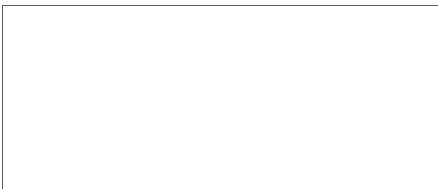


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31 October 1957



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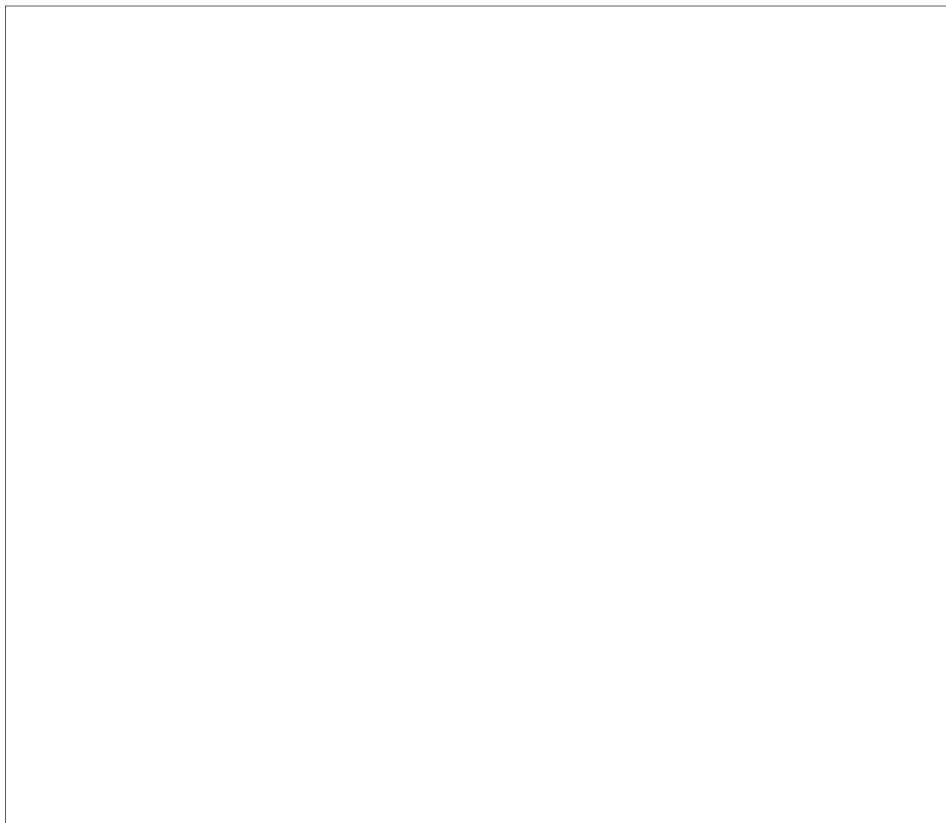
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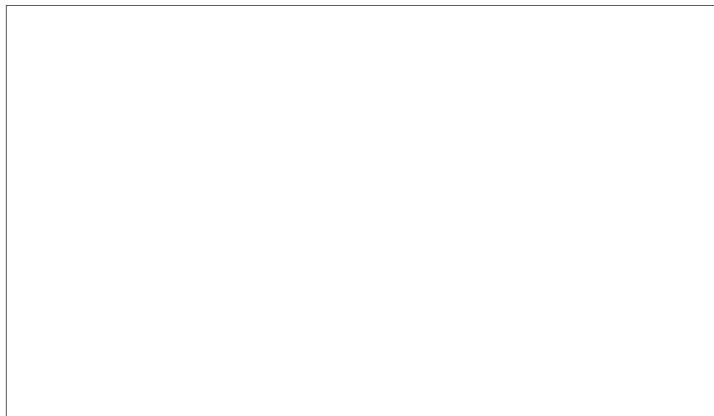
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CONTENTS

OK 1. SOVIET NUCLEAR-POWERED AIRCRAFT [] (page 3).

OK 2. KHRUSHCHEV DENOUNCES ZHUKOV PERSONALITY CULT
[] (page 4).

3. SITUATION REPORT ON THE SOUTH KOREAN ARMY
[] (page 5).

OK 4. INDONESIAN GOVERNMENT PLANNING PROLONGED CAM-
PAIGN OVER NETHERLANDS NEW GUINEA []
(page 6).

OK 5. ISRAEL TO COMPLETE DRAINAGE OF LAKE HULA ON
31 OCTOBER [] (page 7).

OK 6. FRENCH POLITICAL CRISIS [] (page 9).

OK 7. BOLIVIAN GOVERNMENT DECLARES STATE OF SIEGE
[] (page 10).


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1. SOVIET NUCLEAR-POWERED AIRCRAFT

Comment on:



The director of training for satellite reactor technicians at the Dubna laboratory stated recently to a US official that the USSR would soon have a nuclear-powered aircraft. There have been several similar statements by Soviet officials.

It is probable that the USSR has an aircraft nuclear propulsion program which may be in an advanced stage. If it has applied an all-out effort to this program, it is possible that a subsonic test aircraft could be flown with nuclear power during the 40th anniversary celebrations on 7 November, although it is more likely that such an aircraft would not be ready until late next year. While such an aircraft would not at this time have performance characteristics of military significance, Soviet propaganda would certainly treat its flight as further proof of Communist scientific superiority over the West. 

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2. KHRUSHCHEV DENOUNCES ZHUKOV PERSONALITY CULT

Reference:

[redacted]

At a meeting of the Soviet party central committee convened on 28 October, Khrushchev denounced Marshal Zhukov for "attempting to build a personality cult" around himself. [redacted]

[redacted] Khrushchev reportedly opened the meeting with a six-hour speech in which he also charged Zhukov with attempting to use the Soviet armed forces for personal power and trying to win their loyalty for himself instead of the party.

[redacted] Khrushchev first gained assurances of support from Marshals Konev, Vasilevsky, Malinovsky, and several other top military leaders before taking action against Zhukov. General Staff Chief Vasily Sokolovsky was said to be the only marshal who sided with Zhukov.

[redacted] The Moscow correspondent of the London Daily Worker reported on 29 October that Zhukov's ouster was caused by his continuing interference with party work in the armed forces and the fact that he was "boosting himself in every way." A complaint about Zhukov's attitude was allegedly made to the party central committee and presidium by Colonel General A. S. Zheltov, chief of the Defense Ministry's Main Political Directorate. Meetings explaining the decision to remove Zhukov were held in all military districts in the Soviet Union during his trip to Yugoslavia and Albania. According to the correspondent, Zhukov's future status will be determined by the attitude he displays before the central committee.

On 30 October, the Yugoslav ambassador in Moscow told a foreign journalist that neither he nor his military attaché, who had accompanied Zhukov on his recent trip, was aware of any development which could justify action against the marshal. He said he felt certain Zhukov had had no idea what was awaiting him when he returned to Moscow on 26 October.

[redacted]

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3. SITUATION REPORT ON THE SOUTH KOREAN ARMY

[REDACTED]

[REDACTED]

Unrest in the South Korean army continues to build up because of continual political interference in military affairs, conflicting rumors that President Rhee may change the army high command for the third time in 16 months, and a realization that reductions in the armed forces are planned.

The army's upper echelons, which have become aware of strong efforts by Rhee's Liberal party to ensure army support for the party in the 1958 elections, are now participating in political intrigue. Rhee's plan to remove all his four-star generals from active duty has become generally known and has resulted in intensified infighting among ambitious general officers aspiring to top commands.

The army has long been regarded as the chief stabilizing element in Korea after Rhee's death. Chief of Staff General Paek Son-yop is genuinely concerned over the present army situation, realizing his own lack of control. He has probably exaggerated conditions to shock American leaders into supporting him more strongly, believing he can improve his own position by showing Rhee and the Liberal party leaders, who ultimately control the army, that he has substantial US backing.

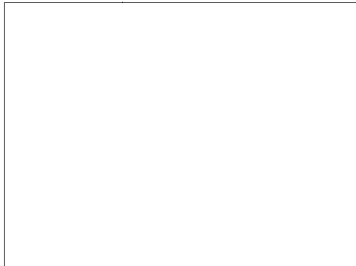
The army has gradually assumed a political role since the 1956 elections, and this development might weaken the ability of any chief of staff to control the army in a political crisis. [REDACTED]

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4. **INDONESIAN GOVERNMENT PLANNING PROLONGED CAMPAIGN OVER NETHERLANDS NEW GUINEA**

Comment on:



The Indonesian government's "West Irian week," launched on 27 October, probably under the guidance of President Sukarno, is only the first step of an intended nationwide campaign to publicize the government's claims to sovereignty over Netherlands New Guinea. Anti-Dutch disturbances reported earlier in Djakarta have spread to other parts of Java. The Information Ministry in Djakarta has announced the formation of an "action committee for the liberation of West Irian," to launch large-scale propaganda efforts and stage additional demonstrations and public meetings.

The New Guinea issue has already proved popular with both rightist and leftist organizations, which have joined forces in calling for severe punitive measures if West Irian is not "returned" by the Dutch. A Moslem youth group, for example, has demanded a break in diplomatic relations, confiscation of Dutch property, a "total strike," and a boycott of all Dutch enterprises if satisfaction is not gained. The Communists have endorsed the foreign minister's recent threat of "other measures" if the dispute is not settled peacefully.

Dutch interests are reported apprehensive over the possibility of violent action against them, and the American embassy has advised its personnel to stay away from the business district of Djakarta for the present. Any political or economic sanctions against the Dutch may ultimately prove damaging to the Indonesians, who are already faced with a deteriorating economic situation. Even government officials admit they have no military capability against New Guinea.

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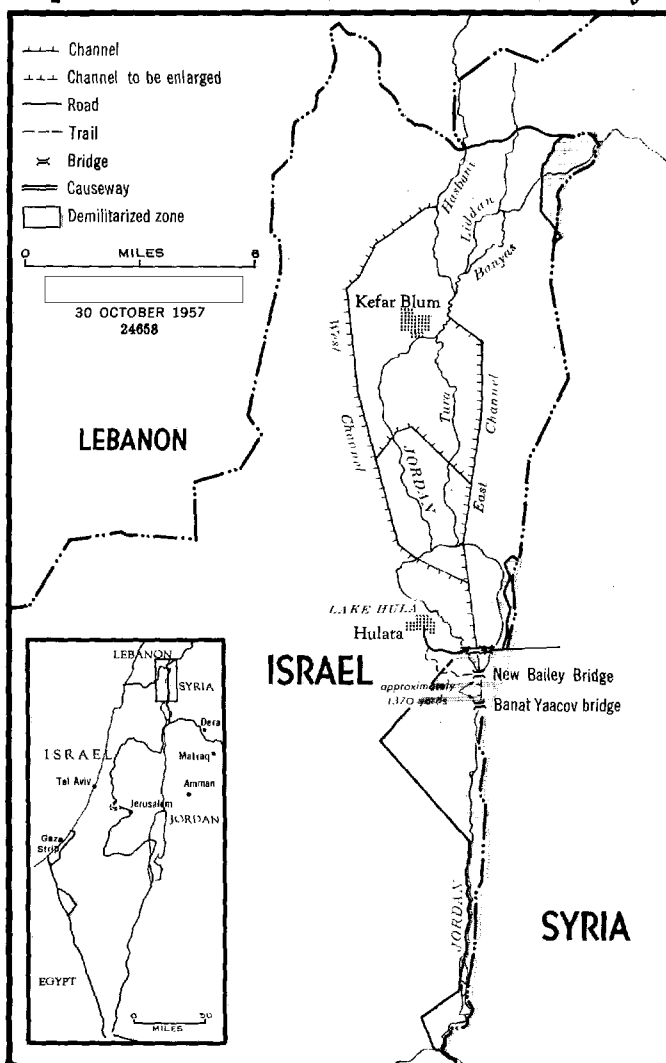
5. ISRAEL TO COMPLETE DRAINAGE OF LAKE HULA ON 31 OCTOBER

Comment on:

Israel's final move to drain Lake Hula, scheduled for the morning of 31 October, probably will not provoke any significant reaction from Syria. The Syrians in the past have protested strongly that the project involves violations of the Israeli-Syrian armistice agreement but are now preoccupied with their relations with Turkey.

In September, instructions were issued to Syrian forces on the Israeli front to "observe" the Israeli workers "but not oppose them." The Israeli government, in an effort to avoid arousing the Syrians, has not permitted advance release of information about the operation, although it has invited press representatives to the ceremony. The Israelis apparently do not expect any reaction since they have taken no unusual precautionary measures.

The Hula drainage project, begun in 1950, is aimed at reclaiming 15,000 acres of potentially



31 Oct 57

Current Intelligence Bulletin

Page 7

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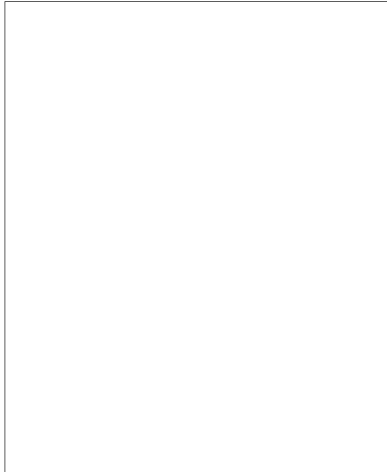
rich farm land from Lake Hula and adjacent marshes, to prevent seasonal flooding of another 17,000 acres, and to eliminate malaria. A series of canals have been constructed which will channel the Jordan and its tributaries through the dry lake bed. Syria has argued that by reclaiming the area Israel would derive a military advantage and that the work was proceeding on Arab-owned lands.

[REDACTED]

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6. FRENCH POLITICAL CRISIS

Comment on:



The American embassy in Paris reports that the gravity of France's problems has become of little concern to the National Assembly deputies, who are fighting over party doctrines and who believe that a center party candidate will get in "somehow" for a short tenure. The embassy notes that the Independents believe a continued crisis will lead to a dissolution of the present assembly and to new elections in which they would be the chief gainers. Finance Minister Felix

Gaillard believes he has a chance to resolve the month-old government crisis, but in addition to overcoming friction between Socialists and Independents, faces difficulty in winning support from his own badly divided Radical Socialists.

The Bourges-Maunoury caretaker cabinet must act on pressing financial matters in the next few days, however, and the growing pressure of France's financial ills may oblige the assembly to come to a decision soon. In that event, Gaillard might well be the acceptable dark horse.

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7. BOLIVIAN GOVERNMENT DECLARES STATE OF SIEGE

Comment on:

The Bolivian government declared a state of siege for the entire country on 29 October in the face of continuing disturbances in the oil-bearing eastern province of Santa Cruz. The disturbances are connected with recently expressed secession sentiment that this lowland province belongs more logically to Brazil or Argentina than to mountainous Bolivia. Government sources have reportedly blamed this sentiment on propaganda from the Brazilian petroleum monopoly, Petrobras. Bolivia and Brazil have been involved this year in an increasingly acrimonious dispute over the policies to be pursued in developing a Santa Cruz oil area. Both nations have development

rights in this area under a 1938 treaty, but neither country has attempted to exploit the oil.

Inclusion of the whole country in the decree may be designed to discourage the return of rightist political exiles whose activities are feared by President Siles. Government officials have reportedly expressed anxiety over the close connection between the mayor of the city of Santa Cruz and former vice president Chavez, a native of Santa Cruz Province, who, since his ouster last August, has been seeking to make trouble for Siles.

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