Approved for Release: 2019/05/28 C05973629 SECURITY INFORMATION 30 September 1952 Copy No, 57

3.5(c)

3.5(c)

CURRENT INTELLIGENCE BULLETIN

3.5(c) **DOCUMENT NO** NO CHANGE IN CLASS. DECLASSIFIED CLASS. CHANGED TO: TS S NEXT REVIEW DATE: AUTH: HR 70-2 Office of Current Intelligence DATE/SDee 3.5(c) **REVIEWER:**

CENTRAL INTELLIGENCE AGENCY

3.5(c) TOD SECTI

> SECURITY INFORMATION Approved for Release: 2019/05/28 C05973629



SUMMARY

FAR EAST

- 1. Possibility of split in Japanese Liberal Party increased (page 3).
- 2. Comment on Mongolian Premier's visit to Peiping (page 3).

AUSTRALIA - NEW ZEALAND

3. Australian Government concerned at British agitation over ANZUS (page 4).

NEAR EAST - AFRICA

- 4. Iranian General Staff postpones order to break up Imperial Guards (page 4).
- 5. Tudeh reportedly agrees to support Kashani for Prime Minister (page 5).
- 6. Comment on Wafd defiance of Egyptian military regime (page 5).
- 7. Montgomery criticizes Turkish defense planning (page 6).

3.5(c) - 2 -

Approved for Release: 2019/05/28 C05973629

3.5(c)

3.5(c)



FAR EAST

1. Possibility of split in Japanese Liberal Party increased:

Ambassador Murphy believes that with the 3.3(h)(2) summary expulsion from the Liberal Party on 29 September of two top pro-Hatoyama leaders, the intraparty schism has reached a point

where a compromise is no longer possible. The Hatoyama faction interprets the action as tantamount to a "declaration of war" between the two rival groups.

Murphy reports that the action was taken by the pro-Yoshida election committee on grounds that the two men were creating the impression that the Liberal Party would split after the election. Hatoyama was said to be "shaking with rage" over the incident.

Comment: The struggle for power between Prime Minister Yoshida and Ichiro Hatoyama, the Liberal Party's founder, has already seriously damaged the party's prospects for maintaining its majority in the lower house in the l October elections.

An open post-election split, which now seems indicated, would probably lead to the establishment of a conservative coalition government and a period of political instability, but with little change in foreign policy.

2. <u>Comment on Mongolian Premier's visit to Peiping</u>:

3.3(h)(2)

3.5(c)

The arrival in Peiping on 28 September of the Mongolian Premier, who had led a delegation to Moscow during the Sino-Soviet talks, suggests that Outer Mongolia is negotiating agreements with Communist China as well as with the Soviet Union.

Outer Mongolia has no known treaty with the Peiping regime. The Premier's visit has been highlighted by an announcement that Sino-Mongolian friendship -- specifically economic, political and cultural cooperation -- will be officially celebrated in Mongolia from 1 to 10 October.

- 3 -





The USSR has several bilateral agreements with Outer Mongolia, but the continued presence in Moscow of the Mongolian defense minister and Chinese military leaders suggests discussion of a tripartite military pact.

AUSTRALIA - NEW ZEALAND

3. Australian Government concerned at British agitation over ANZUS:

Minister of External Affairs Casey has 3.3(h)(2) sent a personal message to Foreign Secretary Eden expressing Australia's concern over the "spate" of London news articles charging

the United States with sole responsibility for Britain's nonrepresentation on the ANZUS council. Casey asserted that these charges are being echoed in Australia and that his government could not allow the United States alone to bear the brunt of these attacks.

He hoped that London would reconsider its desire for participation and perhaps issue a public statement to "damp down" the agitation.

Comment: While prior to the ANZUS conference in Honolulu New Zealand was willing to admit a British observer, Australia has been opposed to British participation from the beginning.

NEAR EAST - AFRICA

4. Iranian General Staff postpones order to break up Imperial Guards:

The Iranian General Staff reportedly has postponed issuing the order which would have broken up the First Infantry Division into five independent brigades,

3.3(h)(2)

- 4 -



3.5(c)

3.3(h)(2)

Approved for Release: 2019/05/28 C05973629

3.5(c)



Comment: Mossadeq dismissed the division commander, General Ariana, and decided to order the division broken up after receiving word of Ariana's involvement in plans for a military coup.

5. Tudeh reportedly agrees to support Kashani for Prime Minister:

3.3(h)(2) The Tudeh promised Mullah Kashani on 27 September that it would support him fully in his effort to unseat Mossadeg by parliamentary If means,

Kashani becomes Prime Minister, he will expel the American Army missions, close the American consulates, and restrict American activities, at least in northern Iran.

Kashani had strongly defended the Tudeh as a loyal Moslem organization. Kashani maintained that he would not be happy until Iran and other Moslem countries in the Middle East were free of Westerners. He added that he could obtain the aid of 30,000,000 Moslems in the Soviet Union.

The strong statement on Tudeh Comment: collaboration is in line with Kashani's well-known attitude toward the Communists, and it underscores his basically hostile attitude toward the West. There is no evidence that he could exert any significant influence on the Moslems inside the Soviet Union.

6. Comment on Wafd defiance of Egyptian military regime:

The Wafd's refusal to submit to regulation. is General Nagib's first major test of power. The army's control of civil affairs and its success in imprisoning top Wafdist leaders indicate that it will be the victor. The Wafd faces formal dissolution if it fails to reconsider its decision by the deadline date of 6 October.

- 5 -





3.3(h)(2)

3.5(c)



A Wafdist statement that the party would "continue its activities" offers the prospect of subsequent underground operations. Wafdist hopes for the future are based on the fact that it has been Egypt's major party since World War I, that it has come to power six times, and that it is the only party with extensive political ties throughout the country.

General Nagib's immediate tactics appear to be aimed at alienating the public from the Wafd's corrupt and aged leadership. Nagib's success or failure in rallying nationalist sentiment around the army, or around an army-sponsored party, will determine the fate of the government.

7. Montgomery criticizes Turkish defense planning:

Field Marshal Montgomery, who observed the recent Turkish army maneuvers, sharply criticized Turkey's tactical concept for the defense of eastern Turkey and Thrace. He

told Ambassador McGhee that he was dissatisfied with the slow progress made in planning the defense of Thrace, and said that the Turkish forces there are inadequate. The Marshal stated that because the Turks had not fought in the last war, they knew little about modern tactics.

In response to Montgomery's query concerning the American military mission's responsibilities, he was informed that they were limited to training and technical matters. The Marshal replied that they should include tactics and agreed that in the future some NATO help on these problems might be possible.



Approved for Release: 2019/05/28 C05973629

3.5(c)