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8 January 1959

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CENTRAL INTELLIGENCE BULLETIN

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8 JANUARY 1959

I. THE COMMUNIST BLOC

Taiwan Strait - Chinmens receive
heaviest shelling since 3 November. ①

II. ASIA-AFRICA

Nasir's anti-Communist campaign
hardening; USSR may have begun
to put pressure on him.

Afghanistan expanding relations
with the USSR.

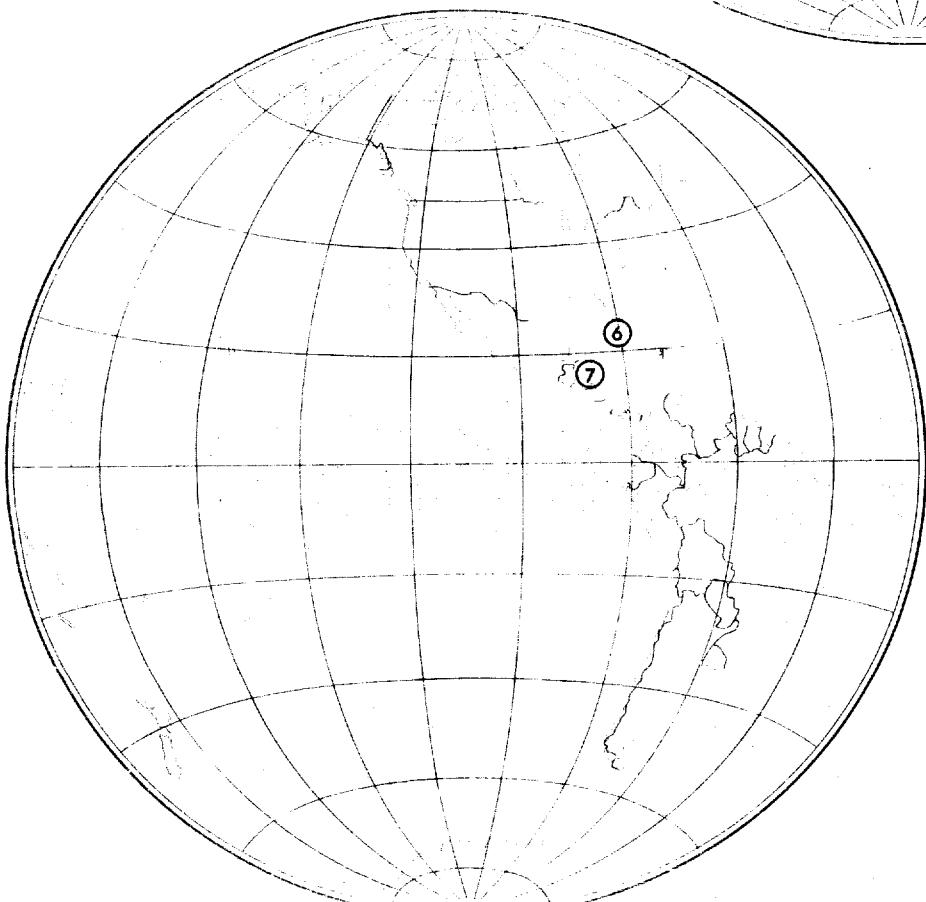
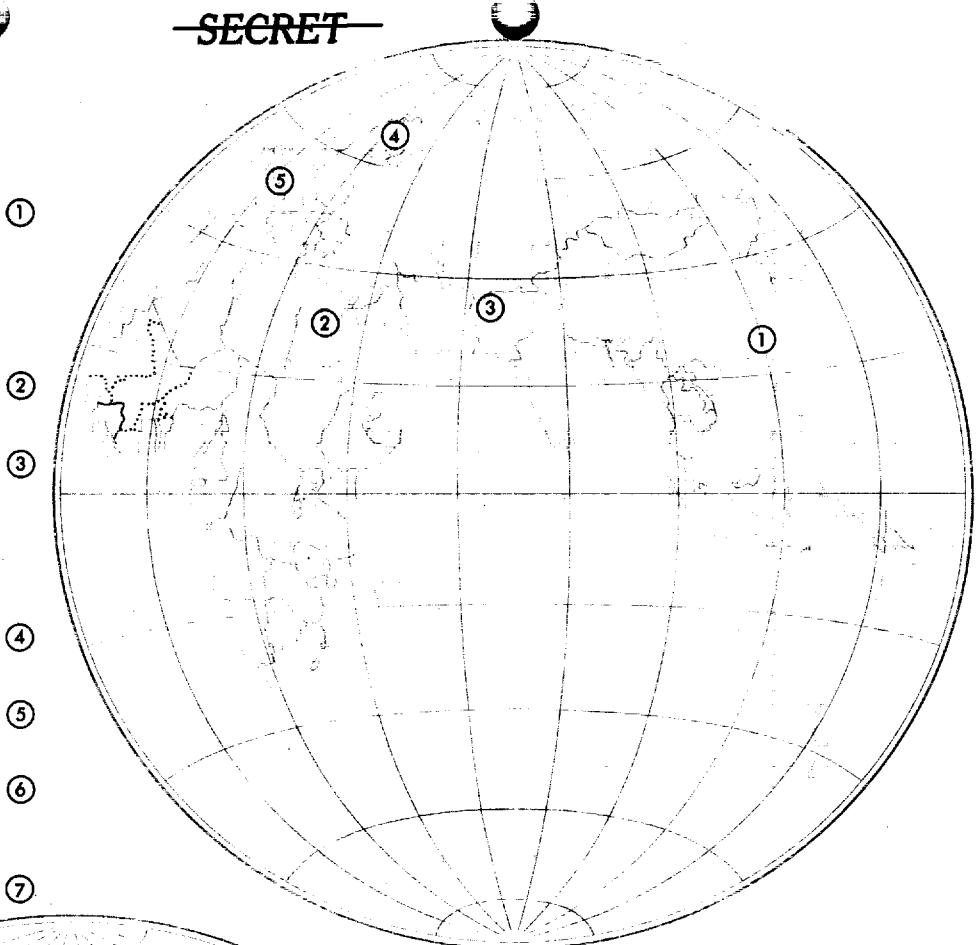
III. THE WEST

Finland - Parliament reconvenes
ahead of schedule on problem of
forming new government.

Belgium concerned over rioting
in Leopoldville.

Cuban Communist party trying to
create impression of legality.

Honduras fears action by exiles
now concentrating across the bor-
der in Nicaragua.

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CENTRAL INTELLIGENCE BULLETIN

8 January 1959

DAILY BRIEF

I. THE COMMUNIST BLOC

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* Taiwan Strait: The Chinese Communist shelling of the Chinmen Islands on 7 January, reported by the Nationalists at about 33,000 rounds, is the heaviest since 3 November. The pretext for this bombardment is the alleged damage to the nursery of a peoples' commune near Amoy by Nationalist shelling on 3 January. [REDACTED] There is some indication, however, that preparations for this action began before that date. Chinese Communist Foreign Minister Chen Yi in his talk with foreign diplomats on 16 December had stated that Peiping might decide to deluge Chinmen with another barrage in order to demonstrate that the Communists have not been defeated and hold the initiative. [REDACTED]

NO

Watch Committee conclusion-- Berlin: The Berlin situation remains potentially dangerous but will probably not develop into a crisis during Mikoyan's visit. [REDACTED]

NO

Watch Committee conclusion-- Taiwan Strait: There were no developments noted during the past week which reflect a change in Chinese Communist intentions regarding the Taiwan Strait situation. The intensified shelling on 7 January appears to be another Chinese Communist effort to maintain tension in the area. [REDACTED]

II. ASIA-AFRICA

NO

Watch Committee conclusion-- Middle East: A deliberate initiation of large-scale hostilities in the Middle East is unlikely in the immediate future. The situation, however, remains precarious throughout the area. In Iraq, Communist influence and activity continue to pose the threat of eventual Communist control of the government. [REDACTED]

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Watch Committee conclusion--Southeast Asia: Political plotting in Cambodia against Premier Sihanouk, abetted by Thailand and South Vietnam, and Viet Minh military pressures on the borders of Laos may provide further opportunities for increased Communist penetration in Southeast Asia.

OK

UAR: Nasir's large-scale arrests in Syria and Egypt have included key members of the Communist party. He is reported planning a general purge of the UAR press, radio, and department of information. Sino-Soviet bloc propaganda media have mentioned the arrests, but are avoiding comment on Nasir's role in the crackdown and his criticism of Communist activity in Iraq. Meanwhile the USSR reportedly has halted a training program for Egyptian jet pilots now in the USSR, and Nasir is said to be "astonished." *(Pages 1 and 2)*

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3rd sentence
PP 2

Afghanistan-USSR: Afghanistan apparently intends to expand further its relations with the USSR. The communique issued on 5 January at the end of Foreign Minister Naim's visit to Moscow indicates a new Soviet economic assistance agreement may be reached in the near future. While the communique itself contains no reference to any new military agreement, its wording does not exclude such an agreement. Naim's visit emphasizes Kabul's increasing concern about a possible threat from Pakistan and its desire to find a counter to this threat.

(Page 3)

III. THE WEST

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Finland: Parliament has been ordered to reconvene on 8 January, four days early, in order to form a government to replace the five-party Fagerholm coalition, which resigned on 4 December largely because of Soviet pressure.

(Page 4)


Belgium: In reaction to the rioting in Leopoldville, Belgian opinion generally is concerned but is not calling for repressive measures or drastic changes in policy. The prime minister has called an emergency session of Parliament for 8 January in

~~TOP SECRET~~

~~TOP SECRET~~

[response to the King, who is reported extremely disturbed about the situation. The government is considering reinforcement of army units in the Congo. The basic factors giving rise to the disturbances have not changed.] [redacted]
(Page 5)

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Cuba: The Cuban Communist party (PSP) has succeeded in obtaining a minority voice in the organized labor movement and is represented on an employee committee which is attempting to take over the management of the Cuban Electric Company, a subsidiary of a US firm. The PSP is acting openly to create an impression of legality. However, the Urrutia government has not recognized the party. [redacted] (Page 6)

W/O

Honduras: [An imminent movement by Honduran rebels now concentrating along the border in Nicaragua is feared by the Honduran foreign minister. He complained in a 6 January talk with the US ambassador that Nicaragua is assisting the rebel force and said Honduras may as a last resort take the case to the OAS. The Nicaraguan armed forces chief, General Somoza, told the US Embassy on 3 January that there were 300 to 400 Honduran civilians at the border.] [redacted]

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I. THE COMMUNIST BLOC

Soviet Reaction to UAR Anti-Communist Moves

[Soviet leaders may be exerting behind-the-scenes pressure on Nasir to limit his anti-Communist moves by bringing to his attention the importance of continued bloc military and economic assistance, but they apparently hope to avoid an open clash with Cairo.]

[the Soviet Government has halted training of Egyptian jet pilots now in the USSR.]

[The Soviet Union used the argument that the pilots must learn Russian before undergoing further training. Nasir, described as "astonished," is said to feel that the suspension has political motivations, inasmuch as several classes have completed training without any language problems.]

[The Soviet Union has apparently also exerted pressure in its economic relations with the UAR since the initial signs of Nasir's recent concern over Communist activities in the area. The Soviet delegation negotiating the final details of the agreement to aid the UAR in building the first stage of the Aswan Dam reportedly prolonged the negotiations and imposed conditions which were reluctantly accepted by Cairo on 27 December. Nasir has also complained recently that the USSR is lagging on implementing the aid program to Syria.]

[Bloc propaganda media have reported the arrests of Communists in the UAR, but are ignoring Nasir's role in ordering the crackdown and his criticism of Communist activities in the Arab world. Soviet commentators have adopted the view that Western "imperialist" agents are responsible for planting the Arab press stories of the Communist danger to the Arab unity movement. The Soviet ambassador to the UAR is reported by an extreme leftist newspaper in Cairo on 7 January to have stated that the crackdown on Communists in the UAR is "strictly an internal affair."] []

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II. ASIA-AFRICA

Nasir's Anti-Communist Campaign

[Nasir's campaign against Communists throughout the UAR has reached major proportions. This campaign, unlike previous ones, has included arrests of prominent party members, and it would appear that Communist leadership has been severely crippled. Latest reports state that about 550 members have been arrested in Syria, including Mustafa Amin, one of the highest in the party. Also reportedly picked up was Abd al-Majid Jamal al-Din, a leader of the Syrian-Lebanese Communist party and head of the Syrian passports and immigration department. Khalid Bakdash, the Arab world's number-one Communist, reportedly has fled from Damascus to Baghdad.]

[In Egypt, where Cairo newspapers are keeping up a constant barrage of criticism of Iraqi Communist activity, the number of arrests has exceeded 200, including several central committee members of Egypt's three Communist factions, as well as Communist members of the staff of the extreme leftist Cairo daily Al Misaa.]

Nasir intends to follow up with a general purge of the press and a cleanup of the Egyptian State Broadcasting System and department of information. The arrests have not been publicized in the UAR, allegedly in order to avoid forewarning the Communists of the government's intentions. However, the regime has nearly always been reluctant to give local publicity to the existence of any organized opposition.]

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Fear of Pakistan May Cause Afghanistan to Expand
Soviet Relations

The Afghan Government apparently intends to expand its relations with the Soviet Union. The communique issued on 5 January at the end of Foreign Minister Naim's visit to Moscow indicates that a new Soviet economic assistance agreement will be concluded in the near future. Although no mention is made of any new military agreement, the wording of the communique allows for such an agreement.

Naim's visit emphasizes Kabul's increasing concern about a possible threat from Pakistan and its desire to find a counter to this threat. Following the Iraqi coup on 14 July 1958, the Pakistani ambassador in Kabul spoke privately of the need to be ready to form a republican government in Afghanistan if the royal family were overthrown. Other high Pakistani officials in the past have discussed the overthrow of the royal family. Although the Pakistani Government appears preoccupied with internal problems of its own and seems likely to let Afghanistan "stew in its own juice," reports of such talk among Pakistani Government officials have probably reached Naim and his brother, Prime Minister Daud, the two leading policy makers in the Afghan royal family. Naim, in a private conversation in early December, attacked Ayub as crude, dangerous, and irresponsible, and claimed to have evidence that certain groups--presumably Pakistani--were plotting to overthrow the present Afghan Government in order to settle the Pushtoonistan dispute.

In addition, the Afghans probably view the establishment of a new regional administration for Pakistan's northwest frontier region as confirmation of Pakistan's determination to ignore Afghanistan in the handling of Pushtoonistan. The firm policy of Pakistan's military regime toward its Pathan, or Pushtoon, tribes may also heighten Afghan fears that Karachi intends to incite the tribes living in Afghanistan to revolt against Kabul.

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III. THE WEST

Finnish Parliament Convened to Settle Government Crisis

The speaker of the Finnish Diet has ordered parliament to reconvene on 8 January, four days before the scheduled end of the Christmas recess, in order to deal with the problem of forming a government. He acted in response to appeals from the parliamentary leaders of three non-Communist parties, following fruitless talks over the week end. Since 4 December, when the five-party Fagerholm coalition resigned largely because of Soviet pressure, Finland has had only a caretaker government.

The major obstacle to the formation of a government seems to be the question of forming a viable cabinet enjoying broad support and able to deal with the USSR without including in some manner the Communist-front People's Democratic League (SKDL). [President Kekkonen reportedly feels that only a government including the SKDL or at least supported by it will satisfy the USSR and lead to a normalization of relations between Finland and the USSR.] However, the non-Communist parties, except for the opposition Social Democrats and some elements within the Agrarian party, still oppose collaboration with the SKDL.

The Moscow press continues to attack the Finns. Izvestia on 7 January accused "Finnish right-wing circles" of trying to hamper trade relations between the two countries and to undermine Finnish neutrality. Moreover, there is no indication as yet that the suspended Soviet trade payments have been resumed, and as of 30 December the USSR had still made no moves regarding any intergovernmental negotiations, including the 1959 trade agreement.

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Belgians Call Emergency Parliament Session to Discuss
Leopoldville Riots

[Belgian Prime Minister Gaston Eyskens has called an emergency session of Parliament for 8 January to discuss the riots in Leopoldville, possibly in response to pressure from King Baudouin, who is reported extremely disturbed about the situation. In Brussels generally, there has been concern, but no call yet for drastic changes in policy.]

[Despite some evidence of differences in the cabinet on the seriousness of the situation, the government seems to be completing preparations for reinforcement of army units in the Congo in the event that a renewal of the disturbances makes it necessary. The American air attaché has reported indications of intense joint army - air force staff activity on the logistical side.]

[The government's new program for the Congo, which is scheduled to be announced on 13 January, is supposed to be "generous and bold," and will probably involve political as well as economic, educational, and some judicial reforms. Ultimate internal political autonomy is foreseen, but extensive political rights will probably not be granted to the Congolese at this time. The Belgian press suggests that public opinion does not deem repressive measures necessary in the Congo, and attributes the riots to the vast number of unemployed among the African population in Leopoldville. The basic factors which gave rise to the three-day rioting, however, have not changed and further disturbances are possible.]

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Communist Party Activities in Cuba

The Cuban Communist party (PSP) has come into the open since Batista's downfall and is attempting to create an impression of legality. It has not, however, been recognized by the Urrutia government. Since 1 January, the PSP has opened two offices in Havana--the first time the party has acted so overtly since Batista outlawed it in 1953.

As expected, the PSP is making a strong bid for a dominant role in the organized labor movement. It has succeeded in obtaining a minority voice in the "National United Workers' Front" (FONU), a labor coalition group which has assumed control over the Confederation of Cuban Workers. The other four member groups of the FONU are anti-Communist and represent the major rebel and political organizations which opposed the Batista regime.

The PSP is also represented on a self-constituted employee committee whose actions [redacted]

[redacted] "amounted in effect to a take-over of the management" of the Cuban Electric Company, a subsidiary of the American and Foreign Power Company.

The PSP has maintained a hard core of experienced labor organizers during its years underground, and probably has more capable labor leaders available than do the rebel and political groups which now control the government. Castro's labor organization, which succeeded in infiltrating organized labor during the last months of the rebellion, maintained ties with Catholic labor groups and is believed to have rebuffed Communist offers of "aid." The new labor minister, Manuel Fernandez, is also said to have connections with Catholic labor organizations, and according to the US Embassy in Havana, enjoys a fine reputation although he is young and inexperienced in the labor field. [redacted]

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