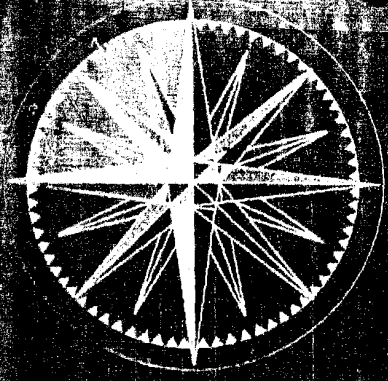


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# SPECIAL REPORT

NEW EMPHASIS IN FRENCH FOREIGN POLICY

CENTRAL INTELLIGENCE AGENCY  
OFFICE OF CURRENT INTELLIGENCE

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**NEW EMPHASIS IN FRENCH FOREIGN POLICY**

De Gaulle has made it abundantly clear in the past year that he is determined to assert the global role he has always claimed for France. His vigorous exercise of leadership in the EEC, his call for the neutralization of Southeast Asia, and France's recognition of Communist China are all evidence of this. Equally clear is De Gaulle's intent to take more initiatives in the year ahead. He probably plans to use his prospective trips to Latin America to expand his views on the opportunities all underdeveloped countries now have to follow independent policies. Efforts to re-establish French influence in the Middle and Far East are already evident, and negotiations are under way for freer trade relations between France and various parts of the Soviet bloc. A De Gaulle initiative in the disarmament field is also a possibility.

De Gaulle's Views

At the bottom of De Gaulle's proclivity for functioning out of concert with the US is his conviction that the two major postwar power blocs no longer correspond to current political reality. He believes that new alignments are inevitable and that all countries should be encouraged to reassess their current commitments in the light of national interests. In De Gaulle's view, France's assertion of its national independence while at the same time achieving economic prosperity offers other countries--whether or not they are aligned with either of the major power blocs--an attractive example to follow.

De Gaulle, moreover, is by no means above offering some tangible inducements to prospective converts to his way of

thinking. France, whose record on foreign aid is impressive, seems to be in a mood to broaden its program--which, up to now, has been concentrated on its former African territories. Paris is giving serious consideration, within its financial limits, to the idea of granting more aid to countries outside the franc zone.

This intensified interest in other areas of the world does not imply any shift in De Gaulle's view of France's claim to leadership in Europe. Indeed, if the other states of Western Europe had responded more favorably to his proposal in 1962 for political integration, he might be asserting himself even more forcefully on the world scene. His efforts in Europe are less spectacular at the moment because he is not sure how far he can press West German Chancellor Erhard,

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and because he feels overt moves toward unity must now be initiated by others. This does not mean that he is quiescent, however. On the contrary, he has been pressing the Italians behind the scenes to take the lead in pursuit of the policies he has recommended.

Many of the moves De Gaulle has in mind run counter to US objectives, although it would be underestimating the man to see in such initiatives only an attempt to irritate Washington. It is his single-mindedness in advancing French influence, regardless of whose toes are stepped on, that will inevitably lead him to adopt policies that will impinge on US interests.

Communist China

De Gaulle has made no bones about his intention of establishing an active working relationship with Peiping. He does not cherish the illusion that China is a bottomless market for French products, but the prospects for trade and for new opportunities to export French technology probably had a positive bearing on the decision to recognize Peiping.

For both France and the US, Paris' political dealings with the Chinese Communists will be vastly more important than other aspects of the relationship. High on the agenda, perhaps the foremost item, is the matter of working out a settlement in Southeast Asia.

De Gaulle is at once concerned that the war in Vietnam will escalate and convinced that no workable peaceful solution to the problem is feasible unless it is endorsed by Peiping. Hence, his proposal for neutralization of the area and the withdrawal of all foreign forces.

De Gaulle's approach does not add up to his having any serious thoughts of restoring France's position in Southeast Asia to what it once was. It does, however, seem calculated to make France the chief Western spokesman in an Asia dominated by China.

In the UN, France can be expected to support Peiping's claim to the Chinese seat in the organization's deliberative bodies as well as in its various specialized agencies. The French Foreign Ministry, on the other hand, has told US officials that it is doing what it can to discourage French-speaking African states from following Paris' lead in recognizing Communist China. While the French would certainly want to keep the Chinese Communists from establishing themselves in West Africa, Paris is in no position to dictate a policy of caution to the African authorities.

Southeast Asia

De Gaulle has long held that the peace and stability of all Southeast Asia turn on a peaceful settlement of the

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struggle in Vietnam. The inability of the South Vietnamese military to control the Viet Cong forces is permitting him to sharpen his case.

De Gaulle probably has not formulated a point-by-point proposal for restoring peace in Vietnam. It is evident, however, that he is thinking about a settlement along the lines of the 1954 Geneva accords. In broad outline, De Gaulle sees four principal requirements for such a settlement: 1) a negotiated cease-fire, 2) the withdrawal of all foreign forces, 3) establishment of a neutral, coalition government in South Vietnam, and 4) some arrangement leading to the reunification of the country. De Gaulle is under no illusion that the Communists would concede that a unified Vietnam could be truly neutral. He probably believes, however, that the North Vietnamese fear Chinese domination and thinks that continued French and Soviet interest in the area ultimately would produce a nationalist-Communist state which would limit Chinese expansionism and leave some opening for Western influence.

Paris is keeping its lines open to Hanoi while continuing to maintain clandestine contact with Vietnamese exiles and pro-French elements within South Vietnam itself. One aspect of the exercise presumably is to turn up a credible candidate, either civilian or military, to head a neutralist regime in Saigon. So far, however, there is

no evidence that the French are on the verge of surfacing anyone or that they have even narrowed the field of prospects.

Elsewhere in Indochina, De Gaulle can be counted on not only to support the neutralists in Laos and Sihanouk in Cambodia, but to encourage them to reach some sort of accommodation with the Communists. In Laos, the French have worked against an alliance between the neutralist premier, Souvanna Phouma, and the rightist leader, General Phoumi, that would isolate the Pathet Lao. Souvanna and King Savang, when they visit Paris in April, are likely to be pressed to loosen their ties with Phoumi in favor of closer ones with the Pathet Lao. The French may even attempt to allay Laotian fears that such a move would precipitate a cut in US aid by promising to fill some of the gap as they have done in Cambodia.

De Gaulle has worked assiduously to cultivate Prince Sihanouk and is sympathetic to Cambodia's demand for an international conference to guarantee its neutrality. He may, in fact, see in such a conference an opening to negotiate the neutralization of all Southeast Asia.

Paris has hinted that Thailand must ultimately be included in the area to be neutralized, and is not above promoting neutralist sentiment in that country. It can be anticipated that the French will

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continue to support the Cambodians in their feuds with the Thais, and to step up the effort to denigrate SEATO. A ranking Foreign Ministry official, in fact, has already hinted that his government feels the time is fast approaching when SEATO ought to be disbanded.

Middle and Far East

De Gaulle's advocacy of independence from the US and the USSR in the French manner is likely to be sounded in all those countries that make up the arc stretching from Suez to Japan.

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A [ ] source [ ] claimed in mid-February that French propaganda activity had intensified in Lebanon and that he had never seen French popularity and influence in the Levant as high as they are today. He said Paris was hammering at several themes: there is no conflict between France and the Arab states; unlike the US, France is not tied to Israel; France does not maintain occupation troops in the area as does the UK, nor does it support subversive elements as does the USSR; France is willing to increase its aid to the Arab states; France exercises enormous influence in the Western Mediterranean that could be useful to the Arab states.

It is Japan, the key country in this sprawling area, that appears to have been singled

out for special attention. At any rate, Premier Pompidou and Foreign Minister Couve de Murville are scheduled to travel to Tokyo in April, where they will no doubt treat the Japanese to an eloquent exposition of De Gaulle's views.

Other, less developed countries may become beneficiaries of French aid. This aid, however, will have some strings attached for, as De Gaulle bluntly stated in his recent press conference, "we would not be inclined to give much to him who gives nothing." What the French apparently have in mind is the granting of loans tied to purchases of French goods, similar to the \$60-million deal worked out with Iran last year.

In any event, the French aid effort in this area will be limited, and dispensed on a highly selective basis. This is because Paris' policy precludes any major reduction in the amount of aid earmarked for Africa, and France's current stabilization program limits the availability of new funds.

Latin America

The two trips De Gaulle plans to make to Latin America in 1964--Mexico from 16 to 19 March and South America in the fall--may have exceptional significance. Much as he sees the Sino-Soviet conflict as a fertile field of exploitation, he may view the friction between the US and some countries

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of Latin America as opening an area for French maneuvers. The itinerary he seems to have in mind--including Brazil and Argentina--suggests at least that he has chosen countries which would be receptive to encouragement of greater independence from the US.

His purpose in making an appeal for independent action would not be to exacerbate further the relations between France and the US. However, he may feel that his backing for such a posture in Latin America would help to focus US attention more strongly on the Western Hemisphere and tend to divert it from other areas. In the Gaullist view of international power relationships this would mean more freedom of action for France elsewhere.

It is doubtful that De Gaulle will sanction any aid program in Latin America that would leave France substantially out of pocket. He may, however, seek to bring the rest of the EEC in on a joint European aid program or, if the EEC mechanism proves too cumbersome, attempt a coordinated program with West Germany and possibly Italy. In any case, De Gaulle will almost certainly refuse to connect any French or European aid program with the US effort, although he may agree to some vague form of "coordination."

#### Areas of Soviet Influence

De Gaulle probably does not feel the time ripe to nego-

tiates directly with Moscow--the USSR is not yet sufficiently hard pressed by conflicts within the bloc nor is Western Europe sufficiently strong. It is well to remember, however, that he believes this ultimately must come and that he owes Khrushchev a visit that he will want to repay, at least before leaving office if not this year. Some increase in trade with the USSR will result from Finance Minister Giscard d'Estaing's recent visit to Moscow and from the scheduled negotiation of new French-Soviet commercial protocols this spring. France is also wavering on the issue of granting long-term credits to the USSR; in this, it will be influenced by what other West European countries do.

It would be consistent with De Gaulle's philosophy if Paris were to undertake some moves to encourage the East European satellites, particularly Poland, to assert a greater degree of independence from Moscow. While France's leverage is limited, there exists some possibilities of influencing the satellites through a trade expansion program. Paris may feel, however, that more positive results can be obtained by promoting the revival of old cultural ties and developing new ones.

Trade with Havana, on the upswing in 1963, is likely to keep rising, as Paris shows increasing willingness to move away from its straight cash sale policy. Thus, more deals

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similar to the one in which the government guaranteed 80 percent of a \$10-million loan to cover a Cuban purchase of trucks and tractors are definitely in the offing.

#### Western Europe

France's refusal to participate in the US-UK plan for a NATO peace-keeping force on Cyprus is only the latest manifestation of De Gaulle's dissatisfaction with the Atlantic Alliance in its present form. He continues to disparage NATO while maintaining his loyalty to the alliance. No changes are in prospect for a change in the French attitude toward the rest of the alliance on such matters as drafting a common strategy governing the use of nuclear weapons. For the present, however, cooperation between French national commands and NATO is reasonably satisfactory, and there are no indications that De Gaulle is planning any more drastic anti-NATO moves in the immediate future.

In the European Community, De Gaulle will push for early implementation of the EEC agricultural agreements and may well make agreement on this a prerequisite for EEC participation in the Kennedy Round.

#### Disarmament

Disarmament is one field in which De Gaulle would very much like to make a dramatic

gesture if he could find the right opening. In a press conference last July he indicated an intention to call a meeting of the four nuclear powers before the end of the year, and subsequently ordered the Foreign Ministry to consider a French disarmament plan. His unexplained silence in the interim should not be taken to mean that he has dropped the notion. He sees no prospects for success in the current disarmament conference in Geneva, which Paris will probably continue to avoid. He may call for a new one in which the Chinese Communists would be invited to participate.

It must be assumed that De Gaulle has analyzed the outlook for disarmament in terms of Peiping's policy objectives. He has almost certainly weighed the pros and cons of giving the Chinese enough information to qualify them for membership in the nuclear club. It would not be surprising if France and China were to negotiate a nuclear research agreement similar to that which France has with the USSR. While there has been some speculation that French-Chinese nuclear cooperation was in prospect in the weapon field, there is no firm evidence to substantiate the speculation. There are potential advantages as well as disadvantages to such a step from De Gaulle's point of view, however, and the possibility cannot be ruled out. (SECRET NO FOREIGN DISSEM)

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