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GENERAL

1. French deem cease-fire in Indochina imperative:

After an unsuccessful appeal to Prime Minister Churchill for British support in Indochina, French ambassador Massigli told Ambassador Aldrich in London on 27 April that France had no alternative but the immediate commencement of negotiations for a cease-fire.

Dutch co-foreign minister Luns told Ambassador Matthews at The Hague on 22 April that the French "had as much as told him" that they would accept any face-saving settlement on Indochina, even if it meant that six months later the area "would fall to Ho Chi Minh."

A high French Foreign Ministry official admitted to Secretary Dulles at Geneva that partition of Indochina had been considered by Paris. He said that his government was not seeking a "cease-fire"--described as a "local laying down of arms... tantamount to French surrender"--but an "armistice," as in Korea, with political and military safeguards.

Comment: There are other indications that the United States will be subjected to intense French pressure to acquiesce if the Communists offer anything approaching a reasonable solution. Any official qualms in Paris over commitments to the Bao Dai regime will presumably be stilled by demands that Vietnam accept full responsibility for the complete independence it has exacted.

FAR EAST

2. Rhee's election tactics may undermine South Korean position at Geneva:

UN observers and foreign press representatives in South Korea are increasingly concerned over President Rhee's coercive

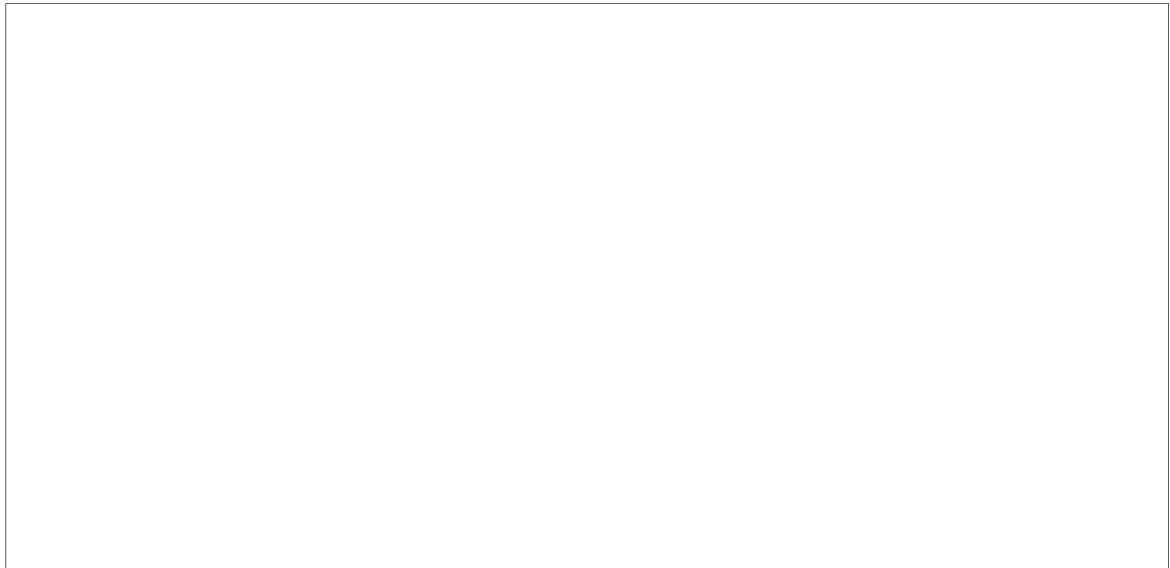
tactics against his opponents in the campaign for the 20 May election. Ambassador Briggs feels that publicity prejudicial to the South Korean and American positions at Geneva can be expected. He warns that continued revelations of police intimidation would undermine South Korea's contention that any future elections in connection with Korean unification should be held under its auspices.

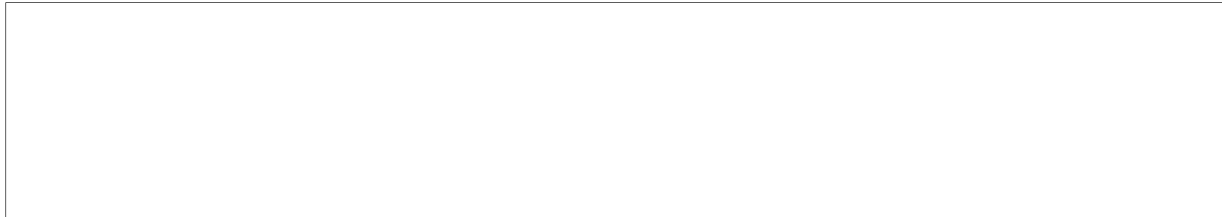
The first prominent "casualty" among assemblymen seeking re-election is Cho Pong-am, vice chairman of the assembly and Rhee's chief opponent in the 1952 presidential elections, who was prevented from filing his application prior to the deadline date. Other opposition candidates have threatened to boycott the elections if such conditions continue.

Comment: In an effort to replace the present generally hostile assembly, Rhee has ordered an unprecedented campaign of abuse and police pressure against his opposition. He has also secured from all his Liberal Party candidates for the next assembly pledges that they will support several constitutional amendments previously rejected by the assembly. One of these amendments would give Rhee lifetime tenure.

SOUTHEAST ASIA

3.





4. Viet Minh reported expanding Saigon underground:



French security agencies in south Vietnam are receiving numerous reports of a general reinforcement of the Viet Minh underground in Saigon, [redacted]

[redacted] The French are investigating these reports in coordination with the Vietnamese sureté.

[redacted] there is a definite possibility that the Viet Minh will foment disorder in the Saigon area during the Geneva conference.

Comment: The Viet Minh has long maintained a "Special Zone of Saigon-Cholon" which maintains an elaborate underground network operating mainly in the suburbs of the city.

The Vietnamese assumed nominal control of police functions in Saigon several years ago and appear to have developed a fairly competent organization. The outcome of the current developments at Dien Bien Phu, Paris, and Geneva, however, might well create a popular mood of bitterness and defeatism which the Viet Minh could readily exploit to incite urban disorders.

Another report has suggested the possibility of disorders in Hanoi and Haiphong on May Day or 19 May-- Ho's birthday.

SOUTH ASIA

5. Indian government in "moral" conflict on acceptance of further American aid:



Prime Minister Nehru told Ambassador Allen on 24 April that a "moral" conflict is going on inside his government over the

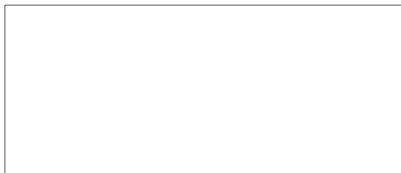
question of accepting additional American economic aid. Referring to accusations that India should not object to military aid to Pakistan while continuing to receive American economic aid, he admitted that these accusations "sting us a bit because there is a certain amount of truth in them."

Nehru stated his government was anxious, however, to avoid any action which would further "complicate" Indo-American relations. Allen believes India is unlikely to renounce American aid unless New Delhi is certain that the American Congress will not approve it or will attach unacceptable conditions.

Comment: Nehru apparently anticipates that India may be refused more economic aid as a result of its neutralist foreign policy. His recent speeches emphasizing India's need for greater economic self-reliance probably have been intended to prepare the Indian public for this eventuality.

NEAR EAST - AFRICA

6. United States asked to help change French policy in Morocco:



On 24 April the sultan's deputy in Tangier asked that the United States persuade France to change its policy in Morocco "before it is too late," according to the American minister. The deputy said that unless drastic steps were taken, the future looked hopeless.

He stated that most Moroccans are turning against the French and have only scorn for the present sultan. The one solution, according to the deputy, would be to place the ex-sultan's second son on the throne and replace the entire French residency.

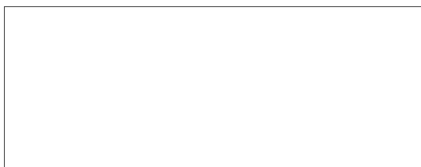
The minister comments that the deputy's estimate is "remarkable," as he is "considered a French stooge," and that this is a further indication that the Moroccan situation is much more serious than the French are willing to admit.

Comment: The French, unable to halt terrorism in Morocco during the past eight months, are now faced with a new problem--an increasingly successful nationalist-inspired economic boycott.

The French Foreign Ministry denied in February that a plan to place the ex-sultan's second son on the throne was under serious consideration.

EASTERN EUROPE

7. East Germans further restrict access to Berlin in move for recognition:



American officials in Berlin reported on 26 April that, according to the Austrian delegate there, effective 27 April all foreigners now traveling to Berlin on semipermanent interzonal passes will need an East German transit visa from the East German Foreign Ministry.

Return visas will allegedly be issued only after separate application has been made to the Foreign Ministry by the diplomatic representation of the traveler's country. The Austrian also stated that non-Germans would be permitted to use only one crossing point at the East-West German border.

The American officials commented that if this report proved true, the move would represent another East German effort to force the Western powers to deal with East German authorities, thus moving toward recognition of the regime.

Comment: Such East German regulations would clearly violate the four-power agreements on access to Berlin. Apparently they would cover all Western nationals except officials of the three Western powers on duty in Germany.