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21 October 1956

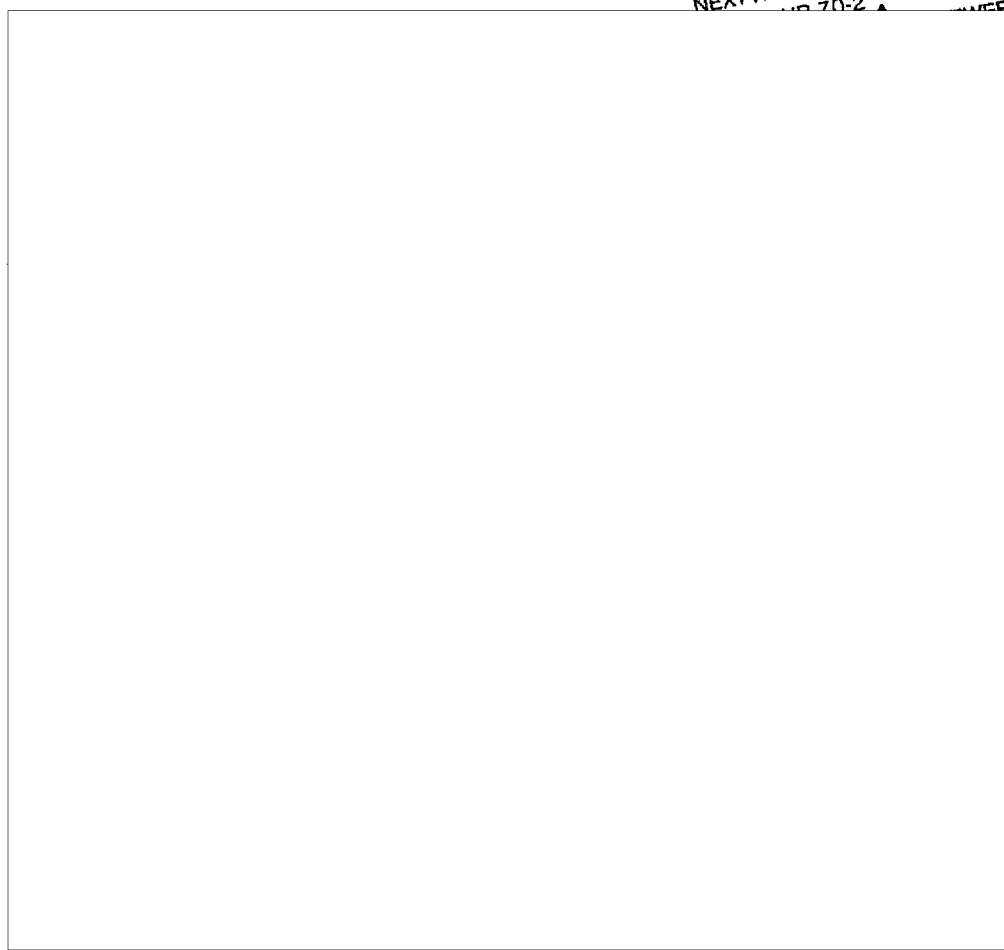
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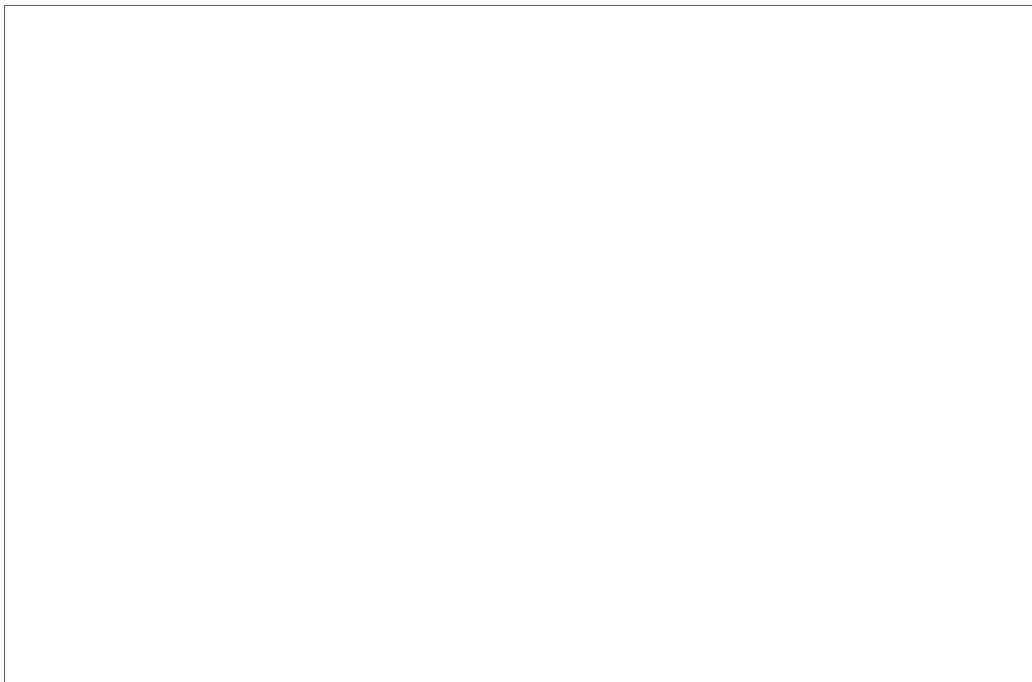
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1. SITUATION IN POLAND

In the face of strong Russian opposition, the Polish Communist regime under the leadership of rehabilitated Wladyslaw Gomulka has decided to continue its liberalization campaign and reduce the influence of the Soviet Union in the government, the party, and the country as a whole. Rumors of troop movements and workers' strikes are keeping tension high, with the next showdown scheduled to take place on 23 October when Polish politburo representatives are to go to Moscow to continue the discussions touched off by the dramatic arrival in Warsaw on 19 October of Kremlin leaders led by Khrushchev.

The central committee of the Polish United Workers' (Communist) Party on 21 October chose Gomulka first secretary and gave the liberal faction of the party increased representation in the new politburo. Soviet marshal Rokossovski, Polish minister of defense, was not re-elected to the politburo. The election followed a speech on 20 October by Gomulka, in which he declared that Soviet-Polish relations must be based on the principle of independence of individual countries and respect for the sovereignty of every nation. He told the Polish party "we will defend ourselves with all our forces from being pushed" from the Polish road to socialism.

Against the background of Gomulka's declaration of a Yugoslav type of independence, the removal of Rokossovski--and several other pro-Soviet individuals--from the top leadership of the party is a fundamental victory for the Poles. It eliminates a principal means of Soviet control of the Polish regime. Rokossovski's ouster will

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probably be followed by further purges of pro-Soviet elements within the government, party and military services.

While Gomulka claimed that Poland wants to co-operate with the Soviet Union, he made it clear the Poles intend to follow their own inclinations in developing their own brand of socialism. Gomulka blamed the party leadership for the shortcomings and difficulties that have plagued the regime, asserting that the Poznan workers would not have gone on strike if they had been told the truth. "The clumsy attempt to present the painful Poznan tragedy as the works of political agents and provocateurs," he said, was "politically naive." He called for changes in "our system of people's government, in the system of the organization of our industry, and in the methods of work of the state and party apparatus" to remove "the bad things" that have been hampering the development of political and economic life in Poland. He also called for election laws to "enable people to elect and not merely to vote."

There is no reliable information to indicate what the Soviet and Polish conferees may have decided during the brief visit in Warsaw of top Soviet leaders on 19 October. Reports that a Polish delegation will go to Moscow on 23 October suggest that the talks in Warsaw were inconclusive. There is no indication the Poles have yielded to Soviet pressure in any respect.

Substantial elements of four of the 22 Soviet military divisions in East Germany began moving to the Polish frontier on 18 October, and appeared to be massed at the border by 20 October. However, reports that Soviet troop movements have taken place within Poland, or that Soviet units have crossed the border and clashed with Polish forces, remain unconfirmed. The USSR has two divisions stationed in Poland. On 21 October the American embassy in Warsaw reported no unusual security precautions there.

While these events appear to portend a new era for Poland, there was little in Gomulka's speech to suggest that he expects to bring about a quick improvement of economic conditions. In commenting on "the impatience

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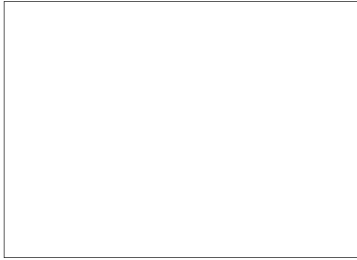
of the working class," he noted that "not even the greatest wizard could pour water out of an empty jug;" a reference to the antiquated and cumbersome economy which, he said, could be corrected only through an improvement in the management of industry and an increase of labor productivity. He warned, "We cannot now afford any more serious wage increases," but called for improvements in working conditions in the mines and industry.

Gomulka implied that too much emphasis had in the past been placed on heavy industrial investment at the expense of means of improving living conditions. He advocated the halting of the formation of new collectives, and the dissolution of weak ones, as well as abolition of compulsory deliveries, tax aids to craftsmen, and some form of a market economy to fix prices and guide production.

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2. PRAVDA ATTACKS POLISH PRESS AS ANTI-SOVIET AND ANTI-SOCIALIST



A Pravda article on 20 October launched a slashing attack on the Polish press which, while specifically directed at individual Polish journalists, was evidently intended to express openly Moscow's dissatisfaction with the Polish government for carrying its campaign of liberalization and national independence too far.

Pravda charged that the Polish press, particularly in the last few days, had sought to "undermine socialism" and "shake the foundations of the people's democratic system," was publicly renouncing Lenin and Marx, and openly calling for the restoration of capitalism. The article said that "in this hoarse chorus of slanders, even anti-Soviet pronouncements are to be heard," a development which "of course pains the Soviet people." Although Pravda did not quote from the many recent Polish press statements demanding a policy independent of the USSR, it is probably these which have most disturbed Moscow.

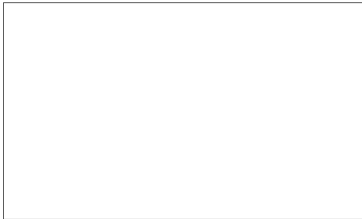
The Polish press and radio retorted immediately with bitter attacks on the Pravda article. One broadcast said, "We condemn with firm determination this shocking act of the Pravda Warsaw correspondent as... an attempt to violate the Leninist norm of co-existence between fraternal parties...."

In his Warsaw speech on 21 July, Bulganin had sought to slow the liberalization in Poland by criticizing the Polish press in terms that were much milder and vaguer, pointing out that the press must be a militant propagandist in the struggle for socialism and must not be misled by capitalist propaganda. Even this mild rebuke was resented throughout Poland, and did not deter the Polish press from increasing its demands for liberalization measures. 

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3. JAPANESE AT UN NOT CERTAIN OF UNCONDITIONAL SOVIET SUPPORT FOR JAPAN'S ENTRY



Japanese observers at the UN see no assurances in the Japanese-Soviet agreement that the Soviets will unconditionally support Japan's entry, according to the American delegation at the United Nations. They said Bulganin had announced, on behalf of the Soviet delegation, that the USSR would "support Japanese membership as soon as diplomatic relations were established."

The Japanese observers feel a Security Council meeting is advisable before Japan's Diet meets to ratify the agreement, to force from the USSR a statement of unconditional support upon resumption of diplomatic relations.

Comment

The Japanese have tentatively slated a special Diet session for 15 November for ratification of the Moscow agreement.

The Japanese who negotiated in Moscow are convinced that Soviet support is unconditional and that even if an initial Soviet "package" of Japan and some other country fails because of a Western veto, the USSR would not veto a subsequent proposal on Japan alone.

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4. ARMED FORCES SEIZE GOVERNMENT IN HONDURAS

The armed forces are reported in full control of the Honduran capital after a bloodless coup which began with demonstrations by the air force early on 21

October. The local radio announced that a military junta "which owes nothing to any political party," had assumed control of the government and would respect private property and international obligations.

General Abraham Williams, head of the small Reformist Party, is reported under house arrest. The radio announced that the military junta was composed of General Roque Rodriguez, air force chief, Colonel Hector Caraccioli, and Roberto Galvez, son of former president Juan Manuel Galvez.

Comment

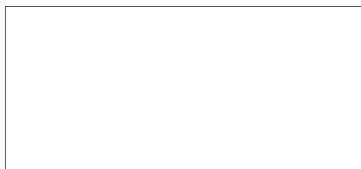
The unpopular de facto government of ailing chief of state Lozano has been showing signs of disintegration since last August, and military leaders have considered assuming control. They probably felt that if they did not act quickly the government would fall into the hands of the ambitious Abraham Williams, who is hated by many officers and important political factions.

The chief danger of violence resulting from this coup would come from Williams' supporters, whose strength in the army is unknown, but probably not great. The new government will probably make some effort in the near future to establish a basis for constitutional government.

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5. SUDAN AND ETHIOPIA NEGOTIATING NONAGGRESSION PACT



Negotiations are taking place between the Sudan and Ethiopia for the establishment of a nonaggression pact which is in effect directed against Egypt, Sudanese prime minister Khalil told an American embassy official on 19 October. A mutual defense pact at a later date is also under consideration. The Ethiopian ambassador to the Sudan says the negotiations for the nonaggression pact have been completed, and an agreed draft has been initialled for signature after the Sudanese elections next spring.

Khalil said that while the Sudan must now co-operate with the Arab states because of problems outstanding with Egypt, the Sudan must ultimately face toward Africa rather than toward the Arabs.

Comment


The growing co-operation between the Sudanese and Ethiopian leaders reflects their fear of Egypt's ultimate designs on their countries. Press reports from Cairo alleging efforts by Khalil to link Egypt, the Sudan and Ethiopia in a military, economic and political bloc appear Egyptian-inspired.

Prime Minister Khalil, however, is unlikely to take a pro-Egyptian stand. The Umma Party, which controls the present Sudan government, has a history of good relations with Ethiopia.

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6. AUSTRIANS SEEN LIKELY TO ATTEND DANUBE COMMISSION MEETING IN BUDAPEST

 The Austrian government will send an observer to the December meeting in Budapest of the Communist-dominated Danube Commission unless the Western powers can present "very convincing arguments" against it, in the opinion of American ambassador Thompson. A government spokesman recently told Thompson the Austrian Foreign Ministry is under strong pressure from other ministries to participate in the "technical discussions." The Austrians argue that participation would not increase pressure on Austria to adhere to the Soviet-inspired 1948 Danube Convention, but might lead to modification of the convention.

Comment

The French government is now taking the initiative in the long-standing Western efforts to discourage Austria from participating on the grounds that the 1921 convention is still in effect. French success is doubtful, however, in view of increased Austrian interest in Danube basin affairs. Foreign Minister Figl recently denied he has been under pressure from the USSR or Yugoslavia on the matter. He will probably be influenced by the action of West Germany, which also wants to send observers.

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THE ARAB-ISRAELI SITUATION
(Information as of 1700, 21 October)

Three Israeli soldiers were killed and 21 wounded on 21 October when two Israeli military vehicles hit Egyptian mines planted within Israeli territory in the Nitzana area south of the Gaza strip, according to an Israeli military spokesman. Retaliation by Israel for the incident is likely. The timing and location of such action, presumably will be chosen to achieve surprise, the lack of which contributed to considerable casualties among the Israelis in their last two raids against Jordan. [REDACTED]

Recent gradual mobilization of military reserves in Israel brought total active strength up to about 100,000 by 19 October, according to the American army attaché in Tel Aviv. This force includes about 25,000 personnel of the paramilitary Nahal organization, most of whom are deployed to defend border settlements. The area south of Beersheba, in the Southern Command, is once again reported to contain a "substantial number of units, particularly armor." [REDACTED]

A concerted Egyptian propaganda effort to influence the parliamentary elections held in Jordan on 21 October was indicated [REDACTED]

[REDACTED] Cairo radio's "Voice of the Arabs" and the press "would continue to devote special attention to the Jordan question... until after the elections." Treatment was to stress the "people's struggle and the conspiracies of the imperialists!" [REDACTED] they would also discuss at length the declaration made by President Nasr, which promised Egyptian military support for Jordan, and would refer to Egyptian and Syrian military aid. [REDACTED]

Reflecting this effort, the semiofficial Egyptian Middle East News Agency announced on 20 October that the Egyptian government had decided to provide Jordan

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with "jet planes and heavy arms," and that Major General Amer, commander in chief of Arab joint forces, would visit Jordan this week. (Press)

General Amer is scheduled to arrive in Jordan [redacted]

[redacted] the visit would be the occasion for signing a military agreement between Egypt and Jordan, concerning either delivery of arms from Egypt or establishment of closer military co-operation. [redacted]

[redacted] a new consignment of arms furnished by Egypt to the Jordan National Guard. The shipment will consist of rifles, machine guns, and 2-inch and 4-inch mortars with ammunition, and hand grenades, mines, barbed wire and sand bags. The shipment is to be sent by sea about 23 October via the Syrian port of Latakia. [redacted]

Jordan's King Hussain requested [redacted] that Saudi Arabian troops be prepared to aid Jordan. [redacted]

[redacted] Hussain is reported to have expressed concern that Israel intended to occupy West Jordan, and advised that he might require urgent assistance from the Saudi army. [redacted]

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