Approved For Release 2002/05/20: CIA-RDP79101146A000500210001-4 TOP SECRET SECURITY INFORMATION

8 November 1951

CIA No. 49419 Copy No. 143

DAILY DIGEST

Office of Current Intelligence

CENTRAL INTELLIGENCE AGENCY

This summary of significant reports has been prepared primarily for the internal use of the Office of Current Intelligence. It does not represent a complete coverage of all current reports in CIA or in the Office of Current Intelligence. Comments represent the immediate views of the Office of Current Intelligence.

State Dept. review completed

TOP SECRET
SECURITY INFORMATION

TOP SECRET

SECTION 1 (SOVIET)

1. USSR. Soviet representative offers proposal for armament census: In an approach to a member of the US delegation to the UN General Assembly, Soviet delegate Tsarapkin suggested a US-Soviet meeting on outstanding issues. Specifically, he maintained that the Soviet Union was prepared for an international armament census and inspection of arms production. Alleging that real international inspection was meant, Tsarapkin said it must be "based on abolition of the use of atomic weapons in warfare and on a limitation of conventional armaments." (S Paris US DELGA, 70, 7 Nov 51)

<u>Comment:</u> Tsarapkin's remarks probably foreshadow a new Soviet proposal regarding armaments and atomic weapons in this session of the General Assembly.

The USSR in 1948 rejected a Western proposal for an arms census. Soviet acceptance of inspection appears conditioned on prior agreement to abolition of the use of atomic weapons and to arms limitation. The USSR's attitude toward inspection in the atomic energy negotiations has been that it should be periodic and limited to announced facilities. Tsarapkin's proposal does not appear to provide for atomic energy control.

2. Comment on Bolshevik Revolution Anniversary speech: Politburo member L. P. Beriya's keynote address on the occasion of the 34th Anniversary of the Bolshevik Revolution appears designed to emphasize to the world the USSR's increased economic and military strength in comparison with the rearming West while claiming the continued existence of a "basis for agreement" with the West.

However, Beriya warned Western leaders not to construe the USSR's desires for peace as a sign of weakness, repeatedly recalled the Nazi invaders' defeat by the Soviet Union at a time when it was much less prepared than at present, and stated that another world war would result in the destruction of capitalism.

To emphasize Soviet strength in basic war industries, Beriya gave absolute figures rather than percentages for the 1951 increases in steal, coal and oil production, and total steel production was hailed as roughly equal to that of Great Britain, France, Belgium and Sweden combined.

TOP SECRET

trace of Military and the Contract the Association of the State of the

8 Nov 51

Beriya who reputedly heads the Soviet atomic energy program, did not mention the recent atomic explosions in the USSR, but he drew particularly marked applause when he stated that the army and navy "possess all modern types of weapons."

Treatment of the Korean war, which received significantly little attention in comparison to Bulganin's address on this occasion last year, seemed to indicate the Kremlin's desire to disassociate itself from this conflict if not to achieve an actual ceasefire. While Bulganin had drawn a parallel between the situation at that time and the early reverses of the Bolsheviks in the civil war period, Beriya, without mentioning Chinese assistance, was simply "convinced that the brave Korean people will find a worthy way out of the bloody conflict."

25X1

_			•	
3.	-			
İ				
.				
Į	•	y		
}				
•				
		•		
L				
25X1				
			,	
				•

4. CZECHOSLOVAKIA. Organization formed to implement new defense training program? In order to facilitate implementation of the new defense act, the Union for Cooperation with the Army has been established. The Union consists of a central committee and regional committees. The Red Cross, amateur flyers, Sokols and the People's Militia have already affiliated with the Union for the purpose of activating a new program for defense

TOP SECRET

2

8 Nov 51

TOP SECRET

education and training of the populace. Training units will be formed in these organizations. According to Defense Minister Cepicka, the army will furnish instructors, training cadre, and materials. Cepicka stated that the new Union must have the widest possible popular participation. (R FBID, 5, 6 Nov 51)

Comment: The nature of the defense training is not yet known. However, the Union is similar to DOSAAF, the USSR All-Union Society for Cooperation with the Army, Air Force, and Navy. The latter organization has concentrated on building up a reserve of skills which would be militarily useful, such as swimming, shooting, driving, and communications. The Union for Cooperation with the Army thus represents another social organization generally conforming to a Soviet model.

TOP SECRET

3

8 Nov 51

TOP SECRET

SECTION 2 (EASTERN)

1. IRAN. Iranian Parliament concerned over increased Tudeh activities:
The US Embassy in Tehran reports that the Parliamentary session of 4
November was taken up almost entirely with a discussion of increased
Tudeh activities. The deputies stated that the Tudeh was much stronger
now than it had been at any time since it was outlawed following the
attempted assassination of the Shah. Opposition deputy Emami accused
the government of "establishing a rule by demonstration which it was unable
to control." (R Tehran 1691, 5 Nov 51)

Comment: Both the Communists and the opposition have benefited by Mossadeq's policy of permitting free speech and assemblage as long as there is no breach of peace. Opposition criticism of the government's policy came to a head recently with the closing of the university after Communist-led students had held the president prisoner for eight and a half hours. If Mossadeq, who has reportedly ordered the reopening of the university, continues his present policy, he may be faced with increased opposition from all sides upon his return from Washington.

25X1

25X1

2. AFGHANISTAN. Kabul cinemas may use films from USSR: Mohammad Hashim Karimi, director of the cinema operated by the Kabul municipality, has reported to the US Embassy in Kabul that Pakistan's deliberate delay in allowing the transit of Indian films to Afghanistan may force Kabul's two cinemas to import films from the USSR. The Embassy feels this is a definite possibility. The Russians are quite willing to supply the films, which they have been prevented from showing until recently. On 5 November, a US Embassy officer saw a Soviet diplomat in the office of the main Kabul cinema where a Soviet propaganda film was being shown. (C Kabul 224, 5 Nov 51)

<u>Comment:</u> The regular showing of Soviet films would afford a good new opening for Communist propaganda activities in Afghanistan.

3∙	PAKISTAN.	Sinkiang '	border	patrol	penetr	ates Pak	<u>Lstan</u>	• On	24 July	
	a reconnais	sance pat	rol of	Sinkian	g troc	ps peneti	ated	2000	yards in	nto
	the Gilgit	area of n	orthern	mœt Pak	istan	at 36-37	N, 7	5-25 E	, accord	ding
25X1						Shots we				a
	Pakistani p	oatrol but	no cas	ualties	were	_eported	on e	ither	side.	

Pakistani military sources stated that this was just one of several patrols which had entered Pakistan recently and that the event had no particular importance.

25X1

TOP SECRET

4

3 No.v 51

TOP SECRET

Comment: Little is known of activities along the poorly defined border between Sinking and Pakistan. The Chinese have been actively patrolling and crossing the borders of Gilgit and Kashmir since the Communist seizure of Sinkiang. Pakistan has taken the position it cannot afford to antagonize China in such matters.

4. INDIA. Political developments in Kashmir: On 1 November, Ghulam Saddiq was elected permanent President of the newly-convened Kashmir Constituent Assembly. (U New Delhi 1552, 1 Nov; U New Delhi 1563, 2 Nov 51)

<u>Comment</u>: Chulam Saddiq is reputedly one of the leading Communists in Kashmir. Long an important adviser in Prime Minister Sheikh Abdullah's government, Saddiq is now in a favorable position to increase his power and influence.

Under Saddiq's guidance, the Constituent Assembly may be expected to uphold Sheikh Abdullah's recent statement that, except in foreign affairs, the people of Kashmir have full freedom to draft a Constitution according to their own desires. The Assembly may act on the Sheikh's suggestion that Kashmir cooperate with India but retain its sovereignty as a state.

India has publicly advocated the establishment of the Assembly and has championed the right of the Kashmiris to decide their own fate, which India confidently expects to be accession to India. Pending a final solution of the problem by the United Nations, India might experience some embarrassment if it prevented the Kashmiris from assuming a considerable degree of autonomy.

If the Abdullah government continues its Communist-tinged policies and if Kashmir becomes a semi-autonomous state, Communist capabilities for obtaining control of the Himalayan borderlands adjacent to India and Pakistan will be materially improved.

- 5. MALAYA. Broader powers for military hinted: A recent announcement by the government of the Federation of Malaya with regard to the powers of the Director of Operations (against the "bandits") implies, in the opinion of the US Consulate General, the granting of still more sweeping powers to General Lockhart, the new Director who arrives this month. The Consulate does not believe that martial law will be declared. (S Singapore Weeka 44, 3 Nov 51)
- 6. INDOCHINA. Signs of French-Kuomintang spy net reported: The efforts of General Huang Chieh, ranking officer among Chinese Nationalist troops

TOP SECRET

5

8 Nov 51

TOP SECRET

interned in Indochina, to set up "French language study groups" among his men suggests that recent reports that he has been collaborating with the French authorities in organizing a trans-border intelligence network may have some basis. (S Saigon Weeka 44, 4 Nov 51)

Comment: The Chinese Nationalist authorities have been attempting for some time to foist their services on the French. The French, fearful of antagonizing the Chinese Communists, have reacted cautiously to these overtures.

7. CHINA. Chinese Communist forces exhorted to emulate Soviet Army: The Peiping radio, commenting on the recent en bloc enrollment of Chinese Communist forces in the Sino-Soviet Friendship Association, has informed the troops that their participation in the SSFA will instruct them in "patriotism and internationalism" and in the "advanced military science" of the USSR, and will further strengthen the Sino-Soviet alliance. The troops have been told that their work in the SSFA will consist of studying Communist theory and practice, learning Soviet military science, and spreading propaganda to the "masses." The broadcast also advised the troops that "the Soviet Union of today is the China of tomorrow," that the Soviet Army is the "long-range" model for Chinese Communist forces, and that the USSR is the "best friend of the Chinese people." (R FBID Peiping, 6 Nov 51)

<u>Comment</u>: The CCF's enrollment by fiat in the SSFA was announced a month ago. At the time, Peiping gave the figure of 5,000,000 for the CCF, almost 1,400,000 in excess of the accepted figure for field forces, military district troops and naval and air forces; the 6 November broadcast gives no figures. Indoctrination on Stalinist lines has been conducted throughout the CCF for some years, and the activity of the political apparatus in the CCF has been directed toward Stalinist goals. The planned intensification of such indoctrination and activity in the CCF will tighten the Soviet grip on the armed forces of the Peiping regime and will further reduce Peiping's capabilities for pursuing an independent line if the desire should ever arise.

8. Mao felicitates Stalin on the anniversary of the October Revolution:
Mao Tse-tung's message to Stalin on 7 November, the 34th anniversary of
the October Revolution, extends "heartfelt greetings," offers congratulations on various alleged Soviet achievements and salutes the "unshakeable
and great friendship" between the USSR and Communist China. Sino-Soviet
friendship, "which grows ever closer," is said to be the "most reliable
guarantee" of victory for the Soviet cause. (R FBID flimsy, 6 Nov 51)

Comment: Mao's message corresponds roughly to Stalin's "friendly

TOP SECRET

6

8 Nov 51

TOP SECRET

greetings" to Mao on 1 October, the second anniversary of the founding of the Peiping regime, which expressed a wish for further Chinese Communist successes and for consolidation of the Sino-Soviet alliance. As usual, Mao's tone in this message to Stalin is deferential but not obsequious.

9. Kao Kang and Lin Piao move up in Revolutionary Military Council: Peiping radio has announced the appointment of Kao Kang and Lin Piao as Vice-Chairman of the People's Revolutionary Military Council. (R FBID Peiping, 6 Nov 51)

Comment: Kao is Chairman of the Northeast (Manchuria) People's Government, commanding officer and political commissioner of the Northeast Military District, and Secretary of the Party's regional bureau. Lin is Chairman of the Central-South China Military and Political Committee, commanding officer of the Fourth Field Army, and Secretary of the regional bureau. The Chairman of the Revolutionary Military Council, which controls the armed forces of the Peiping regime, is Mao Tse-tung, and four of the five present Vice-Chairmen are also members of the Party's Central Committee. The elevation of Kao and Lin will add two more Stalinists to the leadership of the Military Council.

Peiping comments on significance of October Revolution: People's China, a publication of the Peiping regime, observes the 7 November anniversary of the October Revolution by informing its readers that current events have exposed with unprecedented clarity the contrast between the Soviet bloc and the West. The former represents "peace, democracy and progress," the latter "retrogression, war and terror." The USSR is "politically and economically stronger than ever before" and counts as its "great ally" the People's Republic of China. The people of Asia can see the "path to the future of all mankind" charted by the October Revolution of 1917, and can see also the Chinese revolution as the "prototype" for colonial and semi-colonial countries. (R FBID, 6 Nov 51)

Comment: Chinese Communist spokesmen have made all of these points, usually in a somewhat less gaudy rhetoric, on other occasions. International Communist propaganda characterizes the October Revolution as the greatest event in history, and the ascendancy of the Chinese Communists as next in importance.

of Communist China's currency depreciates sharply in Hong Kong: The value of Communist China's currency has declined sharply in the Hong Kong market. On 6 November a Hong Kong dollar exchanged for 5,882 Chinese notes. The ratio a week earlier had been 5,150 to one. These figures compare with Peiping's official rate of 3,880 to one. (U Far East Trader, 31 Oct;

TOP SECRET

TOP SECRET

AP Morsecast Hong Kong, 7 Nov 51)

Comment: The wide difference between the official and open market rates is a recent development and reflects the declining confidence in the Communist currency. Large military expenditures are forcing the regime to increase the amount of money in circulation and are oreating strong inflationary pressures. Although the Communists have thus far managed fairly well in keeping these pressures under control, prices are beginning to move upward.

Communist donation campaign passes 100 million dollar mark: Hong Kong press accounts report that Peiping has received donations from the people and from business concerns amounting to about 100 million dollars. These donations, which are made for the declared purpose of enabling the Communists to buy airplanes and heavy equipment, come to about 59 percent of the total amount pledged for the period from July through December 1951. (S Hong Kong 1550, 26 Oct 51)

Comment: The amount which the Chinese people have been forced to contribute in the donation campaign already exceeds the amount which the Communists were able to exact in last year's Victory Bond Campaign. Both drives were effective in withdrawing money from circulation and countering inflationary pressures. These pressures, nevertheless, continue strong and prices are beginning to rise.

- Premier Chen Yun, in a long statement to the People's Political Consultative Conference, reported on agriculture, industry and commerce, and finance. His main points were:
 - (1) Harvests have been generally good, and agricultural output will definitely surpass last year's levels.
 - (2) Industrial output also is higher than it was last year. Pig iron production in 1951 will be 131 percent of the 1950 figure. Comparable percentages for other items are 142 for steel ingots, 178 for finished steel, 118 for coal, and 122 for electricity.
 - (3) Government expenditures have risen, but the people's patriotism in paying taxes promptly has "facilitated the country's financial adjustments." Although the regime has issued more paper money, financial stability has not been disturbed. The country's finances are adequate for the needs of national defense. (R FBID, Peiping, 6 Nov 51)

TOP SECRET

8

8 Nov 51

Comment: The level of industrial and agricultural output in China compares favorably with last year's figures, but cutput has been diverted to military ends, so that popular living standards have probably suffered.

communists offer rice for Ceylonese rubber: The Ceylonese press reports that Chinese Communist rubber buyers in Macao have offered to send a delegation to Ceylon to discuss the barter of rice, coal and grain for rubber. The Chinese are willing to fix a very high price for the rubber and are reportedly prepared to supply 100,000 tons of rice within the next three months. (U Colombo 304, 5 Nov 51)

Comment: Persistent Communist efforts to procure Ceylonese rubber have been under way since last summer and have already succeeded in effecting the acquisition of 5,530 tons. Inability to find shipping space has so far prevented further rubber shipments from Ceylon to China.

Price of gasoline in Shanghai drops 25 percent: The China Petroleum Corporation reduced the price of gasoline at Shanghai in mid-October,
the third decrease in two and a half months. In terms of US currency,
tagsoline now costs about two dollars a gallon in Shanghai. One Communist
press article ascribes the price reduction to a more ample supply of
gasoline imported from Russia, and claims that the authorities are congasoline imported from Russia, and claims that the authorities are considering whether to permit some vehicles which now use charcoal for fuel
to reconvert to gasoline. (U NCNA Peking 16 Oct; U Shanghai News, 27
Sep 51)

Comment: The Communists are probably lowering the price on certain imported commodities more as a propaganda gesture than as a reflection of improved supply. The sale of oil products in Shanghai has been closely controlled since the UN embargo of July 1950, and on 15 August (after the first price cut) the gasoline ration for private automobiles was cut from about 25 to 15 gallons a month.

16. KOREA. US Mission in Korea foresees ROK agitation on cease-fire line; On 5 November US Ambassador Muccio called on ROK President Rhee to explain the UN Command's reasoning on the current cease-fire negotiations at Kaesong. Although Rhee appeared "resigned to the situation," Muccio feels that this does not mean he will accept it quietly. The ROK attack on the cease-fire line along the military points of contact will probably take the form of demands for the retention of the Ongjin peninsula, Kaesong, and the form area. Another point that will be raised, Muccic speculates, is the Yonan area. Another point that will be raised, Muccic speculates, is that while the Communists will administer former ROK territories, the ROK that while the Communists will administer UN-held North Korean territory. (S Pusan 410, 6 Nov 51)

TOP SECRET

8 Nov 51

TOP SECRET

Comment: The ROK will continue to advocate a continuation of the war for "unification." An alternative hope expressed by the ROK is that a "security pact" with the US might be concluded, if and when a ceasefire is negotiated.

17. JAPAN. Tripartite fishing conference opens in Tokyo: A tripartite fisheries conference between Japan, the US and Canada opened on 5 November in Tokyo. This is the first of a series of negotiations aimed at conclusion of bilateral or multilateral fishing agreements which Japan will undertake in compliance with Article 9 of the peace treaty. (U FBID Tokyo Jiji, 6 Nov 51)

Comment: Since this is the first important postwar international conference at which Japan will sit as an equal negotiator, the conference has created unusual interest in Japan. In the ourrent negotiations, Japan hopes to establish a precedent by which freedom of fisheries on the high seas will be recognized, thus weakening the expected attempts of other nations in future negotiations to exclude the Japanese from certain high seas fishing areas.

TOP SECRET

8 Nov 51

SECTION 3 (WESTERN)

1. AUSTRIA. Schismatic Socialists call for unity with Communists: At its first national congress in Vienna on 3 and 4 November, the Austrian Socialist Worker's Party of Erwin Scharf passed a resolution calling for a continuation and strengthening of the "combat union" of leftist socialists and the Communists. Member of Parliament Scharf was redesignated party chairman. Left-wing Italian Socialist Pietro Nenni visited the congress while he was in Vienna attending the World Peace Council meeting, and Austrian Communists proffered felicitations to the Socialists. (R FBIS -- Oesterreichische Zeitung, 6 Nov 51)

<u>Comment</u>: Erwin Scharf defected from the Austrian Socialist Party in 1948 and was expelled for his advocacy of all-out cooperation with the Communists. The party which he subsequently formed has attracted very little support, and, as a "socialist" front for various Communist schemes, has been of limited effectiveness.

The congress of the Austrian Communist Party, which likewise convened in Vienna last week, also strongly emphasized the unity theme.

2. BELGIUM. Belgians reportedly to go slow at the European Defense Forces talks: According to conference at Paris, the Belgian Ambassador to France has again warned the chiefs of the delegations that his government might not permit the work at the conference to continue on the basis of the proposed supranational institutions. The Belgians object, among other things, to a common budget and prefer instead a voluntary contribution from each member nation to meet certain common expenses. As a result, the Belgian delegation is expected to play a more passive role in the talks and "take a general reservation" on past and future conference decisions. (S Paris 2602, 2 Nov 51)

Comment: Shortly after the Benelux Ministers' conference of 25 October, the Belgian Foreign Minister informed US Embassy officials in Brussels that Belgian representatives on the technical committees had been instructed to withhold additional views until ministers of the member countries at the Paris conference could arrange "to exchange views." He added that the technical committees had gone too far without specific directives, a situation which might prove embarrassing to the participating governments by presenting them with a fait accompli-

In view of the recent expression of Dutch opposition to the trend of the conference talks, the Benelux countries may withdraw from the conference unless their demands are met.

TOP SECRET

11

8 Nov 51

Approved For Release 2002/05/20 : CIA-RDP79T01146A000500210001-4

25X1

3. ITALY. Liberal Party enlarges its following: Unification with the Liberal Party of progressive-minded individuals and groups who have remained out of or seceded from the party is practically complete. The unified party will oppose alliances with the neo-fascists and monarchists and support government policy in general.

The US Embassy in Rome comments that the party, though small, will have a healthy influence since it offers a democratic alternative in the next national elections for conservative voters disappointed in the policy of the Christian Democrat-dominated government.

The Embassy adds that it is not yet known whether the Liberals will return to the government or remain out until after the next national elections. (R FBIS, Rome Radio, 6 Nov 51; S Rome Joint Weeka 43, 26 Oct 51)

Comment: The conservative Liberal Party, which has consistently rejected Premier de Gasperi's offer to return to the Cabinet, showed an increase in strength in the May-June local elections. With this new addition of "progressive" groups, it should offer an even greater appeal in the next national elections to conservatives who, while favoring democratic processes, oppose many of the government's domestic policies and might otherwise give their support to the neo-fascists. The party could draw from the Christian Democratic right wing, although the Liberals' anti-clerical position would reduce their appeal to this group. An increase in the Liberals' parliamentary representation would enable groups with vested interests to block the government's program of socio-economic reform even more effectively than they have done heretofore.

4. SPAIN. First step taken to simplify foreign trade controls: In what he has informed the US Embassy is designed as the first move toward simplification of Spain's complicated multiple exchange rate system, Minister of Commerce Arburua has reduced the number of export exchange rates. (Under the multiple rate system, which has long been a major handicap to Spanish foreign trade expansion, each import and export commodity is assigned a special exchange rate.) At the same time he abolished compensation and combined accounts. (These barter trade "accounts" have been utilized by Spanish industry, especially the textile industry, as its principal means of importing essential goods for which the government would not grant foreign exchange.)

Arburua believes that these measures will appreciably reduce black market foreign exchange transactions and will soon be followed by simplification of import exchange rates. He pointed out that, because of the complexity of Spain's exchange and economic controls,

TOP SECRET

12

8 Nov 51

he must proceed cautiously toward a less rigid system. (U Madrid 447, 2 Nov 51; C Madrid 448, 2 Nov 51)

Comment: The Minister of Commerce evidently feels that US dollar aid and Spain's recently improved export trade will make it possible for him to remove these restraints on foreign trade, to attack currency speculation, and to stabilize prices. His recent action, although it does indicate an intention to normalize trade, does not represent any drastic step toward removal of rigid governmental trade controls. Furthermore, recent reports indicate that his decision to abolish compensation and combined accounts was influenced by a desire to prevent a scandal over cotton speculations and the possible bankruptcy of a number of important textile firms.

25X1

5. PORTUGAL. Unification of Army and Navy air arms reportedly approved:

22 October Premier Salazar approved the Portuguese Defense Minister's plan for the unification of the Army and Navy air arms. According to unification would give the Air Force an equal status with the Army and Navy and place it under direct control of the Minister of Defense. (S Lisbon Joint Weeka 43, 24 Oct 51)

Comment: Unification would appear to conform with the Portuguese Government's intention of strengthening the Air Force's capabilities to fulfill its obligations under NATO. There have been several indications that the Defense Minister is grooming Brigadier Anselmo Vilardebo, a protege of President Craveiro Lopes, for the post of chief of the new combined air arms. Vilardebo is more internationally minded and reputedly more capable than the present Commanding General of the Portuguese Army Air Force.

6. MOROCCO. French press in Morocco campaigns to discredit US representatives: The French-language press in Morocco is continuing its campaign to make scapegoats of American representatives there. The Resident General's remarks that US diplomatic representatives should be instructed to be "neutral" have been widely featured. US diplomats in North Africa are openly accused of cooperating with extremists and the Resident General is requested to exact guarantees of non-assistance. (C Casablanca 29, 6 Nov 51)

<u>Comment</u>: French interests in Morocco bitterly resent the continuance of US extraterritorial privileges. Much of the French press in the area has also been frequently critical of the US. The current campaign, however, has concentrated its attack upon American representatives rather than upon the more generalized aspects of American "imperialism."

TOP SECRET

13

8 Nov 51

25X1C	was anouted.	25X1C
	ARGENTINA. New revolutionary movement reported: reports that a new revolutionary movement, including Socialists, reports that a new revolutionary movement and members of the armed	
	Radicals, Conservatives, railway workers, and the lefthis movement is	•
25X1A	Radicals, Conservatives, railway workers, and members of the successful, a civil-military junta will be established to govern until successful, a civil-military junta will be established to govern until	25X1A
	general elections can be held.	25X1A

Comment: Opposition elements, including some members of the armed forces, may attempt an uprising against Peron, but it is unlikely that they can attract sufficient army support to stage a successful revolt. While the possibility that key army generals might turn against revolt of support and watchful waiting through next will continue their policy of support and watchful waiting through next Sunday's elections. There are indications that the army would prefer to have Peron remain in power subject to its terms.

8. Senora de Peron undergoes major operation: On 6 November
Senora de Peron was operated on by a team of surgeons, including a
US cancer specialist. (U NY Times, 7 Nov 51)

Comment: Information indicates that Senora de Peron may have been suffering from cancer for some time, although government bulletins have avoided mentioning the nature of her illness. If she is seriously incapacitated, her extensive political influence, which has been one of the army's strongest objections to Peron's administration, will be sharply curtailed.

TOP SECRET

14

8 Nov 51

SECURITY INFORMATION

8 November 1951

CIA No. 49419-A Copy No. 49

S/S CABLE SUPPLEMENT

TO THE DAILY DIGEST

Not for dissemination outside O/CI and O/NE.

Office of Current Intelligence

CENTRAL INTELLIGENCE AGENCY

This summary of significant reports has been prepared primarily for the internal use of the Office of Current Intelligence. It does not represent a complete coverage of all current reports in CIA or in the Office of Current Intelligence. Comments represent the immediate views of the Office of Current Intelligence.

TOP SECRET

SECURITY INFORMATION

TOP SECRET

SECTION 2 (EASTERN)

1. GREECE. No Russian protest over Greek NATO membership received as yet:

A Greek Foreign Office spokesman, in response to a query from the Turkish
Ambassador in Athens, said that no note has yet been received from the
USSR protesting Greece's contemplated accession to NATO. The Government
has decided, however, that if such a protest is received it will be
"firmly rejected and the accusations turned back against the Soviets."
The spokesman also informed the US Embassy in Athens that while Greece did
not expect a Soviet note at this time it was thought advisable to indicate
to the Turks that the Greek attitude toward the Soviets "remained firm and
unyielding." (S S/S Athens 2112, 6 Nov 51)

Comment: A Soviet protest to Greece may be anticipated. On 31 October the USSR delivered a note to Turkey warning the latter against membership in NATO, and unconfirmed press reports state that Rumania and Bulgaria sent notes to Turkey on 6 November.

SECTION 3 (WESTERN)

2. <u>BELGIUM-NETHERLANDS</u>. <u>Troop commitments for Korea not likely to be increased</u>:
Belgium and the Netherlands have expressed regret at their inability to
furnish additional troops for Korea. A Belgian official mentioned the
problem of ordering conscripts abroad.

A Dutch Foreign Office spokesman stated that the volunteer system and the lack of incentives has even made replacements for the original contingent difficult to obtain. The Dutch spokesman added that about 2,000 Amboinese soldiers, well-trained in guerrilla warfare and now in the Netherlands, probably would be willing to be used as a contingent to Korea, but the Indonesian Government has taken a strong stand against such employment. (S S/S Brussels 621, 2 Nov 51; S The Hague 433, 3 Nov 51)

Comment: To affirm their support of the UN resolution condemning the North Korean aggression, Belgium and the Netherlands each sent a token force of about battalion strength to Korea in the early part of the Korean affair.

TOP SECRET.

8 Nov 51