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EUROPE

1. USSR: Food shortages--US Ambassador Smith reports that during October and November the population of Moscow received full rations of bread, but that salted fish replaced meat, and peas and potatoes took the place of cereals for all consumers except children. Fats were not issued in October, and in November a double ration of cheese was substituted for them. The December fats norm will consist of a double ration of condensed milk. Only children have received their full sugar ration.

(CIG Comment: While the food situation in Moscow is far from satisfactory, other areas are suffering from even more serious shortages. In some localities, only black bread is regularly available, while in others potatoes are reported to be the sole source of nourishment.)

2. GERMANY: Repatriation of Germans from Denmark--The State Department has recommended that US Political Adviser Murphy and General Clay give favorable consideration to a Danish request that the US Zone accept 12,000 German refugees from Denmark. The Department, taking into account the difficulties involved, has reluctantly made this recommendation on the grounds that "steps should be taken now to placate the Danes."

3. AUSTRIA: German assets --US Minister Erhardt reports that the Austrian Government is "extremely anxious" to enter immediately into bilateral negotiations with the USSR for a settlement of the German assets problem by immediate repurchase from the Soviets of listed properties, and Soviet renunciation of all other claims to German assets in Eastern Austria. Erhardt adds that the Soviet Command is exerting pressure for the immediate submission of an offer and that the British, who oppose bilateral Austro-Soviet negotiations, may be persuaded to withdraw their objections.

4. USSR: Danish mission believed opposed to non-reciprocal pact--US Embassy Moscow is under the impression that the Danish air mission has decided not to abandon the principle of reciprocity but is pessimistic as to the outcome of the air agreement now under negotiation with the USSR

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5. **BULGARIA: Recommendations for SC Border Commission**--US Representative Barnes, in Sofia, states that if the proposed SC Commission to investigate Greek-Bulgarian border conditions is to accomplish the purposes sought by the US, it should be free to cross into each of the countries concerned within a limit of not less than 25 kilometers and should remain on the spot "until the summer of 1947 at least." Barnes believes the presence of the UN inquiry commission would put an end to activities against Greece, "at least for the duration of the commission's life."

FAR EAST

6. **FRENCH INDOCHINA: Free Cambodian activities**--US Naval Attache Bangkok reports that although Siamese press statements that the power station and water supply have been destroyed in Battambang are false, Free Cambodians appear very active in the area. US observers flying over the provinces retroceded by Siam to Indochina have seen many villages burning and noted bridges destroyed on two roads and the railroad. Free Cambodians appeared to be in control of land communications in the Battambang-Siemreap area.
7. **BURMA: Conditions for participation in London conference**--US Consul General Rangoon reports that Aung San, leader of the dominant Anti-Fascist League, has demanded British agreement on three points before League members of the Executive Council will go to London for conversations on Burmese independence: (a) the elections in April, 1947, shall be for a Constituent Assembly; (b) non-Burmese peoples shall not vote, and (c) the present Executive Council shall be recognized as an Interim National Government.

THE AMERICAS

8. **PANAMA: President desires immediate defense sites settlement**--US Ambassador Hines has been told by the Panamanian Cabinet Minister "closest" to President Jiminez that the latter is eager to settle the defense sites question immediately, under a formula involving (a) fixing a date for return of the bases to Panama under the (existing) 1942 agreement, and (b) negotiating a new agreement to take effect "a few minutes or hours" after the bases are returned.

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