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CENTRAL INTELLIGENCE AGENCY

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SOVIET UNION

1. Possible Soviet rocket-launching submarine in Murmansk area: [redacted] a Soviet ocean patrol submarine sighted off Cape Teriberski was reportedly equipped with a ramp on the after deck, described as suitable for rocket or mine launching. [redacted]
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Comment: Other unconfirmed reports from the Soviet Arctic continue to indicate that the USSR is experimenting with submarine-launched guided missiles, probably the V-1 type, in that area.

2. Soviet press reaction to ANZUS Conference: The Soviet press gave heavy coverage to the ANZUS Conference in Honolulu. Izvestia on 7 August described the "Pacific Union" as a link in the system of aggressive blocs with which the US is attempting to encircle the world. The two main US objectives at the conference, according to Izvestia, were "to draw Japan more directly into American military preparations in the Pacific" and to strengthen the US position in Southeast Asia at the expense of Great Britain.

Further, while the United States aims eventually to widen the "Pacific Union" to include Japan, the Philippines and the mainland states, three obstacles have thwarted its efforts to create "a single Pacific aggressive union": the reluctance of Australia and New Zealand to accept Japan as an ally, the "acute contradictions" between US and British aims in the Pacific, and the growth of the national liberation movement in the countries of Asia, which makes the Asian states unwilling to join "the Pacific variant of the North Atlantic union." It included an appeal to the peoples of Asia, issued by the preparatory conference for the Asian and Pacific Peace Conference, to combine their activities to resist the aggressive plans of the US imperialists against their freedom and independence. (R FBIS

[redacted] 8 Aug 52)

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EASTERN EUROPE

3. Shake-up in Czechoslovak League of Youth presages increased application of Soviet methods: On 8 August, the Presidium of the Czechoslovak League of Youth purged its leadership and expelled its chairman, Josef Hejzlar, who was accused of having been subverted by the influence of the Slansky group. 25X1A

The meeting was told by Josef Tesla, a Secretary of the Central Committee of the Communist Party, that Czechoslovak youth must apply the experience of the Soviet Komsomols and participate more fully in the Five Year Plan effort. Tesla stressed the fact that youth must help develop socialism in rural areas and propagate new forms of farming among the peasantry. (R FBIS [redacted], 8 Aug 52)

Comment: There is increasing evidence that, through selective removal of high officials in the mass organizations, the party is taking steps to meet Gottwald's September criticisms of deficiencies in mass organizational work. At present the government is trying to increase production by solving the problem of manpower by pressure and propaganda through mass organizations.

Last month after the government had severely criticized the trade unions for their failure to consolidate labor discipline and develop Soviet labor methods, the chairman of the Central Council of Trade Unions was removed from office and reassigned to a lesser post.

4. Budapest radio demands prison sentences for absenteeism: The Budapest radio has urged that workers who are guilty of absenteeism be turned over to the public prosecutor for imposition of the people's justice. It points out that in cases where fines do not stop absenteeism, production managers should resort to imprisonment. (R FBIS [redacted], 10 Aug 52) 25X1A

Comment: The continued campaign against absenteeism in Hungarian industry reaches a new high in this broadcast. The appeal to the sanction of people's justice as the only way of fulfilling the plan suggests that a wave of arrests of working people may be forthcoming.

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5. Hungarian Minister asserts bread grain crop collections good except in northeast: Imre Nagy, Hungarian Minister of Crop Collections, told a meeting of Budapest and county council chairmen recently that bread grain crop collections were good except in northeastern Hungary. However, he scolded the local councils and collection officials for permitting grain quota deductions for household food requirements on a per capita basis and called for punitive measures to ensure completion of bread grain collections by 20 August.

The US Legation in Budapest points out that bread grain collections appear to be even higher than last year but corn, vegetables and root crops are still believed to be poor. The Legation also notes that ambiguities in the January crop surrender decree permit deduction of per capita household grain requirements, while demanding the immediate surrender of crops at the threshing machine. (R Budapest 112 and 121, 8 Aug 52)

Comment: Peasant resistance to crop collection probably has been largely based on legal grounds arising from the contradictory decree. It is interesting that some local councils have taken the side of the peasants.

6. American Legation comments on dissolution of Sovroms: The American Legation in Bucharest believes that the dissolution last month of the joint Soviet-Rumanian film company probably indicates a trend toward abandonment of minor holdings rather than a wholesale withdrawal from the Rumanian economy. While there is some evidence that joint insurance and transport companies are being reorganized to give the Rumanians more prominence, other Sovroms in basic industries continue to function normally or are expanding, indicating that the Soviet Union is concentrating on branches which will continue to be significant after full socialization of the Rumanian economy. (C Bucharest 45, 8 Aug 52)

Comment: A similar trend has been noted in Hungary. Some minor enterprises were returned to the Hungarians, but basic aluminum and petroleum industries and some transportation have been retained under joint control.

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FAR EAST

7. Japanese-British jurisdictional dispute eased: Ambassador Murphy reports that the British Government has now agreed to permit two Japanese-detained British sailors to appeal, on their own behalf, their two and one-half year sentences to a higher court. The defendants can be released on bail pending decision on the appeal, which may not take place for a month or more.

Murphy also notes that last week British naval authorities were given custody of six British sailors arrested at Sasebo for attacking Japanese policemen. (C Tokyo 545, 9 Aug 52)

Comment: The arrest and detention of the sailors has evoked strong official protest from the British Government, which disputes Japan's alleged right to exercise criminal jurisdiction over UN forces pending the conclusion of a UN-Japan agreement. With the British now negotiating to gain the same rights for the Commonwealth troops as granted to American garrison troops, and the Japanese Government facing a critical Diet and public in an election year, it was difficult for either party to recede from their position. The decision to appeal the case will provide the Japanese Government with a face-saving opportunity to suspend the sentence.

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Chinese Communists direct cadres to study Chinese theorists: The Northeast Bureau of the Chinese Communist Party issued a directive on 1 July governing the "political and theoretical studies" of party cadres during the last half

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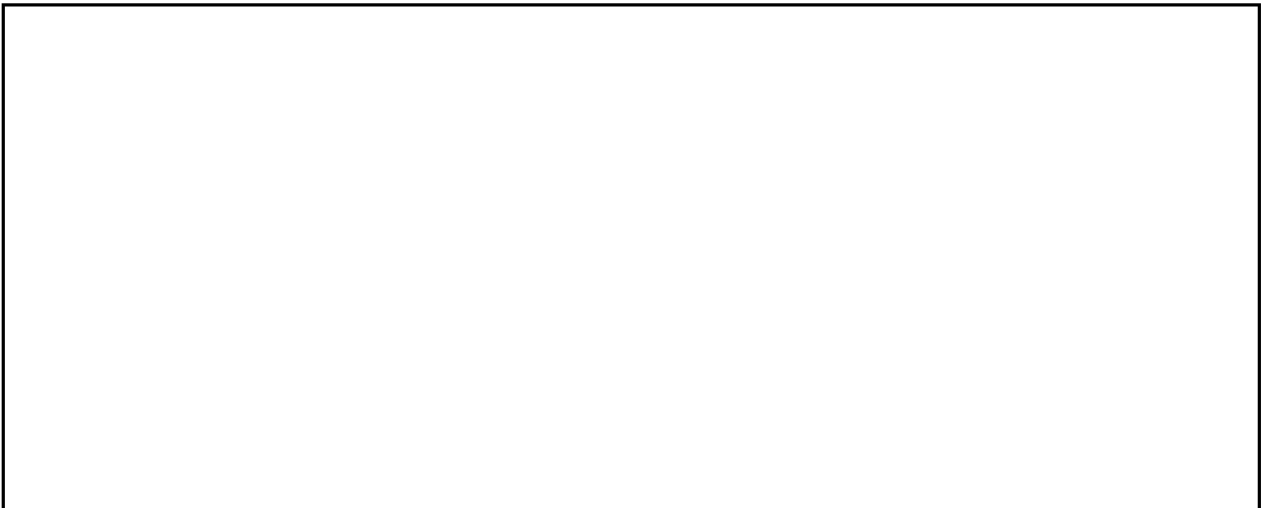
of 1952. The elementary class is to study a compendium called "Political Knowledge," the junior class will be required to know the official "Brief History of the CCP," and the seniors' study will "center" on the "Selected Works of Mao Tse-tung." (R FBIS [redacted] 8 Aug 52)

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Comment: These documents are the work exclusively of Chinese Communist theorists, and all emphasize that the party owes its successes primarily to its own efforts under the leadership of Mao Tse-tung. They are also, however, Stalinist in orientation. Soviet and Chinese theorists have agreed on the loose formula that the "Chinese revolution" was guided by Marxism-Leninism, as developed and applied by Mao Tse-tung.

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Chinese Communist troops stationed in key Tibetan areas: Almost all of the important areas in eastern Tibet were garrisoned by small groups of Chinese Communist troops in March 1952, [redacted]

[redacted] Most of these soldiers were in groups of 100 to 500 men, and were stationed at strategic passes, roads, and rivers. [redacted]

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Comment: It is estimated that there are now 15,000 Chinese Communist troops in Tibet. They have probably been located at strategic points to consolidate Communist control and to prevent penetration from the south and west.

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12. Macao imports strategic goods from Portugal: The Portuguese steamer Timor (7,650 gross tons) arrived in Macao waters at the end of July with strategic goods from Portugal. Many of the items were consigned to the Macao government, but several cargoes were shipped to private trading companies in the colony.

Although these cargoes were covered by official Macao import licenses, it is believed doubtful that a legitimate demand exists within the colony for all these items. (S Hong Kong 299, 8 Aug 52)

Comment: The July clashes between Chinese and Portuguese border guards on the Macao frontier have made Lisbon more reluctant than ever to provoke the Communists by curtailing Macao's traffic in strategic goods. The Portuguese Foreign Office has stressed Macao's helplessness in conversations with American Embassy officials and has expressed the hope that the United States will appreciate the "exposed" position in which Portugal now finds itself.

13. Thai Government press comments favorably upon Egyptian coup: The government-controlled press in Bangkok has commented favorably upon the coup in Egypt and King Farouk's abdication. The American Embassy states that the editorial tone and use of the term "coup party" suggest that a deliberate analogy is being drawn between the situation in Egypt and Thailand. The present military leaders of Thailand resent the independence shown by their King and, according to the Embassy, it is unusual for the press to comment so categorically about the internal affairs of a friendly country. (C Bangkok 241, 7 Aug 52)

Comment: The Thai King is not known to have seriously interfered with the activities of the ruling clique since he signed the revised constitution last March. There is no evidence that a movement is under way to remove the King, although the recent birth of an heir caused the American Embassy to comment that in a showdown the leaders could force him to abdicate and they could exercise royal control through a regency.

14. Thai police find arms in home of former Cambodian leader: The Thai police are reported to have discovered arms and ammunition in the home of a former Cambodian leader, now resident in Bangkok, which apparently embarrassed Police

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Director General Phao. The American Embassy comments that this development indicates Phao's continued desire to maintain friendly relations with dissident Cambodians. (C Bangkok 241, 7 Aug 52)

Comment: General Phao has previously been reported to have been in contact with both Peiping and local Communists. He is also often associated with smuggling activities in and out of Thailand which may include arms to rebel forces in Indochina.

15. Cabinet members to be responsible for development of Thailand: The American Embassy in Bangkok has been informed that the Thai Cabinet is considering a proposal to make each of its fourteen members responsible for development programs in different parts of the country. The Embassy comments that the administrative weaknesses of such a plan suggest that its chief objective is the division of spoils.

The British Embassy concurs in the American belief that Police Director General Phao would take control of southern Thailand under this scheme in order to exploit rich tin and rubber resources there. (C Bangkok 241, 7 Aug 52)

16. Britain sees improvement in Burma situation: The British Foreign Office, encouraged by recent developments in Burma showing improvement in security conditions and increased government stability, has indicated that upon completion of the current discussions in Rangoon, Britain will supply most of the arms and equipment Burma has urgently requested. The Foreign Office has also expressed satisfaction over the recent improvement in relations between the British Services Mission (BSM) and the Burmese military.

Britain would not object to Burmese procurement from American sources of military items it cannot supply, but wants to remain Burma's principal supplier so as to assist operations of the BSM, and because of the sterling area's dollar exchange shortage. (S London 748, 9 Aug 52)

Comment: British support of the present Burmese Government has in the past been vitiated by disputes between the BSM and the Burmese military, [redacted]

[redacted] Britain's readiness to offer military support now has evidently been prompted by the increased determination Burma has recently shown in dealing with Communist insurgency.

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17. Leading Indonesian Communist reportedly to return from USSR: A Jakarta daily reported that Semaun, a leading Indonesian Communist who left the country for Russia in 1926, will return to Indonesia. (R FBIS [] 8 Aug 52)

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Comment: Semaun, one of the founders of the Indonesian Communist Party (PKI), went into exile about 1923. After travelling in Western Europe, he went to Soviet Russia where he attended the principal party schools. In 1950 he was reported to have visited Mao in China. There is little doubt but that he has aided in Soviet Communist planning for Indonesia.

His prospective return to Indonesia, if true, may be related to the PKI's current emphasis on united front tactics and its claim to support the government. The party continues to criticize the government publicly and undoubtedly continues its subversive activity and covert military operations. The possibility exists of a new phase of Communist action involving careful direction and more disciplined activity.

The Indonesian Government's attitude toward Semaun's possible return is not clear. Arrests of Communists have been largely discontinued, and Alimin, titular head of the party, appeared at a palace function on 22 May.

18. Darul Islam proclaims Islam state in West Java: The Darul Islam, the fanatical Moslem organization which seeks to establish a theocratic state in Indonesia, has distributed flags and pamphlets proclaiming an Islam government in the area around Bandung in West Java. Over 30 "incidents" have occurred in West Java during the past week, seven of which involved armed gangs numbering 100 to 600 men. (C Jakarta Joint Weeka 6, 8 Aug 52)

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Comment: The West Java security situation has deteriorated noticeably during the past several months, and [] has estimated that the organization and effectiveness of the Darul Islam has improved this last year. Estimates of Darul Islam armed strength vary from 10,000 to 25,000.

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[] observer has stated that in the northeastern sector of West Java, the Darul Islam has complete control of civil administration at the village level, and that the Indonesian Army probably does not even enter the area.

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SOUTH ASIA

19. Communist parliamentary deputy declares Indian Communists possess arms: During an 8 August debate in the upper house of the Indian Parliament, Communist deputy Sundarayya declared that Indian Communists possess arms which they will surrender only if the government promises them amnesty. He further claimed it was the inherent right of the people to revolt against a tyrannical government and that those refusing to surrender arms under duress are patriots. (U New Delhi 582, 9 Aug; S New Delhi Joint Weeka 29, 9 Aug 52)

Comment: This is the first statement of such strength made on the floor of parliament. The admission that Indian Communists have not abandoned violence as an instrument of party policy lends credibility to a fairly reliable June report that the Communist Party of India had received new instructions to resume violent activity concurrently with peaceful united front tactics.

When the preventive detention bill currently being debated in the upper house becomes law, as it undoubtedly will, the Indian Government will be in a position to suppress any violent activity instigated by the Communists.

NEAR EAST - AFRICA

20. King Talal of Jordan removed by Parliament: The Jordanian Parliament in joint session on 11 August voted to depose King Talal and to proclaim Crown Prince Hussein as King.

After considering the medical evidence on Talal's sanity, the parliament voted to replace Talal. The Regency Council which recently ruled Jordan was reappointed to rule until May 1953 when King Hussein comes of age. (R Amman 119, 11 Aug 52)

Comment: The removal of King Talal and the proclamation of Crown Prince Hussein as King marks the end of the 12-month period of uncertainty which followed King Abdullah's assassination in 1951.

The ouster of the king may cause demonstrations similar to that which took place in Amman on 8 August protesting his rumored replacement. Political factions may attempt to capitalize on any unrest. The government's competent security forces, however, can be expected to suppress any disorders.

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Jordan's neighbors have tried during the past year to take advantage of unsettled conditions in the country. Iraq in particular has tried to promote an Iraqi-Jordanian union. With the removal of Talal, the newly-established Regency Council should effectively protect Jordan's interests.

21. Extensive social reforms in Egypt unlikely: Egyptian Prime Minister Ali Maher has stated that he intends to initiate extensive social reforms, and he is sincere, according to Ambassador Caffery. He notes, however, that the last five Egyptian governments have all proclaimed their intention of effecting sweeping social reforms without any noticeable accomplishments. (C Cairo 315, 9 Aug 52)

Comment: Premier Maher and his predecessors have conceived of reforms in Western terms. Fundamental differences between East and West make such an approach impossible. Moslem extremists have urged the establishment of a state based on strict adherence to the principles of the Koran.

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in government are deeply embedded in the history and social structure of this country. The idea of sweeping social reforms, therefore, is ingenuous. Sincere efforts to raise the standard of living of twenty million Egyptians must be based on a realistic appraisal of the country's economic capacity.

22. French attitude softens toward Bey's advisory group: Rumors now reaching the French Residency General indicate that the Bey's new advisory group is finding the greater part of the French program acceptable. Expecting that the group will come up with three or four proposals going beyond the present French program, a Residency official indicated that the French are ready and willing to study any observations the Bey may make. Apparently the visit to Tunisia of the Director of the Near East-Africa Division of the French Foreign Office has further reduced any tendency toward a "take it or leave it" attitude. (C Tunis 45, 8 Aug 52)

Comment: A French Foreign Office spokesman informed the American Embassy in Paris that while the official's visit was not a complete success, it was much less discouraging than press reports implied. The spokesman added that although France cannot go any further in the reform program, minor modifications are possible and could be accepted.

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Statements regarding the illegality and abnormality of the Bey's appointment of the council, which were the initial reactions, are notably missing in recent conversations with the French, indicating that France now tacitly accepts the fait accompli.

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WESTERN EUROPE

23. French seen more flexible on Saar question: Chancellor Adenauer's letter of 4 August has led the French Foreign Office to question German sincerity regarding Europeanization of the Saar. There is every indication, however, that the French want to reach agreement in the current negotiations.

The American Embassy in Paris believes that when talks are resumed on 13 August, Schuman will be willing to discuss a surrender of certain French privileges, and perhaps a grant of certain advantages to the Germans, but that he will refuse to consider termination of the French-Saar conventions. The Embassy further believes that the question of free elections in the Saar is not an insuperable obstacle, but would be the subject of the "very last concession made by the French." (S Paris 888, 10 Aug 52; S Strasbourg 24, 10 Aug 52)

Comment: The stumbling blocks in the current negotiations are the questions of electoral freedom in the Saar, France's special economic privileges, and the cession of a small portion of French territory to the Saar as a gesture to save face for the Germans.

24. Italian railway strike reveals Communist capabilities: The 24-hour nationwide railway strike in Italy last week was not as successful as previous work stoppages, but did show that the Communist-controlled General Confederation of Labor (CGIL) still has "plenty of strength" and is capable of slowing down transportation to a "point of near emergency," the American Embassy in Rome reports.

Estimates as to the number of railway employees who participated in the strike vary greatly, the Communist press claiming 85 percent and the pro-government press only 30 percent. The Embassy reports that only about 1,000 trains ran, in comparison with a normal schedule of approximately 6,000. (R Rome 610, 8 Aug 52)

Comment: Communist-organized railway workers retain the ability to disrupt and even halt traffic in several key transportation centers, including Bologna.

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25. Norwegians urge combined US-NATO visit: Norwegian naval authorities have indicated to the American Embassy that they would prefer that the scheduled individual visits of US and other countries' fleet units to Norway in September after the NATO maneuvers be made under NATO auspices. The Embassy believes that this would lessen public awareness of the extent of US participation in the maneuvers and therefore recommends that all ships remain under NATO command. (S Oslo 127,8 Aug 52)

Comment: This request to play down the extensive US role in the NATO operation comes at a time of Norwegian sensitivity to American pressure for the establishment of NATO air bases in Norway.

LATIN AMERICA

26. Existence of "Caribbean Cominform" reported: News reports originating in Athens have appeared in the Cuban press alleging the existence of a "Communist Central Committee for Latin America" with headquarters in Prague as well as a "Caribbean Cominform" charged with the direction of Communist activities in the Caribbean countries. Communist activities in the French Antilles are said to have been transferred from the jurisdiction of the French Communist Party. (U Havana Desp 73, 14 July 52)

Comment: The US Embassy in Havana comments

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believes that this "Cominform" was organized two years ago by Fabio Grobart, who allegedly was smuggled out of Cuba by the Soviet Charge in Havana and sent to Prague in July 1950. Reportedly Grobart was the official delegate of the Russian Communist Party who collaborated with the Soviet Legation in Havana and directed all Communist activities in the Caribbean.

Evidence of the coordination of all Latin American Communist activities by an international organization such as the Cominform in Bucharest has been vague and of questionable reliability, as has evidence for the existence of regional bodies such as the alleged "Caribbean Cominform." However, the headquarters of certain international Communist-front organizations which maintain contact with Latin America are known to be located in Prague, Vienna, East Berlin, and Bucharest.

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27. Trinidadian left-wing group leader becomes WFTU correspondent for colony: John La Rose, Secretary General of the left-wing Workers Freedom Movement, has recently become the WFTU correspondent for Trinidad. The US Embassy in Vienna comments that this is one of the first visible results of the visit to the Caribbean area of Ferdinand C. Smith, WFTU Secretary for American, Canadian, and Caribbean Affairs. (C Vienna Desp 2103, 24 June 52)

Comment: Smith visited the Caribbean region in April to urge responsible labor leaders to affiliate with the WFTU or at least to support its policies. La Rose's current reporting to Smith on Trinidad follows the pattern of Communist propaganda efforts in other colonial areas of the world and is directed toward countering ICFTU activities and exploiting local political and economic issues for Communist ends.

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