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GENERAL

1. USSR may not seek place in Korean political conference:

Soviet UN delegate Tsarapkin, in separate conversations on 31 July with a UN Secretariat member and a US delegate, pointed out that the Korean armistice agreement calls for a political conference "of both sides." He indicated his inability to understand the belief among UN delegates that the General Assembly had the specific responsibility for naming participants in the conference.

Comment: These statements suggest that the USSR may wish to avoid playing an overt role in the political conference called for by the Korean armistice. Tsarapkin's remarks, after discussing alternative possibilities a few days earlier, probably reflect Moscow's instructions to express a preference for a limited conference.

The Kremlin may consider that overt participation would have disadvantages overbalancing the propaganda opportunities of the forum. Its alliance with Peking would require it to support fully China's demands concerning the UN and Formosa, and thus jeopardize its attempts to improve relations with the Western powers. The USSR may also calculate that it can better exploit differences among the non-Communist powers over Far Eastern questions from a flexible, behind-the-scenes position.

SOUTHEAST ASIA

2. Viet Minh expands sabotage program in Tonkin:

The chief of staff of the French air force in Tonkin, commenting on the sabotage of a military DC-3 at Gialam airfield near Hanoi by a time-bomb, states that Tonkin airfields can operate safely only by excluding all Indochinese personnel. The American consul notes that the pattern of sabotage has now been extended to include all forms of communication in Tonkin.
Comment: The Viet Minh during the past few months has stepped up its program of sabotage within the delta and has demonstrated improved techniques against rail and road communications and supply installations. The apparent ease with which such activities are conducted illustrates the fundamental insecurity of this heavily infiltrated area.
WESTERN EUROPE

5. New Communist moves expected to counter Berlin food relief program:

American officials in Germany believe that the East German government may approach High Commissioner Conant, directly or through Soviet officials, to demand the release of blocked East German funds in the United States for the purchase of food. Premier Grotewohl recently demanded release of the funds and said his government is willing to buy American food at world market prices.

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US officials in Germany fear that any increased attempt to publicize the American role in the Berlin food relief plan might be used as an excuse not only for further Soviet intimidation of persons bringing food parcels across the border but also for the closing of the East-West Berlin border and for new interference with food shipments from West Germany into Berlin.

Comment: Communist retaliation has so far been limited to isolated seizures of food and identity cards, presumably because harsher measures would seriously upset current Soviet conciliatory policies. Official requests to purchase food from the blocked account might bolster the weak Communist propaganda response to the food program, even though the account totals only about $1,400,000.

6. France plans to send additional metropolitan battalions to Indochina:

French commissioner general Dejean told Ambassador Heath in Saigon on 29 July that Paris has agreed to initiate the "Navarre plan," but cannot carry it out completely until funds are available. According to the reported decision, nine battalions will be sent from France on 1 October and the battalion now in Korea will be added if the UN Command consents. Additional cadres, non-commissioned officers, specialists and cargo planes will also be sent.

Dejean pointed out, however, that these reinforcements and the formation of new Vietnamese battalions would not enable Navarre to undertake an all-out offensive in the next few months, but only a stepping up of limited offensive moves.

Comment: Navarre is reported to have requested 15 battalions from France. The reinforcements now promised are not scheduled to leave France until the time autumn hostilities usually begin in Indochina.

This policy of reinforcing Indochina, apparently a triumph for Foreign Minister Bidault, cannot be expected to survive over the long term unless the military situation undergoes marked improvement in the coming months.