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Office of Current Intelligence

CENTRAL INTELLIGENCE AGENCY

TOP SECRET SECURITY INFORMATION

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USSR

1. American Mission Chiefs from eastern Europe comment on Orbit public opinion: 3.3(b)(2

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At the recent meeting of US Missions Chiefs from eastern Europe it was agreed that within the Soviet Union the Russians were having some success in their "Hate America" cam-

paign and in creating the impression that the United States is driving the world into another war. In the Satellites, however, the majority of the people are still pro-American and hope for an early liberation, even if a war is necessary.

2. USSR opens credit to purchase copper in Argentina:

The Moscow State Bank ordered its London branch to open an irrevocable letter of credit of 1,375,000 dollars for the purchase of 1,000 metric tons of electrolytic copper in Argentina. According to the 24 January contract, the

credit is valid until 24 March 1952, and the copper is to be no less than 99.98 percent pure, f.o.b. a Soviet steamer in Genoa.

<u>Comment</u>: This is the first indication of possible Argentine shipment of copper to the Soviet Orbit. Reportedly, Argentina's strict export controls have prevented re-export of essential goods which it has to import. There is no indication that the Argentines involved in the transaction have any connection with Argentine Government officials.

Because of Argentina's desperate need for foreign exchange and its current anti-American feeling, the government might permit this sale.

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FAR EAST

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Fear of future epidemic suggested in Communist 3.

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A Chinese Communist artillery unit was informed on 29 February that "all personnel will be reinoculated at once" with bubonic plague vaccine. Healthy individuals, however, are to take only

a half-strength shot or may "temporarily not be inoculated."

a Chinese Communist artillery regiment reported on 27 February that "we have now fully obtained the vaccine required for smallpox in the spring time, malaria, and bubonic the smallpox and malaria shots have alplague." ready been given, but queries, "How shall we administer the bubonic plague shots?" 3.3(h)(2)

The Communists evidently are Comment: carrying out a large-scale immunization program in Korea, probably because the threat of epidemics will be heightened in the coming months.

precedented coverage given the BW theme in Communist broadcasts, moreover, supports the view that propaganda motives are behind the charges of UN use of BW in Korea.

French open drive against Indochinese nationalist force: 4.

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Five French infantry battalions, together with supporting artillery, river craft, planes and paratroops, are participating in an operation northwest of Saigon, designed to engage armed

The continued and un-

units of Colonel Trinh Minh The's "National Resistance Front."

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<u>Comment</u>: Colonel The, who has taken a strong stand against both the French and the Viet Minh, is regarded by many Vietnamese as a national hero.

The US Legation in Saigon has previously observed that military action against Colonel The would not only weaken the French forces available to counter growing Viet Minh strength but also inflame nationalist sentiment throughout Vietnam. Other Americans on the scene have pointed out that the United States position, already misunderstood by many Vietnamese, would be further compromised by the use of American-supplied arms against anti-Communist elements.

SOUTH ASIA

5. India considers "action" in case of Chinese Communist intervention in Burma:



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India's new Secretary for Commonwealth 3.3(h)(2) relations has told American Counsellor Steere in New Delhi that India regards any threat to the territorial integrity of Burma as a threat

to itself. The Secretary concludes from this that his government would be forced to take some action if it should receive information indicating the likelihood of Chinese Communist intervention in Burma against Chinese Nationalist troops. Circumstances would decide the kind of action to be taken.

 $\frac{Comment:}{with diplomatic representations providing that}$ India would content itself with diplomatic representations providing that the Chinese intervention posed no direct threat to India's frontiers. Their is no evidence that Burma is counting on Indian army support; it would, however, expect India to take the lead in the international councils concerned with Burma's independence.

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NEAR EAST - AFRICA

6. Syria embarks on anti-Western campaign:

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The Syrian Government has ordered the 3.3(h)(2) liquidation by 2 April of the Near East Foundation, which is financed by the Point Four program. It has ordered the replacement of foreign company managers by Syrians. It has for-

bidden civil servants to "establish contact" with foreign legations and has asked foreign missions to restrict the activities of their personnel to their official duties.

The US Legation in Damascus thinks that the passage of these measures is the result either of faulty coordination between Colonel Selo, the legal head of the government, and Colonel Shishakli, the military power behind the government, or of insincerity on the part of Shishakli who has steadily indicated his pro-Western orientation.

Comment: There has long been evidence of a strong anti-Western sentiment in Syria. While the effects of the new regulations cannot now be assessed, their promulgation means that the US and Britain will have added difficulties in persuading the present Syrian military regime to cooperate with the West.

7. American Military Mission in Iran strongly opposed by Mossadeq:

Iranian Cabinet member Busheri has told Ambassador Henderson that the Iranian Finance Ministry will have no authority to grant funds to the US Military Mission after

20 March unless a new contract is signed. Although Mossadeq has assured the American Ambassador that the Mission's expenses would continue to be met even without a contract, Busheri believes that the Prime Minister could not legally justify such an expenditure before the Majlis.

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Meanwhile, the Prime Minister has again told Ambassador Henderson that he has always opposed and can never support or agree to any US-Iranian military contract.

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<u>Comment</u>: In an apparent attempt to appease local conservative opinion and avoid antagonizing the United States, Mossadeq has suggested on several occasions that the Military Mission stay in Iran after the expiration of the contract until the situation is clarified. At the same time, however, he has warned that neither he nor the Majlis would be inclined to consent to a continuation of the Mission.

8. New disturbances in Egypt predicted:

The British War Office, which expects riots in Egypt when Prime Minister Hilali Pasha reveals the Wafd's role in the recent disturbances in Cairo, has alerted the British forces in the Canal zone and in Libya which would be involved in any occupation of the delta region.

The difficulties facing Egypt's Premier in initiating domestic reforms have also been stressed by the able Ahmed Hussein Pasha, who at one time participated in the former Wafdgovernment but who has so far refused to join the new cabinet. He states that Hilali lacks any real public support and maintains that the government's emphasis on internal reforms has already evoked charges that the Prime Minister is diverting popular interest from Egypt's national aspirations.

The American Ambassador in Cairo states that if Britain would soon offer substantial concessions on the treaty dispute, the Hilali Cabinet could break the power of the Wafd. He also notes that "if the Hilali government falls, no one knows what will come next in Egypt."

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WESTERN EUROPE

9. Leading French Socialist pessimistic on ratification of the European Defense Community:

The European Defense Community treaty in its present form would be defeated in the French Assembly by 60 votes, in the opinion of Andre Philip, a leading Socialist and the

head of the French delegation to the Economic Commission for Europe. Philip stresses that fears of a rearmed Germany will preclude Socialist support unless Britain joins the EDC or unless that organization provides for a real political integration of Europe.

<u>Comment</u>: Socialist support for continued negotiations on the EDC was won last month only after considerable compromise by ex-Premier Faure's coalition. Socialist Secretary General Mollet has since emphasized to US officials that the treaty will not be ratified in its present form.

Recent indications that the British Labor Party now favors British participation in a European army have greatly encouraged the French Socialists on this particular issue. Since there is little likelihood that Britain will join the EDC, however, the Socialists will probably vote for the treaty if their other conditions are met.



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