



CENTRAL INTELLIGENCE AGENCY

THE PRESIDENT'S DAILY BRIEF



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7 OCTOBER 1966

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1. South Vietnam

The Buddhist-led antigovernment "struggle movement" in the northern provinces of South Vietnam is not yet laid to rest. Tri Quang has called on remaining strugglers to reorganize for a new phase to begin 1 November.

Local officials say they are preparing lists of strugglers still at large and a roundup will begin soon. These officials appear uncertain, however, as to how far Saigon is prepared to go in eradicating the movement. They are confused, for instance, by reports that the regime is planning to release some of the struggle leaders in Saigon.

When the chips are down, Ky may well be reluctant to run a risk of reigniting the unrest that caused him so much trouble last spring.

2. South Vietnam

The cabinet crisis that Ky thought he had settled by firing his health minister last Wednesday has revived.

Six ministers with southern sympathies submitted their resignations in protest over an article published yesterday in a Saigon newspaper backed by Ky. The article defended the ousted health minister and criticized his deputy whose detention by the police started the fracas. Ky suspended the newspaper effective today, but the dissidents are not likely to be permanently placated.

Ambassador Lodge points out that some of the participants in this rhu-barb are undoubtedly aware that now is a good time to strike because the Manila conference puts Ky under pressure to keep his house in order.

3. Rhodesia

[redacted] assessment of the Rhodesian situation. It adds up to saying that Smith's position is as solid as the Rock of Gibraltar--or, as the next item shows, probably more solid.

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Smith still has the confidence of the white Rhodesians, and is firmly in control of their political party, the Rhodesian Front. Neither Smith, the cabinet, nor the Front has any intention of taking steps toward majority rule, and no attempt is being made to educate Africans for responsible positions.

To top things off, the assessment points out that there is no sign of a fall in Rhodesia's exports to her major trading partners despite British sanctions.

4. Gibraltar

The Spanish, determined to make Britain acknowledge at least a degree of Spanish sovereignty over Gibraltar, are stepping up their harassment of the Rock.

Madrid has protested alleged incursions of its airspace by military planes using Gibraltar's airport, and has announced it will soon cut off vehicular traffic along the neck of land which connects with Spain.

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[redacted]

The two sides may scuttle further talks--a session was scheduled for Monday--and take the case to the International Court. This could put the problem on ice for years--and suit the British just fine.

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5. Guatemala

The rightist coup plotters are planning to give President Mendez Montenegro a chance to mend his ways. If he does not accept an ultimatum to sack some of his recent appointees, whom the plotters consider leftists or Communists, out he goes. Four of the men on the list are cabinet members.

[redacted] the ultimatum will be presented by Sunday. The plotters may have to wait longer than that, however, for the necessary military support for a coup.

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6. Congo

Most of the Katangan mutineers at large southeast of Kisangani (Stanleyville) have agreed to lay down their arms. Mobutu backed down considerably from his demand for "unconditional surrender," and has agreed--although not yet in writing--to the Katangans' demand that they be returned home without reprisals.

7. Communist China

Even the French are not immune to the diplomatic cold shoulder Peking turns on countries represented there.

The French foreign ministry's director of Asian affairs, recently returned from ten days in Peking, admits he did not "see any Chinese." Although he did not request appointments, the Chinese were informed of his arrival and failed to seek him out. De Gaulle's personal representative, Sainteny, got the same treatment when he passed through Peking en route to Hanoi in June.

This lends credence to rumors that the French ambassador has for some months had trouble seeing top Chinese officials.

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8. Indonesia

The marathon two-day celebration of Armed Forces Day this week, in which Sukarno was on frequent display, showed how much his image has faded.

Our embassy in Djakarta comments that a garden party at the palace showed him as still the great leader--of singing and dancing. Everyone not in this anachronistic circle of forced gaiety and childish behavior was bored stiff. Also, the once magnetic orator gave two major speeches, but his audience for the most part stared stiffly ahead or gazed at their thumbs.

Suharto remained, whenever possible, in the background. But he did have to step forward to read the official proclamation for the celebration--and attracted enthusiastic attention.

The embassy adds, however, that although Sukarno looks bloated and has lost much of his spring, he got through the arduous schedule and is obviously not a sick man.

9. Iran

Negotiations for the purchase of Soviet arms are still going on, both in Tehran and Moscow. The Shah claims to have resisted "pressing offers" of MIG aircraft and missiles, but is determined to buy anti-aircraft guns and armored personnel carriers.

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