

~~TOP SECRET~~

3.5(c)

3.3(h)(2)

ED

29 August 1959

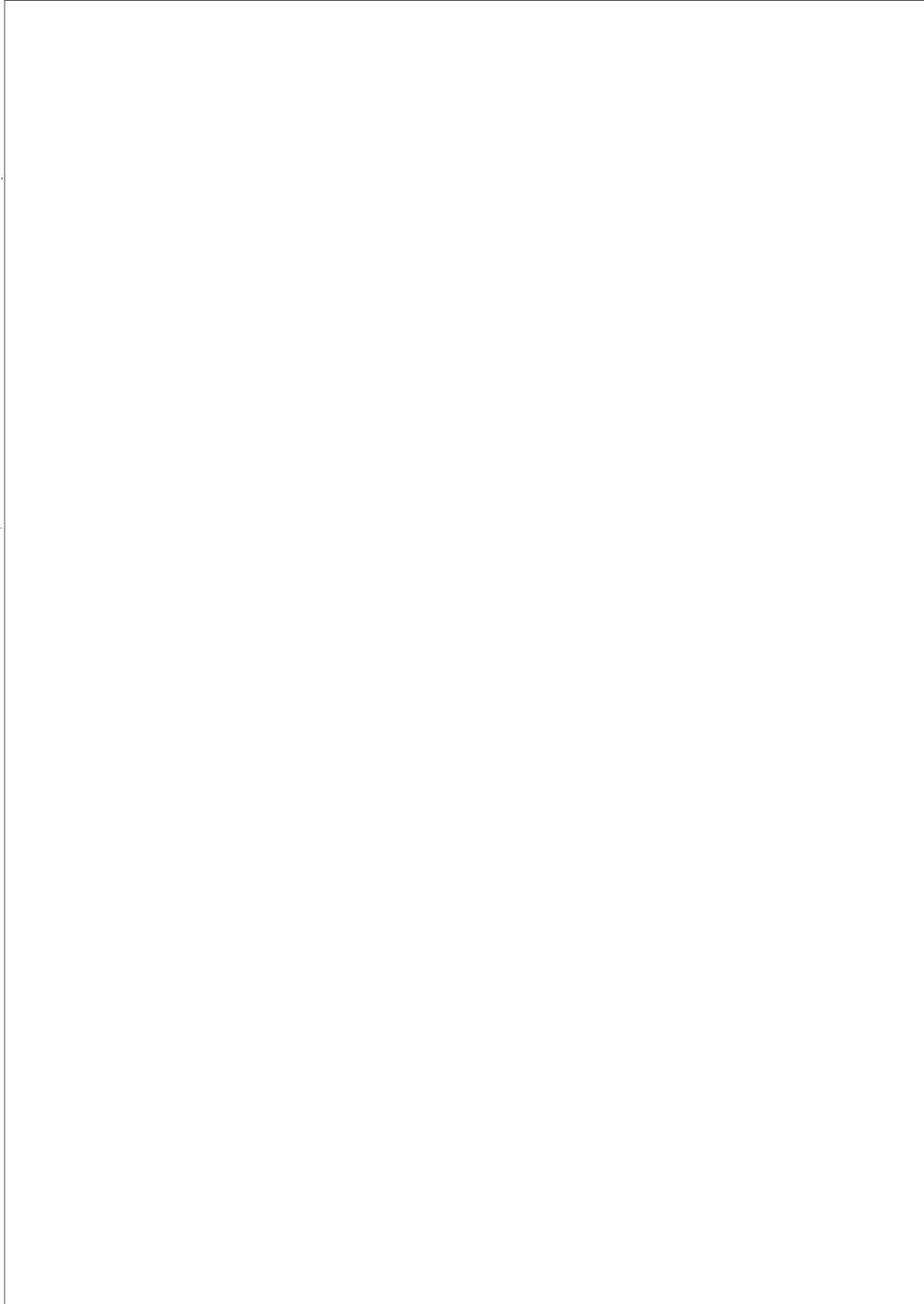
Copy No. C 63

CENTRAL INTELLIGENCE BULLETIN



DOCUMENT NO. 52
NO CHANGE IN CLASS.
 DECLASSIFIED
CLASS. CHANGED TO: TS S
NEXT REVIEW DATE: 2010
AUTH: HP 70-2
DATE 4/14/80 REVIEWER:

~~TOP SECRET~~



~~TOP SECRET~~

~~TOP SECRET~~

29 AUGUST 1959

I. THE COMMUNIST BLOC

Special Watch Committee Conclusion on Taiwan Strait.

Nehru takes strong stand on Chinese Communist border violations.

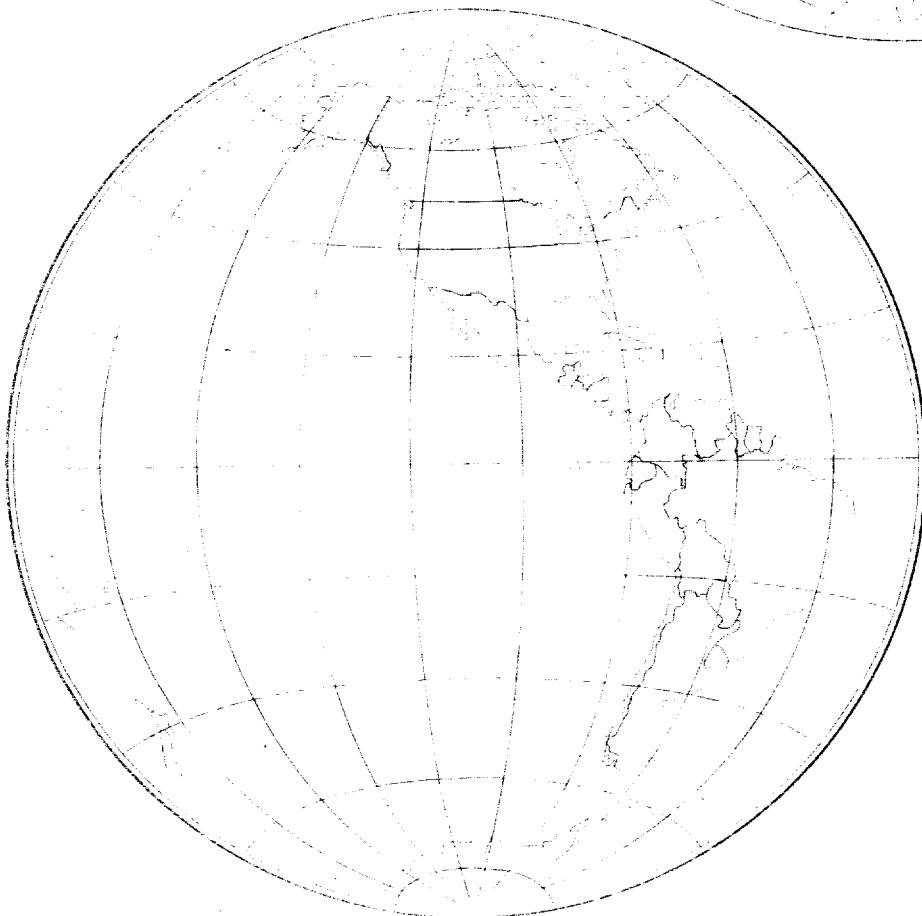
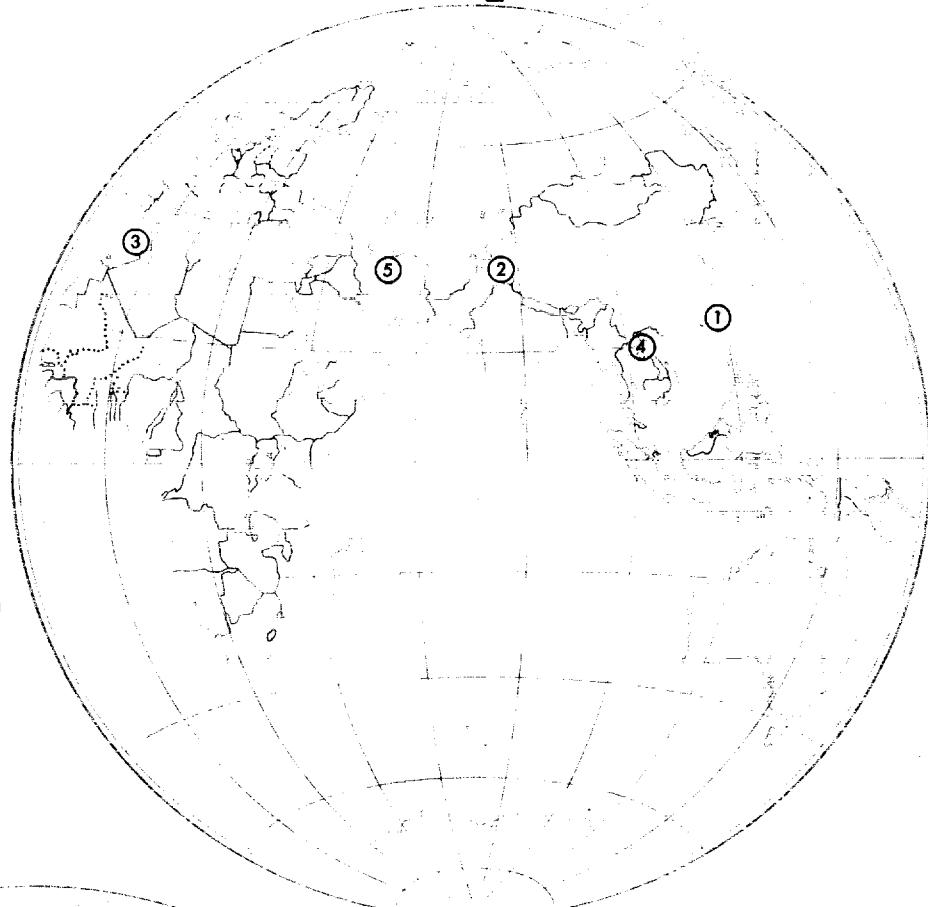
USSR offers Morocco economic and technical assistance.

II. ASIA-AFRICA

Laos--Communists continue raiding tactics.

Iranian-foreign minister fears Shah may reopen negotiations with USSR.

- (1)
- (2)
- (3)
- (4)
- (5)

~~TOP SECRET~~

~~TOP SECRET~~

CENTRAL INTELLIGENCE BULLETIN

29 August 1959

DAILY BRIEF

SIRAB

I. THE COMMUNIST BLOC

HQ

Taiwan Strait--Special Watch Committee conclusion: On the basis of findings by a special meeting of its Watch Committee on 28 August concerning developments relating to the Taiwan Strait area, the United States Intelligence Board concludes that:

Available information on air, ground, and naval activities does not indicate that a major military undertaking by the Communists is in preparation for the immediate future. It is therefore considered likely that Chinese Communist activities noted in the area are related to one or more of the following:

- (a) typhoons and flood damages;
- (b) preparations for Chinese Communist military exercises;
- (c) preparatory planning for some step-up of military activity in the Strait area, the nature or timing of which is not yet evident from available information.

OK

(Page 1)

Communist China - India: The border clashes between Chinese Communist and Indian troops publicized by Nehru in the Indian Parliament on 28 August occurred in areas of northeast Kashmir and Assam which Peiping claims are Chinese Communist territory. Nehru, who is publicly committed to defense of the frontier areas involved, has turned the Assam problem over to military commanders. Indian armed forces in Assam will make a determined effort to dislodge the Chinese from outposts in territory which New Delhi regards as indisputably Indian. Chinese military

~~TOP SECRET~~

~~TOP SECRET~~

activity against remnants of Tibetan rebel bands in the rugged border country may lead to forays over the poorly defined boundary and further clashes involving Indian outpost troops.

(Page 2) (Map)

No

USSR-Morocco: [There is accumulating evidence that the USSR has offered to extend economic and technical assistance to Morocco. Aid talks may now be taking place in Moscow and Rabat. The terms of the offers reportedly vary from a Soviet \$100,000,000 credit for goods and technical assistance to small amounts of aid to meet specific needs, such as Morocco's recent requirement for foreign exchange loans. Moscow apparently hopes that such offers will induce Rabat to take a stronger stand for evacuation of Western forces--particularly US bases--from Morocco]

II. ASIA-AFRICA

No

Laos: Communist insurgents are continuing their hit-and-run tactics in scattered areas. A raid on a small army post 16 miles east of Vientiane on the night of 27 August is the closest action to the capital yet reported. [The USSR, rejecting the British proposal for a neutral observer in Laos, has countered with a suggestion that the heads of the three delegations of the Laotian ICC personally investigate the situation. This step would be rejected by Vientiane as tantamount to a return of the ICC.] Moscow's initial reaction to the US announcement of increased aid to Laos, while describing the aid as "oil on the fire," was consistent with the pose of "responsibility" which the USSR has maintained in its capacity as one of the Geneva cochairmen. There has been no official Soviet statement on Laos.

(Page 4)

No

Iran: [Iranian Foreign Minister Aram believes that the continuing Soviet propaganda campaign against Iran is "fraying the Shah's nerves" and wearing him down to a state of "dangerous exasperation." Aram fears that the Shah, in an effort to relieve this pressure, may heed the advice of influential Iranians who favor]

29 Aug 59

DAILY BRIEF

ii

~~TOP SECRET~~

~~TOP SECRET~~

[reopening negotiations with the USSR. Minister of Court Ala
thinks Nehru, during his forthcoming visit to Iran, may urge
the Shah to take some initiative aimed at a Soviet-Iranian
rapprochement.] [redacted]

29 Aug 59

DAILY BRIEF

iii

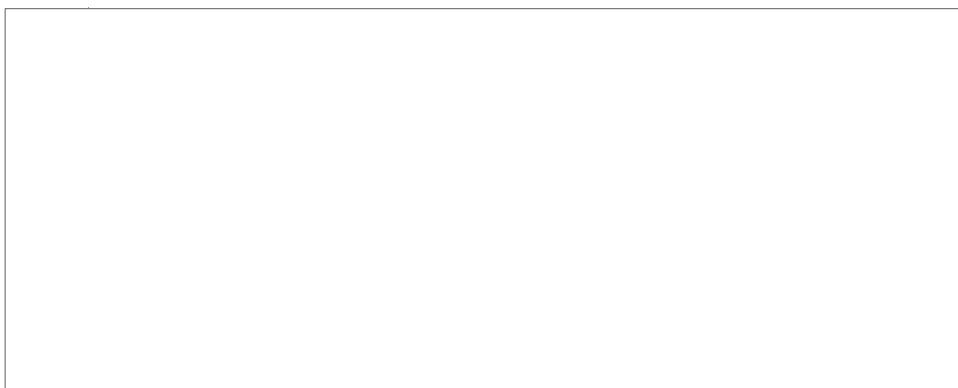
~~TOP SECRET~~

~~TOP SECRET~~

I. THE COMMUNIST BLOC

Significant Developments Related to Special Watch Committee Conclusion on Taiwan Strait

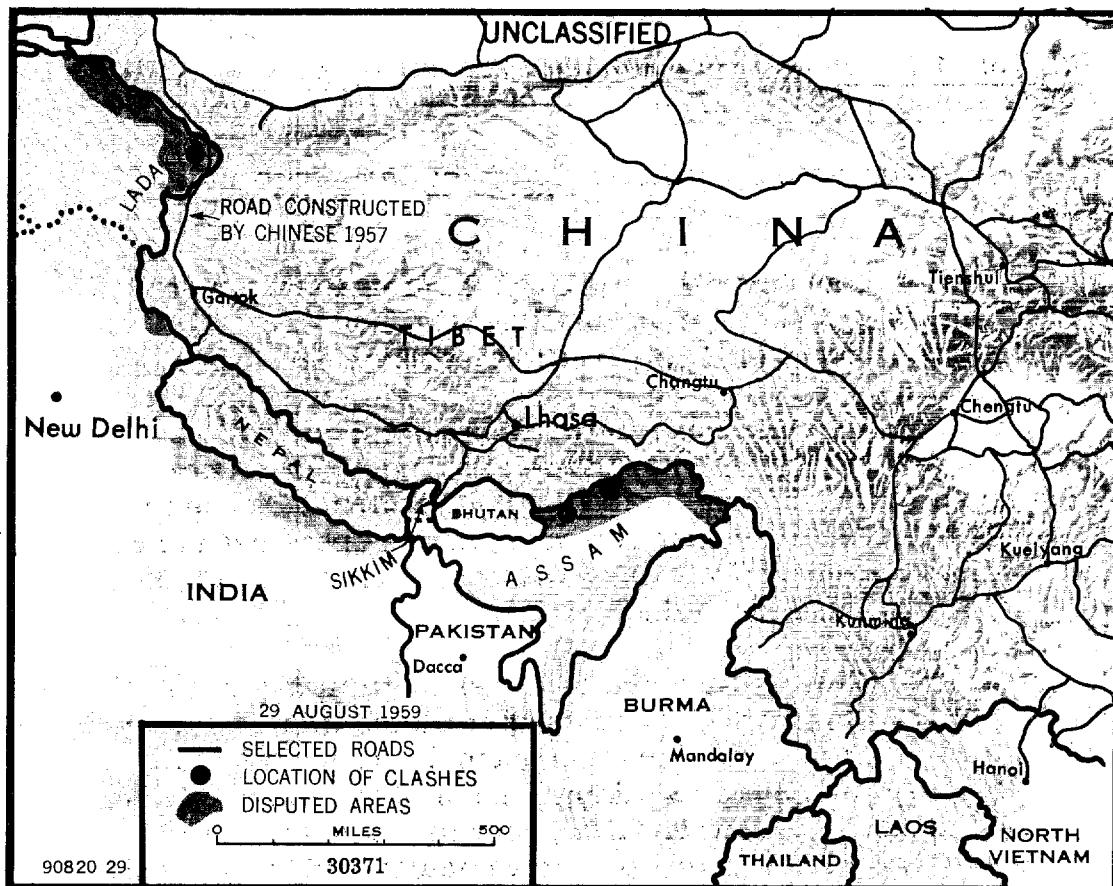
Significant developments relating to this conclusion include:



b. Chinese Communist bomber activity has been at a very low level since mid-July; other Chinese Communist flight activity remains normal. There was no Chinese Communist shelling of the offshore islands from 17 until 27 August when firing resumed at a very low level. During the same period vehicular and troop sightings on the mainland can be considered normal.

c. There has been a lack of Chinese Communist propaganda as contrasted with the heated build-up prior to hostilities in August 1958.

~~TOP SECRET~~



~~CONFIDENTIAL~~Sino-Indian Border Clashes

The latest clashes between Chinese Communist and Indian troops along the Assam border may be the result of Chinese operations against remnants of Tibetan rebel bands seeking refuge in the rugged hill country. The clashes occurred in territory claimed by both Peiping and New Delhi; the Chinese seem determined to stand firm on their claims in this area, and further incidents are likely.

Reporting the incidents to the Indian Parliament on 28 August, Nehru said that an Indian outpost on the northeast frontier was taken by the Chinese on 7 August. It was later recovered, but 12 Indian soldiers were captured in a more serious engagement on 25 August. In replying to New Delhi's protest over these incursions, Peiping said the Indians fired first and accused India of "collusion" with Tibetan rebels.

Nehru has declared repeatedly since 1950 that his government would defend the territory lying south of the Mac-Mahon Line in Assam in which the Chinese incursions have taken place. He has placed the entire northeast frontier area under military command, commenting that "there could be no alternative policy for us but to defend the country's borders and integrity." He cautioned, however, against panic and resort to any "wrong action."

The Indians have also reported Chinese troops in the disputed Ladakh area of Kashmir. The Chinese have built a road through the Indian-claimed portion. An Indian patrol sent into the area was captured in July by Chinese troops and later released.

Nehru's detailed account of the "continuing cases" of "Chinese aggression" in Assam and Ladakh will be regarded by most Indians as confirmation of the recent spate of press stories warning of Chinese "expansionist" aims. The government is likely to be under heavy pressure from Parliament and press to make good on its pledge to resist any Chinese encroachment along the Tibetan frontier.

Nehru apparently is willing to negotiate minor questions of border demarcation, but is not prepared to discuss the

~~CONFIDENTIAL~~

~~CONFIDENTIAL~~

"huge chunks" of territory claimed by Peiping. Communist China, which has been discussing a border controversy with Burma since 1956, would probably agree to talks with the Indians about the disputed territorial claims, but would protract the discussions without any real effort to reach a definitive settlement.

~~CONFIDENTIAL~~

~~SECRET~~

II. ASIA-AFRICA

Laos

[Communist partisans continue guerrilla raids in scattered areas of Laos. A 27 August raid on a government post only 16 miles east of Vientiane apparently was designed to sow confusion and weaken morale in the administrative capital. Villagers along the Mekong River in central Laos are described as extremely jittery over the prospect of Communist raids.]

[The government has redeployed troops in an effort to check dissident activity developing in an area northeast of Luang Prabang, the royal capital. Several groups of armed Communists--one totaling 300--are reported operating in central Laos.]

[The USSR, in a reply described by British officials as "moderately worded," rejected Britain's proposal of 17 August that the UK and USSR as cochairmen of the Geneva agreements request the UN secretary general to appoint a neutral observer to Laos. In a meeting with a high British Foreign Office official on 27 August, Soviet Ambassador Malik proposed instead that the heads of the three delegations making up the suspended ICC for Laos--India, Poland, and Canada--plus some "auxiliary staff," investigate the causes of present tension in Laos and report to the cochairmen. The Soviet counterproposal would pave the way for a complete resumption of ICC activity.]

[Prime Minister Nehru's reaction to Secretary General Hammarskjold's proposal that India intercede with Vientiane and Hanoi as a first step toward UN mediation indicates that New Delhi will follow its usual policy of offering its "good offices" only if all governments concerned agree on the nature and usefulness of such an effort. Hammarskjold had written Nehru on 22 August suggesting that India approach the Laotian and North Vietnamese governments to try to work out a "mediation formula" leading to the appointment of a "neutral"--and probably non-Asian--mediator. In his reply, Nehru expressed the view that assurances of "active support" would be needed from Britain and the USSR, as Geneva cochairmen, and from Poland and Canada, as members of the ICC. Nehru's desire for an assurance of "cooperation" from Laos and]

~~SECRET~~

~~SECRET~~

[North Vietnam indicates that he also wishes to be convinced that any effort on his part will be politely received and heard.]

[Soviet propaganda, in addition to charging that increased "US interference" in Laos--planes from Taiwan and additional US aid--"only pours oil on the fire in Laos," stoutly maintains that only a return of the ICC can normalize the situation. A Radio Moscow broadcast in Vietnamese on 27 August charged for the first time that US advisers are "actually taking command in the raids against the Laotian people" and that "US pilots have been ferrying weapons to Laos" in planes based on Taiwan.]

[A Chinese Communist diplomat recently told a Western journalist that Peiping is prepared to fight in Laos if the United States and Laotian governments do not agree to the "principles of the International Control Commission." He admitted that Communist China is supporting the rebels with arms (an allegation which Peiping has publicly termed "slanderous") but justified such action as legal in view of the Chinese "duty" to maintain peace in Indochina and allow "no reactionary forces to prevail." He also stated that if the US did not intervene, "progressive" forces would be able to overturn the present government.]

[The diplomat's remarks suggest a blunderbuss attempt to intimidate the West, rather than an actual delineation of Peiping's intentions.]

~~SECRET~~

~~TOP SECRET~~Iranian Foreign Minister Fears Effect of Soviet Pressure on Shah

[redacted] the Shah seems so disturbed by the continuing hostile Soviet radiobroadcasts that he may agree to negotiate with the USSR to relieve the pressure. For some time he has been under pressure from several influential Iranians, including former Foreign Minister Hekmat and Ambassador to Moscow Masud-Ansari, to seek an accommodation with the Soviet Union. Another cause of the Shah's growing lack of confidence is the lack of military planning in the Central Treaty Organization--formerly the Baghdad Pact--and the United States' refusal to become a full member.]

[redacted] While the Shah has taken no steps that suggest he is softening his policy of no concessions to the USSR, he may be marking time in the hope that, as a result of the Eisenhower-Khrushchev talks, the Soviet propaganda campaign will end.

[redacted] Iran is attempting to have its views presented to the President by Turkish officials who will meet him while he is in Paris. In addition, the Shah may be waiting to hear what advice and support Prime Minister Nehru may be willing to give during his state visit to Iran from 18 to 22 September. Court Minister Ala believes that Nehru might be thinking of volunteering to mediate the dispute between Iran and the USSR.]

[redacted] Meanwhile, Iranian officials have expressed concern over rumors that the USSR may increase its pressure by creating incidents along the Iranian border.]

[redacted]

[redacted]

~~TOP SECRET~~

~~CONFIDENTIAL~~**THE PRESIDENT****The Vice President****Executive Offices of the White House**

Special Assistant for National Security Affairs

Scientific Adviser to the President

Director of the Budget

Office of Defense and Civilian Mobilization

Director, National Aeronautics and Space Administration

Special Assistant for Security Operations Coordination

Board of Consultants on Foreign Intelligence Activities

Special Assistant for Foreign Economic Policy

Executive Secretary, National Security Council

The Treasury Department

The Secretary of the Treasury

The Department of State

The Secretary of State

The Under Secretary of State

The Under Secretary of State for Economic Affairs

The Deputy Under Secretary for Political Affairs

The Deputy Under Secretary for Administration

The Counselor

Director, International Cooperation Administration

The Director of Intelligence and Research

The Department of Defense

The Secretary of Defense

The Deputy Secretary of Defense

Assistant Secretary of Defense for International Security Affairs

The Secretary of the Army

The Secretary of the Navy

The Secretary of the Air Force

The Chairman, The Joint Chiefs of Staff

Commandant, United States Marine Corps

The Director, The Joint Staff

Chief of Staff, United States Army

Chief of Naval Operations, United States Navy

Chief of Staff, United States Air Force

Assistant to Secretary of Defense for Special Operations

Director for Intelligence, The Joint Staff

Assistant Chief of Staff for Intelligence, Department of Army

Director of Naval Intelligence, Department of Navy

Assistant Chief of Staff, Intelligence, Department of the Air Force

Supreme Allied Commander, Europe

Commander in Chief, Pacific

The Department of Commerce

The Secretary of Commerce

Federal Bureau of Investigation

The Director

Atomic Energy Commission

The Chairman

National Security Agency

The Director

National Indications Center

The Director

~~CONFIDENTIAL~~

~~TOP SECRET~~

~~TOP SECRET~~