

~~TOP SECRET~~

3.3(h)(2)

3.5(c)

7 November 1954

Copy No. 80

## CURRENT INTELLIGENCE BULLETIN

DOCUMENT NO. 11  
NO CHANGE IN CLASS.   
 DECLASSIFIED  
CLASS. CHANGED TO: TS S C  
NEXT REVIEW DATE: 2010  
AUTH: HR 70-2  
DATE: 7/1/80 REVIEWER:

Office of Current Intelligence

CENTRAL INTELLIGENCE AGENCY

~~TOP SECRET~~

**SUMMARY****GENERAL**

1.

**SOVIET UNION**

2.

**FAR EAST**

3. Political crisis in Japan seen certain after Yoshida's return (page 4).
4. Withdrawal of Soviet jet fighter units from Yalu area indicated (page 5).
- 5.

**NEAR EAST - AFRICA**

6.

7. French Communists seen promoting North African "liberation" (page 7).

**LATE ITEM**

8. Comment on October Revolution ceremonies in Moscow (page 8).

**GENERAL**

1.

**SOVIET UNION**

2.

## FAR EAST

### 3. Political crisis in Japan seen certain after Yoshida's return:

A political crisis is virtually certain to occur within a month after Prime Minister Yoshida returns to Japan, according to the American embassy in Tokyo. Embassy sources see no prospect for a reunion of the split conservative forces, and believe that a no-confidence motion will be introduced when the Diet reopens in December.

The embassy believes that Yoshida might defeat the motion by a bold appeal for unity accompanied by a firm promise to retire at the end of the Diet session in May. If he refuses to compromise, a no-confidence vote and new elections appear certain.

If Yoshida decides to retire immediately, there will be a struggle for succession centering around Ogata and Hatoyama, with a good possibility that a compromise candidate might become prime minister.

Comment: Yoshida's retirement could bring temporary political stability, and avoid elections in which leftist gains would be likely. The underlying factional rivalries among the conservatives would remain, however, and any political truce would probably be short-lived.

Reports on 6 November that Yoshida had approved the expulsion from his Liberal Party of two leaders of

the anti-Yoshida new party movement suggest that he will fight rather than compromise with his opposition.

4. Withdrawal of Soviet jet fighter units from Yalu area indicated:

Comment: Soviet jet fighter units stationed near the Yalu supplied most of the Communist air effort during the Korean war. At least ten Soviet regiments with approximately 400 fighters were based in this area. During the summer and fall of 1953, three of these regiments were apparently deactivated, and their aircraft presumably turned over to Chinese Communist or North Korean units.

The current moves follow news of American air force withdrawals from Korea, and bear out previous indications that the Communists do not anticipate a resumption of hostilities in the Korean theater.

5

**NEAR EAST - AFRICA****6.****7 Nov 54****CURRENT INTELLIGENCE BULLETIN****Page 6**

7. French Communists seen promoting North African "liberation":

The American embassy in Paris believes the French Communists, to avoid repressive countermeasures which might follow demonstrations in France, may have decided on an all-out campaign to promote a "North African liberation movement" as a weapon against Mendes-France's support of German rearmament. The embassy feels the violence in Algeria reflects more organization than might be expected from local nationalists alone.

Comment: French officials have long charged, without evidence, that other North African disturbances were Communist-backed.

The fact that current French retaliatory measures seem aimed primarily at the nationalist Algerian Movement for the Triumph of Democratic Liberties suggests the French hold this organization responsible for the recent outbreaks. This organization, however, has been inactive in recent years, is torn by internal strife, and has no widespread following. It has a fitful history of co-operation with Communists, but there is no indication that Communists engineered or inspired the recent disturbances.

The current roundup of members of the organization in France and Algeria will probably lead to strong Communist press attacks on France's North African policy.

LATE ITEM

8. Comment on October Revolution ceremonies in Moscow:

[Redacted] Soviet Deputy Premier M. Z. Saburov delivered the major speech on the anniversary of the October Revolution in

Moscow. Saburov devoted the first half of his address to a routine summary of Soviet economic progress in 1954. The last half was a recapitulation of Soviet foreign policies which gave no hint that any change is to be expected in Soviet tactics.

Saburov leveled relatively moderate criticism at some weaknesses in the economy, particularly agricultural difficulties and the continuing lag in the growth of labor productivity. His figures on economic performance expected during 1954 call for continuing rapid growth in heavy industry and manufactured consumer goods. Total industrial output is expected to increase 12 percent this year over last. Gains in industrial production thus far this year have been attained only with a labor force larger than that originally planned.

In agriculture, the key to the present drive for expanding consumer goods supplies, Saburov admitted that severe drought in the Ukraine and Volga regions had kept crops close to last year's level, which was relatively poor. He also revealed another upward revision in the "new lands" program. The goal of 37,000,000 acres to be reclaimed by 1955 has been raised to at least 49,000,000.

On foreign policy, Saburov devoted special attention to the USSR's current policy line promising peaceful coexistence, co-operation and negotiation, contrasting this with the "position of strength" taken by the United States. At the same time, he again warned that there will be no four power conference, and that Germany will not be unified for a long time, if the West persists in rearming West Germany. The USSR is counting heavily on this line to arouse opposition to ratification of the London agreements in France and West Germany which could create serious divisions within the Western alliance.

Saburov particularly emphasized the improvement of relations between the USSR and Yugoslavia as an

example of Soviet willingness to solve "controversial international questions on the basis of agreement between the interested countries." The stress on this example appears intended to impress Yugoslavia with the sincerity of the USSR's desire to establish normal relations. It may also be designed to cause suspicion of Tito in the Western camp.