



# *The President's Daily Brief*

~~Top Secret~~ 3 November 1966



50X1

DAILY BRIEF  
3 NOVEMBER 1966

1. North Vietnam

For the second day in a row North Vietnamese MIG-21 fighters tried to down a US electronics reconnaissance plane near Yen Bai. There were no losses either to the enemy or to the US escort planes but in today's action the North Vietnamese pilots were unusually aggressive and, contrary to their usual practice, were willing to carry on the fight beyond the initial intercept.

This kind of activity could well mean that a new period of aggressiveness by enemy fighters is about to set in. It may also indicate that they are mounting a special effort against our electronics missions.

2. North Vietnam

US Marines have captured a document that throws some new light on measures taken by Hanoi to counter increased participation in the war by US forces in 1965. This find is summarized at Annex.

3. South Vietnam

The Saigon embassy reports that consumer prices, which had risen by five percent during the week ending 24 October, climbed another five percent between the 24th and 28th. This marks a sharp reverse to the downward trend of the past several weeks.

One of the factors at work here is nervousness on the part of the merchants because of the resignation of Economy Minister Thanh and Thanh's warnings of impending economic trouble. Another factor is the continuing upward trend in rice prices caused by the Mekong flood.

#### 4. Communist China

The massive Red Guard rally in Peking today points to continuation of the deadlock between opposing groups inside the top leadership.

Two million people turned out to hear a short speech by Lin Piao. Lin repeated his usual slogans, but sounded more defensive than previously. At some points he seemed to be appealing for broader support from outside the party and for backing from uncommitted elements within the party.

#### 5. Arab World

Syrian and Jordanian forces are alert for Israeli raids which both expect to be launched against them momentarily. The Syrians are also issuing strident new blasts against the "imperialists," particularly the US. Neither the alerts nor Syrian threats are likely to deter the raiders, however.

#### 6. West Germany

Erhard conceded last night that he may have to step down. At the same time, however, he insisted that he will go on trying to put together a majority government.

He seems to be hoping that the two state elections later this month might demonstrate anew his one-time popular appeal. This is a thin reed; his party is generally expected to suffer further losses. The first of the two state elections is on Sunday in Hesse--a Socialist stronghold--and may give Erhard's party colleagues an opportunity for the next move against him.

50X1

7. Nigeria

Tensions are rising again as the interregional talks on a constitutional settlement remain stalemated. There is good evidence that the secession-minded Eastern region is trying to arrange clandestine arms deliveries from Europe.

Elements of the Nigerian military are aware of this and are now pressing for pre-emptive military action against the East.

8. Dominican Republic

President Balaguer is being urged to adopt more authoritarian tactics. This is one reaction in his administration to the gains made last weekend by militant radicals in the biggest opposition party.

50X1

50X1

The president is basically a moderate, but right-wing pressures may well become more and more difficult for him to resist.

9. Guatemala

After a series of setbacks in the field at the hands of the military, the Communists have now resumed their campaign of urban terrorism. The government declared a state of siege this morning in the wake of a major robbery and sabotage of a power station yesterday near Guatemala City.

50X1

50X1

## ANNEX

A View of the War from Hanoi

A document captured by US Marines fighting North Vietnamese forces just below the Demilitarized Zone provides some new insights into Hanoi's response to the enlarged role of the United States in the war in 1965. It discusses resolutions approved by two secret meetings of the central committee of North Vietnam's Communist Party.

In June of 1965, the central committee ordered a massive mobilization of North Vietnamese manpower to expand the regular army and provide for increased infiltration into South Vietnam. This meeting also ordered the organization of large construction crews for the repair of bomb damage and issued instructions for the establishment of "combat villages" along the coast of North Vietnam and in the military region along the Demilitarized Zone.

A more important meeting occurred in the autumn of 1965. The resolution produced by this meeting redefined the war as a single war with three theaters-- North Vietnam, South Vietnam, and Laos. The principal responsibility for all three theaters was placed on the North Vietnamese Army. The resolution also rearranged Hanoi's long-standing national objectives to give first priority to the war effort. This decision has never been publicized since that would be an admission that "building socialism"--previously the number one objective--had been subordinated to the successful prosecution of the war.

Communist concern over the disclosure of important information through capture of documents by allied forces is reflected in another document from a Viet Cong - controlled area near Saigon. This document refers to the loss of a "historic resolution" to the enemy--probably the directive captured by the Marines.

*Top Secret*