## OPERATIONS COORDINATING BOARD Washington 25, D. C.



18 October 1956

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#### INTELLIGENCE NOTES

1. Japan - Private Trade Plan with Communist China Extended

Representatives of three private Japanese trade groups failed to get Communist Chinese agreement on a new trade plan because the Chinese would not permit fingerprinting their proposed permanent trade mission to Japan. Consequently the two groups agreed on an extension of the previous agreement. CIA comments that these negotiations point up some of the non-economic impediments to Sino-Japanese trade, While pressures for trade will continue to build, the Japanese realize that the normalization of Sino-Japanese relations is a prerequisite.

2. Iraq - American Expert Needed for Iraq Development Board

Unless an American member is provided for the Iraq Development Board soon (the position has been vacant for six months) the choice of a non-American can be justified by the US failure to act, according to USCM Iran. (ICA Daily Cable Summary, 17 Oct., Secret)

3. Egypt - UB Program Approaching Difficult Stage

USOM Egypt reports that despite cordial relations with its Egyptian counterparts it is evident that the Egyptians realize the program is being deliberately slowed down. The mission points out that care must be taken to avoid passing beyond the point where the program cannot be revived. (ICA Daily Cable Summary, 19 Oct., Secret)

h. East Germany - Strikes in Heavy Industry

A West Berlin newspaper reports that strikes are taking place at the Karl Marx plant in Magdeburg and several other heavy industrial installations in Chemnitz as a result of increased work norms without corresponding increases in pay. The paper says 2,000 "People's Police" were moved into Magdeburg on the morning of 17 October to maintain order. (FBIS, 18 Oct., Official Use Only)

5. USSR - Scientific Advance in Mechanical Translation

After recent discussions in Washington with a top Soviet scientist, two highly reliable US experts have declared that the USSR is at least one year ahead of the US in the perfection of techniques for mechanical translation. They feel that the USSR has solved the theoretical problems and are now only confronted with a few technical difficulties.

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# 6. USSR - Nuclear Tests

#### 7. Finland - US Customs Holds Finnish Movie

Strong Finnish reaction can be expected if the Finnish movie Unknown Soldier is refused entry by American customs officials, according to US Embassy Helsinki. The film is currently being held by customs because it allegedly contains indecent and cruel passages. The film's owner protests that one passage of dialogue which could be regarded as indecent can be cut and that cruelty is a part of war. (US Embassy Helsinki 203, 17 Oct., Official Use Only)

### 8. Sino-Soviet Bloc - Economic Activities

The following are characterized by CIA as the major developments in the Sino-Soviet economic offensive between 25 September and 8 October: (1) The announcement by India's minister of production that he plans to discuss the extension of long-term credits by the USSR to India; (2) the recent signing of a technical assistance agreement between the USSR and Egypt; (3) the signing of an agreement for scientific and technical cooperation between Cambodia and Czechoslovakia; and (4) the establishment of branch offices of the East German foreign trade bank in six major cities in the Middle East and Asia.

#### 9. Comment on Eisenhower-Stevenson H-Test Exchange

Soviet commentators have quoted American atomic physicist Lapp's arguments against continuing nuclear tests while Radio Warsaw has called Stevenson's stand a political move designed to attract "ordinary folk" who are dissatisfied with US "preparations for nuclear war". The liberal Manchester Guardian in London has endorsed Stevenson's stand stating that he had raised a "moral issue". (USIA Soviet Orbit Propaganda, 16-17 Oct., Unclassified; FBIS, 18 Oct., Official Use Only)

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