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12 August 1958

Copy No. C- 57

# CENTRAL

# INTELLIGENCE

# BULLETIN

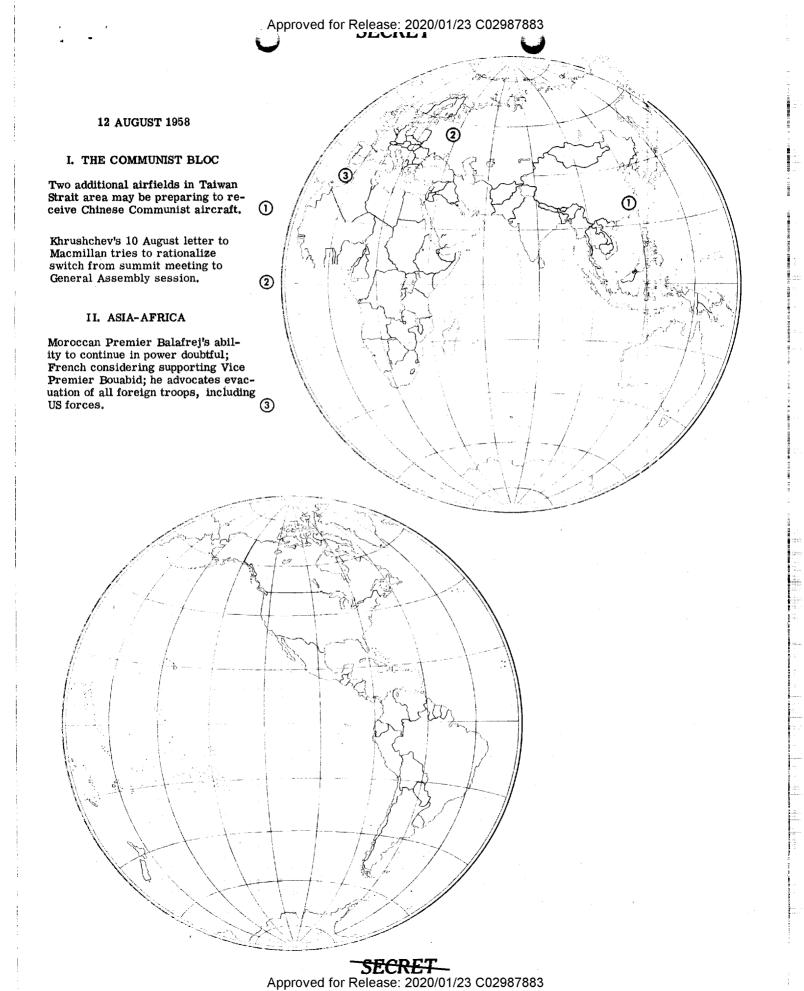


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## CENTRAL INTELLIGENCE BULLETIN

12 August 1958

### DAILY BRIEF

#### I. THE COMMUNIST BLOC

Communist China - Taiwan:

activity at two more coastal airfields—Nantai and Huian—suggesting that these fields, in addition to Lungtien, are being readied to receive Chinese Communist aircraft. Swatow, Lungchi, and possibly Liencheng airfields have become operational since 27 July. Chinese Communist propaganda calling for the "liberation" of Taiwan remains at a low level of intensity. The Nationalists, for the time being, continue to operate under orders not to engage Communist aircraft. (Page 2) (Map)

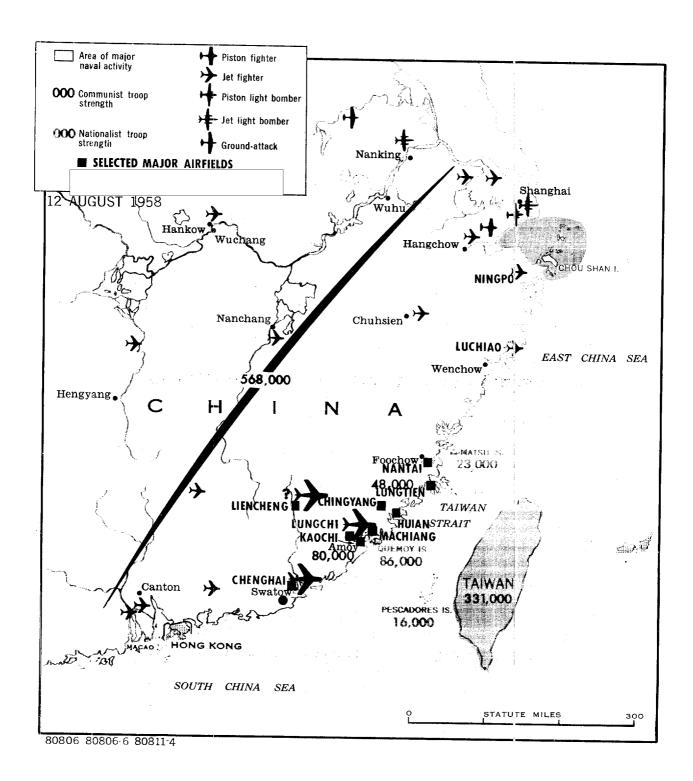
\*Khrushchev letter to Macmillan: Khrushchev's 10 August letter to Prime Minister Macmillan reaffirms Moscow's bid for a summit meeting on global issues. Most of the letter is devoted to rationalizing the USSR's sudden switch to a special session of the UN General Assembly. Khrushchev seeks to reinforce Soviet charges of Western "maneuvering" to prevent early resolution of the Middle East crisis.

#### II. ASIA-AFRICA

Morocco: French Ambassador Parodi in Rabat believes that Moroccan Premier Balafrej has completely lost the ability to govern and will fall from power by October at the latest. Other evidence tends to support the view that Balafrej's position is in jeopardy. Parodi is considering throwing French support to Vice Premier Abderrahim Bouabid. Bouabid represents the left wing of the dominant Istiqlal party, demands the evacuation of all foreign troops, including US forces from the five bases in Morocco, and advocates a policy of neutrality.

(Page 4)





TOP SECRET

#### I. THE COMMUNIST BLOC

Taiwan Strait Situation						
activity at two more coastal airfields—Nantai and Huian—in addition to Lungtien. These fields apparently are being prepared to receive aircraft. Since 27 July, Chenghai, Lungchi, and possibly Liencheng airfields have become operational.						
Aircraft operating from Lungtien, Nantai, and Huian would complete activation of all the major coastal airfields in the strait area except threeKaochi and Machiang, in the immediate Amoy area, and Chingyang, located just a few miles from Huian.  a deployment of jet fighters from Ningpo to Luchiao which may be destined ultimately for one or more of the bases apparently now being prepared for operations.  There continue to be no indications that either Communist ground or naval forces in East China plan to initiate mentions against the offshore islands, but the Communist have the capability to do so at any time, possibly without warning.						
Defense Minister Yu Ta-wei has stopped some rash actions planned by military "hotheads." In conversation with Admiral Smoot on 8 August, Yu indicated he would continue to urge restraint in a situation he termed "a tactical powder keg." He suggested that the United States publicize the fact that it plans to conduct a Seventh Fleet air defense exercise in the Taiwan area and to give the Nationalists Sidewinder air-to-air guided missiles in order to promote a "stabilizing influence" on the situation.						
Chinese Nationalist Air Force officers now are saying that political considerations preclude attacks on the Communist coastal airfields, but that any attack on the offshore						

islands would be countered. Nationalist fighter patrols continue under orders to avoid engagements if possible.	
The Communists may be exercising similar caution.  Communist MIG's	
reacting to Nationalist patrols in the Quemoy area on 9 August	
were instructed not to proceed to the coast, but to remain on	
alert over Lungchi airfield, near Amov.	

TOP SECRET

#### II. ASIA-AFRICA

#### Moroccan Premier May Be Ousted Soon

French Ambassador Parodi fears that Moroccan Premier Ahmed Balafrej has lost the ability to govern and will fall from power by October at the latest. Parodi seems to have abandoned hope of reaching an agreement with Morocco on the evacuation of French ground forces and the retention of military training bases. He seems to be considering throwing French support to Deputy Premier Abderrahim Bouabid who represents the left-wing faction of Istiqlal, demands total evacuation of all foreign troops, and advocates a policy of neutrality.

Parodi's pessimism over the anti-Western trend in Morocco is shared This observer sees the position of the King also gravely threatened by the rapid growth of pan-Arab and anti-American orientation among intellectuals who guide Moroccan public opinion. He believes that either Mehdi ben Barka, president of the Moroccan Consultative Assembly and leader of the Istiqlal left wing, or Bouabid will succeed Balafrej.

The King and Balafrej are maneuvering cautiously to protect their positions. Presumably the King, who as early as last February endorsed evacuation and who has recently been criticized for being indecisive, now may attempt to wrest leadership from the Istiqlal left wing. He recently told a high French official that "the only way to keep from being overwhelmed by the leftists was to be a little more extreme than they." Following consultation with leaders of all political views, the King called for a meeting of the Consultative Assembly to advise the government on the problem of evacuation. The assembly has previously unanimously called for total evacuation and probably will reiterate this advice.

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