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28 February 1959

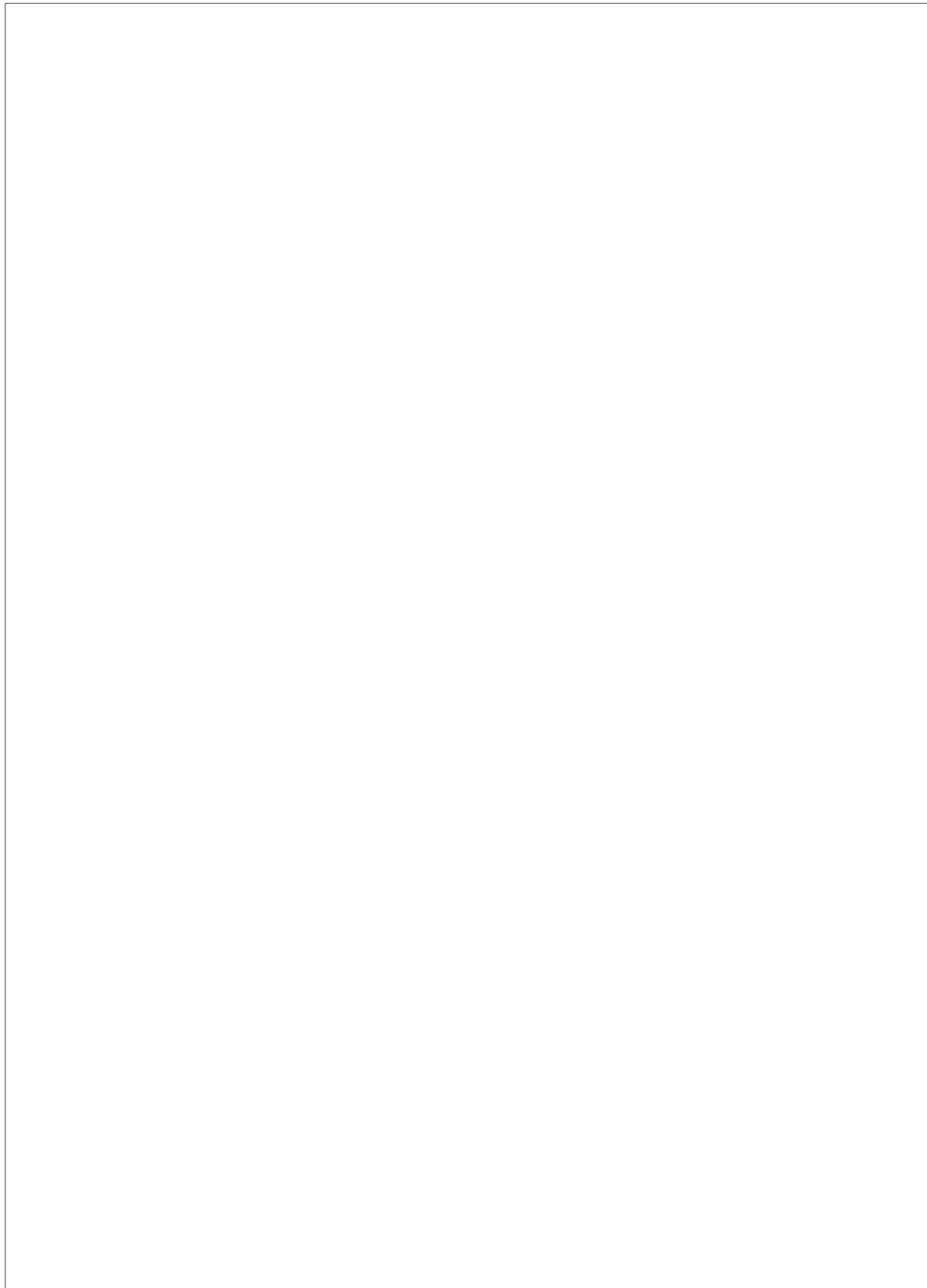
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CENTRAL INTELLIGENCE BULLETIN



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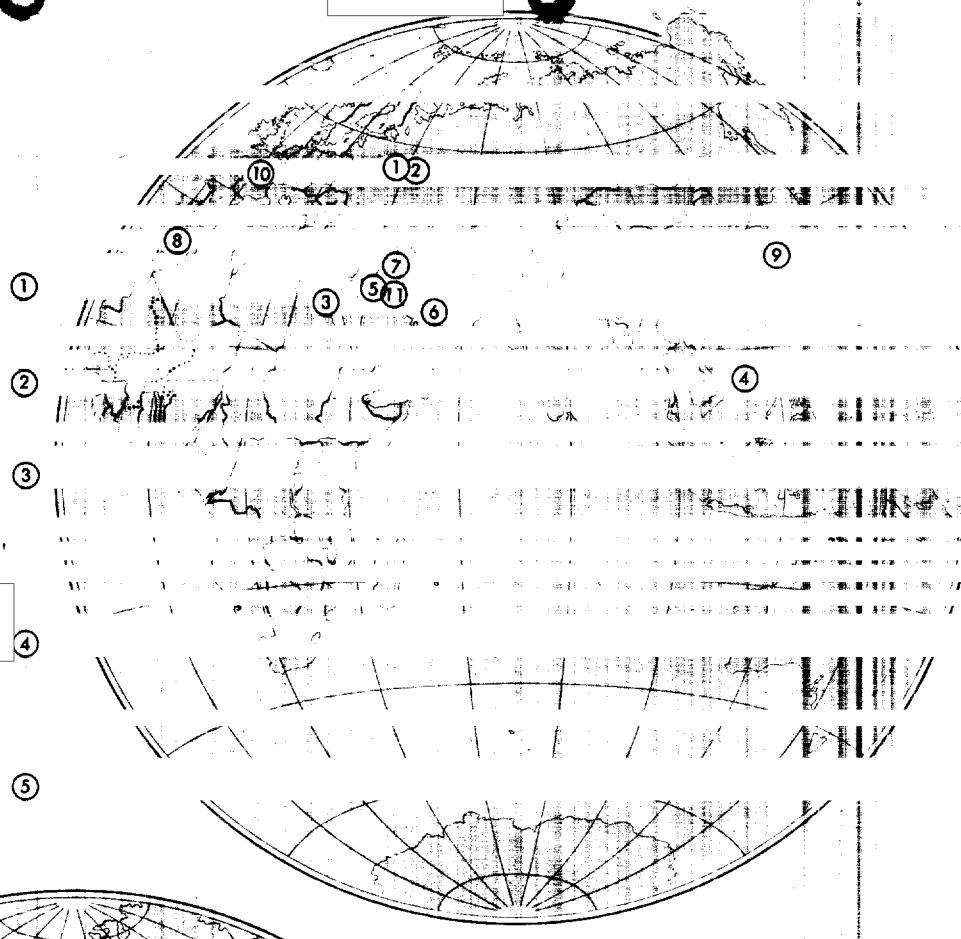
I. THE COMMUNIST BLOC

Soviet diplomat says impending Kremlin reply to West will formally reject foreign ministers' meeting, insist on summit.

Khrushchev calls Western control proposals for atom test ban a scheme to locate Soviet missile bases.

Conciliatory Khrushchev letter may have toned down Nasir's 21 February speech.

Peiping reasserts claim to Paracels, warns Saigon must bear "consequences" for seizure of fishermen.



II. ASIA-AFRICA

Attempt to assassinate Qasim allegedly made on 22 February.



⑥ Iran suggests consortium should grant wage increase to oil workers to avert Abadan strike.

⑦ Middle Eastern governments remain concerned over possible Soviet exploitation of Kurds.

⑧ Moroccan Government may soon reopen issue of American air bases.

⑨ South Korea - Government, opposition apparently planning rival demonstrations on 1 March; clashes may result.

III. THE WEST

⑩ France to remove Mediterranean fleet from present NATO status.

LATE ITEM

⑪ Iraq - New plot reported against Qasim.

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CENTRAL INTELLIGENCE BULLETIN

28 February 1959

DAILY BRIEF

SIRAB

I. THE COMMUNIST BLOC

***USSR:** The counselor of the Soviet Embassy in Paris stated that the Soviet reply to the Western notes would be delivered "very soon," and would formally turn down a foreign ministers' conference and insist on a meeting of heads of government. He further stated that Khrushchev would be willing to make "unexpected concessions" at such a meeting, but he did not elaborate. [redacted] (Page 1)

H.O. USSR - Nuclear test talks. Khrushchev has charged in his talks with the British that control mechanisms proposed for a nuclear test-cessation agreement are designed to locate Soviet missile bases, and said that he was "having no part of it." The Macmillan-Khrushchev talks have convinced British officials that Moscow will not compromise on its insistence on veto powers in the proposed control commission, except possibly as part of a "package deal" at a heads-of-government conference. In Moscow Khrushchev continued his offensive manner toward Macmillan, injecting such subjects as Suez into the talks. Not only Khrushchev, but Mikoyan and Gromyko failed to accompany Macmillan as planned on his Kiev-Lenin-grad trip, sending First Deputy Foreign Minister Kuznetsov instead.

H.O. USSR-UAR: In a letter received by Nasir on 20 February, Khrushchev expressed regret over "misunderstandings," and stated, [redacted] that the USSR still considers Nasir the leader in the struggle against imperialism in the Middle East. [redacted]

[redacted] the letter influenced Nasir to take a conciliatory line [redacted]

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[toward the Soviet Union in a speech the following day. Both sides, however, are maintaining the positions and policies which led to the conflict over Communist activity in the Middle East and the contest for influence in Iraq; the prospect of further friction remains.]

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No
 *Communist China - South Vietnam: Peiping has officially reasserted its claim to the Paracel Islands and declared South Vietnam "responsible for all consequences" arising from the seizure of five Chinese Communist fishing boats and crews on Duncan Island on 22 February. The Foreign Ministry statement demanded immediate release of the 82 "kidnapped" crewmen along with a "guarantee there will be no recurrence of similar unlawful acts." Peiping will continue propaganda protests and may dispatch naval patrol craft to protect its Woody Island colony 45 miles northeast of Duncan.

If. ASIA-AFRICA

No
Iraq: An attempt to assassinate Prime Minister Qasim was made on 22 February, according to an Iraqi official. He said 15 arrests ensued, but he did not identify the group behind the attempt. Whether or not the report is true, such rumors support the Iraqi Communist effort to keep Qasim in a state of suspicion and fear for his personal security, and encourage him to deal drastically with opposition elements.

OK
Iran: [Labor unrest at the Iranian Abadan oil refinery may soon result in a strike. The Iranian Government has suggested that the consortium of Western oil companies operating Iran's oil industry grant an immediate across-the-board ten-percent wage increase to calm the situation. The Iranian Communist underground, encouraged by Moscow's attacks on the Shah, would seek to expand disorders resulting from any strike.]

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DAILY BRIEF

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Middle East - Kurds: There are continuing reflections of concern by the Iranian, Iraqi and Turkish governments over potential dissident Kurdish activity, and especially over possible Soviet exploitation of Kurdish nationalism, but there still does not seem to be any effectively organized Kurdish movement. [Iranian officials seem apprehensive of possible Soviet activity among the Kurds, yet hopeful that the Kurds in Iraq might be used against the regime in Baghdad.]

(Page 4)

H 0
Morocco: [The Moroccan Government may press for an agreement concerning the five American air bases in Morocco in the "not too distant future." The secretary general of the Moroccan Foreign Ministry assured an American Embassy officer that the Ibrahim government would approach the problem with a friendly spirit. However, the Istiqlal right wing, which seeks to unseat Ibrahim, is attacking the government for failure to act swiftly, hinting this may be attributable to the recent offer of \$40,000,000 of American aid. The Ibrahim government probably will seek the evacuation of the bases within several years. Ibrahim's predecessor, Balafrej, not only asked a phased evacuation but proposed a prohibition of "strategic" use of the bases in the interim.]

*South Korea:

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 the opposition Democratic party is planning extensive demonstrations on 1 March, Korean Independence Day, protesting the Rhee administration's use of force on 24 December to pass legislation aimed at repression of the Democrats. Such demonstrations would coincide with nationwide anti-Japanese demonstrations being planned by the government for the same day. and clashes are possible.

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III. THE WEST

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***France-NATO:** [NATO Secretary General Spaak has been informed that the French Government decided on 27 February to withdraw the French Mediterranean fleet from its "present NATO status," effective 2 March. The French fleet, like all other NATO Mediterranean fleets, is under national command in peace time and is earmarked for NATO wartime service under the Commander-in-Chief Allied Forces Mediterranean (CINCAFMED), a British admiral. De Gaulle personally disapproved a less drastic rearrangement within the existing NATO command structure which had apparently been proposed by other high French officials. He and Premier Debré may hope by this move to obtain the Allied backing for French policy in North Africa which they claim is essential if NATO is to protect vital French national interests.]

R10
***Iraq:** (An anti-Qasim coup by Iraqi army elements backed by Nasir is scheduled between 2 and 5 March, [] The plotters plan to assassinate Prime Minister Qasim. Army units from Kirkuk and Diwaniyah, both 100 to 150 miles from Baghdad, and the air force are said to be on the side of the conspirators. Unless army units in Baghdad join the conspiracy, a successful coup would be dubious. If the coup is attempted, widespread disorders may ensue. Previous conspiracies against Qasim have been thwarted and he may have knowledge of this plan.)

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I. THE COMMUNIST BLOC

Soviet Diplomat Comments on Summit Conference

The counselor of the Soviet Embassy in Paris told [redacted] [redacted] the Soviet reply to the Western notes of 16 February would be delivered very soon and would, as Khrushchev indicated in his 24 February speech, turn down the Western proposal for a foreign ministers' conference and insist on a meeting of heads of government. [redacted] [redacted] a meeting of the foreign ministers would be a waste of time since they would have to refer back to their heads of government, and that on important issues the Western powers have been dealing with each other on the summit level.

The Soviet official further stated that Khrushchev would be willing to make unexpected concessions at such a meeting to show his desire to avoid armed conflict, but he did not elaborate. He suggested that the chiefs of government might hold a short meeting to agree on basic principles, and that the foreign ministers might subsequently meet to work out the details.

The Soviet ambassador to Argentina, [redacted] [redacted] requested Argentine support for the USSR's position on Berlin when Moscow takes the matter to the Security Council. This is the first suggestion that the USSR plans to request UN consideration of the Berlin question. It is possible that the Soviet leaders are considering a formal appeal to the UN prior to the 27 May deadline as a further means of demonstrating their desire for a peaceful settlement and of exploiting the concern of small nations over the danger of war.

Further hints of Soviet willingness to make concessions at a summit meeting can be expected. [There are already indications that the British have become convinced there can be no meaningful negotiations with the Soviet Union on larger European or world problems except at the summit level.] De Gaulle remains willing to attend a summit conference, but only if it is carefully prepared and there are indications that something useful can be achieved. [redacted]

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~~SECRET~~Khrushchev Seeks to Mollify Nasir

[Khrushchev, in a ten-page letter to Nasir [redacted] expressed regret over "misunderstandings" between the USSR and the UAR, [redacted], and charged that measures taken by Nasir to deal with UAR Communists have been "exploited by imperialists." Khrushchev was replying to Nasir's request for an explanation of the Soviet criticism of the UAR's anti-Communist campaign. Seeking to allay Nasir's suspicion that the USSR is trying to build up Iraq's Premier Qasim as a rival to Nasir, Khrushchev offered assurances that the Soviet Union still recognizes Nasir as the "leader" in the struggle against imperialism in the Arab world. Khrushchev also promised that bloc economic and military aid to the UAR would continue and that Soviet Jews will not be permitted to emigrate to Israel.]

[Nasir reportedly considers that Khrushchev's letter is sincere and personal, but that it shows signs of haste as though hurried to arrive prior to Nasir's anniversary-day speech.]

[In his speech Nasir quoted the letter extensively as reaffirming Soviet-UAR friendship, but did not retreat from his stand against Communist activities.]

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II. ASIA-AFRICA

General Strike at Iranian Refinery Likely

A decline in the production of the Iranian Abadan oil refinery has aggravated the chronic problem of surplus labor, and resulting labor unrest may soon erupt into widespread strikes and violence.

The Abadan refinery, run by the consortium of Western oil companies operating Iran's "nationalized" oil industry, has a capacity of about 514,000 barrels daily but recently has produced only 275,000 barrels daily. [While the refinery labor force has been reduced by about 7,000 from the 1956 peak of 35,000, it still includes over 17,000 surplus workers who would have been fired except for the companies' fear of violence and the government's threats to side with the workers.]

There is also substantial unemployment in Abadan, and the large Arab population in the area--about 30 percent--probably could be exploited by Iraq. The Iranian Communist underground, encouraged by Moscow's attacks on the Shah, would seek to expand disorders resulting from any strike.

Thus far the government has shown little interest in improving social and economic conditions but is using the deteriorating situation to force the consortium to increase refinery output. More recently, the Iranian labor minister asked the company to grant an immediate 10-percent across-the-board wage increase to calm the situation. The minister threatened to apply the terms of the minimum wage law, which is expected to be passed soon, to increase oil workers' wages about 30 percent if the company refused.

Government forces probably could contain any strike in the Abadan area, although there is always the danger that anti-regime sentiment, based on real grievances, could get out of hand and that the strike fever could spread to other parts of the country.

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The Kurdish Situation

Potential dissident Kurdish activity and possible Soviet exploitation of Kurdish nationalism are a source of continuing concern in Iran and Turkey. Even the Iraqi Government, which has an interest in exploiting Kurdish national aspirations, is keeping a firm grip on its 800,000 Kurds and especially on Soviet-trained Kurdish leader Mullah Mustafa Barzani, [who is restricted to Baghdad and under close surveillance.] There is still no recognizable organized Kurdish movement aimed at the establishment of a Kurdish national state, however, although Kurdish nationalism has been aroused as a result of the successes of Arab nationalism and possible prompting from Communist agents. [Iranian and Turkish concern is reflected in the increased surveillance and countermeasures being taken in the potential trouble areas.]

Kurdish activities have been brought into sharper focus in recent months, especially since the arrival in Baghdad of Barzani, and Iraq may be trying to develop Kurdish military potential, but there does not appear to be any immediate prospect of an armed attempt to carve a Kurdish state out of Iranian and Turkish territory. Iraqi Prime Minister Qasim continues to stress that Iraq's future is based on Arab-Kurdish unity, and there apparently is even considerable lack of agreement among the Kurds themselves over the comparative advantages of nationalism versus national assimilation.

With a Kurdish population in excess of 2,000,000, Turkey is beginning to view the situation more seriously and is even planning to erect a special radio transmitter in southern Turkey to counter foreign propaganda in the Kurdish language. [The Turkish National Security Service has also advised of the need "to stay on top of" the Kurdish issue. There are unconfirmed reports of a secret Kurdish network in Turkey, but] Turkish security forces have the capability to suppress effectively any subversive attempt or overt Kurdish promotion of a national state.

Iran, with over 700,000 Kurds, is tightening its border security against aggressive Kurdish infiltration and may even

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decide to block the annual spring migration of Kurdish tribes from Iraq to Iran. Heightened Iranian-Soviet tension has made Iran particularly apprehensive of possible Soviet exploitation of dissident Kurds for subversive purposes.

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Executive Offices of the White House

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Scientific Adviser to the President

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Special Assistant for Security Operations Coordination

Board of Consultants on Foreign Intelligence Activities

Special Assistant for Foreign Economic Policy

Executive Secretary, National Security Council

The Treasury Department

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

Assistant Secretary of Defense for International Security Affairs

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

Assistant to Secretary of Defense for Special Operations

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

Supreme Allied Commander, Europe

Commander in Chief, Pacific

The Department of the Interior

The Secretary of the Interior

The Department of Commerce

The Secretary of Commerce

Federal Bureau of Investigation

The Director

Atomic Energy Commission

The Chairman

National Security Agency

The Director

National Indications Center

The Director

United States Information Agency

The Director

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