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GENTERAL.

1. Tripartite project to USSR considered—The Department of State has forwarded to London and Peris for official consent a proposed note of protest to the USSR concerning the present situation in Berlin, suggesting that consultations be held immediately for settlement of this is sue. The Department todicates that although a three-power note would be preferable, the US plans to send a note or equivalent statement independently if the French and British fail to endorse the US parts.

UE Ambassador Douglas reports that the British have indicated agreement to the draft note but do not believe the note should suggest negotiations through the Conference of Foreign Ministers or reference of the dispute to the UN. US Ambassador Caffery in Paris reports that although French Foreign Office officials may differ as to the wisdom of the original western stand on Berlin, they are united in the tellef that the western powers must now remain at all costs or suffer a shattering loss of prestige.

2. UK receives Sokolovsky reausurances with reserve -- US Ambassador Douglas reports that UK Foreign Secretary Berin feels very strongly that the US and UK should continue efforts to build up the air lift to Berlin as rapidly as possible, despite the apparent softening of the Soviet position in Marshal Sokolovsky's reply to the recent British protest. Douglas also reports that the British Military Governor in Germany recommends that the western allies continue efforts to build up air strength in order to demonstrate to the USSR that the crisis will not be over until full communications: for allied and German personnel are possible and quadripartite administration of the city has been restored. The Military Governor believes that Selediovsky' letter should be received "with the utmost reserve" because it does not provide an acceptable settlement of the situation in Berlin even though, in his opinion, it removes any likelihood that the USSR intends to stary; out the German population of the western sectors.

DIA & DOS review(s) completed.

NO CHANGE in Class.
DECLASSIFIED

Class. CHANGE IN TS

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TOP SECRETATION CONTIDENTAL

(CIA Comment: CIA does not believe that Sokolovs ty's publicized assurances necessarily signify that the USSR in tentito relax its restrictions on food shipments to the vestern sectors of Berlin.)

3.	French analysis of Commorm action against The US Anims
	sador Caffery in Paris transmits
	views that the Cominfort; detu-
	ment on Tito frankly admits that: (a) the Comin crm is essen-
	tially the same organization as the prewar Computern; (b) he
	Kremlin regards the 'popular democracies' as Soviet ter tic 7;
	and (c) Moscow does directly intervene in foreign countries
	no Satellite enjoys any independence whatsoever in its relations
	with the Kremlin. told Catiery that
	Premier Dimitrov of Bulgaria had recently lent a sympathetic
	ear to Tito's proposal for a Balkan federation and is consequently
	"in difficulties with the Kremlin." Caffery adds that the propen
	Communists are obviously greatly embarrassed by this crisis
	in the Soviet sphere.
4.	UK to exploit Yugoslav situation US Ambassador Douglas has learned that the UK Foxeign Office intends to "exploit the Tugoslav situation to the hill" through information media directed particularly toward Pokend and Czechoslovakia.
5.	USBR reportedly shipping arms to Czechoslovakia - The U
	Military Attache in Lendon transmits
	that the USSR is shipping arms and
	ammunition to Czechoslevakia in lieu of the food called for by
ı	the Soviet-Czechoslovak agreement.
l	the "Russian timetable" calls
	for the outbreak of hostilities with the western Buropean powers in August 1948.

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CIA Comment: The majority of US observers in Europe are of the opinion, in which CIA concurs, that the USS twill not provoke an early armed conflict in western Europe. Moreover, the current rift between the USSR and Yugoslevia makes the present time inopportune for the USSR to wage via. Available evidence indicates that the rate of arms shipped attended for the USSR to Czechoslovakia does not indicate preparations for western European coeffict in the near future. Such arms may be intended for transchipment to Palestine.)

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