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WORKING PAPER

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Class. CHANGED TO: TS S C
DDA Memo, 4 Apr 77
Auth: DDA REG. 77/1763
Date: 8 MAR 1978 By: 011

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INTELLIGENCE SUMMARY

For Week Ending
26 January 1949

Vol. IV No. 3

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GREECE

The new coalition: Although another Sophoulis coalition government is all that emerged from the cabinet crisis which has been convulsing Athens during recent weeks, the new combination embodies some changes which may enable it to govern more effectively than did its predecessor. With the return of the insurgent Venizelos Liberals to the party fold, Tsaldaris' formerly dominant Populist supporters have been displaced by Liberals in the government's key posts and relegated to relatively minor ministries; Tsaldaris himself, although still Foreign Minister, has been stripped of his title of Deputy Prime Minister. Prime Minister Sophoulis, accordingly, may feel free to proceed more vigorously with his social, economic, and military program. Meanwhile, though the plan to bring the Papandreou centrist bloc into the government has fallen through, the government has been strengthened by the addition of the energetic Markezeris, the only new political leader to emerge since the war, and of the brilliant but vacillating centrist, Canellopoulos. General Papagos has finally accepted the new post of Commander-in-Chief of the Army and, with the aid of Canellopoulos, who is now Minister of War, may be able to prevent military operations from being bogged down in political interference. However salutary these changes may be, the government nevertheless remains susceptible to its old ailments. The government has been broadened sufficiently to assure it of ample support when Parliament reconvenes 1 February, but the combination is an unstable one, made up of traditionally incompatible elements brought together only after a peremptory statement has been issued from the palace, hinting at an imposed, non-parliamentary government if the warring politicians did not get together. When the shock of the King's ultimatum wears off, political rivalries within the Cabinet are likely to emerge once more to hamper the effective execution of a coherent policy.

Papagos' task: The most pressing of the problems confronting the new Greek Government is primarily the responsibility of General Papagos, as Commander-in-Chief of the army. The Greek Army is currently spread thin; a reinforced division is committed to clearing the Peloponnese of guerrillas and the other seven divisions are scattered through northern and central Greece for purposes of static defense, minor clearing operations, and the containment of guerrilla border concentrations at Kaimaktchalan and Vitsi. As a result, the guerrillas have been able to maintain their supply lines and to build up local superiority for spectacular

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raids on large provincial towns; in the past six weeks such attacks on Kardhitsa, Edessa, Naoussa, and Karpenision have wrought great destruction, terrorized the inhabitants, and aggravated the refugee problem. Papagos, who led the Greek Army in its successful resistance to the 1940 Italo-Albanian invasion, appreciates the army's present shortcomings and has already called for greater discipline, initiative, and aggressiveness. While the army has reacted enthusiastically to his assumption of command, it is too early to note improvements in the army's functioning or to gauge whether the army's present enthusiasm can be maintained through the hard months ahead.

TURKEY

Cabinet's prospects poor: The new Turkish Cabinet under Şemseddin Cümlaltay gives little promise of solving the economic and fiscal problems which have increasingly beset every Turkish cabinet since the war and which finally drove the new government's predecessor out of office. Prime Minister Cümlaltay, a party stalwart with little administrative experience, has displayed questionable wisdom in combining the critically important Ministries of Commerce and Economy. Moreover, although his choice for the job, the 43-year-old Cemil Sait Barlas, is regarded as a member of the more progressive group in the government party and served briefly as Minister of Commerce in the Saka Cabinet, his career as a legal advisor and deputy has provided him little sustained contact with many of the problems he now must face. In the speculation which has already arisen concerning Cümlaltay's successor, two candidates--both of them in the present government--stand out. One is Nihat Erim, the leading member of the party's liberal wing and a protege of President İnönü, who has just culminated the most rapid rise of any Turkish politician by becoming, at the astonishing age of 36, Deputy Prime Minister. The other strong possibility is Murullah Esat Sümer, a former director of the government-controlled Sümerbank and a wartime Minister of Finance, who has just been recalled from an important post with the International Bank and Monetary Fund to become a Minister of State. In this assignment he will be in charge of coordinating foreign credits and will presumably exercise some supervision over the projects utilizing such credits.

PALESTINE

The Rhodes talks: The Israeli-Egyptian armistice talks have reached a deadlock, apparently over occupation of the Negeb during the projected armistice period. The Egyptians insist that the Israelis, in compliance with the Security Council's 4 November resolution, withdraw their forces in the Negeb north to the lines held when the Israeli offensive began on 14 October. The Israelis, on the other hand, seem determined to hold on the greater part of their military gains. As a result of this dispute, the Israelis now refuse to release the Egyptian garrison trapped at Faluja despite the accord previously reached on this matter by Israeli

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and Egyptian representatives. Mutual recriminations have ensued, with the Egyptians accusing the Israelis of broken promises, and the Israelis maintaining that the Faluja release is contingent on the conclusion of an armistice. Thus the Negeb boundary dispute exemplifies the difficulty of establishing a firm basis for negotiating an armistice. The Israelis, strongly confident from their military victories, are willing to negotiate only if their chief demands are substantially met. The Egyptians, however, have already demonstrated that they will not accept Israeli terms indiscriminately. If the UN Acting Mediator can find no working basis for Israeli-Egyptian agreement in the near future, hostilities may break out in Palestine once again.

NOTED IN BRIEF

At the instigation of Greek Socialist leaders, the British Labour Party is sending a representative to Athens to demand that the ELD-SKE Socialist express unequivocal opposition to Markos or be expelled from the Socialist International. The fellow-travelling attitude of ELD-SKE, the best-known of the Greek Socialist groups, has been a serious source of embarrassment to the other Socialist parties in Greece.

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Reports that General Salih Omurtak is severely ill have started rumors that he will be replaced as Chief of Staff of the Turkish armed forces, probably by General Nuri Yamut, Inspector-General (i.e. commander) of the First Army.

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Experts of the UN International Bank for Reconstruction and Development are now enroute to Turkey to consider applications for credits by the Turkish Government. The bank representative will undoubtedly regard the program they will finance as a corollary to that of ECA, but in judging the usefulness of the projects proposed by Turkey will use standards considerably stricter than those employed by ECA officials.

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Wafd participation in the Egyptian coalition government once again appears "imminent," with the king reportedly prepared to make concessions to get them in and the British Minister active in persuading the Wafd to cooperate.

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The arrest of another bomb-laden Ikhwan youth in Cairo last week led to police discovery of a new terrorist plot, possibly aimed at eliminating the Prime Minister and other key officials, in which some seventy junior

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army officers, led by the bitterly anti-government Lt. Gen. al-Masri Pasha, were involved.

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The possibility of a Syrian-UK rapprochement has been revived by the reported recent efforts of the Syrian Minister in London to sound out the British Foreign Office regarding the UK's actions if Syria were attacked.

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An official parliamentary opposition in Lebanon has now been organized for the first time, apparently with the approval of the President. The opposition group will include some of his closest personal friends and advisors.

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The Transjordan Government has been placed in an extremely awkward financial position by recent expenses arising out of the Palestine Campaign and the influx of Arab refugees, though it is probable that the UK will soon avert a crisis by making additional funds available to Abdullah.

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The center of communist activity for the Middle East has been shifted from Beirut to Haifa, according to British, French, and Turkish sources.

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