

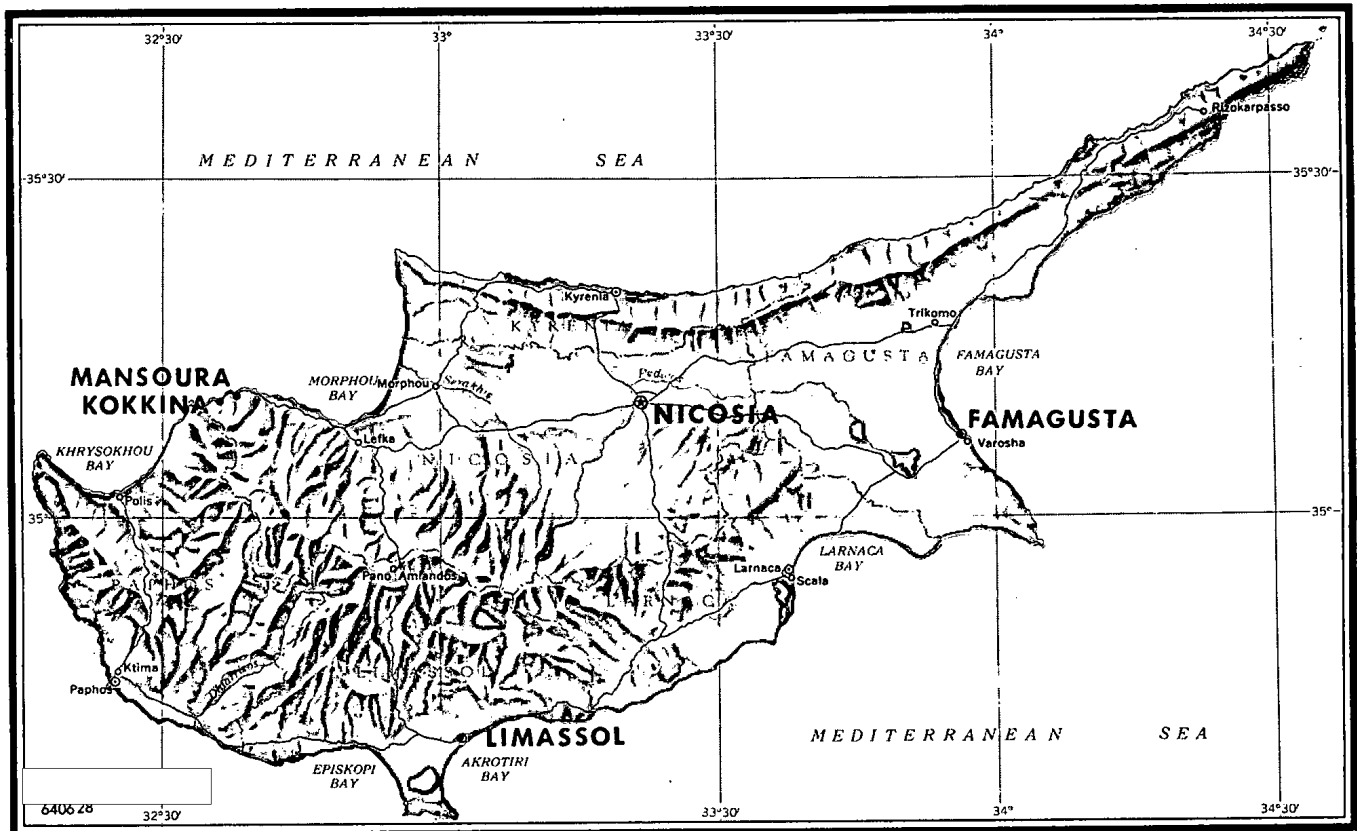
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THE PRESIDENT'S INTELLIGENCE REVIEW

ISSUED BY THE
CENTRAL INTELLIGENCE AGENCY

27 - 30 JUNE 1964

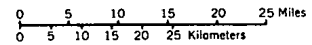
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CYPRUS

- ⊗ Capital
- District boundary
- ⊙ District administrative seat
- Road



30 June 1964

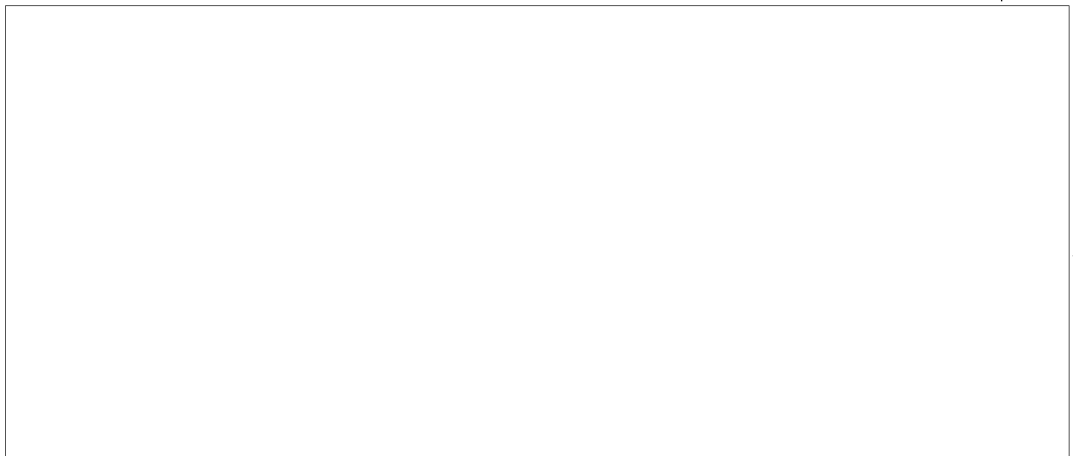
1. Cyprus: There have been alarms in the past few days, and a fair amount of shooting, but this has become the normal pattern.

The flow of arms and men from the mainland continues.

The Greeks probably have brought in substantial regular army reinforcements, although not as many as the Turks allege. The Turkish build-up has probably been smaller, but still far from insignificant.

The Greeks seem to be operating on the assumption that a Turkish invasion is still to be feared. They are trying to create a force quickly which could contain such an invasion until outside help could be brought to bear.

The Greeks are also afraid that the Turks may resort to guerrilla warfare.



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For The President Only - Top Secret

2. Congo: Kasavubu has accepted the resignation of the Adoula government. This is presumably a pro forma step to clear the way for a transitional government to run the country until elections can be held in six to nine months.

A referendum is in progress--to be completed by 10 July--on a new constitution to replace the one which technically lapses today.

Apart from the foregoing, little else is clear about the political situation, Kasavubu's original plan apparently was to hold a conference of the principal politicians of all the major factions in the country and get them to support Adoula.

Now, however, this seems less definite. Tshombé, since his return last week, talks with more and more assurance, as if he expects things to break his way. His return was received with enthusiasm in his home province of South Katanga.

The uneasy security situation in the eastern provinces is getting worse. President Sendwe of North Katanga is said to have been assassinated, but this has not been confirmed.

The last UN troops are leaving the country today, and the government's desultory efforts to get replacements for them elsewhere have so far come to nothing.

3. Italy: The unsettling effects of the fall of the Moro government will be felt for some time even if efforts this week to reconstitute it are successful.

All the coalition parties have come out in favor of another center-left government. Only the Christian Democrats, however, have nominated Moro to form it.

We know that Segni would prefer to have Moro attempt a solution, but he will probably be compelled to hold off formally calling him until the Socialists have held their central committee meeting on Friday and Saturday.



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The difficulty is that none of the leaders, or their parties, were prepared for this situation, which has allowed all the old issues between the left and right to get out in the open again.

The Communists, as might be expected, are jubilant. They will almost certainly heat things up by strikes and agitation to the best of their considerable ability.

Extreme right-wing elements are also moving to prevent a new center-left government and to start trouble with the Communists. Police throughout the country are on the alert to prevent disturbances by extremists on both right and left.

4. British Guiana: Jagan seems to be approaching desperation in his search for some way out of his difficulties.

Last weekend he called in Consul General Carlson and made a pitch for US support of a coalition government, in which his party and that of Forbes Burnham would have rough parity. He said he is thinking of sending an emissary to Washington to talk things over.

The consul general commented that Jagan seemed to have a firm grip on himself during their interview, and spoke quietly and reasonably. His hands, however, shook slightly. "Jagan would obviously give almost anything to obtain US support," reported Carlson.

His associates, however, may not be with him on this. Janet Jagan has been seen in the countryside lately, apparently operating in connection with the terrorist activities that started up again last week.

The background on all this, as with all things Guianese, is intricate. One factor that probably has told heavily with Jagan is the result of the recently completed votes registration, which we hear suggests that his party could not get a majority in an election.

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5. Cambodia: Sihanouk, who is still on a long visit to France, is showing his customary deviousness with regard to the question of establishing a UN presence in Southeast Asia.

Last week he said he would be willing to let the UN set up permanent control points on Cambodia's border with South Vietnam. A few days later he gave instructions to tell the French and the Russians that he would not mind if they vetoed such a proposal.

Sihanouk was doubtless influenced in this by De Gaulle

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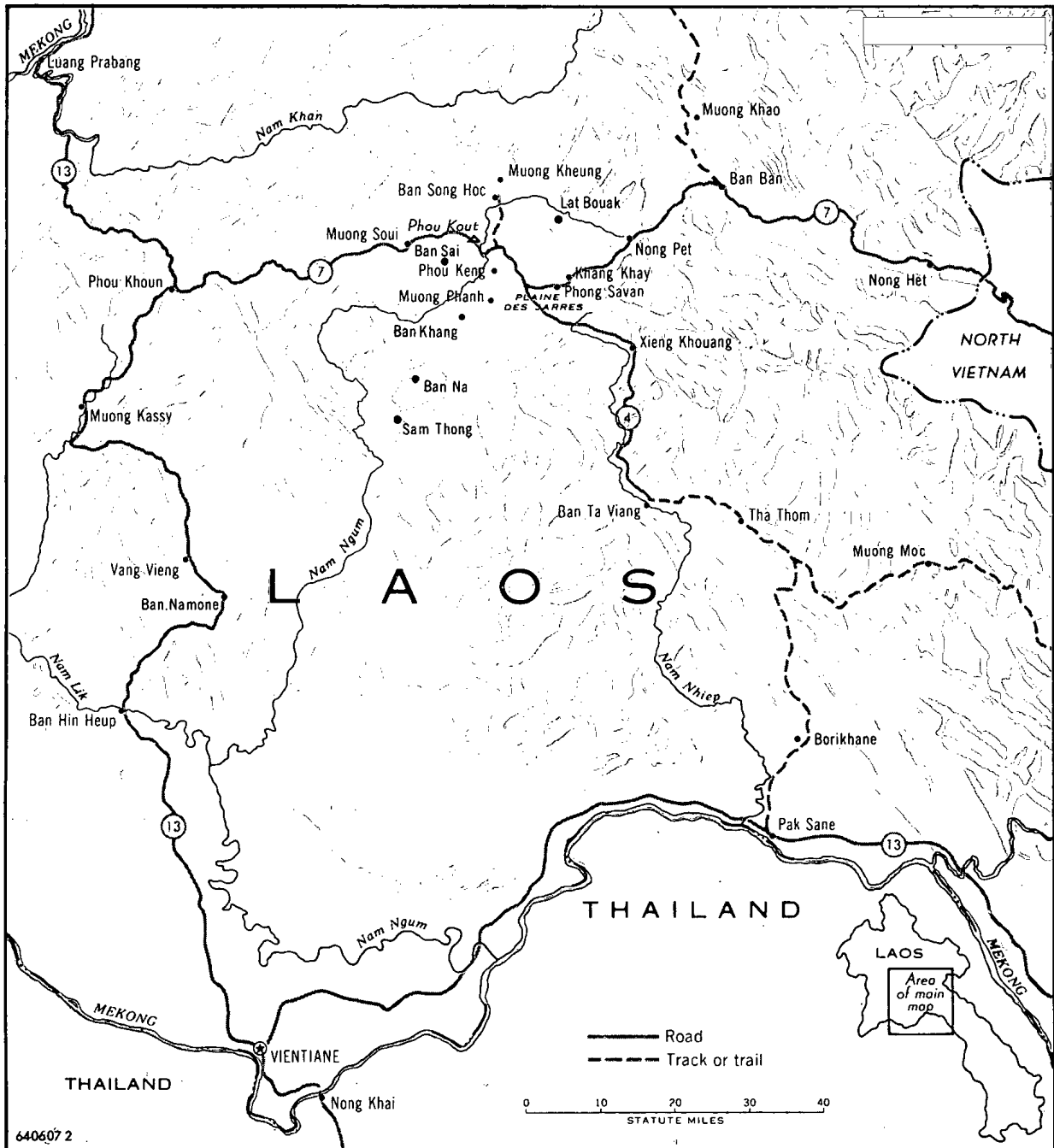
This comports with the line being followed by Peiping and Hanoi, which have blasted the UN mission sent out by the Security Council last week.

Hanoi has said this mission is illegal under the Geneva Agreements. The Pathet Lao's political front organization has said it would not "guarantee" the safety of UN personnel in its "liberated areas" in South Vietnam. This sounds as if the Communists are genuinely worried about what the UN mission might find out and report.

For his part, Sihanouk seems to have trumped up a border violation for the benefit of the UN mission, which is presently in Phnom Penh.

US officials in Saigon have found no evidence that the South Vietnamese had any operation going in the border area where Cambodia charges another violation occurred last Wednesday.

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6. Laos: Pathet Lao chief Souphannouvong has reversed field and now says a meeting of the three Laotian factions is "a matter of great urgency."

Souvanna Phouma has been trying to get him to see reason on this for some time.

Souphannouvong suggests that the meeting be held in Phnom Penh or Djakarta. Either place presumably would suit the neutralists, but we cannot yet be quite so sure about the rightists.

Souphannouvong also suggests that representatives of the Geneva co-chairmen and of the ICC powers be present at the meeting.

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The military situation is relatively quiet.

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7. Maphilindo: There is less and less chance that there will be any follow-up on the proposals mooted at the Tokyo summit.

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(Cont'd)

The Tunku has politely rejected Macapagal's proposal for a foreign ministers meeting. Subandrio has taken a similar line with the Australians.

Indonesian guerrilla activity in Borneo continues.

8. Italy - Communist China: The Italians say the Chinese have agreed to establishment of an Italian trade mission in Peiping.

The question of a Chinese trade mission in Rome is apparently still under discussion.

Rome says that no political implications should be read into these developments.

9. Dominican Republic: Manuel Taveres, last of the original triumvirate that took office last September, has resigned, and apparently will not be replaced.

This is another symptom of the Dominican malaise, which grows deeper. The IMF says that the Dominican Republic will be \$56 million behind in its external payments by the end of the month.

10. Panama:

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11. Germany: The West Germans are considering a goods for prisoners exchange with the East Germans. Under the deal the West Germans would provide \$5 million worth of butter, ores, and chemical fertilizer to ransom 500 political prisoners in East German jails. The primary East German interest in this deal is to demonstrate to the West Germans the advantages of bilateral contacts.

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12. Cuba Trade:
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13. Zanzibar: The Tanganyikans have reduced all embassies on the island to consulates.

An accredited External Affairs Ministry official is now using ex-Zanzibari "foreign minister" Babu's old office.

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USSR - Communist China: The first package from Keyhole Mission 1007, 20-23 June, turned up an electronics facility on the Kola Peninsula which could well have an antiballistic missile function.

The facility, which has two partially completed 900-foot structures facing generally northwest, bears a marked similarity to a facility at the Sary Shagan antimissile test center.

The photography shows nearly 100 submarines in the Kola inlet. Five new cruise missile submarines are included, reinforcing our opinion that the Soviets are constructing this type of submarine rather than ballistic missile submarines.

In China, there is activity throughout the missile assembly and checkout areas and at one of the launch pads at Shuangchengtzu.



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