



CENTRAL INTELLIGENCE AGENCY

THE PRESIDENT'S DAILY BRIEF



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2 JUNE 1966

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DAILY BRIEF
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1. South Vietnam

Yesterday's "compromise agreement" is fast coming unstuck. Buddhist leaders in Saigon, including the relatively moderate Tam Chau, are saying today that the agreement included a commitment for General Thieu to step down as chairman when the directorate is enlarged on Monday. The generals are adamant to the contrary.

Ky told Ambassador Lodge today that there was no written understanding with Buddhist leaders yesterday, and that there will be none. He regards the government changes he agreed to then to be for the benefit of all groups, not just the Buddhists.

One of the problems is the power struggle that seems to be developing among the Buddhists. There have been signs that Tam Chau and others may genuinely want to ease up in the pressure against the government. However, more militant leaders under Tri Quang's influence are resisting any compromise.

The First Division commander moved some of his units back into Hué today, but this was far from being a decisive reassertion of Saigon's authority there. The First Division units now in Hué seem more disposed to back the "struggle forces" than Saigon and took no action to stop mobs from sacking several more houses in Hué.

The US consul in Hué believes the situation there will continue to deteriorate until Saigon makes a genuine effort to re-establish its authority. The "strugglers," he reports, now have more weapons than ever.

2. North Vietnam

Ho Chi Minh has apparently visited Peking recently, or may be there now.

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Ho has, in fact, been out of public sight since 15 May, and there have been some special flights between Hanoi and Peking since then which could have carried him. A trip by Ho to Peking now could be related to problems between the two countries, such as the flow of vital Soviet equipment for Hanoi through China.

3. Communist China

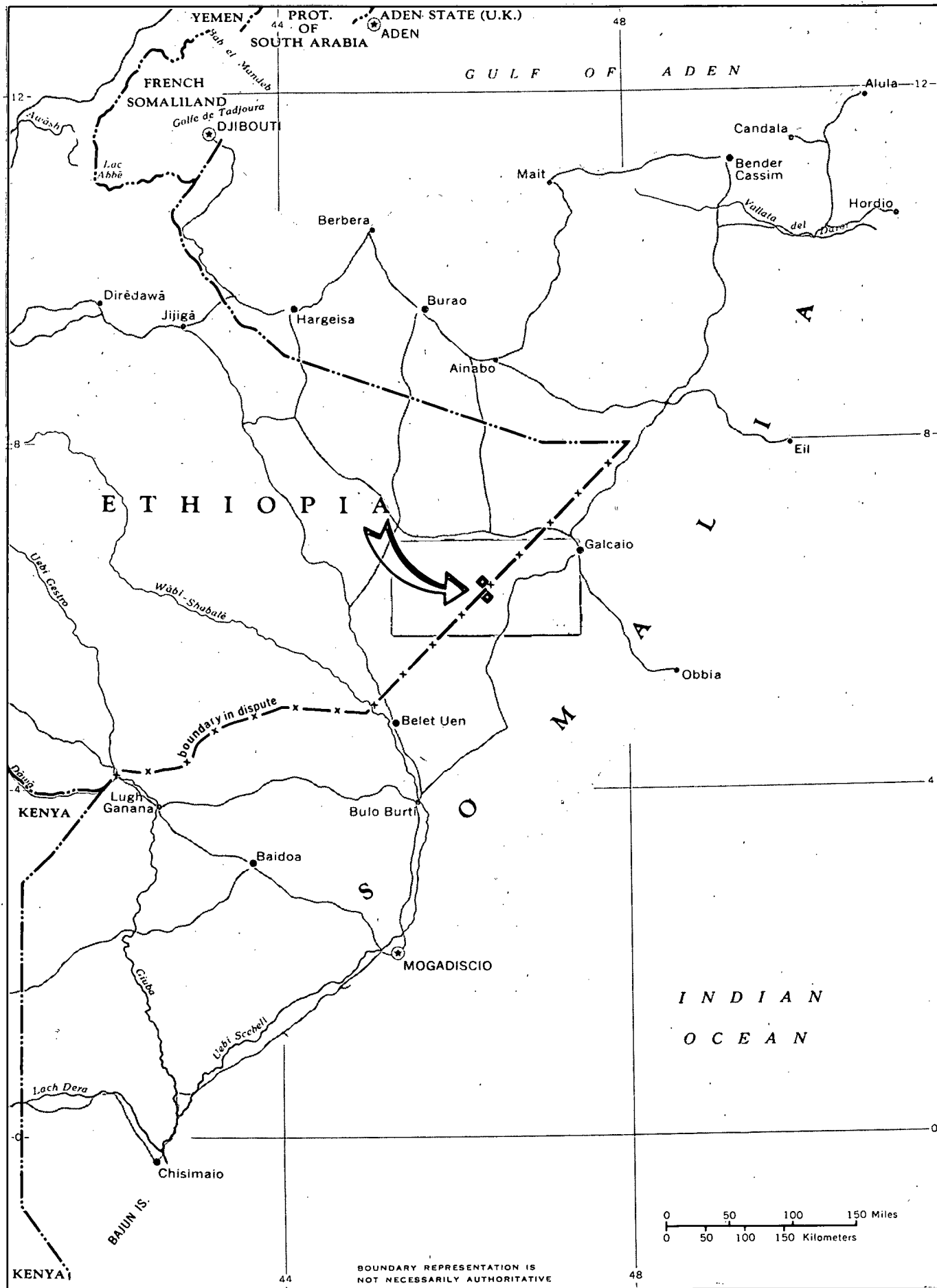
Most of the top leaders have been out of sight for three weeks, presumably in connection with the current leadership shake-up, which has so far toppled Peng Chen, previously fifth or sixth in the power structure.

There have been some signals that the highly militant Teng Hsiao-ping may be supplanting Liu Shao-chi as Mao's chosen successor. Mao's personal position seems still untouched, and he appeared healthy and alert in movies taken during the visit of an Albanian delegation in early May.

New charges against lesser officials in the provinces and in Peking are now appearing in the Chinese press. This was the technique used to build the case against Peng, and suggests that more senior heads will roll.

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THE DISPUTED ETHIOPIA-SOMALIA FRONTIER



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4. Congo

The carrying out today of Mobutu's order to give the four coup plotters a "fair trial and then hang them" will not provoke much popular unrest in the Congo. Rather it will add to the "I run the Congo" image he seems more and more determined to create. It will also underscore Mobutu's dependence on the top echelon of army officers.

5. Somalia

Relations with Ethiopia are again strained. This time the Somalis claim the Ethiopians have been building roads in Somali territory and have moved a 500-man military force across the disputed border--a chronic trouble spot where there were extensive military clashes in early 1964 (see map).

Some fighting could result, since the problem created by the border dispute and the large ethnic Somali population in eastern Ethiopia is a highly charged issue in both countries.

Last Sunday the moderate Somali prime minister shouted at Ambassador Thurston for two hours, trying to blame the tension on US military aid to Ethiopia. On the other hand, Haile Selassie,

[redacted]

[redacted] last month, flatly blamed the trouble on Soviet military aid to Somalia.

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6. France

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7. Indonesia

The agreement reached at Bangkok by Foreign Minister Malik and Malaysian Deputy Prime Minister Razak will require further detailed negotiations before confrontation can actually end.

Razak is reportedly now preparing to go to Djakarta, presumably to discuss implementation. Malik for his part still has to cope with obstructionist elements in Indonesia, including Sukarno.

8. Dominican Republic

Balaguer has a strong lead--56 percent, with half the estimated vote tabulated--and appears on the way to victory. He has already issued a victory statement.

Bosch has made no public statement

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There were no major incidents during the balloting. There may yet be violence, however, when Bosch's strong-arm supporters in Santo Domingo learn of Balaguer's lead. There are reports that small groups are gathering in parks, and

rumor of "trouble" for this evening.

The Central Electoral Board seems to be deliberately slowing down the release of returns in order to damp down just such activity.

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