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**SECURITY INFORMATION**

29 September 1952

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**CURRENT INTELLIGENCE DIGEST**

Office of Current Intelligence

**CENTRAL INTELLIGENCE AGENCY**

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GENERAL

1. Syro-Lebanese Communists to attend 19th Party Congress in Moscow: [redacted]

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[redacted] has reported that Khalid Bakdash, secretary general of the amalgamated Syro-Lebanese Communist Party, and five other members of the party will attend the 19th Party Congress in Moscow on 5 October.

After completion of the congress, it is alleged, Middle East Communists, including Kurds, will convene in Bucharest for detailed discussions of Middle East problems. [redacted]

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Comment: In addition to the previously announced attendance of the Indian and Israeli Communist Party secretaries at the congress in Moscow, reports have been received which indicate that the Trieste, Chilean, and Uruguayan Communist Parties will also be represented.

2. Arab delegations expect new emphasis in UN General Assembly: In conversations with the American UN delegation, spokesmen for Egypt, Lebanon and Syria have expressed their view that the United Nations is entering a period of crisis in which General Assembly deliberations will place emphasis on problems of individual nations, particularly Near Eastern ones, rather than on the East-West conflict.

On Near Eastern questions, they added, an increasing number of countries will vote with the Soviet bloc. (S New York 267, 25 Sept 52)

EASTERN EUROPE

3. Necessity of cooperation between party and private farmers stressed in Bulgaria: According to an editorial.

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published in Rabotnichesko Delo on 25 September, regional and district party committees must stop underrating the importance of individual and private farmers, and conduct party work among "tomorrow's cooperative farm members" in a slow, patient, and attentive, rather than impetuous manner. "By listening to the voice of the nonpolitical peasants, strong relations between the peasant masses and the party can be created" which will lead to greater peasant support of our rural party organizations. (R FBIS Sofia, 25 Sept 52)

Comment: During the past year increasing attention has been given to the problem of improving party-peasant relations in Bulgaria. Special attention was given to the problem at the May meeting of the Third Congress of the Fatherland Front, and during the plenary session of the Central Committee of the Communist Party in June. The same emphasis was noted in the reports of several provincial party conferences during the past summer.

Since the spring of 1951 Bulgaria has concentrated, with little success, upon the consolidation and strengthening of existing cooperatives, rather than upon the creation of new ones. The current campaign to improve party-peasant relations suggests that, until the present consolidation campaign achieves some degree of success, the regime will postpone further efforts to form cooperatives and seek to pacify and win the cooperation of private farmers who have previously been subjected to strong government pressure and discrimination.

4. Hungarian newspaper attacks Calvinist pastor for aiding deportees: The first vehement public attack on relief work for deported persons in Hungary criticizes a Calvinist pastor for sending food parcels and money to deportees. The newspaper article asserted that the deportees had left Budapest "laden with plenty" and charged that the real aim of such relief activity was a "demonstration against the People's Democracy." (R Budapest 287, 25 Sept 52)

Comment: The condemnation of relief as sabotage ought to halt aid to the deportees effectively.

The choice of a Calvinist pastor as a target indicates that the anti-religious campaign may now turn against the Reformed Church. This summer Catholic priests have been the common object of attack and they have usually been linked with kulaks.

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5. Rumanians adopt constitution: The Rumanian Grand National Assembly has unanimously approved the draft constitution and proclaimed 24 September as "Constitution Day." During the discussion, Premier Gheorghiu-Dej read a long report which hailed the country's progress toward socialism, attacked alleged American imperialism and war aims and Western criticism of the Rumanian draft, and compared Rumania's progress with "deplorable conditions" in the West. He claimed that 18,836 proposals and amendments had been suggested during nearly two months of "public debate" and recommended acceptance of a change in wording to emphasize the "unitarian, independent, and sovereign" character of the Rumanian state. (R Bucharest 99, 24 Sept; R FBIS Bucharest, 25 Sept 52)

Comment: The six months required for writing and final adoption of the new Rumanian constitution is a record for the Orbit, probably because most of the provisions are nearly identical to those in the Soviet constitution.

An interesting aspect of the Assembly meeting was the presence, according to the American Legation in Bucharest, of Ana Pauker, Teohari Georgescu, and "possibly" Vasile Luca among the deputies.

6. Significance of Yugoslav Communist Party Congress postponement: Ambassador Allen believes that postponement of the Yugoslav Communist Party Congress from 19 October to 2 November is principally related to unresolved party questions. His over-all impression is that the party is not well prepared and is on the defensive. It has failed to build up enthusiasm among party members, and the timing of the Soviet party congress for 5 October left it insufficient time to organize a counterattack to expected Soviet charges.

Ambassador Allen views the official Yugoslav reason for postponement, i.e., the pressure of work produced by the drought, Trieste problem, Eden's visit, relations with Greece and Turkey, economic decentralization, etc., as a secondary factor. (S Belgrade 411, 24 Sept 52)

Comment: The Tito regime's current policy of ostensibly decentralizing economic, government and Communist Party administration has resulted in considerable confusion and some opposition among party officials, particularly on the local level. However, the party congress is intended to put the rubber stamp of approval on Tito's new policies, and if there was significant opposition the postponement would have

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been for more than two weeks.

It seems most likely that Tito and his lieutenants, the same men most affected by the press of government business, desired the extra time to prepare counter-criticism to the Soviet proceedings, which may also be used to obscure the current confusion in the Yugoslav Communist program.

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FAR EAST

7. Ambassador Murphy notes Yoshida concern over 1 October election: Ambassador Murphy believes that recent statements by Premier Yoshida's private secretary indicate the Prime Minister's anxiety about the coming election. The secretary said that, while no firm trends were yet evident, Yoshida was "encouraged" by the prospect that in his home district the vote was expected to be "only" 30,000 less than his 1948 total and he anticipated both an absolute and intraparty majority. He noted that Liberal Party polls, which indicated a steadily favorable trend prior to the 1948 election, now displayed wide weekly fluctuations. (C Tokyo 1009, 25 Sept 52)

Comment: It is believed by most political observers that the Liberals will lose some seats and perhaps their present Diet majority owing to the growing Yoshida-Hatoyama schism, the party's close association with the occupation, Yoshida's declining prestige since the peace treaty, his dictatorial methods, and finally his alleged "surrenders" of Japanese interests in dealing with foreign governments.

8. Japan objects to postponement of GATT membership: The Japanese Foreign Office advised Ambassador Murphy on 19 September that the postponement of Japan's application to GATT (General Agreement on Tariffs and Trade) beyond the seventh session is acceptable only if the alternative is outright rejection. Ambassador Murphy is disturbed by the negative British attitude toward Japan's application and feels that the United States should not ignore the Japanese Government's sincere desire to participate, which is strongly supported by the people as well as business circles in Japan. (C Tokyo 1037, 26 Sept 52)

Comment: Japan has become increasingly concerned over the imposition of discriminatory tariffs against Japanese goods and hopes that by its entry into GATT this trend will be retarded. The British Government wishes to avoid a political affront to Japan and has requested US support for a resolution which will postpone Japanese entry into GATT until sometime next year.

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9. Communist China makes large shipment of gold and dollars to USSR: About \$30,000,000 in gold and American currency were flown from Peiping to Moscow in August [redacted]

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[redacted] This was reportedly more than half the gold and foreign currency which the Chinese people were forced to surrender during the campaign against private capitalists earlier this year.

According to the American Consul General in Hong Kong, these gold and dollar shipments probably represent partial payment for war materiel and other goods received from the Soviet Union. (S Hong Kong 817, Joint Weeka 39, 26 Sept 52)

Comment: This strengthens other reports that the exorbitant levies on private businessmen in the first half of 1952 yielded substantial revenues to the Peiping regime. These levies enabled the Communist regime to finance military expenditures without resort to large paper money issues.

10. Rapid growth of cooperatives in China reported: A total of 106,000,000 Chinese were members of cooperatives in June 1952, according to a 13 September news broadcast from Peiping. In 1951 cooperatives handled 10 percent of all retail sales in China and 60 to 70 percent of government purchases of farm products. (R FBIS Peiping, 17 Sept 52)

Comment: Membership in cooperatives in Communist China was only 20,000,000 in March 1950 but "over 50,000,000" in September 1951. Most of these cooperatives were formed by the government to market surplus farm products. Their rapid growth has increased the state's ability to utilize agricultural surpluses.

11. Communists urge more Sino-Japanese trade: The Chinese Communists are apparently annoyed at Japanese failure to send delegates to China to conclude specific trade deals. In one broadcast from China, the chairman of the Chinese Committee for Promoting International Trade reminded the Japanese of his previous cables on the subject and added: "I therefore once again ask you to send a delegation to Peiping as soon as possible to discuss and sign concrete proposals." (C FBIS Far East Survey, 25 Sept 52)

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Comment: The Chinese Communist effort to negotiate specific trade deals with the Japanese is part of a wider drive to create dissatisfaction with East-West trade controls in non-Communist countries generally. In a broadcast from Canton on 23 September, the head of a visiting British party declared, "we were assured that China genuinely desires to resume and extend normal trade with the whole world." In another broadcast on 20 September, a Chinese economist asked Americans, "why a blockade when the prospect of trade with us is brighter than ever before?"

12. Communists kidnap alleged Nationalist agent from British ship: The American Consul General at Hong Kong reports that the British are "mystified" and "concerned" about the 25 September incident in which a Chinese Communist gunboat intercepted a British-registered vessel en route from Hong Kong to Macao and a Chinese passenger was kidnapped.

The mystery is why the Communists kidnapped an individual in this manner and the concern arises over the future of the ships on the Hong Kong - Macao run, which had not been disturbed for the last two years. (C Hong Kong 808, 25 Sept 52)

Comment: Chinese Nationalist sources in Hong Kong are said to have identified the kidnapped passenger as the top Nationalist agent in Macao. If so, he may have been too well protected by the Portuguese for the Communists to abduct him there.

There has been no further Communist interference with ships on this run in the past four days.

#### SOUTHEAST ASIA

13. Recent session of Thai Assembly demonstrates ruling clique's complete control: The National Assembly's unanimous passage of a supplementary budget bill before adjournment demonstrates its "rubber stamp" nature, in the opinion of the American Embassy in Bangkok. Frustrated opposition members' inability even to delay government legislative steamrollers has evidently discouraged even nominal opposition to the military clique's legislative proposals. (C Bangkok 536, 25 Sept 52)

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Comment: The creation of a more pliable legislature was one of the chief motives behind the November 1951 coup d'etat.

14. Government to investigate depression in Thai provinces: Thai officials have been instructed to investigate reported economic hardship in northeastern and southern Thailand. In addition, a special fund has reportedly been set aside to aid the poverty-stricken people in these two important sections.

The American Embassy in Bangkok believes that provincial needs will continue to be subordinated in the current struggle for power between military leaders. (C Bangkok 536, 25 Sept 52)

Comment: The drought-ridden northeast has long been neglected by Thai politicians, who have preferred to concentrate governmental largess on the inhabitants of Bangkok and its environs, an area where its political effects are more pronounced. However, reports of discontent in northeastern and southern Thailand have been exploited by the Communists and have brought the issue before the Thai public.

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15. Indonesian Moslems plan attack in West Java: [redacted] a regimental commander of the Darul Islam, the fanatic Moslem group, has ordered a "determined attack" on all army and mobile brigade units in the Bogor regency of West Java on 29 September. [redacted]

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Comment: Bogor is less than 40 miles south of Djakarta. Nearly all of West Java, which is the least secure area in Indonesia, is subject to raids by dissident groups.

The government claims to have thwarted Darul Islam plans for a revolt on 17 August and is presumed to be on the alert for other possible attacks. A large-scale campaign against the group is planned in December, and additional troops have been brought into West Java in preparation for the operation.

16. Celebes guerrilla commander denies connection with Darul Islam: [redacted] Celebes guerrilla commander Kahar Muzakkar on 20 April denied that he had been appointed leader of Darul Islam forces in the Celebes. Signing himself as Field Commander of "The People's Freedom

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Army," Muzakkar stated, "false accusations that the Real Freedom Struggle in the Celebes is a part of the Darul Islam... are the provocations of American capitalist agents..." (C

Comment: The Indonesian Government announced on 28 April that it had conclusive evidence of a connection between the Darul Islam in West Java and the Muzakkar rebels in the South Celebes. A press report of the same date stated that Muzakkar had been appointed commander-in-chief of DI forces in the Celebes.

The terminology used by Muzakkar throughout his statement suggests Communist influence. Although there is no reliable evidence of Communist infiltration among the Muzakkar guerrillas, both Indonesian and Chinese Communists have been active in the Celebes since the spring of 1951.

17. Indonesian Parliament severely criticizes Defense Minister:  
At open parliament sessions on 23 and 24 September, leftist, nationalist, conservative Moslem and independent speakers criticized the Defense Ministry for its cliques, domination by the Socialist Party, incompetence and corruption, undue retention of the services of the Netherlands Military Mission, and the generally lowered morale in the army. A motion of nonconfidence in the Defense Minister has been tabled pending his reply to the parliamentary accusations.

The American Ambassador comments that regardless of the vote on the nonconfidence motion, these discussions have publicized the existence of dissension within the army and bitterness within the coalition cabinet. He feels that the results can only be damaging to the prestige and future prospects of the government. (C Djakarta 577, 24 Sept 52)

Comment: The American Military Attache believes that in addition to persistent nationalist and left-wing parliamentary criticism obviously aimed at the Defense Minister's removal, President Sukarno and Prime Minister Wilopo are maneuvering toward the same end.

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SOUTH ASIA

18. British sound out Indian attitude on Gurkha issue: The British Foreign Office states that the Indian High Commissioner in London responded "sympathetically" to its informal suggestion that British Gurkha recruiting activities might be moved into Nepal if the Indian Government were to support a British approach to Nepal on the subject. The British pointed out that this would take the "political heat" off the Nehru Government, which under pressure of Communist-led agitation last month requested that Britain stop Gurkha recruit processing in Indian territory.

The Foreign Office sees "no indication whatever" that New Delhi will repudiate Great Britain's right under the 1947 agreement to move troops and supplies across India. (S London 1744, 25 Sept 52)

Comment: The British previously indicated their belief that moving the recruiting stations into Nepal would be the least unsatisfactory of the possible solutions.

There are indications that the Indian Communists intend to press for abolition of Britain's transit rights under the tripartite treaty with Nepal.

19. Indian leftists threaten "direct action" in Travancore-Cochin State: On or about 24 September, parliamentarian P. Srikanth Nair stated in Ernakulam, Travancore-Cochin State, that the leftist United Front Party would launch "direct action" to force the government to adopt measures which would solve the unemployment problem in that part of India. (U New Delhi 1308, 25 Sept 52)

Comment: The unemployment problem in Travancore-Cochin is critical and could easily be exploited by the Communists, many of whom were elected to the state government under the aegis of the United Front because of a ban then existing on the Communist Party. Since "direct action" in Indian Communist parlance usually implies violence, this is another indication that the Communists are prepared to use it where they feel strong enough to do so successfully.

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NEAR EAST - AFRICA

20.

Kashani reportedly plans to overthrow Mossadeq: [REDACTED]

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[REDACTED] Mullah Kashani has plans to overthrow Prime Minister Mossadeq in the near future. Kashani is said to have lined up both National Front and conservative support in the Majlis. He also has support in the army and police and among the clergy.

Plans call for the ousting of Mossadeq by the Majlis and the installation as Prime Minister of retired General Zahedi as a front for Kashani. If Mossadeq is not ousted by parliamentary means, a military coup will be attempted.

Kashani has reportedly indicated that he will not adopt a hostile attitude toward the Shah, and has left the impression with opposition leaders that he will be easier to deal with than Mossadeq. A key figure involved in the plot has allegedly stated that the British approve of Kashani's plan.

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[REDACTED]

Comment: Previous reports have stated that the conservatives, including two of the Shah's brothers and certain high army officers, were considering enlisting the cooperation of Kashani in a plot to oust Mossadeq. Kashani has become increasingly critical of the Prime Minister and he is reported to have warned Mossadeq that he would take matters in his own hands if "conditions" did not improve.

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[REDACTED]

Kashani's growing power in the Majlis, his control of the extremist elements in the National Front, and his willingness to accept Tudeh support might make such an attempt by him successful. There is no evidence, however, that Mossadeq has yet lost his majority in the Majlis. How the army would react to a Kashani-inspired coup is not known. Recent army changes made by Mossadeq as a result of his suspicion of a plot appear to lessen the chances of a successful military coup.

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21. Greek Prime Minister favors postponing elections: Prime Minister Plastiras told Ambassador Peurifoy on 25 September that he is opposed to new elections this year. He maintained that an election campaign might produce anti-American slogans.

A well-placed source has also recently reported that Plastiras' coalition government is determined to avoid elections "at all costs." (C Athens 1057; [ ] 25 Sept 52) 25X1A

Comment: Apparently Plastiras, who has insisted that he would win in any immediate elections, now fears that he cannot do so. His implied threat of anti-American propaganda appears to be an attempt to persuade the United States, which has urged early elections, to support his efforts to postpone them.

22. Defense Minister in Greece recommends reinstating leftist generals: The Greek Government has presented to the Palace a bill recommending the recall to active duty of several leftist generals, including Serafis and Othonaios, according to George Vendiris, the King's political adviser. Defense Minister Mavros signed the bill but insists that he was unaware of its implications. (S Athens 1038, 24 Sept 52)

Comment: Serafis and Othonaios, leading Communist generals during the Greek civil war in 1944 and 1945, were only recently released from prison.

The King would probably not sign a bill recalling notorious pro-Communists to active duty. Nevertheless, the government has sponsored an increasing number of measures favoring the Communists in its desire to attract leftist support. As pressure for new elections continues, there will probably be more such measures.

23. Libya may delay action on treaty with France: Libyan Prime Minister Muntasser has told the French Charge in Tripoli that there is little hope of early action on the treaty of alliance between Libya and France. The Premier added bluntly that his country dislikes French policy in North Africa and expects to consider the American and British treaties first.

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The French Charge believes that Libya hopes to gain maximum benefits in its foreign agreements by delaying action and by playing the Western powers against each other. (S Tripoli 190, 24 Sept 52)

Comment: Libya has repeatedly stalled in negotiating treaties granting special privileges to the United States, Great Britain and France. Muntasser recently suggested that the United States should double its previously agreed compensation payment to assure early ratification of the treaty by Libya. Great Britain is currently encountering difficulty on the question of the duration of its treaty.

24. Moroccan Sultan states that French Government opposes publication of correspondence: The Sultan of Morocco allegedly told his representative on 25 September that the French oppose the publication of correspondence between the Sultan and the President of the French Republic on increased self-government for Morocco and revision of the 1912 treaty which established the French protectorate over Morocco. The Sultan has not yet decided on his next move because a reply needs further study. (C Rabat 29, 25 Sept 52)

Comment: Inasmuch as the Moroccans as well as the French are looking toward the next UN General Assembly, the Sultan may time his counterproposals to gain the maximum benefit from UN consideration as to whether the Moroccan issue should be placed on the General Assembly agenda.

On 17 March the Sultan requested a revision of the Treaty of Fez, which established the French protectorate over Morocco in 1912, as well as more self-government for the Moroccans.

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WESTERN EUROPE

25. East Germans continue propaganda on Volkskammer delegation to Bonn: Developments since the departure of the Volkskammer delegation from Bonn point to the probability of redoubled efforts by the East Germans to exploit the initial advantage gained there, with the strong possibility of some new overture from the Soviet Union.

Since the East Germans have advanced considerably if cautiously beyond the proposals contained in the latest Soviet note on Germany, the present propaganda tempo can scarcely be maintained in East Germany without some new Soviet gesture. This may well include an early reply to the latest Western note and an attempt to undermine Western objections to the Soviet agenda by proposing simultaneous discussion of agenda items.

In the meantime, individual members of the Bonn mission have asserted that they expect not only a reply from the Bundestag to their proposals, but also the appointment of a delegation to join the East Germans in talks on all-German elections. This optimistic appraisal of their efforts and the encouragement it provides for still further efforts may stem in part from continued signs of confusion in West German circles and the open criticism in the West German press of the Allied reply to the Soviet note. (Factual data from: R FBIS, East Germany, 22-26 Sept 52; C London 1765, 26 Sept 52)

26. West German press criticizes West's reply to Soviet note: Commenting on West German press reaction to the Western reply to the Soviet note on German unity, American officials in Bonn fear that implicit reservations and open criticism of the three-power note may portend future difficulties for the West. Although the pro-coalition press approves of the importance placed on all-German elections, many papers seem to consider the exchange of notes fruitless, and some openly charge that insistence on "principles" is preventing four-power talks and the unification of Germany. (C Bonn 1367, 25 Sept 52)

27. French Socialist leader warns against rejection of Eden proposals: French Socialist leader Guy Mollet has warned that if Germany and Italy continue their hostility in the Coal-Steel Community Assembly to the British proposals for establishing ties between the Council of Europe and the emerging Community of

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Six, the French Socialists will vote against EDC ratification. He told the American observer at the Council of Europe that any majority for the EDC that Pinay might "scrape together" without the Socialists could not be considered a stable basis of foreign policy. (S Strasbourg 108, 26 Sept 52)

Comment: Since the dissident Gaullists have resolved to follow General de Gaulle on foreign policy, the Socialists could block French ratification of the EDC treaty. This threat, however, may well be merely an effort to obtain strong American support for Eden's proposals. Last spring, when hope of close British association with the Continent was fading, Mollet appeared willing to accept the EDC without British association.

28. Dutch still fear neglect by NATO defense planners: The American Embassy in The Hague reports that the Dutch are still seriously disturbed over NATO defense planning and have strong reservations about Marshal Juin's impartiality as an international commander. They fear that in a military crisis Juin would not hesitate to alter SHAPE plans to the benefit of France. (S The Hague 417, 25 Sept 52)

Comment: Both the Netherlands and West Germany have been greatly concerned over Allied strategy in the event of a Russian attack, particularly since General Juin, during the Allied military maneuvers in Germany early in September, appeared to base the Allies' defense on the Rhine, thus risking abandonment of most of northern Holland to the invader. Subsequent American assurances have apparently failed to convince either the Dutch or the Germans that their territory will be defended.

29. Belgians insist on retaining real voice in EDC Commissariat: A Belgian delegate to the EDC directing committee in Paris has informed an American official that, for political reasons, his country will insist on a Benelux proposal that the EDC Commissariat's executive powers be exercised through committees rather than individuals.

The Benelux proposal was attacked by the French, German and Italian delegates as deviating from the treaty provision regarding delegated authority for individual members of the Commissariat and as reducing organizational efficiency. (S Paris 1870, 25 Sept 52)

Comment: The Belgians want the Commissariat to direct operations on a collective basis in order to retain a check on the French, German, and Italian members.

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30. De Gasperi pessimistic over outcome of Italian elections:

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[redacted] the Italian Premier expressed pessimism regarding his party's chances in the 1953 elections. He pointed out that Italy's social problems were far from solved, and "greater difficulties may yet arise." (S Bonn 1368, 25 Sept 52)

Comment: This is the first time that De Gasperi has been known to express outright pessimism concerning next spring's elections.

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LATIN AMERICA

32. Latin American delegates to WPC reportedly met with "Latin American section of international Communist organization": Diego Montana Cuellar, upon his return in mid-July from the World Peace Council meetings in Berlin, reportedly told the Colombian Communist Party that one of the secret WPC meetings was attended by representatives of the "Latin American section of the international Communist organization, with headquarters at Prague." These representatives told the Latin American delegates that every effort would be made to find practical solutions for the needs and financial difficulties of the Communist parties in Latin

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America and for the problems relating to their positions with respect to the regimes in power. The representatives asked that the Latin American section in Prague be supplied detailed demographic, economic, and political studies on each country. (C

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[Redacted]

Comment: This report merely adds to the list of unconfirmed rumors concerning the existence in Prague of a central coordinating and directing committee for Latin American Communist activities.

33.

Bolivian Socialist Falange reportedly plans revolt: Unidentified members of the Bolivian Socialist Falange have detailed plans to overthrow the Paz Estenssoro government and to "eliminate" Minister of Mines and Petroleum Juan Lechin and Minister of Labor German Butron, [Redacted]

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[Redacted] The date of the revolt was not specified. [Redacted]

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[Redacted]

Comment: The Falange, now the principal opposition group, has been seeking support from army officers dissatisfied with their position under the new government. In late August a number of Falangists were arrested for alleged plotting.

The plan to "eliminate" Lechin and Butron, both important labor leaders, presumably stems from a desire to reduce the effectiveness of labor's power.

34.

Costa Rican President relinquishes power pending congressional investigation of police: President Otilio Ulate announced on 26 September that he would temporarily leave office while a congressional committee investigates charges that certain high officers of the civil guard have engaged in bullying tactics. He named First Vice President Alberto Oreamuno to take his place.

Ulate said that he had already started his own investigation and therefore considered the congressional action a personal insult. A newspaper article identifies the accusers as members of the Civic Revolutionary Action, a small irresponsible veterans' group. (C San Jose 58 and 60, 26 Sept 52; C San Jose 61, 27 Sept 52; U La Prensa (NY) 27 Sept 52)

Comment: Acting President Oreamuno, a physician, is pro-Ulate and pro-United States. In May 1951 he quoted Ulate as saying that he was thinking of resigning provided Oreamuno would take over. According to Oreamuno, Ulate felt that he had dis-

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charged his duty to the country and would like to return to his neglected newspaper business.

So far, there is nothing to indicate whether Ulate's "temporary resignation" is actually a matter of honor arising out of the police case or whether he is merely using the charges as an excuse to leave politics. Ulate had been reorganizing the police in preparation for next summer's potentially explosive elections.

35. Cuban opposition plots to overthrow Batista: An attempt to overthrow President Batista of Cuba will reportedly be made within the next few days. Leaders of the plot are said to be supporters of ex-President Prio, members of the large opposition Orthodox Party, and elements of the armed forces.

In view of this and other reports, the US Embassy in Havana considers an armed uprising in the near future possible. (S Havana 178, 25 Sept 52; )

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Comment: Opposition to Batista has been increasing during the past few months. Batista is probably aware of the current plot, however, and able to thwart it.

36. El Salvador acts against alleged Communist plot: The Salvadoran Government on 26 September suspended constitutional guarantees for 30 days and announced that the country is in imminent danger of Communist-inspired disorders. The Communists, it said, are taking advantage of "the constant plots of the extreme right," and are preparing to instigate riots and terrorism in El Salvador. About 15 Communists have been arrested.

The United States Embassy states that, although the Communists are a potential threat, such drastic action is not warranted by the present situation and may have been taken "for other purposes." (R San Salvador 51, 26 Sept 52)

Comment: There is no evidence that the Communists pose an immediate threat in El Salvador, though they have been active in some labor unions and student groups.

Rightists have repeatedly been reported engaged in plots, and earlier this month the government declared that an alleged plot had been foiled and prominent conservatives arrested. The present action may be simply a prelude to the exiling, as in March 1951, of leftist and rightist opponents of the regime.

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29 September 1952

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**TOP SECRET SUPPLEMENT**

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SOUTH ASIA

1. Sheikh Abdullah makes new proposals for settling the Kashmir dispute: During a conversation with Ambassador Bowles on 21 September, Sheikh Abdullah, the Indian-sponsored Premier of Kashmir, suggested that his state should be made semi-autonomous for a ten-year period under a United Nations guarantee, with "free access" to both Pakistan and India. He added that he would welcome direct discussions between his government and that of Azad Kashmir, which is Pakistani-controlled, in the hope of developing some formula which could be advanced to India and Pakistan.

Abdullah protested his complete loyalty to India, but stated that he felt the time had come to consider every reasonable suggestion for solving the Kashmir issue. (S S/S New Delhi 1291, 24 Sept 52)

Comment: Abdullah has never before made such specific recommendations for settling the Kashmir dispute, though he has previously raised the subject of autonomy and has made overtures to the Azad Kashmiris. His remarks suggest that he is planning some new move which might seriously embarrass the Indian Government.

In their present mood of frustration, both the Pakistani Government and the Azad Kashmiris might consider some such proposal.

NEAR EAST - AFRICA

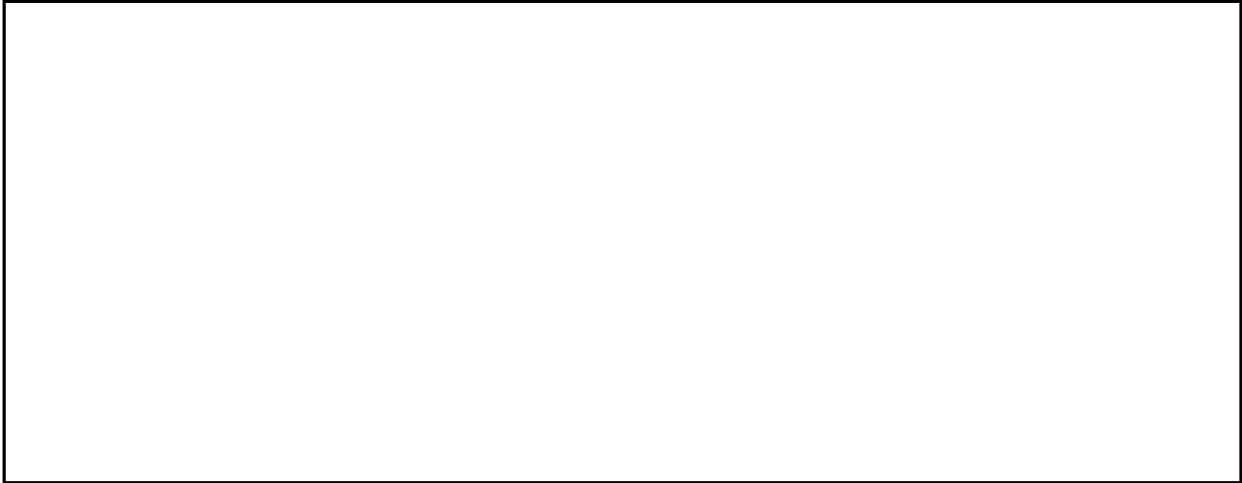
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3. Moroccan nationalists promise to give American officials advance notice of any uprising: A usually reliable source has told an American official in Tangier that American authorities there or in Rabat would be given advance notice of any nationalist uprisings in Morocco. (TS US AIRA Algiers Unnumbered, 23 Sept 52)

Comment: Although Moroccan nationalists have frequently discussed their problems with American Legation personnel and occasionally have petitioned for US support, it is unlikely that they would jeopardize any plans for disorders by revealing them even to an American official.

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