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18 July 1959

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CENTRAL INTELLIGENCE BULLETIN



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CENTRAL INTELLIGENCE BULLETIN

18 July 1959

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DAILY BRIEF

I. THE COMMUNIST BLOC

OK

Communist China: Top Chinese Communist leaders have not been noted in Peiping for several weeks, which suggests that they may be meeting outside the capital, as on several occasions in the past year, for a basic policy review. Mao Tse-tung has not been seen since 18 June; Liu Shao-chi and Chou En-lai since 25 June. Only three of 26 politburo members have been reported in Peiping in the past few weeks. Since early June, five Chinese Communist ambassadors have been reported returning home, suggesting that foreign as well as domestic policy may be under discussion at the meeting.

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HQ

Communist Bloc - South Asia: The USSR and possibly Communist China and other bloc countries can be expected to offer emergency relief assistance to India and Pakistan to help the severely flooded areas of Assam and Indian-held Kashmir and of northern West Pakistan. Bloc leaders have offered or extended disaster relief to non-Communist countries in a number of cases in the past several years and might feel such aid would be particularly useful as a counter to South Asian reactions to events in Tibet and Kerala. In addition to offers of food, such assistance could take the form of medical supplies and teams for epidemic control.

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II. ASIA-AFRICA

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Morocco-US: Premier Ibrahim, in a 14 July conversation with Ambassador Yost, suggested a joint commission of experts to examine the whole gamut of customs and tax problems between the US and Morocco. Since 1 July, Rabat has been

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pressing for more stringent procedures covering imports to the five American bases in Morocco with the ultimate objective of forcing the payment of customs duties on some or all of such imports. The new arrangements sought are apparently designed in part to induce the US to move more rapidly toward ultimate evacuation of the bases. Ibrahim omitted any discussion of an "agreement in principle" but focused on US evacuation in terms of a specific remaining tenure. For the first time he made a formal request for arms. Negotiations now have been recessed until August.) [REDACTED] (Page 2) 25X1

OK

Algeria: The 14 July attack by about 500 Algerian rebels against a French position near the Tunisian border was one of the largest rebel operations to date. This attack by the rebels, who subsequently withdrew into Tunisia, [REDACTED] may give French officers who favor a major thrust into Tunisia a pretext for pursuing the rebels into Tunisian territory in greater force than in the past.] [REDACTED]

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ND

West Africa: The West African "summit" meeting in Liberia of the leaders of Guinea, Ghana, and Liberia has apparently begun in a chilly atmosphere reflecting the basically different political outlooks of President Tubman of Liberia and the more militant nationalist leaders of Guinea and Ghana. The agenda reportedly includes a discussion of the form any future West African union should take, as well as the Algerian and Cameroun situations. Tubman, however, has said that all talks on African unity must be exploratory and that no decisions must be made until other African territories--Cameroun, Togo, and Nigeria--become independent next year. [REDACTED]

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DAILY BRIEF

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LATE ITEM

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*Cuba: Fidel Castro's successful 17 July maneuver of forcing the resignation of President Manuel Urrutia by dramatically threatening his own resignation as prime minister has increased the opportunities for further Communist gains in Cuba. Communists quickly joined in the emotional public expressions of support for Castro and against Urrutia. One top Communist leader, declaring that the revolution was in danger, called for the formation of a "truly revolutionary government" with Communist representation. The new President, Osvaldo Dorticos, is a prominent lawyer with little political experience.

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DAILY BRIEF

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I. THE COMMUNIST BLOC

High-Level Chinese Communist Leaders May Be Meeting

Only three members of the 26-man Chinese Communist party politburo have been reported in Peiping in the past few weeks, which suggests that the top leadership may be meeting outside the capital for a basic policy review. Mao Tse-tung has not been seen since 18 June and his principal lieutenants, Liu Shao-chi and Chou En-lai, since 25 June.

Previous such meetings outside Peiping in the past year have resulted in fundamental changes to major domestic programs. If such a meeting is now in progress, it would be likely to discuss the communes and the rate of economic development. In addition, a consideration of foreign policy matters is suggested by the reported return since early June of several ambassadors accredited to Asian countries. The current Geneva conference and the restoration of Peiping's prestige in Asia, damaged by the bellicose actions of 1958 and the suppression of the Tibetan revolt, would be likely topics of discussion. The Chinese Nationalist press states that a top-level Chinese Communist meeting has been discussing future military action in the Taiwan Strait.

Senior Chinese Communists from Hong Kong have also recently returned to the mainland, possibly to be briefed on the decisions of any conference. This group included newspapermen who in the past have been charged with publicizing Peiping's line.

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II. ASIA-AFRICA

Morocco Preparing to Levy Customs Duties on US Base Imports

[Moroccan Premier Ibrahim's government has begun since 1 July to apply comprehensive new clearance procedures to imports intended for the five American bases and their personnel. In a conversation with American Ambassador Yost on 14 July, Ibrahim reiterated that large quantities of duty-free US imports are escaping from the bases into the local economy and causing Morocco to lose much-needed revenue.]

[The imposition of the new procedures coincided with and was facilitated by the negotiated phase-out on 30 June of a French intermediary group which formerly handled technical arrangements connected with base imports. Most immediately affected were private vehicles, the importation of which by base personnel has been embargoed since 1 July unless a large customs deposit is made. On the basis of other--and potentially much more serious--provisions of the new regulations, Moroccan Customs Director Smili has indicated he expects US base personnel to pay customs on all new personal goods received after 1 August. Moreover, the Moroccans have informed US officials they will require after 1 August a detailed itemization, and after 1 October also a valuation, of all general cargo destined for the bases. Rabat is insisting that this requirement--which probably portends an attempt to levy duties on such cargo--be met when the material arrives in Morocco.]

[Ibrahim suggested to Ambassador Yost during their recent conversation that a commission of experts be established immediately to examine and make recommendations on the entire customs problem, including the earlier American offer to make a lump-sum payment in lieu of customs. Ibrahim promised that once such a commission was constituted he would suspend the new regulations to allow time for the commission to work on the problems involved.]

[The Moroccan customs move is motivated in part by a desire to extract further financial support from the US at a time]

[when the Moroccan economy is in a weakened condition and financial ties with France have been severely strained. It is also apparently designed to induce the US to move more rapidly toward ultimate evacuation of the bases. The success of the commission proposed by Ibrahim thus appears likely to be heavily influenced by the progress of the political negotiations on the bases. Ibrahim told Yost he would be prepared next month to resume these talks, which now may be about to focus more seriously on the question of the duration of US tenure.]

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Algerian Rebels Battle French Near Tunisian Border

Reports of an attack by Algerian rebels on 14 July on a French military post near the Tunisian border indicate that this was one of the largest rebel operations to date. The rebels claim to have made extensive use of artillery, and French reports concede that over 500 rebels participated. Both sides have claimed a victory. The rebels withdrew across the Tunisian border.

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[redacted] the French were planning even prior to the battle to launch a strike into Tunisia on about 20 July in an effort to destroy rebel concentrations near the border. [redacted] the French had prepared plans to follow up this initial strike by "taking over" Tunisia in order to destroy rebel troops, supplies, and supply lines. Because of the probable international repercussions, however, it appears unlikely that this latter plan will be implemented.]

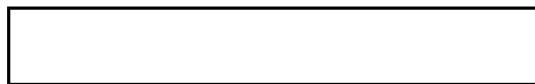
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The rebels' attack may have been designed in part as a show of strength prior to possible new Algerian overtures to the French concerning a cease-fire, or to provoke a French reaction which might involve Tunisia more directly in the Algerian war. [redacted]

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West African "Summit" Meeting Off to Poor Start

The current meeting of Prime Ministers Touré of Guinea and Nkrumah of Ghana with Liberian President Tubman at Sanniquellie in Liberia has begun in an atmosphere of constraint and formality. The prospects for a successful conference were reduced by Tubman's keynote speech in which he said that all discussions on African unity should be considered exploratory only, and no decisions should be made until other territories become independent. He hopes for support from Cameroun, Togo, and Nigeria--presently controlled by moderates--when they achieve independence in 1960.

This gathering--the forerunner of a more representative conference planned for the near future--is an effort to reconcile the opposing positions of West Africa's three leading spokesmen. Tubman favors a loose association of African states to cooperate in economic and health matters; the militant nationalists, Touré and Nkrumah, desire a close political union. The leaders of Ghana and Guinea reportedly plan to flatter Tubman with an offer of the presidency of such a union, believing this will achieve Liberian acceptance of the idea. They expect that Nkrumah would succeed Tubman after a four-year term.

The agenda, according to a Liberian official, includes a discussion of the Algerian and Cameroun situations in addition to the question of the form of a West African union. Tubman will probably be under considerable pressure to recognize the Algerian rebel government.

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LATE ITEM**Cuban President's Forced Resignation Increases Communist Opportunities**

Cuban Prime Minister Fidel Castro's successful maneuver on 17 July of forcing the resignation of President Manuel Urrutia by dramatically threatening his own resignation has increased the opportunities for Communist gains in Cuba. Implying that the Cuban revolution was threatened by "reactionary interests" in the United States, Castro charged Urrutia with near treason for allegedly paralyzing government operations at a time when "we are the target of an intense foreign campaign." He sharply attacked Urrutia for criticizing Communists and said his differences with the former President were "95 percent ideological."

Communists quickly joined in the emotional public expressions of support for Castro and against Urrutia. One top Communist leader, Lazaro Pena, declaring publicly that the revolution was in danger, called for the formation of a "truly revolutionary government" with Communist representation. All major labor unions, most of them controlled by Castro's 26 of July Movement, were ordered mobilized for possible action, and the armed forces were placed on alert.

Frictions between Urrutia and Castro's brother Raul, chief of the armed forces, may have contributed to the action against Urrutia. Raul Castro, who has facilitated Communist penetration of the armed forces, reportedly told Urrutia on 11 July that he would make certain government appointments regardless of the President's contrary wishes. Urrutia's resignation at that time is said to have been prevented only by the intervention of Fidel, who secured Urrutia's agreement to stay on if permitted to make a public anti-Communist statement. Fidel agreed over Raul's objections, and Urrutia made an extremely strong attack on the Communists on 13 July.

The new President, Osvaldo Dorticos, is a prominent lawyer in his mid-40s who has been closely associated with the moderate, pro-US Jose Miro Cardona, Fidel Castro's predecessor as prime minister. Head of the National Bar Association under the Batista regime, Dorticos led that group in open and vehement attacks on Batista and was forced to flee the country shortly before the former dictator fell. He has had little experience in politics.

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