

TOP SECRET

25X1



18 July 1952

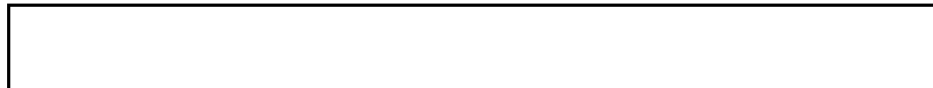
25X1



25X1

Copy No. 53

CURRENT INTELLIGENCE BULLETIN



25X1

Office of Current Intelligence

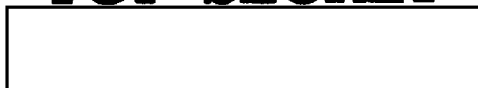
CENTRAL INTELLIGENCE AGENCY



25X1

State Department review completed

TOP SECRET



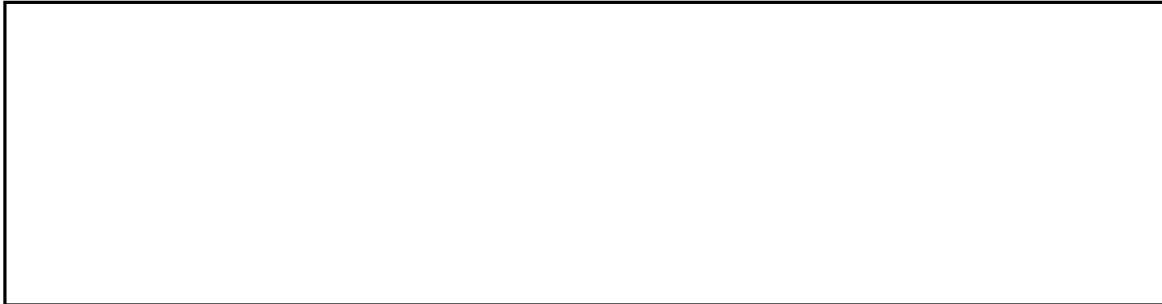
25X1

25X1A

SUMMARY

GENERAL

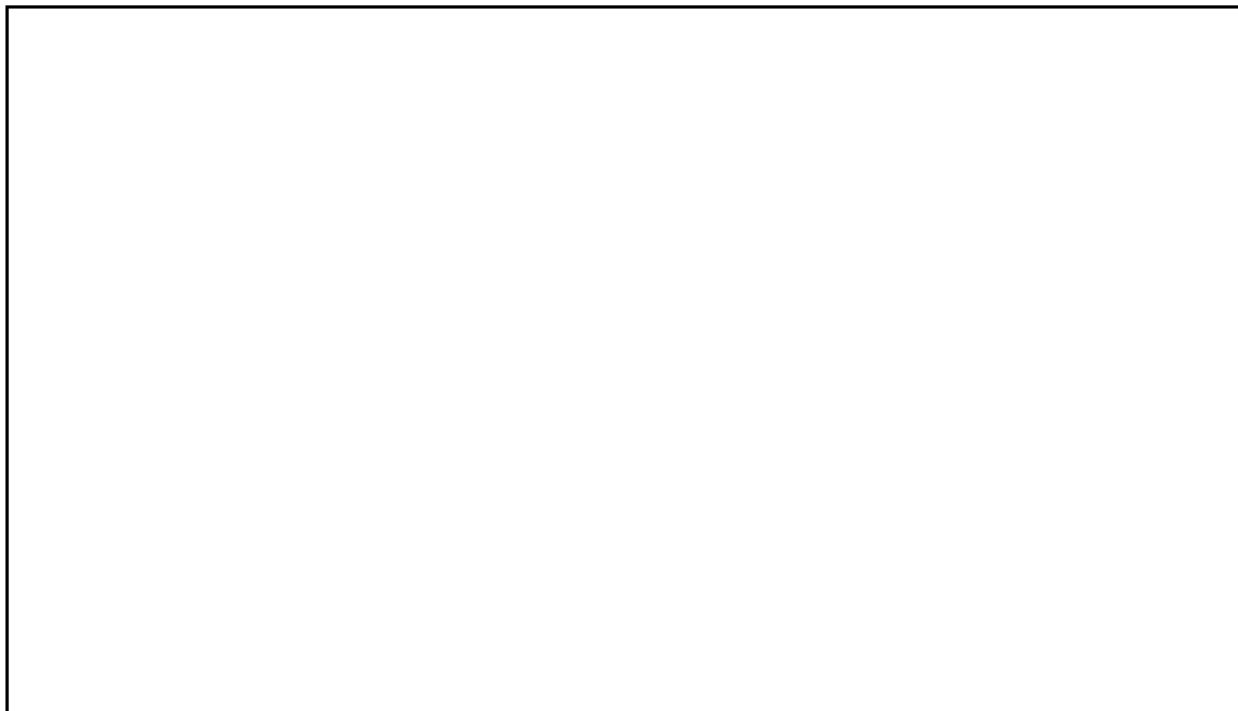
1. Britain still opposes American position on Far East trade controls (page 3).



4. Karen and Chinese Nationalists reported cooperating in Burma



8. Comment on Iran's new Prime Minister designate (page 8).



25X1A

GENERAL

1. Britain still opposes American position on Far East trade controls:

25X1A



In a strong demarche to the American Embassy in London, the British Foreign Office has urged the United States to take the initiative in getting a quadrilateral agreement with France and Canada on the method for associating Japan with Western trade control machinery in advance of the negotiations with Japan beginning on 28 July.

The Foreign Office called attention to the generally favorable reaction to Japan's request for full membership in COCOM. According to the Embassy, the Foreign Office also indicated that even if Japan were persuaded to accept the American proposal for a separate Far Eastern organization, Britain would be most reluctant to participate.

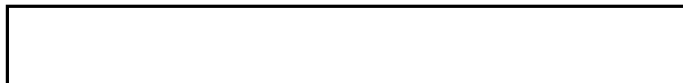
Comment: Britain's position on this issue is influenced by its desire to protect the British economic position in South and Southeast Asia by deflecting Japanese competition toward the Chinese mainland, and also by its intention to relax restrictions on trade with China in the event of a Korean settlement.

25X1



- 3 -

25X1A



Next 1 Page(s) In Document Exempt

4. Karen and Chinese Nationalists reported cooperating in Burma:

25X1A

The American Embassy in Rangoon is disturbed by the increasing reports of cooperation between Karen and Chinese Nationalist forces in Burma

25X6
25X6

According to the Embassy, the Burmese Government has thus far treated the Chinese Nationalist problem with great restraint despite the widespread belief of US involvement. Chinese complicity with the Karens could seriously undermine American relations with Burma.

Comment: Reports of Karen-Chinese Nationalist cooperation are supported by the appearance of newly-acquired military equipment in the hands of Karen forces in eastern Burma.

25X1

25X1

25X1A

25X1

Approved For Release 2003/10/15 : CIA-RDP79T00975A000700560001-2

Approved For Release 2003/10/15 : CIA-RDP79T00975A000700560001-2

25X1A

8. Comment on Iran's new Prime Minister designate:

The appointment of former Prime Minister Ahmad Qavam as the new Prime Minister suggests that Iran may adopt a more reasonable attitude on the oil issue. Friendly to Britain and pro-West in attitude, octogenarian Qavam is one of the most astute politicians in Iran.

If he is confirmed, he will be hampered by a long-standing antipathy of the Shah, the country's near bankruptcy, continued British intransigence on the oil issue, and strong nationalist opposition. Even Qavam, who has indicated a willingness to compromise on the dispute with Britain, has insisted that no prime minister who agreed to return the British to a controlling position in the oil industry could remain in office.

25X1

25X1A