

~~TOP SECRET
SECURITY INFORMATION~~

25 March 1953

3.5(c)

Copy No. 60

CURRENT INTELLIGENCE BULLETIN

69

DOCUMENT NO. 69
NO CHANGE IN CLASS.
 DECLASSIFIED
CLASS. CHANGED TO: TS S C
NEXT REVIEW DATE: 2009
AUTH: HR 70-2
DATE: 19 Dec 79 REVIEWER:

3.5(c)

Office of Current Intelligence

CENTRAL INTELLIGENCE AGENCY

3.5(c)

~~TOP SECRET
SECURITY INFORMATION~~

~~TOP SECRET~~
SECURITY INFORMATION**SUMMARY****GENERAL**

1. Soviet submarine believed sighted off South Africa (page 3).

FAR EAST

2. South Korea seeks substantial American aid to offset budget deficit (page 3).

SOUTHEAST ASIA

3. Burmese Government reportedly splitting over Chinese Nationalist problem (page 4).

SOUTH ASIA

4. Comment on the new Chief Minister of the Pakistani Punjab (page 4).

WESTERN EUROPE

- 5.

3.3(h)(2)

* * * *

3.5(c)

~~TOP SECRET~~

~~TOP SECRET~~
SECURITY INFORMATION

GENERAL

1. Soviet submarine believed sighted off South Africa:

[Redacted]

The submarine sighted by a South African pilot^{3.3(h)(2)} off Natal on 12 March is believed to have been a Soviet "L" Class type, according to a Union intelligence officer.

He also states that on 24 February a Soviet tanker sailed from Cape Town, allegedly to refuel Russian whaling vessels in the Antarctic.

Comment: The circumstances of this sighting suggest that it is reliable. Soviet submarines of the "L" Class are capable of long-range operations; they do not normally operate without some kind of support.

FAR EAST

2. South Korea seeks substantial American aid to offset budget deficit:

[Redacted]

Acting Prime Minister Paik Tu-chin, in a note^{3.3(h)(2)} delivered to the American Embassy on 21 March, declares that substantial outside aid will be required to cover Korea's 1953-54 budget deficit

of 43 billion hwan. The South Korean official states that his country's financial situation is so desperate that "it is difficult, if not impossible, for us to support our armies in the field." The note indicates that the South Korean Government can meet its ordinary nonmilitary expenditures plus only about 25 percent of planned military commitments.

Comment: The South Korean budget is predicated on an increase in the armed forces from 443,000 to 600,000 men. At the official exchange rate, the budget deficit would amount to \$715,000,000; in terms of actual purchasing power it amounts to \$238,500,000.

~~TOP SECRET~~

~~TOP SECRET~~
SECURITY INFORMATION

SOUTHEAST ASIA

3. Burmese Government reportedly splitting over Chinese Nationalist problem:

[redacted] There is evidence of divergent views at the top level of the Burmese Government on how to handle the Chinese Nationalist problem. [redacted]

3.3(h)(2)

3.3(h)(2)

They believe a further deterioration will split the cabinet into pro-West and pro-Communist factions.

It is believed that Defense Minister Ba Swe may have an understanding with Burmese Communist insurgents permitting him to concentrate his forces against the Nationalists.

Comment: The Burmese Government is faced with a highly vocal opposition on the Nationalist problem.

Another report, two weeks ago, stated that Ba Swe was harboring two Burmese Communist leaders.

SOUTH ASIA

4. Comment on the new Chief Minister of the Pakistani Punjab:

The resignation of Punjab Chief Minister Daultana on 23 March, reportedly at the request of the Pakistani Prime Minister, apparently was brought about chiefly by his inability to control religious rioting aimed at ousting Foreign Minister Zafrullah Khan.

His successor, Malik Feroz Khan Noon of the Punjab Moslem League Assembly party, has been Governor of East Pakistan. A personable [redacted] official, who generally delegates his authority, [redacted] h3.3(h)(2) may nevertheless be expected to follow the orders of the Moslem League high command and to bring a measure of stability to the Punjab.

~~TOP SECRET~~ SECURITY INFORMATION

WESTERN EUROPE

5.

3.3(h)(2)

- 5 -

~~TOP SECRET~~