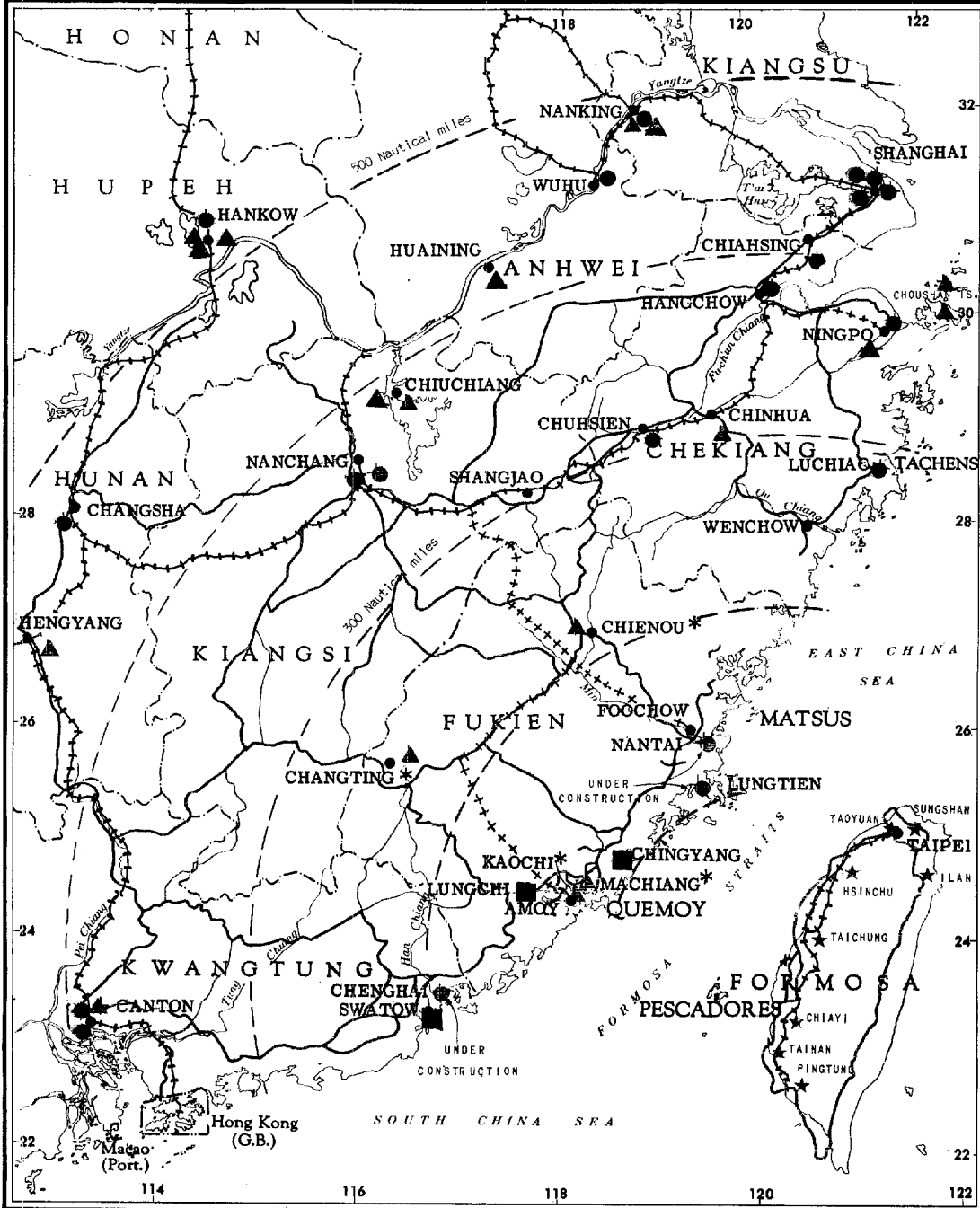
USABILITY

- + MIG-15, MIG-17, TU-4, IL-28
- | TU-2, IL-10, LA-9/11, LI-2, ETC.
- UNKNOWN
- * FIELDS NOT CONSIDERED CAPABLE OF SUPPORTING SUSTAINED OPERATIONS AT PRESENT.

★ NATIONALIST AIRFIELD

DESIGNATIONS

- PRIMARY: CONSIDERED MOST IMPORTANT IN AREA, WITH PREPARED RUNWAY GENERALLY 5000 FEET OR LONGER.
- SECONDARY: AUXILIARY OR EMERGENCY BASES, OR FIELDS OF LESSER IMPORTANCE- RUNWAYS GENERALLY LESS THAN 5000 FEET.
- OPERATIONAL: ACTIVE BASE FOR MILITARY & CIVILIAN AIRCRAFT. SOME BASES USED BY PISTON TYPES MAY BE USABLE BY JETS.
- SERVICEABLE: INACTIVE BASES CAPABLE OF USE BY AIRCRAFT
- UNKNOWN: CURRENT STATUS UNDETERMINED.



PRESENTATIONS DIVISION

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