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5 April 1958

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CENTRAL INTELLIGENCE BULLETIN



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DAILY BRIEF

I. THE COMMUNIST BLOC

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* Soviet leadership: Although Khrushchev appears to have reached a position of uncontested authority, there are some reports of continuing opposition to him. [redacted]

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[redacted] goes so far as to state that Suslov will replace Khrushchev as party first secretary within the next two weeks. There have been indications that Suslov is out of step with current policies and Khrushchev's take-over as premier could give any leaders who may fear Khrushchev's power a compelling motive for uniting against him. Any combination strong enough to oust him would have to include a number of his hand-picked lieutenants in the presidium, and the opportunities for the coalescence of effective opposition are limited. There is no clear evidence that an organized group of opponents has begun to form. [redacted]

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no

USSR - Summit tactics: In his 4 April Budapest speech, Khrushchev said that the USSR was prepared to accept international control over nuclear test suspension. His emphasis on the ease of solving the control problem, however, suggests that at the summit negotiations the USSR would seek to minimize the degree of inspection and continue to insist that the nuclear powers

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agree on test suspension before the details of control are negotiated. In answer to the 31 March Western proposal for diplomatic exchanges in Moscow, the USSR is likely either to propose a foreign ministers' conference in April without preliminary talks or to insist that ambassadorial exchanges should be confined to settling procedural details for an early ministers' meeting. In mid-March, Khrushchev expressed his preference for a heavily publicized foreign ministers' meeting without preliminary diplomatic exchanges.

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Hungary-USSR: In Budapest Khrushchev is being greeted with "cold indifference," and so far Hungarians have turned out in "pitifully" small numbers for the liberation ceremonies. Khrushchev is going out of his way to build up Janos Kadar as Moscow's chosen leader, and is making it unmistakably clear he has no intention of returning the associates of former leader Rakosi to power. The visit to date has disclosed nothing on the future fate of Imre Nagy.

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New Communist journal: The new Communist international journal, replacing the defunct Cominform journal, established in Prague on 11 March probably will not appear before July and maybe not until September. A number of technical and substantive problems remain to be ironed out, possibly including the nature of Polish and Yugoslav participation.

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II. ASIA-AFRICA

no

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no

Israeli-Syrian border: More fighting in the Lake Hula area is likely if the Israelis resume canal digging operations there as is probable.

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no

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III. THE WEST

no

Cuba: The situation in Oriente Province remains essentially unchanged. Castro is said to have set 7 April for attempting a general strike, but the government has increased its chances of thwarting this by authorizing violence against strike agitators. Batista's reiteration of an amnesty offer appears to be propaganda designed to impress public opinion with the government's sincerity in wanting a peaceful solution with free elections in November.

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yes

Bolivia: The basic conflict between President Siles and leftist labor leader Juan Lechin--which threatens the US-backed economic stabilization program--has not been resolved. Although the crisis between the two precipitated in early March has subsided slowly, a new dispute may arise in connection with the government party convention in preparation for congressional elections which legally must be held before 6 June.

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yes

Canada: The American Embassy in Ottawa anticipates that the Diefenbaker government's overwhelming electoral victory will result in more acts of self-assertion in relations with the United States. This may involve increased efforts to reduce economic dependence on the United States, and the government's raising of a political umbrella over US-Canadian defense cooperation will continue to slow defense planning. The growing popular desire for a modus vivendi with the Communist world, while not changing Ottawa's active support of NATO, presents some risk of a future Canadian divergence from the United States on some important issues.

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Continuing Opposition to Khrushchev

Khrushchev continues to face high-level opposition, [redacted]

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[redacted] Party Secretary Suslov is Khrushchev's main critic and that he will try to unseat him if current policies are unsuccessful.

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[redacted] Khrushchev's assumption of the premiership was a return to Stalinism by stating that within two weeks a central committee plenum would be called at which Khrushchev would resign as first secretary in favor of Suslov.

These reports conflict with the fact that Khrushchev emerged from the recent Supreme Soviet session with greater powers than ever before in his career. At the same time, he is vulnerable to charges of trying to become another Stalin, and fear of this possibility might be a compelling motive for uniting against him.

There have been indications that Suslov is out of step with current policies--particularly the machine-tractor program--but he would have to gain the support of several members of the party presidium who have been part of the Khrushchev camp before attempting a showdown with the premier. Opportunities for the coalescence of effective opposition are limited, and there is no clear evidence that an organized group of opponents has begun to form. [redacted]

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Soviet Summit Tactics

In his 4 April speech in Budapest, Khrushchev reiterated that the USSR is prepared to accept international control over nuclear test suspension and urged Britain and the United States to follow the Soviet example by suspending tests without delay. His emphasis on the ease of solving the control problem, however, suggests that at summit talks the USSR would seek to minimize the degree of inspection and probably continue to insist that the nuclear powers agree on test suspension before the details of control are negotiated.

A member of the Soviet UN delegation has told an American delegate that diplomatic exchanges in Moscow regarding a summit meeting, as proposed by the three Western powers on 31 March, would be useless because the USSR could not be expected to show the "extreme flexibility" in preparatory talks which it is prepared to show at the summit. He called the proposal a Western device to produce a deadlock which the West could use as an excuse for avoiding a summit conference.

This statement reflects Khrushchev's suspicion of diplomatic talks, which he said in mid-March might "bog down in an endless labyrinth" and "quietly bury the idea of a summit meeting." While not flatly rejecting diplomatic talks, Khrushchev expressed his preference for a foreign ministers' meeting, which would be held in the full glare of publicity.

In reply to the 31 March Western notes, Moscow is likely either to propose a foreign ministers' meeting in April without preliminary diplomatic talks or to insist that ambassadorial exchanges be confined to settling procedural details for an early foreign ministers' meeting. The USSR is probably interested in getting a summit meeting quickly because Bulganin's letter-writing campaign has failed to force any major Western concessions on terms for a conference, and its propaganda value is decreasing. On his recent visit to Moscow, UN Secretary General Hammarskjold found the Soviet leaders self-confident and determined to have a summit meeting if only to show the world that the USSR is a major force to be reckoned with.

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Publication of New Communist International Journal Delayed

The new Communist international journal established in Prague on 11 March, originally reported as scheduled to begin publication in May, probably will not appear before July and maybe not until September, according to the counselor of the Yugoslav Embassy in Prague. This source attributes the delay to a number of unspecified technical and substantive problems. There have been numerous conflicting reports concerning the question of Yugoslav and Polish participation in the new journal.

B. N. Ponomarev, who may become editor in chief of the new journal, has assumed considerable prominence in the USSR in the past two years. He is a member of the editorial board of the Soviet theoretical journal Kommunist and is thought to head the department of the Soviet party central committee for liaison with foreign Communist parties.

According to a Soviet official, the new journal will be "less theoretical" than the Cominform journal--For A Lasting Peace, For A People's Democracy. It will be similar in form to the Soviet publication International Affairs, a reportorial and journalistic monthly. If the new journal is confined mainly to foreign policy questions, it probably will be acceptable to the Poles and Yugoslavs. [redacted]

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III. THE WEST

New Tensions Likely in Bolivia

Bolivian political tensions, which led to a threat of civil war in mid-March, may reach another crisis this month as two factions in the governing Nationalist Revolutionary Movement seek to dominate nominations for the congressional elections, which by law must be held before 6 June. Neither moderate President Siles nor leftist labor leader Juan Lechin won a clear-cut victory in the mid-March test of strength, and each is likely to make a new effort to secure support for his faction in the approaching convention. Since the party polled 82 percent of the vote in the 1956 election, its nominations are regarded as decisive in this year's election of 6 senators and 34 deputies.

Political tensions, increased labor unrest, and the 1 April drop in the price of lead seriously threaten the US-backed economic stabilization program despite the relative success and popularity of the program during 1957, its first year of operation. If the International Tin Council is unable to support tin prices at present levels as has been rumored, the Bolivian economy will face a further strain since tin and lead provide three fourths of its foreign exchange earnings.

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Canadian Government May Take More Nationalistic Line

As a result of the recent Canadian elections, the US Embassy anticipates a more difficult period ahead for US-Canadian relations. The new Diefenbaker government, eager to accommodate public opinion, will strive to reduce Canada's economic dependence on the United States by increasing economic ties with the Commonwealth and to take a more independent approach on some defense and foreign policy issues. It will be quick to seize on specific issues which seem to it to involve US economic domination.

While there will be no change in Canada's attitude toward NATO, the growing popular desire for a modus vivendi with the Communist world may lead to a gradual softening of the government's attitude toward the Sino-Soviet bloc. A review of Canada's policy of refusing to recognize Communist China is a possibility. The government will probably be more inclined than previously to inject political considerations into negotiations on joint US-Canadian defense projects. [redacted]

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