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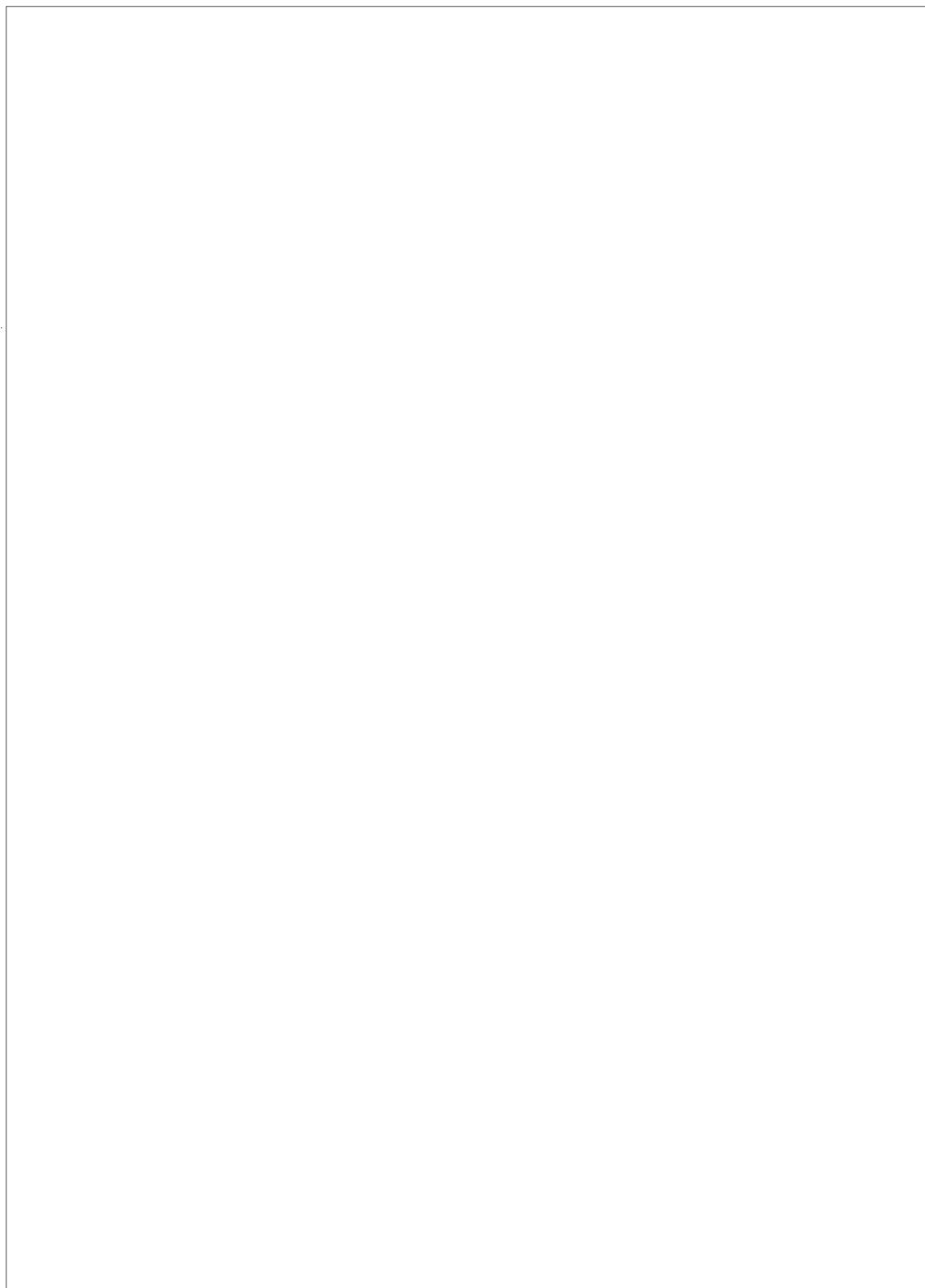
CENTRAL INTELLIGENCE BULLETIN



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3 OCTOBER 1959

I. THE COMMUNIST BLOC

Chinese Communists persist in boosting communes despite lack of Soviet agreement.

Heavy air activity accompanies Soviet Pacific Fleet exercise.

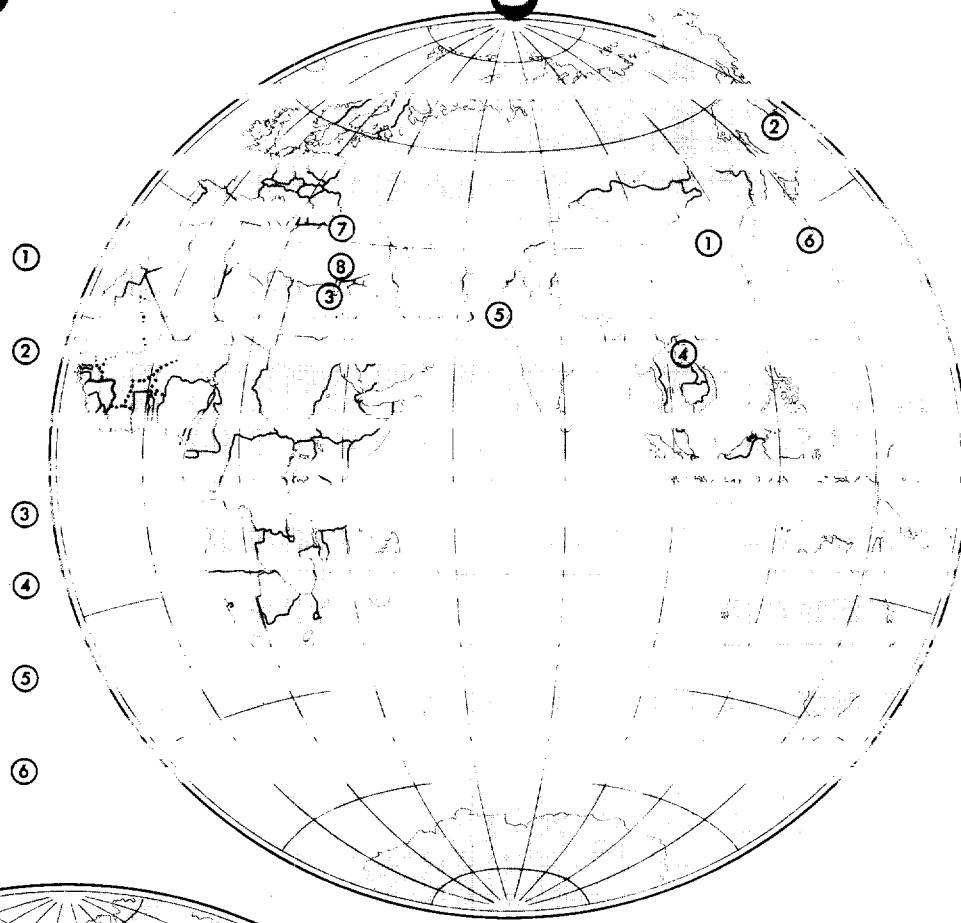
II. ASIA-AFRICA

UAR continues to attack Communist China for permitting Bakdash speech in Peiping.

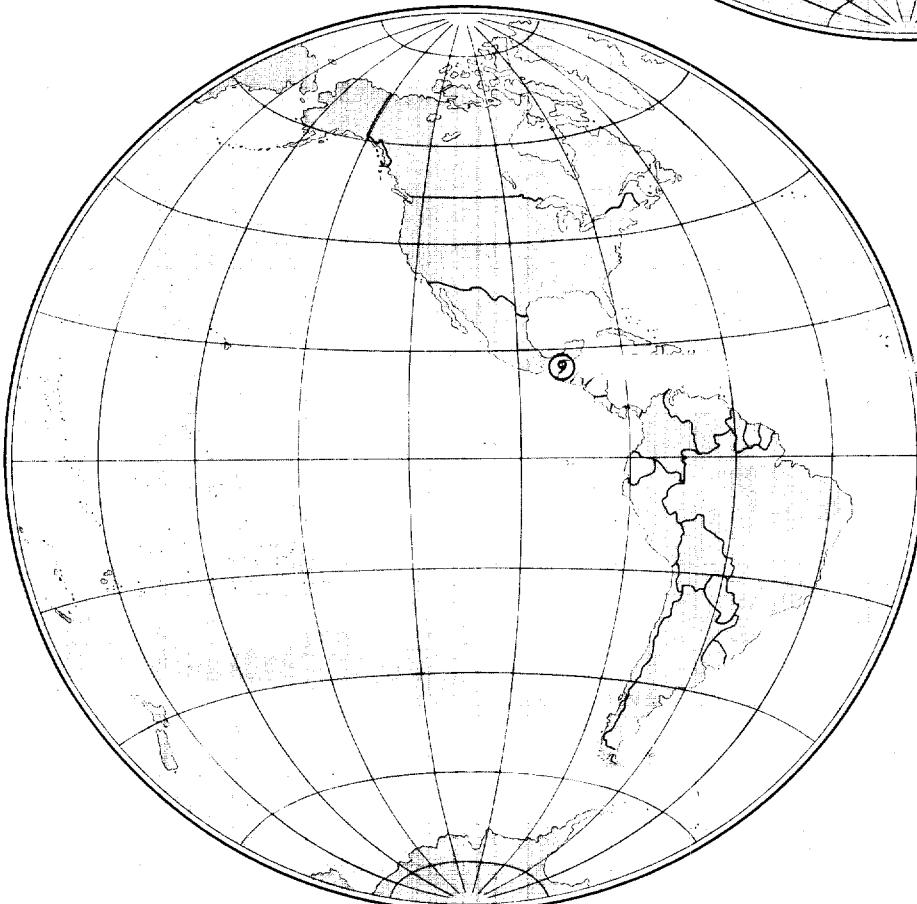
Laos--UN subcommittee continues limited survey work.

Pakistan--Retirement of army chief of staff points up friction within armed forces.

Japan--Kishi improves his position for gaining approval of revised Security Treaty.

**III. THE WEST**

- ⑦ Turkey--Relations between two major parties embittered by physical attacks on opposition deputies.
- ⑧ Cyprus--Makarios and Grivas will meet next week to discuss differences.
- ⑨ Guatemala--Anti-US and pro-Communist political forces gain strength.



CENTRAL INTELLIGENCE BULLETIN

3 October 1959

DAILY BRIEF*SIRAB***I. THE COMMUNIST BLOC**

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Communist China - USSR: The Chinese Communists are continuing to make claims for their communes, which, despite expressed Soviet disagreement, they insist will help usher in the era of Communism at some time in the future. In a major article written for the October issue of the bloc's theoretical journal discussing Peiping's "10 years of successes," government Chairman Liu Shao-chi asserted that as far as "our" country is concerned, the commune--a new "road" which has been "discovered" by the Chinese--will be "a suitable form of social organization at the basic level after China has entered Communism!" At least one Soviet theorist has recently contradicted similar Chinese claims with the flat statement that the commune is "impossible" in the future Communist society. The Chinese leaders may still hope to gain at least limited Soviet endorsement of the commune program while Khrushchev is in China. While it is unlikely that this ideological difference is drastically weakening the Sino-Soviet alliance, Peiping's determination to increase its prestige by introducing "new" theories and procedures will be a constant irritant in the relationshiin.

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Soviet Pacific Fleet Exercise: Extensive air activity in connection with the current large-scale Soviet Pacific Fleet exercise, simulating defense of the Soviet Far East, has been featured by the unprecedented association of Bison jet heavy bombers and has also included an unusual amount of Badger jet medium bomber flight activity. The precise role of the jet heavy bombers in connection with this exercise is not known.

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II. ASIA-AFRICA

UAR - Communist China: The UAR is maintaining a hostile attitude toward Communist China following the anti-UAR speech by Syrian Communist leader Bakdash on 28 September in Peiping. The Cairo press says that the UAR chargé in Peiping has been ordered home. Peiping has made no public comment as yet. However, the Cairo press reports that the Chinese Communist ambassador in Cairo refused to accept a formal UAR protest.

In Peiping, ranking Foreign Ministry officials have made excuses not to receive the UAR chargé,

On 30 September, Cairo ordered the UAR press attaché in Beirut to launch a strong press attack on Communist China.

N^D Nasir has already tentatively decided to close the Chinese Communist consulate in Damascus and is considering breaking off diplomatic relations with Peiping.

N^D Laos: (Although UN Secretary General Hammarskjold expects the UN subcommittee on Laos to arrive soon in New York to draft its report, he will probably advise the delegates' governments to leave some elements of the mission in Vientiane in order to assure a continuing UN presence. The subcommittee, now making a limited survey in northern Laos, is hampered in its work by the lack of helicopters. Some delegates are looking toward a departure date of 9 October, but others are willing to stay on to try to survey the forward areas.)

OK Pakistan: (The retirement on 30 September of Lt. General Habibullah, Pakistani army chief of staff, confirms earlier evidence of a serious rift in Pakistan's top army leadership. During the past year, friction has existed between Habibullah and General Musa, commander in chief. The reasons for Habibullah's retirement have not yet been officially stated. Habibullah's apparently forced retirement could generate significant discord within the officer corps of the Pakistani Army and lower the military government's prestige.) (Page 2)

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N.D. Japan: Kishi's position for securing approval of the revised US-Japan Security Treaty has improved. Leaders of the most influential Japanese organization of businessmen have agreed to finance a public relations program in support of the revised treaty. In return for this support, Kishi promised not to dissolve the Diet on the treaty issue. Ichiro Kono, a leading Kishi party rival, has indicated he will support ratification of the revised treaty. This suggests that important elements among anti-Kishi conservatives are abandoning use of the treaty issue to undermine the prime minister. Former Prime Minister Tanzan Ishibashi's recent statements implying agreement with Peiping's criticisms of the security treaty may have brought matters to a head.)

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III. THE WEST

D.K. Turkey: Bitterness between the two major political parties in Turkey has intensified as the result of recent acts of violence against opposition deputies. In the most recent incident, several opposition deputies traveling in western Turkey were seriously injured in an ambush by a mob of local Democratic party adherents. The leader of the major opposition party fears the government may ban his party.)

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D.K. Cyprus: Archbishop Makarios' decision to meet next week with former EOKA leader Grivas in an attempt to remove differences between them is welcomed by the great majority of Greek Cypriot nationalists, who fear that the dispute will benefit the Communists. Makarios stands to lose if agreement is not reached, while Grivas' prestige will probably be enhanced regardless of the outcome. On Cyprus, a wave of lawlessness in recent weeks has caused heightened tension between the Greek and Turkish communities. Meanwhile, Greek, Turkish, and Cypriot negotiators have made some progress toward agreement on executive powers in the future government of Cyprus. The first Cypriot elections may take place in December.)

N.D.
for week
Sgt. [redacted]

Guatemala: Ambassador Mallory is seriously concerned over Guatemala's future political orientation, particularly as it may affect US interests. Some anti-US and pro-Communist political factions are being fostered by the beleaguered President Ydigoras in an effort to weaken the strong, leftist but anti-Communist Revolutionary party. These factions are vying for the backing of leftist ex-President Arevalo, who still retains considerable popularity in Guatemala, and one group is believed to be receiving Cuban financial aid. [redacted]

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DAILY BRIEF

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I. THE COMMUNIST BLOC

Extensive Air Support of Soviet Pacific Fleet Exercise

Soviet Pacific Fleet surface, submarine, and air units as well as some 5th Long Range Air Army units are conducting a large-scale exercise simulating defense of the Soviet Far East.

The extensive air support of the exercise has been featured by the unprecedented association of Bison jet heavy bombers and has also included an unusually large amount of Badger jet medium bomber flight activity. Several flights by 5th LRAA Bisons have extended southward as far as approximately 225 miles southeast of Tokyo, and numerous Badger flights have been flown in other areas of the North Pacific.

The role of the jet heavy bombers in this exercise is not known; they may have acted as an anti-naval strike force, they may have been simulating hostile bombers approaching the Soviet mainland over the exercise area, or they may have been conducting over-water navigational flights.

In addition, surface and submarine units are operating in the Sea of Japan, along the Kuril Islands, and in the vicinity of Petropavlovsk, Kamchatka. Two destroyers and a tanker which left the Sea of Japan through the Korea Strait on 24 September have entered the Pacific and are moving northward off the east coast of Japan. These units probably represent "aggressor" forces.

Large Pacific Fleet exercises have been conducted annually at this time during recent years. Last year's exercise, which lasted from 29 September to 24 October, also included a wide sweep into the Pacific Ocean by surface forces. This was followed by an apparent attempt to penetrate the Kuril chain from the Pacific without detection.

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II. ASIA-AFRICA

Retirement of Pakistani Army Chief of Staff Indicates Army Factionalism

[The retirement of Lt. Gen. Habibullah on 30 September confirms earlier evidence of a serious rift in Pakistan's top army leadership. Although the specific reasons for Habibullah's retirement have not been stated, a number of reports indicate it was forced by General Musa, commander-in-chief. During the past year, friction has existed between Habibullah and Musa, and Musa may have been responsible for the recent retirement of one brigadier who supported Habibullah and the transfer of another.]

[The military government under President Ayub, which has been in control since 1958, may lose prestige when Habibullah's retirement becomes public knowledge and generates rumors of infighting within top army echelons. Habibullah was apparently considered more capable than Musa, and he seems to have been well liked by his fellow officers. The army officer corps may face a serious morale problem which will require President Ayub's attention.]

[The shift of the national capital from Karachi to the Rawalpindi area, where army general headquarters is located, is scheduled to begin this month, and this will facilitate closer contacts between Ayub and army leaders.]

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Kishi Secures Support for US-Japan Security Treaty Revision

[Japanese Prime Minister Kishi has improved his position for securing ratification of the revised US-Japan Security Treaty. At Kishi's request, leaders of the Federation of Economic Organizations (Keidanren)--the most influential organization of Japanese businessmen--have agreed to provide \$910,000 toward a public relations program in support of the treaty. In return, Kishi promised not to dissolve the Diet on the treaty issue.]

[Kishi warned faction leaders of his Liberal-Democratic party on 23 September that he would dissolve the Diet and call for a parliamentary election if the party split on ratifying the treaty. He apparently is confident his position is strong on the issue, and his promise to Keidanren probably was made in the belief that the prospective financial burden of an election campaign would keep his party in line. Kishi presumably will inform his party rivals of Keidanren's warning that financial support from businessmen may be withheld if an election is precipitated on the treaty issue.]

[There are indications that Kishi's rivals have decided that the US-Japan Security Treaty is not a good issue for unseating the prime minister. Minister of Agriculture Fukuda told Ambassador MacArthur on 29 September that influential politician Ichiro Kono will go along with Kishi on the treaty. Fukuda does not expect the support of former Prime Minister Tanzan Ishibashi, who during a recent visit to Peiping subscribed to Chinese Communist statements that the security treaty was an impediment to closer Sino-Japanese relations. He does believe, however, that Ishibashi may be persuaded to refrain from open opposition.]

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III. THE WEST

Political Bitterness Increasing in Turkey

Political tension is rising in Turkey in anticipation of the reconvening of the Grand National Assembly on 1 November. Twice, groups of opposition deputies have been attacked by large crowds of local members of the ruling party. During the most recent of these attacks, on 22 September, several deputies were reported to be seriously injured.

The minister of the interior immediately sent the chief of the Turkish National Police to investigate the incident. The Turkish Government has banned any press accounts of the affair and has publicly charged that the opposition Republican People's party (RPP) is trying to subvert the governing Democratic party. While the RPP is probably exaggerating the details of the incident for whatever propaganda value they may have, the general account of the mob attack has been confirmed by National Police officials.

[President Izmet Inonu, leader of the RPP, reportedly fears that the government may decide to close down his party and has cautioned RPP campaign teams visiting the provinces not to engage in "aggressive" tactics. The recent forced resignation of RPP Secretary General Gulek, chief spokesman for an aggressive party policy, may have been intended as a conciliatory gesture to keep the government from banning the RPP prior to the reconvening of parliament.]

The RPP, which has 170 of the 610 parliamentary seats, has maintained a running propaganda battle with the governing DP ever since the last general election in 1957. Last spring Inonu himself was the target of violence at the hands of a DP mob. At that time, special security precautions were taken by the government to prevent the situation from getting out of hand.

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Guatemalan President Supports Leftist Extremists in Effort
To Split Opposition

[Guatemalan President Miguel Ydigoras, faced with strong opposition from the moderately leftist Revolutionary party (PR) and conspiracies by the rightist Nationalist Democratic Movement (MDN), is using leftist extremists in a desperate effort to retain power. He fostered the recent organization of three new leftist splinter parties from elements opposed to the moderate PR leadership, a number of them with records of Communist collaboration. Ydigoras apparently plans to subsidize one or more of these parties in the crucial December congressional elections in the hope that they will split the PR.]

[The leftist splinter parties are vying for the backing of bitterly anti-US former President Juan Jose Arevalo, whose administration from 1945 to 1951 paved the way for Communist domination of the succeeding Arbenz regime. Though Arevalo, now in Venezuela, has been in exile since 1954, he retains wide popularity in Guatemala. Arevalo's influence could weaken or destroy the current PR leadership, which is anti-Communist. The resulting leftist political force would be formidable if united under Arevalo's leadership and would probably be Communist infiltrated. American Ambassador Mallory is seriously concerned over the effect of these maneuvers on Guatemala's future political orientation, particularly as it affects US interests.]

[The Castro regime in Cuba may be backing the Arevalo forces. Last July, Fidel Castro through his brother Raul is [redacted] to have offered financial aid to Arevalo. This offer apparently was temporarily declined but, [redacted] a pro-Arevalo politician visiting Cuba in September was given a first installment on a reported \$200,000 for his party's "peaceful civic growth" and for armed resistance if necessary.]

[redacted]

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THE PRESIDENT**The Vice President****Executive Offices of the White House**

Special Assistant for National Security Affairs

Scientific Adviser to the President

Director of the Budget

Office of Defense and Civilian Mobilization

Director, National Aeronautics and Space Administration

Special Assistant for Security Operations Coordination

Board of Consultants on Foreign Intelligence Activities

Special Assistant for Foreign Economic Policy

Executive Secretary, National Security Council

The Treasury Department

The Secretary of the Treasury

The Department of State

The Secretary of State

The Under Secretary of State

The Under Secretary of State for Economic Affairs

The Deputy Under Secretary for Political Affairs

The Deputy Under Secretary for Administration

The Counselor

Director, International Cooperation Administration

The Director of Intelligence and Research

The Department of Defense

The Secretary of Defense

The Deputy Secretary of Defense

Assistant Secretary of Defense for International Security Affairs

The Secretary of the Army

The Secretary of the Navy

The Secretary of the Air Force

The Chairman, The Joint Chiefs of Staff

Commandant, United States Marine Corps

The Director, The Joint Staff

Chief of Staff, United States Army

Chief of Naval Operations, United States Navy

Chief of Staff, United States Air Force

Assistant to Secretary of Defense for Special Operations

Director for Intelligence, The Joint Staff

Assistant Chief of Staff for Intelligence, Department of Army

Director of Naval Intelligence, Department of Navy

Assistant Chief of Staff, Intelligence, Department of the Air Force

Supreme Allied Commander, Europe

Commander in Chief, Pacific

The Department of Commerce

The Secretary of Commerce

Federal Bureau of Investigation

The Director

Atomic Energy Commission

The Chairman

National Security Agency

The Director

National Indications Center

The Director

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