

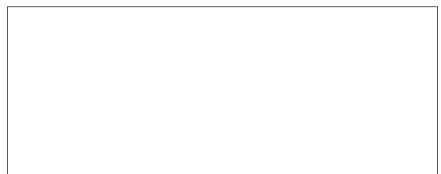
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6 February 1958

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CENTRAL

INTELLIGENCE

BULLETIN



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6 FEBRUARY 1958

I. THE COMMUNIST BLOC

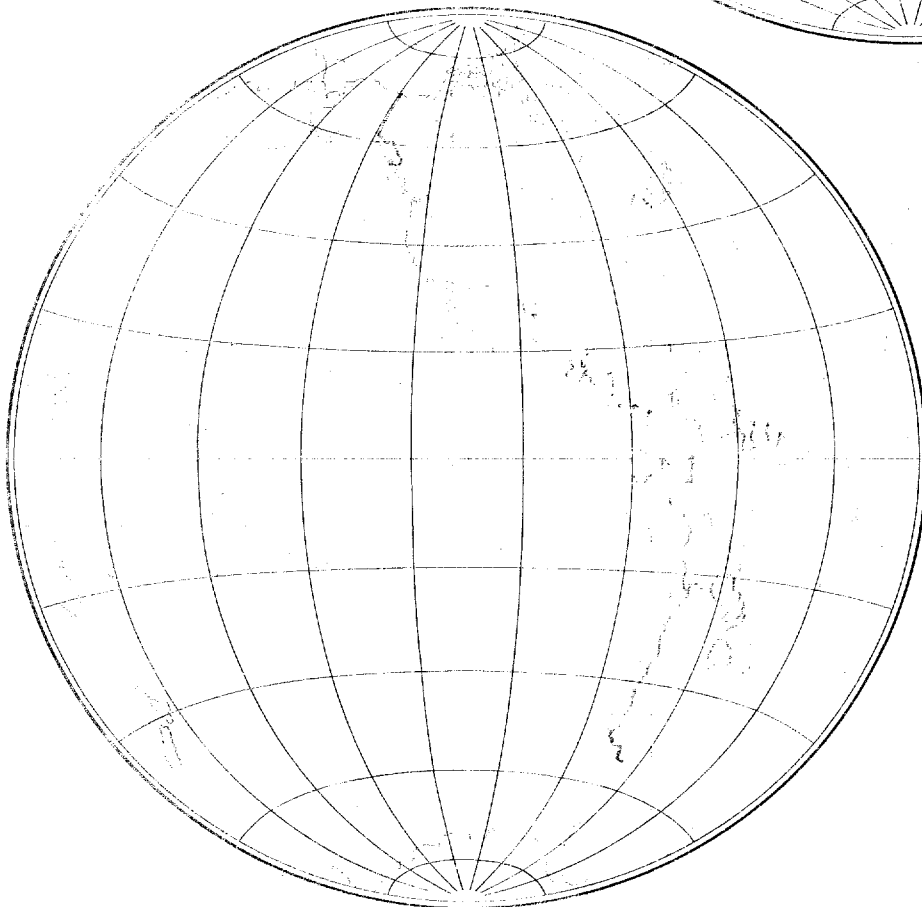
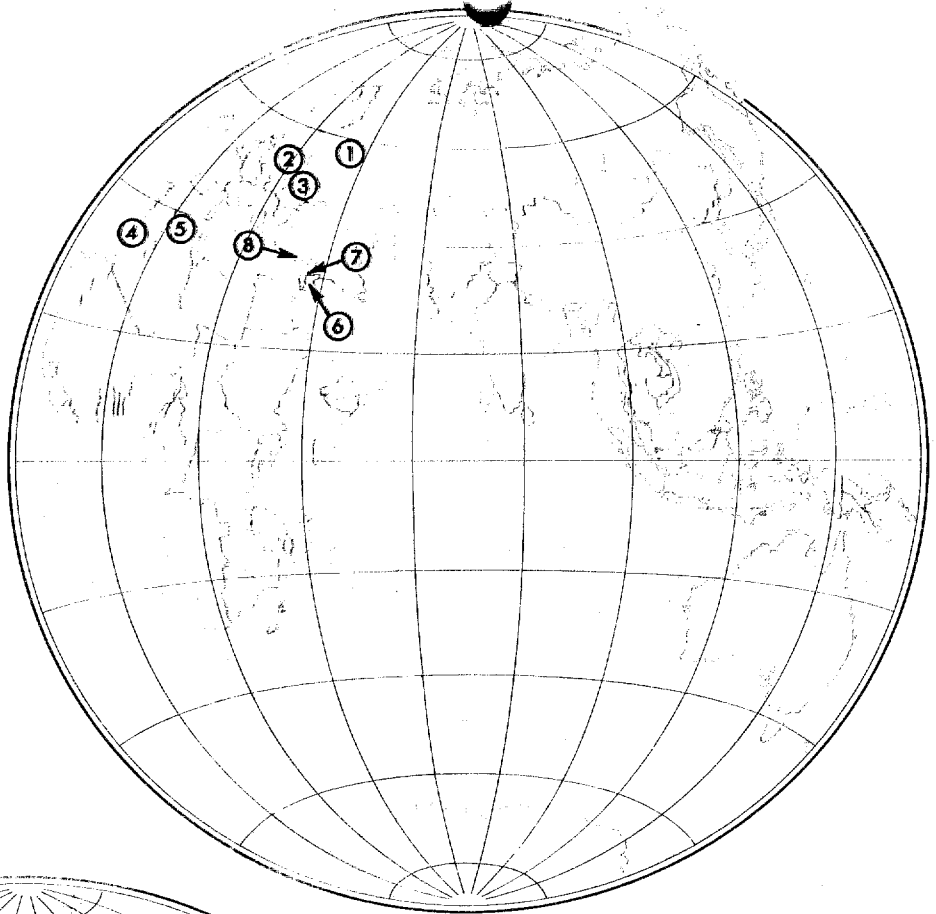
Bulganin's political standing in doubt. ①

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③



II. ASIA-AFRICA

USSR renews efforts to obtain diplomatic relations with Morocco. ④

Algerian rebels seek to highlight international implications of conflict with France. ⑤

Saud has informed Jordan he is unable to pay subsidy. ⑥

Israelis continue pressure in Syrian border zone. ⑦

III. THE WEST

Cyprus - Violence by either or both Greek and Turkish Cypriots almost inevitable. ⑧

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CENTRAL INTELLIGENCE BULLETIN

6 February 1958

DAILY BRIEF

SRAB

I. THE COMMUNIST BLOC

OR

~~USSR:~~ Bulganin's political position is in doubt. The Soviet premier has not been renominated in his home district in Moscow for election to the Supreme Soviet, and the publicity given his nomination in two provincial districts has been far below that given other leaders. [redacted]
(page 1)

no

Poland faces worker discontent: [redacted]
[redacted]

no

[redacted] The high level of discontent in Poland among urban workers during 1957 will continue and may increase this year because of the low standard of living which probably will not improve significantly this year.
[redacted] (page 3) (Map)

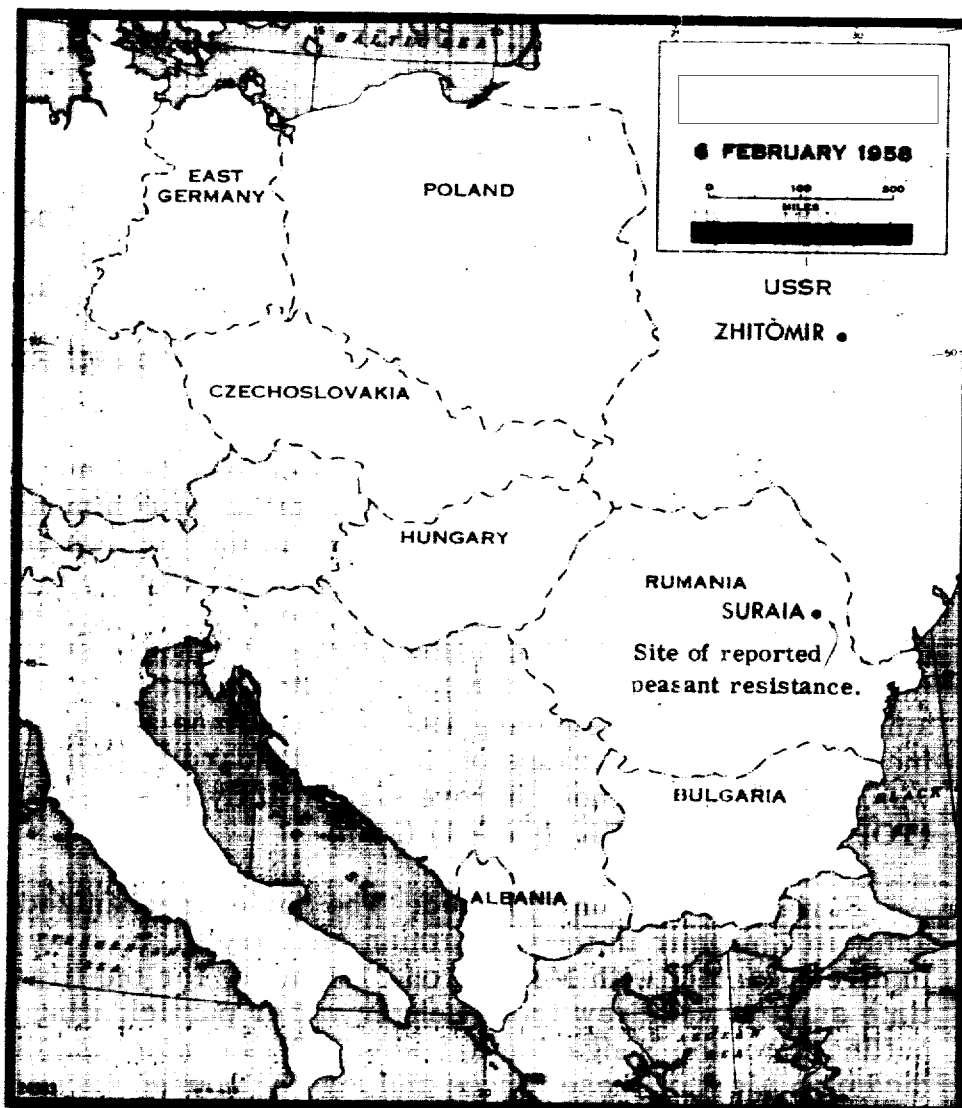
no

Soviet military [redacted]
[redacted]

Travel to eastern Rumania by Western attachés has been restricted since 18 January 1957. [redacted]
(See map on reverse)

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II. ASIA -AFRICA

OK
Morocco: Foreign Minister Ahmed Balafrej has told the Moroccan cabinet that Soviet ambassadors in London, Paris, and Cairo recently approached their Moroccan colleagues about the desirability of exchanging ambassadors. A Moroccan government official states that the ability of the Moroccans to delay responses to the Soviet approaches depends on the outcome of and negotiations with the United States and France. [redacted] (page 4)

OK
Algerian rebel activity: The Algerian rebels are maintaining their military effort, apparently with the primary aim of impressing the Moslem population and forcing France to maintain its heavy Algerian commitment. At the same time, the rebels are endeavoring to highlight the international implications of the conflict in the apparent belief that external pressure will prove a decisive factor in inducing French concession of Algeria's right to independence. [redacted] (page 5)

no
Jordan subsidy problem: King Saud has informed the Jordanian Government he will be unable to provide Jordan the subsidy of about \$14,000,000 he had promised for the next fiscal year. Saud has indicated [redacted] that he would meet this "moral obligation" if Jordan were desperate. The sum involved is 22 percent of Jordan's 1958 budget. [redacted] (page 6)

OK
*Israeli-Syrian border: Tension continues on the northern sector of the Israeli-Syrian border, where Israeli forces have been increased during the last few days. The 60-man Israeli force which entered the northern demilitarized zone on 4 February remained in the zone on 5 February in defiance of an order by the Israeli-Syrian Mixed Armistice Commission to withdraw. Israeli aerial reconnaissance of the border area continued on 5 February. No Syrian countermoves have been observed, but the Syrian Army is reported concerned over its ability to control Syrian villagers who are sensitive to Israeli military activity near their lands. [redacted] [redacted] (page 7) (Map)

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DAILY BRIEF

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III. THE WEST

No

British problem on Cyprus: Although British officials on Cyprus state Britain may be forced to choose between Greece and Turkey as allies, London will seek to postpone a crisis. Violence by either or both Greek and Turkish Cypriots now seems almost inevitable. Among other measures, London is now considering whether to send Governor Foot to the Greek Government and Makarios with an interim plan involving the return of Makarios and the institution of eventual self-government. Foot himself is now very pessimistic. He feels British action is severely inhibited by Turkish opposition. [] (page 8)

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DAILY BRIEF

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I. THE COMMUNIST BLOC

Bulganin's Political Position in Question

Premier Bulganin's political stature may have suffered severely, judging from the manner in which his nomination for election to the Supreme Soviet is being handled in the Soviet press.

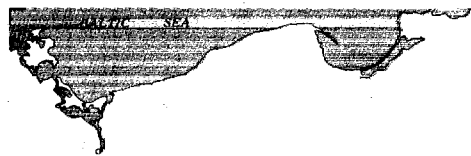
According to the American Embassy in Moscow, he was not listed among the Soviet leaders proposed for candidacy in the first round of nominations reported in the press on 2 February. Presidium member Shvernik was nominated in the Moscow electoral district which elected Bulganin in 1954. When the press on 4 February included Bulganin in listing the nominations of all presidium members, the treatment given him was plainly perfunctory. Pravda alone, among the central press, noted his nomination, and then only for one district each in the Ukraine and Latvia. Pravda and Izvestia editorials on 2 February made special note of the nominations of seven other presidium members, and editorials in the army and agricultural newspapers on 4 February mentioned 14 of the 15 presidium members, ignoring only Bulganin.

While nomination and election to the Supreme Soviet is pro forma in the case of presidium members, the number of districts which offer them nomination and press coverage of the proceedings usually provide a carefully contrived reflection of hierarchical rank.

Bulganin was said to have wavered in his support of Khrushchev during last June's battle in the presidium, and there were indications soon thereafter that his political position was shaky. Although he had seemed to recover some of his lost prestige more recently, these latest signs may foreshadow his imminent downgrading and removal from the premiership.

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U S S R

**POINTS OF POLISH
INTERIOR TROOP
ALERTS**

EAST

GERMANY

Poznan

Zielowa Gora

POLAND

Legnica

Wroclaw

CZECHOSLOVAKIA

6 FEBRUARY 1958

0 MILES 100

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Unrest in Poland Over Economic Conditions

Polish interior forces were under almost continuous alert in the southern and western industrial areas of the country between 24 January and 3 February, a period which coincided with tension over a strike threatened by workers in Wroclaw on 22 January.

The security alert may be indicative of the Polish regime's anxiety over the continuing discontent of Polish workers generally. The standard of living in Poland is unlikely to rise during 1958 to the extent it did in 1957. Reserves of food and consumer goods which were depleted in 1957 to satisfy demand are to be restored this year, and the use of expensive short-term credits from abroad is to be restricted. Possibly as much as 50 percent of the increase in personal consumption in 1957 was financed by foreign credits. Exports of food are to be increased in 1958 by 33 percent, while imports of items like grain and butter are to be reduced 60 and 53 percent respectively. Consumer goods imports are to be reduced 15 to 20 percent.

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II. ASIA-AFRICA

Morocco Pressed to Establish Diplomatic Relations
With the USSR

Moroccan Foreign Minister Ahmed Balafrej is reported to have told the cabinet, prior to his departure on 28 January for a two-week visit to the Middle East, that Soviet ambassadors in London, Paris, and Cairo had recently approached their Moroccan colleagues to convince Rabat of the desirability of exchanging ambassadors. These approaches apparently are a follow-up to the Soviet note in mid-December to which Rabat made a noncommittal reply. Balafrej is reported to question how much longer he could delay.

[redacted] the ability of the Moroccans to delay the opening of a Soviet embassy in Rabat will depend on the extent and rapidity with which the United States and France furnish economic aid. Negotiations were opened 27 January on the \$50,000,000 in aid requested last November when the King was in Washington. Although Paris announced on 28 January that it would subsidize Rabat in the amount of some \$15,000,000 to offset a 20-percent devaluation of the Moroccan franc, more extensive French assistance remains to be negotiated. [redacted]

[redacted]

[redacted]

[redacted]

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Algerian Rebels Believed to Have Altered Basic Strategy

The Algerian rebels are maintaining their military effort in a manner which suggests a reorientation of their entire basic strategy. They have apparently abandoned their earlier objective of fomenting internal unrest among the increasingly war-weary Moslem population in favor of impressing their Moslem compatriots with a show of force and preventing France from diminishing its Algerian commitment. Tactically, the rebels have virtually given up indiscriminate economic sabotage and many small-scale engagements for fewer but larger-scale and more carefully selected operations.

Simultaneously, apparently as an integral part of the new strategy, the rebels are endeavoring to highlight the international implications of the conflict--presumably in the belief that external pressure will eventually prove a decisive factor in inducing French recognition of Algeria's right to independence. Thus, the rebels appear to be stepping up their propaganda effort abroad and have sought to extract maximum advantage from a recent International Red Cross mission inside Algeria to visit four French soldiers captured near the Tunisian border on 11 January. Algerian leaders may also consider it to their advantage to keep world attention focused on the Tunisian and Moroccan border areas and to prevent a genuine rapprochement between these countries and France.

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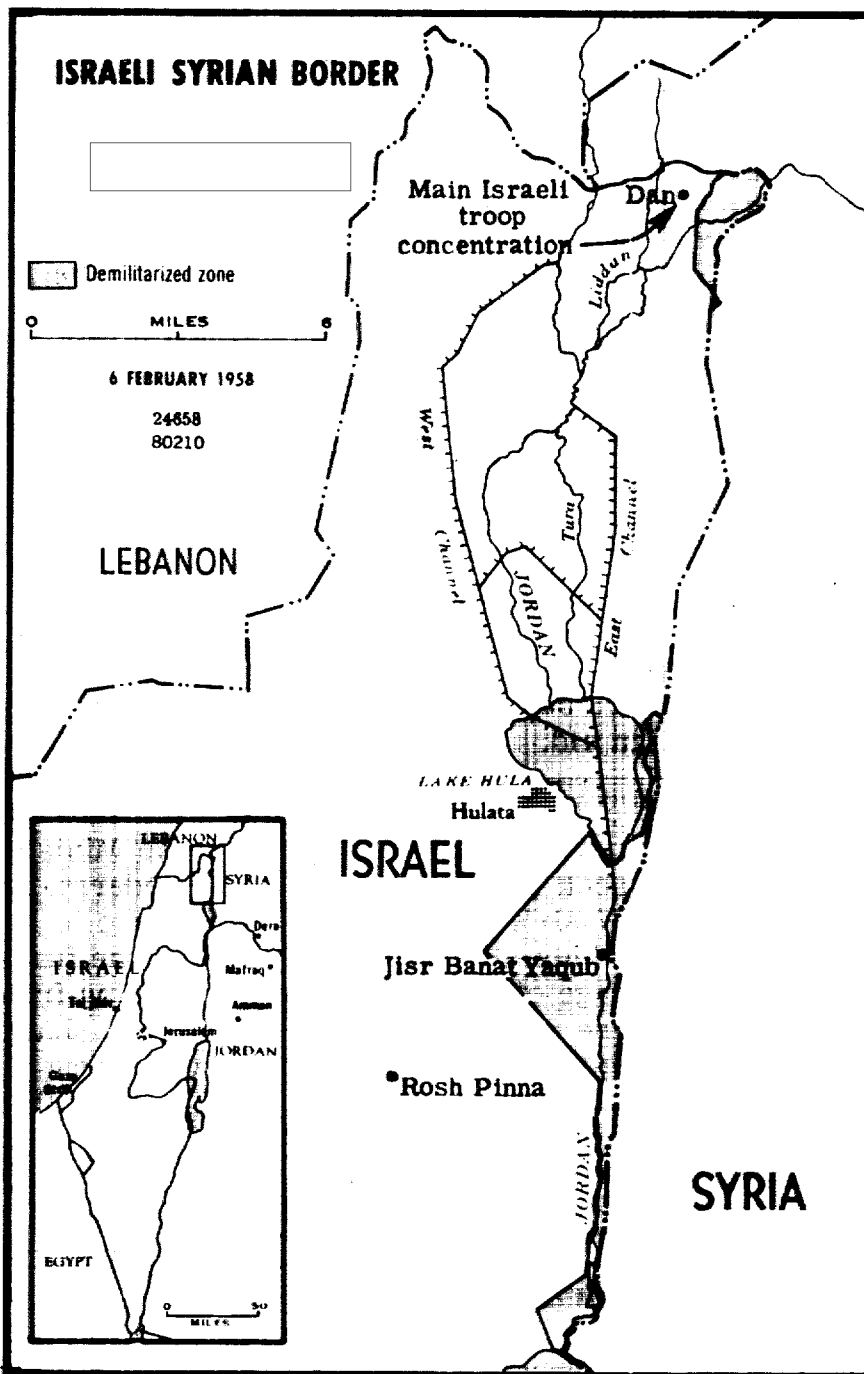
King Saud Seeking to Avoid Payment of Annual
Subsidy to Jordan

King Saud has informed the Jordanian Government that because of his government's precarious financial condition he will be unable to provide Jordan the \$14, - 000,000 subsidy promised for the fiscal year beginning in April. Saud has acknowledged his moral obligation to assist Jordan, however, and has said that if it were essential for Jordan's survival he would attempt to furnish the funds. Saud indicated, meanwhile, that he would seek to induce the United States and Iraq to advance the funds. He was hopeful that he would be able to resume the payments in the following year.

Jordan's King Hussayn asserts that Saud's default would seriously endanger Jordan and the stability of his government. The Saudi subsidy amounted to about 22 percent of Jordan's 1958 budget, more than half of which is provided by foreign aid.

Saud raised the possibility of suspending the subsidy during the recent visit of Jordan's Deputy Prime Minister Rifai to Riyadh to seek Saudi support for a confederation of kings to oppose Nasir's union. Saud's reluctance to support Hussayn and his alleged inability to provide funds, due in part to shortage of foreign exchange resulting from Nasir's closure of the Suez Canal, underscores the shaky basis of Hussayn's government and the divisive forces prevailing among the Arab Kings.

~~SECRET~~



~~SECRET~~Israel Continues Pressure on Syrian Border Zone:

Tension continues along the northern sector of the Israeli-Syrian border, where Israeli forces have been increased during the last few days. By 5 February, according to [redacted] the American army attaché in Damascus, the Israelis had concentrated at least a battalion--approximately 800-1,000 men--in this area with the principal force at the settlement of Dan. The 60-man force of Israeli combat engineers, which entered the northern demilitarized zone on 4 February to remove mines, remained there on 5 February with its covering force of armored cars and border police in defiance of an order to withdraw by the Israeli-Syrian Mixed Armistice Commission. Israeli aerial reconnaissance of the border area also continued on 5 February. Information on Israeli troop movements has been rendered difficult by an Israeli restriction since 3 February on the movement of UN truce observers in the entire area north of the Rosh Pinna - Jisr Banat Yaqub road, which constitutes the northern half of the Israeli-Syrian border.

No military preparations by the Syrian front command have been reported by the truce observers. The Syrian Army was reported concerned, however, over its ability to control Syrian villagers, who are sensitive to Israeli military activity near their lands in the demilitarized zones, where the Israelis are now asserting sovereignty. Maintenance of Israeli pressure on the northern part of the Syrian border continues to suggest that the Israelis may attempt to provoke an incident with the Syrians which would give them a pretext for an action against Syrian military positions. [redacted]

[redacted]

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III. THE WEST

Cyprus

British officials have stated in the last few days that the Cyprus situation is becoming a "horrifying dilemma" which may rapidly force London to choose between Greece and Turkey as allies. There appears to be little hope for a solution which would not give either the Greeks or the Turks a further excuse for violence. Colonel Grivas, head of the Greek Cypriot underground organization EOKA, has already ordered his followers to start all-out war against the British. While the recently reinforced British security forces appear capable of eventually controlling EOKA by force, they are reluctant to take on the added burden of suppressing Turkish Cypriot violence.

London must make an early decision on Governor Foot's suggestion that he visit Athens to try to sell an interim plan to the Greek Government and Archbishop Makarios. Foot's new plan proposes the return of Makarios and the introduction of virtual self-government, leaving the ultimate status of the island to be resolved later through tripartite negotiations. While London is anxious to show some progress on the Cyprus question, Foot himself is very pessimistic about gaining more than an uneasy stalemate now.

Athens might accept the proposals if the method of determining the island's ultimate status were left vague, but Ankara and the Cypriot Turks may react violently. London will probably seek to postpone the crisis by adopting Foot's recommendation to make only a noncommittal statement on Cyprus in Parliament, perhaps next week.

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CENTRAL INTELLIGENCE BULLETIN

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DAILY BRIEF

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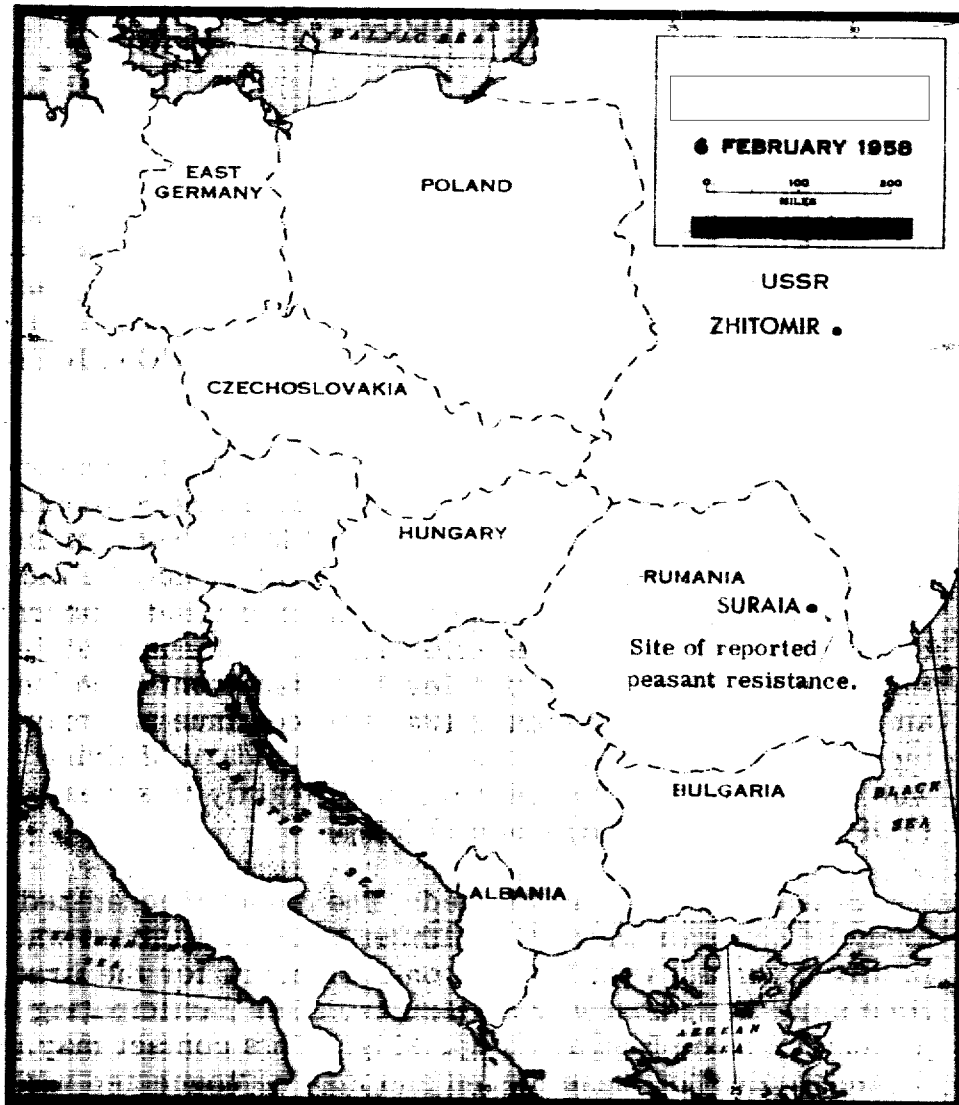
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