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15 November 1956

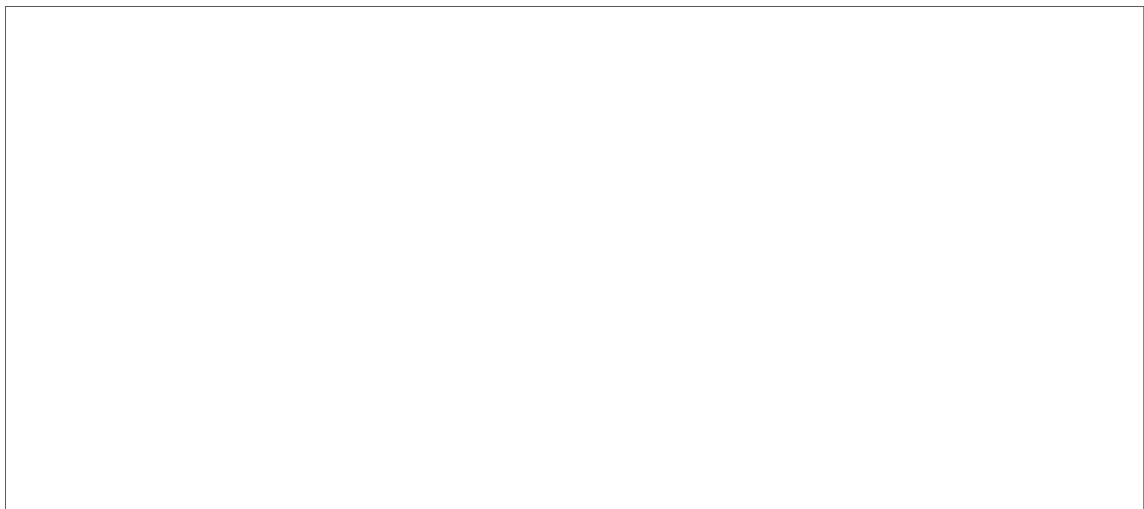
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CURRENT INTELLIGENCE BULLETIN

**OFFICE OF CURRENT INTELLIGENCE
CENTRAL INTELLIGENCE AGENCY**

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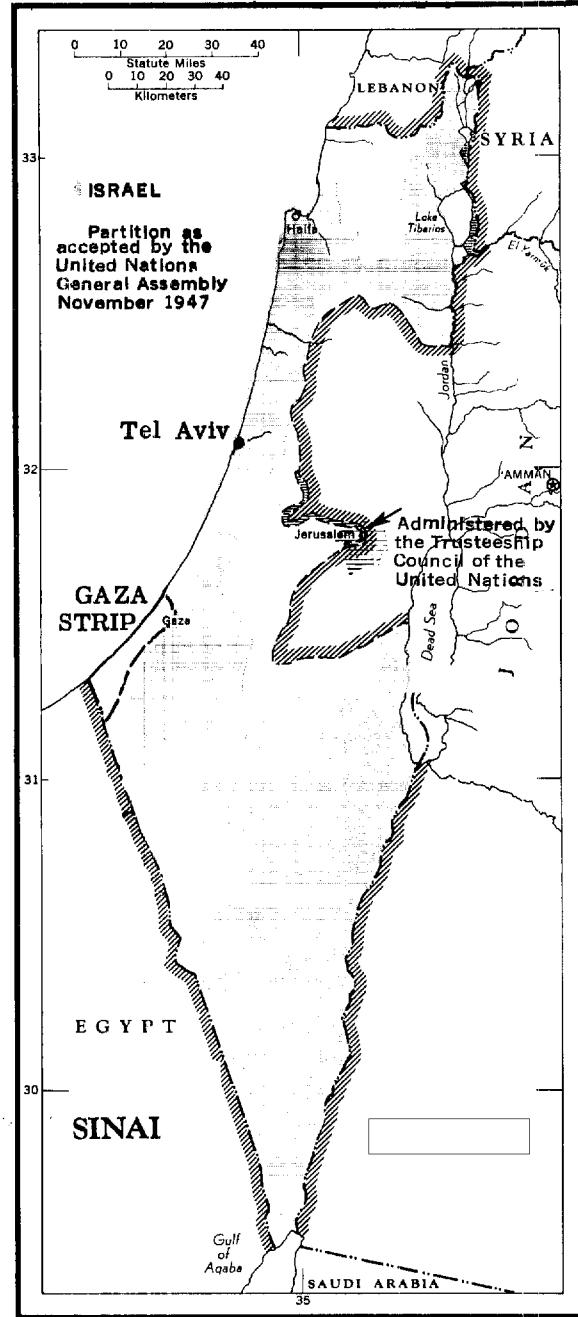
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**1. NEW SOVIET MOVES IN MIDDLE EAST AIMED
PARTICULARLY AT ISRAEL**

Bulganin will send additional letters to Eden, Mollet and Ben-Gurion demanding withdrawal of foreign troops from Egypt, payment of reparations, stationing of an international force between Egypt and Israel, and establishment of boundaries between Israel and the Arab states on the basis of the 1947 partition resolutions.



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[redacted] the minimum the USSR would demand for a settlement would be the original partition resolutions, modified to remove the "injustices to the Arabs."

These Soviet tactics strongly suggest that Israel is to be the main target of forthcoming Soviet actions in the area. Such tactics, in addition to encouraging the Arabs, would keep the conflict alive and obstruct a quick UN settlement. A Moscow radio broadcast of 13 November warned that "what happened to Hitlerite Germany may happen to Israel."

[redacted] if Israel did not withdraw its forces from the Gaza strip, the USSR would consider what measures it would have to take to ensure the withdrawal of Israeli forces from the area.

[redacted] Soviet support for the Arabs against the "imperialist powers" and Israel is not temporary or restricted to one problem, but is general and permanent.

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2. SYRIAN INTELLIGENCE CHIEF THREATENS TO SABOTAGE AMERICAN-OWNED PIPELINE

[Redacted]

Lt. Colonel Sarraj, chief of Syrian military intelligence, has informed the American-owned Tapline company that its pipeline from Saudi Arabia to the Mediterranean will be blown up unless the company agrees to furnish Syria's "entire requirements of fuel oil." According to the Tapline official who is the source of this information, Sarraj gave the company 48 hours to reach a decision. [Redacted]

Comment

Even before the present phase of the Near East crisis, Sarraj boasted he personally controlled the fate of the pipelines running through Syria, and the sabotage of the pumping stations on the lines from Iraq to the Mediterranean is attributed to Syrian army personnel under his orders. Tapline has no pumping stations outside Saudi Arabia, but the Syrian army has long had mines laid over Tapline's underground pipelines, allegedly as preparation for defense against an Israeli attack.

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3. HIGH POLISH OFFICIAL SPELLS OUT WARSAW'S DESIRE FOR US AID

[Redacted]

Polish under secretary of state Josef Winiewicz officially informed Ambassador Jacobs on 13 November that Poland desires economic assistance from the

United States. Winiewicz said that Poland needed short-term credits--two to five years--for the purchase of grains, fats and oils, cotton, fertilizer, and coal mining machinery. He mentioned that the USSR could supply Poland with wheat and could make available hard currency to buy machinery, but implied that the terms in both cases would be onerous.

Winiewicz stressed, however, that Poland could not accept aid involving political conditions or providing for controls to be exercised over the end use by Americans in Poland. He was apprehensive that US laws and regulations would require American "controllers" in Poland. Winiewicz cautioned that because of the present world situation and Poland's "peculiar" relations with the USSR, it was difficult to carry on Polish foreign relations and handle matters of economic assistance from the West.

Ambassador Jacobs comments that Winiewicz appeared to display more willingness to accept American aid than on earlier occasions and did not mention his earlier condition that all of Poland's outstanding problems with the United States should be discussed at the same time. The ambassador thought that Winiewicz' reference to the possibility of Soviet aid was not mentioned as a threat but rather to indicate a decided preference for United States aid.

Comment

Poland is already over \$600,000,000 in debt to the USSR. While the Soviet Union reportedly has offered to make available--on unspecified terms--one million tons of wheat, the new Polish leaders want to reduce Warsaw's economic dependence on Moscow.

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4. LITHUANIANS REPORTEDLY DEMONSTRATE AGAINST SOVIET AUTHORITY

A report received from a usually reliable source of the American embassy in Moscow states that anti-Russian demonstrations involving up to 30,000 people occurred in the Lithuanian city of Kaunas last week. The demonstrators carried placards saying, "Russians go home, we want better living conditions and open frontiers." There were apparently some clashes with the police, but it is not known whether any casualties resulted.

Comment

In the latter part of October, university students allegedly engaged in anti-Russian demonstrations in Vilnyus, the capital of Lithuania. There have been unconfirmed reports of similar demonstrations recently in the Uzbek Republic.

Moscow might tolerate some unorthodox activity and expressions of opinion by Soviet citizens, but will certainly strongly repress demonstrations against Soviet authority. Continuation of such disturbances will strengthen the arguments of the Stalinists in top party circles for a stiffening of internal security.

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5. BULGARIA TIGHTENS SECURITY MEASURES AGAINST POSSIBLE TERRORIST ACTIVITIES

[redacted] Bulgarian leaders held an emergency meeting on 3 November to discuss terrorist activities alleged to have been planned by former government officials,

[redacted] Vice Premier Georgi

Traykov told the meeting that the government had proof of these plans. Subsequently, orders were issued to arrest all suspects in order to suppress any revolutionary attempts.

[redacted] a number of students have been arrested and accused of instigating demonstrations. [redacted] "scores" of former Bulgarian army officers who were arrested in 1947 for planning a military coup but who were subsequently released have been re-arrested. [redacted]

Comment

There have been other reports that some former government officials and young army officers are opposed to the present regime. Bulgarian Communist leaders have privately expressed concern over widespread discontent and economic privations in Bulgaria, and the existence of anti-Communist groups abroad prepared to take advantage of any domestic unrest. They consider these the real causes of the Hungarian revolution, but have been unable to agree on corrective measures to be taken in Bulgaria. As in other Satellites, security measures have been increased considerably.

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6. LARGE-SCALE HUNGARIAN DEPORTATIONS TO USSR REPORTED

The American legation in Budapest on 13 November reports that large-scale deportations of Hungarian men, women, children and soldiers identified with the revolution have been taking place for the past several days. A Budapest radio broadcast on 14 November acknowledged reports that "sealed railway cars have carried prisoners eastward from Budapest!" The regime radio admitted that "more and more workers" were quitting their jobs after hearing these reports of deportations.

Comment

Reports of deportations presumably will intensify the workers' resolve to continue passive resistance by means of a general strike. The regime has tried to end rebel resistance by an increasing number of concessions which were first offered by the Nagy government, while stopping short of the critical threats to Communist control--a multiparty system, free elections, a pledge of neutrality, and withdrawal from the Warsaw pact.

The regime-controlled press and radio, as well as Sandor Gaspar, president of the national trade union council, pleaded for an end to the strike and return to order. These spokesmen maintained that "the withdrawal of Soviet troops from Hungary is desired by all, with the exception of a few embittered Rakosi followers, but the Soviet government has announced that Soviet troops will not march out of the country as long as order is not restored." Gaspar pledged himself to an extremely liberal labor policy based on workers' councils which would ensure worker autonomy, and declared trade union independence from political parties and the government.

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7. EFFECT OF NEAR EAST SITUATION ON SEATO

Comment on:

Despite an atmosphere of calm in SEATO, the Anglo-French operation against Egypt has created bitterness among representatives of member countries in Bangkok, according to Ambassador Bishop.

A Pakistani representative recently remarked that now it would be difficult to continue to justify the position that his country should refrain from force in the Kashmir dispute in accord with the UN charter. He pointed out that two of Pakistan's SEATO allies, who are also permanent members of the Security Council, took the position that the charter did not apply when their vital interests were involved. The Thai prime minister is concerned about Australia and New Zealand, as well as Britain and France, being on the "wrong side of a moral issue."

Ambassador Bishop believes the attack on Egypt has compromised any chances for widening Asian participation in the pact, as potential members view the action of Britain and France as proof that they are still colonialist in outlook. Asian members of the organization will find it more difficult to defend both domestically and internationally their participation in SEATO.

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