

~~TOP SECRET~~3.3(h)(2)
3.5(c)

2 February 1955

Copy No. 79

CURRENT INTELLIGENCE BULLETIN

DOCUMENT NO. 14
NO CHANGE IN CLASS
 DECLASSIFIED
CLASS. CHANGED TO: TS S C
NEXT REVIEW DATE: 2010
AUTH: HR 70-2
DATE: 8 Jun 80 REVIEWER

Office of Current Intelligence

CENTRAL INTELLIGENCE AGENCY

~~TOP SECRET~~

SUMMARY

GENERAL

1. Bohlen sees Soviet move to facilitate Peiping acceptance of UN invitation (page 3).
2. Indonesian views on agenda of Afro-Asian conference reported (page 3).
3. Turkey will probably accept invitation to attend Afro-Asian conference (page 4).

FAR EAST

4. Japanese assessment of American attitude toward a Japan-Orbit rapprochement (page 5).

SOUTHEAST ASIA

5. France opposes meeting on Indochina during Bangkok conference (page 5).

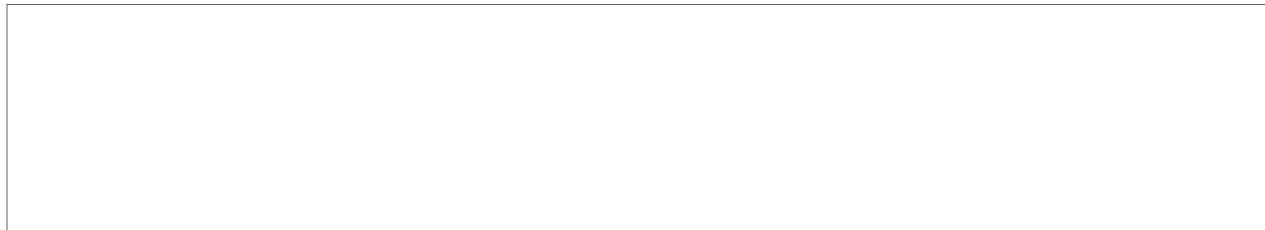
SOUTH ASIA

6. India to sign agreement for Soviet steel plant (page 6).

WESTERN EUROPE

7. Fall of Mendes-France might not hurt prospects for Paris accords (page 7).

* * * *



GENERAL

1. Bohlen sees Soviet move to facilitate Peiping acceptance of UN invitation:

Ambassador Bohlen feels that one purpose in Moscow's introduction in the UN Security Council of a resolution calling for debate on American aggression was

to open the way for Peiping to attend in line with the terms of reference demanded by Chou En-lai. Bohlen feels the Soviet resolution serves a dual purpose in supporting Peiping's position and seeking to avoid a major conflict. He believes that Chinese Communist acceptance of a UN invitation is implied in Molotov's statement of 31 January and his offer to transmit British views on the Formosa situation to Peiping.

2. Indonesian views on agenda of Afro-Asian conference reported:

a single dissent would be sufficient to veto any proposal for the agenda.

[redacted] the agenda would include "three main points." These are the extension of security and world peace, "discussion" of assistance to colonial areas, and consideration of economic matters in general.

Comment: The unanimity rule regarding the conference agenda will encourage maximum attendance and may help to limit an anticipated Chinese Communist effort to dominate the meeting.

The main topics for discussion [redacted] are a condensation of the declared purposes of the meeting.

3. Turkey will probably accept invitation to attend Afro-Asian conference:

[redacted] On 29 January Turkey received through the Indian embassy in Ankara a formal invitation to attend the Afro-Asian conference. Prime Minister Menderes is personally considering the advisability of Turkish representation.

Ambassador Warren believes that Ankara will accept the invitation in view of the American attitude and the probability of other non-Communist representation. Deputy Prime Minister Zorlu is being considered as Turkey's delegate.

Comment: The Turks can be counted on to seek American guidance, and if Zorlu represents Turkey, he can be expected to champion Western objectives.

Turkish acceptance might influence Iran in the same direction.

FAR EAST

4. Japanese assessment of American attitude toward a Japan-Orbit rapprochement:

[redacted] there is little American opposition to Japanese recognition of the USSR and that Washington recognizes that Japan is able to bargain with Moscow over questions of territory, repatriation of Soviet-held prisoners, and fishing rights.

Comment: Prime Minister Hatoyama's enthusiasm for immediate diplomatic relations with the Orbit will make it difficult for the Japanese government to maintain a distinction between negotiations with the USSR and Communist China. Hatoyama predicted on 1 February that Japan would eventually recognize Communist China as well as the Chinese Nationalist government.

SOUTHEAST ASIA

5. France opposes meeting on Indochina during Bangkok conference:

Minister for the Associated States La Chambre and Premier Mendes-France are both opposed to holding the next meeting of British, French and American officials on Indochina in conjunction with the 23 February

Manila pact conference in Bangkok. They fear that a meeting under such circumstances would be regarded in France as "bellicose" and that the Viet Minh would derive propaganda advantages from the presence of Generals Collins and Ely.

La Chambre continues to envisage a full-dress meeting--preferably in Washington--including military, economic and political experts which would "get at the bottom of things." He stated that the French are convinced that decisions on whether to continue to support Diem and on what basis, and what Bao Dai's future role is to be, should be reached before 15 March. According to La Chambre, the French are now convinced that popular support for Diem has increased, but fear that the Diem government has made no "administrative progress."

Comment: La Chambre has been one of the strongest advocates of Diem's removal. Despite this recognition of the Vietnamese premier's growing popularity, the French are still seeking methods to curtail his authority, perhaps through periodic reviews of his accomplishments. In addition, the French may increase pressure for Bao Dai's return to Vietnam in the hope that he will control Diem's anti-French proclivities.

SOUTH ASIA

6. India to sign agreement for Soviet steel plant:



An agreement between the governments of India and the Soviet Union to erect a steel plant in India will be signed in New

Delhi on 2 February, according to an Indian broadcast of 31 January.

Comment: This agreement is a political victory for the liberal Nehru wing of the Congress Party, which favors rapid socialization of India.

Technical planning for Indian steel production is in such a rudimentary state that the country could well have waited to absorb the output of the new West German plant expected to be in production in 1958 and to consider the expansion of existing privately owned facilities before accepting the Soviet offer.

WESTERN EUROPE

7. Fall of Mendes-France might not hurt prospects for Paris accords:

The American embassy in Paris believes that overthrow of the Mendes-France government on the North African issue--now considered a 50-50 chance--would not necessarily involve a "disastrous delay" in action on the Paris accords by the Council of the Republic. The embassy estimates that a cabinet crisis now would last about two to three weeks.

The embassy points out that Mendes-France might be succeeded by someone more acceptable to the Council of the Republic, possibly former premier René Mayer or Foreign Minister Edgar Faure. The council might then be more willing to approve the Paris accords without amendments which would require their return to the National Assembly.

Comment: The constitutional deadline for council action on the accords is now 11 March. In the event of a cabinet crisis lasting a week or more, however, this deadline would be postponed for a period equivalent to the time elapsed before the formation of a new government.

Mendes-France's chances in the forthcoming vote depend on the position of the key Radical Socialist faction headed by Mayer. Although one of the premier's most outspoken critics, Mayer voted for the Paris accords in December and will probably be unwilling to provoke a crisis until after the council has acted on them..