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## EUROPE-AFRICA

1. IRAN: War of nerves continues—The US Consul at Tabriz reports continued Soviet troop movements and, in addition, an unusual amount of aerial activity. Tanks and other equipment are still arriving in Tabriz from the USSR. The Military Attache at Ankara reports that unusual military activity is in progress opposite the Turkish border in both the USSR and Iran.

Ambassador Murray, after reviewing recent Soviet moves in Iran, concludes that the ultimate Soviet objective may be complete control of the entire Middle East area, including all oil-producing regions. He believes that the Soviets are about to use Zionist-Arab tensions in order to increase their own prestige at expense of US and Great Britain.

2. FRANCE: Communist coup-Additional estimates have been received as to the possibilities of an imminent Communist armed coup in France (Daily Summary of 11 March, Item 9).

and the Military Attache, Paris, believe the coup "presents possibilities" but consider that there is only a slight probability of armed revolt by French Communists in April unless direct orders are received from Moscow.

Dilemma over Spain-Bidault has emphasized to Caffery his extreme concern over the "spot he is in", because the US and UK have refused to join France in submitting the Spanish question to the Security Council, while the USSR has agreed to do so.

The State Department has suggested that Caffery inform Bidault of the US belief that the US, UK, and French Governments actually have been put "on the spot" by an ill-considered French action contrary to the best interests of the three Governments.

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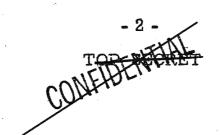
Leon Blum plans to leave Parisfor the US by plane on 14 March, according to a report from Embassy Paris.

3. POLAND: Reported Soviet troop activities—Ambassador Lane in Warsaw has received reports from 'reliable sources' that 20,000 Soviet troops, including members of the NKVD in Polish uniforms, have recently moved into an area only a few miles from Warsaw on the other side of the Vistula River. The purpose of the movement is not yet known, but Lane is seriously concerned in view of reports he has received that the underground is planning a revolt against the Polish Government.

Lane adds that, although

that the Soviets are reducing their forces in Poland, the US Military Attache in Warsaw believes that Soviet troops are being increased in northeastern Poland.

- BULGARIA: Rumors of troops for Tito denied—The Bulgarian Foreign Minister has denied to Barnes the truth of persistent rumors concerning Soviet demands for Bulgarian troops to aid Tito in suppressing insurrectionary forces in Yugoslav Macedonia. However, considers that serious developments may be taking place in that area and that Soviet or Bulgarian forces may be concentrated nearby.
- 5. YUGOSLAVIA: UNRRA supply distribution questioned—Embassy Belgrade has received the following information from a high UNRRA official in Yugoslavia: (a) the local UNRRA Mission has granted a Yugoslav Government request to transfer 300 tons of wheat to the Yugoslav Army, contrary to UNRRA policy which forbids the distribution of food to armed forces; (b) stocks of canned milk are accumulating in warehouses because of improper distribution and prohibitively high retail prices; (c) all medical and pharmaceutical supplies are distributed by a Yugoslav Government agency at a profit, and the prices of some of these supplies are so high that they are generally unobtainable by the public; and (d) supplies of cotton and needles for hand sewing apparently are being used by the Yugoslavs to produce material for military uniforms.



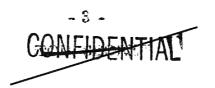
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6. AUSTRIA: Soviets oppose retention of defensive war material—General Clark has notified the JCS that the Soviets will oppose a quadripartite ACC agreement to preserve purely defensive war materials and installations in the US zone in Austria pending determination of Austria's status as a sovereign state. Because the Soviets will insist on the complete destruction of this material, General Clark has requested authority to proceed with its temporary preservation on a unilateral basis.

## FAR EAST

- N.E.I: Dutch protest withdrawal of British forces—The US
  Naval Liaison Officer in Batavia reports that high Dutch officers
  have protested to British commanders against British plans to
  withdraw their forces from the N.E.I. The Commander of the
  Netherlands Naval Forces in the N.E.I. has stated that his forces
  are not sufficient to assume the responsibility of policing Japanese concentrations in the outer islands. The Dutch Army Commander has stated that Dutch troops available in the next three
  or four months would only be sufficient to control present British
  bridgeheads in Java.
- 8. INDOCHINA: French alter techniques in dealing with natives—
  The Commander of the Allied Control Commission has informed an SSU representative that General Le Clerc has made a complete "about-face" in his attitude toward the natives. He has issued strict and detailed orders to his troops to treat the natives with the greatest gestleness and to encourage Annamese desertions by kind treatment to prisoners of war.
- 9. SIAM: Indochina and Siam lack agreement on border settlement—US Political Advisor Yost in Bangkok reports that (a) Siam—Indochina border negotiations are shortly to be resumed in Singapore, and (b) the Siamese are apparently prepared to restore all disputed territories if they can obtain assurances that France will give up western Cambodia. Yost and other US observers in Bangkok believe that the French will not yield any part of Cambodia, and are likely to back with force their own demands





for territory. Under such circumstances Siam would probably yield and submit its case to the UNO.

10. CHINA: US consular representation in Manchuria—Consul General Sturgeon has reported, through Naval channels, that the Soviet authorities at Dairen have concurred in preliminary arrangements for the reestablishment of U.S. consular representation there. The Soviet commander holds that agreement as to the communications facilities to be provided must be reached between the US and Soviet Governments, but is willing to discuss locally the provision of other facilities, in the light of the existing military situation and the Sino-Soviet treaty.

## THE AMERICAS

11. HAITI: <u>US recognition deferred</u>—The State Department has advised Embassy Port-au-Prince that no decision has been reached on the recognition of the Haitian Junta, because of the reluctance of several American Republics to recognize a wholly military regime.

