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11 October 1958

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CENTRAL INTELLIGENCE BULLETIN



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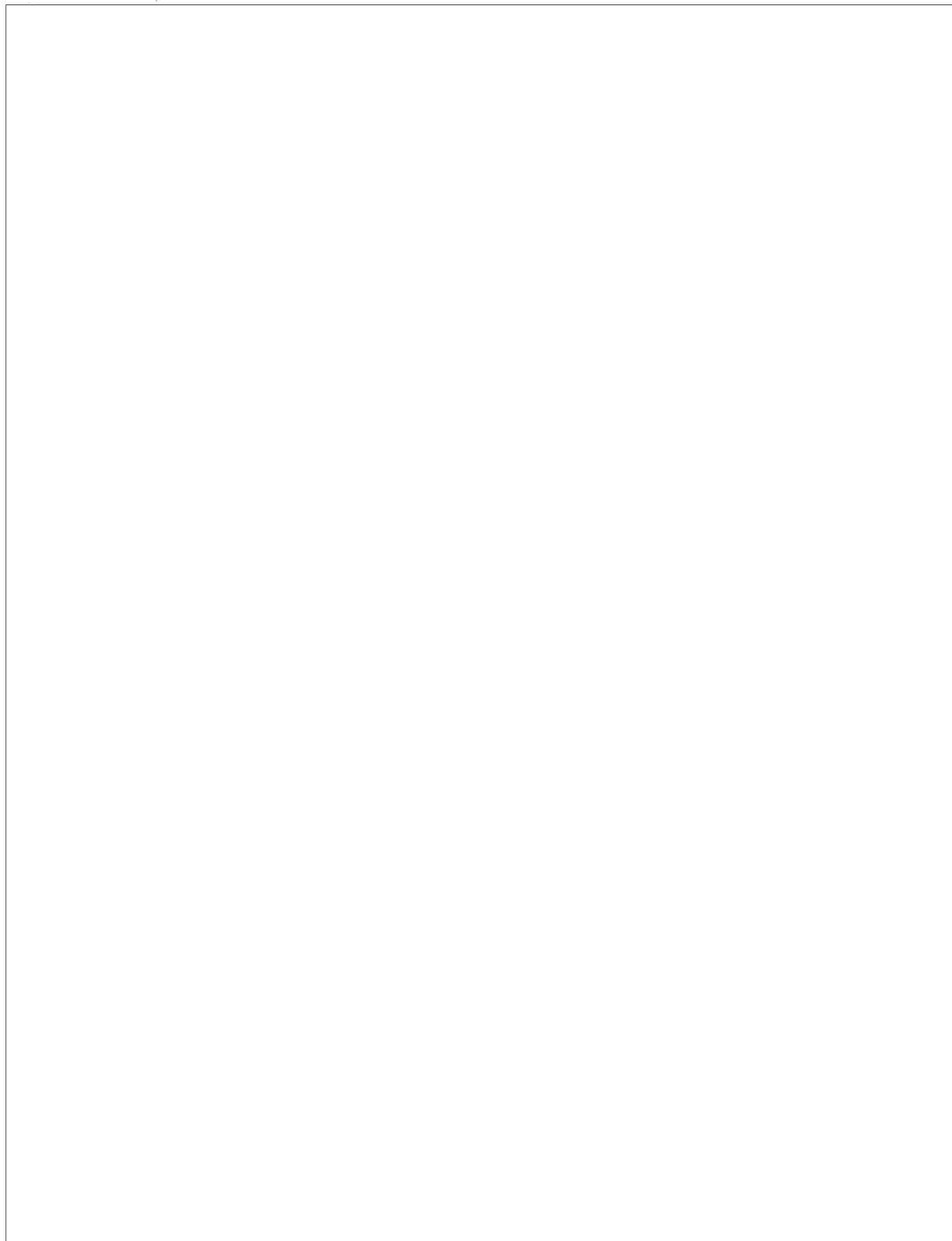
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11 OCTOBER 1958

I. THE COMMUNIST BLOC

Taiwan Strait - No significant military activity on 10 October.

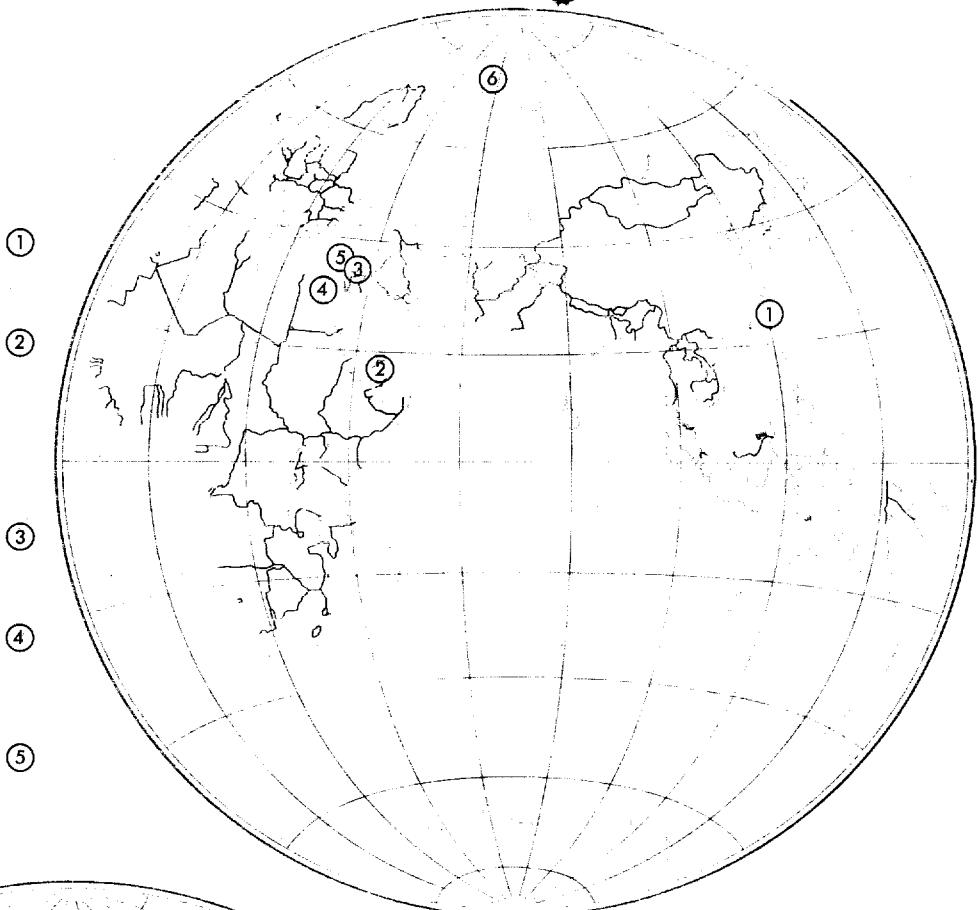
Peiping's first technical assistance efforts in Middle East to begin in Yemen.

II. ASIA - AFRICA

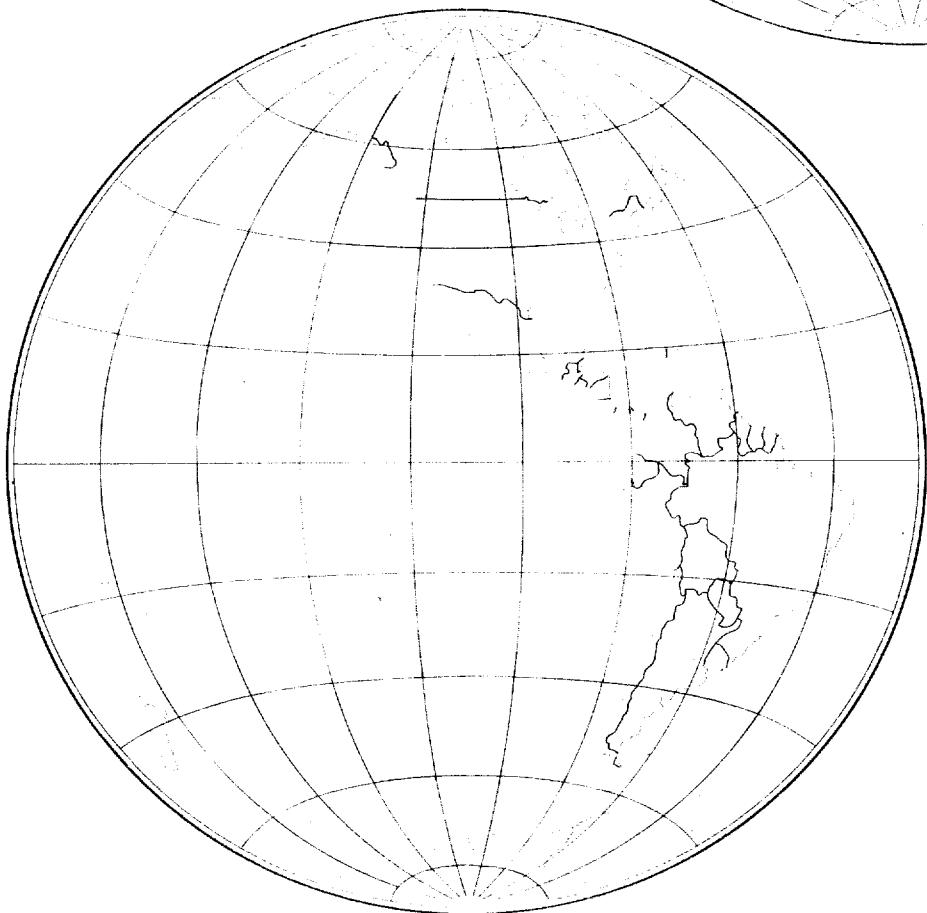
Lebanon - Karame's refusal to bow out as prime minister places Shihab in dangerous position. Further violence expected.

Reorganization of UAR Army along Soviet lines appears well under way.

Cyprus - London, Ankara, and Athens nearing agreement on need to hold conference. British launch new anti-EOKA drive.

**LATE ITEM**

⑥ USSR conducts eighth nuclear test in current series at Novaya Zemlya.



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CENTRAL INTELLIGENCE BULLETIN

11 October 1958

DAILY BRIEF

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I. THE COMMUNIST BLOC*140*

Taiwan Strait situation: There was no significant military activity on 10 October after the previously reported air clash which apparently was initiated by the Nationalists.

(Page 1) (Map)

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Communist China - Yemen: Seventy Chinese Communist technicians will arrive in Al Hudaydah in mid-October to begin Peiping's first technical assistance efforts in the Middle East. The Chinese will prepare plans for the construction of factories and a road network as called for under the \$16,300,-000 Sino-Yemeni loan agreement concluded in January 1958. With the arrival of the Chinese, the number of bloc economic specialists in Yemen will reach 225. Soviet and East European economic aid commitments to Yemen total about \$35,000,000, and military deliveries to date amount to about \$30,000,000.

(Page 3) (Map)

II. ASIA-AFRICA

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Lebanon: Prime Minister Karame's refusal to make way for a caretaker cabinet places President Shihab in the dangerous position of either trying to force Karame out or risking loss of control by permitting him to remain. Karame's action is an indication of the mood of the Moslem rebels, who had expected that they would be practically undisputed in domination of Lebanese politics and who still apparently see no reason to give up the fruits of their "victory." Both sides apparently are making preparations for further violence.

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UAR military: Reorganization of UAR ground units along Soviet lines appears to be well under way.

HQ
Soviet military techniques are being taught in Cairo military schools and that the Syrian First Army plans an early reorganization along Soviet lines. Five Iraqi officers will attend a forthcoming UAR training course on "Eastern" tactical doctrine in Cairo.

(Page 4)

Cyprus: London, Ankara, and Athens appear to be nearing agreement on the necessity of holding a conference, but details concerning its scope and participants have yet to be worked out. Meanwhile the North Atlantic Council is scheduled to resume discussion of the issue on 13 October. In Athens sharp exception has been taken to recent statements by British and Turkish officials, and the opening of Parliament may be adjourned for 30 days to preclude debate on the issue. On Cyprus, where attacks on British security forces continue unabated, a large-scale operation against EOKA has been launched.

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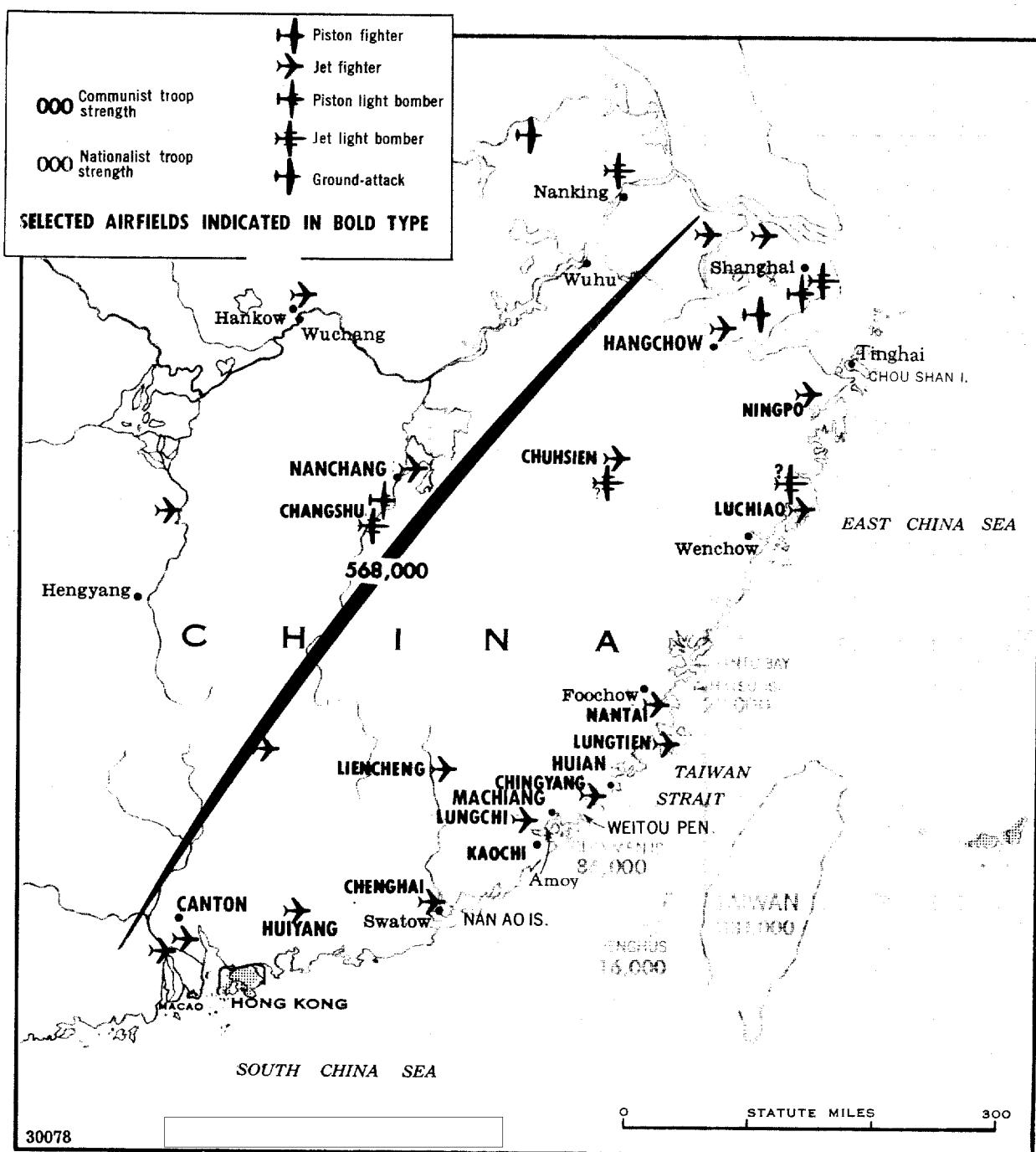
LATE ITEM

Soviet nuclear test: The Joint Atomic Energy Intelligence Committee made the following announcement at 1430 hours Zebra on 10 October 1958:

"The Atomic Energy Detection System has reported that an explosion occurred at 0750 hours Zebra on 10 October 1958 in the vicinity of Novaya Zemlya (74°N 55°E).

HQ
*This test is the eighth conducted by the Soviet Union in the current phase of testing which began on 30 September. Communications intelligence indicates the nuclear device was dropped by one of two TU-16 aircraft currently based at Olenya Airfield on the Kola Peninsula. The drop area appears to have been in the same general area as was used for tests on 2 October.

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I. THE COMMUNIST BLOC

Taiwan Strait Situation

The 10 October air engagement, previously reported, took place in an area extending as far as 20 miles inland south of Foochow. [] casts doubt on the Nationalists' statements that their aircraft were attacked, and it seems probable that the Nationalists initiated the action in order to score a victory on their national holiday.

[] President Chiang Kai-shek told Wang Shu-ming, chief of the general staff, that should the Communists resume firing on 13 October he would take a much more active stand on the offshore islands, regardless of American pressure. Top Nationalist military leaders were said to be convinced that the Communists will resume firing.

Total Nationalist military casualties between 23 August and 6 October, the beginning of the Communist cease-fire, were 489 killed in action, 2,066 wounded, and 41 missing. Eighty civilians were killed and 221 wounded.

The Chinese Communists are anxious to dispel the impression that the current cease-fire is in response to American requests. A People's Daily editorial on 10 October declared that the "suspension of the bombardment on Chin-men" is not an international issue. On the same day, a Peiping commentary described a State Department issuance that the Warsaw talks are aimed at a cease-fire as "fundamentally at variance with the purpose of the talks." Peiping's sensitivity on this point is also reflected in its Foreign Ministry's statement on 9 October which described as an "internal affair" the matter of "whether or not our forces ease our bombardment against Chinmen and whether or not it is a long or short cessation."

The latest Chinese Communist statement on the cease-fire, in a People's Daily editorial on 11 October, contains a hint that

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TAIWAN STRAIT TALLY SHEET**Air Situation**

(Plane losses claimed through 10 Oct)

	TODAY			CUMULATIVE		
	Destroyed	Probable	Possible	Destroyed	Probable	Possible
Communist	5	0	2*	33	4	8
Nationalist	1	0	0	6**	0	2*

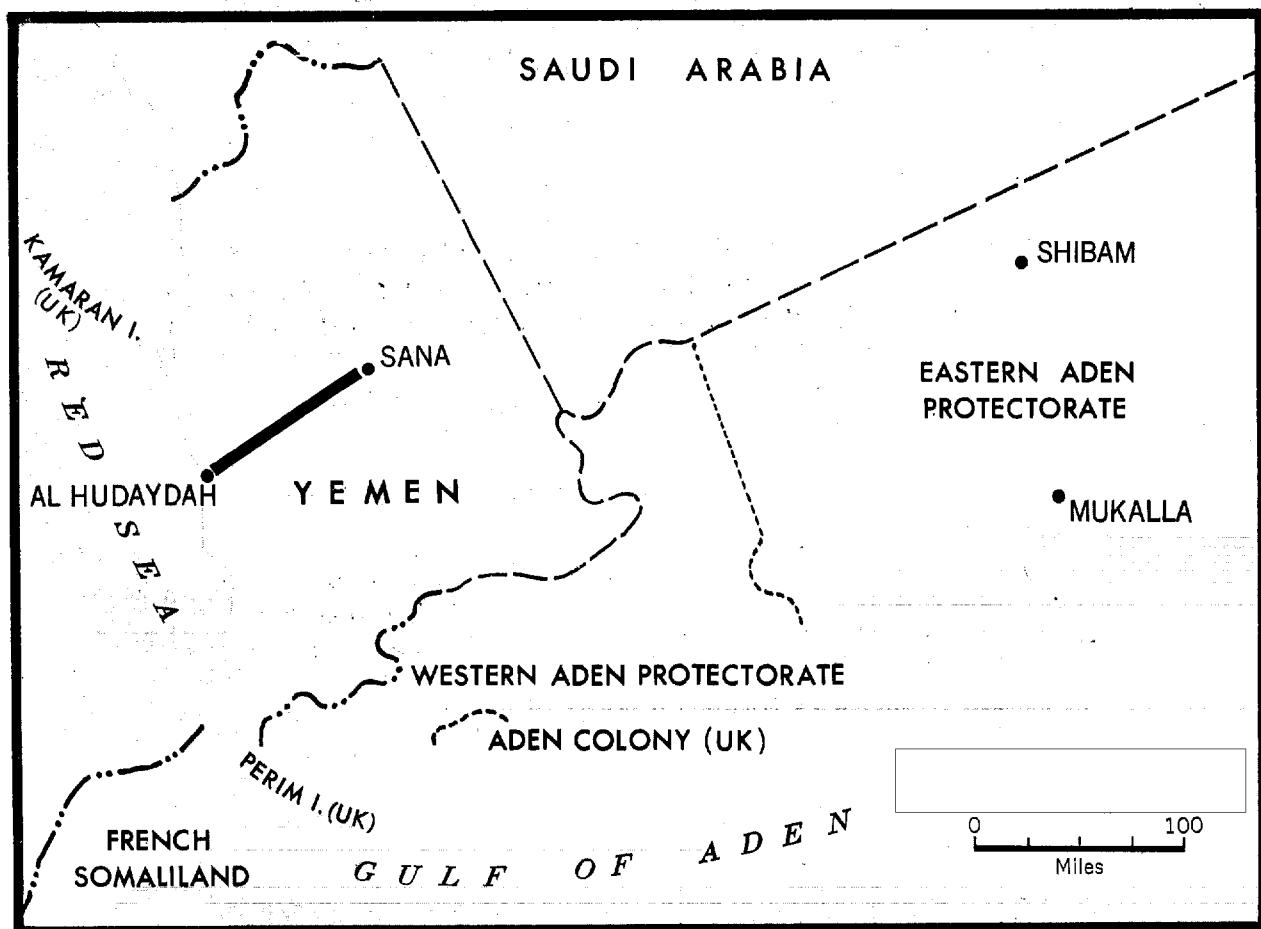
*Damaged

**Includes 2 C-46's, 2 F-84G's, and 2 F-86's.

Chinmen Supply Situation -
(Tonnage through 8 Oct)

	<u>Sea</u>	<u>Air</u>	<u>Total</u>
Delivery - 8 Oct	1,300	0	1,300
Totals (since 7 Sept)			7,016.6
Average Daily Rate for Sept			125
Average Daily Rate for Oct			452
Minimum Austere Daily Requirements			320
Cumulative Deficiency Since 7 Sept			2,651

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suspension of shelling may be extended. Commenting on Secretary Dulles' expression of hope for the promotion of a "just and lasting peace," the editorial sets forth five "passes" for the US to cross before such a situation can be achieved--(1) stop escorting, (2) stop violating the territorial sea and air of the Chinese mainland, (3) stop military provocations and war threats, (4) stop interfering in China's internal affairs, and (5) withdraw the whole of US armed strength from Taiwan and the Penghu Islands." The US is said to have been moving along the first two "passes" but willingness to cross the remaining three "has yet to be proved by deeds." The editorial makes no threat to resume the shelling after the seven-day period and envisages extended discussions, stating that a settlement is still "far ahead, and more observations and tests have still to be carried out."

Peiping's Foreign Ministry continues its effort to achieve a halt in US naval activities in the Matsu Islands area. It issued its "27th serious warning" on 10 October, charging that three US warships had intruded into waters near the islands.

[redacted] Com-
munist vessels in the Swatow area have been equipped with
120-mm. mortars. The vessels are now known to be landing
craft.

There are indications [redacted] that
some of the 8th Air Division jet light bombers which deployed to
Changshu from Nanking on 22 August may be returning to Nanking.
Between 5 and 9 October, a total of 11 of these IL-28's flew from
Changshu to the Nanking area. [redacted]

[large rectangular redacted area]

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~~TOP SECRET~~Chinese Communist Technicians Arriving in Yemen

Seventy Chinese Communist technicians will arrive in Yemen in mid-October to begin Peiping's first technical assistance effort in the Middle East.

The technicians will prepare for construction of a road between Al Hudaydah and Sana and of small factories, including glass, textile, and cement plants and a fish cannery. These were called for under the ten-year \$16,300,000 interest-free loan granted Yemen last January. About a dozen supervisors arrived in April to make preliminary surveys. The arrival of the 70 technicians will bring to 225 the total of bloc economic personnel in Yemen. An additional 65 Soviet and Czech military personnel are in the country.

Soviet and Eastern European economic aid commitments to Yemen total about \$35,000,000, and military deliveries to date are valued at nearly \$30,000,000. This year Communist China also signed a five-year trade pact with Yemen and a friendship and commerce treaty pledging continued "cooperation."

Communist China presumably intends to use its economic aid efforts in Yemen to show nearby African countries the benefit of official economic and diplomatic ties with China.

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II. ASIA-AFRICA

UAR Military Developments

[redacted] reports reflect the growing acceptance of Soviet military concepts within the UAR armed forces. The gradual reorganization of UAR ground units along Soviet lines appears to be well under way.

[redacted] to a forthcoming UAR training course in Cairo on "Eastern" tactical concepts, which would also be attended by a small group of Iraqi officers.

[redacted] Cairo to urge the USSR to dispatch the experts needed to begin the scheduled "re-organization" in the UAR First Army in Syria. Authorities in the Syrian Region apparently hoped to begin training under the new system on 15 October. Although the nature of the reorganization was not specified, [redacted]

[redacted] UAR forces in Syria are to be organized on the basis of Soviet tables of organization and equipment, and that their employment is to be in accordance with Soviet tactical doctrine. UAR forces for the most part have standardized on Soviet-type equipment.

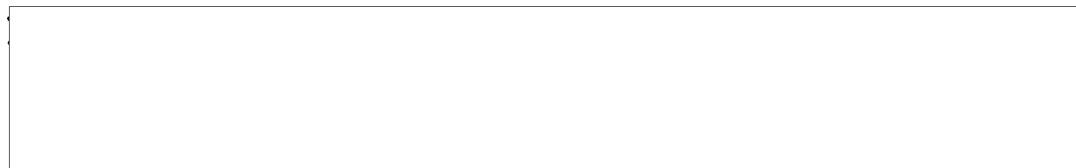
A similar reorganization apparently commenced in the UAR Second Army in Egypt early this summer, [redacted]

The program, in both Egypt and Syria, probably will be implemented gradually, and may be undertaken initially only in certain units. Egypt's armored division apparently is the first unit to undergo reorganization.

In addition to being trained in Egypt and Syria by Soviet military advisers, considerable numbers of Egyptian and Syrian military personnel receive training in the Soviet bloc.

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As in past years, scores of UAR officers departed for training in the Soviet bloc at the end of the summer. Although UAR officers occasionally resisted such training assignments at first, opposition now appears less frequent, probably because this background has become increasingly essential to advancement.



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Cyprus Situation

Britain, Greece, and Turkey appear to be nearing agreement on the necessity of holding a conference on the Cyprus issue, but details concerning its scope and participants have yet to be worked out. The North Atlantic Council will resume discussion of the issue on 13 October.

Greek Foreign Minister Averoff has said that a conference will be useless in the light of British Colonial Secretary Lennox-Boyd's recent strong endorsement of Turkish strategic interests in Cyprus and statements attributed to Turkish Foreign Minister Zorlu, but Prime Minister Karamanlis is likely to remain more conciliatory. As an indication of his desire to reach a settlement, Karamanlis is reported to be willing to break publicly with the intransigent Archbishop Makarios.

The Turks have informed all their NATO allies except Greece that they are willing to attend a conference of the three interested governments, and will attend a wider conference later, provided the Greeks meet certain conditions. London has little hope of substantial progress toward a solution but believes a conference might help cool tempers.

On Cyprus, violence continues and the emphasis on unity in EOKA leaflets suggests that EOKA may plan to abandon its attacks on leftist Greek Cypriots and concentrate on the British. The British security forces have begun extensive operations on the east coast where terrorist activity has been difficult to control.

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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

Special Adviser to the President

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

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

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

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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