Approved For Release 2007/07/25 : CIA-RDP78-01617A006100010067-6

50

1 JUL 1945

TOP SECRET

1038

EUROPE

25X1

1. YUGOSLAVIA: Analysis of Tito statements--US Ambassador Cannon transmits his belief that Tito's 10 July statements on foreign policy reflect the increasing deterioration in Yugoslav-Soviet relations and Yugoslavia's desire to improve relations with the West. In support of this view, Cannon points out that Tito directed the burden of his attack against the USSR and clothed his criticism of the western powers in "friendly terms." According to Cannon, Tito's speech revealed Yugoslav concern that a four-power agreement on Trieste might sacrifice Yugoslav interests there and implied that the Trieste question could be solved by Yugoslav-Italian agreement. Cannon attaches great importance to Tito's announcement that the Greek-Yugoslav border would be closed and believes it indicated a basic change in Yugoslav policy toward Greece. Cannon adds that Tito's more conciliatory attitude regarding Greece may be a bid for sympathetic western treatment on Trieste.

(CIA Comment: CIA agrees with Ambassador Cannon that Tito, in view of his growing isolation from the Soviet bloc, is showing an increasing willingness to cooperate with the US in an attempt to obtain economic and political support.)

011

Auth: DDA REG. 77/1783

Date: 12/3/78 By:

25X1

CONFIDENTIAL

TOP SECRET

State Dept. review completed

Approved For Release 2007/07/25 : CIA-RDP78-01617A006100010067-6