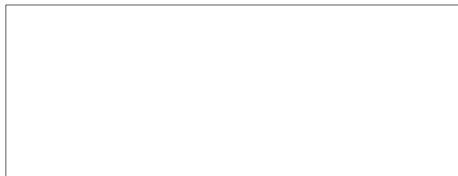


~~TOP SECRET~~

3.3(h)(2)



5 September 1958



Copy No. C 59

# CENTRAL INTELLIGENCE BULLETIN



DOCUMENT NO. 31  
 NO CHANGE IN CLASS. X  
 DECLASSIFIED  
 CLASS. CHANGED TO: TOP SECRET  
 NEXT REVIEW DATE: 2010  
 AUTHORITY: 302180  
 DATE REVIEW



~~TOP SECRET~~

~~TOP SECRET~~



~~TOP SECRET~~

5 SEPTEMBER 1958

I. THE COMMUNIST BLOC

Taiwan Strait - Weather inhibits military operations; Pravda again blames crisis on US "belligerence." ①

Peiping formalizes 12-mile-limit claim. ②

Satellite leaders may have met with Khrushchev recently. ③

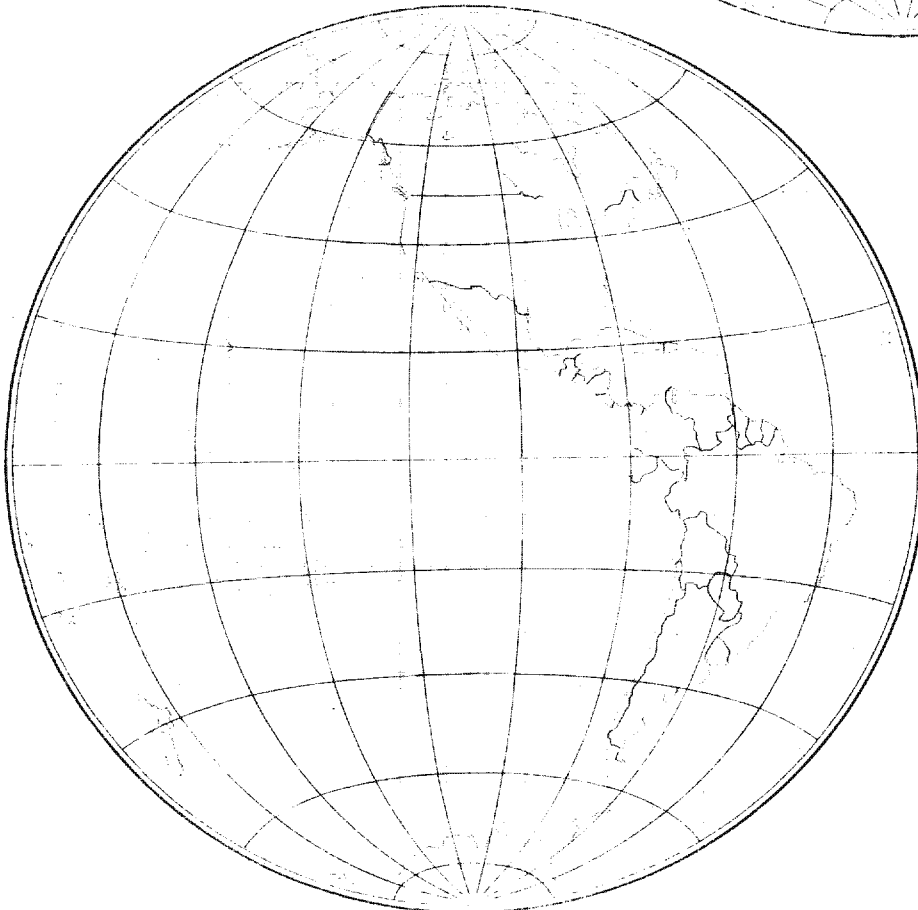
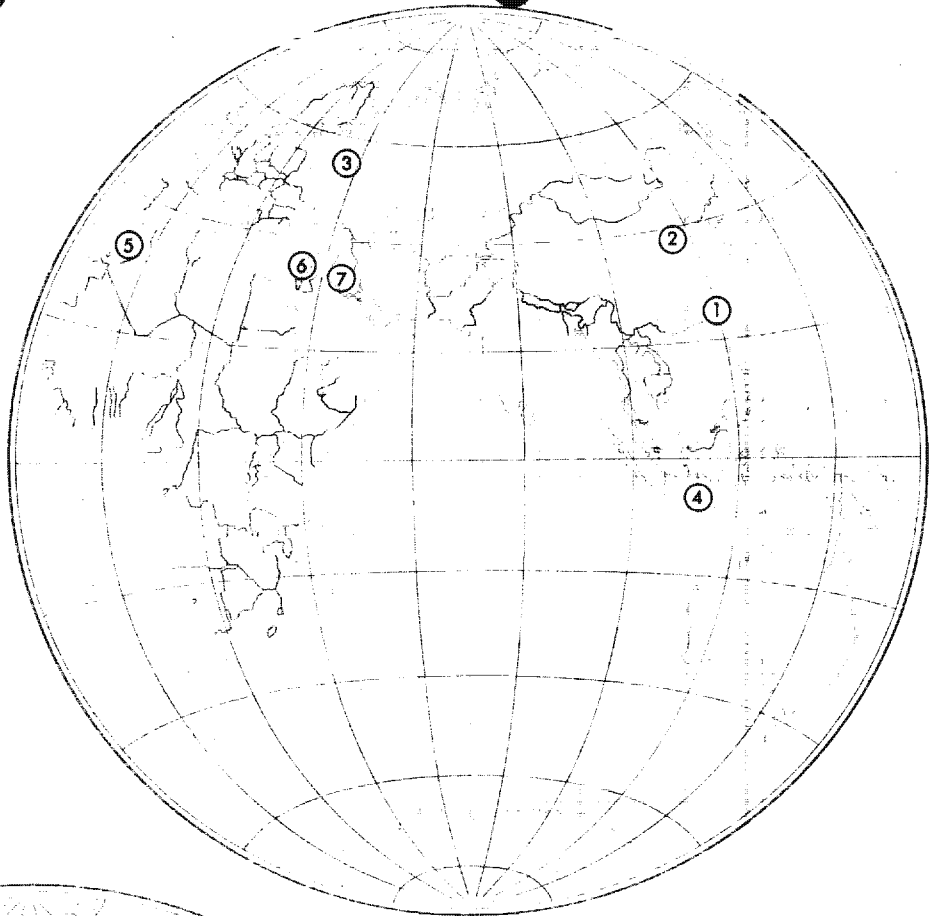
II. ASIA-AFRICA

Indonesia - Nasution states army intends to cancel elections and maintain present cabinet for five years. ④

Morocco to apply for Arab League membership. ⑤

Lebanon - Shihab reportedly agrees to name rebel leader prime minister. ⑥

Iraq welcomes Kurdish leader's return from USSR. ⑦



~~SECRET~~

## CENTRAL INTELLIGENCE BULLETIN

5 September 1958

## DAILY BRIEF

## I. THE COMMUNIST BLOC

*SRAB*

\*Taiwan Strait situation (as of 0100 EDT, 5 September): There was a minimum of military activity on 4 September, since Typhoon Grace, which has now moved inland, has inhibited sea and air operations. Pravda has printed another tough comment which emphasizes the now general Communist propaganda theme that American "belligerence" is responsible for the crisis.

*OK*

Communist China: Peiping's official declaration that its territorial waters extend 12 miles from a base line drawn to include all coastal islands apparently is intended to formalize a claim to such a territorial limit. The declaration indirectly warns the US against escort activities on behalf of the Chinese Nationalists, stating that "no airplane or military vessel of any foreign country" shall enter China's territorial waters or skies without Peiping's permission. Taiwan and the Penghus --which "will some day be restored"--are included in Peiping's claims, as are the South China Sea islands, but the warning is not explicitly extended to these areas. (Map)

USSR-Satellites: All European satellite party first secretaries were away from their capitals during late August and may have been meeting with Khrushchev in the Crimea. Intrabloc problems which might have been discussed at such a meeting

~~SECRET~~

~~SECRET~~

include clarification of the tactics to be employed toward Yugoslavia, economic integration matters, and some military questions. [redacted] (Page 4)

## II. ASIA-AFRICA

*OK*  
Indonesia: Army chief Nasution, in an appeal for additional US military assistance, has stated the army intends to maintain the present cabinet in power for five years and cancel all elections during that period. He claims he has already told the National Council it will not be possible to hold national elections as scheduled in 1959. The task of the army, as Nasution defines it, will be to steer Indonesia down the middle of the road between Communism and a Moslem state. [redacted] (Page 5)

[redacted]  
Morocco - Arab League: The decision announced by the Moroccan Government on 3 September to apply for membership in the Arab League reflects its growing interest in Arab solidarity. The decision probably was influenced by the recent visit to Rabat of the Iraqi foreign minister, the unity recently exhibited by Arab representatives at the United Nations, and the need for continued Arab solidarity during forthcoming UN consideration of the Algerian problem. [redacted]  
 [redacted] (Page 6)

*No*  
Lebanon: [redacted]  
 General Shihab has agreed to nominate rebel leader Rashid Karame of Tripoli as prime minister. Shihab also allegedly promised to withdraw security forces from the commercial area of Beirut and to halt all military and civil activity against the rebels in return for a partial abandonment of the rebel-enforced general strike. [redacted] Cairo radio has already predicted the appointment of Karame. An easing of the strike was announced following a meeting of rebel leaders in Beirut on 3 September. [redacted] (Page 7)

5 Sept 58

DAILY BRIEF

ii

~~SECRET~~

~~SECRET~~

OK  
Iraq: The government has announced that it will welcome the return to Iraq of Mulla Mustafa Barzani, dissident Kurdish nationalist leader. He has lived in the Soviet Union since the last Kurdish revolts in Iraq and Iran in 1943-46. His return seems likely to increase Soviet influence among Iraqi Kurds and will alarm the Iranian and Turkish governments, which are already disturbed over Iraqi propaganda directed at their important Kurdish minorities. (Page 8)

### III. SIGNIFICANT INTELLIGENCE REPORTS AND ESTIMATES

(Available during the preceding week)

National Intelligence Estimate No. 62-58. Thailand. 19 August 1958.

NO  
 Special National Intelligence Estimate No. 100-9-58. Probable Developments in the Taiwan Strait Area. 26 August 1958.

National Intelligence Estimate No. 11-5-58. Soviet Capabilities in Guided Missiles and Space Vehicles. 19 August 1958.

National Intelligence Estimate No. 100-3-58. The Nature of the Sino-Soviet Bloc Economic Threat in the Underdeveloped Areas. 5 August 1958.

5 Sept 58

DAILY BRIEF

iii

~~SECRET~~

## I. THE COMMUNIST BLOC

### Taiwan Strait Situation (as of 0100 EDT, 5 September)

Typhoon Grace bypassed most of Taiwan during the night of 3-4 September causing some light damage in the northern area. There are no reports yet of damage on the mainland, where the storm apparently struck near Shanghai. After the typhoon passed, severe weather conditions continued to hamper military operations. [REDACTED]

Activity by Chinese Communist aircraft has been at a low level since 1 September, probably because of the weather. Communist fighters on the fields opposite Taiwan, however, continued to react against Nationalist overflights of the mainland; the latest reaction occurred on 3 September when fighters attempted to intercept four Nationalist aircraft over Fukien.

[REDACTED]

Recent artillery fire against the Kinmens has been light, and most of the fire has been directed at supply and communication areas, indicating that, for the present, the mission of the Communist artillery is interdiction and harassment. Total casualties on the Kinmens as of noon on 4 September were 918 military personnel, including 241 killed, and 83 civilians. [REDACTED]

[REDACTED]

Pravda's new comment on 5 September claims that Chiang Kai-shek's attacks against Communist China are part of a United States plan for a large-scale military provocation. It states, "It is quite obvious that the Chinese People's Republic could not allow these islands to be in the hands of hostile forces engaged in open military operations." The statement concludes

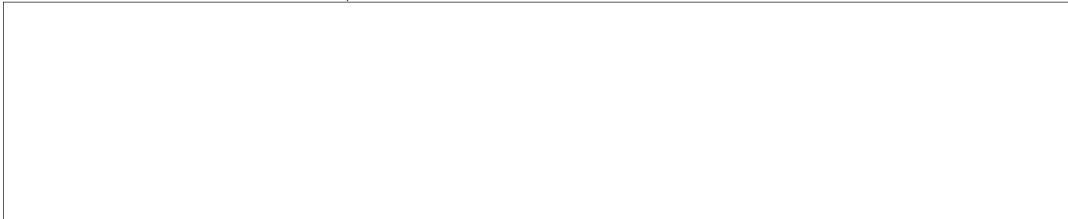
~~TOP SECRET~~ [REDACTED]

with Moscow's standard follow-up threat that the USSR cannot "remain inactive in the face of what is happening on the borders or on the territory of its great ally" and that the ramifications could spread beyond the Taiwan Strait. [redacted]

[redacted]

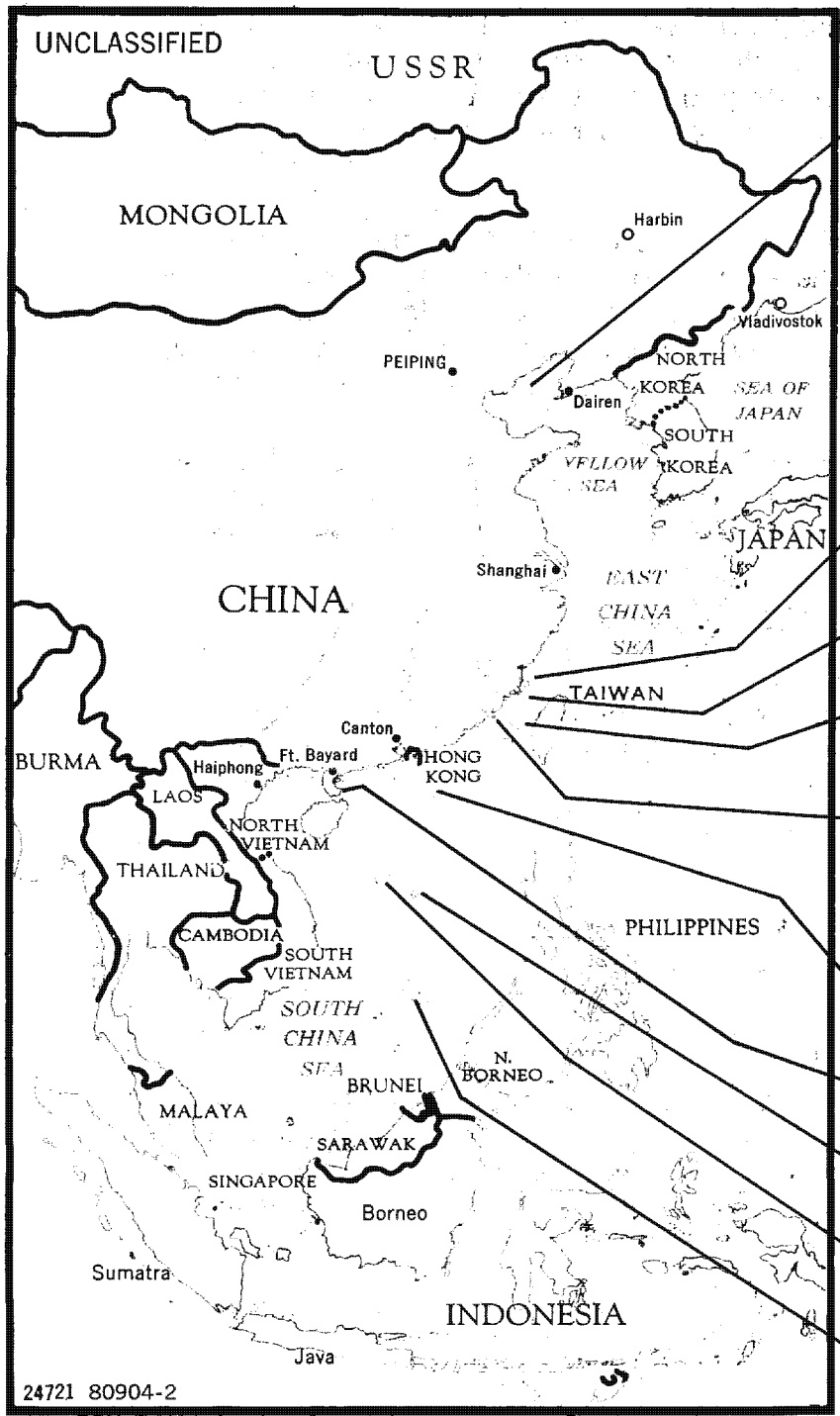
The Nationalists have made no effort to land supplies on the Kinmens since the evening of 2 September, when a supply ship was turned back because of a torpedo attack. Lack of supply attempts probably has also resulted from the adverse weather. A convoy is expected to sail about 5 September.

A prototype Nationalist F-86F has been equipped to fire Sidewinder air-to-air missiles and an additional 19 aircraft are expected to be so equipped by 12 September. [redacted]



~~TOP SECRET~~ [redacted]





Gulf of Po Hai

Tung Yin  
Matsus  
White Dogs (Paichuan)

Wuchius

Penghus

Kinmen (Quemoy)  
Lieh Hsu (Little Quemoy)  
Tatan  
Erhtan  
Tung Ting

Pratas I. (Tung Sha)

Chiungchou Strait

Macclesfield Bank (Chung Sha)

Paracel Is. (Hsi Sha)

Spratly Is. (Nan Sha)

24721 80904-2

Peiping Formalizes Claim to 12-Mile Territorial Limit

Peiping's official declaration on 4 September that its territorial waters extend 12 miles from a base line drawn to include all coastal islands apparently is intended as formal documentation of its claim to such a territorial limit and to the offshore islands themselves. The declaration was "approved" on the same day by the standing committee of the National People's Congress--Peiping's version of the Supreme Soviet. China has already been operating on the basis of a 12-mile limit in sporadic seizures of non-Communist fishing vessels over the past four years.

The declaration indirectly warns the US against escort activities on behalf of the Chinese Nationalists, stating that "no airplane or military vessel of any foreign country" shall "enter the territorial waters of China or the skies above" without Peiping's permission. Taiwan and the Penghus (Pescadores)--which the declaration says will be "restored" at the "appropriate time by all suitable means"--are included in Peiping's claims, but the warning is not explicitly extended to these areas. There is no mention of Hong Kong or Macao, which are covered by formal agreements.

The South China Sea islands which have been marked on Peiping's maps as Communist territory are included in the claim. There have been Chinese Communist personnel on one of the Hsisha Islands (Paracels) collecting guano since at least 1955. The Paracels are also claimed by Nationalist China and by both North and South Vietnam. Peiping's claims to the Nan Sha (Spratly) islands farther south are disputed by Nationalist China, South Vietnam, France, and a Philippine national.

~~SECRET~~

Soviet Bloc Leaders May Have Met in Crimea

Soviet Party First Secretary Khrushchev may have met with his satellite counterparts in the Crimea between 26 August and 1 September. Among the subjects which could have been discussed by the bloc leaders are the tactics to be employed toward Yugoslavia, problems of economic integration, the Taiwan Strait situation, and the international Communist commission recently reported to have been formed. The conferees may also have discussed the satellite role in the projected East-West talks on prevention of surprise attack, specifically as related to the Rapacki Plan for a denuclearized zone in Central Europe.

Reports from the American Embassy in Warsaw [redacted] suggest that Polish First Secretary Gomulka, accompanied by Premier Cyrankiewicz and Defense Minister Spychalski, went to the Crimea during this period. Top Czechoslovak and Hungarian leaders are known to have been in the USSR since mid-August. East German party leader Ulbricht is vacationing in the USSR, and the top Bulgarian, Rumanian, and Albanian leaders were away from their capitals during late August. The East German and Rumanian defense ministers were also absent from their capitals. [redacted]

[redacted] Albanian Party First Secretary Enver Hoxha apparently was picked up in Tirana by a Soviet VIP plane scheduled to fly from Moscow to Tirana on 26 August and return. [redacted]

[redacted]

~~TOP SECRET~~ [redacted]

## II. ASIA-AFRICA

Indonesian Army Chief of Staff Discusses Anti-Communist Program

Indonesian Army Chief of Staff General Nasution outlined to American General Vittrup, currently in Indonesia to oversee the arrival of American equipment, his program for political stability and the obstruction of Communism. In what amounted to an appeal for additional military assistance to provide the strength to implement his program, Nasution said the army's task is to steer a middle-of-the-road course, preventing either a move to the left and Communism or to the right and a Moslem state.

Nasution claimed the army intends to make sure the present cabinet stays in power for the next five years. He has already informed the National Council that parliamentary elections, scheduled for 1959, must be postponed. He explained to the Council that people in combat areas would be unable to participate, and that any national elections would therefore be "undemocratic." General Nasution said he had already taken action to bring the West New Guinea issue under army control and thus prevent the Communists from capitalizing on the issue.

Nasution's ability to carry out his program would be dependent on the support of President Sukarno. Communist and left-wing elements, however, are reported trying to force a misunderstanding between Sukarno and Nasution, and this pressure will become increasingly severe as Nasution's moves become more apparent. The Communists, who would be expected to increase their parliamentary strength significantly if elections are held in 1959, have already strongly denounced the possibility of any postponement.

~~SECRET~~

### Morocco to Join Arab League

The decision announced by the Moroccan Government on 3 September to apply for membership in the Arab League reflects Morocco's growing interest in Arab solidarity. Morocco had postponed entry into the league because of its unwillingness to be drawn into Iraqi-Egyptian rivalries. The decision probably was influenced by the visit to Rabat of the Iraqi foreign minister, who apparently had a cordial audience with King Mohamed V on 29 August. The Moroccan Government also was influenced by the degree of unity achieved last month by Arab representatives at the United Nations and the need for continued Arab cohesion during the forthcoming UN consideration of the Algerian problem.

The Moroccan undersecretary for foreign affairs, who is in Tunis attending a meeting of the Maghreb Secretariat, was instructed to inform Tunisia--with which Morocco has agreed to coordinate all foreign policies--of the Moroccan decision. Tunisian President Bourguiba was the prime mover in the creation last April of an embryonic Maghreb federation, composed of Algeria, Morocco, and Tunisia, which he seems to hope will serve as a counterweight to the eastern bloc of Arab states. Bourguiba, who is outspokenly anti-Nasir, may be expected to view current attempts to revitalize the Arab League as a maneuver by UAR President Nasir to dominate all Arab countries. Should he consider the Moroccan decision a threat to Maghreb unity, he may attempt to dissuade Rabat from joining the league. Nevertheless, when Morocco becomes a league member, domestic pressure within Tunisia probably will be strong enough to induce Bourguiba to follow suit.

~~CONFIDENTIAL~~

Lebanese Situation

Lebanese rebel Druze leader Kamal Jumblatt claims that President-elect General Shihab has agreed to nominate Rashid Karame, the Tripoli rebel leader, as prime minister in the next cabinet. Jumblatt, [redacted]

[redacted] also stated that Shihab "in principle" agreed to withdraw security forces from the Beirut commercial section and to halt all military and civil actions against the rebels. The general was said to have agreed to bring about the withdrawal of American troops from the capital's environs. Jumblatt went to Damascus on 2 September as the general's emissary, presumably to request the withdrawal of UAR infiltrators from Lebanon. On 1 September "headquarters" in Syria ordered the delivery of ammunition to a Sidon rebel leader.

Possibly aware of Shihab's intention to rule with a caretaker cabinet of technicians, the Cairo press on 4 September "forecast" that Karame would be named by Shihab as prime minister. This attempt to force Shihab's hand may backfire and furnish him with an excuse to renege on any promises made to Jumblatt.

The easing of the rebel-enforced general strike on 4 September apparently was the quid pro quo on the part of the rebels for the agreements with Shihab. However, the rebels continue to stress that the "strike and rebellion" are continuing and they remain barricaded in the Basta sector. They insist that the Shihab government and parliament must limit presidential powers by amendment of the constitution. Any resistance by Shihab to the convening of parliament and the curtailing of his powers will furnish extremist elements with an excuse to continue their opposition to the government. [redacted]



~~SECRET~~ [redacted]

Iraqi Regime Invites Refugee Kurdish Leader to Return

Mulla Mustafa Barzani, dissident Kurdish nationalist leader who has been living in the USSR, has been extended a welcome by the Iraqi Government to return home. Mulla Mustafa's Barzani Kurds engaged in armed uprisings against the Iraqi Government from 1943 until October 1945. Forced to flee with several thousand followers to Iran, he helped organize a Soviet-sponsored Kurdish republic there in 1945. Following the collapse of this short-lived regime, he fled with several hundred of his followers to the USSR, where he allegedly received a commission in the Red Army. The Barzani Kurds are not a tribe, but a sect loyal to the Barzani family sheiks, who are regarded as prophets by their followers.

The Mulla's return to Iraq seems likely to increase Soviet influence among Iraq's 800,000 Kurds, and the warm welcome extended by Prime Minister Qasim is likely to enhance Qasim's prestige among the Iraqi Kurdish element at the expense of pro-Nasir Vice Premier Arif. It is doubtful that the UAR will take a favorable view of Barzani's return, since the Kurdish nationalists probably would oppose any union by Iraq with Nasir's UAR. The Iranian and Turkish governments, which have large Kurdish minorities--1,500,000 in Turkey and 500,000 in Iran--in areas near the Soviet border, will be alarmed by his return and will expect increased agitation among their Kurds. Iraqi broadcasts reportedly have already appealed to Kurds in Iran to overthrow the monarchy and establish a republic.

~~SECRET~~

**THE PRESIDENT**

The Vice President

Executive Offices of the White House

Special Assistant for National Security Affairs

Scientific Adviser to the President

Director of the Budget

Office of Defense and Civilian Mobilization

Special Assistant for Security Operations Coordination

Board of Consultants on Foreign Intelligence Activities

Special Assistant for Foreign Economic Policy

Special Adviser to the President

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

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

Deputy 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

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



~~TOP SECRET~~

~~TOP SECRET~~