

~~TOP SECRET~~

13 May 1954

ED

[Redacted]

[Redacted]

Copy No. 76

3.3(h)(2)
3.5(c)

CURRENT INTELLIGENCE BULLETIN

DOCUMENT NO. 54
NO CHANGE IN CLASS.
 DECLASSIFIED
CLASS. CHANGED TO: TS S C
NEXT REVIEW DATE: 2009
AUTH: HR 70-2
DATE: 3/12/79 REVIEWER: [Redacted]

[Redacted]

Office of Current Intelligence

CENTRAL INTELLIGENCE AGENCY

[Redacted]

~~TOP SECRET~~

SUMMARY

GENERAL

1. Britain trying to enlist Asian countries in Southeast Asia security arrangements (page 3).
2. Turkey wants strong Greek-Yugoslav communique on future of Balkan pact (page 3).

SOVIET UNION

3. Preliminary evaluation of new Soviet bombers (page 4).

FAR EAST

4. President Rhee expresses unconcern over possible UN troop withdrawal (page 6).

5.

NEAR EAST - AFRICA

6. Changes anticipated in American-Israeli relations (page 7).

WESTERN EUROPE

7.

8. New crisis looms in American-Icelandic negotiations on defense pact (page 8).

LATIN AMERICA


9. Military junta may take over Chilean government (page 9).

* * * *

13 May 54

GENERAL

1. Britain trying to enlist Asian countries in Southeast Asia security arrangements:

 Britain hopes to introduce at Geneva a proposal for India, Pakistan, Ceylon, Burma, and Indonesia jointly to supervise and guarantee an Indochina settlement. It has already approached the first three of these countries, according to a British official at Geneva. The British believe such a plan would pay propaganda dividends and might strengthen French determination to maintain a firm stand in the Indochina negotiations.

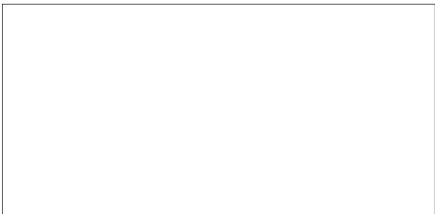
According to the British official, Nehru has indicated that he would consider contributing troops to help guarantee the settlement and that he is thinking in terms of an "Asian Locarno," which eventually might be extended to all of Southeast Asia.

Meanwhile, Britain is also exploring the possibility of having one of the Commonwealth prime ministers call a Southeast Asia defense conference after the Geneva talks. Britain would prefer not to participate in a Southeast Asian defense pact which failed to include the countries of the area.

Comment: The British have apparently concluded that a negotiated settlement in Indochina, probably involving territorial concessions, is inevitable, if not desirable.

Other British sources last week indicated that Nehru had been vague and cautious in replying to British overtures along these lines. The new report suggests that he has been influenced by Churchill's views on the desirability of countering Soviet imperialism by a system of alliances patterned on the Locarno pact.

2. Turkey wants strong Greek-Yugoslav communique on future of Balkan pact:

 Turkey believes the Greek-Yugoslav communique which will be issued following Marshal Tito's scheduled visit to Athens in June must

13 May 54

confirm the recent Turkish-Yugoslav statement on converting the Balkan pact into a military alliance, according to Ambassador Warren. Anything less, in the opinion of the Turks, would create the impression of disunity and indecision.

Comment: [redacted]

[redacted]

While Tito may be able to suggest a formula which will partially relieve Greek sensitivity, persisting Greek bitterness will nevertheless threaten continued cooperation among the three pact members. [redacted]

SOVIET UNION

3. Preliminary evaluation of new Soviet bombers:

[redacted]

Preliminary evaluation [redacted]

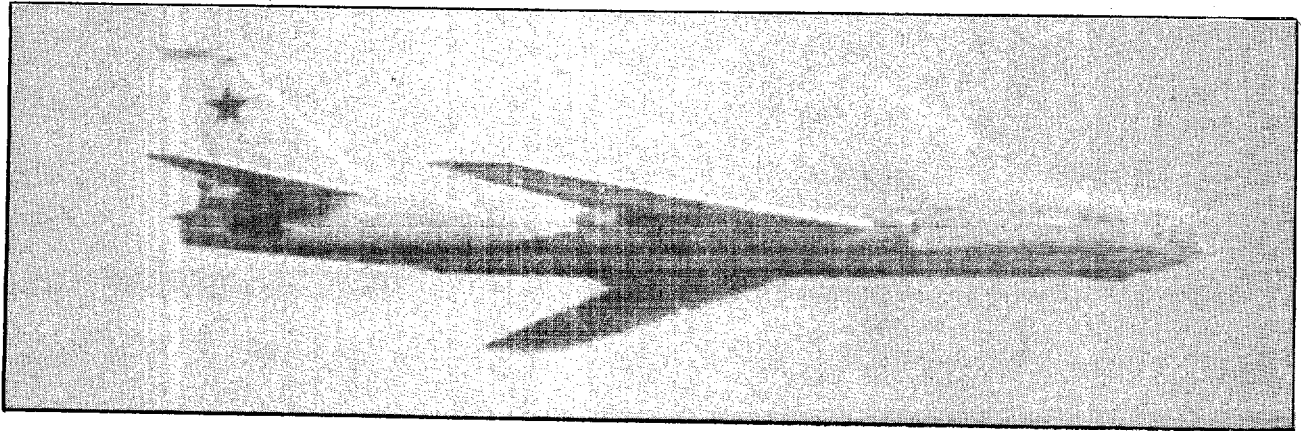
[redacted] of photographs of the new Soviet bombers which participated in the May Day fly-past indicates that the Type-37 heavy jet bomber is considerably larger than previously estimated. It has considerable electronic equipment--some of improved design--and each engine is capable of developing approximately 15,000 pounds sea level static thrust (see top picture, p. 5).

The preliminary interpretations compare favorably with previous American estimates of performance characteristics for a Soviet heavy jet bomber which is expected to be in operational units in 1957.

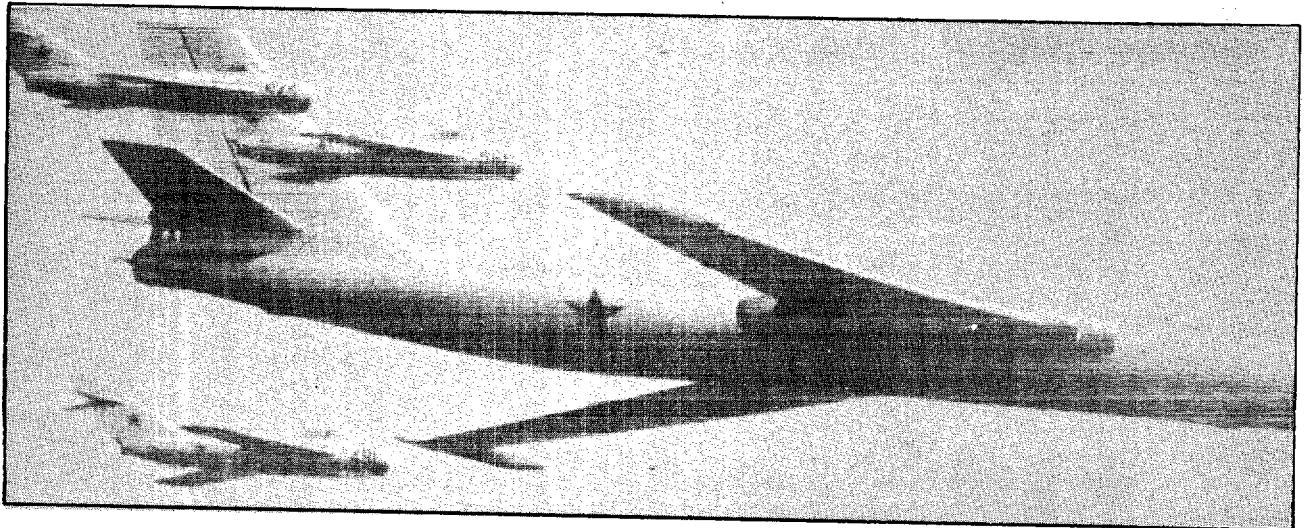
The medium twin-jet bomber also in the fly-past, the Type-39, is similar in configuration to the Type-37 but appears to be in the same size class as the American B-47. Electronic equipment on the Type-39 appears to be similar to that on the Type-37 (see lower picture, p. 5).

13 May 54

~~CONFIDENTIAL~~



**TYPE 39
SOVIET MEDIUM JET BOMBER**




**TYPE 37
SOVIET HEAVY JET BOMBER with MIG - 17 JET FIGHTERS**

~~CONFIDENTIAL~~

TOP SECRET

FAR EAST

4. President Rhee expresses unconcern over possible UN troop withdrawal:

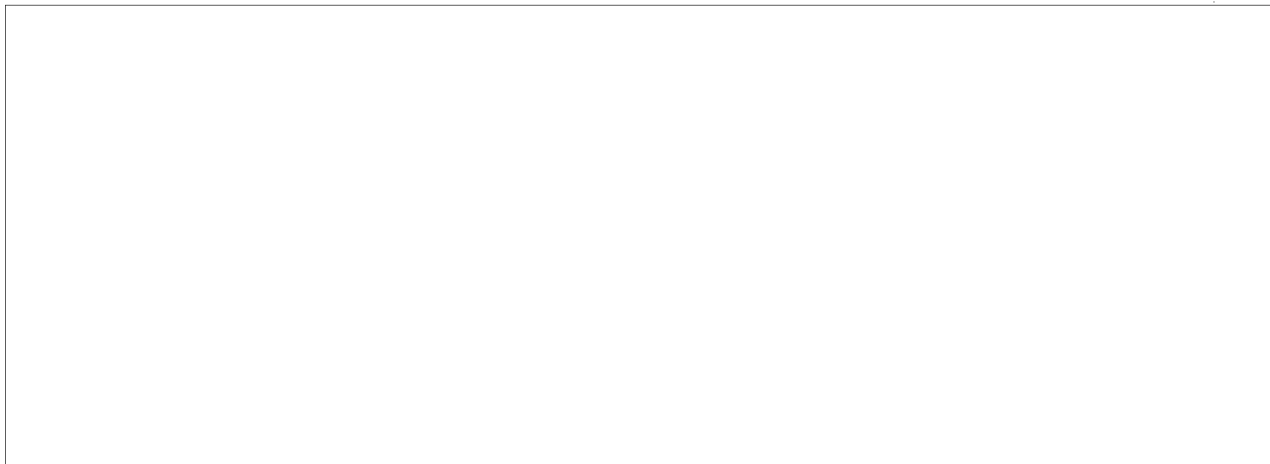
 President Rhee has told Ambassador Dean that he is unimpressed by arguments that his demand for a complete withdrawal of Chinese troops prior to holding all-Korean elections would require a similar UN withdrawal. Rhee asserts that the United States is an "appeaser" and is going to withdraw in any event, "so why not now?"

Ambassador Dean comments that Rhee is not only aware of the danger involved in a UN withdrawal, but actually invites this danger. The ambassador is convinced that Rhee wants an American commitment to equip 35 divisions so that he can attack alone, or that he hopes to bring about an "unprovoked" attack by the Communists.

Comment: Rhee is seeking to obtain a 35-division army by withholding approval of a unification proposal at Geneva which envisages elections prior to completion of a phased withdrawal of foreign forces. He also demands that the North Korean army be disarmed.

Rhee's opposition to any unification plan other than one employing force may be based on a fear that his opposition in the south, following a rigged Communist vote in the north, might unseat his government.

5.



13 May 54

TOP SECRET

NEAR EAST - AFRICA

6. Changes anticipated in American-Israeli relations:

The Israeli public has been so profoundly disturbed by recent events affecting Israel's position in the Middle East that basic changes in American-Israeli relations may result.

All sectors of Israeli opinion, according to the American embassy in Tel Aviv, reflect unusual nervous strain, brought on by Arab economic and psychological warfare, the announcement of American arms aid to Iraq, and by two recent speeches of Assistant Secretary of State Byroade. These speeches have been interpreted by the Israelis as attacks on the philosophy of the Zionist state and as an effort to drive a wedge between American Jewry and Israel.

Comment: Israel will continue to make every effort to reverse what it considers a pro-Arab, anti-Israeli American policy. At the same time, however, there is evidence that it will probably emphasize the need for greater Israeli independence of the United States. On 10 May a leftist member of parliament urged recognition of Communist China to demonstrate this independence.

WESTERN EUROPE

7.

13 May 54

~~TOP SECRET~~

8. New crisis looms in American-Icelandic negotiations on defense pact:

The Icelandic foreign minister and the leader of the Progressive Party consider Washington's latest reply to proposals for changes in the American-Icelandic defense agreement of 1951 completely unacceptable.

The American minister in Reykjavik holds that if the United States maintains its present position, the present pro-American government may fall and demands may be made for a basic revision or even termination of the agreement.

Comment: During the negotiations which have been in progress since last December, the Icelanders have insisted that the American general contractor be replaced by Icelandic firms and that contact between American military personnel and the local population be drastically curtailed.

In mid-April the foreign minister categorically told parliament that Iceland's demands would be met. The widespread antiforeign sentiment of the Icelanders will hardly permit the incumbent government to compromise on these issues.

13 May 54

LATIN AMERICA**9. Military junta may take over Chilean government:**

Comment: President Ibanez' failure to take decisive action to solve Chile's serious economic problems has created considerable discontent. There have been several reports in the past several months that Ibanez might appoint a military cabinet and rule as a dictator. This is the first indication, however, that he might be deposed.

Parra is the only person who has served continuously in the cabinet since Ibanez assumed the presidency in November 1952. Although recent reports indicate that he may now be favorably disposed toward the United States, he was reported in late 1952 and early 1953 to be unfriendly. Parra is not known to have any special ties with Argentina.

13 May 54