GENERAL

1. US to protest East German militarization—The Department of State has informed US Embassies London and Paris that the US intends to make a formal protest to the USSR regarding the formation in Eastern Germany of a militarized police force. The Department comments that the purpose of such a protest will be primarily for the propaganda effect, because the USSR is unlikely to disband the military police organization at US request. The Department expresses the belief that the protest would be more forceful if the UK and French Governments participate in some manner and requests the Embassies to discuss the subject with the British and the French.

EUROPE

2. BELGIUM: Elder statesmen favor Leopold's abdication—US Embassy Brussels has been informed by former Belgian Premier Spaak that there is "not the slightest doubt" that a majority of the Belgian Ministers of State (an advisory group of "elder statesmen" who have been called into special session) will favor a formula providing for the dignified and honorable abdication of King Leopold. Spaak described Carton de Wiart, who has been called on by the Regent to form a government, as a "moderate" on the subject of the King's return. Spaak expressed the opinion that his Socialist Party (which has heretofore adamantly opposed Leopold's return) "would display excellent manners" if Leopold would agree to return and then abdicate.

State Dept. review completed

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NEAR EAST-AFRICA

3. IRAN: Shah names Ali Mansur as Prime Minister--US Ambassador Wiley in Tehran reports that the Shah has accepted the resignation of Prime Minister Saed's Cabinet and has appointed Ali Mansur to form a new government in its place. According to Wiley, the immediate popular reaction to the Shah's action was one of bitter disappointment and increased frustration. Wiley adds that Prince Abdor Reza (the Shah's personal representative in the Seven-Year Plan Organization) now plans to withdraw from active participation in economic affairs and that Minister of National Economy Taqi Nasr has indicated that he will not continue in office with what he calls "the most corrupt and self-seeking elements in the country."

(CIA Comment: CIA believes that the Shah's appointment of Mansur may well have been motivated by fears that his weak political position called for appeasement of the powerful landowners and other vested interests with whom Mansur has long been associated. CIA considers that, regardless of the Shah's motive, Mansur's appointment will probably reduce progress toward the economic and political stabilization which Iran needs, particularly because the Shah's appointment of a man with Mansur's reputation will alienate the progressive elements in the population and discourage the general popular hope that the Shah could put through a reform program. Moreover, the new government will be handicapped by the withdrawal of the two most prominent men in Iran's economic and social development program.)

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