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20 October 1958

Copy No. C 59

CENTRAL

INTELLIGENCE

BULLETIN



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DOCUMENT NO. _____
NO CHANGE IN CLASS.
DECLASSIFIED
CLASS. CHANGED TO: TS S C
NEXT REVIEW DATE: 2010
AUTH: HR 702
DATE: 4-4-80 REVIEWER: _____

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20 OCTOBER 1958

I. THE COMMUNIST BLOC

Soviet 18 October nuclear test at Novaya Zemlya yields 10 megatons--largest yet detected.

Taiwan Strait - Chinese Communists apparently planting reports of secret negotiations with Nationalists.

II. ASIA-AFRICA

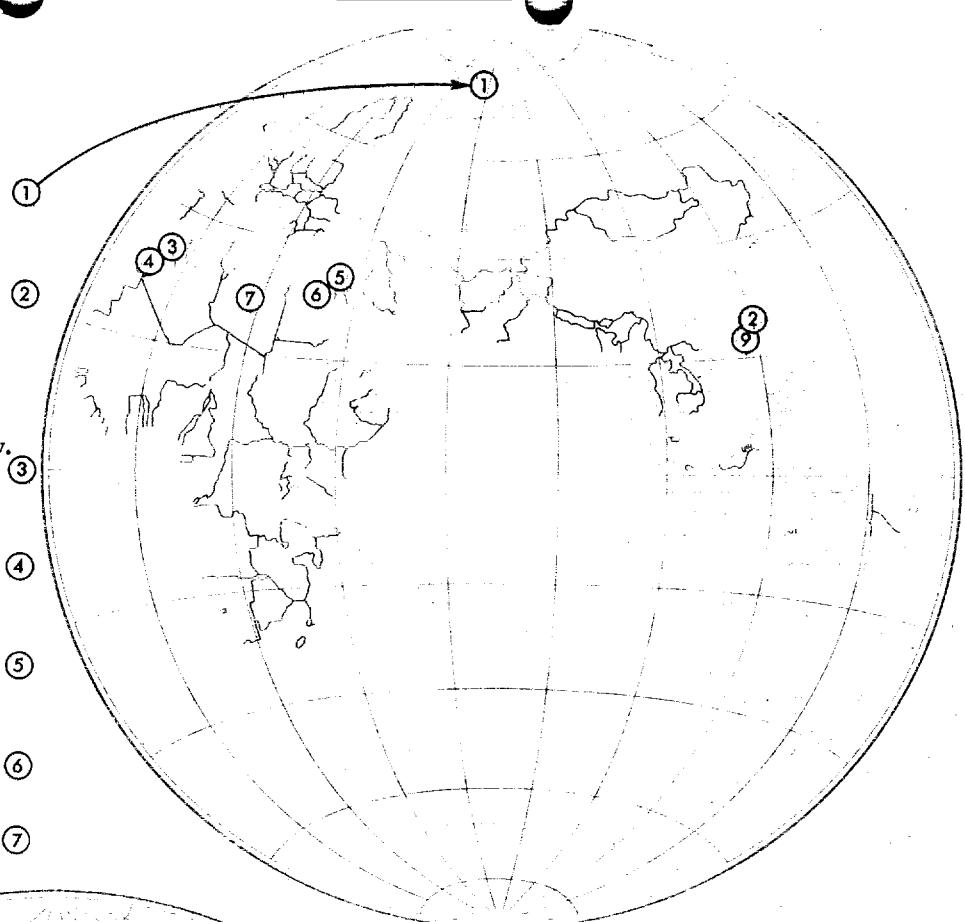
Moroccan official may head a military mission to UAR before visiting Moscow.

Morocco - Government reorganization may be imminent; French reconsidering withdrawal of remaining troops.

Lebanon - Inflammatory broadcasts by UAR-controlled Radio Free Lebanon will strengthen Christian suspicions.

UAR vice president possibly seeking more arms on Moscow visit.

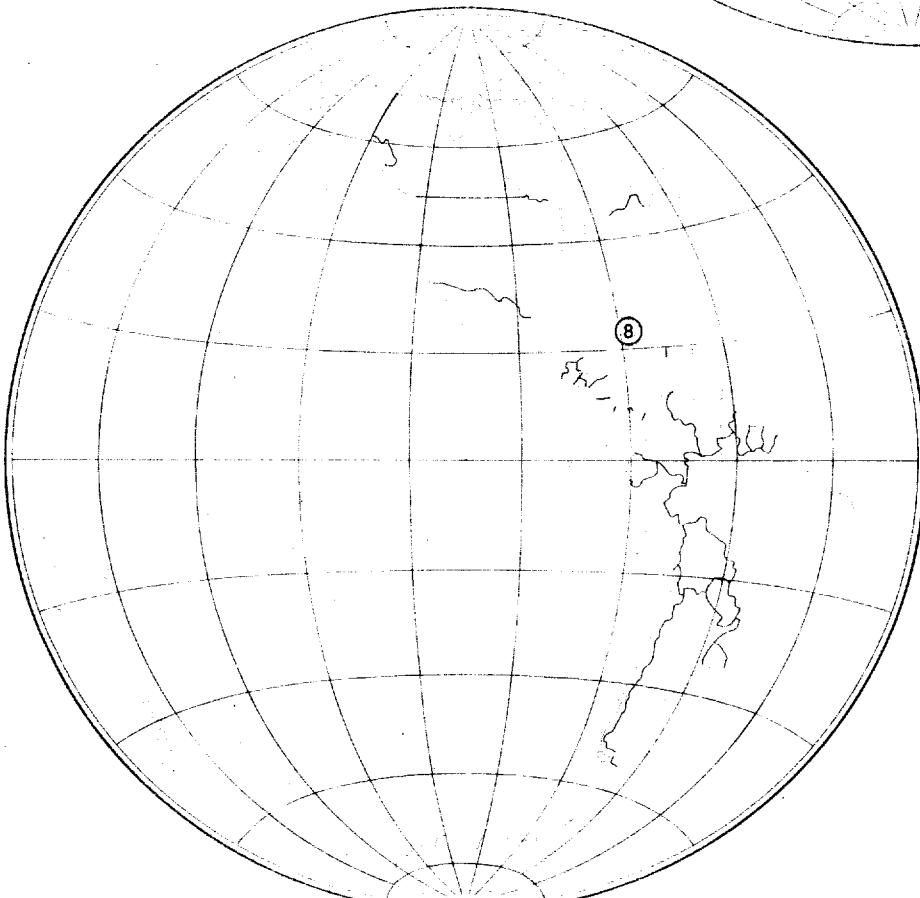
Libyan government officials and oil union harass Western companies.

**III. THE WEST**

⑧ Rebels in Cuba and in exile intensify efforts to sabotage 3 November elections.

LATE ITEM

⑨ Taiwan Strait - Peiping cancels cease-fire.

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CENTRAL INTELLIGENCE BULLETIN

20 October 1958

DAILY BRIEF

I. THE COMMUNIST BLOC

Soviet nuclear tests: The Joint Atomic Energy Intelligence Committee made the following announcement at 1630 hours on 18 October:

"The Atomic Energy Detection System has reported that an explosion occurred at 1951 hours Zebra on 18 October 1958 in the vicinity of Novaya Zemlya (74N, 55E). [redacted]

The largest Soviet test previously detected--on 6 October 1957--had an estimated yield of 4.3 megatons. [redacted]

The committee made the following announcement at 1630 hours on 19 October 1958:

"The Atomic Energy Detection System has reported that an explosion occurred at 0745 hours Zebra on 19 October 1958 in the vicinity of Novaya Zemlya (74N, 55E). [redacted]

*This is the 12th explosion in the current phase of Soviet nuclear testing. [redacted]

the device was dropped by a TU-16 aircraft over water off the eastern coast of North Island, Novaya Zemlya, at approximately 73°30' N, 59°900' E. [redacted]

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Taiwan Strait situation: The Chinese Communists appear to be planting reports that their representatives are negotiating secretly with Chinese Nationalist officials. Such unconfirmed reports and rumors of secret negotiations between Peiping and Taipei have appeared previously, during similar periods of Communist emphasis on political forms of warfare against the Nationalists.

(Page 1) (Map)

II. ASIA-AFRICA

Morocco-UAR: The UAR's military attaché in Rabat requested [redacted] that a Moroccan military mission be invited to visit the UAR's armed forces in Cairo before the mission's leader, who apparently has hinted at an invitation, proceeds onward to Moscow. This visit would follow the forthcoming exchange of diplomatic representatives between Morocco and the USSR.

[redacted] the Moroccan Army needs arms and ammunition very badly and has not been able to obtain them from Western sources.

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Morocco: The long-expected government reorganization in Morocco may be imminent since the extremist wing of the Istiqlal party is increasingly discontented over the King's authoritarian role and over the cabinet's lack of control of the army and security forces. Although Prime Minister Balafrej is expected to retain nominal leadership of any new cabinet, the left-wing group's influence would increase. Paris has indicated concern at the developing political instability in Morocco and is reconsidering the withdrawal of the remaining French troops--now reported to number about 15,000.

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Lebanon: Despite the political compromise which temporarily ended the Lebanese rebellion, the UAR-controlled Radio Free Lebanon, which broadcasts from Syria, now is calling for "complete and decisive victory" by the pro-Nasir

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DAILY BRIEF

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faction. Its demands include dissolution of Parliament and "punishment" of pro-Chamoun leaders after "evacuation of the American forces." The broadcasts will strengthen Christian suspicions that the UAR plans Moslem domination of Lebanon.

UAR-USSR: UAR Vice President Marshal Amir's visit to Moscow may be connected with further requests for Soviet military equipment. The UAR is already reported scheduled to receive substantial deliveries, but Cairo is seeking Soviet approval of additional requests for late-model military and civil aircraft. Amir's trip may also be designed to smooth out differences with the USSR over the supply of equipment and training to Iraq, which currently has a four-man arms-purchasing mission in Moscow.

Libya: Western oil companies in Libya, where the prospects for additional oil discoveries are good, are being increasingly harassed by the Libyan oil workers' union and by government officials. There is also growing criticism of the companies by the press and people.

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III. THE WEST

Cuba: Intensified rebel operations in central and western Cuba as well as in rebel-infested Oriente Province are apparently part of a build-up aimed at fulfilling rebel vows to sabotage the national elections scheduled for 3 November. Cuban rebel pilots in Mexico have at least one bomber and possibly other planes which they are readying for action.

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LATE ITEM

*Peiping cancels cease-fire: Chinese Communist Minister of National Defense Peng Te-huai canceled the suspension of shelling of Chinmen in an order to the People's Liberation Army on the Fukien front at 1500 hours on 20 October (Peiping time). The Nationalist Defense Ministry reported that the Communists resumed shelling of Chinmen at 1600 hours. The cancellation order followed hard on the heels of a "36th serious warning" which claimed that a US landing ship dock and three US destroyers escorted Nationalist ships in an intrusion into Communist territorial waters in the Amoy and Chinmen area on 19-20 October. The Communist defense minister's order stated: "This is an open defiance of our conditions in suspending shelling. Can this be tolerated? Therefore, shelling must be resumed as punishment."

The order referred twice to the subject of direct negotiations with the Nationalists. It listed the refusal of Taiwan authorities to accept peace negotiations as one of several justifications for canceling the suspension of shelling. Later, the order stated: "It looks as though the opportunity for the Taiwan authorities to turn from straying and accept peaceful negotiations may still be expected. We continue to hold out such a hope." In one of several references to the United States, the order said: "The United States will not be permitted to take a hand in the Chinese affair. This is a national cause."

[redacted] no indication that the Communists now intend to take any direct military action beyond the resumption of shelling.

[redacted] during the period of the cease-fire, [redacted] reflected a high level of training activity by East China naval units, particularly in the Shanghai area, as well as tactical training activity by jet fighters based on the coastal airfields in and near the strait area.

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DAILY BRIEF

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I. THE COMMUNIST BLOC

Taiwan Strait Situation

[redacted] Communist representative and a Chinese Nationalist representative [redacted]
 [redacted] have reached an agreement by which the Chinese Communists would cease bombardment of the Chinmen and Matsu island groups in return for an evacuation of Nationalist forces from the islands by 30 November. This alleged agreement is not credible.

A Chinese Communist official [redacted]

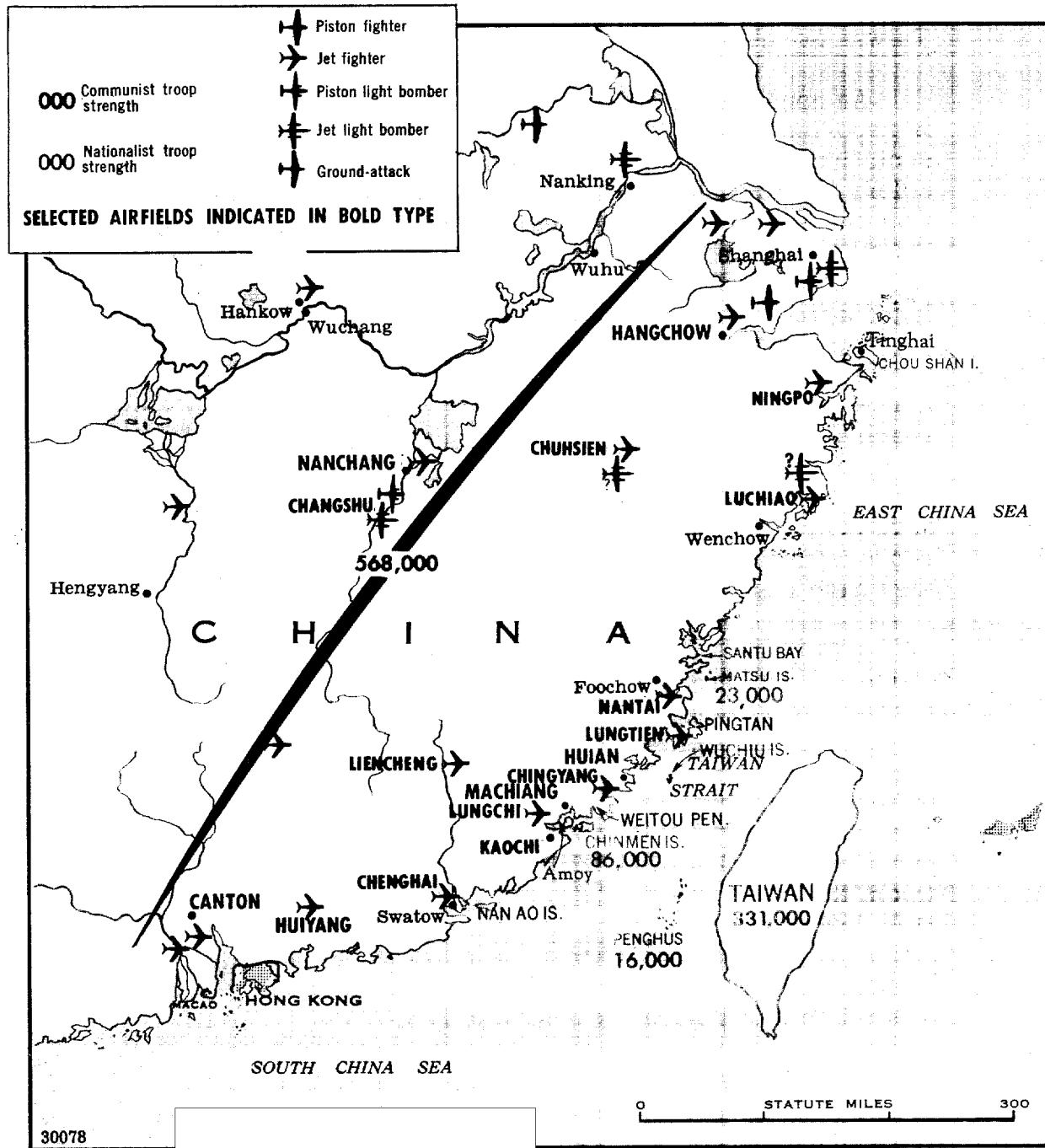
[redacted] Peiping "can reach and has reached people in Taiwan," although "obviously one cannot name names." The official's statement is true in the sense that Nationalist officials, including Chiang Kai-shek's son, have previously received communications from apparent representatives of Peiping, but there is no evidence that they have responded.

[redacted] the Nationalists were contemplating the early release to the Communists of three Communist torpedo-boat crewmen captured in late August. In effect this action would be in exchange for the unpublicized release by the Communists last month of three Nationalist airmen captured in 1957. It also presumably would be designed to encourage Peiping to release three other Nationalist airmen whom the Communists claim to have captured in recent weeks. It is doubtful that the Nationalist action would be either in consequence of or preliminary to negotiations with the Communists, although Peiping may well hope to entice the Nationalists into negotiations by small stages.

The English-language Taipei newspaper China News, which often is used as a sounding board by the Nationalist Government, reported on 18 October that in the forthcoming

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talks between Chiang Kai-shek and Secretary Dulles, the Nationalists would press for a "firmer" American commitment to maintaining the status quo on Chinmen and Matsu.

Chinese Communist [redacted] reflect a continuing high level of training activity by both air and naval units in the East China area, and Nationalist observers continue to report increased personnel and vehicle activity on the mainland opposite Chinmen. On the morning of 19 October (Taiwan time), Communist aircraft were detected by radar in a possible overflight of the Nationalist-held Wuchiu Islands. A similar overflight occurred on 16 October, according to an unconfirmed press report obtained from the Nationalist Defense Ministry.

[redacted] no change in the Communist general policy of restricting fighter aircraft to defensive patrols within a coastal boundary.

Peiping has issued its "35th serious warning" claiming that two US destroyers intruded into Chinese Communist territorial waters in the Pingtan and Matsu areas on 19 October.

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II. ASIA-AFRICA

UAR Acting to Increase Influence in Morocco

The UAR's aggressive military attaché in Rabat, presumably to increase Egyptian influence in Morocco, suggested [redacted] to the Cairo Defense Ministry that a Moroccan military mission be invited to Cairo to observe the armed forces. He reported that a Moroccan official, who is to visit the USSR soon after the forthcoming exchange of diplomatic representatives between the USSR and Morocco, had hinted that such a mission, headed by him, would be desirable.

[redacted], the attaché renewed his request and stated that both he and the UAR ambassador believed that, in view of the Tunisian-UAR friction, it would be helpful to reveal Egypt as a center for Arabism. He also stated that Morocco needed arms and ammunition very badly because it had not been supplied by France and other countries.

The Moroccan Government is not known to be vigorously searching for arms. Cairo's efforts to promote an arms deal are likely to be opposed by King Mohamed V and the present moderate Istiqlal Government, who are suspicious of Cairo's activities as the self-proclaimed pan-Arab leader. The UAR ambassador has consistently attempted to present himself as the conscience of the Arabs. Both he and the attaché have carefully cultivated the Algerian rebels in Morocco, the left wing of the Istiqlal, labor leaders, and any other groups which might be sympathetic and useful to Cairo during the present political instability in Morocco. [redacted]

[redacted]

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Pressures Growing for Reshuffle of Moroccan Government

Discontent with the present Moroccan Government, including the King's authoritarian position, has grown to such an extent among left-wing elements in the dominant Istiqlal party that the well-informed Tunisian ambassador believes the long-anticipated cabinet reshuffle is imminent. The ambassador expects moderate Prime Minister Balafrej to retain his office, but believes Istiqlal extremists like Ibrahim, Ben Barka, and Bouabid will increase their influence in the cabinet. One report states that a decision to resign was actually reached by the government on 18 October and that the resignation will be announced on 20 October.

Istiqlal extremists are particularly critical of the cabinet's lack of control over the army and security forces, which are under the King's jurisdiction. Their request for a change in this control was rejected by the King recently after the issue was highlighted by the anti-Istiqlal activities of a rival party in the Rif mountain area. Istiqlal leaders consider that the director of national security was slow in acting against this party's terrorism. They also accuse him of playing off one Istiqlal faction against another.

Paris is concerned over the growing political instability in Morocco and is reconsidering the withdrawal of the remaining French troops, recently reported to number 15,000. France fears that if public order is not assured, the sizable French colony and its interests will be endangered. French failure to continue troop withdrawals would, in the opinion of the American ambassador, be interpreted by Rabat as intransigence and signal a "marked deterioration in Franco-Moroccan relations in the immediate future." [redacted]

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~~SECRET~~Increasing Harassment of Western Oil Companies in Libya

The Libyan Petroleum Workers' Union is stepping up its harassment of Western oil companies. Although the Libyan Government's Petroleum Commission maintains business-like relations with the companies, the union's campaign has made the lower echelons of the bureaucracy--customs, immigration, and tax officials--uncooperative and antagonistic. The companies are also under attack in the Libyan press.

The new but growing Petroleum Workers' Union is capitalizing on the growth of pro-Egyptian sentiment in Libya and the desire of its members to put Libyans in jobs held by foreign employees of the companies. It was organized by Abdul al-Latif Kikhya, a rabid opportunist with a strong grievance against the Western companies, one of which fired him for trying to serve simultaneously as a union official and a company executive.

Recent successful wildcat oil wells--part of an accelerated exploration program--have raised hopes that Libya might become a significant source of free-world oil, independent of the Nasir-controlled Suez Canal and pipelines through Syria.

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III. THE WEST

Cubans Rebels Intensify Action to Sabotage 3 November Elections

The rebel "26th of July" Movement, which has vowed to sabotage Cuba's 3 November general elections, already is capable of preventing meaningful elections in Oriente Province and of severely limiting electoral activity in other areas. In Oriente, where a third of the country's population lives, the rebels are in effective control of rural areas and intermittently surround and attack the fringes of the city of Santiago, Cuba's second city. Their activities are intensifying in the central and extreme western provinces, and on or about 15 October a rebel patrol attacked a small army garrison only 20 miles from the Cuban capital, thus for the first time extending the fighting to Havana Province.

The rebels publicly have threatened all candidates who do not withdraw by 30 October and already have killed several. The rebel radio announced on 17 October that prorebel workers would meet soon in rebel territory to plan strikes coordinated with rebel action to prevent the elections. Rebel efforts to promote a general strike failed last April.

[Redacted] Cuban rebel pilots at Ixtepec in southern Mexico are readying at least one bomber and possibly other planes for action in the near future. They may, as was reported in July, plan to bomb the presidential palace in Havana, but the supplying of men and equipment to rebel forces seems more likely.

President Batista remains determined to hold the elections, though the political atmosphere will require continued suspension of civil rights, and polling places may have to be established within army garrisons in many places. Denying the validity of the elections, the rebels intend to continue fighting, if necessary, even after Batista leaves the presidency at the end of his term next February.

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Scientific Adviser to the President

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Office of Defense and Civilian Mobilization

Special Assistant for Security Operations Coordination

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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

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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

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Atomic Energy Commission

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National Security Agency

The Director

National Indications Center

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