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21 October 1958

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CENTRAL INTELLIGENCE BULLETIN



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21 OCTOBER 1958

I. THE COMMUNIST BLOC

Taiwan Strait - Artillery bombardment of Chinmen and Tatan continues. Nationalists begin retaliatory fire.

USSR - Nuclear test at Novaya Zemlya on 20 October is third in three days.

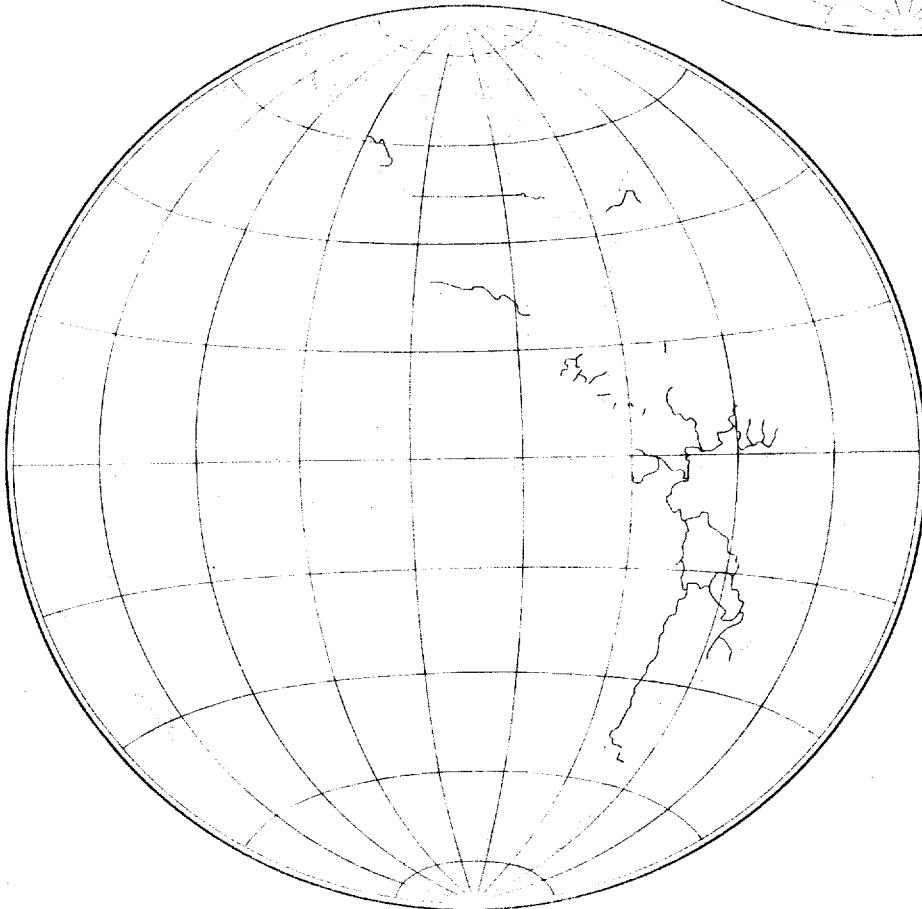
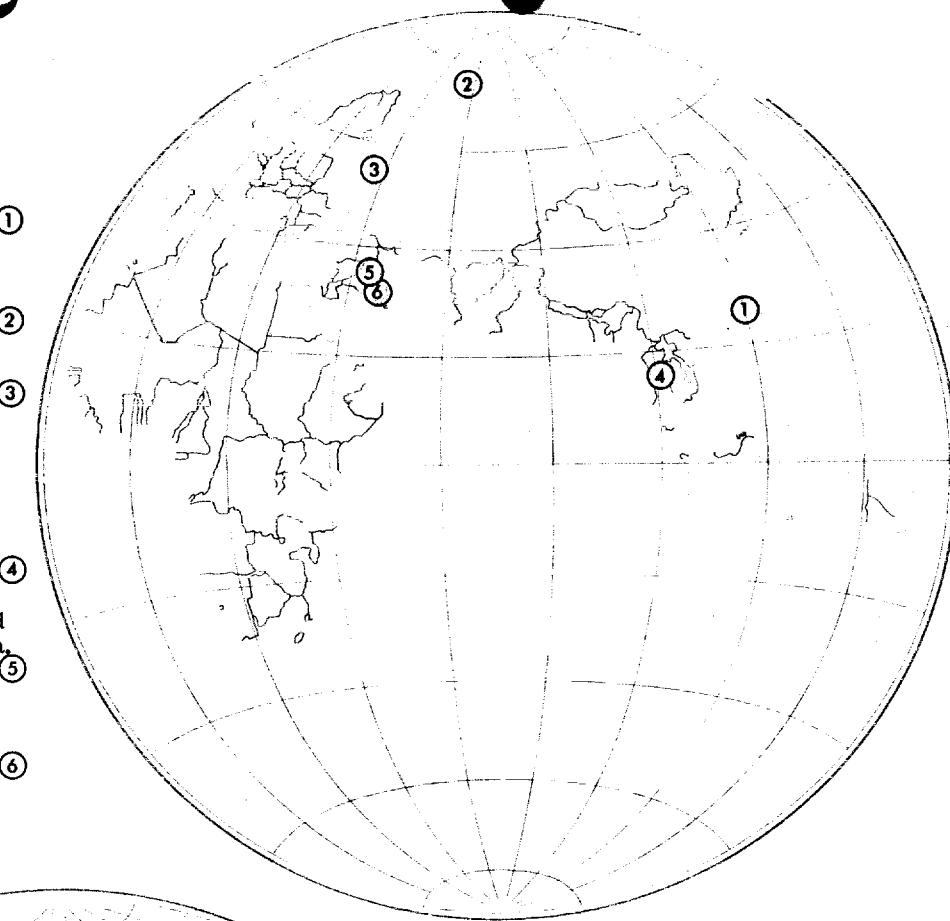
USSR to renew previously stalled negotiations with France.

II. ASIA-AFRICA

Thailand - Sarit moves to establish more authoritarian regime under "Revolutionary Council."

Iraqi foreign minister advises Baghdad to moderate anti-American propaganda.

Iraq collaborating with UAR in arms deliveries to Algerian rebels.

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CENTRAL INTELLIGENCE BULLETIN

21 October 1958

DAILY BRIEF**I. THE COMMUNIST BLOC**

Taiwan Strait situation: Communist artillery fired over 11,500 rounds against Chinmen between 1600 and 1840 hours on 20 October. After a short pause, firing was directed against nearby Tatan. The Nationalists began retaliatory fire an hour after the initial Communist bombardment began. Peiping on 20 October issued its "37th serious warning." [redacted] (Page 1) (Map)

Soviet nuclear test: The Joint Atomic Energy Intelligence Committee made the following announcement at 1515 hours on 20 October:

"The Atomic Energy Detection System has reported that an explosion occurred at 0825 hours Zebra on 20 October 1958 in the vicinity of Novaya Zemlya (74N 55E). [redacted]

*This is the thirteenth explosion since the Soviet Union resumed testing on 30 September and the third in the last three days.

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USSR-France: Presumably as a result of a Soviet appraisal of the French referendum results and De Gaulle's Algeria policy, Moscow has agreed to proceed with certain previously stalled French-Soviet negotiations and has apparently assured French officials that the USSR will not recognize the Algerian rebel regime in the near future. [redacted]
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II. ASIA-AFRICA

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Thailand: Resignation of the Thamom cabinet, abrogation of the constitution, and establishment of a "revolutionary council" headed by Marshal Sarit are the initial steps in the imposition of a more authoritarian regime by the ruling military group. Sarit thus appears to have exercised firm control over the group, which has been increasingly torn by factionalism in the last few weeks. [redacted] (Page 5)

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Iraq: The Iraqi foreign minister, now attending the UN session in New York, has advised Baghdad it is "essential" to moderate anti-American propaganda. His message reflects the belief that the United States wishes to improve relations with the new regime. [redacted] (Page 6)

Iraq-UAR: The Baghdad regime apparently is collaborating with UAR intelligence in the clandestine delivery of arms to Libya, presumably for the Algerian rebels. Two Iraqi military transport aircraft were scheduled to stop in Cairo on 20 October, en route to an airfield in Libya with a consignment of arms and ammunition for Major Fathi al-Dib, an Egyptian intelligence officer concerned with Algerian rebel supply problems. Aid and support for North African nationalists was also a policy of the Nuri Said government. [redacted]

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I. THE COMMUNIST BLOC

Taiwan Strait Situation

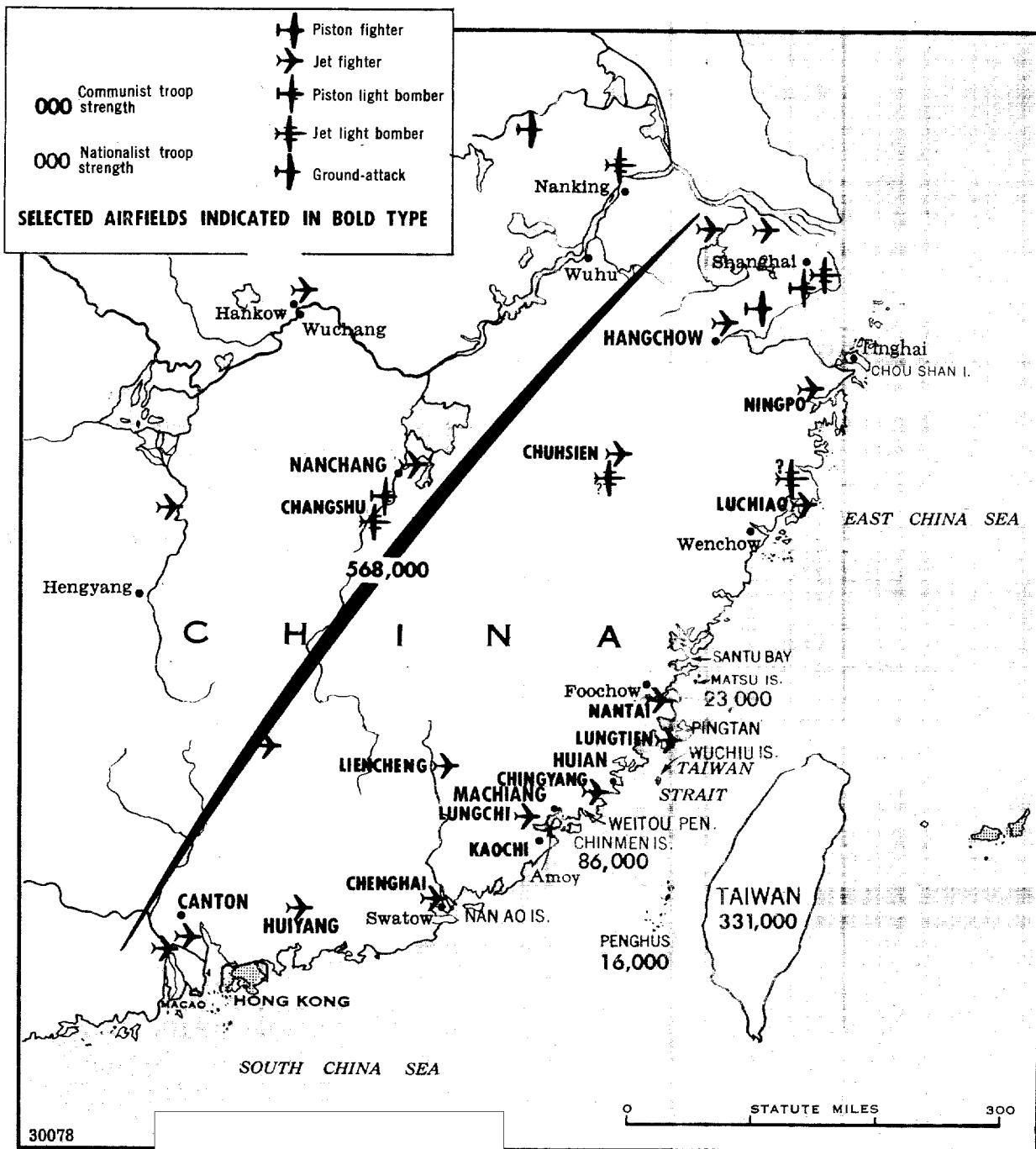
Peiping has issued the "37th serious warning" alleging four US destroyers intruded into Communist territorial waters in the Matsu and Pingtan areas on 20 October. This latest warning followed by ten hours the "36th serious warning" which was used by the Communists as a pretext for re-opening the bombardment of Chinmen.

The language of the "37th warning" returned to the pattern of terseness used in previous warnings and did not contain the operational data and specific reference to escort activities found in the "36th warning." This warning claimed that on 19-20 October one US landing ship dock and three destroyers intruded into Communist territorial waters. A US destroyer escort actually was provided for a US landing ship dock transporting supplies to Chinmen on the night of 19 October, but the destroyers stayed well outside the Communist-claimed 12-mile limit.

Peiping's military attaché [redacted] told a Western journalist on 15 October that a primary objective of the Communists is to split the United States and the Chinese Nationalists. [redacted]

[redacted] "We miscalculated in believing the US would not defend the offshore islands and thought several weeks' bombardment would force Chiang to withdraw under US pressure. Although this has not yet occurred, we still believe American public opinion favors withdrawal and might yet cause the US Government to move toward withdrawal." The attaché added that "no one in Peiping" expected the Warsaw talks to succeed because both sides have irreconcilable positions. He also stated that Peiping was inflexible on US evacuation of the Taiwan Strait area and considered eventual Nationalist withdrawal from the offshore islands "only the beginning of the ultimate split between the US and Chiang Kai-shek!"

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The director of the Chinese Nationalist government information office, Sampson Shen, commenting on the resumption of artillery fire by the Chinese Communists, stated that his government is "fully prepared to give the Communists a crushing blow for their provocative actions." Shen's statement appears to be routine and intended for propaganda purposes.

[redacted] on balance the Chinese Nationalists probably are not displeased with the reopening of prospects for a military showdown, rather than a negotiated resolution of the crisis or a continued stalemate. [redacted]

[redacted] a general air of jubilation among Nationalist officers and officials, including Minister of Defense Yu Ta-wei, shortly after reports of the bombardment began to come in. [redacted]

The Chinese Communists continue to rotate aircraft into the Taiwan Strait airfields. Five flights of jet aircraft, probably MIG-17's, deployed from the Nanchang area to Liencheng on 20 October. Previous flights of aircraft from Nanchang to Liencheng were deployed to Lungchi airfield. The planes which flew to Liencheng on 20 October may ultimately fly to one of the coastal fields to replace a unit now there. [redacted]

The Taiwan Defense Command is reporting Chinese Communist activity on two previously unoccupied islands-- Tapo and Hsiaopo--located a few miles northeast of Chinmen. The nature of the activity is not stated but it may be connected with artillery observation.

Communist artillery fired over 11,500 rounds against Chinmen between 1600 and 1840 hours on 20 October. The shelling was apparently concentrated in the areas of the Chinmen airstrip and Liaolo beaches and caused little damage, according to the Chinese Nationalists. After a short

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pause, firing was resumed against Tatan. The Nationalists began retaliatory fire about an hour after the initial Communist bombardment. [redacted]

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Soviet Attitude Toward De Gaulle

The USSR has agreed to resume negotiations with France on economic and cultural relations which had been stalled for some time, according to the French ambassador in Moscow. Trade talks proposed by France a month ago are expected to begin next week, and the ambassador also hinted that France had received assurances that the USSR would not recognize the Algerian rebel regime in the near future. These developments apparently stem from an assessment of the post-referendum situation in France and De Gaulle's initial Algerian policy.

Soviet propaganda against the Paris government has fallen off sharply, and earlier attacks on De Gaulle's "personal dictatorship" have not been repeated. The Paris Communist L'Humanité published an article from a Czech periodical which criticized Algerian terrorist activities in France, and Moscow radio has devoted considerable attention to a speech by French Communist leader Thorez which stressed the peaceful role of the French party in leading the democratic elements in France against the "reactionary forces."

These developments suggest that the Soviet leaders are still hopeful De Gaulle will alter France's relationship with NATO and pursue a more nationalistic policy. Moscow probably believes that De Gaulle's views on such issues as a nuclear test cessation agreement and future high-level talks on the Taiwan Strait crisis will provide further opportunities for Soviet exploitation. [redacted]

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II. ASIA-AFRICA

Sarit Establishes "Revolutionary Council" in Thailand

The establishment of a Thai "revolutionary council" under Marshal Sarit on 20 October has been followed by the dissolution of the National Assembly and the abrogation of the Constitution. Sarit will rule by decree pending the drafting of a new constitution which would restrict the power of elected legislators. The military group has long been chafing under the need to satisfy with money and other favors the demands of elected civilian elements within the government party and the assembly.

Since the communiq  s announcing the "revolutionary council" laid great emphasis on the threat of Communism, Sarit probably has ordered a roundup of suspected Thai and Chinese Communists in the Bangkok area as window-dressing justifying the action his group has taken.

Sarit returned to Bangkok last week end amid reports of increased tension within the ruling clique centering around the growing personal rivalry between Generals Thanom and Prapat, who were premier and interior minister respectively in the cabinet which resigned just before the "revolutionary council" was established. Sarit seems to have thrown his influence behind Thanom, and may take advantage of the present emergency to downgrade Prapat, whose corruption and growing power caused much of the friction within the military group. Trouble could start if Sarit tries to cut too deeply into Prapat's empire, although Sarit gives every indication of being firmly in control.

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Iraqi Attitude Toward the United States

Iraqi Foreign Minister Jumard, attending the UN session in New York, advised his government [redacted] to "tone down" anti-American propaganda and cooperate more closely with the American Embassy in Baghdad since, in his belief, the United States wishes to improve its relations with the new regime. Jumard mentioned especially the anti-American campaign in the current "treason" trials of former regime leaders. He also suggested a settlement of "the case of the three persons who were killed." He said he would discuss the subject on his return to Iraq. Jumard is a member of the group opposing union of Iraq with Nasir's UAR.

[redacted]

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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

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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

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Chief of Naval Operations, United States Navy

Chief of Staff, United States Air Force

Assistant to Secretary of Defense for Special Operations

Deputy 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

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