



The President's Daily Brief

~~Top Secret~~ 1 December 1967



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DAILY BRIEF
1 DECEMBER 1967

1. Cyprus

Mr. Vance is postponing his return as the Cypriots threaten the agreements with last-minute haggling over a paragraph on eventual "pacification." In Cypriot eyes, pacification would include withdrawal of all Greek and Turkish forces, but leave guns in the hands of the Cypriot national guard. The Turks will not stand still for this and all efforts are being bent today toward convincing the Cypriots that now is not the time for Byzantine bargaining.

2. North Vietnam

There now is some evidence that two North Vietnamese divisions may be moving south.

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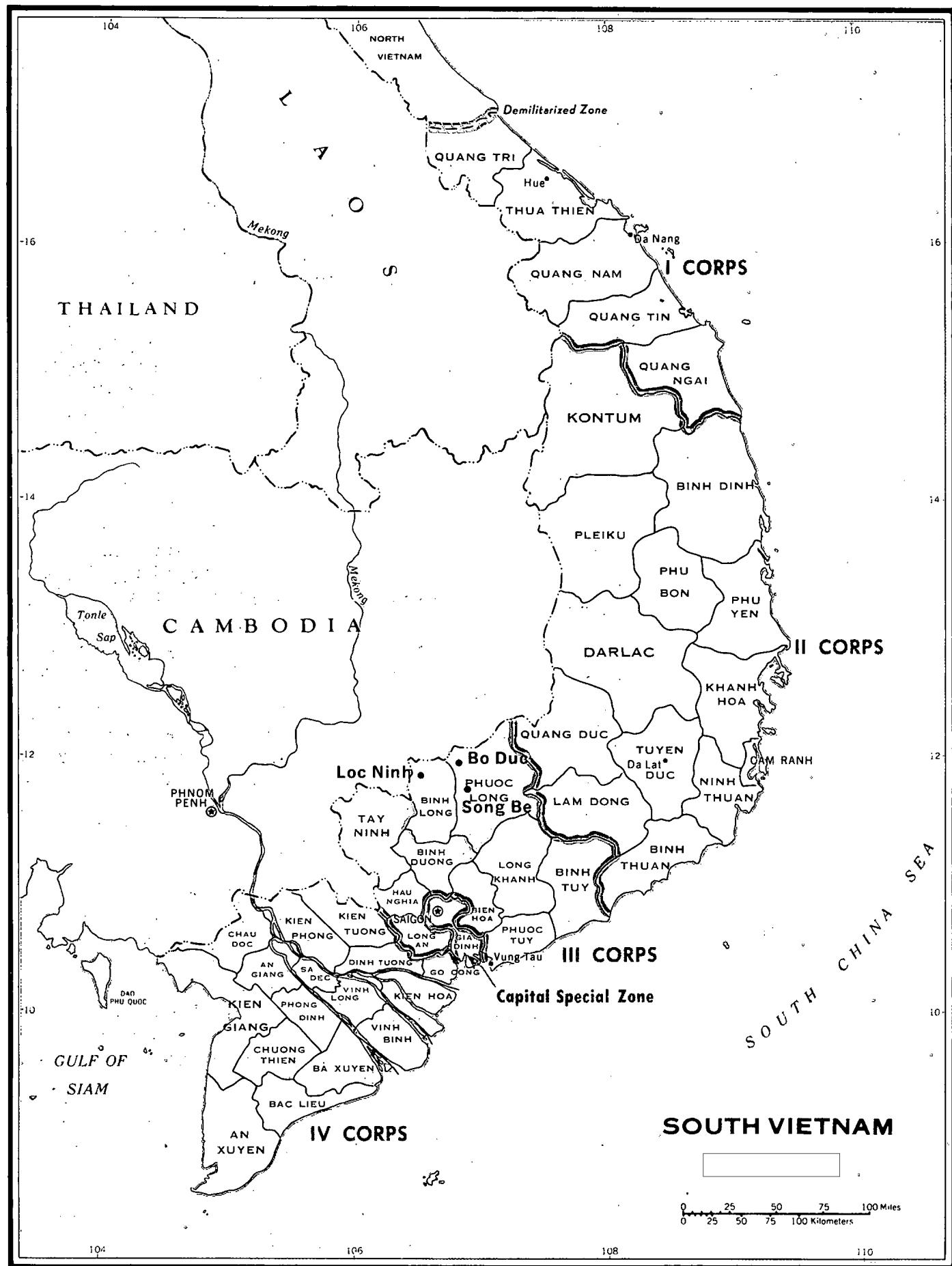
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3. Singapore

Lee Kuan Yew goes to Cambodia tomorrow for a visit with Prince Sihanouk.

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4. South Vietnam

The Communists appear to have established a major "front" command group in two III Corps provinces on the Cambodian border (see map). The organization of a "front" permits better coordination among various units in areas of concentrated Communist military activity. Other "fronts" have been in existence for some time in the Western Highlands and in the area of the Demilitarized Zone.

We began seeing signs of the new "front" late last summer. More recently, we have noted other signs that the Communists are trying to set up a main force enclave in the new area.

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5. Cambodia

From all accounts, Sihanouk was sent into an emotional tailspin by the US newsmen's discovery of the Viet Cong base camp in Cambodia.

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6. Rhodesia

The Rhodesians plan an all-stops-out reception for Barry Goldwater when he arrives on 11 December for a six-day visit.

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7. Egypt

Nasir apparently has not closed the door finally on Israeli use of the Suez Canal

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[redacted] in his speech of 23 November.

The complete text of Nasir's speech does suggest he was less hard-nosed than it appeared at first. Nasir did not actually rule out Israeli use of the canal. Rather, he linked it to a "just" settlement of the Palestinian refugee question.

8. Czechoslovakia

Officials in Prague are having some bad moments with unruly students. Over the past month, there have been demonstrations and threats of public sit-ins. While the immediate grievances are petty, they are symptomatic of growing restlessness among younger Czechs.

Even the Russians are keeping a wary eye on Prague.

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We doubt that Prague will become another Budapest, but the Czech Government does seem to be in something of a quandary on how to handle the students.

9. Communist China

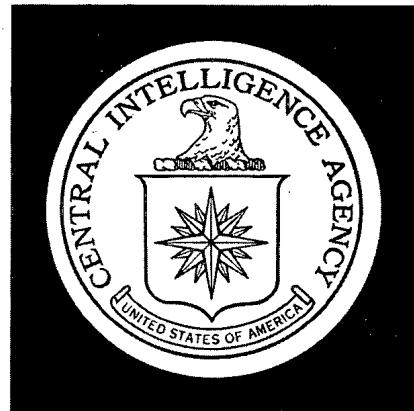
Peking is hedging against further currency devaluations--and perhaps trying to add its bit to pressure on the dollar--with large gold purchases. In the past week the Chinese bought \$100 million worth in the London market. By contrast, China bought \$40 million in gold in all of 1966.

The Chinese could probably go another \$100 million, but Peking alone poses no real threat to US reserves.

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FOR THE PRESIDENT'S EYES ONLY

Special Daily Report on North Vietnam

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1 December 1967

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Special Daily Report on North Vietnam
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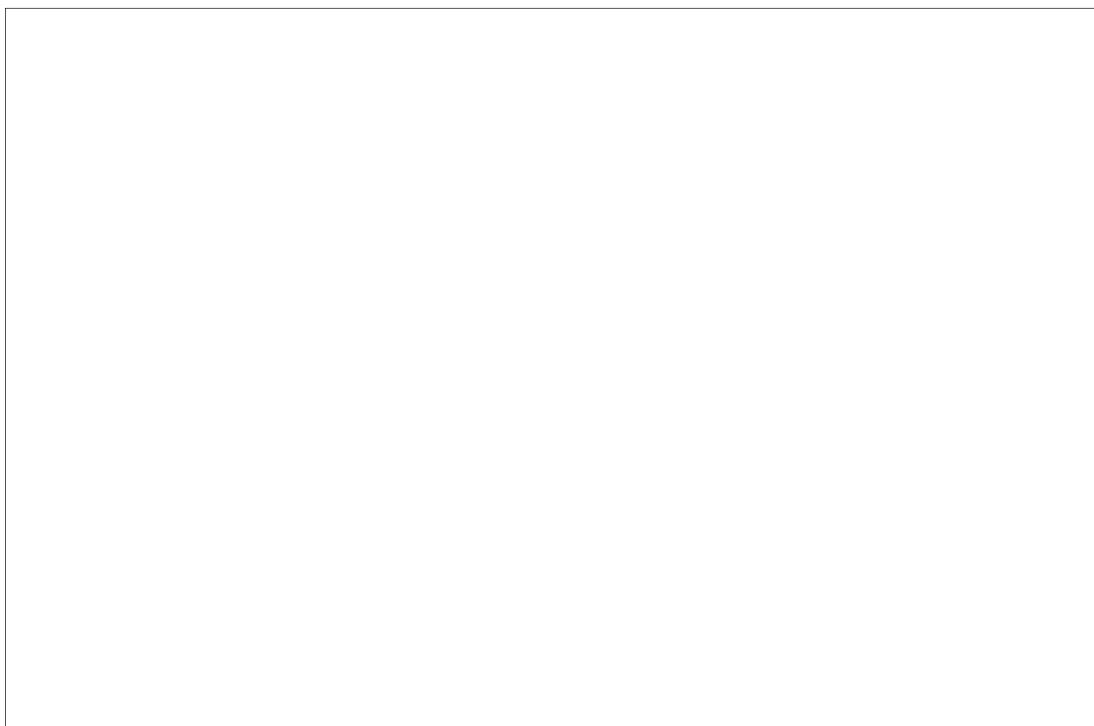
1 December 1967

I. NOTES ON THE SITUATION

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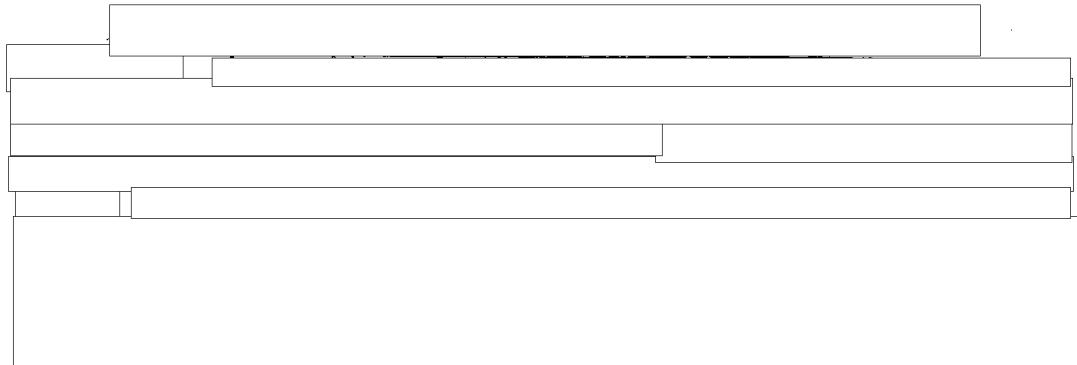


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French Journalists' Impressions of Hanoi: The French News Agency correspondent in Vientiane has told US officials that French TV journalist Francois Chalais, who recently returned from North Vietnam, had gone to Hanoi seeking only the sensational. The thesis of his 22 December French TV presentation is said to be that military damage to North Vietnam is slight because bombs are not hitting military targets. Chalais' camera crew reportedly photographed the aftermath of the bombing of a "defenseless" village, the destruction of a Catholic church, and the use of antipersonnel pellet bombs.

Pro-Communist French journalist Gerard Chaliand, who left Hanoi on 10 November, had a different impression of the North Vietnamese capital, according to the correspondent in Vientiane. Chaliand concluded that North Vietnamese agriculture had not been extensively impaired but that the bombing had seriously affected military installations, transport, and industry. The journalist had "considerable doubts" about the ability of the North Vietnamese population to continue resistance.

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II. NORTH VIETNAMESE REFLECTIONS OF US POLITICAL ATTITUDES ON THE WAR

Hanoi on McNamara: A Hanoi International Service broadcast in English yesterday asserts that the reported "dismissal" of Defense Secretary McNamara is "another proof of the deadlock" of the US Government's war strategy in Vietnam and of the "sharp contradictions among the ringleaders of the US aggressors." Hanoi claims that the "dismissal" will be a "personal disgrace" for Secretary McNamara, as well as "a setback for the whole Johnson clique in their obdurate pursuance of the war of aggression in Vietnam." The broadcast also claims that McNamara's departure will make the picture of the "US war" gloomier than ever. The broadcast closes by stating that the Hanoi army daily Quan Doi Nhan Dan has predicted that whoever the new Defense Secretary is, "he will certainly invite ignominious failure on himself should he follow the beaten track of criminal aggression."

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Stokely in Denmark: According to a report from the US Embassy in Copenhagen, Stokely Carmichael briefly attended the tenth open session of the Bertrand Russell War Crimes Tribunal on 29 November. He was reportedly warmly welcomed by the first witness of the day, North Vietnamese Minister of Health Pham Ngoc Thach, for his fight against racial discrimination in the US and for creating solidarity between American and Vietnamese people. Carmichael departed for Oslo on the 30th promising to return to Copenhagen on 1 December.

Hanoi Comment on Westmoreland Program: North Vietnam's army daily published a lengthy and scornful commentary on 26 November refuting point by point General Westmoreland's four-phased program for victory in Vietnam. The main theme is that Westmoreland's assertions are false and that the "defeated general" is being used not to fight the war, but to fight US public opinion.

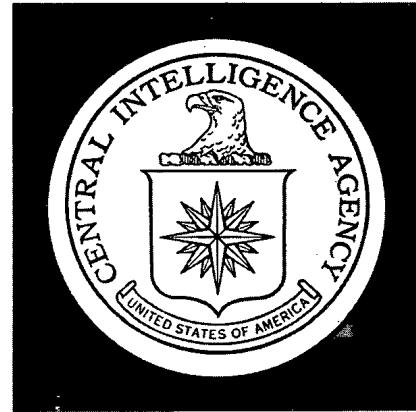
The daily acknowledges that in phase one US intervention saved the South Vietnamese "puppets" from defeat, but asserts that this paved the way for an even bigger "strategic defeat of the Americans." Even in phase one, says the daily, the US suffered because the South Vietnamese were unable to carry their share of the load, and because the "developing people's war" forced the allies to split up into smaller units. Above all, the US failed to achieve its "number one strategic objective of breaking the backbone of the Viet Cong." This failure, said the commentary, brought about the defeat of all the tasks which Westmoreland had set for the first phase.

Regarding the second phase, the commentary says that Westmoreland's report shows the "Americans are retreating," while Communist forces have not only preserved their units, but have also developed these units into division-sized ones. It claims the US was dealt an "unexpected strategic blow" in 1966 when it had to divert troops to the Demilitarized Zone area to cope with the Communist offensive there.

In describing the current situation, the commentary quotes an unnamed US journalist as saying recently that the Communists have the initiative and are capable of engaging in coordinated actions on a nationwide scale. US strategy, the commentary claims, has gone from crisis to stalemate, and the winter-spring campaign is proving that the US military situation has deteriorated and that US strategy is deadlocked.

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The President's Daily Brief

~~Top Secret~~ 4 December 1967



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DAILY BRIEF
4 DECEMBER 1967

1. Cyprus

Greece and Turkey have accepted the terms of U Thant's plea for peace and offer of the UN's good offices. As of 5:00 AM EST, however, there was no official word that Cyprus had accepted [redacted]

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[redacted] Consultations to end the crisis are now expected to shift to the UN.

2. South Vietnam

Saigon officials are considering resuming diplomatic relations with Indonesia. The Indonesians have suggested the South Vietnamese open a consulate general's office in Djakarta. Some South Vietnamese want to hold out for a full embassy, but others, including Ky and Foreign Minister Do, appear willing to take what they can get.

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3. Nigeria

The federal government now will be able to buy military equipment in Britain. London previously had restricted arms sales to the Nigerians [redacted]

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The British [redacted] are now prepared to sell the Nigerians "what they want." The federal government, wasting no time, has sent a representative off with a long military shopping list.

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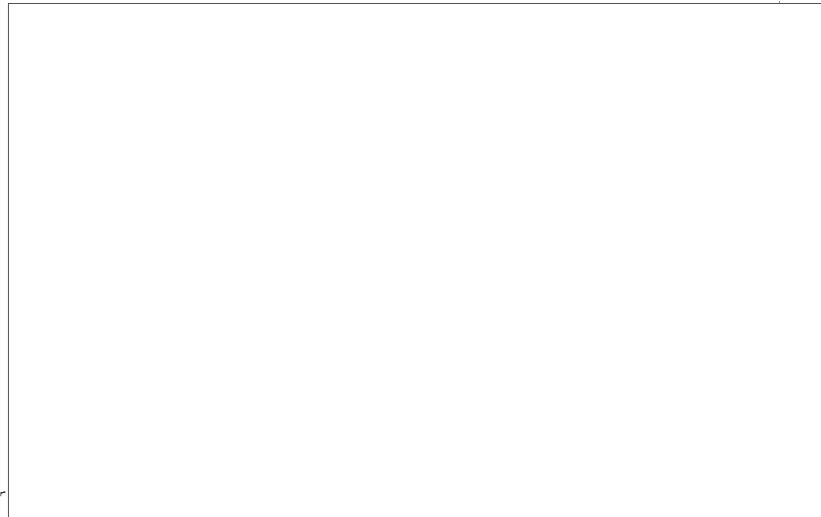
4. Congo

Most of the Katangese rebels who had fled to Rwanda have been repatriated to the Congo, where (so far) they have been treated decently. The white mercenaries, however, are still in Rwanda, where, to their immense irritation, they are being "processed" by representatives of the Organization of African Unity.

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5. Soviet Union

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6. Communist China

Clashes between rival Red Guard units continue to be reported from widely scattered parts of China. The key railroad to west China is still closed to through traffic because of Red Guard activities. Many of the Guards are again using firearms as they did during the bloody summer months. Fighting, however, is still on a smaller scale than it was then.

7. Cambodia

Sihanouk has been saying that Sino-Cambodian relations are back on the track; now he has underlined this by accepting a new offer of Chinese military aid. The Chinese have been supplying Cambodia with arms since 1964, but this latest gesture is clearly a peace offering to smooth things over after Sihanouk's anti-Chinese outbursts earlier this fall. Peking's new aid will include ammunition and an unspecified number of patrol boats and reconnaissance planes.

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Special Daily Report on North Vietnam

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4 December 1967

Special Daily Report on North Vietnam
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4 December 1967

I. NOTES ON THE SITUATION

Traffic Moves in Hanoi: Heavy traffic was moving on the principal rail and highway routes in the Hanoi area as of 1 December [redacted]

[redacted] Most of the trains and trucks [redacted] appeared to be heading toward Hanoi from the direction of China and from Haiphong.

[redacted] both the Doumer and Canal des Rapides bridges were operating at full capacity Friday night.

[redacted] train and truck movement on both bridges had been heavy and continual during the preceding week. At the Canal des Rapides crossing, [redacted] an alternate rail and highway bridge was still out, but a pontoon bridge to the west of the main span was carrying additional truck traffic.

Military truck convoys were reported moving from Haiphong to Hanoi on Route 5. Heavy traffic was also observed moving south on Route 1A and moderate truck activity was evident on Highway 3. No delays were noted. [redacted] observations suggest that Hanoi is taking advantage of the poor flying weather over North Vietnam to replenish supplies consumed during the past six weeks of heavy bombing in the capital area.

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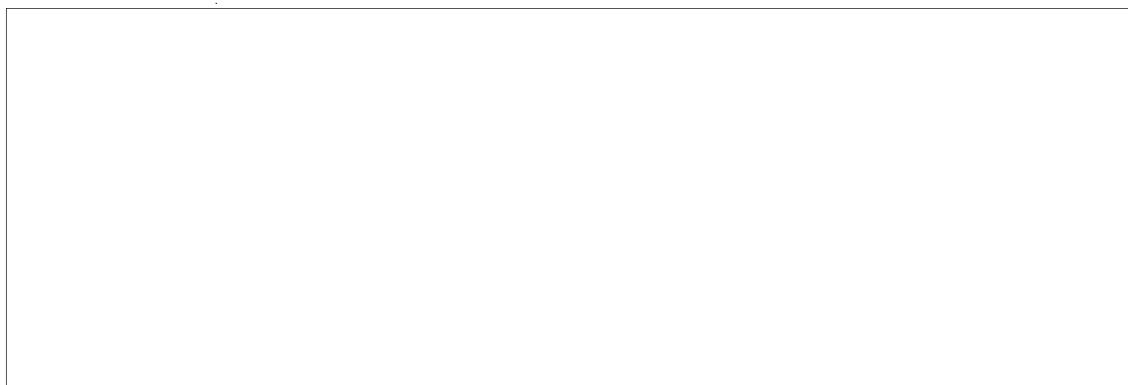
Peking Protests Ship Incident: The Chinese Communist Foreign Ministry issued a statement Saturday protesting a 25 November US air attack on a Chinese freighter anchored at the North Vietnamese port of Hon Gai. Peking claimed the attack wounded eight Chinese crew members and seriously damaged the ship.

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The Chinese protest went no further than Peking's standard anti-US rhetoric and its pledges of support for the "Vietnamese people."

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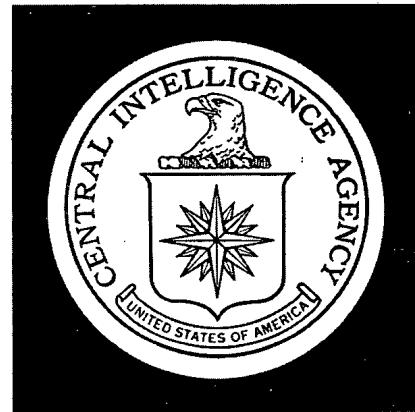
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II. NORTH VIETNAMESE REFLECTIONS OF US POLITICAL ATTITUDES ON THE WAR

More on Secretary McNamara: The Viet Cong's Liberation Radio crowed on 30 November that "McNamara has been dismissed," and that this happened because the Communists have defeated "all the strategies and tactics of the most talented collaborator of Johnson." The commentary says that "now the war of aggression of the US imperialists is going to collapse completely." It reviews US progress in Vietnam since 1961 and says that it was "McNamara himself" who devised the strategies and tactics and guided their execution. The commentary concludes by asserting that "any talented man who dares shoulder the heavy load (McNamara) leaves behind, will surely face more bitter, stronger, and more ignominious defeats."

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The President's Daily Brief

~~Top Secret~~ 5 December 1967



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DAILY BRIEF
5 DECEMBER 1967

1. Cyprus

The first Greek troops to leave Cyprus should do so late this week aboard a ship sent to the island yesterday. As yet no one has raised the delicate question of how many Greeks must be removed before the Turks are satisfied that all are gone. For their part, the Turks have said that the first pullback of their forces would be in Thrace and there are some signs they are beginning to do so.

Makarios' belated and qualified "yes" to U Thant's appeal casts something of a shadow over the days ahead when bargaining in the UN will be difficult and frustrating.

2. Yemen

The Soviets appear to be doing more than just providing equipment to prop up sagging republican military fortunes.

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As the Egyptians have withdrawn, the royalists have come down out of the hills and are pressing the republicans hard.

3. Canada

The Canadians now have briefed NATO on the extent of the defense cuts they plan in their European commitment. As part of the campaign to trim spending, Ottawa intends over the next few years to reduce its air squadrons on the continent from six to four. The Canadians also plan to eliminate one of their two NATO-committed brigades in Canada, and they may apply the scissors to the 6,500-man army contingent now in Europe.

4. Soviet Union

A Soviet Foreign Ministry official says that Moscow expects the US to get tougher in Vietnam after Secretary McNamara leaves the Pentagon.

The Russian probed a US diplomat for the "real" reasons behind the Secretary's departure. He discounted the White House announcement as "propaganda." Noting that the Soviets held the Secretary in high regard despite their press attacks on him, the Russian official said, "We prefer dealing with a wise enemy."

5. Australia

Holt told Ambassador Clark that the small Democratic Labor Party will support the government on Vietnam. The DLP holds the balance of power in the Australian senate since the 25 November election, although it has only a handful of seats.

6. Ivory Coast

Houphouet-Boigny is moving toward improved relations with the white-ruled states of southern Africa.

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Houphouet has long felt that unbending hostility to South Africa, Rhodesia, and Portugal is an exercise in futility.

7. Czechoslovakia

Czech leadership is split and some changes may be in the offing. Divided along conservative and liberal lines, the party hierarchy has been unable to deal effectively with Czechoslovakia's growing social and economic problems. The Central Committee meets shortly, and while President Novotny probably will remain in the saddle, he may have to throw some sacrificial lambs to the liberal faction.

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8. Philippines

Constabulary troopers have bagged two senior Huk leaders in recent weeks. Yesterday they killed Domingo Yambao, a guerrilla chieftain operating north of Manila who went by the alias "Commander Freddy." Last month Zacarias de la Cruz was gunned down in Bataan Province. Also known as "Commander Delio," de la Cruz was considered the number three man in the Huk hierarchy.

The Huks, however, have scored too. 50X1
Last week "Commander Freddy" massacred an eight-man patrol. [redacted]

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I. NOTES ON THE SITUATION

The Annual Soviet Effort to Persuade the US to Prolong the Projected Holiday Bombing Pause Has Begun: Last week a Soviet diplomat in London, speaking "personally," told a US correspondent that he felt the Soviet Union could persuade Hanoi to enter negotiations if the US announced no terminal date for the bombing pause.

In addition, a Soviet Foreign Ministry official recently assured a Western ambassador that Hanoi would agree to talks within three weeks if the US would stop bombing.

Similar approaches can be expected in the future, but there is no indication at this time that Moscow is acting at Hanoi's behest.

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Draft Age in North Vietnam: A North Vietnamese army prisoner recently captured in the South claims that boys in his home province have been drafted at age 15 since the first of this year. Another prisoner stated earlier that he was 14 when drafted in July 1966 and that all 14-year-old boys had received induction papers.

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It is doubtful that North Vietnamese boys are generally being drafted at 14 or 15, though this may well happen in a few localities where local draft boards have trouble meeting their quotas. The legal draft age is 18 to 35. Analysis of North Vietnamese population figures suggests that this should be adequate. About 190,000 young men reach 18 each year, and roughly half of these are probably fit for service. The estimated 475,000 men already in North Vietnamese military service constitute only about eleven percent of the approximately 4.3 million men of military age.

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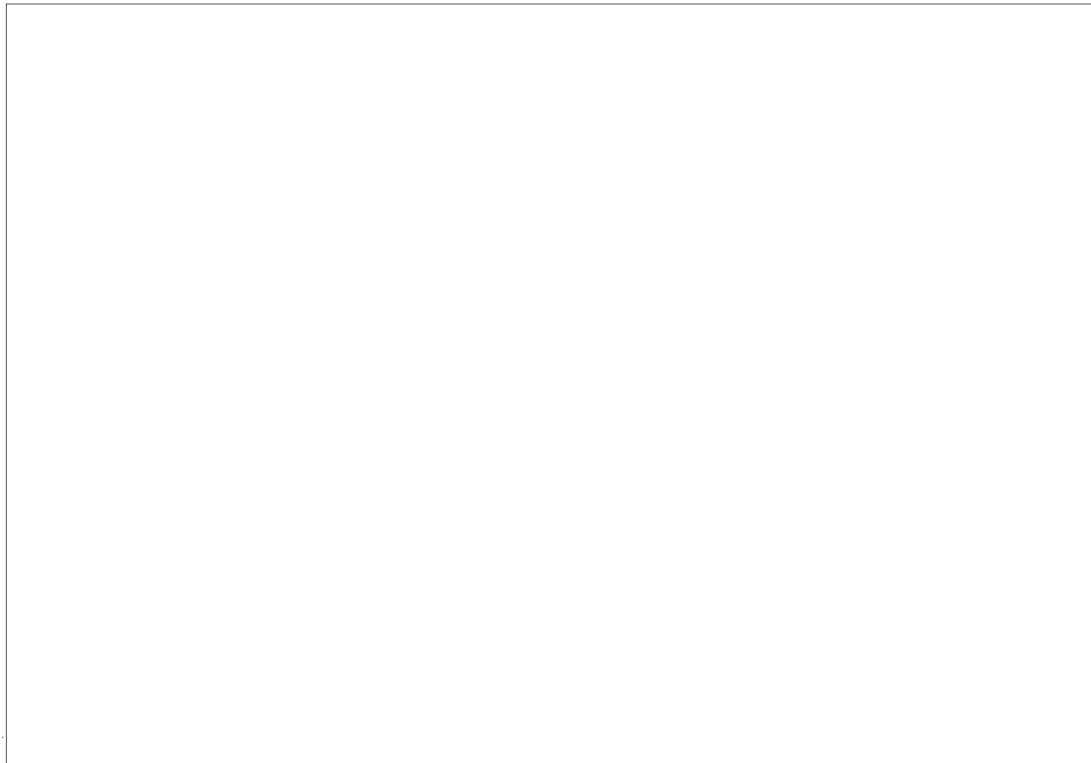
A Report from Paris: The US Embassy in Paris has received one of the periodic reports on Vietnam provided by members of the Far East section of the French Foreign Office. The most interesting portion of the present report deals with Hanoi's recent request to have its "General Representation" in Paris upgraded to a consulate. According to the source, the French Government is reluctant to grant the request. (Consular privileges are presently exercised exclusively by the Saigon Consulate General in Paris.) The Foreign Office source reported that Hanoi's request is now "under study" and he claimed that legal obstacles may forestall a favorable reply for the time being. A favorable response at some future date was not ruled out, however.

The source also reported that the head of the Far East section, Etienne Manac'h, will not stop in either North or South Vietnam during the course of his current Far East tour. The French representative in Hanoi, it was also reported, will be returning to Paris for a vacation this month.

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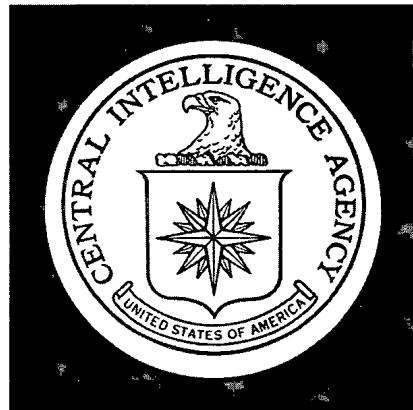
II. NORTH VIETNAMESE REFLECTIONS OF US POLITICAL ATTITUDES ON THE WAR

Hanoi on Antiwar Movement: In a broadcast in Vietnamese to South Vietnam on 3 December, Hanoi pointed out that the antiwar movement has spread from the American public to the ranks of US troops. The broadcast listed a series of Vietnam protests allegedly mounted recently by present or former members of the US armed forces. These included a Veterans Day call by veterans of Korea and Vietnam for an end to the bombing, and the recent activities of the four sailors who jumped ship in Japan and are presently in the Soviet Union. Hanoi claimed that these demonstrations clearly indicate that the US people are increasingly more conscious of their responsibility toward their country and are determined "to prevent the ruling authorities from driving the US into disasters and dishonor caused by the war of aggression."

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Hanoi on "War Crimes Tribunal" Verdict: Hanoi, in an international English language broadcast, has reported the "stern verdict" of the second session of the Bertrand Russell "War Crimes Tribunal" which closed last week. The broadcast reported that "the Johnson Administration is guilty of genocide in Vietnam," and that "its satellites in Australia, New Zealand, South Korea, Thailand, and Japan are accomplices in this crime." The "unquestionable conclusions," according to Hanoi, constitute a "telling blow to the aggressors in Washington." The broadcast thanked all concerned for their assistance in bringing this session of the tribunal to a successful conclusion. It promised that the South Vietnamese people "will fight with still greater resolve" to defeat the "US imperialist aggressors and their satellites and hirelings, to show their gratitude for the due punishment meted out to the number one war criminals of our time."

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The President's Daily Brief

~~Top Secret~~ 6 December 1967



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DAILY BRIEF
6 DECEMBER 1967

1. Uruguay

President Gestido died suddenly this morning of a heart attack. His Vice President, Jorge Pacheco Areco, was sworn in as President three hours later.

The new President is likely to have even more trouble than Gestido in controlling the rival political factions of the government party. This will affect his ability to sustain the movement that just recently got under way toward solution of the country's basic economic problems.

2. Cyprus

The crisis will not die out easily. It flared up on the verbal level yesterday over conflicting Greek-Turkish views on how Greek troop evacuation can be verified. Athens flatly refuses to permit observation by the UN Peace Force.

Back in Ankara, Turkish leaders have been sticking to their tough line on the whole Cyprus question. Turkey, they say, will not let itself be bargained out of its right to intervene in Cyprus. Moreover, there is little chance that Ankara will even consider Makarios' idea that troop evacuation should now be extended to the "legal" Greek and Turkish troop contingents. Ankara is not about to leave its Turkish kinsmen in Cyprus to the tender mercies of the Cypriot government.

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3. South Vietnam

[redacted] although the rumblings among the senior generals are likely to quiet down soon, a "feeling of political uneasiness" remains with these people, and this could lead to new crises in the future.

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4. Common Market

Wilson is leaving no doubt in anyone's mind about his determination to press on for an early answer to Britain's application for full Common Market membership. He very much wants the answer to come from the Market's council meeting opening on 18 December.

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This will be the thrust of the British diplomatic effort in the coming week. Whether Bonn will stand up firmly with London is still an open question, and

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5. Japan

Sato's US visit has clearly encouraged him to press harder for a greater Japanese defense effort. In a speech at the opening Diet session yesterday, he stressed that this is important not only for Japan's own security but also as a contribution to stability in Asia. He also referred to the "high expectations" in Southeast Asia regarding Japanese economic assistance.

He pointed out--as he often has since his return from Washington--that greater willingness by Japan to shoulder these burdens will also help speed up the return of the Ryukyus.

6. Communist China

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7. Soviet Union

On Monday, Pravda carried Moscow's first reaction to the President's offer of last weekend to open up the US to inspection by the International Atomic Energy Association. The article treated the announcement as a constructive effort by the US to induce some of its own allies to accept a nonproliferation treaty. Ambassador Thompson doubts, however, that it implies any change in the basic Soviet position.

The Soviets have said nothing yet about the joint US-British proposal in Geneva yesterday calling for inclusion of the President's suggestion in the treaty.

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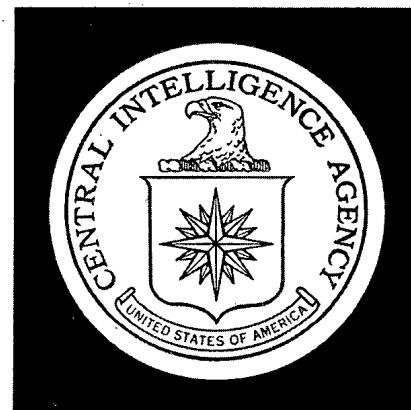
8. Soviet Union -
Syria

Moscow has made no apparent headway in its effort to bring the Syrian hotheads under control. The communique issued at the end of the Syrian Prime Minister's recent visit failed even to mention the UN Security Council resolution--a clear sign that Moscow was unable to reduce Syrian opposition to it.

Soviet efforts to get Syria to improve working relations with the other "progressive" regimes in Egypt and Iraq have also been unavailing. The Syrians are still dead set against the Arab summit conference scheduled for later this month.

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I. NOTES ON THE SITUATION

Ho's Health: Hanoi has responded to persistent rumors in the West that Ho is ill by issuing through an authoritative source a statement to the effect that his health is not causing any concern to the Hanoi leadership. This was reported by the French Press Agency correspondent in Hanoi and so far is Hanoi's only reaction to the Western speculation.

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Liberation Front to Open Press Office in France: The head of the Liberation Front's office in Hanoi, who has been in Denmark attending the Russell War Crimes Tribunal, stated in an interview yesterday that the Front "would set up a press office in Paris." He gave no date for the opening of the installation, nor did he indicate if the French Government has agreed to it. So far, there is no official word from the French

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Incidents Involving Chinese Ships: In connection with the recent incident in which Peking claims US aircraft damaged a Chinese ship in a North Vietnamese port, it is worth noting that Peking's ships have long been firing on US aircraft.

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II. NORTH VIETNAMESE REFLECTIONS OF US POLITICAL ATTITUDES ON THE WAR

Still More on McNamara and His Replacement: A Liberation Front broadcast on 3 December claimed that no matter who the "Washington warmongers" may designate to replace Secretary McNamara, he will be "doomed if the US imperialists still refuse to renounce their aggressive policy." The broadcast claimed that McNamara's "dismissal" indicated that the President no longer felt the Secretary was capable of the job. The statement also pointed out that McNamara had dedicated all his ability to serving the President "like a dog or a horse," but he has not been able to achieve success in the "piratical war" and was thus doomed.

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DAILY BRIEF
7 DECEMBER 1967

1. Cyprus

Greek officials on the island are bitter over the departure of the mainland troops.

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2. Vietnam

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3. Congo

The Rwandans, fed up with playing host to the mercenaries, have issued an ultimatum ordering them out within 48 hours. The Belgians in turn are now apparently planning an evacuation.

Congolese reaction to an airlift now could well be explosive. Mobutu has been insisting on preconditions to any repatriation--payments for the damage which the mercenaries have done, and guarantees that they will not be allowed to return to Africa.

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4. Thailand

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The Thai Army is moving forcefully to extend its control over counterinsurgency operations in the northeastern area bordering the Laotian panhandle. In the process, the army intends to adopt tougher tactics against the insurgents.

5. France-Iraq

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Iraq is to extend oil exploitation rights. President Arif has invited De Gaulle to visit Baghdad, but a government spokesman in Paris has indicated that such a visit is a long way off.

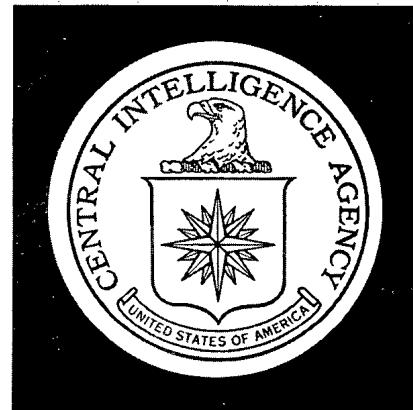
6. Dominican Republic Colonel Francisco Caamano Deno, leader of the "constitutionalist" forces during the civil war in 1965, has disappeared.

Caamano, now the Dominican military attaché in London, was last seen on 24 October in the Hague. The news of his disappearance was made public late last month. Since then, there have been reports that he has traveled to Cuba, that he is in hiding, that he is the victim of foul play by "foreign intelligence agencies," and that he is "out on a spree."

Unless Caamano's disappearance is cleared up soon, an already uneasy political situation will be further complicated.

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I. NOTES ON THE SITUATION

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Economic Claims: Hanoi's latest attempt to show that bombings have not disrupted its economy is a claim of increasing output by regional industries.

According to Reuters, the North Vietnamese news agency on 5 December said that regional industries under central control increased their output of some commodities by 1 to 13 percent during the first nine months of 1967. The report said that many "important industrial branches" have gradually increased in size despite the bombings.

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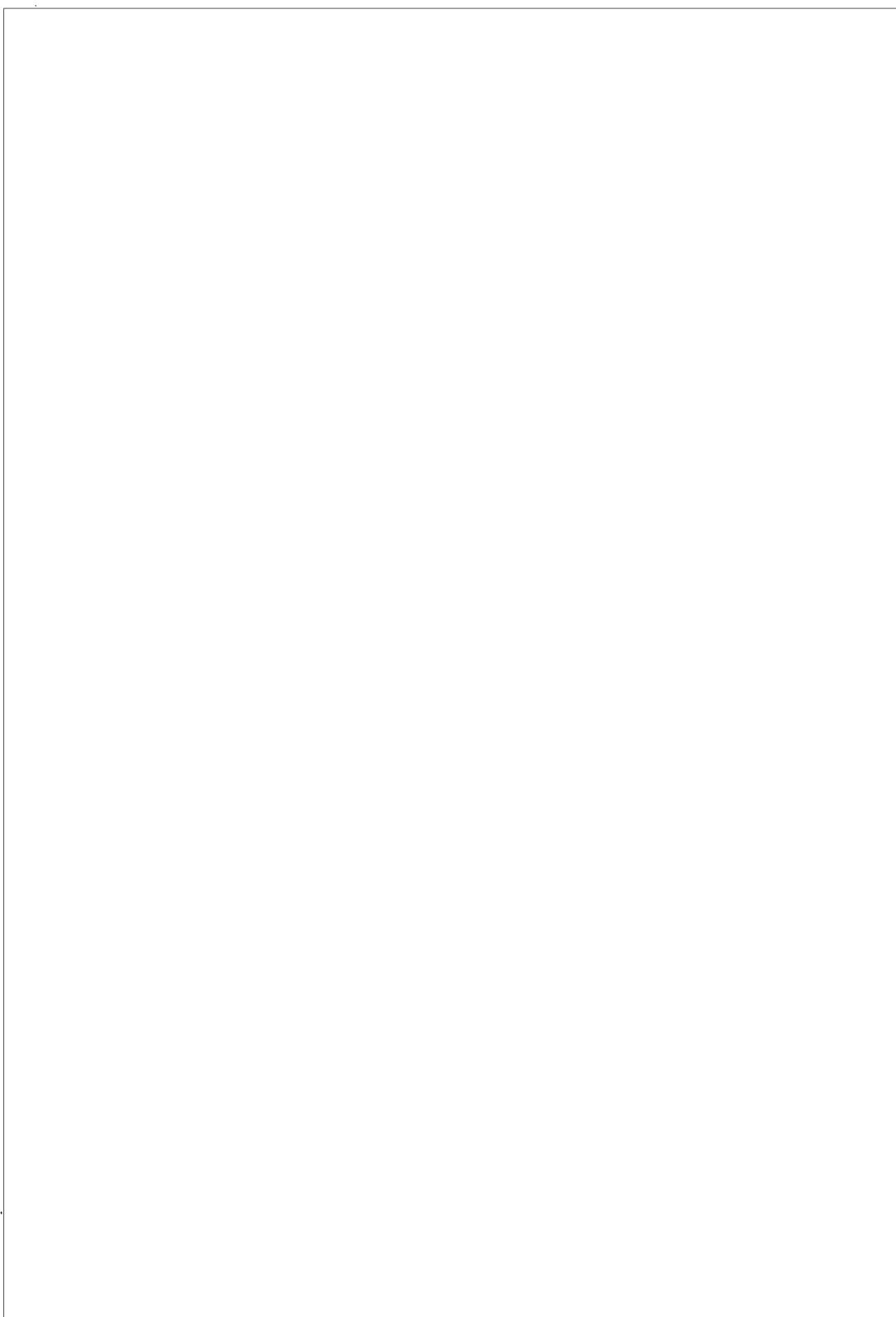
The industries cited are probably the local plants which were to be built or expanded in dispersed locations throughout the country, according to the 1966-67 plan drafted in response to the bombing. Hanoi gave high priority to these plants in order to enable regions to be economically self-sufficient and to guard against disruption of output by central plants.

Regional plants may have improved their performance during 1967, but the implication that all is well in industry is almost certainly false. The central plants--including the handful of modern plants--have been severely disrupted by the bombings. Even if the regional plants have performed up to plan, which seems highly unlikely, they apparently have been unable to make up the drop in the supply of nonmilitary industrial goods from prebombing levels. Imports of such goods have been increasing steadily since the bombings began.

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New Peace Proposal: The World Federation of United Nations Associations has announced a new proposal aimed at bringing peace to Vietnam. The proposal calls for the establishment of a date to end the war, the ending of the bombing of North Vietnam on the same date, and five-power talks to organize negotiations or a peace conference. Copies of the proposal dated 28 November have been sent by the association's president, Ales Bebler, to the US, North Vietnam, and the five countries named for the talks, Britain, Russia, India, Canada, and Poland.

Several months ago, Bebler called on the same five powers simply to hold consultations aimed at bridging the gap between the peace conditions demanded by Hanoi and Washington. Little response to that proposal was generated and it apparently was dropped after the Soviets voiced their objection to such a meeting. There is, moreover, nothing which would indicate that Bebler's latest effort will be any more successful.



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II. NORTH VIETNAMESE REFLECTIONS OF US POLITICAL ATTITUDES ON THE WAR

Appeal to Senator Fulbright: Hanoi in a broadcast on 5 December to American servicemen in South Vietnam carried what was alleged to be a letter from a captured pilot to Senator Fulbright. After recounting his capture, the pilot appealed to the senator, claiming that "many prisoners here rely upon your good will, prestige, and high position in our government to try to find a suitable solution to quickly end this problem."

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More Hanoi Thoughts on "War Crimes Tribunal": In a broadcast on 6 December, Hanoi issued a lengthy report on the outcome of the recently concluded second session of the Bertrand Russell War Crimes Tribunal. The broadcast reported statements by Americans who had attended or participated in the trial. Stokely Carmichael, called "a leader of the black people's movement in the US and a member of the tribunal," was quoted as condemning the US "for forcing black Americans to go to South Vietnam to be used as cannon fodder." He pointed out that the American leaders had committed "double genocide, that is, the murder of the Vietnamese people as well as the black people."

Dave Dellinger, another American member of the tribunal, also appealed to the world's people and the people of America "to unite their actions so as to step up their struggle against the war of aggression and the crimes of genocide committed by the US ruling circles in Vietnam."

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The President's Daily Brief

~~Top Secret~~ 8 December 1967

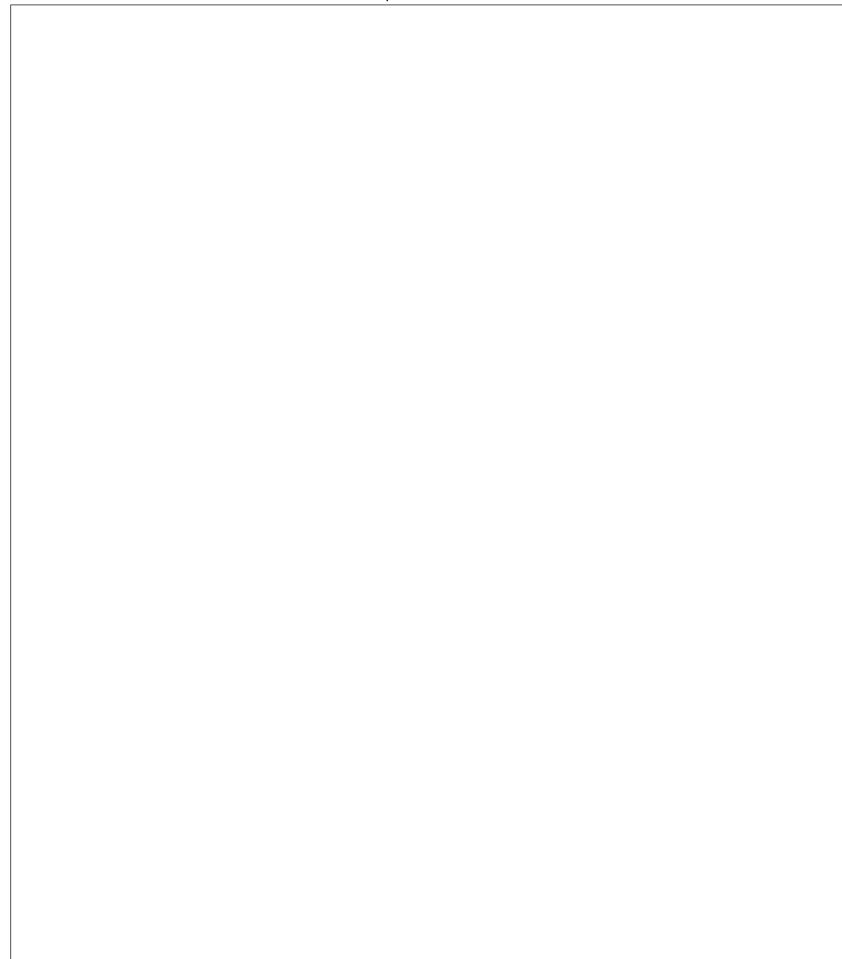


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DAILY BRIEF
8 DECEMBER 1967

1. South Vietnam

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2. France

The arms deal with Iraq that the press is talking about could be part of a grand scheme to get Mirage fighters, which are said to be included, to Jordan. [redacted]

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3. Cyprus

The Turks are not amused by Makarios' diplomatic maneuverings, which they see as attempts to wriggle out of the recent agreement. Ankara is especially insistent that the UN force somehow be allowed to monitor the withdrawal of Greek troops, scheduled to begin today.

The Turks also insist they still have a fundamental right to intervene on the island, and say they will do so if there are any more incidents like the one that touched off this crisis. The special Turkish invasion force, still concentrated along Turkey's south coast, gives spine to these words.

4. Yemen

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5. India

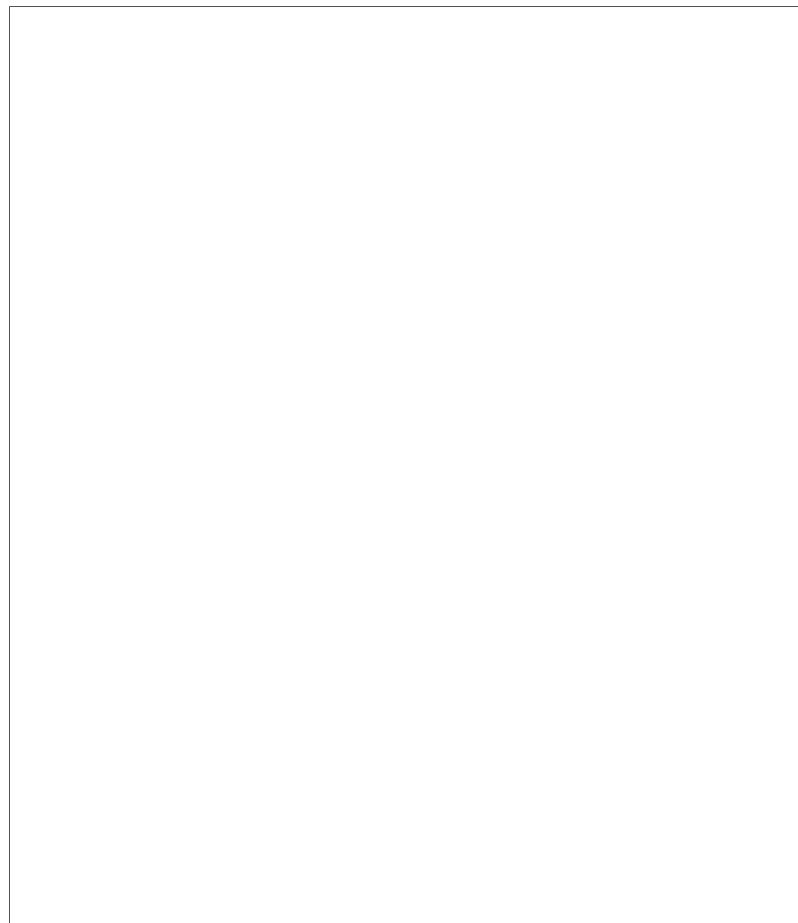
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6. Brazil

Foreign Minister Magalhaes Pinto, an opportunist who is quick to exploit anti-US sentiment, has taken it upon himself to say publicly (and in writing) that Brazil's position on Vietnam is one of "complete neutrality and abstention." This statement is at variance with the position taken privately by both the Brazilian ambassador to the US and Costa e Silva himself.

7. Bolivia



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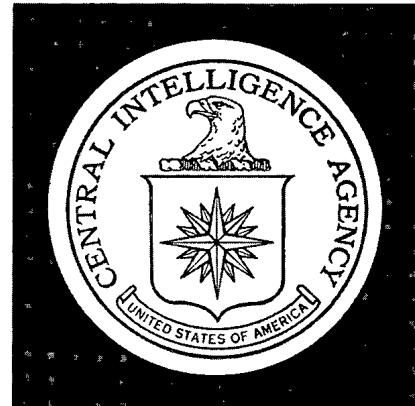
8. Congo

Evacuation of the white mercenaries in Rwanda on a Belgian plane is apparently imminent. Our embassy in Kinshasa believes the Congolese reaction will be shrill, but limited to propaganda and diplomatic moves.

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FOR THE PRESIDENT'S EYES ONLY

Special Daily Report on North Vietnam

Top Secret 50X1

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8 December 1967

Special Daily Report on North Vietnam
for the President's Eyes Only

8 December 1967

I. NOTES ON THE SITUATION

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Carmichael and De Gaulle: Carmichael is loose in Paris only because De Gaulle personally intervened. Airport police picked up the militant Negro when he arrived Tuesday. They were going to deny him entry and put him on a US-bound plane. According to a reliable source of the US Embassy, the matter was appealed to De Gaulle. The General ordered that he be released and admitted to France.

Wednesday night Carmichael repaid the General by calling him an imperialist and throwing him into the same category as the US.

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French News Agency on Current Bombing Respite:
The French news agency today broadcast a report from its correspondent in Hanoi concerning North Vietnamese exploitation of the eight-day bombing respite caused by the bad weather. The report states the last air raid alert was on 28 November.

First and foremost, the report says, the rice crop is being harvested, and preliminary estimates indicate it will be "quite good." Secondly, the respite has permitted the North Vietnamese to improve their transport and communications system. Road travel has been improved and travel time cut. Thirdly, an intensive phase of "physical and tactical training," political education, and "strengthening of morale" is said to have been instituted for self-defense units, uninterrupted by air raid alerts. The North Vietnamese are said "to have no illusions ...as soon as the sky clears, the American planes will be back to wreak new destruction. But it will have been time won, anyway."

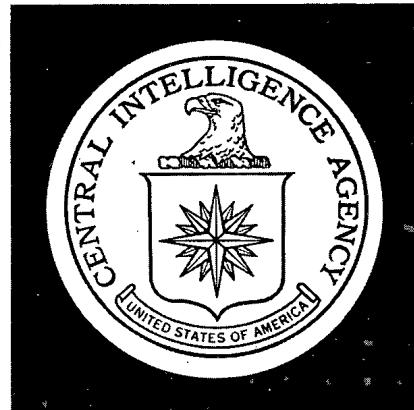
* * *

II. NORTH VIETNAMESE REFLECTIONS OF US POLITICAL ATTITUDES ON THE WAR

Nothing significant to report.

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The President's Daily Brief

~~Top Secret~~ 9 December 1967



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DAILY BRIEF
9 DECEMBER 1967

1. Yemen

The royalists say they have recovered the body of a Russian pilot from the wreckage of a MIG fighter. The plane, with Yemeni markings, was shot down during an air strike on royalist positions last week.

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The "siege" of Sana continues. There is an exodus of foreigners. Many Soviets have pulled out as has a goodly proportion of the republican leadership.

2. Turkey

There are some disquieting political undercurrents in the wake of the Cyprus crisis. While key political and public opinion leaders are going along with the government, there also is criticism of the decision to settle peacefully. Most Turks, who consider Makarios the devil incarnate, feel the whole scene will have to be played over in the future.

Perhaps the most serious potential threat is from the military. Many officers are bitter over the failure to settle the Cyprus issue once and for all.

3. Czechoslovakia

Brezhnev's surprise trip to Prague yesterday is a clear reflection of Moscow's concern over the Czech situation. Plagued with mounting economic, political, and social problems, the Czech party is divided and Novotny's authority has been challenged. Breznev will try to shore him up.

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4. Soviet Union

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5. Cyprus

The first Greek withdrawal took place yesterday morning when about 400 troops were evacuated from Famagusta. Turkish Cypriots are watching and counting.

Turkey has made some small moves toward reducing its military alert by pulling troops back from the invasion ports.

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6. Arab States

Arab foreign ministers meet in Cairo today to lay the ground for a proposed Arab summit. The wrangling in Cairo will be over whether to hold the summit now or wait until UN special representative Jarring has appeared on the scene.

7. Jordan

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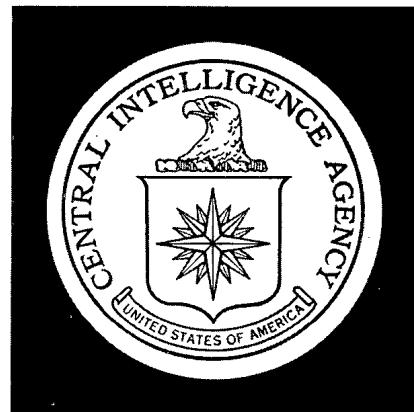
8. Denmark

Krag is in trouble. His political marriage of convenience with the ultra-left is threatened by discord in the coalition over how far to support the prime minister's recent economic moves, including wage freezes. Some of Krag's leftist allies are now threatening to go against him; he has only a two-vote majority in parliament. The US Embassy, Copenhagen, believes the tide is running against Krag and that his future looks dim.

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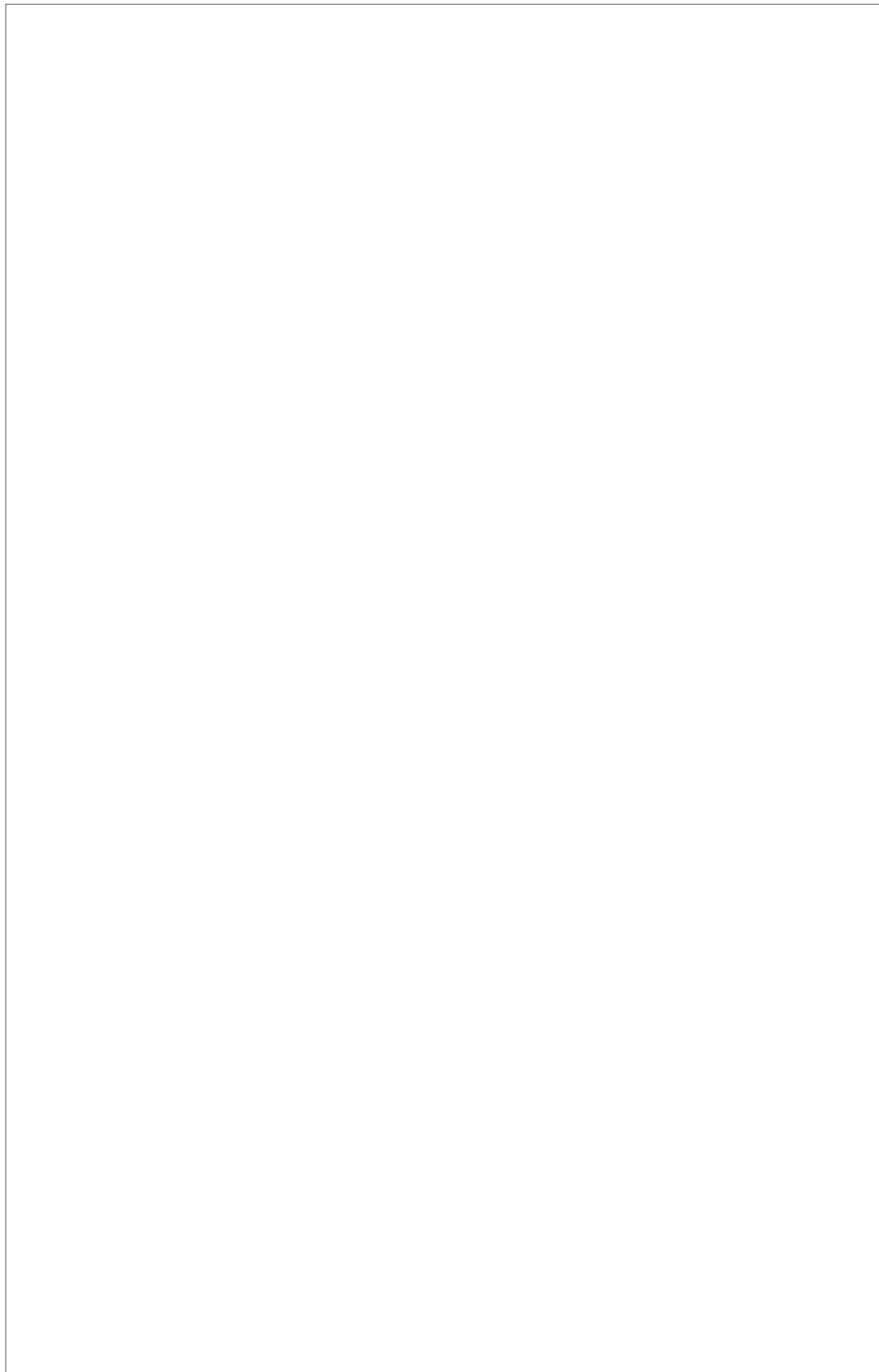
9 December 1967

Special Daily Report on North Vietnam
for the President's Eyes Only

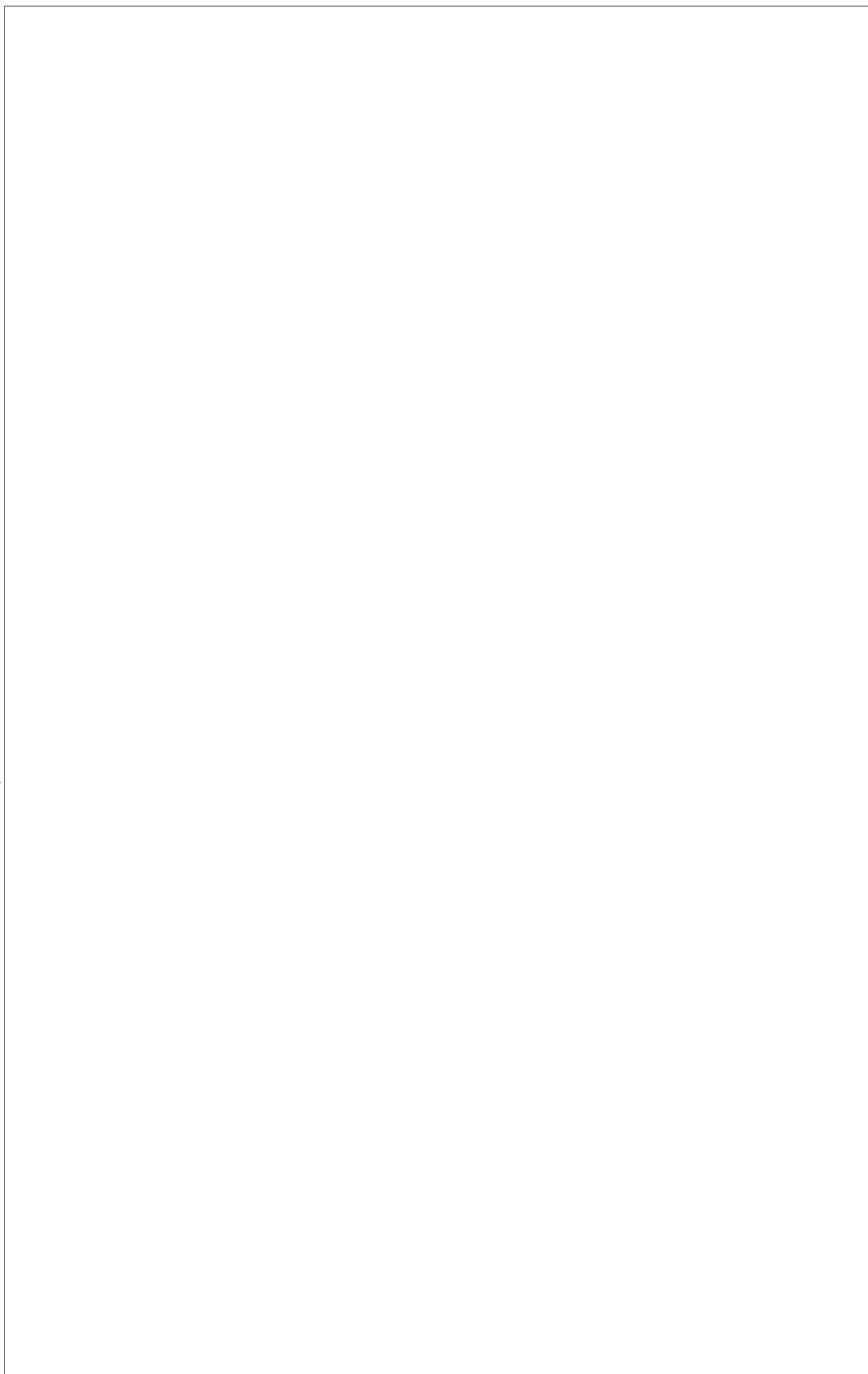
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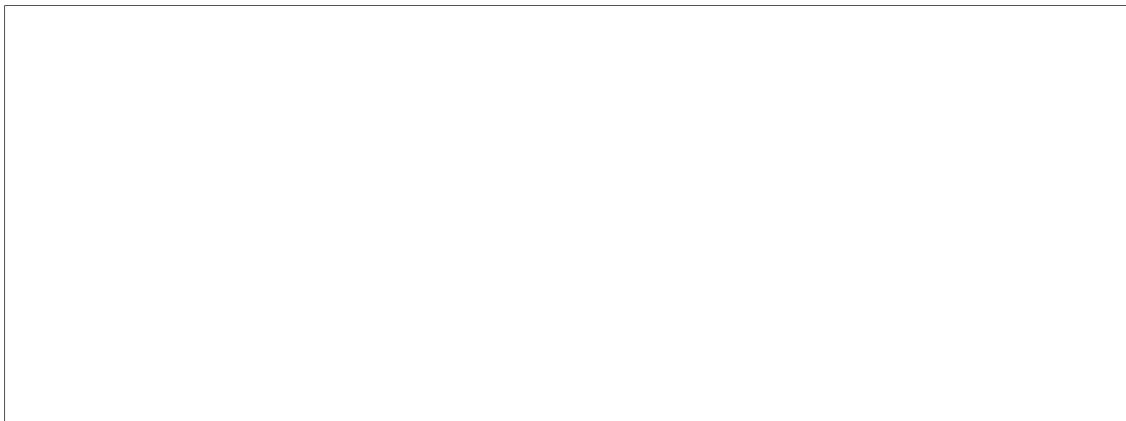


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Crop Claims: A Hanoi broadcast yesterday claims that collective farmers everywhere in North Vietnam are bringing in a "fairly good winter rice harvest." Statistics for yield in various localities are given, but no figure for the national harvest as a whole.

The modesty of the "fairly good" claim tends to support estimates that the late 1967 rice crop was below average, afflicting North Vietnam with the fourth below-average crop in succession. Imports of food are continuing at the level established early this year and will total more than 400,000 tons or three times the level of 1964, the last pre-bombing year.

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Conditions in Hanoi: [redacted]

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[redacted] the population of Hanoi was "quite composed." [redacted] North Vietnamese whom he met told him, without showing fear, that "Hanoi is not a safe place." Prices of staples, meats, and school supplies were lower than [redacted]

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[redacted] 1966, and department stores were well stocked with necessities. The purchase of clothing was controlled under a coupon system, but flimsy cloth could be bought cheaply on the open market.

[redacted] foreign businessmen were well treated by their North Vietnamese hosts.

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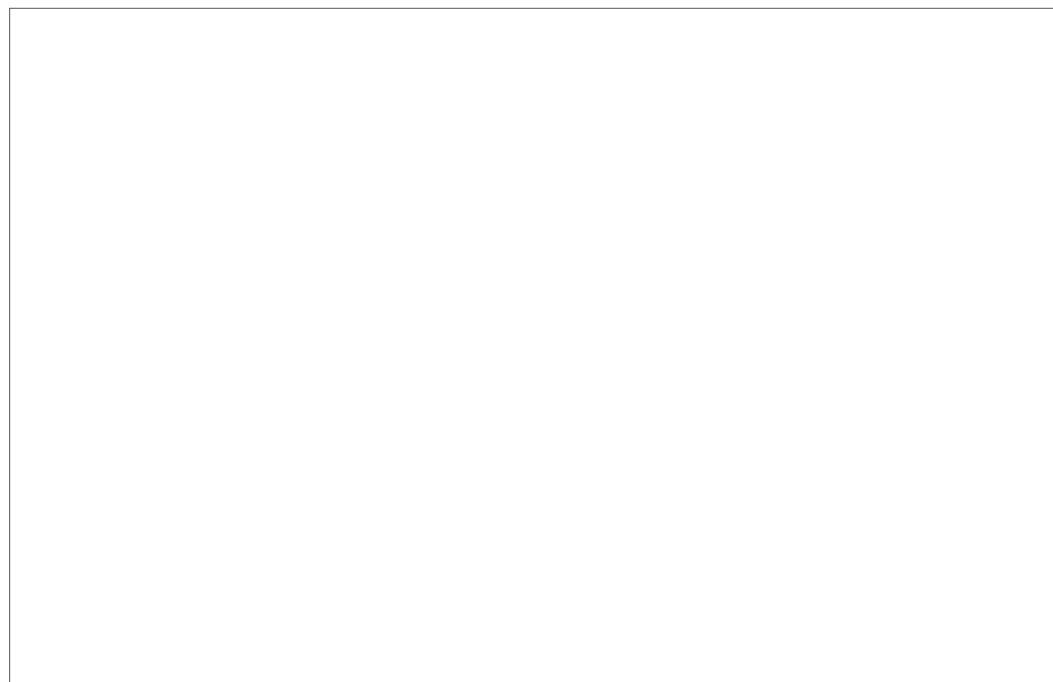
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Hanoi Quotes Pravda on Security Council Session: A broadcast in Vietnamese to South Vietnam on 6 December quotes a recent Pravda commentary on Ambassador Goldberg's statement regarding the US desire to have the Security Council discuss the Vietnamese problem. The broadcast quotes Pravda to the effect that this move "is merely a new deceitful trick aimed at covering up the US imperialists' aggressive acts and at preparing for escalation and enlarging the war." Hanoi provided no commentary of its own on the issue.

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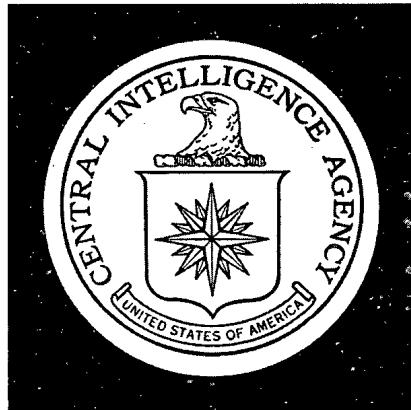
III. NORTH VIETNAMESE REFLECTIONS OF US POLITICAL ATTITUDES ON THE WAR

Liberation Front on McNamara Resignation: A Front broadcast in Vietnamese on 3 December claimed that by "kicking out" McNamara, by "holding him responsible for all mistakes and shortcomings, and by blaming him for his incompetence, Johnson and his clique have admitted defeat in the war." The broadcast continued that McNamara's departure also reflected "the serious stalemate and collapse" of the flexible response strategy of the US.

The resignation of the Secretary has not, according to the Front, removed the Washington leaders' problem of finding "a way out of South Vietnam." This problem, the broadcast asserted, is "driving Johnson and his clique crazy." The statement also pointed to the "serious internal rift" that has developed among the US leaders because of repeated failures in the war. It reported that some factions urge that the US should "escalate the war to its last rung by attacking North Vietnam, China, Laos, and Cambodia." Others, the broadcast said, suggest that US troops be withdrawn to key defensive positions and that "puppet" troops be used to replace them on the frontline to "serve as cannonfodder." Still other factions advocate pursuing the present "stalemated policy Johnson is following."

The broadcast concluded by stating that the "only correct way out for the US is to withdraw troops from South Vietnam and restore independence to the Vietnamese people, leaving them to settle their own affairs."

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The President's Daily Brief

~~Top Secret~~ 11 December 1967



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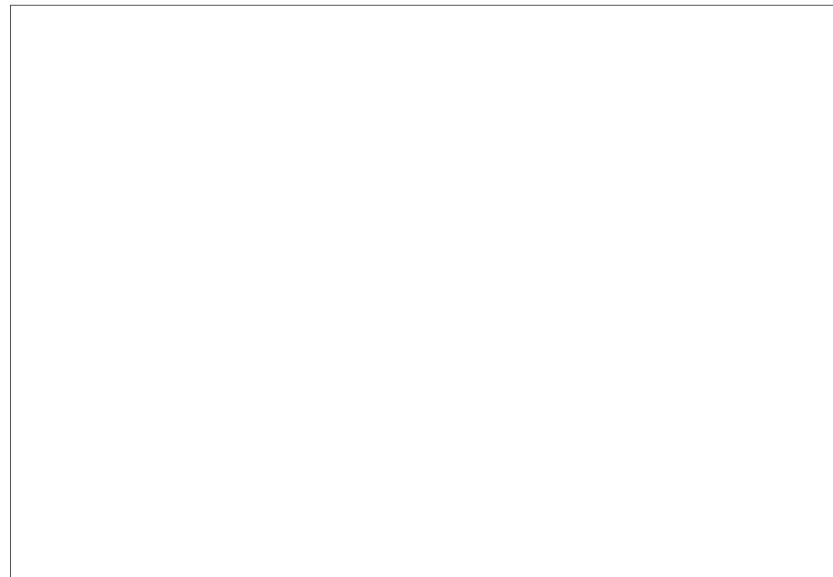
DAILY BRIEF
11 DECEMBER 1967

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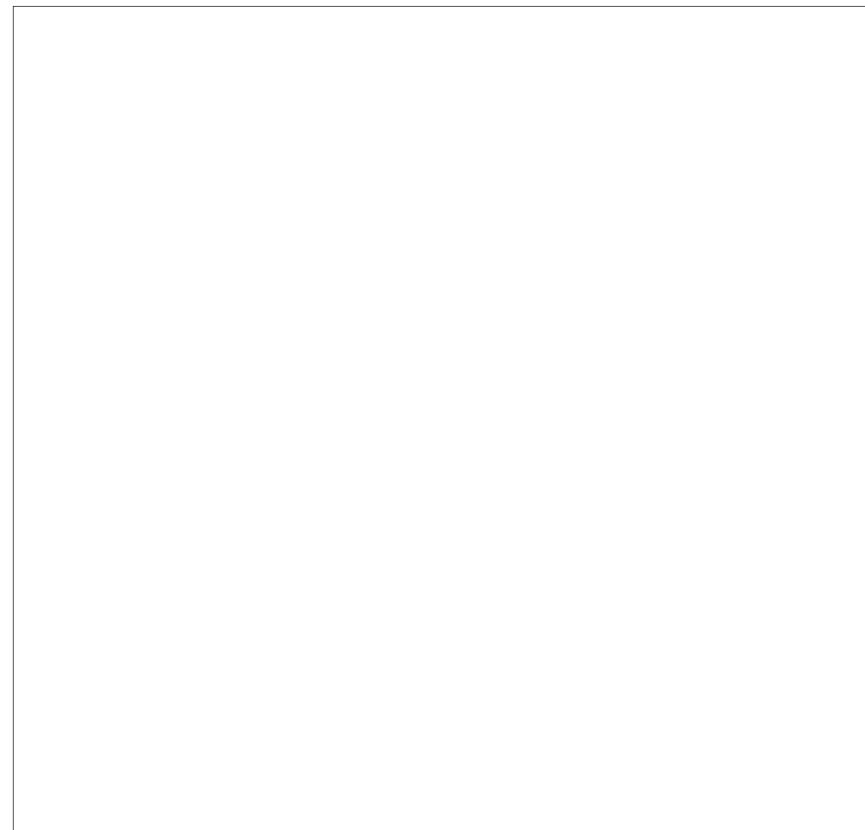
1. Yemen

Sana is still surrounded, but the besieged republicans have evidently won back some ground. There are signs that the republicans may be able to hold out until they can get reinforcements.

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2. North Vietnam



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3. Cambodia

Phnom Penh has taken further measures to improve security in areas along the South Vietnamese border which it feels may be threatened by allied military operations.

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4. Communist China

Peking is faced with new disruptions to the country's railroads. A recent party directive admits that "bad elements" trying to ruin rail transport have caused "great losses." Stealing from warehouses and freight yards is said to be widespread.

These troubles are still far below the level of last summer, but residents of several cities are writing letters about stoppages in deliveries of some kinds of food and about tighter regulations on coal consumption for winter heating.

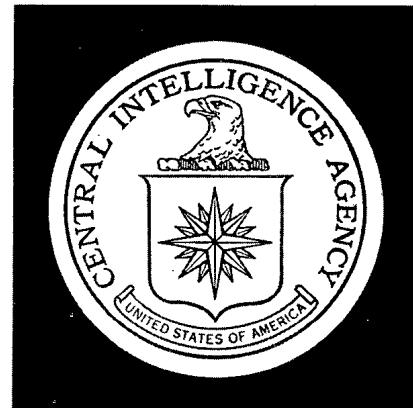
5. Cyprus

The first Greek troops withdrawn from the island--about 400 men--disembarked last night on the Greek mainland. There is still no word as to when further withdrawals will be made.

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FOR THE PRESIDENT'S EYES ONLY

Special Daily Report on North Vietnam

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Special Daily Report on North Vietnam
for the President's Eyes Only

11 December 1967

I. NOTES ON THE SITUATION

Comments by Front Spokesmen: Liberation Front spokesmen are continuing to emphasize the reasonableness and acceptability of their new program and to imply that more than a cessation of the bombing of the North is necessary to bring about conditions for ending the war in the South.

Nguyen Van Tien, the Front representative in Hanoi who is currently in Europe, stated in a 5 December interview on the French radio that the first gesture required to bring about favorable conditions for peace is the cessation of the bombing of the North. He stressed, however, that US acceptance of the Front's objectives is necessary before the fighting in the South can be ended. He defined these objectives as "the cessation of the aggression against us, the cessation of the bombing, the withdrawal of all US and satellite troops from the South, and recognition of the Front."

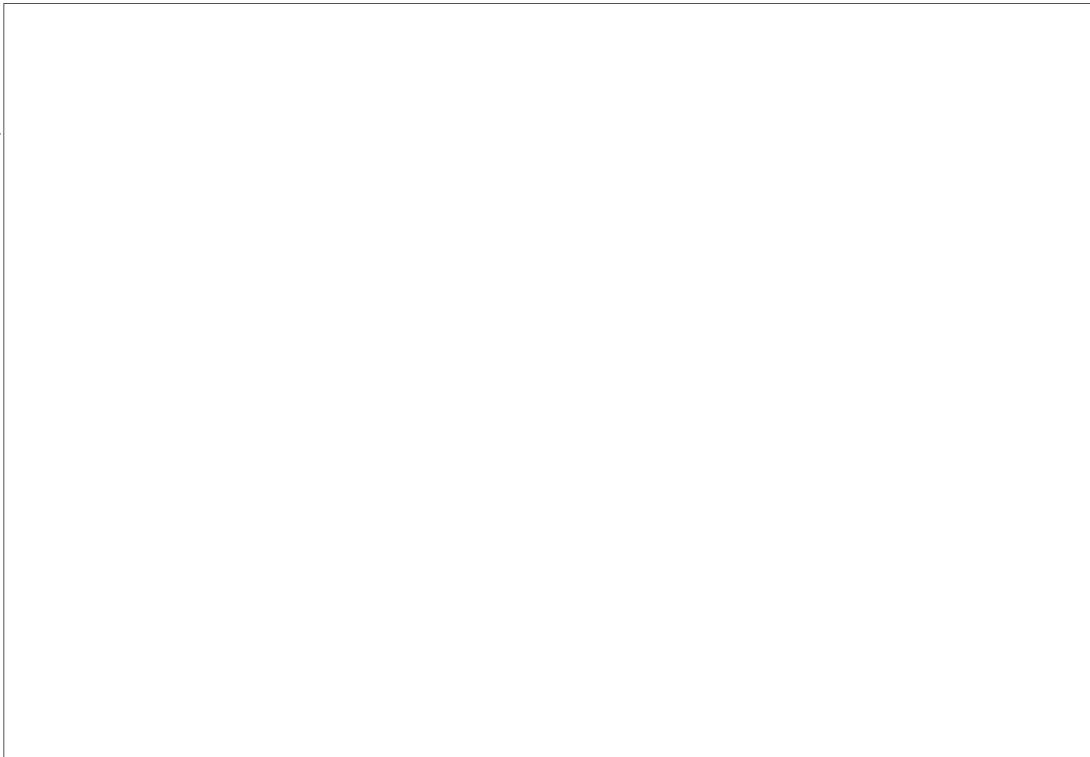
Much the same line was adopted by the Front representative in Prague, Ha Thanh Lam, in a recent interview in the Italian press, only a portion of which has yet been received. Lam demanded that the US stop the bombing of the North unconditionally but insisted that the NFLSV will continue to fight until the US agrees to withdraw. Both Tien and Lam side-stepped the question of how such a withdrawal would be carried out or whether an agreement to withdraw was sufficient to get negotiations under way.

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The Liberation Front Press Office in Paris: The acting head of the French Foreign Office Far East Section has informed the US Embassy in Paris that his government cannot confirm a recent statement by a Liberation Front spokesman that his organization would soon open a press office in the French capital. The French official claimed that his government had not been officially approached by the Front on this matter, although he felt that such a request would be granted. He pointed out, however, that his government was awaiting a firm request by the Front before taking any final decision on the question.

* * *

Liberation Front on Holiday Truce: The Liberation Front has issued a lengthy statement stressing the humanitarian nature of its proposal for truce periods at Christmas, New Year, and Tet, and calling upon South Vietnamese troops to "force their superiors" to observe the Front's order for a suspension of military attacks. The statement broadcast on 8 December claimed that the South Vietnamese

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Government, "together with their US bosses," are attempting to undermine the Front's initiative for a suspension of military attacks. It pointed out that the Thieu-Ky "clique" has been obliged to pretend to talk about a cease-fire "in order to fool public opinion and to cope with the Front's good will" but that it has had to acquiesce to the US view" proving that it has no right to solve problems dealing with our people's feelings." The statement ended by stressing the Communists' resolve not to let the "enemy" carry out provocative acts or to take advantage of the suspension of military attacks.

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Dac Son Massacre: The Communists are claiming that the more than 100 civilians who were murdered by the Viet Cong near the village of Dac Son in the South Vietnamese province of Bien Hoa on 5 December were actually killed by allied forces. A Hanoi English language broadcast yesterday claimed that US and "puppet" troops fired "wantonly" at two hamlets in the Dac Son area, killing or wounding more than 100 civilians and burning some 200 houses. The broadcast noted that this was only the latest in a series of similar allied "acts of terror."

* * *

Egyptian Casualty: According to press reports, Cairo has claimed that one of its diplomats in Hanoi died recently as the result of injuries suffered during a US air raid on Hanoi in October. The announcement stated that the victim, Gamal Eldin Omar, chargé of the Egyptian mission, was hurt as he dashed to a shelter during the raid, tripped on a flight of stairs, and was fatally injured.

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II. NORTH VIETNAMESE REFLECTIONS OF US POLITICAL ATTITUDES ON THE WAR

Hanoi on Antidraft Demonstrations: Hanoi on 10 December broadcast in English an article in the party daily commenting on "the stop-the-draft week" in the US. The article recounted the recent protest activities in many US cities and claimed that they

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were a further indication of the "uninterrupted development of the American people's movement to condemn and oppose the dirty colonialist war now conducted by the US imperialists in Vietnam." The paper claimed that the US antiwar movement has broadened in the past few weeks and that it includes almost all the "social strata in the US." This, the article points out, makes it clear that the longer the US war of aggression lasts and the more "obdurate" the Johnson "clique" becomes, the more the American people see it their task to "stand up against this aggression." The article closed by praising the American people for braving sacrifices and hardships in continuing their struggle against the rulers of their country, claiming that the protestors are conscious that they are protecting the honor of their country "now stained by the ruling circles."

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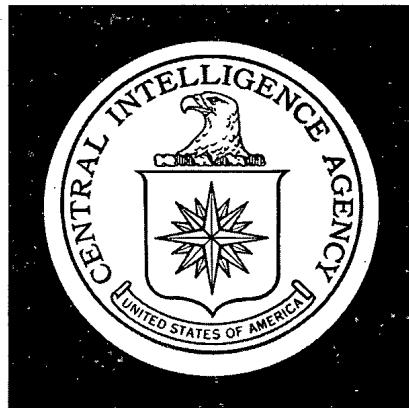
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More on the Draft Protest: Hanoi on Friday broadcast a detailed list of protest activities related to antidraft week that occurred in several US cities. The demonstration in New York drew particular attention. The broadcast claimed that 2,000 demonstrators clashed with police during a protest march and that 200 Americans tried to break into a hotel where Secretary of State Rusk "was defending the US war of aggression in Vietnam." The broadcast went on to report that the four US sailors who jumped ship in Tokyo were presently in Moscow on a hunger strike in sympathy with the anti-draft and antiwar movement at home.

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The President's Daily Brief

~~Top Secret~~ 12 December 1967

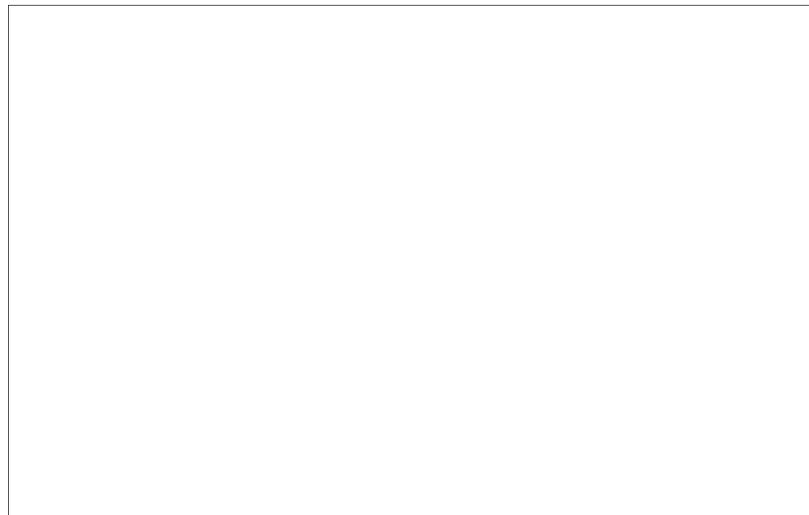


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**DAILY BRIEF
12 DECEMBER 1967**

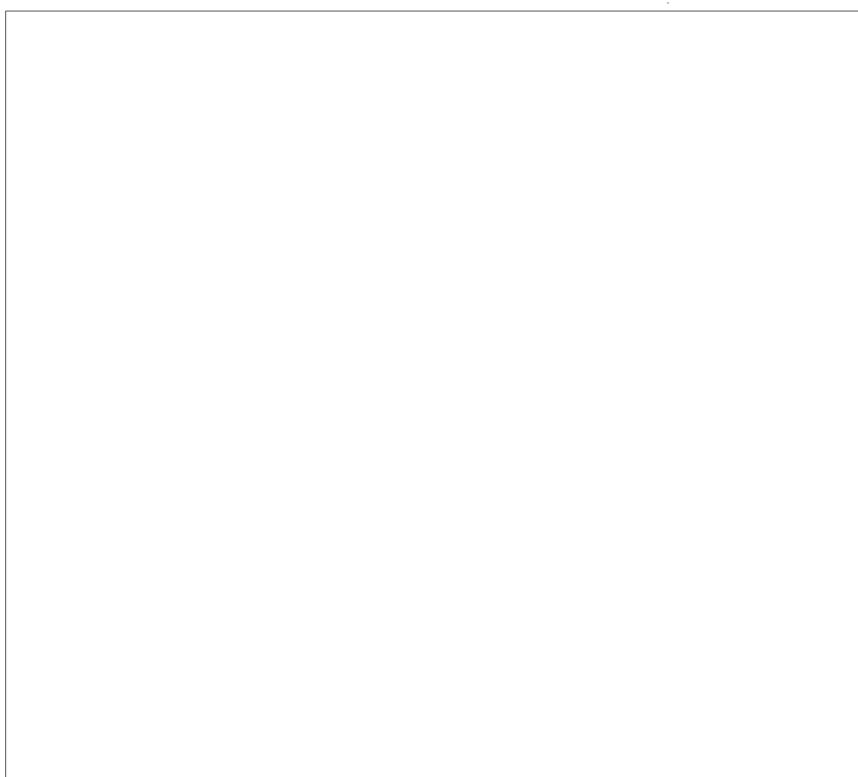
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1. Yemen



2. South Vietnam

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3. Greece

Early this month, former Prime Minister Karamanlis publicly condemned the junta from his safehaven in Paris.

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Karamanlis said he does not plan to get involved in Greek politics at the moment.

If he goes back to Greece at all, he said, it would be only after reforms have been carried out and it would be possible to lead a normal political life.

Karamanlis ran the Greek Government for almost eight relatively trouble-free years (1956-1963).

4. Cyprus

The Security Council probably will consider the UN peacekeeping mandate for the island late this week. Greece, Turkey, and Cyprus all seem to favor a short-term renewal of the present mandate, putting off discussion of an "enlarged" UN role. The present mandate expires 26 December.

As things stand now, the Greeks are not planning to withdraw their officers (about 500) assigned to the Cypriot national guard. The Turks do not know this yet and there may be trouble when they find out.

5. Haiti

Ambassador Ross has just completed an assessment of the situation in Haiti. The ambassador sees no real threat to Duvalier's control so long as he can find the money to pay his security goons. Haiti will continue to deteriorate economically, socially, and politically, but, the ambassador feels, Papa Doc will be there presiding over the downhill slide for some time to come.

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6. Communist China

If local officials in China's beleaguered provinces are not already confused by the contradictory edicts flowing out of Peking, they soon will be. The latest instructions in Mao's name state that fractious Red Guards are to be handled gently, their revolutionary exuberance turned into more productive--but unspecified--channels.

A go-soft order could lead to increased fighting, as local authorities are likely to interpret it as a directive to sit on their hands.

7. Nigeria

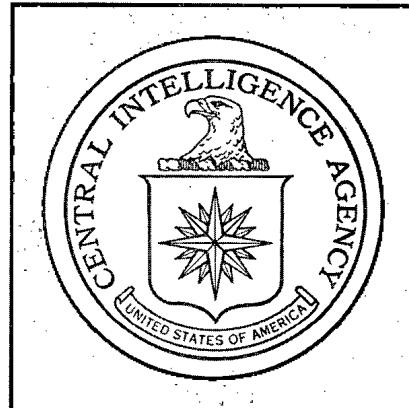
The civil war goes on. Casualties are mounting, but there has been little military progress by either side. The Soviets have followed up their arms aid to the federal government with offers of economic assistance; they also are working to exploit growing anti-American sentiment. The Organization of African Unity has been trying to get the warring Nigerian factions together, but so far there is no progress on that front either.

8. Soviet Union

Kosygin will visit India from 25 January to 5 February. There is nothing to indicate this trip is anything more than routine fence-riding.

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FOR THE PRESIDENT'S EYES ONLY

Special Daily Report on North Vietnam

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12 December 1967

Special Daily Report on North Vietnam
for the President's Eyes Only

12 December 1967

I. NOTES ON THE SITUATION

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A Report from Hanoi: One of the [redacted] refugees who recently managed to get out of North Vietnam confirms that Hanoi's propaganda about US raids on the capital is much exaggerated. He saw little

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bomb damage in the city and comments that "the Americans have been very selective" in the raids, "although occasional accidents had occurred."

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Hanoi Calls for Renewed Support by Workers of the World: The North Vietnamese trade union federation has issued an appeal to workers and union organizers of the world to "still further increase their movement of solidarity and support for the Vietnamese people." This is to be in commemoration of the seventh anniversary of the founding of the Liberation Front on 20 December. The appeal, which was reported by the French news agency correspondent in Hanoi, also called upon the world's workers to "expand and strengthen their opposition to the American aggression in Vietnam by every appropriate and creative means."

* * *

Hanoi Reports New Chinese Pledges of Support: The Chinese people "are playing the role of a big rear" and will continue their support for the Vietnamese until victory. This is a quote from Chinese Foreign Minister Chen Yi's speech at a reception on 9 December in Peking honoring the new head of the Liberation Front's permanent mission in China. Hanoi carried an account of Chen Yi's speech in its English language broadcast yesterday. Peking itself has yet to report the speech because Chen's status and title are still unsettled in the wake of the Cultural Revolution.

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II. NORTH VIETNAMESE REFLECTIONS OF US POLITICAL ATTITUDES ON THE WAR

Viet Cong on "Stop the Draft" Week: The Viet Cong have praised antiwar activities in the US during the "Stop the Draft" week (4-10 December), according to a Hanoi International Service broadcast in English on 10 December. No "brutal force" can silence the "just voice" of the American people in protesting the war, according to the Viet Cong. The broadcast claimed that Americans are seeing more

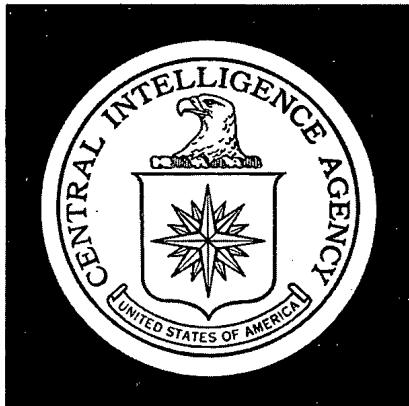
clearly that the US is following a "ruthless" policy and are opposing the "dirty war" in Vietnam.

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Hanoi Allegations on US Troop Behavior: The North Vietnamese are continuing to report alleged incidents of insubordination or cowardice on the part of US troops in South Vietnam. In an English language broadcast on 11 December, Hanoi reported that an American platoon in My Tho Province stayed away from its base for nearly a day to avoid being sent on a raid. Another platoon at the same base reportedly refused to obey orders to go to the rescue of "buddies" who were being "badly mauled" by the Viet Cong. Similar incidents in other areas throughout South Vietnam were reported in the broadcast, including one in which five US survivors of a recent attack threw away their guns and fled to Saigon. The article closed by commenting that "more and more American soldiers have come to realize that the US war is an unjust war of aggression and the only way out of it is to rise up and oppose it by practical deeds."

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DIRECTORATE OF
INTELLIGENCE

Intelligence Memorandum

CONTINUED PRESSURE ON STERLING AND THE DOLLAR

Delivered with PDB
on 12 Dec to:
Rostow (for LBJ)
Katzengenbach
McNamara
Warnke

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12 December 1967
No. 1683/67



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CENTRAL INTELLIGENCE AGENCY
Directorate of Intelligence
12 December 1967

INTELLIGENCE MEMORANDUM

Continued Pressure on Sterling and the Dollar

Summary

The British Government is reported to consider its recent devaluation of the pound a failure and may adopt a floating exchange rate, perhaps within a few days. If this were done, sterling could move downward in response to market forces until it stabilized, probably at a rate much lower than \$2.40. Such a move would disrupt the international financial system, possibly causing an upheaval in world trade and economic recession in many countries.

Britain's contemplation of the move to a floating exchange rate arises from several causes. Both within the UK and abroad there has been a growing belief that the 14.3 percent devaluation was too small to have any appreciable effect on the UK economy and the stability of sterling. This has led to renewed pressure on the pound, forcing the Bank of England to step in to support sterling, with resulting losses of foreign exchange reserves. Another element has been a French program, run by De Gaulle and the Finance Ministry, to undermine both sterling and the dollar. If the French pressures succeed and sterling is scuttled by a number of nations, the ultimate French objective of placing the dollar in extreme jeopardy may well be reached.

The UK is almost certainly aware of the probable consequences of the action it is contemplating. It would put heavy pressure on the US dollar, touching off

Note: This memorandum was produced solely by CIA. It was prepared jointly by the Office of Economic Research and the Office of Current Intelligence.

[Redacted]

a series of competitive devaluations in Western Europe and elsewhere. It could create an international atmosphere as vicious as the 1930's and force a return to comprehensive systems of restrictive trade and commercial controls by most of the world's industrial countries. This could lead to a large reduction of world trade and serious recession in those developed countries that rely heavily on foreign commerce.

[Redacted] 50X1

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[redacted] the UK considered its recent devaluation a failure and may adopt a floating exchange rate. Sterling would then be free to move downward in response to market forces until it is stabilized, probably at a much lower rate than \$2.40. If this action occurs, it would disrupt the international financial system, and it could depress world trade and induce economic recession in many countries. [redacted] the UK may take action within a few days.

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2. British contemplation of such a move arises from several unsettling causes. Since devaluation three weeks ago, there has been an increasing belief, both within the UK and abroad, that a devaluation of 14.3 percent was too small to have any appreciable beneficial effects on the UK economy and the stability of sterling. This belief has in turn led to renewed pressure on the pound, which forced the Bank of England to step in to support sterling last week and again on 11 December. In two hours on the morning of the 11th, the Bank of England lost about \$95 million in foreign exchange reserves through support operations. With dwindling reserves to support such operations, the British have good reason to consider either a further devaluation or adoption of a floating rate. One immediate advantage of the latter is that it may forestall for the moment competitive devaluations by other countries, which may prefer to wait until market forces stabilize the pound at some new, lower rate.

3. Another element in pressure against the pound has been a consistent effort on the part of the French Government to undermine both sterling and the dollar. The French "program" is being run by the Finance Ministry and President De Gaulle over the objections of the Bank of France. It has involved a number of serious leaks to the press of critical financial information that is uncannily accurate, well-timed, and full of closely held data. These leaks have stirred up speculation against both sterling and the dollar. The French have supplemented their press campaign with direct approaches, either by semi-official government representatives or by obviously "briefed" Frenchmen of importance traveling abroad. For example, Argentina was warned to get out of sterling by Antoine Piney, former member of the French Government and now head of

a French technical/commercial mission to South America. On the strength of his advice, Argentina did so before the devaluation. We have circumstantial evidence of official French complicity in Algeria's recent conversion of \$150 million into gold, direct from the US Treasury. At least \$125 million of this amount was bought in Paris with francs that constituted most of the Algerian exchange reserves. If sterling is in fact scuttled, French pressures will have had their effect and there will be more than an even chance that the ultimate French objective of a dollar devaluation will be reached.

4. The UK is almost certainly aware of the probable consequences of the action it is now contemplating. The British probably reason that a floating rate will give them considerable leeway to pursue a more expansionary domestic economic policy without the necessity of supporting a weak pound with scarce reserves. Moreover, the fact that sterling will float rather than be pegged at a new, lower rate, will create uncertainty abroad and probably give the UK precious time and balance of payments advantages before retaliatory devaluations take place.

5. It is unlikely that the US dollar will escape the heavy pressures that would develop as a result of a free sterling rate. If sterling began to fall, many holders of sterling assets would scramble to sell out. As they unloaded their sterling, they first would move into French francs, West German marks, and US dollars, but the limited supplies of francs and marks would soon be taken up and the dollar would become the chief currency sought. Many of these new dollar holders would seek gold as their final store of value. The British have net short-term sterling liabilities of about \$8 billion, and a large portion of these claims could be redeemed within a relatively short time. As these claims are cashed in, the holders would convert the sterling into other currencies at the going market rate for sterling. The demise of sterling as a reserve currency under disorderly conditions would place the dollar in immediate jeopardy.

6. In the longer run, whether the pound stabilized or continued to fall slowly, a whole series of competitive devaluations in Western Europe and other

areas could be expected. The international atmosphere could be as vicious as during the 1930s, and not the least of the results would probably be a return to comprehensive systems of restrictive trade and commercial controls by most of the world's industrial countries. Both the disorderly process of competitive devaluation and the re-emergence of trade controls throughout the industrial West could lead to a large contraction of world trade and serious recessions in those developed countries that rely heavily on foreign commerce.

7. In the event that the US and other major powers took strong countermeasures before the crisis developed--such as a pooling of reserves, prohibition of gold sales to private hoarders, and quick implementation of some reserve creation scheme--it is possible that some of the results would be different. Worldwide loss of monetary reserves, especially those of the US, would be smaller. Although competitive devaluations would in any case be inevitable, a cooperative atmosphere could keep their timing and size organized in some orderly fashion. As a result, there would be less disruption of trade and fewer repercussions on some of the West's most important economies.

8. If, in fact, the British adopt a free exchange rate and other major currencies are devalued substantially, the dollar would be seriously threatened. Unless the US is then willing to support an overvalued dollar, it would be faced with two alternatives: an increase in the price of gold, which is General De Gaulle's objective; or the demonetization of gold.

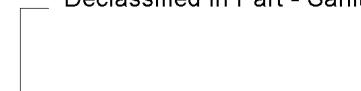
9. As long as no new and widely accepted international reserve asset is available, the role of the dollar as a reserve currency would be secure. If such a new asset is created, however, the reserve role of the dollar may diminish, but the importance of the US in world trade will ensure that the dollar can remain the world's major trading currency if devalued.

10. The adoption of a floating exchange rate for sterling should not cause the Wilson government any insurmountable political problems at home. The Labor

majority in parliament can be expected to back the move. Most of them have long believed that the preoccupation with supporting the pound has impeded domestic social and economic progress. They will view removal of this obligation as lifting a tremendous burden from their government. The Conservative opposition will condemn the move and point to it as proof that the recent devaluation was another measure of the Labor government that was inadequate to solve the country's economic problems. They will also claim that it breaks faith with the holders of sterling, and further erodes Britain's international standing.

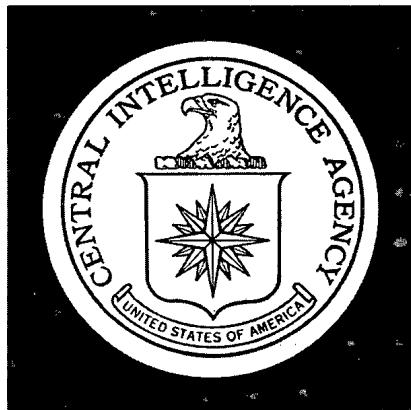
11. The recent appointment of Roy Jenkins as chancellor of the exchequer will be helpful in selling the plan to the British public. Jenkins is a highly respected activist, and a bold, new economic initiative is not unexpected. The immediate selling job will also be made much easier if, as seems quite possible, the deflationary program that was to accompany devaluation can be made less stringent. On the negative side, the public, whose confidence in their government is already badly shaken, will be confused about what it all means. On balance, however, adequate public support will be there in the short term, although this can evaporate rather quickly if the performance of the economy does not improve markedly during 1968.

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The President's Daily Brief

~~Top Secret~~ 13 December 1967



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DAILY BRIEF

13 DECEMBER 1967

1. Cyprus

Rival Cypriot fighting units still confront each other in several tense areas on the island as Makarios' effort to arrange reciprocal withdrawals gets off to a slow start. Turkish Cypriots have initially balked at a limited withdrawal plan, but the real decision is up to Ankara. Ambassador Belcher points out that if this initial "normalization" effort falls through, it will cast doubt on the chances of a broader UN-sponsored pacification program.

The second major evacuation of Greek troops from Cyprus was set to get under way last night, but as yet we have no word on how it went.

2. Communist China

This year's grain harvest has probably been a good one, perhaps even a little better than in 1957--the year before Mao's disastrous Great Leap Forward. It will not do much to raise rations, however--there are almost 150 million more Chinese stomachs to fill now than there were a decade ago.

Also, there is good evidence that

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port problems will disrupt the collection and distribution of food. Unsettled conditions will also encourage peasants in many areas to hold back grain from government collectors.

Peking still needs foreign grains, and has just concluded a contract to buy two million tons of Canadian wheat for delivery next year. Negotiations are under way with France and probably will soon begin with Australia.

3. Yemen

Fighting continues north of the capital, but with no apparent decision.

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4. Arab States

The proposed Arab summit conference has been delayed until 17 January,

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We do not think that Brezhnev's long-scheduled visit to Cairo next month has anything to do with the postponement.

5. Ghana

Potentially dangerous frictions are developing within the military leadership as it casts about uncertainly for ways to achieve the promised restoration of civilian government. Public criticism is growing over the regime's policy of economic austerity and over the encouragement it has given to private foreign investment.

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6. Laos

The Communists have kicked off their annual dry season offensive. In an area that had been relatively secure in the southern panhandle, a combined Pathet Lao - North Vietnamese force overran a neutralist base on Monday. The defenders suffered heavy losses before recapturing it yesterday. In the north a few days earlier, the Communists seized a base from which pro-government counterinsurgents had been staging operations against routes out of North Vietnam.

Reports of substantial supply movements in recent weeks suggest that the Communists may intend a more sustained offensive effort in northern Laos this season.

7. Soviet Union - West Germany

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FOR THE PRESIDENT'S EYES ONLY

Special Daily Report on North Vietnam

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13 December 1967

Special Daily Report on North Vietnam
for the President's Eyes Only

13 December 1967

I. NOTES ON THE SITUATION

Hanoi Comments on the UN: Hanoi has broken its silence regarding recent Vietnam related activities at the UN by issuing a sharply worded denunciation of US efforts to bring the Vietnam problem before the Security Council. This was the essence of an authoritative "Commentator" article in the party daily Nhan Dan, which was broadcast on 12 December.

"Commentator" claimed that the US was up to its "old tricks" of making the UN serve its "aggressive plan against Vietnam" and "scrapping the 1954 Geneva Agreements." It reiterated Hanoi's long-standing view that the "UN has no jurisdiction whatsoever to settle the Vietnam problem," and cited the Liberation Front's recent denial that it had tried to send representatives to the UN to discuss the Vietnam question.

Continuing on the same unyielding note, "Commentator" restated Hanoi's most rigid formulations for a settlement of the conflict. The article concluded by claiming that Hanoi's Four Points and the Front's new political program reflect the basic principles and main provisions of the 1954 Geneva Agreements, which, it said, "the countries participating in the Geneva conference, as well as other countries and the UN, have the duty to respect."

* * *

Further From Spanish Refugees Out of North Vietnam: Seven Spanish veterans of the French Foreign Legion who remained in North Vietnam after the end of the Indochina war have recently been returned to Spain. Their repatriation is the latest result of Hanoi's efforts over the past three years to rid the country of foreign elements which the regime has felt to be untrustworthy. The refugees had spent most of the years since 1954 in villages outside Hanoi engaged in semiskilled and laboring tasks.

In an initial press statement, the refugees complained about their treatment at the hands of the North Vietnamese, stating that even after many years, they were considered foreigners. They claimed that the North Vietnamese were not afraid of the US and were determined to fight "until none of them is left standing."

Prior to their evacuation on 30 November, the refugees spent several weeks in Hanoi. In a report of their impressions of conditions there, they said that despite North Vietnamese government propaganda, bomb damage to Hanoi did not appear to be extensive and that the government was using "black smoke" to simulate damage. The refugees observed that traffic in Hanoi was flowing in both directions across the Doumer bridge, and that there appeared to be plenty of labor available for repairing bridges and other vital points. Such repairs seemed to be made effectively within a reasonable period of time. The Spaniards also observed numerous small generators in the capital and reported that electric power was available on some days but not on others.

In a subsequent report, the refugees provided more specific information on the conditions in the area where they had lived. All indicated that the food situation was bad. They complained about the inability to obtain milk, meat, and other commodities which are more common to a Westerner's diet than to an Oriental's. The supply of rice seemed adequate on the basis of the information given but it was clear from the refugees' statements that the people are hard pressed to make ends meet and to provide for themselves.

Several of the Spaniards confirmed earlier reports of black market activities in the outlying areas, claiming that needed foods, like rice and sugar, were priced greatly above that set by the government; prices went down, however, at harvest time. Others reported that some of the food they had received came from China or the Soviet Union. All left the impression that the people were unhappy and war weary, but none mentioned any antiregime sentiments or any open disobedience to regime dictates. One refugee pointed to the security apparatus as one reason for popular compliance with government dictates.

Comments on Haiphong Bombing: [redacted]

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[redacted]

[redacted] the following undated--but clearly recent--report about conditions in Haiphong, which indicates that the port is functioning normally:

"Six or seven ships, that is the maximum possible, are permanently at the docks. The activities of loading and unloading seem to be regular.

"The Vietnamese have profited from the pause in the American attacks to repair their lines of communication. The time to travel between Hanoi and Haiphong remains as before, comprising between three and four hours; it cannot be shortened because of the ferries and pontoon bridges.

"On the economic side, there has been a return to the situation which existed several months ago, before the bombing which caused so much death and destruction while at the same time causing Americans to lose many planes and pilots."

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Conditions in Haiphong: [redacted]

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[redacted] food and daily necessities such as soap, linens, cloth, toilet goods, and shoes had become increasingly scarce and had to be rationed. [redacted] the food situation had become a matter of serious concern. Many factories in the industrial sector of Haiphong had been either destroyed or heavily damaged during recent US bombing raids, [redacted]

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[redacted] this had put large numbers of people out of work, but [redacted] most of them had been mobilized into crews to assist in repairing bridges, roads, and rail lines.

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Interview with North Vietnamese Diplomat:
The Italian paper "La Nazione" reported an interview with Phan Van Su, North Vietnam's ambassador to Czechoslovakia, on 9 December. Phan reiterated Hanoi's standard position that only an "unconditional suspension" of bombing by the US can lead to talks and that Hanoi will not talk to the Saigon regime "because that government does not represent anything." The ambassador asserted that up to now Hanoi had had plenty of men to defeat the US, but in case of need, North Vietnam will turn to others and "all our socialist friends are ready to send us volunteers." China, Phan said, does not try to impose its will on Hanoi. The North Vietnamese listen to all advice, but, "in the last analysis, we decide."

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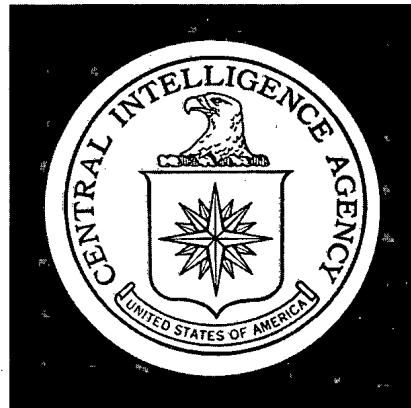
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II. NORTH VIETNAMESE REFLECTIONS OF US POLITICAL
ATTITUDES ON THE WAR

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The President's Daily Brief

~~Top Secret~~ 14 December 1967



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DAILY BRIEF
14 DECEMBER 1967

1. Greece

The King and his family have fled to Rome following yesterday's abortive coup. Premier Papadopoulos is firmly in control of Greece.

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2. Yemen

Soviet aid has enabled the republican government to hold off the immediate royalist threat.

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3. Philippines

Marcos held a meeting on Monday to lay the groundwork for a new drive against the Huks. He said there would be no compromise and raised the price on the head of each Huk leader.

These prices are high by rural standards and should prove tempting to peasants in the barrios. Along with the campaign to eliminate Huks, Marcos called for a beefed-up civic action program.

4. Common Market

The Common Market partners less France are meeting outside Brussels today to discuss Britain's bid for membership. Only last week the Italians and Germans were dragging their feet, saying a meeting now would be "premature."

The decision to meet probably has been influenced by Wilson's drive to get a yes or no answer by next week on opening negotiations for membership. France's intransigent behavior on financial cooperation was probably also a factor.

5. Dominican Republic

Balaguer is determined to strengthen his own hand in the Dominican military by appointing faithful followers to key command posts.

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6. France

"The day will come when the Americans will crawl on the ground in front of me!" This statement was made by De Gaulle to a retired French four-star general, Jean Valluy, who was trying to explain NATO to the French President. Valluy, a strong NATO booster, bluntly told De Gaulle he was crazy. For that, Valluy was dismissed abruptly from the presence.

Valluy did
not say just when his meeting with De
Gaulle took place.

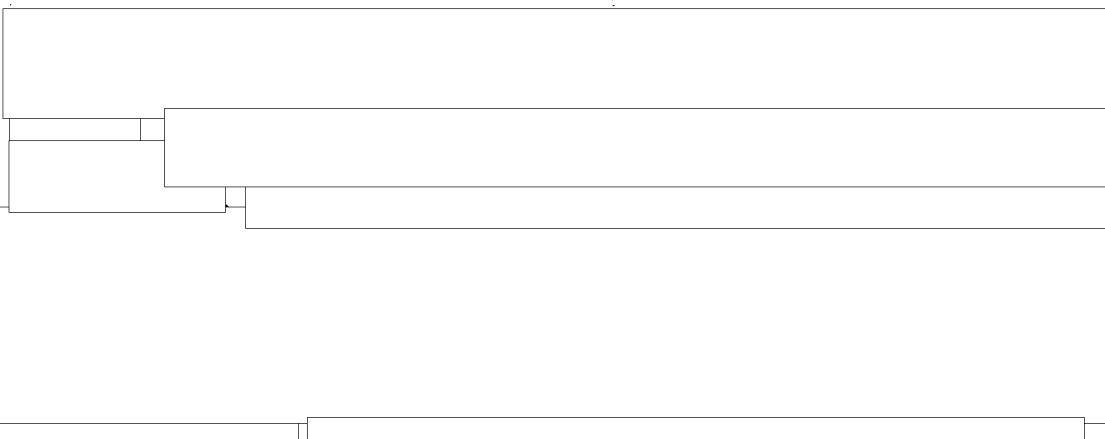
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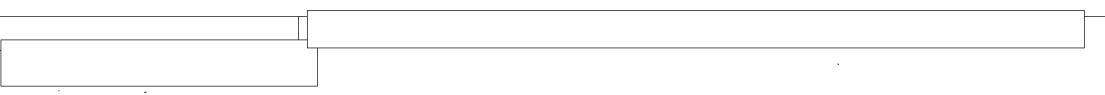
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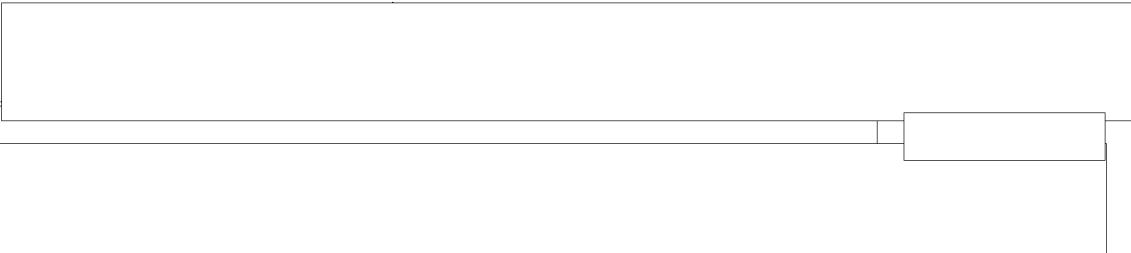
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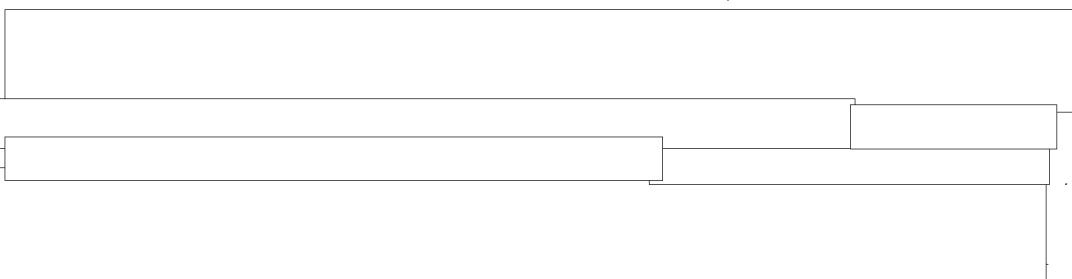
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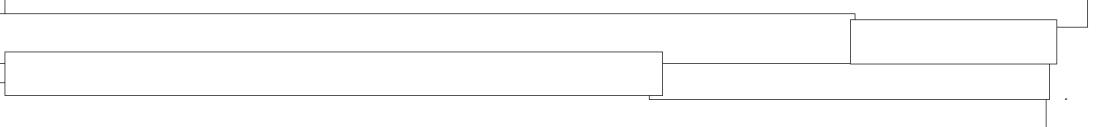
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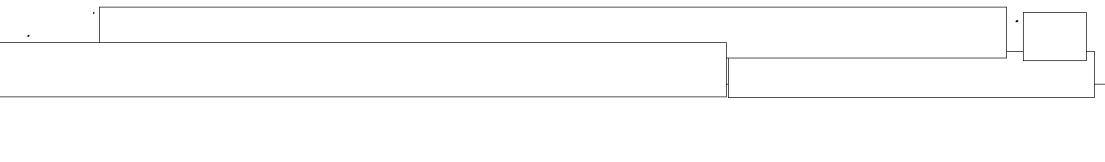
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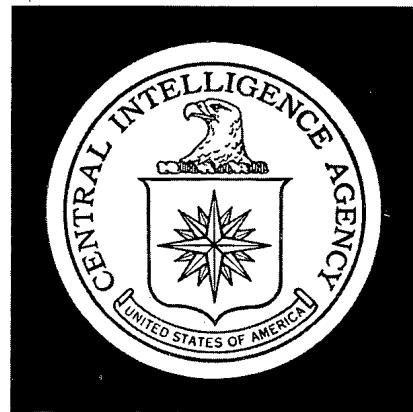
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Special Daily Report on North Vietnam

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14 December 1967

Special Daily Report on North Vietnam
for the President's Eyes Only

14 December 1967

I. NOTES ON THE SITUATION

More from Burchett: Wilfred Burchett had a three-hour conversation with US Embassy officers in Paris last week. These are his main conclusions:

--Compared with his visit to Hanoi last January, the North Vietnamese in October were taking a distinctly harder position on willingness to enter into a dialogue with the US; prospects of finding an early solution, therefore, are not bright.

(Burchett said the North Vietnamese accuse the US of talking peace while intensifying the war. For example, the North Vietnamese had agreed to talk at Warsaw last December and even had an official en route when the US resumed the bombing of Hanoi. He also claimed the North Vietnamese were ready to talk at Rangoon during the 37-day pause.)

--There is little chance that Hanoi's position on cessation of the bombing can be altered since the North Vietnamese line as set forth in the Trinh interview last January has become so much a part of the public record.

(When asked whether the US would have to make a public declaration on cessation of the bombing in order to get talks started, Burchett said it was his impression that de facto cessation, coupled with word through diplomatic channels that the action was responsive to Hanoi statements, would suffice. As for the time lapse between cessation of bombing and starting of talks, Burchett said the North Vietnamese had not discussed this with him. He said reports indicating any specific time limit--three or four weeks--were pure conjecture.)

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--In the negotiating phase, Hanoi would probably agree to having all "belligerents" participate, i.e., including both the Liberation Front and the government of South Vietnam.

--The North Vietnamese over the last year have shown increased interest in getting more books and other information on all aspects of the US in order to improve their understanding. Far greater attention is now being paid to the analysis of developments in the US.

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**II. NORTH VIETNAMESE REFLECTIONS OF US POLITICAL
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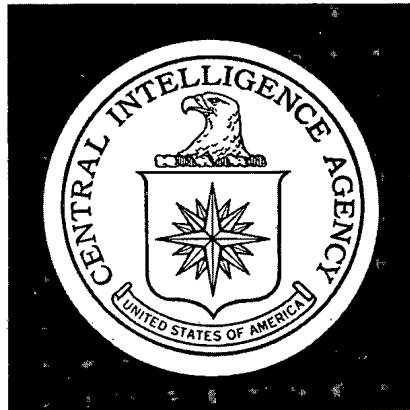


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Hanoi on US Antiwar Protests: The North Vietnamese routinely mentioned two recent US antiwar protests in an international service broadcast in English on 13 December. The broadcast noted a women's protest

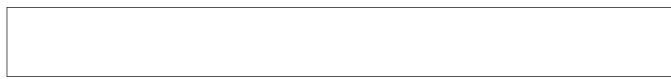
march in New York on 9 December and reported that another American woman burned herself to death on 11 December in New York to protest the war. According to the broadcast, this was the eleventh self-immolation in the US since March 1965.

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DAILY BRIEF
15 DECEMBER 1967

1. Greece

Papadopoulos and company are in full control. They seem to be in no hurry to depose the King formally or to abolish the monarchy. The new draft constitution, originally scheduled for submission today but now postponed "for a few days," should provide some clues as to the role the junta expects the monarchy to play in the future.

The attempted overthrow has had no noticeable effect so far on the Cyprus situation. The Greek foreign minister told the Turks yesterday that Greece intends to carry out the terms of the Greek-Turkish agreement.

2. South Vietnam

After a month and a half in office, the new government appears to be pre-occupied with its own organization and relationships. The unsettled Thieu-Ky feud may be partially responsible for a lack of forward movement.

Complaints are heard about Thieu's "dilettante" approach to day-to-day problems. Moreover, Thieu does not seem to be giving adequate guidance to Prime Minister Loc, who seems prone to wait for cues before moving.

One bright spot is Foreign Minister Do. He has moved professional and experienced men into critical divisions of his ministry and plans to visit Africa to refurbish Saigon's image there.

3. United Kingdom

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4. Soviet Union

There are a number of signs that Moscow's propaganda and "cultural" apparatus is getting a shake-up; this may produce some fallout at the Politburo level. These moves are clearly part of a running campaign by senior leaders to break up a clique associated with former secret police chief Aleksander Shelepin.

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5. Czechoslovakia

There continues to be disagreement among the Czechoslovak leaders on party policy and leadership changes which may involve party boss Novotny. A central committee session to deal with these matters has been postponed a week.

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6. Canada

Prime Minister Pearson's announcement that he will resign early next year is not the result of political pressure. Pearson at 70 merely wants to bring 40 years of public service to an end.

Pearson will stay in for the three or four months it will take the Liberal Party to choose a successor. Several cabinet ministers are contenders, but none has an inside track. The prime minister has stayed aloof from the maneuvering below him.

7. Egypt

Soviet advisers in Egypt are apparently engaged in, or attempting to engage in, the tactical positioning of Arab troops along the Suez Canal.

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[redacted] a Soviet adviser

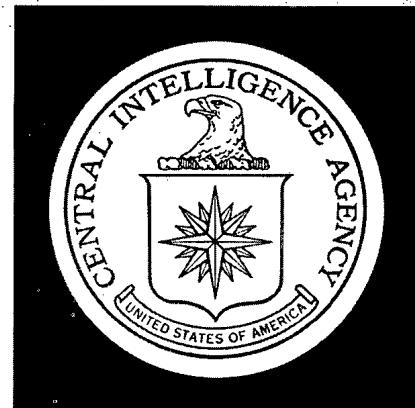
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[redacted] this week visited an Iraqi division stationed along the canal and asked permission to make changes in the forces' positions. The Iraqis refused pending approval by their higher headquarters.

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I. NOTES ON THE SITUATION

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The Doumer Bridge: The Paul Doumer Bridge is apparently unserviceable to rail and vehicle traffic after air strikes on 14 December.

Photography taken just minutes after the attack showed that the mile-long span bridging the Red River at Hanoi was apparently damaged at several points. However, none of the bridge spans appeared to have been dropped. The bridge was last attacked on 25 October and two spans were dropped. Photography of 17 November indicated that the bridge had been reopened

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to truck traffic using prefabricated concrete spans
resting on new piers to close the two-span gap.

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Comments of North Vietnamese Personnel at War

Crimes Tribunal: A European journalist who attended the War Crimes Tribunal has reported on the unhappiness of two members of the North Vietnamese delegation. Both the Vietnamese had lived previously for some time in Europe, and their remarks not only reflected dis-taste for wartime conditions at home, but probably also nostalgia for the comforts they enjoyed abroad.

A North Vietnamese photographer said he was not an ardent Communist and that he wished to live in a country where there was no war and no "interminable political discussions." He complained about the hardships of life in Hanoi and the difficulties of working in the provinces, where he had to carry film on foot for "months and months," and where the film is often spoiled by heat and humidity. His thoughts on the causes of the war, however, were pure Marxist; he claimed it was caused by the need of the "great American monopolies" for war profits.

Another member of the North Vietnamese delegation complained that it was necessary to interrupt his work in Hanoi and descend into a bomb shelter at least twelve times a day. He said that only the most important offices are located underground.

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II. NORTH VIETNAMESE REFLECTIONS OF US POLITICAL
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Nothing significant to report.

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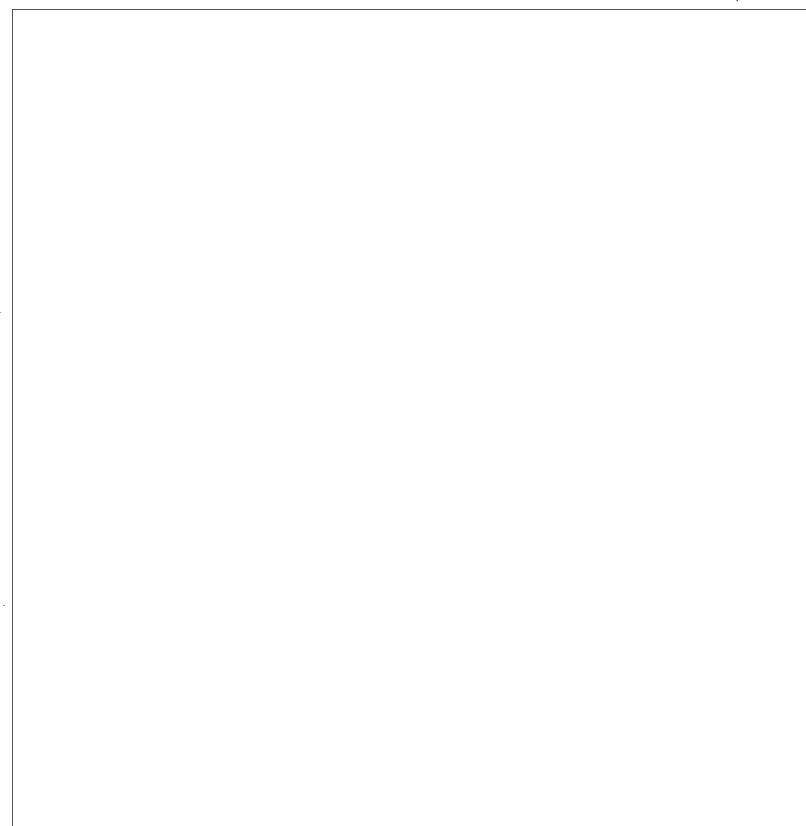
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16 DECEMBER 1967

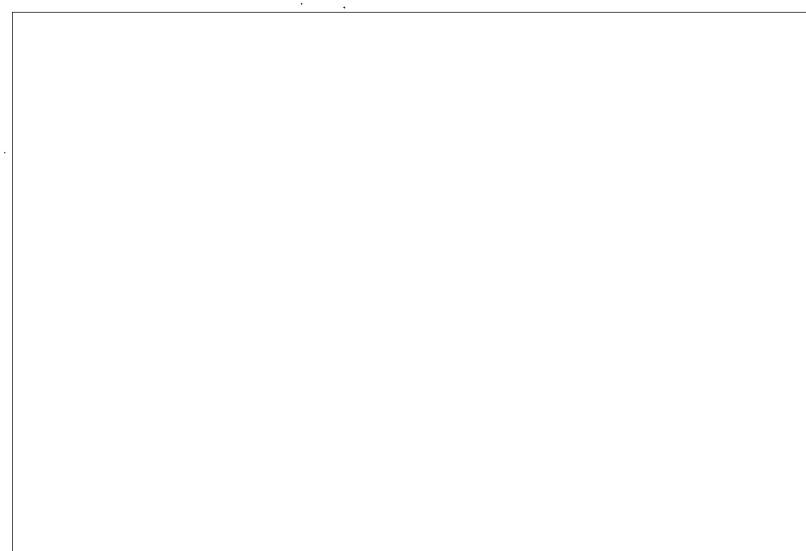
1. Thailand

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2. Yemen

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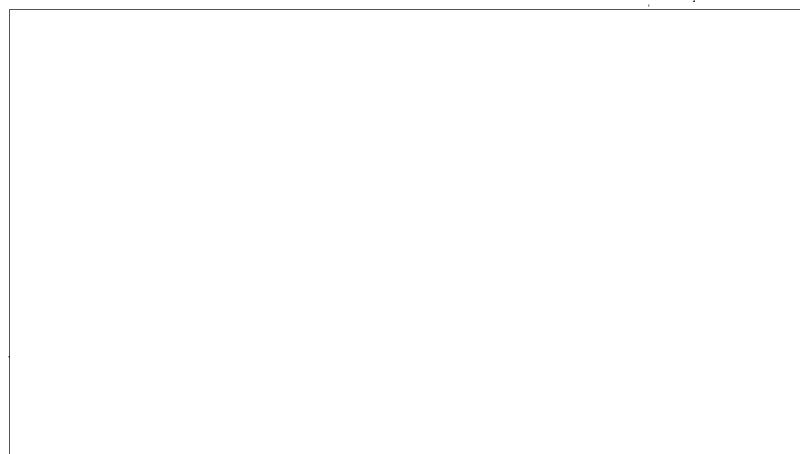
3. Greece

The junta seems willing, or even eager, to have the King return. The colonels probably feel his presence would lend a needed aura of legitimacy to their regime.

Various emissaries are en route to Rome to see the King, and presumably to convey the junta's conditions for his return. Constantine says he will not return unless the junta at least fixes a date for a constitutional referendum.

4. Communist China

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5. Soviet Union

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6. Algeria

The dispute between Boumediene and Army chief of staff Z'Biri, simmering for over a month, has apparently come to a boil. Tanks are being moved about, and there could be some disorders. But Boumediene, to whom the army owes its favored position, has assumed personal command and does not seem to be in danger.

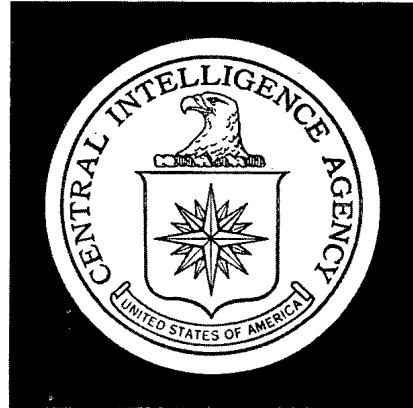
7. Denmark

Krag, defeated on an anti-inflation measure last night, has resigned and called new elections for 23 January. He will have a rough time: the polls show his party's popularity has gone down steadily ever since he took office a year ago.

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I. NOTES ON THE SITUATION

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Chinese Refugees from North Vietnam: Former Chinese residents in North Vietnam who have gone back to China to escape the war have come up with a rather flimsy excuse: they say they could not adequately study Mao's works in North Vietnam. According to a Red Guard newspaper, Chou En-lai told a group of Red Guards last month that he does not accept this. "Actually," Chou said, "they fled for fear of being killed" by US planes.

Peking clearly finds the refugees unwelcome. Not only are they excusing their flight by spreading stories detrimental to Sino-Vietnamese relations, but they also mean more mouths to feed.

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Desertion of a North Vietnamese Soldier: [Redacted]

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a deserter from the North Vietnamese Army. The soldier said he had been wounded in South Vietnam and had subsequently escaped from the hospital. He said he would never return to the South, that the only things awaiting North Vietnamese soldiers there are hunger, sickness, and misery.

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II. NORTH VIETNAMESE REFLECTIONS OF US POLITICAL ATTITUDES ON THE WAR

Nothing of significance to report today.

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The President's Daily Brief

~~Top Secret~~ 18 December 1967



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DAILY BRIEF
18 DECEMBER 1967

1. France

The French, having fanned the flames on the international gold market, are now becoming afraid that they themselves may get burned. Opinion is divided among top economic officials in Paris, but some are pressing for temporary cooperation with other powers to halt the run on gold. They are also even thinking of devaluing the franc.

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2. Common Market

Tempers are likely to run high as the Six meet today and tomorrow to debate British entry. London is still insisting on a yes or no answer to its bid for talks leading to full membership--and nothing less.

The French say talks with the British should be deferred until all six members have agreed on the "substance" of London's bid. The other five members agreed last week to force France to state openly its opposition to negotiations.

Whether the Five will stand firm is still an open question. Kiesinger told Governor Romney last Thursday that he will work hard for British entry but that in the final analysis he will avoid a confrontation with De Gaulle. The Chancellor still says a "middle ground" can be found. Significantly, however, he told Romney that the dispute may approach "serious proportions" within the next two weeks.

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3. Australia

John McEwen is expected to be sworn in as interim prime minister today or tomorrow. Australian leaders, still recovering from the shock of Harold Holt's presumed death, have not yet worked out the next steps.

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No important changes in government policies are expected.

4. Greece

Strongman Papadopoulos said privately on Saturday that so much "bad evidence" is now turning up against King Constantine that it may be some time before other junta members can be convinced that the King should be invited to return. Papadopoulos stressed, however, that he still thinks the King is a "practical necessity."

5. Uruguay

President Pacheco Areco has taken hold of the government quickly and with a firm hand. Very shortly after assuming office, he announced that he will continue Gestido's economic reform program. He shows every sign of following through effectively.

The new President has also moved with unexpected force against several small but disruptive groups on the extreme left.

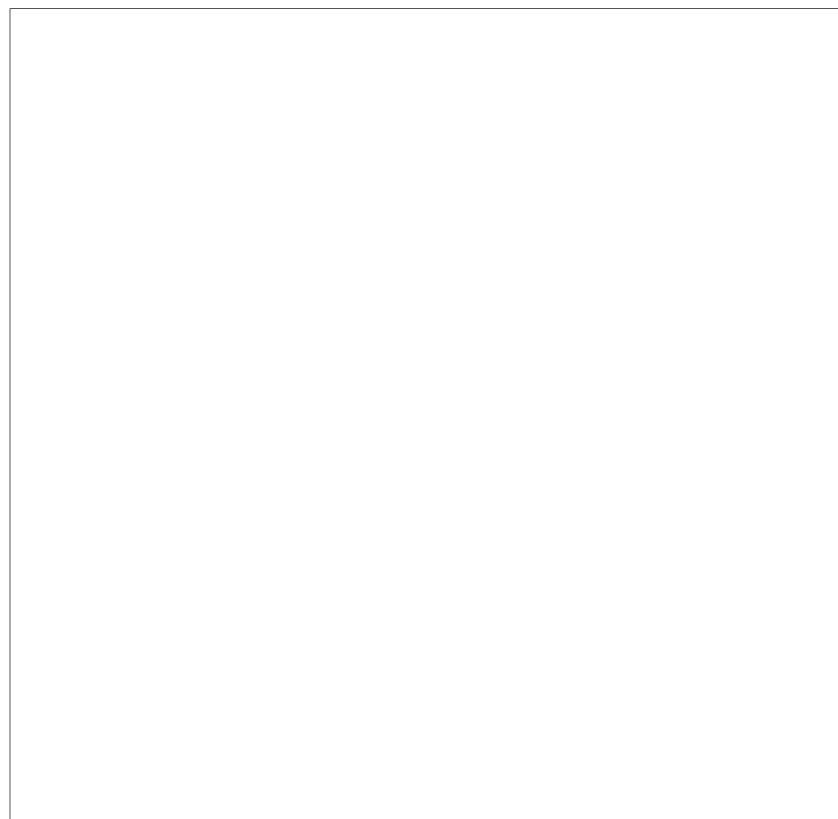
6. Algeria

Boumediene, having crushed the most serious threat of his two and a half years in power, will now be able to move more confidently against other dissidents in his regime.

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7. Yugoslavia

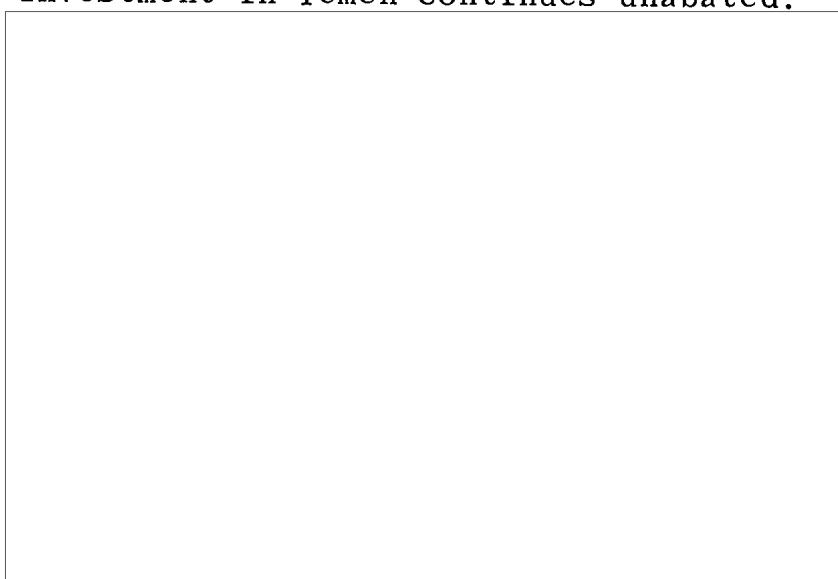
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8. Yemen

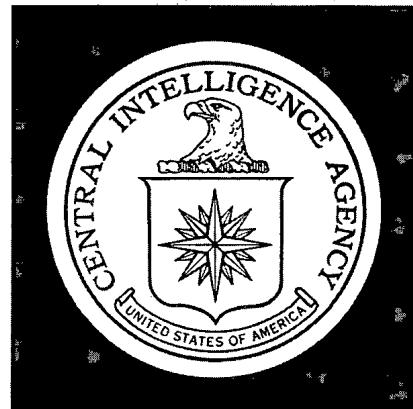
The Soviet effort to salvage Nasir's investment in Yemen continues unabated.

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FOR THE PRESIDENT'S EYES ONLY

Special Daily Report on North Vietnam

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16

18 December 1967

Special Daily Report on North Vietnam
for the President's Eyes Only

18 December 1967

I. NOTES ON THE SITUATION

Results of Most Recent US Air Strikes: Preliminary photographic reports indicate that one span of the bridge over the Canal des Rapides has been dropped and that the Paul Doumer Bridge is unserviceable to both rail and road traffic.

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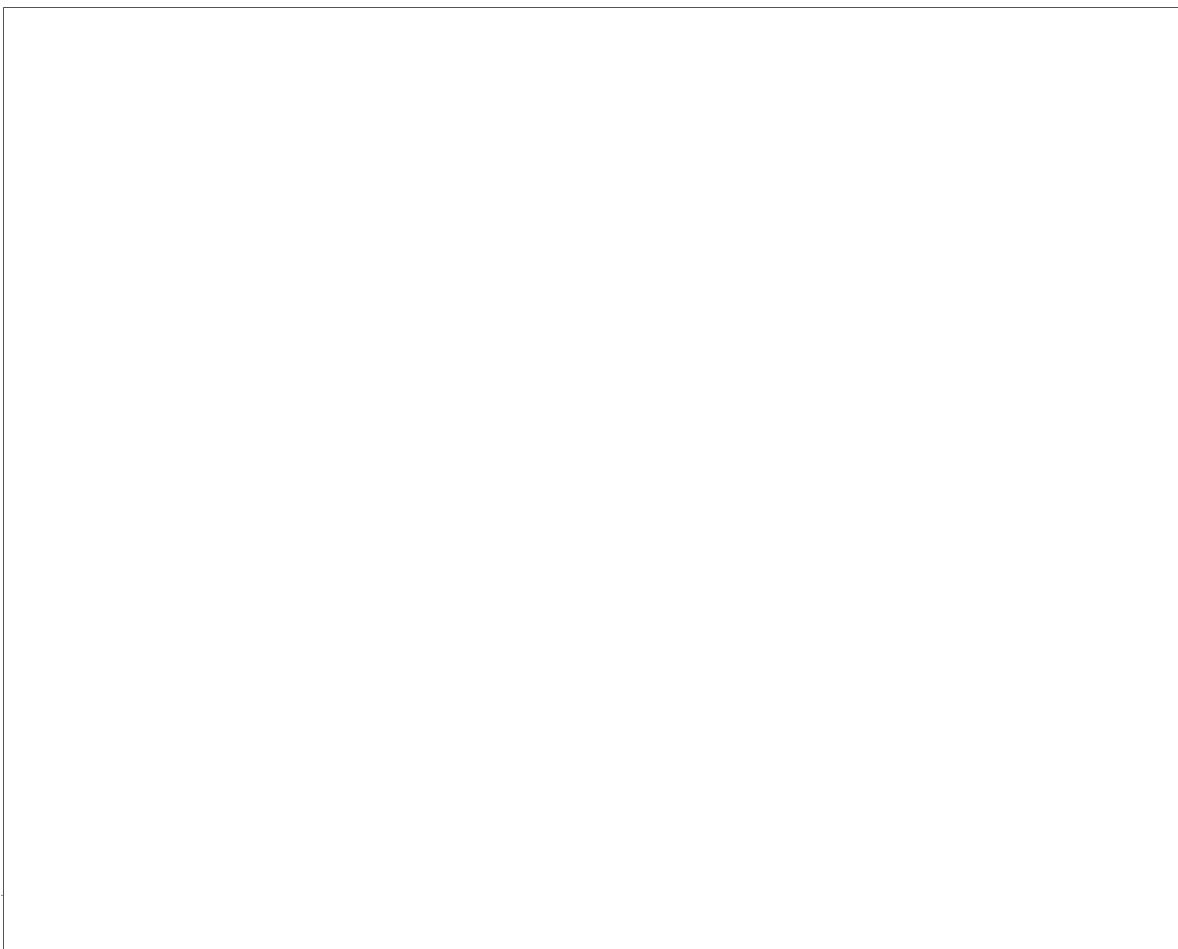
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More on Negotiations: North Vietnamese officials have also expressed a hard-line position on negotiations to Indonesian diplomats in Hanoi. [redacted]

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[redacted] According to the North Vietnamese, the only basis for settlement is the Geneva Agreement. [redacted]

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[redacted] Hanoi's position was made clear by the Four Points, the foreign minister's statement of 28 January, and the Viet Cong's new political program.

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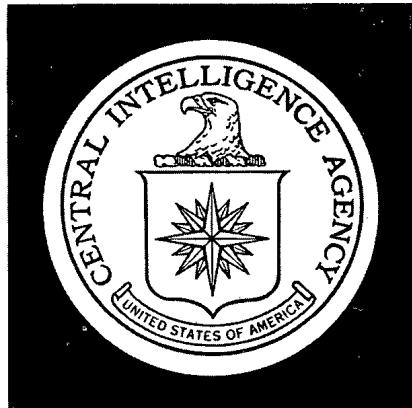
**II. NORTH VIETNAMESE REFLECTIONS OF US POLITICAL
ATTITUDES ON THE WAR**

There is nothing of significance to report today.

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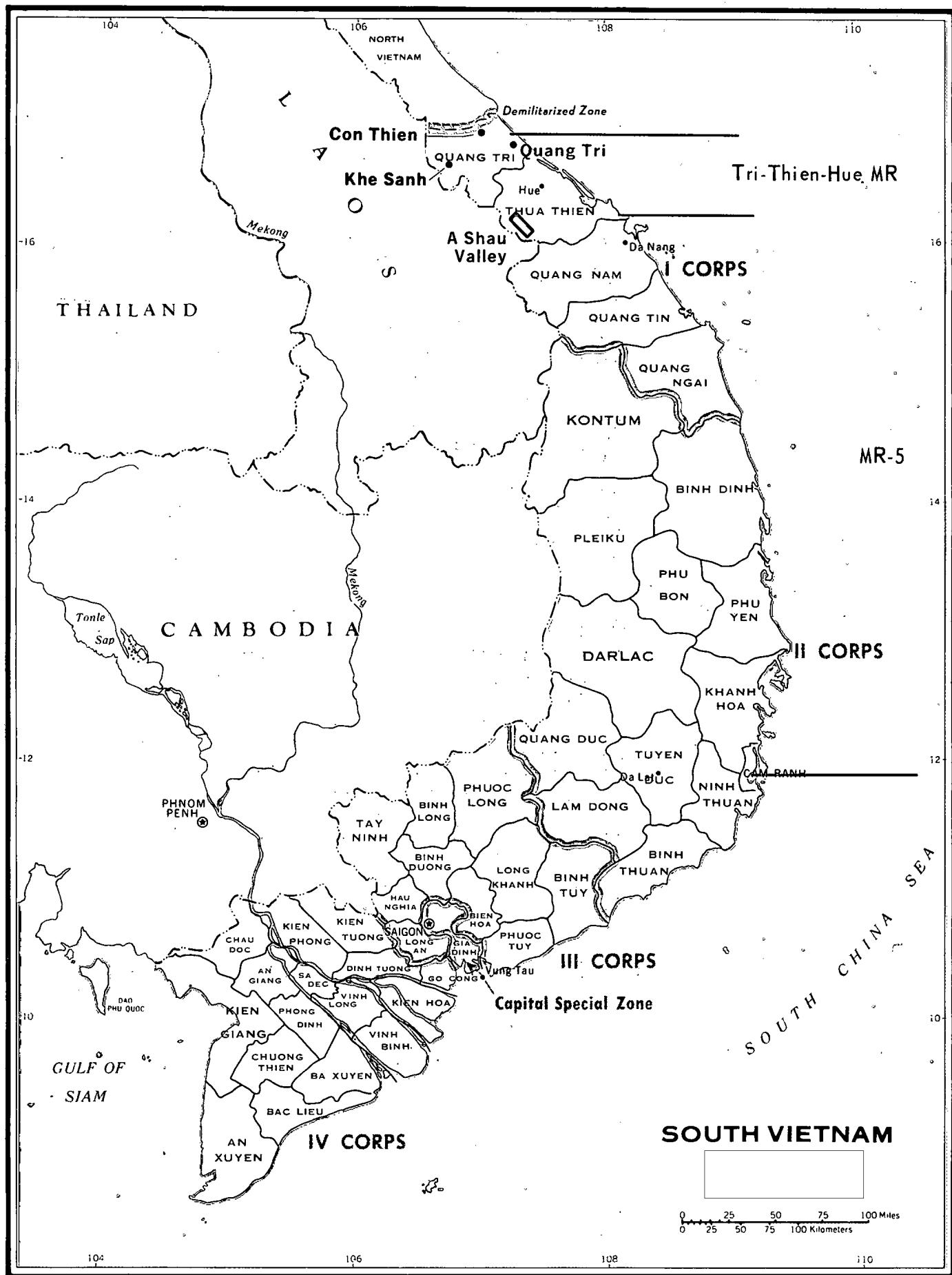
The President's Daily Brief

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DAILY BRIEF
19 DECEMBER 1967

1. South Vietnam

A captured enemy document suggests that the North Vietnamese will undertake a major military effort this winter in the heavily populated coastal areas of I and II Corps. The document also points to diversionary attacks around Con Thien. The main thrust, however, will come farther south in the enemy's Military Region 5 and the Tri-Thien-Hue military region.

The intent here would be to bring the war closer to South Vietnam's population centers and to create yet another battle sector in which to pin down allied forces and disrupt pacification efforts.

2. Eastern Europe

The meeting of European Communist foreign ministers in Warsaw today is the fourth such try at getting unified Communist support for the Arabs since the June war. Moscow undoubtedly hopes to stiffen the resolve of some of these countries which have been only lukewarm toward backing the Arabs, particularly with material support.

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Brezhnev will begin his visit to Egypt on 7 January, according to a Cairo newspaper. The formal announcement of the trip last month had said only that it would take place in "early 1968."

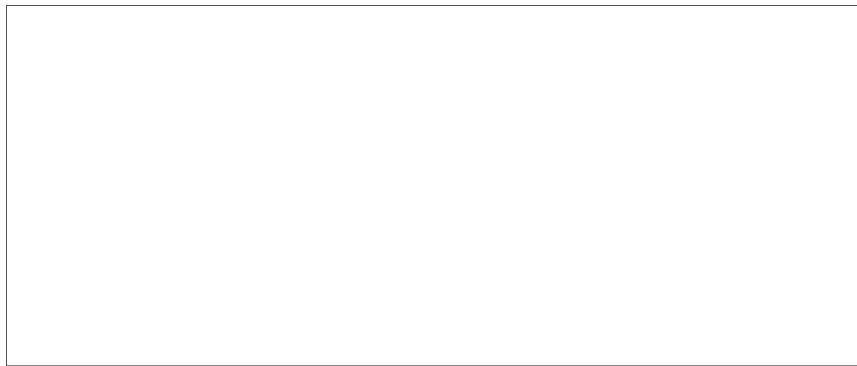
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3. Soviet Union



4. Soviet Union

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**5. Communist China**

Peking's efforts to get its "black-board jungle" under control have largely failed; the school system is still not really functioning.

(Schools at all levels were shut down last June so that the students could participate in the Cultural Revolution. By fall, some of the cooler heads in the leadership had decided it was time to try to get all concerned back to their books.)

Some major institutions, such as Peking University, have not even attempted to resume classes.

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Many other schools which did try to reopen were soon forced to close because of fighting among Red Guard factions.

In sum, the chances are slim that the leaders can get the schools operating again until they can set their own political house in order.

6. Yemen

There is little change in the military situation. Sporadic royalist pressure on a number of republican positions continues.

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7. Greece

Stylianos Pattakos, Papadopoulos' right-hand man, sought out Ambassador Talbot at home Sunday night in an effort to persuade the US that the time is ripe to pick up working relations with the Athens regime. In essence, the Pattakos message is that the revolution is now completely in charge, that the King is still "loved" but the revolution is in no hurry to have him back, that revision of the constitution will go forward expeditiously, and that elections are likely within a year or two, with the leaders of the revolution probably heading the government party.



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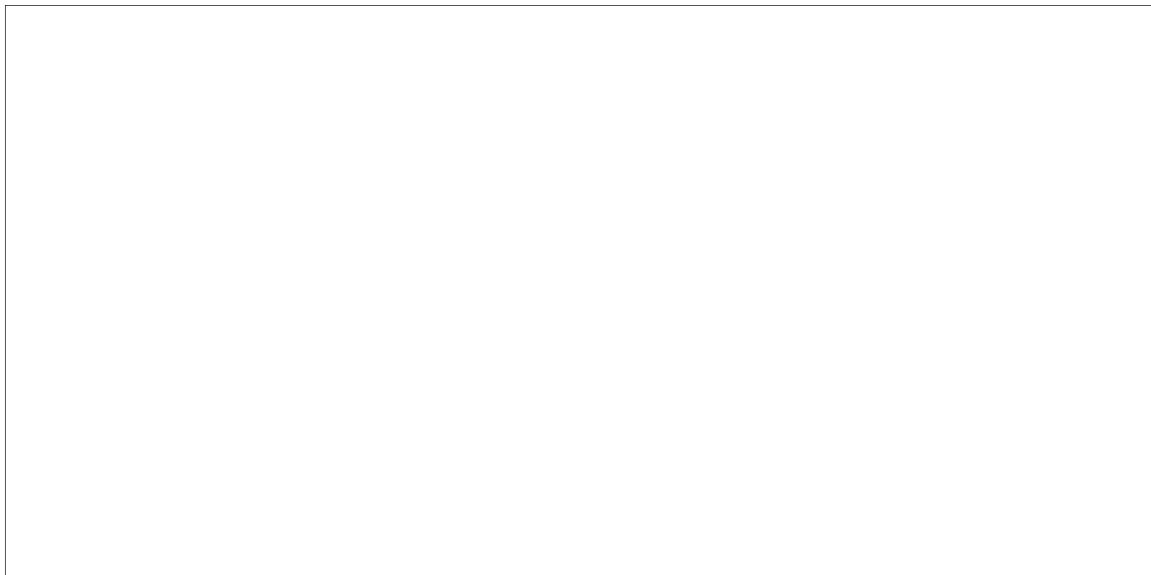


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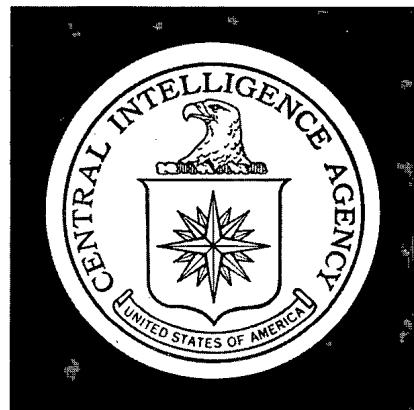


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FOR THE PRESIDENT'S EYES ONLY

Special Daily Report on North Vietnam

Top Secret 50X1

16

19 December 1967

**Special Daily Report on North Vietnam
for the President's Eyes Only**

19 December 1967

I. NOTES ON THE SITUATION

Front Spokesman Takes Tough Line: Nguyen Van Dong, a Liberation Front representative currently touring Scandinavia, brusquely dismissed any compromise solution in Vietnam during a televised interview in Oslo on 14 December. According to our embassy's account of the interview, Dong seemed unconcerned with bolstering the Front's political appeal, and devoted himself solely to insisting that the hard-line Communist position is correct. Dong stressed that only "our own terms" are acceptable as conditions for peace. He ruled out any role for the United Nations in bringing about a settlement because the UN is "under American domination." He denied being aware of any recent Front overtures to the UN.

Dong said the Liberation Front's terms for peace require "recognition of the Front's program and the withdrawal of all US forces from the South." He asserted the Communists were "on the way to victory" and that the US could not win the war. When asked about the likely duration of the war, Dong said the Communists will fight until "ultimate victory." Dong agreed with his interviewer that the terms he demanded amounted to an ultimatum.

* * *

Reaction to Bombing: The French news agency correspondent in Hanoi reports that recent bombings around the capital have "failed to affect the city's morale." He says the city appears calm and disciplined and attributes this to people becoming accustomed to the bombings as well as to the evacuation of large numbers of women, children, and the elderly. The correspondent also claims that people are resigned to a continuation of the bombings and that they anticipate greater destruction in and around Hanoi itself. Hanoi officialdom, he says, believes that recent discussions in the US about the need to attack antiaircraft defenses, even in cities, is the prelude to attacks on cities, using the antiaircraft targets as a pretense.

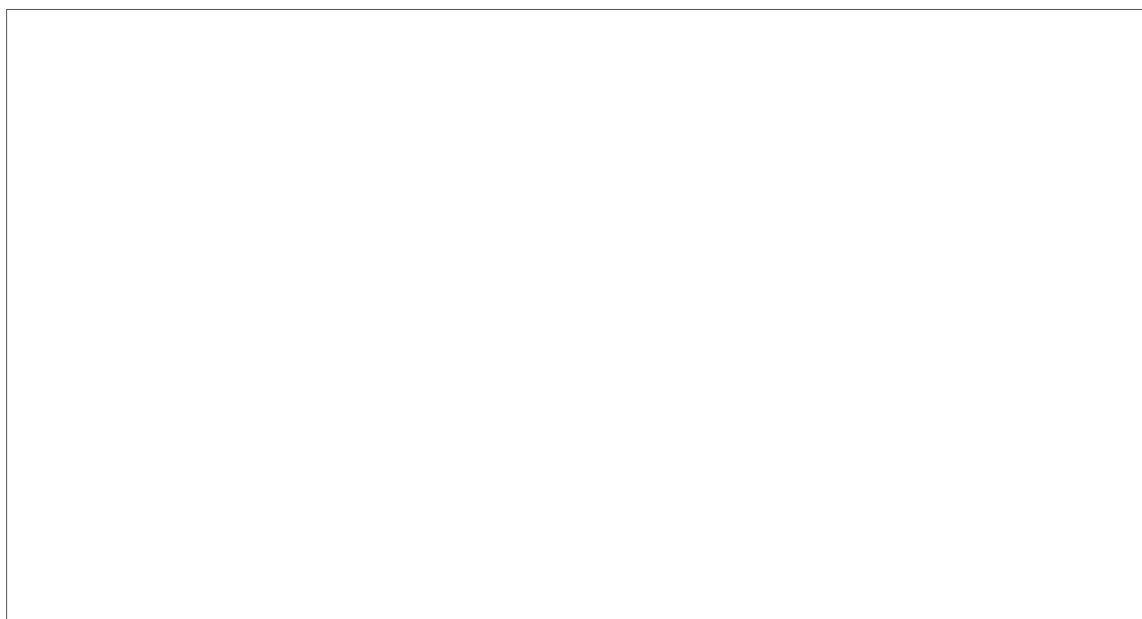
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Liberation Front Anniversary: Both Hanoi and the Liberation Front have begun to issue the annual flood of propaganda connected with the 20 December anniversary of the founding of the Liberation Front. This year, much of the propaganda is focusing on the "Week of Solidarity with Vietnam" being held in many bloc and free world countries and timed to coincide with the Front anniversary. Several broadcasts have reported the activities of groups in the USSR, Poland, Cuba, Burma, Hungary, Australia, Finland, Denmark and other nations and have pointed to the worldwide nature of the movement as a demonstration of the "bankruptcy of US policy" and the support the Vietnamese people enjoy.

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Attitude of North Vietnamese Veterans: A [redacted] refugee who recently left North Vietnam has provided one of the few reports on the attitudes of North Vietnamese who have fought in South Vietnam and lived to return North. The refugee told of one soldier who had been wounded in the South and who, after returning to the North, escaped from a local hospital. The soldier said he would not return to the South and claimed that the only things waiting for North Vietnamese soldiers there were "hunger, sickness, and misery." [redacted]

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[redacted] other soldiers who had returned from the South talked about the "terrible bombing" from B-52s.

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Food Rations and Prices in Hanoi: [redacted]

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[redacted] the

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[redacted] rice ration ranges from 13 and one-half to 24 kilograms a month for adults, and is determined largely by the amount of physical labor they perform. [redacted]

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[redacted] 40 percent of this ration must be taken in wheat flour. The black market price for rice is three to five times higher than the state store price. Fresh meat is rationed and although precooked meat, fish, and poultry is unrationed, it is scarce and expensive. Fresh fruit and vegetables are not rationed and are plentiful, but people are encouraged to make maximum use of their own gardens and plots.

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Viet Cong Comment on Truce Periods: The Viet Cong is continuing to propagandize the truce periods it has called for over the forthcoming holidays, contrasting them with the shorter truces called for by the allies. The Front has also warned the people to be on guard against allied violations during the truce periods. A 16 December broadcast, for example, told the Viet Cong forces that "the US aggressors and their henchmen in the past used to sabotage the suspension of military attacks by sending planes for spying and bombing liberated areas, shelling these regions, conducting nibbling attacks against the areas controlled by the Liberation Front, or carrying out provocative acts."

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II. NORTH VIETNAMESE REFLECTIONS OF US POLITICAL ATTITUDES ON THE WAR

US Using the Mentally Deficient in Vietnam: Hanoi in a 16 December English language broadcast has claimed that the US is sending men who are suffering from mental or physical deficiencies as "cannon-fodder" for the war in Vietnam. The broadcast claimed that this policy was adopted to alleviate the "heavy casualties" the US is facing in Vietnam and the manpower shortage at home. Quoting US News and World Report, the broadcast reported that the US plans to draft 100,000 men once deemed unfit for military service, and claimed that this group included the mentally and physically deficient.

Hanoi on Senator Percy: Hanoi in its domestic broadcast has reported without comment Senator Percy's narrow escape at Dak Son. The broadcast quoted Percy as saying afterward that "I can assure you that I never had to take such a prone position as I have this time" and that "if the enemy desires it, everywhere can become a front line."

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Messages from Captured US Pilots: North Vietnam has announced that starting on 18 December, Hanoi radio will broadcast in English to US servicemen on a daily basis messages from captured US pilots to their families. Three such messages were broadcast on the 18th.

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The President's Daily Brief

~~Top Secret~~ 20 December 1967

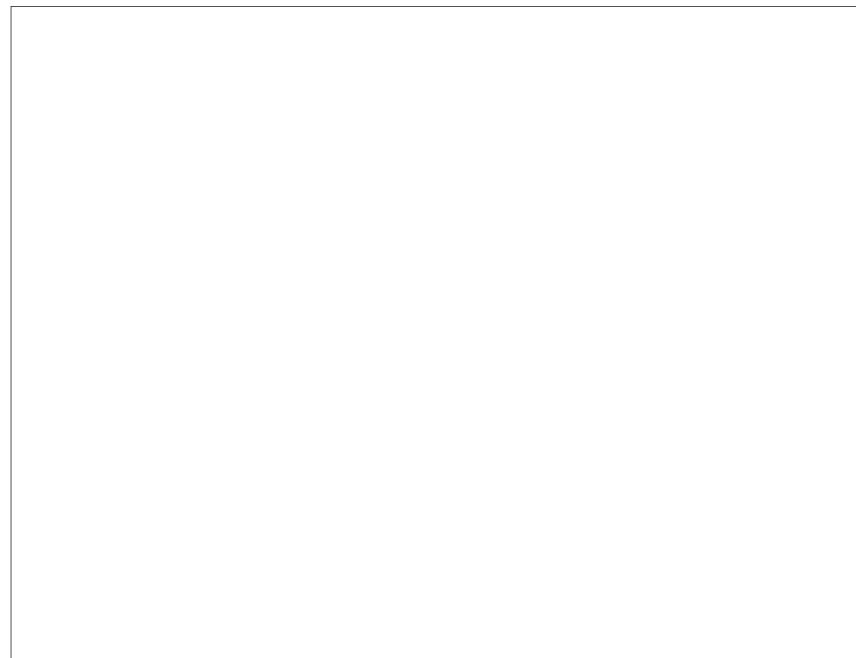


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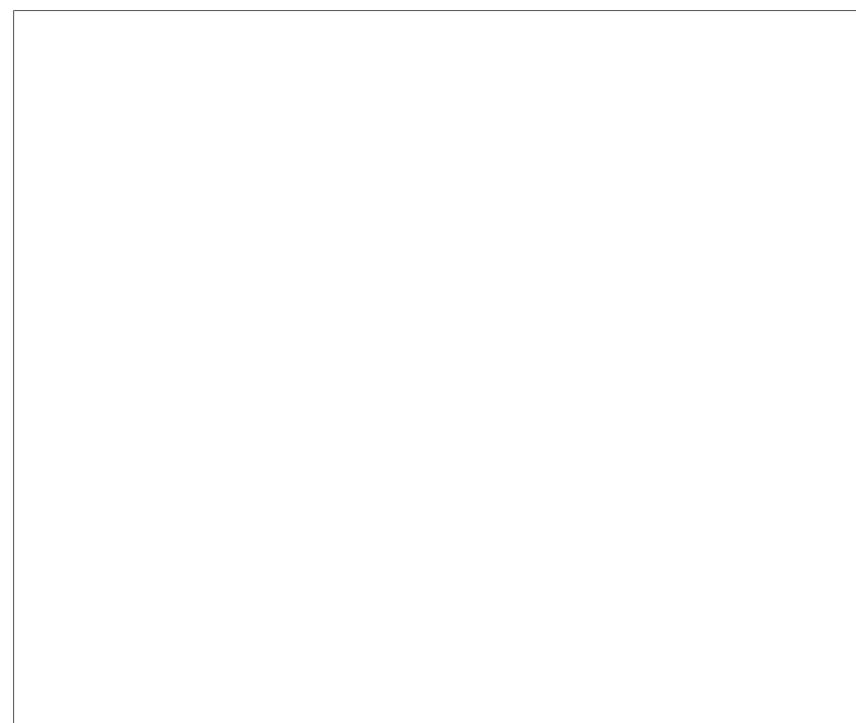
**DAILY BRIEF
20 DECEMBER 1967**

1. South Vietnam



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2. Philippines



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3. Communist China

Preparations for the next nuclear test are progressing.

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The next test appears at least several weeks away, however.

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4. Common Market

The French have again formally vetoed Britain's application. This was an open avowal of Paris' isolated position--and as such was a "success" for the Five. The ball is now in their court.

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Their ability to do anything will probably depend upon the German attitude. The Germans may try to play down the air of crisis. Bonn's partners among the Five, however, are likely to resent any German attempt to smooth things over.

5. Greece

Negotiations for the King's return have so far run into a stone wall. Constantine has described the junta's latest terms as "a deliberate attempt to humiliate" him, and "completely unacceptable." Other emissaries have still to try their hands, however. Since the King appears to want to return, and the junta seems nervous over lack of recognition, an accommodation is still possible.

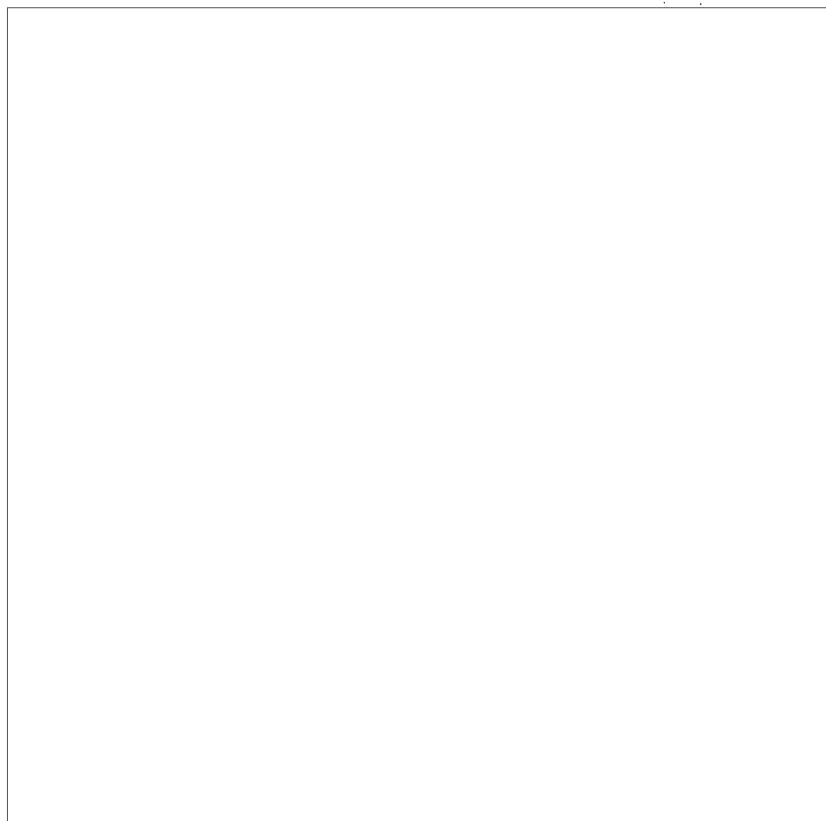
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6. Czechoslovakia

The central committee meeting postponed from last week is apparently about to come off, and rancorous divisions among the leadership will probably produce some fireworks. The rumor mill is working overtime, but it now looks as if the result might be the sort of inconclusive compromise that has enabled the regime to muddle through past crises.

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7. Yemen



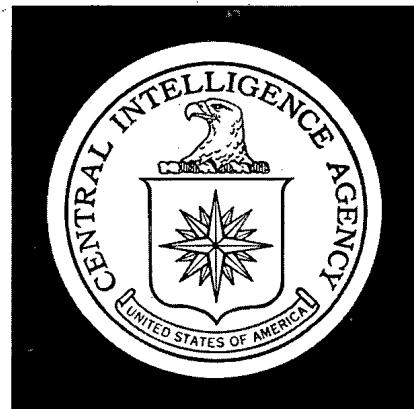
8. Congo

Schramme and his mercenaries are still languishing in Rwanda. Mobutu wants them back in the Congo for trial, and is making noises about sending his army in to get them if Kayibanda still refuses to hand them over. The two leaders were to discuss the problem again today.

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FOR THE PRESIDENT'S EYES ONLY

Special Daily Report on North Vietnam

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16

20 December 1967

Special Daily Report on North Vietnam
for the President's Eyes Only

20 December 1967

I. NOTES ON THE SITUATION

No Sign of Give: North Vietnamese spokesmen abroad are continuing to parrot the hard line on settling the war. They insist that an unconditional end to the bombing must precede any negotiations, and that a settlement must be in accordance with their terms.

During a lengthy interview with a journalist last week, Tran Viet Dung, counselor of Hanoi's representation in France, refused to consider any suggestions for achieving a settlement except on the basis of well-known Communist positions. He placed the blame for the war squarely on the US and claimed that the American aim is to destroy North Vietnam's sovereignty and make it part of the US "sphere of influence." Dung also claimed that the Liberation Front is much stronger than the "Saigon clique" but he was unable to agree to--or even to comprehend--a proposal that, if this was so, the North Vietnamese could safely agree to a "compromise" government in the South.

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Front Anniversary Propaganda: The Vietnamese Communists are using the seventh anniversary of the founding of the Liberation Front to voice their determination to press on with the war. [redacted]

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Poles Talk to Governor Romney on Vietnam: Foreign Minister Rapacki told the Governor on Sunday that the "mechanism" of escalation, which "feeds on itself," is at work and is preventing negotiations--a point Rapacki has repeatedly made before. Rapacki, choosing his words carefully, went on to say that he could give no guarantees as to how soon negotiations would begin after cessation of bombing. However, Rapacki said he had "reasons" and "sufficient experience" in the last year and a half for "thinking that after an unconditional halt to the bombing, only a few weeks would elapse before negotiations would become possible." He added that the "US Government knows perfectly well that stopping the bombing would lead to negotiations."

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Miscellaneous Comments on Living Conditions:

[redacted] refugees who left
North Vietnam recently presents further details of
the austere life in Hanoi. [redacted]
electric power was frequently limited in the city,
but that portable generators seemed to take up the
slack. [redacted]

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[redacted] there was an active black market in Hanoi and that almost any rationed commodity could be purchased by those who had the price. [redacted] it was relatively easy to identify a black marketeer; that transactions were carried out right on the street. If the authorities observed the sale, the black marketeer would be fined on the spot, but not punished further, even if he had been caught before. Rice and other foodstuffs, cigarettes, clothing, and watches were popular items on the black market.

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[redacted]
the criterion for determining the size of rations was the amount of physical labor performed.

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II. NORTH VIETNAMESE REFLECTIONS OF US POLITICAL ATTITUDES ON THE WAR

Front on Reports of Planned Meeting with US Officials: A 15 December Liberation Front commentary includes the first Vietnamese Communist reference to reports of a planned meeting between US and Front officials in Saigon. The statement says that "all the US aggressors' deceitful peace tricks have gone bankrupt--including their vile act of giving rise to a myth about the so-called proposal of the Front to send representatives to the United Nations, and about the Front's representatives coming to the US Embassy in Saigon." The statement did not comment on these points. It went on to underscore the independence and importance of the Front and to voice the determination of the "Vietnamese people" to "surge forward on all battlefields" in order to "realistically greet" the anniversary of the Front.

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The President's Daily Brief

~~Top Secret~~ 21 December 1967



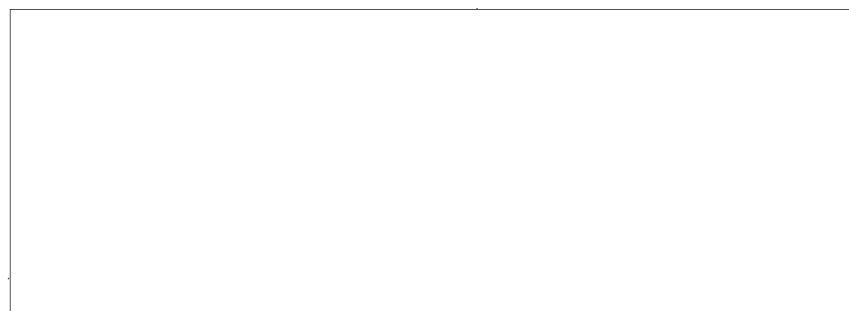
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DAILY BRIEF
21 DECEMBER 1967

1. Common Market

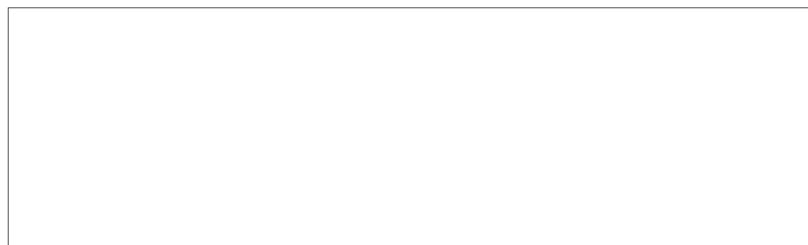
Dutch Foreign Minister Luns said today that the Five would negotiate "individually and jointly" with Britain, De Gaulle's objections notwithstanding. This statement appears to be in response to George Brown's proposal yesterday.

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2. United Kingdom



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3. Greece

The King's return is still up in the air. There has been no response from Athens so far to Constantine's statement yesterday. The King said his only condition for going back was a firm timetable for re-establishing parliamentary democracy.

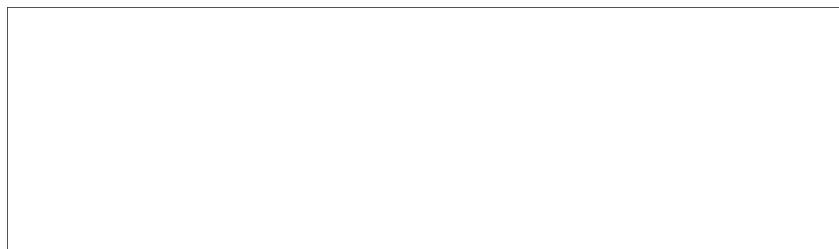
The junta probably could buy this, but Constantine's other remarks about the regime's "deviations" will not set well in Athens. Some members of the junta would be quite willing to let Constantine cool his heels in Rome indefinitely.

Greek troops continue to leave Cyprus, with more than 3,000 now evacuated.

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4. Singapore

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**5. Laos**

Communist forces are maneuvering around government bases, but there have been no major clashes since last week. Both North Vietnamese and Pathet Lao are involved in their usual dry season campaign aimed at pushing back anti-Communist guerrillas in the north and at keeping government troops away from the Ho Chi Minh trail in the south. They are apparently being somewhat more aggressive this year, however.

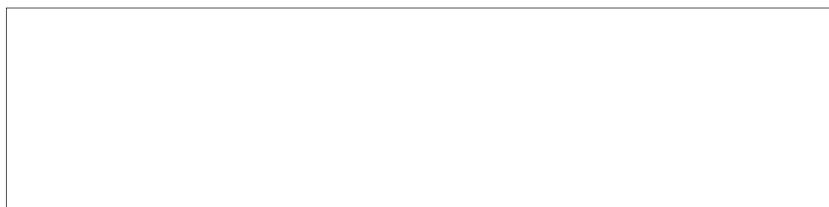
6. Indonesia

Suharto sees a bleak year ahead unless he can get a \$325-million foreign aid transfusion. Expressing his thanks for America's help, including a \$110 million pledge for next year, Suharto asked Ambassador Green Monday night if the US would urge other countries, especially Japan, to contribute their full share to the balance.

Then Suharto asked if the US could go beyond the \$110 million should all other efforts fail. The acting president is particularly concerned about the first quarter of 1968.

7. Sudan

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8. Dominican Republic

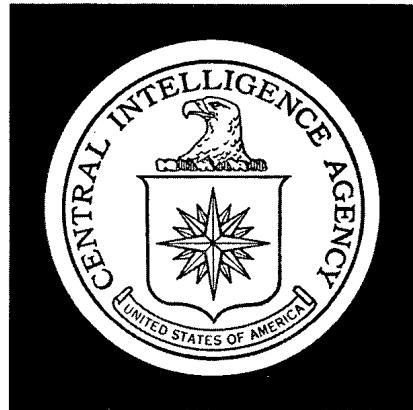
Political bickering continues to threaten the stability of the Dominican military establishment. General Perez, head of the armed forces, is again threatening to resign

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If Perez goes, other key staff officers are likely to follow him, which would weaken Balaguer's control of the armed forces. Balaguer may try to wriggle out of this by reassigning the officer Perez dislikes. Any respite, however, is likely to be temporary.

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Special Daily Report on North Vietnam



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16

21 December 1967

Special Daily Report on North Vietnam
for the President's Eyes Only

21 December 1967

I. NOTES ON THE SITUATION

Soviet Reaction to President's News Conference: President Johnson's references to Vietnam in the press interview broadcast Tuesday evening have not sparked much initial interest in Moscow. A Moscow international broadcast states that the President was merely trying to give an appearance of flexibility by raising the question of "unofficial" talks between Saigon and the Front. In reality, the broadcast went on, the US continues its position of refusing to recognize the Front.

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Latest Photography of the Bridges: Photographs taken on Monday show that three spans of the Doumer bridge, totaling about 840 feet, have been dropped and that another 350-foot span has been badly damaged. The main bridge over the Canal des Rapides, according to photos taken last weekend, has suffered two dropped spans totaling 214 feet and damage to another 107-foot span.

Judging from past performance, the North Vietnamese will require several weeks to repair the latest damage.

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Recent Photographs of North Vietnam: The most recent high altitude BLACK SHIELD photography provided excellent coverage of North Vietnam on two successive days, 15 and 16 December.

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All six of North Vietnam's major airfields were covered. A total of eight to twelve operational MIG fighters, including four or five MIG-21s, were identified. Since these pictures were taken, at least five MIG-21s have been returned to North Vietnam from reserves in China. This will more than compensate for the MIG-17s lost to US planes during the past week. The return of these MIGs also demonstrates that Hanoi intends to maintain a limited but aggressive interceptor force to oppose the US bombing effort.

Another highlight from the 15-16 December pictures is evidence that the North Vietnamese have devised a way to move rail cars in and out of Haiphong, despite the continuing unserviceability of the only rail-highway bridge into the port. A rail ferry appears to be operating adjacent to the destroyed bridge.

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Hanoi Radio: North Vietnam apparently has taken steps to maintain operations by Radio Hanoi in case its primary broadcasting facilities are damaged by US bombings.

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Hardships in North Vietnam:

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[redacted] evacuees from Hanoi and Haiphong were given a six-month rice ration upon arrival in Thai Nguyen and that they did not receive any additional special treatment. They were expected to resettle themselves and to obtain employment which would qualify them for food ration cards before they had consumed their special ration.

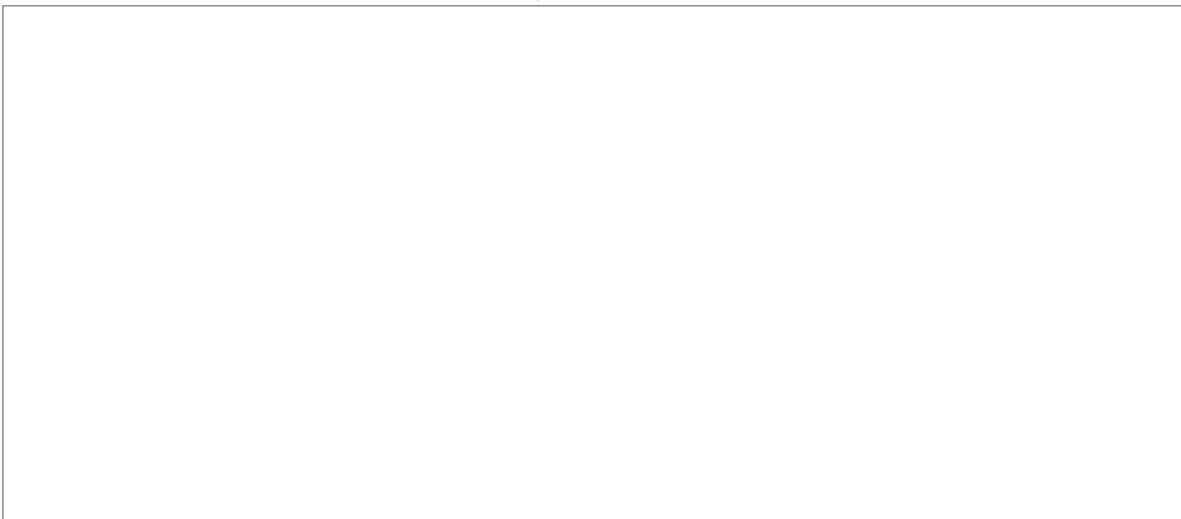
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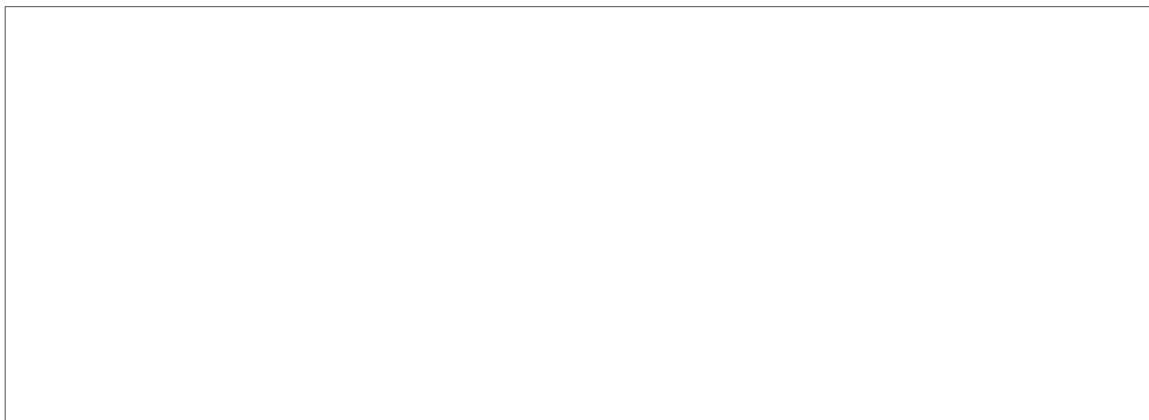
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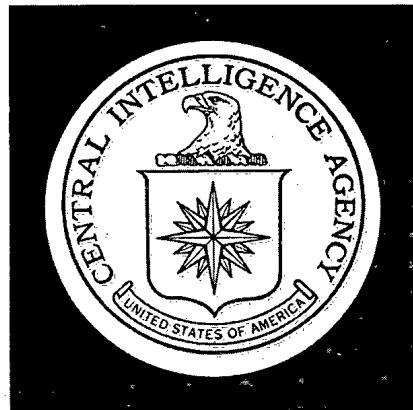
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**II. NORTH VIETNAMESE REFLECTIONS OF US POLITICAL
ATTITUDES ON THE WAR**

Nothing of significance to report today.

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The President's Daily Brief

~~Top Secret~~ 22 December 1967

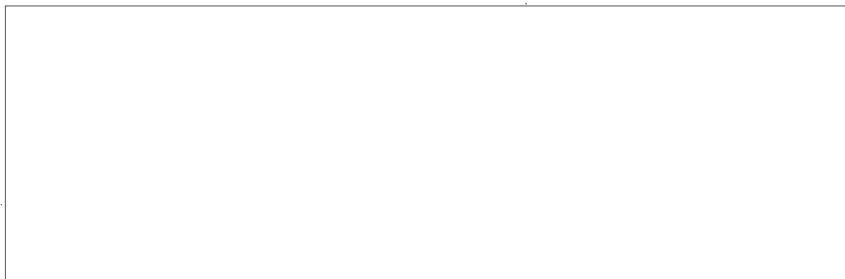


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DAILY BRIEF
22 DECEMBER 1967

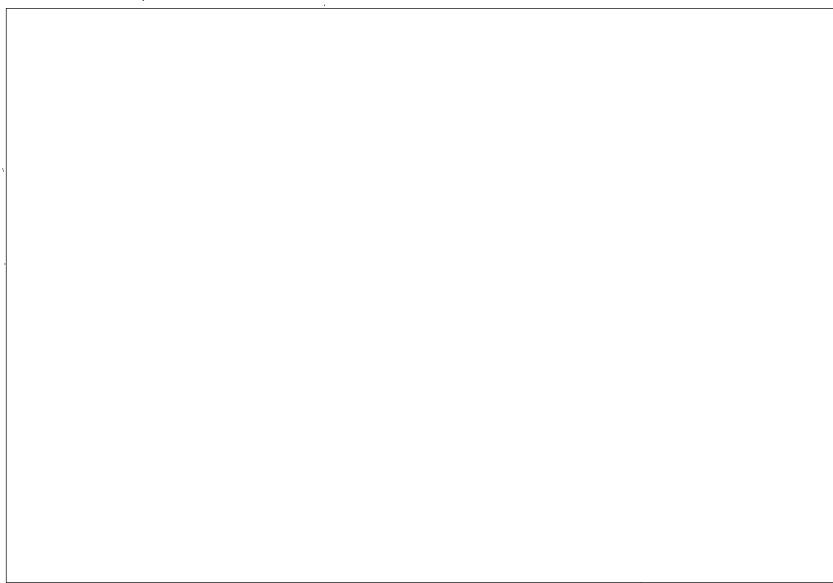
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1. Communist China



2. Yemen

50X1



3. United Kingdom

The latest Gallup Poll, published in London on Wednesday, looks bad for Wilson. It concludes that only 32 percent of the voters would now vote Labor, while 49 percent would support the Conservatives. This is a postwar low for Labor.

4. Cuba

Reports from Havana continue to tell of a new purge of Castro's opponents. Those arrested seem to have been pressing for more moderate policies, both at home and abroad. Some of the victims are old-line prerevolutionary Communists, presumably friends of Moscow. Others seem to be "moderates" from the middle echelon of the bureaucracy.

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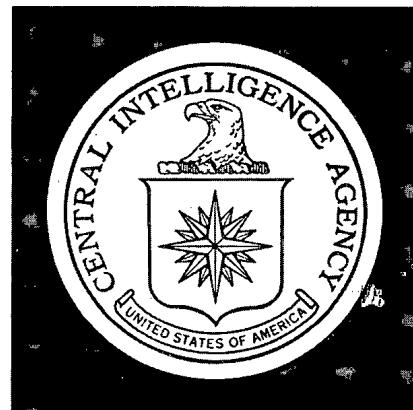
5. Chile-Argentina

President Frei has asked for US help in persuading Argentina to accept arbitration of an old territorial dispute between the two countries. The argument, over navigation rights through a channel near Cape Horn, has recently flared up again. Frei thinks it could even result in armed conflict unless something is done quickly to get the ball rolling toward peaceful settlement.

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FOR THE PRESIDENT'S EYES ONLY

Special Daily Report on North Vietnam

Top Secret 50X1
16
22 December 1967

Special Daily Report on North Vietnam
for the President's Eyes Only

22 December 1967

I. NOTES ON THE SITUATION

The Liberation Front Abroad: Some Communist capitals are publicizing the reception of Front representatives as diplomats. For example, when the new Front representative in Peking presented his "letter of appointment" to Chou En-lai early this month, Hanoi radio quoted Chou as saying that Peking regards the Front mission as "an official diplomatic mission enjoying the same status as foreign embassies in the diplomatic corps in Peking."

Similarly, a new Front representative arrived in Berlin last week and received high-level treatment from the East German Government. Ulbricht described the representative's office as a "diplomatic mission."

There is as yet no evidence that other Communist countries intend to change the status of the Front representative. In the Soviet Union, for example, the Front representative is officially accredited to the Afro-Asian Solidarity Committee, although he frequently sees high-level Soviet leaders and attends diplomatic functions.

Accrediting the Front representative to a foreign government with the rank of ambassador is not a new move by Communist or leftist governments. Front delegations in Pyongyang, Havana, and Phnom Penh have enjoyed this status for some time--in the case of Pyongyang for more than a year.

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Rural Food Situation:

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gees who recently left North Vietnam have reported that the food situation in the rural area was generally unsatisfactory to the people. The rural rice ration, as in the cities, was sometimes adulterated with wheat and other unpopular substitutes. Most other foods were in short supply and expensive; black market prices for all foods were much higher than state prices. Common consumer items such as matches, shoes, pants, shirts, hats, raincoats, umbrellas, charcoal, and kerosene were very scarce.

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French Delegation: The US Embassy in Paris has been informed by an associate of Waldeck Rochet, Secretary General of the French Communist Party, that Rochet will head a delegation to North Vietnam sometime in January. The purpose of the trip is to repay the visits of prominent North Vietnamese to France over the past two years. The embassy source expects the delegation to receive red carpet treatment in Hanoi and to have several "working sessions" with the North Vietnamese Party Politburo and individual meetings with members of the leadership. The source speculated that the war, and Hanoi's attitude toward next year's meeting of Communist parties in Budapest, will be discussed. The source also claimed

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that the delegation intended to probe the Hanoi leaders on their precise position on talks following a bombing halt, and their conditions for negotiations.

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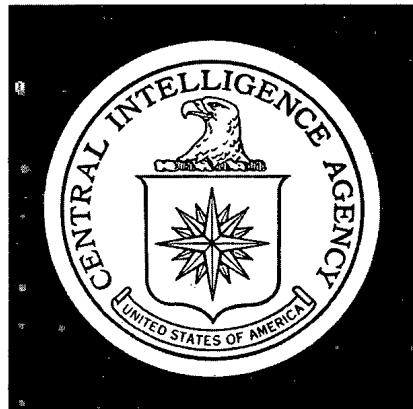
II. NORTH VIETNAMESE REFLECTIONS OF US POLITICAL ATTITUDES ON THE WAR

Antiwar Protests: Hanoi, in an English language broadcast on 20 December, reported a series of recent statements and activities in the US which have been critical of the administration's Vietnam policy. The broadcast reported that some 1,000 Americans in Torrance, California, held a mile-long march on 17 December to protest the war, and that on the same day in New York, Senator Vance Hartke "condemned the US war in Vietnam and demanded the immediate withdrawal of US troops from the South." Protests by American Quaker groups and Negroes, as well as disruptive activities at draft induction centers around the country, were also reported without comment.

* * *

Other Antiwar Activities: A similar broadcast on 19 December reported numerous antiwar activities taking place around the world. Demonstrations against US policy and involvement in Vietnam were reported in West Germany, Sweden, Switzerland, Mali, Yemen, and Australia. All this again was carried without comment by Hanoi.

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The President's Daily Brief

~~Top Secret~~ 23 December 1967



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DAILY BRIEF
23 DECEMBER 1967

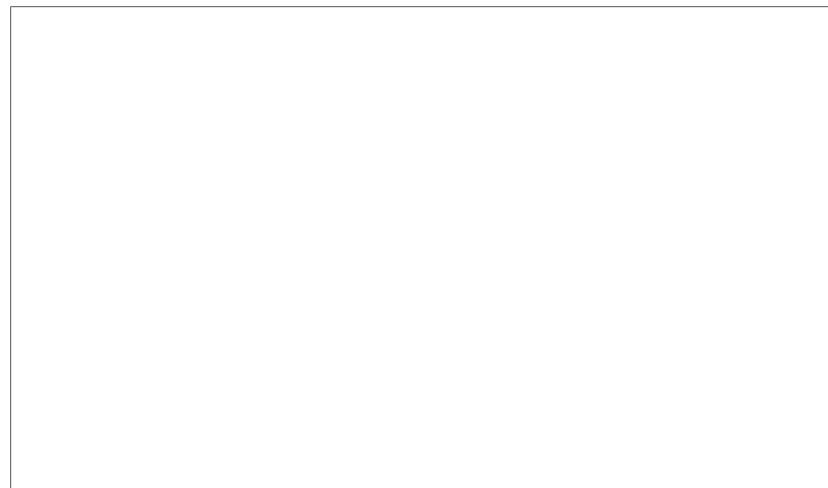
1. Australia

Ambassador Clark had a 15-minute talk with Prime Minister McEwen shortly after President Johnson left Melbourne. Prime Minister McEwen told Ambassador Clark that, while the US and Australia have had excellent relations all along, the President's visit "cemented our relationship for all time." The ambassador comments that McEwen could not have been more complimentary.

The prime minister also said it was the announcement of the President's visit which had caused others--including specifically the British--to send top-level delegations. McEwen is very grateful for this.

2. North Vietnam

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3. South Korea

President Pak is facing a new legislative crisis. Opposition legislators are paralyzing all legislative business by a sit-in at the National Assembly.

The primary issue is the ruling party's failure to live up to its agreement to establish a committee to investigate the Assembly elections last June. Such a committee would undoubtedly finger a number of high administration officials for involvement in election irregularities.

4. Vietnam

The Vietnamese Communists apparently are taking a cautious approach toward President Johnson's television remarks about possible South Vietnamese contacts with the Liberation Front. There has as yet been no official comment from either Hanoi or the Liberation Front.

The chief of the Front's mission in Prague, however, seems to have dismissed the President's statements rather perfunctorily, but probably had not received any authoritative instructions. A Czech newspaper says he "answered" President Johnson by saying in a 20 December interview that "We do not intend in any way either to ease the position of the Saigon puppets or to help the American imperialists solve their problems."

Hanoi seems to be wary of such brusque disclaimers, probably because it sees US encouragement of contacts between Saigon and the Front as another step toward bolstering the role of the Front in any future settlement. The Vietnamese Communists took a similar approach toward Ambassador Goldberg's congressional testimony on 2 November in which he said the US would not stand in the way of Front representatives appearing at the UN Security Council or at a "Geneva" conference. The Communists completely avoided comment on Goldberg's remarks at that time. Only after the US disclosed Front overtures for a presence at the United Nations did they address themselves to this issue. Then both Hanoi and the Front denied the overtures and once again dismissed the competence of the UN on Vietnam issues.

5. Greece

Papadopoulos has just announced an amnesty for all persons taken prisoner since the junta seized power last April. He stated specifically that it will apply to Andreas Papandreu.

He also announced a referendum in April on a new constitution.

6. Eastern Europe

The Soviet bloc foreign ministers, winding up their meeting on the Middle East, have issued a communiqué based on the lowest common denominator. The statement claims complete unity of views among the participants, including the Rumanians. In order to achieve this consensus, however, the foreign ministers balanced a renewed call for the withdrawal of Israeli forces from Arab territory with the reaffirmation of Israel's right to exist. The absence of any pledge of military and economic aid to the Arabs also seems to represent a concession by Moscow to some of the East Europeans.

7. Czechoslovakia

The Czech party central committee session ended late on Thursday, but no communiqué has yet been published. So far there has been no hint of major changes in the leadership.

8. Venezuela

The government's release of some 500 political prisoners in the annual Christmas amnesty may lead only to more terrorism next year. Among those released was a prominent Communist leader, as well as all of the terrorist group that abducted a US military officer in 1964. With the 1968 election campaign close at hand, the government is trying to avoid being charged with repression.

9. Canada

Foreign Minister Martin is the popular favorite to succeed Prime Minister Pearson as leader of the Liberal Party, according to the Gallup Poll. Martin was favored by 29 percent, Finance Minister Sharp by 13 percent, and former defense minister Hellyer by 11 percent. Forty percent had no preference.

10. Nepal

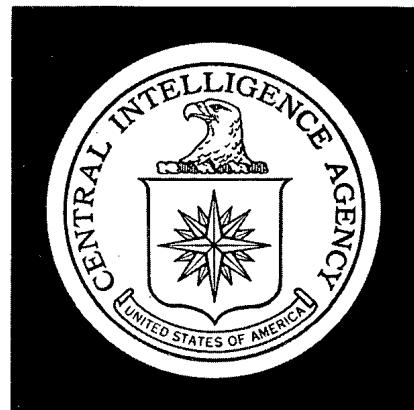


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FOR THE PRESIDENT'S EYES ONLY

Special Daily Report on North Vietnam

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23 December 1967

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Special Daily Report on North Vietnam
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23 December 1967

I. NOTES ON THE SITUATION

Hanoi and the UN: Hanoi's adamant opposition to any UN involvement in the settlement of the Vietnam problem was underscored recently in an effort to get the message across directly to diplomatic missions in the capital. The North Vietnamese Ministry of Foreign Affairs called in selected heads of diplomatic missions and reiterated that the UN has no jurisdiction and that settlement must be on the basis of the Geneva agreements and the program of the Liberation Front.

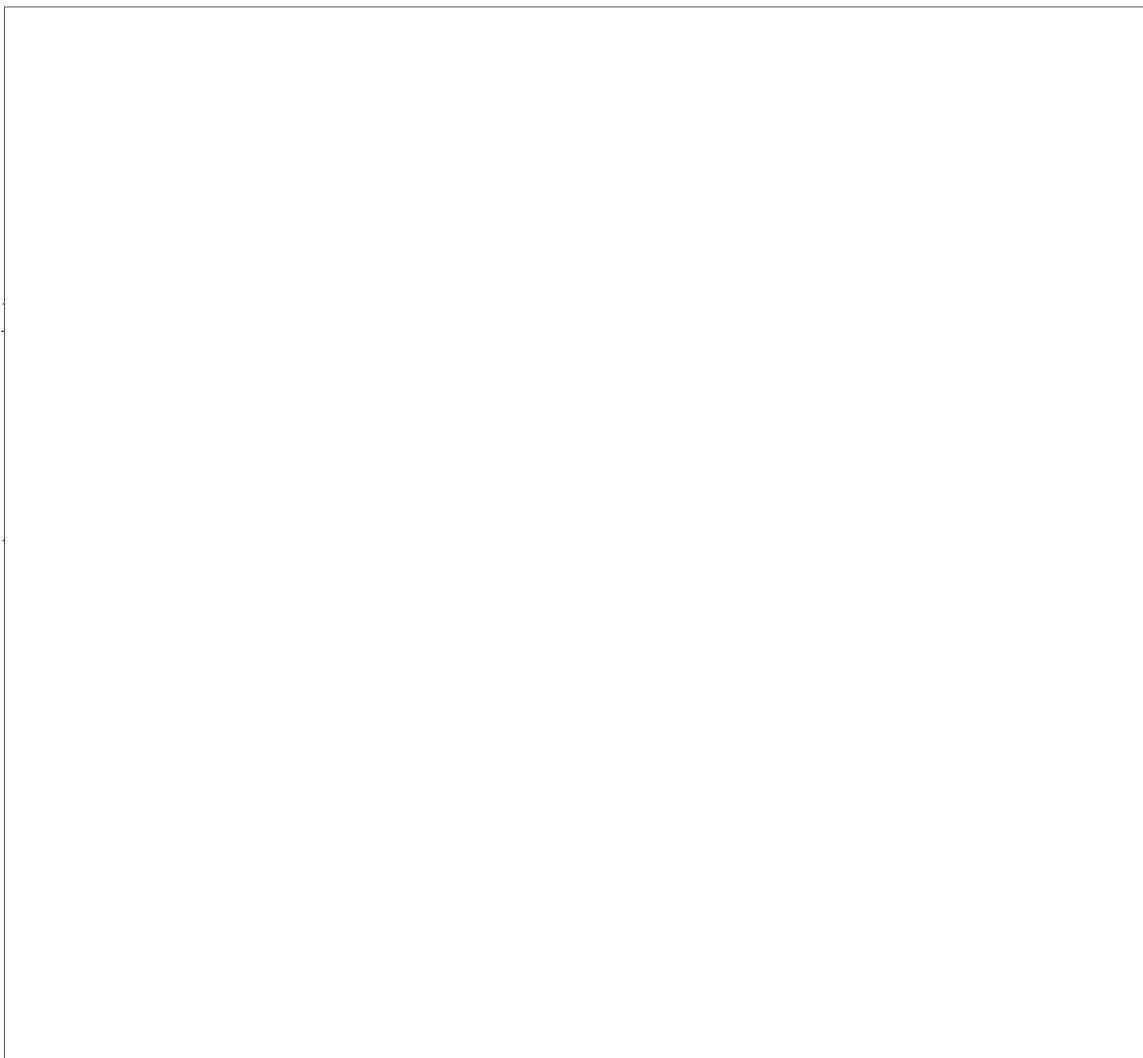
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Report from [redacted]

Refugees: [redacted]

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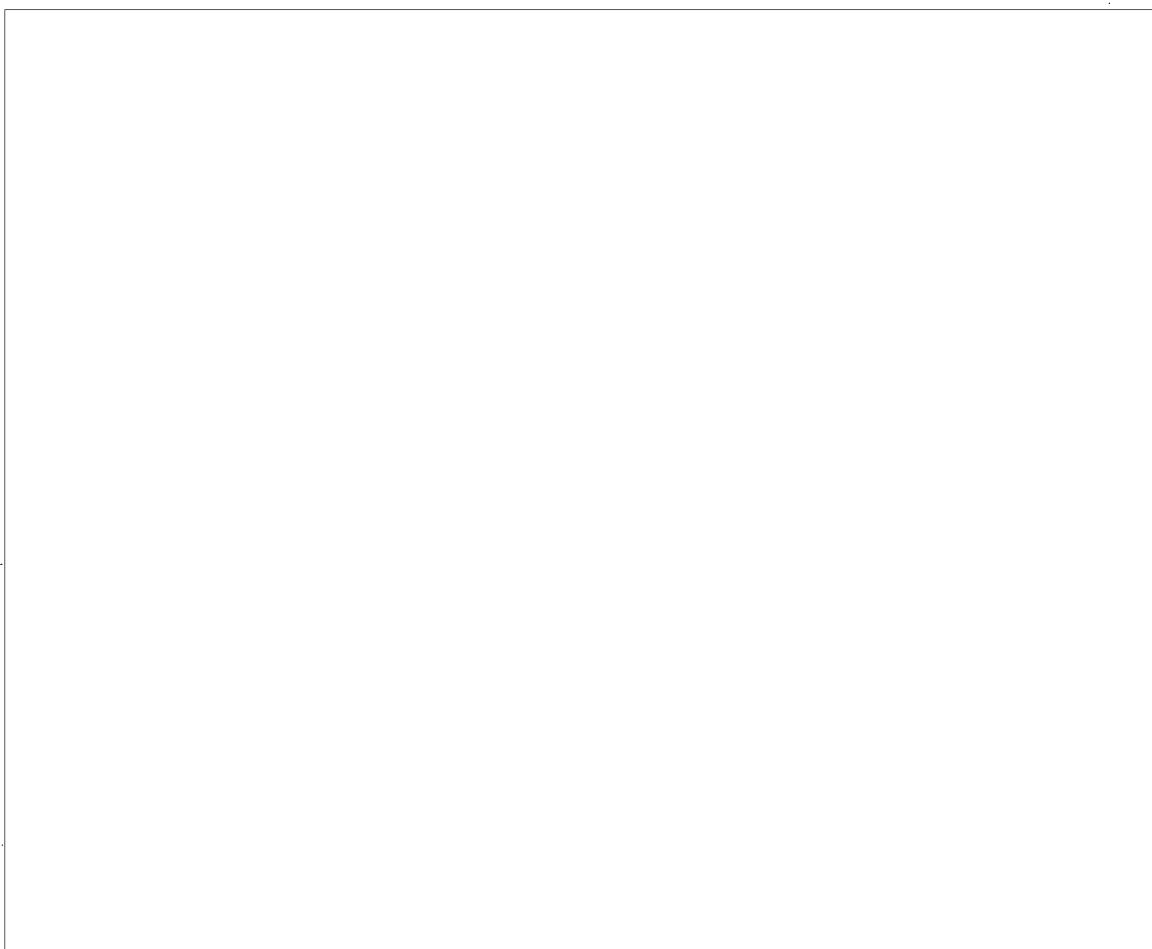
some interesting and probably accurate information on the draft situation in the Lao Cai area northwest of Hanoi. [redacted] no one under 20 is conscripted and that the recruits for the army leave the area once every few months in groups of four or five at a time. The standard period of service is three years, but not all are released from service at the end of this term.

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The President's Daily Brief

24
December
1967
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No Special Report.

~~Top Secret~~ 24 December 1967



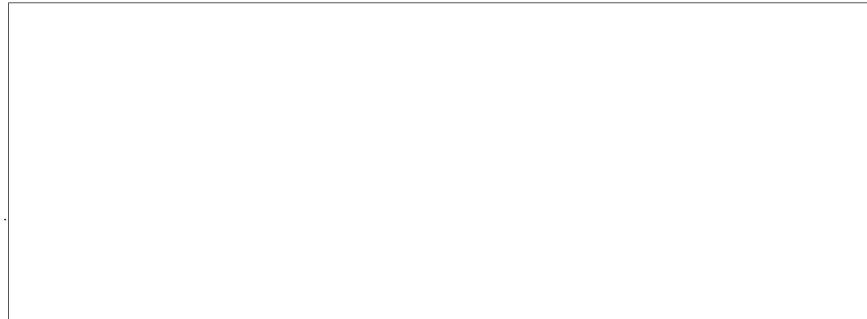
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AGENCY ARCHIVES

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DAILY BRIEF
24 DECEMBER 1967

1. North Vietnam



2. South Vietnam



Saigon politicians continue to grumble about the new government. Much of the criticism is directed at the prime minister for his lack of initiative, but some is aimed at Thieu for not giving Loc any strong guidance.

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3. Cambodia



According to the French, the Cambodian foreign minister has said that the International Control Commission in Cambodia cannot be beefed up simply by agreement between Cambodia and its members; rather, any such move is up to the British and Soviets, as Geneva co-chairmen.

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The foreign minister also noted receiving US documentation on Communist use of Cambodian sanctuary. He said he did not think it was very reliable because it was based on prisoner interrogations.

4. Soviet Union

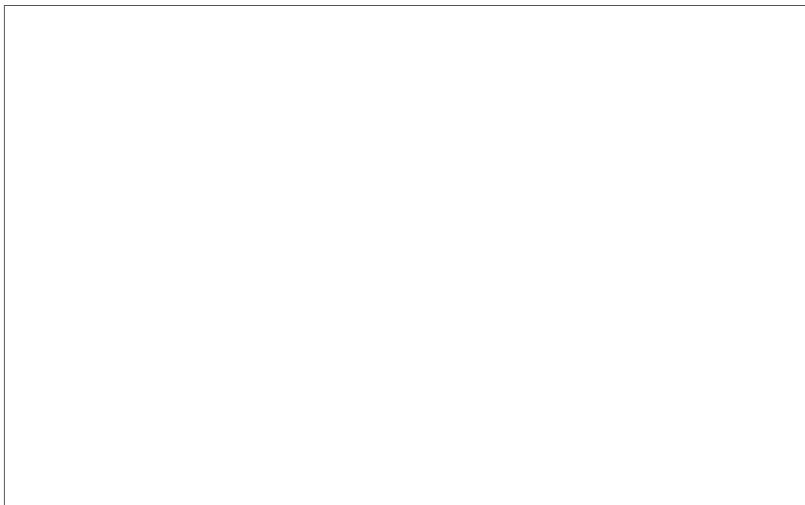


Radio Moscow described the Vietnamese aspects of the President's television interview last Tuesday night as containing "nothing new or constructive." An English language broadcast Friday went on to call the trip to Australia a "war council."

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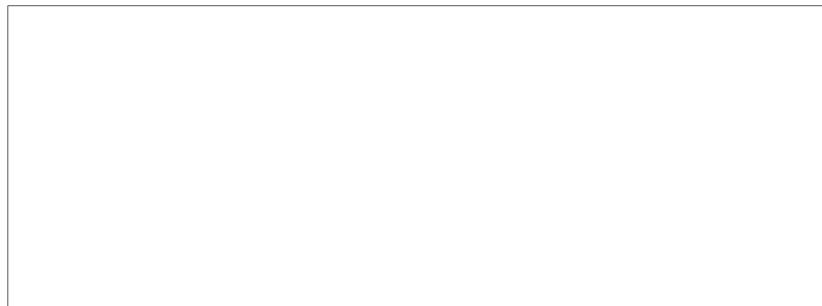
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5. Soviet Union



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6. Belgium



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7. Communist China



A picture of low morale and reduced combat readiness in the Chinese Army has been painted by a recent defector. The defector [redacted]

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[redacted] said even such "front-line" divisions as his spend two-thirds of their time at political study meetings. He also said much of the army was tied down trying to maintain—or restore—public order. [redacted] confirm the defector's general statements that the Chinese Army is paying a high price for the Cultural Revolution.

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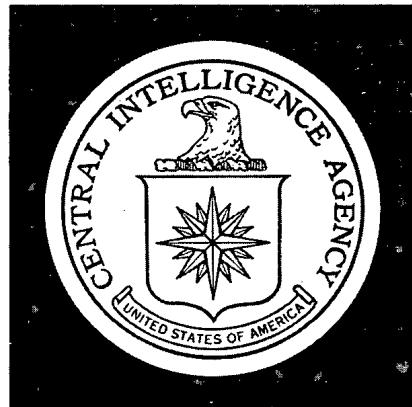
8. Greece

If King Constantine is looking for a way to justify his return to Greece, he could use the junta's announcement of a date for a constitutional referendum. This meets a part of his condition that a timetable be set for return to parliamentary democracy. However, Constantine has said nothing about going back, although he has issued a statement welcoming the amnesty granted political prisoners.

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Whatever the King does, his prerogatives under any new constitution are going to be restricted. The junta feels strongly on this score and the Greek public will not take up the cudgels for a powerful royal family--in fact, many Greeks plainly do not care if the King returns at all. If his mother proposes to accompany him, they would prefer he stay away.

Papadopoulos for his part may create some problems for himself within the junta, where some officers undoubtedly feel he is moving toward a new government with too much speed.



The President's Daily Brief

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DAILY BRIEF
26 DECEMBER 1967

1. Laos

Communist forces are keeping up the military pressure. Yesterday they pulled off a hit-and-run raid on a government-held town in the central panhandle, destroying USAID and Air America facilities there. Government forces in the north were also under Communist pressure over the weekend.

2. Philippines

President Marcos

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on the progress of the continuing drive against the Huks. He got another encouraging report from the constabulary commander who told him of several new victories. The commander, incidentally, feels the morale of his forces has greatly improved in recent weeks because of Marcos' strong support.

3. Communist China

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4. Yemen

The Russians may be wondering why they ever let themselves get involved in the Yemeni civil war. Their republican clients continue doing poorly despite all the Soviet help they have been getting.

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5. Egypt

An affable, self-confident Nasir really extended himself when the new British ambassador presented credentials last week. He even agreed "in principle" to the British proposal that the southern end of the canal be unplugged to release the trapped ships. Nasir said he had already ordered his experts "urgently" to find out how to go about the job.

6. Czechoslovakia

The Czech party central committee was unable to resolve its business last week and is to reconvene on 3 January

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[redacted] The general feeling in the Czech capital is that an intensive struggle continues on the leadership question and that the outcome is still anyone's guess.

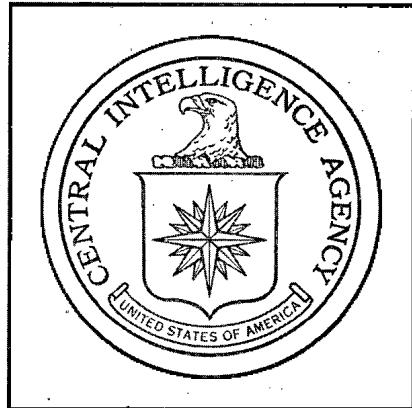
7. Panama

Arnulfo Arias has been formally nominated for president by the most formidable coalition ever assembled in Panama's history. He looks like a sure bet in next May's election--if the voting is relatively free and honest.

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Special Daily Report on North Vietnam
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I. NOTES ON THE SITUATION

Hanoi Rejects President Johnson's "Five-Point Plan": The party Daily Nhan Dan charged yesterday that the President's proposal is a "worn-out trick" intended only to prolong the war. The paper went on to reiterate Hanoi's old terms for settlement of the war.

* * *

Hanoi Says Ho is "Strong and Healthy": The North Vietnamese news agency went out of its way yesterday to try to refute rumors that Ho Chi Minh is seriously ill. It reported that Ho had appeared at a recent mass meeting and that "everyone felt extremely happy to see that their beloved leader is strong and healthy."

Ho himself is quoted telling the crowd that he feels "twenty years younger" than his 77 years. "Our line and policies are correct," he went on, "our entire people are united, and we are enjoying the firm support of friends in the five continents...this is why we will surely win and the US aggressors will surely be defeated." He used Secretary McNamara's resignation as evidence that "the US is being defeated." In concluding what Hanoi called a lengthy address, Ho expressed thanks to the Communist nations for their aid and to "the world people, including the progressive American people who are opposing the US imperialist aggressors and supporting the just fight of the Vietnamese people."

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Birthday Greetings to Mao Tse-tung: Hanoi radio reports that today's issue of Nhan Dan carries a front page photo of Ho and Mao shaking hands. Also front-paged is Ho's standard congratulatory message to Mao.

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[Redacted]

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Draft Dodging in North Vietnam:

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[Redacted] most young people in North Vietnam yearn for peace. The greatest fear of the young men is being drafted and sent South. They often try to avoid the draft by faking illness when they appear for their pre-induction physicals.

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[Redacted] the desertion of draftees from the training camps is becoming a real problem for the regime. The deserters usually do not get very far, however, because they are unable to produce their identity cards when accosted by the authorities. [Redacted]

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[Redacted] the North Vietnamese people have lost confidence in the party cadres because of their many unfulfilled promises.

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Mail Service in North Vietnam:

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mail

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[Redacted] service has been undependable since the first of this year and has gotten even worse in the past six months. Letters are often lost and the people, who now have no faith in the postal system, seldom write letters any more. [Redacted] ordinary citizens have received no mail from overseas since the first of 1967 and do not know whether the letters they have sent abroad have reached their destinations.

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North Vietnam Continues to Send Students Abroad: A group of some 35 North Vietnamese students was observed earlier this month on a train traveling across Siberia toward Europe. They averaged about 20 years old and were about equally divided between men and women. They were destined for Budapest to study

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engineering and medicine

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This is one of a number of signs that Hanoi continues, even in the midst of war, to put a high premium on educating the next generation of leaders.

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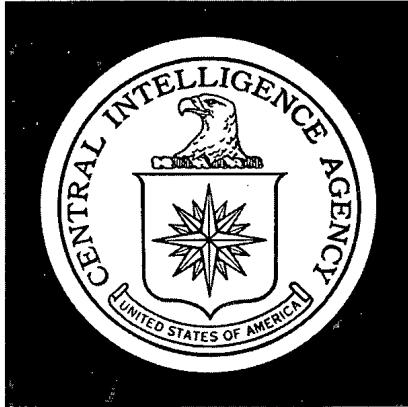
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II. NORTH VIETNAMESE REFLECTIONS OF US POLITICAL ATTITUDES ON THE WAR

There is nothing of significance to report today.

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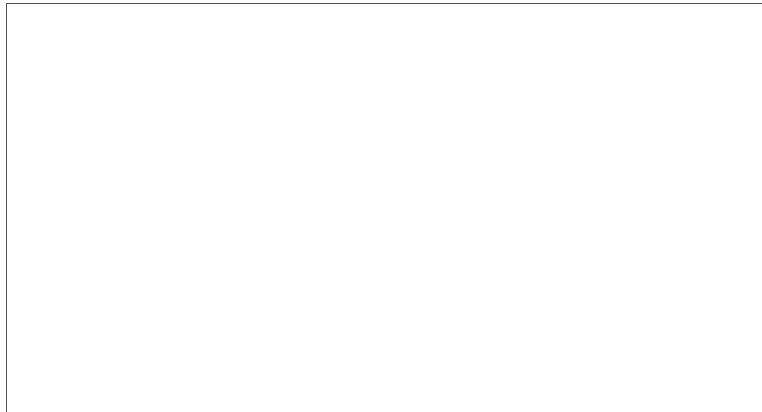
DAILY BRIEF
27 DECEMBER 1967

1. Communist China

Civil disorder and violence are spreading. In some areas, local conditions appear to be as bad as last summer. There are an increasing number of reports that Red Guards are again using machine guns and other military weapons. The army seems to be doing little or nothing to prevent outbreaks, but intervenes only to keep the violence from spreading.

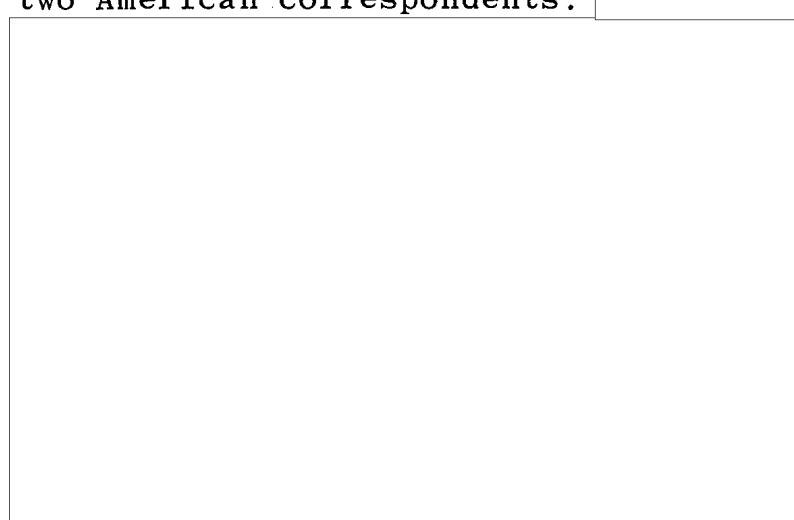
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2. Communist China



3. Cambodia

The International Control Commission was unimpressed by its investigation of the Viet Cong camp reported by two American correspondents.



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**LAUNCH COMPLEX J
Tyuratam Missile Test Center, USSR
11 December 1967**

4. Soviet Union

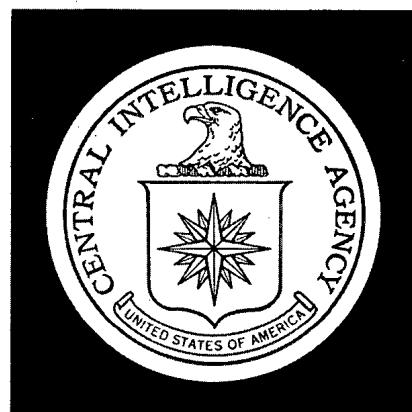
Recent satellite photography has given us a glimpse of the model (not for certain an exact model) of the huge space booster which the Soviets are expected to launch in the latter part of 1968. A vehicle about 320 feet tall and 50 feet in diameter--a bit shorter and fatter than Saturn V--was seen on one of the two giant launch pads under construction at Tyuratam.

The over-all size of this object, probably an engineering mock-up to check out the pads and their support facilities, is quite close to what we had estimated. The setting up of this checkout vehicle before structural portions of the launch area are completed suggests that the Soviets are wasting no time in readying these facilities.

5. Yemen**6. Aden**

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Special Daily Report on North Vietnam
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I. NOTES ON THE SITUATION

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: Giap Fails to Show: Preliminary news accounts
of the attendance at the 23 December celebrations in
Hanoi indicate that Defense Minister General Vo Nguyen
Giap was not present. Army Day is an occasion which

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General Giap not only normally attends, but on which he speaks, and his absence is unusual. Hanoi has not reported on Giap's activities since he was reported returning from the Soviet anniversary celebrations in mid-November.

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Hanoi Chary on Contacts Issue: The Vietnamese Communists are still maintaining a cautious silence on President Johnson's press interview comments about possible contacts between the Thieu government and the Liberation Front. On two recent occasions authoritative Hanoi and Front spokesmen have avoided specific comment on this particular subject when the occasion presented itself. Hanoi issued two propaganda attacks this past weekend in which the President's five points were condemned in general terms, and his joint statement with Thieu in Australia and his pre-Christmas travels were described as tricks and peace frauds. The issue of Thieu-Front contacts was not discussed. The same reluctance to openly discuss the issue of contacts between the Liberation Front and the Thieu government was demonstrated by a Front representative in an interview for a French newspaper.

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II. NORTH VIETNAMESE REFLECTIONS OF US POLITICAL ATTITUDES ON THE WAR

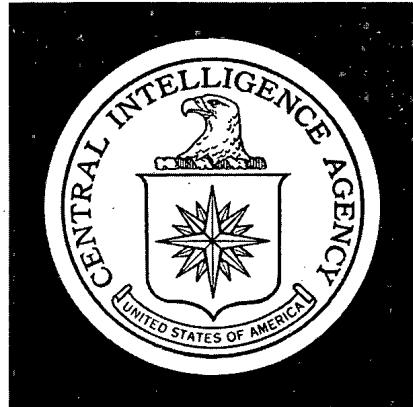
Antiwar Protests Reported by Hanoi: In a 26 December English language broadcast, Hanoi noted without comment a number of antiwar activities that took

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place during Christmas week in the US. A "stirring demonstration" near the UN building on 21 December was reported as well as a press conference by Harvard Professor H. Stuart Hughes on the same date, in which Hughes called for an "immediate end to the bombings of North Vietnam."

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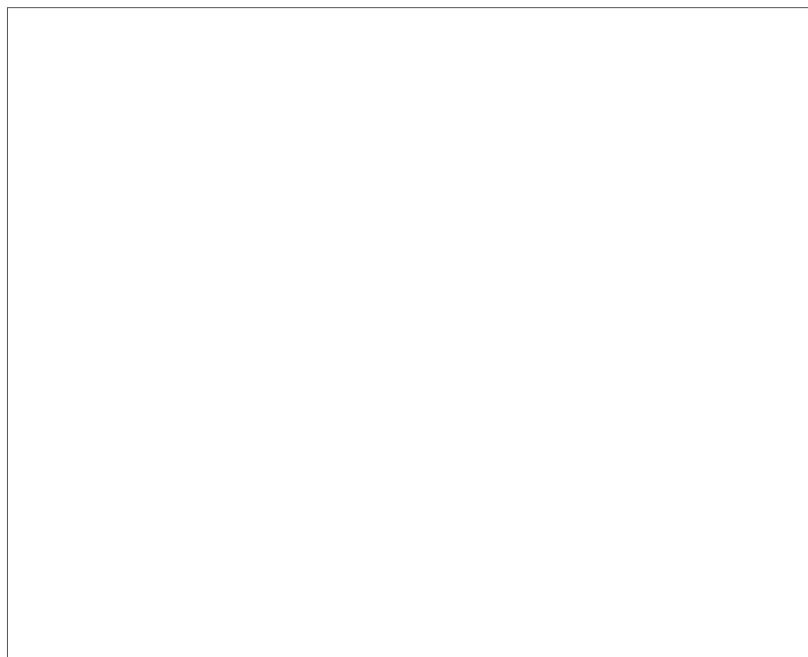
~~Top Secret~~ 28 December 1967



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DAILY BRIEF
28 DECEMBER 1967

1. Vietnam



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2. Laos

Government forces are reported to have recaptured the central Laotian town they lost to the Communists on Christmas Day. Elsewhere, there is Communist pressure, but no major moves. Press reports out of Laos have tended to exaggerate the Communist campaign, although it is more extensive than in recent years.

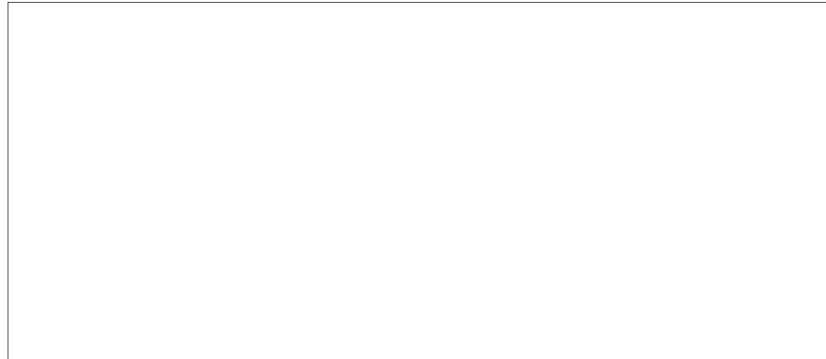
3. Cambodia

Sihanouk is reacting predictably to the US note. Assuming his favorite role as the Cambodian David up against the US Goliath, the Prince is trying to build international opinion--and pressure--against any moves into Cambodian territory.

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4. Communist China

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**5. South Korea**

Fists flew in the National Assembly this morning as progovernment legislators stormed the speaker's platform and re-captured it from opposition members. The opposition had been holding a live-in on the platform since they seized it last week in protest over the government's failure to check election irregularities. Early reports indicate the government majority quickly rammed through the 1968 budget. The Assembly is scheduled to adjourn tomorrow.

6. Chile

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Chilean Communists hope to combine all the country's leftist political parties into a united front to capture the 1970 presidential election. [redacted]

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The Communists recently had some success in a by-election by teaming up with one other party. This success may help them pull in other leftist parties and give their front a good start toward 1970.

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7. Yemen

The battered republicans are now seeking mediation. On Tuesday a top republican leader said he would welcome the services of a three-nation commission formed last summer to seek a negotiated solution to the civil war. Earlier the republicans had rejected the commission's efforts. The royalists--who are not losing the war, but are far from winning it--may be agreeable to talks.

8. Congo

The fate of the mercenaries remains unsettled. The Congolese still want them, and Rwanda still says no. Congolese Foreign Minister Bomboko assured the US chargé that the mercenaries would be treated tenderly if returned. He said they would be "put in a comfortable prison" and their trial would be "in the best tradition of European justice." There is no indication the mercenaries care to take their chances on Congolese concepts of European justice.

9. France

De Gaulle may be ready to lift his Middle East arms embargo.

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soon and a torpedo boat already was on the way. The French also have indicated their willingness to sell aircraft to Iraq. If De Gaulle is ending the embargo, it is probably because he feels he has made all the political profit he can and now it is time to look to the commercial side of the ledger.

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I. NOTES ON THE SITUATION

More on Living Conditions: Reports on living and working conditions in North Vietnam continue

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women have replaced men in "virtually every field of endeavor," and that women constitute the great majority of the militia and about one-half of the armed security service.

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Agricultural and construction workers usually work about a seven-hour day and are subjected to short, political indoctrination sessions about once a week--a not excessive requirement in view of war needs and the Communist penchant for political indoctrination. the draft age as 18 and illegal deferments are not uncommon, citing examples of the successful bribery of both medical officials and personnel cadre in charge of assignment and recruitment.

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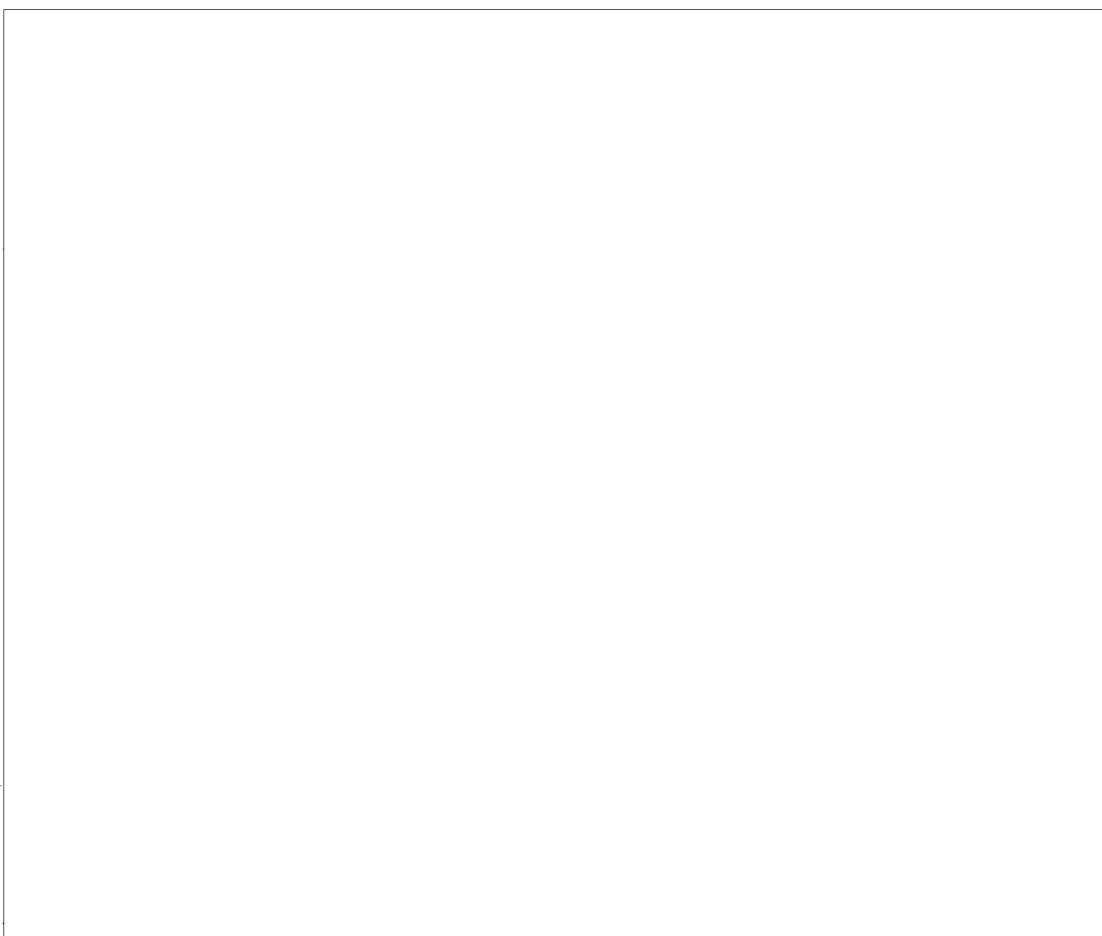
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**II. NORTH VIETNAMESE REFLECTIONS OF US POLITICAL
ATTITUDES ON THE WAR**

There is nothing of significance to report.

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DAILY BRIEF
29 DECEMBER 1967

1. Cambodia

Sihanouk has been quoted by the Washington Post as saying he would "not intervene" if US troops entered Cambodia in hot pursuit of Vietnamese Communists--at least under certain conditions. One of these conditions was that he be convinced that the Vietnamese had entered Cambodia illegally, and in an uninhabited region. He insisted that Cambodian troops would resist any attacks on areas where Vietnamese had been living for a long time, as well as any "incursion" by South Vietnamese troops.

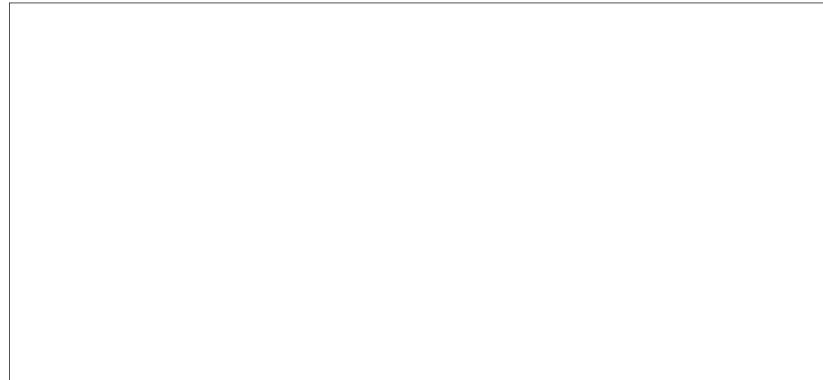
Sihanouk is said to have added that, although he would not invite any US officials to come for talks, he would "gladly receive" a personal envoy from President Johnson.

All this would be a major flip-flop even for Sihanouk, and we have no confirmation that he has in fact changed his standard position, reaffirmed as recently as two days ago, that there are no Viet Cong in Cambodia and Cambodia would fight to the last man if South Vietnam or the US invaded.

2. Laos

Small-scale skirmishing is continuing in the southern part of the country. There is still no indication, however, that a major Communist offensive is under way.

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3. Hong Kong

Peking, concerned for some time over the use of violence in Hong Kong, probably hopes toning things down will encourage other dissatisfied, but non-Communist, groups to join in the "confrontation." Local Communist leaders will probably try to carry out Peking's directive, but may have trouble reigning in their bomb-throwers.

4. Nigeria

The federal government plans to announce on Saturday that all Nigerian currency will be replaced sometime next month. Biafra will now have to try to sell its fairly sizable holdings of Nigerian pounds in a hurry, and probably at a steep discount. Up to now, gradual selling of these holdings has been Biafra's chief source of funds for the civil war--which is still dragging along.

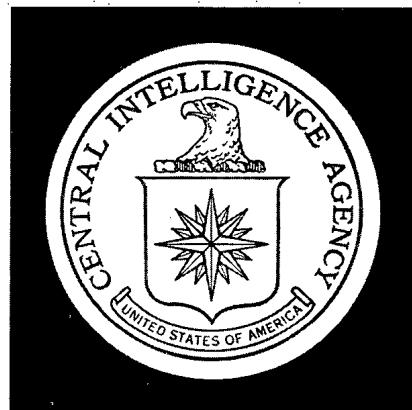
5. Rumania

Moscow is said to have "broken" a contract to purchase oil drilling equipment from Bucharest, and to be pressuring Prague to cancel a large order for Rumanian-made railroad cars. This probably stems from Soviet irritation over Rumania's "independent" stand on important international issues, and more such economic reprisals may be in the offing.

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FOR THE PRESIDENT'S EYES ONLY

Special Daily Report on North Vietnam

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Special Daily Report on North Vietnam
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I. NOTES ON THE SITUATION

Hanoi Comments on President's Meeting with Thieu: Hanoi radio's domestic service has broadcast a Nhan Dan commentary of last Sunday on Thieu's meeting with President Johnson. Referring to the joint communique, Nhan Dan says, "acting on the orders of his US masters, traitor Thieu shamelessly raved about his national union policy." The article goes on to ridicule President Johnson's five-point peace proposal and to assert that the Americans themselves have given the lie to the "cheap, deceitful peace arguments" through "a series of recent aggressive actions." Included among these "aggressive actions," according to the article, is the "urgent airlift" of more US troops last week.

Hanoi's international service summarized a similar Nhan Dan editorial of the next day. The US Embassy in Saigon comments that Hanoi's practice of tying conciliatory statements by the US with alleged new US acts of escalation has become a standard way for Hanoi to reject allied peace initiatives.

* * *

Red River Crossings: Photography of 15 December shows three causeway-pontoon bridges in place or under construction across the Red River just north and south of the recently bombed Paul Doumer Bridge. The causeways run out from the banks and are constructed of rock and gravel laid across exposed sand bars. Pontoon sections are added where necessary to complete the crossings. One causeway-pontoon bridge, located about three-quarters of a mile northwest of the Doumer bridge, is under construction. Two others, about a mile and a half south of the Doumer bridge, are operational. The new Red River crossings are believed capable of supporting a moderate level of truck traffic. The causeways should be serviceable for several months until undermined and washed out when the present seasonally low water in the Red River returns to normal about June. There are twelve

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other alternate crossing facilities along the Red River, half of them within five miles of the Doumer bridge.

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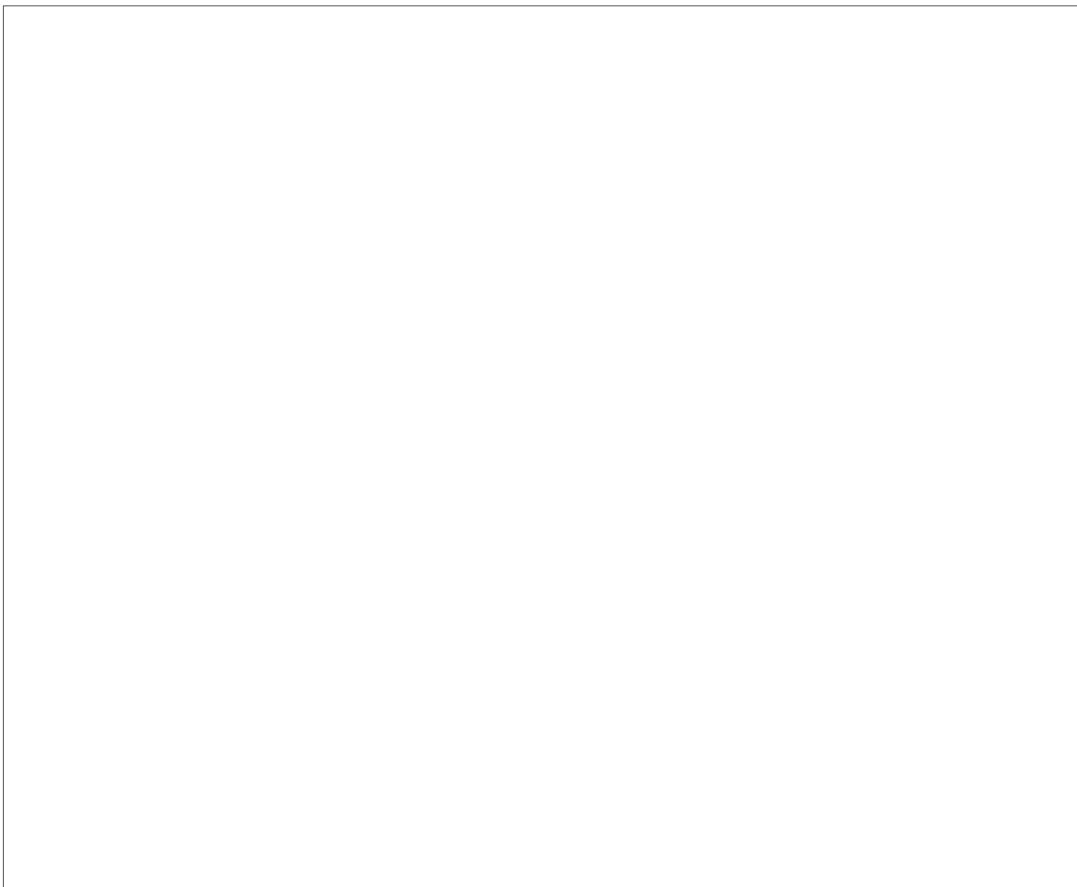
Heavy Traffic in Hanoi Area During Christmas Truce: [redacted] in Hanoi during the 24-hour Christmas truce observed heavy traffic on all roads in the Hanoi area and compared it with similar high volumes of traffic which have occurred during periods when inclement weather prevented US air activity. [redacted] observed traffic crossing into Hanoi over what appeared to be two pontoon or boat-borne bridges (apparently the causeway-pontoon bridges referred to in the previous item). The recently bombed Paul Doumer Bridge was in almost complete darkness. Heavy traffic was also observed on highways leading into Hanoi from all directions.

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Hanoi Sends More Students to Europe: Despite demands on manpower reserves at home, Hanoi is continuing to send large groups of people to bloc countries for training. [redacted]

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[redacted]. Information on previous groups has indicated that many are being trained in industrial and technical skills which would be necessary in the postwar rebuilding of the North Vietnamese economy.

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II. NORTH VIETNAMESE REFLECTIONS OF US POLITICAL ATTITUDES ON THE WAR

The Front's Christmas Message to the American People: The Liberation Front's radio on 24 December broadcast the text of a Christmas letter from the Front's "Committee for Solidarity with the American People" to the American people. The letter contrasted the happiness of Christmas time in the US with the misery experienced by many Vietnamese--especially children. It praised those American people who openly protest the war and claimed that the coming new year will be marked by an unprecedented development of the antiwar movement. The movement, the Front message went on, will demand that the US Government respect the American people's wishes, put an end to the war, and repatriate all US troops.

* * *

Hanoi Reports Antiwar Protest in Texas: Hanoi in an English language broadcast yesterday reported without comment a recent antiwar protest in Texas. Quoting Western news sources, the broadcast stated that 55 members of the Austin "Committee to End the Vietnam War" held a one-hour Christmas day vigil outside the President's ranch "to protest against the US war of aggression in Vietnam."

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The President's Daily Brief

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DAILY BRIEF
30 DECEMBER 1967

1. Communist China

The most serious outbreak of armed violence since at least last summer erupted in the important south China city of Kun-ming earlier this week.

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2. Pakistan

[Redacted Box]

3. United Kingdom

George Brown showed up suddenly in Rome yesterday for a day of talks with Foreign Minister Fanfani on the Common Market problem. He is clearly wasting no time in following up the promise he gave Parliament last week to begin consultations with the Five about what to do in the wake of the French veto.

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4. Czechoslovakia

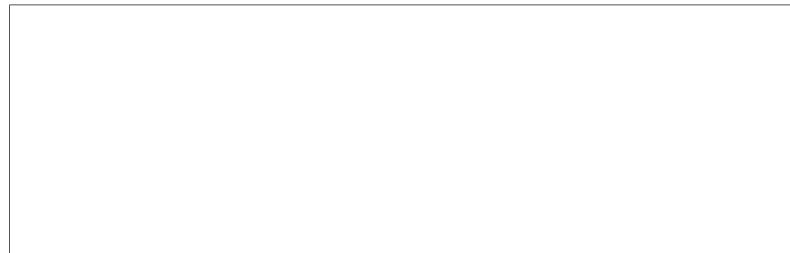
Party leaders are set to meet again next week, apparently for another whack at the divisive question of who is to run the country in the hard days ahead. They face a much deeper crisis than this, however, and it goes to the very core of the Communist system itself. The party's difficulties are summarized in today's Annex.

5. Cyprus

New tensions are likely to arise from the proclamation yesterday by the Turkish Cypriots setting up a provisional council to administer their affairs. Greek Cypriots will insist that this is an attempt to set up a separate Turkish government on the island. Makarios has already blasted it as "flagrantly unlawful."

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6. Egypt



7. Dominican Republic

Santo Domingo is buzzing again with rumors of an early attempt to overthrow President Balaguer.

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[redacted] Balaguer's position, however, does seem to have deteriorated in the past two months. The new rumors themselves will warm up the uneasy political climate.

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ANNEX

Crisis in the Czechoslovak Party

After 20 years in power, the Czech Communists have little to show for their efforts but economic stagnation and growing dissatisfaction among important segments of the population. The country is a good candidate for the world's worst case of what Communism can mean to a people who had developed a fairly modern economy and were relatively satisfied with their lot before the Communist takeover. Now the chickens are coming home to roost.

The party itself is sharply divided between liberals and conservatives, and the result is confusion and lack of cohesion at the top. The liberals are urging further decentralization of the state apparatus, including greater autonomy for individual factories and farms. Many also favor some relaxation in the regime's tight political controls. The conservatives, on the other hand, fear these changes would bring dilution of the party's political power and a weakening of its ties with Moscow.

President Novotny, who is also party boss, is basically a conservative. Even he, however, has seen the need for change. His economic reform program last year envisaged a loosening up of centralized controls and was an important concession to liberal views. Conservatives lower down in the bureaucracy, however, have thwarted it by insisting on their old rigid interpretation of the State's authority.

Unrest is growing both within and outside the party. The regime's inability to maintain rapport with the intellectual community was illustrated last June. The country's leading writers boldly attacked the premises of the regime's cultural and political policies and asked for a much more liberal approach. The party leadership ignored the demands--but it has been afraid to take action against the writers.

Czechoslovak youth--with their "happenings," miniskirts, and illegal, Western-oriented youth clubs--have for some years been demonstrating their

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alienation from the regime. Today, Prague students are demanding equal justice and adherence to the rule of law. They apparently have the backing of some party intellectuals and the sympathy--but not the active support--of the general population.

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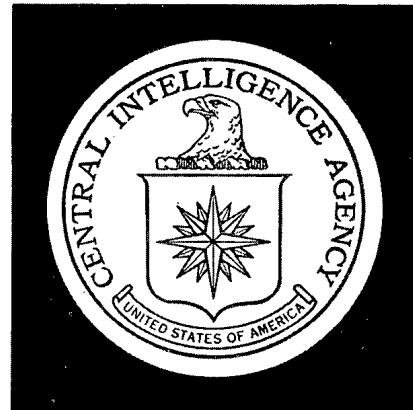
Soviet party boss Brezhnev made a sudden visit to Prague on 8 and 9 December, just prior to a scheduled central committee meeting, to take a first-hand look at the situation and apparently to lend Novotny his support. The central committee subsequently met from 19 to 21 December and the presidium has been in session almost constantly since the beginning of the month. No policy or personnel changes have yet been announced, however.

Novotny's position without doubt has been weakened in recent months, and there is widespread dissatisfaction with his stand-still leadership. This has given rise to speculation that he himself will be removed from either or both of his government and party positions. On the other hand, there is apparently no individual within the leadership apparatus who is both acceptable to Moscow and strong enough politically to replace Novotny as head of the regime. Thus, if Novotny were forced out, he would probably be replaced by a weak collective leadership.

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I. NOTES ON THE SITUATION

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Hanoi Backs Sihanouk: Hanoi radio yesterday broadcast a Nhan Dan editorial promising strong support to Cambodian Chief of State Sihanouk. The editorial, evidently written before Sihanouk's recent interview with the Washington Post reporter, said US reports of Communist use of sanctuaries in Cambodia were "brazen slanders." As might be expected, it went on to claim that it was all a plot to step up the war and extend it to the whole of Indochina.

Nhan Dan declared the Vietnamese people were fully behind the Cambodian people in "their struggle" and took the stock Hanoi line about "volunteers." The editorial said Cambodia has the "legitimate right to call when necessary for assistance from friendly countries to defeat the US."

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II. NORTH VIETNAMESE REFLECTIONS OF US POLITICAL
ATTITUDES ON THE WAR

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