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12 August 1959

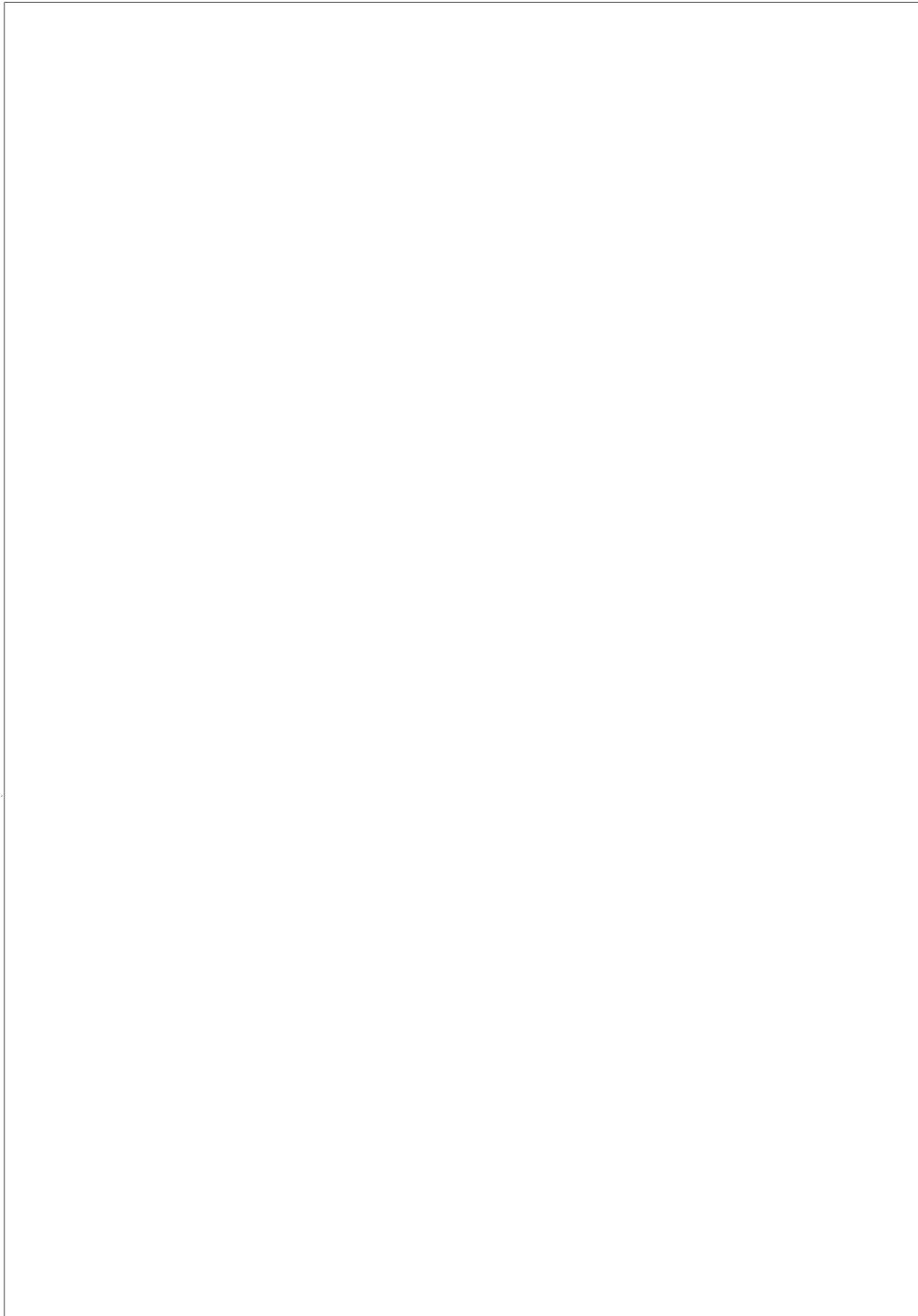
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CENTRAL INTELLIGENCE BULLETIN



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12 AUGUST 1959

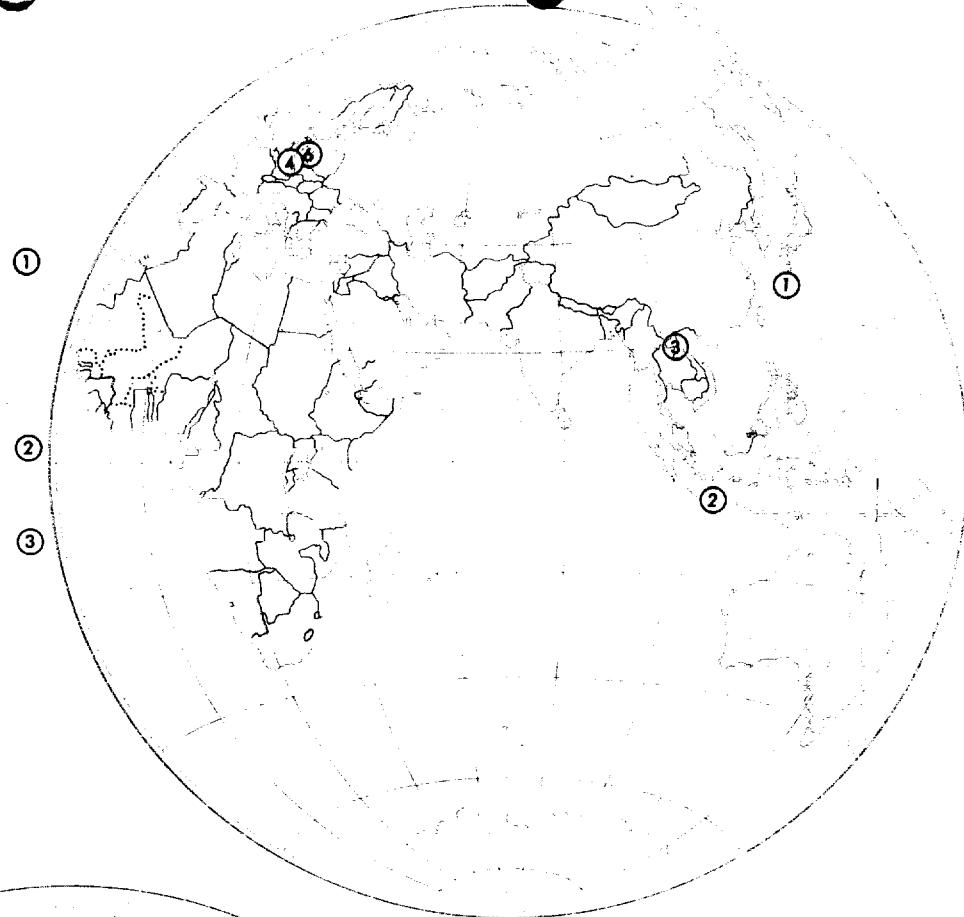
I. THE COMMUNIST BLOC

Two Soviet submarines apparently en route for delivery to Indonesia.

II. ASIA-AFRICA

Indonesia--Nasution assigns additional senior army officers to government departments.

Laotian officials concerned over increased Communist potential for subversion in northern provinces.

**III. THE WEST**

④ West Germany--Defense minister advises Adenauer Bonn should have control over own nuclear warheads.

⑤ Castro regime frustrates coup plan.

IV.

⑥ Conclusions of special USIB committee on Berlin situation.

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CENTRAL INTELLIGENCE BULLETIN

12 August 1959

DAILY BRIEF

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I. THE COMMUNIST BLOC

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USSR-Indonesia: Two Soviet long-range W-class submarines accompanied by a tanker left the Sea of Japan on 11 August, apparently en route to Indonesia. Arrival of the submarines, the first such units in the Indonesian Navy, would complete the delivery of naval craft under the 1958 bloc-Indonesian arms agreement, which also included four Skoryy-class destroyers and eight submarine chasers.

II. ASIA-AFRICA

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Indonesia: Army influence in the Indonesian cabinet, already strong, has been notably increased recently by the assignment of senior army officers to assist eight ministers and deputy ministers, including First Minister Djuanda and Foreign Minister Subandrio. These new assignments are in addition to 10 cabinet posts, in a total of 43, which the army holds or strongly influences. General Nasution has conceded privately that the increased army role may eventually result in military domination of the governmental apparatus. A change in Indonesian Navy leadership reportedly has swung navy political support from the leftist-inclined air force to the army, thereby further strengthening Nasution's position.

(Page 1)

No

Laos: Laotian officials are concerned over the reinforced subversive capabilities of Communist elements now ranging widely in Sam Neua and Phong Saly provinces.] Taking advantage of a break in the monsoon rains, the government has pressed all available civil aircraft into an airlift of fresh supplies for troops and civilians in Sam Neua Province. North

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Vietnam has sent a new note to Britain and the USSR--co-chairmen of the 1954 Indochina settlement--referring to the "extremely serious" situation in Laos and calling for "emergency measures" to reactivate the International Control Commission. Moscow has given prompt support to this move.

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III. THE WEST

N West Germany: Defense Minister Strauss is attempting to convince Adenauer that Bonn must eventually have control over its own nuclear warheads, arguing that Bonn cannot indefinitely rely on US nuclear retaliatory capability. Strauss believes that France will soon have such control over warheads, and that there will be strong political pressures in Germany for equality. Adenauer has not yet subscribed to these arguments, but he has recently been relying increasingly on Strauss' advice.

(Page 4)

P Cuba: The Castro regime has frustrated an apparently sizable conspiracy building up against it. Hundreds have been arrested, chiefly armed forces personnel held over from the Batista government and large landowners who had actively opposed Castro's agrarian reform law. Allegations that Trujillo agents were involved in the plot, and the threat of landings in Cuba by a force of Cuban exiles from the Dominican Republic, probably will be used by Cuba to support its case against the Dominican Republic at the hemisphere foreign ministers' conference opening in Chile on 12 August.

IV. CONCLUSIONS OF SPECIAL USIB COMMITTEE ON BERLIN SITUATION

OK The USIB has taken note of the following conclusions reached by its special committee on the Berlin situation. The committee pointed out that its conclusions are to be used in context with all SNIES relevant to the Berlin situation.

1. Pending the completion of the exchange of visits between President Eisenhower and Khrushchev and further

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negotiations which may grow out of these, it is unlikely that the USSR will conclude a separate peace treaty with East Germany or turn over access controls to the East Germans. The USSR will from time to time use threats of such action as a form of pressure on the West. The actual physical transfer of controls could be accomplished with little or no warning.

2. The USSR continues to maintain its hard position on Berlin as developed at the Geneva foreign ministers' conference and is unlikely to offer any significant new proposals on Berlin pending discussions between President Eisenhower and Khrushchev.

3. While there are no reliable indications of a bloc intent to deny Allied or West German access to West Berlin, or to seal off West Berlin in the immediate future, such actions could be taken with little or no warning.

4. The West Berlin economic and morale situation continues to be favorable.

5. There were no major intelligence indications of significant Western allied diplomatic intentions, apart from information obtained through official contact with US representatives.

6. There have been no significant changes in Soviet capabilities to respond to possible Western actions in the event of turnover, harassment, or blockade.

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NOTE: With the completion of this report, the special committee on the Berlin situation adjourned indefinitely.

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~~SECRET~~**I. THE COMMUNIST BLOC****II. ASIA-AFRICA****Indonesian Defense Minister Continues Plan to Increase Military Influence in Government**

In accordance with his plan to give the military a larger voice in the Indonesian Government, Defense Minister Nasution has assigned senior army officers to assist eight cabinet ministers or deputy ministers.

[redacted] the posts affected include those of First Minister Djuanda, Foreign Minister Subandrio, the Minister for "Development"--presumably Chaerul Saleh whose Construction portfolio includes development plans, and five deputy ministers.

[redacted] the ministers will designate the duties of the army appointees, a stipulation which may result in the army's influence varying from minister to minister depending on the cooperation of the officials concerned. This new army representation is in addition to 10 cabinet posts, out of a total of 43, which are already held by army or strongly army-influenced appointees.

Nasution had told the American ambassador on 28 July that he intended to appoint military officers to all important ministries to "assist" officials in carrying out their tasks. He said a similar system would be adopted on local levels throughout Indonesia in an effort to develop unity of direction and to expedite action on matters of nationwide concern.

Nasution may have won further political support through the recent change in Indonesian Navy leadership. The new navy chief of staff, Martadinata, reportedly has swung navy support from the Communist-infiltrated air force.

[redacted]

[redacted]

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~~TOP SECRET~~Situation in Laos

A break in the monsoon rains and the use of all available aircraft have enabled the Laotian Government to airlift fresh supplies to troops and civilians in Sam Neua Province. The airlift may ease the food shortage in isolated army outposts as well as in the town of Sam Neua, where there has been a heavy influx of refugees. [The military situation continues calm, but Laotian officials are concerned over the reinforced subversive capabilities of Communist elements ranging widely in Sam Neua and Phong Saly. Communist subversive efforts in the two provinces had already met with considerable success before the recent insurgency began.]

Britain meanwhile has modified its proposal that the Geneva cochairmen--the UK and the USSR--request the secretary general of the United Nations to send a "fact finder - mediator" to Laos. In response to French and Laotian objections, mention of mediation has been dropped. [Premier Phoui has said that any request for an observer must come from the Laotian Government and that he does not feel the situation yet warrants such a request.]

Hanoi has just released a diplomatic note sent by Prime Minister Pham Van Dong on 8 August to the cochairmen of the Geneva agreements, the foreign ministers of the USSR and the UK. Dong requested that they take emergency measures to reconvene the International Control Commission (ICC) in Laos, and alleged that the US is interfering in Laos in such a way as to "directly and seriously threaten" North Vietnam. TASS has given prompt publicity to the note, the fifth such communication between North Vietnam and the cochairmen this year, all urging recall of the ICC.

Ten special aviation weather messages for Hanoi and Langson were passed during a four-hour period on 8 August by Chinese Communist civil air facilities at Nanning. These messages were also passed to Canton and Peiping. Since weather information is not normally passed over civil air facilities but obtained

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over regular weather broadcasts, this activity suggests a special effort to get current weather reporting on the Chinese Communist civil air route between Nanning and Hanoi.

[redacted] Any sudden increase in Chinese Communist transport flights to Hanoi could indicate at least an indirect involvement by the Chinese Communists in the Laotian situation, probably in the form of logistical support. Internal North Vietnamese air activity has shown an increase over the last two weeks which is probably related to Laos.
[redacted]

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III. THE WEST

Strauss Seeks Bonn Control of Nuclear Warheads

[Defense Minister Strauss is attempting to convince Chancellor Adenauer that the West Germans must eventually have control over the nuclear warheads stationed on German soil. He aired similar views publicly for the first time in a 6 August interview, calling for the participation of both France and Germany in the control of warheads used in their own defense.]

[According to Volkmar Hopf, a top Defense Ministry official, Strauss argues that Bonn cannot continue to rely on an American nuclear retaliatory capability since the United States cannot be expected indefinitely to risk all-out war to protect Berlin. Strauss also fears that strong political pressures will develop in Germany if France assumes early control over NATO stocks on its soil. Hopf stated that the chancellor has not yet accepted this position. In recent months, however, Adenauer has been relying increasingly on Strauss' advice.]

[Hopf, who is likely to be appointed soon as Strauss' deputy, personally opposes Strauss' position, fearing it would lead ultimately to the withdrawal of American troops from Europe. Hopf also opposes Strauss' plan to expand defense expenditures from the present \$2 billion to \$3 billion by fiscal 1961-62, arguing that the West German public is not psychologically prepared for such a radical increase in defense spending.]

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~~SECRET~~Cuban Officials Still Tense in Wake of Abortive Conspiracy

The Cuban armed forces remain alerted and the government is still nervous even though the large-scale conspiracy against it has apparently been suppressed. Further attacks are apparently expected, probably from the armed group led by former Cuban General Pedraza that has been training in the Dominican Republic for some months.

Elements of Pedraza's force are, in fact, [redacted] ficial of the Spanish Embassy in Ciudad Trujillo to have left the Dominican Republic for Cuba on 9 August. There is no confirmation of this report, and the source did not know the points of departure and destination or the number of men involved. Cuban authorities have long been alerted to possible landings from the Dominican Republic. Whether or not they take place, the implication of Trujillo agents in the conspiracy will strengthen Cuba's case against the Dominican Republic at the hemisphere foreign ministers' meeting opening in Chile on 12 August.

The planned revolt of a portion of the armed forces under William Alexander Morgan was compromised at the last moment by the defection of one of the plotters, [redacted]

[redacted] Morgan is an American citizen who fought against the Batista dictatorship with a guerrilla group independent of Castro's 26 of July Movement and later fell out with Castro. He is reported to have accepted a large sum of money from Trujillo agents to lead a revolt and to have left Florida for Cuba on 5 August. His present whereabouts is unknown, but press accounts of fighting in Las Villas Province--his stronghold during the anti-Batista fighting--indicate that he may have attempted an armed revolt there. There also were unsuccessful attempts to assassinate Fidel Castro and his brother Raul on 8 and 9 August.

Hundreds of arrests during the past four days included chiefly armed forces personnel held over from the Batista regime and large landowners who had actively opposed Castro's agrarian reform law. [redacted]

[redacted]

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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

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Atomic Energy Commission

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National Security Agency

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