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19 July 1960

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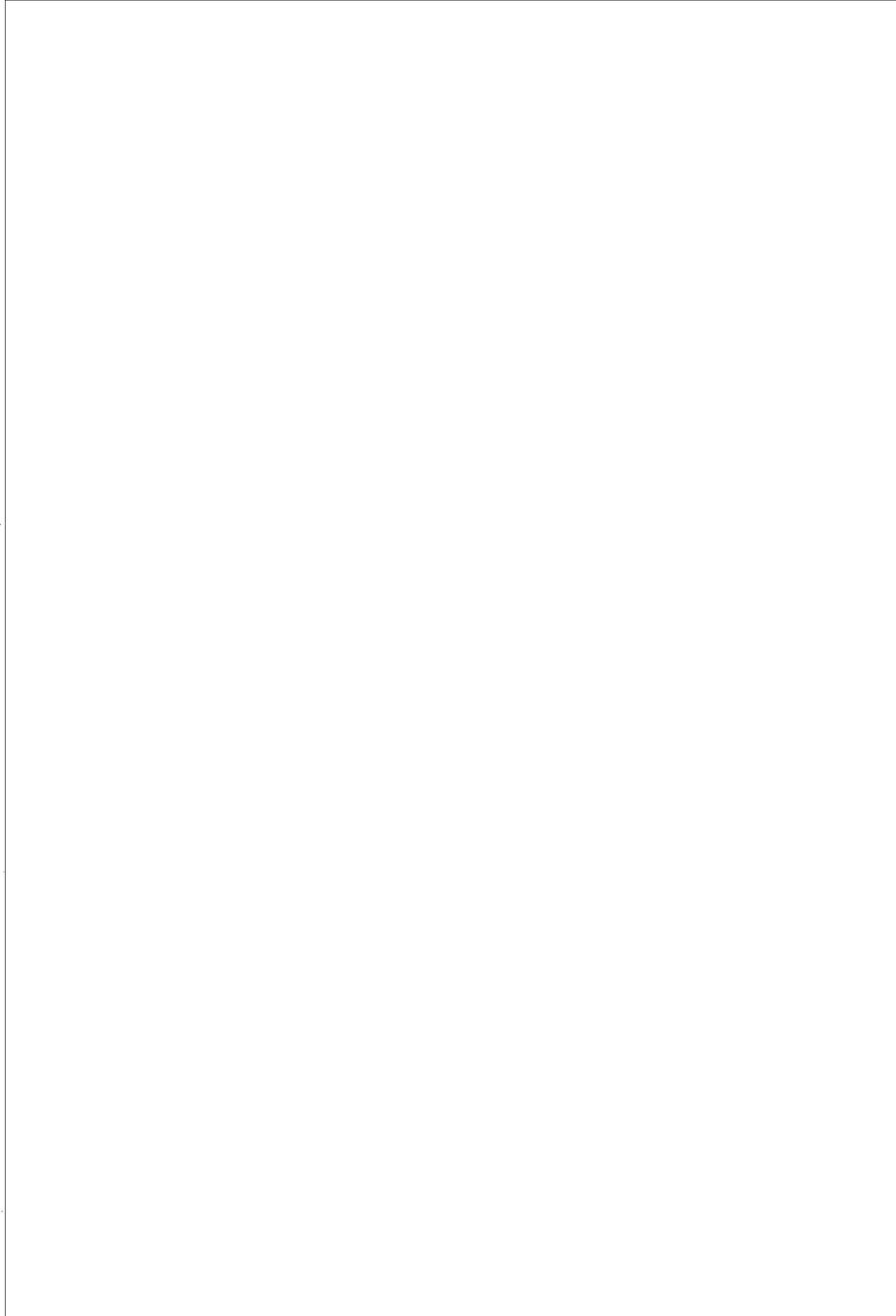
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CENTRAL INTELLIGENCE BULLETIN



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19 JULY-1960

I THE COMMUNIST BLOC

Chinese Communists move jet fighters to Southwest China, providing air defense capability in area and improving offensive capability against Southeast Asia.

①

II. ASIA-AFRICA

The situation in the Republic of the Congo.

②

New Japanese prime minister probably to face crisis soon in invoking government authority against leftist agitators.

③

Syrian economic situation worsening and discontent mounting among populace.

④

Turkish provisional government plans to retire many senior military officers; could increase political ferment and cause damage to military establishment.

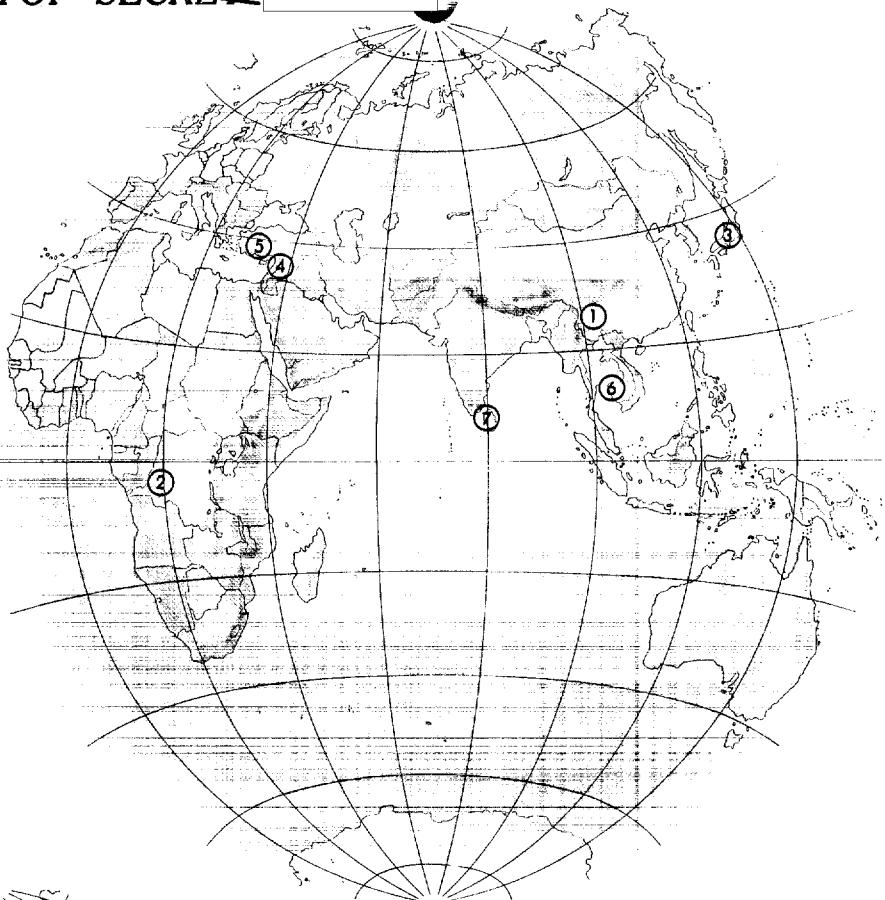
⑤

Cambodia--Sihanouk continues to threaten to seek Communist bloc military aid.

⑥

Ceylonese national elections on 20 July unlikely to resolve political stalemate.

⑦



III. THE WEST

⑧ Venezuelan foreign minister's pro-Castro sentiments again evidenced.

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CENTRAL INTELLIGENCE BULLETIN

19 July 1960

DAILY BRIEF

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I. THE COMMUNIST BLOC

Communist China: Between 13 and 17 July, at least 24 but possibly a full regiment of 30-36 Chinese Communist jet fighters deployed, perhaps permanently, to Kunming from Suichi. No jet fighters are known to have been based in this area previously. The establishment of a jet fighter unit in Southwest China, in addition to providing an air defense capability in the area, also gives the Chinese Communists an improved offensive capability against Southeast Asia. [redacted] (Page 1) (Map)

II. ASIA-AFRICA

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Republic of the Congo: Brussels' stated intention to ignore Premier Lumumba's ultimatum to remove its troops from the Congo may lead to a formal Congolese request for Soviet assistance. Lumumba's freedom of action, however, appears to be checked by opposition in the Congo Senate to any Soviet "interference" in the Congo, and by the action of Belgian troops in yielding their security responsibilities to UN forces in some areas. UN representative Bunche in Leopoldville reports that he had great difficulty in convincing Lumumba that UN forces would not be turned over to him to use against the Belgians, and characterized Lumumba as "crazy." [redacted] (Page 2)

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Japan: Hayato Ikeda, the new prime minister, probably will be faced with a crisis in the next few days in invoking government authority against leftist violence. Top labor, Socialist, and Communist leaders are on the scene mobilizing leftist forces to block an injunction against picketing at a

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large coal mine on Kyushu Island, where bloody clashes have already occurred during a protracted strike. The striking union is heavily penetrated by Communists, and both the leftist forces and the government realize the outcome of the struggle will strongly influence developments in labor and the Socialist party.

The speedy formation of the new Japanese cabinet, its composition, and the apparent solid backing Ikeda received in the vote for prime minister together suggest that the governing Liberal-Democratic party is emphasizing party harmony in preparation for the elections expected this fall or early next year. [] (Page 3)

No
UAR (Syria): The economic situation in Syria is worsening and may become disastrous, according to the American Consulate General in Damascus. Discontent is mounting as a result of the economic deterioration, suspicions that Nasir intends to relegate Syria to the position of a colony, and fears that Cairo will soon act to nationalize Syrian industries and unify Egyptian and Syrian currencies. Open criticism of Nasir is now being heard.

The value of the Syrian pound has gradually declined in recent weeks:

[] the people are disturbed about the "collapse" of the Syrian currency and that selling of the Syrian pound has raised the prices of foreign currencies to an "unprecedented level."

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Turkey: The provisional government of Turkey plans to retire many senior officers of the armed forces and has requested US financial support for the program. While reform in Turkey's military personnel management practices is badly needed and should remove much "deadwood," summary retirement of large numbers of senior officers could increase political ferment in the country and result in some damage to the military establishment.

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[Cambodia: Chief of State Sihanouk continues to threaten, in speeches and articles, to seek Communist bloc military aid unless the United States meets his demands--which have not yet been formally presented--for more and better armaments. This posture reportedly is causing some consternation among other Cambodian leaders, including Armed Forces Commander General Lon Nol, who apparently are not being consulted. Despite any reservations they may have on this issue, however, they probably would continue to support Sihanouk should he move closer to the bloc.]

(Page 6)

OK
Ceylon: The 20 July national elections are unlikely to resolve the political stalemate produced by the elections last March. Again neither major party seems capable of winning a majority in parliament. Support for the moderately socialist Sri Lanka Freedom party (SLFP) does not appear to have dropped substantially since March, and the party will benefit from a no-contest agreement with two leftist parties. The relatively conservative United National party has made good use of several key issues, however, and should be able at least to hold the slim plurality it won in March. If the SLFP again comes in a close second, with leftist support it probably could command a larger parliamentary coalition with which to form a government.]

(Page 7)

III. THE WEST

No
Venezuela-Cuba: Venezuelan Foreign Minister Arcaya, who has often differed with President Betancourt on relations with Castro, is evidently making a concerted effort to muster the support of both Latin American and neutralist nations in behalf of the Cuban regime,]

In a conversation with the UAR and Bolivian ambassadors in Caracas on 12 July, Arcaya referred to the recent pro-Castro statements of prominent Mexican congressmen and recommended that "the parliaments of the neutral nations" take a similar stand. Arcaya also informed the two ambassadors of his conversation

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with US Ambassador Sparks earlier the same day on the Cuban situation and added that Venezuela, in certain circumstances, would "not hesitate" to back Cuba against the US in the OAS or the UN General Assembly.

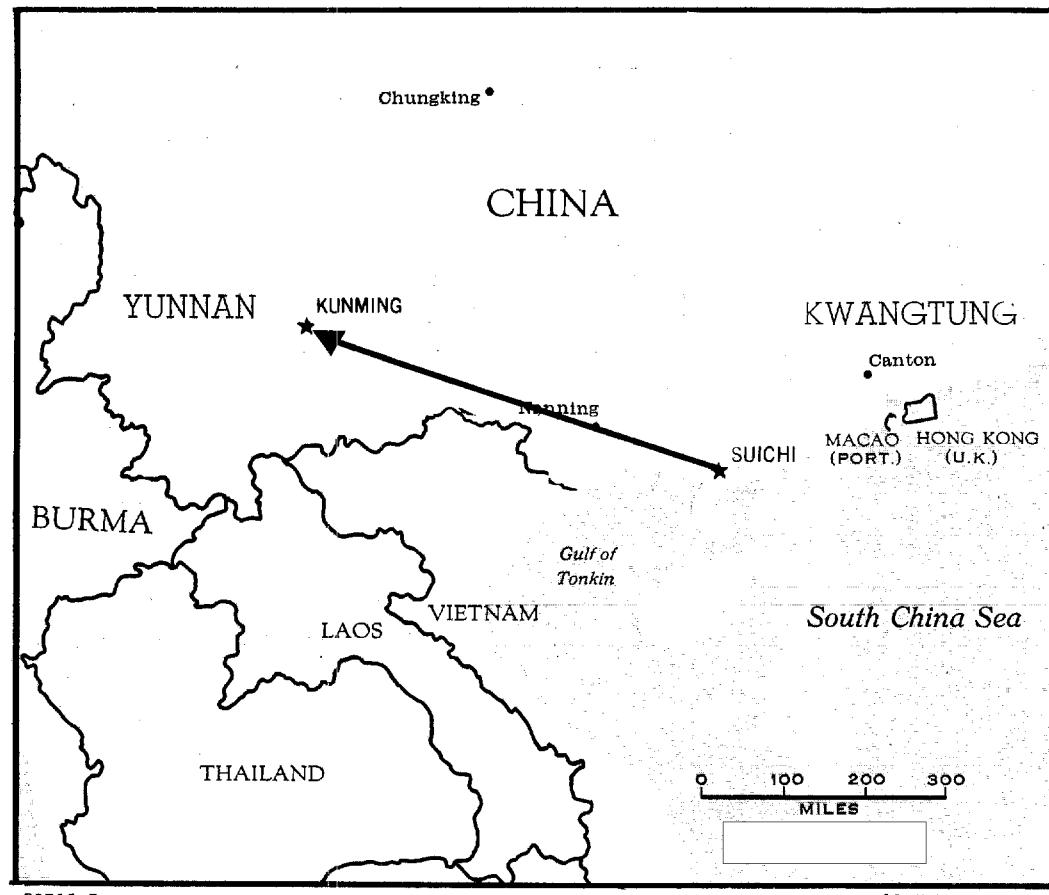
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19 July 60

DAILY BRIEF

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Communist China Moves Unit to Southwest China

The deployment of possibly a regiment of Chinese Communist jet fighters to Kunming from Suichi between 13 and 17 July probably reflects the expansion of the Chinese Communist air defense system into Southwest China. The aircraft involved are believed subordinate to the 26th Air Division, which has been based at Suichi for a number of years. Transport activity believed associated with this movement suggests that the deployment is permanent.

[redacted] some air authority of higher than divisional echelon had been established in Southwest China. A month earlier, [redacted]

[redacted] an air defense district--the seventh--had been set up in Southwest China, with headquarters probably at Kunming, which is also the headquarters of the Kunming Military Region. Previous information had indicated that the airfield at Kunming was being improved.

A regiment of jet fighters based at Kunming will provide an air defense intercept capability in an area where one has not been maintained previously. The establishment of an air command in this area also gives the Communists an improved offensive capability against Southeast Asia. [redacted]

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Situation in the Congo

Brussels' stated intention to ignore Premier Lumumba's ultimatum to withdraw Belgian troops from the Congo may lead to a formal Congolese request for Soviet intervention. The Belgians continue to airlift reinforcements to the Congo, and while Belgian troops have yielded to UN authority in certain areas of Leopoldville Province, they have shown no disposition either to leave the country or to withdraw to Belgian bases there.

Although Lumumba has threatened to request Soviet "intervention" on 19 July, there are indications that members of his government are emerging from their recent shock and are concerned over the present course of events. On 18 July, the Congo Senate adopted a resolution opposing Lumumba's ultimatum to the Belgians and rejecting any Soviet interference in the Congo. Opposition to Lumumba appears likely to increase as the present trend toward political fragmentation continues.

In Katanga Province, which has declared itself independent of the Congo, Premier Tshombé has formally requested recognition from the UN and from various Western states. [It is possible that his anti-Lumumba regime will be recognized by Portugal and supported by the Federation of Rhodesia and Nyasaland.] Belgium is reluctant to accord precipitate recognition to Katanga lest it be accused of establishing a puppet state in its erstwhile colony. Should any other country recognize Katanga, however, Brussels would probably follow suit.

There is no confirmation to date of Tshombé's claims that the Congo's Kivu and Kasai provinces will affiliate with Katanga. In these and in Leopoldville Province, however, further secessionist moves are possible.

[Meanwhile, UN representative Ralph Bunche in Leopoldville reports that he had great difficulty in convincing Lumumba that UN forces would not be turned over to him to use against the Belgians, and characterized Lumumba as "crazy."] UN officials in the Congo have recommended that UN troop strength, now approximately 5,000, should be brought to 10,000 as soon as possible, while UN headquarters in New York hopes to move a Swedish battalion to the Congo in order to allay the misgivings of Congo Europeans concerning the arrival so far of only African contingents of the UN force.

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New Japanese Government Faces Renewal of Leftist Disorders

Hayato Ikeda, elected Japanese prime minister on 18 July, faces an almost immediate crisis caused by disorderly leftist elements who are planning to use force to bar resumption of operations at a major mine in the depressed coal industry.

Top labor, Socialist, and Communist leaders are reported to be on the scene mobilizing a force of at least 30,000--including radicals from the Zengakuren student federation--to prevent the enforcement of a court injunction against picketing at the Miike mine of the Mitsui Coal Company on the island of Kyushu. The leftists probably have been encouraged by the success of recent demonstrations against the Kishi government, and,

[redacted] they may receive financial assistance from the USSR and the World Federation of Trade Unions for the Miike struggle.] Some 10,000 police are expected to attempt to enforce the injunction within the next few days, and a violent clash is considered likely.

The Miike mine has become a focal point in the struggle between management and labor over moves to reduce the labor force and raise efficiency and productivity in key Japanese industries. The outcome of the dispute at the mine is expected to have a sweeping effect on this problem in industry and strongly influence future developments in labor and the Socialist party. A split between moderates and pro-Communists in the union at the mine, which has been struck since last January, has led to at least four pitched battles and one death in recent months.

Ikeda favors forceful action, but his awareness of the Japanese public's disapproval of the use of strong police measures may induce him to move cautiously. The new labor minister, Hirohide Ishida, followed a firm but nonrepressive program when he occupied this post in 1957. It seems doubtful at this time, however, that anything less than an all-out government effort will overcome leftist resistance at the mine.

The ruling Liberal-Democratic party's almost solid backing for Ikeda in his election as prime minister, as well as the speed

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with which he has completed the formation of a cabinet, indicates that the governing party temporarily is emphasizing harmony in preparations for general elections expected this fall or early next year. The new cabinet line-up includes representatives of most major factions, but the relative absence of "top" names suggests that an enduring coalition of party factions will depend on the outcome of the elections. The new foreign minister, Zentaro Kosaka, and trade minister, Mitsujiro Ishii, are supporters of close ties with the United States.

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Bulk of Turkey's Senior Military Officers Face
Forced Retirement

[The provisional government of Turkey, in a move prompted by the National Unity Committee (NUC), plans to retire 2,000-3,000 generals and field-grade officers. Rumors of the proposed forced retirement program already are reported causing unrest in the officer corps.]

[Turkey's military personnel management practices, which for years have allowed an accumulation of deadwood in top ranks, have been badly in need of reform. Summary retirement of the large number proposed, however, could increase political ferment throughout Turkey and result in some damage to the military establishment. The procedure would undoubtedly result in the dismissal of some able officers, as the Turkish armed forces lack an effective personnel evaluation system. Ambassador Warren has noted that the proposed step could be no more than a move to complete the revolutionary process of the "colonels coup" and ensure that NUC members are left in effective control of the military forces.]

[The high level and unusual intensity of the Turkish approaches to American officials on the retirement plan indicate the importance Ankara attaches to it. General Gursel, chairman of the NUC and interim chief of state, accompanied by his top adviser, Colonel Turkes, and by Foreign Minister Sarper, made a strong appeal for American financial support. Gursel was highly critical of the military goals of the former regime and claimed that, if the present government spent the amount required to meet them, Turkey would become "an army without a country."]

[The ambassador cautions that future Turkish decisions on other phases of Turkish-American relations, including current and contemplated US requests for defense facilities, could be influenced by the American reaction to the current approach. He further noted that Turkish leaders are apparently determined to go ahead with the retirement program, and that, if the American response is negative, the chances of influencing future military personnel policies would probably be very slight.]

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Sihanouk Continues Criticism of American Military Aid

Chief of State Sihanouk, in speeches and newspaper articles, is continuing his propaganda campaign of invective against alleged shortcomings in American military aid to Cambodia. In a violent speech on 14 July in the northwestern provincial center of Siem Reap, Sihanouk reiterated his threat to accept proffered Communist bloc military aid if the United States does not meet what he claims to be Cambodia's defense needs.

Sihanouk's unilateral actions in this matter are causing some consternation among other top figures in the government. Major General Lon Nol, chief of the Cambodian armed forces,

[redacted] he was taken completely by surprise and is placed in a difficult position as a result of Sihanouk's attacks on the United States. Lon Nol reportedly stated that if Sihanouk had his way Cambodia would have bloc rockets and jets, "none of which we need or could maintain." According to Lon Nol, Sihanouk's decision to send three of his sons to Communist China for schooling was intended to show the West that he was not bluffing, but this move touched off a bitter quarrel between Sihanouk and his mother, Queen Kos-samak.]

The Cambodian Government thus far has not formalized Sihanouk's demands for more and better American arms, although it has indicated that preliminary talks would begin soon in Phnom Penh and that Lon Nol would be coming to Washington later for further negotiations. [Lon Nol, however, reportedly has stated that "much depends on the results of Deputy Premier Tioulong's trip to Czechoslovakia."] Tioulong arrived in Prague on 20 June and is believed to be negotiating some kind of arms deal with the Czechs. [redacted]

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Ceylon's National Elections Unlikely to Resolve Long-Standing Political Stalemate

Ceylon's national elections on 20 July are unlikely to resolve the political stalemate which resulted from the elections last March, since once again no single party seems capable of winning a majority. The two leading contenders are closely balanced, and no last-minute issue has developed which would set a distinct election trend. The relatively conservative United National party (UNP) seems to hold a slight lead, however, and should maintain the four-seat plurality it won over the moderate-socialist Sri Lanka Freedom party (SLFP) last March.

The UNP's efforts to exploit Singhalese-Buddhist nationalism and to expose the role of international as well as local Communism in Ceylon have kept the opposition on the defensive throughout the campaign. The much-publicized meeting in mid-June between two local Trotskyite leaders and the Soviet ambassador has recently become the UNP's chief weapon against the SLFP. Press speculation that the SLFP's electoral pact with the Trotskyite and orthodox Communist parties is merely the traditional first step in Marxist strategy for seizing power may have aroused latent suspicion of Communist intentions. While it is not clear whether enough voters are aware of this issue to affect election trends, some 200 people in Colombo demonstrated against the Soviet Embassy on 12 July, demanding the ambassador's return to Moscow.

However, support for the SLFP does not appear to have dropped substantially since March. Moreover, the party should benefit from its no-contest agreement with the two leftist parties. If the SLFP again ranks a close second, with leftist support it probably could command a larger parliamentary coalition than the UNP. SLFP President Mrs. Bandaranaike reportedly indicated recently that she would not object to having Trotskyite party leader N. M. Perera join an SLFP government. This reverses earlier denials that the party would cooperate with the Marxists after the elections. [redacted]

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Venezuelan Foreign Minister Evidences Pro-Castro Sentiments

Venezuelan Foreign Minister Arcaya, a stanch defender of Castro, is evidently trying to muster the support of Latin American and neutralist nations for the Cuban regime.

[redacted] Arcaya, in a conversation with the UAR and Bolivian ambassadors in Caracas on 12 July, referred to the recent pro-Castro statements of prominent Mexican congressmen and recommended that the "parliaments of neutral nations" take a similar stand. Arcaya and the Bolivian ambassador specifically mentioned Yugoslavia and India as countries which should be approached for such support. The UAR reportedly has sent a sympathetic telegram to the Castro government, possibly in response to Arcaya's proposal.

Arcaya informed the two ambassadors of his conversation earlier the same day with US Ambassador Sparks on the Cuban situation and added that in certain circumstances Venezuela would "not hesitate" to back Cuba against the United States in the Organization of American States or the UN General Assembly. He reportedly "did not hide his regret" over the postponement of the Havana underdeveloped nations' conference, a key "neutralist" scheme of the Cuban Government which has failed thus far to win Latin American cooperation.

[redacted] Arcaya's position on relations with Castro has differed from that of President Betancourt, who has long recognized the problem Castro presents in the hemisphere and has agreed to take a leading role in resolving it after Dominican dictator Trujillo is ousted.] However, Arcaya and the leftist party he represents in the coalition cabinet have close ties with the Cuban regime and may be advising it informally of US efforts to win Venezuelan support in the controversy with Cuba. [In discussion with Sparks, Arcaya is frequently vehement in defense of the Cuban regime and parries proposals for facing the Cuban situation with recommendations of delay and impractical plans for future action.]

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Executive Secretary, National Security Council

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The Secretary of the Treasury

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The Secretary of State

The Under Secretary of State

The Under Secretary of State for Political Affairs

The Deputy Under Secretary of State for Political Affairs

The Deputy Under Secretary of State for Administration

The Counselor

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