

28 November 1957



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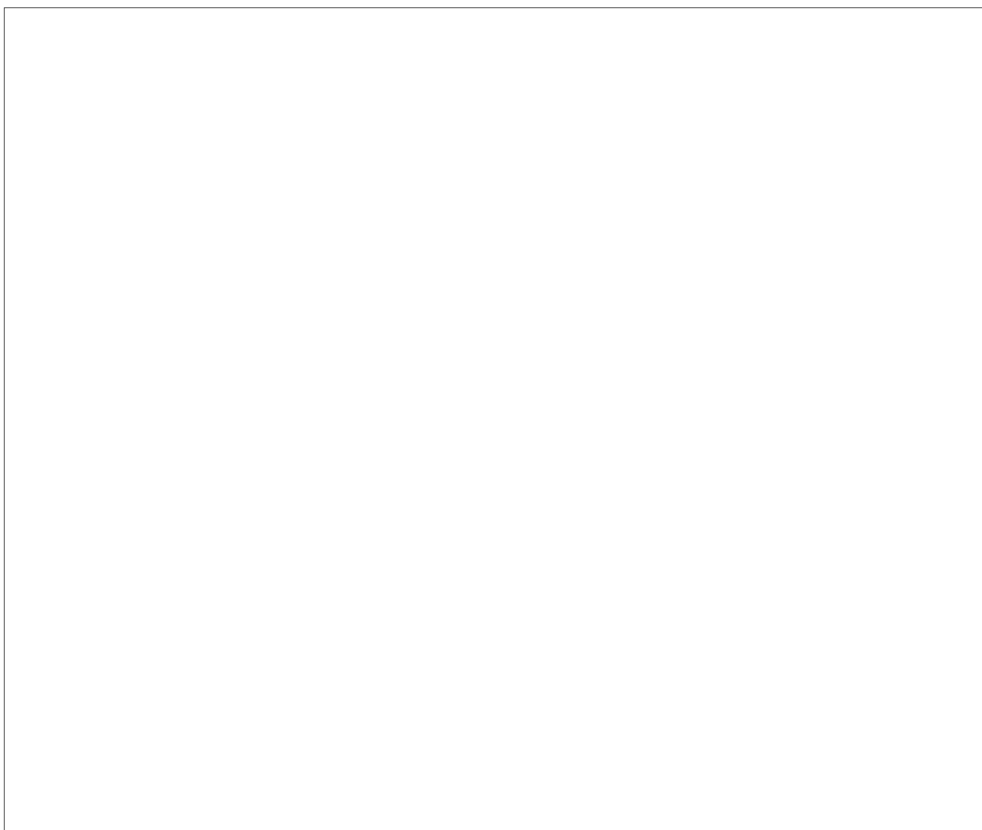
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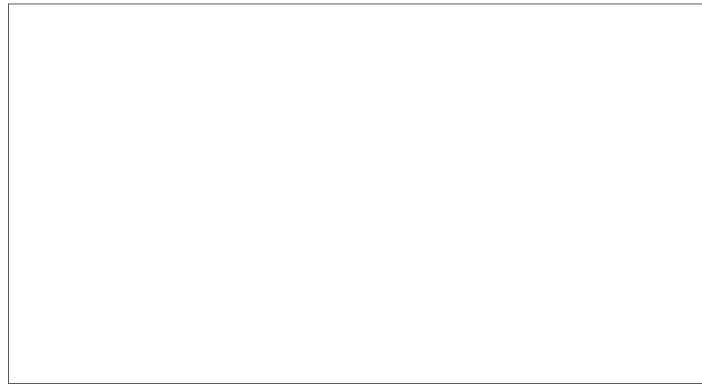
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OFFICE OF CURRENT INTELLIGENCE

CENTRAL INTELLIGENCE AGENCY



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1. USSR SUPREME SOVIET TO MEET IN DECEMBER

Comment on:

Moscow radio has announced that the USSR Supreme Soviet will convene on 19 December. While the Supreme Soviet has already met three times in 1957, another meeting had been expected before the end of the year to give formal approval to the 1958 state budget and probably to adopt the economic plan for 1958.

The Soviet leaders are still calling for the maintenance of high rates of growth for heavy industry and military capacity and a simultaneous major improvement in the standard of living. The meeting will probably indicate which parts of these conflicting programs will receive priority in 1958.

Approval of personnel assignments in the government is also a prescribed function of the Supreme Soviet.

Any important economic policy decisions or personnel changes would probably necessitate a meeting of the party central committee for prior approval. There have been some indications that the central committee will convene in mid-December.

The Soviet leaders may use the Supreme Soviet meeting to make foreign policy pronouncements in response to decisions announced at the NATO meeting in Paris, scheduled to begin on 16 December. The Soviet government may issue a formal call for a high-level East-West conference, first proposed by Khrushchev in his 6 November speech to the special anniversary session of the Supreme Soviet. Moscow may also revive proposals for a nonaggression pact between the NATO and Warsaw Pact powers, make new disarmament proposals, such as bringing missiles under international control, and call for an agreement to refrain from stationing nuclear weapons and missiles on foreign territory.

As a countermove to any NATO decision granting the United States IRBM launching bases in Europe,

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the USSR may announce in the course of the Supreme Soviet meeting that such a situation would compel it to station Soviet nuclear weapons and missiles in Eastern Europe. [redacted]

[redacted] Soviet IRBM missiles have already been stationed in Czechoslovakia are indicative of a Soviet desire to keep such a possibility alive in Western eyes. Moscow radio warned on 13 November that if NATO countries are given nuclear weapons, "they must understand that it is most probable that the Warsaw Pact countries will adopt a similar measure." [redacted]

2. INDONESIA DELEGATION MAY WALK OUT OF UN

Comment on:



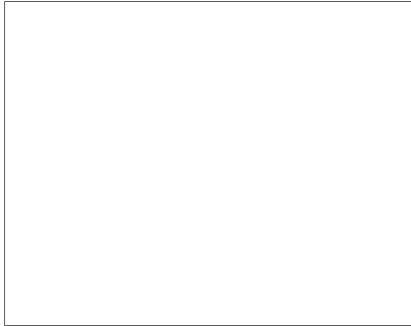
The Indonesian delegation at the United Nations has been instructed by Djakarta to stage a "walkout" if Indonesia's claim to Netherlands New Guinea fails to receive a two-thirds vote in the UN General Assembly plenary session when it is debated, possibly within the next few days. Although Indonesia's resolution on West Irian was passed in the Political Committee on 26 November by a vote of 42 to 28, this was short of the two-thirds vote required in plenary session, and there appears little likelihood that the resolution will gain further support.

According to Hanifah, a leading member of the Indonesian delegation, President Sukarno is "really mad," and his advisers will urge him to "follow the course of Egypt" and Syria if the West Irian resolution fails. Hanifah said that retaliatory action would entail the nationalization of Dutch interests, severance of diplomatic relations with the Netherlands, and the acceptance of arms from Communist sources. He added that a Soviet naval visit to Java might be expected. Earlier he had warned that there might be attacks against Dutch nationals and possibly against all white persons.

President Sukarno undoubtedly will feel compelled to take some form of protest action at the UN if the resolution fails, and a "walkout" would be a dramatic gesture. He will probably also sanction a program of progressive nationalization of Dutch interests, and possibly the severance of diplomatic relations. The acceptance of bloc arms probably appears increasingly tempting to Sukarno and he has repeatedly stated that the West would lose out to the Soviet Union in Indonesia if West Irian were not "returned."

3. ALGERIAN SITUATION AT OPENING OF UNITED NATIONS DEBATE

Comment on:



Consul General Clark reports that the political climate in Algeria is remarkably improved over that of last winter when the United Nations first discussed the Algerian question. Moreover, the military situation has improved considerably for the French in the past few months. While the Moslem population is not more pro-French, it is giving less support to the rebellion. Economic activities are not now seriously disrupted anywhere.

The French military point to a formal agreement they said was reached on 10 November with former rebel general Mohamed Bellounis, who is a supporter of the Algerian National Movement (MNA), a rival organization of the more important Algerian National Liberation Front (FLN). Bellounis agreed to operate against FLN units in return for French financial and logistical support. The French military say they have similar oral agreements with other rebel commanders and hope to cause defections from the FLN.

Minister for Algeria Robert Lacoste and his advisers consider the war nearly won. They believe the good offices proposed by the Moroccan King and by the Tunisian President represent a desperate effort to save the FLN from complete defeat. Nevertheless, there is a growing feeling in government circles in Paris that while it is not politically feasible now to negotiate with the FLN, the

Moroccan-Tunisian initiative may later provide a basis for an agreed settlement with the FLN and also probably with the MNA.

The FLN, on the other hand, has improved its military capabilities but may not use them if there is a possibility of negotiations with France. However, an attempt to launch a new offensive during the UN debate on Algeria remains a possibility. [redacted]

[redacted] an FLN directive dated 11 November ordering a seven-day "general offensive" to coincide with the UN debate.

[redacted]

4. SOVIET NOTE TO TURKEY

Comment on:



Soviet Premier Bulganin's second "friendly warning" to Turkey probably was intended to revive allegations of a Western-inspired "plot" against Syria and to encourage Arab

suspicious of American Middle East policy. Khrushchev in his interview with Hearst on 22 November had repeated his claim that the USSR possesses "irrefutable documentary proof" of Turkish invasion plans.

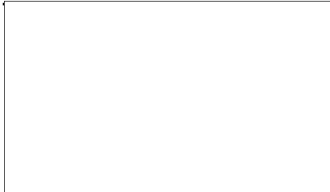
The Bulganin message, which stressed the peaceful coexistence theme, was devoted largely to refuting statements made by Turkish Premier Menderes in his reply of 30 September to the note of 10 September. It charged Turkey with continuing its "hostile and provocative campaign" against Syria, and appealed to Turkey's interest that the area cease to be the scene of the "world's most dangerous tension."

The tone of recent Soviet propaganda and statements of top Soviet leaders suggests that the USSR does not now view the situation on the Syrian border as an imminent threat to the peace of the area. As in the case of the earlier note, the Soviet press and radio carried the full text with commentary as soon as the note was delivered.




5. BRITISH INTEREST IN DEMILITARIZED ZONE IN EUROPE

Comment on:



A recent comment by a high official of the British Foreign Office shows that a "thinned-out" area in Europe continues to appeal to some influential British opinion. This official said that a proposal by the London Times for renunciation of intermediate range missiles by both East and West Germany might merit consideration if it could be coupled with inspection. Such ideas are anathema to Chancellor Adenauer and are officially disapproved by other Continental NATO members.

The British Labor party proposal for a special demilitarized zone including Germany and some satellites as a means of removing Soviet troops from Eastern Europe received considerable public support last spring. The Times, while calling George Kennan's proposal to pull all foreign troops out of Germany "unpropitious," argues that such ideas should be taken into account "in all forward planning for NATO."

Although such proposals often cite as a precedent the plan former Prime Minister Eden offered at Geneva in July 1955, Conservative governments since have carefully disavowed any intention to seek East-West force reductions in Central Europe alone. Chancellor Adenauer is highly sensitive to press speculation, however, and any renewed discussion of such plans at this time might cloud his talks with Prime Minister Macmillan during his 4-6 December visit to London. 

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6. AFGHAN OFFICERS TO RECEIVE MILITARY TRAINING IN THE USSR

Comment on:

Fifty Afghan officers above the rank of major are being trained in the USSR, [redacted]

[redacted] Ten each are to study for the cavalry, the infantry, and the engineer corps, and 20 are to receive artillery, tank, and aircraft training. This would be the first sizable group of Afghan of-

ficers known to be receiving military indoctrination in the USSR. Smaller groups of lower-ranking Afghan officers, totaling about 50, are being trained in Turkey, India, and the United States.

Afghanistan is apparently taking steps eventually to end its need for military training by foreign instructors. According to the Afghan press, an infantry school, an artillery school, and an aviation school have been opened in Kabul. Foreign-trained Afghan officers are expected to staff the infantry and artillery schools, but it seems unlikely that competent Afghan aviation instructors are yet available.

The new military schools presumably are part of a training effort intended to help Afghanistan's armed forces assimilate the new weapons received under the Soviet military assistance program. Truck convoys recently have been distributing Soviet military aid materiel from the northern Afghan border region to the Kabul area. [redacted]

7. BURMESE ARMY CLOSING IN ON COMMUNIST INSURGENT LEADERS

[REDACTED]

The Burmese army has surrounded insurgent Burma Communist party leader Thakin Than Tun and his main forces, and Thakin Soe, the leader of the deviationist Communist party of Burma, at two separate points in Central Burma, [REDACTED]

[REDACTED]

[REDACTED] while the army is elated over the prospect of the imminent capture of Burma's top Communist insurgent leaders, Than Tun and Soe have eluded many traps in the past.

Comment

The capture of Than Tun and Soe, or the elimination of a large portion of their "headquarters" forces, would virtually end organized Communist insurgency in Burma, although scattered remnants might still cause some trouble. The Burmese government's recognition that Than Tun would be a formidable opponent as the leader of a legalized Communist movement in Burma has been an important consideration behind its stubborn refusal to reach a negotiated settlement with the insurgent Communists. Nevertheless, the lenient treatment accorded to insurgents who have recently surrendered suggests that the Communists may be able to participate more openly in Burmese politics. [REDACTED]

8. BURMA TO SEND ARMS MISSION TO CZECHOSLOVAKIA
IN EARLY DECEMBER

Comment on:

There have been recurrent rumors since last July that the Burmese were trying to obtain arms from Czechoslovakia.

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Burma is in the market for substantial quantities of arms for both its army and police. The army is in the initial phase of a reorganization which will eventually put it on a divisional basis in anticipation of its ultimate relief from pacification duties in order to concentrate on national defense. The police are being prepared to take over the primary responsibility for expanded internal security.

The Burmese have been promised \$10,000,000 worth of American military equipment at favorable prices, and an American survey team is now in Rangoon studying the requirements of the police.

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9. CIVIL DISORDERS POSSIBLE IN HONG KONG

Comment on:



Announcement by the British on 28 November of the phased deactivation of the large Royal Navy dockyard in Hong Kong may stimulate Communist efforts to create widespread labor disturbances in the colony. The British police and army garrison have been alerted. The decision to close down the dockyard completely in two years is part of the British government's cutback under its new defense program.

The Communist-dominated dockyard workers' union probably will attempt to exploit the announcement that, beginning this January, approximately 100 workers per month will be discharged from the 4,600-man labor force. Preliminary layoffs resulted in a sit-down strike of 1,500 workers on 22 November. The dockyard workers have had the support of the Communist-dominated Federation of Trade Unions, the strongest labor organization in the colony.

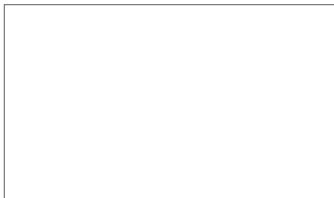
Peiping will almost certainly lodge a strong protest criticizing British treatment of the discharged workers. Such action would be in line with recent Chinese Communist propaganda calculated to harass the Hong Kong government and picture Peiping as the champion of local Chinese interests.

The British forces should be able to prevent the recurrence of broad civil disorders comparable to the riots of 10 October 1956 unless the Communists make an all-out effort to disrupt the life of the colony.



11. CUBAN OPPOSITION ACTIVITY


Comment on:



Several incidents in Cuba during the past few days may mark the beginning of a well-publicized campaign of terrorism which opposition elements have said would start in late November or in December when the sugar harvest begins.

The followers of rebel leader Fidel Castro began setting fire to cane fields two weeks ago in an effort to undermine Cuba's sugar-dependent economy. The assassination of a Cuban army colonel on 23 November may have opened a previously announced assassination campaign against government officials. Bombings and other sabotage activities have increased throughout the island, and the rebels are calling for a general strike to paralyze economic activity.

Castro's group was represented at a recent meeting of all major opposition groups in Miami when a "Council for Cuban Liberation" was formed. The ousted leader of an influential Cuban labor union, who was also at the Miami meeting, may be collaborating with Castro supporters in calling for a general strike.

The rebels stand little chance of instigating a successful general strike or of seriously injuring the national economy by firing cane fields. President Batista has taken steps to increase the government's control by consolidating the armed forces command. He has also increased his efforts to induce the United States to curtail the activities of exiles in Miami. 

11. GUATEMALAN SITUATION STILL CRITICAL

Comment on:

The political climate in Guatemala continues to be explosive. Communists are active in political and labor groups which are threatening strikes and violence. A strike by the Communist-influenced union of railroad workers which began on 27 November may precipitate violence.

Rival anti-Communist political and military factions are preparing attempts to seize the government. The interim regime of President Flores Avendano has yet to show strong leadership and no officer has emerged who might unite the faction-ridden army.

The Communist-infiltrated Revolutionary party plans to take drastic action if the authorities continue to deny it the legal recognition that would permit it to take part in the 19 January national elections. Its leaders intend to continue peaceful demonstrations for the rest of this week. if denied recognition, they plan a general strike, possibly to be accompanied by violence.



ANNEX

Watch Report 382, 27 November 1957
of the
Intelligence Advisory Committee

Conclusions on Indications of Hostilities

On the basis of findings by its Watch Committee, the Intelligence Advisory Committee concludes that:

- A. No Sino-Soviet bloc country intends to initiate hostilities against the continental US or its possessions in the immediate future.
- B. No Sino-Soviet bloc country intends to initiate hostilities against US forces abroad, US allies or areas peripheral to the orbit in the immediate future.
- C. A deliberate initiation of hostilities in the Middle East is unlikely in the immediate future. However, heightened tensions between Israel and Jordan have increased the possibility of serious incidents.

