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28 AUGUST 1959

I. THE COMMUNIST BLOC

Leading Chinese Communists reportedly to see Khrushchev about his talks with President Eisenhower.

Chinese Communist military communications stepped up in Taiwan Strait area.

Khrushchev on forthcoming talks with President Eisenhower.

II. ASIA-AFRICA

Nasir decides against return of UAR students to USSR; seeks US instruction for them.

India reassigns ministerial responsibility for food production in effort to meet production goals.

Japanese - South Korean talks make no headway; South Koreans still trying to block Korean repatriation to North Korea.



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28 August 1959

DAILY BRIEF



I. THE COMMUNIST BLOC

Communist China - USSR: The recently concluded Chinese central committee plenum proposed that Premier Chou En-lai or a Chinese Communist leader of equal rank fly to the USSR to discuss with Khrushchev his forthcoming talks with President Eisenhower,

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the Chinese Communists are "not enthusiastic" about the Eisenhower-Khrushchev exchange and are trying to protect their interests. There is no evidence that any top Chinese leader has gone to the USSR since the plenum ended on 16 August, although there has been no information on the whereabouts of Mao Tse-tung and 11 other politburo members since that date. (Page 1)

*Taiwan Strait: There are a number of indications that Peiping may be preparing to step up the present level of military activity in the Taiwan Strait area. Communications activity bears a similarity to activity which occurred prior to the heavy bombardment of the offshore islands last fall. Naval and ground forces have been stepped up, [and some observation posts have been giving hourly reports of weather and of the Chinese Nationalist Navy.] Although Communist bomber activity continues at a very low level, fighter aircraft have been reacting strongly to Nationalist flights, and some mainland coastal air bases have greatly increased their number of alert flights. There has been no propaganda build-up, and these activities may reflect preparations for a military exercise, but they could also be indicative of preparation for some offensive military operations.

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USSR-Iraq: (Khrushchev, has solicited the Iraqi premier's views on Middle Eastern problems prior to the forthcoming meetings with President Eisenhower,

Khrushchev intends to tell the President the USSR is determined to "prevent imperialist conspiracies" against Iraq. an apparent bid to reap good will by showing concern for Iraqi interests--"balances" a similar letter to UAR President Nasir in which Khrushchev asked for Nasir's opinions and assured him there would be no agreements "behind his back." (Page 3)

II. ASIA-AFRICA

<u>UAR</u>: President Nasir has decided not to allow UAR students to return to the USSR because while there they were subjected to effective political indoctrination. Nasir is now seeking to place 200 UAR students in American universities and desires some 100 to 150 American professors for UAR universities this fall.

As recently as early June, the UAR was reported to be seriously concerned over political indoctrination of its students in the Soviet bloc x on 4 July,

it had ordered them home for a "cultural seminar." (Page 4)

India: The resignation under fire on 22 August of Indian Food Minister Jain and the assignment of the Food Ministry as an additional duty to Transportation Minister S. K. Patil, one of India's ablest administrators, underlines the top priority with which the Indian Government views the problem of increasing food production. India may reach its Second Five-Year-Plan goal of 81,800,000 metric tons of food grains by 1960-61, but the proposed increase to 111,800,000 tons during the third-plan period (1961-66) will require a maximum effort. Pro-Western Patil is noted for his political organizing ability and has probably been appointed to provide inspiration as well as administrative ability to the program. (Page 5)

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Japan-Korea: The government-inspired demonstrations in front of the American Embassy in Seoul during the past three days are aimed at securing US support for blocking the repatriation of Koreans in Japan to North Korea. Meanwhile, the talks in Tokyo between Japan and South Korea, which Korean officials acknowledge have the primary purpose of disrupting the repatriation, have made no headway. Relations have been further worsened by Seoul's resumption of seizures of Japanese fishing craft. (Page 6)

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III. THE WEST

France-Algeria: French Foreign Minister Couve de Murville, NATO representative Pierre de Leusse, and right-wing deputy Georges Bidault state that De Gaulle's staff has now concluded that a military solution in Algeria is impossible; a political solution is being sought. The foreign minister and De Leusse believe De Gaulle will obtain the backing of the military for a political solution, but Bidault believes the army will react strongly. According to Couve de Murville, if De Gaulle gains army and US support for his plans, he will appeal anew on '15 September--opening date for the UN General Assembly--for a cease-fire and propose a meeting of Algerian representatives, including the rebels, to plan Algeria's future status. Consideration of eventual independence would not be precluded. (Page 7)

IV. SIGNIFICANT INTELLIGENCE REPORTS AND ESTIMATES

(Available during the preceding week)

Main Currents in the Arab World. NIE 30-59. 19 Aug 59.

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I. THE COMMUNIST BLOC

Possible Visit of Chinese Communist Leader to Khrushchev

Premier Chou Enlai or a party leader of "equal rank" would fly to the USSR to discuss with Khrushchev his forthcoming talks with President Eisenhower.

a proposal to this effect was made at the recently concluded central committee plenum. The Chinese Communists are "not enthusiastic" about the Eisenhower-Khrushchev exchange, ______ and are trying to ensure that their interests will be protected. Peiping "will do nothing," however, to impede the visits.

(While a recent press report that Mao Tse-tung has gone to the USSR is unconfirmed, the whereabouts of Mao and 11 other politburo members is still unknown.7

(Reports of varying reliability state that the Chinese are apprehensive that friendlier US-USSR relations will prove detrimental to their interests, which they view as inconsistent with the maintenance of the status quo in the Far East. On the Taiwan and Laotian issues, the Chinese have directed their principal invective against the US as the "aggressor." They have asked foreign visitors to take a tough line against the "US imperialists" when they return home./

The Chinese Communist leaders may be less than enthusiastic about the implications the Eisenhower-Khrushchev talks could have for their general policy of maintaining a degree of tension with the US. At a time when bloc commentary--despite probable reservations among certain satellite leaders--was praising the forthcoming visits without significant qualification, Foreign Minister Chen Yi on 15 August called on the bloc to "carry on an unremitting struggle" to defeat the policy of "war and aggression by imperialism."]

In reprinting Chen's statement, <u>Pravda</u> omitted these hostile remarks, leaving Chen's endorsement of the Eisenhower-Khrushchev

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visits more in line with Soviet comment. Peiping probably now feels the need to avoid further public statements which might significantly differ from the tone of bloc commentary and thereby suggest a lack of Sino-Soviet unity on a major international development. Therefore, any announcement of a visit by a top Chinese leader would portray it as another gesture of Sino-Soviet solidarity.

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Khrushchev	to Qasim	
Khrushchev Iraqi premier's forthcoming med	views on Midd	has solicited the lle Eastern problems prior to the esident Eisenhower, Khru-
shchev said he i termined to "pro	ntends to tell event imperia	the P resident that the USSR is de- list conspiracies'' against Iraq. Khru-
shchev presuma would not be a p	bly also gave arty to any ag	Qasim assurances that the USSR preements behind his back.
maintain friend	y ties with bo gestur	over the past several months to th Baghdad and Cairo. es as profuse congratulations by
and the UAR's r	evolution-day	leaders on the occasion of Iraq's celebrations, the USSR has been nd military assistance programs

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with both countries.]

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Nasir Bars Return of UAR Students to USSR and Seeks American Assistance

(Nasir has informed the American Embassy that UAR students now vacationing at home will not be allowed to return to the USSR because of the "disturbing" effectiveness of the Communist indoctrination received there. Nasir requested assistance in placing about 200 of these students in American universities this fall. Cairo newspaperman Muhammad Haykal, acting as Nasir's emissary, stated that a similar request to the United Kingdom was being considered, although the UAR was hesitating on this because of its "ingrained" suspicion of the British. In addition, Haykal indicated the UAR would like to obtain the services of 100-150 American professors to teach in UAR universities, as well as "some" scholarship aid.)

The UAR has reportedly been concerned for some time over Soviet attempts at indoctrination, but another substantial factor influencing Nasir's decision may have been student dissatisfaction with conditions in the USSR. Numerous reports have shown widespread discontent over such personal matters as food and living quarters, as well as the manner and content of the instruction received. The improvement in UAR relations with the West during the past several months has made Nasir's request politically feasible, and the change would probably be very well received by the students.]

The students apparently are those ordered by the UAR Government to return home last month for "screening." Two days after this order was issued,

the USSR had "agreed to accept" 300 students for the next scholastic year. These 300, however, may have been scheduled for technical and vocational schools rather than universities.

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New Food and Agriculture Minister Appointed in India

Despite major increases in food production during the First and Second Five-Year Plan periods--from about 55,000,000 metric tons prior to 1951 to over 74,000,000 tons in 1958-59--population growth and food supply continue to be problems of top-priority concern to the Indian Government. This fact was re-emphasized when Food Minister Jain was dismissed on 24 August and his ministry taken over by pro-Western Transportation Minister S. K. Patil, who is noted for his organizational ability and is generally recognized in India as a competent trouble shooter. He is sometimes mentioned as a potential successor to Nehru.

Jain resigned reportedly under criticism for his failure to bring down food prices--a politically hot issue in India. In his farewell speech in Parliament, Jain indicated that his major difficulty had been lack of machinery to enforce controls under a new system of state trading.

The appointment of an individual with conservative leanings, who is probably unsympathetic to Nehru's aim of developing Indian agriculture through the expansion of cooperative farming, suggests that the goal of increased food production has been given higher priority than the method by which it is to be achieved. In any case, Patil's appointment will probably result in minimal expansion of true cooperative farming in India, though he will probably find it politically expedient to advance the cause of cooperative credit and marketing systems. Patil's appointment may also indicate recognition that without fulfillment of second-plan goals in food production, the Congress party's majority could be weakened in the national elections of early 1962.

Indian food production during the Second Five-Year Plan period (1951-56) was originally scheduled to rise from 66,300,000 metric tons to 76,200,000 tons. Revised population growth estimates forced the government to raise the target to 81,800,000 tons. Targets for the Third Five-Year Plan (1961-66) now run as high as 111,800,000 metric tons, achievement of which will require favorable weather and a maximum organizational effort.

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Status of Japanese - South Korean Relations

For three days crowds, obviously government inspired, have been demonstrating before the American Embassy in Seoul, demanding that the United States force the Japanese to cancel the repatriation of Koreans in Japan to North Korea. The demonstrations appear to have increased in intensity, and on 27 August attempts were made to force the embassy gates. The embassy has repeatedly protested to the appropriate authorities, and the police appear to have orders to prevent forceful entry, but their interference otherwise has been halfhearted and ineffective. While there have been many demonstrations protesting Japan's repatriation program, these are the first specifically staged for the embassy since the beginning of the repatriation dispute.

Meanwhile, the recently resumed negotiations in Tokyo for the normalization of relations between Japan and South Korea have made little if any progress. The Korean delegation insists on giving the legal status of Korean residents in Japan priority over the numerous other issues. The Japanese are willing to discuss this issue provided Seoul will approve an immediate exchange of Japanese fishermen held in South Korea and Koreans detained in Japan. The South Korean chief delegate has acknowledged that his government is primarily concerned with using the talks to block repatriation to North Korea.

Seoul has also resumed seizures of Japanese fishing boats, ostensibly in retaliation for the dispatch by Japanese fishing interests of two unarmed patrol craft to the Rhee line. This activity has been accompanied by South Korean clandestine activities in Japan designed to obstruct repatriation plans

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III, THE WEST

De Gaulle's Staff Concludes Military Victory in Algeria Is Impossible

De Gaulle's staff has concluded that a military victory in Algeria is impossible and Paris now is aiming at a political solution.

if De Gaulle obtains army support and if President Eisenhower agrees to support France in the UN debate, De Gaulle on 15 September will publicly restate the need for a cease-fire and propose a meeting of French and Algerian representatives to plan the future status of Algeria. Consideration of eventual independence for Algeria would reportedly not be precluded, provided free elections at a future date clearly show this to be the majority will.

the purpose of De Gaulle's current trip to Algeria is to win the army over to the idea of a political solution. The head of the American section in the French Foreign Ministry told embassy officials on 24 August that De Gaulle plans to talk with officers of all ranks, particularly with respect to a possible nonmilitary solution.

De Gaulle is planning to propose a solution within the framework of the **F**rench Community.

(Military leaders have thus far vehemently resisted any suggestion that the army forego a military "victory." Lately, however, there is evidence that even some military circles in Algeria feel a military victory is not possible.]

De Gaulle will obtain military backing, but the army will react strongly against any proposed political solution. De Gaulle is reported by the French ambassador to Washington to have said recently, "I think I now have the military with me."

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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

Director, National Aeronautics and Space Administration Special Assistant for Security Operations Coordination Board of Consultants on Foreign Intelligence Activities Special Assistant for Foreign Economic Policy Executive Secretary, National Security Council

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

Assistant Secretary of Defense for International Security Affairs

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

Director for Intelligence, The Joint Staff

Assistant Chief of Staff for Intelligence, Department of Army

Director of Naval Intelligence, Department of Navy

Assistant Chief of Staff, Intelligence, Department of the Air Force Supreme Allied Commander, Europe

Commander in Chief, Pacific

The Department of Commerce

The Secretary of Commerce Federal Bureau of Investigation

The Director

Atomic Energy Commission

The Chairman

National Security Agency

The Director

National Indications Center

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