

TOP SECRET

ED

21 May 1958

25X1

25X1

Copy No. 140

CENTRAL INTELLIGENCE BULLETIN



DOCUMENT NO. 18
 NO CHANGE IN CLASS.
 DECLASSIFIED
 CLASS. CHANGED TO: TS
 NEXT REVIEW DATE: 2010
 AUTH: HR 70-2
 DATE: 24/6/80 REVIEWER: [Redacted]

25X1

25X1

State Dept. review completed

Army Review Completed

TOP SECRET

Page Denied

Next 1 Page(s) In Document Denied

CENTRAL INTELLIGENCE BULLETIN

21 May 1958

25X1

DAILY BRIEF

I. THE COMMUNIST BLOC

no

*Communist bloc meetings: The meetings in Moscow this week of top level satellite figures probably have been called to consider broad ideological, political, and economic issues bearing on the question of bloc unity. Authoritative pronouncements may be issued on closer bloc economic integration, Yugoslav heresies, countermeasures to West German nuclear rearmament, and bloc endorsement of Moscow's summit conference proposals.

25X1

25X1

25X1

II. ASIA-AFRICA

i

25X1

Army Review Completed

25X1

yes

Laos: The potential of the Communists and their allies to prevent formation of a new government raises the possibility that they might be able to bring about the dissolution of the National Assembly. If conservative disunity continues, the leftists would probably win any subsequent general elections. [redacted]

25X1

yes

Pakistan: Karachi plans to reject charges made in a 17 April Soviet note that military bases intended for offensive operations were being built in Pakistan. The note, scheduled for delivery on 23 May, will also complain of Soviet partiality toward India. Nevertheless, Pakistan has recently received its first economic aid from the bloc and is likely to seek further opportunities for trade and aid relations with Communist countries. [redacted]

25X1

No

*Algeria-Tunisia: The French Army in Algeria now appears to be preoccupied primarily with administrative problems arising from its recent take-over. The American consul general in Algiers believes, however, that any provocative actions by Tunisian President Bourguiba or the Algerian nationalist rebels would greatly increase the likelihood of French raids against rebel bases in Tunisia. According to a Tunisian official, the rebels

25X1

21 May 58

DAILY BRIEF

ii

wish to avoid this possibility and have pulled their units in Tunisia "well back" from the border with Algeria. A top Algerian rebel leader says the rebels will act with "great caution" during the next weeks.

25X1
25X1

III. THE WEST

no

*France: Reports of imminent parachute troop movements from Algiers toward France appear to be part of the "war of nerves" being waged against the Pflimlin government by important military leaders in France and Algiers. Although the National Assembly's renewal of the government's special emergency powers in Algeria on 20 May indicates that Pflimlin retains broad parliamentary support, there is as yet no indication that this will impress the military, particularly in Algeria, sufficiently to relax their pressure for the return of De Gaulle.

25X1

21 May 58

DAILY BRIEF

iii

25X1

Communists Meeting in Moscow on Bloc Unity Issues

The meeting of the Bloc's Economic Mutual Aid Council (CEMA) on 20 May involved top Soviet and Eastern European leaders in addition to economic representatives from both the European and Asian satellites. This meeting will be followed by a "Conference of the Political and Consultative Committee of the Warsaw Treaty Organization" involving heads of governments, foreign ministers, and defense ministers.

During his visit to Hungary last month, Khrushchev stated that a meeting between East European and Soviet leaders would be held shortly on the subject of implementing Soviet bloc economic integration. Khrushchev pointed out that increased economic cooperation and industrial specialization within the bloc was required to overtake the West. The USSR may now be proposing that CEMA decisions be made legally binding on all members. The USSR presumably also is eager to counter the growing economic unity of Western Europe. Working level CEMA conferences have already engaged in developing coordinated economic plans to run through 1965, the terminal date of the soon-to-be announced Soviet seven-year plan.

The Communist leader may also discuss ways of bolstering bloc unity as a result of the bloc-Yugoslav ideological dispute. This would confront Poland's Gomulka with a different problem. Various Poles have already told the American Embassy in Warsaw that they expect stronger bloc pressures on Poland to alter its conciliatory stand on Yugoslavia's party program and that Tito's scheduled trip to Warsaw will not take place. A recent Soviet Central Committee plenum is reported to have passed a resolution calling all Communist parties to wage an uncompromising fight against Tito. The bloc leaders may also agree to economic sanctions against Yugoslavia.

In his drive to tighten Soviet control over the satellites, Khrushchev probably will re-emphasize the dangers posed by the West German decision to arm with nuclear weapons. The Moscow meeting may also elaborate on Soviet and Warsaw Pact countermeasures hinted at in Gromyko's 31 March speech to the Supreme Soviet.

25X1

25X1

Page Denied

Next 1 Page(s) In Document Denied

:25X1



Page Denied

Next 1 Page(s) In Document Denied

Communist Political Strategy in Laos

The potential ability of the recently elected Communist deputies and their allies in Laos' 59-man legislature to prevent formation of a new government raises the possibility that they might be able to bring about the dissolution of the National Assembly. In any subsequent early general elections, the well-organized Communist Neo Lao Hak Zat party (NLHZ) would probably win a clear majority in view of the present disunity among the conservative political forces.

As a result of their poor showing in the 4 May supplementary elections, the two conservative parties--the Nationalists and the Independents--no longer together command a safe voting margin in the assembly. In order to form a government excluding the Communists, the conservatives must unify their forces, which now seems unlikely, and gain the support of opportunistic deputies whose allegiance is uncertain.

The present strategy of the Laotian Communists apparently is to ensure the retention of the present Souvanna Phouma government, with its two NLHZ members, as the best means of consolidating and expanding their influence prior to the next general elections in 1959. They may, however, switch their tactics and deliberately attempt to precipitate a cabinet crisis as the first step in an effort to force a general election. Their course may be determined by unpredictable developments in the assembly and their assessment of the army's attitude.

25X1

25X1

25X1

Pakistan to Reject Soviet Charges of Offensive Preparations

Pakistan plans to send the USSR a note on 23 May firmly rejecting charges made in a Soviet note of 17 April that Pakistan, with foreign help, is building military bases, missile bases, and airfields for aggressive purposes against the USSR and other countries. The note will deny the existence of missile bases or foreign military bases in Pakistan. Denying that its new jet airfields, admittedly built with foreign help, are suitable for strategic aircraft, Pakistan will charge the USSR with maintaining strategic bases close to Pakistan.

Pakistan's note will indirectly cite India's growing offensive air capacity as a reason for its own defensive preparations. It will charge that Soviet vetoes in the UN Security Council have helped frustrate the solution of Pakistani-Indian disputes, ignoring the merits of the issues and the interests of the people of Pakistan.

This Pakistani stand, however, will not keep Karachi from exploring the possibilities of further trade with and aid from the Sino-Soviet bloc. In mid-March, Pakistan signed its first development contract with a bloc country, buying cement factory equipment from Czechoslovakia. More recently, Karachi accepted its first technical assistance from the bloc when six Soviet doctors arrived to help fight the current smallpox and cholera epidemics in East Pakistan. Declining cotton exports have hurt Pakistan's balance-of-payments position, and Karachi is now trying to arrange a large-scale barter deal with the bloc.

25X1

French Crisis (as of 2400 hours)

Important military elements in France as well as the defiant French military leaders in Algeria appear to be mounting a "war of nerves" against the Pflimlin government in an effort to force it to resign and make way for General de Gaulle. Some ranking French Army officers told high-level American officers in Paris on 20 May that the Pflimlin government will not succeed in reestablishing control of the French forces in Algeria, and that the government's resolution not to resign makes likely paratroop and possibly other operations against it as well as the establishment of secret committees of public safety in France. At least some of these reports are being disseminated with an eye to convincing American officials that De Gaulle is the only solution.

Although the National Assembly's 475-100 vote to renew the government's special emergency powers in Algeria indicates that Pflimlin retains broad parliamentary support, there is as yet no indication that it will impress military extremists sufficiently to relax their pressure for a return of De Gaulle. Pflimlin's efforts to avoid a showdown with the army by refraining from condemning the leaders in Algiers and by promising ample material and manpower support for an intensified campaign in Algeria may buy him more time. However, the widespread military distrust for him and the rightist sympathies of many military leaders limit Pflimlin's chances of coping with the current crisis.

25X1
25X1

25X1