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FAR EAST

1. Rightist assassination attempt against Yoshida reported:

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Prime Minister Yoshida's daughter has told Ambassador Allison that a rightist attempt was made on 4 May to assassinate six persons, including her father and herself. The press has played down the incident, reporting only that "a seemingly insane young man" was arrested for invading the prime minister's home.

Comment: According to a Japanese news agency, there have been other attempts against Yoshida recently. In March police authorities reportedly gave additional protection to top government and Liberal Party leaders as a precaution against rightist violence in protest against the current political scandals.

2. Soviet-trained Korean named North Korean minister of agriculture:

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Pyongyang radio on 1 May referred to Kim Il as "vice premier and concurrently minister of agriculture" of the North Korean cabinet. Kim gave the major address at the May Day celebration in Pyongyang, which was attended by Premier Kim Il-sung and other high party and government leaders.

Comment: The appointment of Kim Il, who was born and educated in the Soviet Union, to the important Agricultural Ministry provides new evidence of Soviet control over the North Korean regime.

Kim is a trusted underling of Kim Il-sung and was used by the regime after 1945 to forestall control of the army by the Chinese-oriented faction of Korean Communists under General Mu Chong. Since last year's purge Kim Il has risen rapidly in the party and the government, having been named to the key central political committee last August and to a vice premiership on 25 March. He is currently listed as the third-ranking vice premier.

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SOUTHEAST ASIA

3. French official doubtful of peaceful settlement in Indochina:

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[redacted] [redacted]
ciated States, told Ambassador Heath in Geneva on 4 May that the only "possible peaceful solution" in Indochina was a deferred national election with the United States providing massive economic aid in the interim. He said, however, that this would not be a "true" solution, since within a year or two the Chinese and Viet Minh would take over by force.

He stated that it would not be necessary to maintain a cease-fire during the waiting period, but that in the north the French would have to concentrate their positions, perhaps in a zone 40 kilometers wide between Hanoi and Haiphong.

[redacted] concluded by indicating his belief
that the only "real" solution lies in early American military intervention.

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4. Navarre's insistence on cease-fire vigorously opposed by Dejean:

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[redacted]
General Navarre believes a general cease-fire must be contrived within the next few days in order to save Dien Bien Phu, according to Commissioner General Dejean. Dejean told the American embassy in Saigon on 6 May that Navarre's "monolithic concentration" on the battle prevents him from seeing that this would amount to capitulation.

Dejean, who is hopeful that Paris will heed his advice rather than Navarre's, is cabling Foreign Minister Bidault that to agree to a cease-fire at this time will mean not only the loss of Southeast Asia but losses to France in Europe "almost too vast to calculate." Dejean believes that the French can still salvage something from the fall of Dien Bien Phu by seizing the opportunity to strike the enemy's battle corps as it returns from western Tonkin.

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The embassy comments that "it is the irony of war that it is the general who wishes to surrender while the diplomat wishes to forge ahead."

5. Viet Minh assembling force north of Tonkin delta:

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The Viet Minh has ordered units totaling 18 battalions to assemble in a base area outside the Tonkin delta about 40 miles north of Hanoi, according to the American army attaché in Saigon. These battalions

are being drawn from several areas, including the delta itself and Viet Minh territory immediately to the south.

The attaché also reports the Viet Minh is improving its lines of communication from the China border to the delta area.

Comment: With three battalions already north of the delta, Viet Minh strength there could total 21 battalions by mid-May. The assembling of this large force suggests preparations for some major operation against the delta within the next few weeks, as the depleted French reserves constitute no significant threat to enemy bases.

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EASTERN EUROPE

7. Soviet offer of MIG-15's to Finland reported:

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The Finnish government is considering a
Soviet offer to supply the Finnish air force
with MIG-15 aircraft.

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The number of MIG-15's offered is not known. The cost of the planes
would be deducted from the existing Finnish trade credit.

Comment: The sale of aircraft to a non-
Orbit country would be a departure from Soviet practice. The USSR
might be willing, however, to export older type MIG-15's --now being
replaced by newer models--since no aircraft secrets would be revealed
to the West.

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[redacted] the commander of the Finnish air force is opposed to the pur-
chase of MIG-15's because of the training problem. Finnish officials
feel certain that Moscow would not permit Finnish instructors to re-
ceive training in the USSR, and they are opposed to having Soviet
instructors in Finland.

8. Rumania reported releasing numerous political prisoners:

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"Relatively large numbers" of pris-
oners, including "many" from the
former bourgeoisie, are being

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released on a selective basis from Rumanian prisons and forced labor camps, [redacted]
in Bucharest.

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The American legation believes that these releases are not connected with the April 1953 amnesty, which did not include political prisoners, but are intended to reintroduce a number of persons with special skills into the economy.

Comment: The selective release of skilled technicians and professional workers, in order to make use of their special capabilities, would be a logical development in view of critical difficulties in the Rumanian economy. It is estimated that there are as many as 100,000 Rumanian political prisoners.

The antibourgeois campaigns in Hungary and Czechoslovakia have been relaxed considerably in an admitted attempt to gain the services of formerly proscribed elements of the population. Similar unpublicized releases of political prisoners apparently took place in Czechoslovakia last December and in Bulgaria last fall.

9. American embassy analyzes shift in Yugoslav foreign policy:

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[redacted] The American embassy in Belgrade sees in recent Yugoslav foreign policy moves a genuine desire for closer collaboration with the West. The embassy believes these moves are the result of a high-level reassessment by the Yugoslav government of its political, military, and economic position.

In the embassy's view Tito is probably preparing Yugoslav public opinion for a Trieste solution by presenting it as "one made in the larger interest of European integration and common defense." The Yugoslavs may also want to appear more cooperative than the Italians toward EDC and European integration.

Such a shift might be motivated by fear of uncontrolled German rearmament, which the Yugoslavs consider to be a threat to Europe second only to Russian aggression.

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Comment: The embassy reported earlier that, while there have been hints of a trend toward this new policy since September 1953, a firm policy decision was apparently delayed by the 8 October decision on Trieste. A firm decision may have been reached during the party central committee plenum on 29-30 March.

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WESTERN EUROPE

10. Scelba says Italian EDC ratification impossible without Trieste settlement:

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Premier Scelba stated "unequivocally" to Secretary Dulles on 3 May that Italian EDC ratification will be impossible to obtain unless the Trieste issue is first solved to the satisfaction of the Italian public and parliament.

Scelba said that Italy could not accept any "temporary" solution other than that envisaged in the Anglo-American declaration of 8 October. He commented that the United States and Britain could, if they wished, immediately withdraw their forces from Trieste and transfer the administration of Zone A to Italy. He added, however, that Italy would not accept a "final" solution limited to Zone A.

Scelba also stated that the Western powers should not take a "defensive attitude" toward the Yugoslav regime, which, since it is Communist, he considers basically "on the Eastern side."

Comment: Scelba has frequently hinted that Italian EDC ratification depends on a satisfactory Trieste solution, but has not previously said so categorically.

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LATIN AMERICA

11. Comment on revolt in Paraguay:

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Reports received to date on the revolt of various Paraguayan army units indicate that the heavy firing has ceased but that several cavalry units are still fighting one another. The revolt seems to have arisen mainly from rivalries within the dominant Colorado Party.

General Alfredo Stroessner, chief of the armed forces, is said to control Asuncion, the police, and all the armed forces except the critically important cavalry division, whose position is not yet determined. The Communist and other opposition parties are apparently not involved.

It is reported that the resignation of President Chaves, who has in effect been dictator since 1949, is about to be accepted. General Stroessner, who is considered pro-American and in favor of closer relations with Brazil, may assume the presidency on an interim basis prior to the selection of a successor to Chaves.

The three leading Colorado Party members mentioned as possible successors include Epifanio Mendez, whose political ambitions appear to have been a major factor in the current crisis. Mendez was ousted by army pressure from his position as head of the Central Bank last January on charges of plotting against Chaves and engaging in pro-Argentine activities.

The political situation will remain uncertain so long as the succession problem and the allegiance of the cavalry division are undetermined. In any event, no significant change in Paraguayan foreign policy seems likely.

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