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30 July 1959

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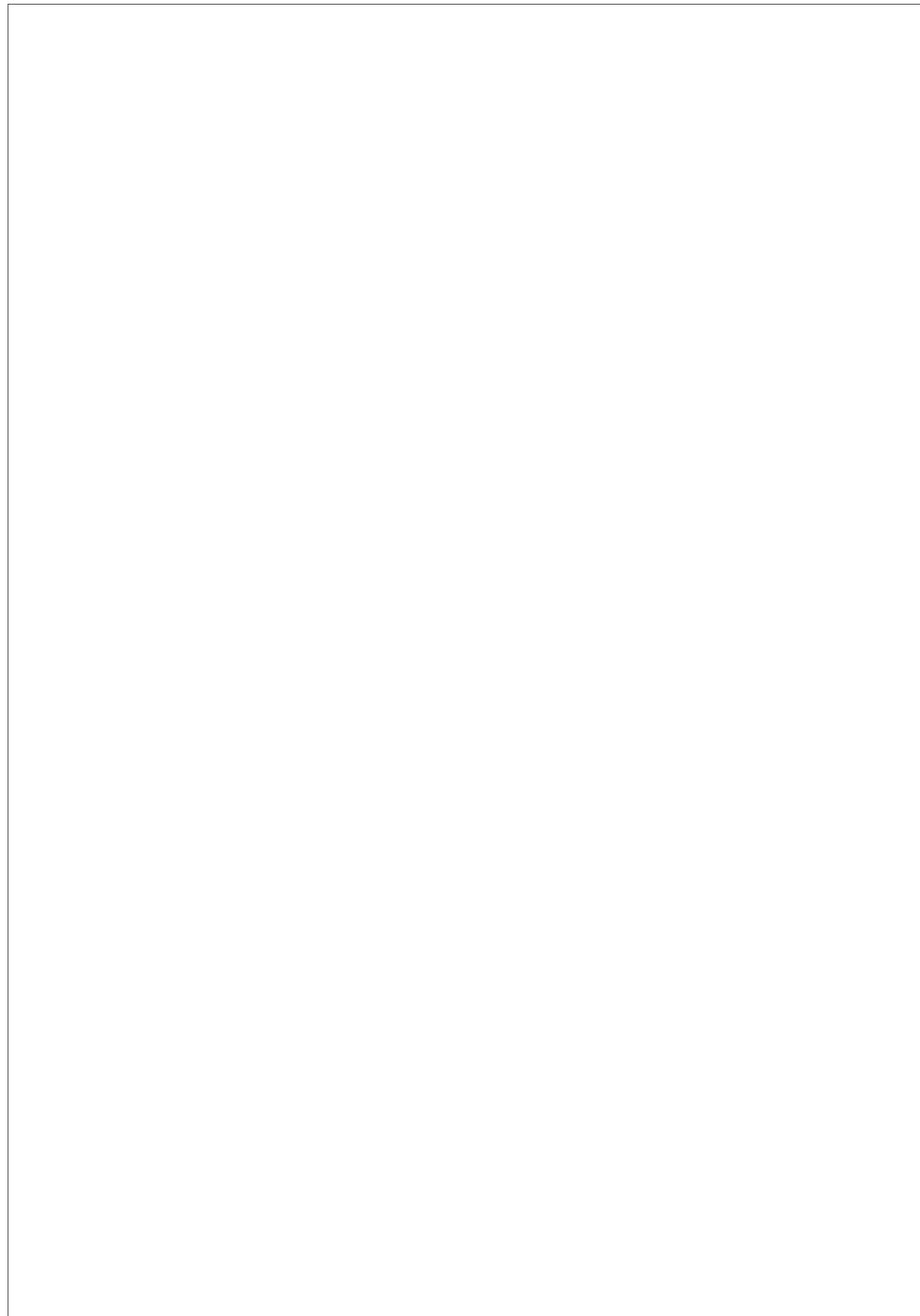
CENTRAL INTELLIGENCE BULLETIN



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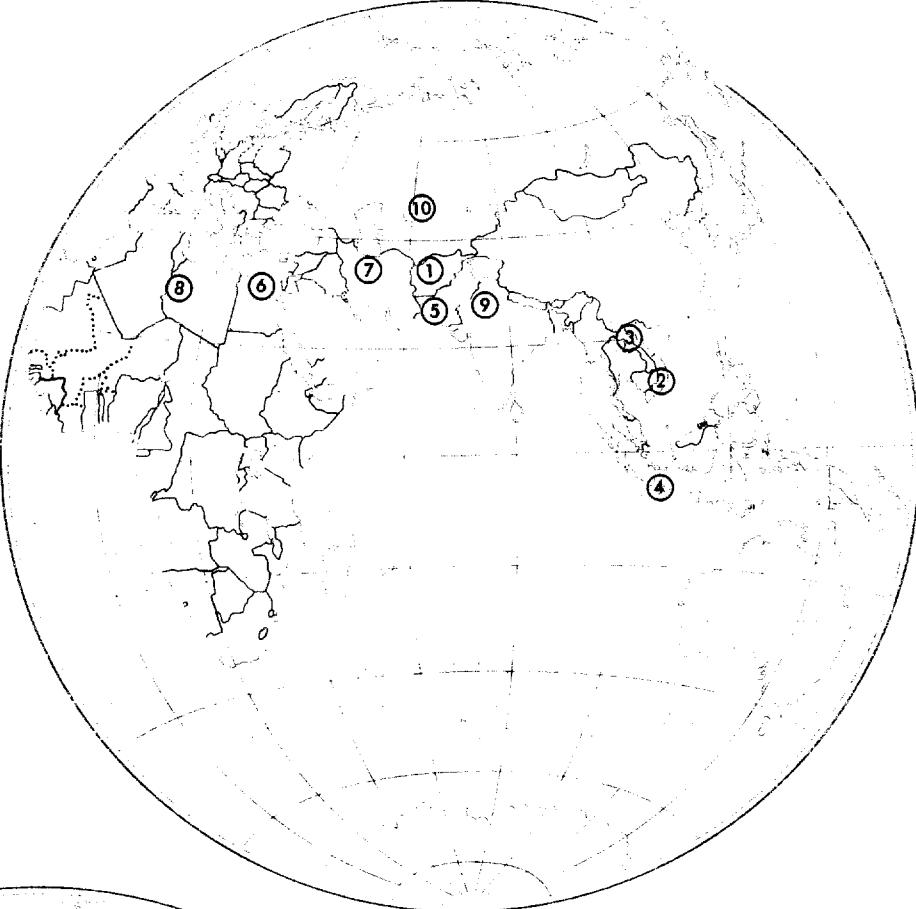
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30 JULY 1959

I. THE COMMUNIST BLOC

USSR may be furnishing Afghanistan an additional \$24,000,000 in military aid.

Pattern of North Vietnamese clandestine communications could indicate new terrorist incidents in South Vietnam.



II. ASIA-AFRICA

Laotian communique charges partisans attacking Sam Neua army posts are "well-organized units" under North Vietnamese command.

Indonesia--Nasution seeks to increase military participation in government.



⑤ Top Pakistani Government officials will move from Karachi to Rawalpindi this fall.

⑥ UAR investigating extent of Communist indoctrination of UAR students in bloc countries.

⑦ Soviet-Iranian diplomatic impasse continues.

III. THE WEST

⑧ French Air Force flies mission over Libya to check for Algerian rebel activity.

LATE ITEMS

⑨ India accepts Soviet aid for Third Five-Year Plan.

⑩ USSR--Probable ICBM successfully launched at Tvera Tam.

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CENTRAL INTELLIGENCE BULLETIN

30 July 1959

DAILY BRIEF

I. THE COMMUNIST BLOC

SIRAB
No
USSR-Afghanistan: Moscow is to provide Afghanistan with an additional \$24,000,000 in military assistance, under what appears to be a new agreement, which will require Afghanistan to pay only one fourth the value of the new arms.

Last month Moscow agreed to cut in half Kabul's existing arms debt. Other indications of increased Soviet-Afghan military collaboration include the arrival in Kabul in late June of a Soviet major general to take over direction of Soviet military assistance activities, and acceptance by Afghanistan of a Soviet invitation to send observers to Soviet military maneuvers.

(Page 1)

No
Watch Committee conclusion--Berlin: No significant indications bearing on the possibility of hostilities.

No
North Vietnam - South Vietnam: A marked increase in clandestine communications between Hanoi and the tribal minority area of central South Vietnam adjacent to the Lao-tian-Cambodian border was noted on 26 July. This activity could indicate preparation for further terrorism in South Vietnam, inasmuch as a similar increase in such communications was noted before the 8 July assassination of Americans at Bien Hoa. The tribal minority areas have been a focal point for Communist agent operations since mid-February.

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II. ASIA-AFRICA

*OK
but many
small changes*

Laos: The Laotian Government has acted quickly to implicate Hanoi, as well as the Communist front inside Laos, in the attacks on Lao Army garrisons in Sam Neua Province. A communiqué of 29 July charged that the attacks were carried out by "well-armed and -organized" units under North Vietnamese command. The Phoui Sananikone government has also announced it is sending troop reinforcements to the area and plans "harsh" punishment for leaders of the Communist-front movement who have "collaborated with foreigners."

(Page 2)

OK

Indonesia: Defense Minister Nasution has told the American ambassador that he intends to increase military participation in the governmental apparatus. The ambassador believes the aim may be ultimate military domination of the government. Nasution apparently plans to appoint officers to all important ministries to "assist" in the implementation of policy directives from the cabinet, where the army already has substantial influence. Although Nasution may be able to increase the army's role in this manner, the promulgation of effective programs to solve Indonesia's numerous problems is much less certain.

(Page 3)

HJ 0

Pakistan: [President Ayub is firm in his decision that] the cabinet and some other top government officials will move to Rawalpindi, in northern West Pakistan, some time this fall. This is a preliminary step in his announced plan to shift the capital of Pakistan from Karachi to the more attractive Rawalpindi area. A move of top government leaders, mainly military men, will facilitate close liaison with army headquarters located at Rawalpindi. It will lead, however, to numerous administrative difficulties.

(Page 4)

NJ 0

UAR: [The UAR Government is engaged in screening Egyptian and Syrian students in Sino-Soviet bloc countries to determine the extent to which they have succumbed to Communism]

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political indoctrination.]

UAR missions

abroad to have the students return at government expense for a "cultural seminar" to be held in Cairo from 20 to 30 July; [] "excuses of those who remain behind will not be accepted." As of early July another intercepted [] UAR officials in Moscow were negotiating the program for the next scholastic year.

(Page 5)

No
Iran-USSR: The Iranian-Soviet diplomatic impasse continues. The government of Iran is maintaining an unequivocally tough attitude toward the five-month-old Soviet propaganda campaign. In response to Khrushchev's 26 June statement of policy to Iranian Ambassador Masud-Ansari, Tehran

[] Iran, as an independent country, would accept neither impositions nor threats.

[] the USSR is willing to negotiate "secretly" with Iran, but only with the Shah personally or his "appointed representative!" He also claimed Soviet propaganda has "undoubtedly" harmed the Shah and his regime, and that such broadcasts would continue pending restoration of good relations.]

No
Watch Committee conclusion--Middle East and Asia. Situations susceptible of direct exploitation by Sino-Soviet bloc action which would jeopardize US interests exist; in the Middle East, particularly in Iraq and Iran; and in Southeast Asia in Laos.

The initiation of significant hostilities is unlikely in these areas in the immediate future.

III. THE WEST

No
*France-Libya: The French Air Force in Algeria on 29 July flew an aerial reconnaissance mission over Libya to look for Algerian rebel activities there, despite US and British

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[warnings that an international incident might result. A second overflight is scheduled for 5 August. The chief of intelligence of the French Defense Ministry]

[Paris considered the proposed overflights a "military necessity," and left him with the impression that future actions of this nature will be carried out as required regardless of any complications.]

b1

*India-USSR: New Delhi announced on 29 July that it has accepted a Soviet offer of \$378,000,000 in aid for India's third five-year plan (1961-66). This credit brings total Soviet bloc aid to India to \$702,000,000--about 20 percent of the total foreign aid received by India to date. While no announcement has been made on the projects to be financed by the new credit, the high-level Indian economic mission which visited Moscow in May apparently secured Soviet agreement to double the capacity of the Bhilai steel mill, construct a large petroleum refinery, and expand the scope of several heavy machinery plants the USSR had previously agreed to construct. Public attention in India has already shifted to the third plan, which now calls for outlays of about \$21 billion and probably will have a \$5-7.5 billion foreign exchange gap. The USSR will receive widespread favorable publicity for its willingness at this early date to support the goals of the third plan by extending aid for several of the most important projects.

N ①

*USSR: A valid launching operation involving a probable ICBM test vehicle began at the Tyura Tam Guided Missile Test Range at 0001 GMT 30 July (2001 EDT, 29 July) and culminated, after a smooth countdown, in a firing four hours later. Preliminary analysis of telemetry and radar intercept data indicates the missile successfully reached the vicinity of the Kamchatka Peninsula.

This operation was unusual as compared to all past ICBM flight tests in that the countdown consumed only four hours, instead of the usual eight. On 16 May 1959, a launching attempt

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was made, and although canceled shortly after X-4 hours, the first four hours of the operation (X-8 to X-4) were compressed in actual time to two hours. The factors underlying the shortened launching time of the current missile are not yet fully known as the exact relationship between this operation and the range operations of 25 and 27 July have not been determined with any degree of certainty. Further analysis of the range operation on 25 July indicates it could either have been a valid but unsuccessful attempt to launch or an unprecedented 8-hour practice countdown. Continued analysis of the 27 July range operation has produced additional but not conclusive indications that a missile may have been launched on that date and failed after a flight of but a few minutes.

For the present, two equally valid postulations can be made: (1) the current flight test, occurring only 61 hours after termination of the 27 July operation, could be the successful conclusion to a valid launch attempt which actually began on 25 July, carried through on 27 July, and was prevented on those dates by technical difficulties; or (2) a missile was launched on 27 July which failed shortly thereafter in flight. If the latter is correct, and a launching was followed in 61 hours by a second firing on an abbreviated countdown time scale, this could mean that a significant phase in the Soviet firing program has been reached.

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I. THE COMMUNIST BLOC

Soviet Military Aid to Afghanistan

The Soviet Union, under what appears to be a new \$24,000,000 arms deal with Kabul, will provide Afghanistan with T-54 medium tanks and other land armaments, as well as jet aircraft. The agreement, apparently concluded in Moscow in June, probably is designed to complete the re-equipping of the Afghan armed forces with bloc weapons and equipment. Under the agreement, Kabul will have to pay only \$6,000,000--one fourth the Soviet list price of the materiel it is to receive.

The Soviet Union, since the start of its military aid program in Afghanistan in 1956, has already supplied Kabul with an estimated \$75,000,000 in arms aid. Repayment originally contracted for by Afghanistan was less than \$75,000,000, however, and Moscow last June cut in half the agreed price of all arms which had been sold to Afghanistan. Thus, while Soviet military aid to Afghanistan is increasing, the cost of this aid to Kabul remains small.

There are other indications of increased Soviet-Afghan military collaboration. [Afghanistan has accepted a Soviet invitation to send to the USSR a mission of Afghan officers to observe Soviet military maneuvers during late August and early September. In late June a Soviet major general arrived in Kabul to assume direction of Soviet military assistance personnel who hitherto apparently have operated as individuals in various Afghan military training programs.]

[in addition to Soviet instructors provided for under the agreement, advisers to the defense ministry could be included but that both categories should be referred to in the agreement as "military technicians."]

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II. ASIA-AFRICA

Situation in Laos

Laotian Army reinforcements, [consisting of four infantry companies,] are expected to arrive by 30 July in Sam Neua Province, where widely scattered units of two government battalions have come under attack by Communist partisans and several outlying posts have been lost in recent days. [A] parachute battalion is being held in reserve for commitment if needed. Laotian Army commander General Ouan appears confident that order can be restored, but the low capability of the national army is a serious obstacle, and the army apparently lacks firm information on enemy locations and intentions.]

The US Military Attaché in Vientiane was informed on 28 July that rumors were sweeping the town of Sam Neua that a force including North Vietnamese is moving on the town from the east. The attaché's sources allege that the defense force had dwindled to a dozen men. These reports are unconfirmed.

The government, meanwhile, has acted quickly to implicate North Vietnam and the Laotian Communist-front organization--the Neo Lao Hak Zat (NLHZ)--in these attacks. A 29 July communiqué charges that the "well-armed and -organized" dissident units in Sam Neua Province are under Hanoi's command. The NLHZ leaders, who by now apparently have been arrested in Vientiane, were threatened with harsh punishment for "collaborating with foreigners." Recently NLHZ chief Prince Souphanouvong protested vigorously against government repression of his party, which he claimed enjoyed "solid" foreign backing. He threatened a full-scale return to guerrilla warfare unless alleged government persecution ceased.]

Laos' open condemnation of North Vietnam is designed to undercut the expected upsurge in Communist propaganda which has been accusing the government of collaborating with the United States to rekindle the civil war in Laos and start a new Indochina war.]

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Nasution Outlines Plan for Increased Military Role in Indonesian Government

Plans for increased military participation in the Indonesian governmental apparatus through the appointment of officers to "assist" all important ministries in implementing policy have been outlined by Defense Minister Nasution to the American ambassador. Nasution may envisage a system similar to that in Burma, where army officers attached to key ministries in effect act as administrators behind civilian heads. He pointed out that policy decisions would continue to be made by civilian instrumentalities, but admitted that, behind this democratic form, the military, with already substantial representation in the cabinet, might have the dominant voice.

Although Nasution may be able to increase the army's role in this manner, the formulation of effective programs to solve Indonesia's complex political and economic problems remains uncertain. His plan apparently has the approval of President Sukarno, who is currently backing the army to maintain a balance of political power. Should Sukarno regard Nasution's growing influence as a threat to his own position, he would probably move to downgrade or remove him, possibly by working through elements in the air force and among the regional army commanders who have expressed some dissatisfaction with the army chief's role in the cabinet. [redacted]

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**Pakistani Cabinet To Be Moved to Northern West Pakistan
In Fall**

President Ayub [has told the American ambassador that he] has [firmly] decided to move the cabinet and some other high officials to Rawalpindi, in northern West Pakistan, some time this fall. This is a preliminary step in his announced plan to shift the national capital of Pakistan from Karachi to the Rawalpindi area. The entire move is to be completed over several years as funds become available.

Many army and civil service leaders come from the Punjab and from Pathan areas in the north and dislike the enervating climate in Karachi. The new location will facilitate closer contacts between government leaders and army headquarters, which has long been in Rawalpindi. It will also enable Ayub to maintain more contact and greater control over the army than is possible in Karachi.

Beginning the shift with the cabinet, however, seems likely to undermine the military regime's efficiency by separating its military leaders from the civil administration, creating serious communication and administrative difficulties. These would probably disrupt implementation of the regime's reform and reconstruction policies.

Many Pakistanis who live outside the Punjab and Pathan areas have long resented what they consider Punjabi domination of the government. Thus, they are likely to oppose moving the capital from "neutral" Karachi to the Punjab area.

The government has announced its decision to establish a secondary national capital in East Pakistan, presumably in the hope of lessening Bengali resentment toward the move. This, however, is probably a distant prospect.

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Cairo Concerned Over Communist Indoctrination of UAR Students

The UAR on 4 July ordered its missions in the Sino-Soviet bloc to arrange for the return of Syrian and Egyptian students in order to determine the extent to which they have succumbed to Communist political indoctrination. The students were to arrive in Cairo between 15 and 20 July for a "cultural seminar," and no excuse was to be accepted for failure to attend. The order applied to university students not attending agricultural or industrial institutions. Those whom the government believes have fallen victim to Communist indoctrination will not be allowed to return to their studies,

The government has probably been concerned over the possibility of Communist indoctrination for some time, but apparently it began to consider action only after Nasir's conflict with the Communists early this year. The recall decision may have been influenced also by information the government received early this month that Iraqi and Syrian Communist students were planning a conference of all Arab students in Europe. UAR missions were advised to attempt to block the conference. The UAR has also prohibited its youth from attending the current Communist-dominated festival in Vienna.

A report in April compiled by the UAR Interior Ministry, gives the number of UAR civilian students in the Sino-Soviet bloc as approximately 760. Cairo's concern over the Communist efforts to "convert" these students has not been sufficient to prevent it from concluding a recent new agreement with Moscow for the training of an additional 300 persons in the USSR during the coming academic year.

~~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

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 the Army

Director of Naval Intelligence, Department of the Navy

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

Supreme Allied Commander, Europe

Commander in Chief, Pacific

The Department of the Interior

The Secretary of the Interior

Federal Bureau of Investigation

The Director

Atomic Energy Commission

The Chairman

National Security Agency

The Director

National Indications Center

The Director

United States Information Agency

The Director

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