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6 October 1958

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CENTRAL INTELLIGENCE BULLETIN



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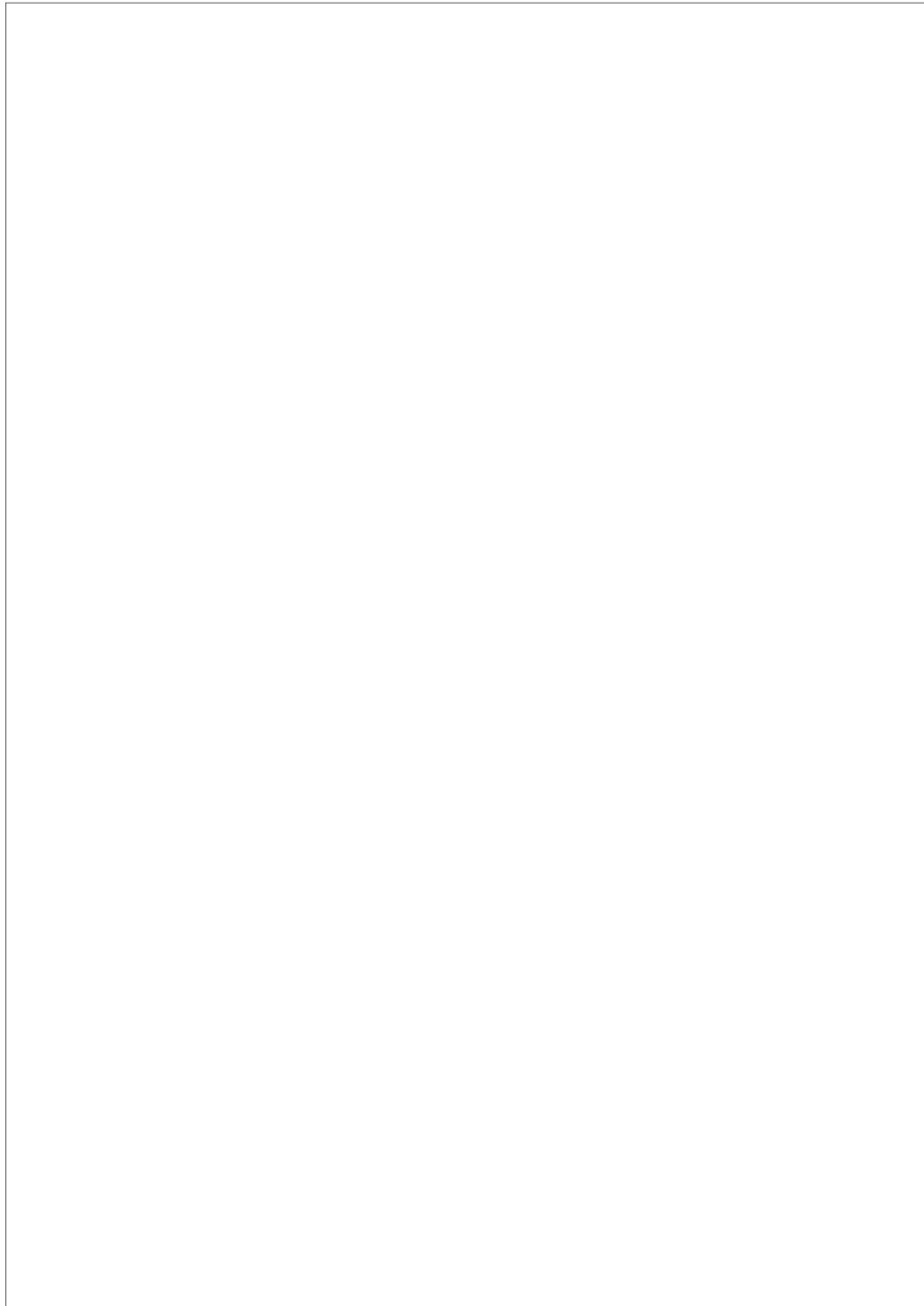
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6 OCTOBER 1958

I. THE COMMUNIST BLOC

Taiwan Strait - Chinese Communist open letter to Nationalists announces week-long halt in shelling.

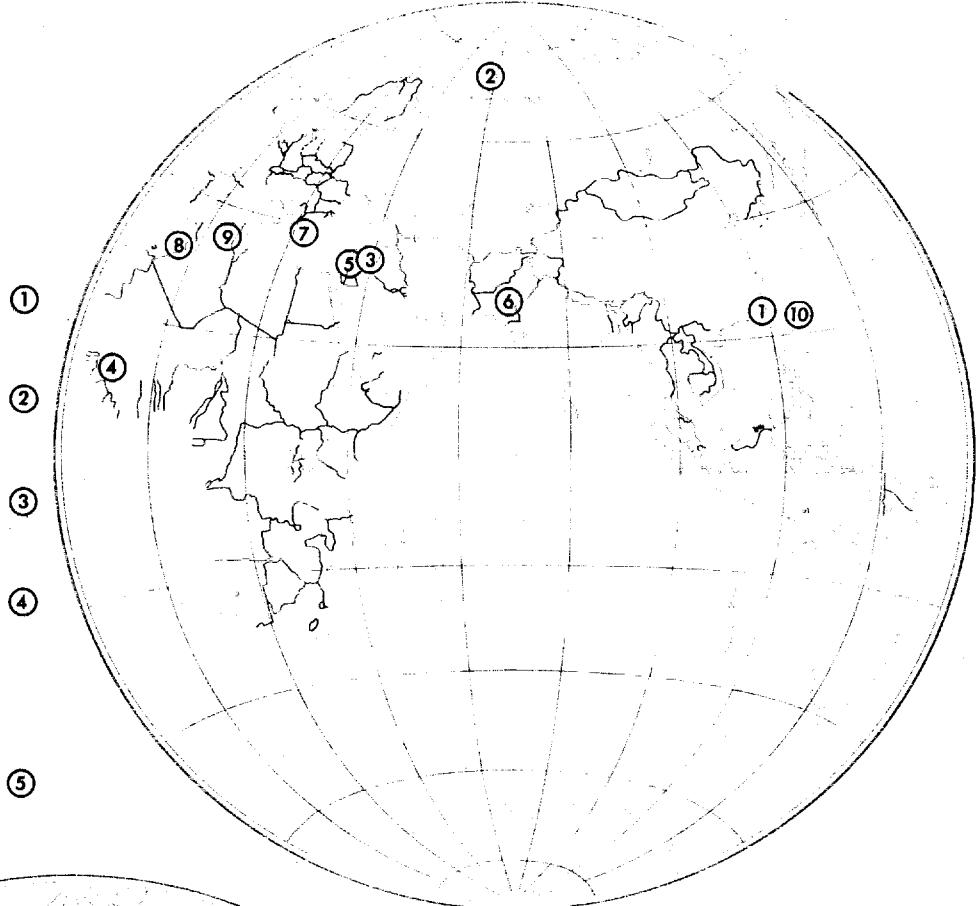
USSR explodes low-yield nuclear devices in Novaya Zemlya area on 4 and 5 October.

USSR requests delivery instructions for submarines and MIG-17's for Syria.

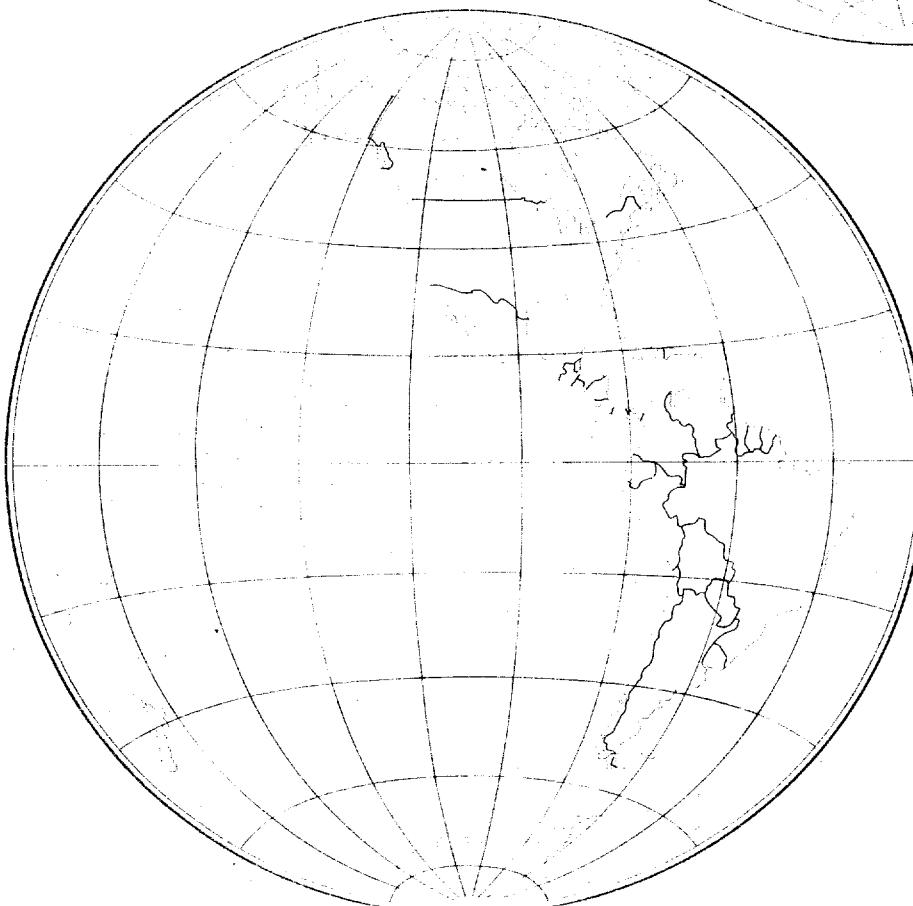
Soviet recognition of Guinea likely to be followed by economic aid offers.

II. ASIA-AFRICA

Lebanon - Opposition to Karame cabinet mounting; no compromise yet achieved.



- ⑥ Pakistani president plans to take over control of government.
- ⑦ Greek King and military leaders firmly opposed to withdrawal from NATO or break with Britain and Turkey over Cyprus.
- ⑧ Moroccan leader indicates possibility of accord on US bases.
- ⑨ Algerian rebels warn of expanding war if efforts toward negotiation with France fail.
- ⑩ Chiang Kai-shek "absolutely and unalterably opposed" to Peiping cease-fire proposal; considers it a ruse.

LATE ITEM

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CENTRAL INTELLIGENCE BULLETIN

6 October 1958

DAILY BRIEF

I. THE COMMUNIST BLOC

*Taiwan Strait: Defense Minister Peng Te-huai's open letter to the Chinese people on Taiwan offering to negotiate with the Nationalists and ordering a seven-day halt in the shelling beginning on 6 October almost certainly is designed to appear conciliatory and to determine the US position at a time of de facto cease-fire. Peiping may also feel that a plea for direct negotiations at this time may be effective in undermining Nationalist resistance. Peng continued Peiping's practice of demanding a cessation of US "intrusions" by stating that the Nationalists will be free to ship supplies to the offshore islands in this period "on condition that there be no US escort." [redacted] (Page 1)

*JAEIC statement on Soviet nuclear explosions in Novaya Zemlya area on 4 and 5 October. [redacted]

(Page 4)

USSR-UAR: The Soviet Union requested the UAR in late August to specify the destination, manner of delivery, and desired arrival date of the "two submarines and two mine-sweepers" contracted for by the Syrian region. At the same time, Moscow requested Cairo to specify where the UAR would take delivery of the "MIG-17 planes for Syria which have been ready for shipment for more than a month." [redacted]

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USSR-Guinea: The USSR's speedy recognition of Guinea on 4 October, despite France's desire that recognition be withheld during a two-month transitional period of negotiations between France and Guinea, is intended to support Moscow's pose as champion of the newly independent states of Africa and Asia. The USSR is likely to press for exchange of diplomatic representatives and to offer economic assistance to Guinea in lieu of further French aid--which De Gaulle has indicated would cease--in the hope of strengthening existing tendencies within the new state toward neutralist, anti-Western policies.

II. ASIA-AFRICA

NO

Lebanon: Although there has been a temporary lull in violence, Christian opposition to the Karame cabinet is mounting and violence may again erupt unless President Shihab makes concessions. the situation is more dangerous than it has been in the past five months. Negotiations toward a compromise between the various factions continue, but the tactical measures necessary to achieve a compromise have not yet been agreed upon.

(Page 6)

OK

Pakistan: Pakistani President Mirza apparently has completed plans to take over control of the government by establishing a "Revolutionary Council" between 10 and 15 October. Since preparations for Pakistan's first national elections next February are nearly complete, any such action by Mirza would be likely to arouse widespread opposition.

(Page 8)

OK

Greece-Cyprus: Intensive activity continues within the Greek Government prior to the 6 October meeting of the North Atlantic Council to discuss the Spaak proposals for a conference on the Cyprus issue. Premier Karamanlis and Foreign Minister Averoff are seeking a "face-saving" formula which will permit Greece

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to participate in the conference. King Paul and Greek military leaders are firmly opposed to Averoff's previous suggestion that Greece withdraw from NATO and break relations with Britain and Turkey. A "tactical" resignation by Karamanlis, allowing him to reorganize his government and probably to include a new foreign minister, remains a possibility.

(Page 10)

OK

Morocco: Vice Premier Bouabid, left-wing leader who apparently is wielding a growing influence in the Moroccan Government, revealed a somewhat more flexible attitude during a recent discussion of the American air bases and indicated that it might be possible to reach an accord along mutually acceptable lines. Nevertheless, the Moroccan press continues to urge the immediate evacuation of the bases.

(Page 11)

OK

Algeria: The Algerian rebel regime has adopted a conciliatory posture in its efforts to re-establish indirect contact with the De Gaulle government with a view toward eventual negotiations, according to statements made to a Western newsman by rebel leaders. These spokesmen warn that if this conciliatory policy fails, their regime--which they hope to set up informally in Tunisia--is prepared to "take measures" which might involve Tunisia and Morocco in the "Algerian shooting war against France."

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LATE ITEM

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*Taiwan: Generalissimo Chiang Kai-shek on 6 October "firmly advised" Vice Admiral Smoot that Peiping's temporary cease-fire offer is designed to catch the United States with its guard down and to drive a wedge between the United States and the Chinese Nationalists. Chiang said he is "absolutely and unalterably opposed" to any change in present courses of action.

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I. THE COMMUNIST BLOC

Taiwan Strait Situation

Communist China's Defense Minister Peng Te-huai announced on 6 October that he had ordered a seven-day halt to shelling on the "Fukien front." In a message to "compatriots in Taiwan," Peng claimed that firing on the offshore islands had been for the purpose of calling attention to Nationalist actions against the mainland. He professed humanitarian motives for the week-long cease-fire and said that the Nationalists would be free to ship in supplies on the condition that there was no American escort. Peng coupled his conciliatory remarks with a reference to the United States as a "common enemy" and made a further plea for negotiations to settle the "30-year war" between the Nationalists and the Communists.

The major motive for Peng's message was probably the creation of a pretext for a de facto cease-fire in order to test US intentions. The tone and content of his remarks seem to reflect Peiping's desire to achieve political benefits at the Warsaw talks without expanding the scope of its military activities in the Taiwan Strait area. He stated that the issue of US "invasion and occupation" in the area should be settled through negotiations at Warsaw and that the Americans "are bound to go."

The strength of Peng's appeal for direct negotiation of the dispute between Taiwan and the mainland suggests that Peiping may feel that the time is appropriate for a further attempt to undermine Nationalist resistance. Within the past week an alleged intermediary in Hong Kong has passed to Nationalist authorities three letters containing conditions for a settlement of hostilities which he claimed to have received during a recent trip to Peiping. These letters stated that the Chinese Communists would halt firing on the offshore islands between 6 and 13 October if US convoying was stopped. The latest letters, delivered on 5 October, stated that the stopping of US convoys would be an indication of Nationalist willingness to negotiate. It is possible that the intermediary had information that the cease-fire would take place and used it to establish his bona fides.

Nationalist authorities have dismissed Peng Te-huai's message as a propaganda stunt and state that it amounts to

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an admission of Communist failure to blockade Chinmen effectively. As in similar instances in the past, a Nationalist official has said that the letters from the Hong Kong intermediary will be completely ignored.

Chiang Ching-kuo stated on 3 October, following a three-day visit to Chinmen, that morale of the island garrison had lowered dangerously after the troops heard a rebroadcast of Secretary Dulles' press conference. He said the troops believed the conference statements indicated the US was abandoning its strong stand on the offshore islands and was a first step toward appeasing Communist China. Ching-kuo's observation that the receipt of the information on the conference coincided with the heavier bombardment and increased casualties, however, suggests that he probably exaggerated the effect of the statements on morale.

The Taipei press continues to exercise restraint in discussing American policy. In further comment on Secretary Dulles' press conference of 30 September, the independent Lien Ho Pao called for a high-level "cards-on-the-table" conference with the US in which "we demand a candid statement of the degree of support it can give us, while the GRC states frankly the extent of its patience." The paper criticized the government for not having frankly recognized that even earlier US statements have contained hints of concessions and "appeasement."

Despite the aggressive attitude displayed by the attack on a Nationalist C-46 resupply transport on 3 October, [redacted]

[redacted] Chinese Communist pilots continue to fly primarily defensive patrols. Communist pilots flying FANG (LA-11) piston engine fighters, believed brought in to intercept Nationalist resupply transports, have been instructed not to fly over Chinmen and to remain inside an arbitrary boundary, probably the coast line. [redacted]

[redacted] no air clash occurred on 3 October and that Communist fighter patrols on 4 and 5 October were defensive. Chinese Nationalist plans to fly more reconnaissance missions may result in new clashes, however. [redacted]

The Taiwan Defense Command reports [redacted] the presence of about 48 heavy 100-mm.

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antiaircraft guns in the Amoy area. The use of this newer weapon represents a considerable improvement in Communist air defenses in the Amoy area. At least one and possibly two Nationalist C-46 transports have been shot down and two others damaged by Communist antiaircraft artillery fire during the past week. Peiping announced on 4 October that it had captured the crew of a Nationalist transport shot down by antiaircraft artillery fire on 29 September.

In an "interview" with a TASS correspondent on 5 October, Khrushchev denied that the USSR is interfering in the "Chinese civil war," and stressed that the Soviet Union will honor its treaty commitments to Communist China only "if" the US "attacks the Chinese People's Republic."

West German Foreign Minister Brentano supported American policy in the Far East in "unusually strong terms" during a [redacted] meeting of the government party's legislative members on 30 September in Berlin. He emphasized that the situation directly affected Europe since it was a question of the validity of the pledged word of the United States.

[redacted]

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~~TOP SECRET~~Soviet Nuclear Testing Continues

The Joint Atomic Energy Intelligence Committee issued the following statement at 1530Z on 5 October:

"The Atomic Energy Detection System has reported that an explosion occurred at about 0645 hours Zebra, 5 October 1958, probably off the southern end of Novaya Zemlya. [redacted]

"A strong probability also exists that another Soviet low-yield test was conducted on 4 October 1958 at 0602 hours Zebra, in the same general area. Confirmation of this test must await receipt of further data." [redacted]

Comment: The pattern of Soviet TU-16 flights from Olenya Airfield on 4 and 5 October is compatible with nuclear test operations off the southern end of Novaya Zemlya at the times indicated in the JAEIC statement.

elements of the Northern Fleet may have participated in these tests. The Soviets announced on 12 September that fleet maneuvers involving the employment of modern weapons of "every sort" would be under way during the period 20 September to 25 October in the Novaya Zemlya area.

On three previous occasions the Soviets have conducted nuclear experiments in the vicinity of 7036N, 5412E. Underwater explosions [redacted] were detected on 21 September 1955 and 10 October 1957 and a surface explosion, [redacted] was detected on 7 September 1957. [redacted]

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~~TOP SECRET~~Soviet Subs Ready for Delivery to UAR

The UAR arms purchasing mission in Moscow informed Cairo [redacted] that the Soviet Union was ready to deliver the "two submarines and two mine sweepers" contracted for by Syria. Cairo was asked to specify when, where, and in what manner delivery of the submarines should be made. The new submarines are likely to be based at Alexandria, along with the one M-class (coastal) and five W-class (long-range) submarines already supplied to the UAR by the Soviet Union. The new submarines probably will not be manned by Syrians, but rather by a mixture of Egyptian crews trained in the bloc and Soviet personnel as were the others delivered to the UAR by the Soviet Union.

The UAR arms mission also informed Cairo that the USSR requested notification of where and when to deliver the "MIG planes for Syria which have been ready for shipment for more than a month." These aircraft, as well as the naval vessels, are probably being supplied under the Soviet-Syrian arms deal concluded in February. In July, large-scale Soviet deliveries to Syria under this agreement were resumed after some months of delay apparently connected with the establishment of the UAR. By early September eight shiploads of Soviet materiel had been offloaded at Latakia. These included a squadron of MIG-17 jet fighters, about eight T-54 medium tanks, more than 200 pieces of artillery, and modern military radar.

The Soviet Union concluded a second major arms deal with the UAR sometime in July. Under this agreement the USSR probably will soon begin to supply the Egyptian region with additional jet aircraft, tanks, and other heavy military equipment. [redacted]

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II. ASIA-AFRICA

Lebanese Situation

Opposition to the Karame cabinet in Lebanon is mounting and may lead to extended violence unless President Shihab agrees to a broadening of the cabinet to include anti-UAR ministers. Ambassador McClintock believes that Lebanon is in greater danger of falling apart than during even the worst period of the past five months. Former President Chamoun told the ambassador [redacted] that the Christians are thoroughly alarmed and that Shihab was mistaken if he thought he could "ram the Karame cabinet down the throats of the Lebanese people." Chamoun added that if Shihab should resort to dictatorship or new parliamentary elections, he would personally lead the militant Christians in civil war. He disclaimed any intention of returning to power.

On the same day Shihab stated that he intended to secure parliamentary approval of the cabinet prior to any possible widening of its representation. He also expects parliament to vote him decree powers for an indefinite period. Despite his show of confidence, Shihab appears to be having second thoughts about publicly announcing the date of American troop withdrawal and is urging a delay. His ostensible reason is that the psychological impact of this announcement on the eve of a decree calling for the surrender of arms would further inflame the Christians. After the events of the past ten days it is very doubtful that any arms collection scheme will have much success.

Shihab is evidently attempting to split the pro-Chamoun group by purporting to offer cabinet posts to various factions. He was reported to be bringing Karame and other rebel leaders together with Phalange leader Gemayel and his lieutenants on 4 October. These divisive attempts have so far been rebuffed by the Phalange and the Social Nationalist party.
[redacted]

The pro-UAR rebels continue to receive support from Syria and held a "victory" parade in Sidon on 28 September, with armed Palestinian and Syrian commandos leading the

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column. Since that time, the rebel forces have been ostensibly disbanded.

The Syrians

are sending in arms to Moslem villagers in northern Lebanon.

The Moslem-Christian aspect of the current violence is being marked by an increasing number of incidents and rumors of atrocities. Roads leading into Beirut are being barricaded faster than the security forces can open them, and curves in the mountain roads are being coated with oil, further hampering the movement of security forces. The "sit-down" technique being employed by Christian women and children has almost nullified the army as a security force.

Growing evidence of a split in the army along confessional lines will tend to weaken Shihab's control and may hasten his efforts toward forcing a compromise solution on the pro-UAR faction. However, should outside elements, such as the UAR or Communists, continue their subversive efforts and provoke more incidents, the possibility of compromise will fade rapidly.

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Pakistani President Plans Takeover of Government

Pakistani President Mirza apparently has completed plans to take over control of the government of Pakistan by establishing a "Revolutionary Council" between 10 and 15 October.

Mirza's thinking along these lines may have been stimulated anew by recent political disturbances in both West and East Pakistan. In both provinces, however, the ruling coalitions headed by Prime Minister Noon and H. S. Suhrawardy have dealt firmly with the opposition and retained their hold on the government.

Mirza probably feels even more keenly the likelihood that there will be no more parliamentary or provincial assembly sessions prior to the national elections tentatively scheduled for next February and that he may have no further opportunity before that time to manipulate the political situation. As before, he may be concerned over whether the politicians placed in power by these elections would, in turn, re-elect him to the presidency.

Mirza has on many past occasions considered taking over the government of Pakistan. He has not, however, demonstrated the determination or courage to do so. On earlier occasions he has had better excuses than he has at present. Election preparations are virtually complete, and preliminary campaigning is already under way. The Pakistani people for the first time have begun to believe that elections actually will be held, and almost all political parties hope to increase their representation in government. A takeover by Mirza at this time, especially if achieved by extra-constitutional means, would therefore be likely to arouse widespread opposition.

Though Mirza probably can count on army support for the time being, the army may be more reluctant now than in the past to assist him in running the country. Its primary concern has long been a stable, pro-Western government, and some elements may feel that elections would give more assurance of stability than prolonged dictatorial rule.

There is no assurance that either Mirza or a "Revolutionary Council" would have greater success than the present

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government in solving Pakistan's most pressing political and economic problems--particularly those of increasing the food supply and the country's export capacity. [redacted]

[redacted]

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The Greek Government and Cyprus

The Greek Government is examining its own future and Greece's relations with the West in the light of the Cyprus issue. Foreign Minister Averoff continues to advocate a strong policy in the controversy, including, if necessary, disengagement from Greece's NATO ties and the breaking of relations with Britain and Turkey. Military leaders in Greece, however, oppose any weakening or temporary severance of Greek ties with NATO over the Cyprus dispute, and King Paul apparently is determined that his country will not withdraw from the organization.

Meanwhile, the government is continuing to examine the latest Spaak proposals for a conference to discuss the British plan for Cyprus. Greek Delegate Melas will present the Greek position on the proposed conference at the 6 October meeting of the North Atlantic Council. Clarification of the role of the Turkish representative on Cyprus--provided for under the British plan--has tended to reduce Greek opposition to that provision. Athens, however, continues to insist that a "permanent" solution to the Cyprus problem should be accepted--a proposal basically in conflict with British insistence that only an "interim" solution be discussed at this time. Greek leaders, while somewhat restricted by the necessity to co-ordinate action with Archbishop Makarios, have continued to search for some formula which would permit their attendance at the proposed conference.

Resignation of the Karamanlis government remains a possibility if no progress toward a Cyprus solution is made in the forthcoming NAC meetings. A tactical resignation by Karamanlis, followed by a new mandate from the King, would permit him to reorganize his cabinet and possibly gradually adopt a new course in foreign policy. Foreign Minister Averoff, frequently at odds with Karamanlis and other members of the cabinet in recent weeks, might be dropped through such a maneuver. [redacted]

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**Moroccan Vice Premier Reveals Flexible Attitude
On American Air Bases**

Moroccan Vice Premier Abderrahim Bouabid revealed on 2 October an attitude regarding the American air bases apparently somewhat more flexible than that of Premier Balafrej. Bouabid--the only representative of Istiqlal party extremists in the government and seemingly slated to wield growing influence within the regime--indicated that an agreement might be possible along the lines of the American proposal of 10 September for a seven-year agreement. He suggested that a public statement of the American position might relieve popular pressure on the government and create a favorable climate for concluding an agreement. Such a statement, he added, would also serve to persuade France and Spain "to move forward on the evacuation question since they are at present simply marking time until they see how we come out."

Since early this summer the Moroccan press, largely edited by extreme nationalists seeking enlarged representation in the government, has clamored for the evacuation of the five American air bases as well as the withdrawal of French and Spanish military forces which now number 33,000 and 17,000 respectively. In an effort to maintain control over the government, the Istiqlal moderates under the leadership of Premier Balafrej have largely adopted policies advocated by the extremists. Balafrej has indicated that his government was considering an agreement permitting nonstrategic use of the bases for two or three years. He expected to make his government's formal reply by early this week.

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~~SECRET~~Algerian Rebels Threaten to Embroil Tunisia and Morocco

Spokesmen for the Provisional Government of the Algerian Republic have stated that the rebel regime is attempting to establish indirect contact with the French Government with the view of entering into eventual negotiations. Informal contacts reportedly existed between Algerian "premier" Ferhat Abbas and De Gaulle prior to the proclamation of the rebel regime on 19 September, but may have been broken off.

The rebel spokesmen told an American news correspondent in Cairo that if negotiations fail, the regime is prepared to involve Tunisia and Morocco in the "Algerian shooting war against the French." They claimed they could create enough pressure to cause the fall of Tunisian President Bourguiba and reduce the influence of Istiqlal conservatives in Morocco. The presence of large numbers of armed Algerians in both Morocco and Tunisia could cause serious difficulties for both governments, and Bourguiba is pressing for early delivery of American arms to strengthen his army in the face of such a threat.

The rebel regime apparently has postponed a decision on the location of its seat of government. Bourguiba has refused the rebels' request to establish it in Tunisia, but informal arrangements are being made to locate various "ministries" in Tunisia and Morocco while a nominal main office will be maintained in Cairo. Abbas and three of the four most prominent military leaders of cabinet rank would probably establish themselves in Tunisia. Plans to appoint Algerian ambassadors to several capitals, including Rabat and Tunis, have been dropped for the present and other plans are reported suspended until the Arab League establishes a budget for the regime. Early last month the Algerians sought \$33,000,000 from the league.

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