

CURRENT INTELLIGENCE BULLETIN

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CENTRAL INTELLIGENCE AGENCY



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GENERAL

1. Soviet Union and Iran to discuss Caspian fisheries agreement:

Comment: This is the first indication that the Soviet Union is willing to discuss the Iranian-Soviet accord, which expires on 21 January 1953.

A cause of periodic friction between the two countries, it has given the Soviet Union a virtual monopoly of Caspian fishing and sources of caviar. The fisheries company has apparently served as an important channel for Soviet espionage in Iran.

FAR EAST

2. North Korean air unit demonstrates improved proficiency:

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3.3(h)(2)

SOUTHEAST ASIA

3. Divided loyalty of army toward president heightens tension in Indonesia:

"real trouble" may be expected in Indonesia due to the developing conflict between President Sukarno and the army clique which was responsible for the 17 October demonstrations. Certain army officers in East Java are in what amounts to "outright revolt"

against their division commander, declaring their loyalty to President Sukarno.

The American Embassy reports persistent rumors of a split throughout the army.

<u>Comment</u>: The Minister of Defense is reported to have accepted Sukarno's decision that parliament should be indefinitely recessed but not dissolved and that the cabinet should remain in office. High army officers, however, are reportedly angry that Sukarno refused them a mandate which would, in effect, have authorized a military dictatorship.

Prime Minister Wilopo and other civil leaders are reportedly working strenuously to avert a clash between the opposing factions within the army and hope that they will neutralize each other.

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NEAR EAST - AFRICA

4. Jordanian Prime Minister may resign in November:

3.3(h)(2) Jordanian Prime Minister Abul Huda may resign after the parliamentary speech from the throne on 1 November, 3.3(h)(2)

Comment: This information may be a plant designed to obtain British support for the Prime Minister, against whom opposition is increasing, particularly among the Palestinian Arabs now included in the kingdom. Abul Huda's departure would remove a dominant figure who effectively maintained control at the time of Talal's abdication last August and who withstood Iraqi ambitions to annex the country at that time.

WESTERN EUROPE

5.

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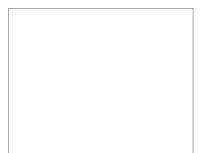




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6. East Germans appoint Chief of Staff and organize new army groups:

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The US Army in Heidelberg reports that 3.3(h)(2) two military headquarters in East Germany have been established as Army Group Central and Army Group South. Meanwhile, American officials in Frankfurt report that Vincenz Mueller, Deputy Minister of Interior, now has the title of Chief of Staff as well.

<u>Comment</u>: The headquarters of Army Group North, which reportedly controls 50,000 men, has previously been identified at Pasewalk, north of Berlin. No details of the organization of the two new army groups have been reported.

Mueller, an acting army commander in World War II, surrendered to the Russians and became a Communist. As a top leader of the East German National Democratic Party, he has campaigned energetically to convert former Nazis to the Communist cause. Recently he was listed as a major general.

7. French may seek separate agreements before ratifying EDC treaty:

Herve Alphand, French Deputy to the North 3.3(h)(2) Atlantic Council, recommended to Premier Pinay and Defense Minister Pleven last week that the government conclude certain agreements

with its defense partners before calling for National Assembly debate on the EDC treaty.

The proposed accords would provide for additional American aid for Indochina, enabling France's defense contribution in Europe to balance Germany's; for permanent French membership on the NATO Standing Group; for establishment of the principles of a European political community; and for a two-year transition period during which the French forces in Germany would change from occupation to EDC status.

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The American Embassy observes that the government seems already to be pushing these points whenever possible.

<u>Comment</u>: Pinay had previously invited the National Assembly to recommend "additions" to the EDC treaty. It is not yet clear whether he will seek a formal reopening of EDC treaty negotiations or merely an exchange of letters to make the treaty conform with any new agreements reached.



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