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18 August 1958

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CENTRAL

INTELLIGENCE

BULLETIN

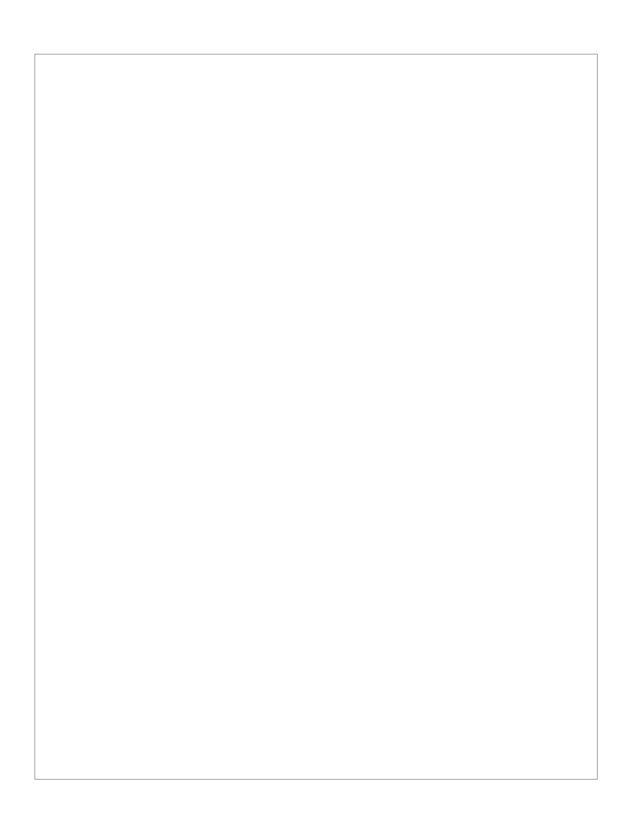


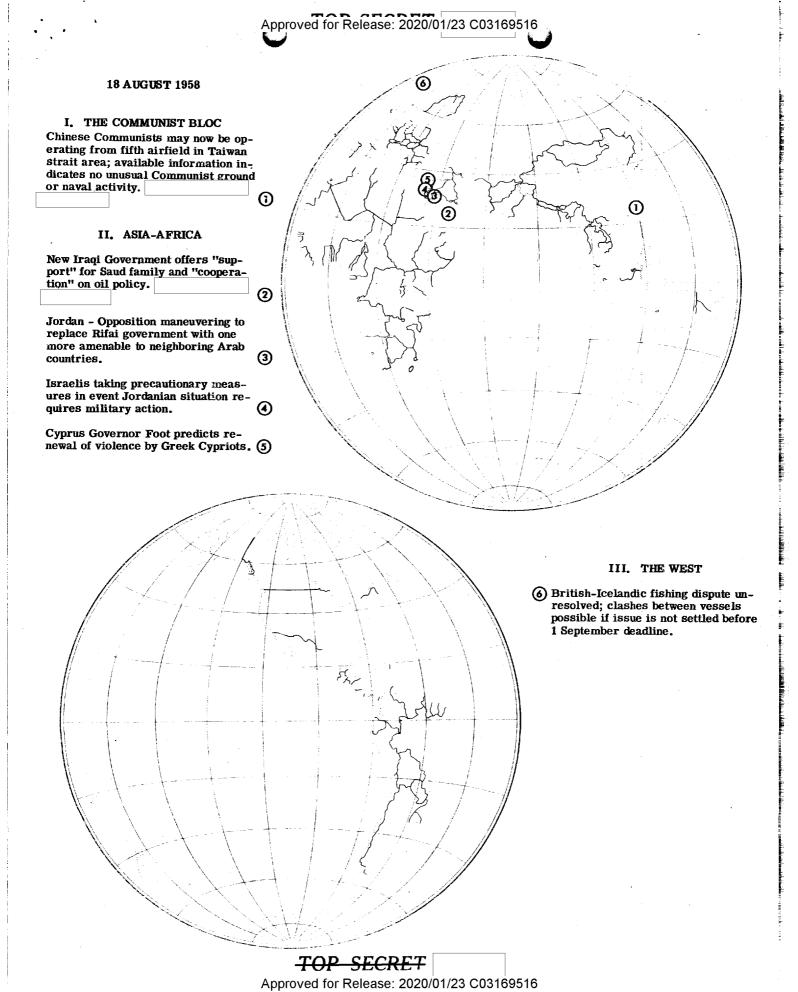
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CENTRAL INTELLIGENCE BULLETIN

18 August 1958

DAILY BRIEF

I. THE COMMUNIST BLOC

Taiwan Strait: Chinese Communist jet fighters may now be operating from Lungtien airfield—the fifth airfield in the Taiwan Strait area activated by Peiping in the past three weeks. There is still no firm evidence that Communist ground forces in the offshore island area have been reinforced. The previously reported concentration of 500 junks some 70 miles east of Swatow was later ascertained to be normal fishing activity.

(Page 1) (Map)

II. ASIA-AFRICA

Saudi Arabia: The new Iraqi Government has offered to "support" the Saud family and expresses a desire for "firm cooperation" with the Saudi Government on oil policy.

King Saud has renewed his appeal for secret purchase of American weapons which he wishes to distribute to loyal tribes. By strengthening tribal forces the King hopes to maintain a counterweight to the army in an effort to deter a possible army coup. (Page 3)

Jordan: The opposition appears to have started a maneuver aimed at replacing the pro-Western Rifai government with one headed by a neutral figure, such as Khalidi, who would be expected to bring Jordan's policies into closer harmony with the views of its Arab neighbors. The British also appear interested in such a move which, by reducing the prospect of

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violent upheaval in Jordan, might permit withdrawal of British forces. (Page 5)				
Israel: The Israeli railways have been ordered to put all flatcars capable of carrying tanks into first-class condition by 19 August, and some civilian buses may have been requisitioned by the military in Tel Aviv. These developments are believed to be precautions taken in anticipation that a collapse of the Jordanian Government would result in Israeli military operations into West Jordan and possible involvement with the UAR.				
Cyprus: Governor Foot says that while the Greek Cypriots may delay their response, he expects them to react violently to implementation of Britain's modified proposals announced on 15 August. The governor fears that if EOKA begins a campaign of violence, British servicemenalready exasperated by Greek murdersmay then take vindictives action.				

III. THE WEST

Britain-Iceland-Norway: Britain and Iceland have not reconciled their differences over Iceland's announced intention to enforce a 12-mile fishing limit beginning 1 September, and the possibility of incidents between fishery protection ships remains. Responsible British officials continue to emphasize that Britain intends to use force if necessary to protect its fishing rights after 1 September. Norway has sent an aide-memoire to Britain stating that, unless an international agreement is reached within the coming year, Norway will extend its fishing limits to 12 miles. (Page 7)

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18 Aug 58

DAILY BRIEF

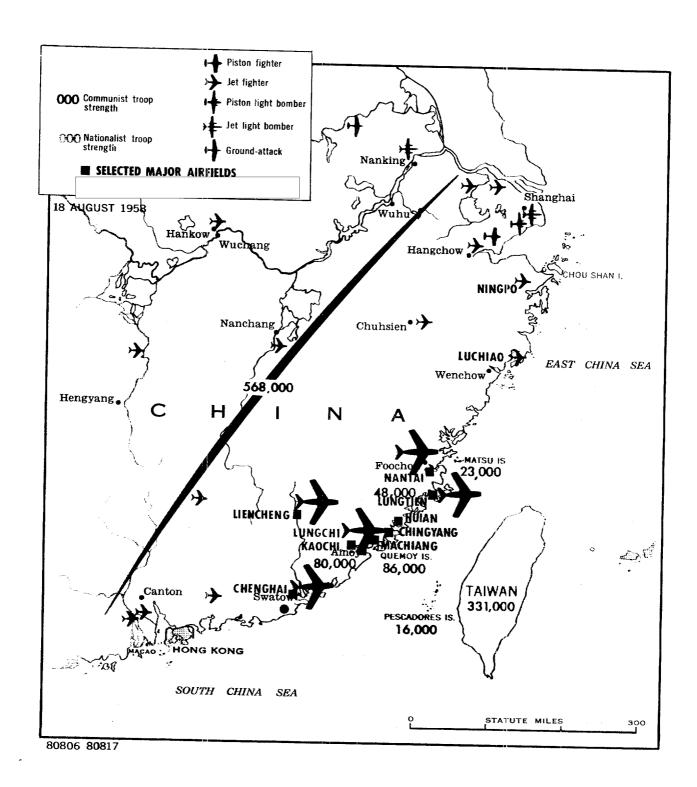
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I. THE COMMUNIST BLOC

Taiwan Strait Situation
A Chinese Communist jet fighter regiment appears to have deployed to Lungtien airfield, about 25 miles south of Foochow, the same day that Foochow's Nantai airfield became operational.
on the morning of 13 August, two groups of 30 MIG's each departed Luchiao, where a build-up of jet fighters had occurred during the past two weeks. One group landed at Nantai and the other apparently at Lungtien.
runway at Lungtien. This is the fifth airfield in the Taiwan Strait area to become operational since 27 July; Chenghai, Liencheng, Lungchi, and Nantai have been previously reported operational. aircraft on all but two of these airfields—Liencheng and Lungtien—and has revealed preparatory operations at another—Huian. Huian and Chingyang are the two remaining major coastal airfields not yet operational.
Peiping's radiobroadcasts now are making comparatively little mention of the "liberate Taiwan" theme, but the Communists are nevertheless maintaining an air of tension by references to the "provocative activities of the Chiang Kai-shek clique." The Canton correspondent of a Hong Kong Communist daily has reported the canceling of leaves of naval personnel, who are said to be taking accelerated battle training and to be ready to repulse Nationalist provocations.
China's total naval amphibious lift capability is limited to three rifle divisions, and only a small percentage of this capability is with the South China Fleet. However, the many fishing vessels present
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along the Communist coast could be used to augment naval vessels in transporting troops. The concentration of 500 junks reported 70 miles east of Swatow on 15 August was later ascertained by US naval surface units to be normal fishing activity.

There is still no firm evidence that Communist ground forces in the offshore island areas have been reinforced.			

II. ASIA-AFRICA

Developments in Saudi Arabia

The Saudi representative in Baghdad on 13 August informed Crown Prince Faysal that,					
the new Iraqi Government believes					
that the Saud family assures unity of the Arabian Peninsula and blocks renewal of efforts to re-establish foreign spheres					
of influence there.					
cooperation between the Saudi monarchy and the Arab					
republics. The Iraqis were also reported to have indicated					
a desire to consult with the Saudi Government on all matters,					
and particularly to seek firm cooperation on oil policy.					

Saud also sent personal assurances to Ambassador Heath that Faysal "would not take over Saudi Arabia." In stressing his disagreement with Faysal urging that American troops be

scores his o foreign polic	wn weakness. Althou by would involve no as	er, the King again under- ugh claiming that Faysal's greement with Nasir, Saud eement with Egypt might

Political Maneuvering in Jordan

Some Jordanian ultranationalist leaders appear to have launched a maneuver to replace the rigidly pro-Western government of Samir Rifai with one headed by a weak neutral figure who might be counted on to bring Jordan's policies into harmony with those of its Arab neighbors. Emphasizing that Jordan could not survive as an isolated Arab state, Salah Tuqan, minister of finance in the ultranationalist Nabulsi government, has warned that if the Rifai government is not replaced a violent revolt will take place in Jordan in the near future.

Tuqan said the King might save himself by installing a government headed by weak former Prime Minister Dr. Husayn Khalidi, restoring political and personal liberties, and permitting free elections. Tuqan evidently would regard Khalidi as head of a transition government preliminary to a major shift in the government's orientation, a process in which the monarchy would probably be dissolved.

The recent installation as court minister of pro-British Hazza Majalli, who as prime minister unsuccessfully attempted to lead Jordan into the Baghdad Pact at the end of 1955, has been followed by reports that Majalli now advocates close Jordanian cooperation with the new Iraqi Republic. Majalli is a potential British candidate for head of a more popular, but still pro-Western government. Recognizing Majalli as a rival, Prime Minister Rifai has recently developed a close relationship with Army Chief of Staff Sadiq Shara, who has been suspected of involvement in UAR-supported plotting against the regime.

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The risk in all this maneuvering is that, once Rifai's authoritarian hand is removed, the situation could develop beyond the control of the British or other moderate forces and result in extremism and violence.

gration in Jordan have been observed, and the Saudis are re-					
ported cultivating the major tribes in south Jordan, possibly					
to undermine their loyalty to King Husayn or to revive latent					
Saudi designs on the territory.					
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III. THE WEST

Icelandic Fishing Limit Dispute

A Norwegian aide-memoire to the British Foreign Office of 13 August states that, regardless of any agreement which might be reached with Iceland in the current Paris discussions of fishing experts, Norway intends to extend its fishing limits to 12 miles during 1959 if an international agreement stipulating otherwise is not reached within the coming year. Oslo itself is of the opinion that a 12-mile fisheries limit is the only realistic global solution. Norway's proposed extension would particularly affect German and British trawlers, which fish extensively in the waters off Norway.

The American Embassy in London warns that a dangerous situation is fast approaching as a result of the impasse created by the Norwegian note, plus information received by the Foreign Office indicating that the fish-conservation proposals worked out in Paris this week are not acceptable to Iceland. According to the embassy, responsible British officials give every indication of planning to use force if necessary to protect their rights after the 1 September deadline set by Reykjavik. The Foreign Office advised the embassy that the Admiralty intended to announce reinforcement of the fishery protection squadron with the hope of attracting minimum publicity.

In the Norwegian view it is not possible in the long run to prevent Iceland from extending its fishing limits and any inducement to Reykjavik to withdraw its announced extension would only postpone the issue. Norway proposes a joint effort at the current Paris discussions to seek a temporary arrangement for Iceland enabling it to postpone enforcing new fishing regulations until after a new conference on law of the sea.

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