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DIA & DOS review(s) completed.

COMPREMENTAL

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GENERAL

1.	McNutt proposal on Philippine base issue deemed inadvisable The
	State Department has advised Ambassador McNutt that, in the opinion
	of the State, War and Navy Departments, his proposed declaration on
	the Philippine base issue "is inadvisable at this time"
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- 2. USSR presses Argentina for trade treaty--Messersmith reports that the Argentine Government, under Soviet pressure to conclude a bilateral trade treaty along "conventional lines," describes itself as "not interested" but is thinking of proceeding with it. The Government asks what the US attitude would be towards an Argentine-Soviet trade treaty.
- 3. Czechoslovakia to build airfields at Soviet request—US Ambassador

 Steinhardt has been told

 that, as a result of a Soviet request for the construction of large airfields in Slovakia capable of handling "the largest and latest aircraft," the new budget contains a secret fund of 11 billion crowns for the use of the Defense Minister and the defense budget for the two-year plan includes a similar fund of 17 billion crowns. The Czechoslovakian Gov-

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EUROPE

4. USSR: "Atomic strategy"-

ernment does not possess any such aircraft.

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the following outline of Soviet "atomic strategy" was presented to a recent meeting of senior Soviet officers in Baden, Austria. The USSR, "on the world stage," will continue to advocate disarmament and the outlawing of atomic weapons but refuse to allow an "unnecessary" international inspection plan. This will result in the creation of a "world opinion" which will force the Western Powers to disarm and cease atomic development, thus placing the USSR in the position of the leader "in the cause of peace." While the Western Powers "sleep," the USSR will continue its atomic development program. Justification for such action is the necessity to use "any means" in the "eternal struggle" of the USSR against the capitalist world "which seeks to destroy it."

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THE C.I.A. HAS NO OBJECTION TO THE DECLASSIFICATION OF THIS DOCUMENT.

TO GOLFADENTIAL!

- 5. YUGOSLAVIA: US State Department protests taking up of US passports--The State Department has instructed US Embassy Belgrade to advise the Yugoslav Foreign Office that it objects to the taking up of American passports from persons to whom they have been issued, and to suggest that Yugoslav authorities make every effort to locate such passports previously reported to have been lost by local authorities. The Embassy has also been instructed to emphasize the necessity for personal interview by US officials before repatriation of US citizens is undertaken.
- 6. ITALY: Precautions urged to prevent scuttling of Italian Fleet -- US Naval Attache Rome reports that definite danger of the scuttling of the Italian Fleet exists, if the crews are forewarned of the Fleet's transfer and the manner in which it is to be effected. The Naval Attache urges that this danger be considered prior to the actual transfer

EAST.

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NEAR APRICA-AFRICA

7. IRAN: Soviet arms accepted as debt repayment -- Allen reports that the Iranian Government has agreed to accept "a considerable amount" of arms and ammunition from the USSR in partial repayment for advances made when Soviet troops were in Iran. The Iranian Chief of Staff asserts that he will not accept Soviet officers or instructors or "any other strings" attached to this repayment.

Allen comments that while Iranian acceptance of Soviet arms is "questionable," the transaction may be considered essentially a Soviet surplus disposal project and an Iranian effort to realize "something" on

the Soviet indebtedness and to obtain much needed arms.

Qavam plans to move into Zenjan--Allen also reports that upon receipt of first-hand information regarding Azerbaijan from US Vice-Consul Dooher, Qavam said on 8 November that he was "determined to occupy Zenjan (now held by Azerbaijan) within ten days, by force if necessary." Dooher had reported that Kurdish leaders are disillusioned with the Soviets, strongly opposed to Communism, and ready to join the Central Government in an attack on Azerbaijan. Allen adds that Azerbaijan forces give every appearance of intending to put up strong resistance at Zenjan.

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