

CENTRAL INTELLIGENCE AGENCY

THE PRESIDENT'S DAILY BRIEF

50X1

TOP SECRET

50X1

DAILY BRIEF 12 JULY 1966

1. South Vietnam

There is still some question about what the Buddhists will do about the elections scheduled for September. The Buddhist Institute—which our embassy feels is still controlled by the extremists—has made no official statement recently on the elections. It may not get around to defining a position, for fear of inducing splits in the movement which would dissipate such political influence as it retains.

٠.	VICTIAII	
	•	
	•	
	•	•
		A *
`		
		•

3. Communist China

Mao has made his second appearance—again in a ceremonial role—since last November. Peking announced today that he had received the visiting Nepalese crown prince.

50X1

50X1

4.	Egypt
----	-------

Nasir's talks with Mrs. Gandhi appear to have been unproductive.

50X1

Mrs. Gandhi's press conference before her departure—she arrived in Moscow today—was brief and her answers short.

guestions provided opportunities to elaborate on Vietnam, but she came up with only brief replies.

50X1

50X1

5. Iran

The Shah has now admitted to Ambas-sador Meyer that he has contacted the Soviets about an arms purchase.

Although apparently "shaken" by the ambassador's warning that such purchases would complicate his military relations with the US, he said he would now have to hear the Soviets out or be branded a US puppet. He insisted, however, that he would carefully watch the activities of Soviet technicians accompanying any equipment he might buy.

The Soviets apparently have not yet made known their terms.

50X1

6. Ecuador

A general strike in one of the highland provinces is presenting interim-and reluctant--President Yerovi with what our embassy calls the "knottiest problem" yet.

The strikers are demanding abrogation of a government tax measure. Yerovi, however, has rigorously enforced all previous tax decrees, and the army is prepared to back him and break this strike. The danger is that the president may weary of the whole mess and carry out earlier threats to resign, plunging the country into protracted unrest.

7. Africa

Yesterday, Nationalist China and struggling little Malawi established diplomatic relations.

50X1 50X1

About the only significance of this is that it evens the score in Africa-16 states now recognize the Nationalists, and 16 the Communists.

TOP SECRET

TOP SECRET