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SUMMARY

FAR EAST

1. Rhee persists in desire for security treaty with United States (page 3).
2. Yoshida likely to head next Japanese government (page 3).

SOUTHEAST ASIA

3. Laos dissatisfied with Thai security measures on border (page 4).
4. Native troops in Indochina mutiny against French (page 5).

NEAR EAST - AFRICA

WESTERN EUROPE

10. Adenauer reportedly disapproves of Churchill proposals (page 7).

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FAR EAST

1. Rhee persists in desire for security treaty with United States:

Ambassador Briggs and Adviser Murphy report that South Korean support for an armistice is doubtful unless the United States agrees to a security pact with the Rhee government.

Murphy states that President Rhee is becoming more reconciled to a truce based on the UN 7 May counterproposals, but that he will continue to create difficulties for American policy unless he secures some "satisfactory" security arrangement.

Comment: The difficulties inherent in any security arrangement are complicated by the emotional attitudes of government leaders on the Korean unification issue. For example, Foreign Minister Pyun said on 14 May, as Rhee had earlier, that South Korea would "rely on its own forces" to push into North Korea rather than await the outcome of postarmistice negotiations on unification.

2. Yoshida likely to head next Japanese government:

American officials in Tokyo believe that the re-election of Shigeru Yoshida as prime minister early next week is virtually assured. Yoshida probably will be forced to form a single-party minority cabinet because of opposition to a coalition within the Liberal and Progressive parties.

Financial interests are exerting pressure on the Progressives to support Yoshida's Liberals in an effort to stabilize the government. There are also reports that some 30 Progressives may back Yoshida, which would make it possible for the Liberal Party to gain a working majority.

- 3 -
Comment: The mechanics of the vote and Yoshida's strength apparently assure him of being one of the candidates and the likely winner in the decisive second ballot which is a run-off between the two highest candidates on the first ballot.

SOUTHEAST ASIA

4. Laos dissatisfied with Thai security measures on border:

The American charge in Vientiane reports that the Laotian government is dissatisfied with Thailand’s efforts to neutralize the pro-Viet Minh Vietnamese along the border. The government complains that no control has been exercised over the Vietnamese' most dangerous leaders, who are now crossing the Mekong River into Laos.

The charge comments that an early solution to this problem is necessary since a renewal of a major Viet Minh campaign against Laos in the fall appears to be "almost certain."
Comment: The American embassy in Bangkok had already reported that Thai efforts to control the Vietnamese have been cautious in order to avoid unnecessary incidents. It is highly unlikely, in any event, that Thailand will ever be able to seal the border completely.

5. **Native troops in Indochina mutiny against French:**

Two companies of troops of the Muong ethnic minority at a garrison in the Tonkin delta mutinied on 11 May and deserted to the Viet Minh, according to Governor Tri of North Vietnam. This episode climaxes long-standing dissatisfaction at the treatment accorded the Muong by their French superiors. Governor Tri further stated that about three months ago an entire Muong battalion had mutinied, but that the episode was hushed up.

Comment: Only one incident of mutiny has been admitted by the French in the past.
WESTERN EUROPE

10. Adenauer reportedly disapproves of Churchill proposals:

Adenauer informed French foreign minister Bidault on 13 May of his objections to Churchill's recent speech in the House of Commons, and maintained that there should be no Allied-Russian negotiations until the EDC becomes operative. The chancellor was particularly upset by Churchill's references to a possible "eastern Locarno" formula for easing East-West tensions in Europe.

Bidault unsuccessfully attempted to urge Adenauer to support a bid for talks with Moscow, with disarmament as the first agenda item.

- 7 -
Comment: Despite his basic opposition to four-power talks at this time, Adenauer may now publicly adopt a more positive attitude to improve his position on German unity prior to the September national elections.

Bidault's proposal, first put forward on 25 April, has already been rejected by American and British officials. He may, however, insist on sending formal notes to the Allies requesting that such an approach be made to the Soviet Union.