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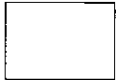
1. Chinese Communist views on cease-fire in Korea--UN
 Secretary General Lie has told the US delegation that General Wu referred in a 14 December conversation to the General Assembly cease-fire resolution as "illegal and not in any way binding on the Chinese Peoples Republic." Wu declared that his government could not participate in negotiations regarding a cease-fire under any conditions other than those mentioned in Soviet delegate Malik's 13 December speech, namely the withdrawal of "all US and UN troops from Korea, leaving Korea to the Koreans." Wu added that the Formosa question must be settled in connection with any cease-fire discussions and that these negotiations must be conducted on "equal terms." As a result of Wu's remarks, Lie concluded that the Chinese delegation at the UN is "under the thumb of Moscow" and that there is now no hope whatever for a cease-fire.

2. French reportedly fear provoking USSR--US Embassy Paris
 expresses the view that the forthcoming NAT Council meeting in Brussels will involve a good deal more than a mere pro forma confirmation of the agreement on German rearmament and may well open up some fundamental questions, particularly regarding the timing of the implementation of such an agreement. The Embassy points to growing concern in Paris that a decision to rearm Germany immediately will provoke the USSR. The Embassy indicates that many French officials and private citizens argue that the USSR has already put the West on notice and will not accept the rearmament of Germany, and that therefore the prospect of the eventual combination of a German army plus US air power might lead the Kremlin to make some military

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move before Western Europe is sufficiently strong. The Embassy comments that although such statements from French officials are always coupled with an expression of determination not to recede from the decisions reached on Germany, there is usually implicit a certain hesitancy in regard to actually putting this decision into immediate effect.

3. Burmese Minister advocates "Europe first" policy--US Ambassador Key in Rangoon reports a recent conversation with the Burmese Prime Minister during which, to Key's surprise, the Prime Minister expressed the hope that the US would "heed British advice" not to become over-extended militarily in Korea or the Far East but would concentrate on building up the defenses of Europe because the USSR is the "primary and most powerful foe." The Burmese official reasoned that if the USSR were smashed, Asia would be saved because China alone would no longer be a threat and the present regime would be extremely vulnerable to "internal pressure." He said that he does not of course advocate a withdrawal from Korea, unless forced, but he believes that if war comes, bombing attacks on China from nearby bases such as Japan would be preferable to dissipating US resources by invasion of the mainland. He offered the view that once China is attacked large groups within China which are hostile to the present regime would support the US cause. (He inquired parenthetically as to the efficiency and loyalty of Chiang Kai-shek's troops on Formosa.) The Prime Minister admitted that many Asians would probably misunderstand a global policy which gave primary emphasis to the defense of Europe and the defeat of the USSR, but because the democracies obviously do not have sufficient strength to wage effective war on two continents simultaneously, the only practical solution is first to save Europe.

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4. Slight softening of Soviet attitude noted in Vienna--

The US Legation in Vienna comments that both US and British representatives have detected a "slight but perceptible" change in the Soviet attitude during the past three weeks. Although the Legation anticipated that a worsening of the international situation would bring a progressive tightening of the Soviet attitude, there has instead been a relaxation, as though the Soviet representatives "had decided upon a more civilized method of doing business." The Legation declares, however, that it has no inclination to "make bricks out of these straws" and expects the Soviets to revert to the opposite policy whenever it suits their purposes.

5. Turkish views on Western defense--Turkish Foreign Minister Kuprulu has told US Ambassador Wadsworth in Ankara that in his opinion the USSR is following a calculated "policy of detente" in the West while making an all-out effort to achieve domination in the Far East. Kuprulu stated that appeasement would be fatal to the cause of world peace and warned against "Asiatic bargaining, at which the Russians are past masters." Kuprulu also urged the earliest possible implementation of the NATO invitation to associate Turkey and Greece in Mediterranean defense planning as an "essential intermediate step" towards eventual full association with NATO itself. He spoke encouragingly of recent Greek-Turkish military staff talks and indicated the desirability of a Mediterranean defense pact. He expressed the view that Egypt should be included in such pact, in view of the strategic importance of the Suez Canal area and increasingly strained British-Egyptian relations.

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6. De Lattre's policy for Indochina outlined--General Jean de Lattre, newly-appointed French High Commissioner to Indochina, has told US Embassy Paris that he intends not only to implement loyally the recently liberalized French policy in Vietnam but to "do even more." Although he considers it unrealistic to expect a Vietnamese national army to "spring into being overnight," de Lattre intends to accelerate its formation in every way, to encourage the development of a native "national mystique" in order to match the morale of Viet Minh troops, and to build up the prestige of Bao Dai and the Vietnamese. He believes that there is a good chance to hold Indochina with increased US military aid, provided the Chinese do not attack. The Embassy transmits its impression, which is shared by the French Foreign Office, that despite de Lattre's sincere desire to build up Vietnamese nationalism, his evident contempt for the Vietnamese, especially for officials in the present government, may dispose him to underestimate the importance of their feelings and to talk down to them.

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