

~~TOP SECRET~~

3.3(h)(2)

Ed 3.5(c)

28 May 1958

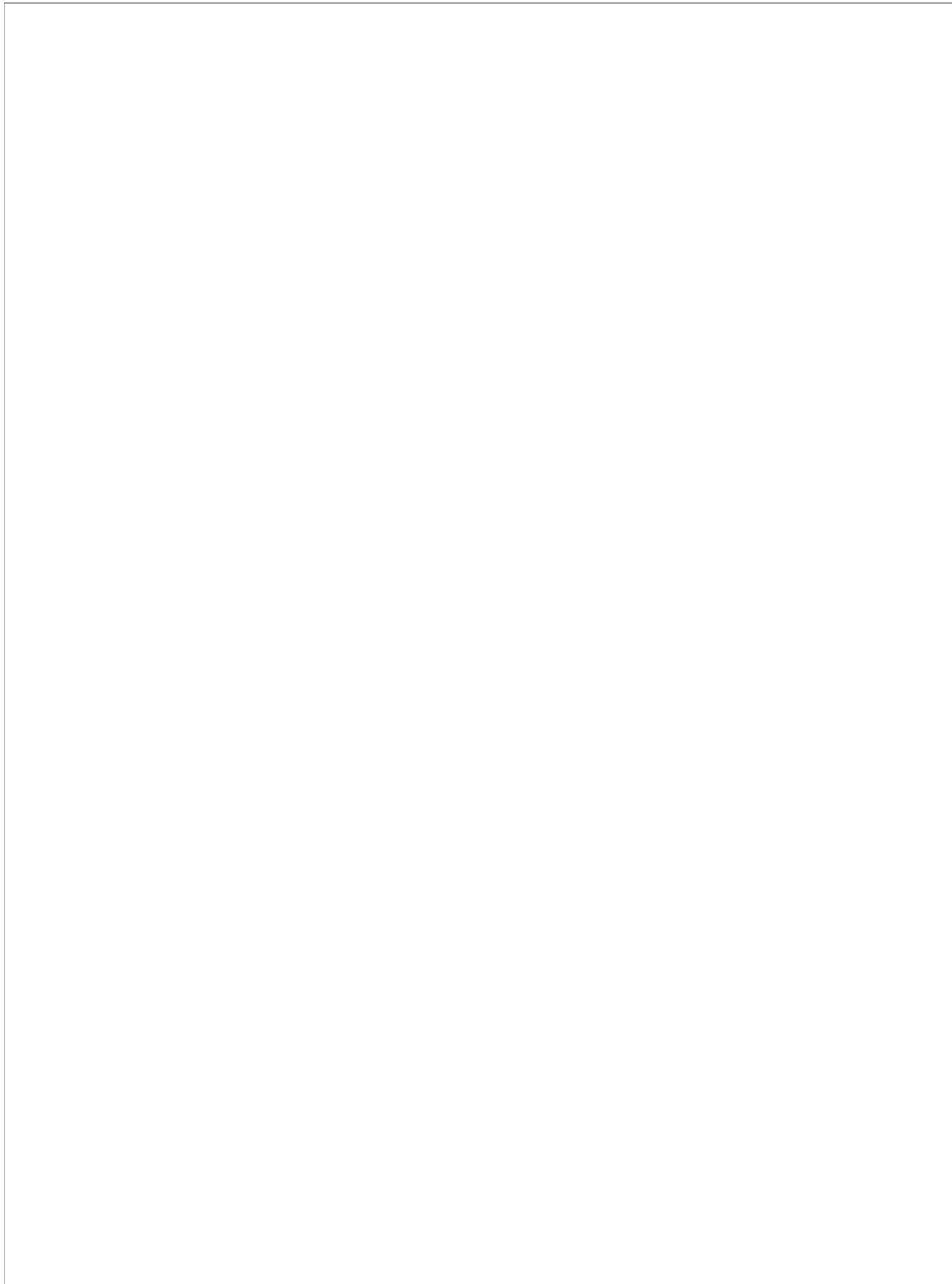
Copy No. 140

CENTRAL INTELLIGENCE BULLETIN



DOCUMENT NO. 24X
NO CHANGE IN CLASS.
11 DECLASSIFIED
CLASS. CHANGED TO: TS S C
NEXT REVIEW DATE: 2010
AUTH: HR 70-2
DATE: 3/20/08 REVIEWER: [REDACTED]

~~TOP SECRET~~



~~TOP SECRET~~

28 MAY 1958

I. THE COMMUNIST BLOC

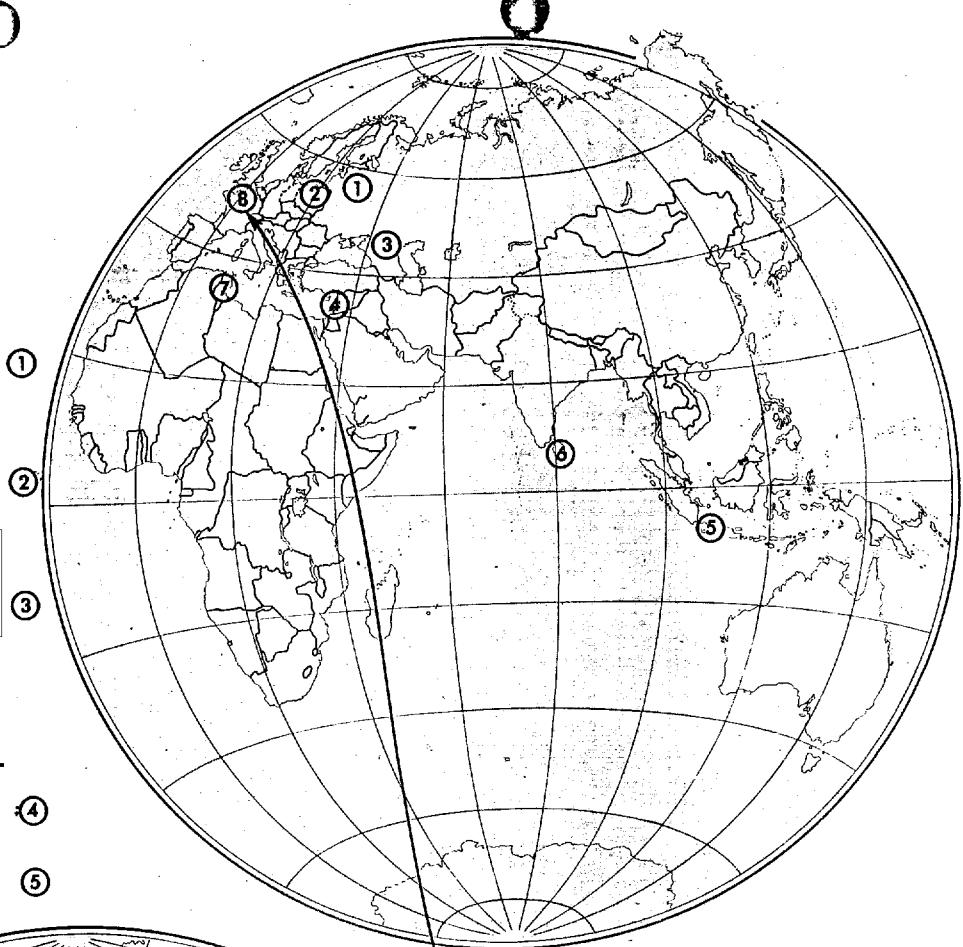
USSR taking cautious line on De Gaulle, hoping his accession might serve some Soviet interests or lead eventually to a popular-front government.

Nonaggression pact offered NATO by Warsaw Pact members in further reminder of Soviet summit agenda proposal.

**II. ASIA-AFRICA**

Lebanon - Chamoun's opponents likely to settle for nothing short of his resignation. Government forces continue reluctant to take strong action.

Indonesian Communist party at peak of strength.



⑥ Ceylon - Government's declaration of emergency should bring communal strife under control for the time being.

⑦ Tunisia counters French offer to re-group forces with demand for total evacuation except from Bizerte.

III. THE WEST

⑧ France - Advance paratroop elements probably have prepared drop zones in France in anticipation of air-borne invasion by French troops from Algiers. Leftist demonstrations scheduled for today may bring violence.

~~TOP SECRET~~

CENTRAL INTELLIGENCE BULLETIN

28 May 1958

DAILY BRIEF

I. THE COMMUNIST BLOC

SIKAB
yes

*USSR-France: The Soviet Union has been taking a cautious attitude toward De Gaulle against the possibility that he may assume power. Moscow appears anxious to avoid actions which might prejudice its chances of taking advantage of those nationalistic De Gaulle policies which Moscow believes would serve Soviet interests. The Soviet leaders probably hope De Gaulle's assumption of power would facilitate French Communist efforts to establish unity of action with the Socialists and eventually lead to a popular-front government. [Page 1)

no

Soviet summit tactics: The draft nonaggression treaty offered by the Warsaw Pact nations to the NATO powers is intended to give added impact to a proposal which the USSR has been consistently proposing for consideration at the summit. The text is basically similar to a pact proposed by the USSR at the Geneva summit conference in July 1955. The proposed signatories on behalf of the Warsaw Pact are the same countries that the bloc has urged be included at a summit meeting: the USSR, Poland, Czechoslovakia, and Rumania. []

*no*Soviet military activity: []

i

~~TOP SECRET~~ []

II. ASIA-AFRICA

No

Lebanon: Prime Minister Sulh's public assertion on 27 May that the government would not seek to change the constitution to permit President Chamoun to run for a second term is unlikely to promote a settlement of the political crisis. Sulh's statement falls short of demands of the extreme opposition, who seek Chamoun's immediate resignation, and it may not satisfy even the moderate opposition. Meanwhile, the antigovernment forces continue to receive direct assistance from the UAR, while Lebanese military authorities continue reluctant to take strong action against the opposition. [redacted]

(Page 4)

yes

Indonesia: The Indonesian Communist party, with an estimated membership of as many as 750,000 and the support of one fifth of the electorate, has attained more influence than ever before. Any effective anti-Communist action in the foreseeable future would depend on army action and on President Sukarno's support of such an undertaking. The party's current strategy, however, appears to be to avoid giving any provocation which might precipitate army action, and to work toward improving its electoral following for the 1959 general elections. [redacted] Page 6

yes

Ceylon: As a result of widespread disorders, the Bandaranaike government declared a state of emergency on 27 May, accompanied by a ban on Singhalese and Tamil extremist groups responsible for the disturbances. The government's action probably will be supported by most of the public and should bring the communal conflict under control for the time being. Coming at a time when prolonged strikes are severely straining the economy, however, this development will lead to stronger political pressures against the government. [redacted]

(Page 8)

~~TOP SECRET~~ [redacted]

No

Tunisia: The Bourguiba government has rejected an offer of the French Government to remove immediately from Tunisia some 2,000 troops, located largely in the south, and has demanded instead a timetable for the evacuation of all French forces outside Bizerte, numbering some 9,000. Tunisia has also offered to begin negotiations on the status of the Bizerte base, but only if a timetable for withdrawal is agreed on.

(Page 9)

III. THE WEST

No

* France: Pflimlin's offer to resign in spite of the vote of confidence given him by the National Assembly further weakens the forces opposed to the return of De Gaulle to power. President Coty may turn to De Gaulle in an effort to avoid widespread disorders and a possible move against Paris by the Algerian junta. Drop zones are reported to have been prepared in France by advance paratroop elements and an invasion by air-borne troops may take place on 28 or 29 May, depending on the weather. Reports of new public restlessness over the crisis may increase the prospect of violence during leftist demonstrations scheduled for today.

(Page 10)

28 May 58

DAILY BRIEF

iii

~~TOP SECRET~~

I. THE COMMUNIST BLOC

USSR Taking Cautious Attitude Toward De Gaulle

The USSR has been taking a cautious public line toward General de Gaulle in order to gain the best possible relations with him and to take advantage of those of his policies that Moscow feels would serve its interests. Ambassador Thompson believes that Moscow is uncertain whether De Gaulle would seek to establish a dictatorship and suppress the Communists and consequently is playing the situation by ear. While Moscow presumably hopes that the situation will eventually lead to a popular-front government, its immediate concern is merely to encourage Communist-Socialist cooperation.

There have been signs that the USSR expects that De Gaulle would damage NATO unity and seek closer relations with Moscow, but it probably is also concerned about the possibility that De Gaulle might be able to adjust the Algerian situation in such a way as to undercut the National Liberation Front and thereby reduce the chances for Communist influence in North Africa.

Soviet propaganda, while critical of De Gaulle, has centered its fire on the military leaders in Algeria and other right-wing groups, and specific criticisms of De Gaulle have been attributed to the French Communists or have been made only by Soviet correspondents in Paris. The French Communist propaganda attack on De Gaulle has intensified, however, and now includes the claim that the USSR opposes him.

~~CONFIDENTIAL~~



~~TOP SECRET~~

Soviet Military Activity in Black Sea Area

Air-borne Forces Transports from Yedrovo, Kirovograd, and Krivoy Rog, located in the northwestern and southern European USSR, were noted flying into Nikolayev in possibly logistic operations. By 25 May as many as 20 Yedrovo-based transports were at Nikolayev.

~~TOP SECRET~~

II. ASIA-AFRICA

Lebanese Situation

Prime Minister Sami Sulh in a broadcast to the Lebanese people on 27 May declared that his cabinet "will not present any bill to Parliament for an amendment of the constitution. The statement, planned for delivery to Parliament but broadcast because of the lack of a quorum, has already been rejected by extremist opposition leader Saib Salam, who still demands Chamoun's resignation. It is even doubtful that it will be acceptable to leaders of the "Third Force," which has been attempting to bring about a compromise solution to the political impasse. Sulh's statement, which included a long indictment of UAR subversive activities and intervention in Lebanon during the past two years, noted that when such Egyptian interference began, a second term for Chamoun was not an issue. Thus, he declared, opposition efforts to blame Lebanon's present troubles on Chamoun's second-term aspirations are without foundation.

The security situation appears little changed.

Some security forces operating in the north are isolated by the destruction of numerous bridges and are being supplied by airdrops. Anti-government forces continue to receive arms and ammunition as well as personnel reinforcements from the UAR.

30 busloads of armed men were sent over from Syria on 26 May via the Damascus-Beirut highway.

Lebanese military authorities, especially General Shihab, appear reluctant to take strong action against either opposition leaders or insurgents fighting the security forces. The much-heralded "Balabakk campaign" against the rebels has amounted to little more than occupation of the streets, with rebels holding the remainder of the town.

~~SECRET~~

~~SECRET~~

The explosion of a bomb in a loaded streetcar on 26 May and Saib Salam's outright rejection of Sulh's statement may work to the disadvantage of the extremists and incline the moderate opposition more toward the Chamoun camp. Shihab might as a result take more effective action against terrorists and insurgents in the countryside. Cairo radio states, however, that Salam has "warned" that "the people's forces in Lebanon" will "appeal to the Arab states" for volunteers if the Lebanese Government utilizes citizen auxiliary security forces.

The long-term effects of the current disorders are becoming obvious to the entire Lebanese public. Commerce is at a complete standstill, considerable amounts of capital have taken flight, and Lebanon's previous position as the "Switzerland" of the Middle East has been seriously impaired. It is doubtful that Lebanon will regain its status as a haven for foreign investment. The economic loss during the past three weeks equals the value of the country's important apple crop--\$7,000,000.

12 13 14

~~SECRET~~

The Indonesian Communist Party

The Indonesian Communist party (PKI) is the largest political party in Java and the second largest in the country. Of Indonesia's numerous parties, the PKI is the best disciplined and hardest working, and its leadership is able and dedicated. It is in a position to influence government policy through four cabinet members who are at least fellow travelers, and through 18 Communists and sympathizers among the 45 members of the National Council established as part of President Sukarno's "guided democracy" concept. The Communists also wield great economic power through SOBSI, Indonesia's largest labor federation, whose claimed membership is 2,000,000 and whose affiliates control vital oil, plantation, and transportation workers' unions. These unions form the nucleus of PKI strength outside Java. The PKI has been steadily developing grass-roots support through a variety of front organizations.

The Communists have exploited the central government's preoccupation with the dissidents in the past three months to increase their influence in the management of Dutch firms seized during the anti-Dutch campaign late last year. Their position has also been strengthened by the strong support they have given to Sukarno's "guided democracy" concept and, more recently, to the central government's campaign to suppress the dissidents. In addition, the Communists stand to benefit from the propaganda and material support the bloc has been extending to Indonesia.

In view of the ineffectiveness of Indonesia's non-Communist political parties, any effective anti-Communist action in the foreseeable future would have to be taken by the army, and its success would depend on Sukarno's support. Army spokesmen have indicated that in the absence of provocation, there would be no outright suppression of the Communists; however, the army has recently taken a few steps to curb Communist activity and Chief of Staff Nasution has claimed he will "take care" of the Communists after the dissidents are eliminated, provided he is given American arms. Sukarno has also indicated a desire for closer relations with the US, but it remains to be seen whether he will

~~SECRET~~

be willing to sanction effective army action against the Communists, who have been his strongest supporters.

In the meantime, the PKI's strategy is to maintain its momentum, without resort to violence, in the hope of winning the national elections in 1959. The Communists' confidence in their ability to come to power through parliamentary means is underscored by Secretary General Aidit's recent statement in opposition to the dissolution of political parties, a cardinal point in Sukarno's program for revitalizing Indonesia. [redacted]

~~SECRET~~

State of Emergency Declared in Ceylon

The Ceylonese Government's proclamation of a state of emergency and the ban it imposed on 27 May on two extremist Tamil and Singhalese communal organizations in Ceylon probably will bring under control the riots initiated on 22 May.

The principal issue involved in the disorders is the demand of the Federal party--the main political organization representing the island's 2,000,000 Tamil-speaking minority--that Tamil be given equal status with the official Singhalese language and that Tamil-speaking people of Indian origin be given wider political and administrative rights.

The agitation apparently was initiated by a militant Singhalese group in an effort to exploit the annual convention of the Federal party held from 23 to 26 May. The riots and demonstrations which it sparked have resulted in about 20 deaths and the intervention of the armed forces. The extremist elements probably do not command the support of the Singhalese-speaking majority.

The Federal party's reported decision to postpone until sometime before 20 August a civil disobedience campaign which it had previously announced for 23 May suggests the Tamil leaders recognize their loss of some popular support. Furthermore, they have already been assured of parliamentary consideration of their demands despite the abrogation on 9 [redacted] April of an agreement reached last year which made some concessions to the Tamils. Any Tamil attempts to create trouble while serious strikes and labor violence in Colombo continue would only antagonize the government and lessen the possibility of securing favorable legislation.

In view of the government's firm action, especially against the Singhalese extremists, further widespread disturbances are unlikely, although minor demonstrations probably will continue. [redacted]

~~CONFIDENTIAL~~

~~SECRET~~

Tunisia Rejects French Offer of Partial
Military Withdrawal

Tunisian Defense Secretary Ladgham on 26 May rejected an offer of the French Government to remove "immediately" from Tunisia about 2,000 troops, located largely in the southern part of the country, according to French Chargé Benard. Ladgham demanded instead a timetable for the evacuation of all 9,000 French forces outside the French base at Bizerte, where some 13,000 French forces are stationed. Tunisia also offered to begin negotiations on the status of the Bizerte base when a timetable has been agreed to. This offer, in the opinion of American Ambassador Jones, is a favorable new development in the French-Tunisian crisis.

President Bourguiba, when announcing on 26 May his decision to return to the Security Council, added that he had rejected a French offer to withdraw some French troops in two months.

[redacted] there had been close coordination between the French Air Force in Tunisia and in Algeria for the 25 May French air strike at Remada, that the French commander in Tunisia had authorized the air attacks in the Remada area, and that the Remada commandant had advised his superior in advance when he would begin to use heavy mortars against Tunisian positions.

The defense secretary also has suggested to both the British and the American embassies in Tunis that, even though their governments would not overtly supply arms to Tunisia, the United States and Britain secretly supply Tunisia with much-needed ammunition. President Bourguiba, meanwhile, is reported to believe that the United States is overly concerned by the dangers of provoking the regime in Algiers and is not giving him the public backing which he feels he needs and deserves.

~~SECRET~~

SIS

SIS

HANDLE VIA COMINT CHANNELS ONLY
28 May 58 CENTRAL INTELLIGENCE BULLETIN Page 9

III. THE WEST

French Crisis

Premier Pflimlin's proffered resignation despite a 408 to 165 confidence vote in the National Assembly strengthens the possibility that a call to General de Gaulle to form a new government may be imminent. President Coty will probably be reluctant to leave the country without a government for even a short time for fear of a coup d'etat.

[redacted] an army coup d'etat has been set for 28 or 29 May, depending on weather conditions and political developments in Paris. Advanced paratroop elements allegedly have already been dropped to set up communications and prepare drop zones. The military do not anticipate large-scale disorders and believe that pro-Gaullist police and security forces together with the army will be sufficient to put down any demonstrations that might occur. Plans reportedly call for rounding up key left-of-center political figures such as Mendes-France, Mitterrand, and Moch and placing a majority of the deputies under house arrest. The army allegedly aims only at putting De Gaulle in office, having him set up a new government with ministers of his own choice, and then leaving the police in control.

Prior to Pflimlin's resignation, massive anti-Gaullist demonstrations in Paris were called for 28 May. The sponsorship of the demonstrations includes non-Communist political organizations and the Catholic and Socialist labor organizations, and is much broader than that for the abortive Communist general strike on 27 May. Growing public restlessness in the face of the prolonged crisis increases the possibility of violence which may in turn stimulate army intervention.

[redacted]

~~SECRET~~