# Approved for Release: 2019/05/08 C02692607 IOP SECURITY INFORMATION

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#### SUMMARY

#### **GENERAL**

1. Soviet Ambassador says USSR will veto Libyan admission into United Nations (page 3).

#### **USSR**

- 2. New activity at Irkutsk Automobile Assembly Plant (page 3).
- 3. Comment on the 1952 Soviet State Budget (page 4).

#### FAR EAST

4. Chinese airfield near Tonkin border improved (page 4).

#### NEAR EAST - AFRICA

- 5. French approve early establishment of embryo Middle East Command (page 5).
- 6. Egyptian Foreign Minister urges 'early action' on Anglo-Egyptian dispute (page 6).

#### WESTERN EUROPE

7. German regional elections will test Adenauer's policies (page 6).



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#### GENERAL

Nations:	3.3(	h)(
	The USSR will find it "difficult" not to veto the proposed separate entry into the United Nations of the UN-created state of Libya, the Soviet Ambassador in London told the Yemeni Minister there	š
approaches to Russian	Comment: The Yemeni Minister had been ment on 8 February to make certain friendly representatives, including a suggestion that the Libya's admission to the United Nations.	9
		3.
WOL U Sumitting I ibe	The General Assembly on 1 February voted in	
Communist countries in	a; the Soviet bloc, however, abstained on the was illegal.  The Soviet Union has maintained that nine non-icluding Libya, plus five Soviet Satellites, must	
ground that the motion	was illegal.  The Soviet Union has maintained that nine non-	
Communist countries in	was illegal.  The Soviet Union has maintained that nine non-	
Communist countries in the admitted together.	was illegal.  The Soviet Union has maintained that nine non- ncluding Libya, plus five Soviet Satellites, must	
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This activity appears to be of such large scope as to require construction of additional facilities. Three officials of the plant were called to Moscow in mid-January for detached service with the Ministry of the Communications Equipment Industry.

Comment: This additional construction may indicate plans for a considerable increase in production of mobile electronic equipment. The more likely possibilities are: medium and high frequency radio, ultra high frequency radio relay, radar, and electronic test and maintenance equipment.

The Irkutsk plant is known to have shipped vehicles to Manchuria.

#### Comment on the 1952 Soviet State Budget: 3.

The planned surplus of 32 billion rubles in the new Soviet budget is a deflationary measure, which indicates the magnitude of existing inflationary pressures. Moreover, some funds for Soviet atomic energy development may be derived from this source.

Conspicuously absent was any mention of a second postwar Five-Year Plan,

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Similarly, no mention was made of price cuts on consumer goods, as in the years 1948-51. It may be that announcements on both of these subjects are being withheld until the World Economic Conference meets in Moscow in April.

#### FAR EAST

### 4. Chinese airfield near Tonkin border improved:

field。

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French pilots told the US Air Attache that, while patrolling at a high altitude along the Tonkin-China border, they had sighted two parallel paved runways, each 6,000 feet long, at Lungchou, some 13 miles inside China. The Attache comments that this is the first reliable information the French have provided on this



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Comment: The last reliable report on this installation, dated September 1951, described one clay surface runway of 1,000 feet. Extension and improvement of the field have since been reported by other sources.

This field is within combat radius of the Tonkin delta for MIG-15's without wing tanks.

#### NEAR EAST - AFRICA

υ <b>.</b> _	Trench approve early establishment of entoryo widdle East Command					
-	The French Foreign Office in late February approved holding a secret four-power discussion in London on the organization of the					
	proposed Middle East Command, regardles					
	of any developments in the Anglo-Egyptian situation.					

France agreed with Britain that initially the Command functions should be restricted to planning and coordination, but felt that the London discussions should be more broadly based on the original four-power proposals. France opposed the inclusion of Australia, New Zealand, and South Africa in these discussions because it would wound the sensibilities of the Arab countries and increase British influence in the organization.

Comment: Turkey also seems to have favored holding the meeting. The original British plan to announce its date following the Lisbon conference appears to have been revised in the light of American and French desires for secrecy in order not to offend the Egyptians.

The British on 16 February proposed establishment of the nucleus of the proposed Command on Cyprus with no forces assigned to it. The functions of this organization would include providing advice and training to Middle East states on their request, coordinating their requests for arms and equipment, planning for the wartime operations of all forces to be introduced into the area, and coordinating those operations with NATO plans.

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6.	Egyptian	Foreign	Minister	urges	"early	action"	on	Anglo-Egyptian
	dispute:				. 1			

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The Egyptian Foreign Minister has strongly appealed to Ambassador Caffery in Cairo for speedy action on the Anglo-Egyptian controversy. He warned that this would probably be the last

chance for the free world to reach a solution and that the USSR stands ready to exploit the situation.

The Foreign Minister also pointed out that, while the new cabinet of Prime Minister Hilali is seriously considering urgent domestic reforms, nothing can be done about them until the dispute with the British is settled.

Comment: Events of the past few months have shown that domestic issues are so colored by the Anglo-Egyptian controversy that it will be difficult for any government to solve the many pressing internal problems without first reaching some settlement with Britain.

#### WESTERN EUROPE

7. German regional elections will test Adenauer's policies:

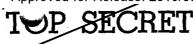
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Constituent assembly elections in the new German Southwest State on 9 March will show the extent of popular opposition to Chancellor Adenauer's defense program and will indicate

the trends that will shape next year's Bundestag elections.

American officials predict a considerable growth in the strength of the Social Democratic Party which is opposed to rearmament. If the Social Democrats gain a plurality, they will also gain control of the Federal Senate.

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Comment: Adenauer's Christian Democrats, the largest party in the state, are weakened by internal dissension and the competition of two other political organizations new to the area.

Although public opinion polls show that Adenauer's party has recaptured some popularity, the sharp public reaction to the government's newly announced rearmament plans will have a dampening effect on these gains.

It is believed that the West German Communist Party as well as the right extremist Socialist Reichs Party will show some increases in this election.