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2. Chinese Communists suggest new approach to POW issue in Korea:

Former Indian Ambassador to Peiping, K. M. Panikkar, reportedly states that the Chinese Communists want to avoid appearing as sponsors of any plan involving the

neutral rescreening of unwilling POW returnees at Panmunjom. It is inferred, however, that the Communists would consider this approach if it were advanced by UN negotiators.

-3-

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Comment: Chinese Communist propaganda adopted a more optimistic line toward developments at Panmunjom earlier in the week, but over the week end it shifted back to vilifying the United Nations.

3. Soviet MIG's in Manchuria move nearer Korean border:

US Air Force 9, 10 July 52 CANOE AP758 Several recent Chinese messages scheduled "airfield transfer" flights of Soviet aircraft between Manchurian airfields.

AP801 Since 6 July, two groups of 32 MIG-15's each were to transfer from Mukden to Antung and from Tungfeng to Fengcheng, a new jet base near Antung. The latter transfer was evidently completed because 26 Soviet MIG's were scheduled for two training flights from Fengcheng on 11 July.

Comment: These transfers represent a considerable, although possibly temporary, increase in enemy air combat strength in the Antung area. Probably five or six of the nine Russian-manned units in Manchuria are now based within 50 miles of Korea.

Approximately 41 MIG-15's of the Chinese 12th Air Division also moved from Takushan to Fengcheng on 12 and 13 July. Of the four jet airbases in the Yalu River area, Fengcheng is the most difficult for American pilots to observe.

_ 4 _

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