TOP SECRET

25 July 1951

CURRENT INTELLIGENCE BULLETIN

NOTICE: This document is classified for national security purposes. Its contents and distribution are restricted to authorized personnel.

Office of Current Intelligence

CENTRAL INTELLIGENCE AGENCY

Army, DOS and DIA review(s) completed.

TOP SECRET

Approved For Release 2004/01/16 : CIA-RDP79T00975A000300230001-2
SUMMARY

GENERAL

2. Turks restate eagerness for membership in NATO (page 3).

FAR EAST

3. Enemy in Korea can attack with little or no additional warning (page 4).
4. Chiang Kai-shek summarily dismisses naval officers for political activity (page 5).

NEAR EAST

5. Iraqi Government reaches agreement with petroleum company (page 5).

WESTERN EUROPE

8. Spanish underground labor groups warn of Communist gains (page 7).

LATIN AMERICA

9. Panamanian representative instructed to withhold papers of China-bound vessel (page 8).

* * * *

- 2 -
25X1A.  Turks restate eagerness for membership in NATO:

The Turkish Ambassador in Moscow has made the following statements to US Ambassador Kirk:

(a) Turkey does not consider its current treaties with the UK and France a satisfactory safeguard and wants the immediate support of all the NATO countries in the event that Turkey is attacked;
(b) The Ambassador, himself, is uncertain of the genuineness of British support of Turkey’s application to join NATO, despite the recent British declaration; and,

(c) He does not favor an Eastern Mediterranean Pact for fear that the Arab States’ insistence on joining would have disastrous repercussions vis-a-vis Israel.

FAR EAST

3. **Enemy in Korea can attack with little or no additional warning:**

The US Eighth Army warns that the enemy is now capable of moving his reserves into position 24 hours prior to an attack, and that even this movement may be accomplished without detection under present weather conditions. Furthermore, so long as the tactical situation remains almost static there may be no noticeable change in the pattern of enemy activity.

**Comment:** In the past, the five-day period preceding the launching of an offensive provided numerous indications of the probable date of attack. As yet there is no firm indication of an intent to resume the offensive.
4. Chiang Kai-shek summarily dismisses naval officers for political activity:

Chiang Kai-shek on 15 July summarily dismissed 13 naval officers accused of forming a new clique. Admiral Kwei, naval Commander-in-Chief, was informed of this action by Chiang Ching-kuo, the Generalissimo's elder son, in time to "save face" by appearing to order the dismissal himself. The officers included Kwei's nephew and brother-in-law. No charges have been preferred, since Chiang Ching-kuo's "political officers" would not be able to prove their allegations. The US Naval Attache states that a long-standing feud between Admiral Kwei and Chiang Ching-kuo is rumored to be behind this example of "thought control at its worst."

Comment: Chiang Kai-shek's fear of defections to the Communists or "Third Force" groups has increased the scope and power of Soviet-trained Chiang Ching-kuo's political officers. This is the first report indicating the unprecedented power of Ching-kuo vis-a-vis a Commander-in-Chief.

5. Iraqi Government reaches agreement with petroleum company:

An agreement setting minimum guarantees for the level of oil production and Iraqi revenues has been reached between Iraq and the Iraq Petroleum Company. Under its terms, Iraqi oil revenues will reach approximately 50 million pounds sterling annually within three years, a sum several times greater than the current payment. The agreement, which appears to be the most favorable ever negotiated by any government, provides for renegotiation should any neighboring country obtain more favorable terms.

Comment: From the few details available, it appears that the new agreement answers the chief requirements of both
parties. Despite the liberal aspects of the negotiated agreement, ratification by the Iraqi Parliament cannot be assured.

6. **Jordanians charge link between former Grand Mufti and murderer of Abdullah:**

The Jordanian Governor of the Old City of Jerusalem is convinced that the former Grand Mufti of Jerusalem is involved in the murder of King Abdullah, but he has not been able to uncover the organization behind the act. The US Vice Consul in Arab Jerusalem reports that Abdullah's assassin was supposedly a member of the "Holy War Fighters," a terrorist group organized by the Arab Higher Committee during the last years of the Mandate but disarmed by the Arab Legion during the Palestine fighting.
25X1A 8. Spanish underground labor groups warn of Communist gains:

The Spanish opposition Comite Interior de Coordinacion, predicting a great expansion of Communist strength, warns that the Spanish people, who are losing faith in US objectives, will turn to the Communists for help against the Franco dictatorship.

In a formal protest against any contemplated US economic and military aid to the Franco regime, the CIC reminded the US Embassy in Madrid that Spanish workers represented by the Socialist
and Anarchist components of the CIC have "firmly decided not to cooperate" in Spain's industrial and military effort unless Franco is removed.

Comment: The Spanish Communist Party is trying to capitalize on the growing sense of frustration among the underground leftist groups. So far, all Communist offers of financial aid in exchange for Communist Party control of a "popular front" have been rejected, because of the overwhelmingly anti-Communist sentiments of the great bulk of the workers within these groups. It is believed unlikely, therefore, that Spanish workers will make common cause with the Communists or resort to sabotage against the Spanish defense effort, as indicated in an earlier CIC letter to the US Embassy. The present protest, with its implied threats, is apparently calculated to induce the US to demand the liberalization of the Spanish regime. Without the cooperation of the other leftist labor groups, the Communists will remain an ineffective political force.

LATIN AMERICA

9. Panamanian representative instructed to withhold papers of China-bound vessel:

The Panama Government has instructed its Consul General in Hamburg to hold the papers of the China-bound Panama flag vessel Montesa and to notify the captain to unload its cargo immediately or forfeit its registry.

Comment: The Montesa's papers have been held by the US Consul General in Hamburg, since the Panamanian representative had no authorization to do so. The Government of Panama claimed as early as 9 July that it had instructed its representatives to hold the papers of any Panamanian flag ship bound for North Korean or Chinese Communist ports.

This is the fourth Panamanian flag vessel whose papers have been picked up on the initiative of US officials. In
all four cases, Panama supported the US action and threatened the masters of the vessels with cancellation of Panamanian registry unless the cargo destined for Communist China was unloaded. In no case, however, has a Panamanian official taken the initiative in withholding the papers from such a vessel.