		9 June 1953
		Copy No. 67
CURRENT INTI	ELLIGENCE BULI	LETIN
		1
	DOCUMENT NO. NO CHANGE IN CLASS	
	CLASS, CHANGED TO: NEXT REVIEW DATE: AUTH: HR 70 2716	TS S C 1009 3.50
Office of C	unnant Intalligange	
	urrent Intelligence	
CENTRAL INTI	ELLIGENCE AGEI	ICY

SUMMARY

SOUTHEAST ASIA

Burmese threaten early withdrawal from Bangkok talks (page 3).

SOUTH ASIA

2. Pakistan plans change in Commonwealth status (page 3).

NEAR EAST - AFRICA

3. Opponent of Mossadeq reportedly gaining strength (page 4).

Ambassador Caffery comments on British views on resumption of Suez base talks (page 5).

EASTERN EUROPE

5. Polish government pursuing rigorous economy policy (page 5).

WESTERN EUROPE

6. Comment on announced lifting of restrictions in Austria (page 6).

* * * *

3.5(c)

- 2 -



SOUTHEAST ASIA

1.	Burmese	threaten	early	withdrawal	from	Bangkok talks	0

Burmese commander in chief General Ne Win 3.3(h)(2) warned US embassy officials in Rangoon that he would consider withdrawing Burma's delegation to the mixed committee unless the Chinese Nationalists agree within a week to concrete steps for the evacuation of their troops from Burma. He stated that the Burmese representatives were authorized to enter into any reasonable agreement, and might even accept a general cease-fire if the United States could give assurances that the Chinese troops would be controlled.

The embassy comments that it is essential for the Chinese to realize that further stalling might cause the Bangkok talks to collapse, and lead the Burmese to renew their charges in the United Nations, which would place the blame squarely on the Nationalist government.

Comment: To date the Nationalists have shown little inclination to cooperate in attempts to arrange evacuation. Recent press reports suggest that they will support a vaguely defined principle of "voluntary withdrawal" from Burma.

SOUTH ASIA

2. Pakistan plans change in Commonwealth status:

	The Ministry of Law has completed the prepaig. 3(h)(2)
	tion of a bill establishing Pakistan as a republic.
	The proposed legislation will replace the present
	governor general with an elected president and
eliminate the term "roy	al" from the titles of the military services. The
bill reportedly will be in	ntroduced in the July session of the legislature.

Comment: Pakistan apparently will retain a Commonwealth status similar to India's.



3.5(c)

With the establishment of a republic in Pakistan, the government will strengthen its internal position by making it difficult for extreme rightist and Communist opposition to charge "British domination" of the country.

It is unlikely that Pakistan's relations with the West will be materially altered, in view of the fundamentally pro-Western attitude of the government and the country's close economic ties with the West.

NEAR EAST - AFRICA

Opponent of Mossadeq reportedly gaining strength:	
	3.3(h)

Comment: The shah still appears to be the determining factor in any plan to remove Mossadeq. If he lends his support and helps unite some of Mossadeq's opposition, there is the possibility that the prime minister could be ousted.

There is no indication that the shah has changed his belief that Mossadeq in time would be discredited and fall by his own weight.

3.5(c)

4.	Ambassador Caffery comments on British views on resumption of
	Suez base talks:

Amba Fore tion of plete

1. . .

Ambassador Caffery believes that the British Foreign Office, in favoring a delay in resumption of Anglo-Egyptian defense talks, is completely "misreading" the situation in Egypt.

Caffery maintains that the military regime currently is suppressing the opposition's demands for early action against the British. He doubts that Britain and the United States would be in a position to help the Nagib government should the internal situation get out of control because of calculated delay.

EASTERN EUROPE

5.	Polish	government	pursuing	rigorous	economy	policy:

3.3(h)(2)

Comment: These measures, designed to divert more manpower to industry and to reduce production costs, are the most far-reaching economy measures taken in Poland for several years. The resulting savings will permit greater capital investment by the government and improve prospects for the attainment of production goals.

The discrimination against older and prewar employees suggests that the government may be using this opportunity to purge elements generally considered unreliable.

- 5 -



3.5(c)



WESTERN EUROPE

6. Comment on announced lifting of restrictions in Austria:

The Kremlin's reported intention to remove all major obstacles to the free movement of persons and goods across the frontiers of the Soviet zone of Austria, as announced by the Austrian government, is in line with other gestures designed to give the appearance of a desire to improve the international atmosphere. Together with the change in the Soviet administrative machinery in Austria, it is probably designed to persuade the Austrians of a new conciliatory Soviet policy and offset the recent Soviet refusal to discuss the Austrian peace treaty.

The USSR has little to lose by the lifting of restrictions in proportion to the propaganda gains which it may anticipate.

The announcement makes no reference to Allied personnel, and presumably restrictions on their movements remain.

