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11 September 1958

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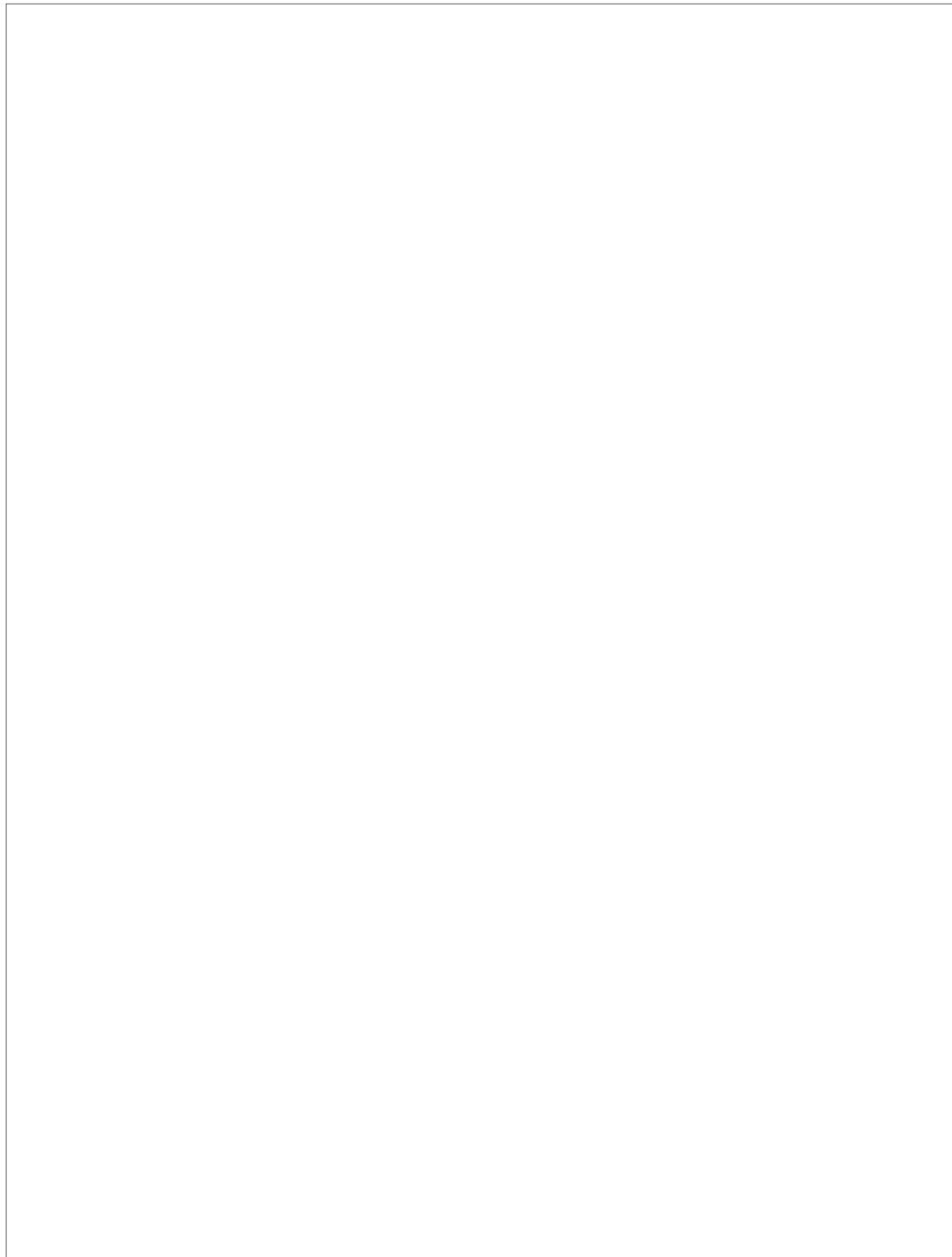
CENTRAL INTELLIGENCE BULLETIN



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11 SEPTEMBER 1958

I. THE COMMUNIST BLOC

Taiwan Strait - Peiping issues warning on alleged US air violation.

New Soviet bomber may be supersonic. ②

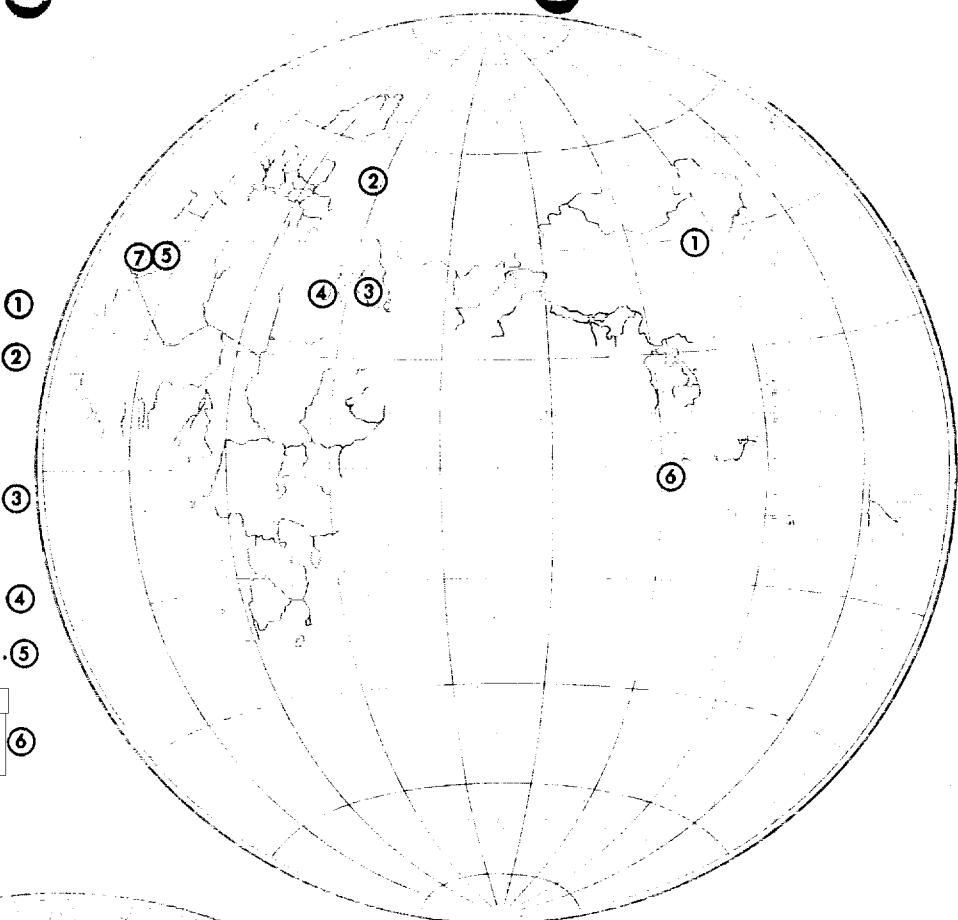
II. ASIA-AFRICA

Nasir voices concern over Communist influence in Iraq.

Israeli Foreign Ministry cites steady increase in Egyptian reconnaissance and sabotage in Israel.

Government reshuffle likely in Morocco. ⑤

Indonesia -

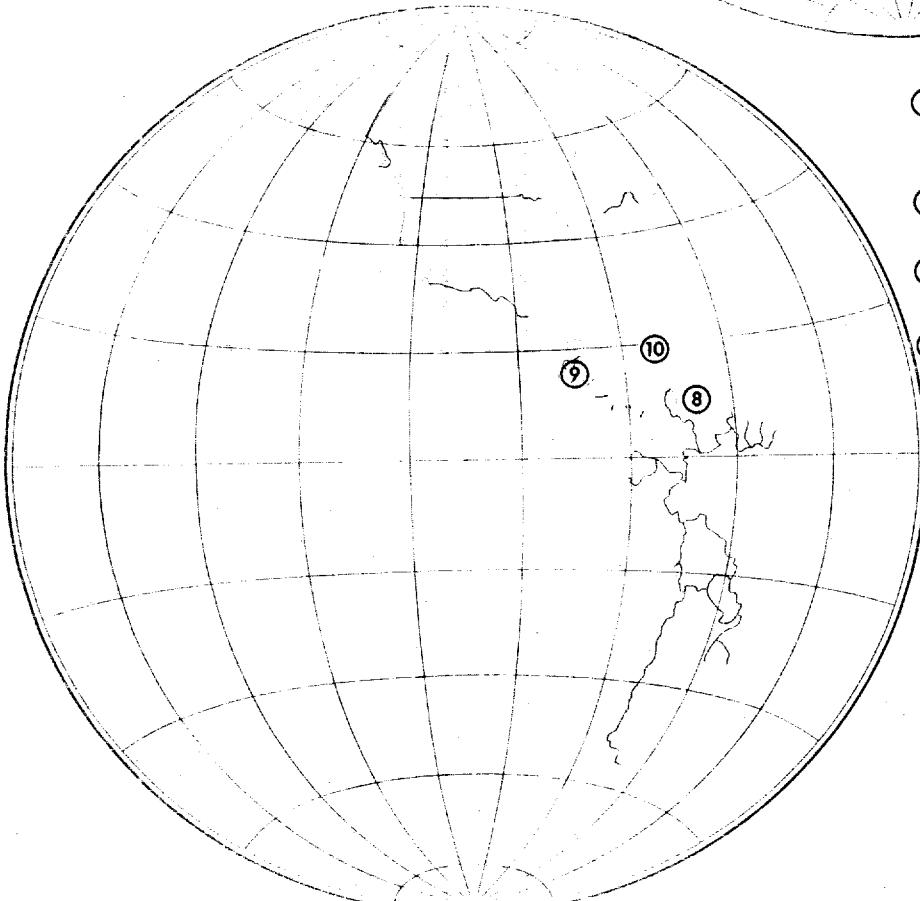
**III. THE WEST**

⑦ French concerned lest base negotiations on Bizerte be prejudiced by US accession to Morocco's "principle of evacuation."

⑧ Venezuelan political situation tense.

⑨ Guatemala - Plans for coup on 14 September under consideration.

⑩ Haiti - Coup attempt could occur as early as 15 September.

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CENTRAL INTELLIGENCE BULLETIN

11 September 1958

DAILY BRIEF

SRAB

I. THE COMMUNIST BLOC

Taiwan Strait situation: Peiping has issued another "serious warning" to the United States, this time regarding an alleged air violation of its territory. The Foreign Ministry statement did not indicate that the regime intends to take immediate counteraction but states that "the Chinese people can never be intimidated by a show of force."

(Page 1)

USSR: The aircraft sighted on a Moscow factory airfield on 27 August appears to be a modified delta-wing four-jet bomber. Performance data for this prototype has not yet been determined, but its design suggests that it may be capable of supersonic flight.

(Page 4) (Photo)

OK

II. ASIA-AFRICA

UAR-Iraq: Nasir's recent comments on Communist influence in Iraq are reminiscent of those made prior to taking Syria into the UAR and may presage a similar effort regarding Iraq. [possibly intended for American consumption, he has called Iraqi politicians self-seeking and naive about Communists. He does, however, approve of strongly pro-UAR Deputy Prime Minister Arif as the only Iraqi who knows how to deal with them.] (Page 5)

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Israel-Egypt: The Israeli Foreign Ministry has told the American Embassy that there has been a steady increase in Egyptian reconnaissance and sabotage by both regular forces and terrorists in Israel since the Iraqi coup. Israel may be building a case to support its requests for arms aid. In the past such a recitation has often served as justification for Israeli retaliatory action. [redacted] (Page 6)

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Morocco: A reshuffle of the government seems probable in the near future. Likely head for the new regime would be 38-year-old Abderrahim Bouabid, dynamic vice premier and minister of economy. Such a government would probably be somewhat more stable than the present moderate Balafrej cabinet, but would adopt a firmer position in its negotiations with the US over base rights. [redacted] (Page 7)

Indonesia: [redacted]

NO

[redacted]

III. THE WEST

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France-Morocco: The French foreign minister on 9 September said that if the US accedes to Moroccan demands for recognition of the principle of eventual evacuation of American bases in Morocco, then France's base negotiations on Bizerte, as well as on its Moroccan bases, would be seriously prejudiced. Paris has been seeking to evade decision on this issue, probably to avoid provoking a hostile reaction from European settlers in Algeria, but eventually it is likely to accept the recommendations of its Rabat embassy to evacuate all French forces from Morocco. [redacted] (Page 8)

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Venezuela: The abortive military coup of 7 September and the general strike of 8 September called to demand punishment of the coup leaders have produced a tense political situation. Both military and civilian groups are said to be dissatisfied with the junta's handling of the crisis, and irresponsible elements of either could provoke a long-pending showdown. The junta's ability to mediate between these two basically hostile forces appears to be declining.

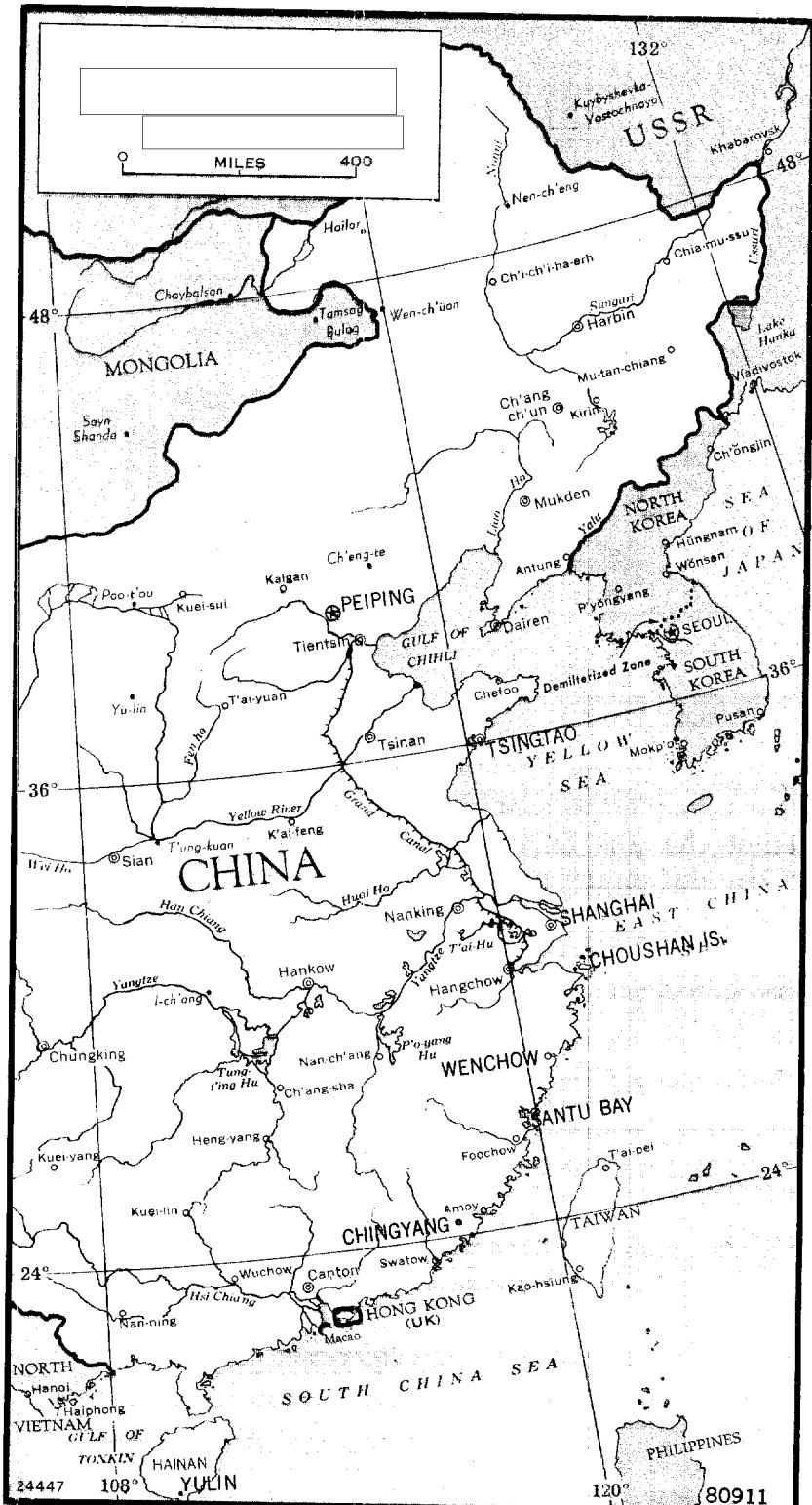
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Guatemala: A group of army officers and civilians, concerned over President Ydigoras' failure to curb growing leftist influence, is considering plans to seize the government during Independence Day celebrations on 14 September. Dissatisfaction with the President has grown as the result of his failure to deal effectively with the country's serious domestic problems.

(Page 10)

OK
Haiti: Preparations for the long-planned coup attempt against Haitian President Duvalier are nearing completion, and an invasion may be launched as early as 15 September. There is strong evidence that the Dominican Republic is supporting the plan, and revolutionary groups are believed gathering in several other countries, possibly including Mexico.

(Page 11)

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I. THE COMMUNIST BLOC

Taiwan Strait Situation

Communist China continues to advertise its readiness and capability to maintain pressure on the offshore islands. Its ambassador to Moscow, Liu Hsiao, recently returned there from Peiping and told the Ceylonese ambassador that Communist China has decided to put the Nationalist forces on Kinmen and the Matsus "out of action" because of the very considerable build-up of Nationalist forces, which might attempt to invade the mainland. Replying to a question about a possible war between the US and Communist China, Liu said that war depended on the US attitude toward Chinese Communist attacks on the islands and that if war breaks out "we are fully prepared for it and we are confident that we shall win." Other Chinese Communist officials have made similar remarks to Asian diplomats, stressing Peiping's defensive posture and confidence.

Ambassador Drumright in Taipei believes the Chinese Communists do not want an all-out war, and that they hope by threats to force the US and its allies into compromises. He also believes there is a good chance that the USSR will seek to air the Taiwan issue in an international forum, probably the UN General Assembly, if Moscow estimates such a move would be supported by Afro-Asian countries.

The Soviet press during the past few days has avoided reporting incidents in the strait area. Moscow's Home Service radio commentary on 9 September belittled the US agreement to renew talks with the Chinese Communists. It said it was apparent, in the light of the continued US military build-up in the area, joint maneuvers with the Chinese Nationalists, and statements by American officials, that the US Government is preparing to adopt an attitude during the talks which cannot be acceptable to the Chinese People's Republic.

Peiping radio on 10 September told domestic listeners that thousands of militiamen in the Amoy area are mobilized

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to help regular army troops dig coastal defense trenches as a precaution against an invasion of the mainland. Local fishermen and boatmen were described as engaged in transport work to support the Fukien front. The broadcast stressed the defensive nature of the activity.

Chinese Communist auxiliary vessels have been shuttling constantly between the Choushan Islands, Wenchow, and the Santu Bay area. These movements suggest a continuing logistics build-up to the north of the strait. There is some evidence [redacted] that motor torpedo boats may be moving northward from the Yulin naval base on Hainan Island.

A Nationalist photo reconnaissance mission flown on 8 September has confirmed the presence of MIG-type aircraft (19 on that day) on Chingyang airfield. [redacted]

[redacted] the field was operational. Chingyang is the sixth airfield known to be operational in the strait area. Huian is the only major coastal field not confirmed as occupied. [redacted]

The Chinese Nationalist air force has been directed to suspend photo reconnaissance missions over the China mainland for the time being to avoid provocations. Chief of Staff Wang Shu-ming continues to insist, however, that air strikes against the Communist artillery firing on Kinmen will be made if necessary.

The Chinese Nationalists plan to adopt new tactics in the next convoy which is expected to sail to Kinmen on 12 September. Three instead of two medium landing ships (LSM) will be used,

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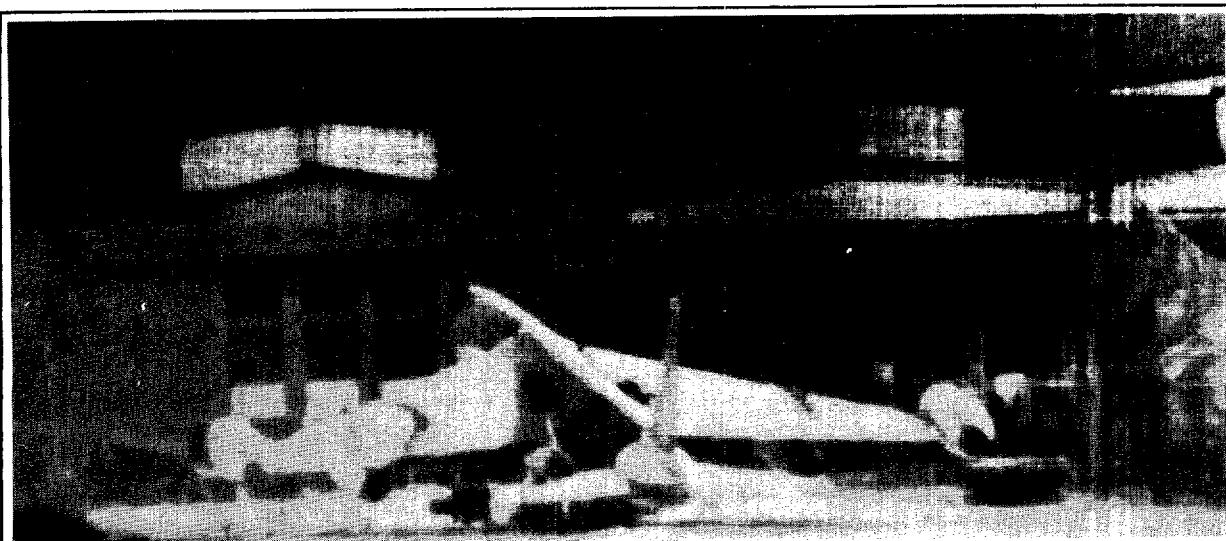
one of which will carry tracked landing vehicles (LVT). These amphibious tractors will carry equipment to the beaches from distances beyond artillery range.

Free world reactions: President Rhee of South Korea has agreed to the recommendation of Lt. Gen. Yu Chae-hung, who recently returned from a trip to Taiwan, that it would be inadvisable at this time to make any commitments to Nationalist China regarding military aid or joint action against the Communists. Yu told Rhee that the Nationalist defense of the offshore islands is dependent on American aid and that even greater American support would be needed for a counterattack against the mainland. Rhee expressed disappointment with Nationalist military weakness.

West Germany's acting foreign minister has expressed support for US policy in the Far East and sees no other solution than to defend Kinmen, since abandoning the offshore islands would encourage Communist expansionism. He said that Chancellor Adenauer fully agrees with the American presentation of the situation to NATO but hopes that nuclear weapons will not be employed.

There has been little reaction from the French, who tend to view the situation in the Far East as primarily psychological warfare.

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NEW SOVIET BOMBER RECENTLY OBSERVED AT PLANT #23, MOSCOW / FILI

New Soviet Bomber Observed at Aircraft Plant at
Moscow/Fili

A large, new Soviet jet bomber was sighted on the factory airfield at Moscow/Fili on 27 August. The new aircraft was observed outside the plant which has been producing the BISON heavy jet bombers. There have been indications during the past 12 months that a new aircraft might be under development at this plant; BISON production has been erratic and dwindling, and increased activity--including night work--was noted in that portion of the plant which is believed to be the design bureau.

From study of a long-range photograph of the new aircraft, it appears to be a modified delta-wing, four-jet bomber, probably equipped with dual-tandem landing gear and outriggers at the wing tips. Landing gear of a similar type is employed on the BISON, BLOWLAMP, and FLASHLIGHT.

Two very large engines are located at the wing tips and two more are underslung on pylons. These engines appear to be conventional turbojets. No evidence of an afterburner is visible in the photograph, but an afterburner section could be there. The engines are probably larger than those of the BADGER and the BISON and when heard and observed in operation gave the impression of large mass air flow. The wing span is variously estimated at from "80 plus" to 96 feet. The fuselage has been estimated by the US air attaché in Moscow to be at least 170 feet in length.

Preliminary analysis of the general configuration of this aircraft suggests that it was designed for high speed and perhaps has a supersonic capability. The wings are decidedly swept back and thin, the fuselage is reported to be extremely long and thin, and the engines are mounted at points advantageous to high-speed flight. More precise analysis to determine the weight, size, and estimated performance characteristics of this prototype is being undertaken

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II. ASIA-AFRICA

Nasir Expresses Concern Over Communist Influence in Iraq

Nasir [redacted]

[redacted] was concerned over the "leniency" Iraqi politicians appear to be displaying toward local Communists. By contrast, he indicated approval of Deputy Prime Minister Arif, who has taken a pro-UAR line since the 14 July revolution. Nasir said that in the Iraqi Government only Arif knows the Communists and how to deal with them.

Nasir may be genuinely alarmed by signs that various elements, including Communists, are in no hurry to seek formal affiliation with the UAR. His reported remarks on Communist influence, possibly intended for American consumption, are similar to Nasir's references to Syria just before the Egyptian take-over in Damascus. They may foreshadow an effort to "save" Iraq by bringing it into federation or union with the UAR.

The basic issue in Iraq at the present time is the country's relationship with the UAR. Prime Minister Qasim, supported by "liberal" Arab nationalists and the Communists, is believed to be opposing union, while Arif and the Baathists are striving for incorporation in the UAR. [redacted]
[redacted]

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Egyptian-Israeli Border Activity

The Israeli Foreign Ministry claims that since the Iraqi coup Egyptian regular military forces and fedayeen terrorists have steadily increased reconnaissance and sabotage operations in Israel. A ministry official enumerated eight incidents, involving the deaths of three Israelis and one Egyptian, which he said had occurred since 14 July. He stated the situation was getting out of hand despite Israel's policy up to now of avoiding publicity on the incidents. Most of the encounters had been withheld from the press.

This increased Egyptian activity has been confirmed

Both the UAR and Israel apparently have intensified their reconnaissance efforts in the expectation that a general Arab-Israeli conflict will develop out of unsettled conditions in Jordan. On 3 September, the Israeli-Egyptian Mixed Armistice Commission censured Israel for the border-crossing of two armored cars on 23 August. The Israelis boycotted the emergency meeting, the commission's first since the 1956 Sinai campaign.

Israel may have enumerated its complaints to the American Embassy to support requests for arms aid. In the past such recitals have also been made to prepare a case for possible future retaliatory action against the UAR. Foreign Minister Meir again raised the subject of Israel's arms requirements with Ambassador Lawson on 9 September. She appealed particularly for American medium tanks--which she said Israel could obtain from France as surplus if the United States granted its permission--and for 250 recoilless antitank rifles in addition to the 100 already offered by the United States. She said that only by achieving some sort of arms balance could Israel hope to prevent an eventual Arab attack.

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Impending Reorganization of the Moroccan Government

A reshuffle of the Moroccan Government seems probable in the near future, but King Mohamed V, who is reported to have offered to step aside "if the people wish," is not likely to abdicate. The King and moderates within the dominant Istiqlal party, which has majority representation in the present Balafrej government, have recently taken steps to strengthen their positions. Nevertheless, a new government may be created by 38-year-old Abderrahim Bouabid, the dynamic vice premier and minister of national economy, only representative of the neutralist left wing of Istiqlal now in the government.

A Bouabid government would probably be more effective, but it would also be more pan-Arab and more inclined to co-operate with the Communist bloc than the Balafrej cabinet, which itself recently agreed to exchange diplomatic representatives with the USSR, moved toward recognition of Communist China, and sought membership in the Arab League. A Bouabid regime would probably also take a firmer stand in negotiations with the US over base rights.

Meanwhile, a concerted campaign is under way to rally the Moroccan population around the monarchy to offset the recent growth of pro-republic sentiment.

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III. THE WEST

France Opposes US Recognition of Principle of Evacuation In Morocco

French Foreign Minister Couve de Murville emphasized to Ambassador Houghton on 9 September that French-American relations would be "very bad" if the US acceded to Moroccan demands to recognize publicly the principle of total evacuation of American bases in Morocco. He said any such announcement would have "serious repercussions" on the French-Moroccan base negotiations which have been under way since March and on the coming French-Tunisian negotiations on the future of the Bizerte base.

Morocco's demand for public recognition of the principle of evacuation has become the principal stumbling block in French-Moroccan negotiations of a new military agreement. The French Embassy in Rabat has recommended that France accede, which it probably will do eventually. France originally proposed reducing its ground troops and installations while continuing to retain control of four air and naval training bases. It has been trying to maintain this position because of pressure from the French military and the fear of provoking a hostile reaction among the European settlers in Algeria, particularly during the campaign for a heavy vote in the 28 September constitutional referendum. Paris would have to accede almost immediately if the US announced its agreement to the principle of evacuation. [redacted]

[redacted]

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Tension in Venezuela

The abortive Venezuelan military coup on 7 September and the general strike of 8 September, in which the Communists were particularly active, have apparently created an explosive atmosphere, although surface calm prevails in most of the country. According to the US service attachés, there is general dissatisfaction with the junta's attempt to meet the demands of civilian strikers. Military units remain on alert status, probably because of the threat of civilian violence which has already erupted in one provincial port city.

Provocative action by either military or civilian elements could touch off the long-pending showdown between these two forces over control of government. The junta is probably losing its ability to mediate between them. Civilians, some of whom are armed, are well organized to meet the threat of a military coup, as demonstrated in effective general strikes on 8 September and 23 July. They may now seek to extend their recent political victories over the military by demanding widespread reprisals for the coup or increased controls over the armed forces.

The divided armed forces have largely supported the junta thus far, but public opinion has tended to consider the military as a whole responsible for recent plotting. The armed forces' leaders may no longer tolerate additional political reverses, and could accept the challenge of civilian groups in a showdown of force or attempted take-over of the government, particularly if the junta becomes a captive of mob action. Any showdown is likely to be a bloody one, and would probably augment existing anti-American feeling among powerful leftist groups.

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Antigovernment Plotting In Guatemala

Independence Day celebrations in Guatemala this week end may provide an opportunity for a group of disaffected army officers and civilians to move against the government of President Miguel Ydigoras Fuentes. The group reportedly plans to provoke disorders during the celebrations as an excuse to seize the government and install a military junta.

Ydigoras' continued failure to deal effectively with Guatemala's serious economic and political problems or to curb the growth of leftist, particularly Communist, influence has encouraged antigovernment plotting. Such plotting will continue as long as the President maintains his no-action policy in the face of rising political tension.

Ydigoras has long been aware of plotting against him but so far has apparently not been sufficiently concerned to take preventive measures. He has, however, considered declaring a state of siege in order to deport the leaders of the group which is planning action on 14 September.

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Invasion Attempt Against Haitian Government Reported Imminent

Exiled Haitian opposition leaders are completing preparations for their long-planned coup attempt against President Francois Duvalier, and an invasion attempt may be launched within one to three weeks--possibly as early as 15 September. Financial and material support is being supplied by the Dominican Republic, and revolutionary groups are believed gathering in several other places, including the Bahamas and possibly Jamaica and Mexico.

Preparations within Haiti reportedly include a plan to lull the government into a false sense of security by spreading word that "all plans are off for the present." The first secretary of the Dominican Embassy in Port-au-Prince, who has previously been reported to be deeply involved in the plot, has advised opposition leaders in Haiti that the plans are ready and will be put in operation as soon as the government is sufficiently off guard.

President Duvalier is not in a favorable position to defend his regime against a well-organized coup attempt. He has lost considerable popularity during the year since his election, and the loyalty of the army is in doubt. His most dependable armed support comes from the secret police and an undetermined number of civilian partisans. The abortive 29 July coup attempt, in which a handful of men attempted to overthrow Duvalier, came dangerously close to succeeding.

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