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15 December 1958

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CENTRAL

INTELLIGENCE

BULLETIN



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15 DECEMBER 1958

I. THE COMMUNIST BLOC

Soviet note of 13 December proposes nothing new on Berlin or East-West negotiations.

Second shipment of Soviet arms arrives in Iraq on 11 December.

II. ASIA-AFRICA

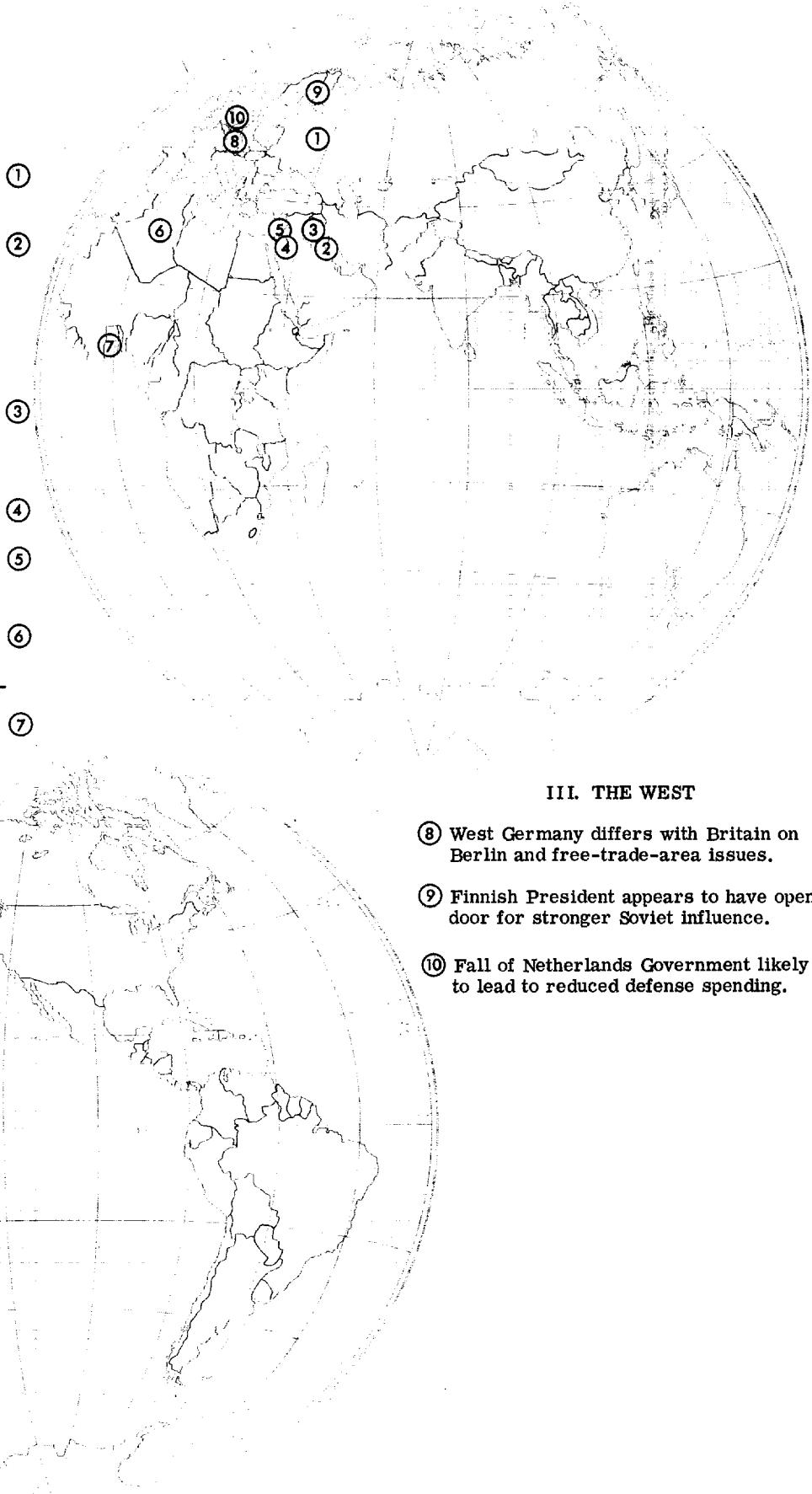
Iraqi division commanders reportedly decide to oust Qasim, citing his inability to control Communists and maintain order.

Jordan - Rifai's proposal to gain control of armed forces likely to lead to intensified maneuvering and factionalism.

Israeli-Syrian border situation report.

Algerian rebel leader threatens to obtain large quantities of arms from the Sino-Soviet bloc.

Results of All-African Peoples' Conference reflect continued rivalry between Nkrumah and Nasir.

**III. THE WEST**

⑧ West Germany differs with Britain on Berlin and free-trade-area issues.

⑨ Finnish President appears to have opened door for stronger Soviet influence.

⑩ Fall of Netherlands Government likely to lead to reduced defense spending.

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CENTRAL INTELLIGENCE BULLETIN

15 December 1958

SIRAB

DAILY BRIEF

I. THE COMMUNIST BLOC

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USSR: The Soviet statement of 13 December about the forthcoming NATO council meeting, like similar messages prior to the NATO heads of government meeting last December, is aimed at impeding Western defense plans and disrupting Western unity. Moscow is seeking to undermine public support for NATO in all member countries by repeating long-standing proposals for easing tension and renewing warnings of Soviet retaliation against American missile bases in NATO countries. The statement made no new proposals on Berlin or on East-West negotiations.

70
USSR-Iraq: A Soviet ship, believed to be the Pskov, arrived at the Iraqi port of Basra on the night of 11 December with the second consignment of arms to be delivered under the Iraqi arms deal with the Soviet Union. Materiel already unloaded from the Pskov includes antiaircraft and field artillery pieces and vehicles. The first shipload of Soviet arms arrived at Basra on 19 November.

II. ASIA-AFRICA

Iraq: The four Iraqi division commanders have decided to oust Premier Qasim in the near future.

70
Iraqi ambassador to Cairo. The commanders are convinced that Qasim is incapable of controlling the Communists or preventing further disorders. The army's reported decision to move against Qasim may have been spurred by the action of a large Communist-led mob in Basra on 8 December which

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besieged the army garrison and disrupted all civil and military control for most of the day, convincing the military governor that the mob could take over at will unless strict measures were quickly taken. [redacted] (Page 1)

ok

Jordan: Prime Minister Rifai has prepared a bill which would place full control of the armed forces in the hands of the defense minister, a post also held by Rifai. This proposed action is aimed at curtailing the power of the potent Bani Sakhir Bedouin faction and other anti-Rifai elements. Rifai expects that Jordan's tractable legislature will approve the bill this week. His proposal may set off another round of bitter internal maneuvering and increase factionalism in the army.

[redacted] (Page 3)

No

Israel-Syria: Although no new incidents have been reported, the Israelis and Syrians remain alert and are improving their border defenses. American officials in Syria report that there is no press campaign to arouse the population over the border situation, but that there are nevertheless indications of a slow, steady military build-up. Israeli Chief of Staff Laskov is believed to have returned from Paris. [redacted] (Page 4) (Map)

ok

Algeria: Algerian rebel leaders, having failed to gain UN General Assembly support in their effort to induce France to negotiate with them, now are threatening to procure large amounts of arms from the Sino-Soviet bloc. Rebel Premier Ferhat Abbas told an off-the-record news conference that he had exhausted his patience with "moderate" approaches and indicated he would try to begin recruiting fighters from other parts of Africa.

[redacted] (Page 6)

No

All-African Peoples' Conference: The conference in Accra which ended on 13 December passed three relatively moderate resolutions despite vigorous UAR and pro-Communist efforts to control it. However, UAR-led extremists succeeded in having a statement included which endorsed use of violence to free "subjected and exploited" territories where "democratic principles

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do not prevail." Although location of the conference's permanent organization in Accra is a victory for moderate African elements led by Ghana's Prime Minister Nkrumah, he says that he is disappointed with the outcome of the meeting.

III. THE WEST

No
West Germany - Britain: Chancellor Adenauer remains greatly concerned over what he considers British "softness" on Berlin. He has intimated to West Berlin Mayor Brandt that Bonn might block approval of London's free-trade-area proposals if the British fail to support the West German position on Berlin. [Page 7]

OK
Finland: President Kekkonen, in his 10 December radio speech reviewing the current strained relations between Finland and the USSR, appears to have gone dangerously far toward giving Moscow a free hand in influencing developments in Finland. This increases the possibility of ultimate Communist participation in the government. Finnish independence may be further undermined over the next few months as a result of continuing Soviet pressure. [Page 8]

OK
The Netherlands: The Netherlands will probably be without an effective government for at least several months as a result of the 12 December resignation of the Labor party from the governing coalition. Although all parties are generally agreed on basic pro-Western foreign policy, the resignation will end a 1956 agreement among political parties to maintain a high level of defense spending. [Page 9]

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I. THE COMMUNIST BLOC (No Back-up Material)

II. ASIA-AFRICA

Military Coup Planned Against Iraqi Prime Minister

The four Iraqi divisional commanders are preparing to oust Prime Minister Qasim in the near future and install General Rubai, present head of the Council of State, as chief of state, [redacted]

[redacted] Sammarai reportedly carried a message to Nasir from the commanders, who are convinced that Qasim "is lost to the Communists" and cannot be saved. They urged the UAR President not to make propaganda attacks on Qasim, fearing that this would strengthen Qasim's position in the country. The support of Qasim which these commanders voiced following disclosure of the thwarted Rashid al-Gaylani coup was merely a tactical measure to allay Qasim's suspicions. Nasir expects a request for support from the plotters.

The military leaders reportedly forced Qasim to cancel arrest orders for officers implicated in the Gaylani plot.
[redacted]
[redacted]
[redacted]

The army's decision to overthrow Qasim may have been spurred by the state of near chaos prevailing throughout the country. In Baghdad armed bands of "vigilantes" have taken "public security" into their own hands and have searched cars belonging to foreign diplomats and those of Rubai and a cabinet minister. In Basra on 8 December, a Communist-led mob 3,000 strong besieged the garrison for three hours and demanded the hanging of certain officers. Other officers off duty were beaten by crowds, and the military governor, in full uniform, was forced to submit to four searches. All army and civil

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control was lost for eight hours. The governor fears that the mob could take over at will unless strong measures are taken quickly.

Nasir, apparently thoroughly alarmed by the possibility of Communist ascendancy in Iraq, has expressed the desire to take action to keep the country from falling into Communist hands. However, his dependence on the Soviet Union for economic and military support severely limits his ability to take an open stand against the Communists. A recent surge of stories in the UAR-subsidized Arab nationalist Beirut press which emphasizes the Communist danger to Arab nationalism appears to be a reflection of Nasir's fears. [redacted]

[redacted] a number of Communists were arrested in Aleppo on 12 December. Reports of a Nasir-ordered purge of Communists in the Syrian civil service have also been received. [redacted]

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Jordanian Premier Seeking to Gain Control of Army

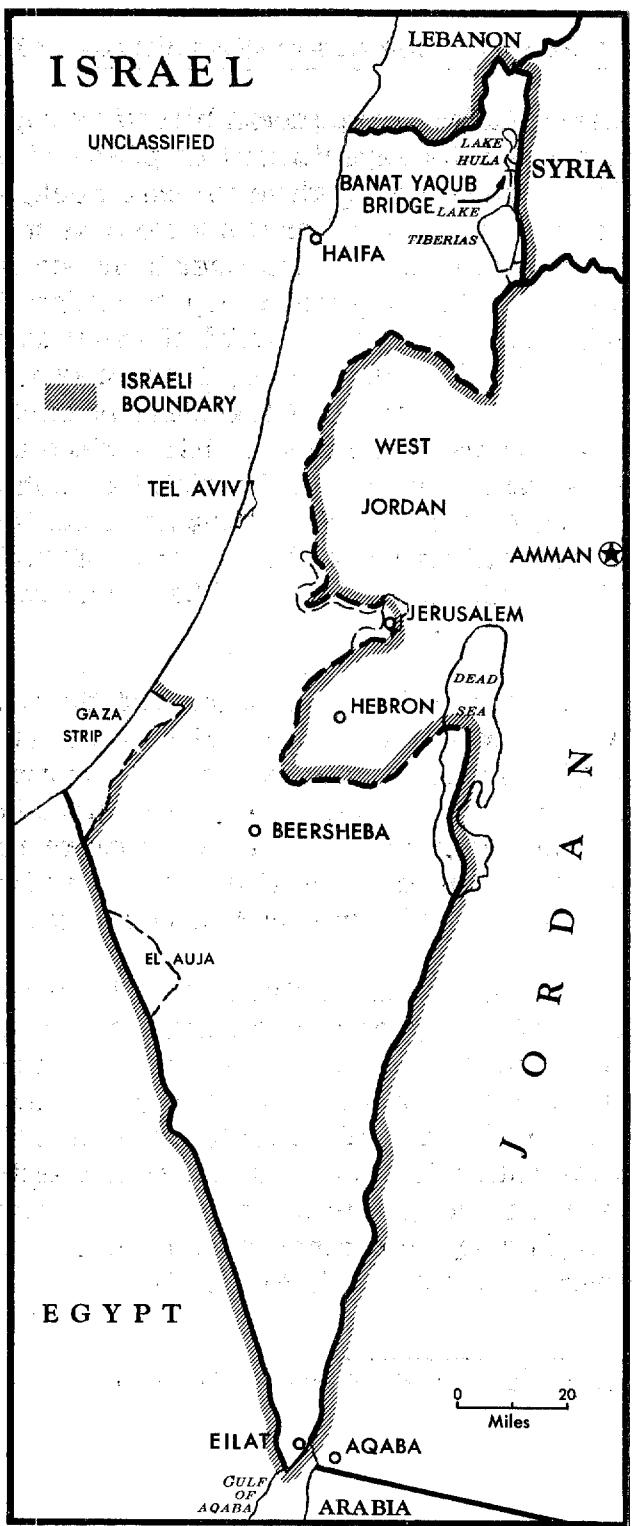
Premier Rifai has prepared a bill to reorganize the Jordanian Army which he expects will be passed by Jordan's tractable legislature during the coming week. The bill would place virtually absolute control over the armed forces in the hands of the defense minister, a post concurrently held by Rifai, and place Rifai's protégé, Deputy Chief of Staff Sadiq Shara, in direct operational control of army units as the new chief of staff. With this measure, together with the recent "abolition" of martial law, Rifai seeks to curtail the power of the potent Bani Sakhir Bedouin faction in the army which has supported the prime-ministerial ambitions of his rival, Court Minister Hazza Majalli. Under the proposed reorganization, the present army chief of staff, Lt. Gen. Habis Majalli, a member of the Bani Sakhir tribe, would be elevated to a figurehead position.

The Bani Sakhir faction has formed the main source of King Husayn's support in the army; it controls the army's armored brigade, several infantry units, and tribal auxiliaries which it has trained and armed. The group's key role has increased the ambitions of its leaders, who are reported displeased that their power is destined to be reduced by the proposed reforms and by the recent lifting of martial law.

Rifai apparently feels confident that the King has no choice but to support him in attempts to curb the group which has been the chief prop of the monarchy. Implementation of the reforms is certain to increase factional rivalry in the army, thereby adding to instability in Jordan. Bedouin opposition to Rifai's proposed reorganization appears responsible for reports [redacted] [redacted] in Jordan that the Bani Sakhir units in the army were plotting in conjunction with groups in Syria to seize control of the government. [redacted]

[redacted]

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Arab-Israeli Tension

Although no new incidents are reported, the Israelis and Syrians continue to eye each other warily and to improve border defenses.

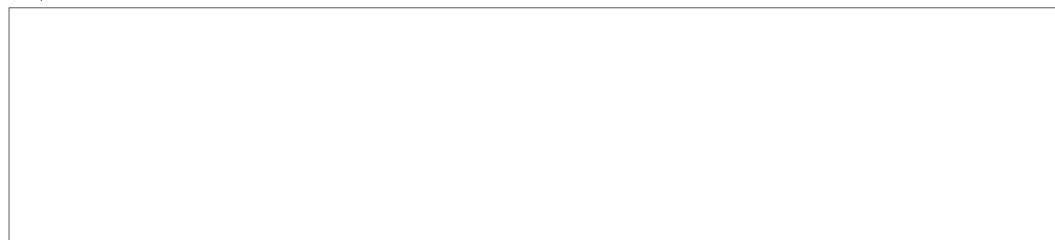
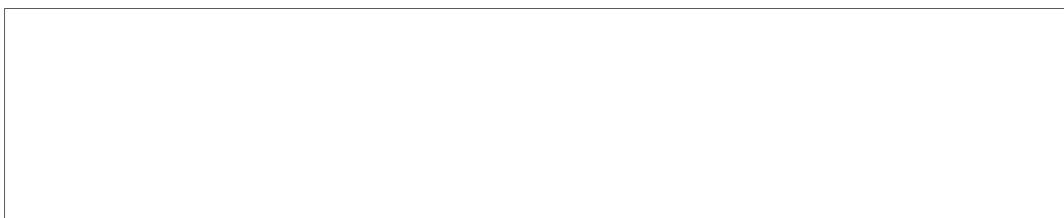
[redacted] the Israelis are capable of launching a ground raid in brigade strength against the Syrian front without further mobilization, and also of launching a surprise air strike against Syrian airfields or gun positions. Israeli Chief of Staff Laskov probably returned on 12 December from conferences in Paris.

[redacted] Damascus advised Cairo [redacted] of an Israeli reconnaissance party on Lake Tiberias. The main concentration of Israeli military activity along the front, however, was stated to be west of the Banat Yaqub bridge, south of Lake Hula. The Israelis were also reported reinforcing or resupplying their settlements around Lake Tiberias.

American officials in Syria report that there is no press campaign attempting to arouse the population over the border situation, but that there are indications of slow, steady military preparations.

[redacted]
[redacted] UAR forces would oppose any Israeli attack regardless of the consequences.

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Algerian Rebels May Intensify Search for Support in Wake of UN Defeat

The Algerian rebel leaders, having failed to gain UN General Assembly endorsement of independence for Algeria and support for their efforts to induce France to negotiate with them, now may seek to procure large amounts of Soviet bloc aid. Rebel leaders have frequently reiterated during the past four years that if they did not receive support from the West they would turn to the bloc. The dispatch of a three-man mission, including the rebels' minister for armament and supply, to Peiping early this month seems to have been designed to enlist Western support in the United Nations. Consequently the delegation may now press more urgently for arms aid. Any new supplies of arms, however, would still be countered by the increased effectiveness of French military measures.

Ferhat Abbas, premier of the rebels' provisional government in Cairo, told an off-the-record news conference that his government had reached the limit of its patience and that it now would seek active bloc support. He added that the Algerian National Liberation Front (FLN), which was represented at both the All-African Peoples' Conference at Accra and the Afro-Asian Economic Conference in Cairo, intends to mobilize African territories in support of Algeria's liberation. Abbas said the FLN would seek to recruit Mauretanians first and that the West "could be surprised" if "black Africans" are found fighting in Algeria. The Algerians, as feared by officials in both Morocco and Tunisia, are more likely to attempt to embroil those two recently independent North African states in an expanded conflict.

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III. THE WEST

British - West German Differences Over Berlin Issue

The split between Bonn and London over the Khrushchev Berlin proposal has been widened by serious differences over the proposed free trade area (FTA). Prime Minister Macmillan was greatly irked by the refusal of the Germans and French to make concessions in the FTA negotiations which were recently broken off in Paris.

While there is almost unanimous agreement in Britain that the Soviet proposal is unacceptable and that the West must maintain access to the city by force if necessary, there is an equally strong inclination to view the present Soviet initiative as an opportune time for the Western powers to try for an over-all settlement of the German problem. The government has been under considerable pressure, especially from Labor party leaders, to consider seriously the various disengagement suggestions.

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Finnish President Yielding to Soviet Pressure

Finnish President Kekkonen, in his 10 December radio speech reviewing the current strained relations between Finland and the USSR, appears to have gone dangerously far toward giving Moscow a free hand in influencing developments in Finland, according to the American Embassy in Helsinki. He suggested Finland is in greater difficulties with the USSR than at any time since the war, but expressed disdain for "promised aid" based on political considerations from Western countries. Kekkonen maintained that Moscow had not interfered in Finland's internal affairs and placed the blame for the present situation almost entirely on the Finns.

The embassy is convinced that Finland's position vis-a-vis the Soviet Union has worsened and that there is a real possibility of a serious undermining of Finnish independence over the next several months. This will depend in large part on the way in which Moscow will seek to capitalize on the opportunities open to it and on the moves taken by the numerically predominant but virtually leaderless groups opposed to the President's course.

Meanwhile, negotiations to form a new government are continuing under the leadership of the chairman of the Agrarian party parliamentary group. Disagreement probably exists among the various parties regarding Communist participation, but most parties apparently remain opposed to such a move. The recent statement by a leading Communist party official that participation in the new government was "not important" suggests that neither Moscow nor the Finnish Communists intend to press for this as an immediate objective.

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Lengthy Government Crisis Seen in the Netherlands

The 12 December resignation of Prime Minister Willem Drees and the other Labor party ministers evidently means that the Netherlands will be without an effective government for several months. The powerful Catholic party is known to be opposed to formation of an interim government pending expiration of the parliamentary term in 1960; hence, a call for new elections early next year seems likely. Lengthy negotiations on a new government might then ensue--more than four months elapsed before the present coalition was put together after the 1956 elections.

The Labor party evidently deliberately provoked the present crisis, believing that its interests would best be served by risking early elections rather than waiting until 1960 when its position would perhaps be even weaker. However, friction within Drees' four-party coalition--Labor, Catholic, and two smaller Protestant parties--has been apparent for more than a year. There have been frequent charges from the Labor party that the other parties were not abiding by the government program agreed to in 1956, and friction has increased since last spring's local elections in which the Labor party lost votes and the opposition Liberals made gains.

The Netherlands' defense expenditures will probably not continue at their present high level. Under the 1956 government agreement, the present defense budget was to have been maintained until 1960, but criticism--primarily from the Labor party--that the Dutch defense effort exceeds that of other comparable NATO countries suggests that maintenance of this agreement will be difficult. Other major aspects of Dutch foreign policy will probably not be affected. [redacted]

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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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