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15 May 1958

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# CENTRAL INTELLIGENCE BULLETIN



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15 MAY 1958

**I. THE COMMUNIST BLOC**

Latest Polish statement on bloc-Yugoslav dispute leaves Gomulka in equivocal position, still subject to Soviet pressure.

**II. ASIA-AFRICA**

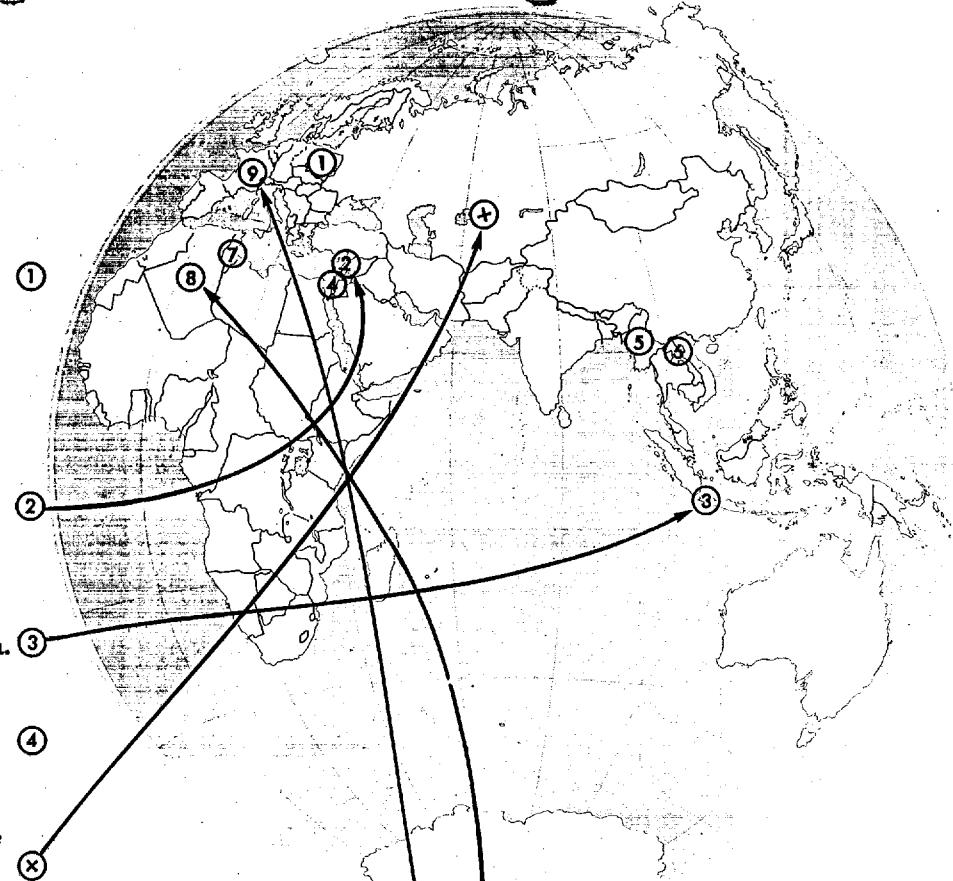
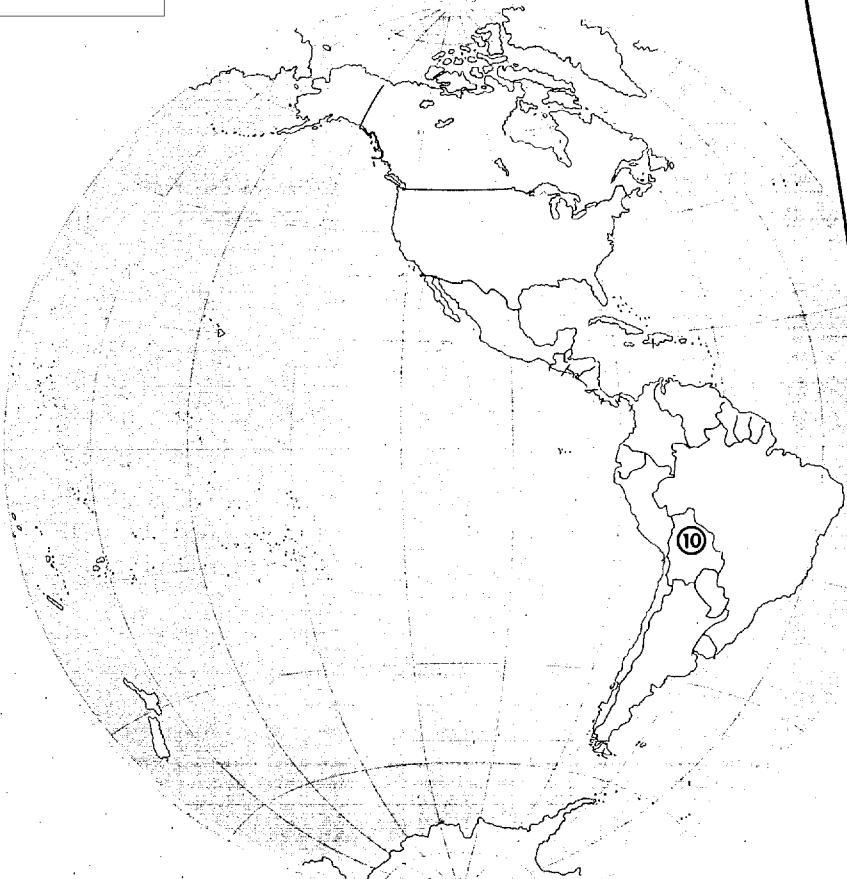
Lebanon - Fighting and sabotage continue. New attacks on government security forces likely if outcome of political maneuvering does not suit Chamoun's opponents.

Indonesia - Dissident commander states his aim is to make military gains in East Indonesia which will bring about negotiations with Djakarta.

Israeli Government concerned over revival of Arab terrorism on Gaza strip frontier.

**LATE ITEM**

Tyura Tam range activity indicates valid firing sequence with launch time of about 0300 EDT, 15 May.



- ⑤ Burmese Premier U Nu enlists support of Communist-dominated political party in factional power struggle.
- ⑥ Laotian Communists hope to keep present government in power as tactic to further non-Communist disunity.
- ⑦ Tunisian Government fears local French troops may try to join French forces in Algeria.
- ⑧ Algeria - General Massu remains defiant of civilian authority. The role of General Salan continues unclear.

**III. THE WEST**

- ⑨ France - Government under rightist pressure; Communists demonstrate against Pflimlin; chances of a call to De Gaulle increasing.
- ⑩ Bolivia - Rebel outbreak in Santa Cruz province increases President Siles' political troubles.

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## CENTRAL INTELLIGENCE BULLETIN

15 May 1958

## DAILY BRIEF

I. THE COMMUNIST BLOC

*yes*

Poland: Warsaw's latest response to Soviet pressure in the bloc dispute with Yugoslavia is a Trybuna Luda editorial condemning some aspects of Tito's party program but treating Yugoslavia as a "fraternal socialist state." Gomulka's position creates a dilemma for the Kremlin. Further Soviet pressure on Poland could threaten the principles of independence on which the continued tenure of Gomulka depends. [redacted] (Page 1)

IAC Current Intelligence Group for the Taiwan Strait

Problem: Report for the period 10 April - 14 May 1958.

[redacted] (Page 2) (Maps)

*no*II. ASIA-AFRICA

*no*

Lebanon: Sporadic street fighting and sabotage have continued. The army has apparently maintained control of most of Beirut, but has not tried to reassert authority in rural areas. Opposition groups continue to receive money and arms from UAR sources. Chamoun's opponents may well mount a new effort against the strained security forces if the results of recent political maneuvering do not satisfy them. [redacted]

*yes -  
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P. 2*

\*Indonesia: [redacted]

[redacted] the ultimate objective of the dissidents in North Celebes was to bring about negotiations with the central government, but that they must first build up their offensive in

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East Indonesia until they are in a position of greater strength. Kawilarang subsequently went to Menado to assume over-all command of the dissident armed forces. [redacted]

(Page 3)

Israel-Gaza: The Israeli Government is becoming concerned over a revival of Arab terrorism resembling fedayeen activity based in the Gaza strip. So far, this activity has been restricted to mining roads in Israel. [redacted] (Page 5)

*yes*  
Burma: Premier U Nu has gained the support of the Communist-dominated National Unity Front in the struggle between Burmese political factions. This will enhance U Nu's prospects for retaining control of the government, but may make him dependent on the front's support. [redacted]

(Page 6)

Laos: Communist strategy in Laos appears aimed at keeping the present premier and his cabinet, which includes two former Pathet Lao leaders, in power rather than demanding a larger cabinet representation for leftist parties. The Communists would thus hope to allay conservative fears and prevent the development of conservative unity. This plan may be succeeding since a number of conservative leaders and the French ambassador are already favoring it. [redacted]

(Page 7)

*ho*  
Tunisia: The Tunisian foreign secretary has informed the American chargé d'affaires that the government feared French troops might attempt to join forces with those in Algeria, in which case Tunisia would resist the move and hope for American support. [redacted]

*yes*  
Algeria: General Massu and his "committee of public safety" are apparently in control of the city of Algiers and have succeeded in inspiring the formation of similar committees in several other important Algerian cities such as Oran and Constantine. The role of General Salan, which remains

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a major factor in determining the effectiveness of any government move, is still unclear. All action is still being taken in the name of preserving Algeria for France, and the movement's ultimate objective still seems to be to influence political developments in Paris. [redacted] (Page 8)

### III. THE WEST

*No*

\*France: (As of 2400 hours) The Pflimlin government, which has been strengthened by the decision of the Socialists to participate, appears to be tightening police control on all political activity. Whether these measures will be effective is still questionable, and there are doubts whether the government will be able to survive in the face of continuing pressure from extremists on the right and defiance by the Communists. A new crisis would advance the prospect of President Coty's calling on De Gaulle to head off a complete disruption of authority in Paris. [redacted]

(Page 9)

*No*

\*Bolivia: The rebel outbreak on 14 May in the Santa Cruz province in eastern Bolivia and the government's subsequent declaration of modified martial law throughout the country will increase the political difficulties of the Siles regime. The government party, which is preparing for a convention on 20 May and for congressional elections in late June, is badly divided. Former President Paz Estenssoro's return from abroad on 14 May is also likely to increase unrest since Paz is friendly with leftist labor leader Juan Lechin. Lechin, a leading critic of the US-backed economic stabilization program, has led the opposition to President Siles in recent months. [redacted]

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DAILY BRIEF

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## LATE ITEM

*No*

\*Soviet missile activity: (As of 0001 hours) After a protracted period of operational and administrative traffic on the Tyura Tam range network, the activity entered the X-8 hours countdown stage at about 2300Z (1900 EDT) 14 May. What appears to be a valid firing sequence reached the X-6 hours stage at about 0100Z, 15 May.

Barring unforeseen delays, launch time should be reached about 0700Z (0300 EDT), 15 May. Present evidence precludes a firm determination as to whether the activity involves an ICBM or a space vehicle. On balance, the evidence slightly favors a space vehicle, probably the third Sputnik.

15 May 58

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## I. THE COMMUNIST BLOC

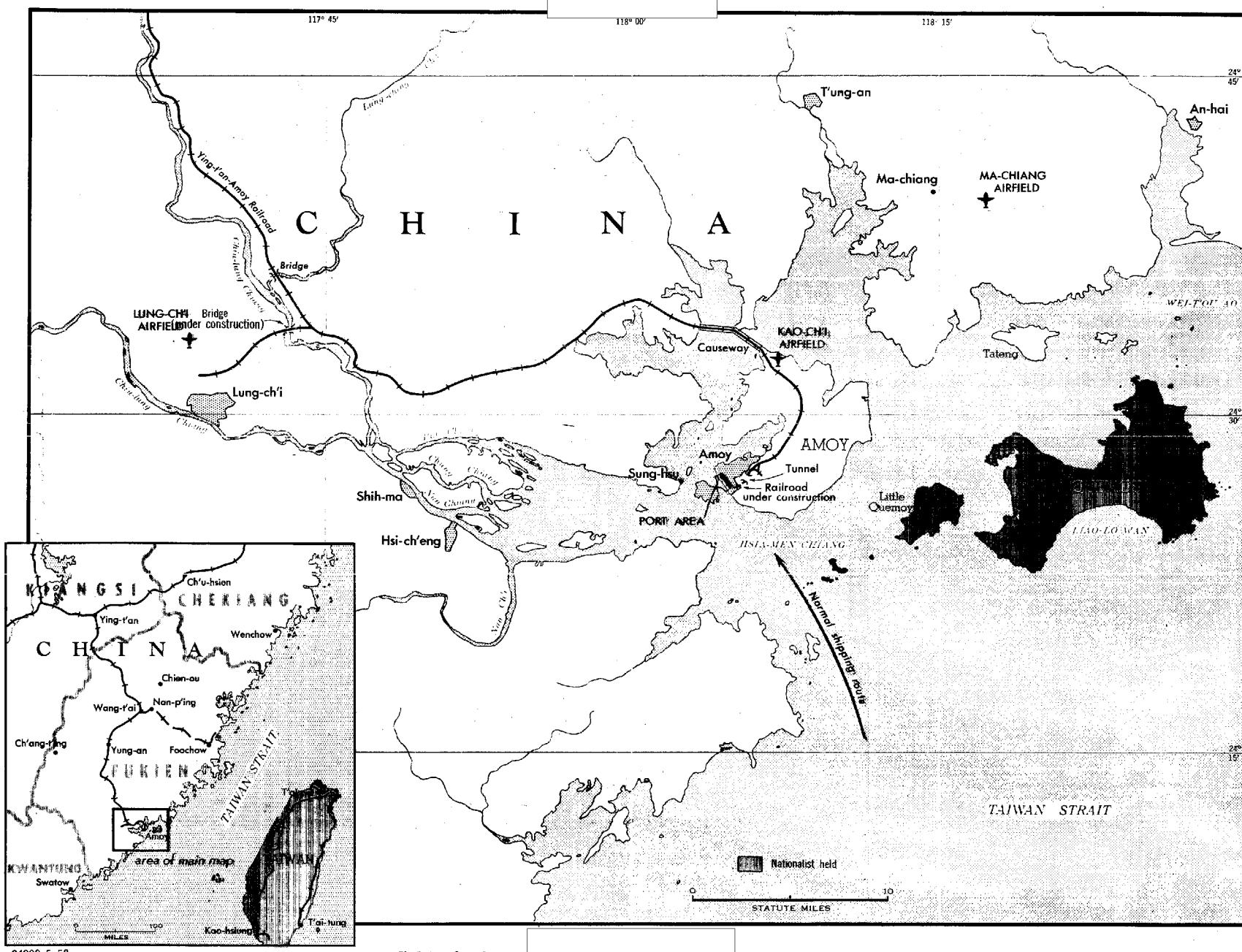
### Gomulka Enters Bloc Polemics on Yugoslavia

In response to continued bloc pressure to depart from his middle-of-the-road policy on Yugoslavia, Polish leader Gomulka on 14 May condemned certain aspects of Tito's party program, but in a significantly milder tone than used in other bloc criticisms. The Polish statement, published in the party daily Trybuna Ludu, implies that while there are ideological errors in the Yugoslav program, they do not constitute sufficient cause for reading Yugoslavia out of the socialist camp. The Poles express hope that an ideological and political reconciliation can be reached between the Yugoslavs and the other Communist parties, and state that there must be no return to "the errors and methods of 1948."

Omitting reference to denunciations issued by Moscow and Peiping, which were reprinted without comment by Trybuna Ludu on 10 May, the Poles take particular exception to Tito's analysis that contemporary capitalism is progressing toward socialism by evolutionary means. The Yugoslavs are also condemned for failing to take into account "the fundamental principle of international solidarity of all socialist forces," a criticism which may be directed as much against a continuation of strong polemics by both Moscow and Belgrade as against the program itself.

In taking the Yugoslavs to task for causing ideological confusion in Communist ranks, Gomulka reveals his fear that any split in the socialist camp could point up differences between his program and that of Moscow. The statement avoids comment on those aspects of the Yugoslav program which could have a bearing on Polish internal independence, such as the principles of sovereignty and noninterference in internal affairs which have been major planks in Gomulka's program.

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Report No. 116 of the IAC Current Intelligence Group for  
The Taiwan Strait Problem Covering the Period From 10  
April to 14 May 1958

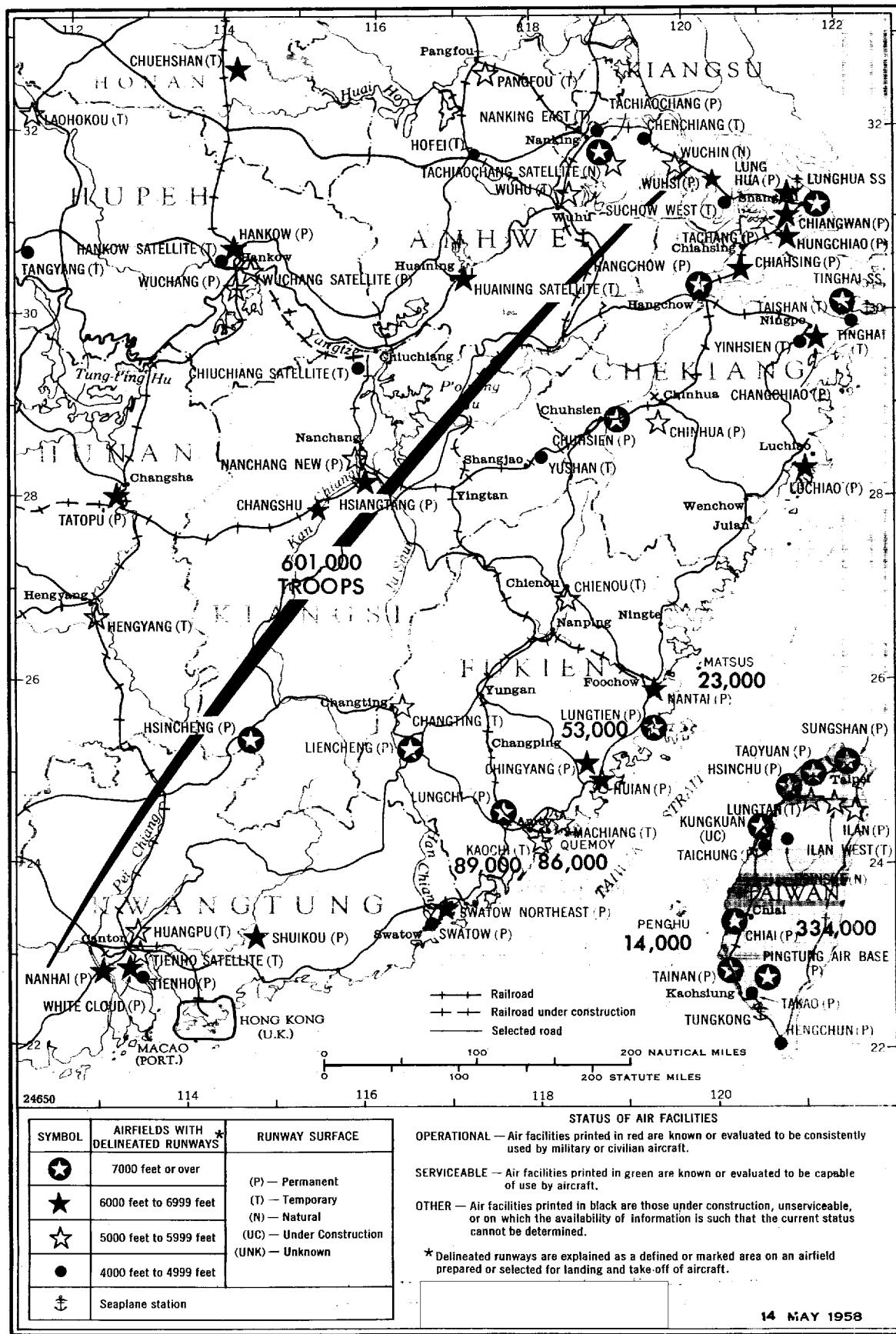
1. There were no significant combat operations in the area during the period. [redacted]

2. Chinese Communist naval exercises of an undetermined nature, involving various types of ships including landing craft, commenced on 12 April and continued at a very high level as of 12 May. Abnormal naval communications activity also continued in the East China area. The general exercise area is in the Hangchow Bay/Choushan Islands region, with increased patrol activity noted at Wenchow and San Tu Tao. Since 8 May the activity has been extremely high, with as many as 48 units active between Shanghai and San Tu Tao on 9 May. The significance of this activity remains undetermined. In the absence of other possible indicators of hostilities, an assessment of hostile intent at this time is not warranted. However, the Chinese Communist capability for hostile action with little or no warning is greatly enhanced by the immediate availability of such a large number of naval units. [redacted]

3. [redacted] work is under way on a short extension of the Yingtan-Amoy railroad leading to the dock area of Amoy. The exact amount of work remaining to be done is not known, but completion within a month or so is feasible. The Chinese Communists may then try to make fuller use of Amoy, the best harbor on the China coast between Shanghai and Hong Kong. If there is an increase in the number of ships calling at Amoy, the Chinese Nationalists might take more active steps to effect their port closure, steps which could lead the Chinese Communists to take retaliatory action against the Quemoys. [redacted]  
[redacted]

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## TAIWAN STRAIT SITUATION

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## II. ASIA-AFRICA

### Situation in Indonesia

Prior to his recent departure for Menado, Col. Alex Kawilarang is [redacted] to have stated in Manila that the dissidents' ultimate objective was to force the central government into meaningful negotiations. In the meantime, the dissidents would have to continue their offensive in East Indonesia so as to strengthen their bargaining position. Kawilarang, who is the commander in chief of the dissident armed forces, estimated that it would take from three months to a year to bring about negotiations. He admitted having been contacted while in Manila by an emissary of Army Chief of Staff Nasution but stated that the central government representative brought no "positive offer" from Nasution.

[redacted]

[redacted]

[redacted]

[redacted] ships "involved in operations" which were proceeding to Ambon is a further indication that Ambon will be used as a staging area for government operations against Morotai, Halmahera, and the east coast of North Celebes. Ambon is vulnerable to dissident air attacks, as is Balikpapan on Borneo, which is another staging area for operations in East Indonesia.

[redacted]

Military authorities in Djakarta apparently have banned a Communist-sponsored mass rally to protest "foreign intervention" which had been scheduled for 16 May.

An undisclosed number of 2,000- to 4,000-ton Soviet tankers are en route to Indonesia to carry petroleum products from South Sumatra to East Indonesian ports.

[redacted]

[redacted] these tankers have been provided outside the framework of the \$100,000,000 credit the USSR has extended to Indonesia.

In answer to a request for arms in late April,

[redacted]

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[redacted] Japan could not officially approve such shipments without consulting the United States,

[redacted] the United States controls sales of American-type arms but [redacted] would not oppose "disguised" shipments of arms. Japan has officially supported the central government in Djakarta since the revolution began.

[redacted]

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### Israeli Concern Over Increased Fedayeen-Type Terrorist Activity on Egyptian Frontier

The Israeli Government suspects that a "recrudescence" of fedayeen-type terrorist activity, principally road mining, along Israel's Sinai and Gaza strip frontiers is Cairo-directed rather than mere local harassment by Gaza's Arab refugees.

[redacted] citing a mine explosion on 7 May and evidences of other mining preparations, [redacted] these incidents have been too numerous and their implications for Israel too serious to be overlooked. Israel Defense Force Chief of Staff Laskov is expected to discuss the situation with General Burns, commander of the UN Emergency Forces deployed on the Arab side of the border. The Israelis have expressed little confidence in UNEF's effectiveness, and Laskov probably will seek more freedom of action for Israeli security operations, which are handicapped by the presence of UNEF. The Israelis consider themselves particularly vulnerable to terrorist harassment.

[redacted] increased fed-  
ayeen training in Gaza, and in March fedayeen there were es-  
timated to number 400. In addition, Egyptian regular forces  
in the eastern Sinai area have been augmented during recent  
months and further increases are likely. The present Egyp-  
tian strength in this area is about 10,000, roughly one third the  
force Egypt had in the area before the 1956 Sinai campaign. [redacted]

[redacted] Egyptian in-  
telligence parties were authorized to enter Israel, probably  
to assess the Israeli reaction to increasing Egyptian military  
activity near Israel. [redacted]

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~~SECRET~~Burmese Political Crisis Deepens

Premier Nu has been promised the 46 to 49 parliamentary votes controlled by the Communist-dominated National Unity Front (NUF) in the dispute which has split Burma's governing party, the Anti-Fascist People's Freedom League. Nu claims to have made no concessions for this support, but, if he is forced to rely on the NUF votes, he may have to modify his opposition to direct negotiations with the Communist insurgents and to become more accommodating to other leftist demands. Already the Rangoon press has denounced Nu's acceptance as "expediency" and a windfall for the Burmese Communist party, and predicts it will result in the "birth of real Communist power in Burma."

The closeness of the coming parliamentary vote is illustrated by the fact that both the Nu and the Ba Swe - Kyaw Nyein factions are offering the Ministry of Finance to an ethnic minority leader in return for the six votes he can deliver. This leader, however, has announced he will cast his votes "for the winning side."

Both factions have disavowed any intention of resorting to violence, but such a development cannot be discounted in the light of Burma's turbulent history. In the present situation, the feuding leaders command personal followings in the armed forces, regular and irregular, as well as among the police, labor unions, and peasant organizations.

Army Commander in Chief Ne Win has ordered army leaders to remain aloof from the political struggle, and it is reported that a dusk-to-dawn curfew will be imposed in the Rangoon area from 26 May until the end of the special session of Parliament which begins on 5 June. Ne Win has warned that the inclusion of Communists in any forthcoming government would be a "matter of concern to the army."

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~~SECRET~~Sentiment for Coalition With Communists Growing in Laos

Sentiment for the retention of Premier Souvanna Phouma and most of his present cabinet, including two former Pathet Lao representatives, appears to be gaining strength in Laotian political circles. The Communists are abetting this trend to maintain the conservatives' false sense of security, thus facilitating Communist plans for an eventual political take-over. Conservative elements, meanwhile, are seizing on this formula as a face-saving device in the wake of their recent electoral defeat.

Crown Prince Savang has issued a call for national harmony, and has indicated that the monarchy would acquiesce in Souvanna's remaining as head of a coalition government. Other conservative leaders, in turn, are rationalizing the heavy vote for antiadministration candidates in the 4 May election as a protest against government corruption or as a popular mandate for national unity rather than a vote for Communism.

French Ambassador Gassouin, who also favors retention of Souvanna at the head of a government of technicians drawn from all political affiliations, has reiterated his conviction that the Neo Lao Hak Zat is not Communist but a reform party with high motives. His views are encouraging accommodation with the Communists by government officials who, in any event, are inclined to view them essentially as patriots.

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Situation in Algeria

Joint military-civilian committees of "public safety" modeled upon and supporting the one established in Algiers on 13 May under the leadership of French paratroop general Massu and local civilian extremists have apparently assumed power in numerous major and minor Algerian cities--including Oran, Constantine, Bone and Philippeville. These developments have been accompanied by strikes, demonstrations, and new disorders which were most intense in Oran. Rioting mobs there stormed the government building and manhandled the top civilian official after the radio station had been seized, apparently by reservists in civilian dress. The newly established committees have all re-echoed the call for a De Gaulle government issued by Massu and his Algiers committee.

The position of General Salan, France's supreme commander in Algeria, remains unclear. He has been recognized as the ultimate authority in Algeria for the time being by both Premier Pflimlin and General Massu--who yesterday described Salan as an "emanation of the government." Salan himself, who earlier announced he had assumed power "in agreement" with the Algiers committee, has so far studiously avoided a firm public commitment of loyalty to Paris.

Both Salan and the Algiers committee under Massu continue to occupy the paratroop-guarded central government building in Algiers ransacked by European rioters on 13 May. The committee insists, however, that it has no intention of forming an independent government, but intends to hand over authority as soon as Paris installs a government "capable of preserving Algeria as an integral part of France." Late yesterday there were some indications that Massu might now be willing to settle for something considerably short of the terms he first laid down. Events in Algeria, however, indicated that the civilian extremists, now thoroughly aroused, may foment new disorders in an effort to bring down even the Pflimlin government, even if it is further modified.

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~~SECRET~~**III. THE WEST****The French Political Situation (As of 2400 hours)**

Premier Pflimlin is attempting to stabilize the situation in France by tightening police controls, arresting rightist extremists, and banning political demonstrations.

The Socialists have agreed to participate in his government, which may lead to the return of Robert Lacoste to Algiers as minister for Algeria. This development might appease the army leaders in Algeria and restore their confidence in the Paris regime.

The other nonextremist French political parties and groups, such as the non-Communist labor organizations, now appear ready to back, at least for a limited time, "common action of all national parties against all seditious activities." Under these circumstances, the Communists may continue agitation similar to the 14 May street demonstrations in an effort to keep alive the idea of a popular front against what they call the new "fascist menace."

Pflimlin faces the prospect of continuing civil disorders and pressures from the military. [redacted]

[redacted] the Paris prefect is uncertain whether the entire police force will be reliable in the face of rightist pressures. Should continuing extremist agitation force Pflimlin to give up his attempt to maintain a government, President Coty will be under even heavier pressure to turn to De Gaulle. The general, however, has not yet given any sign of his intentions, although various spokesmen continue to make representations on his behalf. [redacted]

[redacted]

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