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24 SEPTEMBER 1959

I. THE COMMUNIST BLOC

Chinese Communist high level personnel changes aimed at avoiding repetition of economic dislocations.

Communist bloc leaders may meet with Khrushchev in Peiping in early October.

II. ASIA-AFRICA

Indian forces strengthen position along Tibetan border.

Iraq--Protest demonstrations have caused no serious incidents but political atmosphere is tense.

Iran--Nehru made no effort to influence Shah on Iranian-Soviet relations during visit to Tehran.



CENTRAL INTELLIGENCE BULLETIN

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Approved for Release: 2020/02/21 C03163357

24 September 1959

DAILY BRIEF

I. THE COMMUNIST BLOC

SIRAB Communist China: Peiping has announced an extensive reshuffling of government officials at the deputy ministerial level. More than 400 appointments have been announced, but most of these are reappointments; a lesser number represent transfers to posts of comparable authority. Only about 20 of-OK ficials--some of whom may have opposed the regime's recent policies--appear to have lost out in the shuffle. The personnel changes and some simultaneous organizational changes appear to have been designed principally to avoid a repetition of the serious economic dislocations which developed last year. (Page 1)

> Bloc Leaders' Meeting in Peiping: A top-level meeting of Communist bloc leaders will apparently take place in Peiping during the Chinese tenth anniversary celebrations in early October. When Khrushchev goes to Peiping after his American trip, he will be accompanied or met there by "representatives" of the bloc countries who, together with the highest Chinese officials, will hear his report and comments on the results of the trip, according to the Yugoslav ambassador in Prague, who received his information from Czech Deputy Foreign Minister Gregor. Gregor, who was formerly Czech ambassador to Communist China, also said that he is now busy briefing the Czech delegation, which will include Antonin Novotny, first secretary of the Czech Communist party. In addition to the ceremonial purposes of the trip, Khrushchev will probably try to iron out any existing differences between Moscow and Peiping and also seek to allay Chinese Communist apprehensions over the effect of his talks in Washington on Communist Chinese international objectives, particularly Taiwan.)

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II. ASIA-AFRICA

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Sino-Indian border dispute:

Indian troops would not reoccupy Longju outpost if Chinese forces withdrew. the Indians had withdrawn from one outpost, which had been specified in a Chinese complaint, after it had been found to be on the Chinese side of the McMahon line.

New Delhi intends to defend other checkposts along the border.)

Indian military and security forces are strengthening their positions along the Indo-Tibetan border. The Indian Army has taken over from local security forces in the border area in Kashmir as well as Assam State, and army units in Assam have been reinforced. (Page 2) (Map)

Iraq: Although demonstrations on 20-21 September protesting the Qasim regime's execution of anti-Communist officers triggered no serious incidents, the political atmosphere in Iraq remains tense. Rumors are widespread that new demonstrations, possibly by Communist elements as well as by "nationalists," will take place before the end of this week. Meanwhile, the first trial of pro-Communists and others accused of inciting the clashes last July in Kirkuk has opened before another special military court, and is likely to exacerbate rather than, as Qasim presumably hopes, calm the situation. The UAR is making a concerted propaganda effort to encourage disorders.

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Nehru visit to Iran: (Preliminary reports of Indian Prime Minister Nehru's visit to Afghanistan and Iran confirm earlier impressions that he went to those countries to study their relations with the orbit rather than to give advice. Nehru made no effort to influence the Shah in his relations with the USSR in his initial conversations in Tehran and did not urge Iran to withdraw from CENTO or to adopt a neutralist foreign policy. His remarks both in Tehran and earlier in Kabul indicated that New Delhi)

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Would continue its neutral policy but that it is up to each nation to choose its own course of action. (Page 6)

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Watch Committee conclusions: (Situations susceptible of direct exploitation by Sino-Soviet bloc action which would jeopardize US interests exist in Laos and in the Middle East, particularly in Iraq and Iran,)

Laos: (While the dissidents, with probable North Vietnamese assistance, continue to have the objective of establishing themselves in a strong position which they could use as the basis for political bargaining or for the expansion of military operations, dissident activity will probably continue at a low level during the presence of the UN fact-finding mission in Laos.)

(Middle East: The initiation of significant hostilities is unlikely in this area in the immediate future,)

III. THE WEST

<u>France-Libya</u>: The French Defense Ministry plans two more air reconnaissance missions over Libya, one on 25 or 26 September over the area north of the 30th parallel and another on 2 or 3 October over the area south of the 30th parallel. Previous French flights of this nature, designed to check on suspected Algerian rebel activity in Libya. have gone undetected by the Libyan Government.

Argentina: President Frondizi has requested court action to dissolve the Communist party and to withdraw its electoral recognition. He is particularly concerned over threats by supporters of the outlawed Peronista party to back Communist candidates in the March 1960 congressional elections and over the Communist and Peronista labor unity pact to undermine the USbacked stabilization program. Frondizi and the armed forces are preparing for any violence that may ensue. (Page 7)

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Nicaragua: Simultaneous rebel incursions from across the Costa Rican and Honduran borders will occur before the end of this month,

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President has been warned that the incursions may be preceded by attempts to assassinate either him or his brother, who heads the armed forces. (Page 8)

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I. THE COMMUNIST BLOC

Chinese Communist Government Personnel Changes

Peiping has announced an extensive reshuffling of government officials at the deputy ministerial level. More than 400 appointments have been announced, but most of these are reappointments; a lesser number represent transfers to posts of comparable authority. Only about 20 officials--some of whom may have opposed the regime's recent policies--appear to have lost out in the shuffle. There is no indication so far that these will be subjected to further punishment.

The across-the-board reshuffle of deputy ministers seems to have been undertaken to improve efficiency and to strengthen some ministries by adding more deputies--a maneuver which Peiping has tried periodically during the past ten years. Peiping may also believe that the appointments will stimulate the enthusiasm of officials for the regime's policies.

The three former coordinating staff offices for heavy industry and construction, light industry, and transport and communications have apparently been amalgamated. Direction of this new body has been given Li Fu-chun and Po I-po, his deputy, who are also responsible for long-range and annual economic planning, respectively. This move may have been designed to avoid a repetition of the serious dislocations which developed last year, and primary responsibility for preventing this will apparently fall to Li and Po, whose public statements have indicated general sympathy with Mao's "leap forward" program of the past year.

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II. ASIA-AFRICA

The Sino-Indian Border Dispute

Public announcements indicate that Indian military and security forces along the Indo-Tibetan border are being augmented, even though both New Delhi and Peiping have stated their desire to settle the Tibetan border dispute through peaceful negotiations.

(The current Indian attitude toward the border dispute has been outlined

there have been no incidents since 26 August. India remains willing to leave the border post at Longju unoccupied if the Chinese will withdraw from it. The Chinese have not officially replied to this offer. The Indians have withdrawn from the outpost at Tamadem (unlocated), which was the subject of a Chinese complaint. After verifying the location of the McMahon line in this area, the Indians found the post to be on Tibetan soil.

(Indian policy, continue to occupy its other border posts along the McMahon line, that it will avoid provocative action, but that "if the Chinese try to enter into our territory, we shall oppose them." Both sides publicly are still committed to a peaceful solution of the border dispute through negotiation, but no means of bringing them together has yet been found,

While the controversy appears to be moving into diplomatic channels, General K. S. Thimayya announced on 22 September that the Indian Army had taken over from the local militia the defense of the border between Tibet and Ladakh, the easternmost province of Kashmir. On 21 September, the premier of Indianheld Kashmir also announced that a second battalion of Ladakhis

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was being raised for the state militia. The army had taken over border duties from state forces in Assam in early September.

army reinforcements are being sent to Assam and that forces already in the area are being redeployed. The identity and size of the units **are still open to question**, however, there being some confusion as to whether elements of brigade or battalion size are included.

	parachute	troops and	artillery	units are	1n-
volved.			_		

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The Iraqi Situation

The political atmosphere in Iraq remains extremely tense, although demonstrations in Mosul and Baghdad on 20 and 21 September against the Qasim regime's execution of anti-Communist officers passed without serious incidents. Crowds are reported to have shouted anti-Qasim slogans and to

have torn down the prime minister's pictures. However, on the evening of 20 September Qasim drove through Baghdad streets with an escort of only two officers. Security forces are much in evidence and are on the alert throughout the country.

Since the announcement of the executions, the UAR has whipped up a new rabidly anti-Qasim campaign. In Damascus more than 40,000 demonstrators paraded through the city in vehement protest against the "red massacre of Iraqi nationalist elements." Shouts of "woe unto the criminal Qasim, Baghdad's hangman" were heard. Similar demonstrations were staged in Cairo and other cities throughout the UAR.

There are rumors in Baghdad that Communist-inspired demonstrations will occur on the Moslem sabbath, 25 September. In view of the high tension, it is doubtful that Qasim would permit new demonstrations at this time, since they very likely would result in widespread disorders.

Possibly to take the sting out of "nationalist" accusations of Qasim's partiality for the Communists, the special military court set up to try participants in the July Kirkuk riots has begun the trial of four of the accused. At least six others charged with complicity are scheduled for later trial. The prosecutor is demanding the death penalty for those implicated in the disorders. At this juncture, however, a new series of trials is likely to exacerbate the situation, since pro-UAR nationalists are unlikely to be mollified by the execution of a few low-level Communists.

Rumors of impending coup attempts against Qasim continue. Anti-Qasim elements may have been caught off balance by the

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suddenness of the executions. However, they may feel that their chances of success diminish the longer they delay action against the regime. Military governor Abdi continues to back Qasim, and Baghdad garrison troops apparently are carrying out orders without question.



Prime Minister Nehru's Visit to Iran

(Preliminary press and diplomatic reports regarding Prime Minister Nehru's recently concluded visits to Kabul and Tehran indicate that he made no effort to settle Afghan and Iranian problems, that he did not actively oppose CENTO, and that he did not urge Iran to adopt a policy of neutrality.)

(In both capitals Nehru made it clear in public remarks that India would continue its present neutral course regardless of occasional irritations and provocations. His attitude toward others, however, is illustrated by his answer to a newsman's request in Tehran that he give his opinion on the new Central Treaty Organization. Nehru said, "I have always lived far removed from all pacts. I don't suppose a change of name makes it different from what it was. This is simply my personal opinion. It is for each country to decide." This new restraint on Nehru's part has been evident since the Tibetan revolt broke out last March.)

(The Shah of Iran stated that in his talks with Nehru, the Indian prime minister did not attempt to change Iranian policy toward the USSR or give advice of any kind. Minister of Court Ala said that Nehru made no effort to influence the Shah in his relations with the USSR. The Shah added that Nehru is a muchchanged man and that he is more realistic in his outlook toward Communist countries. Nehru indicated to the Shah that aggression should be resisted.

(These preliminary reports of Nehru's visits confirm earlier impressions that he traveled to Afghanistan and Iran primarily to study their relations with the orbit and to acquire background material to guide his own thinking about world problems rather than to give advice.)

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III. THE WEST

Argentine President Asks Courts to Dissolve Communist Party

Charging the Communist party with subversion, Argentine President Frondizi requested on 22 September that the courts dissolve the party and withdraw its electoral recognition. Behind this action is his concern over threats by supporters of the outlawed Peronista party to back Communist candidates in the March 1960 congressional elections. He is also concerned over an intensification of strike pressure against austerity measures under the US-backed stabilization program as a result of the labor unity pact signed by the Communists and Peronistas in August.

The government also anticipates an increase in violence from Communist and Peronista agitation.

Communist party members were making bomb casings and other weapons in railway shops in the provinces of Entre Rios and Corrientes for later shipment to other large cities.) Considerably before the present 48-hour strike was scheduled, Peronista exiles in Bolivia talked about the joint Peronista strike plans, saying an armed attack against the Frondizi government would follow in October.

The armed forces strongly endorse anti-Communist measures and a firm policy against labor agitation. The new war secretary has warned that the army would "come out with all its power if foreign interests endanger the country" through strike action.

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Nicaraguan President Expects New Revolutionary Attempts

Simultaneous rebel incursions into Nicaragua from Costa Rica and Honduras, supported by internal revolutionary groups, will occur before the end of this month,

the President has been warned that the incursions may be preceded by attempts to assassinate either him or his brother, General Anastasio Somoza, chief of the armed forces.

The rebel force that would enter from Costa Rica presumably is the same one that raided a Nicaraguan border town on 7 September and then withdrew into Costa Rica. The raiders numbered about 40 men, but Somoza believes the strength of the entire group now is about 80. The group alleged to be poised at the Honduran border is of unknown strength but probably is also small. Both forces could probably be dispersed quickly if they should enter Nicaragua, as were other rebel groups earlier this year--unless coordinated action by the internal opposition were to be sufficiently energetic and widespread to distract and divide the 5,500-man National Guard.

The President fears that the violently antiregime students known to be prominent in the revolutionary groups now organizing inside the country do, in fact, plan coordinated revolutionary action with the invading bands. A leaflet was being distributed in many Nicaraguan cities last week announcing a new invasion by a "liberation army" and calling on all able-bodied citizens to join the "21st of September Movement," a student-led internal revolutionary group named for the date in 1956 when the late President Somoza, father of the incumbent, was fatally wounded by an assassin.



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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 The Director


