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28 October 1951

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CURRENT INTELLIGENCE BULLETIN

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Office of Current Intelligence

CENTRAL INTELLIGENCE AGENCY

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USSR

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USSR

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Comment: The Communist decision to modify the previously adamant stand on the 38th Parallel may be a reflection of Soviet anxiety for a cease-fire. There are, however, no indications that the Communist negotiators will further discuss their new offer, which is "unacceptable" to the UN representatives.

FAR EAST

2. Chinese Communist support of Viet Minh depreciated:

US Leg Saigon

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[redacted] no Chinese were identified among Viet Minh personnel killed or taken

State - Saigon 921-92 prisoner during recent operations in Tonkin. He also confirmed a sharp decrease in the activities of Viet Minh training schools in China and said that those trainees still remaining were receiving their military education through service in Chinese units.

In considering the question of Chinese Communist intervention in Indochina, [redacted] both the Chinese and the Viet Minh were anxious "not to make Vietnam a second Korea." [redacted] materiel aid by the Chinese would continue but "other support" would decrease.

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Comment: No member of the Chinese Communist armed forces has ever been identified as serving with the Viet Minh. This fact together with the above report, supports a recent estimate that only "a few" Chinese Communist advisers and technicians are present in Tonkin, thus discounting another estimate of 10,000 to 15,000.

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3. Pope grants audience to De Lattre on Vietnamese problems:

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Comment: The Vatican has been cool toward the French puppet government of Vietnam. Bao Dai was received with reserve when he visited Rome, presumably because of strong representations to the Vatican by Vietnamese Catholic leaders. The French are anxious to secure the cooperation of these leaders, whose following of some million and a half Vietnamese Catholics includes many intellectuals and represents a much greater force in the area than numbers would indicate.

NEAR AND MIDDLE EAST

4. Current international situation alarms Afghanistan:

US Emb Kabul
23 Oct 51
CONFIDENTIAL

*State - Kabul
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The Afghan Government, genuinely alarmed at the recent turn of events in the Near East and South Asia, has assured the US of its coopera-

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tion "in every possible way" and has requested the US to reconsider the withdrawal of its proposal to bring Afghanistan and Pakistan together to settle their current disputes.

Comment: The American proposal, first made on 6 November 1950, has achieved no concrete result to date, and the US has recently informed Afghanistan and Pakistan of its withdrawal.

As a consequence of this action and of the events in the Near East, the Afghan Government may have taken stock of its international position. It is possible, therefore, that an important change in Afghan policy is in the making, which will lead to a more conciliatory attitude toward Pakistan and to a more active participation in world affairs.

5. Terrorist campaign predicted against British nationals in Arab states:

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"Violent terrorist attacks" upon British nationals will begin within ten days in Syria, Egypt, Lebanon, and Jordan,

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The campaign, allegedly to be directed by the former Grand Mufti of Jerusalem, will combine the efforts of his Arab Higher Executive with those of the Moslem Brotherhood.

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[redacted] extremist members of the Egyptian Government believe that the Moslem Brotherhood should be "given a free hand and encouraged in violence and terrorism" while the government itself should allege that it was doing its best to control the organization.

Comment: The chief responsibility for a continuation of disturbances in Egypt or for any eruption of violence in the other Arab countries would probably lie with the hypernationalistic Moslem Brotherhood. This group is well-organized in Egypt, where it has semi-legal status, and also in Syria.

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The Moslem Brothers, supported by the Mufti's henchmen and the Communists, have already evidenced a readiness to exploit the current Arab tension despite the restrictions which the Arab governments themselves are likely to impose against terrorist activities.

6. British and American Ambassadors warn of serious developments in Egypt:

US Emb Cairo

25 Oct 51

TOP SECRET

State - Cairo - 569

The US Ambassador in Cairo reports that his British colleague advised London on 25 October that the new British Government would soon have to make "very grave decisions" in regard to Egypt. If the present situation in the Suez Canal zone is allowed to drift, he said, a revolution in Egypt is in prospect, ending with British reoccupation of the country. Without a minimum of Egyptian cooperation, it is "probable that it will become increasingly difficult to maintain British troops at Suez." If, on the other hand, British military authorities exercise their power to shut off oil, "disaster will probably ensue."

The American Ambassador comments that the United States must also "think this whole business out and not get involved in a dead-end loaded with dynamite."

7. Cypriot Communists reportedly planning coup:

US Emb Athens

26 Oct 51

TOP SECRET

The Cypriot Communists have procured 1,500 rifles and are preparing for an early coup according to the Greek Prime Minister.

State - Athens 1932

Comment: This report probably represents an effort by Greek Nationalists to promote Greek-Cypriot union, or enosis, by exploiting US concern over recent events in the Near East. The Nationalists believe that the US, if sufficiently alarmed over the security of Cyprus, might be persuaded to exert pressure upon Britain in favor of enosis.

The Communists, aware of the current possibilities for weakening the British hold on this strategic island, may be planning an incident to focus world attention on Cypriot demands. However, the British security forces in the area are believed capable of coping with any Communist-inspired disturbances.

NORTH AFRICA

8. Spain seeks rapprochement with Moroccan Nationalists:

US Leg Tangier
24 Oct 51
SECRET

State - Tangier 15) General Franco allegedly has approved a scheme for including Spanish Moroccan Nationalists in the administration of the Spanish protectorate of Morocco. The Spanish High Commissioner plans to talk with the leader of the Spanish Moroccan Nationalist party, a man who has long been considered a fugitive from Spanish justice.

The US Legation in Tangier comments that the High Commissioner apparently is moving rapidly toward a rapprochement with the Nationalists despite the opposition of his advisors, who caution that the Nationalists would use Spanish Morocco as a base for anti-French activity.

Comment: Spain has long resented the preponderant French influence in Morocco, and desires to strengthen Spanish prestige with the Arab states.

By apparently relaxing their severe repression of nationalism, by promising participation in government now, and by hinting that Spain favors Moroccan independence, Spanish officials hope to discredit France with the Arab League and improve Spain's relations. Spain has no intention, however, of relinquishing its hold on Morocco.

WESTERN EUROPE

9. Benelux countries may oppose European Defense Forces plan:

US Emb The Hague

26 Oct 51

SECRET

State - The Hague 409
A Socialist member of the Dutch Parliament states confidentially that the Benelux meeting at Brussels on 25 October was convened "to organize a united front against the European Defense Forces." The Dutch Foreign Office strongly opposes the European Defense Forces plan, and the Cabinet is divided on the issue, with the Socialists and Catholics supporting the plan.

Comment: The meeting of Benelux ministers ostensibly was intended to examine the various questions which might be raised in connection with a common European defense organization. None of the Benelux countries has indicated any enthusiasm for the plan, and the Dutch Foreign Minister is known to be personally opposed. However, after much Cabinet and high level discussion, the Dutch recently sent an official delegate to the European Defense Forces conference in Paris.

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S U M M A R Y

FAR EAST

1. Communist tactics to gain control of Korean air situation forecast (page 3).
2. Military government for Malaya recommended (page 3).
3. "Revolution" in Thailand predicted (page 4).

NEAR EAST

4. British now seen ready to settle Iranian oil crisis (page 5).
5. Iranian Communists hope to secure representation in Parliament (page 5).

WESTERN EUROPE

6. Italy chooses new Ambassador to Great Britain (page 6).
7. French adamant on own terms for US North African commitment (page 6).

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FAR EAST

1. Communist tactics to gain control of Korean air situation forecast:

The Far East Command believes, in view of enemy airfield construction activity and the continued high level of combat interceptor sorties, that logical steps for the enemy to take in exploiting his expanding air capabilities are:

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- (1) Increased air efforts over the Sinanju area to achieve air superiority in northwestern Korea;
- (2) Utilization of this superiority to cover flights from newly-constructed fields in that area;
- (3) Basing of jets at these fields to ensure maintenance of local air superiority;
- (4) Expansion of the area of Communist air superiority further southwards once jet strength on Korean fields has been increased;
- (5) Movement of conventional fighters and ground attack and light bombers to these secured Korean airfields;
- (6) A challenge to UN air superiority over the immediate battle area and initiation of air to ground strikes against UN ground forces and installations.

2. Military government for Malaya recommended:

The Chief of Staff of the British Far East Land Forces reportedly has endorsed a Staff recommendation that "military government" is necessary for successful operations against the Communist-led insurgents in Malaya.

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Comment: Such a policy would presumably mean abandoning the program of gradual development of self-government in Malaya which the British Government has followed despite the great obstacles posed by the "emergency."

The murder of High Commissioner Gurney on 6 October and a particularly bloody ambush of British-led security forces during the past week will lend weight to the insistence of military officials who have recommended "taking the gloves off." It is possible that the Conservative government in London will reinforce British troops in Malaya, but not at the expense of the principle that the battle for Malaya is primarily political in character.

3. "Revolution" in Thailand predicted:

A Chinese Nationalist [redacted] predicts that a bloodless "revolution" will probably take place in Thailand on 31 October. [redacted]

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Premier Phibun and General Sarit, Assistant Commander in Chief of the Thai Army, are planning to remove General Phao, Director General of Police, and General Phin, Commander in Chief of the Army. The plotters are timing their action to take advantage of Phao's current absence from the country.

Comment: A reorganization of the government along lines suggested by this report has some plausibility. General Sarit is known to be antagonistic toward the Phin-Phao clique, and Phibun has been [redacted] desirous of broadening his administration by including representatives of opposition political parties -- a move which has been consistently opposed by Phin and Phao. In addition, the ambitious Phao represents the chief threat to Phibun's authority. On the other hand, the alleged plan would be difficult to accomplish, as a radical realignment of military loyalties would be required.

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NEAR EAST

4. British now seen ready to settle Iranian oil crisis:

The US Embassy in London assumes that the Conservatives will be anxious to start off their term in office by settling the Iranian oil question. It believes that the British are now willing to agree to any reasonable settlement, possibly including the acceptance of a completely non-British organization to operate the oil industry.

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Comment: Although the British have to date refused to commit themselves to the replacement of British management of the oil industry, they have gradually come to realize that this is inevitable.

5. Iranian Communists hope to secure representation in Parliament:

The illegal Tudeh Party reportedly intends to present at least thirty "disguised" candidates in the approaching Parliamentary elections in order to obtain the 12 or 15 seats necessary for the effective obstruction of Parliament.

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Comment: Tudeh interest in securing representation in Parliament has been reported previously,

Since Tudeh has identified itself with nationalism in the present oil issue, its candidates may well be elected together with bona fide adherents of the National Front.

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Increasing Tudeh strength and a reported Communist plot against the Shah have stimulated the new Iranian Chief of Police to arrest thirty Tudeh members and to plan a further program of repression, including the arrest of all Tudeh members now in key government positions.

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WESTERN EUROPE

6. Italy chooses new Ambassador to Great Britain:

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US Emb Moscow

27 Oct 51

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State - Moscow 730

particularly useful to have a man of Brosio's background and abilities in London.

Manlio Brosio, Italian Ambassador in Moscow, has been chosen to be the new Ambassador to Great Britain. Brosio is said to have displayed unusual acumen in evaluating Soviet policies.

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Comment: In view of Mr. Churchill's suggestion that a Truman-Churchill-Stalin conference be held, the Italian Government may consider it

7. French adamant on own terms for US North African commitment:

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not depart from a second French redraft which he thereupon presented to Ambassador Bruce.

French Foreign Minister Schuman, in rejecting a US revision of a proposed exchange of notes between the United States and France on North Africa, emphasized that a satisfactory text could

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The French Government insists that a satisfactory exchange of notes must be concluded before it will permit a military survey of Tunisia or grant military facilities in North Africa.

Comment: The French Government is insisting on written assurances that the US will not interfere in internal North African affairs. In the meantime, a United States military survey mission in the Mediterranean has been refused a Tunisian clearance.

Growing discord between the Arab world and the West is increasing French anxiety to obtain US approval of French policy in North Africa. If such approval is not given, France can be expected to attempt to curtail all outside influence in its North African holdings.