

~~TOP SECRET~~

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~~TOP SECRET~~

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~~TOP SECRET~~**SOUTHEAST ASIA****1. Further plotting against Vietnamese government reported:**

[REDACTED]

Vietnamese army chief of staff Hinh is organizing a group which intends to overthrow the Ngo Dinh Diem government

[REDACTED]

there is growing antigovernment feeling among Vietnamese nationalists, who fear that Diem's lack of boldness will result in a Viet Minh takeover, leaving them in an exposed position.

The American embassy in Saigon reports meanwhile that Buu Hoi, the companion of Mendes-France's emissary, Raphael-Leygues, is also busily plotting the overthrow of the Diem government.

Comment: [REDACTED]

[REDACTED] the existence of an organization willing and able to overthrow the Diem government remains unconfirmed. The rumors of coups which are currently flooding Saigon are probably largely the fabrication of Diem's opponents, including the French.

Hinh recently told General O'Daniel he would give Diem his "loyal obedience" as long as Diem was premier but did not support him personally and would fight against him politically if Diem brought about his dismissal. Diem is aware that he cannot count on Hinh's loyalty and is seeking a feasible means of removing him from his military command. [REDACTED]

2. Ely says Mendes-France will give unqualified support to Vietnam:

[REDACTED] French commissioner general Ely, who had just returned to Saigon from Paris, told Ambassador Heath on 24 August that at first, Premier Mendes-France seemed disposed to adopt a "special policy" toward the Viet Minh, but finally gave him "unqualified assurance" of support for Vietnam.

Mendes-France allegedly also agreed that it had been a mistake to give Jean Sainteny the title of "delegate general to North Vietnam." Instructions drafted since Sainteny's appointment restrict his activities to consular functions.

Comment: The French have little regard for the ability of the Diem government to marshal Vietnamese nationalist support, and it is unlikely that they will reduce efforts to maintain contact with the Viet Minh, particularly if they expect Viet Minh influence to increase in the south.

SOUTH ASIA

3. Pakistani Foreign Ministry uncertain regarding SEAP role:

[REDACTED] The Pakistani Foreign Ministry is apparently uncertain regarding the attitude Pakistan should take toward a South-east Asian pact, according to the American embassy in Karachi.

Acting Foreign Secretary Hilaly has expressed the fear that, by joining SEAP, Pakistan may be isolated from the other Colombo powers and thus unable to influence them. He believes Ceylon is already in the neutralist camp.

Comment: Hilaly's remarks do not necessarily reflect fears of top policy makers regarding SEAP.

Pakistan's influence with the other Colombo powers has never been great. As a SEAP participant, however,

Karachi could serve as a link between the West's allies and Ceylon and Burma, the two Colombo powers which have refused to join SEAP but indicated sympathy with its objectives.

NEAR EAST - AFRICA

4. Jordan alarmed over Israeli mobilization:

Israel's large-scale mobilization is causing deep concern in Jordan, according to the senior British officer in the Arab Legion headquarters. He states that mobilization of the Legion and the National Guard is under consideration so that Jordan will not be caught unprepared if the Israeli mobilization should be in preparation for an attack.

General Glubb, head of the Legion, has informed the British Foreign Office that Jordan believes Israel can succeed in almost any act of aggression unless there is effective intervention by Britain or other Western powers.

Comment: Israel is in the midst of its annual military maneuvers, of which the present mobilization may be part. Israeli forces may undertake minor border actions during the maneuvers, but they are unlikely to initiate a large-scale attack.

5. American ambassador sees American-Saudi relations improving:

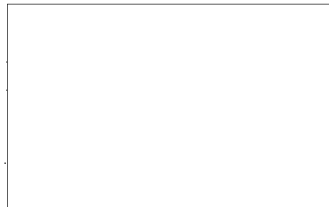
Ambassador Wadsworth in Jidda believes the recent unfavorable trend in relations between the United States and Saudi Arabia has been reversed.

He reports that on 24 August King Saud had a cordial discussion with him on American-Saudi relations, and also with an ARAMCO official on the Onassis tanker agreement. Saud apparently wants to "get out from under" that arrangement.

Comment: During King Saud's first year as monarch he has revealed traits and ambitions that still leave in doubt his willingness and ability to help put American-Saudi relations on a firm basis. He has rejected an American arms aid agreement, canceled a Point IV program and consummated the Onassis agreement in violation of the ARAMCO concession.

EASTERN EUROPE

6. Poland proposes demarcation of Czech-Polish-East German border:



[redacted]
the Polish government proposed [redacted]
that Poland and Czechoslovakia set up a
mixed commission to demarcate their bound-
ary, and to reach agreement with the German

Democratic Republic on the point at which the Polish-Czech-East German frontiers meet. Poland submitted a draft protocol for study by the Czech government.

Comment: If the conclusion of an agreement by the three Satellites to demarcate one end of the Oder-Neisse line were publicized, it would be generally interpreted as a further step toward finalization of the German-Polish frontier. The USSR has carefully avoided signing a final agreement, presumably in order to preserve its bargaining power for a future conference on European or German problems.

This is the first indication that Poland and Czechoslovakia may finally be reaching a settlement of the disputed Tesin area, where Czech authorities have had difficulty in controlling the strong nationalist sentiments of the large Polish population. In spite of a provision of the 1947 mutual assistance pact between Czechoslovakia and Poland which called for a settlement of all boundary questions within two years, the Tesin problem has remained insoluble.

WESTERN EUROPE**7. Italians and British distrust Mendes-France:**

The under secretary of the Italian Foreign Ministry believes that French premier Mendes-France, despite his lip-service to the need for Western solidarity and German rearmament, is actually opposed to these objectives. The under secretary is convinced that Mendes-France went to the Brussels talks determined to assure the destruction of EDC.

According to the American embassy in London, the British evidently do not trust Mendes-France. Churchill, in his talk with Mendes-France on 23 August, strongly urged EDC ratification as the best means of obtaining an early West German contribution to the Western defense.

Comment: Mendes-France's switch from support of EDC to public opposition calls for caution regarding his professed desire for early German rearmament. Growing distrust of his sincerity among France's EDC partners can be expected to strengthen their belief that Mendes-France has wilfully misinterpreted the British attitude as adverse to EDC and early German rearmament.

Pro-EDC elements in France still seem unable to mount a vigorous defense of EDC. The American embassy in Paris estimated on 25 August that the treaty would be defeated in the national assembly by nearly 60 votes if the premier did not defend it.