

OPERATIONS COORDINATING BOARD  
WASHINGTON, D. C.

August 16, 1954



DAILY INTELLIGENCE ABSTRACTS NO. 202

1. FRANCE. In a demarche to French Premier Mendes-France, Secretary Dulles has described himself as "deeply shocked and disheartened" by the Mendes-France's plans for EDC. The proposal to hold another meeting with the USSR before completion of EDC ratification will be considered in the US as further proof of French unreliability. Mendes-France's position appears to indicate that France will abandon EDC if the Soviets will agree to unify Germany by free elections, the Secretary states. A neutralized Germany will completely destroy NATO defense plans. Thus, the French proposals would split the basic Western position and solidarity, and would probably destroy German Chancellor Adenauer. Meanwhile, the UK has notified Mendes-France that he must not ask the French Assembly for a first-reading vote on EDC while telling them in effect that this vote would mean nothing. Furthermore, any French hope of a unified, neutralized Germany is completely illusory, according to the UK demarche. Dept. to Paris 552, 12 August 54, TS; London 769, 13 August 54, TS.

\* 2. GERMANY. The next Communist propaganda gambit regarding the Otto John defection, which may be particularly useful in France, will probably emphasize EDC "secret clauses" and "secret talks", HICOG's Eastern Affairs Division (EAD) comments. This would then broaden into a full-scale attack on the "motives behind EDC and the dangers inherent in EDC." EAD suggests a West German or a joint West German-Allied statement that the German and European people continue to support a moderate, middle of the road, democratic German administration against the abuses of opportunists and extremists of both the right and left. EAD comments that Adenauer stands to lose greatly in his prestige among the East Germans if a step of this sort is not taken soon. Meanwhile, G-2 comments that the John affair alone is not expected to have a serious effect on the stability of the Adenauer Government. Berlin 123, 13 August 54, G; DIB 1394, 13 August 54, G. Target of Opportunity-Attn: Messrs. Norberg & Vanderhoef.

3. NETHERLANDS. The US should not support inclusion in the UN General Assembly agenda of the Dutch-Indonesian dispute over New Guinea, Ambassador Matthews in the Hague warns. "Coming on top of Dutch bitterness over our sudden and unexpected decision not to support Van Kleffens (the Dutch candidate for the presidency of the UN General Assembly), any favorable nod to a New Guinea resolution...would bring American-Dutch relations to the lowest ebb in history," the Ambassador comments. The Hague 250, 13 August 54, S.

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- \* 4. CHINA. The greatest psychological effect of a flood relief program for Communist China could be attained by supporting a Chinese Nationalist offer of food, according to the Embassy in Taipei. In addition to the humanitarian and psychological effect of such an offer on the mainland Chinese, it would also have a maximum effect on the Overseas Chinese, the Embassy comments. FOA Taipei has suggested some tentative planning figures. Taipei TOUSFO 232, 13 August 54, S. Target of Opportunity-  
Attn: Mr. MacDonald.

*RB* *NVM*  
OCB/SS:RBAllen;NVMCausLand;sms  
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