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23 October 1958
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CENTRAL INTELLIGENCE BULLETIN



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23 OCTOBER 1958

I. THE COMMUNIST BLOC

Soviet diplomat says USSR to suspend nuclear tests by 31 October.

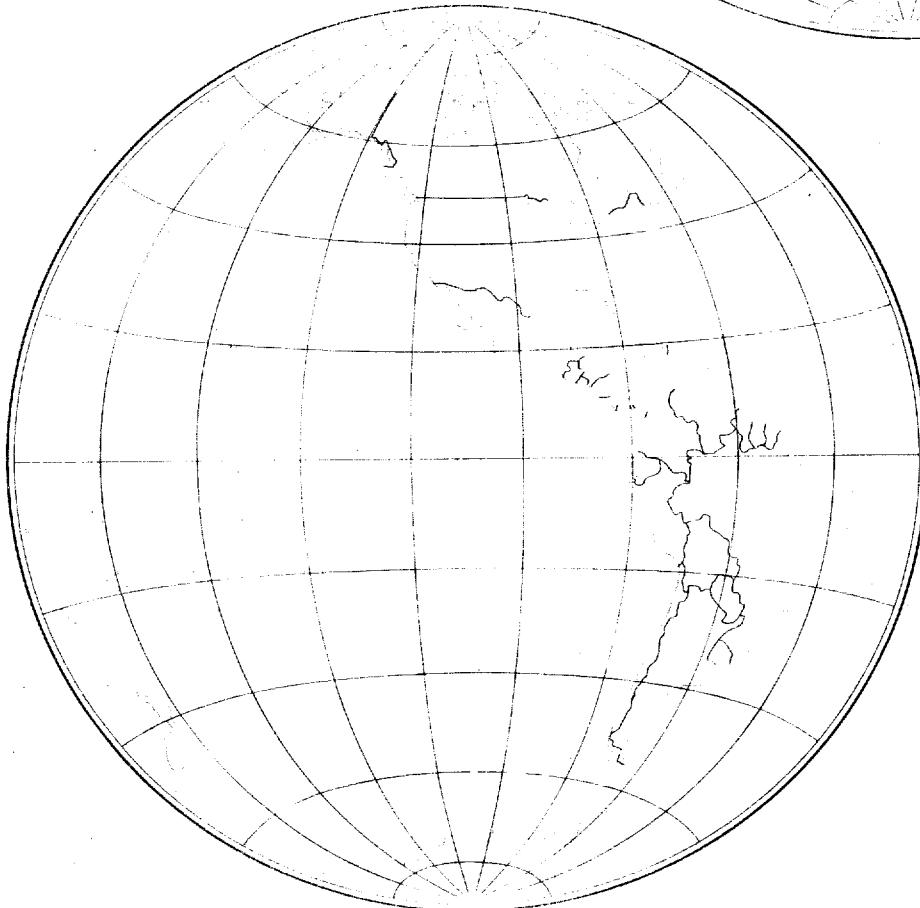
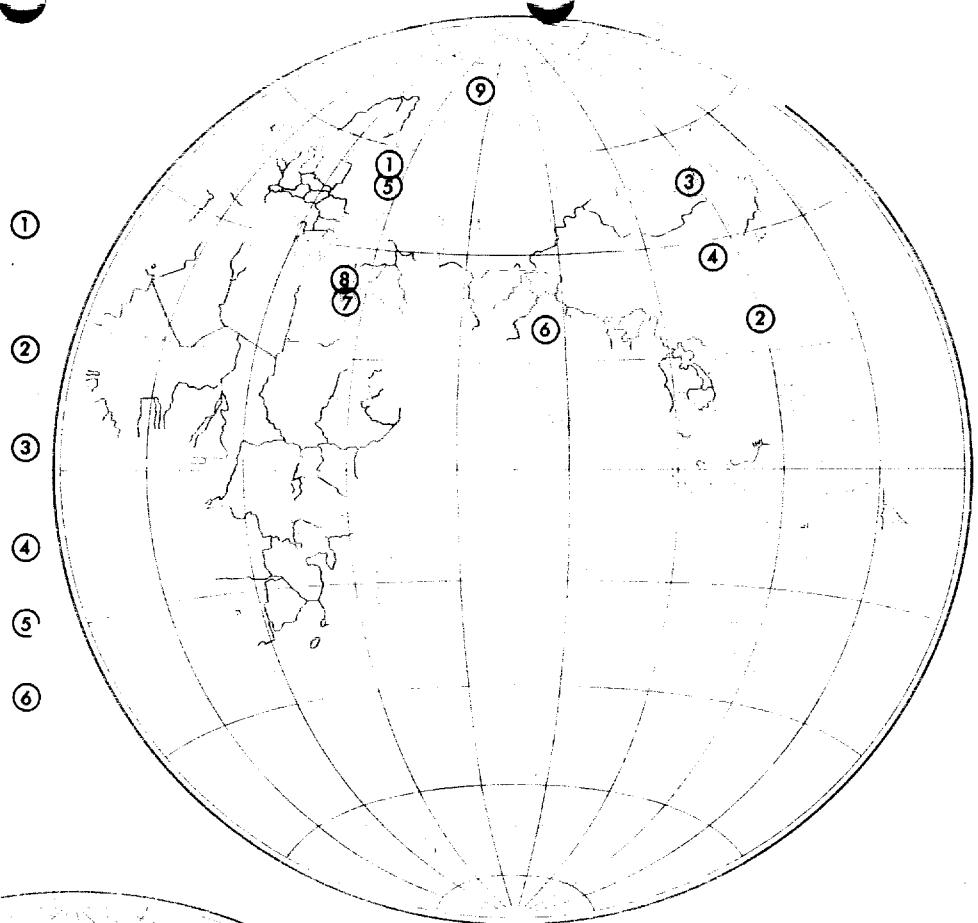
Taiwan Strait - Communist shelling continued on 22 October. Nearly 40,000 tons of supplies delivered to Chinmens during cease-fire.

Clogged Chinese Communist rail lines delay deliveries of Soviet POL.

Communist China - Recent claims of economic achievements probably exaggerated.

Khrushchev praises UAR; UAR vice president in Moscow seeking arms.

Rumania to aid in construction of oil refinery in India.



II. ASIA-AFRICA

⑦ Jordan - Husayn's forthcoming vacation in Europe may bring new UAR moves against monarchy.

⑧ UAR continues financial assistance to Karami's supporters in Lebanon.

LATE ITEM

⑨ Latest Soviet nuclear test is second largest ever detected.

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CENTRAL INTELLIGENCE BULLETIN

23 October 1958

DAILY BRIEF

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I. THE COMMUNIST BLOC

OK

USSR: The USSR will "definitely suspend" nuclear tests by 31 October, the opening date of the Geneva talks on a test-cessation agreement, according to a high-ranking Soviet Embassy official in London. Suspension of tests would permit the USSR to enter the Geneva talks in a strong position for insisting upon a permanent cessation agreement. [redacted]

(Page 1)

Taiwan Strait situation: The Communists continued their bombardment of the Chinmens on 22 October, firing over 8,300 rounds between 0600 and 1800. The Chinese Nationalist Ministry of Defense has estimated that nearly 40,000 tons of supplies were delivered to Chinmen during the cease-fire period. (Page 2)

Watch Committee conclusion: No Sino-Soviet bloc country intends deliberately to initiate direct military action against US forces abroad, US allies, or areas peripheral to the orbit in the immediate future, except as noted below.

NOTE: Breaking of the cease-fire suggests that the Chinese Communists will, as they deem necessary, continue military action against the offshore islands in order to display their capability to retain the military initiative and to support their political objectives for the Strait area. While the Chinese Communists may expand the scope of their military activities against the offshore islands, available evidence does not indicate that they will do so to the extent of deliberately risking hostilities with the United States. [redacted]

ND

USSR- Communist China: The USSR on 7 October was forced to halt rail delivery of petroleum products to China for five days because the Chinese rail system had been unable to move the oil from border transfer points. As a result, several thousand Soviet tank cars had been immobilized. Peiping had previously requested a speed-up in POL deliveries from the USSR. There is little prospect for an early solution of China's transportation problems.

(Page 3) (Map)

ND

Communist China:

additional doubt on the accuracy of Chinese Communist claims of record economic achievements publicized during the recent October celebrations. The State Statistical Bureau considered the compilation of production data in this instance a "political task" and ordered the submission of data appropriate for the celebration of National Day. Since no figures were given [redacted] the margin of differences between what was claimed and what has actually been achieved is not known. This is a marked departure from past Chinese and present Soviet practice of striving for accuracy in statistical reporting.

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USSR-UAR: Khrushchev's speech of 20 October praising the UAR for "understanding" Soviet policies, particularly in the field of economic aid, is probably intended to strengthen the impression in the Arab world that Soviet and UAR policies and interests are in complete harmony. Visiting UAR Vice President Amir probably has raised Egyptian complaints against Communist activities in the UAR and Iraq, in addition to seeking additional bloc arms. Moscow recently expressed displeasure over UAR arms aid to Iraq.

Rumania-India: India and Rumania on 20 October signed an agreement providing Rumanian aid for construction of an oil refinery in Assam State in easternmost India. The refinery's annual capacity is expected to be about 750,000 tons. Rumanian aid, estimated at about \$18,000,000, will apparently include technical help in construction. This will bring total Soviet bloc aid to India to about \$350,000,000.

II. ASIA-AFRICA

Jordan: The impending departure on vacation of King Husayn and the remaining members of the Jordanian royal family could invite new moves by UAR-supported antiregime groups against the monarchy. The departures will coincide with the period for withdrawal of British troops, now expected to be concluded by about 10 November. [redacted]

(Page 6)

Lebanon: UAR intelligence dispatched \$28,000 to Lebanese Prime Minister Karami's supporters in Tripoli on 20 October. UAR financial assistance also has been sent to ex-rebel headquarters in Sidon since President Shihab's election. This assistance reflects further attempts by the UAR to influence the orientation of the Lebanese Government. [redacted]

Watch Committee conclusion--Middle East: Although a deliberate initiation of open hostilities in the Middle East is unlikely in the immediate future, the situation remains unstable throughout the area and incidents and coups could occur at any time.

LATE ITEM

Soviet nuclear test: The Joint Atomic Energy Intelligence Committee made the following announcement at 1600 on 22 October:

"The Atomic Energy Detection System has reported that an explosion occurred at 0821 GMT (0421 EDT) on 22 October 1958 in the vicinity of Novaya Zemlya. A preliminary estimate of the yield places it at about 8 megatons. [redacted]

*This is the 14th explosion since the USSR resumed the testing of nuclear devices on 30 September. The estimated yield reported by the Atomic Energy Detection System indicates that this test was the second largest ever to have been detected in the Soviet Union. The largest detected Soviet test--10 megatons--occurred on 18 October of this year. [redacted]

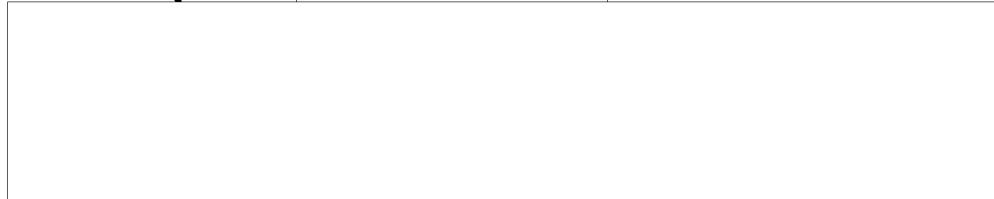
I. THE COMMUNIST BLOC

USSR to Suspend Nuclear Testing by 31 October

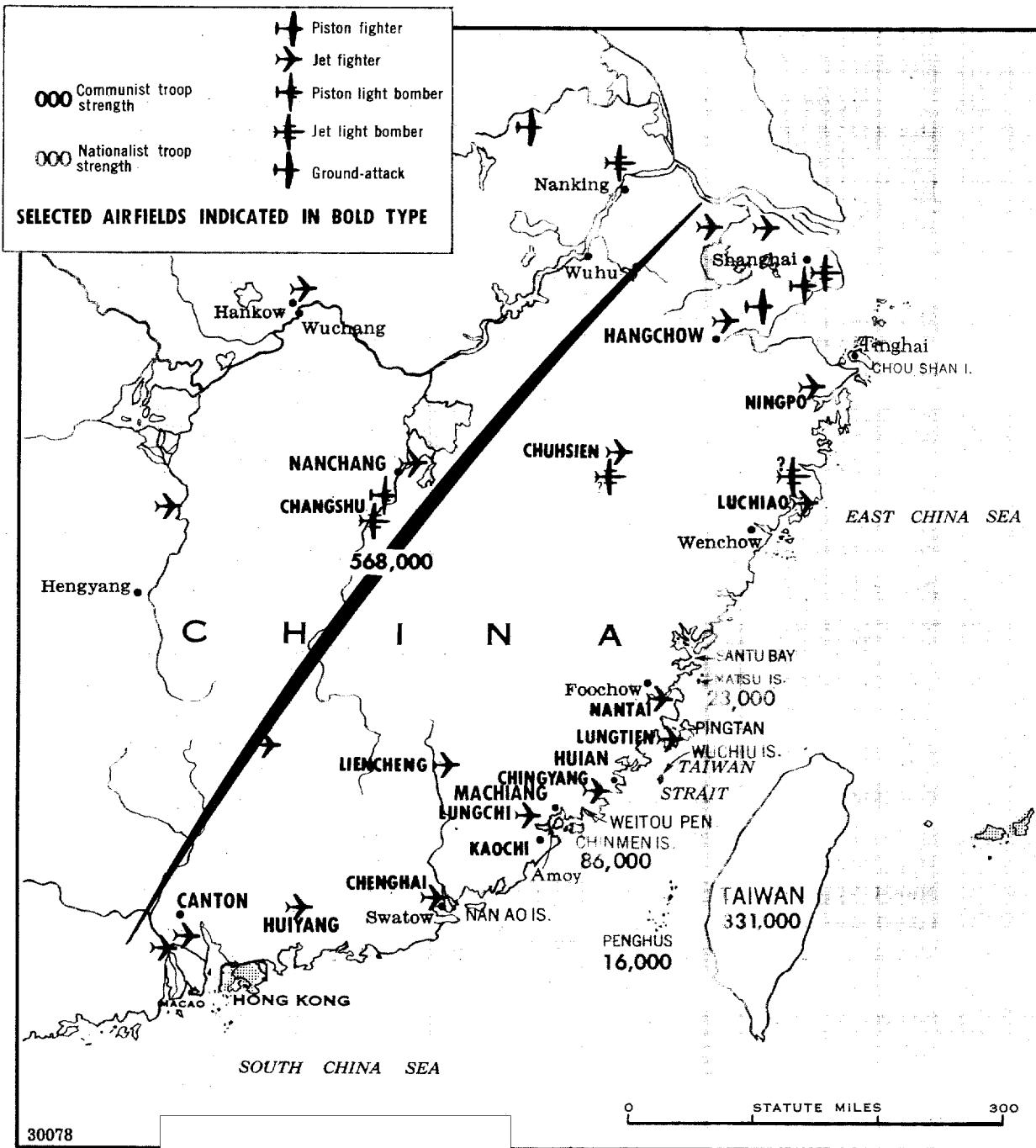
A Soviet Embassy official in London, who had just returned from Moscow, told a US Embassy officer on 20 October that the USSR will "definitely suspend" nuclear tests by 31 October, the opening date of the Geneva talks on a test-cessation agreement.

The USSR intends to go to Geneva with as strong a position as possible and may emphasize its willingness to enter immediately into a permanent and unconditional test-cessation agreement in anticipation of placing the United States and Britain in a contrasting "negative" position. Soviet leaders are certain the US and UK will not agree to a permanent test cessation before a workable control system is installed. Furthermore, official French statements have opposed any agreement not tied to cessation of production of fissionable materials for military purposes and gradual conversion of existing stockpiles to peaceful purposes.

The original Soviet announcement, preceding actual test resumption, of naval and air maneuvers in the Novaya Zemlya area stated the activities would extend until 25 October. Soviet Foreign Minister Gromyko's 7 October press statement, while insisting on Soviet freedom to continue testing until the USSR had reached the equivalent of US-UK tests conducted since 31 March, did not stipulate that Moscow actually intended to reach numerical equality with the West. The press statement was intended to justify Soviet test resumption and to prepare the way for Moscow to cast itself later in the role of volunteering unconditionally to give up testing for the sake of world peace.



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~~TOP SECRET~~Taiwan Strait Situation

Communist artillery continued firing against the Chinmens on 22 October. A total of 8,376 rounds were fired between 0600 and 1800, with over 5,000 rounds fired during the afternoon, according to a Nationalist announcement. Most of the shells landed on Chinmen and only a few hundred rounds fell on the other islands of the group.

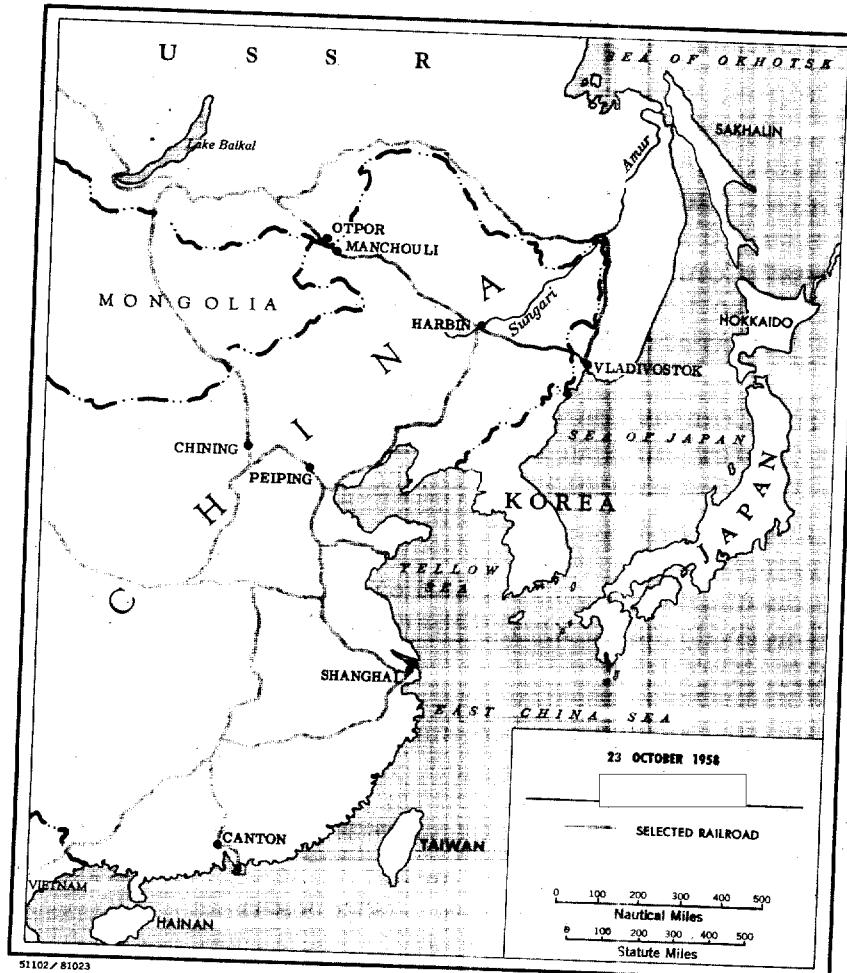
Peiping issued its 39th and 40th "serious warnings" a few hours apart on 22 October. The 39th warning alleged aerial intrusion by a US aircraft over Fukien and Kwangtung Provinces during daylight hours on the 22nd. This warning refers to the intrusion as a "criminal action which gravely violates" Communist Chinese air space. The 40th warning accused two US warships of intruding into territorial waters in the Matsu and Pingtan area.

The Communists apparently are continuing the rotation of jet fighter units in East China. Seventeen MIG-17's flew from Huiyang airfield to Liencheng on 22 October,

Communist aircraft operating from East China bases continue to be active in what appears to be defensive patrolling and exercise activity. Communist naval activity as of 21 October remains high.

Nearly 40,000 tons of supplies were delivered to Chinmen during the cease-fire period, according to a Nationalist Defense Ministry estimate. An official logistical report which does not take into account all recent deliveries indicates that rations and artillery ammunition now on hand are sufficient for an estimated 66 and 45 days respectively.

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Communist Chinese Transport Difficulties

On 7 October Moscow informed Peiping that it planned to halt rail deliveries of crude oil and petroleum products to China for five days. Moscow acknowledged this step would lead to nonfulfillment of shipping plans, but explained that the inability of Chinese railroad authorities to provide sufficient tank cars was causing tie-ups at or en route to the border stations of Otpor and Manchouli.

Peiping had requested in August that the entire year's quota of certain petroleum products be delivered by the end of October. The USSR agreed, but by early September it was apparent that China was encountering difficulties in handling the requested increases, which added more than 50,000 tons to normal monthly rail deliveries of 150,000 tons.

Peiping will have to use more than half its estimated 5,000 tank cars to move the petroleum products which have accumulated at the Sino-Soviet border. Congestion there is only one aspect of the larger problem facing the Chinese transportation system, which is proving unable to meet fully the demands of the regime's continuing "giant leap forward" in economic development.

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Comment on Chinese Communist Economic Claims

[redacted] the high economic achievements claimed by Peiping on the occasion of its 1 October holiday were more a propaganda exercise than an attempt to reflect the realities of China's current economic situation. This is a departure from the practice in recent years of improving the accuracy of statistical reporting.

[redacted] authorities in Foochow advised a subordinate unit that the State Statistical Bureau, in order to "make dedications" on 1 October to Chairman Mao Tse-tung and the central committee of the Chinese Communist party, wanted September figures on industrial production around 20 September. The unit was told to use "actual figures" for the first twenty days of the month and "estimated figures" for the last ten days. Foochow directed that the compilation of these figures should be regarded as a "political task," adding that a formal report for the month could be submitted later. A week earlier, units in Tsinghai Province had been ordered to submit a similar commemorative report.

[redacted] Peiping's view that statistical work should render "faithful service" to the party's political struggle and must be performed under the direct supervision of the party committees. The political department of the Honan party committee asked a Tsinan publishing house for the return of a manuscript containing figures on the province's 1958 increased wheat yields for "examination" by the provincial party committee and its political organ. [redacted]

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UAR Vice President's Visit to Moscow

Since arriving in Moscow from Prague on 19 October, UAR Vice President and Minister of War Marshal Amir has met twice with Khrushchev, as well as with other top Soviet officials. Khrushchev and Amir, in their public exchange of compliments on the policies of their respective countries, both have tried to give an impression of harmony. While Amir is seeking additional bloc arms aid for the alleged purpose of "balancing" recent Israeli acquisitions of military equipment from Britain, the talks probably have also covered current differences between Moscow and Cairo.

[redacted] Nasir indicated that Amir would "complain" to the USSR about the anti-UAR activity of the Iraqi Communists, as well as Communist party activities in Egypt and Syria. Nasir is known to be concerned over this problem and reportedly discussed it with Soviet party presidium member Mukhitdinov during his September visit to Cairo.

Amir also was reported ready to discuss disagreement over the price of Egyptian cotton. Moscow apparently has postponed cotton purchases until Egypt will drop prices to conform with the price cut on cotton sold to the West. [redacted]

[redacted]

Khrushchev has probably used Amir's visit to air Soviet annoyance over UAR offers of arms to Iraq. [redacted]

[redacted] Soviet officials had expressed displeasure on this point. [redacted]

[redacted]

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II. ASIA-AFRICA

Developments in Jordan

The scheduled departure of King Husayn [redacted] for vacation in Europe, coincidentally with the withdrawal of British troops, will leave no member of the royal family in Jordan. [redacted]

[redacted] The last British troops now are expected to leave the Jordanian port of Aqaba by about 10 November. The absence of the royal family could facilitate new attempts by antiregime groups to overthrow the monarchy.

Jordanian authorities have decided that martial law must be continued, although some controls may be relaxed following assessment of public attitudes after the British departure. [redacted]

A continued UAR effort to support antiregime groups in Jordan [redacted]

[redacted] instructing Damascus to send into Jordan the "things," presumably arms or sabotage devices, which would arrive shortly from Egypt.

[redacted] plans to distribute arms among Bani Khalid tribesmen, who inhabit the Syrian-Jordanian border area northwest of Amman and are hostile to the Jordanian monarchy.

[redacted] informed outstations in western Jordan that Israeli troops, supported by armor, had taken up positions near the frontier opposite Qalqilia, at Israel's narrowest point. [redacted]

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[redacted] Israel had assembled brigade groups on both the Lebanese and Syrian frontiers. The Jordanian reporting unit interpreted these moves as an indication that Israel was prepared to take action against Jordan after the British withdrawal. [redacted]

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