

20 APR 1948

~~TOP SECRET~~

CENTRAL

25X1

1. USSR disapproves certain US flights to Vienna--General Keyes, Commanding General US Forces Austria, reports that he intends to permit Pan American Airways to make eight flights directly from Prague to Vienna, although the Soviet Air Division in Vienna has disapproved four of these flights. Keyes will invoke the 1946 quadripartite agreement permitting "urgent flights" into Vienna.

(CIA Comment: The Soviet occupational authorities have repeatedly contended that the 1946 agreement does not cover flights by civil air lines. The USSR, therefore, is likely to exert pressure in Prague to block the disapproved flight schedule. Failing this, it may use these increased "violations" as an excuse for attempting to impede all US air access to the Vienna area.)

EUROPE

25X1

2. AUSTRIA: Soviet kidnaping of Austrian officials--US Legation Vienna notes that US officials in Austria have no effective means to prevent the kidnaping of Austrian officials in the Soviet Zone or in the international zone during those months when the USSR has the chairmanship of the Allied Control Council (ACC). The Legation believes, therefore, that if western protests to the Council on this subject prove fruitless and if there are further Soviet kidnapings of important Austrian officials, the matter should be presented to the UN. The Legation points out that further kidnapings would so undermine the morale of the Austrian administrators in the Soviet Zone that all of their power would pass to the Soviet authorities--a development which in effect would establish a partition of Austria.

(CIA Comment: Further Soviet seizure of important Austrian officials would also reduce the effectiveness and the prestige of the Austrian Government and the ACC.)

ARMY review(s) completed.

State Dept. review completed

Document No. 44  
NO CHANGE in Class.   
 DECLASSIFIED  
Class. CHANGED TO: TS S C

~~TOP SECRET~~

Date: \_\_\_\_\_

25X1

~~TOP SECRET~~

25X1

NEAR EAST-AFRICA

3. PALESTINE: Jews believed attempting to provoke hostilities. -- US Consul General Macdonald reports from Jerusalem that the Jews have made every effort to build up a case against the Arabs as violators of the present truce. He considers that the Jews are actually attempting to provoke an incident which would permit the resumption of hostilities but which could not be conclusively attributed to them. Macdonald believes that because of the current East-West division in the Security Council and in view of "past fluctuations in US policy," the Jews discount the possibility of punitive action by the UN, particularly against the state of Israel.

25X1

FAR EAST

4. CHINA: Chiang makes new plea for US aid. -- US Ambassador Stuart, in summarizing several recent talks with Chiang Kai-shek, reports that Chiang reaffirmed his determination to fight Communism to the last with or without US aid. Chiang also told Stuart that the USSR is "more realistic in appraising Chinese conditions" than Americans who predict that his Government "will fall in three or six months"; Chiang believes that the Kremlin therefore favors a peaceful settlement on terms which would advance Communist infiltration. The Generalissimo admitted that his Government was corrupt and inefficient and declared that it was for this very reason that he had repeatedly requested US aid, especially in the form of civil and military advisors. Chiang maintained that such help is essential to undertaking the reforms which alone would justify material assistance. Chiang added that he could not believe that US leaders are fully aware of what he is trying to achieve or what "the US interest in this struggle really is," and he proposed that Stuart go to Washington to present China's "real case."

- 2 -

~~TOP SECRET~~

~~TOP SECRET~~

(CIA Comment: Chiang's latest approaches to Stuart concerning US aid are indicative of the precarious position of his Government which probably would disintegrate without US support. CIA doubts that the present National Government would ever give more than lip-service to US advice concerning reforms.)

- 3 -

~~TOP SECRET~~