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NSC BRIEFING

9 June 1954

MOLOTOV'S 8 JUNE SPEECH AT GENEVA
(Based on Preliminary Press Reports)

- I. Reiteration of the line taken by Communists in restricted sessions on Indochina in past three weeks.
 - A. Again demonstrates Communists see no need for an early cease-fire on terms other than their maximum demands.
 - B. Indicates that they are more certain than ever that continuing military successes in Indochina and political situation in France will force French to move closer to Communist position.

- II. Molotov's proposal again maintains military and political settlements are inseparable and both must include Laos and Cambodia.
 - A. Communists have all along insisted "at least some" political problems must be connected with truce.
 - B. Only new proposal is for Indochina participants to discuss political and military problems on alternate days and for representatives of the two commands to discuss political questions just as they have been discussing mili-

- C. In restating Viet Minh proposal of 10 May, Molotov specifically suggested that talks consider the "true independence" of Vietnam, Laos, and Cambodia, "free" elections in those states, and withdrawal of foreign troops.

III. Acceptance of Molotov's terms would mean:

- A. Withdrawal of all French troops from Indochina
- B. A built-in veto power in election committees as well as in armistice supervisory machinery assuring the communists that their aims would be upheld.
- C. A communist-dominated government in Vietnam, and communist participation in governments of Laos and Cambodia.
- D. Establishment of a precedent which could be followed by Communist sponsorship of "governments" for Burma, Thailand and other states in South East Asia.

IV. Effect on French government (always unpredictable)

- A. Short-run--² by pointing out that present Communist price for peace would ultimately result in loss of Vietnam and probably Laos and Cambodia as well, ³ speech may convince

the majority of the Assembly that Bidault has done his part at Geneva and thus help keep Laniel government in power temporarily. It will also probably have effect of increased pressure on French government for appeal to UN and greater military assistance from US and Britain.

- B. Long run--Polarization of positions and resultant pessimism in France regarding cease-fire may have damaging effect, particularly if accompanied by more communist military gains. It may eventually lead to formation of a new government and French capitulation in Indochina.

V. Molotov added warning that US expansion of Indochina war might have "dangerous consequences."

- A. This is toughest Communist statement on this issue in past four weeks.
- B. Chinese Communist spokesmen issued warnings similar to Molotov's on 21 and 28 April and again on 12 May.
- C. Communist statements are still much less menacing, however, than Peiping's propaganda just before Chinese intervention in Korea.

D. The Communists do not seem to believe that international-
ization of the war is imminent.