	h ·	13 Octobe	r 1953
		Copy No.	67
		7.00	
•			
	CURRENT INTELLIG	PNOP BIII I FTIN	
	CORNENT INTELLIGI	PHOE DODDEITH	
	27		
	NO CHANGE IN CLASS. ID		
: •	CLASS, CHANGED TO: TS S C NEXT REVIEW DATE; 2009	2	
	AUTH: HR 70-2 DATE: 20/12/79 REVIEWER	3.5(c)	
	<u>. </u>		
		T 4 - 111	•
	Office of Current	Intelligence	
	CENTRAL INTELLIG	ENCE AGENCY	•
		-	,
		·	

SUMMARY

FAR EAST

Large movement of Soviet tanks into North Korea reported (page 3).

SOUTHEAST ASIA

Burma will accept Nationalist proposal for limited evacuation (page 3).

SOUTH ASIA

3. Comment on resignation of the prime minister of Ceylon (page 4).

NEAR EAST - AFRICA

4. Zahedi feels unable to resume relations with Britain (page 4).

WESTERN EUROPE

Adenauer faces difficulties in Bundestag on Saar issue (page 5).

3.5(c)

- 2 -



13 Oct 53

3.5(c)

FAR EAST

	approximately	3.3(
	200 Soviet tanks recently crossed the Yalu River into North Korea.	
other violation of the ar strength of the Chinese	Comment: Such a movement, if not com- wal of an equal number of tanks, would be an- rmistice agreement. The combined armored and North Koreans in Korea prior to this re- stimated at approximately 450 tanks and 150	
	SOUTHEAST ASIA	
Burma will accept Natio	onalist proposal for limited evacuation:	
Burma will accept Natio	The president of Burma informed the American ambassador in Rangoon on 12 October that his government has decided to accept the Chinese Nationalist proposal to evacuate 2,000 troops.	3.3(h

Comment: If Taipei fulfills its commitment to a limited evacuation and refrains from assisting those troops remaining behind, Burmese security forces should ultimately be able to regain control over northeastern Burma. However, Taipei's record of persistent delays in negotiations and the fact that until very recently it continued the clandestine delivery of supplies to the Chinese troops in Burma raise doubt as to its sincerity.

TOP-SECRET

- 3 -

3.5(c)

13 Oct 53

SOUTH ASIA

}.	Comment on resignation of the prime minister of Ceylon:				
	The appointment of Sir John Kotelawala	3.5(c			
	to succeed Prime Minister Dudley Senanayake, who resigned on 12				
	October because of ill-health, will bring no major change in the policies of the government of Ceylon. The government can be expected to remain basically pro-Western in its sympathies, but be-				
	cause of its special problems will continue to follow an independent course in trade matters.				
	Kotelawala, minister of transport and works and veteran leader in parliament of the ruling United National Party, is conservative, strongly anti-Communist, and more forceful than his predecessor. Although faced with personal rivalries within his party, he will probably be able to control them and to keep it firmly in control of the government.				
	NEAR EAST - AFRICA	,			
	Zahedi feels unable to resume relations with Britain:				
	Prime Minister Zahedi believes that he cannot resume diplomatic relations with Britain until an oil settlement is reached or at least until concrete steps have been	3.3(h)(2)			
	taken in that direction. Zahedi told Ambassador Henderson that a resumption of relations before a settlement would be exploited by the opposition as "proof" that he was controlled by the British and the Americans.				
	Comment: Zahedi apparently genuinely				
	Comment: Zahedi apparently genuinely wishes to re-establish relations with Britain. Recent statements in the Iranian press appear to be preparing the ground for public accept-				

_ 4 _

the negotiations easier.

made to convince public opinion that diplomatic relations would make



3.5(c)

WESTERN EUROPE

5. Adenauer faces difficulties in Bundestag on Saar issue:

	·
	American officials in Bonn report that 3.3(h)(2 since the 6 September elections opposition has stiffened within the West German coalition parties to granting concessions to France
on the Saar issue. The of	fficials feel that Chancellor Adenauer can rely
on the unqualified support uties for any understanding	of only about one third of the Bundestag dep- ng with the French.

Within Adenauer's own Christian Democratic Union, some party leaders are demanding that any agreement be subject to revision within ten years of its coming into force and that it be reviewed whenever a peace treaty is negotiated. Some leaders of the minor coalition parties have threatened to leave the government should Adenauer go "too far" in his forthcoming talks with French foreign minister Bidault.

Comment: Bundestag opposition to concessions on the Saar is encouraged partly by a growing belief that the United States and Britain would sponsor a German army in NATO should the EDC fail as a result of a breakdown in the Saar negotiations.