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SECURITY INFORMATION

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TOP SECRET SUPPLEMENT

TO THE CURRENT INTELLIGENCE DIGEST
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CENTRAL INTELLIGENCE AGENCY

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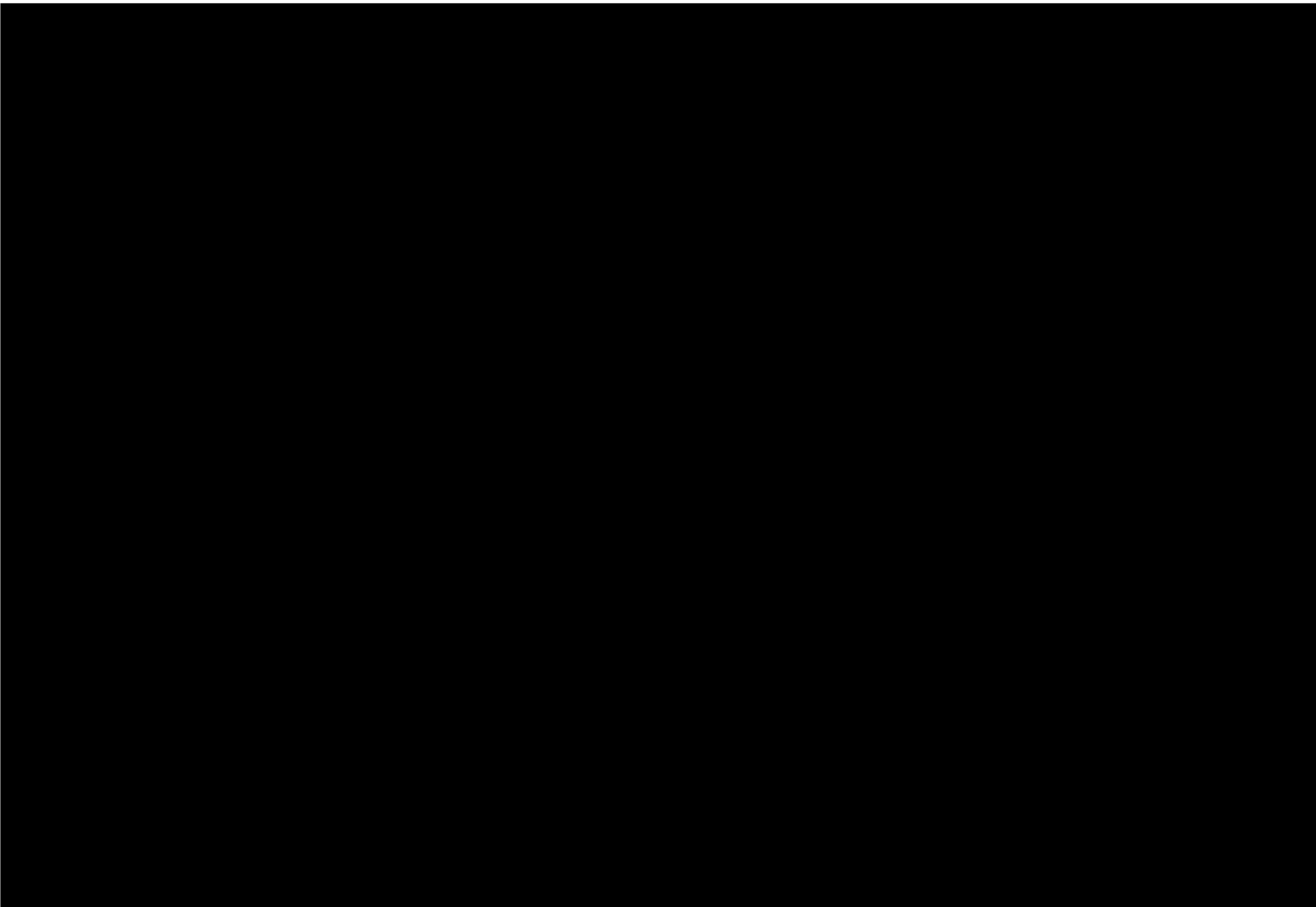
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FAR EAST



2. French difficulties may impede Indochina war effort: Reports from American Military Assistance Groups in Paris and Indochina indicate a lack of coordination between French Air Force Headquarters in Paris and the Air Force in Indochina. Although General Salan has been in Paris for several weeks, he did not discuss the matter of airborne operations in Indochina with the Chief of Staff of the French Air Force until 20 August.

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The reports also indicate that the Chief of Staff doubts the advisability of transferring additional transport aircraft to Indochina if the measure means reducing France's NATO commitments to two squadrons. (TS to Paris 1071, 25 Aug 52)

Comment: Salan was expected to be more aggressive in pushing his plan. Any Washington pressure for acceptance of Salan's proposal might be used by the French Government as a new excuse for asking increased military assistance.

NEAR EAST - AFRICA

3. The Turkish role in Middle East Defense: Ambassador McGhee believes that efforts to create a Middle East Defense Organization will be primarily political until the defensive strength of all the countries in the area is built up. Turkish participation in MEDO would assure Turkey's cooperation with the organization in the defense of the Middle East, although all Turkish troops are now assigned to NATO. (S S/S Ankara 266, 26 Aug 52)

Comment: Turkish officials have emphasized that the country would be prepared to meet its NATO obligations, but could not act alone to defend the Middle East against Soviet aggression.

4. Egyptian Prime Minister outlines political program: Egyptian Prime Minister Ali Maher has informed Ambassador Caffery that his program includes, in the following order, solving the country's internal problems, negotiating a Middle East defense plan, and reaching an agreement with Israel.

The Ambassador, commenting on the possibility of an accord with Israel, states that a previous Egyptian plan to negotiate with the Israelis several years ago was blocked when it was publicized in Tel Aviv. (TS Cairo 479, 20 Aug 52)

Comment: Although the military regime in Cairo is pressing for domestic reforms, there is little indication that it wishes to complicate its internal problems at the present time by raising emotional issues, particularly the question of Israel.

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WESTERN EUROPE

5. Austrian Socialist leader proposes modification of occupation control agreement: Austrian Vice-Chancellor Schaerf has informed the American Embassy in Vienna that he hopes that if the Russians fail to respond to new Western moves for an Austrian treaty, the Western powers will make a "concerted, public move" to secure Soviet agreement to some modification of the occupation control agreement. (S S/S Vienna 565, 26 Aug 52)

Comment: Socialist leader Schaerf's proposal closely follows a violent attack upon Western occupation policies, coupled with a demand for a new control agreement, from Union of Independents Chairman Kraus.

The entire subject of alleviation of the occupation was discussed by Western representatives earlier this year. France and Britain declined to discuss any proposals which could not be effected within the framework of the present control agreement. Both powers would probably find it difficult in any future discussions to relinquish claims upon the Austrian Government, for example, for occupation costs reimbursement.

Although the Russians have recently made certain concessions to the Austrians, there is little prospect that they would relax any authority deemed necessary to the protection of their economic and military position in Austria.

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