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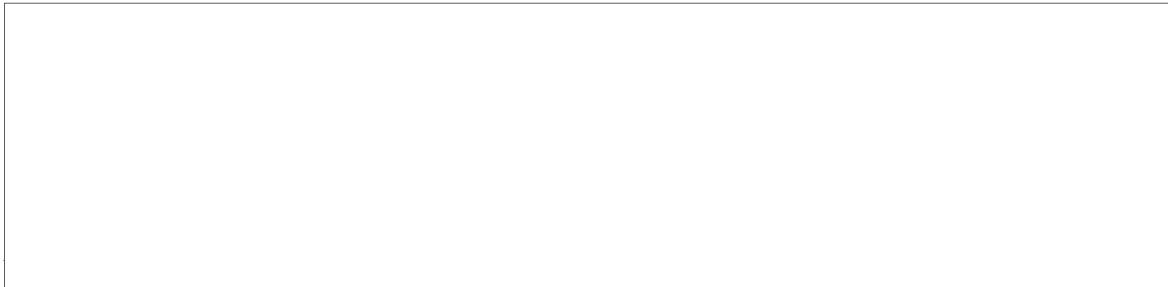
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**OFFICE OF CURRENT INTELLIGENCE**  
**CENTRAL INTELLIGENCE AGENCY**

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1. [redacted] JORDANIAN KING'S OVER-  
THROW AND NEW TROUBLES ON ISRAEL-JORDAN BORDER

[redacted] Reports [redacted]

[redacted] state that the situation in Jordan is becoming increasingly precarious and that King Hussain will probably ultimately lose his throne. The reports also state that the Arab Legion is deteriorating rapidly and [redacted] to expect new troubles along the Jordan-Israel border.

Comment              The Jordanian situation appears to be substantially [redacted], and the recent increase in the number of incidents along the Israeli-Jordanian border supports the warning.

Britain is obligated by the terms of the Anglo-Jordanian treaty to offer aid if Jordan should "become engaged in war." In the event of a civil war, London might be prepared to use force to keep Hussain on his throne. Britain now has 1,900 troops and an RAF fighter squadron stationed in Jordan.

The British may hope that Hussain will be sustained by his cousin, King Faisal of Iraq. In the absence of a request supported by a substantial group within Jordan, however, Iraq would presumably be reluctant to move.

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## 2. BURMA NEGOTIATING WITH USSR FOR DEVELOPMENT LOAN

Kyaw Nyein, the influential Burmese minister of industries, informed the American ambassador in Rangoon on 31 March that Burma is negotiating with the USSR for a development loan to be repaid in commodities. Kyaw Nyein stated that he was opposed to such a loan, since it would give the USSR a predominant position in Burma's development program. He also fears Moscow may insist on repayment in commodities which might disqualify Burma, because of the Berlin Act, from receiving American aid.

Meanwhile, another Burmese official has stated that Burma plans to take mainly capital goods in return for rice shipped to the USSR. He indicated that Soviet consumer goods wanted by Burma are scarce and that the government is anxious to keep the number of Soviet technicians working in Burma to a minimum because they must be accompanied by interpreters.

In discussing the nature of US aid preferred, U Raschid, the minister of trade development, said he wants Americans in the fields in which they are supreme--the construction and operation of factories and mines.

**Comment**      The negotiations for a long-term development loan are in addition to other negotiations which have produced an agreement to increase annual Soviet rice purchases from Burma to 400,000 tons. The size of the loan offer was not revealed, but in past approaches for an American loan, Kyaw Nyein has indicated a desire for between \$150,000,000 and \$200,000,000. Despite the opposition of Kyaw Nyein and other officials, the Burmese government would probably accept a loan from the USSR if the conditions were sufficiently attractive.

Burma will experience difficulty in limiting the number of Communist technicians in view of the large quantity of capital goods it is planning to import from the bloc.  
(Concurred in by ORR)

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3.

USSR WILLING TO

BUY THAI RICE

[redacted] the USSR  
was prepared to buy rice from  
Thailand in order to promote trade  
between the two countries.

[redacted]  
[redacted] a rice deal depended "solely on the attitude of the  
Thai government."

## Comment

Although Thailand is presently able to sell all its rice in non-Communist markets, many Bangkok exporters are uneasy about the future. The Thai government at present bans rice exports to Communist countries, and recently reaffirmed this policy in the face of a strong effort by Communist China to buy Thai rice. Should a rice surplus begin to accumulate in Thailand, however, the government would be hard put to resist pressure both from within its own ranks and from local merchants for trade with the Sino-Soviet bloc.  
(Concurred in by ORR)

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~~SECRET~~**4. PEIPING OFFERS CAMBODIA FUNDS FOR UNIVERSITY**

Communist China has offered Cambodia \$5,000,000 to be used for building a university in Phnom Penh, [redacted]  
[redacted] The offer, [redacted]  
[redacted] said to have no strings attached. [redacted]

**Comment**

Chou En-lai repeatedly assured Prince Sihanouk during his visit to Peiping in February that Communist China was willing to give economic assistance to Cambodia with no strings attached. This is the first report of a specific Chinese offer. Such an offer would be well timed in view of Prince Sihanouk's pique over alleged Western interference in Cambodian affairs.

[redacted]

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**THE ARAB-ISRAELI SITUATION**  
**(Information as of 1700, 4 April)**

Incidents continue on Israel's frontier with Egypt and Jordan. Meanwhile General Shuqayr, Syrian army chief of staff, has reported that the Israeli-Syrian frontier was very quiet, that some of the Israeli forces opposing him had been withdrawn, and that he did not anticipate trouble in the immediate future. He told the American army attaché in Damascus that most of the Syrian army remains concentrated between the Israeli border and Damascus. Shuqayr also said the strength of the Syrian army had been increased to about 60,000, which he considered a satisfactory level. Recent talks with Jordan's military leaders had resulted in agreement to permit use of Syrian forces in Jordan and Jordanians in Syria, as required. Some Syrian reserves would soon receive training in Jordan from the Arab Legion.

Syria will receive, according to Shuqayr, 66 T-34 tanks from Czechoslovakia through Egypt. Although deliveries have not been completed, one regiment of T-34's is reliably reported in the armored brigade on the Israeli frontier. The Czechs have agreed to furnish in the near future 32 85-mm antiaircraft guns to equip two battalions for the defense of Damascus. An unspecified number of Hispano-Suiza 30-mm antiaircraft guns to equip two additional battalions have also arrived recently. The new equipment will permit release of all 20-mm antiaircraft guns to front-line units.

All but eight of 100 recently requisitioned Israeli civilian cargo and dump trucks departed the central motor park near Tel Aviv for an unknown destination on the night of 2-3 April, according to the American army attaché in Tel Aviv. The call-up of vehicles complements the recent mobilization of personnel which has brought Israeli forces to an advanced state of readiness on all fronts. The above vehicles might also be intended for use in the recently instituted program of fortifying the border settlements.

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**BIWEEKLY SUMMARY  
22 March-4 April 1956**

**THE TAIWAN STRAIT**

**Report of the IAC Current Intelligence Group  
for the Taiwan Strait Problem**

1. There were no significant combat operations in the area during the period. Peiping's propaganda attention to the subject of Taiwan remained at a low level. [redacted]

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## TAIWAN STRAIT SITUATION

4 APRIL 1956

## CHINESE COMMUNIST AIRFIELD LEGEND:

DESIGNATIONS	PRIMARY AIRFIELD CONSIDERED MOST IMPORTANT IN AREA WITH PREPARED RUNWAY GENERALLY 5000 FEET OR LONGER.	SECONDARY AIRFIELD AUXILIARY OR EMERGENCY BASES OR FIELDS OF LESSER IMPORTANCE. RUNWAYS GENERALLY LESS THAN 5000 FEET.	USABILITY		
			+	I	?
ACTIVE BASE FOR MILITARY & CIVILIAN AIRCRAFT. SOME BASES USED BY PISTON TYPES MAY BE USABLE BY JETS.	●	▲	MIG 15	TU-2, IL-10	UNKNOWN
INACTIVE BASES CAPABLE OF USE BY AIRCRAFT	●	▲	MIG 17	LA-9/11 LI-2	UNDER CONSTRUCTION
CURRENT STATUS UNDETERMINED		■	TU-4	ETC.	UNKNOWN
			IL-28		
				*	FIELDS NOT CONSIDERED CAPABLE OF SUPPORTING SUSTAINED OPERATIONS AT PRESENT.

