

Top Secret 3 January 1967

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DA	ILY	BRI	EF
3	TA NI	TARY	1967

1.	Communist China	

2. Guatemala

In a year-end look at the internal security situation, the US Embassy notes the Guatemalans have been doing somewhat better in operations against guerrillas in rural areas. This is largely because of more aggressive patroling by government forces. The picture is not so rosy in Guatemala City, however. Terrorists still operate there pretty much at will.

3. North Vietnam

Soviet shipping to North Vietnam picked up in December after a slackening of deliveries from September through November. This increase may reflect deliveries under the new aid agreements concluded with Moscow in September.

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### 4. Congo

Union Minière struck back today by threatening legal action against anyone buying copper from the mines Mobutu confiscated on Sunday. The big Belgian company also demanded the Congolese pay some \$784 million for the seized assets. Mobutu does not have that kind of money and would not pay it if he did. Indeed, he is going to have trouble finding any money at all unless he can work out some way of selling the copper.

### 5. Finland

Prime Minister Paasio may be looking for a new job unless he trims his sails a little closer to the prevailing winds from Moscow.

Geography dictates the facts of political life-the Finns avoid unduly antagonizing their big neighbor. But Paasio has done just that by opposing closer relations between his Social Democratic Party and the Soviet Communist Party. If Paasio continues his independent course, Finnish President Kekkonen is likely to replace him with a more cooperative individual.

### 6. Cuba

Fidel Castro had little to say for a man who talked almost three hours. His traditional 2 January speech was generally humdrum with no startling revelations of new policies. Those in the audience able to concentrate on the speech—it was pouring rain—would have noted Fidel's vague reference to sharing leadership. Despite these remarks, we see little prospect that Castro will reduce his own role in running the country.

# 7. Laos

Premier Souvanna Phouma appears to have done well in the National Assembly elections this weekend. A first check of still incomplete returns shows Souvanna's slate looking good for 40 of the 59 assembly seats. However, some of Souvanna's candidates owe their basic loyalty to various military commanders and it remains to be seen how long he can keep them in line.

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Top Secret 4 January 1967

# DAILY BRIEF 4 JANUARY 1967

1. North Vietnam

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### 2. Ecuador

The Rio Protocol of 1942 defining Ecuador's borders with Peru has once again become a source of trouble. Ecuador's wildly nationalistic Constituent Assembly recently denounced the agreement and this has caused both countries to withdraw their ambassadors; a diplomatic break could be next.

The US is a guarantor of the Protocol and the 25th anniversary of its signing comes later in the month. Our embassy in Quito anticipates anti-American demonstrations and even violence--perhaps from the seizure of US fishing boats.

### 3. Communist China

The din against chief of state Liu Shao-chi and party secretary Teng Hsiao-ping is getting so loud that it sounds like the prelude to the third act. Their removal from power, we believe, could come at any time.

Along with this, we see more and more signs that the Chinese economy is being threatened as the "cultural revolution" expands. With the whole area of economic management starting to come under attack, utter chaos is in prospect.

The economic realism of recent years seems to be diminishing. Declarations that another "leap forward" is imminent or under way are now commonplace, and for the first time in many years, economic claims are outright lies.

The press is now encouraging Red Guards to go into the plants and the rural areas to "merge" with the workers and the peasants. There are even indications that the spread of the revolution to the factories is being interpreted as sanctioning worker control over management.

Earlier, when official policy opposed such excesses, the central government was not notably successful in maintaining order in the factories. Now production is certain to suffer.

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4. Nigeria

Gowon and Ojukwu finally came face to face today at Accra. There is no word yet on what transpired.

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### 5. Soviet Union

The Russians have announced signing a five-year agreement with the French in the field of oil and gas prospecting. The effort here is said to be toward joint development of new instruments and equipment--including special computers--for handling prospecting data.

Moscow will surely get the better of this deal. The French, through their contacts with US oil companies and their licensing agreements with US manufacturers, not only can give the Soviets valuable information about US techniques, but can also sell them the most up-to-date equipment for finding petroleum.

### 6. Congo

It is quite clear from pitches made to American officials that Mobutu and a number of other Congolese luminaries still believe that the US will step in financially to save the day when the crunch with the Belgians really comes.

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Top Secret 5 January 1967



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### DAILY BRIEF 5 JANUARY 1967

1. Communist China

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Mid-December photography of the Chinese missile test range (see photo) shows that launch complex "B" is now complete. Construction on this site, which we have monitored for over a year, has been extremely rapid even by US or Soviet standards.

2. North Vietnam

We have seen no indication that Hanoi has changed its price for peace negotiations, despite the recent flurry of statements designed to put a better face on the North Vietnamese position.

The latest of these was made at a press luncheon today in Paris by the senior North Vietnamese representative, who said Hanoi would "study" the matter—if the US "finally and unconditionally" stopped bombing. He gave the standard exposition of Hanoi's four points and the National Liberation Front's five. There was no suggestion of any concessions by the North Vietnamese.

3. North Vietnam

### 4. Communist China

Mao has now, for the first time in the long struggle within the leadership, personally entered the ring and may be trying for a quick knockout against Liu Shao-chi and Teng Hsiao-ping.

According to posters and Red Guard newspapers seen yesterday and today by foreign newsmen in Peking, Mao personally attacked both of these persons. Mao is said to have complained bitterly that they forced him out as chief of state in 1958 and have treated him like a "deceased parent" ever since. Although Mao did indeed turn the ceremonial office over to Liu after the "people's communes" lunacy collapsed in 1958, this charge is a patent fabrication.

With Mao's prestige now formally on the line, those attacking Liu and Teng are under pressure to finish a job they have so far been unable to carry out.

# 5. Cyprus

A storm may be brewing over a shipment of Czech arms that arrived on the island last November. Makarios had secretly purchased the arms for his Greek Cypriot police force.

At that time, both Turkey and Greece screamed loudly, Makarios put the arms in storage subject to UN "inspection," and the Czechs suspended further shipments. Ankara, still upset, now wants them put under UN "custody" and finally withdrawn. The Turks are muttering about providing the Turkish Cypriots with "equivalent arms" if their demands are not met.

However, the police units for whom they were intended will be well enough trained by late February to use the arms, and we believe Makarios will bring them out of storage at that time. 6. Congo

Mobutu, under prodding from the US Embassy, has backed down a bit in his potentially ruinous quarrel with Union Minière. He now seems willing to work toward an agreement, but most of his conditions are likely to be rejected by the company.

7. Jordan

The poker game to keep other Arab troops out of Jordan continues.

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8. Guyana

The coalition government set up in 1964 to keep the pro-Communist demagogue Cheddi Jagan out of power is developing some cracks.

Prime Minister Burnham and his junior coalition partner, the finance minister, are at loggerheads over both policy and personal matters.

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9. Nigeria

Gowon and Ojukwu behaved "like officers and gentlemen" at yesterday's meeting in Accra. All participants are said to be "greatly relaxed," and another session was held today. So far, however, the only agreement reached has been not to settle their disputes by force.

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Top Secret 6 January 1967

### DAILY BRIEF 6 JANUARY 1967

### 1. North Vietnam

A Hanoi broadcast today accused "some Western radios and newspapers" of releasing "tendentious commentaries" on Harrison Salisbury's account of his interview with Pham Van Dong. The radio went on to say that it was authorized to state that Pham Van Dong "actually told Mr. Salisbury that the four-point stand of the North Vietnamese constitutes the basis for a settlement."

This formulation is the standard one used by the Vietnamese all along. Its emphasis here seems intended to discount the impression that Pham Van Dong's remarks signaled a softening in Hanoi's terms. By attributing the "tendentious" commentaries to unnamed sources, Hanoi avoided casting aspersions upon Salisbury himself.

#### 2. Laos

Communist troops, including substantial numbers of North Vietnamese, struck in battalion strength at a forward government base in northern Laos this morning. At last report, the Na Khang base was still in friendly hands, but the air strip was lost to the enemy. More on the military situation in Laos is at Annex.

### 3. West Germany

Willy Brandt is now comfortably settled in his new saddle and the Foreign Ministry has begun a cautious 50X series of moves aimed at the establishment of diplomatic relations with Eastern European governments.

4. Dominican Republic

Internal squabbling has flared up again in Juan Bosch's Dominican Revolutionary Party as he continues his peaceful sojourn in Western Europe. Several prominent former party officers are now defying the present radical party leadership by accepting jobs with the Balaguer government. One result may well be the early formation of a rival party by the moderates now leaving Bosch's party.

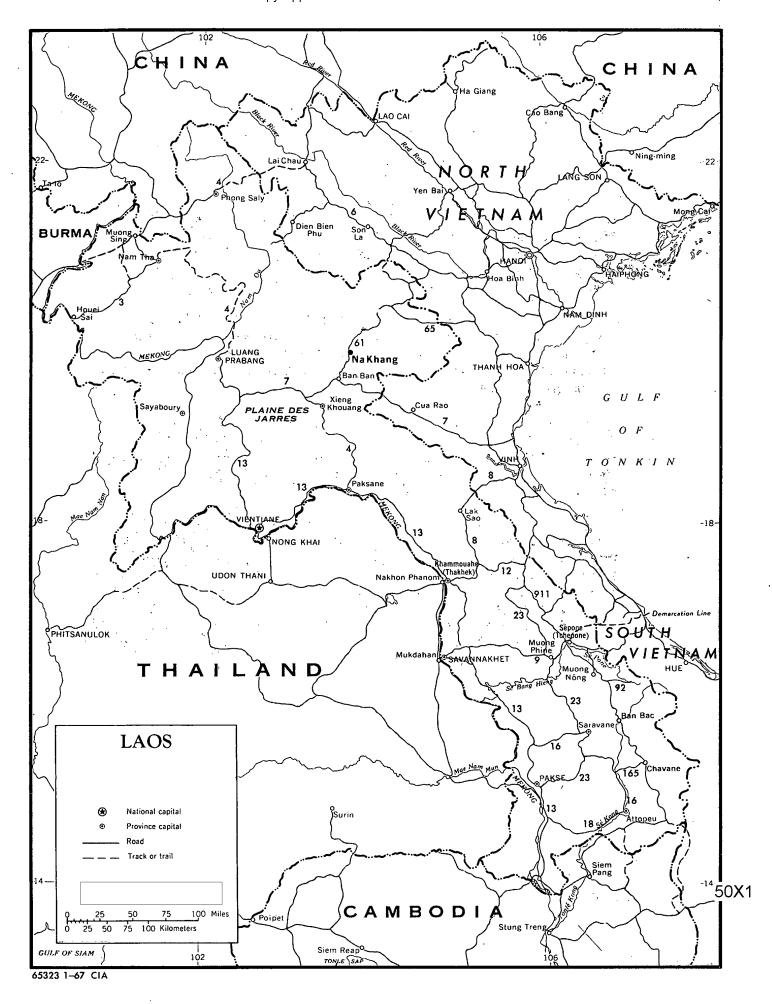
Disarray is also growing among the Communist and pro-Communist parties. There were three such parties during the 1965 revolution. Now there are five.

5. Macao

The beleaguered Portuguese governor has capitulated to still more Communist demands. These are supposed to be the "final" ones, but that remains to be seen.

6. Israel

Tel Aviv has publicly warned Syria against further "encroachments" along the border. So far, there have been no casualties in this area, though small fire fights have become almost a daily affair.



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ANNEX

# The War in Laos

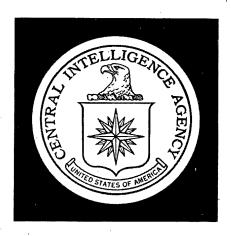
The attack on Na Khang today signals another enemy effort to clear the government's guerrillas from the northern part of the country. This is now an annual effort timed with the end of the rainy season. Like most of the fighting in Laos, however, the results are rarely conclusive.

At about this time last year, for instance, this same base came under fire--and was eventually overrun. It was retaken, however, after only a few weeks. We doubt that the Communists could hold on much longer this time.

All the same, other Communist strikes are likely to take place in the north at any time. Attacks have already been reported north of Na Khang; several government positions were overrun there earlier this week.

To the south in the Laos panhandle, military movements so far this season have been light. Our roadwatch teams report considerably fewer trucks going south than last year at this time. The reasons for this are not altogether clear, but an unusually long rainy season is probably a factor. In any case, the amount of work being done on the roads indicates that they will shortly be in heavy use again—perhaps above the level of 1966.

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Top Secret 7 January 1967

### DAILY BRIEF 7 JANUARY 1967

### 1. South Vietnam

There is good evidence of hanky-panky on the Saigon waterfront involving collusion between union officials and the big stevedoring companies.

Officers of these companies have been hinting broadly that the US Army's dockside labor troubles would be over if stevedoring contracts are renewed on "favorable terms" when they expire 30 January. It seems more than coincidental that this also is the date mentioned in recent warnings of another labor flare-up.

#### 2. New Zealand

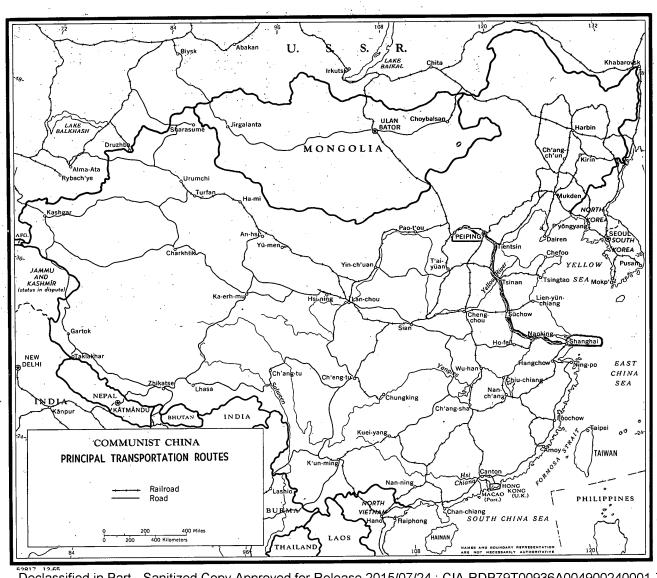
Next month's visit by the Australian prime minister, a rare event in New Zealand, will coincide with a period of soul searching there on whether or not to increase New Zealand's military aid to Vietnam. The Holt visit could well swing the balance in favor of an early increase.

#### 3. Soviet Union

The Soviets are about to issue a major announcement of some sort. The evening paper Izvestia was not published today. It will appear tomorrow morning, along with Pravda and other papers, to carry simultaneously a declaration by the party's Central Committee.

Our best guess is that the announcement will concern China. Various Soviet leaders have been out in the hustings lately explaining the perfidies of the Chinese leaders and preparing the public for a step-up in Moscow's propaganda war against Peking.

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### 4. Communist China

One of China's most important rail lines has been cut off for all or most of this week, apparently because of some new violent spasm of the "cultural revolution."

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press reports that the break took place between Shanghai and Peking on or about 27 December (see Map). Passenger service between these two leading cities had not been restored by 4 January.

Japanese reporters claim that the rail service was suspended because of "bloody clashes" between worker and Red Guard groups at a place 40 miles from Shanghai. The reporters say they have seen Red Guard posters in Peking explaining that the suspension was caused by violent outbreaks instigated by the mayor of Shanghai.

Nanking, a major city on the Shang-hai-Peking railroad, is also reported to be the scene of heavy fighting.

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on 5 and 6 January thousands of workers and Red Guards clashed in pitched battles that resulted in hundreds of casualties.

There are other signs of accelerating disorder in the "cultural revolution" now convulsing China. A Reuters correspondent in Peking observed a weird competition between friends and enemies of Premier Chou En-lai. Some were carrying placards urging that Chou be "burned." Others carried slogans demanding the heads of those who dared attack him.

Events of the past week clearly mark an even higher level of political tension and frantic activity, but they do not indicate that any resolution of the power struggle is in sight. Rather they suggest that the swordplay between the Mao-Liu faction and its enemies has become faster and bloodier. Perhaps the most important thing is that for the first time we are beginning to see a significant breakdown in public order, at least in some areas, and are beginning to wonder whether this will take on the shape of civil war.

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5. Panama

Various patriotic groups are planning four days of special events and demonstrations beginning on Monday to commemorate the 1964 riots.

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6. Nigeria

The meeting of Nigeria's leaders in Ghana this week did at least break the deadlock on some of the most immediate problems of patching the interim military government back together. Much more difficult issues will have to be faced and hard compromises made before the governmental crisis is solved. The leaders seem to be in no hurry. No date has been fixed for their next get-together, though they did agree that it will be held somewhere in Nigeria.

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Top Secret



Top Secret 9 January 1967

# DAILY BRIEF 9 JANUARY 1967

### 1. Communist China

Chinese diplomats are now on their way home from at least 22 countries. Peking has not closed any of its embassies or consulates, but the exodus has left most of them with nothing but a skeleton staff. The returning diplomats are probably going to be cleansed of their dirty bourgeois thoughts and get recharged with Mao.

They will find China in chaos. Clashes between workers and Mao's Red Guards are being reported from Canton in the south to Peking in the north. Now there are signs that Mao and Lin no longer have complete faith in the political loyalty of the army and public security forces.

# 2. South Vietnam

A first draft of the new constitution is to be presented to the full assembly on Wednesday.

It will call for a modified presidential system, with a popularly elected president and an appointed prime minister. The drafters are said to have made special efforts to put in enough checks and balances to keep the president from becoming a dictator.

The process is far from finished, however. The assembly has about two and a half months to resolve some of the finer points, and the debates are likely to be difficult. Furthermore, the military Directorate will almost surely plug for some changes, and the disagreement between Directorate and assembly over the right of the former to make such changes is far from resolved.

### 3. Ecuador

Three American tuna clippers were seized by Ecuador on Saturday. The boats were 40 to 60 miles offshore, but Ecuador claims a 200-mile territorial limit and the subject is politically a hot one.

While the boats may get off with a fine, opportunistic politicians in the National Assembly are likely to make the most of the chance to renew attacks on the government and on the US. They already have raised a hue and cry over a now-defunct secret agreement between the US and Ecuador which eased restrictions on US fishermen in 1963.

### 4. Israel

The situation along the Syrian-Israeli frontier is looking more ominous. Tanks have exchanged fire during the past two days and this takes things a step beyond the usual sniping with smaller weapons. Thus far no Israelis have been killed, but if there are fatalities, a reprisal could be mounted with little or no warning.

### 5. Congo

After considerable prodding, Mobutu has made a new bid to Union Minière. His latest proposition would leave the Congolese controlling production, with the company doing the marketing. Mobutu also says he is willing to negotiate on the question of who owns the copper in the pipeline. The ball is now in the company court.

#### 6. West Germany

The Kiesinger government appears to be backing away from the traditional German position that favored joint control of a NATO nuclear force. Kiesinger, who realizes there is little prospect for this, seems willing to pursue German nuclear interests through the NATO Nuclear Planning Group, which deals in strategy, not weapons control.

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Top Secret. 10 January 1967

# DAILY BRIEF 10 JANUARY 1967

### 1. South Vietnam

There is likely to be some rather rough jockeying among the top generals in Saigon before the question of who is to be the constitutional president is decided later this year.

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Ky made it very clear that he wants to be president and that he considers Chief of State Thieu his principal competitor. Ky went on and on to explain why Thieu could not win an election and why, even if he did, he would be a poor president. The whole problem, Ky concluded, requires "considerable thought."

In the same conversation, Ky revealed that he intends "very soon" to move against General Co, deputy prime minister and minister of defense. Co is to be accused of profiteering and brought to trial. There is certainly plenty of dirt that can be used against the corrupt Co, but Ky may not find this prominent southerner a pushover.

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. Dominican Republ	ic
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. France	The formation of a "National Center for the Fifth Republic" was announced in France over the weekend. This is a group which hopes to unite a motley crew of Gaullists who for one reason or another have fallen out with De Gaulle personally or with his administration; it says its goal is to give the electorate another choice besides the present "sterile" opposition and the "absolutist" (Gaullist) majority.
	Ambassador Bohlen believes this could be one of the most promising developments for the real opposition in quite some time because it will show that the General's followers are not as organized and united as they boast.
. Jordan	

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10 Jan 67

### 9. Panama

Panama has been quiet today. The various patriotic groups which have been planning demonstrations to commemorate the 1964 riots failed to hit the streets.

#### 10. Communist China

Posters went up in Peking today railing at Chou En-lai for "going soft" in the campaign against Liu Shao-chi and company. This is the second such attack against Chou; last week posters calling for the "burning" of Chou were torn down almost at once. If the new posters stay, it would suggest a break between Chou and the Mao - Lin Piao group.

Monitored radiobroadcasts indicate the struggle also continues in Shanghai and Foochow. Few details of the situation in either city are available/

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## The President's Daily Brief

Top Secret 11 January 1967

## DAILY BRIEF 11 JANUARY 1967

#### 1. South Vietnam

Nguyen Huu Hanh, 42-year-old governor of South Vietnam's national bank and a top regime financial adviser, is rapidly emerging as the enfant terrible of our economic relations with Saigon.

Hanh, who has been considerably less than cooperative on a number of economic matters, now is demanding that US counterpart funds be slotted solely against military expenditures. Monday, during a meeting with Ky and Hanh, Ambassador Porter explained again that we were committed to counterpart support of the civil side of the budget as well as the military. He made no headway with Hanh and got little help from Ky.

Hanh also has been finding ways to avoid making good on the recent understanding that Saigon would hold down its foreign exchange balance.

### 2. Soviet Union

The leadership has fanned out across the country to brief regional party leaders on the regime's policies.

Such campaigns have occurred several times in the past few years, but never before on this scale. Since Brezhnev kicked off the campaign a week ago, 19 of the highest civilian leaders and some military brass have spoken in more than 30 cities.

What they are saying is being tightly held, but we think they are transmitting to the working level Moscow's concern over events in China. Those attending these briefings by top leaders are in turn carrying the message to the grass roots.

Moscow may also be raising the bogey of an increasingly hostile China to generate greater production effort on the home front.

### 3. Communist China

The war of the posters goes on.

In some of those seen in Peking today, the Red Guards denounced a third major military figure, who had seemed to be in good standing. Others displayed yesterday indicate that Premier Chou Enlai--who is under fire himself--has defended six of his protegés, all vice premiers. Chou is said to have claimed these men were making self-criticisms and should be allowed to continue their work.

Meanwhile, an official Peking editorial today contained a sweeping statement on the economic disorder created by the cultural revolution, implying that the problem is serious and affects the whole nation.

Speaking for Mao and his supporters, it charged that the opposition had used promises of higher pay and so forth to induce factory workers to leave their jobs, "resulting in the closing down of some factories." This appears to be an admission that local party officials are using workers' organizations to battle the Red Guards.

The Chinese press and radio have reported strikes and absenteeism in at least seven major cities.

### 4. Indonesia

Sukarno's long-awaited statement on his role in the October 1965 coup--read on the radio yesterday--was defiant rather than abject. He asserted that congress had no right to demand an accounting from him and claimed that, anyway, the whole "affair" had been a "complete surprise" to him.

This performance will not satisfy the new regime, and will spur on those who want to get rid of Sukarno in a hurry. Nevertheless, we expect Suharto to continue to make haste very slowly.

## 5. Yugoslavia

The Yugoslavs are riled over what they consider gross interference from Moscow in their internal affairs.

It seems that back in December the Soviets sent Belgrade a note expressing concern that Tito's recent reorganization of his party would reduce its overall authority. The note also accused Belgrade of suppressing those who favored a strong party—an obvious reference to the sacking of Tito's heir-apparent Rankovic in July.

This will revive bitter Yugoslav memories of attempts by both Stalin and Khrushchev to influence affairs in Yugoslavia. Tito will probably try to smooth things over during his forthcoming trip to Moscow-but is unlikely to change his domestic policies or attend a European Communist meeting which the Soviets would also like.

### 6. Bahamas

Yesterday's elections came off without violence-but without a victory for any party. However, the strangle hold of the white-controlled party that has long dominated the islands has been broken by the Negro majority, who see their gains as a racial triumph.

The governor-general now has the unenviable task of trying to form a coalition government, and may have to give up and call a new election. Foreign investors who have basked in the Bahamas' lack of taxes are understandably perturbed.

### 7. Iran

The Shah has finally done it. He has bought some armored personnel carriers, antiaircraft guns, and other hardware from the Soviets. The stuff should start to appear in March; payment, in the form of agricultural and manufactured items, will begin next year.

8. Yemen

Yemeni royalists are again accusing the Egyptians of using chemical weapons in recent bombings. The Yemenis claim about 200 persons died as a result of one attack, with many others blistered and blinded.

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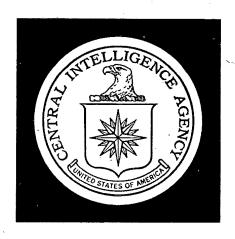
The last confirmed use of gas bombs by Egyptian bombers was in June 1965.

9. India

With elections just over a month away, the ruling Congress Party's prospects are weakening. The party, riddled by dissension and without a leader anywhere near Nehru's class, will probably end up with a reduced majority in the national parliament and could lose control of several state governments. Such reverses would increase pressure to dump Mrs. Gandhi after the elections.

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Top Secret



## The President's Daily Brief

Top Secret 12 January 1967

### DAILY BRIEF 12 JANUARY 1967

#### 1. Communist China

Chinese military leaders are being drawn into the vortex. Yesterday it was announced that the army's "cultural revolution group"—the organization created to purge it of untrustworthy elements—has itself been purged and reconstituted. Mao's wife is listed as an adviser in the new group.

This, together with recent public attacks on several major military figures, confirms that the Mao - Lin Piao group doubts the loyalty of some elements of the military. The Mao - Lin Piao forces are evidently making a concerted effort to rectify the situation.

This may be easier said than done. The strength demonstrated in recent days by Mao's and Lin Piao's opponents in the party bureaucracy and perhaps elsewhere suggests that the struggle may well become even more violent before a resolution is reached.

Meanwhile, the return home of Chinese embassy personnel from posts in all parts of the world is reaching major proportions. So far well over 500 such people have left for China from posts in more than 30 countries. They include all levels from chauffeur to ambassador. The most likely explanation is that they are in for screening and reindoctrination in connection with the cultural revolution.

## 2. South Vietnam

Saigon is now brimming over with talk of General Co's early removal. Co himself is well aware of what is being said and is probably equally aware of Ky's antipathy.

The embassy comments that a move by Ky against Co at this point seems neither desirable nor necessary. Even if Ky has laid his plans well, there is always the possibility of a strong reaction from Co's fellow southerners—with the added possibility that the militant Buddhists might also try to get into the act.

## 3. France

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### 4. Congo

The Union Minière is standing firm against any compromise with the Mobutu government. Company officials thus far refuse even to go along with a Belgian proposal for the reopening of talks with Mobutu.

Mobutu, for his part, has shown some softening in his position but he is unlikely to cave in completely. A chaotic breakdown of the Congo's money economy is in prospect unless some agreement is forthcoming.

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The Israelis have moved up enough forces to launch a retaliatory raid into Syria if they want to. It could come with little warning and be either a limited ground attack or a ground-air raid.

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## 6. Nicaragua

Nicaraguans are getting ready to elect another Somoza in presidential elections some three weeks from now. Most voters will be pleased to go along with General Somoza's well-oiled party machine.

A few, however, feel that over 30 years with the same ruling family is too much.

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Top Secret



## The President's Daily Brief

Top Secret 13 January 1967

## DAILY BRIEF 13 JANUARY 1967

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1. Communist China

We are beginning to suspect something is amiss in the Mao Tse-tung - Lin Piao relationship.

Lin, who has been advertised as Mao's alter ego since last August, has not been seen or heard from in nearly two months. The recent statements launching a new purge in the army failed to mention Lin at all—a surprising omission for a highly touted military comrade.

2.	Vi	etr	nam

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3. Congo

Under pressure from the Belgian Government, Union Minière has come forward with a new proposition. Under this plan, the company would supervise the mines and act as sales agent for the copper. The deal, however, calls for some tough concessions from Mobutu. The Congolese will kick and scream for a while but, in the end, may accept this as the best way out.

4. Togo

Lt. Col. Eyadema, commander of Togo's 600-man army and leader of this morning's quiet coup, is not likely to fare any better than his predecessor in solving Togolese problems. He is not a very strong Strong Man, and there is some danger that in thrashing around for support he may link up with followers of Ghana's Nkrumah.

All Americans in the small West African republic are safe.

5. France

No major steps are likely to emerge from the Kiesinger - De Gaulle talks now under way in Paris, but both men will be exploring ways to get Franco-German relations off the reef where they were left by Erhard. In the long run, the prospects are for greater cooperation between Paris and Bonn.

6. Dominican Republic

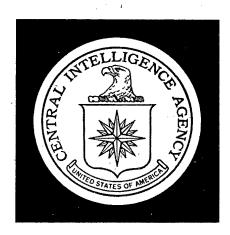
For a week now, Dominican high school students have been staying away from classes to protest Balaguer's educational policies. So far, there have been few incidents between the youthful demonstators and police, but the students are picking up steam--and support from more experienced antigovernment types. the short fuses on Dominican tempers, the situation could get ugly.

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7. Soviet Union	50X1
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## The President's Daily Brief

Top Secret 14 January 1967

## DAILY BRIEF 14 JANUARY 1967

### 1. Communist China

Mao's "cornerstone of proletarian dictatorship," the People's Liberation Army, has developed some cracks.

The latest evidence of divided loyalty within the military establishment is provided today in the army's own journal. An editorial admits there are Mao opponents in the military leadership--"their influence permeates everywhere"--and describes the struggle between the army's pro and anti-Maoists as "acute and complicated."

The spasms of the cultural revolution continue to disrupt the national economy. Rail service is out or reduced in many areas and many factories are closed.

Tension remains high in Nanking and Shanghai. Mao's forces appear to have 'the upper hand in Shanghai, but there are continued indications of trouble in the city. There are suggestions that Nanking may be held by Mao's opponents.

#### 2. South Vietnam

The Saigon embassy reports that talk about the ouster of General Co may well be producing a closer alliance between Co and Chief of State Thieu aimed at blocking such a move. In any case, the embassy doubts that any attempt against Co is likely before Ky's tour of Australia and New Zealand, which begins on the 18th.

### 3. France

De Gaulle's edict that his cabinet ministers will run for election to the National Assembly in March could backfire in Couve de Murville's case.

The French foreign minister is a Protestant running in a heavily Catholic Paris district. He also is up against an experienced old war horse who, if he is not bought off, will give Couve a close race indeed. The day will be decided on local issues alone, but a loss for Couve might look to the rest of the world like a repudiation of De Gaulle's foreign policy.

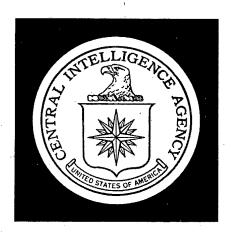
## 4. Nicaragua

The elections scheduled for 5 February seem to be nicely rigged in favor of General Somoza, but his opponent, Dr. Aguero, may try some last-minute theatrics. There are some indications that Aguero will try to promote civil violence near the end of the campaign in hopes of intervention by the Organization of American States. The national guard can probably control the situation, even though it would be rather heavy-handed about it.

#### 5. Israel

If the Israelis are looking for an excuse to go on another raid against Syrian terrorists, they may have it now. An Israeli civilian was killed today when he stepped on a terrorist-planted landmine. The Israelis claim Syrian terrorists also tried to blow up a water-pumping station last night. Both incidents took place near Israel's border with Lebanon.

Top Secret



## The President's Daily Brief

Top Secret 16 January 1967

### DAILY BRIEF 16 JANUARY 1967

1. South Vietnam

Ky, whose desire to run for president is becoming ever more compelling, is worrying now over how best to weasel out of his earlier pledge to back Chief of State Thieu for the office.

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unless Thieu soon decides on his own not to make the race. the two men will be obliged to have it out between them.

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2. North Vietnam

Disruptions of rail traffic in China continue widespread. We have no evidence that these difficulties are having an impact on North Vietnam, but the lines and junction points affected include some through which Soviet aid to Hanoi must pass.

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3. Israel-Syria

Conditions along the border are becoming increasingly explosive. UN observers report that both Israel and Syria have been moving armor and artillery into forward areas during the past week.

Israeli Foreign Minister Eban said today that his country has no intention of turning the problem over to the UN Security Council. He implied that recourse to the UN has always been futile.

7. Australia

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Top Secret



## The President's Daily Brief

Top Secret 17 January 1967

## DAILY BRIEF 17 JANUARY 1967

1. South Vietnam

Ky and the governing military Directorate are in sharp disagreement with the constituent assembly over several points in the draft constitution.

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Representatives of the assembly and the government are meeting in an effort to find common ground. The outlook is for compromise, with the executive branch coming off a bit better than the legislative in terms of power.

2. Australia

Security officials are taking every precaution to head off possible violence during Prime Minister Ky's five-day visit. Ky arrives tonight, Washington time, amidst a great deal of left-wing ferment. There are plans for big anti-Ky demonstrations, but the Australians hope to prevent too much of this by limiting Ky's public appearances.

3. Israel-Syria

The border is quiet for the moment, as UN officials are trying to implement U Thant's proposal—accepted by both sides—for a meeting of the Mixed Armis—tice Commission. Eshkol, however, is still threatening "deterrent" action if the UN and "world powers" do not restrain Syria.

A shooting incident today on the Israeli-Jordanian border, although apparently unrelated to the trouble with Syria, will nevertheless further stir up the Israelis.

### 4. Communist China

The Malians expect a visit from Foreign Minister Chen Yi next month. They figure he will also visit Tanzania, Congo (Brazzaville), and Guinea-other places where Peking's stock is at least above rock bottom.

No senior Chinese leader has visited Africa since 1965, when both Chen and Chou En-lai barnstormed there. Waning Chinese influence on the continent and African concern over events in China may have convinced Peking that it is time to show the flag again. Whether Chen can afford to leave Peking is another matter.

A recent Chinese delegation to Mali--where Chinese aid has been significant--got only a cool, but correct, reception.

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#### 5. Bahamas

Premier Pindling was extremely friendly in talking with our consul general yesterday. Pindling said that "neither the State nor Defense" departments "had anything to be concerned about" relative to his government. He would like to come to Washington "within the month" to explain his position firsthand. He also asked if the US had any aid programs for "dependent territories."

### 6. Indonesia

Foreign Minister Malik's public plea yesterday for Sukarno to resign will neither sway Sukarno nor spur Suharto to move against the President any faster.

7. West Germany

Kiesinger's talks with De Gaulle last week improved the climate of Franco-German relations. There were also some immediate accomplishments, such as:

- --A French promise to help Bonn establish diplomatic relations with the East European countries;
- --French agreement to dissuade Afro-Asian countries from in turn recognizing East Germany;
- --Agreement to form a joint working group to expand cooperation in industrial, scientific, cultural, and military fields.

Both sides, however, admit differences on key political problems such as British entry to the Common Market, the future of NATO, and relations with the US. The rosy "harmonization" of foreign policies envisioned in the 1963 friendship treaty is still a long way off.

8. Chile

President Frei's expected difficulties with Congress are upon him. Today the Senate refused to give him permission to leave the country for his US trip, calling it "injurious to national dignity."

This may scratch the trip. There are parliamentary maneuvers Frei could resort to, but we think he will be leery of trying them unless he feels certain of success.

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Top Secret



# The President's Daily Brief

Top Secret. 18 January 1967

## DAILY BRIEF 18 JANUARY 1967

### 1. Communist China

The political convulsions continue. We are now seeing signs that Mao's enemies are counterattacking. In fact, they may even be gaining ground in some localities.

Today, for the first time, Mao's wife and his assistant, Chen Po-ta, came under attack in posters seen in Peking. Other posters praised Chief of State Liu Shao-chi, the principal target of the Mao-inspired Red Guard. The latest military man to come under poster attack was named just last week a member of the army's purge organization.

A blackout on local news has been imposed on fourteen regional radio stations in recent days. This is a clear sign that these cities are in the grip of political struggle and that the issue has not yet been decided.

The big southern city of Canton seems to be still under the control of party bureaucrats who have successfully resisted violent Red Guard attempts to take over.

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Nanking is apparently still a stronghold of anti-Mao forces. In Shanghai, where the struggle has been under way for weeks, the conflict has still apparently not been decided.

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2. Soviet Union

3. Soviet Union

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4. South Vietnam

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the military Directorate--including both Ky and Thieu--decided late yester-day to dump Defense Minister Co. Co-now in Taipei on an official junket--has evidently not been given the word. In any case, he will not be permitted to return home.

The immediate reason for Co's ouster was his alleged attempts in recent weeks to play Ky and Thieu off against each other. Co's replacement, however, is unlikely to do much to smooth over this old rivalry at the top.

Co's removal may produce some adverse reactions from the more militant southern politicians, but a reliable clandestine source reports that most of the generals who attended the Directorate meeting yesterday discounted the likelihood of major repercussions.

### 5. Macao

The evacuation of Portuguese dependents to Hong Kong is well under way although things are still quiet in Macao. The Chinese are continuing to insist on an abject Portuguese apology that would publicly accept responsibility for the December riots. The Portuguese are now engaged in another effort to get by with some compromise statement.

### 6. Chile

President Frei still hopes to visit the US on schedule. Frei's request to leave the country has now been submitted to the lower house of Congress. Approval is a sure thing there. Foreign Minister Valdes told the US Embassy that the request will then be resubmitted to the Senate in hopes of a reversal of yesterday's vote. Frei may come even if the Senate does not reverse itself.

Public reaction to the Senate's unprecedented action yesterday has been strongly on Frei's side. Most Chileans recognize it as a spiteful move by diverse groups in the Senate aimed solely at embarrassing the President.



Top Secret 19 January 1967

### DAILY BRIEF 19 JANUARY 1967

### 1. Communist China

Today's most interesting development was the sensational poster charge that several important victims of the cultural revolution were spying for the Soviets.

Outside Peking, the blackout of local news broadcasts has spread. Thirty-seven of the 80 regional radio stations are now broadcasting only programs originating in Peking. This suggests these are areas where there is trouble.

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3. France

An attack on the international position of the US dollar features prominently on De Gaulle's list of things to do in 1967, Ambassador Bohlen believes.

Bohlen came to this conclusion after being lectured Tuesday night by Premier Pompidou on the evils of US financial strength in the international monetary system. If De Gaulle steps out for extreme monetary reform, he is likely to find it a lonely march for there are few other Europeans willing to follow that banner.

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4. Australia

Ky's visit is off to a good start. In the first 24 hours, demonstrations were minor and subdued, and the press attitude toward the visit has already begun to mellow. Ky's first speech on Australian television favorably impressed many viewers.

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5. Burma

The Burmese Government wants to get modern US aircraft and naval vessels. This recent development is a marked shift for Ne Win, who has always kept a careful eye cocked toward Peking. The type of equipment being discussed would be useful in Burma's persistent struggle with Communist and tribal insurgents.

6. South Korea

The South Koreans could retaliate for the sinking of their gunboat this morning with hit-and-run raids across the Demilitarized Zone. They have done this sort of thing in the past and President Pak, who faces elections this spring, has called publicly for "strong countermeasures."

7. Israel

There is little prospect for reduced tension along the border even though the Israelis and Syrians have agreed to meet under the aegis of the United Nations armistice commission. When the meeting does come off--no exact date has been set--it will not deal with the real core problem of Syrianbased terrorism, but with farming in the Demilitarized Zone.

8. Belgium

The Belgian Government is in trouble over its fiscal policies and a political crisis of serious dimensions has blown up almost overnight.

The trouble stems largely from a far too optimistic budget picture painted last fall. Now it looks as if the government cannot make good and the coalition cabinet could come unstuck.

This domestic situation is likely to preoccupy cabinet members who have been trying to mediate between the Union Minière and Mobutu.

9. Bolivia

There could be more flare-ups like yesterday's attack on the US consulate in Cochabamba, but, for the moment, the government seems to have things under control. The Cochabamba incident actually was the outgrowth of a purely Bolivian problem—student protests over a recent decree—but got out of hand when Communist agitators moved in and started egging the students on to the consulate.



Top Secret 20 January 1967

### DAILY BRIEF 20 JANUARY 1967

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### 2. Chile

Nothing really new has come from the Chilean political scene since an angry President Frei announced last night that he would seek constitutional authority to dissolve Congress and call new elections.

This move puts Frei decidedly on the offensive again, but even so, he has almost no chance of getting permission in time for his US trip. In fact, he said yesterday he might not be able to attend the inter-American summit conference in April.

#### 3. Guatemala

The youngbloods in the Guatemalan Communist Party are feuding with the old guard over how fast and how far to proceed with a campaign of violence. The upshot may be a break between the party's guerrilla arm, which wants action now, and the more conservative leadership.

Fidel Castro has been stirring things up behind the scene. He has gotten the ear of some of the hotheads to insist that Guatemala is ripe for revolution and that the only obstacle is the Communist old guard which should be repudiated and thrown out.

4. Communist China

An intense poster attack is now being mounted against one of Lin Piao's close military associates. This man only last week had been named deputy head of the army's purge group. The posters claim that it was Madame Mao who put the finger on him. All in all, the fortunes of Lin Piao seem to have faded badly in the past few weeks.

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6. Macao

Pressure is up again. Chinese gunboats are said to have resumed their position off the colony and local Communists are set to take to the streets.

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### 7. Congo

The Mobutu government announced today that foreign technicians will be forbidden to leave the country until the end of the current negotiations with the Belgians. The Congolese will probably be able to make this stick.

On the face of it, this means that copper production will continue at least for the time being, but tension in Katanga is bound to increase, and with it the chances for racial incidents.

### 8. Ghana

The military regime is worried about Nkrumah's plotting a comeback. Tight security measures have been imposed following the disclosure of a plot to assassinate the eight members of the ruling National Liberation Council, the US ambassador, and the British high commissioner.



Top Secret 21 January 1967

DAILY BRIEF 21 JANUARY 1967	·		
1. South Vietnam			50X

Co's dismissal still has not become public knowledge, but seems certain to leak out before long. The other generals, however, continue to tell themselves he lacks the cards to cause any serious trouble.

2. Jordan

### 3. Congo (Brazzaville)

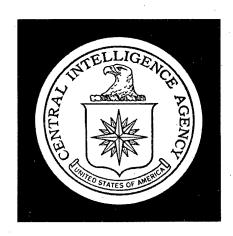
Embassy Kinshasa (Leopoldville) has sent in some bits and pieces on what it learns about the situation across the river in Brazzaville. For one thing, the Chinese Communist advisers there are busy pushing the line that Brazzaville can get along very well without the French and that there is no truth to the argument that Brazzaville would collapse without French aid. The Brazzaville government is trying to squelch this kind of talk.

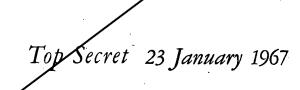
As for the Cubans, the local estimate is that there are about 600 of them in Brazzaville city alone; more are posted to the interior to try to make guerrillas out of young Congolese toughs.

### 4. West Germany

Ambassador McGhee sums up the results of Chancellor Kiesinger's recent Paris visit like this:

- --the major accomplishment was the development of a new atmosphere-graceful compliments by Kiesinger, no pressure from De Gaulle;
- --the field where there was the widest agreement involved relations with Eastern Europe. Apparently the two leaders discussed joint French-German economic projects there;
- --both men skirted around the edges in talking about bilateral cooperation in military research and development. Details are still unclear, but both sides were apparently restrained;
- --no progress was made in the other main substantive areas;
- --on balance, Kiesinger set out with a limited goal--he performed well.





DAILY BRIEF 23 JANUARY 1967

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1	Commun	ist	China

Mao's forces appear to be trying to smooth over divisions in the military.

### 2. United Kingdom

Prime Minister Wilson's speech today to the Council of Europe left no doubt that he means business about Britain joining the Common Market. It was in effect a direct appeal to the Five to support Britain's entry in the face of French objections.

Much of what he said, especially his concept of an Atlantic partnership, will not set well with De Gaulle. Nor will his characterizing anyone opposed to Britain's entry as an "architect of decay."

This stance will impress the Five, however, who have been looking for some strong statement of Wilson's commitment to Europe. His remarks may also give some ammunition to De Gaulle's domestic critics.

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6. Soviet Union

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7. Argentina

Senior army generals, who feel they are entitled to participate in policy making, are gathering in small groups and muttering about President Ongania's performance.

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Ongania is aware of their dissatisfaction, but fears lowering the boom on them now--he is trying to attract international financial credit and foreign investment--might create a bad image of instability.

8. Nicaragua

The situation in Managua seems to be simmering down.

The US Military Advisory Group effected a peaceful settlement between the government and the rebel opposition group holed up in the Gran Hotel. The rebels—including opposition presidential candidate Aguero—will apparently be allowed to go their way for the present. The Americans held as hostages by the rebels have not been harmed.

The National Guard should now be able to keep the lid on. We cannot yet tell what effect this will have on the 5 February elections—which Aguero did not have a chance of winning.

#### 9. South Vietnam

More than 165,000 pages of enemy documents have been captured in Operation CEDAR FALLS just north of Saigon. Some of these documents paint a picture of sagging guerrilla morale.

"If desertion were feasible," reads one Viet Cong soldier's diary, "it is very likely there would be no soldiers left in the unit--but desertion is impossible."

Other pages lament the erosion of Communist control in areas near Saigon. One document said over a million people have been "lost" because of the presence of US troops. There also are references to friction between North and South Vietnamese.

Despite the bleak outlook reflected in these documents, there are no signs that the morale situation is yet affecting the discipline of Viet Cong combat units.

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Top Secret 24 January 1967

### DAILY BRIEF 24 JANUARY 1967

1. Communist China

Mao and his supporters are making new threats to use the military against their enemies. We cannot now foresee the likely effect of this tactic, how-ever, in view of continuing evidence that Mao and company do not have complete trust in the military leadership. The threats do suggest growing concern about the strength of the opposition.

2. South Vietnam

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3. North Vietnam

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North Vietnamese rice harvest last year was unusually small—perhaps short as much as 800,000 to a million tons.

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All the same, the 1966 harvest was probably the lowest in several years and possibly the lowest ever under Communist rule. We expect that increased imports—from China, the Soviet bloc, or both—will make up the deficit.

4. Indonesia

The anti-Sukarno campaign is ac-Formal action against the celerating. President is probably still some weeks away, but high officials are now speaking of it with increasing directness. Our embassy thinks Sukarno's position has so weakened that his complete removal would probably no longer provoke dangerous repercussions.

5. Mexico

Foreign Minister Carrillo Flores is taking a gloomy line toward the Western Hemisphere summit conference.

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This is an extension of President Diaz Ordaz' own strong feeling that the conference must produce concrete results.

6. Dominican Republic

Balaguer has further antagonized his political opponents by suddenly ordering a large number of them arrested. Those seized include leaders of the moderate left as well as known Communists. Balaguer's declared purpose was50x1 to foil an alleged conspiracy.

50X1 We know of no such conspiracy and suspect Balaguer 50X1 could simply want to intimidate his op-50X1 ponents. The move, however, is more likely to unite them against the government.

### 7. Nicaragua

Peace has at least temporarily been restored between the government and its electoral opposition, and preparations are going ahead for the elections on 5 February.

The principal opposition candidate having laid down his arms is apparently free to resume baby-kissing, but may now withdraw from the race with the charge that the whole thing is rigged against him. He has done so in two previous elections. The opposition may also try to provoke further disorders before election day.

We still feel that, despite all these dramatics, most Nicaraguans will happily cast their ballots for General Somoza on election day.

### 8. Italy

The eight-day visit by Soviet President Podgorny, which began to-day, underscores the continuing growth of Italian-Soviet economic exchanges. It may conclude with the signing of a consular convention. No political surprises are expected.



Top Secret 25 January 1967

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### DAILY BRIEF 25 JANUARY 1967

1. South Vietnam

Co's sacking has now become widely known in Saigon, a general uneasiness in the city. Police Director Loan, Ky's righthand man, has locked up or is watching some 30 middle-grade officers thought to be supporters of Co. It is not clear on whose authority Loan is acting—his own, Ky's, or Thieu's.

2. Vietnam

Our roadwatchers near the Mu Gia Pass and in the Laotian panhandle have been sighting large numbers of southbound trucks. During one 15-day period this month, the number of trucks seen going through the Pass was as high as any reported during last year's dry season. In the panhandle, nearly 225 trucks were seen during a five-day period.

3. West Germany

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4. Chile

Still hopping mad about the Senate's refusal to let him visit the US, President Frei has said he will not ask for permission to go abroad—in—cluding the American summit meeting—until the whole question of approval is resolved and a visit to Washington is cleared.

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The initial Israeli-Syrian meeting today on the dispute over cultivation in the Demilitarized Zone did not result in any real progress toward accommodation. Another meeting is scheduled for Sunday.

6. Soviet Union

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7. Egypt

Nasir may soon throw a lamb's skin over his efforts to unseat conservative Arab regimes such as those in Jordan and Saudi Arabia.

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### 8. Communist China

Mao apparently feels the opposition has grown so strong that he must play what may be his last trump—the army has finally been ordered to move against anti-Maoists. If the army fails to respond wholeheartedly, then Mao is in serious trouble indeed.

The Soviets, meanwhile, are doing their best to whip up unrest among tribal minorities in Western China. Soviet broadcasts to this area are venomously anti-Chinese and the Russians are giving great play to Peking's "persecution" of the non-Chinese who live in the area.



Top Secret 26 January 1967

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DAILY BRIEF 26 JANUARY 1967	
1. North Vietnam	50X1
2. Vietnam	50>
2. V19011411	307
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3. Soviet Union	

#### 4. Communist China

Mao's propaganda people now claim that "revolutionary rebels"—Mao's supporters—have seized political authority in a number of provincial capitals. There is probably a good measure of wishful thinking in this.

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### 5. Communist China

The regime is beginning to tell its people that their country is now able to launch an earth satellite. This jibes generally with our estimates that Peking may be able to orbit a satellite weighing up to a few hundred pounds sometime this year.

#### 6. Ecuador

The 25th anniversary of the Rio Protocol defining Ecuador's border with Peru will be observed on Sunday; the forecast is for violent demonstrations in Ecuador and the possibility of a border clash with Peru.

The presidents of the two countries are trying to head off an incident over the highly emotional border issue, but there is no guarantee that they can handle the marches and other commemorative gatherings planned on both sides. Because some of the wilder politicians in Quito hold the US responsible for the Protocol, our embassy there is also getting set for trouble.

### 7. Nicaragua

Managua is quiet today following some street shooting last night. The authorities continue their roundup of the opposition and there is also a dragnet out for all Communists. More outbreaks are likely, either in the capital or elsewhere.

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Top Secret 27 January 1967

1. South Vietnam

Lieutenant General Cao Van Vien, named this morning to replace the ousted General Co as South Vietnam's defense minister, is a competent professional soldier who has steered reasonably clear of politics. The 45-year-old, French trained Vien has been chief of the Joint General Staff since late 1965 and he will continue wearing that hat too.

Vien, incidentally, is probably the only South Vietnamese general officer wounded in combat with the Viet Cong while holding that rank. The military Directorate turned down Vien's own suggestion that a civilian be appointed.

2. South Vietnam

There will be a serious rice shortage after the New Year celebrations in February unless the Saigon government moves quickly to import more. Prices are rising now as Vietnamese lay in extra stocks for the holidays, 8-15 February, and the supply is at a very low level.

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4. Communist China

We see more signs that Mao may be having trouble getting the army 100 percent behind him.

Posters in recent days have strongly criticized some key military officers once in the Mao-Lin camp. Criticism of these officers could indicate that their support—essential for implementing Mao's recent directive for the army to support his faction—has been something less than wholehearted.

There are also some hints that certain local military units are not vigorously supporting the pro-Mao forces.

5. United Kingdom

The Wilson - De Gaulle talks appear to have demonstrated once again Paris' serious reservations about British membership in the Common Market. However, Wilson does seem to have elicited a magnanimous "perhaps" rather than an icy "no." He is taking advantage of this to stress that the talks were friendly and none of the difficulties insurmountable. No major decisions were sought, and none appear imminent.

6. Ethiopia

The Emperor is getting ready for his trip to Washington next month.

He has decreed that there will be no anti-American articles in the Ethiopian press until after his talk with President Johnson.

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7. Congo

Union Minière has moved a little off dead center, but even if negotiations with Mobutu do begin, they will be prolonged and ulcer-making. Meanwhile the Congo will be hard pressed to meet its foreign exchange requirements of over \$20 million a month.

8. Saudi Arabia

Egyptian planes from Yemen today bombed a Saudi border town. This bombing could have been accidental but King Faysal, recalling other "accidental" bombings of the same town, will not think so.

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9. Nicaragua

Stern measures by the National Guard are keeping things quiet. Several respected Nicaraguans, citing alleged government brutalities, have approached our embassy on the possibility of US intervention. General Somoza is still making campaign speeches, but his opponent—who was responsible for Sunday's riot—is sitting silent in his tent.

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# The President's Daily Brief

— Top Secret 28 January 1967

#### 1. Communist China

Moscow's recent ridiculing of the cultural revolution seems to be getting under Peking's skin.

The Chinese appear to have deliberately provoked Wednesday's clash in Red Square between transiting Chinese students and Soviet authorities.

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At all events, the incident has triggered a propaganda assault of unprecedented bitterness against the Soviet Union. Peking has berated the Soviet leaders for "fascist atrocities," and has for the first time claimed a "blood debt."

The Chinese probably figure they can do this without bringing on a break in relations—a move that would cost Moscow its last vestige of political presence in Peking and seriously complicate Soviet efforts to aid North Vietnam.

# 2. Czechoslovakia

US citizen Kazan, kidnapped last October from a Soviet plane during an "emergency" landing in Prague, will be tried, sentenced—and then expelled from Czechoslovakia.

So, at least, says a source our embassy suspects the Czech foreign ministry may be using as an informal channel. The source added that this "firm decision" would be altered only if US statements or actions before or during the trial suggest further US pressure on Czechoslovakia.

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3. Ecuador	The government has ordered extra police protection for the US and Peruvian embassies  The police may not have their hearts in their work, however, as they have had no pay since November and no allowances for months before then. Our embassy is battening down the hatches just in case.	50X <sup>-</sup>
4. Nationalist China		50X
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5. France		50X1

6. South Vietnam

The time of decision is approaching on the selection of the military's candidate for president. Premier Ky clearly wants the job, but he is by no means a sure bet.

During Ky's recent absence in Australia and New Zealand, Chief of State Thieu was touring the delta in what looked very much like a campaign junket. He made many speeches, handed out money to wounded soldiers and promised land titles to over a hundred families.

At this point, the two men seem about evenly matched

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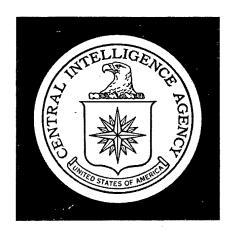
7. Saudi Arabia

The Saudis claim that yesterday's bombing of a Saudi border town by Egyptian bombers from Yemen has been followed by two more raids.

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This morning, Faysal's foreign affairs adviser asked Ambassador Eilts what action the US proposes to take in accordance with its assurance against unprovoked aggression.

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# The President's Daily Brief

Top Secret 30 January 1967

## DAILY BRIEF 30 JANUARY 1967

#### 1. North Vietnam

Hanoi still shows no willingness to make concessions in exchange for an end to the bombing. North Vietnamese spokesmen, however, are trying to appear more flexible for public consumption. The current line of sweet reasonableness is that, if the US "unconditionally" stops bombing, then talks between Washington and Hanoi "could" be held. As usual, nothing is said about a reciprocal North Vietnamese action.

#### 2. Communist China

The tumult continues unabated. We are now seeing signs that in some regions of China the regular military forces may be resisting the pro-Mao "revolutionaries." This, of course, is a risk Mao must have known he was taking when he ordered the army to support his partisans in their drive to full power.

The principal areas of most obvious military resistance to Mao seem now to be in the remote regions of Tibet and Sinkiang in the far west of China.

## 3. Communist World

Plans are moving ahead for a gathering of East and West European Communist parties./

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Ostensibly, the principal purpose would be to discuss questions of European security. The problem of Communist China would surely come up, however, and the meeting would probably be described as an important step in the very careful preparations Moscow says are necessary for an eventual world party conclave on China.

4. Japan

Prime Minister Sato must be mighty pleased with himself today. His party did better than generally expected in yesterday's election and is now assured of a comfortable majority in the lower house. His own party leadership is also now more secure.

Sato's principal opponents, the Socialists, were the big losers. Their defeat reflects badly on the party's new radical leadership. This is the party which had long been demanding the abrogation of the security treaty with the US.

The election results are to some degree a popular endorsement of Sato's publicly avowed support of close relations with the US. The outcome will also encourage Sato to expand his modest program of economic cooperation with other non-Communist Asian nations.

5. Israel

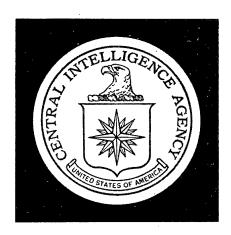
Israel and Syria failed again yesterday to make any progress toward agreement on farming rights in the Demilitarized Zone. A third meeting of the UN's Mixed Armistice Commission is set for Thursday, but there is no sign that it will be any more productive.

6. Mexico

Another crackdown on extremist fringe groups is on. Most of these little groups are led by men excommunicated from the larger, more orthodox Communist movements. They have taken on some of the characteristics of the old-time bandido as they defend the local poor against landowners and petty despots.

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# The President's Daily Brief

Top Secret 31 January 1967

## DAILY BRIEF 31 JANUARY 1967

1. South Vietnam

Chief of State Thieu continues to act very much like a candidate. Last night he threw a reception for 200 newsmen and, speaking without notes, promised to shorten the war, bring peace and prosperity, and generally square things away. He stressed that the sacking of General Co was a move against corruption.

2. Communist China

Recent letters from the mainland convey some idea of the fear and confusion gripping China.

The view from Peking may not be any less murky. Editorials are acknowledging divisions in the pro-Mao ranks and urging the "revolutionaries" not to attack each other.

3. Rhodesia

It is too early for the UN's mandatory sanctions to have affected Rhodesia's imports and exports. A large number of countries say they will enforce the UN action and the British appear determined to track down violators. We believe, however, that evasions will be widespread, largely because of the failure of South Africa and Portugal to cooperate, and that the sanctions will not hurt Rhodesia very much.

4. Malta

In a world where troops of a colonial power are usually urged to get out of a former colony within hours of that colony's independence, Malta stands unique.

The Maltese, whose economy is centered almost entirely on the British forces based on the island, are seething over London's plans to reduce those forces. To cap this topsy-turvy situation, the Maltese are now threatening to throw the British off the island-unless they promise to stay in full force.

5. El Salvador

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