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GENERAL

1. Chinese may offer an "East Asian Regional Economy" plan--The State Department has received an informal report that in the near future the Chinese will present to US Embassy Nanking a plan for an "East Asian Regional Economy," which in substance would subordinate the economies of Japan and South Korea to a China financed by US loans.
2. Soviet economic "difficulties" may defer membership in UN agencies-- A Soviet delegate to the UN has told the US Delegation that, because of difficulties in bringing the Soviet internal price structure into line and because of drains on dollar exchange resources, the USSR may not be able to join either the International Trade Organization or the International Bank and Monetary Fund for some time. Previously the excuse given was a shortage of technical personnel. (For Embassy Moscow's views see Daily Summary of 25 November, item 4.)

EUROPE

3. GERMANY: USSR may take more German scientists--General McNarney reports the possibility that more scientists and technicians may be deported from Berlin to the USSR. He urges action on those wanted by the US and adds that German scientists from the Soviet Zone have arranged meetings with US authorities at personal risk.
4. USSR: US to press for new consulate in USSR--The State Department has advised US Embassy Moscow that it is prepared to close a Soviet consulate here if the USSR persists in refusing to permit additional US consulates in the Soviet Union.
5. AUSTRIA: Soviet action against US oil properties--General Clark reports that the Soviets still refuse to recognize US ownership of certain oil properties in Lower Austria and intend to force the US companies into bankruptcy, "thereby permitting their complete seizure and operation by the Russians." Clark adds that the current petroleum shortage in Austria is entirely the result of Soviet exports of Austrian oil.

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NEAR EAST-AFRICA

6. **IRAN: Qavam to inform SC regarding Azerbaijan**--US Ambassador Allen reports that after he presented the State Department's views to Qavam (see Daily Summary of 3 December, item 7) the Prime Minister stated that he intended immediately to inform the Security Council fully regarding the situation in Azerbaijan. Allen states as a "guess" that the Government will start military operations in Azerbaijan within a week or 10 days.

Possible Soviet movement of troops into Iran--Allen also cites a Tudeh newspaper charge that the Iranian army has come under the control of the US and comments that this line of attack may foreshadow Moscow's intention of invoking the 1921 Iran-Soviet Treaty as a basis for reintroducing Soviet troops into Iran. (Under this treaty the USSR may send forces into Iran if it becomes a base of military operations by a third party directed against USSR, and if Iran is unable to cope with the situation.)

FAR EAST

7. **SIAM: Soviet-Siamese diplomatic relations proposed**--US Minister Stanton in Bangkok reports that the Soviet Government, in an exchange of views through the Siamese Minister to Sweden, has indicated willingness to establish diplomatic relations with Siam and proposed that the Siamese issue a communique repudiating the anti-Communist policies of previous Siamese governments.
8. **JAPAN: Soviet diplomatic couriers**--US Political Adviser Atcheson reports that the Soviet member of the Allied Council has requested transportation for Soviet diplomatic couriers on US ships and planes between Tokyo and Shanghai.

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