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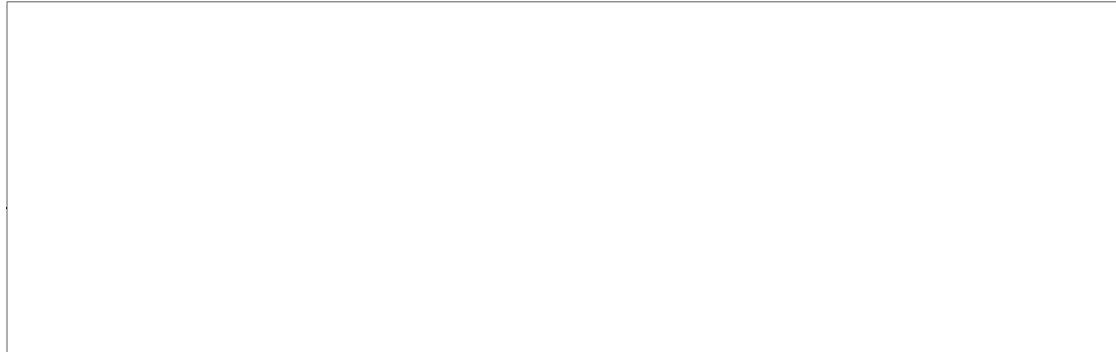
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SUMMARY

GENERAL

1. Bohlen reports on Khrushchev's remarks to French ambassador at reception (page 3).

FAR EAST

2. Japanese press calls Yoshida's Washington talks a failure (page 4).

SOUTHEAST ASIA

3. Viet Minh suggests representation for French Communist Party in North Vietnam (page 4).
4. General Ely concerned over American support of Vietnamese premier (page 5).
5. Philippine president expresses willingness to aid Vietnam (page 6).

NEAR EAST - AFRICA

6. Saudi official warns against Iraqi alignment with Turkey, Pakistan and Iran (page 6).
7. "Popular front" will oppose Greek Rally (page 7).

LATE ITEM

8. Early ouster of Egyptian president Nagib predicted (page 8).

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GENERAL

1. Bohlen reports on Khrushchev's remarks to French ambassador at reception:

The French ambassador has told Ambassador Bohlen that party first secretary Khrushchev said at the 7 November anniversary reception that the Soviet government will "react vigorously" and will have to embark on a larger defense program if the Paris agreements are ratified. He also said that France and the Soviet Union have many interests in common and "together they could do great things in Europe."

At one point in the conversation Molotov attempted vainly to intervene and restrain Khrushchev, saying this was neither the time nor place for such discussions. Finally, after the French ambassador had rejected his arguments, Khrushchev threw his hands in the air and said "there is nothing to be done," at which point Malenkov joined the group and remarked "there is always something to be done."

The reception confirmed Ambassador Bohlen's previous impression that Malenkov is more realistic than Khrushchev, who, he feels, is "not especially bright," and "a man of emotion who lives on stereotyped party clichés."

Noting that the "real strain" on the collective leadership principle will probably come from the need to reach agreement on important and difficult policy decisions rather than from personal rivalries, Bohlen states that Soviet policy toward Germany could theoretically present just such a divisive issue. He comments that Molotov appeared extremely subdued and ill at ease during the reception, and suggests that his conduct of foreign affairs may be under criticism.

Comment: It is unlikely that ratification of the Paris agreements by the Western European parliaments would provoke any "vigorous" Soviet reaction which would lead to a major shift in foreign policy. Moscow's failure after the London conference to advance any new initiatives which might have foisted the Paris agreements suggests at least a temporary lack of flexibility on this question.

FAR EAST

2. Japanese press calls Yoshida's Washington talks a failure:

[Redacted]

Japan's leading newspaper Asahi, in its issue of 11 November, terms Prime Minister Yoshida's talks in Washington a failure. The press account states that despite the optimistic language of the Eisenhower-Yoshida statement, the Japanese were actually disappointed, since their negotiations with top American officials were little more than polite conversations.

The Asahi report concludes by quoting a member of the Japanese delegation who said he now realizes the "misery of a defeated country."

Most of Japan's other leading newspapers in their editions on 12 November also express dissatisfaction with the Eisenhower-Yoshida joint statement and claim it was a weak and insufficient counter to the Sino-Soviet declaration on Japan.

Comment: Although the results of the Washington talks have probably not yet caused Yoshida's political position to become critical, his conservative opponents have already begun to publicize the claim that he will return to Japan empty-handed. This reaction will make it more difficult for the prime minister to stave off the early formation of an anti-Yoshida conservative party.

[Redacted]

SOUTHEAST ASIA

3. Viet Minh suggests representation for French Communist Party in North Vietnam:

[Redacted]

Comment: Co-ordination of policies between the Viet Minh and the French Communist Parties might be used to strengthen the position of the French Communist Party by exploiting or creating situations in which it could appear to hold the key to Viet Minh concessions to French interests in Indochina.

4. General Ely concerned over American support of Vietnamese premier:

General Ely, in a meeting with General Collins on 9 November, expressed regret that Collins' instructions called explicitly for support of Premier Diem. Ely said he would continue to support Diem, but said the premier was more at fault than General Hinh for the prolongation of the crisis. He again recommended that Tam, Hinh's father, be given the Interior Ministry portfolio.

To Collins' proposal that the French Expeditionary Corps be phased out at an accelerated rate, Ely replied with the argument that a large French force will be necessary for the protection of the 60,000 French nationals in Indochina. He disagreed with Collins' assertion that the Manila pact should afford the necessary protection against external aggression.

Comment: Ely's view that ex-premier Tam is the ideal choice for interior minister has been repeatedly challenged by Ambassador Heath. Moreover, one of the best informed French officials in Saigon has admitted that Tam's presence in office would be regarded as a symbol of French domination and would aid the Communist cause.

Maintenance of the French Expeditionary Corps to protect French nationals will tend to be a self-perpetuating

arrangement, since a large French force will encourage French nationals to remain in Indochina, while aggravating Vietnamese despair of ever supplanting French authority except through accommodation with the Viet Minh.

5. Philippine president expresses willingness to aid Vietnam:



During a discussion of the Vietnamese situation with General Collins on 7 November, President Magsaysay offered to talk personally with Vietnamese chief of staff Hinh to help bring him "into line" behind Premier Ngo Dinh Diem. Magsaysay said the Philippines would prefer to co-operate in training Vietnamese forces on a regular basis, rather than have to send a Philippine division to Vietnam to combat aggression. If it should become necessary, however, he would even take the latter course.

Magsaysay stated that the Philippines could not recognize the Diem government as long as the French were really controlling it.

Comment: Magsaysay's interest in giving some assistance to Vietnam is probably sincere. Any proposals he may offer in this connection, however, are likely to encounter serious opposition from powerful ultranationalistic Philippine politicians, supported by elements in the army, who oppose Manila's involvement in the Indochina problem.

NEAR EAST - AFRICA

6. Saudi official warns against Iraqi alignment with Turkey, Pakistan and Iran:



[redacted] in conversation with Ambassador Wadsworth, has predicted the Arab states' repudiation of Iraq, a revolution in that country, and the fall of its government if it co-operates with Turkey, Pakistan and Iran in a regional defense system.

[redacted] that any attempt to line up Iraq with non-Arab states would be regarded by the Arabs as an effort to split the Arab League.

[redacted] that Arab opposition stemmed not from anti-American feeling but from a deep-seated distrust of the centuries-old Iraqi tendency to undermine Arab unity.

Comment: To the extent that this type of thinking pervades the Arab states, it will delay action on defense such as the negotiations on the Iraqi-Turkish defense treaty reportedly being drafted by the Iraqi Foreign Ministry.

7. "Popular front" will oppose Greek Rally:

[redacted] The four principal opposition parties in Greece have formed a popular front to defeat the government of the Greek Rally in the 21 November municipal elections,

[redacted] The Communist-dominated United Democratic Left (EDA), the Liberal Party, the National Progressive Union of the Center (EPEK) and the Democratic Party have divided Greek urban centers among themselves and will support common candidates.

Comment: Such a formidable opposition seriously threatens Rally control in several important Greek cities. Losses in the municipal elections would weaken the Rally nationally.

The Rally is also suffering from the dis-integrating effect of the current cabinet crisis. The now active opposition of former co-ordination minister Markezinis, and his friends whom Prime Minister Papagos has just forced out of the government, may cause a loss of public confidence in the government's ability to carry on its economic program and contribute to the factors working toward the Rally's collapse.

LATE ITEM

8. Early ouster of Egyptian president Nagib predicted:

Comment: The regime has long desired to remove Nagib and may feel that the president's popularity has declined enough to allow his ouster. On 11 November the government, possibly in an effort to prepare the public for such a development, released accusations that Nagib was involved in a Moslem Brotherhood plot to assassinate Nasr and seize control.

The Revolutionary Command Council is in a position to control any public demonstrations. In view of the outcome of the power struggle last March, it is unlikely that any army faction would rise to Nagib's support.