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GENERAL

1. Bohlen analyzes Soviet pre-Geneva maneuvers:

Ambassador Bohlen believes that Moscow is showing great sensitivity on the question of China's status at Geneva. This was revealed by its unusually swift reaction to Secretary Dulles' statement on 16 March that the Soviets were stalling and suggesting that there were differences between the Soviets and Chinese on Geneva arrangements. Bohlen argues that one of the Foreign Ministry's motives in announcing his interview with Deputy Foreign Minister Kuznetsov was to emphasize that Communist China had been consulted and had given its assent.

Bohlen further suggests that this development "confirms the fact" of Sino-Soviet difficulties and reflects a Soviet attempt to move gradually toward the concept of a five-power conference with a special status for China.

Comment: Statements of Soviet officials and propaganda since Berlin have attempted to disguise the fact that the agreement reached at Berlin falls far short of Molotov's proposal for a five-power conference. The omission of any mention of consultations with North Korea, and the report that both the Chinese and Soviet delegations will consist of 200 persons, also reflect Moscow's efforts to confer great-power status on Peiping.

Available intelligence does not support the thesis that Moscow and Peiping are having difficulties over conference arrangements or are seeking to delay the Geneva conference.

FAR EAST

2. South Korean press reports government selecting Geneva delegates:

A South Korean newspaper, the Taegu Shinmun, reported on 3 March that the government was engaged in selecting approximately 12 persons for its delegation to Geneva. The paper identified the source as a high-ranking South Korean official.

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Comment: A report in late February, [redacted] stated that President Rhee had selected William Glenn as the American adviser to the South Korean delegation. These are the only two reports noted to date that South Korea is making plans to attend.

In view of Rhee's fear that Korea will be abandoned at Geneva, and his sensitivity over foreign "interference" with Korean affairs, South Korea will probably send a delegation regardless of the outcome of the current negotiations with the United States. [redacted]

SOUTHEAST ASIA

3. Vietnam reported demanding representation at Geneva:

[redacted] Vietnamese premier Buu Loc, now in Paris, has insisted that the Associated States be represented "as interested parties" at the Geneva conference, [redacted]

Meanwhile, current French-Vietnamese negotiations in Paris are stalled over Buu Loc's demand for a French declaration of Vietnam's independence, to precede a Vietnamese declaration of adherence to the French Union. French foreign minister Bidault wants both declarations issued simultaneously.

Comment: Pending the outcome of the Paris negotiations, Vietnam has taken no public position on attending the conference. French Foreign Ministry spokesmen oppose having the Associated States at Geneva since their attendance would provide the Communists with a justification for inviting the Viet Minh.

4. Vietnamese official wants US to back no-surrender policy:

[redacted] Governor Tri of Tonkin told the American consul in Hanoi that most persons with whom he is in contact share his "profound discouragement" with the turn which French-Vietnamese discussions in Paris are taking.

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Tri said that without a French affirmation of real Vietnamese independence, the Buu Loc government will be unable to take a firm stand against surrender to the Viet Minh--whether open or disguised. He added that United States support was essential to prevent any sellout at Geneva, or elsewhere.

Comment: In insisting on independence and American, as distinct from French, backing against the Viet Minh, Tri is expressing views long held by most non-Communist Vietnamese.

5. Burmese Communists and Karens planning high-level conference:



Comment: The Karens in eastern Burma, the country's largest insurgent group, have repeatedly rebuffed Communist efforts to promote an alliance. They appear to have changed their attitude because of military pressure from government forces and the evacuation of Chinese Nationalist troops, with whom they had maintained a working relationship.

6. Communists may have ordered surrender of Indonesian insurgents:



The American embassy in Djakarta reports that 164 members of the "Bamboo Spears," a Communist-oriented guerrilla force and the second-largest insurgent group in West Java, surrendered on 17 March. The Indonesian army commander in the area said this was the largest surrender to date and that the strength of the "Bamboo Spears" has been reduced by 80 percent as a result of this and other surrenders.

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The embassy speculates that such surrenders may be ordered by the Indonesian Communist Party to strengthen its demands for stronger government action against the Darul Islam.

Comment: This course would be consistent with the current Communist policy of cooperating with the leftist Indonesian government. The Communists stand to lose no military potential, since the surrendered personnel could be absorbed by a Communist-controlled veterans organization which is openly carrying on paramilitary training. The defense minister is on record as favoring the issue of arms to this group to help it fight the Darul Islam.

SOUTH ASIA

7. Major Indian cabinet changes reported impending:

Prime Minister Nehru is pressing Food and Agriculture Minister Rafi Ahmed Kidwai to assume the defense portfolio, [redacted]

Nehru also plans to replace Finance Minister Deshmukh with Chief Minister Pant of Uttar Pradesh. Nehru is said to regard Deshmukh as being too pro-Western and "in the pockets of the British and Americans."

Comment: The dismissal of Deshmukh would remove a moderating and generally pro-Western force from the cabinet, and give freer play to the nationalistic and anti-Western Kidwai, who already exercises strong influence on Nehru.

NEAR EAST - AFRICA

8. Arab-Israeli tension mounts:

The Israeli government, under the moderate leadership of Prime Minister Moshe Sharett, is unlikely to initiate immediate major

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retaliatory action against either Syria or Jordan for alleged recent acts of aggression. This seems clear despite strong pressure from extremists, certain elements within the army and the public generally for such action.

Neither Jordan nor Syria wants to reopen hostilities with Israel. Jordan, according to Ambassador Mallory in Amman, fully recognizes its military inferiority. The new caretaker government of Syria does not want to break its armistice agreement with Israel, according to Ambassador Moose in Damascus.

Comment: While restraining influences on both sides are likely to prevent a major outbreak of hostilities, they cannot prevent mounting diplomatic and propaganda warfare. Israel is already using the current tension as an argument against American military aid to any Arab state. Jordan will persist in its refusal to hold high-level armistice talks with Israel, and the Syrian government will strengthen itself by a strong anti-Israeli position.

9. Rift widening between Iraq and Egypt over Turkish-Pakistani pact:

Prime Minister Jamali warned Egypt, apparently on 17 March, that he would open a "cold war" if Egyptian radio attacks on Iraq's alleged negotiations with Pakistan and other non-Arab states were not stopped within three days. Jamali said he would accuse the radio station of being pro-Israel and pro-Communist.

Comment: Relations between Egypt and Iraq, traditional rivals for leadership of the Arab states, have cooled noticeably in recent weeks. Iraq has been promoting an Arab federation plan and showing increasing independence of the Egyptian-dominated Arab League.

Egyptian attacks on Iraq are likely to encourage similar criticism from other Arab countries, particularly Saudi Arabia. This, along with mounting internal opposition in Iraq to participation in a foreign military alliance, makes it increasingly difficult for Jamali to align himself with the West.

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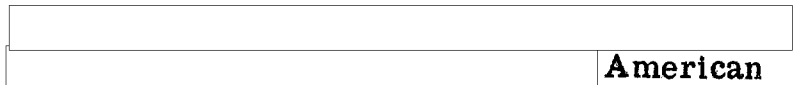
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~~TOP SECRET~~**EASTERN EUROPE****10. Comment on Polish party and government reshuffle:**

The resignation of Bierut as premier does not significantly alter the power structure in Poland. He remains first secretary and thus head of the party. The change in Poland is in line with current Orbit policy emphasizing collective leadership by separating the leadership of the party and government.

In the Polish reshuffle the post of party chairman was dropped and one member of the politburo was replaced. The size of the secretariat has been reduced to four members, none of whom occupies a position in the government.

The new premier, Cyrankiewicz, a former Socialist and a member of the politburo of the Communist Party, was premier until November 1952, when the government was last reorganized.

**WESTERN EUROPE****11. French leak secret "American timetable" on EDC:**

American embassy memorandum establishing a "timetable for everything the French must do" to bring about early EDC ratification had been leaked, creating "confusion and a certain amount of resentment."

Ambassador Bruce believes that certain French government officials deliberately disseminated the document to journalists as well as to political opponents of EDC. He states that the French government is itself to blame in case of postponement of the EDC debate and is seeking an excuse to shift the onus to the Socialist Party and to the American, British and West German governments.

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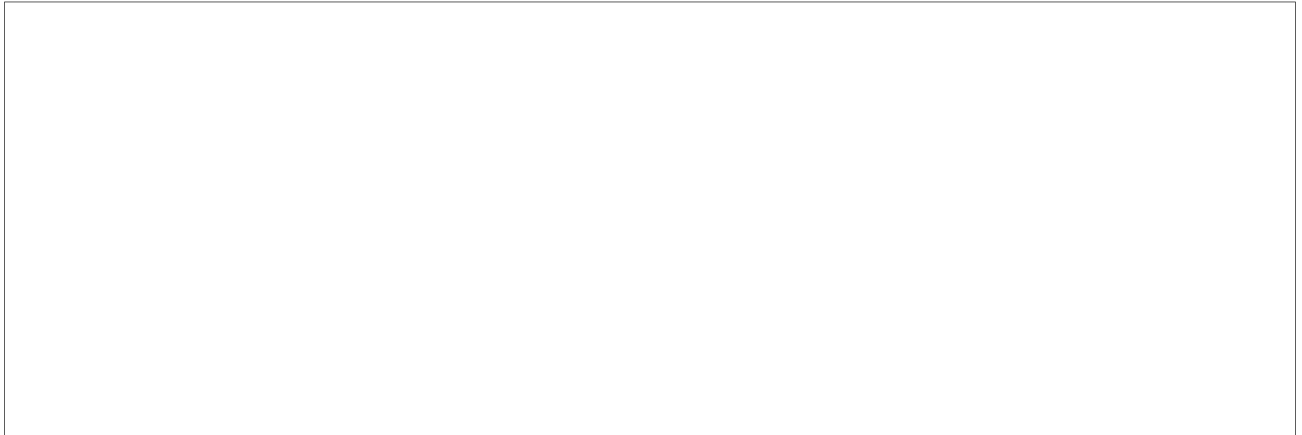
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The memorandum, according to Bruce, was a working document to show how United States assurances would fit into the program of measures of interested nations to make possible a debate and vote on EDC before the Easter holidays.

Comment: This further decreases the likelihood that Laniel will be able to adhere to his schedule for EDC ratification. The schedule provided for starting debate in the National Assembly before the Easter recess.

LATIN AMERICA

12. Argentina may support anti-Communist resolution at Caracas:



Comment: The anti-Communist resolution was passed in committee on 13 March by a 17-to-1 vote. Argentina and Mexico abstained, however, insisting that the text did not provide adequate safeguards against foreign intervention in national affairs. Guatemala cast the only negative vote.

The Argentine chief of protocol told Ambassador Nufer on 17 March that Argentina might support the resolution in plenary session. At that time any country may note reservations to its approval of the resolution. Mexican support, even with reservations, remains highly doubtful.

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