



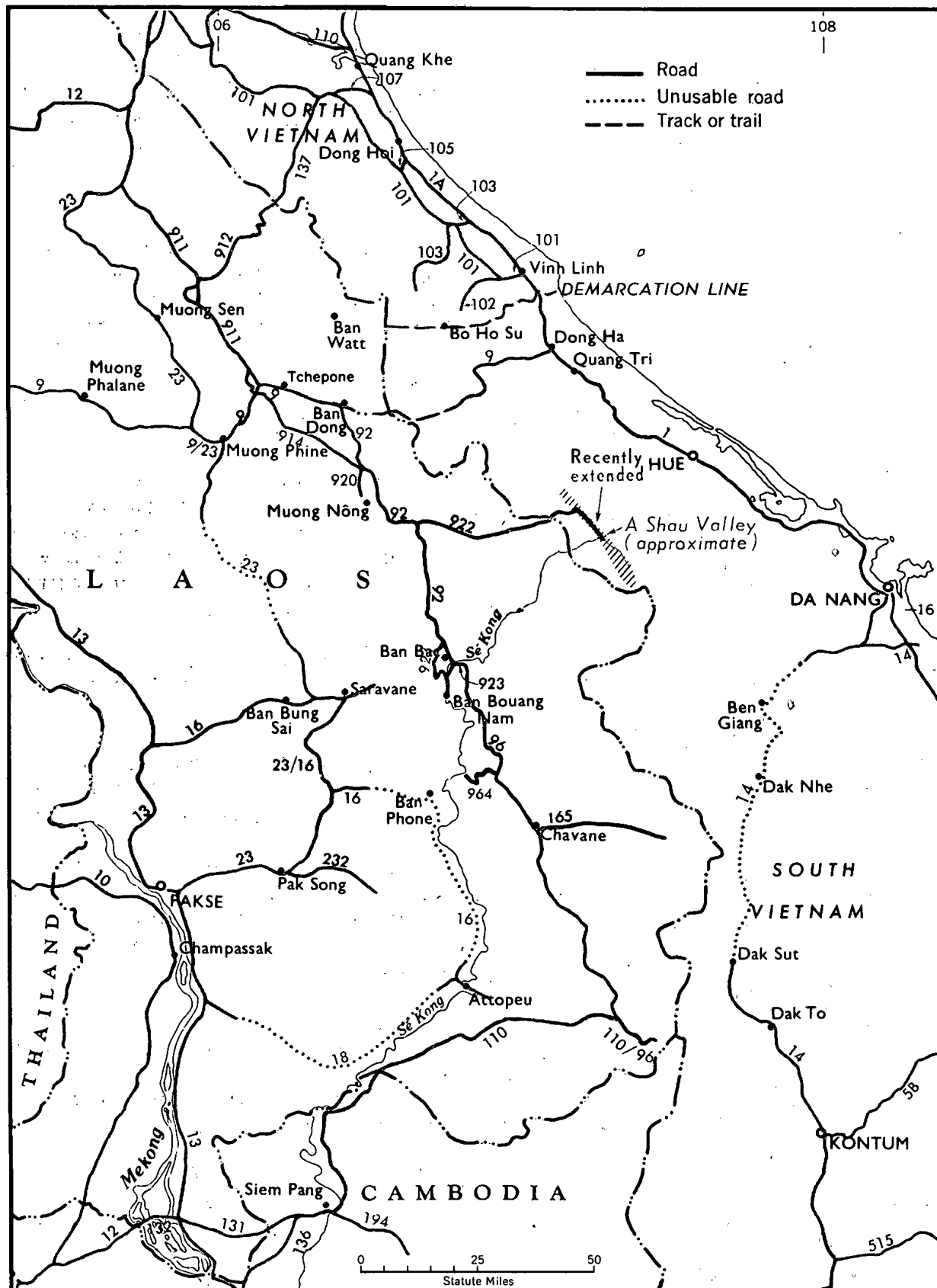
The President's Daily Brief

~~Top Secret~~ 25 March 1967



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LAOS PANHANDLE



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DAILY BRIEF
25 MARCH 1967

1. Vietnam

The Communists are working all out to extend Route 922 from the Laotian panhandle into the A Shau Valley area of South Vietnam.

Recent photography shows construction activity--including river crossings--reaching nearly 15 miles into South Vietnam. All this has been done since 1 February. Friendly guerrillas say the Communists are working at night and--apparently in expectation of US air strikes--are building pontoon bridges for alternate river crossings.

The road may soon be ready for truck traffic and eventual establishment of the Communists' first truckhead inside South Vietnam. Up to now supplies have been brought in by porters from road terminals in Laos.

The road may also be used to bring artillery weapons into South Vietnam.

2. South Vietnam

The US Embassy in Saigon is uneasy over indications of considerable military opposition to some aspects of the new constitution. It expects the Armed Forces Council to give final approval when it meets on 27 March, but fears the strong reservations of some top officers could lead them to drag their feet in putting the new constitution into force.

The embassy also believes disagreement over the constitution may add to the strains on military unity caused by the competing presidential ambitions of General Thieu and Premier Ky.

3. Communist China

Peking is pushing ahead with efforts to rebuild battered municipal and provincial administrations. Twice this week Chou En-lai has hammered home to mass organizations the urgent need to form a "Revolutionary Committee" to run Peking.

The north-central province of Shansi has already set up such a committee. It seems to have streamlined the local government apparatus and to be taking over some of the provincial party organization's functions. A senior army political commissar may be the real power.

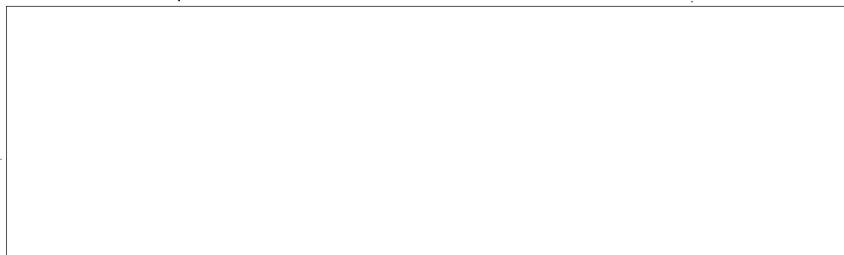
4. Burma

A decline in rice exports--which normally account for 70 percent of Burma's foreign exchange receipts--is one of the toughest problems facing General Ne Win. Shipments have gone down from a post-war peak in the late 1950's of about 2 million tons to an expected 7-800,000 this year.

Production has fallen off some, but the real difficulty is in getting the rice to Rangoon for export. The pitifully low price paid for rice by the government monopoly is forcing many farmers to channel most of their crop into the black market.

Ne Win is trying to do something about the problem, but he finds it hard to admit the failure of government-operated marketing facilities. He is also hampered by a dispirited bureaucracy overloaded with zealous but inept military types.

5. Soviet Union



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6. Venezuela

President Leoni and company are busily developing their case against Castro for supporting Latin American subversion.

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In the meantime, the Venezuelans claim some success in bilateral contacts with neighbors. Even Mexico is said to be coming around to the idea that a policy of nonintervention also requires opposition to Cuba's meddling in other countries.

7. Colombia

Colombia is coming in for its share of trouble from two brands of Communist guerrillas, those following Castro and those under control of the local Communist Party. There have been four attacks this month, the most recent being the ambush of an army patrol on 22 March.

The Colombian Army has had a lot of experience dealing with bandit groups, and the Communists have yet to show they can keep up a sustained campaign.

However, President Lleras' political opponents are citing the attacks as another reason why Congress should not let him go to the summit meeting. They claim he should stay at home at a time when the government is "at war with subversives." For his part, Lleras has been spurred by the guerrilla attacks to support Venezuela's diplomatic moves against Castro.

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8. France

The French see last Sunday's referendum in French Somaliland as a mandate to stay, but they have serious doubts about how long. If the going gets too rough, Paris will probably bow out as quickly and gracefully as possible.

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