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7 June 1958

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CENTRAL INTELLIGENCE BULLETIN



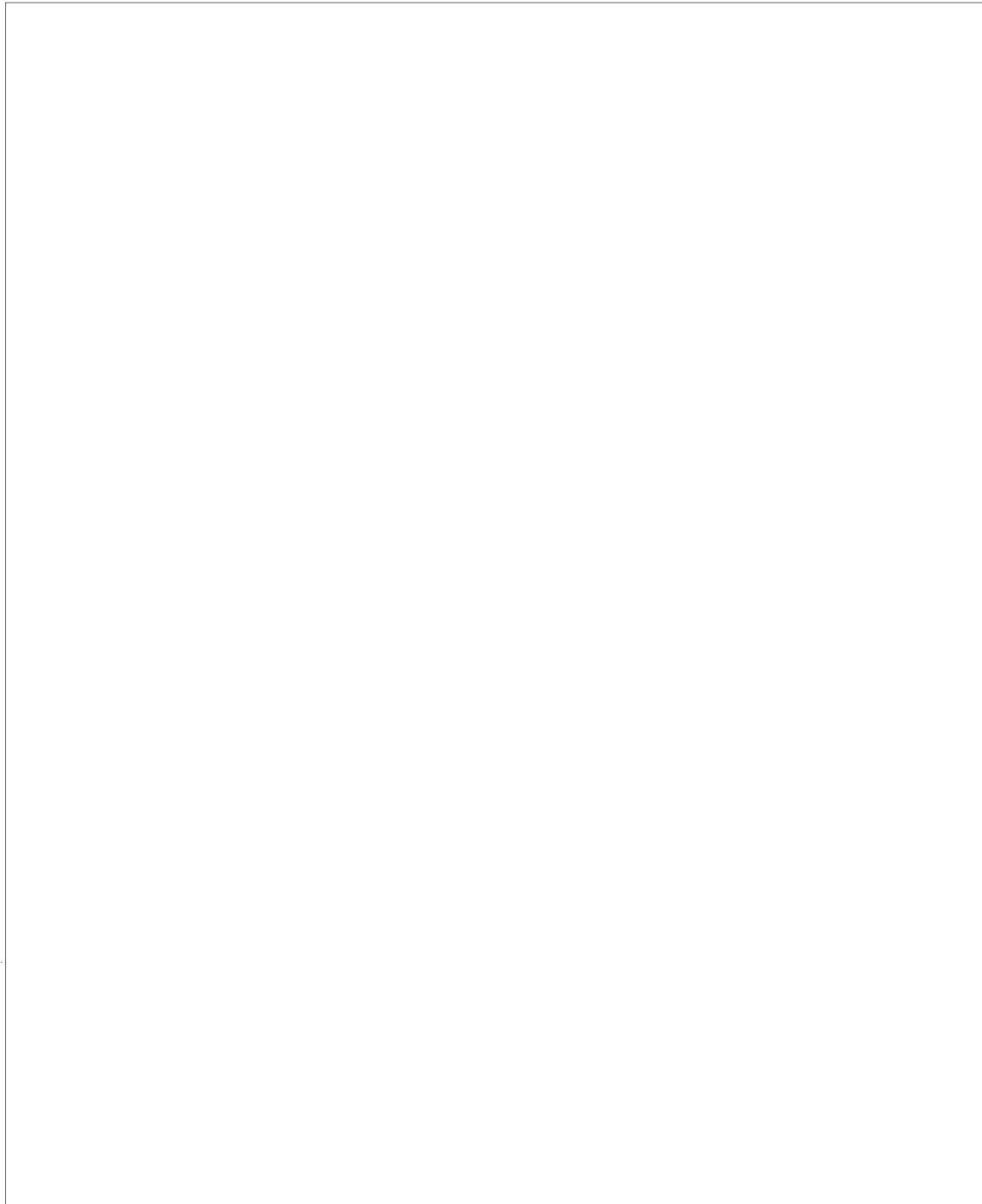
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7 JUNE 1958

I. THE COMMUNIST BLOC**"Radioactive" Soviet ship in Pacific -**

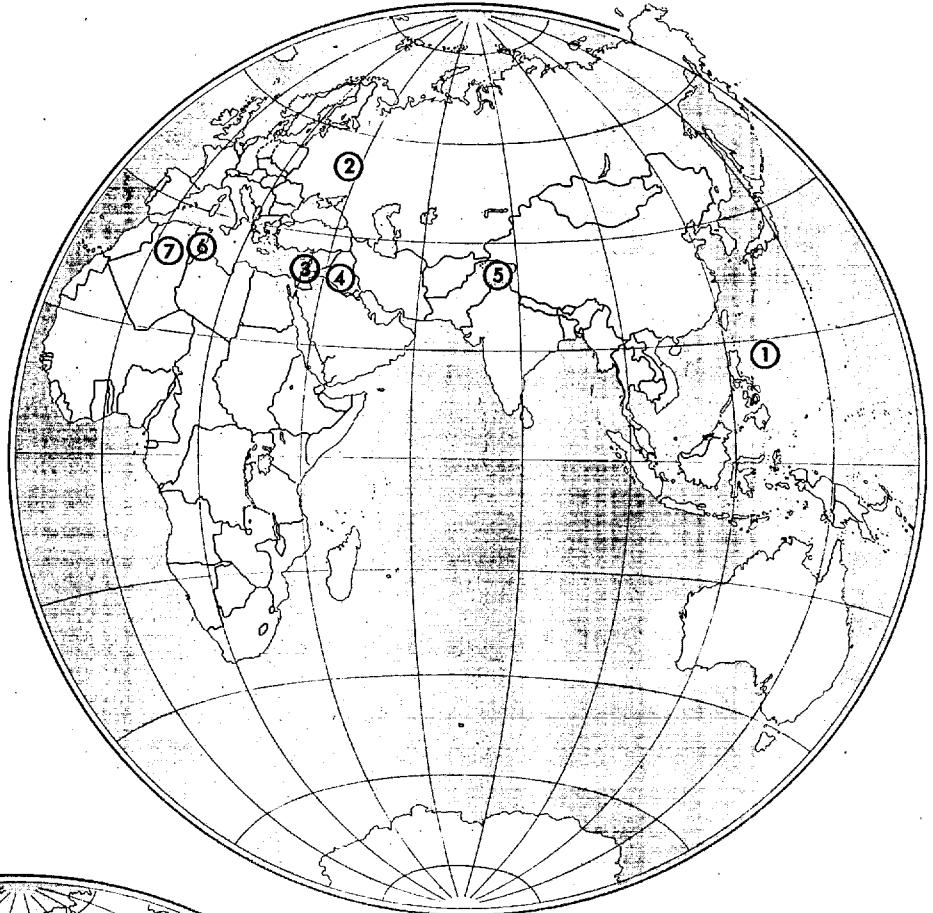
[redacted] captain was ordered to remain near US test area, and radioactivity is below danger level.

USSR preparing facilities for future marketing of large quantity of petroleum in Western Europe.

II. ASIA-AFRICA

Lebanon - New series of rebel military attacks apparently under way. Government rejects Arab League compromise proposal.

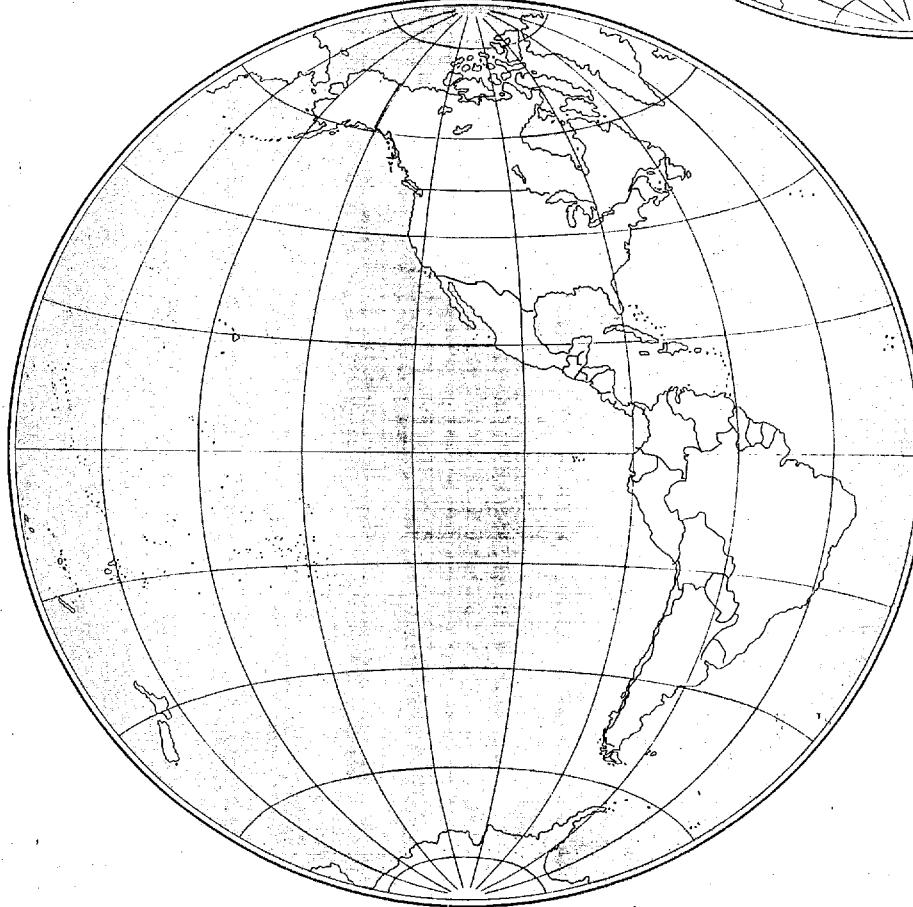
Iraq seeks larger share in Iraq Petroleum Company oil revenues.



⑤ Pakistani Government may exploit local agitation on Kashmir issue in preparation for next round in UN; incidents possible.

⑥ French military in Tunisia expect De Gaulle offer shortly on troop evacuation. Proposal not likely to be acceptable to Tunisia.

⑦ De Gaulle's efforts to curb public safety committees may lead to early showdown with French extremists in Algeria.

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CENTRAL INTELLIGENCE BULLETIN

7 June 1958

DAILY BRIEF

*SIRAB**No*

I. THE COMMUNIST BLOC

Soviet propaganda on nuclear tests: The USSR appears to be planning to make a cause celebre out of its hydrographic survey ship, Vityaz, which, Moscow alleges, was put out of action by radioactive rain during the current US nuclear test series. The ship has been making surveys in the South Pacific for several months.

[redacted] the captain of the Vityaz expressed fears about conducting operations near the US testing area, but he was ordered to adhere to prescribed plans.

[redacted] Tokyo, [redacted] is preparing for the ship's arrival in Nagasaki on or before 9 June.

[redacted] the level of radioactivity is well within accepted safety limits.

(Page 1) (Map)

No

Soviet oil: The USSR, which may have an estimated 620,000 barrels per day of crude oil available for export by 1965, is beginning to prepare facilities which will put the Soviet Union in a favorable position to sell its petroleum in Western Europe.

(Page 2) (Map)

II. ASIA-AFRICA

No

* Lebanon: A new series of military attacks by anti-government forces seems to be under way. Support from Syria continues to arrive. After rejecting a compromise

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proposed by the Arab League Council, Lebanon has presented its complaint against UAR intervention to the United Nations. [redacted] (Page 3) (Map)

N0

Iraq and Middle East Oil: The Iraqi Government is pressing the British-dominated Iraq Petroleum Company for a larger share of oil revenues. This action is in line with other recent changes in Middle Eastern oil concessions, changes which favor the local governments.

[redacted] (Page 5)

Kashmir: The Karachi government may exploit mounting agitation by Kashmiri leaders in Pakistan for "peaceful" marches into the Indian-held part of Kashmir as part of a campaign to put pressure on Western countries during the next round of UN deliberations on the Kashmir issue. Pakistani authorities state they will try to suppress the "peaceful" marches, but they fear incidents.

[redacted] (Page 6)

N0

Tunisia-France: The French military in Tunisia expect De Gaulle will shortly make a "liberal" offer on the evacuation of French forces in Tunisia on a "take it or leave it" basis. If Bourguiba rejects this offer, French forces plan to leave for Algeria "with flags flying, even if this means fighting their way out." It is doubtful that De Gaulle will make an offer which will be acceptable to the Tunisian Government.

OK

Algeria-France: De Gaulle's move to restrict the role of the public safety committees to the promotion of inter-racial unity in Algeria may lead to an early showdown with the all-Algeria committee.

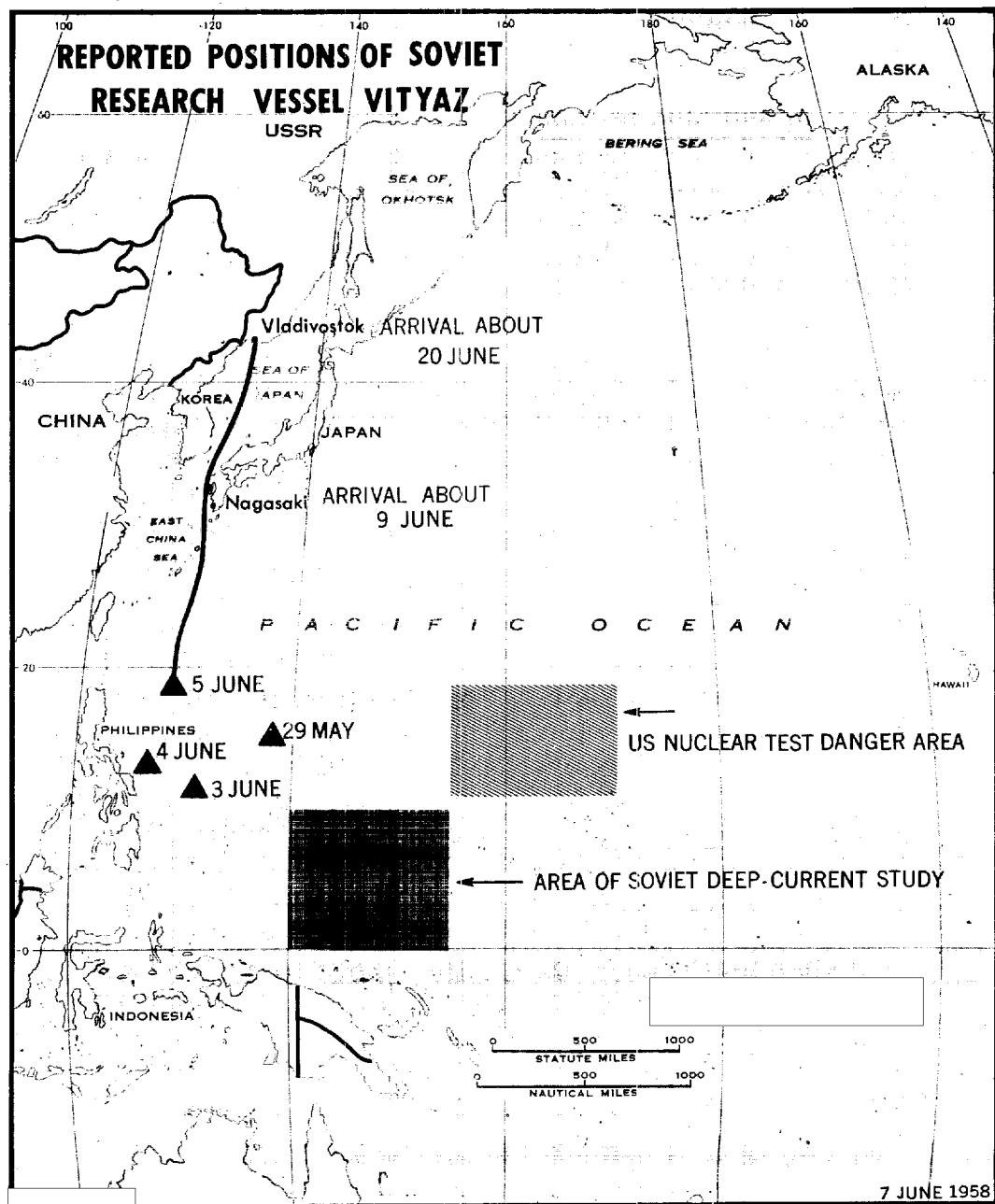
[redacted] (Page 7)

7 June 58

DAILY BRIEF

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I. THE COMMUNIST BLOC

Moscow Claims Radioactive Fallout on Soviet Survey Ship

The USSR has given new impetus to its propaganda campaign against American nuclear tests in the Pacific with the claim that radioactive rain fell on its hydrographic survey ship--the Vityaz--beginning on 23 May. Moscow alleges the fallout occurred 1,800 miles west of the testing base and caused a "threat to health" which forced the ship to stop its IGY observations. Moscow radio reported on 6 June that the radioactivity "exceeded the normal dose by several hundred times," and Soviet propaganda charges that the US tests are a menace to the health of many people over a vast area of the Pacific.

[redacted] rain on that day registered 40,000 impulses of radioactivity per litre, which is several hundred times normal background count. [redacted]

[redacted] the Vityaz indicated a maximum reading of "60 impulses per square centimeter" in places on deck. The time period of one minute ordinarily used in such readings is apparently the one used in this case, and the level of radioactivity is therefore well within the accepted limits of safety. Even so, decontamination of the ship's personnel is being carried out.

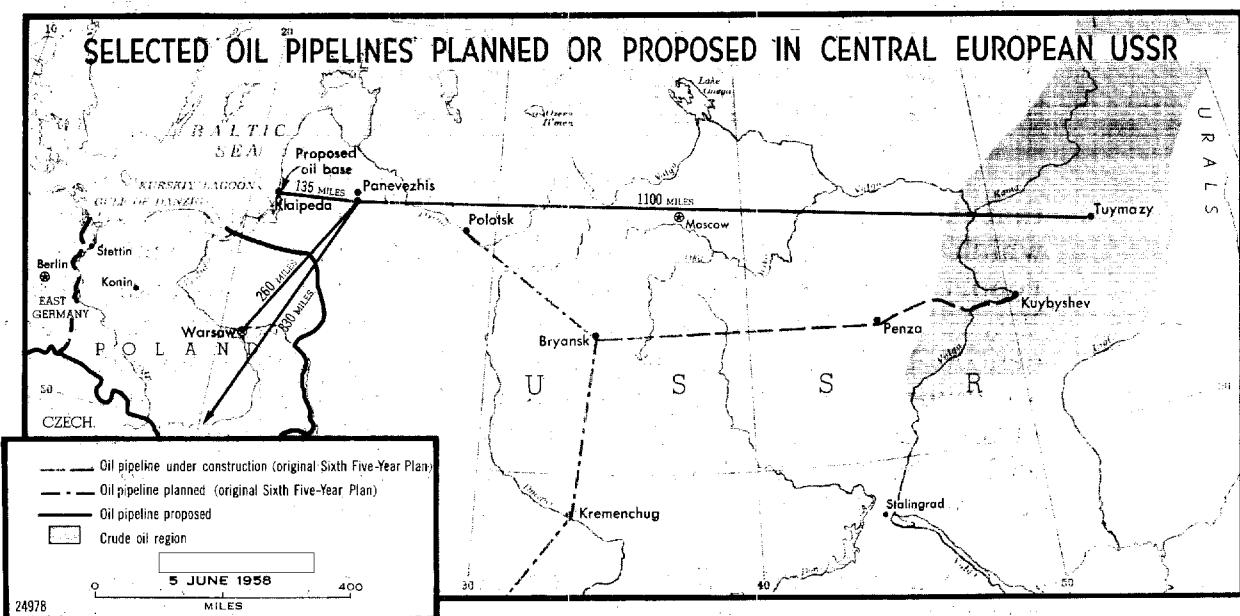
[redacted] the captain of the Vityaz expressed doubts about the safety of operating in the vicinity of the area closed for the American tests, but was ordered to adhere to prescribed plans. The Vityaz, which has been making IGY observations as well as studies of radioactivity in ocean currents, was ordered sometime after 23 May to change its itinerary to include a stop at Nagasaki, where its arrival now will have special propaganda impact.

The ship is in contact with the Soviet Ministry of Foreign Affairs and with the Soviet Embassy in Japan, which is preparing for the arrival on or before 9 June at Nagasaki. Moscow may be able to make the Vityaz a vivid example with the impact of the "Lucky Dragon."

- later -

[redacted]

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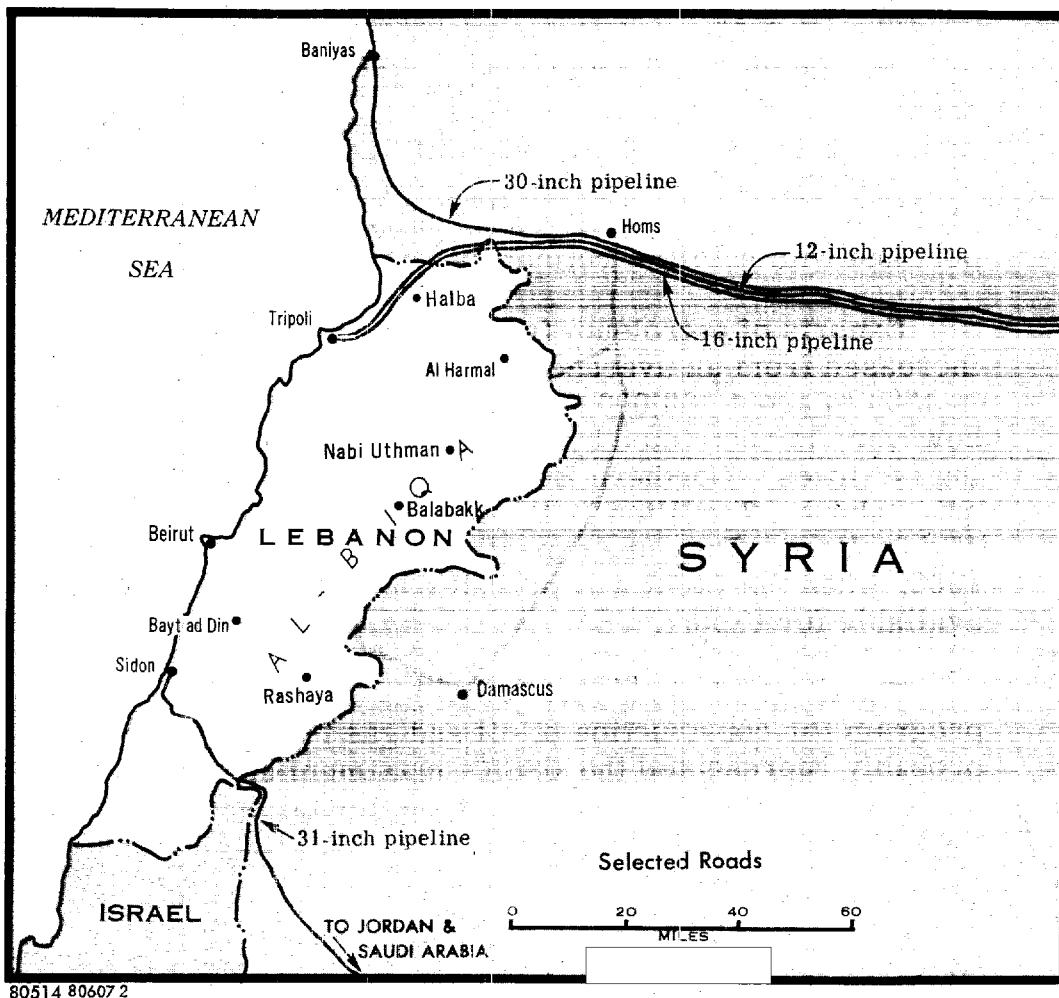
~~SECRET~~USSR Plans Pipeline to Baltic and Poland

The USSR apparently hopes by 1965 to supply a larger share of northern Europe's rapidly expanding petroleum requirements. It plans to construct an oil base at Klaipeda (Memel) on the Baltic Sea and has asked a Swedish firm to bid on a pipeline to connect the oil-rich Urals-Volga area with this port and with satellite refineries.

Exports of petroleum from the bloc to Western Europe increased from an average of 4,580 barrels per day (B/D) in 1950 to about 108,000 B/D in 1957. Further expansion, however, is restricted by limited transportation and processing facilities. Northern European countries presently require about 1.7 million B/D, most of which comes from the Middle East. They are expected to need 2.9 million B/D by 1965, when the USSR will probably have 620,000 B/D (net) available for export.

The original Sixth Five-Year Plan included a sizable program for construction of oil and gas pipelines, which probably represented the USSR's maximum capacity for construction. This may account for the invitation to the West to bid on the projected line to Klaipeda.

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II. ASIA-AFRICA

Crisis in Lebanon

UAR-supported antigovernment forces appear to have launched a series of new major attacks aimed at seizing control of northern Lebanon and the Biqa Valley.

The initial attacks developed in the vicinity of Halba, northeast of Tripoli, where a force estimated by government officials at about 2,000 men went into action on 6 June.

[redacted] the rebels had warned villages around Halba against attempts to interfere with rebel attacks. The rebels had also warned inhabitants of Halba to evacuate by 6 June.

In the Biqa Valley the hard-pressed progovernment irregulars, who have carried the burden of the fighting there, are reported without reserves and low on arms and ammunition. They were reported considering withdrawal from such exposed Biqa points as Al Harmal, Nabi Uthman and Rashaya.

Another rebel force has gathered in the Shouf area southeast of Beirut, reportedly in preparation for an attack to cut the Beirut-Damascus road and to attack the government forces at Bayt ad Din. Further south, rebel activity has produced a "very tense" situation in Sidon, terminal of the Trans-Arabian pipeline, while the large rebel force reported gathering in the hills of southern Lebanon has not yet moved.

Earlier, the increasingly aggressive attitude of the Lebanese Army in Beirut and Tripoli, prime targets of the rebellion, appeared to have taken some initiative from antigovernment forces in those cities.

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In Beirut, extreme opposition leaders are reported to have prepared an ultimatum which, according to an unconfirmed report, would demand the immediate resignation of President Chamoun and renegotiation of the 'National Charter,' which provides for distribution of government offices among various religious groups. New opposition demands may well be aired on 7 June, when coordinated rebel military moves are reported scheduled to move into high gear.

After rejecting the compromise agreement submitted by the Arab League Council, Lebanon on 6 June presented its complaint against "increasing" UAR intervention to the UN Security Council. High Lebanese Government officials are convinced that the heralded rebel offensive is under way, and that unless the Security Council is able to deter Egypt, Lebanon will be compelled to call for Western intervention.

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Iraq Seeks Higher Oil Revenues

Iraqi government officials have begun a concerted effort to persuade the Iraq Petroleum Company (IPC) to increase Iraq's share of oil revenues. Government circles have criticized IPC for not being sufficiently aggressive in expanding Iraq's oil production and for failing to recognize that a change from the 50/50 profit-sharing principle is only a matter of time. At a recent meeting Prime Minister Nuri Said told American and British representatives of IPC that they might see a repetition in Iraq of the events which led to the nationalization of Iranian oil concessions if the company "failed to assess the needs of the moment."

Iraq's Minister of Finance Pachachi has called on the company to adjust the profit-sharing terms toward the 75/25 percent recently agreed on by an American company and the Iranian Government. Pachachi has already asked this company to make a proposal for rights in Iraq's offshore areas.

While the present trend appears to be toward rewriting the profit-sharing arrangement in existing contracts throughout the Middle East, this pressure can probably be resisted at least until one of the newcomer companies makes a major strike. A substantial success for the Japanese venture in the offshore waters of the Kuwaiti - Saudi Arabian neutral zone might well be the signal for the beginning of a general over-haul of existing concession agreements. There is now some evidence that the major Saudi Arabian offshore field of Manifa extends for a considerable distance into the Japanese concession area, which would increase the probability of an early Japanese strike. [redacted]

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~~SECRET~~Indo-Pakistani Tension Over Kashmir

The threat by certain Azad Kashmiri leaders to stage a "peaceful" march across the cease-fire line into Indian-held Kashmir seems designed to increase pressure for stronger American and British support of Pakistan in the coming deliberations on the Kashmir dispute in the UN Security Council.

Former President Chaudhri Ghulam Abbas of Azad Kashmir--that portion of Kashmir held by Pakistan--has declared that a "volunteer" march across the cease-fire line would take place during the third week of June. A final decision is to be made at a meeting on 14 June. The current president of Azad Kashmir has opposed the crossing as a political stunt, which suggests that it may be a move by Abbas to regain political support.

Tension between India and Pakistan has been increased recently by a series of minor frontier clashes and belligerent statements. On 6 June the West Pakistan chief minister accused India of cutting off the water for some of Pakistan's canals and severely damaging 2,000,000 acres of crops.

Pakistani authorities state they will suppress the proposed march across the cease-fire line, but express apprehension over their ability to prevent serious incidents. As in the case of similar threats during the past ten years, Karachi probably will control any mass action as long as opportunities remain for exerting pressure on New Delhi through international channels. Increasing frustration and political instability in Pakistan, however, provide greater opportunities for irresponsible elements.

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De Gaulle and Algerian Extremists Possibly Nearing Showdown

Premier de Gaulle's attempt to crack down on the Algerian public safety committees and to buttress the constituted authorities, which the extralegal committees appear to have largely superseded since 13 May, may lead to an early showdown between the general and rightist extremists in Algeria.

De Gaulle's 6 June demand that the committees limit themselves to promoting inter-racial unity, and his apparent determination to separate the army in Algeria from the political role it has assumed, pose a direct challenge to the military and civilian extremists who so far have seemed to dominate the pace-setting all-Algeria committee. During the premier's 4-6 June visit to Algeria, these elements, supported by popular demonstrations, exerted strong--but apparently largely unsuccessful--pressure on De Gaulle to adopt their views on Algerian policy, to eliminate from his government "leftovers" from "the old regime," and to recognize the committees formally as virtual partners in his mission of "national renovation." Earlier, these extremists, for whom paratroop General Massu appears to be the principal military spokesman, had succeeded in eliciting from General Salan a statutory declaration explicitly conceding to the all-Algeria committee the right to "participate actively in the elaboration of decisions."

A statement by a committee spokesman on 6 June assuring De Gaulle that he had the committee's support "without conditions and without reserve" suggests that a split within the committee is likely should a real showdown materialize. On 5 June, Leon Delbecque, the organization's vice president and leading civilian extremist, took an almost menacing tone toward the general and declared "we shall go

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all the way in what we undertook on 13 May." Delbecque is reportedly scheduled to go to Paris on 9 June, possibly for the purpose of soliciting support for the Algiers die-hards among rightists there.

In any ultimate test of strength, the bulk of the army and especially the local high command, which is most anxious to regularize its role with legitimate French authority, would almost certainly be loyal to De Gaulle. Top military leaders, concerned above all with preserving the army's unity, may nevertheless continue to be confronted with strong pressure from influential younger officers who participated in plotting for last month's take-over and who share the present disappointments of local extremists.

In addition, the American consul general in Algiers believes the psychological impact of the insurrection on the army--especially the weeks of fraternization with resident Europeans--may have been such as to practically preclude the use of many of these troops to control any demonstrations the extremists might organize to "influence" De Gaulle.

III. THE WEST
No Back-up Material.

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