SUMMARY OF TELEGRAMS

BRITAIN  Reviewing the position of the British Labor Government following its third year in office, Embassy London points out that while Labor has lost support throughout the country there is no strong trend toward the Conservatives. Elections today would probably return a Labor majority, though it is recognized by all that the Conservative Party machine has been completely reorganized and is now excellent. The Embassy predicts that the Labor Government will probably choose to hold the next elections between June and December, 1949.

GERMANY  Ambassador Murphy reports that although the semblance of a unified Berlin city government is still being maintained, unity is only a fiction in the most important branches of the government. Recent developments also illustrate clearly that simultaneously with Soviet efforts to split or neutralize the present city government, agencies entirely under Soviet control are attempting to usurp the functions of the city government. This process has proceeded with undiminished tempo during the current negotiations in Moscow.

Ambassador Gaffney finds that officials in the French Foreign Office are currently confident an agreement on Berlin can be reached in Moscow, but doubtful that any agreement can be reached on four-power control of Germany. These officials are therefore inclined to the view that when any new quadruparte talks on Germany break down, the western powers should be prepared to seek a formula with Moscow for maintaining relations between eastern and western Germany without unnecessary and unavoidable frictions.

ITALY  Our Political Adviser in Trieste finds some evidence that the split within the local Communist Party may develop into large scale disturbances and perhaps rioting between the two factions of the Communist Party.