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28 June 1958

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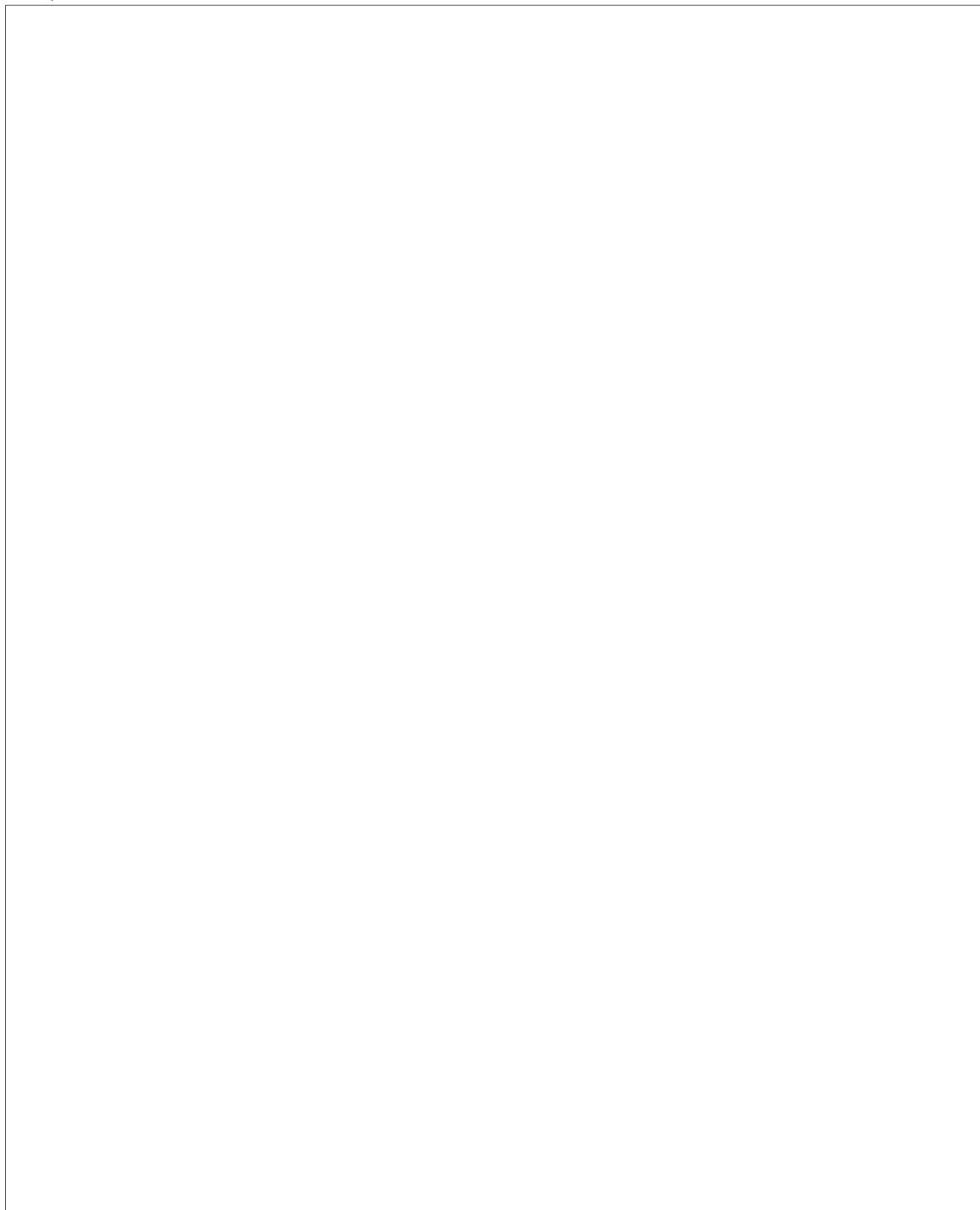
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CENTRAL INTELLIGENCE BULLETIN



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28 JUNE 1958

I. THE COMMUNIST BLOC

As of 27, June, no Soviet visas for Switzerland had been requested. Khrushchev and Malik contend USSR still wants summit meeting.

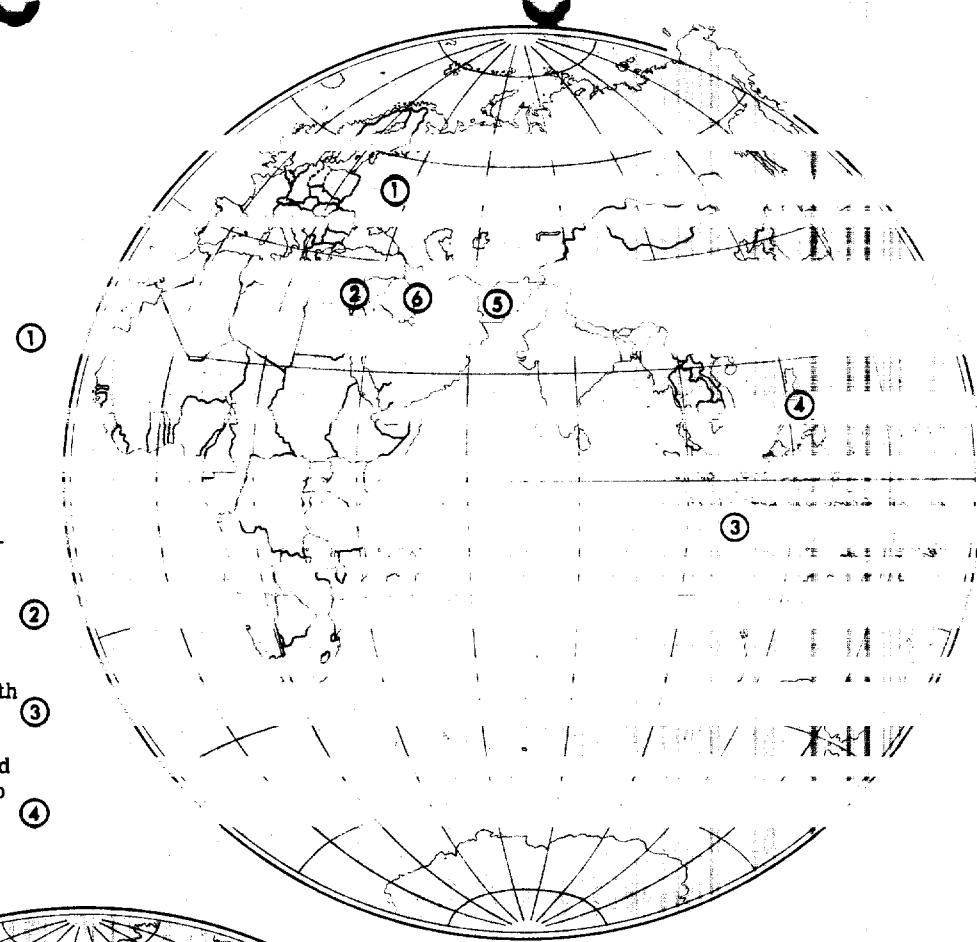
II. ASIA-AFRICA

UN officials in Lebanon report government not producing good evidence of UAR intervention.

Indian member of UN committee indicates intention to maintain close contact with UAR Embassy in Beirut.

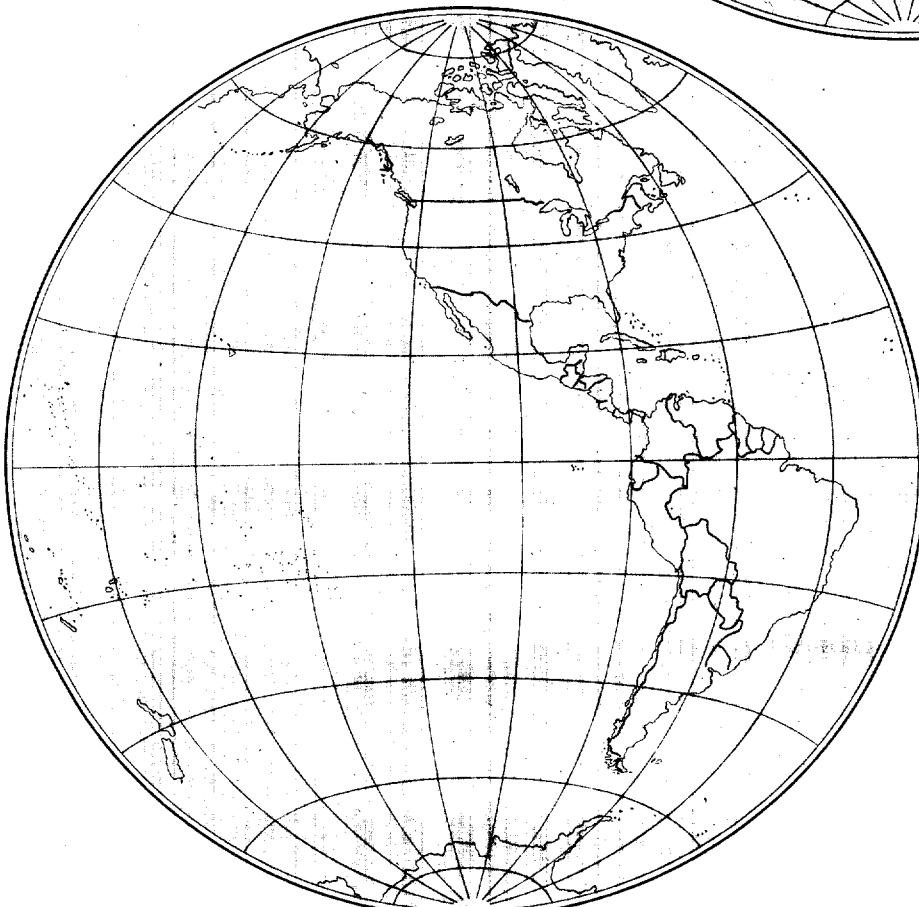
Sukarno names two prominent leftists to National Planning Board to deal with economic problems.

Vice mayor of Manila planning to head Philippine trade and good-will visit to Communist China.



⑤ USSR again pressing Afghanistan to speed up use of \$100,000,000 Soviet line of credit.

⑥ Kurdish tribesmen attack Iranian village. Previous reports show UAR interest in whipping up Kurdish nationalism in Iraq.

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CENTRAL INTELLIGENCE BULLETIN

28 June 1958

DAILY BRIEF

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I. THE COMMUNIST BLOC

*Soviet summit tactics: As of 27 June, the Soviet delegates for the Geneva conference had not yet requested visas to Switzerland, although the Soviet Government had earlier told the Swiss Embassy such a request might soon be forthcoming. On 25 June Khrushchev told the Norwegian ambassador that the USSR still wants a summit conference but can wait since the United States does not want one. The same day in London, Soviet Ambassador Malik, showing no awareness of the aide-memoire issued a few hours later, expressed great Soviet interest in a summit conference and discussed with Foreign Minister Lloyd the prospects for settling the summit agenda deadlock.

II. ASIA-AFRICA

Lebanon: UN officials in Beirut state that the Lebanese Government is not producing convincing evidence to back up its charges of UAR intervention. Rebel leader Jumblatt, who has apparently set up an independent civil administration in his area, has stated UN observers will not be permitted to "operate" there, although they may come as "guests." The Lebanese Army anticipates a new attack on Balabakk, near which as many as 2,000 rebels are believed to be concentrated.

The Indian member of the UN observer committee has indicated that he intends to maintain constant contact with the UAR Embassy in Beirut. (Page 1)

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OK **Indonesia:** President Sukarno's appointment of the two most prominent leftists in the cabinet to the preparatory committee of the National Planning Board further diminishes the prospects for any reduction in leftist influence which might have resulted from the recent cabinet reshuffle. Sukarno considers the task of the board, which will be to deal with economic problems, as one of the most important elements of his program. (Page 3) *OK*

OK **Philippines:** The vice mayor of Manila is reported planning to head what he describes as "a trade and good-will" group to Communist China. President Garcia is presumably aware of the projected trip. (Page 4)

OK **Afghanistan-USSR:** The Soviet Union is again pressing Afghanistan to speed up use of the \$100,000,000 Soviet line of credit. The USSR is offering machinery, steel, and consumer goods for resale in Afghanistan to generate local funds for use in Soviet-sponsored projects. Prime Minister Daud apparently agreed, before his departure for the United States, to commit \$18,000,000 for the Naghlu hydroelectric project. This would make a total of about \$43,000,000 committed thus far. (Page 5)

ND **Iran - Kurds:** Several hundred Kurdish tribesmen have attacked an Iranian village near the Iraqi frontier. Although this incident may be due to local conditions, other reports have indicated UAR interest in developing Kurdish nationalism aimed at embarrassing Iraq. (Page 6) (Map)

~~TOP SECRET~~**I. THE COMMUNIST BLOC****No Back-up Material****II. ASIA-AFRICA****Situation in Lebanon**

UN observers in Lebanon feel that the government is lax in producing evidence of UAR intervention before the investigating group. On occasions when Lebanese authorities have told the observers they had proof of intervention they have failed to produce the evidence or it has been so marginal as to be almost useless.

In conversation with UAR officials in New Delhi, the Indian member of the three-man UN committee, Rajeshwar Dayal, asked that the UAR Embassy in Beirut maintain constant contact with him following his arrival in Lebanon,

He apparently will insist that no evidence of external assistance to the rebels prior to 20 June be considered by the committee, and recommended that the opposition raise the question of military aid to Chamoun's government from Western and Baghdad countries. While India probably does not condone Nasir's involvement in Lebanon, it may feel that recognizing the internationalization of the conflict would damage relations with Cairo and encourage Western intervention.

The British ambassador in Beirut has reported that Secretary General Hammarskjold told him he did not foresee intervention in Lebanon by a UN police force. Hammarskjold indicated that he considered it preferable, however, publicly not to exclude the possibility of such intervention.

Full support of UN attempts to find a solution was expressed at the North Atlantic Council meeting on 25 June. Some members urged that if UN attempts fail, NAC consultation precede any unilateral action by Western powers. During the discussion, Secretary General Spaak pointed out that the nations concerned must be free to act instantly if Lebanon calls for assistance, and warned the council against restricting

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such a right by establishing a precedent which one day might be applied to Europe. No objection was voiced when Spaak concluded that prior NAC consultation would occur only if time permitted.

Kamal Jumblatt, Druze leader in the mountains southeast of Beirut, has set up an independent administration with a police force and a military command which is in radio contact with Damascus. In a move to improve their internal communications, Jumblatt's men this week seized one of the government's bulldozers and built a new road. Jumblatt has declared that UN observers will not be permitted to "operate" in his area, although they may enter as his "guests." Jumblatt is said to have nearly 3,700 men under arms, 2,000 of these being Syrian Druze.

Although there has been much firing in Beirut, the general military situation remains unchanged. The army still anticipates an all-out rebel push in the near future, possibly on 29 June when the current Moslem religious feast ends. The rebels are engaged in a build-up near Balabakk, and the air force has dropped leaflets warning the population against allowing this concentration on the threat of bombardment.

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~~SECRET~~Indonesia

The composition of the five-man preparatory committee for Indonesia's projected National Planning Board is weighted toward the left, canceling prospects for non-Communist gains as a result of the 25 June cabinet reshuffle. The committee, established by presidential decree, includes the cabinet's two most prominent leftists--A. M. Hanafi and Chairul Saleh--and Mohammad Yamin, the new cabinet minister long known for his anti-Western views. Pro-Communist Hanafi, whose Ministry of Manpower Mobilization was abolished in the reshuffle, now may be able to transfer his former subordinates to the staff of the preparatory committee. The chairman of the National Planning Board itself reportedly will be Deputy Primer Minister Hardi of the non-Communist National party.

The board, which will supervise the country's economy, is regarded by President Sukarno as an essential element of his program of "guided democracy." Presumably its tasks will include providing for the administration of extensive Dutch interests taken over by the Indonesian Government in the December 1957 anti-Dutch campaign, increased agricultural production, and national self-sufficiency in various consumer items.

There are indications that the North Celebes dissidents are still receiving aid from the Nationalist Chinese. A PBY aircraft carrying a doctor and two injured persons, all of unknown nationality, stopped at Sanga Sanga airfield in the southern Philippines on 26 June en route to Taiwan from North Celebes. On the same day, a Chinese Nationalist B-26 transited at Sanga Sanga en route to the Menado area. A member of its crew stated it would return in about three hours.

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~~CONFIDENTIAL~~Vice Mayor of Manila Considering Trip to Communist China

The vice mayor of Manila, Jesus Marcos Roces, is [redacted] planning a trade and good-will mission to Communist China in early July. Roces, who received a Chinese invitation apparently after prolonged personal efforts, says he will head a delegation composed of at least one Philippine businessman and eight Manila newspapermen, and that he hopes to have the approval of President Garcia.

Garcia has on several occasions publicly stated his opposition to economic or diplomatic relations with the Chinese Communists. However, should he be criticized for failing to obtain as much financial aid during his trip to the United States as he had promised, he might be willing tacitly to approve the Roces visit.

Although there appears to be little economic basis for significant Philippine trade with Communist China, there is considerable interest on the part of Philippine businessmen who hope to reduce dependence on the American market. Roces may primarily be seeking personal publicity in connection with his aspirations to run for mayor of Manila in the 1959 elections.

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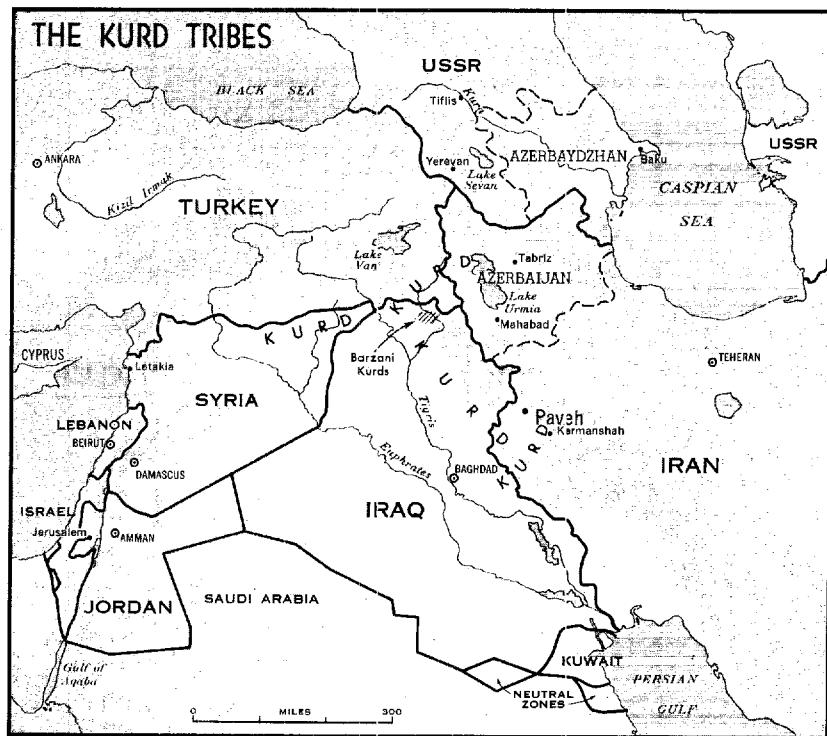
~~SECRET~~Afghan Use of Soviet \$100,000,000 Credit Hastened

The USSR is attempting to hasten Afghan use of the Soviet \$100,000,000 credit by offering machinery, steel, and consumer goods for resale in Afghanistan to generate local funds for use on Soviet projects. Just before his departure for the United States, Prime Minister Daud is reported to have agreed to commit, on his return about 10 July, \$18,000,000 of this credit for the Naghlu hydroelectric project.

The Afghan Government has committed through contracts about \$25,000,000 of the \$100,000,000 credit. It has, however, postponed a number of Soviet projects because of a shortage of domestic currency to meet the local costs of construction. About \$8,000,000 of the \$18,000,000 for the Naghlu project is to consist of Soviet goods for generating local funds.

The Soviet offer may have come at this time in order to counter the effect of Daud's current visit to the United States and Afghanistan's signature on 30 May of an agreement with Pakistan intended to facilitate the movement of Afghan foreign trade through Pakistan. This agreement is to be followed by American assistance for paving roads and extending a railhead across the Afghan border from Pakistan.

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Kurdish Tribesmen Attack Iranian Town

Several hundred Kurdish tribesmen, possibly operating from a base in Iraq, attacked the town of Paveh in the mountains of western Iran north of Kermanshah on 21 June. The attackers are known to be members of the Lahun tribe, led by Mohamad Amin Khan Lahuni, [redacted]

[redacted] Earlier in June, members of the same tribe ambushed a bus, in which four passengers were killed. Cartridges used by the attackers were of Soviet origin, possibly left behind by Soviet troops after World War II.

In defense against further violence the small gendarmerie posts in the area have been consolidated, and the Iranian Army has been requested to send a battalion. Units of the air force are on a stand-by alert to support the ground units if needed, and howitzers have been moved from Tehran to Kermanshah.

A Kurdish leader has stated that the uprising was a demonstration against the Iranian Army, which "treats tribesmen like animals and takes away their possessions through bribery, corruption, and coercion." Prime Minister Eqbal and his cabinet began a five-week inspection tour of Kurdish areas on 26 June to discuss tribal problems.

In view of Kurdish-language broadcasts recently initiated by the UAR designed to embarrass Iraq and rumors that Nasir recently met with Kurdish leaders in Syria, the Iranian Government can be expected to take severe preventive measures against any tribal lawlessness. The US air attaché in Tehran believes the situation could become serious if the Kurds receive surreptitious support.

In early 1956, Iranian government forces waged a campaign in the same area to control the Javanrudi Kurds and at that time were successful. The Javanrudis were suspected of having contact with the Barzani tribe in northeastern Iraq, whose former leader, Mullah Mustafa Barzani, helped organize a Soviet-sponsored Kurdish republic in Iran in 1945-46. [redacted]

[redacted]

[redacted]

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