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25 February 1959

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CENTRAL

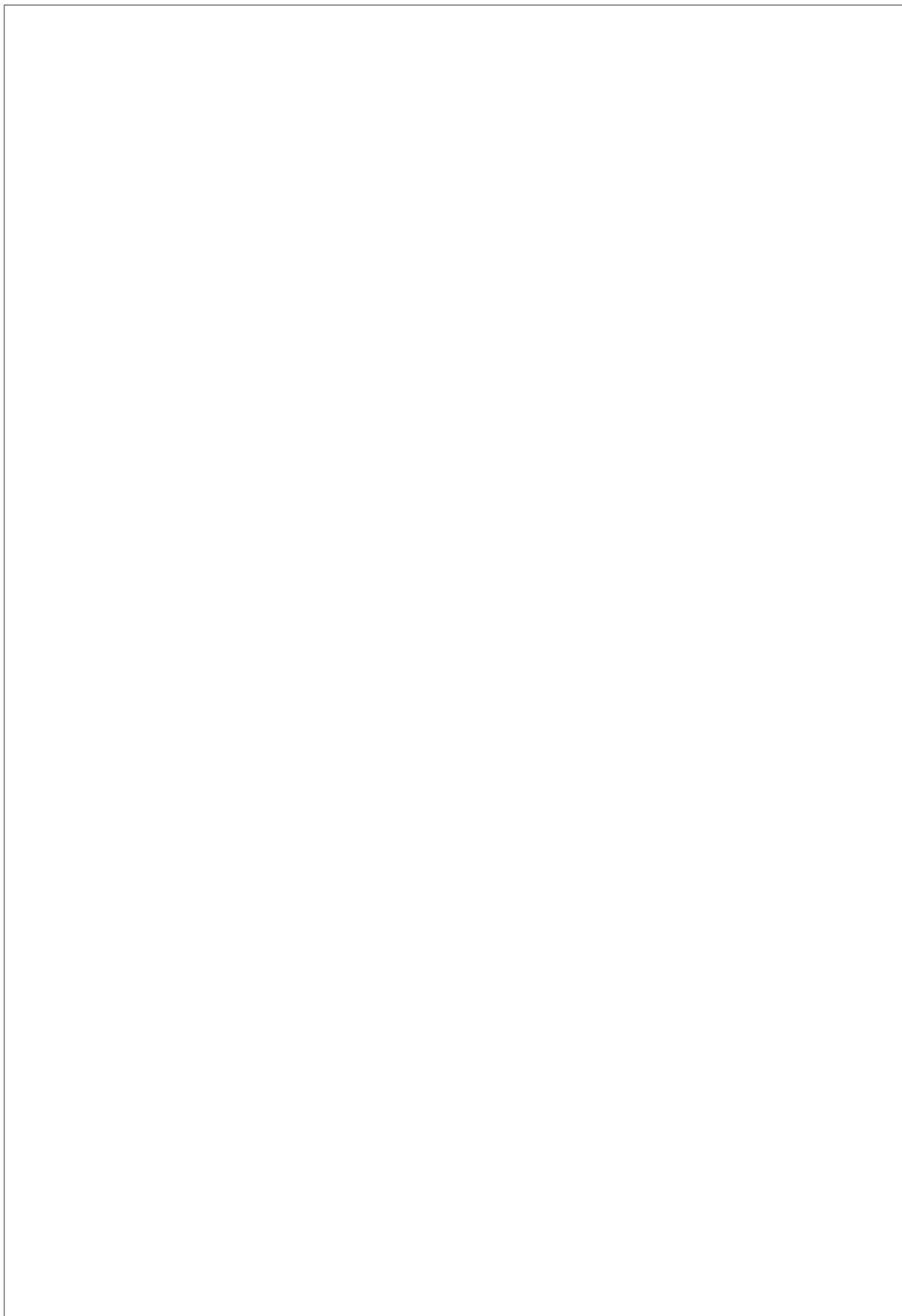
INTELLIGENCE

BULLETIN



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25 February 1959

I. THE COMMUNIST BLOC

First Soviet ambassador to arrive in Ghana in early March.

II. ASIA-AFRICA

South Vietnam marines seize 70 Chinese Communists in disputed Paracel Island group.

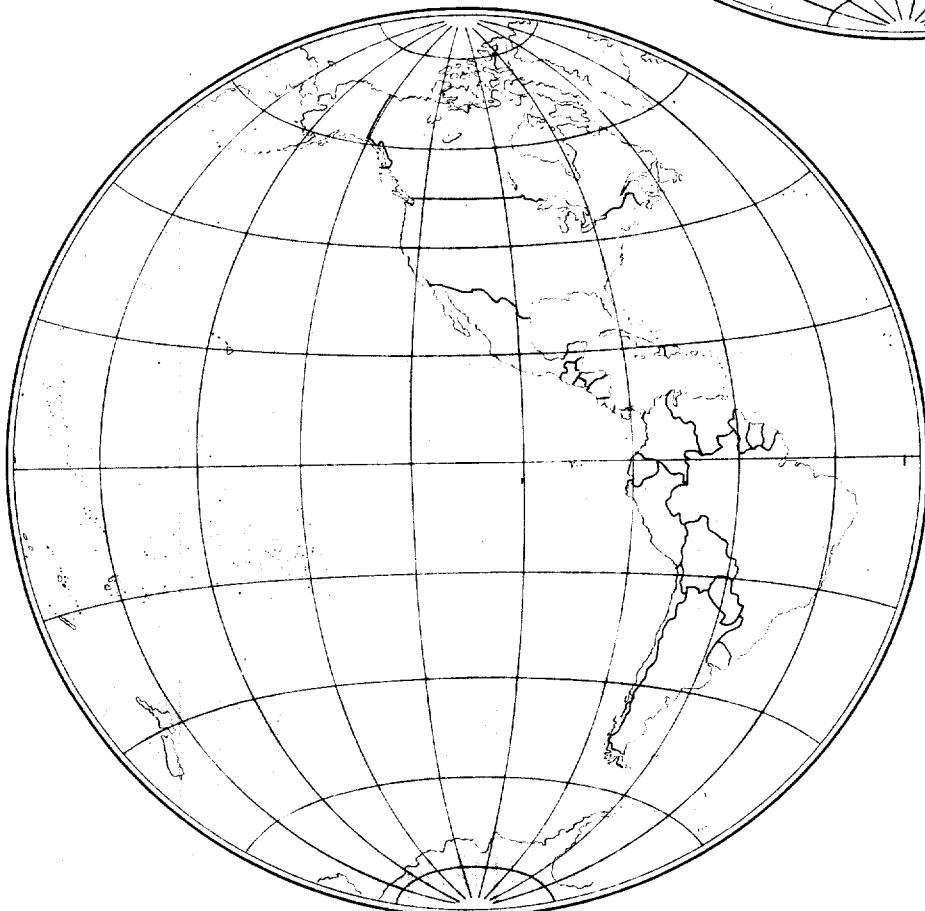
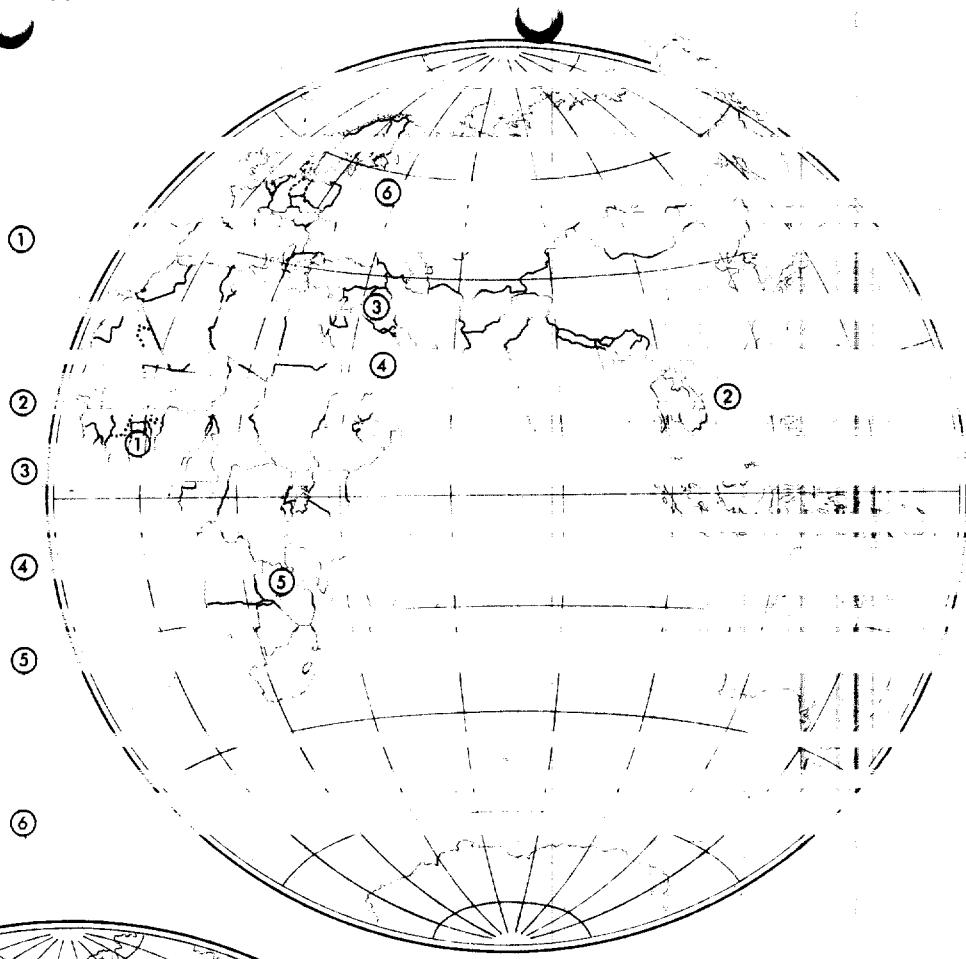
Iraq - Qasim continues to rely on Communist support.

King Saud maneuvering to get Prince Faysal's resignation as premier.

Riots in Nyasaland add to pressure for breakup of Rhodesia-Nyasaland federation.

LATE ITEM

Khrushchev disparages conference of foreign ministers and calls for summit meeting.



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CENTRAL INTELLIGENCE BULLETIN

25 February 1959

SIRAB

DAILY BRIEF

I. THE COMMUNIST BLOC

USSR-Ghana: [Moscow has moved quickly to set up a diplomatic mission at Accra following Prime Minister Nkrumah's statement last month that Ghana now is prepared to implement its January 1958 agreement to exchange missions with the USSR. The first Soviet ambassador, M. D. Sytenko, is expected to arrive in early March followed shortly by his staff, and Moscow is already pressing for "many more" than the 20 visas granted by Ghana thus far. Guinea also seems headed toward early diplomatic ties with the USSR, and Liberia may reluctantly follow suit rather than see its younger neighbors gain a possible advantage.]

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II. ASIA-AFRICA

*South Vietnam - Communist China: [South Vietnamese marines garrisoning one of the islands in the disputed Paracel group in the South China Sea on 22 February seized three Chinese Communist motorized junks and 70 men in the area of another of the islands. The captured Communists are being taken to South Vietnam for "interrogation." This action apparently was taken to support South Vietnam's claims to the Paracels and to counter further Chinese Communist colonization of these islands. Peiping is likely to respond with strong propaganda protesting these captures and restating its own traditional claim to the Paracels. The Communists may also dispatch patrol vessels to protect their growing colony in the islands.]

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(Page 1) (Map)

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Iraq: Qasim continues to rely on the Communists to provide "street" support in Iraq, and a break between his regime and the Communists still appears unlikely. The government allowed Communist elements to harass a UAR anniversary celebration at the UAR Embassy in Baghdad on 22 February; pro-UAR demonstrators in Mosul on 23 February were dispersed by the Iraqi Army, [redacted]

[initials] Earlier, the regime had permitted the Communists to stage a "workers' rally" in an apparent effort to counter the impact of any pro-UAR demonstrations.

~~SECRET~~ Saudi Arabia: King Saúd has taken new confidence from [redacted] the favorable popular response to his recent tour of the country and is thinking in terms of new maneuvers to recover prestige and power from Crown Prince Faysal. Saúd plans to press for an economic development program in the hope of bringing about the resignation of Premier Faysal, and is interested in American assistance for the program.] [redacted]

[initials] (Page 2)

Rhodesia-Nyasaland: [The settler-dominated government of the Federation of Rhodesia and Nyasaland is being subjected to a severe challenge by African nationalist riots in Nyasaland. Rhodesian troop and police reinforcements have restored order, but the nationalists with their civil disobedience campaign will probably provoke renewed rioting in their effort to secure Nyasaland's secession from the Federation. In addition to widespread local African agitation for a separate status for Nyasaland, there is growing European settler support in the Rhodesias for a breakup of the Federation and dissociation from Nyasaland, a poor and overpopulated trouble spot.] [redacted]

[initials] (Page 3) (Map)

LATE ITEM

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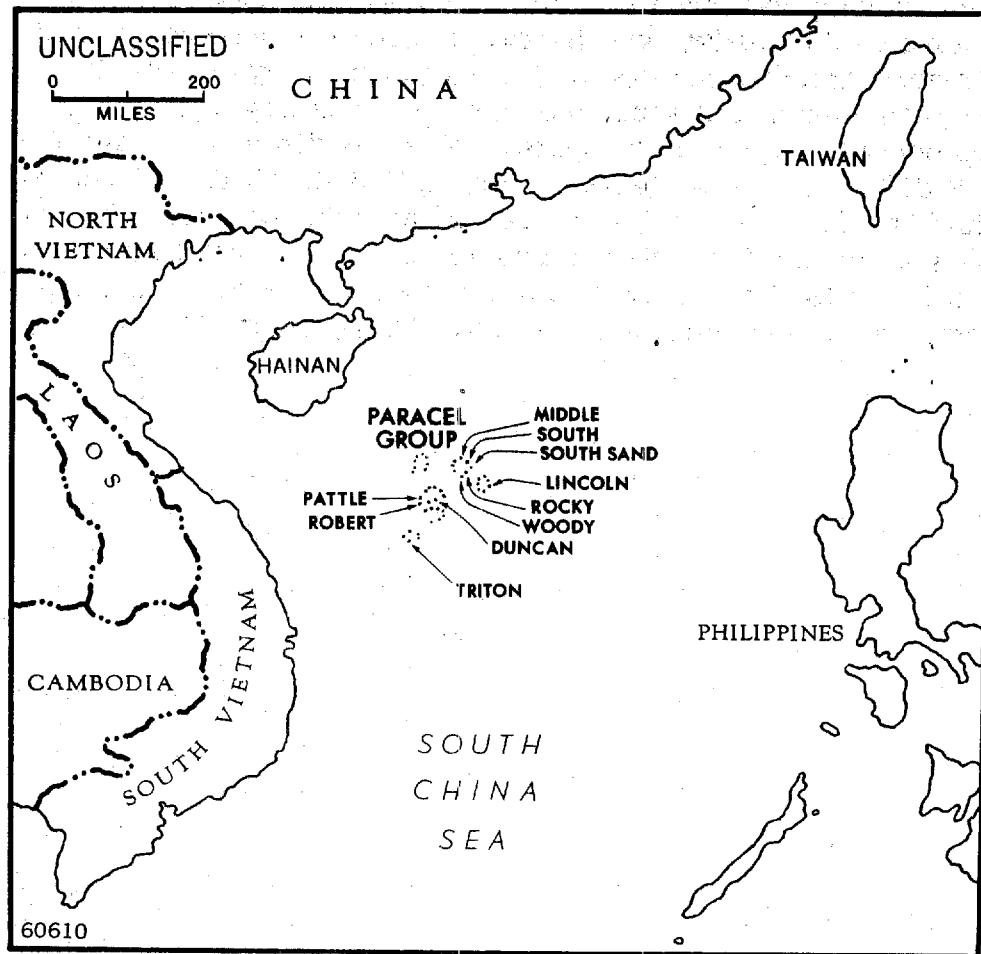
*USSR: In his speech in Moscow on 24 February, Khrushchev laid down his terms for negotiations on major East-West issues. He disparaged the West's proposal for a conference of foreign ministers and called instead for a heads-of-government meeting to discuss a German peace treaty, European security, withdrawal of troops from foreign territories, and disarmament. He again stressed the USSR's unwillingness to discuss German reunification but agreed to consider measures to prevent the rebirth of German "militarism." Khrushchev charged that the United States and Britain are seeking to prevent agreement in the Geneva talks because they wish to resume nuclear tests; he warned that the USSR would be compelled to follow suit "in the interests of our security." [redacted] (Page 4)

25 Feb 59

DAILY BRIEF

iii

SECRET [redacted]



I. THE COMMUNIST BLOC
No Back-up Material

II. ASIA-AFRICA

South Vietnam Seizes Chinese Communist Vessels and Men

(South Vietnamese marines, reacting to recently stepped-up Chinese Communist activity in the disputed Paracel Islands group in the South China Sea, seized three Chinese Communist motorized junks and 70 men there on 22 February,

The Chinese were taken into custody at Duncan Island by a small Vietnamese marine detachment based on nearby Pattle Island. They were to be taken to the South Vietnamese mainland on 23 February for questioning. A Vietnamese marine company of approximately 100 men is being dispatched to the area for a thorough search of Duncan Island for a possible arms cache.)

(Peiping, which has maintained a small group of guano gatherers on Woody Island--about 45 nautical miles northeast of Duncan--recently began the development of fishing grounds in the Paracels and to increase colonization of the islands. The resulting build-up of the Woody settlement into a major colony, accompanied by Chinese Communist probes in the other islands, has upset the modus vivendi which has existed since early 1956 when South Vietnam established a base on Pattle to protect its claim to the Paracels. Nationalist China, a third claimant to the Paracels, has also taken note of Peiping's expanded activities.)

(Peiping can be expected to protest South Vietnam's action and restate its own claim to the area. Chinese Communist patrol vessels may also be dispatched to protect Peiping's colony.)

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Saud Seeks US Assistance in Recovering Power From Faysal

{ King Saud has drawn such confidence from the favorable popular reponse to his recent travels in western Saudi Arabia that he is planning new maneuvers to curtail the prestige and power of his brother, Premier Crown Prince Faysal. }

{ The Saudi radio has given a major play to the King's two-month tour in the provinces, hailing his lavish disbursement of personal funds for local improvement projects and his settlement of local administrative problems. The trip was cited as proof that the government should cater to the needs and wishes of the people--an obvious reference to Faysal's failure to give attention to local matters because of his preoccupation with basic fiscal reform. After a brief rest the King plans to make a trip into the northern provinces along the Trans-Arabian Pipeline. }

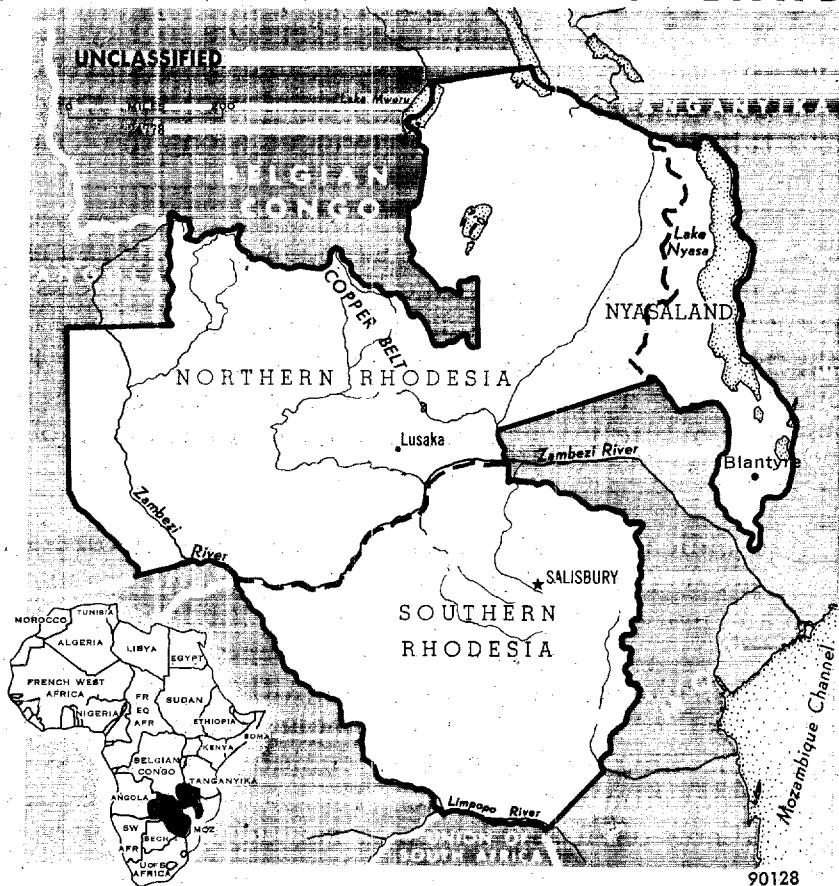
{ Saud is so confident of the success of his personal aid program in enhancing his prestige that he plans to press for a government economic development program in the hope of promoting the resignation of the economy-minded Faysal. Faysal's efforts to bring a semblance of control to the nation's chaotic finances has publicly identified him with curtailment of payments and perquisites to many groups. }

{ Saud indicated to Ambassador Heath that before attempting his maneuver against Faisal, he would require an assurance of American financial assistance. }

{ Ambassador Heath reports that although Saud's ambition to divest Faysal of his position of special authority has long been evident, the King has heretofore denied that there is disagreement between him and Faysal. The ambassador believes that King Saud now obviously hopes to resume his former position as active and undisputed ruler of the country. }

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RHODESIA AND NYASALAND



African Extremism Is Growing in Central Africa

[The latest series of African nationalist riots in the British protectorate of Nyasaland, which forms part of the Federation of Rhodesia and Nyasaland, is the gravest challenge faced by the Federation since its founding in 1953. The nationalists, under the leadership of Dr. Hastings Banda, have embarked on a program of civil disobedience in an effort to secure Nyasaland's secession from the white-dominated Federation. The federal government has acted quickly to restore order by reinforcing local police forces with Rhodesian police and troop units, both white and African, and has mobilized white territorial reserve units in case of further trouble.]

[There is no evidence that related nationalist agitation is planned in either Northern or Southern Rhodesia at this time. However, Dr. Banda, acting through the Nyasaland African Congress, will probably provoke further riots throughout Nyasaland and may take advantage of his growing influence in African circles throughout the Federation--particularly among the mine workers in Northern Rhodesia--to organize civil disobedience in widely scattered areas.]

[The riots in Nyasaland, and the growing disillusionment on the part of Africans in the Rhodesias over unfulfilled white promises of racial partnership, may have a significant bearing on the course of constitutional discussions to be held in London in 1960. Already, influential British circles--especially those associated with the Labor party--distrust Rhodesia's racial policies and oppose an early grant of independence to the Federation as presently governed. The agitation in Nyasaland, in addition to the reported growth of sentiment among Europeans in Rhodesia for a more compact independent white state, may force a complete review of the issue and result in a new approach to Central Africa's political and social problems.]

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LATE ITEM

Khrushchev Calls for Summit Meeting

Khrushchev took advantage of a day's recess in his talks with Prime Minister Macmillan to set forth in a speech on 24 February his terms for negotiations with the West. He disparaged the Western proposal for a four-power foreign-ministers' conference and said, "We cannot agree with this." He charged that the Western powers hope to involve the USSR in a "labyrinth of diplomatic negotiations so that we will get bogged down for several years."

Khrushchev called instead for a meeting of the heads of government, because "they can take the necessary decisions." He did not list the participants of such a conference, except to say they should include "the powers who are fully responsible for ensuring universal peace."

The first task of a summit meeting, according to the Soviet premier, should be to conclude a German peace treaty which would include a solution of the Berlin question. He again stressed the USSR's unwillingness to discuss reunification but agreed to consider measures to prevent the rebirth of German "militarism." Other items on the proposed summit agenda would include European security, withdrawal of troops from foreign territories, disengagement of the forces of both "military groupings," and disarmament measures such as a reduction of armed forces and a prohibition of nuclear weapons and tests.

Khrushchev's speech provided further evidence that Moscow plans to conclude a separate peace treaty with East Germany either prior to or simultaneously with the transfer of access controls to the East Germans. He claimed the signing of a treaty "will invalidate all the obligations regarding Germany's occupation--both ours and those of our allies." The press attaché of the Soviet Embassy in East Berlin said on 19 February that the USSR wants to "establish the sovereignty of the German Democratic Republic beyond all legal doubt" and that this would be accomplished by the conclusion of a separate peace treaty. The attaché hinted that the treaty would be signed before 27 May.

Khrushchev strongly attacked the Western position in the Geneva nuclear talks as "absurd and unacceptable." He charged

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the United States and Britain with seeking to prevent an agreement so that they may resume nuclear tests and warned that while the USSR would regret it, "we shall be compelled to do the same in the interests of our security until a wise settlement is found."

Khrushchev did not divulge any information on his talks with Prime Minister Macmillan, but he underscored the USSR's readiness to sign a nonaggression treaty with the United Kingdom for a term of 20 or 50 years or longer.

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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

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

United States Information Agency

The Director

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