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## GENERAL

1. Designation of Austria as "liberated area" recommended--US Charge Vienna believes that the "clear designation" of Austria as a "liberated area" would now be justified in view of the Nuremberg judgment that the Austrian anschluss represented "aggressive war" by Germany.
2. US approves Austrian-Bulgarian diplomatic relations--The State Department recommends that the US element AC Austria approve the establishment of diplomatic relations between Austria and Bulgaria.

## EUROPE

3. USSR: Food ration restricted--Embassy Moscow transmits as "believed reliable" reports that: (a) the eligible age for issuance of food cards to the unemployed has been raised (by 5 years) to 55 for women and 60 for men; (b) only potatoes are available on the cereal ration; and (c) workers in a Moscow automobile plant have been informed that strict rationing is necessary because of drought in the Ukraine and floods in Siberia. The Embassy believes these cuts possibly have been made to build up reserves and not because of a bread-grain shortage; it adds that US correspondents' stories on these reports have been killed.
4. YUGOSLAVIA: British plane forced down--US Military Attache Belgrade was informed by the Yugoslav Ministry of National Defense on 4 October that a British plane was forced down at Nis by Yugoslav fighters and that all occupants are believed safe.
5. CZECHOSLOVAKIA: US urges acceptance of Polish Jewish refugees--The State Department has asked the US Embassy Prague to urge that the Czechoslovakian Government on humanitarian grounds accept the temporary residence of 10,000 Polish Jewish refugees.
6. PORTUGAL: Rumored revolt reported cancelled--According to US Military Attache Lisbon, the revolt scheduled for 5 October (see Daily Summary of 4 October, item 6) has been cancelled in view of Salazar's reported intention of "ousting" all Ministers and forming a temporary

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"Council of Ministers" pending free elections. The opposition feels that this move accomplishes its own objectives. The MA also reports that the Minister of War has called in all military leaders for consultation and therefore has made a coup impossible.

#### NEAR EAST-AFRICA

7. TANGIER: Visit by Sultan of Morocco--US Diplomatic Agent Alling confirms that the Sultan of Morocco will visit Tangier early in November. The Sultan reportedly will be accompanied by the French Resident General; the Spanish representative at Tangier interprets this as a maneuver by the French to "demonstrate" their hegemony over Tangier.

#### FAR EAST

8. CHINA: USSR collecting data on US military--The Commander of the US Seventh Fleet reports that the USSR is "assiduously" collecting information on all Chinese incidents involving US military forces. He believes that this information will be used in a propaganda campaign to cause a split in US-Chinese relations and to force withdrawal of US forces.

Central Bank official concerned over Chinese finances--US Treasury Attache Nanking reports that the Governor of the Central Bank of China is deeply concerned over a drain of US \$250,000,000 on the Central Bank's foreign exchange and gold resources since last March. The Governor feels that the basic lack of confidence in China's currency cannot be remedied under existing military and political conditions.

9. KOREA: Rail strike considered part of radical program--General MacArthur transmits reports that North Korean radicals consider the railroad strike in South Korea as part of their own program to prevent a coalition of South Korean political parties, to forestall the establishment of a legislature in South Korea, and to discredit the US.

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**THE AMERICAS**

10. **PANAMA: Delay in US return of Talara base urged--US Ambassador Hines reports his concurrence with General Crittenberger in urging that return of Talara airbase to Peru be deferred in order not to prejudice the defense sites negotiations in Panama.**

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