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18 July 1958



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CENTRAL

INTELLIGENCE

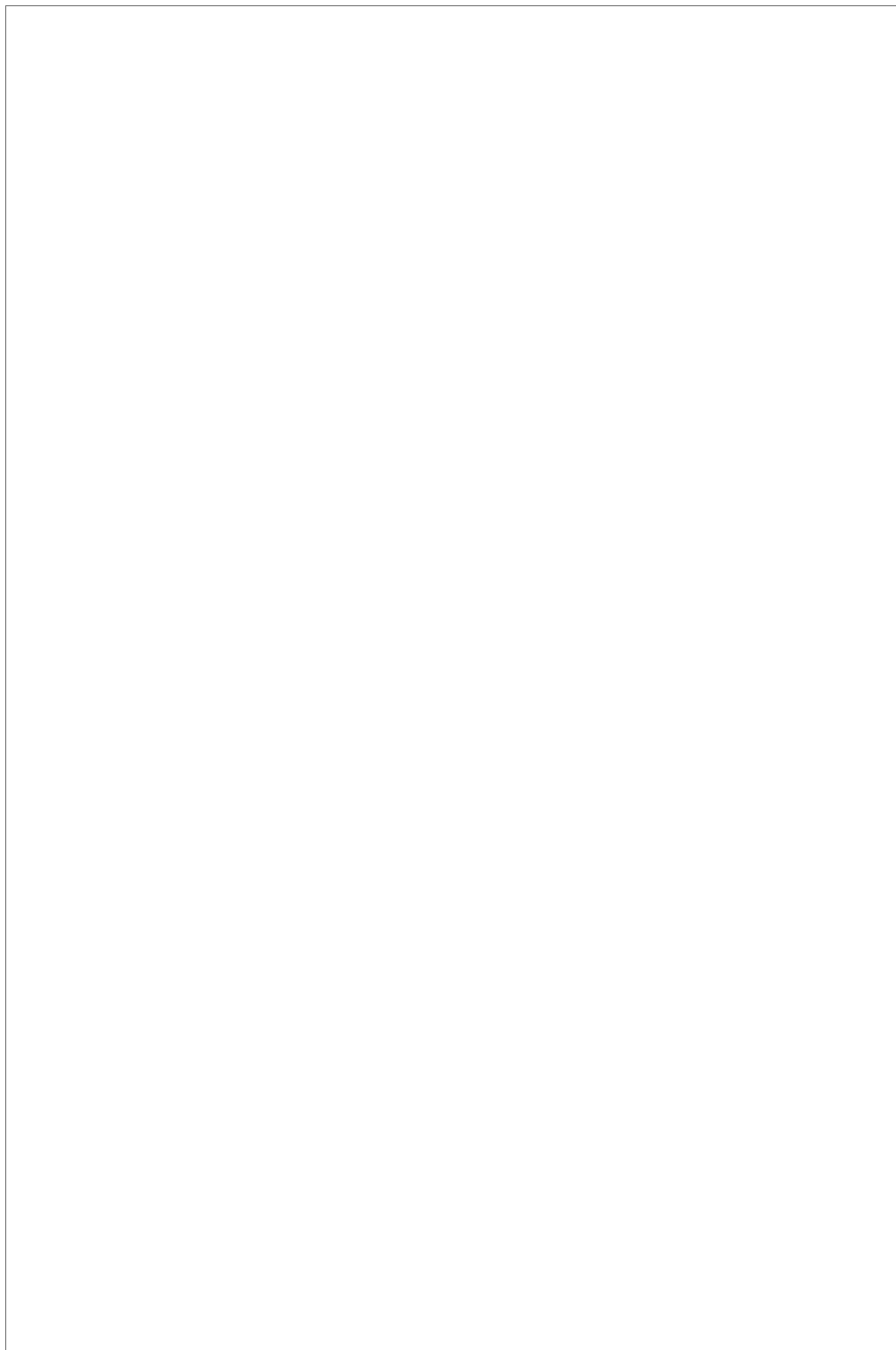
BULLETIN



DOCUMENT NO. 25
NO CHANGE IN CLASS. X
DECLASSIFIED
CLASS. CHANGED TO: TS S C
NEXT REVIEW DATE: 2010
AUTH: HR 712
DATE: 3/25/00 REVIEWER:



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18 JULY 1958

I. THE COMMUNIST BLOC

USSR hopes to mass world opinion against Western action in Middle East. ①

Soviet military movements near Iranian and Turkish borders may be for maneuvers scheduled for 18 July. ②

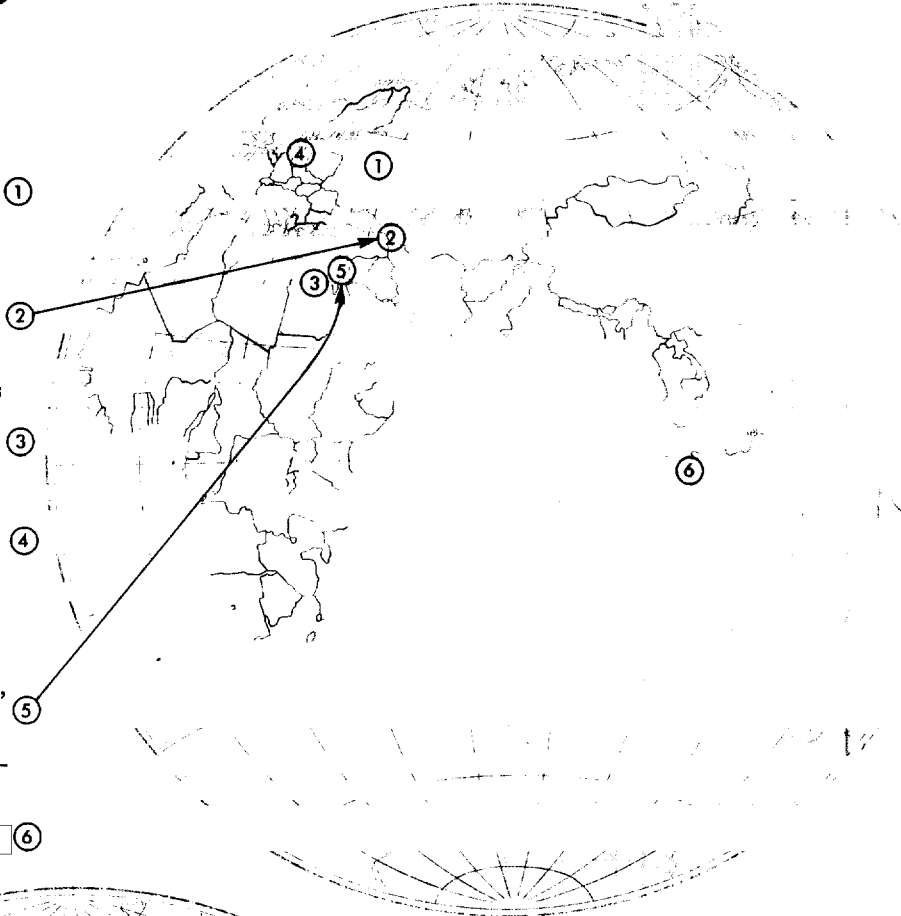
Shipments of Soviet military equipment to Egypt and Syria continue; T-54 tanks scheduled for delivery to Syria in near future. ③

East Germans agree with Red Cross to release detained US helicopter crew. ④

II. ASIA-AFRICA

Disaffected Lebanese army units may be preparing for clash with US marines. British build up Amman forces, may move into West Jordan soon. ⑤

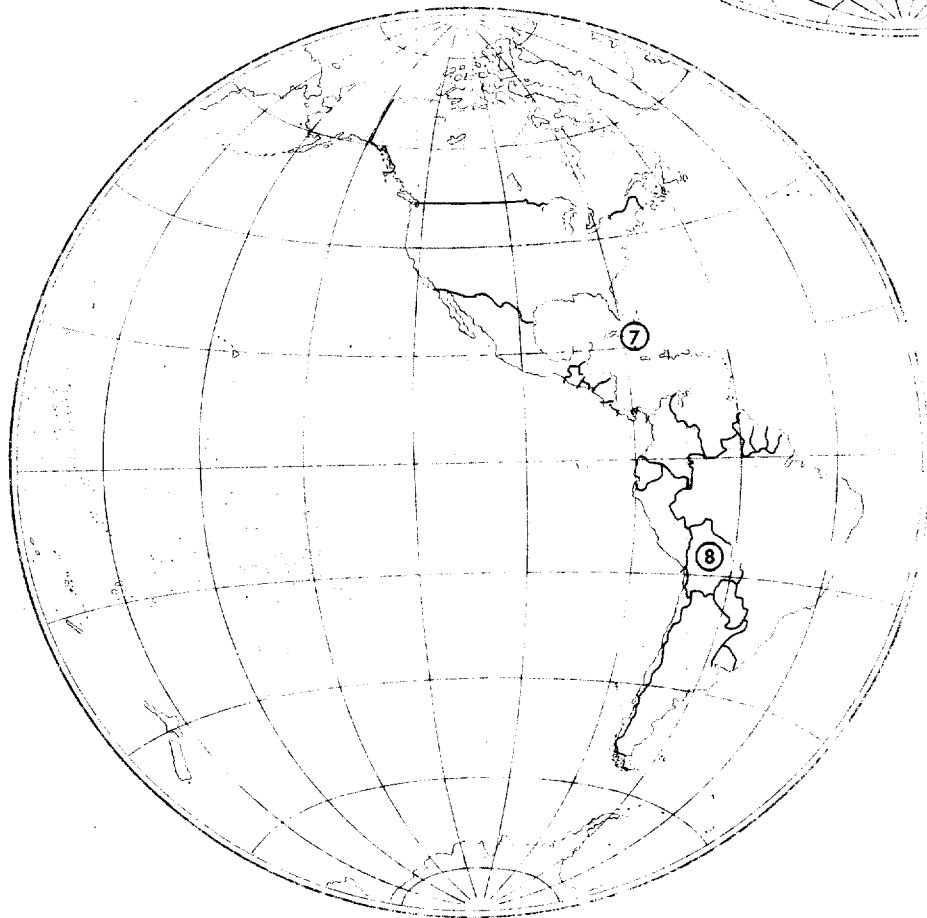
Indonesia - Communist-dominated rubber workers threaten to sabotage US plantations unless US forces withdraw from Lebanon. ⑥



III. THE WEST

⑦ Cuba - American servicemen being gradually released as rebels and government forces prepare for renewed fighting.

⑧ Bolivia - Left wing of governing party may support Communists in some areas in 20 July Congressional elections.



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CENTRAL INTELLIGENCE BULLETIN

18 July 1958

DAILY BRIEF

SIRAB

I. THE COMMUNIST BLOC

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*Soviet political reaction to Middle East events: Sharply intensified bloc political and propaganda activity indicates that the USSR expects to develop massive world-wide resistance to Western action in Lebanon and Jordan. The USSR appears to be probing Western intentions in order to determine how strong a stand it can take without the risk of having subsequently to retreat from commitments which might lead to Soviet military involvement with the West. In anticipation of substantial international disapproval of American intervention in Lebanon, the Soviet UN delegate has announced that he will press in the General Assembly his resolution calling for an immediate withdrawal of US troops. [redacted] (Page 1)

no

Soviet military reaction to Middle East events: Soviet military forces have not yet taken some of the more extensive measures noted during the Turkish-Syrian crisis in 1957. Soviet ground force movements along the Iranian border, scheduled bombing range flights of Long Range Air Force units, and Black Sea naval activity may be preparations for the maneuvers Moscow announced would begin on 18 July. [redacted] (Page 2) (Map)

no

Watch Committee conclusion--Sino-Soviet bloc (as of 1600 EDT 17 July): No Sino-Soviet bloc country intends deliberately to initiate direct military action against US forces abroad, US allies, or areas peripheral to the orbit in the immediate future. However, there are some tenuous indications of what may be an alert status for some bloc forces. The announced Soviet maneuvers along the Turkish and Iranian

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frontiers will increase tensions. [redacted]

no
USSR - UAR: The USSR is delivering military equipment, mostly vehicles, to Egypt and Syria at a rate of about one shipload per week to each area. Heavier equipment such as T-54 tanks is scheduled for delivery to Syria in the near future. The Russians also deliver to Egypt monthly about 20 cargoes of oil--almost half of Egypt's oil consumption--and they have agreed to meet Syria's petroleum requirements, which can no longer be filled from the Tripoli refinery in Lebanon. [redacted] (Page 4)

no
*East Germany - Detained Americans: The president of the East German Red Cross has signed an agreement with the US Red Cross Director for Europe to release the nine Americans held in East Germany since 7 June. This change from Pankow's insistence on government-level negotiations apparently stems from growing embarrassment over failure to force implicit recognition from the United States. It also allows the Kremlin to avoid acknowledging any responsibility for the American hostages. [redacted]

II. ASIA-AFRICA

no
*Middle East (situation as of 0300 EDT): Lebanese military forces and rebels may clash shortly with US marines. The speaker of the Lebanese Parliament has contacted army leaders and is agitating for the creation of incidents involving American forces. Sniping has already occurred. Lebanese army units, with rebel assistance, are preparing defensive positions around Beirut Airport. President Chamoun intends to order the army commander, General Shihab, who is himself probably disaffected, to dismiss "disloyal" general staff officers on 18 July.

Approximately 3,000 British troops have already landed at Amman, with a total of 8,000 expected by 18 July. They are expected to move to the west bank of the Jordan as soon

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as the safety of King Husayn and the Amman area is assured. The Israelis, however, as a condition for permitting overflights, have insisted that British troops may not operate on the Israeli border. Some British fighter aircraft are stationed in Jordan.

Iraqi leaders have recognized Communist China and announced that relations with the USSR will be resumed.

UAR reports from Baghdad state that "the trend is toward federal union" with the UAR.

(Page 5)

Watch Committee conclusion--Middle East (as of 1600 EDT 17 July):

Iraq: The rebel forces appear to be in control of most of Iraq and are consolidating their position. The rebels are receiving active political support from the UAR, including a virtual guarantee of Iraqi territory. In the event of Western intervention in Iraq, the Soviets will undoubtedly react strongly through propaganda and diplomacy, and will possibly provide arms and volunteers to the rebels.

Lebanon: Continuation of a pro-Western government in Lebanon for the present depends upon the presence of US forces. There are reports of increasing UAR aid to the rebels, and of disaffection in the Lebanese army. The presence of US forces will continue to be strongly denounced and will be covertly combatted by the UAR. There is no evidence that either the UAR or the USSR intends to take direct military action against US forces.

Jordan: Strong evidence of imminent UAR moves to intensify subversive and paramilitary operations against the Jordanian Government prompted King Husayn's urgent request for US-UK intervention. The UAR will probably suspend these plans for an immediate maximum effort against Husayn if adequate British forces arrive in Jordan, but will probably proceed with smaller scale, ostensibly indigenous operations, designed to harass the government and the British. Initial

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success in such operations might encourage a greater UAR effort to overthrow the King. In the event of a serious threat to his regime which cannot be contained by Western forces, the Israelis would probably move to secure the west bank of the Jordan River.

Turkey: Turkish forces near the borders of Syria and Iraq have been recently reinforced and are considered capable of extensive intervention in both areas. Turkey has declared its willingness to provide full support for any Western action in the Middle East. While the likelihood of a unilateral Turkish move has been reduced by British and US landings, the possibility of such action cannot be entirely dismissed.

Iran: There is reported to be some concern over the possibility of a coup in Iran. Opposition forces in Iran probably have been encouraged by developments in Iraq. UAR and Communist subversive activities among the Kurds continue.

Libya: The presence of US forces in Lebanon appears to have resulted in stepped-up attempts by the UAR to undermine the pro-Western regime in Libya. The UAR probably now regards the US and UK bases in Libya as an increased threat.

Elsewhere in the Middle East a deliberate initiation of hostilities is unlikely; however, serious incidents may occur.

Indonesia: The Communist-dominated plantation workers' union in Indonesia, SARBUPRI, has addressed a telegram to the United Nations secretary general threatening to "launch actions" against US rubber plantations unless American forces withdraw immediately from Lebanon. Indonesian Army officials have recently promised to protect foreign estates from any form of violence, but their ability to counter an extensive sabotage effort is doubtful. (Page 8)

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no Watch Committee conclusion--Indonesia: The situation in Indonesia continues to favor local Communist exploitation. Sino-Soviet bloc military involvement is unlikely. [redacted]

III. THE WEST

Cuba: The gradual release of American servicemen kidnaped by Cuban rebels is keeping pace with preparations by both the Cuban Army and the Castro forces for renewed fighting. The army expects an attack by the rebels on 20 July in the Guantanamo area. [redacted] (Page 9) *sk*

Bolivia: The approach of the 20 July congressional elections is causing mounting tension. The left wing of the governing Nationalist Revolutionary Movement is dissatisfied with the Movement's list of candidates and may give support to the Communists in some areas. Rightist opposition elements are planning a coup, but an attempt would probably not succeed. [redacted] (Page 10) *sk*

IV. SIGNIFICANT INTELLIGENCE REPORTS AND ESTIMATES

(Available during the preceding week)

Special National Intelligence Estimate No. 11-8-58. Implications of Current Soviet Conduct. 8 July 1958. [redacted]

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I. THE COMMUNIST BLOC

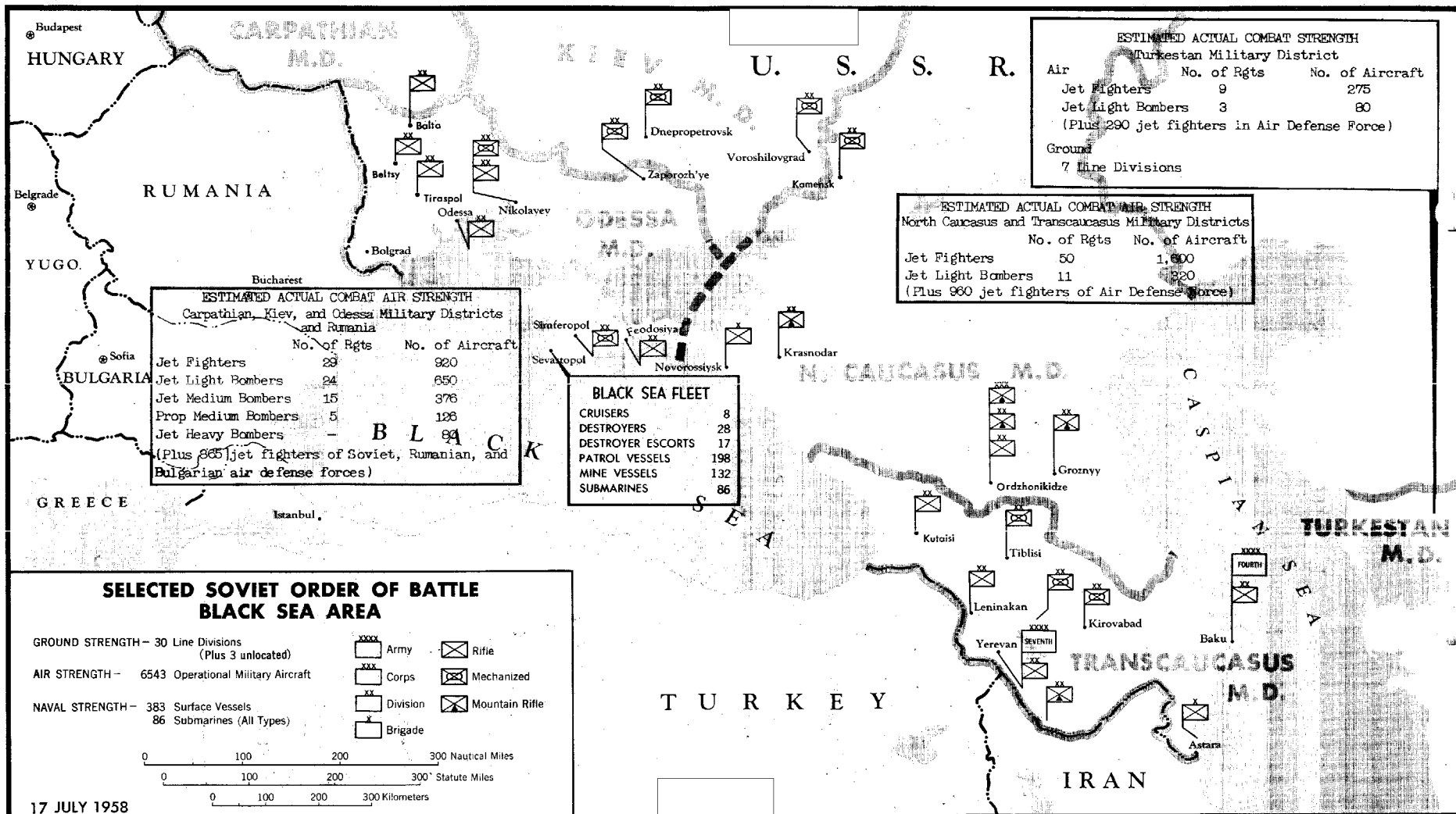
The Bloc and the Middle East

Soviet political action in the Security Council on 17 July and a sharp increase in bloc propaganda indicate that the Communist world is launching a massive effort to line up world public opinion against Western actions in the Middle East. Czechoslovakia, Rumania, Bulgaria, Communist China, and North Korea have already issued government statements patterned on the USSR's declaration of 16 July calling for popular agitation against the Western action. Popular demonstrations against the British and US governments have been organized throughout the USSR. The general line follows Izvestia's demand that "immediate and resolute steps to defend the national independence of Arab states" must be taken.

Meanwhile Soviet UN delegate Arkady Sobolev stated that the USSR will force into an emergency session of the General Assembly its resolution demanding immediate withdrawal of American and British troops. The USSR probably believes that even though the resolution may not pass the Assembly, it will garner enough favorable votes and abstentions to inhibit Western action in the Middle East. Moscow is equally prepared to back a Swedish resolution which would make the continuance of UN activity in Lebanon dependent on American troop withdrawal.

A Soviet diplomat in Paris warned that any armed attack against the new Iraqi Government would lead to military action by the USSR. This conversation seemed designed to probe US intentions in the Middle East. Pravda's first commentary on Lebanon on 16 July expressed the fear that the Lebanese landings might eventually lead to US intervention in Iraq.





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Soviet Military Reaction to Middle East Developments

[REDACTED]

[REDACTED] Soviet air defense facilities in areas near Turkey and Iraq had not shown any unusual sensitivity to flights over Turkey, Iraq, or the Black Sea.

Flight activity by all elements of the Soviet Air Force has been generally normal. The jet medium bombers of the 50th Air Army which deployed to the Far East in an exercise beginning 7 July began returning to their home bases in the western USSR on 15 and 16 July. They may have returned more directly and earlier than planned.

Military activity in areas near the Middle East has increased slightly in the past three days, and much of this increase seems to reflect preparations for the maneuvers Moscow announced would begin on 18 July. Moscow, increasing the political connotations of these maneuvers, announced on 17 July that First Deputy Defense Minister Marshal Grechko would direct the Transcaucasus exercises and that Marshal Meretskov would command the exercises in Turkestan. An official announcement from Sofia states that Bulgarian land, sea, and air forces will begin maneuvers on 18 July together with Soviet Air Force units under the command of Soviet Marshal Skripko. A movement of several Soviet transport aircraft to Bulgaria on 17 July was evident [REDACTED]

[REDACTED]

Reported movements of Soviet army units along the Iranian border both west and east of the Caspian Sea from 14 to 17 July indicated preparations for two separate field exercises in areas adjacent to the Turkish and Afghan frontiers. In each case, the units are moving away from the Iranian frontier. [REDACTED] alert of ground units in the Transcaucasus which began in mid-May was continuing as of 16 July.

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There was a moderate increase in activity by cruisers and submarines in the Black Sea. Major surface units and submarines have remained in the northern half of the Black Sea, however, and on 17 July major surface vessels were reported to be in port.

All the jet medium bomber units of the 43rd Air Army have been scheduled for practice activity at a bombing range in the North Caucasus area from 16 through 18 July. This range has previously been used by 43rd Air Army bombers. Farther south, in the Transcaucasus, [redacted] two fighter divisions of the 11th Tactical Air Army. These fighter divisions, however, are still under the operational control of the Tiflis Air Defense District Headquarters, while in previous Middle East crises control has been shifted to the 11th Tactical Air Army Headquarters [redacted]

Other signs of extraordinary Soviet military reaction are also missing at this time. During the Syrian-Turkish crisis in 1957, the USSR carried out such measures as moving airborne forces transports from the western USSR into the Transcaucasus area and setting up an advance Long Range Air Army detachment there [redacted]

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USSR Delivers Arms and Petroleum to UAR

The USSR is sending Egypt about four shiploads a month of military equipment, primarily military vehicles, spare parts, and ammunition. Although fewer Soviet vessels arrive in Latakia, Syria is receiving a wider range of equipment, including many weapons; heavier equipment, such as T-54 medium tanks, is scheduled for delivery to Syria in the near future. A squadron of MIG-17 all-weather jet fighters, the first to be acquired by Syria, is scheduled to arrive there this month. [redacted] the USSR included an unknown number of IL-28 jet bombers in its last arms deal with Syria, although these aircraft probably will not be delivered until Syrian pilots now training in the USSR complete their courses. The IL-28 aircraft reported on Syrian airfields at the present time probably have been flown in from Egypt.

The USSR, which regularly ships oil to Egypt, has scheduled delivery of 190,000 tons of crude oil and petroleum in July and another 200,000 tons in August. These shipments are equal to nearly half of Egypt's estimated consumption for that period. Moscow now has also agreed to supply Syria with the petroleum it is no longer able to obtain from the Tripoli refinery in Lebanon. At least one and probably two Soviet tankers already have discharged cargoes at Baniyas, a third is now preparing to load in the Black Sea, and five other tanker shipments are being arranged. [redacted]

[redacted]

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II. ASIA-AFRICA

The Middle East (situation as of 0300 EDT 18 July)

While many Lebanese have appeared pleased at the landing of US forces and welcomed the marines with gifts, there now may be a danger of clashes between US forces and both regular and rebel Lebanese forces.

Lebanese army units, including armor and artillery, have taken up positions facing the US Marine units at Beirut Airport. Artillery is pointed toward the airport, and Lebanese soldiers have been reported digging trenches along the road to the airport with the assistance of rebels. Lebanese staff officers are angry over what they consider the US takeover of Lebanese defensive positions without "proper coordination" through army headquarters.

Speaker of Parliament Usayran is agitating within the army general staff for the creation of incidents involving American troops. He is also pressuring General Shihab, who has apparently reached an accommodation with opposition leaders, to sign a joint petition calling upon President Chamoun to order the withdrawal of American forces. Usayran already has cabled the UN denouncing the landing of the marines.

A crisis may break out within the Lebanese Army on 18 July if President Chamoun, as he now plans, orders Shihab to dismiss "disloyal" officers from the general staff. General Shihab may openly throw in his lot with rebel leaders if this order is given, and the army itself is likely to split along political and confessional lines. Rebel leaders on 16

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July were encouraging the defection of army officers. General Shihab has agreed with rebel leaders to attempt to block the election of Chamoun's successor, now set for 24 July, until "the last foreign soldier withdraws from Lebanon."

[redacted] rebel leader Rashid Karame has reported that UN Observer Group leaders Plaza and Dayal have told him in a meeting that they were anxious that their report should be "devoid of anything which might lead to intervention in Lebanon." Karame assured them that the sizable nighttime truck convoys from Syria detected by aerial observation were simply carrying "vegetables and fruit." He then requested that Syrian authorities load some vehicles with "some goods of this type" in order to convince the observers by a personal inspection. Karame claimed the two observers suggested that "we join together against the common enemy." The UN observer group in Lebanon has taken an antagonistic attitude toward the landing of marines, claiming it had frustrated an "arranged" settlement between the contending factions. Every effort is being made to thwart liaison between the UN group and US forces.

UAR reaction to the landing of British and American forces in Lebanon and Jordan has consisted of bitter radio broadcasts, and, [redacted] institution of the highest known level of military alert. Reserves have been called up and popular resistance units mobilized. Syrian armored forces have been sent to the Lebanese frontier and fedayeen units originally intended for action in Lebanon have been held in Syria. UAR Air Force units in Syria have been reinforced with bombers from Egypt for use "in support of Iraq should the occasion arise."

Meanwhile Turkish troops, in response to the rising tempo of Syrian military moves, were observed on 15 July in unusually large concentrations of armor and motorized units all along the central Syrian-Turkish border from Birecik to Mardin.

In Jordan, 3,000 British troops reached Amman in the first day's airlift, and by 18 July the UK force is expected to number about 8,000 men. At least six jet fighters are now stationed at Amman airfield. The British troops are

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charged initially with securing the airfield and the protection of King Husayn, and the Amman area. They may later be sent to other towns and the West Bank. Israeli Prime Minister Ben-Gurion, however, extracted a promise from the UK that British troops would not be involved in any operation on the Israeli border. While there were demonstrations in Nablus on 16 July, the remainder of the country has been calm. The acute shortage of gasoline and fuel oil has already caused interruption of electric power and threatens to shut down water pumping stations.

Jordanian public opinion was almost unanimous in hailing the fall of the Iraqi regime, but now is dejected over the US landings in Lebanon, which visibly strengthened the morale of progovernment circles. Since the arrival of British troops, however, many now "approve" the influx of troops. Reports state that Syrian troops on the Jordanian border have "disappeared." Baghdad Radio, however, appealing principally to the Jordanian Army and the Bedouin tribes, is exhorting them to "crush your enemy as your brothers did in Iraq."

Moving into line with the UAR, the new Iraqi regime has recognized Communist China and restored relations with the USSR, which were broken during World War II. [redacted]

[redacted] "the trend in Iraq is toward federal union with the UAR." Egyptian officers are being sent to Iraq to organize "people's resistance forces," and an announcer from Radio Cairo has been sent to give direction to Baghdad broadcasts. Damascus has urged Cairo to "swamp" Iraq with Egyptian teachers, newspapers, pictures of Nasir, and pamphlets on the Egyptian revolution.

Foreigners now are being allowed to leave Iraq only via Basra. The ports of Basra, Khorramshahr, and Abadan are fully open. The Iraq Petroleum Company's operations in northern Iraq are continuing in a normal fashion. Iraqi Foreign Minister Jamali now is reported to be under arrest, rather than dead.

The Saudi Arabian reaction to the landing of US troops in Lebanon and the Iraqi revolt is varied. King Saud,

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dismayed at the fate of Iraqi royalty, is extremely pleased with the landings and urges that the new Iraqi regime be destroyed. Crown Prince Faysal, however, appears to be taking a more pro-UAR attitude, probably in an attempt to weather possible trouble in Saudi Arabia.

The general populace of Saudi Arabia is overjoyed at the overthrow of the Iraqi Government. In Egypt there is a surface calm, but progovernment elements are worried over Anglo-American moves. In neighboring Libya the UK has sent a warship to Tobruk with a commando unit to protect and, if necessary, evacuate King Idriss should Nasir attempt a coup there.

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American Rubber Interests in Indonesia Threatened
By Communists

The Communist-dominated plantation workers' union in Indonesia, SARBUPRI, has addressed a telegram to the UN secretary general threatening to "launch actions" against US rubber plantations unless American forces in Lebanon are immediately withdrawn.

American-owned rubber plantations are located in North Sumatra, where SARBUPRI has its greatest strength. The Indonesian Army has assured American officials that it will protect foreign estates from any form of violence, but it is doubtful that forces now in North Sumatra, already hard-pressed by dissident guerrilla activity, have the capability of doing so. The army, moreover, is relying in part on a locally recruited home guard force which reportedly has a high percentage of SARBUPRI members. These individuals would be more likely to respond to orders from SARBUPRI than to orders from the army.

Any sabotage of American rubber interests in Indonesia might well spread to the oil industry, which constitutes the largest American investment there. The largest oil workers' union in Indonesia is the Communist-dominated PERBUM. Both SARBUPRI and PERBUM are affiliated with SOBSI, Indonesia's largest labor federation, which is also Communist controlled.

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III. THE WEST

The Situation in Cuba

Simultaneous with the gradual release of American servicemen kidnaped by Cuban rebels, both the Cuban Army and the Castro forces are preparing for renewed fighting. The Cuban army commander at Guantanamo City, only about 10 miles from the US naval base, expects a big rebel attack any time and has requested strong tank and troop reinforcements to counter it. There are also other reports of impending attacks by Raul Castro.

Fidel and Raul Castro both appear to have strengthened their forces considerably in recent months and are reported in some areas to have prepared a series of as many as 18 ambush positions for defense in depth. They have received large shipments of arms from abroad and are known to have appropriated essential equipment from mining installations, plantations, and even the army itself, which has taken little effective action to halt them. Fidel would probably prefer to postpone a big offensive until his position is even stronger, but the publicity given Raul's operations since the kidnappings may have convinced the rebels they should act sooner.

The poor quality of Cuban Government troops, their evident reluctance to attack the firmly entrenched rebels, and their susceptibility to graft have all hampered Batista's efforts to regain control of traditionally antigovernment Oriente Province. Reported divisions within the Castro forces, whether due to poor communications or local independence of action, may limit their effectiveness, [REDACTED]

[REDACTED]

[REDACTED]

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Elections Scheduled for 20 July Causing Mounting Tension In Bolivia

Impending elections for one half of the lower house and one third of the Senate--the second national elections with universal suffrage in Bolivian history--are giving rise to strong political tensions. Both Communist and rightist opposition groups are seeking to profit from unrest.

The left wing of the governing Nationalist Revolutionary Movement (MNR) is dissatisfied with the Movement's list of candidates. Leftist leader Juan Lechin apparently plans to swing support to Trotskyite or orthodox Communists in some areas. Such action might result in Communist representation in congress although the total Communist vote in 1956 came to only 1.5 percent.

Rightist opposition groups, which hold four of the 34 lower house seats at stake in the election, expect to make considerable gains on 20 July and to obtain a majority in the capital city of La Paz. They are considering a coup and the establishment of a junta. Such an attempt might include assassination of the President or other high officials, but is unlikely to be successful.

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