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21 August 1958

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CENTRAL INTELLIGENCE BULLETIN



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21 AUGUST 1958

I. THE COMMUNIST BLOC

Soviet party central committee may be meeting in Moscow.

Soviet submarines continue to operate in North Atlantic and Norwegian Sea.

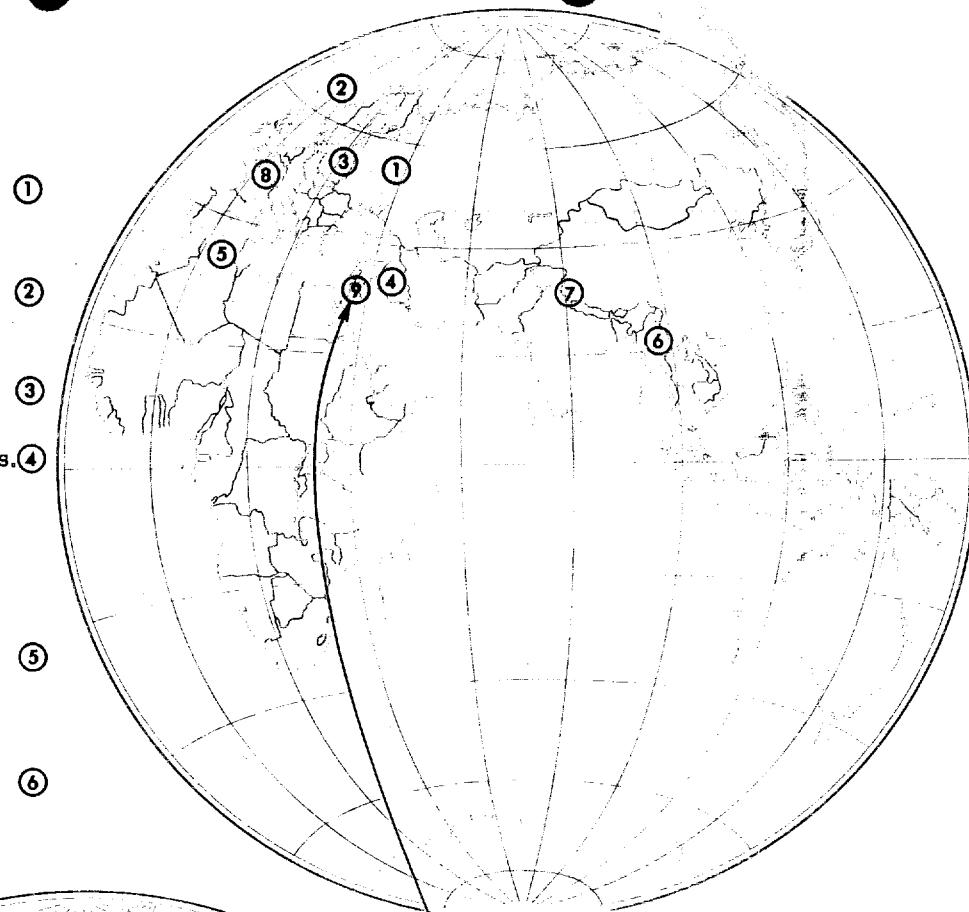
Polish security police ordered to procure documentary proof of anti-regime activity by Catholic clergy.

Soviet Embassy in Baghdad staffed with experts in intelligence operations.

II. ASIA-AFRICA

continued friction with Moroccan and Tunisian allies.

Burma - Prime Minister Nu appears to be losing his slim parliamentary majority; will probably call general elections.



⑦ India continuing support for Tibetan refugees despite Chinese Communist protests.

III. THE WEST

⑧ De Gaulle may make diplomatic effort to arrange modus vivendi between Western powers and Arab nationalism.

LATE ITEM

⑨ Jordan - King Husayn says he will accept resignation of his pro-Western prime minister unless US agrees by 30 August to mutual defense pact and increased financial assistance.

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CENTRAL INTELLIGENCE BULLETIN

SRAB
21 August 1958

DAILY BRIEF

I. THE COMMUNIST BLOC

HO
***USSR:** There are indications that some high Soviet officials have assembled in Moscow and that they may have been called for a special conclave, perhaps a party central committee meeting. The Soviet ambassador to Prague, a full member of the committee, departed his post on 16 August and VIP flights inside the USSR terminating in Moscow were noted on 14 and 16 August. None of the members of the party presidium has appeared in public since the latter date. A plenum called at a time when Khrushchev was scheduled to be on vacation would suggest that particularly pressing problems needed consideration.

HO
Soviet submarine activity: Soviet Northern Fleet submarines continue to operate in the North Atlantic and Norwegian Sea. At least one group is in the Iceland area where US naval units made two positive and separate submarine sightings on 18 August.

a second group is moving south in the Norwegian Sea toward the area of Iceland and the Faeroe Islands, possibly to relieve the other units. This activity, which appears to be operational in nature, began in mid-July and may be related to the international situation. The USSR now has 124 long-range submarines in the Northern Fleet and 60 in the Baltic Fleet suitable for these operations.

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OK

Poland: The Polish Security Police have been instructed to procure documentary proof of antistate activity by the Catholic clergy for use in discrediting them publicly. By taking such a measure, Gomulka probably hopes to be able to establish a legally sound case which would lessen popular opposition to any future moves he may have to take against the church to satisfy party demands. [redacted] (Page 2)

OK

USSR-Iraq: The Soviet Union has staffed its embassy in Baghdad with a group particularly well qualified to expand Soviet penetration efforts in Iraq. Of the eight Soviet officials bearing diplomatic passports, several appear to have been engaged previously in intelligence operations and six have had previous experience in the Middle East. [redacted]

(Page 3)

Watch Committee conclusion--Sino-Soviet Bloc (as of 20 August):

No

A. No Sino-Soviet bloc country intends to initiate hostilities against the continental US or its possessions in the immediate future.

B. 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.

NOTE: The Chinese Communists do not appear to intend major offensive military action in the Taiwan Strait area in the immediate future. They are increasing their capabilities to bring heavy pressure, including interdiction by air, on the offshore islands and could initiate an attack on them with little or no warning. Air clashes in the Taiwan Strait area are likely to recur. [redacted]

[redacted]

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II. ASIA-AFRICA

Watch Committee conclusion--Middle East (as of 20 August):

Although a deliberate initiation of open hostilities in the Middle East is unlikely in the immediate future, the situation remains highly unstable throughout the area, particularly where US and UK interests or commitments are involved, and incidents and coups could occur at any time.

No
NOTE: The survival of the Jordanian regime continues to be threatened. If the regime in Jordan collapses, action by neighboring countries to take control of Jordanian territory is likely. There are indications of closer accommodation between Saudi Arabia and the UAR.

No
Algeria: [redacted] continued friction between the Algerian rebel movement (FLN) and its Moroccan and Tunisian allies and some minor discord within the FLN itself. The FLN has apparently failed recently to carry out orders from its headquarters to conduct certain terrorist activities. In spite of these difficulties, the FLN is continuing its campaign to minimize the number of Moslems voting in France's September referendum.

(Page 4)

OK
Burma: Premier Nu appears to be losing his slim parliamentary majority. Left-wing members of the Communist-influenced National Unity Front, on which he relies, have indicated they will not support the government on certain major policy matters. Nu has cancelled the budgetary session of Parliament, scheduled for 28 August, and he will probably call early general elections.

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No
India-Tibet: India apparently is continuing to give covert support to Tibetan resistance leaders based in India, despite two recent protests from Peiping over their activities. In reply to these complaints, New Delhi claimed ignorance of Tibetan political activity. New Delhi has also approved the departure abroad of a Tibetan delegation to conduct an anti-Chinese publicity campaign. [redacted] (Page 7)

III. THE WEST

OK
France: De Gaulle has recently reiterated his belief that the West must come to terms with Arab nationalism and may now feel that France is in a good position diplomatically to take the lead in such an effort, because it did not participate in the Western landings in Lebanon and Jordan. France and Egypt signed an economic, financial, and cultural agreement in Geneva on 13 August, settling claims arising from the Suez affair. [redacted] (Page 9)

LATE ITEM

No
***Jordan:** King Husayn stated on 20 August that unless the United States acceded by 30 August to his request for a mutual defense pact and increased financial assistance he would feel compelled to accept the resignation of the Rifai government. Husayn said there would then be little alternative but for the next government to seek accommodation with the UAR, and that no brakes could be put on any movement in this direction. The King requested American help in evacuating the royal family by 27 August. [redacted]

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I. THE COMMUNIST BLOC

Soviet Submarine Activity in the North Atlantic

Soviet submarine operations continue in the North Atlantic and the Norwegian Sea. At least one group of submarines is in the general area of Iceland. Elements of this or another group may have been detected by US naval units on 18 August when two positive and separate sightings were reported south of Iceland. Based on previous experience, a Soviet submarine group is estimated to contain from four to nine submarines.

[redacted] a
second group of submarines is probably heading south in the lower Norwegian Sea toward the Iceland - Faeroe Islands area, possibly to relieve the other units. [redacted]

[redacted]
These operations appear to be in the nature of patrols; they do not follow the pattern of previous exercises. Soviet submarines have apparently been engaged in this activity since mid-July when conditions in the Middle East became serious. These operations could continue as long as the international situation remains tense.

Four W-class submarines, accompanied by a submarine tender with a flag officer aboard, are traveling south through the English Channel after leaving the Baltic on 16 August. The destination of these units is not known, but the submarines possibly are to be delivered to the United Arab Republic, where they could arrive around the first of September. [redacted]

Polish Security Police To Work Against Church

The Polish Security Police (UB) have been instructed to procure documentary proof of antistate activity by the Catholic clergy for use in discrediting them publicly; to restrict visas for clergy visiting Poland; and to take action against individuals criticizing the nonsectarian character of public schools. These efforts to build up a strong legal case against the church are probably designed to ameliorate popular opposition resulting from possible future moves by the regime against the church.

Since the 21 July raid on the cardinal's institute at the Jasna Gora shrine, the press has been the regime's major weapon in its campaign against the church. Now, however, Gomulka probably intends to show party functionaries that the struggle against church-sponsored "political" activity consists of more than mere words. Compromise with the church has never been popular with the Stalinist Natolin group in the party nor with a large number of rural bureaucrats appointed during Stalinist rule. Gomulka may hope that the discrediting of priests will raise the prestige of the local party secretaries, whose authority has generally been overshadowed by that of the priests.

The regime anticipated popular demonstrations and took special security precautions when an estimated 70,000 to 80,000 Poles made a pilgrimage to Jasna Gora on 15 August. No disturbances occurred, however, probably because church authorities have been attempting to calm the populace in order to prevent further deterioration in church-state relations.

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**Moscow Staffs Baghdad Embassy With Middle Eastern
Specialists**

Moscow has staffed its embassy in Baghdad with a group particularly well qualified to expand Soviet penetration efforts in Iraq. Of the eight Soviet officials bearing diplomatic passports, several appear to have been engaged previously in intelligence work. The ambassador and one counselor speak Arabic and the entire staff is well versed in the customs and problems of the area.

Ambassador Grigory Zaytsev was reportedly active among subversive groups during a tour as minister to Iraq from 1944 to 1948. He is an experienced economist and Arabic scholar who most recently served as head of the Near East Department of the Foreign Ministry. Counselor Yevgeny Podvigin was second secretary in Lebanon from 1946 to 1948 and maintained close contacts with Communist leaders throughout the Levant; in 1947 he was in touch with the members of the Arab League of National Liberation. Lev Noskov, second secretary, was a TASS representative in Istanbul from 1953 to 1956. During that period he took special interest in Kurdish minorities in Turkey, Iraq, and Iran. Among the other members of the staff, several are suspected of having engaged in illegal activities on past assignments.

It seems likely that the Soviet embassy staff will make a strong attempt to strengthen the illegal Iraqi Communist party and influence the Kurdish nationalists.

Although it is not unusual for the USSR to staff its embassies with area specialists and intelligence personnel, this whole group is exceptionally well trained. [redacted]

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II. ASIA-AFRICA

The Algerian Rebellion

The Algerian National Liberation Front (FLN) is maintaining its guerrilla operations in Algeria at a relatively high level despite the continuing pressure of the more numerous and better-equipped French pacification forces. While the rebels have apparently been unable to respond to any significant degree to their leaders' more ambitious directives, such as a call for "action on a nationwide scale the night of 4-5 July" and for an all-out effort against French "transmissions cadres" during the week of 7-14 August, large areas of the country remain insecure and rebel terrorists have stepped up their attacks since early June.

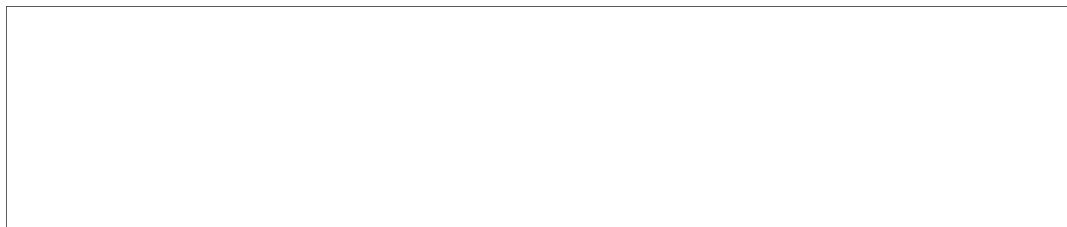
These activities did not prevent the French from registering a claimed 80 percent of the potential Moslem electorate for the September constitutional referendum,

Meanwhile, there is new evidence pointing up the existence of friction between the rebels and their Tunisian and Moroccan allies, and also of some discord--apparently not too serious as of now--within the FLN itself. FLN leaders are reported to have told Libyan officials recently that Tunisian President Bourguiba was showing increasing reluctance to permit the FLN to continue operating from Tunisia and would be assassinated if he did not cooperate.

Another delegation made up of members of this committee has arrived in Rabat and begun talks with the Moroccan Government looking toward an easing of the local crisis which has

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developed between FLN and Moroccan elements along Algeria's western frontier as a result of the overlapping territorial claims of Algerian and Moroccan nationalists. Clash-
es between the rival groups, which have occurred with in-
creasing frequency and bitterness since last winter, [redacted]

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Premier Nu Appears To Be Losing His Majority in the
Burmese Parliament

Premier Nu's cancellation on 19 August of the budgetary session of Parliament, recently scheduled for 28 August, indicates that he is no longer confident of a majority. He is reported planning to dissolve Parliament and call for general elections in the hope of gaining for his party a stable and effective majority. Those elections will probably take place in November.

Since the breakup of the Anti-Fascist People's Freedom League (AFPFL) in June, Premier Nu has had to rely for his majority upon 44 votes from the Communist-influenced National United Front. His party, the "clean" AFPFL, has been opposed by the followers of his former deputy premiers, Ba Swe and Kyaw Nyein, who call themselves the "stable" AFPFL. Recently, however, Dr. E. Maung, minister of justice and president of the National United Front, reportedly has informed Nu that he can no longer guarantee that the whole Front will vote for the government, and extreme left-wing factions of the Front have secretly switched their support to the "stable" AFPFL. These factions have publicly denounced Burma's acceptance of American aid and are strongly opposed to the government's terms for insurgent surrenders. Even Nu's sweeping amnesty for insurgent political and criminal acts has failed to satisfy their demands.

Neither part of the AFPFL has made significant parliamentary gains since the party split, and for the past two months all parties have been concentrating on preparations for general elections. Even the defection of the left wing of the National United Front from Nu's government would probably not ensure a majority for Ba Swe and Kyaw Nyein. It appears more likely that these dissident votes in Parliament would become a permanent opposition, denying support to any but a pro-Communist government.

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Indian Support for Tibetan Resistance Movement

New Delhi apparently plans to continue giving covert support to refugee Tibetan resistance leaders based in India, despite two recent Chinese Communist protests over their anti-Communist political activities. The Indian Government in each case told Peiping it knew of no such activity.

The director of India's Central Intelligence Bureau in January reportedly promised the group "additional" financial and training aid during 1958.

The bureau's representative in the Indian frontier trading center of Kalimpong in April also told leaders of the "Mimang" resistance movement that his organization was trying to increase the financial assistance it had been providing them in order to help the guerrillas fighting in the Tibetan area of Kham. The bureau also intended to train two Tibetans, who had been selected by the Mimang organization, in intelligence collection and reporting.

Following a joint meeting early in August of the Central Intelligence Bureau and the Ministry of External Affairs concerning Indian policy in support of the Tibetan resistance, the government approved the departure from India of a dissident Tibetan delegation which would make a publicity tour abroad. After assuring Peiping that Indian authorities would warn the Tibetans against carrying on political activity if New Delhi "learned" anything, provincial officials concerned were instructed to warn the Tibetans only if their activities were exposed.

Prime Minister Nehru was reported to be angry with Peiping for postponing his trip to Tibet, which until recently had been scheduled for September. He still plans, however, to make his first official visit to the Himalayan kingdom of Bhutan, where there have been indications of Chinese Communist infiltration. Although reluctant to damage its relations with Peiping, New Delhi's long-standing concern for the security of its northern frontier makes it likely to continue supporting efforts to limit Chinese power in Tibet.

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CORRECTION to item entitled **Sudanese Political Situation** on Page 3 of the Central Intelligence Bulletin dated **20 August 1958**:

The second sentence should read: "While he hopes that the negotiations will not be successful, he agreed to the attempt in order to avoid a split within the Umma".

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III. THE WEST

France Apparently Aiming for Leading Role in Middle East Settlement

There are indications that France intends to step up its diplomatic efforts to obtain a leading role in working out a modus vivendi between the West and the Arab states. On 13 August France and Egypt initialed an economic, financial, and cultural accord settling outstanding economic questions arising out of the Suez crisis. A move to re-establish diplomatic relations, broken since 1956, may follow.

De Gaulle recently told Italian Premier Fanfani there was no solution to Middle Eastern problems but that a "modus vivendi should and could be worked out." In late July, De Gaulle said that time was running against the West and the West would eventually have to come to terms with Arab nationalism despite Europe's poor bargaining position. French Foreign Ministry officials have long urged rapprochement with the Arab states, and since the advent of De Gaulle the French have carefully de-emphasized their friendship with Israel.

France is motivated by its desire to reassert great-power status, its continued dependence on Middle Eastern oil, and the political and economic necessity of a solution in Algeria. France probably is not sanguine about any lasting solution in the Middle East without some agreement with the Soviet Union, but it probably feels that its present position as a nonparticipant in the landings in Lebanon and Jordan enhances its role as a mediator between the Arab states and the West. [redacted]

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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

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Chief of Staff, United States Army

Chief of Naval Operations, United States Navy

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Assistant Chief of Staff for Intelligence, Department of the Army

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National Indications Center

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The Director

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