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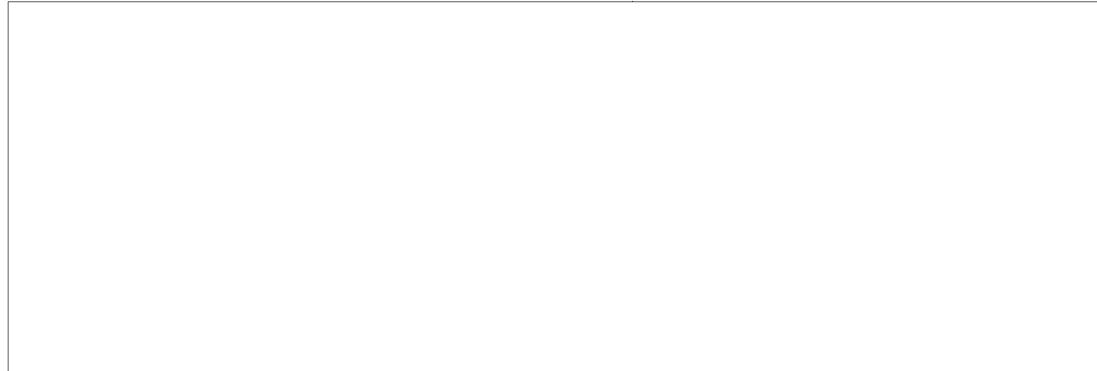
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GENERAL**1. USSR reportedly to support Greek-Cyprus union in UN:**

The Soviet government will support Greek claims to Cyprus in any UN discussion.

Comment: Soviet support for Greek claims in the UN would be motivated primarily by Moscow's desire to weaken the West in the Mediterranean by promoting the transfer of the island base from British to Greek control. After the evacuation of Suez by British troops, Cyprus is scheduled to become the headquarters for British ground and air forces in the Middle East. A pro-Greek stand by the USSR would also complement the increasingly effective efforts of Soviet ambassador Sergeyev to improve relations with the Greeks.

FAR EAST**2. Comment on renewed Communist threat to the Tachens:**

Reports from the American Military Assistance Advisory Group on Formosa

say a concentration of Communist landing craft and other shipping was spotted on 13 September at Haimen, a coastal port 25 miles northwest of the Nationalist-held Tachen Islands. At least ten LCM's, one LST, an LCT, three naval patrol vessels, ten "inland river steamers" and about 250 junks were observed. The landing craft and naval vessels are not normally found at Haimen, which has not been used previously as a naval base.

Communist fighter planes are reported conducting aggressive defensive patrols along the coast and over the offshore islands between Ningpo and the Tachens, and Communist artillery fired on a Nationalist base on Ichiang Island about eight miles northwest of the Tachens on 13 September.

Because of these developments, Taipei's Ministry of National Defense has placed its forces in the Tachen area on the alert for fear the Communists may have shifted their threat from the Quemoys and that an attack on the Tachens may be forthcoming.

The total lift capability at Haimen for an amphibious invasion force is not certain. The Communists, however, could easily assemble shipping at Haimen and at other ports in the area to transport the two divisions of troops estimated to be required for capture of the Tachens. Extensive fighter and bomber support would be available from Shanghai, Hangchow, and Ningpo for an assault, which could come with little warning.

It is possible, however, that the latest Communist moves in the Tachen area constitute no more than another probing action designed to test American intentions as regards defense of the Nationalist islands.

SOUTHEAST ASIA

3. French going all out to bring down Vietnamese premier:

In a broadcast on 16 September the official French radio in Saigon characterized Premier Diem as weak and inept and described General Hinh as a brilliant young soldier and stalwart patriot. Diem's "attack on the army" was said to have had the advantage of uniting the army behind Hinh.

General Ely told Diem on 16 September that the French would see that Bao Dai removed him if ex-premier Tam was not appointed interior minister. [] Diem replied that he would never accept Tam.

Comment: After his return from Paris late last month, General Ely told Ambassador Heath that "despite Paris' instructions" he was willing to give Diem another chance, but only on condition that Tam became interior minister.

French pressure on Diem to accept Tam, in the face of the former's repeated refusals, appears designed to force the premier's resignation. The French would undoubtedly like to accomplish this before General Ely and Minister for the Associated States La Chambre arrive in Washington late this month.

NEAR EAST - AFRICA

4. Removal of Athens police chief may speed break-up of Papagos government:

Ambassador Cannon believes that the removal on 17 September of Athens police chief Angelos Evert may entail most serious consequences for the government of Prime Minister Papagos.

Cannon adds that Evert has displayed an almost incredible ability to maintain his position in the face of numerous attacks. This immunity has been credited to his possession of exhaustive dossiers on all prominent Greek politicians which he has threatened to use if attacked.

Comment: The Papagos government was seriously weakened by the withdrawal last April of the faction led by Minister of Co-ordination Markezinis. Its prestige has been slipping ever since, as factions favoring and opposing Markezinis continue their feud within the Greek Rally. Damaging revelations by Evert, previously an effective member of the anti-Markezinis clique, might destroy remaining public confidence in the Papagos regime.

EASTERN EUROPE

5. [redacted] alleges Yugoslavia is reversing anti-USSR policy:

[redacted] According to a document described by an [redacted] as the minutes of a 3 September meeting of the Trieste pro-Cominform Communist Party, party leader Vidali reported that Yugoslavia has finally realized that it cannot live without the support of the Soviet Union and that President Tito is now revising his anti-USSR policy.

Vidali stated that a recent talk between Tito and a Soviet representative "had been particularly fruitful concerning the Trieste question," and cited as "tangible proof" the recent dissolution of the pro-Tito Communist Party in Trieste.

Comment: The content of this report appears to be a fabrication by elements antagonistic to the present Yugoslav government, probably designed to deter Western support for Tito.

The "dissolution" of the pro-Tito Communist Party in Trieste--actually its replacement by a broad-front organization--is believed to have local rather than international significance. The Titoists appear merely to be trying to strengthen their long-term capabilities in Trieste in preparation for Italian control of Zone A. There has been no previous report to indicate that the Trieste question was discussed at the last known talks between Tito and a Soviet representative, which occurred on 11 August.